

# **City of Ennis, Texas**

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2021

**Prepared by:**

City of Ennis, Texas

Finance Department

**This Page Intentionally Left Blank**

**City of Ennis, Texas**  
**September 30, 2021**

**Contents**

**Introductory Section (Unaudited)**

Letter of Transmittal.....	i
GFOA Certificate of Achievement.....	iv
Organization Chart .....	v
Principal Officers.....	vi

**Financial Section**

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis (Unaudited).....	4

**Basic Financial Statements**

Government-wide Financial Statements:

Statement of Net Position .....	16
Statement of Activities .....	17

Fund Financial Statements:

Balance Sheet – Governmental Funds.....	18
Reconciliation of the Balance Sheet - Governmental Funds to the Government-Wide Statement of Net Position .....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities .....	21
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund.....	22
Statement of Net Position – Proprietary Funds .....	23
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds .....	24
Statement of Cash Flows – Proprietary Funds .....	25
Notes to the Financial Statements .....	26

**City of Ennis, Texas**  
**September 30, 2021**

**Contents (Continued)**

**Required Supplementary Information**

Schedule of Changes in Net Pension Liability and Related Ratios .....	63
Schedule of Contributions .....	64
Schedule of Changes in Total OPEB Liability and Related Ratios .....	65

**Combining and Individual Fund Financial Statements and Schedules**

Combining Balance Sheet – Nonmajor Governmental Funds.....	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds .....	69
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	72
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund .....	77
Statement of Net Position – Nonmajor Proprietary Funds .....	79
Statement of Revenues, Expenditures, and Changes in Net Position – Nonmajor Proprietary Funds .....	80
Statement of Cash Flows – Nonmajor Proprietary Funds .....	81
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Utility .....	82
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Sanitation .....	83
Schedule of Operating Revenues and Operating Expenses – Budget and Actual – Enterprise Fund – Airport .....	84

**City of Ennis, Texas**  
**September 30, 2021**

**Contents (Continued)**

**Statistical Section**

Net Position by Component.....	86
Changes in Net Position .....	87
Fund Balances – Governmental Funds .....	89
Changes in Fund Balances – Governmental Funds .....	90
Appraised Value of Property .....	91
Direct and Overlapping Property Tax Rates – All Governments .....	92
Principal Property Taxpayers .....	93
Property Tax Levies and Collections.....	94
Legal Debt Margin Information .....	95
Ratios of Outstanding Debt by Type .....	96
Direct and Overlapping Governmental Activities Debt .....	97
Ratios of Net General Bonded Debt to Assessed Value and Net Value Bonded Debt Per Capita .....	98
Pledged Revenue Coverage .....	99
Demographic and Economic Statistics .....	100
Principal Employers .....	101
Full-Time Equivalents /City Government Employees by Function/Program .....	102
Operating Indicators by Function/Program .....	103
Capital Asset Statistics by Function/Program .....	104

**This Page Intentionally Left Blank**



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

March 30, 2022

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 for the City of Ennis (City) is published to fulfill those requirements for the fiscal year ended September 30, 2021. 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. BKD, LLC, Certified Public Accountants, has issued an unmodified ("clean") opinion on the City of Ennis' financial statements for the year ended September 30, 2021. 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 20,764, 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-term 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](http://www.ennistx.gov)

The 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 provides that the City Commission may amend the budget in the same manner in which the budget is 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. Home to 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.





*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

## **LONG-TERM FINANCIAL PLANNING**

In 2014, 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.

Internally, the Staff is formulating financial-planning models to support the long-term planning effort. 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. Major capital improvements have and will be funded through the issuance of long-term debt instead of being funded via appropriations in the operating budget.

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,

Marty Nelson  
City Manager

Stephen Barnes  
Director of Finance

**This Page Intentionally Left Blank**

**City of Ennis, Texas**  
**GFOA Certificate of Achievement**  
**September 30, 2021**



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, 2020

*Christopher P. Morill*

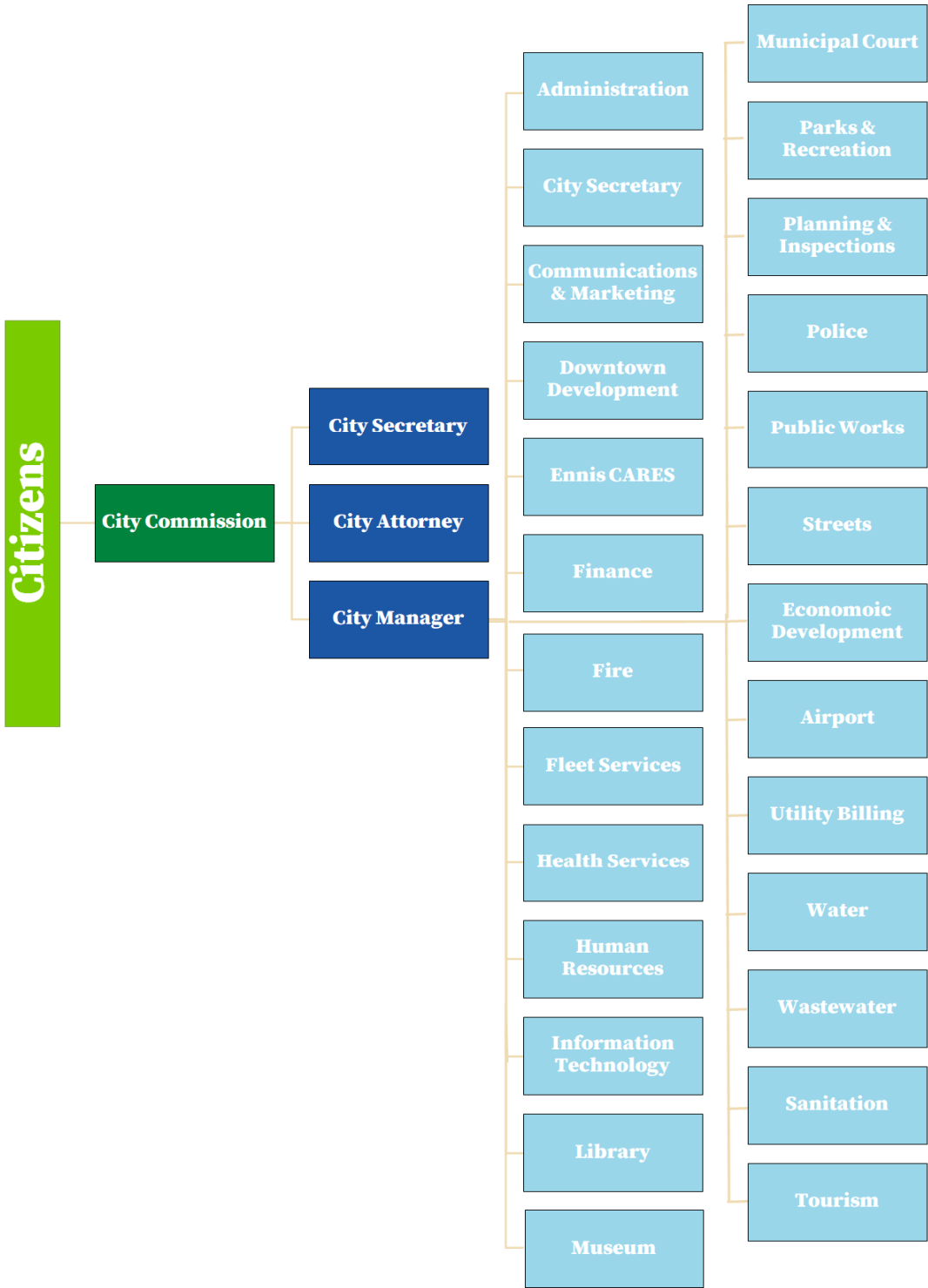
Executive Director/CEO

**This Page Intentionally Left Blank**

# City of Ennis, Texas

## Organizational Chart

September 30, 2021



**This Page Intentionally Left Blank**

**City of Ennis, Texas**  
**List of Elected Officials, Administrators, and Consultants**  
**September 30, 2021**

Mayor (at large)	Angeline Jueneman
Mayor Pro Tem (at large)	Jake Holland
Commissioner – Ward 1	Rowdy Pruitt
Commissioner – Ward 2	Bruce Jones
Commissioner – Ward 3	Scott Hejny
Commissioner – Ward 4	Shirley Watson
Commissioner – Ward 5	Bill Honza

**ADMINISTRATION**

City Manager	Marty Nelson
City Secretary	Angie Wade
Police Chief	Dustin Munn
Fire Chief	Jeff Aycock
Finance Director	Stephen Barnes
Communications & Marketing Director	Ashley Colunga
Downtown Development Director	Becky McCarty
Economic Development Director	Jim Wehmeier
Ennis CARES Coordinator	Christen Vick
Health Director	Kevin Howard
Library Director	Jessica Diaz
Planning & Development Director	Mark Richardson
Parks & Recreation Director	Paul Liska
Director of Public Works	Ed Green
Tourism Director	Gina Rokas
City Attourney	Messer, Rockfeller, & Fort, PLLC
Auditors	BKD, LLP

**This Page Intentionally Left Blank**



## **Financial Section**

**This Page Intentionally Left Blank**

## Independent Auditor's Report

To the Honorable Mayor and City Commissioners  
City of Ennis, Texas

### Report on the Financial Statements

We have audited the accompanying 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the 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, 2021, 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.

### ***Other Matters***

#### ***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 information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining statements and individual fund financial statements and schedules, and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

To the Honorable Mayor and City Commissioners  
City of Ennis, Texas  
Page 3

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*BKD, LLP*

Dallas, Texas  
March 30, 2022

**This Page Intentionally Left Blank**



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

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, 2021.

### **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 \$85,548,304 (*net position*). Of this amount, \$14,592,802 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 \$16,154,477.
- As of the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$38,183,138, a decrease of \$467,534 in comparison with the prior year primarily due to a \$7 million decrease in capital projects fund as a result of capital outlay expenditures offset by increases in the general and QIPP funds due to increases in property and sales tax revenues and increases attributable to QIPP services. Approximately 27 percent of this amount \$8,716,614 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 \$11,503,614, or approximately 57 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 themselves.

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

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.



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

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).

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 and a legally separate industrial development corporation for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. 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 16-17 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.





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

**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, Certificates of Obligation Series 2019 Fund, and the Debt Service Fund, which are considered to be major funds. Data from the other twenty 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 18-22 of this report.



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

**Proprietary Funds.** The City maintains three types of proprietary fund. 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 presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 23-25 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 26-64 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 65-67 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 68-87 of this report.



*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

### 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 \$85,548,304, at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 60,638,984	\$ 53,090,365	\$ 13,207,863	\$ 12,203,986	\$ 73,846,847	\$ 65,294,351
Capital assets	91,554,254	86,744,470	49,868,949	44,483,081	141,423,203	131,227,551
Total assets	152,193,239	139,834,835	63,076,812	56,687,067	215,270,050	196,521,902
Total deferred outflows of resources	1,870,805	1,903,376	425,943	437,205	2,296,748	2,340,581
Long term liabilities	86,625,652	92,112,268	18,771,299	20,733,975	105,396,951	112,846,243
Other liabilities	19,865,882	12,186,580	4,053,609	1,435,263	23,919,491	13,621,843
Total liabilities	106,491,534	104,298,848	22,824,908	22,169,238	129,316,442	126,468,086
Total deferred inflows of resources	2,166,483	2,406,370	535,569	594,200	2,702,052	3,000,570
Net position						
Net investment in capital assets	28,463,890	26,969,958	38,282,575	32,807,774	66,746,465	59,777,732
Restricted	4,209,037	3,493,100	-	-	4,209,037	3,493,100
Unrestricted	12,733,099	4,569,935	1,859,703	1,553,060	14,592,802	6,122,995
Total net position	\$ 45,406,026	\$ 35,032,993	\$ 40,142,278	\$ 34,360,834	\$ 85,548,304	\$ 69,393,827

By far, the largest portion of the City's net position (78.2 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 (4.93 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$14,592,802 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 increased as the additions from capital outlays and work-in-progress exceeded capital related debt issued, depreciation, and retirements.



