

City of Ennis, Texas

Annual Comprehensive Financial Report

For the Year Ended
September 30, 2025



Contents

Introductory Section (Unaudited)

Letter of Transmittal	i
GFOA Certificate of Achievement	v
Organization Chart	vii
Principal Officers	ix

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis (Unaudited)	5

Basic Financial Statements

Government-wide Financial Statements:	
Statement of Net Position	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet - Governmental Funds to the Government-wide Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities.	22
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	23
Statement of Net Position – Proprietary Funds.	25
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	27
Statement of Cash Flows – Proprietary Funds	28
Notes to the Financial Statements	30

Contents (Continued)

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios	66
Schedule of Contributions	68
Schedule of Changes in Total OPEB Liability and Related Ratios	70

Combining and Individual Fund Financial Statements and Schedules

Combining Balance Sheet – Nonmajor Governmental Funds	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	74
Combining Balance Sheet – Nonmajor Special Revenue Funds	75
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	78
Combining Balance Sheet – Nonmajor Capital Projects Funds	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	82
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund.	86
Statement of Net Position – Nonmajor Proprietary Funds	90
Statement of Revenues, Expenditures, and Changes in Net Position – Nonmajor Proprietary Funds	91
Statement of Cash Flows – Nonmajor Proprietary Funds	92
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Utility	93
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Sanitation	94
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Airport	95
Statement of Net Position – Internal Service Funds	98
Statement of Revenues, Expenditures, and Changes in Net Position – Internal Service Funds	99
Statement of Cash Flows – Internal Service Funds.	100

Contents (Continued)

Statistical Section (Unaudited)

Net Position by Component	105
Changes in Net Position	107
Fund Balances – Governmental Funds	111
Changes in Fund Balances – Governmental Funds	113
Appraised Value of Property.	115
Direct and Overlapping Property Tax Rates – All Governments	116
Principal Property Taxpayers	117
Property Tax Levies and Collections	118
Legal Debt Margin Information	119
Ratios of Outstanding Debt by Type	120
Direct and Overlapping Governmental Activities Debt	122
Ratios of Net General Bonded Debt to Assessed Value and Net Value Bonded Debt Per Capita	123
Pledged Revenue Coverage.	124
Demographic and Economic Statistics	125
Principal Employers	126
Full-Time Equivalents /City Government Employees by Function/Program	127
Operating Indicators by Function/Program	128
Capital Asset Statistics by Function/Program	130

This Page Intentionally Left Blank



P.O. Box 220 • Ennis, Texas 75120 • (972) 878-1234 • FAX (972) 875-9086
www.ennistx.gov

March 27, 2026

To the Honorable Mayor, Members of the City Commission, and Citizens of the City of Ennis, Texas:

State and Federal regulations require that local governments publish a complete set of audited financial statements within six months of each fiscal year's close. This Annual Comprehensive Financial Report (ACFR) for the City of Ennis (City) is published to fulfill those requirements for the fiscal year ended September 30, 2025. Management assumes full responsibility for the completeness and reliability of the information in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Forvis Mazars, LLP, Certified Public Accountants, has issued unmodified ("clean") opinions on the City of Ennis' financial statements for the year ended September 30, 2025. The independent auditors' report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF ENNIS

The City, incorporated in 1872, is located 30 miles south of Dallas in Ellis County. The City has a land area of 28.06 square miles and a population of approximately 23,686, as estimated by the United States Census Bureau. The City has operated under the Commission-Manager form of government since 1956. Policy-making and legislative authority are vested in a governing body (City Commission) consisting of the mayor and six commission members, all elected through popular vote. Commission members serve three-year terms, with five of the commissioners elected by single-member ward and the mayor and mayor pro-tem elected at large. Terms of the commission members are staggered so that an election is held every year.

The City provides a full range of services. These include public safety (police and fire), municipal court, sanitation, parks, library, public works, and general administrative services. In addition, the City owns and operates a water distribution system, wastewater collection system, and an airport.



P.O. Box 220 • Ennis, Texas 75120 • (972) 878-1234 • FAX (972) 875-9086
www.ennistx.gov

The City Commission is required to adopt an initial budget for the fiscal year during September of each year for the new budget year, beginning on October 1. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department. The City Manager is authorized by ordinance to make intra-departmental and inter-departmental fund transfers within a fund as becomes necessary to avoid over-expenditure of a particular account or department. The City Charter authorizes the City Commission may amend the budget in the same manner in which it was approved.

LOCAL ECONOMY

The City has always shared the good fortune of proximity to the Dallas-Fort Worth Metroplex (DFW) and its location at the convergence of significant transportation routes. At the same time, far enough away to enjoy lower business operating and living costs. Ennis is strategically located at the intersection of Interstate 45 and State highway 287. Traffic from DFW traverse these highways to Houston, 205 miles to the South. Ennis started as a railway hub, and rail transportation continues to be a major asset to the City's economy. From Ennis, rail access extends in all four cardinal directions and accentuates the City's attractiveness to business dependent upon multiple forms of transportation.

Ennis is home to 650 businesses employing more than 8,500 people. There is a diverse industrial base including information technology, manufacturers, processors, and distribution centers. The manufacturing facilities produce and distribute plastics, electronic components, bedding and furniture, structural steel, roofing and siding, traffic solutions, and drilling/pipeline products. Other businesses located within the City's boundaries include a regional medical center, financial institutions, Texas Motorplex, Bardwell Lake, Sugar Ridge Winery, retail stores, and restaurants.

Due to the strong local economy, the City has a tax bond credit rating of AA- from Standard & Poor's.

The City is experiencing a period of significant growth and investment. New development and re-development throughout the downtown and surrounding areas have allowed Ennis to become a hub for the region. This development, combined with retail and service industries, the presence of recreational, educational, and health facilities, has even further strengthened the City's already strong economic base.



P.O. Box 220 • Ennis, Texas 75120 • (972) 878-1234 • FAX (972) 875-9086
www.ennistx.gov

LONG-TERM FINANCIAL PLANNING

In 2015, the City began formulating a comprehensive plan to establish a direction for the foreseeable future. Community input has been considerable and has provided significant insight into a collective view for quality of life, economic development, and sustainability. Visible progress on the Downtown Master Plan is already paying dividends in terms of occupancy and business activity. In addition, the process has begun to develop a new Future Land Use Plan that will help guide the City through future growth and development efforts while preserving the City's historic charm. It will also address the remaining undeveloped land, future redevelopment, and infill development opportunities.

Building on prior year successes, City staff is formulating financial-planning models to support the long-term efforts. Each possible program addition or change is analyzed in terms of the impact over a five-year window as a part of the decision-making process. The models also enable the City to make assumptions about the future debt capacity of the operational funds. The ability to determine current resources and future debt proceeds will enable the City to move forward with a new Capital Improvement Program, which have and may continue to be funded through the issuance of long-term debt instead of being funded via appropriations in the operating budget.

In closing, this report's preparation could not be accomplished on a timely basis without the Finance Staff and the independent auditors' efficient and dedicated endeavors. We want to express our sincere appreciation to all employees who contributed to the preparation. We would also like to thank the Mayor and City Commission for their continued support in planning and conducting the City's financial operations responsibly and progressively.

Respectfully submitted,

Andrea Weckmueller Behringer
City Manager

Stanley Muli
Director of Finance

This Page Intentionally Left Blank



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ennis
Texas**

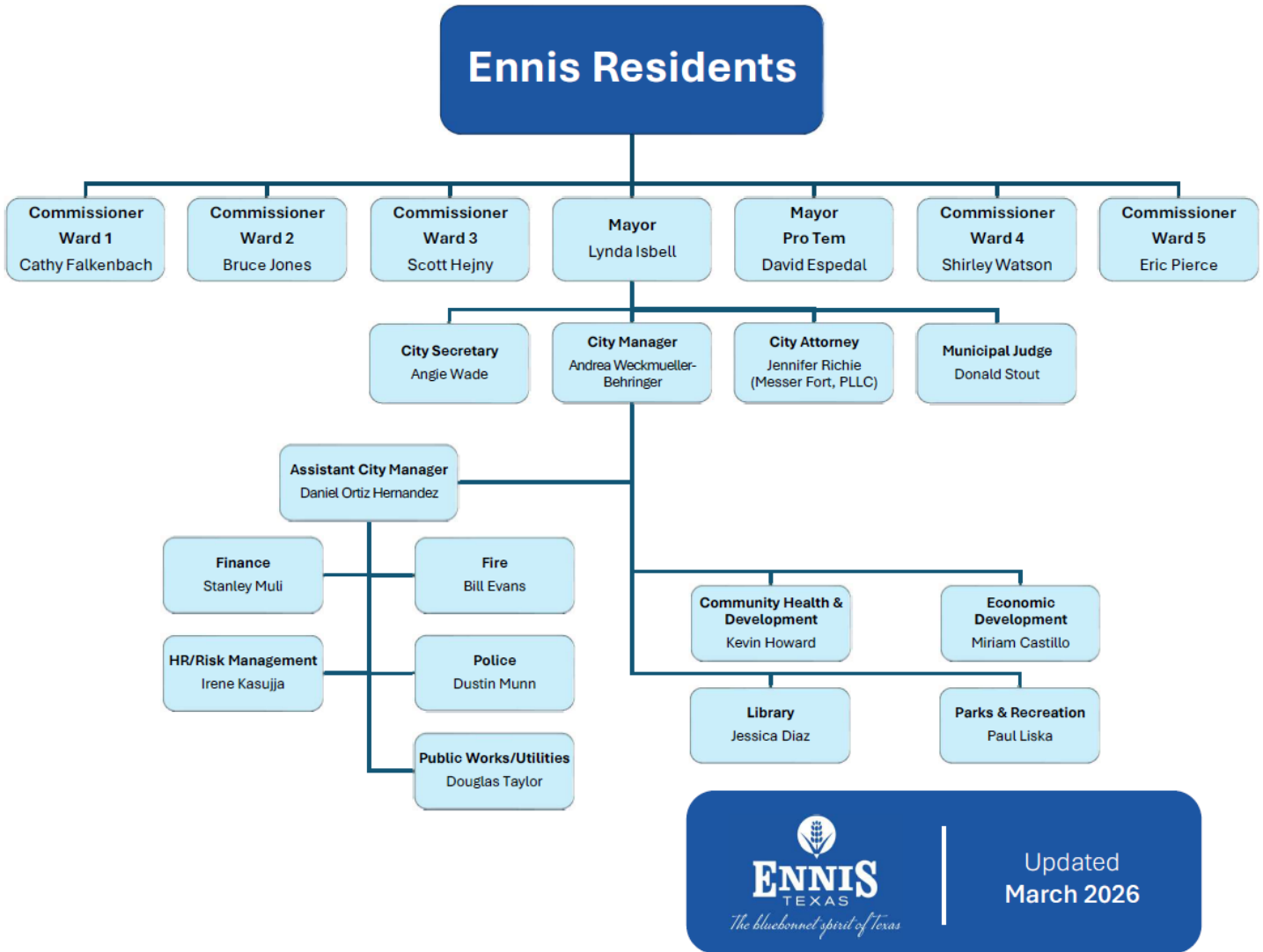
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

This Page Intentionally Left Blank



ENNIS
 TEXAS
The bluebonnet spirit of Texas

Updated
 March 2026

This Page Intentionally Left Blank

City of Ennis, Texas
List of Elected Officials, Administrators, and Consultants
September 30, 2025

Mayor (at large)	Kameron Raburn
Mayor Pro Tem (at large)	Lynda Isbell
Commissioner – Ward 1	Cathy Falkenbach
Commissioner – Ward 2	Bruce Jones
Commissioner – Ward 3	Scott Hejny
Commissioner – Ward 4	Shirley Watson
Commissioner – Ward 5	Eric Pierce

Administration

City Manager	Andrea Weckmueller-Behringer
City Secretary	Angie Wade
Police Chief	Dustin Munn
Fire Chief	Bill Evans
Finance Director	Stanley Muli
Community Engagement Director	Ashley Colunga
Economic Development Director	Joe Newman
Ennis CARES Coordinator	Christen Rudd
Health Director	Kevin Howard
Library Director	Jessica Diaz
Planning & Development Director	Mark Richardson
Parks & Recreation Director	Paul Liska
Director of Public Works	Ed Green
City Attorney	Messer Fort, LLC
Auditors	Forvis Mazars, LLP

This Page Intentionally Left Blank

Financial Section

This Page Intentionally Left Blank

Independent Auditor's Report

Honorable Mayor and City Commissioners
City of Ennis, Texas

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Ennis, Texas (City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund 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). 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 12 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information 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 individual fund financial statements and schedules 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. 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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. 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.

Forvis Mazars, LLP

**Dallas, Texas
March 27, 2026**

This Page Intentionally Left Blank

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

As management of the City of Ennis, Texas (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$133,685,065 (*net position*). Of this amount, \$12,190,859 represents 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 \$4,036,032.
- As of the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$81,408,192, an increase of \$2,282,692 in comparison with the prior year, the increase was primarily related to bond proceeds related to the 2024 bond issuance in the General Capital Projects fund. Approximately 12 percent of this amount \$9,575,835 is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$9,575,835, or approximately 31 percent of the total general fund expenditures.

Overview of the Financial Statements

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

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

The *statement of net position* presents financial information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, streets, health, equipment services, cultural and recreational, hospital, and public works. The business-type activities of the City include water, sewer, sanitation, and airport operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate economic development corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. Complete financial statements for the component unit are available from the City Finance Director upon request.

The government-wide financial statements can be found on pages 16-18 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twenty-six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, QIPP Fund, General Capital Projects Fund, and the Debt Service Fund, which are considered to be major funds. Data from the other twenty-three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

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

The basic governmental fund financial statements can be found on pages 19-22 of this report.

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

Proprietary Funds. The City maintains two types of proprietary funds. The *enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses the enterprise funds to account for its water and sewer, sanitation, and airport operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for the management of its self-insurance. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

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 Utility fund, which is considered to be a major fund of the City. Data from the other two enterprise funds are combined into a single aggregated presentation. Data for the internal service fund is also presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 25-29 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-67 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's progress in funding its obligations to provide pension and supplemental death benefits to its employees. Required supplementary information can be found on pages 68-70 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 73-92 of this report.

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$133,685,065, at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 55,666,571	\$ 95,119,699	\$ 34,526,394	\$ 36,915,827	\$ 90,192,965	\$ 132,035,526
Capital assets	110,079,134	109,159,950	61,390,960	63,454,228	171,470,094	172,614,178
Total assets	165,745,705	204,279,649	95,917,354	100,370,055	261,663,059	304,649,704
Total deferred outflows of resources	4,082,944	6,147,145	996,246	1,506,985	5,079,190	7,654,130
Long term liabilities	106,903,308	114,754,469	48,418,985	50,924,434	155,322,293	165,678,903
Other liabilities	4,343,608	13,088,368	2,134,515	2,911,888	6,478,123	16,000,256
Total liabilities	111,246,916	127,842,837	50,553,500	53,836,322	161,800,416	181,679,159
Total deferred inflows of resources	1,349,143	821,800	270,626	153,842	1,619,769	975,642
Net position						
Net investment in capital assets	41,746,958	39,784,516	37,847,463	40,849,509	79,594,421	80,634,025
Restricted	41,899,785	17,645,852	-	-	41,899,785	17,645,852
Unrestricted	3,948,848	13,765,382	8,242,011	7,037,367	12,190,859	20,802,749
Total net position	\$ 87,595,591	\$ 71,195,750	\$ 46,089,474	\$ 47,886,876	\$ 133,685,065	\$ 119,082,626

By far, the largest portion of the City's net position (59.54 percent) reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, infrastructure, and water rights), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (31.34 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$12,190,859 is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

The City's total net investment in capital assets decreased as depreciation and retirements exceeded capital outlay and work-in-progress for business-type activities.

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

The City's overall net position increased \$4,036,032 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	\$ 297,634,758	\$ 290,960,776	\$ 19,862,065	\$ 17,117,084	\$ 317,496,823	\$ 308,077,860
Operating grants and contributions	377,689	669,849	-	-	377,689	669,849
Capital grants and contributions	59,175	116,735	-	-	59,175	116,735
General revenues						
Property taxes	24,223,703	21,749,260	-	-	24,223,703	21,749,260
Sales taxes	9,092,045	8,859,487	-	-	9,092,045	8,859,487
Franchise taxes	2,040,063	1,835,527	-	-	2,040,063	1,835,527
Hotel occupancy taxes	570,239	563,322	-	-	570,239	563,322
Alcoholic beverage taxes	83,022	96,394	-	-	83,022	96,394
Grants and contributions not restricted to specific programs	-	-	-	2,000,000	-	2,000,000
Investment earnings	845,696	805,548	423,271	350,167	1,268,967	1,155,715
Gain on sale of capital assets	-	-	-	-	-	-
Miscellaneous	525,287	946,829	456,650	157,540	981,937	1,104,369
Total revenues	335,451,677	326,603,727	20,741,986	19,624,791	356,193,663	346,228,518
Expenses						
General government	10,732,888	9,330,506	-	-	10,732,888	9,330,506
Public safety	17,487,213	16,525,098	-	-	17,487,213	16,525,098
Streets	4,132,652	3,833,732	-	-	4,132,652	3,833,732
Health	291,800,917	280,414,219	-	-	291,800,917	280,414,219
Equipment services	410,242	385,540	-	-	410,242	385,540
Cultural and recreational	2,710,347	2,791,630	-	-	2,710,347	2,791,630
Airport	-	-	148,778	323,229	148,778	323,229
Hospital	688,364	694,423	-	-	688,364	694,423
Public works	880,254	1,043,676	-	-	880,254	1,043,676
Interest on long-term debt	3,863,978	3,559,997	-	-	3,863,978	3,559,997
Utility	-	-	17,444,449	15,164,416	17,444,449	15,164,416
Sanitation	-	-	1,857,549	1,813,635	1,857,549	1,813,635
Total expenses	332,706,855	318,578,821	19,450,776	17,301,280	352,157,631	335,880,101
Change in net position before transfers	2,744,822	8,024,906	1,291,210	2,323,511	4,036,032	10,348,417
Transfers	3,088,612	2,541,501	(3,088,612)	(2,541,501)	-	-
Change in net position	5,833,434	10,566,407	(1,797,402)	(217,990)	4,036,032	10,348,417
Net Position – Beginning	81,762,157	71,195,750	47,886,876	48,104,866	129,649,033	119,300,616
Net Position –Ending	\$ 87,595,591	\$ 81,762,157	\$ 46,089,474	\$ 47,886,876	\$ 133,685,065	\$ 129,649,033

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$5,833,434 from the prior fiscal year for an ending balance of \$87,595,591. This increase is due primarily to an increase in property tax revenue driven by higher property assessed values in fiscal year 2025, an increase in charges for services related to QIPP revenue, as well as a decrease in capital outlay during fiscal year 2025.

Business-type Activities. For the City's business-type activities, the results for the current fiscal year resulted in a decrease in net position to an ending balance of \$46,089,474. The total decrease in net position for business-type activities (utility, sanitation, and airport operations) was \$1,797,402 or .45 percent from the prior fiscal year. Revenues from charges for services rose \$2,744,981, or 16 percent due to continued growth in residential and commercial development and a budgeted wastewater rate increase. Total expenses before transfers increased \$2,149,496 in fiscal year 2025 due to maintaining an aging infrastructure and rising personnel expenses.

Financial Analysis of Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City'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 financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Commissioners.

At September 30, 2025, the City's governmental funds reported combined fund balances of \$81,408,192, an increase of \$2,282,692 in comparison with the prior year. Approximately 12 percent of this amount (\$9,575,835) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable or restricted to indicate that it is: 1) not in spendable form (\$122,569), 2) legally required to be maintained intact (\$28,966), or 3) restricted for particular purposes (\$71,680,822).

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,575,835, while total fund balance increased to \$9,698,404. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 30.53 percent of total general fund expenditures, while total fund balance represents approximately 30.92 percent of that same amount.

The fund balance of the City's general fund increased by \$664,382 during the current fiscal year. Revenues increased by \$113,873 (0.47 percent) above the previous year primarily due to an increase in licenses and permits and franchise taxes offset by a decrease in property taxes. General fund expenditures increased \$919,713 primarily related to an increase in personnel expenditures in 2025.

The QIPP fund, a major governmental fund, has a \$3,597,665 increase in fund balance during the current fiscal year which increased total fund balance to \$28,494,120. The increase in revenue is primarily related to an increase in reimbursement revenue for the program during 2025.

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

The general capital projects fund, a major governmental fund, has a \$6,800,632 decrease in fund balance during the current fiscal year. The decrease was primarily related to the bond proceeds related to the previous fiscal year's bond issuance.

The debt service fund, a major fund, had an increase in fund balance during the current year of \$419,451 to bring the year-end fund balance to \$1,287,013. The increase was primarily related to increased property tax collections and principal paid on bonds during the year.

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

Unrestricted net position of the Utility and Nonmajor Enterprise funds at the end of the year amounts to \$8,291,047 and \$89,880. Net position decreased in 2025 by \$999,610 in the Utility fund and decreased by \$164,201 in the Nonmajor Enterprise funds. For the Utility fund, operating revenues increased in 2025 by \$2,950,441 (20.7 percent) due to continued growth in residential and commercial development and a budgeted wastewater rate increase. Operating expenses increased \$1,490,704 (11.6 percent) primarily due to the increased cost of personnel. For the Nonmajor Enterprise funds, operating revenues increased in 2025 by \$118,129 (5.8 percent). Operating expenses increased by \$130,538 (6.1 percent).

General Fund Budgetary Highlights

Final Budget Compared to Actual Results. General fund actual revenues of \$24,338,751 exceeded budgeted revenues of \$23,526,508 by \$812,243. Following are the main components that experienced an increase of actual revenue compared to budgeted revenue:

- Property tax revenue exceeded budgeted revenue by a combined \$468,156 due to conservative budgeting, continued growth within the City, inflation spikes increasing the prices of goods and services, and continued economic growth in the commercial sector.
- Budgeted sales tax revenue exceeded actual revenue by a combined \$405,059 due to inflation spikes decreasing consumption for goods and services, resulting in less taxable sales.

Actual general fund expenditures of \$31,367,375 were less than budgeted expenditures of \$31,457,779. This \$90,404 variance in expenditures is due to streets and nondepartmental budgeted expenditure amounts exceeding actual expenditures.

Capital and Lease Assets and Debt Administration

Capital and Lease Assets. The City's investment in capital and lease assets for its governmental and business-type activities as of September 30, 2025, amounts to \$171,470,094 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, infrastructure, and water rights. The total increase in capital assets for the current fiscal year was approximately 6 percent.