*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

The City's overall net position increased \$16,154,477 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	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 148,198,480	\$ 105,436,055	\$ 12,958,526	\$ 12,598,028	\$ 161,157,006	\$ 118,034,083
Operating grants and contributions	5,034,089	3,395,699	-	-	5,034,089	3,395,699
Capital grants and contributions	3,070,891	3,562,566	4,648,631	3,261,807	7,719,522	6,824,373
General revenues						
Property taxes	15,124,636	14,185,118	-	-	15,124,636	14,185,118
Sales taxes	7,585,464	6,326,040	-	-	7,585,464	6,326,040
Franchise taxes	1,694,133	1,640,222	-	-	1,694,133	1,640,222
Hotel occupancy taxes	516,155	231,856	-	-	516,155	231,856
Alcoholic beverage taxes	77,564	49,051	-	-	77,564	49,051
Investment earnings	153,933	257,103	38,460	79,097	192,393	336,200
Gain on sale of capital assets	-	-	4,334	5,117	4,334	5,117
Miscellaneous	605,402	244,162	-	-	605,402	244,162
Total revenues	<u>182,060,747</u>	<u>135,327,872</u>	<u>17,649,951</u>	<u>15,944,049</u>	<u>199,710,698</u>	<u>151,271,921</u>
<b>Expenses</b>						
General government	4,377,857	9,654,303	-	-	4,377,857	9,654,303
Public safety	13,037,988	12,703,761	-	-	13,037,988	12,703,761
Streets	3,491,357	2,990,759	-	-	3,491,357	2,990,759
Health	145,722,694	103,331,831	-	-	145,722,694	103,331,831
Equipment services	315,210	401,137	-	-	315,210	401,137
Cultural and recreational	1,823,078	1,908,687	-	-	1,823,078	1,908,687
Airport	-	-	178,865	108,390	178,865	108,390
Hospital	-	-	-	-	-	-
Public works	585,827	557,302	-	-	585,827	557,302
Interest on long-term debt	2,503,864	2,381,383	-	-	2,503,864	2,381,383
Utility	-	-	10,040,237	9,259,784	10,040,237	9,259,784
Sanitation	-	-	1,479,244	1,299,928	1,479,244	1,299,928
Total expenses	<u>171,857,875</u>	<u>133,929,163</u>	<u>11,698,346</u>	<u>10,668,102</u>	<u>183,556,221</u>	<u>144,597,265</u>
Change in net position before transfers	10,202,872	1,398,709	5,951,605	5,275,947	16,154,477	6,674,656
Transfers	170,161	2,516,559	(170,161)	(2,516,559)	-	-
Change in net position	<u>10,373,033</u>	<u>3,915,268</u>	<u>5,781,444</u>	<u>2,759,388</u>	<u>16,154,477</u>	<u>6,674,656</u>
<b>Net Position – Beginning</b>	<u>35,032,993</u>	<u>31,117,725</u>	<u>34,360,834</u>	<u>31,601,446</u>	<u>69,393,827</u>	<u>62,719,171</u>
<b>Net Position –Ending</b>	<u>\$ 45,406,026</u>	<u>\$ 35,032,993</u>	<u>\$ 40,142,278</u>	<u>\$ 34,360,834</u>	<u>\$ 85,548,304</u>	<u>\$ 69,393,827</u>



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

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$10,373,033 from the prior fiscal year for an ending balance of \$45,406,026. Revenues and expenses rose 35 percent and 28 percent, respectively, primarily as a result of the City's Quality Improvement Payment Program (QIPP) expanded in 2021.

**Business-type Activities.** For the City's business-type activities, the results for the current fiscal year resulted in an increase in net position to an ending balance of \$40,142,278. The total increase in net position for business-type activities (utility, sanitation, and airport operations) was \$5,781,444 or 17 percent from the prior fiscal year. Revenues from charges for services rose \$360,498, or 2 percent due to steady growth in the City from increased residential and commercial development. Total expenses before transfers increased \$1,030,244 in fiscal year 2021 due to maintaining an aging infrastructure and a transition to container based sanitation.

### ***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, 2021, the City's governmental funds reported combined fund balances of \$38,183,138, a decrease of \$467,534 in comparison with the prior year. Approximately 22.83 percent of this amount (\$8,716,614) 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 (\$6,668,598), 2) legally required to be maintained intact (\$28,966), or 3) restricted for particular purposes (\$22,768,960).



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

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 \$11,503,614, while total fund balance increased to \$2,612,491. 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 56.8 percent of total general fund expenditures, while total fund balance represents approximately 56.9 percent of that same amount.

The fund balance of the City's general fund increased by \$2,612,491 during the current fiscal year. Revenues increased by \$1,617,982 (8.2 percent) above the previous year due to an increase in sales tax and licenses and permits revenues contributing \$1,299,783 to the increase. General fund expenditures experienced a decrease of \$316,511 due to increased efficiency across all departments.

The QIPP fund, a major governmental fund, has a \$4,531,201 increase in fund balance during the current fiscal year which increased total fund balance to \$4,064,137. The increase in revenue and expenditures is primarily related to the City's expansion in the program during 2021 from 15 to 21 nursing homes.

The general capital projects fund, a major governmental fund, has a \$7,065,734 decrease in fund balance during the current fiscal year. The decrease is primarily the result of bond proceeds spent during the year on capital projects throughout the City.

The Certificate of Obligations Series 2019 fund, a major governmental fund, has a \$1,269,762 decrease in fund balance during the current fiscal year which decreased total fund balance to a deficit of \$179,176. The decrease is primarily the result of bond proceeds spent during the year.

The debt service fund, a major fund, had a decrease in fund balance during the current year of \$767,126 to bring the year-end fund balance to \$36,182. The decrease was primarily related to increased bond payments 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.



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

Unrestricted net position (deficit) of the Utility and Nonmajor Enterprise funds at the end of the year amounts to \$1,669,888 and (\$419,279). Net position increased in 2021 by \$3,983,834 in the Utility fund and increased by \$1,752,457 in the Nonmajor Enterprise funds. For the Utility fund, operating revenues increased in 2021 by \$576,441 (5.4 percent). Operating expenses increased \$752,721 (8.5 percent). For the Nonmajor Enterprise funds, operating revenues increased in 2021 by \$90,469 (5.5 percent). Operating expenses increased by \$249,791 (17.7 percent).

### **General Fund Budgetary Highlights**

**Final Budget Compared to Actual Results.** General fund actual revenues of \$19,525,767 exceeded budgeted revenues of \$16,709,043 by \$2,816,724. Following are the main components that experienced an increase of actual revenue compared to budgeted revenue:

- Sales tax revenue exceeded budgeted revenue by \$1,465,137 due to economic development focus along the interstate improving retail
- Residential and commercial development has grown significantly during 2021 resulting in an increase of \$808,357 over budgeted revenue for licenses and permits.
- Additional grants and contributions primarily related to COVID-19 relief resulted in \$558,879 Intergovernmental revenue increase.

Budgeted general fund expenditures of \$20,726,942 exceeded actual expenditures of \$20,257,331. This \$469,611 positive variance in expenditures was achieved through better budget awareness at the departmental level from increased usage of the City's Enterprise Risk Program.

### **Capital Assets and Debt Administration**

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$141,423,203 (net of accumulated depreciation). 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 8 percent.



*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

**Capital Assets  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 6,418,075	\$ 6,403,372	\$ 1,088,290	\$ 1,088,290	\$ 7,506,365	\$ 7,491,662
Construction in progress	4,323,635	9,565,428	1,955,646	10,734,765	6,279,281	20,300,193
Buildings	34,982,192	34,995,499	2,977,304	3,158,613	37,959,497	38,154,112
Improvements	2,353,460	2,005,321	42,242,447	28,502,562	44,595,907	30,507,883
Machinery and equipment	4,349,328	4,012,622	1,271,314	631,509	5,620,641	4,644,131
Infrastructure	39,127,564	29,762,228	-	-	39,127,564	29,762,228
Water rights	-	-	333,948	367,342	333,948	367,342
<b>Total</b>	<b>\$ 91,554,254</b>	<b>\$ 86,744,470</b>	<b>\$ 49,868,949</b>	<b>\$ 44,483,081</b>	<b>\$ 141,423,203</b>	<b>\$ 131,227,551</b>

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

- A \$3 million dollar investment in new and replacement equipment to improve city capabilities and efficiency.
- Improvement additions of approximately \$16,670,687 consisting of new development contributions and improvements to high demand and high need areas of the city's water/wastewater system.
- Infrastructure additions of approximately \$10,937,343 consisting of developer contributions of street additions from new developments completing their phase 1 building.

Additional information on the City's capital assets can be found in *Note 2* on pages 38-40 of this report.

**Long-term Debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$79,255,000, 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 capital leases.





*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

### Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Certificates of obligation	\$ 57,275,000	\$ 59,720,000	\$ 15,615,000	\$ 16,475,000	\$ 72,890,000	\$ 76,195,000
General obligations	5,555,000	7,180,000	810,000	1,700,000	6,365,000	8,880,000
Development agreement payable	14,121,735	14,666,718	-	-	14,121,735	14,666,718
Total	\$ 76,951,735	\$ 81,566,718	\$ 16,425,000	\$ 18,175,000	\$ 93,376,735	\$ 99,741,718

The City's total debt decreased by \$6,364,983 (6.38 percent) during the current fiscal year due to schedule debt payments.

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 46-49 of this report.

#### **Economic Factors and Next Year's Budget Rates**

The City considers many factors in setting the budget. For the foreseeable future, growth is going to be a main driver. Residential growth is projected to grow. The number of Residential Building Permits in 2020 was 223 and in 2021 increased 399. Inspections Department is reporting that in 2022 approximately 1,000 Residential Permits are expected.

New businesses coming to Ennis (Fresh Pet, Benoit) and existing businesses expanding to provide more opportunities in the City. These factors and others provided support to budget significant increases to property tax and sales tax revenues in the budget. Budgeted expenditures also increased to provide more personnel across various departments to continue providing excellent services. To better accommodate the growing population, major capital investments have been budgeted to further improve the Utilities and Parks across our communities.



*The bluebonnet spirit of Texas*

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

[www.ennistx.gov](http://www.ennistx.gov)

### ***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, 2021**

<b>Assets</b>	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Ennis Economic Development Corporation</b>
Cash and cash equivalents	\$ 42,890,354	\$ 6,097,550	\$ 48,987,904	6,378,451
Receivables (net of allowance for uncollectibles)	2,722,889	1,327,815	4,050,704	466,376
Intergovernmental receivables	8,139,098	-	8,139,098	-
Internal balances	218,046	(218,046)	-	-
Inventories	21,414	174,972	196,386	-
Prepaid items	6,647,184	-	6,647,184	-
Restricted cash and cash equivalents	-	5,825,571	5,825,571	-
Capital assets				
Non-depreciable	10,741,710	3,043,936	13,785,646	3,467,796
Depreciable (net of accumulated depreciation)	80,812,544	46,825,013	127,637,557	4,734,186
Total assets	152,193,239	63,076,812	215,270,050	15,046,809
<b>Deferred Outflows of Resources</b>				
Deferred charges on refunding	251,880	18,326	270,206	110,227
Deferred outflows of resources related to pension	1,303,371	327,014	1,630,385	-
Deferred outflows of resources related to OPEB	315,554	80,603	396,157	-
Total deferred outflows of resources	1,870,805	425,943	2,296,748	110,227
<b>Liabilities</b>				
Accounts payable and other current liabilities	8,711,999	628,839	9,340,838	32,357
Accrued payroll payable	1,241,509	197,614	1,439,123	-
Accrued interest payable	476,742	77,287	554,029	16,634
Line of credit	7,812,982	-	7,812,982	-
Customer deposits payable	-	627,780	627,780	-
Unearned revenue	1,622,650	2,522,089	4,144,739	-
Liabilities payable from restricted assets	-	-	-	-
Noncurrent liabilities:				
Due within one year	4,899,983	1,790,000	6,689,983	600,000
Due in more than one year	81,725,669	16,981,299	98,706,968	5,227,584
Total Liabilities	106,491,534	22,824,908	129,316,442	5,876,575
<b>Deferred Inflows of Resources</b>				
Deferred inflows of resources related to pension	1,925,668	474,024	2,399,692	-
Deferred inflows of resources related to OPEB	240,815	61,545	302,360	-
Total deferred inflows of resources	2,166,483	535,569	2,702,052	-
<b>Net Position</b>				
Net investment in capital assets	28,463,890	38,282,575	66,746,465	2,484,625
Restricted for:				
Capital projects	602,589	-	602,589	-
Cultural and recreational	1,149,305	-	1,149,305	-
Debt service	36,182	-	36,182	-
Economic development	-	-	-	6,795,836
Public safety	1,206,530	-	1,206,530	-
Streets	894,239	-	894,239	-
Tourism	320,192	-	320,192	-
Unrestricted	12,733,099	1,859,703	14,592,802	-
Total net position	\$ 45,406,026	\$ 40,142,278	\$ 85,548,304	\$ 9,280,461

**City of Ennis, Texas**  
**Statement of Activities**  
**For the Year Ended September 30, 2021**

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Ennis Economic Development Corporation
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
<b>Primary Government</b>								
Governmental activities								
General government	\$ 4,377,857	\$ 632,746	\$ 1,656,088	\$ 5,413	\$ (2,083,610)	\$ -	\$ (2,083,610)	\$ -
Public safety	13,037,988	704,513	1,204,997	3,750	(11,124,728)	-	(11,124,728)	-
Streets	3,491,357	-	-	3,061,728	(429,629)	-	(429,629)	-
Health	145,722,694	146,088,938	1,339,757	-	1,706,001	-	1,706,001	-
Equipment services	315,210	-	-	-	(315,210)	-	(315,210)	-
Cultural and recreational	1,823,078	83,080	828,381	-	(911,617)	-	(911,617)	-
Hospital	-	689,203	-	-	689,203	-	689,203	-
Public works	585,827	-	4,866	-	(580,961)	-	(580,961)	-
Interest	2,503,864	-	-	-	(2,503,864)	-	(2,503,864)	-
Total governmental activities	171,857,875	148,198,480	5,034,089	3,070,891	(15,554,415)	-	(15,554,415)	-
Business-type activities:								
Utility	10,040,237	11,214,672	-	4,648,631	-	5,823,066	5,823,066	-
Sanitation	1,479,244	1,582,003	-	-	-	102,759	102,759	-
Airport	178,865	161,851	-	-	-	(17,014)	(17,014)	-
Total business-type activities	11,698,346	12,958,526	-	4,648,631	-	5,908,811	5,908,811	-
Total primary government	\$ 183,556,221	\$ 161,157,006	\$ 5,034,089	\$ 7,719,522	(15,554,415)	5,908,811	(9,645,604)	-
<b>Component Units</b>								
Ennis Economic Development Corporation	2,603,299	\$ -	\$ -	\$ -	-	-	-	(2,603,299)
Total component units	\$ 2,603,299	\$ -	\$ -	\$ -	-	-	-	(2,603,299)
<b>General Revenues and Transfers</b>								
Property taxes	-	-	-	-	15,124,636	-	15,124,636	-
Sales taxes	-	-	-	-	7,585,464	-	7,585,464	3,083,684
Franchise taxes	-	-	-	-	1,694,133	-	1,694,133	-
Hotel occupancy taxes	-	-	-	-	516,155	-	516,155	-
Alcoholic beverage taxes	-	-	-	-	77,564	-	77,564	-
Investment earnings	-	-	-	-	153,933	38,460	192,393	29,603
Gain on sale of capital asset	-	-	-	-	-	4,334	4,334	-
Miscellaneous	-	-	-	-	605,402	-	605,402	159,602
Transfers	-	-	-	-	170,161	(170,161)	-	-
Total general revenues and transfers	-	-	-	-	25,927,448	(127,367)	25,800,081	3,272,889
Change in net position	-	-	-	-	10,373,033	5,781,444	16,154,477	669,590
<b>Net Position – Beginning</b>	-	-	-	-	35,032,993	34,360,834	69,393,827	8,610,871
<b>Net Position – Ending</b>	-	-	-	-	\$ 45,406,026	\$ 40,142,278	\$ 85,548,304	\$ 9,280,461