City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025

Capital and Lease Assets
(Net of Depreciation and Amortization)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 6,564,209	\$ 6,564,209	\$ 1,088,290	\$ 1,088,290	\$ 7,652,499	\$ 7,652,499
Construction in progress	10,384,448	7,339,405	5,417,263	6,894,882	15,801,711	14,234,287
Buildings	39,581,339	41,105,537	2,307,772	2,489,468	41,889,111	43,595,005
Lease buildings	646	9,615	-	-	646	9,615
Improvements	7,264,648	8,402,555	51,284,786	51,204,692	58,549,434	59,607,247
Machinery and equipment	5,081,231	3,582,794	1,061,256	1,461,429	6,142,487	5,044,223
Infrastructure	40,736,545	41,749,505	-	-	40,736,545	41,749,505
Lease vehicles	466,068	406,330	31,221	81,701	497,289	488,031
Water rights	-	-	200,372	233,766	200,372	233,766
Total	\$ 110,079,134	\$ 109,159,950	\$ 61,390,960	\$ 63,454,228	\$ 171,470,094	\$ 172,614,178

Major capital asset events during the current fiscal year included the following:

- Governmental machinery and equipment additions of approximately \$3,269,769 primarily consisting of purchased ladder equipment and various capital assets within the fire department.
- Business-type improvements increased by \$80,094 as major water/wastewater infrastructure projects were completed and placed into service during 2025.

Additional information on the City's capital assets can be found in *Note 2* on pages 43-44 of this report.

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$122,434,000, which is backed by the full faith and credit of the government. The remainder of the City's long-term obligations comprises development agreement payable and leases.

Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Certificates of obligation	\$ 79,089,000	\$ 82,701,500	\$ 42,985,000	\$ 44,692,500	\$ 122,074,000	\$ 127,394,000
General obligations	360,000	1,600,000	-	-	360,000	1,600,000
Lease liability	811,304	710,479	108,291	161,287	919,595	871,766
Development agreement payable	11,941,803	12,486,786	-	-	11,941,803	12,486,786
Total	\$ 92,202,107	\$ 97,498,765	\$ 43,093,291	\$ 44,853,787	\$ 135,295,398	\$ 142,352,552

**City of Ennis, Texas
Management's Discussion and Analysis (Unaudited)
For the Year Ended September 30, 2025**

The City's total debt decreased by \$(7,057,154) (27.11 percent) during the current fiscal year as principal on bonds was paid.

The City's General Obligation and Combination Tax and Revenue Certificates of Obligation ratings are listed below.

Standard's & Poor's

General Obligation Bonds	AA-
Certificates of Obligation	AA

Additional information on the City's long term-debt can be found in *Note 2* on pages 48-52 of this report.

Economic Factors and Next Year's Budget Rates

The City of Ennis has experienced consistent growth in both population and commercial activity, leading to an increased budget aimed at supporting the expanded services required for a growing community. Additionally, the budget has been adjusted to address the ongoing need for the maintenance and replacement of aging water and sewer infrastructure. In 2025, the City issued 1,081 building permits, with the number of new single-family homes projected to continue in the near future.

This growth in development has also spurred new commercial and industrial opportunities within Ennis. Many of these developments serve the broader Dallas-Fort Worth Metroplex, benefiting from Ennis's strategic proximity to the City of Dallas. As a result, more job opportunities have been created for residents. These developments, along with other factors, have contributed to year-over-year increases in property tax and sales tax revenues.

The expenditure budget is designed to sustain the current level of services across departments while also facilitating capital investments that enhance recreational opportunities and overall quality of life for both residents and visitors

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 107 N Sherman Street, Ennis, Texas 75120.

Basic Financial Statements

This Page Intentionally Left Blank

City of Ennis, Texas
Statement of Net Position
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Ennis Economic Development Corporation
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 46,738,045	\$ 9,641,478	\$ 56,379,523	\$ 8,093,914
Receivables (net of allowance for uncollectibles)	3,158,074	2,182,698	5,340,772	540,600
Lease receivable	189,291	-	189,291	-
Intergovernmental receivables	5,205,808	-	5,205,808	-
Internal balances	252,784	(252,784)	-	-
Inventories	122,569	170,103	292,672	-
Restricted cash and cash equivalents	30,363,001	22,784,899	53,147,900	-
Capital and lease assets				
Non-depreciable	16,948,657	6,505,553	23,454,210	3,490,715
Depreciable (net of accumulated depreciation/amortization)	93,130,477	54,885,407	148,015,884	3,979,341
Total assets	196,108,706	95,917,354	292,026,060	16,104,570
Deferred Outflows of Resources				
Deferred charges on refunding	15,088	-	15,088	17,538
Deferred outflows of resources related to pension	3,946,309	987,751	4,934,060	-
Deferred outflows of resources related to OPEB	121,547	8,495	130,042	-
Total deferred outflows of resources	4,082,944	996,246	5,079,190	17,538
Total assets and deferred outflows of resources	\$ 200,191,650	\$ 96,913,600	\$ 297,105,250	\$ 16,122,108
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable and other current liabilities	\$ 2,659,237	\$ 593,409	\$ 3,252,646	\$ 18,783
Accrued payroll payable	1,171,228	462,934	1,634,162	-
Accrued interest payable	513,143	292,686	805,829	6,182
Customer deposits payable	-	785,486	785,486	-
Noncurrent liabilities:				
Due within one year	5,293,201	2,374,919	7,668,120	180,080
Due in more than one year	101,610,107	46,044,066	147,654,173	4,720,164
Total liabilities	111,246,916	50,553,500	161,800,416	4,925,209
Deferred Inflows of Resources				
Deferred inflows of resources related to pension	964,871	233,825	1,198,696	-
Deferred inflows of resources related to OPEB	222,833	36,801	259,634	-
Deferred inflows of resources related to leases	161,439	-	161,439	-
Total deferred inflows of resources	1,349,143	270,626	1,619,769	-
Net Position				
Net investment in capital assets	41,746,958	37,847,463	79,594,421	2,587,350
Restricted for:				
Capital projects	6,589,123	-	6,589,123	-
Cultural and recreational	1,272,449	-	1,272,449	-
Debt service	1,287,013	-	1,287,013	-
Economic development	-	-	-	8,609,549
Public safety	240,963	-	240,963	-
Streets	3,260,524	-	3,260,524	-
Tourism	755,593	-	755,593	-
Health	28,494,120	-	28,494,120	-
Unrestricted	3,948,848	8,242,011	12,190,859	-
Total net position	87,595,591	46,089,474	133,685,065	11,196,899
Total liabilities, deferred inflows of resources and net position	\$ 200,191,650	\$ 96,913,600	\$ 297,105,250	\$ 16,122,108

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

City of Ennis, Texas
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 10,732,888	\$ 417,162	\$ 129,545	\$ -
Public safety	17,487,213	714,631	248,144	6,055
Streets	4,132,652	-	-	-
Health	291,800,917	296,418,617	-	-
Equipment services	410,242	-	-	-
Cultural and recreational	2,710,347	84,348	-	53,120
Hospital	688,364	-	-	-
Public works	880,254	-	-	-
Interest	3,863,978	-	-	-
Total governmental activities	<u>332,706,855</u>	<u>297,634,758</u>	<u>377,689</u>	<u>59,175</u>
Business-type Activities				
Utility	17,444,449	17,707,999	-	-
Sanitation	1,857,549	1,993,196	-	-
Airport	148,778	160,870	-	-
Total business-type activities	<u>19,450,776</u>	<u>19,862,065</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 352,157,631</u>	<u>\$ 317,496,823</u>	<u>\$ 377,689</u>	<u>\$ 59,175</u>
Component Unit				
Ennis Economic Development Corporation	2,405,493	-	-	-
Total component unit	<u>\$ 2,405,493</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues				
Property taxes				
Sales taxes				
Franchise taxes				
Hotel occupancy taxes				
Alcoholic beverage taxes				
Investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Ennis Economic Development Corporation
\$ (10,186,181)	\$ -	\$ (10,186,181)	\$ -
(16,518,383)	-	(16,518,383)	-
(4,132,652)	-	(4,132,652)	-
4,617,700	-	4,617,700	-
(410,242)	-	(410,242)	-
(2,572,879)	-	(2,572,879)	-
(688,364)	-	(688,364)	-
(880,254)	-	(880,254)	-
(3,863,978)	-	(3,863,978)	-
<u>(34,635,233)</u>	<u>-</u>	<u>(34,635,233)</u>	<u>-</u>
-	263,550	263,550	-
-	135,647	135,647	-
-	12,092	12,092	-
<u>-</u>	<u>411,289</u>	<u>411,289</u>	<u>-</u>
<u>\$ (34,635,233)</u>	<u>\$ 411,289</u>	<u>\$ (34,223,944)</u>	<u>\$ -</u>
-	-	-	(2,405,493)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,405,493)</u>
24,223,703	-	24,223,703	-
9,092,045	-	9,092,045	3,030,681
2,040,063	-	2,040,063	-
570,239	-	570,239	-
83,022	-	83,022	-
845,696	423,271	1,268,967	281,304
525,287	456,650	981,937	107,495
3,088,612	(3,088,612)	-	-
<u>40,468,667</u>	<u>(2,208,691)</u>	<u>38,259,976</u>	<u>3,419,480</u>
5,833,434	(1,797,402)	4,036,032	1,013,987
<u>81,762,157</u>	<u>47,886,876</u>	<u>129,649,033</u>	<u>10,182,912</u>
<u>\$ 87,595,591</u>	<u>\$ 46,089,474</u>	<u>\$ 133,685,065</u>	<u>\$ 11,196,899</u>

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

**City of Ennis, Texas
Balance Sheet
Governmental Funds
September 30, 2025**

	General	QIPP	General Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 9,518,479	\$ 24,318,967	\$ 30,354,323	\$ 1,271,861	\$ 11,411,218	\$ 76,874,848
Receivables, net	2,365,542	-	-	141,166	651,366	3,158,074
Lease receivable	189,291	-	-	-	-	189,291
Intergovernmental receivables	-	5,205,808	-	-	-	5,205,808
Due from other funds	662,293	-	-	-	-	662,293
Inventories	122,569	-	-	-	-	122,569
Total assets	<u>\$ 12,858,174</u>	<u>\$ 29,524,775</u>	<u>\$ 30,354,323</u>	<u>\$ 1,413,027</u>	<u>\$ 12,062,584</u>	<u>\$ 86,212,883</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 1,308,052	\$ 1,030,655	\$ 286,643	\$ -	\$ 33,887	\$ 2,659,237
Accrued payroll payable	1,295,817	-	-	-	9,811	1,305,628
Due to other funds	17,211	-	-	-	148,040	165,251
Total liabilities	<u>2,621,080</u>	<u>1,030,655</u>	<u>286,643</u>	<u>-</u>	<u>191,738</u>	<u>4,130,116</u>
Deferred Inflows of Resources						
Unavailable revenue - property taxes	191,333	-	-	126,014	9,871	327,218
Unavailable revenue - court	141,032	-	-	-	-	141,032
Unavailable revenue - other	44,886	-	-	-	-	44,886
Lease related	161,439	-	-	-	-	161,439
Total deferred inflows of resources	<u>538,690</u>	<u>-</u>	<u>-</u>	<u>126,014</u>	<u>9,871</u>	<u>674,575</u>
Fund Balances						
Nonspendable						
Endowment	-	-	-	-	28,966	28,966
Inventories	122,569	-	-	-	-	122,569
Restricted						
Capital projects	-	-	30,067,680	-	6,302,480	36,370,160
Cultural and recreational	-	-	-	-	1,272,449	1,272,449
Debt service	-	-	-	1,287,013	-	1,287,013
Public safety	-	-	-	-	240,963	240,963
Streets	-	-	-	-	3,260,524	3,260,524
Tourism	-	-	-	-	755,593	755,593
Health	-	28,494,120	-	-	-	28,494,120
Unassigned	9,575,835	-	-	-	-	9,575,835
Total fund balances	<u>9,698,404</u>	<u>28,494,120</u>	<u>30,067,680</u>	<u>1,287,013</u>	<u>11,860,975</u>	<u>81,408,192</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,858,174</u>	<u>\$ 29,524,775</u>	<u>\$ 30,354,323</u>	<u>\$ 1,413,027</u>	<u>\$ 12,062,584</u>	<u>\$ 86,212,883</u>

City of Ennis, Texas
Reconciliation of the Balance Sheet - Governmental Funds to the
Government-Wide Statement of Net Position
September 30, 2025

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

Total fund balances - governmental funds		\$ 81,408,192
Capital and lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		110,079,134
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		513,136
Deferred outflows of resources related to deferred charges on refundings, pension and OPEB are not reported in the governmental funds:		
Deferred charges on refunding	15,088	
Deferred outflows of resources related to pension	3,946,309	
Deferred outflows of resources related to OPEB	<u>121,547</u>	4,082,944
Internal service funds are used by management to charge the cost of self-insurance and fleet maintenance to individual funds. A portion of the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		(555,660)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable on long-term debt is not reported as a liability in the governmental funds balance sheet.		(513,143)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Due within one year	(5,293,201)	
Due in more than one year	<u>(100,938,107)</u>	(106,231,308)
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds:		
Deferred inflows of resources related to pension	(964,871)	
Deferred inflows of resources related to OPEB	<u>(222,833)</u>	<u>(1,187,704)</u>
Net position of governmental activities		<u>\$ 87,595,591</u>

City of Ennis, Texas
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

	General	QIPP	General Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 12,917,239	\$ -	\$ -	\$ 7,772,000	\$ 2,565,162	\$ 23,254,401
Developer contributions	-	-	-	-	842,163	842,163
Sales Taxes	6,110,766	-	-	-	2,981,279	9,092,045
Franchise Taxes	2,040,063	-	-	-	-	2,040,063
Hotel occupancy taxes	-	-	-	-	570,239	570,239
Alcoholic beverage taxes	83,022	-	-	-	-	83,022
Fines and forfeitures	345,214	-	-	-	17,126	362,340
Licenses and permits	1,529,013	-	-	-	-	1,529,013
Charges for services	335,896	292,012,683	-	-	-	292,348,579
Investment earnings	290,948	154,159	307,400	28,243	64,946	845,696
Intergovernmental	242,666	-	126,642	-	8,381	377,689
Miscellaneous	443,924	-	-	-	18,487	462,411
Contributions and donations	-	-	40,000	-	19,175	59,175
Total revenues	24,338,751	292,166,842	474,042	7,800,243	7,086,958	331,866,836
Expenditures						
Current						
General government	8,841,640	-	296,137	-	205,447	9,343,224
Public safety	15,867,263	-	-	-	45,285	15,912,548
Streets	1,417,261	-	-	-	414,356	1,831,617
Cultural and recreation	2,067,882	-	-	-	10,261	2,078,143
Public works	748,228	-	-	-	-	748,228
Health and welfare	688,364	286,391,645	-	-	-	287,080,009
Equipment services	377,875	-	-	-	-	377,875
Capital outlay	594,316	-	6,978,537	-	83,887	7,656,740
Debt service						
Principal retirement	161,291	-	-	4,852,500	-	5,013,791
Interest and fiscal charges	603,255	434,531	-	3,229,480	-	4,267,266
Total expenditures	31,367,375	286,826,176	7,274,674	8,081,980	759,236	334,309,441
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,028,624)	5,340,666	(6,800,632)	(281,737)	6,327,722	(2,442,605)
Other Financing Sources (Uses)						
Transfers in	7,968,824	-	-	701,188	-	8,670,012
Transfers out	(537,934)	(1,743,001)	-	-	(1,925,896)	(4,206,831)
Leases issued	262,116	-	-	-	-	262,116
Total other financing sources (uses)	7,693,006	(1,743,001)	-	701,188	(1,925,896)	4,725,297
Net Change in Fund Balances	664,382	3,597,665	(6,800,632)	419,451	4,401,826	2,282,692
Fund Balances, Beginning of Year	9,034,022	24,896,455	36,868,312	867,562	7,459,149	79,125,500
Fund Balances, End of Year	\$ 9,698,404	\$ 28,494,120	\$ 30,067,680	\$ 1,287,013	\$ 11,860,975	\$ 81,408,192

City of Ennis, Texas
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances - Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

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

Net Change in Fund Balances - total governmental funds		\$ 2,282,692
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount of capital outlay recorded as capital and lease assets in the current period.		7,656,740
The net effect of various miscellaneous transactions involving capital assets (i.e., asset retirements/disposals) is a decrease net position.		(223,736)
Depreciation/amortization expense on capital and lease assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation/amortization expense is not reported as an expenditure in governmental funds.		(6,513,819)
The issuance of long-term debt (i.e. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Leases issued	(262,116)	
Principal payments on leases	161,291	
Bond principal retirement	4,852,500	
Amortization of bond premiums/discounts	424,242	
Amortization of deferred charge on refunding	(55,641)	
Development agreement payable retirement	<u>544,983</u>	5,665,259
Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net position, but does not require the use of current financial resources; therefore, accrued interest expense on long-term debt is not reported as expenditures in governmental funds. This represents the change in accrued interest during the current period.		34,687
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the net change during the year for these revenue sources.		(175,127)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Changes in pension liabilities and related deferred outflows and inflows of resources	(355,593)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(3,310)</u>	(358,903)
The internal service funds are used by management to charge the costs of self-insurance and fleet maintenance to individual funds. A portion of the net revenue or expense of the internal service funds is reported with governmental activities.		<u>(2,534,359)</u>
Change in net position of governmental activities		<u>\$ 5,833,434</u>

City of Ennis, Texas
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 12,449,083	\$ 12,449,083	\$ 12,917,239	\$ 468,156
Franchise taxes	2,022,706	2,022,706	2,040,063	17,357
Sales taxes	6,515,825	6,515,825	6,110,766	(405,059)
Alcoholic beverage taxes	90,000	90,000	83,022	(6,978)
Fines and forfeitures	244,359	244,359	345,214	100,855
Licenses and permits	1,551,635	1,551,635	1,529,013	(22,622)
Charges for services	140,000	140,000	335,896	195,896
Intergovernmental	-	-	242,666	242,666
Investment earnings	100,000	100,000	290,948	190,948
Miscellaneous	412,900	412,900	443,924	31,024
Total revenues	23,526,508	23,526,508	24,338,751	812,243
Expenditures				
Current:				
General government:				
City Secretary	423,929	433,061	423,008	10,053
Administration	1,038,410	980,271	988,801	(8,530)
Downtown Development	750,499	559,645	512,844	46,801
Communication and Marketing	367,036	490,852	478,285	12,567
Ennis Cares	665,285	562,500	541,324	21,176
Finance	778,323	735,693	728,924	6,769
Economic development	430,054	398,009	396,642	1,367
Information technology	389,423	389,423	434,514	(45,091)
Human resources	591,336	619,309	602,925	16,384
Nondepartmental	2,828,604	3,816,151	3,734,373	81,778
Total general government	8,262,899	8,984,914	8,841,640	143,274
Public safety:				
Police protection	8,446,969	8,352,600	8,272,751	79,849
Judicial	358,912	379,389	388,181	(8,792)
Fire protection	7,110,116	7,224,047	6,206,853	1,017,194
Planning and inspection	1,063,172	1,037,002	999,478	37,524
Total public safety	16,979,169	16,993,038	15,867,263	1,125,775
Streets	1,505,123	1,507,934	1,417,261	90,673
Health	714,109	701,045	688,364	12,681
Equipment services	392,762	398,593	377,875	20,718
Cultural and recreational:				
Parks and recreation	1,724,875	1,810,007	1,414,499	395,508
Library	599,157	609,718	614,231	(4,513)
Museum	44,758	49,757	39,152	10,605
Total cultural and recreational	2,368,790	2,469,482	2,067,882	401,600
Public works	406,309	402,773	748,228	(345,455)
Capital outlay	-	-	594,316	(594,316)
Debt service:				
Principal	-	-	161,291	(161,291)
Interest	-	-	603,255	(603,255)
Total debt service	-	-	764,546	(764,546)
Total expenditures	30,629,161	31,457,779	31,367,375	90,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,102,653)	(7,931,271)	(7,028,624)	902,647

City of Ennis, Texas
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources (Uses)				
Leases issued	-	-	262,116	262,116
Transfers in	7,853,824	7,968,824	7,968,824	-
Transfers out	(537,934)	(537,934)	(537,934)	-
Total other financing sources (uses)	7,315,890	7,430,890	7,693,006	262,116
Net Change in Fund Balances	213,237	(500,381)	664,382	1,164,763
Fund Balances, Beginning	9,034,022	9,034,022	9,034,022	-
Fund Balances, Ending	<u>\$ 9,247,259</u>	<u>\$ 8,533,641</u>	<u>\$ 9,698,404</u>	<u>\$ 1,164,763</u>

City of Ennis, Texas
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities -
	Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets				
Current assets				
Cash and cash equivalents	\$ 9,086,611	\$ 498,318	\$ 9,584,929	\$ 282,747
Restricted cash and cash equivalents - bond construction	22,784,899	-	22,784,899	-
Receivables, net	1,932,136	250,562	2,182,698	-
Due from other funds	57,390	-	57,390	17,211
Inventories	141,808	28,295	170,103	-
Total current assets	<u>34,002,844</u>	<u>777,175</u>	<u>34,780,019</u>	<u>299,958</u>
Noncurrent assets				
Capital and lease assets (net of accumulated depreciation/amortization)	59,463,149	1,927,811	61,390,960	-
Total noncurrent assets	<u>59,463,149</u>	<u>1,927,811</u>	<u>61,390,960</u>	<u>-</u>
Total assets	<u>93,465,993</u>	<u>2,704,986</u>	<u>96,170,979</u>	<u>299,958</u>
Deferred Outflows of Resources				
Deferred outflows - pensions	742,113	245,638	987,751	-
Deferred outflows - OPEB	6,634	1,861	8,495	-
Total deferred outflows of resources	<u>748,747</u>	<u>247,499</u>	<u>996,246</u>	<u>-</u>

City of Ennis, Texas
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities -
	Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Liabilities				
Current liabilities				
Accounts payable	\$ 563,731	\$ 29,678	\$ 593,409	\$ -
Accrued payroll payable	269,087	59,447	328,534	-
Claims payable	-	-	-	672,000
Due to other funds	-	249,109	249,109	322,534
Customer deposits payable	784,986	500	785,486	-
Accrued interest payable	292,686	-	292,686	-
Bonds payable - current	2,312,500	-	2,312,500	-
Leases payable - current	62,419	-	62,419	-
Total current liabilities	<u>4,285,409</u>	<u>338,734</u>	<u>4,624,143</u>	<u>994,534</u>
Noncurrent liabilities				
Net pension liability	1,488,384	495,512	1,983,896	-
Total OPEB liability	96,136	32,045	128,181	-
Bonds payable	43,886,117	-	43,886,117	-
Leases payable	45,872	-	45,872	-
Total noncurrent liabilities	<u>45,516,509</u>	<u>527,557</u>	<u>46,044,066</u>	<u>-</u>
Total liabilities	<u>49,801,918</u>	<u>866,291</u>	<u>50,668,209</u>	<u>994,534</u>
Deferred Inflows of Resources				
Deferred inflows - pension	174,516	59,309	233,825	-
Deferred inflows - OPEB	27,607	9,194	36,801	-
Total deferred inflows of resources	<u>202,123</u>	<u>68,503</u>	<u>270,626</u>	<u>-</u>
Net Position				
Net investment in capital assets	35,919,652	1,927,811	37,847,463	-
Unrestricted	8,291,047	89,880	8,380,927	(694,576)
Total net position	<u>\$ 44,210,699</u>	<u>\$ 2,017,691</u>	46,228,390	<u>\$ (694,576)</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time.			<u>(138,915)</u>	
Net position of business-type activities			<u>\$ 46,089,475</u>	