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

**City of Ennis, Texas**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2021**

<b>Assets</b>	<b>General</b>	<b>QIPP</b>	<b>General Capital Projects</b>	<b>Certificates Of Obligation Series 2019</b>	<b>Debt Service</b>	<b>Total Nonmajor Funds</b>	<b>Total Governmental Funds</b>
Cash and cash equivalents	\$ 10,380,930	\$ 6,115,441	\$ 19,767,227	\$ -	\$ 36,182	\$ 3,683,172	\$ 39,982,952
Receivables (net of allowance for uncollectibles)	2,161,204	-	-	-	-	561,685	2,722,889
Intergovernmental receivables	-	8,139,098	-	-	-	-	8,139,098
Due from other funds	425,441	-	-	-	-	-	425,441
Inventories	21,414	-	-	-	-	-	21,414
Prepaid items	-	6,647,184	-	-	-	-	6,647,184
<b>Total assets</b>	<b>\$ 12,988,989</b>	<b>\$ 20,901,723</b>	<b>\$ 19,767,227</b>	<b>\$ -</b>	<b>\$ 36,182</b>	<b>\$ 4,244,857</b>	<b>\$ 57,938,978</b>
<b>Liabilities</b>							
Accounts payable	\$ 161,919	\$ 7,310,803	\$ 1,207,304	\$ -	\$ -	\$ 31,973	\$ 8,711,999
Accrued payroll payable	745,652	-	-	-	-	11,063	756,715
Due to other funds	17,211	-	-	179,176	-	24,777	221,164
Unearned revenue	-	1,622,650	-	-	-	-	1,622,650
Accrued interest payable	-	91,151	-	-	-	-	91,151
Line of credit	-	7,812,982	-	-	-	-	7,812,982
<b>Total liabilities</b>	<b>924,782</b>	<b>16,837,586</b>	<b>1,207,304</b>	<b>179,176</b>	<b>-</b>	<b>67,813</b>	<b>19,216,661</b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue – property taxes	135,266	-	-	-	-	-	135,266
Unavailable revenue – court	324,373	-	-	-	-	-	324,373
Unavailable revenue – other	79,540	-	-	-	-	-	79,540
<b>Total deferred inflows of resources</b>	<b>539,179</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>539,179</b>
<b>Fund Balances (Deficit)</b>							
Nonspendable							
Endowment	-	-	-	-	-	28,966	28,966
Inventories	21,414	-	-	-	-	-	21,414
Prepaid items	-	6,647,184	-	-	-	-	6,647,184
Restricted							
Capital projects	-	-	18,559,923	-	-	602,589	19,162,512
Cultural and recreational	-	-	-	-	-	1,149,305	1,149,305
Debt service	-	-	-	-	36,182	-	36,182
Public safety	-	-	-	-	-	1,206,530	1,206,530
Streets	-	-	-	-	-	894,239	894,239
Tourism	-	-	-	-	-	320,192	320,192
Unassigned (deficit)	11,503,614	(2,583,047)	-	(179,176)	-	(24,777)	8,716,614
<b>Total fund balances (deficit)</b>	<b>11,525,028</b>	<b>4,064,137</b>	<b>18,559,923</b>	<b>(179,176)</b>	<b>36,182</b>	<b>4,177,044</b>	<b>38,183,138</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 12,988,989</b>	<b>\$ 20,901,723</b>	<b>\$ 19,767,227</b>	<b>\$ -</b>	<b>\$ 36,182</b>	<b>\$ 4,244,857</b>	<b>\$ 57,938,978</b>

**City of Ennis, Texas**  
**Reconciliation of the Balance Sheet - Governmental Funds to the Government-  
Wide Statement of Net Position**  
**September 30, 2021**

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

Total fund balances - governmental funds		\$ 38,183,138
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		91,554,254
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		539,179
Deferred outflows of resources related to deferred charges on bond refundings, pension and OPEB are not reported in the governmental funds:		
Deferred charges on refunding	\$ 251,880	
Deferred outflows of resources related to pension	1,303,371	
Deferred outflows of resources related to OPEB	<u>315,554</u>	1,870,805
Internal service funds are used by management to charge the cost of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,436,376
Interest payable on long-term debt does not require current financial resources. Therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(385,591)
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	(4,899,983)	
Due in more than one year	<u>(81,725,669)</u>	(86,625,652)
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds:		
Deferred inflows of resources related to pension	(1,925,668)	
Deferred inflows of resources related to OPEB	<u>(240,815)</u>	(2,166,483)
Net position of governmental activities		<u>\$ 45,406,026</u>



**City of Ennis, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended September 30, 2021**

<b>Revenues</b>	<b>General</b>	<b>QIPP</b>	<b>General Capital Projects</b>	<b>Certificates Of Obligation Series 2019</b>	<b>Debt Service</b>	<b>Total Nonmajor Funds</b>	<b>Total Governmental Funds</b>
Property taxes	\$ 9,083,314	\$ -	\$ -	\$ -	\$ 5,644,284	\$ 389,512	\$ 15,117,110
Sales taxes	4,956,036	-	-	-	-	2,629,428	7,585,464
Franchise taxes	1,694,133	-	-	-	-	-	1,694,133
Hotel occupancy taxes	-	-	-	-	-	516,155	516,155
Alcoholic beverage taxes	77,564	-	-	-	-	-	77,564
Licenses and permits	1,328,324	-	-	-	-	-	1,328,324
Fines and forfeitures	238,214	-	-	-	-	12,758	250,972
Charges for services	219,555	146,088,938	-	-	-	-	146,308,493
Investment earnings	45,780	14,338	80,571	813	5,285	7,146	153,933
Miscellaneous	354,922	-	113,652	-	-	238,793	707,367
Intergovernmental	1,527,925	3,502,334	-	-	-	3,830	5,034,089
Contributions and donations	-	-	-	-	-	9,163	9,163
<b>Total revenues</b>	<b>19,525,767</b>	<b>149,605,610</b>	<b>194,223</b>	<b>813</b>	<b>5,649,569</b>	<b>3,806,785</b>	<b>178,782,767</b>
<b>Expenditures</b>							
<b>Current</b>							
General government	4,344,344	-	-	-	-	326,989	4,671,333
Public safety	11,872,616	-	-	-	-	29,491	11,902,107
Streets	1,168,734	-	-	-	-	553,343	1,722,077
Health	503,483	144,583,901	-	-	-	-	145,087,384
Equipment services	299,006	-	-	-	-	-	299,006
Cultural and recreational	1,523,378	-	-	-	-	3,404	1,526,782
Public works	545,770	-	-	-	-	-	545,770
<b>Capital outlay:</b>							
General government	-	-	4,785,278	1,111,407	-	11,467	5,908,152
Public safety	-	-	-	159,168	-	-	159,168
Streets	-	-	-	-	-	-	-
Equipment services	-	-	166,645	-	-	-	166,645
Cultural and recreational	-	-	97,624	-	-	-	97,624
Public works	-	-	516,430	-	-	-	516,430
<b>Debt service:</b>							
Principal retirement	-	-	-	-	4,070,000	-	4,070,000
Interest and fiscal charges	-	340,508	-	-	2,407,476	-	2,747,984
<b>Total expenditures</b>	<b>20,257,331</b>	<b>144,924,409</b>	<b>5,565,977</b>	<b>1,270,575</b>	<b>6,477,476</b>	<b>924,694</b>	<b>179,420,462</b>
Excess (deficiency) of revenues over (under) expenditures	(731,564)	4,681,201	(5,371,754)	(1,269,762)	(827,907)	2,882,091	(637,695)
<b>Other Financing Sources (Uses)</b>							
Transfers in	3,610,362	-	1,266,905	-	699,313	13,120	5,589,700
Transfers out	(266,307)	(150,000)	(2,960,885)	-	(638,532)	(1,403,815)	(5,419,539)
<b>Total other financing sources (uses)</b>	<b>3,344,055</b>	<b>(150,000)</b>	<b>(1,693,980)</b>	<b>-</b>	<b>60,781</b>	<b>(1,390,695)</b>	<b>170,161</b>
<b>Net change in fund balances</b>	<b>2,612,491</b>	<b>4,531,201</b>	<b>(7,065,734)</b>	<b>(1,269,762)</b>	<b>(767,126)</b>	<b>1,491,396</b>	<b>(467,534)</b>
<b>Fund Balances (Deficit), Beginning</b>	<b>8,912,537</b>	<b>(467,064)</b>	<b>25,625,657</b>	<b>1,090,586</b>	<b>803,308</b>	<b>2,685,648</b>	<b>38,650,672</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ 11,525,028</b>	<b>\$ 4,064,137</b>	<b>\$ 18,559,923</b>	<b>\$ (179,176)</b>	<b>\$ 36,182</b>	<b>\$ 4,177,044</b>	<b>\$ 38,183,138</b>

# 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 Fiscal Year Ended September 30, 2021

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

Net Change in Fund Balances - total governmental funds	\$	(467,534)
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 expense. This is the amount of capital outlay recorded as capital assets in the current period.		6,434,680
Governmental funds do not recognize contributed capital assets. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.		3,061,728
The net effect of various miscellaneous transactions involving capital assets (i.e., asset retirements/disposals), and the transfer of capital assets from business-type activities to governmental activities to decrease net position. Asset retirements/disposals		(101,965)
Depreciation expense on capital 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 expense is not reported as expenditure in governmental funds.		(4,584,659)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 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.		
Bond principal retirement	\$	4,070,000
Amortization of bond premiums/discounts		298,005
Amortization of deferred charge on refunding		(72,520)
Development agreement payable retirement		<u>544,983</u>
		4,840,468
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 is not reported as expenditures in governmental funds. Change in accrued interest.		18,635
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		137,602
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		895,560
Changes in OPEB liabilities and related deferred outflows and inflows of resources		<u>(42,096)</u>
		853,464
The internal service funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		<u>180,614</u>
Change in net position of governmental activities	\$	<u><u>10,373,033</u></u>

**City of Ennis, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**Year Ended September 30, 2021**

Revenues	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
Property taxes	\$ 9,090,531	\$ 9,090,531	\$ 9,083,314	\$ (7,217)
Sales taxes	3,490,899	3,490,899	4,956,036	1,465,137
Franchise taxes	1,639,839	1,639,839	1,694,133	54,293
Alcoholic beverage taxes	48,000	48,000	77,564	29,564
Licenses and permits	520,167	520,167	1,328,524	808,357
Fines and forfeitures	387,844	387,844	238,213	(149,631)
Charges for services	239,670	239,670	218,607	(21,063)
Investment earnings	114,000	114,000	45,728	(68,272)
Miscellaneous	210,524	210,524	357,202	146,678
Intergovernmental	41,721	967,569	1,526,448	558,879
Total revenues	15,783,195	16,709,043	19,525,767	2,816,724
<b>Expenditures</b>				
Current:				
General government:				
City commission	243,337	243,337	211,829	31,509
Administration	382,905	382,905	451,729	(68,824)
Downtown Development	264,214	446,214	361,477	84,736
Communication and Marketing	133,649	133,649	146,240	(12,592)
Finance	522,448	522,448	494,181	28,267
Economic development	253,802	253,802	278,834	(25,032)
Information technology	-	-	-	-
Human resources	344,860	344,860	389,642	(44,782)
Nondepartmental	1,655,986	2,011,986	2,010,412	1,574
Total general government	3,801,200	4,339,200	4,344,344	(5,144)
Public safety:				
Police protection	5,464,355	5,565,355	5,648,479	(83,125)
Judicial	315,250	315,250	227,564	87,687
Fire protection	5,358,256	5,518,456	5,418,078	100,378
Planning and inspection	566,661	566,661	578,495	(11,834)
Total public safety	11,704,522	11,965,722	11,872,616	93,106
Streets	1,219,880	1,219,880	1,168,734	51,146
Health	565,436	565,436	503,483	61,953
Equipment services	323,739	323,739	299,006	24,733
Cultural and recreational:				
Parks and recreation	1,106,149	1,121,149	987,557	133,592
Library	505,885	509,885	497,557	12,328
Museum	42,069	42,069	38,264	3,805
Total cultural and recreational	1,654,103	1,673,103	1,523,378	149,725
Public works	505,862	639,862	545,770	94,092
Total expenditures	19,774,742	20,726,942	20,257,331	469,611
Excess (deficiency) of revenues over (under) expenditures	(3,991,547)	(4,017,899)	(731,564)	2,347,113
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,981,363	3,981,363	3,610,362	(371,001)
Transfers out	-	(234,000)	(266,307)	32,307
Total other financing sources and uses	3,981,363	3,747,363	3,344,055	(338,694)
Net change in fund balance	(10,183)	(270,535)	2,612,491	2,008,419
Fund balance – beginning	8,912,537	8,912,537	8,912,537	-
Fund balance – ending	\$ 8,902,354	\$ 8,642,002	\$ 11,525,028	\$ 2,008,419