City of Ennis, Texas
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities -
	Utility	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenues				
Water revenue	\$ 9,364,829	\$ -	\$ 9,364,829	\$ -
Sanitation revenue	-	1,993,196	1,993,196	-
Airport revenue	-	160,870	160,870	-
Sewer revenues	7,418,897	-	7,418,897	-
Charges for insurance and services	-	-	-	4,621,365
Other revenue	440,931	-	440,931	-
Total operating revenues	<u>17,224,657</u>	<u>2,154,066</u>	<u>19,378,723</u>	<u>4,621,365</u>
Operating Expenses				
Personnel	4,762,038	1,200,681	5,962,719	-
Supplies	1,526,011	208,118	1,734,129	-
Depreciation and amortization	3,866,850	338,452	4,205,302	-
Other operating expenses	2,630,201	57,556	2,687,757	-
Insurance claims and expenses	-	-	-	5,869,968
Maintenance and replacement	1,553,645	201,519	1,755,164	914,791
Total operating expenses	<u>14,338,745</u>	<u>2,006,326</u>	<u>16,345,071</u>	<u>6,784,759</u>
Operating Income (Loss)	<u>2,885,912</u>	<u>147,740</u>	<u>3,033,652</u>	<u>(2,163,394)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	422,848	423	423,271	-
Interest expense	(1,742,187)	-	(1,742,187)	-
Gain on disposal of capital assets	9,154	-	9,154	-
Total nonoperating revenues (expenses)	<u>(1,310,185)</u>	<u>423</u>	<u>(1,309,762)</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	1,575,727	148,163	1,723,890	(2,163,394)
Transfers in	2,857,235	-	2,857,235	728,772
Transfers out	(5,432,572)	(312,364)	(5,744,936)	(1,733,326)
Change in Net Position	(999,610)	(164,201)	(1,163,811)	(3,167,948)
Net Position, Beginning of Year	<u>45,210,309</u>	<u>2,181,892</u>	<u>47,392,201</u>	<u>2,473,372</u>
Net Position, End of Year	<u>\$ 44,210,699</u>	<u>\$ 2,017,691</u>	<u>\$ 46,228,390</u>	<u>\$ (694,576)</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time.			<u>(633,590)</u>	
Change in net position of business-type activities			<u>\$ (1,797,401)</u>	

City of Ennis, Texas
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities – Enterprise			Governmental
	Utility	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities Internal Service Funds
Cash Flows From Operating Activities				
Receipts from customers	\$ 16,673,937	\$ 2,117,253	\$ 18,791,190	\$ -
Receipts from interfund charges for insurance and services	-	-	-	4,621,365
Payments to suppliers and service providers	(6,579,262)	(488,305)	(7,067,567)	(6,694,182)
Payments to employees for salaries and benefits	(4,636,270)	(1,180,859)	(5,817,129)	-
Net cash provided by (used for) operating activities	5,458,405	448,089	5,906,494	(2,072,817)
Cash Flows From Noncapital Financing Activities				
Advances to/from other funds	(6,969)	6,969	-	187,442
Transfers from other funds	2,857,235	-	2,857,235	728,772
Transfers to other funds	(5,432,572)	(312,364)	(5,744,936)	(1,733,326)
Net cash used for noncapital financing activities	(2,582,306)	(305,395)	(2,887,701)	(817,112)
Cash Flows From Capital And Related Financing Activities				
Acquisition and construction of capital assets	(2,205,672)	(39,895)	(2,245,567)	-
Proceeds from disposal of capital assets	134,175	-	134,175	-
Principal paid on bond maturities	(1,707,500)	-	(1,707,500)	-
Principal paid on leases	(52,996)	-	(52,996)	-
Interest and fiscal charges paid on bonds	(1,944,482)	-	(1,944,482)	-
Net cash provided by (used for) capital and related financing activities	(5,776,475)	(39,895)	(5,816,370)	-
Cash Flows From Investing Activities				
Investment earnings	422,848	423	423,271	-
Net cash provided by investing activities	422,848	423	423,271	-
Net increase (decrease) in cash and cash equivalents	(2,477,528)	103,222	(2,374,306)	(2,889,929)
Cash and cash equivalents, October 1 (includes \$26,797,715 reported in restricted cash)	34,349,038	395,096	34,744,134	3,172,676
Cash and cash equivalents, September 30 (includes \$22,784,899 reported in restricted cash)	\$ 31,871,510	\$ 498,318	\$ 32,369,828	\$ 282,747

City of Ennis, Texas
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities – Enterprise			Governmental
	Utility	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating income (loss)	2,885,912	147,740	3,033,652	(2,163,394)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization	3,866,850	338,452	4,205,302	-
(Increase) decrease in accounts receivable	(550,720)	(36,813)	(587,533)	-
(Increase) decrease in lease receivable	-	18,377	18,377	-
(Increase) decrease in inventory	(31,192)	-	(31,192)	-
(Increase) decrease in pension related deferred outflows of resources	543,275	181,093	724,368	-
(Increase) decrease in OPEB related deferred outflows of resources	7,517	2,505	10,022	-
Increase (decrease) in accounts payable	(860,554)	(21,723)	(882,277)	90,577
Increase (decrease) in accrued payroll payable	58,475	(2,608)	55,867	-
Increase (decrease) in customer deposits	22,341	-	22,341	-
Increase (decrease) in pension related deferred inflows of resources	(61,643)	(20,548)	(82,191)	-
Increase (decrease) in OPEB related deferred inflows of resources	(5,182)	(1,728)	(6,910)	-
Increase (decrease) in lease related deferred inflows of resources	-	(17,766)	(17,766)	-
Increase (decrease) in net pension liability	(414,960)	(138,320)	(553,280)	-
Increase (decrease) in OPEB liability	(1,714)	(572)	(2,286)	-
Total adjustments	2,572,493	300,349	2,872,842	90,577
Net cash provided by (used for) operating activities	<u>\$ 5,458,405</u>	<u>\$ 448,089</u>	<u>\$ 5,906,494</u>	<u>\$ (2,072,817)</u>
Schedule of Non-cash Transactions				
Capital assets included in accounts payable	\$ 21,488	\$ -	\$ 21,488	\$ -

Note 1. Summary of Significant Accounting Policies

Description of Government-wide Financial Statements

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

Reporting Entity

The City of Ennis, Texas (City) was incorporated May 2, 1872, and operates under a Commission-Manager form of government. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and: (1) is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the City is required to consider other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component unit.

Blended Component Unit. Blended component units, although legally separate entities, are included as part of the primary government because they meet the above criteria as well as serve or benefit the City exclusively. Blended component units of the City include the Ennis Tax Increment Reinvestment Zone #1, Ennis Tax Increment Reinvestment Zone #2, the Ennis Tax Increment Reinvestment Zone #3, and Crime Control and Prevention District (CCPD).

The purpose of each Zone is to capture increments of growth in real property values in the Zone from base values and use the ad valorem taxes derived from these increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the Zone. The City has financial accountability because it has operational responsibility for each Zone. Each Zone is reported as a nonmajor special revenue fund and does not issue separate financial statements.

The CCPD was formed under Chapter 363 of the Texas Local Government Code, the *Crime Control and Prevention Act*. The CCPD is organized exclusively to act on behalf of the City to finance crime control within the City. The CCPD is governed by a seven member board appointed by the City Council. The CCPD provides services entirely, or almost entirely to the primary government. The CCPD is reported as a nonmajor special revenue fund and does not issue separate financial statements.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Discretely Presented Component Unit. The Corporation described is included in the City's reporting entity because the City appoints the governing body, and the Corporation is fiscally dependent on the City. The Corporation is reported as a discretely presented component unit since the governing body is not substantively the same as the governing body of the City, and they provide service to the citizens of Ennis and the surrounding area as opposed to only the primary government. To emphasize that they are legally separate from the City, they are reported in a separate column in the financial statements.

The *Ennis Economic Development Corporation, Inc.* (Corporation) is responsible for collecting and disbursing the one-half percent sales tax to be used for economic development within the City. The members of the Corporation's board are appointed by the City. The City can impose its will on the Corporation by significantly influencing the program, projects, activities, or level of service performed by the Corporation.

Separately issued financial statements are available for the Corporation. This report may be obtained by contacting the following office:

City of Ennis
107 North Sherman Street
Ennis, Texas 75120

Basis of Presentation

Government-wide Financial Statements

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

As discussed earlier, the City has a discretely presented component unit. The Economic Development Corporation is considered to be a major component unit and is shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer and sanitation functions, and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

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

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *QIPP fund* is used to account for revenues and expenditures generated from the City's participation in the Quality Incentive Payment Program for nursing homes.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

The *general capital projects fund* is used to account for improvements to streets and building construction from issuance of certificates of obligation.

The *debt service fund* is used to account for the accumulation of resources that are restricted for the payment of principal and interest on long-term obligations of governmental funds. This fund is designated as a major fund.

The City reports the following major enterprise fund:

The *utility fund* accounts for the activities of the sewage treatment plant, sewage pumping stations and collection systems, and the water distribution system.

Additionally, the City reports the following fund type:

Internal service funds account for self-insurance and fleet maintenance services provided to other departments of the City on a cost-reimbursement basis.

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

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

Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due. General capital and lease

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Budgetary Information

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and debt service fund. The annual budgets for the utility and nonmajor enterprise funds are prepared on the budgetary basis of accounting. Appropriations in all budgeted funds lapse at the end of the fiscal year. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Excess of Expenditures Over Appropriations

For the year ended September 30, 2025, the Debt Service Fund's expenditures exceeded appropriations by \$22,481. The excess expenditures are due to higher principal payments than originally estimated.

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

External Investment Pools

Investments for the City are reported at fair value (generally based on quoted market prices) except for the position in TexPool. In accordance with state law, TexPool operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the *Investment Company Act of 1940*, as amended. Investments in TexPool are carried at amortized cost and are reported as cash equivalents in the accompanying financial statements. TexPool is subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

The State Comptroller of Public Accounts oversees TexPool. Federated Investors is the full service provider to the pool managing the assets, providing participant services, and arranging for all custody and other functions in support of the pool operations under a contract with the Comptroller.

TexPool is managed conservatively to provide a safe, efficient, and liquid investment alternative to Texas governments. The pool seeks to maintain a \$1.00 value per share as required by the *Texas Public Funds Investment Act*. TexPool investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds. TexPool is rated AAAM by Standard & Poors, the highest rating a local government investment pool can achieve.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

The weighted average maturities of the pool cannot exceed 60 days. TexPool, like its participants, is governed by the *Texas Public Funds Investment Act*, and is in full compliance with the Act.

Restricted Assets

Certain proceeds of the City's enterprise fund certificates of obligation bonds are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts. The "revenue bond construction" account is used to report those proceeds of revenue bond issuances that are restricted for use in construction.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Lease Receivable

The City is a lessor for noncancellable leases related to cellular towers and parking lot space. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital and Lease Assets

Capital and lease assets, which include property, plant, equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business- type activities columns in the government-wide financial statements. Capital and lease assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

As the government constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

spent in relation to capital and lease assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, vehicles, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital and Lease Asset Classes	Lives
Buildings	7-50
Improvements	7-50
Machinery and equipment	5-30
Vehicles	5-7
Infrastructure	10-50
Water rights	30
Lease buildings	5
Lease vehicles	3-5

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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. Deferred outflows of resources reported in this year's financial statements include: (1) changes in actuarial assumptions of the City's OPEB plan (2) contributions made to the City's defined benefit pension plan and OPEB plan between the measurement date and the end of the City's fiscal year; (3) the difference between expected and actual experience data used by the actuary for the pension and OPEB plans; and (4) deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources reported in the City's various statements of net position include: (1) changes in actuarial assumptions of the pension and OPEB plans; (2) the difference between expected and actual experience data used by the actuary for the pension and OPEB plans; and (3) the initial value of the lease receivable under GASB 87 systematically reduced and recognized as lease revenue over the term of the lease. In its governmental funds, the City reports deferred inflow of resources for revenues that are not considered available and leases. The City will not recognize the related revenues until they are available (collected no later than 60 days after the end of the City's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes, court, and other revenues are reported in the governmental funds balance sheet.

Long-term Obligations

In the government-wide financial statements and proprietary fund type fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease Liability

The City is a lessee for noncancellable leases of buildings and vehicles. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City 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 its useful life for lease term, whichever is shorter. 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 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 capital and lease assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Pensions and Other Post-Employment Benefits (OPEB)

For purposes of measuring the net pension asset/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' 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.

GASB 75 requires recognition of the Total OPEB Liability (TOL), deferred outflows and inflows of resources, and total OPEB expense on the face of the employer's financial statements. The TOL is calculated by the TMRS' actuary in accordance with the provisions of GASB 75. The OPEB expense and deferred outflows and inflows of resources related to OPEB, which are required to be reported by an employer, primarily result from changes in the components of the TOL. Most changes in the TOL will be included in OPEB expense in the period of the change. For example, changes in the TOL resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in OPEB expense immediately. Changes in the TOL that have not been included in OPEB expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to OPEB.

Net Position Flow Assumption

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital and lease assets net of accumulated depreciation/amortization and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

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

Fund Balance Flow Assumption

The governmental fund financial statements present fund balance categorized based on the nature and extent of the constraints placed on the specific purposes for which a governments funds may be spent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance -amounts that are not in spendable form (such as endowments, inventories and prepaid items) or are required to be maintained intact.

Restricted Fund Balance -amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance -amounts that can be used only for specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through a formal resolution of the City Commission.

Assigned Fund Balance -amounts the City intends to use for a specific purpose. Intent can be expressed by the City Commissioners or by an official or body to which the City Commissioners delegates the authority.

Unassigned Fund Balance— amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned. Positive balances are reported only in the general fund.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

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

Library Endowment

Under terms of the endowment, and consistent with State statutes, the City is authorized on a total- return policy to spend the net appreciation for the benefit of the Ennis Public Library. All available net appreciation has been expended as of September 30, 2025.

Revenues and Expenditures/Expenses

Program Revenues

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

Property Taxes

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property. Appraised values are established by the Ellis Appraisal District as market value and assessed at 100 percent of appraised value. Property taxes attach as an enforceable lien on property as of January 1. The Ellis County Tax Assessor/Collector bills and collects the City's property taxes, which are due October 1. Full payment can be made prior to the next January 31 to avoid penalty and interest charges. Over time substantially all property taxes are collected.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility, nonmajor enterprise, and internal service funds are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital and lease assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Self-Insurance

The City is self-insured for medical and prescription drug claims. The Self Insurance Internal Service Fund is used to account for the activity of this program. It is the City's policy to provide in each fiscal year, through premiums charged to all operating funds, amounts sufficient for self-insurance program expenses and reserves associated with claims, that are determined based on loss experience. The amount recorded as liability for known claims and for incurred but not reported claims (IBNRs), if any, is based on the recommendations of a third-party claim's administrator.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Adoption of New Accounting Standards

Adoption of New Accounting Standards

During fiscal year 2025, the City adopted the following GASB standards:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The adoption had no effect on the City's beginning net position.

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentration or constraints. The requirements of this Statement will take effect for the City's fiscal year 2025. The adoption had no effect on the City's beginning net position.

Future Financial Reporting Requirements

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve the financial reporting model by standardizing the presentation for various matters within governmental financial statements. The purpose is to eliminate diversity practice and improve comparability. The requirements of this Standard will take effect for the City's fiscal year 2026. Management has not yet determined the impact of this Statement on its financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to improve disclosures related to certain types of capital assets. The purpose is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement will take effect for the City's fiscal year 2026. Management has not yet determined the impact of this Statement on its financial statements.

GASB Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve financial reporting requirements for subsequent events. The purpose is to clarify subsequent events evaluation periods, distinguish between recognized and nonrecognized subsequent events, and enhance related disclosure requirements. The requirements of this Statement will take effect for the City's fiscal year 2027. Management has not yet determined the impact of this Statement on its financial statements.

Note 2. Detailed Notes on All Activities and Funds

Cash Deposits with Financial Institutions

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a fair value of not less than the principal amount of the deposits. The City's deposits were fully insured or collateralized as required by State statutes at September 30, 2025. At year-end, the bank balance of the primary government's deposits was \$108,432,467 with a carrying value of \$109,189,967. Of the bank balance, \$500,000 was covered by federal depository insurance and the remaining balance, \$108,689,967 was covered by collateral pledged in the City's name. The collateral was held in the City's name by the safekeeping department of the pledging bank's agent and had a fair value of approximately \$116,044,623.

Investments

State statutes authorize the City to invest in certificates of deposit, obligations of the U.S. Treasury and the State Treasurer's Investment Pool.

The State Treasurer's Investment Pool (TexPool) operates in accordance with state law, which requires it to meet all of the requirements of Rule 2a-7 of the Securities and Exchange Commission. See *Note 1* for a discussion of how the shares in the Pool are valued. TexPool invests in a high quality portfolio of debt securities investments legally permissible for municipalities and school districts in the state.

The table below identifies the investment types that are authorized for the City by the *Public Funds Investment Act* (Government Code Chapter 2256), the "Act". The table also identifies certain provisions of the City's investment policy that address credit risk and concentration of credit risk. The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

Investment Type	Amortized Cost	Weighted Average Maturity
TexPool	<u>\$ 371,996</u>	25 Days

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of September 30, 2025, the City's investment in TexPool was rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Concentration of Credit Risk. The City's investment policy contains no limitations on the amount that can be invested in any one issuer.

TexPool is considered a cash equivalent on the Government-wide and Proprietary Statements of Net Position and on the Balance Sheet of the Governmental Fund Financial Statements.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectible) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund, debt service, nonmajor governmental, utility, and nonmajor enterprise funds, including the applicable allowances for uncollectible accounts:

Receivables	General	Debt Service	Nonmajor Governmental	Utility	Nonmajor Enterprise	Total
Taxes	\$ 2,264,514	\$ 253,491	\$ 548,435	\$ -	\$ -	\$ 3,066,440
Accounts	9,214	-	111,730	2,260,214	371,449	2,752,607
Other	262,362	-	-	-	-	262,362
Gross receivables	<u>2,536,090</u>	<u>253,491</u>	<u>660,165</u>	<u>2,260,214</u>	<u>371,449</u>	<u>6,081,409</u>
Less: allowance for uncollectibles	<u>(170,548)</u>	<u>(112,325)</u>	<u>(8,799)</u>	<u>(328,078)</u>	<u>(120,887)</u>	<u>(740,637)</u>
Net total receivables	<u>\$ 2,365,542</u>	<u>\$ 141,166</u>	<u>\$ 651,366</u>	<u>\$ 1,932,136</u>	<u>\$ 250,562</u>	<u>\$ 5,340,772</u>

Lease Receivable

The City leases a portion of its property to various cell phone companies and businesses who use the space to conduct their operations, the terms of which expire 2026 through 2032. The measurement of the lease receivable is based on the present value of lease payments expected to be received during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

The City recognized \$63,029 in lease revenue and \$23,392 in interest revenue during the current fiscal year related to these leases. As of September 30, 2025, the City's receivable for lease payments was \$189,291. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of September 30, 2025, the balance of the deferred inflow of resources was \$161,439.

The following is a schedule by year of minimum payments to be received under the City's leases that are included in the measurement of the lease receivable as of September 30, 2025:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total Receipts
2026	\$ 45,197	\$ 21,078	\$ 66,275
2027	47,453	18,822	66,275
2028	50,194	16,081	66,275
2029	9,505	12,695	22,200
2030	12,783	9,417	22,200
2031-2032	<u>24,159</u>	<u>5,448</u>	<u>29,607</u>
Totals	<u>\$ 189,291</u>	<u>\$ 83,541</u>	<u>\$ 272,832</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Regulated Leases

In accordance with GASB No. 87, the City does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, between airports and aeronautical users. Regulated leases include hangars used for aeronautical purposes. The revenue recognized for these leases during the year ended September 30, 2025 was \$65.

The future principal lease receipts for regulated leases as of September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2026	\$ 66
2027	66
2028	66
2029	67
2030	68
2031-2035	394
2036-2040	955
2041-2045	1,641
2046-2050	<u>3,757</u>
Totals	<u>\$ 7,080</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Capital and Lease Assets

Capital and lease asset activity for the year ended September 30, 2025 , was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 6,564,209	\$ -	\$ -	\$ -	\$ 6,564,209
Construction in progress	7,339,405	3,782,329	(205,169)	(532,117)	10,384,448
Total capital assets not being depreciated	13,903,614	3,782,329	(205,169)	(532,117)	16,948,657
Capital and lease assets being depreciated/amortized:					
Buildings	58,653,848	31,887	-	100,462	58,786,197
Lease buildings	36,514	-	-	-	36,514
Improvements	13,948,854	24,273	-	-	13,973,127
Machinery and equipment	19,948,680	3,269,769	(79,399)	-	23,139,050
Infrastructure	72,551,481	286,366	-	431,655	73,269,502
Lease vehicles	809,511	262,116	-	-	1,071,627
Totals capital and lease assets being depreciated/amortized	165,948,888	3,874,411	(79,399)	532,117	170,276,017
Less accumulated depreciation/amortization for:					
Buildings	(17,548,311)	(1,656,547)	-	-	(19,204,858)
Lease buildings	(26,899)	(8,967)	-	-	(35,866)
Improvements	(5,546,298)	(1,162,181)	-	-	(6,708,479)
Machinery and equipment	(16,365,887)	(1,752,765)	60,833	-	(18,057,819)
Infrastructure	(30,801,976)	(1,730,981)	-	-	(32,532,957)
Lease vehicles	(403,181)	(202,378)	-	-	(605,559)
Total accumulated depreciation/amortization	(70,692,552)	(6,513,819)	60,833	-	(77,145,538)
Total capital and lease assets, being depreciated, net	95,256,336	(2,639,408)	(18,566)	532,117	93,130,479
Governmental activities capital and lease assets, net	\$ 109,159,950	\$ 1,142,921	\$ (223,735)	\$ -	\$ 110,079,136

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the primary government as follows:

Governmental Activities	
General government	\$ 1,128,225
Public safety	1,574,665
Streets	2,301,035
Equipment services	32,367
Cultural and recreational	632,204
Hospital	713,298
Public works	132,025
Total depreciation/amortization expense	\$ 6,513,819

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities					
Capital assets not being depreciated:					
Land	\$ 1,088,290	\$ -	\$ -	\$ -	\$ 1,088,290
Construction in progress	6,894,882	2,003,127	(117,720)	(3,363,026)	5,417,263
Total capital assets not being depreciated	<u>7,983,172</u>	<u>2,003,127</u>	<u>(117,720)</u>	<u>(3,363,026)</u>	<u>6,505,553</u>
Capital and lease assets being depreciated/amortized:					
Buildings	9,529,674	-	-	-	9,529,674
Improvements	94,929,445	-	-	3,363,026	98,292,471
Machinery and equipment	4,908,093	263,928	(23,056)	-	5,148,965
Lease vehicles	201,920	-	-	-	201,920
Water rights	1,001,831	-	-	-	1,001,831
Totals capital and lease assets being depreciated/amortized	<u>110,570,963</u>	<u>263,928</u>	<u>(23,056)</u>	<u>3,363,026</u>	<u>114,174,861</u>
Less accumulated depreciation/amortization for:					
Buildings	(7,040,206)	(181,696)	-	-	(7,221,902)
Improvements	(43,724,753)	(3,282,932)	-	-	(47,007,685)
Machinery and equipment	(3,446,664)	(656,801)	15,756	-	(4,087,709)
Lease vehicles	(120,219)	(50,480)	-	-	(170,699)
Water rights	(768,065)	(33,394)	-	-	(801,459)
Total accumulated depreciation/amortization	<u>(55,099,907)</u>	<u>(4,205,303)</u>	<u>15,756</u>	<u>-</u>	<u>(59,289,454)</u>
Total capital and lease assets, being depreciated, net	<u>55,471,056</u>	<u>(3,941,375)</u>	<u>(7,300)</u>	<u>3,363,026</u>	<u>54,885,407</u>
Business-type activities capital and lease assets, net	<u>\$ 63,454,228</u>	<u>\$ (1,938,248)</u>	<u>\$ (125,020)</u>	<u>\$ -</u>	<u>\$ 61,390,960</u>

Depreciation/amortization expense was charged to the functions/programs of the business-type activities of the primary government as follows:

Business-type Activities	
Utility	\$ 3,866,850
Sanitation	337,975
Airport	478
Total depreciation/amortization expense	<u>\$ 4,205,303</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Construction Commitments

Construction Commitments. The City has active construction projects as of September 30, 2025. The projects include buildings, park improvements, street improvements, infrastructure and water, and sewer improvements. At year-end the City's commitments with contractors are as follows:

Project	Spent-to-Date	Commitment
General Construction Projects	\$ 7,496,576	\$ 35,984,714
Water and Sewer Construction Projects	2,534,921	24,162,535
Sanitation Construction Projects	39,395	40,000
	<u>\$ 10,070,892</u>	<u>\$ 60,187,249</u>

The park improvements, street improvements, and infrastructure projects are commitments of the City's capital project fund. The projects are being funded by grant proceeds and bond proceeds.

The water and sewer improvements projects are a commitment of the Utility fund. The projects are being funded by certificates of obligation and grant proceeds.

Tax Abatements

The City has four programs through which tax abatements are provided:

The City is authorized by the *Texas Tax Code Chapter 312 Property Redevelopment and Tax Abatement Act* (Tax Abatement Act) to enter into property tax abatement agreements as an economic development tool available to cities to attract new industries and to encourage the retention and development of existing businesses through property tax exemptions or reductions. Tax abatements, which can range from sixty percent to one-hundred percent of property tax on the value of the property improvement with a duration of three to ten years, may be established upon property which is industrial or commercial zoned within the City or the extra-territorial jurisdiction of the City. The threshold criteria used for the abatement include adding a minimum of ten full-time employees and an investment of at least \$1,000,000 in property improvements. The City recaptures any and all property tax revenue lost as a result of the agreement if the owner of the property fails to complete, make, and maintain the threshold criteria. The City Commission establishes the criteria and guidelines that govern all tax abatement agreements including the percentage amount and duration of the tax abatement, which is not to exceed ten years. The market value of the property is reduced by the exempted amount under the agreement to arrive at the taxable value used to bill the property owner.

Historic Landmark Tax Exemption Program. This program is authorized by City Ordinance and is intended to promote historic preservation and revitalization activities in the National Register Historic Downtown District. Historic landmark structures are eligible for a historical appraised tax value exemption of twenty-five (25) percent of the appraised value of the property not to exceed twenty-five thousand dollars (\$25,000). To be eligible for the historical appraised tax value exemption; the owner of the landmark or structure must make application annually prior to the 1st day of February to the tax collector of the City. The market value of the property is reduced by the exempted amount under the agreement to arrive at the taxable value used to bill the property owner.

Historic Reinvestment Tax Abatement Refund Program. This program is authorized by City Ordinance and is intended to promote historic preservation and revitalization activities in the National Register Historic Downtown District. Eligible historic landmark structures shall be entitled to reinvestment tax abatement equal to the amount of investment completed within a calendar year. The maximum tax abatement for a project shall not exceed the annual tax liability of the real property. The investments eligible shall be investments made for structural repairs and improvements, electrical repairs and improvements, plumbing repairs and improvements, mechanical repairs

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

and improvements, interior repairs and improvements, or exterior restoration. Taxes incurred for investment in personal property shall not be eligible for abatement. Each landowner who desires to apply for a historic reinvestment tax abatement shall apply for said abatement on or before May 1st of the year the tax abatement is to be granted. The abatement, if granted, shall be applicable to only one year. Subsequent abatements for additional projects must be applied for each year.

Historic Preservation Tax Reimbursement Program. This program is authorized by City Ordinance and is intended to promote historic preservation and revitalization activities in the National Register Historic Downtown District. Historic preservation (construction, reconstruction or restoration) projects within the national register historic downtown district with documented expenditure for construction, reconstruction, or restoration in an amount in excess of fifteen thousand dollars (\$15,000) shall be eligible for a seven (7) year, one hundred (100) percent city tax reimbursement. Following full payment of taxes to the City, the City shall annually pay an eligible property owner one hundred percent of all real property taxes assessed against the existing real property that are paid to the City.

Tax Abatement Program	Amount Abated
Chapter 380 Tax Rebates	\$ 765,643
Historic Reinvestment Tax Abatement Refund Program	60,584
Historic Preservation Tax Reimbursement Program	17,975

The City has also entered into Economic Development Agreements to promote local economic development and to stimulate business and commercial activity in the City. These agreements include provisions for repayment if the recipient fails to fully meet its commitments. The City's agreements were as follows at September 30, 2025:

An agreement to make annual grants in an amount not to exceed the equivalent of 75 percent of the ad valorem real property taxes paid for a period of five consecutive years for Spyglass Gen Par, LC to develop real property and construct thereon improvements for a multi-family residential development. The incentive period began November 2016. The abatement amounted to \$99,316 for the fiscal year ended September 30, 2025.

An agreement to make annual grants in the amount of \$30,000 per year, not to exceed the total amount of ad valorem real and personal property taxes paid for two consecutive five year terms for Kent Industries, Inc., Polyguard Products, Inc., and Muncaster Capital of Texas, Inc. for construction and improvements made to the corporate headquarters and training facility. The incentive period began March 2017. The abatement amounted to \$30,000 for the fiscal year ended September 30, 2025.

An agreement to make annual grants in the amount of \$35,000 per year, not to exceed the total amount of ad valorem real and personal property taxes paid for a period of ten consecutive years for Globe Products, Inc., Milglo, LLC., Minimilglo, LTD., Extreme Dead Nuts, LLC. and DNM Holding, LLC., for construction of improvements for new and expanded business development. The incentive period began October 2017. The abatement amounted to \$35,000 for the fiscal year ended September 30, 2025.

An agreement to make grant payments in an amount not to exceed 50 percent of the ad valorem property taxes paid by GAF, LP., Elk Verashield Building Solutions and Elk Roofing Products for a period of four years for construction of improvements for manufacturing and industrial development. The incentive period will begin upon the first tax year following the year after issuance of a certificate of occupancy. The abatement amounted to \$109,243 for the fiscal year ended September 30, 2025.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

An agreement to make annual grant payments equal to one percent of the sales that are subject to sales tax collection, minus fees deducted by the Texas Comptroller paid by Buc-ee's Ennis, LLC., for a period of 20 years. The incentive period will begin upon the first tax year following the year after development opens for business. The abatement amounted to \$384,965 for the fiscal year ended September 30, 2025.

Other Significant Commitments

The City has entered into an agreement with Healthcare Quality Improvement Services, LLC (Consultant), as a consultant in relation to the QIPP. Under this agreement the Consultant provides certain financial, operations, and clinical review services for the City. The City pays a monthly base consulting fee in the amount of \$1,853 per facility. In addition to the base fee the City pays the Consultant \$600 per month of each quarter in the which the facility exceeds 90 percent of all QIPP component measures. Actual payments for the year ended September 30, 2025, were \$590,405.

Quality Improvement Payment Program

The City has participated in the Quality Improvement Payment Program (QIPP). The program is designed to assist nursing facilities servicing indigent patients by providing funding to support increased access to healthcare within the community. It is also designed to allow participating providers to receive additional reimbursement if they either reach a national benchmark level or they make quarterly improvements in up to four predetermined quality measures. The City has terminated the QIPP program during fiscal year 2025. Accounts receivable under this program was \$5,205,808 at September 30, 2025. The program described above is subject to review and scrutiny by both the Texas Legislature and Center for Medicare & Medicaid Services, and the program could be modified or terminated based on new legislation or regulation in future periods.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and, other claims of various natures. The City purchases commercial liability insurance with the Texas Municipal League Intergovernmental Risk Pool to indemnify itself in event of loss. For the past three years, settlements have not exceeded scheduled and stated coverage(s).

The City is self-insured for medical and prescription drug claims. The City uses an internal service fund to account for and finance both insured and uninsured risks of loss. At September 30, 2025, the internal service fund has a deficit fund balance of \$(372,042). Stop-loss insurance is purchased for claims in excess of \$100,000.

All operating funds of the City participate in the program and make payments to the fund based on estimates of the amounts needed to pay prior and current claims. The estimated insurance claims payable is \$672,000 at September 30, 2025. The liability also includes incurred but not reported claims (IBNR) developed by the third-party claims administrator. Changes in the balance of estimated insurance claims payable for the years ended September 30, 2025 and 2024, are:

	2025	2024
Claims liability at beginning of year	\$ 580,000	\$ 669,175
Current year claims and estimate changes	3,860,241	3,237,183
Claims payments	<u>(3,768,241)</u>	<u>(3,326,358)</u>
Claims liability at end of year	<u>\$ 672,000</u>	<u>\$ 580,000</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Long-term Liabilities

Certificates of Obligation

The City issues certificates of obligation to provide funds for the acquisition, construction, and maintenance of major capital facilities. Certificates of obligation have been issued for both governmental and business-type activities. Certificates of obligation are direct obligations and pledge the full faith and credit of the government. Certificates of obligation outstanding at September 30, 2025, are as follows:

Governmental Activities

Series	Issue Amount	Maturity Date	Interest Rate	Year End Balances
2014	\$ 6,000,000	2/1/2034	2.0-3.75	\$ 3,240,000
2015	5,990,000	8/1/2035	2.0-3.375	2,800,000
2016	2,770,000	8/1/2031	2.0-2.10	1,125,000
2017	5,225,000	2/1/2037	3.0	3,480,000
2018	1,495,000	8/1/2037	3.0-5.0	1,075,000
2019	9,835,000	2/1/2039	3.0-5.0	7,690,000
2019A	17,065,000	2/1/2039	3.0-5.0	13,005,000
2020	16,920,000	2/1/2040	3.0-5.0	13,735,000
2022	15,000,000	2/1/2042	3.0-5.0	11,675,000
2022	3,284,000	2/1/2049	3.0-5.0	2,924,000
2024	18,662,500	2/1/2044	3.0-5.0	18,340,000
Total				<u>\$ 79,089,000</u>

Business-type Activities

Series	Issue Amount	Maturity Date	Interest Rate	Year End Balances
2015	\$ 4,005,000	8/1/2035	2.0-3.375	\$ 2,830,000
2016	715,000	8/1/2026	2.0	125,000
2017	2,285,000	2/1/2037	3.0	1,505,000
2018	1,095,000	8/1/2037	3.0-5.0	785,000
2018A	4,500,000	2/1/2038	0.14-1.54	3,030,000
2020	4,665,000	2/1/2040	3.0-5.0	3,715,000
2022	15,000,000	2/1/2042	3.00-5.00	12,655,000
2024	18,662,500	2/1/2044	3.00-5.00	18,340,000
Total				<u>\$ 42,985,000</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition, construction, and maintenance of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds outstanding at September 30, 2025, are as follows:

Governmental Activities

Series	Issue Amount	Maturity Date	Interest Rate	Year End Balances
2016 – Refunding	3,325,000	8/1/2027	1.79	\$ 360,000
Total				<u>\$ 360,000</u>

Development Agreement Payable

The City entered into a development agreement with PRHC-Ennis GP, Inc. (subsequently LifePoint Hospitals, Inc.) (Company) for the purchase of an acute municipal hospital. Under the terms of the development agreement the City purchased the constructed hospital from the Company.

The development agreement payable currently outstanding and reported as a liability in the City's governmental activities at September 30, 2025, totaled \$11,941,803. The amount due within one year totals \$544,983.

The future principal payments for Development Agreement Payable as of September 30, 2025, are as follows:

Year Ending September 30	Governmental Activities Development Agreement Required Payment
2026	\$ 544,983
2027	544,983
2028	544,983
2029	544,983
2030	544,983
2031-2035	2,724,915
2036 - 2040	2,724,915
2041 - 2045	2,724,915
2046 - 2048	1,042,143
	<u>\$ 11,941,803</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Lease Liability

The City leases vehicles from Enterprise Fleet Management and property from various third parties to conduct its operations, the terms of which expire 2026 through 2029. The measurement of the lease payables is based on the present value of lease payments expected to be paid during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

As of September 30, 2025, the value of the lease liability was \$919,595. Incremental borrowing rates of 3.80 percent to 5.80 percent were used to measure lease payables.

The future principal and interest payments for lease liabilities as of September 30, 2025, are as follows:

Governmental Activities			
Year Ending September 30,	Principal	Interest	Total Payments
2026	\$ 255,718	\$ 549,090	\$ 804,808
2027	229,897	307,467	537,364
2028	193,293	170,928	364,221
2029	132,396	49,961	182,357
Totals	<u>\$ 811,304</u>	<u>\$ 1,077,446</u>	<u>\$ 1,888,750</u>

Business-Type Activities			
Year Ending September 30,	Principal	Interest	Total Payments
2026	\$ 62,419	\$ 51,032	\$ 113,451
2027	20,216	26,027	46,243
2028	25,656	9,598	35,254
Totals	<u>\$ 108,291</u>	<u>\$ 86,657</u>	<u>\$ 194,948</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Changes in Long-term Liabilities

Changes in the City's long-term liabilities for the year ended September 30, 2025, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
Certificates of obligation	\$ 82,701,500	\$ -	\$ (3,612,500)	\$ 79,089,000	\$ 4,312,500
General obligation bonds	1,600,000	-	(1,240,000)	360,000	180,000
Issuance premiums	6,645,757	-	(424,242)	6,221,515	-
Lease liability	710,479	262,116	(161,291)	811,304	255,718
Total bonds payable	91,657,736	262,116	(5,438,033)	86,481,819	4,748,218
Development agreement payable	12,486,786	-	(544,983)	11,941,803	544,983
Claims liability	580,000	3,860,241	(3,768,241)	672,000	-
Net pension liability	9,508,079	-	(2,213,119)	7,294,960	-
Total OPEB liability	521,868	-	(9,142)	512,726	-
Governmental activity long-term liabilities	\$ 114,754,469	\$ 4,122,357	\$ (11,973,518)	\$ 106,903,308	\$ 5,293,201

Certificates of obligation and general obligation bonds issued for governmental activity purposes are liquidated by the debt service fund. Governmental lease obligations, net pension liability, and total OPEB liability will be liquidated by the general fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities					
Bonds payable:					
Certificates of obligation	\$ 44,692,500	\$ -	\$ (1,707,500)	\$ 42,985,000	\$ 2,312,500
Issuance premiums	3,403,004	-	(189,387)	3,213,617	-
Lease liability	161,287	-	(52,996)	108,291	62,419
Total bonds payable	48,256,791	-	(1,949,883)	46,306,908	2,374,919
Net pension liability	2,537,176	-	(553,280)	1,983,896	-
Total OPEB liability	130,467	-	(2,286)	128,181	-
Business-type activity long-term liabilities	\$ 50,924,434	\$ -	\$ (2,505,449)	\$ 48,418,985	\$ 2,374,919

Certificates of obligation, net pension liability, and total OPEB liability issued for business-type activities are repaid from the utility and sanitation funds.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

The debt service requirements for the City's bonds are as follows:

Year Ending September 30,	Governmental Activities			
	Certificates of Obligation		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 4,312,500	\$ 3,006,934	\$ 180,000	\$ 6,444
2027	4,247,500	2,827,632	180,000	3,222
2028	4,440,000	2,643,040	-	-
2029	4,630,000	2,451,338	-	-
2030	4,800,000	2,265,265	-	-
2031-2035	25,532,500	8,408,522	-	-
2036-2040	22,885,000	3,589,578	-	-
2041-2045	7,737,500	75,200	-	-
2046-2049	504,000	-	-	-
Totals	<u>\$ 79,089,000</u>	<u>\$ 25,267,509</u>	<u>\$ 360,000</u>	<u>\$ 9,666</u>

Year Ending September 30,	Business-Type Activities	
	Certificates of Obligation	
	Principal	Interest
2026	\$ 2,312,500	\$ 1,739,008
2027	1,967,500	1,655,571
2028	2,040,000	1,575,616
2029	2,135,000	1,488,606
2030	2,215,000	1,399,334
2031-2035	12,602,500	5,503,443
2036-2040	12,435,000	2,793,780
2041-2044	7,277,500	512,550
Totals	<u>\$ 42,985,000</u>	<u>\$ 16,667,908</u>

Fund Balance

Minimum Fund Balance Policy. In the general fund, the City strives to maintain an adequate General Fund unassigned fund balance which shall be at least the equivalent of ninety working days of general fund operating expenditures or \$1,000,000, whichever is the greater.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Interfund Receivables and Payables

The composition of interfund balances as of September 30, 2025, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Court Technology Fund	\$ 5,562
General Fund	Airport Fund	191,719
General Fund	Crime Control and Prevention District Fund	142,478
General Fund	Fleet Replacement Fund	322,534
Self Insurance Fund	General Fund	17,211
Water and Sewer Fund	Airport Fund	57,390
		<u>57,390</u>
		<u>\$ 736,894</u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

Interfund Transfers

The composition of interfund transfers as of September 30, 2025, is as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 7,397,898	\$ 537,934
QIPP Fund	-	1,743,001
Debt Service Fund	701,188	-
Nonmajor Governmental Funds	-	1,925,896
Utility Fund	2,857,235	5,432,572
Nonmajor Enterprise Funds	-	307,370
Internal Service Funds	728,772	1,738,320
	<u>728,772</u>	<u>1,738,320</u>
Totals	<u>\$ 11,685,093</u>	<u>\$ 11,685,093</u>

Transfers are primarily used to recover administrative costs to the General Fund for administrative services provided, moving capital construction costs to the Utility fund, and moving revenue to the debt service fund as principal and interest payments come due.

Ennis Economic Development Corporation, Inc. (Corporation)

Cash Deposits with Financial Institutions

At year-end, the Corporation's bank balance was \$8,093,914 and carrying amount was \$8,093,914. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance, \$7,843,914 was covered by collateral pledged in the Corporation's name.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Capital and Lease Assets

Capital and lease asset activity for the Corporation for the year ended September 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 3,467,796	\$ -	\$ -	\$ -	\$ 3,467,796
Construction in progress	-	22,919	-	-	22,919
Total capital assets not being depreciated	3,467,796	22,919	-	-	3,490,715
Capital and lease assets being depreciated/amortized:					
Buildings	5,001,733	-	-	-	5,001,733
Lease buildings	76,443	-	-	-	76,443
Improvements	343,429	-	-	-	343,429
Machinery and equipment	178,157	-	-	-	178,157
Totals capital and lease assets being depreciated/amortized	5,599,762	-	-	-	5,599,762
Less accumulated depreciation/amortization for:					
Buildings	(893,561)	(166,724)	-	-	(1,060,285)
Lease buildings	(57,333)	(19,111)	-	-	(76,444)
Improvements	(343,429)	-	-	-	(343,429)
Machinery and equipment	(130,790)	(9,473)	-	-	(140,263)
Total accumulated depreciation/amortization	(1,425,113)	(195,308)	-	-	(1,620,421)
Total capital and lease assets, being depreciated, net	4,174,649	(195,308)	-	-	3,979,341
Corporate capital and lease assets, net	\$ 7,642,445	\$ (172,389)	\$ -	\$ -	\$ 7,470,056

Economic Development Agreements

On May 1, 2018, the Corporation entered into an economic development agreement with a DA Ennis 45 Partners, LP (DA Ennis). Under the agreement, the Corporation shall pay DA Ennis a grant of \$450,000 paid as four separate grants after specific project performance requirements are met by DA Ennis. The project includes the investment of approximately \$12,000,000 to develop approximately 6.7 acres of land and the construction and operation of multiple retail developments. As of September 30, 2025, the Corporation has made payments of \$403,136 under this agreement.

Sales Tax Revenue Bonds

Revenue bonds currently outstanding and reported as liabilities of the Corporation at September 30, 2025 are as follows:

Series	Issue Amount	Maturity Date	Interest Rate	Year End Balances
1999	\$ 3,290,430	8/1/2034	8.45%	\$ 391,020
2014 Refunding	2,745,000	8/1/2034	1.55-4.50%	1,165,000
Total				\$ 1,556,020

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

The following is a summary of pledged revenues for the Corporation for the year ended September 30, 2025:

<u>Revenue Pledged</u>	<u>Total Pledged Revenue</u>	<u>Current Year Debt Service Requirements</u>	<u>Percentage Portion of Pledged Revenue Stream</u>	<u>Remaining Principal and Interest</u>	<u>Period Revenue Will Not Be Available For Other Purposes</u>
.5% sales and use tax	\$ 3,030,681	\$ 698,157	23.0%	\$ 6,255,858	Until 2034

Lease Liability

The Corporation leases property from various third parties to conduct its operations, the terms of which expire in 2026. The measurement of the lease payables is based on the present value of lease payments expected to be paid during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

As of September 30, 2025, the value of the lease liability was \$10,800. Incremental borrowing rates of 5.75 percent to 5.80 percent were used to measure lease payables. The value of the right-to-use assets, net of accumulated amortization, as of the end of the current fiscal year was \$0.