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

**City of Ennis, Texas**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2021**

	<b>Business-type Activities - Enterprise</b>			<b>Governmental</b>
	<b>Utility</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Activities Internal Service Fund</b>
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 5,311,959	\$ 58,741	\$ 5,370,700	\$ 3,634,252
Restricted cash and cash equivalents - bond construction	5,825,571	-	5,825,571	-
Receivables (net of allowance for uncollectibles)	1,144,269	183,546	1,327,815	-
Due from other funds	-	-	-	17,211
Inventories	146,677	28,295	174,972	-
Total current assets	<u>12,428,476</u>	<u>270,582</u>	<u>12,699,058</u>	<u>3,651,463</u>
<b>Noncurrent Assets</b>				
Capital assets (net, where applicable of accumulated depreciation)	47,380,362	2,488,587	49,868,949	-
Total noncurrent assets	<u>47,380,362</u>	<u>2,488,587</u>	<u>49,868,949</u>	<u>-</u>
Total assets	<u>59,808,838</u>	<u>2,759,169</u>	<u>62,568,007</u>	<u>3,651,463</u>
<b>Deferred Outflows of Resources</b>				
Deferred charges on refunding	18,326	-	18,326	-
Deferred outflows of resources related to pension	246,560	80,454	327,014	-
Deferred outflows of resources related to OPEB	60,711	19,892	80,603	-
Total deferred outflows of resources	<u>325,597</u>	<u>100,346</u>	<u>425,943</u>	<u>-</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	456,073	51,567	507,640	-
Accrued payroll payable	150,001	47,613	197,614	-
Claims payable	-	-	-	605,993
Due to other funds	-	221,488	221,488	-
Deferred revenue	2,522,089	-	2,522,089	-
Customer deposits payable	627,780	-	627,780	-
Bonds payable	1,790,000	-	1,790,000	-
Accrued interest payable	77,287	-	77,287	-
Total current liabilities	<u>5,623,230</u>	<u>320,668</u>	<u>5,943,898</u>	<u>605,993</u>
<b>Noncurrent Liabilities</b>				
Bonds payable	15,640,271	-	15,640,271	-
Net pension liability	883,912	294,021	1,177,933	-
Total OPEB liability	122,321	40,774	163,095	-
Total noncurrent liabilities	<u>16,646,504</u>	<u>334,795</u>	<u>16,981,299</u>	<u>-</u>
Total liabilities	<u>22,269,734</u>	<u>655,463</u>	<u>22,925,197</u>	<u>605,993</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflows of resources related to pension	354,666	119,358	474,024	-
Deferred inflows of resources related to OPEB	46,159	15,386	61,545	-
Total deferred inflows of resources	<u>400,825</u>	<u>134,744</u>	<u>535,569</u>	<u>-</u>
<b>Net Position (Deficit)</b>				
Net investment in capital assets	35,793,988	2,488,587	38,282,575	-
Unrestricted (Deficit)	1,669,888	(419,279)	1,250,609	3,045,470
Total net position (deficit)	<u>\$ 37,463,876</u>	<u>\$ 2,069,308</u>	<u>39,533,184</u>	<u>\$ 3,045,470</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

609,094

Net position of business-type activities

\$ 40,142,278

**City of Ennis, Texas**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2021**

	<b>Business-type Activities - Enterprise</b>			<b>Governmental</b>
	<b>Utility</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Fund</b>
<b>Operating Revenues</b>				
Water revenue	\$ 6,626,784	\$ -	\$ 6,626,784	\$ -
Sewer revenue	4,524,603	-	4,524,603	-
Sanitation revenue	-	1,582,003	1,582,003	-
Airport revenue	-	161,851	161,851	-
Other revenue	18,132	-	18,132	-
Charges for insurance and services	-	-	-	4,040,981
Total operating revenues	<u>11,169,519</u>	<u>1,743,854</u>	<u>12,913,373</u>	<u>4,040,981</u>
<b>Operating Expenses</b>				
Personnel	2,532,709	785,044	3,317,753	-
Supplies	1,297,903	197,084	1,494,987	-
Maintenance and replacement	862,074	59,399	921,473	-
Miscellaneous services	1,616,789	286,471	1,903,260	-
Insurance claims and expenses	-	-	-	3,815,214
Depreciation and amortization	3,286,432	330,111	3,616,543	-
Total operating expenses	<u>9,595,907</u>	<u>1,658,109</u>	<u>11,254,016</u>	<u>3,815,214</u>
Operating income	<u>1,573,612</u>	<u>85,745</u>	<u>1,659,357</u>	<u>225,767</u>
<b>Nonoperating Revenue (Expenses)</b>				
Investment earnings	38,460	-	38,460	-
Gain on disposal of property	4,334	-	4,334	-
Interest expense	(444,330)	-	(444,330)	-
Total nonoperating revenue (expenses)	<u>(401,536)</u>	<u>-</u>	<u>(401,536)</u>	<u>-</u>
Income before contributions and transfers	1,172,076	85,745	1,257,821	225,767
Capital contributions	4,625,615	23,016	4,648,631	-
Transfer in	14,074,841	1,866,366	15,941,207	-
Transfer out	(15,888,698)	(222,670)	(16,111,368)	-
Change in net position	3,983,834	1,752,457	5,736,291	225,767
Net position – beginning	<u>33,480,042</u>	<u>316,851</u>	<u>33,796,893</u>	<u>2,819,703</u>
Net position – ending	<u>\$ 37,463,876</u>	<u>\$ 2,069,308</u>	<u>39,533,184</u>	<u>\$ 3,045,470</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>45,153</u>	
Change in net position of business-type activities			<u>\$ 5,781,444</u>	

**City of Ennis, Texas**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended September 30, 2021**

	<b>Business-type Activities - Enterprise</b>			<b>Governmental</b>
	<b>Utility</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Activities Internal Service Fund</b>
<b>Cash Flows From Operating Activities</b>				
Receipts from customers	\$ 11,221,813	\$ 1,560,308	\$ 12,782,121	\$ -
Receipts from interfund charges for self-insurance	-	-	-	4,040,981
Payments to suppliers and service providers	(3,746,568)	(532,630)	(4,279,198)	(3,704,221)
Payments to employees for salaries and benefits	(152,593)	(833,291)	(985,884)	-
Net cash provided by operating activities	<u>7,322,652</u>	<u>194,387</u>	<u>7,517,039</u>	<u>336,760</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers from other funds	-	1,097,590	1,097,590	-
Transfers to other funds	(1,813,857)	(7,787)	(1,821,644)	(17,211)
Net cash provided by (used for) noncapital financing activities	<u>(1,813,857)</u>	<u>1,089,803</u>	<u>(724,054)</u>	<u>(17,211)</u>
<b>Cash Flows From Capital And Related Financing Activities</b>				
Capital contributions	-	23,016	23,016	-
Acquisition and construction of capital assets	(2,934,739)	(1,442,057)	(4,376,796)	-
Proceeds from disposal of capital assets	4,334	-	4,334	-
Principal paid on bond maturities	(1,750,000)	-	(1,750,000)	-
Interest and fiscal charges paid on bonds	(496,399)	-	(496,399)	-
Net cash used for capital and related financing activities	<u>(5,176,804)</u>	<u>(1,419,041)</u>	<u>(6,595,845)</u>	<u>-</u>
<b>Cash Flows From Investing Activities</b>				
Interest on investments	38,460	-	169,245	-
Net cash provided by investing activities	<u>38,460</u>	<u>-</u>	<u>169,245</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	370,451	(134,851)	366,385	319,549
Cash and cash equivalents, October 1 (includes \$7,533,314 reported in restricted cash)	<u>10,767,079</u>	<u>193,592</u>	<u>10,960,671</u>	<u>3,314,703</u>
Cash and cash equivalents, September 30 (includes \$5,825,571 reported in restricted cash)	<u>\$ 11,137,530</u>	<u>\$ 58,741</u>	<u>\$ 11,327,056</u>	<u>\$ 3,634,252</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>				
Operating income	\$ 1,573,612	\$ 85,745	\$ 1,659,357	\$ 225,767
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	3,286,432	330,111	3,616,543	-
(Increase) decrease in accounts receivable	52,294	(183,546)	(131,252)	-
(Increase) decrease in inventory	(15,780)	-	(15,780)	-
(Increase) decrease in pension related deferred outflows	(3,238)	(1,079)	(4,317)	-
(Increase) decrease in OPEB related deferred outflows	(5,261)	(1,754)	(7,015)	-
Increase (decrease) in accounts payable	18,113	10,324	28,437	-
Increase (decrease) in accrued payroll payable	18,054	5,095	23,149	-
Increase (decrease) in claims payable	-	-	-	110,993
Increase (decrease) in deferred revenue	2,522,089	-	2,522,089	-
Increase (decrease) in customer deposits	27,865	-	27,865	-
Increase (decrease) in pension related deferred inflows	(40,053)	(13,351)	(53,404)	-
Increase (decrease) in OPEB related deferred inflows	(3,920)	(1,307)	(5,227)	-
Increase (decrease) in net pension liability	(124,629)	(41,543)	(166,172)	-
Increase (decrease) in OPEB liability	17,074	5,692	22,766	-
Total adjustments	<u>5,749,040</u>	<u>108,642</u>	<u>5,857,682</u>	<u>110,993</u>
Net cash provided by operating activities	<u>\$ 7,322,652</u>	<u>\$ 194,387</u>	<u>\$ 7,517,039</u>	<u>\$ 336,760</u>
<b>Schedule of Non-cash Transactions</b>				
Contributions of capital assets	\$ 4,625,615	\$ -	\$ -	\$ -

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**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 units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

***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 units.

***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 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 separate columns 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. The Corporation is presented as a governmental fund type and has a September 30 year-end.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Separately issued financial reports 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 internal service fund, 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.

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



**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

The *Certificates of Obligation Series 2019 fund* is used to account for building construction from issuance of certificates of obligation. This fund is designated as a major fund.

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 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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 compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance***

**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. Accordingly, TexPool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. 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 & Poor's, the highest rating a local government investment pool can achieve. The weighted average maturities of the pool cannot exceed 60 days, with the maximum maturity of any investment limited to 13 months. 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 general obligation bonds are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the 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 spent in relation to capital 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, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Lives</u>
Buildings	7-50
Improvements	7-50
Machinery and equipment	5-30
Infrastructure	10-50
Water rights	30

**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 position 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) the differences between the projected and actual investment earnings; (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 charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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 position 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 City's defined benefit pension and OPEB plans; and (2) the difference between expected and actual experience data used by the actuary for the pension plan. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. 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 intergovernmental 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 straight-line 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 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.

***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's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

GASB 75 requires recognition of the Total OPEB Liability (TOL), deferred (inflows)/outflows of resources, and total OPEB expense on the face of the employer's financial statements. The TOL is calculated by the TMRS's actuary in accordance with the provisions of GASB 75. The OPEB expense and deferred (inflows)/outflows 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 assets net of accumulated depreciation 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 government's 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 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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.

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, 2021.

***Deficit Fund Equity***

As of September 30, 2021, the Certificates of Obligation Series 2019 fund, a major governmental fund, has a deficit fund balance of \$179,176.

As of September 30, 2021, the Court Technology fund, a nonmajor governmental fund, has a deficit fund balance of \$24,777.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***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 fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

***Self-Insurance***

The City is self-insured for medical and prescription drug claims. The 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.



**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**Note 2: Detailed Notes on All Activities and Funds**

***Cash Deposits with Financial Institutions***

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market 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, 2021. At year-end, the bank balance of the City's deposits was \$61,424,919 (with a carrying value of \$61,191,926. Of the bank balance, \$500,000 was covered by federal depository insurance and the remaining balance, \$60,691,926 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 \$61,691,434.