The future principal and interest payments for lease liabilities as of September 30, 2025, are as follows:

Economic Development Corporation			
<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2026	\$ 10,800	\$ 1,573	\$ 12,373
Total	\$ 10,800	\$ 1,573	\$ 12,373

Annual debt service requirements to maturity for revenue bonds at September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	<u>Component Unit</u>	
	<u>Sales Tax Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 169,280	\$ 528,877
2027	169,435	528,092
2028	165,160	527,715
2029	171,170	526,464
2030	172,465	524,069
2031-2034	708,510	2,064,621
Totals	\$ 1,556,020	\$ 4,699,838

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Changes in the Corporation's long-term liabilities for the year ended September 30, 2025, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Corporation					
Bonds payable:					
Sales tax revenue bonds	\$ 1,725,430	\$ -	\$ (169,410)	\$ 1,556,020	\$ 169,280
Accretion on Capital Appreciation Bonds	3,036,839	301,335	-	3,338,174	-
Less deferred amounts:					
For issuance discount	(5,278)	-	528	(4,750)	-
Lease liability	35,807	-	(25,007)	10,800	10,800
	<u>\$ 4,792,798</u>	<u>\$ 301,335</u>	<u>\$ (193,889)</u>	<u>\$ 4,900,244</u>	<u>\$ 180,080</u>
Corporation long-term liability					

Note 3. Defined Benefit 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 benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75 percent of the member's deposits and interest.

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	172
Inactive employees entitled to but not yet receiving benefits	93
Active employees	<u>231</u>
	<u>496</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Contributions

The contribution rates for employees in TMRS are either 5 percent, 6 percent, or 7 percent of employee gross earnings, and the City matching percentages are either 100 percent, 150 percent, or 200 percent, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7 percent of their annual gross earnings during the fiscal year. The contribution rates for the City were 18.92 percent and 18.88 percent in calendar years 2025 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were \$3,581,672, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees for Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 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 a 3-year set-forward for females. In addition a 3.5% and 3.0% minimum 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 the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income 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 by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

The target allocation and best estimates of expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.10%
Core Fixed Income	6.0%	5.00%
Non-Core Fixed Income	6.0%	6.80%
Other Private Markets	4.0%	7.30%
Real Estate	12.0%	6.70%
Infrastructure	6.0%	6.00%
Hedge Funds	5.0%	6.40%
Private Equity	13.0%	8.50%
Private Debt	13.0%	8.20%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at October 1, 2024	\$ 94,886,071	\$ 82,840,816	\$ 12,045,255
Changes for the year:			
Service cost	3,658,092	-	3,658,092
Interest	6,372,347	-	6,372,347
Difference between expected and actual experience	518,342	-	518,342
Changes of assumptions	-	-	-
Contributions - employer	-	3,462,122	(3,462,122)
Contributions - employee	-	1,306,461	(1,306,461)
Net investment income	-	8,603,091	(8,603,091)
Benefit payments, including refunds of employee contributions	(4,619,962)	(4,619,962)	-
Administrative expense	-	(55,203)	55,203
Other changes	-	(1,290)	1,290
Net Changes	<u>5,928,819</u>	<u>8,695,219</u>	<u>(2,766,400)</u>
Balance at September 30, 2025	<u>\$ 100,814,890</u>	<u>\$ 91,536,035</u>	<u>\$ 9,278,855</u>

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

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 percent, 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 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1.0% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1.0% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	\$ 23,022,382	\$ 9,278,855	\$ (2,057,325)

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

For the year ended September 30, 2025, the City recognized pension expense of \$4,025,476.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 280,433
Difference between projected and actual investment earnings	-	912,541
Differences between expected and actual economic experience	2,202,465	5,722
Contributions subsequent to the measurement date	2,731,595	-
Total	<u>\$ 4,934,060</u>	<u>\$ 1,198,696</u>

\$2,731,595 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 968,718
2027	1,652,256
2028	(1,095,737)
2029	(521,468)
Total	<u>\$ 1,003,769</u>

Note 4. Other Postemployment Benefit (OPEB) Obligations

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. The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single-employer, defined benefit OPEB plan. TMRS issues a publicly available annual comprehensive financial report that can be obtained at www.tmrs.com.

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 OPEB and is a fixed amount of \$7,500.

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 not to pre-fund retiree term life insurance during employees' entire careers.

Employees Covered by Benefit Terms

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

Inactive employees currently receiving benefits	119
Inactive employees entitled to but not yet receiving benefits	19
Active employees	<u>231</u>
	<u><u>369</u></u>

Total OPEB Liability

The City's total OPEB liability of \$640,907 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.60% to 11.85%, including inflation
Discount rate*	4.08% as of December 31, 2024 (3.77% as of December 31, 2023)
Retirees' share of benefit-related costs	\$ 0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
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). fully generational basis with scale UMP.
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 subjects to the floor.

* The discount rate was based on the Fidelity Index s "20-Year Municipal GO AA Index" rate as of December 31, 2024.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at October 1, 2024	\$ 652,335
Changes for the year:	
Service cost	26,129
Interest	24,628
Difference between expected and actual experience	(4,996)
Changes in assumptions or other inputs	(32,926)
Benefit payments	(24,263)
Net Changes	(11,428)
Balance at September 30, 2025	\$ 640,907

City of Ennis, Texas
Notes to the Financial Statements
September 30, 2025

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 (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current rate:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$ 756,091	\$ 640,907	\$ 550,193

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

For the year ended September 30, 2025, the City recognized OPEB expense of \$22,952. At September 30, 2025, the City reported deferred outflows and deferred inflows of resources and related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 14,266	\$ 70,327
Differences between expected and actual economic experience	74,744	189,307
Benefit payments subsequent to the measurement date	41,032	-
Total	<u>\$ 130,042</u>	<u>\$ 259,634</u>

\$41,032 reported as deferred inflows of resources related to OPEB resulting from benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ (55,670)
2027	(33,693)
2028	(43,303)
2029	(33,337)
2030	(2,705)
Thereafter	<u>(1,916)</u>
Total	<u>\$ (170,624)</u>

Note 5. Contingencies

Amounts received or receivable from granting agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor, cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Note 6. Litigation

The City is party to several legal actions arising in the ordinary course of business. In the opinion of the City's legal counsel and management, the City has adequate legal defense and/or insurance coverage regarding each of these actions and does not believe the amount is probable and does not believe these actions would materially effect the basic financial statements of the City.

Note 7. Related Party Transactions

The significant transactions between the component unit and primary government during the year ended September 30, 2025, consisted of a reimbursement for personnel costs in the amount of \$570,926 paid from the Economic Development Corporation to the City's General Fund.

Required Supplementary Information

This Page Intentionally Left Blank

City of Ennis, Texas
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Measurement Years
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Pension Liability				
Service Cost	\$ 1,671,627	\$ 1,840,901	\$ 2,048,680	\$ 2,160,079
Interest (on the Total Pension Liability)	4,045,832	4,058,860	4,283,551	4,513,388
Difference between expected and actual experience	(749,875)	57,172	(44,355)	(488,779)
Changes of assumptions	(37)	-	-	-
Benefit payments, including refunds of employee contributions	<u>(2,627,506)</u>	<u>(2,809,516)</u>	<u>(2,654,647)</u>	<u>(3,222,511)</u>
Net Change in Total Pension Liability	2,340,041	3,147,417	3,633,229	2,962,177
Total Pension Liability - Beginning	<u>58,275,533</u>	<u>60,615,574</u>	<u>63,762,991</u>	<u>67,396,220</u>
Total Pension Liability - Ending (a)	<u>\$ 60,615,574</u>	<u>\$ 63,762,991</u>	<u>\$ 67,396,220</u>	<u>\$ 70,358,397</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 1,686,270	\$ 1,781,293	\$ 1,898,840	\$ 2,010,628
Contributions - Employee	636,329	695,429	765,657	804,713
Net Investment Income	75,581	3,443,016	7,486,574	(1,841,480)
Benefit payments, including refunds of employee contributions	(2,627,506)	(2,809,516)	(2,654,647)	(3,222,511)
Administrative Expense	(46,036)	(38,883)	(38,796)	(35,586)
Other	<u>(2,273)</u>	<u>(2,095)</u>	<u>(1,966)</u>	<u>(1,860)</u>
Net Change in Plan Fiduciary Net Position	(277,635)	3,069,244	7,455,662	(2,286,096)
Plan Fiduciary Net Position - Beginning	<u>51,221,467</u>	<u>50,943,832</u>	<u>54,013,076</u>	<u>61,468,738</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 50,943,832</u>	<u>\$ 54,013,076</u>	<u>\$ 61,468,738</u>	<u>\$ 59,182,642</u>
Net Pension Liability - Ending (a) - (b)	\$ 9,671,742	\$ 9,749,915	\$ 5,927,482	\$ 11,175,755
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.04%	84.71%	91.21%	84.12%
Covered Payroll	9,070,142	9,934,705	10,937,960	11,495,895
Net Pension Liability as a Percentage of Covered Payroll	106.63%	98.14%	54.19%	97.22%

Other Information:

For the 2019 valuation, actuarial studies were updated through December 31, 2018.

For the 2023 valuation, actuarial studies were updated through December 31, 2022.

2019	2020	2021	2022	2023	2024
\$ 2,282,005	\$ 2,275,864	\$ 2,487,609	\$ 2,668,576	\$ 3,097,608	\$ 3,658,092
4,705,505	4,933,807	5,187,388	5,574,720	6,005,895	6,372,347
(246,203)	(92,382)	1,728,845	2,028,826	900,196	518,342
162,535	-	-	-	(466,151)	-
<u>(3,576,427)</u>	<u>(3,460,624)</u>	<u>(3,472,190)</u>	<u>(4,039,932)</u>	<u>(4,157,796)</u>	<u>(4,619,962)</u>
3,327,415	3,656,665	5,931,652	6,232,190	5,379,752	5,928,819
<u>70,358,397</u>	<u>73,685,812</u>	<u>77,342,477</u>	<u>83,274,129</u>	<u>89,506,319</u>	<u>94,886,071</u>
<u>\$ 73,685,812</u>	<u>\$ 77,342,477</u>	<u>\$ 83,274,129</u>	<u>\$ 89,506,319</u>	<u>\$ 94,886,071</u>	<u>\$ 100,814,890</u>
\$ 2,054,555	\$ 2,010,023	\$ 2,188,099	\$ 2,346,324	\$ 2,838,063	\$ 3,462,122
851,041	842,021	915,524	979,385	1,143,723	1,306,461
9,147,353	5,130,608	9,397,117	(5,917,138)	8,614,692	8,603,091
(3,576,427)	(3,460,624)	(3,472,190)	(4,039,932)	(4,157,796)	(4,619,962)
(51,699)	(33,206)	(43,486)	(51,215)	(54,823)	(55,203)
<u>(1,553)</u>	<u>(1,295)</u>	<u>299</u>	<u>61,114</u>	<u>(383)</u>	<u>(1,291)</u>
8,423,270	4,487,527	8,985,363	(6,621,462)	8,383,476	8,695,218
<u>59,182,642</u>	<u>67,605,912</u>	<u>72,093,439</u>	<u>81,078,802</u>	<u>74,457,340</u>	<u>82,840,816</u>
<u>\$ 67,605,912</u>	<u>\$ 72,093,439</u>	<u>\$ 81,078,802</u>	<u>\$ 74,457,340</u>	<u>\$ 82,840,816</u>	<u>\$ 91,536,034</u>
\$ 6,079,900	\$ 5,249,038	\$ 2,195,327	\$ 15,048,979	\$ 12,045,255	\$ 9,278,856
91.75%	93.21%	97.36%	83.19%	87.31%	90.80%
12,157,727	12,028,878	13,078,913	13,986,249	16,243,555	18,663,733
50.01%	43.64%	16.79%	107.60%	74.15%	49.72%

**City of Ennis, Texas
Schedule of Contributions
Last Ten Fiscal Years
(Unaudited)**

	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 1,683,257	\$ 1,827,529	\$ 2,006,005	\$ 1,987,824
Contributions in relation to the actuarially determined contribution	1,683,257	1,827,529	2,006,005	1,987,824
Contribution deficiency (excess)	-	-	-	-
Covered payroll	9,315,037	10,437,703	11,493,429	11,649,523
Contributions as a percentage of covered payroll	18.07%	17.51%	17.45%	17.06%

Schedule Notes:

Valuation Dates:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Normal
Amortization Method Level Percentage of Payroll, Closed
Remaining Amortization Period 20 years (longest amortization ladder)
Asset Valuation Method 10 year smoothed fair value; 12% soft corridor
Inflation 2.50%
Salary Increases 3.60% to 11.85% including inflation
Investment Rate of Return 6.75%
Retirement Age Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. 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). Pre-retirement: Pub(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes There were no benefit changes during the year.

2020	2021	2022	2023	2024	2025
\$ 2,064,308	\$ 2,071,820	\$ 2,387,972	\$ 2,735,998	\$ 3,313,041	\$ 3,581,672
2,064,308	2,071,820	2,387,972	2,735,998	3,313,041	3,581,672
-	-	-	-	-	-
12,402,127	12,218,774	14,084,103	15,584,995	17,790,704	18,940,135
16.64%	16.96%	16.96%	17.56%	18.62%	18.91%

City of Ennis, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Eight Measurement Years

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 18,595	\$ 22,992	\$ 20,668	\$ 26,464	\$ 36,621	\$ 37,763	\$ 21,116	\$ 26,129
Interest (on the Total Pension Liability)	19,447	19,591	33,778	19,577	16,466	15,962	24,173	24,628
Difference between expected and actual experience	-	322,231	(356,825)	(29,501)	(14,824)	(5,541)	2,682	(4,996)
Changes of assumptions and other inputs	43,318	(39,134)	106,935	103,301	25,579	(288,507)	30,242	(32,926)
Benefit payments	(6,563)	(5,748)	(6,079)	(6,014)	(20,926)	(19,581)	(24,365)	(24,263)
Net Change in Total OPEB Liability	74,797	319,932	(201,523)	113,827	42,916	(259,904)	53,848	(11,428)
Total OPEB Liability – Beginning	508,442	583,239	903,171	701,648	815,475	858,391	598,487	652,335
Total OPEB Liability – Ending	<u>\$ 583,239</u>	<u>\$ 903,171</u>	<u>\$ 701,648</u>	<u>\$ 815,475</u>	<u>\$ 858,391</u>	<u>\$ 598,487</u>	<u>\$ 652,335</u>	<u>\$ 640,907</u>
Covered-Employee Payroll	10,937,960	11,495,895	12,157,727	12,028,878	13,078,913	13,986,249	16,243,355	18,663,733
Total OPEB Liability as a Percentage of Covered-Employee Payroll	5.33%	7.86%	5.77%	6.78%	6.56%	4.28%	4.02%	3.43%

Notes to Schedule:

Plan Information:

Single-employer unfunded OPEB plan

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018	3.71%
2019	2.75%
2020	2.00%
2021	1.84%
2022	4.05%
2023	3.77%
2024	4.03%

Actuarial Valuation and Measurement Date: December 31

Significant actuarial assumptions used to measure the total OPEB liability:

Inflation	2.50%
Salary Increases	3.60% to 11.85%, including inflation
Discount Rate	4.03% (3.77% in prior year)
Retiree's Share of Benefit-related Costs	\$ 0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No.68
Mortality – Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and females are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality – 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 Scale MP-2021 to account for future mortality improvements subject to the floor.

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

The information in this schedule has been determined as of the measurement date (December 31) of the City's total OPEB liability and is intended to show information for 10 years. However, until a full 10- year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

Nonmajor 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.

Museum Fund – This fund is used to account for revenues earned from operations and donations given to the City for the development and enhancement of the museum.

Forfeited Contraband Fund – This fund is used to account for seized property to be used for official purposes as provided by Article 59.06 Texas Code of Criminal Procedure.

Law Enforcement Education Fund – This fund is used to account for fines received to provide law enforcement training and education.

COPS More Grant Fund – This fund is used to account for grants received to hire additional career law enforcement officers.

COE 2010 Trust Library – This fund is used to account for improvements to the Ennis Public Library which are funded by an anonymous, conditional bequest to the City received during 2010.

Tourism Fund – This fund accounts for the 7 percent Hotel/Motel Occupancy Tax levied on all hotels and motels in the City. Funds are used for advertising and general promotion of the City, historical preservation.

Court Technology Fund – This fund accounts for the collection of a municipal court technology fee. The proceeds of a fee attached to each conviction are dedicated to acquisition of technology that enhances the operation efficiency of the court.

Court Security Fund – This fund accounts for the collection of a municipal court security fee. The proceeds of a fee attached to each conviction are dedicated to securing the municipal court.

Crime Control & Prevention District – This fund is used to account for the 1/4 cent Crime Control Tax. The revenue from this tax is intended to enhance the law enforcement capabilities of the Ennis Police Department by providing critical equipment and personnel.

Street Maintenance – This fund is used to account for the 1/4 cent Street Maintenance Tax revenues and expenditures devoted to street repair, mill and overlay, and reconstruction projects.

Police Donation – This fund is used to account for donations and contributions given to the City for the enhancement of the law enforcement capabilities.

Nonmajor Special Revenue Funds (Continued)

Fire Donation – This fund is used to account for donations and contributions given to the City for the enhancement of the fire protection capabilities.

Parks Donation – This fund is used to account for donations and contributions given to the City for the enhancement of the parks.

Cardinals Park Land Development – This fund is used to account for park land development in the subdivision.

Bluebonnet Estates Park Land Development – This fund is used to account for park land development in the subdivision.

Creechville Zone Park Land Development – This fund is used to account for park land development in the subdivision.

Nonmajor Capital Projects Fund

Capital project funds are used to account for the financial resources segregated for the acquisition of major capital facilities other than those financed by enterprise funds.

Tax Increment Reinvestment Zone #1 Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Tax Increment Reinvestment Zone #2 Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Tax Increment Reinvestment Zone #3 Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Prairie View Public Improvement District Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Hollow Public Improvement District Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Summer Creek Estates Public Improvement District Fund – This fund is used to account for the taxes collected in a designated reinvestment zone to be used for public improvements.

Nonmajor Permanent Fund

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the government's programs.

Library Endowment Fund – This fund is used to account for all donations and memorials given to the City for the purchase of library furnishings and books.

City of Ennis, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Nonmajor Special Revenue	Nonmajor Capital Projects	Nonmajor Permanent	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 4,849,762	\$ 6,304,244	\$ 257,212	\$ 11,411,218
Receivables, net	640,309	11,057	-	651,366
Total assets	<u>\$ 5,490,071</u>	<u>\$ 6,315,301</u>	<u>\$ 257,212</u>	<u>\$ 12,062,584</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 30,937	\$ 2,950	\$ -	\$ 33,887
Accrued payroll payable	9,811	-	-	9,811
Due to other funds	148,040	-	-	148,040
Total liabilities	<u>188,788</u>	<u>2,950</u>	<u>-</u>	<u>191,738</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	9,871	-	9,871
Total deferred inflows of resources	<u>-</u>	<u>9,871</u>	<u>-</u>	<u>9,871</u>
Fund Balances				
Nonspendable:				
Endowment	-	-	28,966	28,966
Restricted:				
Capital projects	-	6,302,480	-	6,302,480
Cultural and recreational	1,044,203	-	228,246	1,272,449
Public safety	240,963	-	-	240,963
Streets	3,260,524	-	-	3,260,524
Tourism	755,593	-	-	755,593
Total fund balances	<u>5,301,283</u>	<u>6,302,480</u>	<u>257,212</u>	<u>11,860,975</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,490,071</u>	<u>\$ 6,315,301</u>	<u>\$ 257,212</u>	<u>\$ 12,062,584</u>

City of Ennis, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Nonmajor Special Revenue	Nonmajor Capital Projects	Nonmajor Permanent	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ 2,565,162	\$ -	\$ 2,565,162
Developer contributions	-	842,163	-	842,163
Sales Taxes	2,981,279	-	-	2,981,279
Hotel occupancy taxes	570,239	-	-	570,239
Fines and forfeitures	17,126	-	-	17,126
Investment earnings	14,041	50,881	24	64,946
Intergovernmental	8,381	-	-	8,381
Miscellaneous	7,475	-	11,012	18,487
Contributions and donations	19,175	-	-	19,175
Total revenues	<u>3,617,716</u>	<u>3,458,206</u>	<u>11,036</u>	<u>7,086,958</u>
Expenditures				
Current:				
General government	87,442	118,005	-	205,447
Public safety	45,285	-	-	45,285
Streets	414,356	-	-	414,356
Cultural and recreation	10,261	-	-	10,261
Capital outlay	83,887	-	-	83,887
Total expenditures	<u>641,231</u>	<u>118,005</u>	<u>-</u>	<u>759,236</u>
Excess of Revenues Over Expenditures	<u>2,976,485</u>	<u>3,340,201</u>	<u>11,036</u>	<u>6,327,722</u>
Other Financing Sources (Uses)				
Transfers out	(1,925,896)	-	-	(1,925,896)
Total other financing sources (uses)	<u>(1,925,896)</u>	<u>-</u>	<u>-</u>	<u>(1,925,896)</u>
Net Change in Fund Balances	1,050,589	3,340,201	11,036	4,401,826
Fund Balances, Beginning of Year	<u>4,250,694</u>	<u>2,962,279</u>	<u>246,176</u>	<u>7,459,149</u>
Fund Balances, End of Year	<u>\$ 5,301,283</u>	<u>\$ 6,302,480</u>	<u>\$ 257,212</u>	<u>\$ 11,860,975</u>

City of Ennis, Texas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue
September 30, 2025

	<u>Museum</u>	<u>Forfeited Contraband</u>	<u>Law Enforcement Education</u>	<u>COPS More Grant</u>	<u>COE 2010 Trust Library</u>	<u>Tourism</u>
Assets						
Cash and cash equivalents	\$ 9,051	\$ 25,766	\$ 14,363	\$ 2	\$ 471,631	\$ 660,802
Receivables, net	-	-	-	-	-	111,730
Total assets	<u>\$ 9,051</u>	<u>\$ 25,766</u>	<u>\$ 14,363</u>	<u>\$ 2</u>	<u>\$ 471,631</u>	<u>\$ 772,532</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 103	\$ 7,128
Accrued payroll payable	-	-	-	-	-	9,811
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	103	16,939
Fund Balances						
Restricted:						
Cultural and recreational	9,051	-	-	-	471,528	-
Public safety	-	25,766	14,363	2	-	-
Streets	-	-	-	-	-	-
Tourism	-	-	-	-	-	755,593
Total fund balances	<u>9,051</u>	<u>25,766</u>	<u>14,363</u>	<u>2</u>	<u>471,528</u>	<u>755,593</u>
Total liabilities and fund balances	<u>\$ 9,051</u>	<u>\$ 25,766</u>	<u>\$ 14,363</u>	<u>\$ 2</u>	<u>\$ 471,631</u>	<u>\$ 772,532</u>

Court Technology	Court Security	Crime Control and Prevention District	Street Maintenance	Police Donation	Fire Donation	Parks Donation	Cardinals Park Land Development
\$ 21,833	\$ 47,792	\$ -	\$ 3,008,977	\$ 11,096	\$ 12,487	\$ 14,771	\$ 119,000
-	-	258,279	270,300	-	-	-	-
<u>\$ 21,833</u>	<u>\$ 47,792</u>	<u>\$ 258,279</u>	<u>\$ 3,279,277</u>	<u>\$ 11,096</u>	<u>\$ 12,487</u>	<u>\$ 14,771</u>	<u>\$ 119,000</u>
\$ -	\$ -	\$ 2,615	\$ 18,753	\$ -	\$ -	\$ 2,338	\$ -
-	-	-	-	-	-	-	-
5,562	-	142,478	-	-	-	-	-
<u>5,562</u>	<u>-</u>	<u>145,093</u>	<u>18,753</u>	<u>-</u>	<u>-</u>	<u>2,338</u>	<u>-</u>
-	-	-	-	-	-	12,433	119,000
16,271	47,792	113,186	-	11,096	12,487	-	-
-	-	-	3,260,524	-	-	-	-
-	-	-	-	-	-	-	-
<u>16,271</u>	<u>47,792</u>	<u>113,186</u>	<u>3,260,524</u>	<u>11,096</u>	<u>12,487</u>	<u>12,433</u>	<u>119,000</u>
<u>\$ 21,833</u>	<u>\$ 47,792</u>	<u>\$ 258,279</u>	<u>\$ 3,279,277</u>	<u>\$ 11,096</u>	<u>\$ 12,487</u>	<u>\$ 14,771</u>	<u>\$ 119,000</u>

City of Ennis, Texas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue
September 30, 2025

	Bluebonnet Estates Park Land Development	Creechville Zone Park Land Development	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	\$ 210,527	\$ 221,664	\$ 4,849,762
Receivables, net	-	-	640,309
Total assets	<u>\$ 210,527</u>	<u>\$ 221,664</u>	<u>\$ 5,490,071</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 30,937
Accrued payroll payable	-	-	9,811
Due to other funds	-	-	148,040
Total liabilities	<u>-</u>	<u>-</u>	<u>188,788</u>
Fund Balances			
Restricted:			
Cultural and recreational	210,527	221,664	1,044,203
Public safety	-	-	240,963
Streets	-	-	3,260,524
Tourism	-	-	755,593
Total fund balances	<u>210,527</u>	<u>221,664</u>	<u>5,301,283</u>
Total liabilities and fund balances	<u>\$ 210,527</u>	<u>\$ 221,664</u>	<u>\$ 5,490,071</u>

City of Ennis, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue
For the Year Ended September 30, 2025

	Museum	Forfeited Contraband	Law Enforcement Education	COPS More Grant	COE 2010 Trust Library	Tourism
Revenues						
Sales Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel occupancy taxes	-	-	-	-	-	570,239
Fines and forfeitures	-	-	-	-	-	-
Investment earnings	94	261	116	-	4,972	7,054
Intergovernmental	-	-	8,381	-	-	-
Miscellaneous	126	4,312	-	-	3,037	-
Contributions and donations	-	-	-	-	-	-
Total revenues	<u>220</u>	<u>4,573</u>	<u>8,497</u>	<u>-</u>	<u>8,009</u>	<u>577,293</u>
Expenditures						
Current:						
General government	-	-	-	-	-	87,442
Public safety	-	-	3,065	-	-	-
Streets	-	-	-	-	-	-
Cultural and recreation	830	-	-	-	3,141	-
Capital outlay	-	-	-	-	52,000	-
Total expenditures	<u>830</u>	<u>-</u>	<u>3,065</u>	<u>-</u>	<u>55,141</u>	<u>87,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(610)</u>	<u>4,573</u>	<u>5,432</u>	<u>-</u>	<u>(47,132)</u>	<u>489,851</u>
Other Financing Sources (Uses)						
Transfers out	-	-	-	-	-	(447,016)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(447,016)</u>
Net Change in Fund Balances	(610)	4,573	5,432	-	(47,132)	42,835
Fund Balances, Beginning of Year	9,661	21,193	8,931	2	518,660	712,758
Fund Balances, End of Year	<u>\$ 9,051</u>	<u>\$ 25,766</u>	<u>\$ 14,363</u>	<u>\$ 2</u>	<u>\$ 471,528</u>	<u>\$ 755,593</u>

Court Technology	Court Security	Crime Control and Prevention District	Street Maintenance	Police Donation	Fire Donation	Parks Donation	Cardinals Park Land Development
\$ -	\$ -	\$ 1,465,938	\$ 1,515,341	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
10,165	6,961	-	-	-	-	-	-
-	457	752	-	97	146	92	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,353	3,702	13,120	-
10,165	7,418	1,466,690	1,515,341	2,450	3,848	13,212	-
-	-	-	-	-	-	-	-
-	-	36,347	-	-	5,873	-	-
-	-	-	414,356	-	-	-	-
-	-	-	-	-	-	6,290	-
-	-	31,887	-	-	-	-	-
-	-	68,234	414,356	-	5,873	6,290	-
10,165	7,418	1,398,456	1,100,985	2,450	(2,025)	6,922	-
-	-	(1,478,880)	-	-	-	-	-
-	-	(1,478,880)	-	-	-	-	-
10,165	7,418	(80,424)	1,100,985	2,450	(2,025)	6,922	-
6,106	40,374	193,610	2,159,539	8,646	14,512	5,511	119,000
\$ 16,271	\$ 47,792	\$ 113,186	\$ 3,260,524	\$ 11,096	\$ 12,487	\$ 12,433	\$ 119,000

City of Ennis, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue
For the Year Ended September 30, 2025

	Bluebonnet Estates Park Land Development	Creechville Zone Park Land Development	Total Nonmajor Special Revenue Funds
Revenues			
Sales Taxes	\$ -	\$ -	\$ 2,981,279
Hotel occupancy taxes	-	-	570,239
Fines and forfeitures	-	-	17,126
Investment earnings	-	-	14,041
Intergovernmental	-	-	8,381
Miscellaneous	-	-	7,475
Contributions and donations	-	-	19,175
Total revenues	<u>-</u>	<u>-</u>	<u>3,617,716</u>
Expenditures			
Current:			
General government	-	-	87,442
Public safety	-	-	45,285
Streets	-	-	414,356
Cultural and recreation	-	-	10,261
Capital outlay	-	-	83,887
Total expenditures	<u>-</u>	<u>-</u>	<u>641,231</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>2,976,485</u>
Other Financing Sources (Uses)			
Transfers out	-	-	(1,925,896)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,925,896)</u>
Net Change in Fund Balances	-	-	1,050,589
Fund Balances, Beginning of Year	<u>210,527</u>	<u>221,664</u>	<u>4,250,694</u>
Fund Balances, End of Year	<u>\$ 210,527</u>	<u>\$ 221,664</u>	<u>\$ 5,301,283</u>

City of Ennis, Texas
Combining Balance Sheet
Nonmajor Governmental Funds - Capital Projects
September 30, 2025

	Tax Increment Reinvestment Zone #1	Tax Increment Reinvestment Zone #2	Tax Increment Reinvestment Zone #3	Prairie View PID	Hollow PID	Summer Creek Estates PID
Assets						
Cash and cash equivalents	\$ 2,537,404	\$ 1,250,927	\$ 1,710,973	\$ 582,204	\$ 207,736	\$ 15,000
Receivables, net	5,376	3,600	2,081	-	-	-
Total assets	<u>\$ 2,542,780</u>	<u>\$ 1,254,527</u>	<u>\$ 1,713,054</u>	<u>\$ 582,204</u>	<u>\$ 207,736</u>	<u>\$ 15,000</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 670	\$ 1,560	\$ 720
Total liabilities	-	-	-	670	1,560	720
Deferred Inflows of Resources						
Unavailable revenue - property taxes	4,799	3,214	1,858	-	-	-
Total deferred inflows of resources	4,799	3,214	1,858	-	-	-
Fund Balances						
Restricted:						
Capital projects	2,537,981	1,251,313	1,711,196	581,534	206,176	14,280
Total fund balances	2,537,981	1,251,313	1,711,196	581,534	206,176	14,280
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,542,780</u>	<u>\$ 1,254,527</u>	<u>\$ 1,713,054</u>	<u>\$ 582,204</u>	<u>\$ 207,736</u>	<u>\$ 15,000</u>

**Total
Nonmajor
Capital
Projects
Funds**

\$ 6,304,244
11,057

\$ 6,315,301

\$ 2,950

2,950

9,871

9,871

6,302,480

6,302,480

\$ 6,315,301

City of Ennis, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects
For the Year Ended September 30, 2025

	Tax Increment Reinvestment Zone #1	Tax Increment Reinvestment Zone #2	Tax Increment Reinvestment Zone #3	Prairie View PID	Hollow PID	Summer Creek Estates PID
Revenues						
Property taxes	\$ 820,153	\$ 538,196	\$ 1,206,813	\$ -	\$ -	\$ -
Developer contributions	-	-	-	603,639	223,524	15,000
Investment earnings	24,064	12,008	14,809	-	-	-
Total revenues	<u>844,217</u>	<u>550,204</u>	<u>1,221,622</u>	<u>603,639</u>	<u>223,524</u>	<u>15,000</u>
Expenditures						
General government	2,039	66,691	-	28,541	20,014	720
Total expenditures	<u>2,039</u>	<u>66,691</u>	<u>-</u>	<u>28,541</u>	<u>20,014</u>	<u>720</u>
Net Change in Fund Balances	842,178	483,513	1,221,622	575,098	203,510	14,280
Fund Balances, Beginning of Year	1,695,803	767,800	489,574	6,436	2,666	-
Fund Balances, End of Year	<u>\$ 2,537,981</u>	<u>\$ 1,251,313</u>	<u>\$ 1,711,196</u>	<u>\$ 581,534</u>	<u>\$ 206,176</u>	<u>\$ 14,280</u>

**Total
Nonmajor
Capital
Projects
Funds**

\$	2,565,162
	842,163
	50,881
	<u>3,458,206</u>
	<u>118,005</u>
	<u>118,005</u>
	3,340,201
	<u>2,962,279</u>
\$	<u><u>6,302,480</u></u>

This Page Intentionally Left Blank

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the payment of principal and interest on general long-term debt.

This Page Intentionally Left Blank

City of Ennis, Texas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 7,662,402	\$ 7,662,402	\$ 7,772,000	\$ 109,598
Investment earnings	3,000	3,000	28,243	25,243
Total revenues	<u>7,665,402</u>	<u>7,665,402</u>	<u>7,800,243</u>	<u>134,841</u>
Expenditures				
Principal retirement	4,830,000	4,830,000	4,852,500	(22,500)
Interest and fiscal charges	<u>3,229,499</u>	<u>3,229,499</u>	<u>3,229,480</u>	<u>19</u>
Total expenditures	<u>8,059,499</u>	<u>8,059,499</u>	<u>8,081,980</u>	<u>(22,481)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(394,097)</u>	<u>(394,097)</u>	<u>(281,737)</u>	<u>112,360</u>
Other Financing Sources (Uses)				
Transfers in	<u>701,188</u>	<u>701,188</u>	<u>701,188</u>	<u>-</u>
Total other financing sources (uses)	<u>701,188</u>	<u>701,188</u>	<u>701,188</u>	<u>-</u>
Net Change in Fund Balances	307,091	307,091	419,451	112,360
Fund Balances, Beginning	<u>867,562</u>	<u>867,562</u>	<u>867,562</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,174,653</u>	<u>\$ 1,174,653</u>	<u>\$ 1,287,013</u>	<u>\$ 112,360</u>

This Page Intentionally Left Blank

Proprietary Funds

Nonmajor Enterprise Funds

Sanitation Fund - This fund is used to account for the sanitation operations.

Airport Fund - This fund is used to account for the airport operations.

This Page Intentionally Left Blank

City of Ennis, Texas
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2025

	Sanitation	Airport	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 498,318	\$ -	\$ 498,318
Accounts receivable, net	250,562	-	250,562
Inventories	-	28,295	28,295
	<u>748,880</u>	<u>28,295</u>	<u>777,175</u>
Noncurrent Assets			
Capital and lease assets	1,090,164	837,647	1,927,811
	<u>1,090,164</u>	<u>837,647</u>	<u>1,927,811</u>
Total noncurrent assets	1,090,164	837,647	1,927,811
Total assets	<u>1,839,044</u>	<u>865,942</u>	<u>2,704,986</u>
Deferred Outflows of Resources			
Deferred outflows - pensions	245,638	-	245,638
Deferred outflows - OPEB	1,861	-	1,861
	<u>247,499</u>	<u>-</u>	<u>247,499</u>
Total deferred outflows of resources	247,499	-	247,499
Liabilities			
Current Liabilities			
Accounts payable	22,309	7,369	29,678
Accrued payroll payable	59,447	-	59,447
Due to other funds	-	249,109	249,109
Customer deposits payable	-	500	500
	<u>81,756</u>	<u>256,978</u>	<u>338,734</u>
Total current liabilities	81,756	256,978	338,734
Noncurrent Liabilities			
Net pension liability	495,512	-	495,512
Total OPEB liability	32,045	-	32,045
	<u>527,557</u>	<u>-</u>	<u>527,557</u>
Total noncurrent liabilities	527,557	-	527,557
Total liabilities	<u>609,313</u>	<u>256,978</u>	<u>866,291</u>
Deferred Inflows of Resources			
Deferred inflows - pension	59,309	-	59,309
Deferred inflows - OPEB	9,194	-	9,194
	<u>68,503</u>	<u>-</u>	<u>68,503</u>
Total deferred inflows of resources	68,503	-	68,503
Net Position			
Net investment in capital assets	1,090,164	837,647	1,927,811
Unrestricted	318,563	(228,683)	89,880
	<u>\$ 1,408,727</u>	<u>\$ 608,964</u>	<u>\$ 2,017,691</u>
Total net position	\$ 1,408,727	\$ 608,964	\$ 2,017,691

City of Ennis, Texas
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	<u>Sanitation</u>	<u>Airport</u>	<u>Total</u>
Operating Revenues			
Sanitation revenue	\$ 1,993,196	\$ -	\$ 1,993,196
Airport revenue	-	160,870	160,870
	<u>1,993,196</u>	<u>160,870</u>	<u>2,154,066</u>
Operating Expenses			
Personnel	1,200,681	-	1,200,681
Supplies	95,871	112,247	208,118
Depreciation and amortization	337,975	477	338,452
Other operating expenses	33,062	24,494	57,556
Maintenance and replacement	189,960	11,559	201,519
	<u>1,857,549</u>	<u>148,777</u>	<u>2,006,326</u>
Operating Income	<u>135,647</u>	<u>12,093</u>	<u>147,740</u>
Nonoperating Revenues			
Investment earnings	423	-	423
	<u>423</u>	<u>-</u>	<u>423</u>
Income Before Transfers	<u>136,070</u>	<u>12,093</u>	<u>148,163</u>
Transfers out	(307,370)	(4,994)	(312,364)
Change in Net Position	<u>(171,300)</u>	<u>7,099</u>	<u>(164,201)</u>
Net Position, Beginning of Year	<u>1,580,027</u>	<u>601,865</u>	<u>2,181,892</u>
Net Position, End of Year	<u>\$ 1,408,727</u>	<u>\$ 608,964</u>	<u>\$ 2,017,691</u>

City of Ennis, Texas
Statement of Cash Flows
Nonmajor Enterprise Funds
For Year Ended September 30, 2025

	Business-type Activities – Enterprise		
	Sanitation	Airport	Total Nonmajor Enterprise Funds
Cash Flows From Operating Activities			
Receipts from customers	\$ 1,956,383	\$ 160,870	\$ 2,117,253
Payments to suppliers and service providers	(325,460)	(162,845)	(488,305)
Payments to employees for salaries and benefits	(1,180,859)	-	(1,180,859)
Net cash provided by (used for) operating activities	<u>450,064</u>	<u>(1,975)</u>	<u>448,089</u>
Cash Flows From Noncapital Financing Activities			
Advances from other funds	-	6,969	6,969
Transfers to other funds	(307,370)	(4,994)	(312,364)
Net cash provided by (used for) noncapital financing activities	<u>(307,370)</u>	<u>1,975</u>	<u>(305,395)</u>
Cash Flows From Capital And Related Financing Activities			
Acquisition and construction of capital assets	(39,895)	-	(39,895)
Net cash used for capital and related financing activities	<u>(39,895)</u>	<u>-</u>	<u>(39,895)</u>
Cash Flows From Investing Activities			
Investment earnings	423	-	423
Net cash provided by investing activities	<u>423</u>	<u>-</u>	<u>423</u>
Net increase in cash and cash equivalents	103,222	-	103,222
Cash and cash equivalents, October 1	395,096	-	395,096
Cash and cash equivalents, September 30	<u>\$ 498,318</u>	<u>\$ -</u>	<u>\$ 498,318</u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities			
Operating income	\$ 135,647	\$ 12,093	\$ 147,740
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation and amortization	337,975	477	338,452
(Increase) decrease in accounts receivable	(36,813)	-	(36,813)
(Increase) decrease in lease receivable	18,377	-	18,377
(Increase) decrease in pension related deferred outflows of resources	181,093	-	181,093
(Increase) decrease in OPEB related deferred outflows of resources	2,505	-	2,505
Increase (decrease) in accounts payable	(7,178)	(14,545)	(21,723)
Increase (decrease) in accrued payroll payable	(2,608)	-	(2,608)
Increase (decrease) in pension related deferred inflows of resources	(20,548)	-	(20,548)
Increase (decrease) in OPEB related deferred inflows of resources	(1,728)	-	(1,728)
Increase (decrease) in lease related deferred inflows of resources	(17,766)	-	(17,766)
Increase (decrease) in net pension liability	(138,320)	-	(138,320)
Increase (decrease) in OPEB liability	(572)	-	(572)
Total adjustments	<u>314,417</u>	<u>(14,068)</u>	<u>300,349</u>
Net cash provided by (used for) operating activities	<u>\$ 450,064</u>	<u>\$ (1,975)</u>	<u>\$ 448,089</u>

City of Ennis, Texas
Schedule of Operating Revenues and Operating Expenses
Budget and Actual
Enterprise Fund - Utility
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
Water Operating Revenues				
Water sales	\$ 7,783,543	\$ 7,783,543	\$ 8,463,269	\$ 679,726
Water taps and connections	222,549	222,549	214,972	(7,577)
Penalties	160,000	160,000	202,428	42,428
Reconnection charges	42,000	42,000	41,610	(390)
Miscellaneous	80,000	80,000	883,481	803,481
	<u>8,288,092</u>	<u>8,288,092</u>	<u>9,805,760</u>	<u>1,517,668</u>
Sewer Operating Revenues				
Sewer service charge	6,737,659	6,737,659	7,408,161	670,502
Sewer taps and connection	14,510	14,510	(1,250)	(15,760)
EPA fees	20,000	20,000	11,986	(8,014)
	<u>6,772,169</u>	<u>6,772,169</u>	<u>7,418,897</u>	<u>646,728</u>
Total operating revenues	<u>\$ 15,060,261</u>	<u>\$ 15,060,261</u>	<u>\$ 17,224,657</u>	<u>\$ 2,164,396</u>
Operating Expenses				
Administration:				
Personnel	\$ 597,211	\$ 597,211	\$ 804,903	\$ (207,692)
Supplies	1,984,625	2,020,416	18,072	2,002,344
Maintenance and replacement	1,384,000	2,051,998	5,376	2,046,622
Miscellaneous services	1,652,163	1,653,071	704,803	948,268
	<u>5,617,999</u>	<u>6,322,696</u>	<u>1,533,154</u>	<u>4,789,542</u>
Water operations:				
Personnel	3,017,860	2,309,925	2,109,799	200,126
Supplies	1,520,000	1,627,984	1,337,579	290,405
Maintenance and replacement	703,000	1,254,048	838,082	415,966
Miscellaneous services	543,207	499,537	539,736	(40,199)
Capital outlay	42,900	42,900	-	42,900
	<u>5,826,967</u>	<u>5,734,394</u>	<u>4,825,196</u>	<u>909,198</u>
Sewer operations:				
Personnel	1,838,181	1,729,129	1,847,336	(118,207)
Supplies	448,125	376,125	170,360	205,765
Maintenance and replacement	663,500	776,695	710,187	66,508
Miscellaneous services	625,600	617,910	1,364,174	(746,264)
Capital outlay	8,000	23,664	-	23,664
	<u>3,583,406</u>	<u>3,523,523</u>	<u>4,092,057</u>	<u>(568,534)</u>
Total operating expenses before depreciation and amortization	15,028,372	15,580,613	10,450,407	5,130,206
Depreciation and amortization	-	-	3,866,850	(3,866,850)
Total operating expenses	<u>\$ 15,028,372</u>	<u>\$ 15,580,613</u>	<u>\$ 14,317,257</u>	<u>\$ 1,263,356</u>

City of Ennis, Texas
Schedule of Operating Revenues and Operating Expenses
Budget and Actual
Enterprise Fund - Sanitation
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
Operating Revenues				
Sanitation revenues	\$ 1,905,500	\$ 1,905,500	\$ 1,993,196	\$ 87,696
Miscellaneous	24,999	24,999	-	(24,999)
Total operating revenues	<u>\$ 1,930,499</u>	<u>\$ 1,930,499</u>	<u>\$ 1,993,196</u>	<u>\$ 62,697</u>
Operating Expenses				
Sanitation				
Personnel	\$ 1,180,938	\$ 1,170,938	\$ 1,200,681	\$ (29,743)
Supplies	100,750	98,048	95,871	2,177
Maintenance and replacement	170,000	218,065	189,960	28,105
Miscellaneous services	386,670	382,068	33,062	349,006
Total operating expenses before depreciation and amortization	1,838,358	1,869,119	1,519,574	349,545
Depreciation and amortization	-	-	337,975	(337,975)
Total operating expenses	<u>\$ 1,838,358</u>	<u>\$ 1,869,119</u>	<u>\$ 1,857,549</u>	<u>\$ 11,570</u>

City of Ennis, Texas
Schedule of Operating Revenues and Operating Expenses
Budget and Actual
Enterprise Fund - Airport
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
Operating Revenues				
Airport revenues	\$ 199,000	\$ 199,000	\$ 160,870	\$ (38,130)
Miscellaneous	60,500	60,500	-	(60,500)
Total operating revenues	<u>\$ 259,500</u>	<u>\$ 259,500</u>	<u>\$ 160,870</u>	<u>\$ (98,630)</u>
Operating Expenses				
Airport				
Supplies	\$ 181,500	\$ 181,500	112,247	69,253
Maintenance and replacement	54,500	54,500	11,559	42,941
Miscellaneous services	173,523	173,523	24,494	149,029
Total operating expenses before depreciation and amortization	409,523	409,523	148,300	261,223
Depreciation and amortization	-	-	477	(477)
Total operating expenses	<u>\$ 409,523</u>	<u>\$ 409,523</u>	<u>\$ 148,777</u>	<u>\$ 260,746</u>

Internal Service Funds

Self-Insurance Fund - This fund is used to account for self-insurance services provided to other departments of the City on a cost-reimbursement basis for medical claims and prescription drugs.