***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.

<b>Investment Type</b>	<b>Fair Value</b>
TexPool	\$ 320,281

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, 2021, 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 Statement of Net Position and on the Balance Sheets of the Fund Financial Statements.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**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, nonmajor governmental, utility, and nonmajor enterprise funds, including the applicable allowances for uncollectible accounts:

<b>Receivables</b>	<b>General</b>	<b>Nonmajor Governmental</b>	<b>Utility</b>	<b>Nonmajor Enterprise</b>	<b>Total</b>
Taxes	\$ 1,827,171	\$ 456,939	\$ -	\$ -	\$ 2,284,110
Accounts	35,672	104,746	1,304,639	241,098	1,686,155
Other	<u>444,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,006</u>
Gross receivables	2,306,849	561,685	1,304,639	241,098	4,414,271
Less: allowance for uncollectibles	<u>(145,645)</u>	<u>-</u>	<u>(160,370)</u>	<u>(57,552)</u>	<u>(363,567)</u>
Net total receivables	<u>\$ 2,161,204</u>	<u>\$ 561,685</u>	<u>\$ 1,144,269</u>	<u>\$ 183,546</u>	<u>\$ 4,050,704</u>

**Capital Assets**

Capital asset activity for the year ended September 30, 2021, was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 6,403,372	\$ 14,703	\$ -	\$ -	\$ 6,418,075
Construction in progress	<u>9,565,428</u>	<u>3,902,967</u>	<u>-</u>	<u>(9,144,760)</u>	<u>4,323,635</u>
Total capital assets not being depreciated	<u>15,968,800</u>	<u>3,917,670</u>	<u>-</u>	<u>(9,144,760)</u>	<u>10,741,710</u>
Capital assets being depreciated:					
Buildings	47,035,323	1,270,576	-	-	48,305,899
Improvements	4,269,266	14,194	-	567,645	4,851,105
Machinery and equipment	15,680,670	1,233,740	(446,071)	700,000	17,168,339
Infrastructure	<u>53,835,751</u>	<u>3,060,228</u>	<u>-</u>	<u>7,877,115</u>	<u>64,773,094</u>
Totals capital assets being depreciated	<u>120,821,010</u>	<u>5,578,738</u>	<u>(446,071)</u>	<u>9,144,760</u>	<u>135,098,437</u>
Less accumulated depreciation for:					
Buildings	(12,039,820)	(1,283,887)	-	-	(13,323,707)
Improvements	(2,263,945)	(233,700)	-	-	(2,497,645)
Machinery and equipment	(11,668,050)	(1,495,067)	344,106	-	(12,819,011)
Infrastructure	<u>(24,073,525)</u>	<u>(1,572,005)</u>	<u>-</u>	<u>-</u>	<u>(25,645,530)</u>
Total accumulated depreciation	<u>(50,045,340)</u>	<u>(4,584,659)</u>	<u>344,106</u>	<u>-</u>	<u>(54,285,893)</u>
Total capital assets, being depreciated, net	<u>70,775,670</u>	<u>994,079</u>	<u>(101,965)</u>	<u>9,144,760</u>	<u>80,812,544</u>
Governmental activities capital assets, net	<u>\$ 86,744,470</u>	<u>\$ 4,911,749</u>	<u>\$ (101,965)</u>	<u>\$ -</u>	<u>\$ 91,554,254</u>

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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

<b>Governmental Activities</b>	
General government	\$ 146,648
Public safety	1,135,881
Streets	1,769,280
Health	20,241
Equipment services	16,204
Cultural and recreational	296,296
Hospital	1,160,052
Public works	<u>40,057</u>
Total depreciation expense	<u><u>\$ 4,584,659</u></u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type Activities</b>					
Capital assets not being depreciated:					
Land	\$ 1,088,290	\$ -	\$ -	\$ -	\$ 1,088,290
Construction in progress	<u>10,734,765</u>	<u>3,222,053</u>	<u>-</u>	<u>(12,001,172)</u>	<u>1,955,646</u>
Total capital assets not being depreciated	<u>11,823,055</u>	<u>3,222,053</u>	<u>-</u>	<u>(12,001,172)</u>	<u>3,043,936</u>
Capital assets being depreciated:					
Buildings	9,471,488	-	-	-	9,471,488
Improvements	59,777,354	4,669,515	-	12,001,172	76,448,041
Machinery and equipment	2,995,478	1,110,843	(291,010)	-	3,815,311
Water rights	<u>1,001,831</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,001,831</u>
Total capital assets being depreciated	<u>73,246,151</u>	<u>5,780,358</u>	<u>(291,010)</u>	<u>12,001,172</u>	<u>90,736,671</u>
Less accumulated depreciation for:					
Buildings	(6,312,875)	(181,309)	-	-	(6,494,184)
Improvements	(31,274,792)	(2,930,802)	-	-	(34,205,594)
Machinery and equipment	(2,363,969)	(471,038)	291,010	-	(2,543,997)
Water rights	<u>(634,489)</u>	<u>(33,394)</u>	<u>-</u>	<u>-</u>	<u>(667,883)</u>
Total accumulated depreciation	<u>(40,586,125)</u>	<u>(3,616,543)</u>	<u>291,010</u>	<u>-</u>	<u>(43,911,658)</u>
Total capital assets being depreciated, net	<u>32,660,026</u>	<u>2,163,815</u>	<u>-</u>	<u>12,001,172</u>	<u>46,825,013</u>
Business-type capital assets, net	<u><u>\$ 44,483,081</u></u>	<u><u>\$ 5,385,868</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 49,868,949</u></u>

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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

<b>Business-type Activities</b>	
Utility	\$ 3,286,432
Sanitation	328,018
Airport	<u>2,093</u>
Total depreciation expense	<u>\$ 3,616,543</u>

**Construction Commitments**

*Construction Commitments.* The City has active construction projects as of September 30, 2021. 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
Park improvements	\$ 799,094	\$ 2,195,430
Street improvements	429,772	1,310,483
Infrastructure	10,988,162	9,328,622
Water and sewer improvements	<u>13,362,671</u>	<u>16,198,635</u>
	<u>\$ 25,579,699</u>	<u>\$ 29,033,170</u>

The park improvements, street improvements, and infrastructure projects are commitments of the City's capital projects fund. The projects are being funded by operating revenues, 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**Tax Abatements**

The City has three 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 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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

*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.

<b>Tax Abatement Program</b>	<b>Amount Abated</b>
Chapter 380 Tax Rebates	\$ 446,007
Historic Reinvestment Tax Abatement Refund Program	40,725
Historic Preservation Tax Reimbursement Program	19,951

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, 2021:

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 \$0 for the fiscal year ended September 30, 2021.

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., 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, 2021.

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, 2021.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

An agreement to make grant payments in an amount not to exceed a total of \$300,000 paid, in annual payments not to exceed 50 percent of the ad valorem property taxes paid by DA Ennis 45 Partner, LP., to develop approximately 6.7 acres of land and the construction and operation of multiple retail developments. The incentive period will begin upon the first tax year following the year after issuance of a certificate of occupancy. The abatement amounted to \$0 for the fiscal year ended September 30, 2021.

An agreement to make grant payments in an amount not to exceed 50 percent of the ad valorem property taxes paid by Forum Meat Company for a period of three years for construction of improvements for new and expanded business development. The incentive period began October 2018. The abatement amounted to \$0 for the fiscal year ended September 30, 2021.

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 4 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 \$0 for the fiscal year ended September 30, 2021.

An agreement to make annual grant payments in an amount not to exceed 50 percent of the ad valorem property taxes paid by Buc-ee's Ennis, LLC., for a period of 15 years for construction of retail developments. The incentive period will begin upon the first tax year following the year after development opens for business. The abatement amounted to \$0 for the fiscal year ended September 30, 2021.

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 \$0 for the fiscal year ended September 30, 2021.

***Other Significant Commitments***

The City has entered into a contract with Trinity River Authority of Texas whereby the City pays for operation and maintenance cost annually for the Bardwell Dam Reservoir. The Trinity River Authority (TRA) is a governmental agency, which is controlled by directors appointed by the governor. Actual payments for the year ended September 30, 2021, were \$506,770.

The City has entered into a contract with Trinity River Authority, subject to a Raw Water Supply Contract between Trinity River Authority and the Tarrant Regional Water District, whereby the City acquired the right to utilize .25 MGD of raw water from the Richland-Chambers and Cedar Creek Reservoir. Under the terms of the agreement the City is to make a payment if the City draws no water or a higher payment if the City draws water (Take or Pay Contract). Actual payments for the year ended September 30, 2021, were \$102,997.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Complete separate financial statements for the Trinity River Authority may be obtained at Trinity River Authority of Texas, 5300 South Collins, P.O. Box 60, Arlington, Texas 76004.

The City has entered into a contract with Union Pacific Railroad Company (Union Pacific) whereby the City agrees to reimburse Union Pacific in an amount not to exceed \$500,000 for preliminary engineering related to the proposed construction of underpasses under the Union Pacific s rail line. Actual payments for the year ended September 30, 2021, were \$175,540.

The City has entered into contracts with Schaumburg & Polk, Inc. for engineering services related to water, wastewater, and stormwater master planning in the amount of \$280,000 and for a raw water study in the amount of \$125,000. Actual payments for the year ended September 30, 2021, were \$255,200.

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 \$1,600 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, 2021, were \$155,200.

***Quality Improvement Payment Program***

The City participates 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. At September 30, 2021, the City recorded \$5,024,534 of prepaid intergovernmental transfers for the period of October 2021 – February 2022, which was paid by the City prior to fiscal year end in July 2021. The City is required to contribute to the state for their share of QIPP funding. Amounts receivable under this program was \$8,139,098 at September 30, 2021. 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 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, 2021, the internal service fund has a fund balance of \$3,045,470. Stop-loss insurance is purchased for claims in excess of \$100,000.



**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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 of \$605,993 at September 30, 2021. 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 year ended September 30, 2021, are:

Claims liability at beginning of year	\$ 495,000
Current year claims and estimate changes	1,823,790
Claims payments	<u>(1,712,797)</u>
Claims liability at end of year	<u>\$ 605,993</u>

***Operating Lease (as Lessor)***

The City entered into a lease agreement with PRHC-Ennis GP, Inc. (subsequently LifePoint Hospitals, Inc.) (Company) for the purpose of managing, operating, and maintaining the new municipally owned hospital. Under the terms of the lease agreement the City has agreed to make the new hospital available to the Company for a term of forty years with two renewal periods of ten years, each. The Company has agreed to operate and maintain the hospital during the initial lease term and subsequent renewal periods and will pay the City \$3,200,000 for each lease renewal period (Total consideration for the initial term and two lease renewal periods will be \$28,195,735). The Company has the right to terminate the lease on 180 days' notice to the City and the rent paid or payable under the lease will be proportionately and equitably rebated in accordance with the terms of the lease. Rental revenue reported under the lease agreement for the year ended September 30, 2021, totaled \$544,983.

The assets leased under the agreement are as follows:

	<b>Governmental Activities</b>
Building	\$ 28,531,928
Machinery and equipment	7,524,584
Less: accumulated depreciation	<u>(17,160,676)</u>
Total	<u>\$ 18,895,836</u>

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**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, 2021, 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	\$ 4,415,000
2015	5,990,000	8/1/2035	2.0-3.375	3,745,000
2016	2,770,000	8/1/2031	2.0-2.10	1,805,000
2017	5,225,000	2/1/2037	3.0	4,385,000
2018	1,495,000	8/1/2037	3.0-5.0	1,335,000
2019	9,835,000	2/1/2039	3.0-5.0	9,190,000
2019A	17,065,000	2/1/2039	3.0-5.0	16,135,000
2020	16,920,000	2/1/2040	3.0-5.0	16,265,000
Total				<u>\$ 57,275,000</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	\$ 3,780,000
2016	715,000	8/1/2026	2.0	600,000
2017	2,285,000	2/1/2037	3.0	1,900,000
2018	1,095,000	8/1/2037	3.0-5.0	975,000
2018A	4,500,000	2/1/2038	0.14-1.54	3,875,000
2020	4,665,000	2/1/2040	3.0-5.0	4,485,000
Total				<u>\$ 15,615,000</u>

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**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 both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds outstanding at September 30, 2021, are as follows:

**Governmental Activities**

Series	Issue Amount	Maturity Date	Interest Rate	Year-end Balances
2012A – Refunding	1,984,500	8/1/2022	2.00-3.00	\$ 90,000
2014 – Refunding	10,045,000	8/1/2025	2.00-3.75	4,040,000
2016 – Refunding	3,325,000	8/1/2027	1.79	1,045,000
2017 – Refunding	2,080,000	8/1/2022	1.47	<u>380,000</u>
Total				<u>\$ 5,555,000</u>

**Business-type Activities**

Series	Issue Amount	Maturity Date	Interest Rate	Year-end Balances
2012A – Refunding	\$ 3,685,500	8/1/2022	2.0-3.0	\$ 205,000
2017 – Refunding	3,300,000	8/1/2022	1.47	<u>605,000</u>
Total				<u>\$ 810,000</u>

**Development Agreement Payable**

The City entered into a development agreement with PRHC-Ennis GP, Inc. (subsequently LifePoint Hospitals, Inc.) (Company) for the construction, maintenance, and operation of an acute municipal hospital. Under the terms of the development agreement the City purchased the constructed hospital from the Company. The purchase price of \$21,795,735 at closing was reduced by an amount identified as operating rental revenue under the terms of the development agreement and the terms of a lease agreement described in the Operating Lease note on page 44.

The development agreement payable currently outstanding and reported as a liability of the City's governmental activities at September 30, 2021, totaled \$14,171,735. The amount due within one year totals \$544,983.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**Changes in Long-term Liabilities**

Changes in the City's long-term liabilities for the year ended September 30, 2021, are as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental Activities:</b>					
Bonds payable:					
Certificates of obligation	\$ 59,720,000	\$ -	\$ (2,445,000)	\$ 57,275,000	\$ 2,755,000
General obligation bonds	7,180,000	-	(1,625,000)	5,555,000	1,600,000
Less deferred amounts:					
For issuance discount	(341)	-	170	(171)	-
For issuance premium	5,248,778	-	(298,175)	4,950,603	-
Total bonds payable	72,148,437	-	(4,368,005)	67,780,432	4,355,000
Development agreement	14,666,718	-	(544,983)	14,121,735	544,983
Net pension liability	4,735,794	-	(664,689)	4,071,105	-
OPEB liability	561,319	91,061	-	652,380	-
Long-term liabilities	<u>\$ 92,112,268</u>	<u>\$ 91,061</u>	<u>\$ (5,577,677)</u>	<u>\$ 86,625,652</u>	<u>\$ 4,899,983</u>

Certificates of obligation and general obligation bonds issued for governmental activity purposes are liquidated by the debt service fund. Governmental capital lease obligations, compensated absences, net pension liability, and OPEB liability will be liquidated by the general fund. Vacation leave shall be taken during the year following its accumulation.

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Business-type Activities</b>					
Bonds payable:					
Certificates of obligation	\$ 16,475,000	\$ -	\$ (860,000)	\$ 15,615,000	\$ 980,000
General obligation bonds	1,700,000	-	(890,000)	810,000	810,000
Less deferred amounts:					
For issuance discount	(3,993)	-	1,997	(1,996)	-
For issuance premium	1,078,534	-	(71,267)	1,007,267	-
Total bonds payable	19,249,541	-	(1,819,270)	17,430,271	1,790,000
Net pension liability	1,344,105	-	(166,172)	1,177,933	-
OPEB liability	140,329	22,766	-	163,095	-
Business-type activity Long-term liabilities	<u>\$ 20,733,975</u>	<u>\$ 22,766</u>	<u>\$ (1,985,442)</u>	<u>\$ 18,771,299</u>	<u>\$ 1,790,000</u>

Certificates of obligation, general obligation bonds, compensated absences, net pension liability, and OPEB liability issued for business-type activities are repaid from those activities.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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
2022	\$ 2,755,000	\$ 2,103,469	\$ 1,600,000	\$ 166,254
2023	2,760,000	2,001,957	1,160,000	126,125
2024	2,880,000	1,890,184	1,195,000	88,432
2025	2,730,000	1,774,032	1,240,000	49,514
2026	2,850,000	1,658,471	180,000	3,222
2027-2031	16,445,000	6,386,374	180,000	1,611
2032-2036	16,970,000	3,262,181	-	-
2037-2039	9,885,000	635,469	-	-
	<u>\$ 57,275,000</u>	<u>\$ 19,712,136</u>	<u>\$ 5,555,000</u>	<u>\$ 435,158</u>

Year Ending September 30	Business-Type Activities			
	Certificates of Obligation		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 980,000	\$ 439,685	\$ 810,000	\$ 10,597
2023	860,000	415,563	-	-
2024	880,000	394,592	-	-
2025	905,000	371,872	-	-
2026	930,000	348,146	-	-
2027-2031	4,385,000	1,363,205	-	-
2032-2036	4,725,000	685,529	-	-
2037-2040	1,950,000	112,966	-	-
	<u>\$ 15,615,000</u>	<u>\$ 4,131,557</u>	<u>\$ 810,000</u>	<u>\$ 10,597</u>

**Fund Balance**

**Minimum Fund Balance Policy.** In the general fund, the City strives to maintain an adequate General Fund Reserve 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, 2021**

***Interfund Receivables and Payables***

The composition of interfund balances as of September 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Certificates of Obligation Series 2019	\$ 179,176
General	Court Technology	24,777
General	Airport	221,488
Internal service fund	General	<u>17,211</u>
		<u>\$ 442,652</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, 2021, is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 3,610,362	\$ 266,307
QIPP	-	150,000
General Capital Projects	1,266,905	2,960,885
Debt Service	699,313	638,532
Nonmajor Governmental Funds	13,120	1,403,815
Utility Fund	14,074,841	15,888,698
Nonmajor Enterprise Funds	<u>1,866,366</u>	<u>222,670</u>
	<u>\$ 21,530,907</u>	<u>\$ 21,530,907</u>

Transfers are primarily used to reimburse General Fund for administrative services provided and moving capital construction costs from capital project funds to the Utility fund.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***Ennis Economic Development Corporation, Inc. (Corporation)***

Cash Deposits with Financial Institutions

At year-end, the Corporation's bank balance was \$6,378,451. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance, \$6,144,512 was covered by collateral pledged in the Corporation's name. The collateral was held in the Corporation's name by the safekeeping departments of the pledging bank's agent and had a fair value of approximately \$6,302,025.

Capital Assets

Capital asset activity for the Corporation for the year ended September 30, 2021, was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 3,467,796	\$ -	\$ -	\$ -	\$ 3,467,796
Total capital assets not being depreciated	<u>3,467,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,467,796</u>
Capital assets being depreciated:					
Building	5,001,733	-	-	-	5,001,733
Improvements	343,429	-	-	-	343,429
Machinery and equipment	178,157	-	-	-	178,157
Totals capital assets being depreciated	<u>5,523,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,523,319</u>
Less accumulated depreciation					
Building	(226,664)	(166,724)	-	-	(393,388)
Improvements	(343,429)	-	-	-	(343,429)
Machinery and equipment	(26,158)	(26,158)	-	-	(52,316)
Total accumulated depreciation	<u>(596,251)</u>	<u>(192,882)</u>	<u>-</u>	<u>-</u>	<u>(789,133)</u>
Total capital assets being depreciated, net	<u>4,927,068</u>	<u>(192,882)</u>	<u>-</u>	<u>-</u>	<u>4,734,186</u>
Corporation capital assets, net	<u>\$ 8,394,864</u>	<u>\$ (192,882)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,201,982</u>

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Economic Development Agreements

On May 20, 2016, the Corporation entered into an economic development agreement and land sales agreement with Schirm USA, Inc. (Schirm) to sale land to Schirm. Under the agreements Schirm agrees to expand its current manufacturing facility with a minimum cost of \$1,500,000. In the event Schirm fails to construct and maintain such facility, Schirm agrees to resell the property to the Corporation in the amount of the original purchase price without interest.

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, 2021, the Corporation has made payments of \$325,000 under this agreement.

Sales Tax Revenue Bonds

Revenue bonds currently outstanding and reported as liabilities of the Corporation are:

<b>Series</b>	<b>Issue Amount</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Year-end Balances</b>
1999	\$ 3,290,430	8/1/2034	3.50-8.45	\$ 455,430
2014 Refunding	2,745,000	8/1/2034	0.50-4.50	1,750,000
2019 Refunding	2,240,000	8/1/2024	2.30	<u>1,360,000</u>
Total				<u>\$ 3,565,430</u>



**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30	Component Unit	
	Sales Tax Revenue Bonds	
	Principal	Interest
2022	\$ 600,000	\$ 99,806
2023	615,000	85,657
2024	625,000	70,981
2025	169,410	527,810
2026	169,280	528,877
2027-2031	847,275	2,627,335
2032-2034	539,465	1,543,630
	<u>\$ 3,565,430</u>	<u>\$ 5,484,096</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Corporation</b>					
Bonds payable:					
Sales tax revenue bonds	\$ 4,145,430	\$ -	\$ (580,000)	\$ 3,565,430	\$ 600,000
Accretion on Capital Appreciation Bonds	2,052,599	216,417	-	2,269,016	-
Less deferred amounts:					
For issuance discount	(7,389)	-	527	(6,862)	-
	<u>\$ 6,190,640</u>	<u>\$ 216,417</u>	<u>\$ (579,473)</u>	<u>\$ 5,827,584</u>	<u>\$ 600,000</u>

**Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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.

**Line of Credit**

The City has a \$5,130,181 revolving line of credit maturing November 23, 2022, secured by gross revenues. Interest is payable semi-annually at a rate equal to the lesser of the Prime Rate plus 1.00 percent or 4.50 percent. The outstanding balance on the line of credit as of September 30, 2021, was \$1,783,541.

The City has a \$6,029,441 revolving line of credit maturing June 22, 2022, secured by gross revenues. Interest is payable semi-annually at a rate equal to the lesser of the Prime Rate plus 1.00 percent or 4.50 percent. The outstanding balance on the line of credit as of September 30, 2021, was \$6,029,441.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***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.

***Related Party Transactions***

The significant transactions between the component unit and primary government during the year ended September 30, 2021, consisted of contributions of \$371,000 for administrative costs and \$184,184 to reimburse the primary government for economic stimulus program payments.

**Note 3: Defined Benefit Pension Plans**

***Plan Description***

The City participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the *TMRS Act*, Subtitle G, Title 8, Texas Government Code (TMRS Act) as an agent multiple- employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the City are required to participate in TMRS.

***Benefits Provided***

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

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

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***Employees Covered by Benefit Terms***

At the December 31, 2020, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	147	
Inactive employees entitled to but not yet receiving benefits	64	
Active employees	190	
	401	

***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 16.73 percent and 16.71 percent in calendar years 2021 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$2,071,820, and were equal to the required contributions.

***Net Pension Liability***

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Actuarial Assumptions

The Total Pension Liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Remaining Amortization Period	24 Years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109 percent and female rates multiplied by 103 percent. Based on the size of the City, rates are multiplied by a factor of 100 percent. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males' rates multiplied by 109 percent and female rates multiplied by 103 percent with a 3-year set-forward for both males and females. In addition, a 3 percent minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3 percent floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The postretirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between: (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
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.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

Changes in the Net Pension Liability

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balance at October 1, 2020</b>	\$ 73,685,812	\$ 67,605,913	\$ 6,079,899
Changes for the year:			
Service cost	2,275,864	-	2,275,864
Interest	4,933,807	-	4,933,807
Difference between expected and actual experience	(92,382)	-	(92,382)
Changes of assumptions	-	-	-
Contributions - employer	-	2,010,023	(2,010,023)
Contributions - employee	-	842,021	(842,021)
Net investment income	-	5,130,608	(5,130,608)
Benefit payments, including refunds of employee contributions	(3,460,624)	(3,460,624)	-
Administrative expense	-	(33,206)	33,206
Other changes	-	(1,296)	1,296
<b>Net Changes</b>	<u>3,656,665</u>	<u>4,487,526</u>	<u>(830,861)</u>
<b>Balance at September 30, 2021</b>	<u>\$ 77,342,477</u>	<u>\$ 72,093,439</u>	<u>\$ 5,249,038</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75 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:

	<b>1.0% Decrease in Discount Rate (5.75%)</b>	<b>Discount Rate (6.75%)</b>	<b>1.0% Increase in Discount Rate (7.75%)</b>
City's net pension liability (asset)	\$ 15,886,391	\$ 5,249,038	\$ (3,521,753)

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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

For the year ended September 30, 2021, the City recognized pension expense of \$952,367.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ 102,889	\$ -
Difference between projected and actual investment earnings	-	1,917,173
Differences between expected and actual economic experience	5,197	482,519
Contributions subsequent to the measurement date	1,522,299	-
Total	\$ 1,630,385	\$ 2,399,692

\$1,522,299 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 asset for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended December 31</b>	<b>Net Deferred Outflows/ (Inflows) of Resources</b>
2022	\$ (832,610)
2023	(65,813)
2024	(1,249,780)
2025	(137,681)
2026	(5,722)
Total	\$ (2,291,606)

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**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](http://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, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	105
Inactive employees entitled to but not yet receiving benefits	13
Active employees	190
	308



**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

***Total OPEB Liability***

The City's total OPEB liability of \$815,475 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 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	3.50% to 11.50%, including inflation
Discount rate*	2.00%
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. The rates are projected on a 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 Scale UMP to account for future mortality improvements subject to the floor.

\* The discount rate was based on the Fidelity Index s "20-Year Municipal GO AA Index" rate as of December 31, 2020.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

**Changes in Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at October 1, 2020</b>	\$ 701,648
Changes for the year:	
Service cost	26,464
Interest	19,577
Difference between expected and actual experience	(29,501)
Changes in assumptions or other inputs	103,301
Benefit payments	(6,014)
Net Changes	113,827
<b>Balance at September 30, 2021</b>	<b>\$ 815,475</b>

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 (1.00 percent) or 1-percentage-point higher (3.00 percent) than the current rate:

	<b>1% Decrease (1.00%)</b>	<b>Current Discount Rate (2.00%)</b>	<b>1% Increase (3.00%)</b>
Total OPEB liability	\$ 987,061	\$ 815,475	\$ 681,579

**City of Ennis, Texas**  
**Notes to the Financial Statements**  
**September 30, 2021**

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$65,649. At September 30, 2021, the City reported deferred outflows and deferred inflows of resources and related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ 189,442	\$ 279,354
Differences between expected and actual economic experience	183,967	23,006
Contributions subsequent to the measurement date	22,748	-
Total	\$ 396,157	\$ 302,360

\$22,748 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended December 31</b>	<b>Net Deferred Outflows/ (Inflows) of Resources</b>
2021	\$ 19,608
2022	19,608
2023	19,608
2024	15,326
2025	(12,539)
Thereafter	9,438
Total	\$ 71,049