Fleet Replacement Fund - This fund is used to account for fleet maintenance services provided to other departments of the City on a cost-reimbursement basis.

This Page Intentionally Left Blank

City of Ennis, Texas
Combining Statement of Net Position
Internal Service Funds
September 30, 2025

	Self Insurance Fund	Fleet Replacement Fund	Total
Assets			
Cash and cash equivalents	\$ 282,747	\$ -	\$ 282,747
Due from other funds	17,211	-	17,211
Total assets	299,958	-	299,958
Liabilities			
Claims payable	672,000	-	672,000
Due to other funds	-	322,534	322,534
Total liabilities	672,000	322,534	994,534
Net Position (Deficit)			
Unrestricted	(372,042)	(322,534)	(694,576)
Total net position (deficit)	\$ (372,042)	\$ (322,534)	\$ (694,576)

City of Ennis, Texas
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2025

	Self Insurance Fund	Fleet Replacement Fund	Total
Operating Revenues			
Charges for insurance and services	\$ 4,621,365	\$ -	\$ 4,621,365
Total operating revenues	<u>4,621,365</u>	<u>-</u>	<u>4,621,365</u>
Operating Expenses			
Insurance claims and expenses	5,869,968	-	5,869,968
Maintenance and replacement	-	914,791	914,791
Total operating expenses	<u>5,869,968</u>	<u>914,791</u>	<u>6,784,759</u>
Operating Income (Loss)	<u>(1,248,603)</u>	<u>(914,791)</u>	<u>(2,163,394)</u>
Transfers in	-	728,772	728,772
Transfers out	<u>(1,733,326)</u>	<u>-</u>	<u>(1,733,326)</u>
Change in Net Position (Deficit)	(2,981,929)	(186,019)	(3,167,948)
Net Position (Deficit), Beginning of Year	<u>2,609,887</u>	<u>(136,515)</u>	<u>2,473,372</u>
Net Position (Deficit), End of Year	<u>\$ (372,042)</u>	<u>\$ (322,534)</u>	<u>\$ (694,576)</u>

City of Ennis, Texas
Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2025

	Internal Service Funds		
	Self Insurance Fund	Fleet Replacement Fund	Total Internal Service Funds
Cash Flows From Operating Activities			
Receipts from interfund charges for self-insurance	\$ 4,621,365	\$ -	\$ 4,621,365
Payments to suppliers and service providers	(5,777,968)	(916,214)	(6,694,182)
Net cash provided by used for operating activities	<u>(1,156,603)</u>	<u>(916,214)</u>	<u>(2,072,817)</u>
Cash Flows From Noncapital Financing Activities			
Advances from other funds	-	187,442	187,442
Transfers from other funds	-	728,772	728,772
Transfers to other funds	(1,733,326)	-	(1,733,326)
Net cash used for noncapital financing activities	<u>(1,733,326)</u>	<u>916,214</u>	<u>(817,112)</u>
Net decrease in cash and cash equivalents	(2,889,929)	-	(2,889,929)
Cash and cash equivalents, October 1	<u>3,172,676</u>	<u>-</u>	<u>3,172,676</u>
Cash and cash equivalents, September 30	<u>\$ 282,747</u>	<u>\$ -</u>	<u>\$ 282,747</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities			
Operating income (loss)	\$ (1,248,603)	\$ (914,791)	\$ (2,163,394)
Adjustments to reconcile operating income to net cash provided by operating activities:			
(Increase) decrease in accounts and claims payable	<u>92,000</u>	<u>(1,423)</u>	<u>90,577</u>
Total adjustments	<u>92,000</u>	<u>(1,423)</u>	<u>90,577</u>
Net cash provided by (used for) operating activities	<u>\$ (1,156,603)</u>	<u>\$ (916,214)</u>	<u>\$ (2,072,817)</u>

This Page Intentionally Left Blank

Statistical Section

This Page Intentionally Left Blank

City of Ennis, Texas

Table Descriptions

This part of the City's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	105-114
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	115-118
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	119-123
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	124-126
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	127-131

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

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

	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities				
Net investment in capital assets	\$ 28,345,988	\$ 30,870,870	\$ 29,095,218	\$ 28,875,948
Restricted	3,470,822	4,423,202	4,037,124	2,136,186
Unrestricted	(38,762)	(3,109,063)	(675,895)	105,591
Total governmental activities net position	<u>\$ 31,778,048</u>	<u>\$ 32,185,009</u>	<u>\$ 32,456,447</u>	<u>\$ 31,117,725</u>
Business-type Activities				
Net investment in capital assets	\$ 23,387,335	\$ 23,918,285	\$ 25,043,255	\$ 29,033,174
Restricted	-	-	-	-
Unrestricted	2,328,080	2,215,764	2,930,528	2,568,272
Total business-type activities net position	<u>\$ 25,715,415</u>	<u>\$ 26,134,049</u>	<u>\$ 27,973,783</u>	<u>\$ 31,601,446</u>
Primary Government				
Net investment in capital assets	\$ 51,733,323	\$ 54,789,155	\$ 54,138,473	\$ 57,909,122
Restricted	3,470,822	4,423,202	4,037,124	2,136,186
Unrestricted	2,289,318	(893,299)	2,254,633	2,673,863
Total primary government net position	<u>\$ 57,493,463</u>	<u>\$ 58,319,058</u>	<u>\$ 60,430,230</u>	<u>\$ 62,719,171</u>

Source: Annual Comprehensive Financial Report

Note: The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior years have not been restated for the effects of this standard.

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 25,918,970	\$ 28,463,890	\$ 29,775,266	\$ 39,784,516	\$ 41,954,469	\$ 41,746,958
4,311,693	4,209,037	12,505,972	17,645,852	26,160,184	41,899,785
76,134	12,733,099	17,779,279	13,765,382	13,647,504	3,948,848
<u>\$ 30,306,797</u>	<u>\$ 45,406,026</u>	<u>\$ 60,060,517</u>	<u>\$ 71,195,750</u>	<u>\$ 81,762,157</u>	<u>\$ 87,595,591</u>
\$ 32,807,774	\$ 38,282,575	\$ 40,714,128	\$ 41,649,621	\$ 40,849,509	\$ 37,847,463
-	-	-	-	-	-
1,553,060	1,859,703	3,053,127	6,455,245	7,037,367	8,242,011
<u>\$ 34,360,834</u>	<u>\$ 40,142,278</u>	<u>\$ 43,767,255</u>	<u>\$ 48,104,866</u>	<u>\$ 47,886,876</u>	<u>\$ 46,089,474</u>
\$ 58,726,744	\$ 66,746,465	\$ 70,489,394	\$ 81,434,137	\$ 82,803,978	\$ 79,594,421
4,311,693	4,209,037	12,505,972	17,645,852	26,160,184	41,899,785
1,629,194	14,592,802	20,832,406	20,220,627	20,684,871	12,190,859
<u>\$ 64,667,631</u>	<u>\$ 85,548,304</u>	<u>\$ 103,827,772</u>	<u>\$ 119,300,616</u>	<u>\$ 129,649,033</u>	<u>\$ 133,685,065</u>

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

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	\$ 2,493,478	\$ 3,484,434	\$ 3,052,597	\$ 3,323,582
Public Safety	9,328,294	11,271,841	10,408,224	10,731,634
Streets	2,703,513	3,259,684	4,793,071	3,805,200
Health	334,096	449,742	502,639	14,151,551
Equipment services	330,555	343,313	318,197	405,495
Cultural and recreational	1,278,502	1,710,782	1,540,188	1,696,613
Airport	148,531	288,471	359,718	-
Hospital	1,229,321	1,223,582	1,160,052	1,160,052
Public works	363,013	372,854	362,099	869,278
Sanitation services	-	-	-	-
Interest on long-term debt	965,000	930,610	897,132	1,818,008
Total governmental activities	<u>19,174,303</u>	<u>23,335,313</u>	<u>23,393,917</u>	<u>37,961,413</u>
Business-type activities:				
Utility	7,840,074	8,061,956	8,831,650	8,199,645
Sanitation	1,153,513	1,122,815	1,182,579	1,180,725
Airport	-	-	-	165,814
Total business-type activities	<u>8,993,587</u>	<u>9,184,771</u>	<u>10,014,229</u>	<u>9,546,184</u>
Total expenses	<u>\$ 28,167,890</u>	<u>\$ 32,520,084</u>	<u>\$ 33,408,146</u>	<u>\$ 47,507,597</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 308,178	\$ 367,645	\$ 692,179	\$ 500,257
Public safety	763,986	700,651	721,657	556,997
Airport	35,236	46,633	101,059	-
Health	-	-	-	11,915,091
Cultural and recreational	19,920	15,151	25,080	65,684
Hospital	544,893	544,893	544,893	544,893
Public Works	3,677	5,327	3,870	450
Sanitation services	-	-	-	-
Operating grants and contributions	458,596	472,921	2,070,536	1,180,486
Capital grants and contributions	270,773	1,345,067	11,596	466,874
Total governmental activities	<u>2,405,259</u>	<u>3,498,288</u>	<u>4,170,870</u>	<u>15,230,732</u>
Business-type activities:				
Charges for services:				
Utility	8,617,166	9,364,187	10,364,129	10,263,373
Sanitation	1,112,661	1,509,792	1,511,592	1,481,012
Airport	-	-	-	141,230
Operating grants and contributions	-	-	-	19,970
Capital grants and contributions	702,809	129,639	-	52,824
Total business-type activities	<u>10,432,636</u>	<u>11,003,618</u>	<u>11,875,721</u>	<u>11,958,409</u>
Total program revenues	<u>\$ 12,837,895</u>	<u>\$ 14,501,906</u>	<u>\$ 16,046,591</u>	<u>\$ 27,189,141</u>
Net (expense)/revenue				
Government activities	\$ (16,769,044)	\$ (19,837,025)	\$ (19,223,047)	\$ (22,730,681)
Business-type activities	1,439,049	1,818,847	1,861,492	2,412,225
Total net expense	<u>\$ (15,329,995)</u>	<u>\$ (18,018,178)</u>	<u>\$ (17,361,555)</u>	<u>\$ (20,318,456)</u>

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 9,654,303	\$ 4,377,857	\$ 5,118,335	\$ 8,963,262	\$ 9,330,506	\$ 10,732,888	
12,703,761	13,037,988	13,714,222	16,648,611	16,525,098	17,487,213	
2,990,759	3,491,357	3,930,028	6,902,210	3,833,732	4,132,652	
103,997,142	145,722,694	218,194,521	298,309,815	280,414,219	291,800,917	
401,137	315,210	344,900	310,039	385,540	410,242	
1,908,687	1,823,078	2,103,452	2,632,593	2,791,630	2,710,347	
-	-	-	-	-	-	
-	-	1,128,807	716,788	694,423	688,364	
557,302	585,827	645,638	797,406	1,043,676	880,254	
-	-	-	-	-	-	
2,381,383	2,503,864	2,637,086	3,224,991	3,559,997	3,863,978	
134,594,474	171,857,875	247,816,989	338,505,715	318,578,821	332,706,855	
9,259,784	10,040,237	11,200,785	12,370,761	15,164,416	17,444,449	
1,299,928	1,479,244	1,348,575	1,666,962	1,813,635	1,857,549	
108,390	178,865	218,031	252,448	323,229	148,778	
10,668,102	11,698,346	12,767,391	14,290,171	17,301,280	19,450,776	
\$ 145,262,576	\$ 183,556,221	\$ 260,584,380	\$ 352,795,886	\$ 335,880,101	\$ 352,157,631	
\$ 797,022	\$ 632,746	\$ 603,801	\$ 509,810	\$ 562,248	\$ 417,162	
887,422	704,513	672,285	567,633	625,959	714,631	
-	-	-	-	-	-	
98,995,577	146,088,938	221,493,714	306,457,836	289,086,273	296,418,617	
104,649	83,080	79,279	66,938	73,882	84,348	
868,138	689,203	657,675	555,298	612,414	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
3,395,699	5,034,089	2,861,286	1,468,417	669,849	377,689	
3,562,566	3,070,891	3,462,565	5,532,214	116,735	59,175	
108,611,073	156,303,460	229,830,605	315,158,146	291,747,360	298,071,622	
10,944,643	11,214,672	11,977,175	13,181,315	15,109,966	17,707,999	
1,555,371	1,582,003	1,696,214	1,822,276	1,825,961	1,993,196	
98,014	161,851	205,447	209,417	181,157	160,870	
-	-	53,989	-	-	-	
3,261,807	4,648,631	2,052,038	1,959,294	-	-	
15,859,835	17,607,157	15,984,863	17,172,302	17,117,084	19,862,065	
\$ 124,470,908	\$ 173,910,617	\$ 245,815,468	\$ 332,330,448	\$ 308,864,444	\$ 317,933,687	
\$ (25,983,401)	\$ (15,554,415)	\$ (17,986,384)	\$ (23,347,569)	\$ (26,831,461)	\$ (34,635,233)	
5,191,733	5,908,811	3,217,472	2,882,131	(184,196)	411,289	
\$ (20,791,668)	\$ (9,645,604)	\$ (14,768,912)	\$ (20,465,438)	\$ (27,015,657)	\$ (34,223,944)	

**City of Ennis, Texas
Changes in Net Position
Last Ten Fiscal Years (Continued)
(Accrual Basis of Accounting)**

	Fiscal Year			
	2016	2017	2018	2019
General Revenues				
Governmental activities:				
Property taxes	\$ 10,005,334	\$ 10,957,007	\$ 11,290,108	\$ 11,865,422
Sales taxes	5,018,180	5,332,377	5,404,232	5,324,306
Franchise taxes	1,550,923	1,629,324	1,647,872	1,494,793
Hotel occupancy taxes	344,126	346,010	389,228	391,787
Alcoholic beverage taxes	43,442	42,885	46,153	52,512
Unrestricted grants and contributions	116,000	118,550	121,200	-
Investment earnings	283,228	131,188	146,149	391,289
Gain on sale of capital assets	-	16,400	112,907	14,800
Miscellaneous	107,252	211,749	507,296	403,138
Transfers	745,875	1,458,496	(97,570)	203,424
Total governmental activities	<u>18,214,360</u>	<u>20,243,986</u>	<u>19,567,575</u>	<u>20,141,471</u>
Business-type activities:				
Unrestricted grants and contributions	-	-	-	-
Investment on earnings	31,877	7,324	30,040	169,245
Gain on sale of capital assets	-	50,959	(47,914)	-
Miscellaneous	-	-	-	-
Transfers	(745,875)	(1,458,496)	97,570	(203,424)
Total business-type activities	<u>(713,998)</u>	<u>(1,400,213)</u>	<u>79,696</u>	<u>(34,179)</u>
Total primary government	<u>\$ 17,500,362</u>	<u>\$ 18,843,773</u>	<u>\$ 19,647,271</u>	<u>\$ 20,107,292</u>
Change in Net Position				
Governmental activities	\$ 1,445,316	\$ 406,961	\$ 344,528	\$ (2,589,210)
Business-type activities	725,051	418,634	1,941,188	2,378,046
Total change in net position	<u>\$ 2,170,367</u>	<u>\$ 825,595</u>	<u>\$ 2,285,716</u>	<u>\$ (211,164)</u>

Source: Annual Comprehensive Financial Report

Note 1: The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior years have not been restated for the effects of this standard.

Note 2: In 2015, the City transferred the sanitation services from governmental activities to business-type activities.

Note 3: In 2019, the City transferred the airport services from governmental activities to business-type activities.

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 14,185,118	\$ 15,124,636	\$ 15,820,591	\$ 19,450,555	\$ 21,749,260	\$ 24,223,703	
6,280,797	7,585,464	10,771,085	10,360,250	8,859,487	9,092,045	
1,640,222	1,694,133	1,933,079	2,037,382	1,835,527	2,040,063	
231,856	516,155	490,768	533,543	563,322	570,239	
49,051	77,564	76,540	93,764	96,394	83,022	
-	-	-	-	-	-	
257,103	153,933	93,741	345,584	805,548	845,696	
-	-	-	236,193	-	-	
11,767	605,402	885,177	434,456	946,829	525,287	
2,516,559	170,161	2,569,984	991,075	2,541,501	3,088,612	
<u>25,172,473</u>	<u>25,927,448</u>	<u>32,640,965</u>	<u>34,482,802</u>	<u>37,397,868</u>	<u>40,468,667</u>	
-	-	2,772,566	2,276,597	2,000,000	-	
79,097	38,460	91,511	169,958	350,167	423,271	
5,117	4,334	113,412	-	-	-	
-	-	-	-	157,540	456,650	
<u>(2,516,559)</u>	<u>(170,161)</u>	<u>(2,569,984)</u>	<u>(991,075)</u>	<u>(2,541,501)</u>	<u>(3,088,612)</u>	
<u>(2,432,345)</u>	<u>(127,367)</u>	<u>407,505</u>	<u>1,455,480</u>	<u>(33,794)</u>	<u>(2,208,691)</u>	
<u>\$ 22,740,128</u>	<u>\$ 25,800,081</u>	<u>\$ 33,048,470</u>	<u>\$ 35,938,282</u>	<u>\$ 37,364,074</u>	<u>\$ 38,259,976</u>	
\$ (810,928)	\$ 10,373,033	\$ 14,654,581	\$ 11,135,233	\$ 10,566,407	\$ 5,833,434	
2,759,388	5,781,444	3,624,977	4,337,611	(217,990)	(1,797,402)	
<u>\$ 1,948,460</u>	<u>\$ 16,154,477</u>	<u>\$ 18,279,558</u>	<u>\$ 15,472,844</u>	<u>\$ 10,348,417</u>	<u>\$ 4,036,032</u>	

City of Ennis, Texas
Fund Balance - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
General fund				
Nonspendable	\$ 69,308	\$ 84,625	\$ 84,454	\$ 53,213
Restricted	3,096	4,650	4,652	4,708
Assigned	203,464	-	-	-
Unassigned	<u>7,712,536</u>	<u>5,779,072</u>	<u>6,769,432</u>	<u>8,017,606</u>
Total general fund	<u>\$ 7,988,404</u>	<u>\$ 5,868,347</u>	<u>\$ 6,858,538</u>	<u>\$ 8,075,527</u>
All other governmental funds				
Nonspendable	\$ 32,554	\$ 36,961	\$ 36,961	\$ 28,966
Restricted	13,255,506	18,812,318	11,427,256	23,347,316
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,706,059)</u>
Total all other governmental funds	<u>\$ 13,288,060</u>	<u>\$ 18,849,279</u>	<u>\$ 11,464,217</u>	<u>\$ 21,670,223</u>

Source: Annual Comprehensive Financial Report

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 33,482	\$ 21,414	\$ 48,140	\$ 61,177	\$ 109,467	\$ 122,569
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,833,812</u>	<u>11,503,614</u>	<u>14,878,002</u>	<u>10,377,383</u>	<u>8,924,555</u>	<u>9,575,835</u>
<u>\$ 8,867,294</u>	<u>\$ 11,525,028</u>	<u>\$ 14,926,142</u>	<u>\$ 10,438,560</u>	<u>\$ 9,034,022</u>	<u>\$ 9,698,404</u>
\$ 28,966	\$ 6,676,150	\$ 4,251,392	\$ 5,238,191	\$ 7,062,982	\$ 28,966
30,209,343	22,768,960	41,097,486	41,395,894	63,028,496	71,680,822
(500,174)	(2,787,000)	(15,279)	(5,562)	-	-
<u>\$ 29,738,135</u>	<u>\$ 26,658,110</u>	<u>\$ 45,333,599</u>	<u>\$ 46,628,523</u>	<u>\$ 70,091,478</u>	<u>\$ 71,709,788</u>

City of Ennis, Texas
Changes in Fund Balance - Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Property taxes	\$ 10,014,934	\$ 10,953,855	\$ 11,337,170	\$ 11,838,643
Sales taxes	5,018,180	5,332,377	5,404,232	5,324,306
Franchise taxes	1,550,923	1,629,324	1,647,872	1,494,793
Hotel occupancy taxes	344,126	346,010	389,228	391,787
Alcoholic beverage taxes	43,442	42,885	46,153	52,512
Licenses and permits	292,635	367,628	692,179	457,282
Fines and forfeitures	625,830	569,395	592,443	426,638
Charges for current services	243,145	198,384	259,223	12,154,558
Investment earnings	283,228	131,188	146,149	391,289
Miscellaneous	76,641	211,749	405,276	415,548
Intergovernmental	722,471	1,397,186	2,213,233	1,093,469
Contributions and donations	40,532	19,304	24,092	227,691
Total revenues	19,256,087	21,199,285	23,157,250	34,268,516
Expenditures				
Current:				
General government	2,934,110	4,975,332	3,758,434	3,370,826
Public Safety	8,875,792	9,698,196	11,268,840	10,977,766
Streets	1,474,034	2,122,396	2,631,639	2,296,706
Health	317,168	389,665	519,089	14,247,239
Equipment services	322,871	303,858	335,479	900,753
Cultural and recreational	1,105,233	1,472,159	1,454,924	1,541,631
Airport	14,570	-	-	-
Public works	297,208	306,571	339,063	324,467
Sanitation services	-	-	-	-
Capital outlay	362,581	847,885	6,733,013	13,889,614
Debt service:				
Principal retirement	3,041,326	3,202,663	3,314,075	3,257,300
Interest and fiscal charges	804,256	818,200	841,789	1,129,696
Bond issuance costs	146,343	88,114	57,753	499,015
Total expenditures	19,695,492	24,225,039	31,254,098	52,435,013
Excess (deficiency) of revenues over (under) expenditures	(439,405)	(3,025,754)	(8,096,848)	(18,166,497)
Other Financing Sources (Uses)				
Transfers in	763,408	1,548,526	2,057,056	16,769,899
Transfers out	(17,533)	(246,536)	(2,154,626)	(15,699,434)
Refunding bonds issued	3,325,000	2,080,000	-	-
Certificates of obligation issued	8,760,000	5,225,000	1,495,000	26,900,000
Premium on bonds issued	127,405	185,596	63,325	1,604,227
Payment to refunded bond escrow agent	(3,299,300)	(2,085,009)	-	-
Leases (as lessee)	-	-	-	-
Capital contribution	-	-	-	-
Sale of capital assets	-	30,798	151,593	14,800
Total other financing sources	9,658,980	6,738,375	1,612,348	29,589,492
Net change in fund balances	\$ 9,219,575	\$ 3,712,621	\$ (6,484,500)	\$ 11,422,995
Debt service as a percentage of noncapital expenditures	19.89%	17.20%	16.95%	11.38%