**This Page Intentionally Left Blank**

## **Required Supplementary Information**

# City of Ennis, Texas

## Schedule of Changes in Net Pension Liability and Related Ratios

### Last 10 Calendar Years

	2014	2015	2016	2017	2018	2019	2020
<b>Total Pension Liability</b>							
Service Cost	\$ 1,491,053	\$ 1,671,627	\$ 1,840,901	\$ 2,048,680	\$ 2,160,079	\$ 2,282,005	\$ 2,275,864
Interest (on the Total Pension Liability)	3,884,019	4,045,832	4,058,860	4,283,551	4,513,388	4,705,505	4,933,807
Difference between expected and actual experience	(695,656)	(749,875)	57,172	(44,355)	(488,779)	(246,203)	(92,382)
Changes of assumptions	-	(37)	-	-	-	162,535	-
Benefit payments, including refunds of employee contributions	(2,288,691)	(2,627,506)	(2,809,516)	(2,654,647)	(3,222,511)	(3,576,427)	(3,460,624)
<b>Net Change in Total Pension Liability</b>	2,390,725	2,340,041	3,147,417	3,633,229	2,962,177	3,327,415	3,656,665
<b>Total Pension Liability - Beginning</b>	55,884,808	58,275,533	60,615,574	63,762,991	67,396,220	70,358,397	73,685,812
<b>Total Pension Liability - Ending (a)</b>	\$ 58,275,533	\$ 60,615,574	\$ 63,762,991	\$ 67,396,220	\$ 70,358,397	\$ 73,685,812	\$ 77,342,477
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 1,635,304	\$ 1,686,270	\$ 1,781,293	\$ 1,898,840	\$ 2,010,628	\$ 2,054,555	\$ 2,010,023
Contributions - Employee	608,568	636,329	695,429	765,657	804,713	851,041	842,021
Net Investment Income	2,775,570	75,581	3,443,016	7,486,574	(1,841,480)	9,147,353	5,130,608
Benefit payments, including refunds of employee contributions	(2,288,691)	(2,627,506)	(2,809,516)	(2,654,647)	(3,222,511)	(3,576,427)	(3,460,624)
Administrative Expense	(28,980)	(46,036)	(38,883)	(38,796)	(35,586)	(51,699)	(33,206)
Other	(2,383)	(2,273)	(2,095)	(1,966)	(1,859)	(1,553)	(1,295)
<b>Net Change in Plan Fiduciary Net Position</b>	2,699,388	(277,635)	3,069,244	7,455,662	(2,286,095)	8,423,270	4,487,527
<b>Plan Fiduciary Net Position - Beginning</b>	48,522,079	51,221,467	50,943,832	54,013,076	61,468,738	59,182,642	67,605,912
<b>Plan Fiduciary Net Position - Ending (b)</b>	\$ 51,221,467	\$ 50,943,832	\$ 54,013,076	\$ 61,468,738	\$ 59,182,642	\$ 67,605,912	\$ 72,093,439
<b>Net Pension Liability - Ending (a) - (b)</b>	\$ 7,054,066	\$ 9,671,742	\$ 9,749,915	\$ 5,927,482	\$ 11,175,754	\$ 6,079,900	\$ 5,249,038
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	87.90%	84.04%	84.71%	91.21%	84.12%	91.75%	93.21%
<b>Covered Payroll</b>	8,682,504	9,070,142	9,934,705	10,937,960	11,495,895	12,157,727	12,028,878
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	81.24%	106.63%	98.14%	54.19%	97.22%	50.01%	43.64%

**Notes to Schedule:**

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension 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 68, only periods for which such information is available are presented.

# City of Ennis, Texas

## Schedule of Contributions

### Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,673,240	\$ 1,683,257	\$ 1,827,529	\$ 2,006,005	\$ 1,987,824	\$ 2,064,308	\$ 2,071,820
Contributions in relation to the actuarially determined contribution	1,673,240	1,683,257	1,827,529	2,006,005	1,987,824	2,064,308	2,071,820
Contribution deficiency (excess)	-	-	-	-	-	-	-
Covered payroll	8,991,990	9,315,037	10,437,703	11,493,429	11,649,523	12,402,127	12,218,774
Contributions as a percentage of covered payroll	18.61%	18.07%	17.51%	17.45%	17.06%	16.64%	16.96%

**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

25 years

Asset Valuation Method

10 year smoothed market; 12% soft corridor

Inflation

2.50%

Salary Increases

3.50% to 11.50% including inflation

Investment Rate of Return

6.75%

Retirement Age

Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.  
Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Mortality

*Other Information:*

Notes

There were no benefit changes during the year.

**Notes to Schedule:**

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension 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 68, only periods for which such information is available are presented.

# City of Ennis, Texas

## Schedule of Changes in Total OPEB Liability and Related Ratios Last 10 Calendar Years

	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service Cost	\$ 18,595	\$ 22,992	\$ 20,668	\$ 26,464
Interest (on the Total Pension Liability)	19,447	19,591	33,778	19,577
Difference between expected and actual experience	-	322,231	(356,825)	(29,501)
Changes of assumptions and other inputs	43,318	(39,134)	106,935	103,301
Benefit payments	(6,563)	(5,748)	(6,079)	(6,014)
<b>Net Change in Total OPEB Liability</b>	74,797	319,932	(201,523)	113,827
<b>Total OPEB Liability – Beginning</b>	508,442	583,239	903,171	701,648
<b>Total OPEB Liability – Ending</b>	<b>\$ 583,239</b>	<b>\$ 903,171</b>	<b>\$ 701,648</b>	<b>\$ 815,475</b>
<b>Covered-Employee Payroll</b>	10,937,960	11,495,895	12,157,727	12,028,878
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	5.33%	7.86%	5.77%	6.78%

**Notes to Schedule:**

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.

**Notes to Schedule:**

*Plan Information:*

Single-employer unfunded OPEB plan

There are no assets accumulated in a trust that meets the criteria in GASB Statement No.75 paragraph four to pay related benefits.

*Actuarial Valuation and Measurement Date:*

December 31

*Significant actuarial assumptions used to measure the total OPEB liability:*

Inflation	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Discount Rate	2.75% (2.75% in prior year)
Retiree's Share of Benefit-related Costs	\$0
Administrative expenses	All
Mortality – Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
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 UMP to account for future mortality improvements

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.



## **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.

*Employee Appreciation* - This fund is used to account for donations and contributions given to the City to fund employee appreciation incentives.

## **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.

*Airport Construction Fund* - This fund is used to account for the improvements to the City's airport facilities which are funded from grants and require matching City contributions.

*2012 Street Construction Fund* - This fund is used to account for improvements to streets from issuance of certificates of obligation.

*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.

## **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, 2021**

<b>Assets</b>	<b>Nonmajor Special Revenue</b>	<b>Nonmajor Capital Projects</b>	<b>Nonmajor Permanent</b>	<b>Total Nonmajor Governmental Funds</b>
Cash and cash equivalents	\$ 2,858,869	\$ 602,589	\$ 221,714	\$ 3,683,172
Other receivables	561,685	-	-	561,685
Intergovernmental receivables	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ 3,420,554</u>	<u>\$ 602,589</u>	<u>\$ 221,714</u>	<u>\$ 4,244,857</u>
<b>Liabilities</b>				
Accounts payable	\$ 31,973	\$ -	\$ -	\$ 31,973
Accrued payroll	11,063	-	-	11,063
Due to other funds	24,777	-	-	24,777
Total liabilities	<u>67,813</u>	<u>-</u>	<u>-</u>	<u>67,813</u>
<b>Fund Balances</b>				
<b>Nonspendable:</b>				
Endowment	-	-	28,966	28,966
<b>Restricted:</b>				
Capital projects	-	602,589	-	602,589
Cultural and recreational	956,557	-	192,748	1,149,305
Public safety	1,206,530	-	-	1,206,530
Streets	894,239	-	-	894,239
Tourism	320,192	-	-	320,192
<b>Unassigned (Deficit)</b>	<u>(24,777)</u>	<u>-</u>	<u>-</u>	<u>(24,777)</u>
Total fund balances	<u>3,352,741</u>	<u>602,589</u>	<u>221,714</u>	<u>4,177,044</u>
Total liabilities and fund balances	<u>\$ 3,420,554</u>	<u>\$ 602,589</u>	<u>\$ 221,714</u>	<u>\$ 4,244,857</u>

**City of Ennis, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended September 30, 2021**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Nonmajor Permanent	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property taxes	\$ -	\$ 389,512	\$ -	\$ 389,512
Sales taxes	2,629,428	-	-	2,629,428
Hotel occupancy taxes	516,155	-	-	516,155
Fines and forfeitures	12,758	-	-	12,758
Interest	5,211	1,891	44	7,146
Miscellaneous	238,684	-	109	238,793
Intergovernmental	3,830	-	-	3,830
Contributions and donations	9,163	-	-	9,163
	<u>3,415,229</u>	<u>391,403</u>	<u>153</u>	<u>3,806,785</u>
<b>Expenditures</b>				
Current:				
General government	326,989	-	-	326,989
Public safety	29,491	-	-	29,491
Streets	553,343	-	-	553,343
Cultural and recreational	3,104	-	300	3,404
Capital outlay:				
General government	-	11,467	-	11,467
	<u>912,927</u>	<u>11,467</u>	<u>300</u>	<u>924,694</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,502,302</u>	<u>379,936</u>	<u>(147)</u>	<u>2,882,091</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	13,120	-	-	13,120
Transfers out	(731,432)	(672,383)	-	(1,403,815)
Total other financing sources (uses)	<u>(718,312)</u>	<u>(672,383)</u>	<u>-</u>	<u>(1,390,695)</u>
<b>Net Change in Fund Balances</b>	1,783,990	(292,447)	(147)	1,491,396
<b>Fund Balances, Beginning</b>	<u>1,568,751</u>	<u>895,036</u>	<u>221,861</u>	<u>2,685,648</u>
<b>Fund Balances, Ending</b>	<u>\$ 3,352,741</u>	<u>\$ 602,589</u>	<u>\$ 221,714</u>	<u>\$ 4,177,044</u>

**This Page Intentionally Left Blank**

**City of Ennis, Texas**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**September 30, 2021**

<b>Assets</b>	<b>Museum</b>	<b>Forfeited Contraband</b>	<b>Law Enforcement Education</b>	<b>COPS More Grant</b>	<b>COE 2010 Trust Library</b>	<b>Tourism</b>	<b>Court Technology</b>	<b>Court Security</b>
Cash and cash equivalents	\$ 8,180	\$ 76,015	\$ 6,255	\$ 2	\$ 492,160	\$ 230,247	\$ -	\$ 20,796
Other receivables	-	-	-	-	-	104,746	-	-
<b>Total assets</b>	<b>\$ 8,180</b>	<b>\$ 76,015</b>	<b>\$ 6,255</b>	<b>\$ 2</b>	<b>\$ 492,160</b>	<b>\$ 334,993</b>	<b>\$ -</b>	<b>\$ 20,796</b>
<b>Liabilities</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 99	\$ 3,738	\$ -	\$ -
Accrued payroll	-	-	-	-	-	11,063	-	-
Due to other funds	-	-	-	-	-	-	24,777	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>14,801</b>	<b>24,777</b>	<b>-</b>
<b>Fund Balance</b>								
<b>Restricted:</b>								
Cultural and recreation	8,180	-	-	-	492,061	-	-	-
Public safety	-	76,015	6,255	2	-	-	-	20,796
Streets	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	320,192	-	-
<b>Unassigned (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,777)</b>	<b>-</b>
<b>Total fund balance</b>	<b>8,180</b>	<b>76,015</b>	<b>6,255</b>	<b>2</b>	<b>492,061</b>	<b>320,192</b>	<b>(24,777)</b>	<b>20,796</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,180</b>	<b>\$ 76,015</b>	<b>\$ 6,255</b>	<b>\$ 2</b>	<b>\$ 492,160</b>	<b>\$ 334,993</b>	<b>\$ -</b>	<b>\$ 20,796</b>

**City of Ennis, Texas**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Special Revenue Funds**  
**September 30, 2021**

<b>Assets</b>	<b>Crime Control and Prevention District</b>	<b>Street Maintenance</b>	<b>Police Donation</b>	<b>Fire Donation</b>	<b>Parks Donation</b>	<b>Cardinals Park Land Development</b>	<b>Bluebonnet Estates Park Land Development</b>	<b>Creechville Zone Park Land Development</b>	<b>Employee Appreciation</b>	<b>Totals</b>
Cash and cash equivalents	\$ 860,922	\$ 687,080	\$ 8,013	\$ 12,883	\$ 683	120,000	112,395	221,664	\$ 1,574	\$ 2,858,869
Other receivables	223,750	233,189	-	-	-	-	-	-	-	561,685
<b>Total assets</b>	<b>\$ 1,084,672</b>	<b>\$ 920,269</b>	<b>\$ 8,013</b>	<b>\$ 12,883</b>	<b>\$ 683</b>	<b>\$ 120,000</b>	<b>\$ 112,395</b>	<b>\$ 221,664</b>	<b>\$ 1,574</b>	<b>\$ 3,420,554</b>
<b>Liabilities</b>										
Accounts payable	\$ 2,106	\$ 26,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,973
Accrued payroll	-	-	-	-	-	-	-	-	-	11,063
Due to other funds	-	-	-	-	-	-	-	-	-	24,777
<b>Total liabilities</b>	<b>2,106</b>	<b>26,030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,813</b>
<b>Fund Balance</b>										
<b>Restricted:</b>										
Cultural and recreation	-	-	-	-	683	120,000	112,395	221,664	1,574	956,557
Public safety	1,082,566	-	8,013	12,883	-	-	-	-	-	1,206,530
Streets	-	894,239	-	-	-	-	-	-	-	894,239
Tourism	-	-	-	-	-	-	-	-	-	320,192
<b>Unassigned (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,777)</b>
<b>Total fund balance</b>	<b>1,082,566</b>	<b>894,239</b>	<b>8,013</b>	<b>12,883</b>	<b>683</b>	<b>120,000</b>	<b>112,395</b>	<b>221,664</b>	<b>1,574</b>	<b>3,352,741</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,084,672</b>	<b>\$ 920,269</b>	<b>\$ 8,013</b>	<b>\$ 12,883</b>	<b>\$ 683</b>	<b>\$ 120,000</b>	<b>\$ 112,395</b>	<b>\$ 221,664</b>	<b>\$ 1,574</b>	<b>\$ 3,420,554</b>