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 14,184,459	\$ 15,117,110	\$ 15,799,299	\$ 19,313,447	\$ 21,842,847	\$ 23,254,401
6,280,797	7,585,464	10,771,085	10,360,250	8,859,487	9,092,045
1,640,222	1,694,133	1,933,079	2,037,382	1,835,527	2,040,063
231,856	516,155	490,768	533,543	563,322	570,239
49,051	77,564	76,540	93,764	96,394	83,022
700,874	1,328,324	1,339,129	1,453,090	1,027,790	1,529,013
332,410	250,972	245,954	261,276	289,013	362,340
99,211,261	146,308,493	221,777,048	306,457,836	285,547,487	292,348,579
257,103	153,933	93,741	345,584	805,548	845,696
531,049	707,367	888,677	434,456	930,540	462,411
3,663,633	5,034,089	2,861,285	1,468,417	679,564	377,689
53,589	9,163	360,837	120,884	82,200	59,175
<u>127,136,304</u>	<u>178,782,767</u>	<u>256,637,442</u>	<u>342,879,929</u>	<u>322,559,719</u>	<u>331,024,673</u>
5,467,394	4,671,333	5,210,744	7,208,024	8,368,136	9,343,224
11,899,996	11,902,107	12,756,836	15,356,891	15,162,511	15,912,548
1,457,560	1,722,077	1,558,432	4,616,035	1,468,955	1,831,617
103,361,741	145,087,384	218,194,521	298,854,798	276,690,116	287,080,009
322,337	299,006	333,397	271,091	353,173	377,875
1,679,559	1,526,782	1,795,397	2,038,779	2,004,352	2,078,143
-	-	-	-	-	-
510,564	545,770	624,213	666,705	904,011	748,228
-	-	-	-	-	-
14,631,755	6,848,019	8,645,719	9,525,846	9,702,559	7,656,740
3,980,000	4,070,000	4,355,000	5,016,996	5,379,782	5,013,791
2,201,711	2,747,984	2,513,451	3,535,822	3,455,200	4,267,266
208,671	-	272,748	-	282,113	-
<u>145,721,288</u>	<u>179,420,462</u>	<u>256,260,458</u>	<u>347,090,987</u>	<u>323,770,908</u>	<u>334,309,441</u>
(18,584,984)	(637,695)	376,984	(4,211,058)	(1,211,189)	(3,284,768)
8,593,209	5,589,700	4,959,115	4,199,122	515,678	8,670,012
(6,076,650)	(5,419,539)	(2,140,331)	(3,485,047)	(2,788,527)	(4,206,831)
-	-	-	-	-	-
16,920,000	-	17,439,000	-	18,662,500	-
3,278,833	-	1,056,362	-	1,619,613	-
-	-	-	-	-	-
-	-	254,046	295,123	360,342	262,116
-	-	40,000	-	-	-
48,318	-	91,427	9,202	-	-
<u>22,763,710</u>	<u>170,161</u>	<u>21,699,619</u>	<u>1,018,400</u>	<u>18,369,606</u>	<u>4,725,297</u>
<u>\$ 4,178,726</u>	<u>\$ (467,534)</u>	<u>\$ 22,076,603</u>	<u>\$ (3,192,658)</u>	<u>\$ 17,158,417</u>	<u>\$ 1,440,529</u>
4.72%	3.95%	2.77%	2.53%	2.81%	2.84%

City of Ennis, Texas
Appraised Value of Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year Ended September 30	Estimated Actual Value		Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Rate
	Real Property	Personal Property			
2016	1,175,090,290	598,711,617	288,761,727	1,485,040,180	0.66917
2017	1,197,278,670	636,795,500	279,113,745	1,554,960,425	0.69900
2018	1,273,620,820	603,809,367	296,237,653	1,581,192,534	0.71000
2019	1,355,650,141	617,022,962	317,159,911	1,655,513,192	0.71000
2020	1,620,978,908	682,277,579	350,565,657	1,952,690,830	0.72447
2021	1,866,473,853	643,308,452	450,110,193	2,059,672,112	0.72447
2022	2,010,414,674	625,763,056	454,789,026	2,181,388,704	0.72447
2023	2,653,310,300	739,057,842	639,075,888	2,753,292,254	0.69447
2024	3,465,230,116	879,027,952	624,175,094	3,720,082,974	0.66400
2025	3,740,764,486	964,419,281	742,864,576	3,962,319,191	0.66400

Source: City Administration Office

City of Ennis, Texas
Direct and Overlapping Property Tax Rates - All Governments
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year	City of Ennis			Overlapping Rates		Total Direct and Overlapping Rates
	Operating / General Rate	General Obligation Debt Service	Total Direct	Ennis Independent School District	Ellis County	
2016	0.43989	0.22928	0.66917	1.54000	0.41360	2.62277
2017	0.45900	0.24000	0.69900	1.54000	0.41360	2.65260
2018	0.47000	0.24000	0.71000	1.53580	0.35971	2.60551
2019	0.47000	0.24000	0.71000	1.54000	0.33898	2.58898
2020	0.44987	0.27461	0.72448	1.48835	0.32956	2.54239
2021	0.44547	0.27900	0.72447	1.46990	0.35028	2.54465
2022	0.44547	0.27900	0.72447	1.46990	0.32019	2.51456
2023	0.42547	0.26900	0.69447	1.40290	0.27300	2.37037
2024	0.41500	0.24900	0.66400	1.21750	0.27399	2.15549
2025	0.41500	0.24900	0.66400	1.21520	0.25536	2.13456

Source: City Administration Office

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Ennis

**City of Ennis, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago**

Tax Payer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
CVS Texas Distribution LP	\$ 92,885,058	1	2.34%	\$ 92,444,330	1	6.23%
Freshpet Inc	77,282,039	2	1.95%			-
Ennis Power Company, LLC	72,733,500	3	1.84%			-
Elk Roofing Products	67,360,621	4	1.70%	47,822,200	6	3.22%
Sterilite Corporation	55,445,393	5	1.40%	48,013,460	5	3.23%
Schrim USA, Inc	47,339,812	6	1.19%			-
CP ML 2024-TRM-SFR, LLC	37,811,138	7	0.95%			-
Spyglass Apartments of Ennis LP	34,131,644	8	0.86%			-
Oncor Electric Delivery Co LLC	33,518,100	9	0.85%			-
Leggett & Platt, Inc #0003	32,002,209	10	0.81%	24,564,100	7	-
Ennis-Tractebel Power Co. LP			-	82,753,968	2	5.57%
JTEKT of Texas, Inc			-	62,932,065	3	4.24%
Valent U S A Corporation			-	49,588,780	4	3.34%
Sterilite Industrial Realty LLC	-		-	28,582,029	8	1.92%
Wal-Mart Real Estate			-	17,695,920	9	1.19%
Atlas Sound LP	-		-	15,195,720	10	1.02%
Total	\$ 550,509,514		13.89%	\$ 469,592,572		29.96%
Total valuation of City net of exempt property	<u>\$ 3,962,319,191</u>			<u>\$ 1,485,040,180</u>		

Source: Ellis County Appraisal District

**City of Ennis, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2016	9,931,494	9,817,879	98.86%	101,624	9,919,503	99.88%
2017	10,881,653	10,779,321	99.06%	91,420	10,870,741	99.90%
2018	11,215,175	11,118,724	99.14%	84,810	11,203,534	99.90%
2019	11,754,144	11,637,327	99.01%	95,796	11,733,123	99.82%
2020	14,146,718	13,927,146	98.45%	84,827	14,011,973	99.05%
2021	14,956,587	14,744,645	98.58%	53,585	14,798,230	98.94%
2022	15,731,881	15,565,895	98.94%	80,598	15,646,493	99.46%
2023	19,518,413	18,993,343	97.31%	-	18,993,343	97.31%
2024	22,187,637	21,278,071	95.90%	181,065	21,459,136	96.72%
2025	23,784,006	22,977,037	96.61%	-	22,977,037	96.61%

Source: City Administration Office

City of Ennis, Texas
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Tax rate limit	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000	\$ 2.5000
Current tax rate	<u>0.6692</u>	<u>0.6990</u>	<u>0.7100</u>	<u>0.7100</u>	<u>0.7245</u>	<u>0.7245</u>	<u>0.7245</u>	<u>0.6945</u>	<u>0.6640</u>	<u>0.6640</u>
Available tax rate	<u>\$ 1.8308</u>	<u>\$ 1.8010</u>	<u>\$ 1.7900</u>	<u>\$ 1.7900</u>	<u>\$ 1.7755</u>	<u>\$ 1.7755</u>	<u>\$ 1.7755</u>	<u>\$ 1.8055</u>	<u>\$ 1.8360</u>	<u>\$ 1.8360</u>

Note 1: The City Charter of the City of Ennis, Texas, does not provide for a debt limit. Under provisions of state law, the maximum tax rate is limited to \$2.50 per \$100 assessed valuation. No direct bond debt limitation is imposed on the City under current state law or the City's Charter.

City of Ennis, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(principal only; dollars in thousands, except per capita)

Fiscal Year	Government Activities				
	General Obligation Bonds	Certificates of Obligation	Notes Payable	Development Agreement Payable	Leases
2016	15,610,885	14,705,000	-	16,846,290	459,908
2017	13,749,514	18,825,000	-	16,301,397	351,591
2018	11,678,166	19,170,000	-	15,756,504	252,517
2019	11,259,922	44,810,000	-	15,211,611	170,217
2020	12,428,437	59,720,000	-	14,666,718	-
2021	10,505,432	57,275,000	-	14,171,735	-
2022	5,994,991	75,631,667	-	13,576,752	276,792
2023	2,795,000	73,508,401	-	13,031,769	534,919
2024	1,600,000	89,347,257	-	12,486,786	710,479
2025	360,000	85,310,515	-	11,941,803	811,304

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Personal Income data and population data can be found in the Schedule of Demographic and Economic Statistics on page

Business-Type Activities			Total Outstanding Debt	Percentage of Personal Income (1)	Debt Per Capital (1)
General Obligation Bonds	Certificates of Obligation	Leases			
8,094,837	4,720,000	9,482	60,446,402	13.46%	2,974
6,604,737	7,005,000	-	62,837,239	13.97%	3,092
5,083,677	12,450,000	-	64,390,864	13.07%	3,163
3,494,606	12,130,000	-	87,076,356	17.38%	4,264
2,774,541	16,475,000	-	106,064,696	21.00%	5,108
1,815,271	15,615,000	-	99,382,438	16.97%	4,746
-	30,740,203	136,660	126,357,065	43.66%	7,643
-	29,256,795	124,189	119,251,073	18.90%	5,945
-	48,095,504	161,287	152,401,313	19.66%	7,741
-	46,198,617	108,291	144,730,530	21.36%	6,911

City of Ennis, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Amounts Applicable to Primary Government
Debt repaid with property taxes: Ellis County	\$ 21,260,000	9.48%	\$ 2,015,448
Debt repaid with property taxes: School District	\$ 59,271,264	75.99%	<u>45,040,234</u>
Subtotal, overlapping debt			47,055,682
City of Ennis, Texas direct debt			<u>98,423,622</u>
Total direct and overlapping debt			<u><u>\$ 145,479,304</u></u>

Source: Texas Municipal Reports

Note: 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 property taxes of the City of Ennis, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxes should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying each overlapping government's debt.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county and school district's taxable assessed value that is within the City's boundaries and dividing it by the county and school district's total taxable assessed value.

City of Ennis, Texas
Ratios of Net General Bonded Debt to Assessed Value and
Net Value Bonded Debt per Capita
Last Ten Fiscal Years
(Principal Only; Dollars in Thousands, Except per Capita)

Fiscal Year Ended September 30,	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2016	15,610,885	14,705,000	834,307	\$ 29,481,578	2.53%	1,451
2017	13,749,514	18,825,000	966,622	31,607,892	2.46%	1,555
2018	11,678,166	19,170,000	694,244	30,153,922	2.23%	1,481
2019	11,259,922	44,810,000	723,532	55,346,390	3.55%	2,710
2020	12,428,437	59,720,000	803,308	71,345,129	4.64%	3,436
2021	10,505,432	57,275,000	36,182	67,744,250	4.14%	3,235
2022	5,994,991	75,631,667	105,597	81,521,061	3.74%	3,844
2023	2,795,000	73,508,401	161,217	76,142,184	2.77%	3,326
2024	1,600,000	89,347,257	867,562	90,079,695	3.02%	4,742
2025	360,000	85,310,515	1,287,013	84,383,502	2.64%	4,420

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property in page For property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics on page

**City of Ennis, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years**

Waterworks and Sewer System Revenue Bonds						
Fiscal Year	Total Revenues(1)	Less Operating Expenses(2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	8,649,043	5,649,392	2,999,651	1,536,855	276,869	1.65
2017	9,371,511	5,528,336	3,843,175	1,545,654	301,801	2.08
2018	10,394,169	6,411,152	3,983,017	1,695,969	300,614	1.99
2019	10,432,409	5,980,676	4,451,733	1,885,000	371,705	1.97
2020	10,672,175	6,632,093	4,040,082	1,920,000	328,885	1.80
2021	11,263,892	6,305,142	4,958,750	1,750,000	489,530	2.21
2022	14,892,365	7,089,328	7,803,037	1,375,000	1,009,149	3.27
2023	13,184,361	12,228,764	955,597	2,241,575	436,575	0.36
2024	14,382,824	13,852,854	529,970	1,730,000	1,812,697	0.15
2025	17,656,659	10,450,407	7,206,252	2,025,000	1,743,471	1.91

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Includes operating and nonoperating revenues.

(2) Includes operating expenses minus depreciation.

City of Ennis, Texas
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	Estimated Population(1)	Personal Income	Per Capita Personal Income(2)	Median Age(2)	Public School Enrollment(3)	Unemployment Rate(4)
2016	20,324	396,419,620	\$ 19,505	34.5	5,829	3.6%
2017	20,324	449,099,428	22,097	34.4	5,773	3.6%
2018	20,357	449,828,629	22,097	34.5	5,797	3.0%
2019	20,422	492,639,906	24,123	33.1	5,818	3.3%
2020	20,764	500,893,349	24,123	33.8	5,939	3.1%
2021	20,940	505,135,620	24,123	33.7	5,694	7.3%
2022	21,210	585,502,050	27,605	33.8	6,012	5.8%
2023	22,890	719,994,545	31,455	34.0	6,013	2.3%
2024	23,686	932,361,552	39,363	34.4	6,499	3.1%
2025	24,753	805,363,608	32,536	34.0	6,626	3.8%

Sources:

(1) North Central Texas Council of Governments, 2010 Census, 2013 Census Bureau

(2) U.S. Census Bureau

(3) Ennis Independent School District

(4) DOL, Department of Commerce

* Median age only available when released in census years.

**City of Ennis, Texas
Principal Employers
Current Year and Nine Years Ago**

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Ennis Independent School District	792	1	5.14%	717	1	8.77%
Sterilite Corporation of Texas	650	2	4.22%	690	2	8.44%
Leggett Partners LP	350	3	2.27%	243	6	2.97%
Freshpet Inc.	300	4	1.95%	-		0.00%
GAF	290	5	1.88%	238	7	2.91%
CVS Texas Distribution LP	268	6	1.74%	192	8	2.35%
Schirm USA, Inc.	212	7	1.38%	-		0.00%
AFC Steel	210	8	1.36%	-		0.00%
Associated Materials	150	9	0.97%	-		0.00%
Ennis Steel Industries	138	10	0.90%	-		0.00%
TeleTech			0.00%	500	3	6.12%
Cenveo			0.00%	372	4	4.55%
Walmart	-		0.00%	250	5	3.06%
JTEKT of Texas, Inc.	-		0.00%	185	9	2.26%
City of Ennis	-		0.00%	185	10	2.26%
Total	<u>3,360</u>		<u>21.81%</u>	<u>3,572</u>		<u>43.69%</u>

Source: City Administration Office

City of Ennis, Texas
Full-time Equivalents City Government Employees
By Function/Program
Last Ten Fiscal Years

Function	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Administration	12.2	17.2	16.7	16.9	14.4	16.3	18.0	29.5	33.0	36.0
Tourism	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	6.0	6.5
Public Safety										
Police	44.2	46.2	47.3	49.1	50.1	44.9	51.0	58.0	58.0	58.0
Judicial	2.0	4.5	3.8	3.8	3.8	3.8	3.0	4.0	4.0	4.0
Fire	30.0	30.0	41.5	43.5	41.1	42.8	41.0	43.0	43.0	43.0
Inspection	5.0	5.0	5.0	5.0	5.0	5.1	6.5	8.0	8.0	8.0
Streets	11.0	8.0	10.3	10.0	8.4	8.2	9.0	11.0	11.0	11.0
Health	3.0	4.0	5.1	5.1	5.1	4.8	5.0	6.0	6.0	6.0
Equipment Services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Cultural and Recreational										
Parks and Recreation	8.0	6.4	6.8	7.1	8.5	9.4	9.0	11.0	11.0	11.0
Library	5.6	5.6	5.6	5.6	5.4	5.5	5.5	5.5	5.5	5.5
Museum	1.0	1.1	0.7	0.8	0.7	0.7	1.0	1.0	1.0	1.0
Public Works	2.0	2.0	2.1	2.1	2.1	2.5	2.0	2.0	2.0	2.0
Sanitation Services	15.0	15.0	15.3	14.7	12.1	11.0	11.0	14.0	14.0	14.0
Water and Wastewater										
Administration	5.0	5.0	4.9	5.1	4.0	4.2	4.0	6.0	7.0	7.0
Distribution & Collection										12.0
Water	18.0	19.0	17.6	16.7	16.1	15.3	15.0	16.0	18.0	11.0
Wastewater	15.0	15.0	16.3	16.8	17.8	16.8	19.0	16.0	16.0	9.0
Total	<u>182.0</u>	<u>189.0</u>	<u>204.0</u>	<u>207.3</u>	<u>199.6</u>	<u>196.3</u>	<u>205.0</u>	<u>237.0</u>	<u>246.5</u>	<u>248.0</u>

Source: City Administration Office

City of Ennis, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function	Fiscal Year			
	2016	2017	2018	2019
Police				
UCR – Reported Crimes	770	687	775	701
Number of Violations (Citations)	6,670	5,192	3,570	3,166
Judicial				
Municipal Court Fines	\$ 566,512	\$ 496,376	\$ 527,036	\$ 378,279
Fire				
Fire Calls	114	108	981	1,256
First Response (Ambulance Assist.)	1,842	1,679	1,182	1,565
Fire Loss	\$ 280,000	\$ 590,735	\$ 196,000	\$ 72,200
Inspection				
Permits Issued (Units)	52	79	889	743
Permit Value	\$ 14,940,779	\$ 42,960,978	\$ 106,407,201	\$ 79,312,350
Streets				
Miles of Streets Maintained	103.67	103.67	119.05	120.54
Health				
Food Establishment Inspections	235	290	137	144
Animals Impounded	713	723	524	806
Equipment Services				
Equipment Maintained	565	278	170	171
Cultural and Recreational				
Parks				
Parks Maintained	12	17	19	19
Library				
Patrons	71,360	60,566	61,906	60,546
Circulation	73,612	65,767	68,106	65,623
Museum				
Paid Attendance	595	481	635	785
Sanitation Service				
Refuse Customers	5,271	5,165	5,330	5,384
Estimated Refuse Collected (in tons)	8,418	8,249	8,754	8,985
Water				
Number of Water Customers	5,944	5,919	6,108	6,245
Estimated Gallons Billed (in thousands)	1,008,824	889,840	951,188	914,218
Sewer				
Number of Wastewater Customers	5,613	5,500	5,547	5,641

Source: Various City Departments

Fiscal Year						
2020	2021	2022	2023	2024	2025	
736	893	984	767	718	680	
2,929	1,236	1,771	1,397	2,909	1,683	
\$ 275,906	\$ 250,972	\$ 241,603	\$ 236,174	\$ 252,794	\$ 232,917	
1,197	784	1,284	1,380	1,282	1,069	
1,614	2,054	2,053	2,118	2,316	2,369	
\$ 350,000	\$ 520,300	\$ 195,000	\$ 85,000	\$ 1,294,750	\$ 292,222	
714	903	1,540	1,034	992	1,040	
\$ 189,043,510	\$ 105,898,603	\$ 1,293,823,384	\$ 289,924,499	\$ 118,219,666	\$ 72,964,774	
120.93	124.01	124.01	125.69	156.07	154.71	
159	143	153	158	192	202	
272	253	350	328	299	151	
176	190	195	240	289	300	
19	19	19	22	22	22	
36,049	38,020	42,432	35,302	38,672	44,984	
54,925	57,939	43,209	41,275	48,224	52,306	
294	538	554	590	708	564	
5,762	6,250	6,486	7,076	7,399	8,133	
9,735	10,148	10,771	11,015	10,936	11,270	
6,564	7,044	7,134	7,307	7,678	8,123	
947,640	972,904	1,048,653	1,071,698	1,307,003	1,217,355	
6,045	6,228	6,432	6,709	6,861	7,474	

**City of Ennis, Texas
Capital Asset Statistics
By Function/Program
Last Ten Fiscal Years**

Function	Fiscal Year			
	2016	2017	2018	2019
Police				
Number of Stations	1	1	1	1
Fire				
Number of Stations	2	2	3	3
Fire Hydrants	1,048	1,050	1,055	1,064
Streets				
Miles of Streets	103.67	103.67	119.05	120.54
Equipment Services				
Equipment Maintained	565	278	170	171
Cultural and Recreational				
Parks Maintained	12	17	19	19
Library				
Number of Libraries	1	1	1	1
Museum				
Number of Museums	1	1	1	1
Water				
Water Plant Capacity (million gallons per day)	12.00	12.00	12.00	12.00
TCEQ Worst-Case Capacity (million gallons per day)	9.10	9.10	9.10	9.10
Water Storage Capacity (million gallons)	3.50	3.50	3.50	3.50
Sewer				
Sewer Plant Capacity (million gallons per day)	3.10	3.10	3.10	3.10

Sources: Various city departments

Fiscal Year					
2020	2021	2022	2023	2024	2025
1	1	1	1	1	1
3 1,064	3 1,184	3 1,184	3 1,198	3 1,061	3 1,288
120.93	124.01	124.01	125.69	125.69	154.71
176	190	195	240	289	300
19	19	19	22	22	22
1	1	1	1	1	1
1	1	1	1	1	1
12.00	12.00	12.00	12.00	12.00	12.00
9.10	9.10	9.10	9.10	9.10	9.10
3.50	3.50	3.50	3.50	3.50	3.50
3.10	3.10	3.10	3.10	3.10	4.00

This Page Intentionally Left Blank