**City of Ennis, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**September 30, 2021**

<b>Revenues</b>	<b>Museum</b>	<b>Forfeited Contraband</b>	<b>Law Enforcement Education</b>	<b>COPS More Grant</b>	<b>COE 2010 Trust Library</b>	<b>Tourism</b>	<b>Court Technology</b>	<b>Court Security</b>
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel occupancy taxes	-	-	-	-	-	516,155	-	-
Fines and forfeitures	-	-	-	-	-	-	8,333	4,425
Charges for services	-	-	-	-	-	-	-	-
Interest	29	259	24	-	1,748	599	-	66
Miscellaneous	233	9,700	-	-	-	2,680	-	-
Intergovernmental	-	-	3,603	-	-	227	-	-
Contributions and donations	-	-	-	-	5,413	-	-	-
<b>Total revenues</b>	<b>262</b>	<b>9,959</b>	<b>3,627</b>	<b>-</b>	<b>7,161</b>	<b>519,661</b>	<b>8,333</b>	<b>4,491</b>
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	-	299,381	-	-
Public safety	-	-	4,606	-	-	-	-	-
Streets	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	3,104	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>4,606</b>	<b>-</b>	<b>3,104</b>	<b>299,381</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures	262	9,959	(979)	-	4,057	220,280	8,333	4,491
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	13,120	-	-	-	-	-	-
Transfers out	-	(13,119)	-	-	-	(5,000)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,000)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>262</b>	<b>9,960</b>	<b>(979)</b>	<b>-</b>	<b>4,057</b>	<b>215,280</b>	<b>8,333</b>	<b>4,491</b>
<b>Fund Balances, Beginning</b>	<b>7,918</b>	<b>66,055</b>	<b>7,234</b>	<b>2</b>	<b>488,004</b>	<b>104,912</b>	<b>(33,110)</b>	<b>16,305</b>
<b>Fund Balances, Ending</b>	<b>\$ 8,180</b>	<b>\$ 76,015</b>	<b>\$ 6,255</b>	<b>\$ 2</b>	<b>\$ 492,061</b>	<b>\$ 320,192</b>	<b>\$ (24,777)</b>	<b>\$ 20,796</b>



**City of Ennis, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds (Continued)**  
**September 30, 2021**

<b>Revenues</b>	<b>Crime Control and Prevention District</b>	<b>Street Maintenance</b>	<b>Police Donation</b>	<b>Fire Donation</b>	<b>Parks Donation</b>	<b>Cardinals Park Land Development</b>	<b>Bluebonnet Estates Park Land Development</b>	<b>Creechville Zone Park Land Development</b>	<b>Employee Appreciation</b>	<b>Totals</b>
Sales taxes	\$ 1,296,034	\$ 1,333,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,629,428
Hotel occupancy taxes	-	-	-	-	-	-	-	-	-	516,155
Fines and forfeitures	-	-	-	-	-	-	-	-	-	12,758
Charges for services	-	-	-	-	-	-	-	-	-	-
Interest	2,391	-	28	55	2	-	-	-	10	5,211
Miscellaneous	4,407	-	-	-	-	-	-	221,664	-	238,684
Intergovernmental	-	-	-	-	-	-	-	-	-	3,830
Contributions and donations	-	-	340	3,410	-	-	-	-	-	9,163
<b>Total revenues</b>	<b>1,302,832</b>	<b>1,333,394</b>	<b>368</b>	<b>3,465</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>221,664</b>	<b>10</b>	<b>3,415,229</b>
<b>Expenditures</b>										
Current:										
General government	-	-	-	24,775	-	-	-	-	2,833	326,989
Public safety	21,885	-	-	3,000	-	-	-	-	-	29,491
Streets	-	553,343	-	-	-	-	-	-	-	553,343
Cultural and recreation	-	-	-	-	-	-	-	-	-	3,104
<b>Total expenditures</b>	<b>21,885</b>	<b>553,343</b>	<b>-</b>	<b>27,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,833</b>	<b>912,927</b>
Excess (deficiency) of revenues over (under) expenditures	1,280,947	780,051	368	(24,310)	2	-	-	221,664	(2,823)	2,502,302
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	13,120
Transfers out	(709,313)	(4,000)	-	-	-	-	-	-	-	(731,432)
<b>Total other financing sources (uses)</b>	<b>(709,313)</b>	<b>(4,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(718,312)</b>
<b>Net Change in Fund Balances</b>	<b>571,634</b>	<b>776,051</b>	<b>368</b>	<b>(24,310)</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>221,664</b>	<b>(2,823)</b>	<b>1,783,990</b>
<b>Fund Balances, Beginning</b>	<b>510,932</b>	<b>118,188</b>	<b>7,645</b>	<b>37,193</b>	<b>681</b>	<b>120,000</b>	<b>112,395</b>	<b>-</b>	<b>4,397</b>	<b>1,568,751</b>
<b>Fund Balances, Ending</b>	<b>\$ 1,082,566</b>	<b>\$ 894,239</b>	<b>\$ 8,013</b>	<b>\$ 12,883</b>	<b>\$ 683</b>	<b>\$ 120,000</b>	<b>\$ 112,395</b>	<b>\$ 221,664</b>	<b>\$ 1,574</b>	<b>\$ 3,352,741</b>

**City of Ennis, Texas**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**September 30, 2021**

<b>Assets</b>	<b>2012 Street Construction</b>	<b>Tax Increment Reinvestment Zone #1</b>	<b>Tax Increment Reinvestment Zone #2</b>	<b>Total</b>
Cash and cash equivalents	\$ -	\$ 443,372	\$ 159,217	\$ 602,589
Total assets	<u>\$ -</u>	<u>\$ 443,372</u>	<u>\$ 159,217</u>	<u>\$ 602,589</u>
<b>Restricted</b>				
Capital projects	\$ -	\$ 443,372	\$ 159,217	\$ 602,589
Total fund balance	<u>-</u>	<u>443,372</u>	<u>159,217</u>	<u>602,589</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 443,372</u>	<u>\$ 159,217</u>	<u>\$ 602,589</u>

## City of Ennis, Texas

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

#### Nonmajor Capital Projects Funds

For the Fiscal Year Ended September 30, 2021

<b>Revenues</b>	<b>2012 Street Construction</b>	<b>Tax Increment Reinvestment Zone #1</b>	<b>Tax Increment Reinvestment Zone #2</b>	<b>Total</b>
Property taxes	\$ -	\$ 277,517	\$ 111,995	\$ 389,512
Interest	220	1,232	439	1,891
Total revenues	<u>220</u>	<u>278,749</u>	<u>112,434</u>	<u>391,403</u>
<b>Expenditures</b>				
Capital outlay:				
General government	-	140	11,327	11,467
Total expenditures	<u>-</u>	<u>140</u>	<u>11,327</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>220</u>	<u>278,609</u>	<u>101,107</u>	<u>391,403</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(672,383)	-	-	(672,383)
Total other financing sources (uses)	<u>(672,383)</u>	<u>-</u>	<u>-</u>	<u>(672,383)</u>
<b>Net Change in Fund Balances</b>	(672,163)	278,609	101,107	(292,447)
<b>Fund Balances, Beginning</b>	<u>672,163</u>	<u>164,763</u>	<u>58,110</u>	<u>895,036</u>
<b>Fund Balances, Ending</b>	<u>\$ -</u>	<u>\$ 443,372</u>	<u>\$ 159,217</u>	<u>\$ 602,589</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 Fiscal Year Ended September 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 5,624,416	\$ 5,624,416	\$ 5,644,284	\$ 19,868
Interest	5,000	5,000	5,285	285
Miscellaneous	-	-	-	-
Total revenues	<u>5,629,416</u>	<u>5,629,416</u>	<u>5,649,569</u>	<u>20,153</u>
<b>Expenditures</b>				
Principal on bonds	4,070,001	4,070,001	4,070,000	1
Interest and fiscal charges	<u>2,402,760</u>	<u>2,407,760</u>	<u>2,407,476</u>	<u>284</u>
Total expenditures	<u>6,472,760</u>	<u>6,477,760</u>	<u>6,477,476</u>	<u>284</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(843,344)</u>	<u>(848,344)</u>	<u>(827,907)</u>	<u>19,869</u>
<b>Other Financing Sources</b>				
Transfers in	<u>60,781</u>	<u>60,781</u>	<u>60,781</u>	<u>-</u>
Total other financing sources	<u>60,781</u>	<u>60,781</u>	<u>60,781</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(782,563)	(787,563)	(767,126)	19,869
<b>Fund Balance, Beginning</b>	<u>803,308</u>	<u>803,308</u>	<u>803,308</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 20,745</u>	<u>\$ 15,745</u>	<u>\$ 36,182</u>	<u>\$ 19,869</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**  
**Statement of Net Position**  
**Nonmajor Proprietary Funds**  
**September 30, 2021**

<b>Assets</b>	<b>Business-type Activities - Enterprise</b>		
	<b>Sanitation</b>	<b>Airport</b>	<b>Total Non-major Enterprise Funds</b>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 58,741	\$ -	\$ 58,741
Receivables (net of allowance for uncollectibles)	183,546	-	183,546
Inventories	-	28,295	28,295
Total current assets	242,287	28,295	270,582
<b>Noncurrent Assets</b>			
Capital assets (net, where applicable of accumulated depreciation)	1,644,993	843,594	2,488,587
Total noncurrent assets	1,644,993	843,594	2,488,587
Total assets	1,887,280	871,889	2,759,169
<b>Deferred Outflows of Resources</b>			
Deferred outflows of resources related to pension	80,454	-	80,454
Deferred outflows of resources related to OPEB	19,892	-	19,892
Total deferred outflows of resources	100,346	-	100,346
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	45,729	5,838	51,567
Accrued payroll payable	47,613	-	47,613
Due to other funds	-	221,488	221,488
Total current liabilities	93,342	227,326	320,668
<b>Noncurrent Liabilities</b>			
Net pension liability	294,021	-	294,021
OPEB liability	40,774	-	40,774
Total noncurrent liabilities	334,795	-	334,795
Total liabilities	428,137	227,326	655,463
<b>Deferred Inflows of Resources</b>			
Deferred inflows of resources related to pension	119,358	-	119,358
Deferred inflows of resources related to OPEB	15,386	-	15,386
Total deferred inflows of resources	134,744	-	134,744
<b>Net Position (Deficit)</b>			
Net investment in capital assets	1,644,993	843,594	2,488,587
Unrestricted (Deficit)	(220,248)	(199,031)	(419,279)
Total net position (deficit)	\$ 1,424,745	\$ 644,563	\$ 2,069,308

**City of Ennis, Texas**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Proprietary Funds**  
**For the Fiscal Year Ended September 30, 2021**

	<b>Business-type Activities - Enterprise</b>		<b>Total Nonmajor Enterprise Funds</b>
	<b>Sanitation</b>	<b>Airport</b>	
<b>Operating Revenues</b>			
Sanitation revenue	\$ 1,582,003	\$ -	\$ 1,582,003
Airport revenue	-	161,851	161,851
Total operating revenues	<u>1,582,003</u>	<u>161,851</u>	<u>1,743,854</u>
<b>Operating Expenses</b>			
Personnel	785,044	-	785,044
Supplies	56,361	140,723	197,084
Maintenance and replacement	54,008	5,391	59,399
Miscellaneous services	255,813	30,658	286,471
Depreciation and amortization	328,018	2,093	330,111
Total operating expenses	<u>1,479,244</u>	<u>178,865</u>	<u>1,658,109</u>
Operating income (loss)	<u>102,759</u>	<u>(17,014)</u>	<u>85,745</u>
Capital contributions	-	23,016	23,016
Transfer in	1,866,366	-	1,866,366
Transfer out	<u>(222,670)</u>	<u>-</u>	<u>(222,670)</u>
Change in net position	1,746,455	6,002	1,752,457
Net position (deficit) – beginning	<u>(321,710)</u>	<u>638,561</u>	<u>316,851</u>
Net position-ending	<u>\$ 1,424,745</u>	<u>\$ 644,563</u>	<u>\$ 2,069,308</u>

**City of Ennis, Texas**  
**Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**September 30, 2021**

	<b>Business-type Activities - Enterprise</b>		
	<b>Sanitation</b>	<b>Airport</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Cash Flows From Operating Activities</b>			
Receipts from customers	\$ 1,398,457	\$ 161,851	\$ 1,560,308
Payments to suppliers and service providers	(355,550)	(177,080)	(532,630)
Payments to employees for salaries and benefits	(833,291)	-	(833,291)
Net cash provided by (used for) operating activities	<u>209,616</u>	<u>(15,229)</u>	<u>194,387</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers to other funds	-	(7,787)	(7,787)
Transfers from other funds	1,097,590	-	1,097,590
Net cash provided by (used for) noncapital financing activities	<u>1,097,590</u>	<u>(7,787)</u>	<u>1,089,803</u>
<b>Cash Flows From Capital And Related Financing Activities</b>			
Capital contributions	-	23,016	23,016
Acquisition and construction of capital assets	(1,442,057)	-	(1,442,057)
Net cash provided by (used for) capital and related financing activities	<u>(1,442,057)</u>	<u>23,016</u>	<u>(1,419,041)</u>
Net decrease in cash and cash equivalents	(134,851)	-	(134,851)
Cash and cash equivalents October 1	193,592	-	193,592
Cash and cash equivalents September 30	<u>\$ 58,741</u>	<u>\$ -</u>	<u>\$ 58,741</u>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities</b>			
Operating income (loss)	\$ 102,759	\$ (17,014)	\$ 85,745
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	328,018	2,093	330,111
(Increase) decrease in accounts receivable	(183,546)	-	(183,546)
(Increase) decrease in pension related deferred outflows	(1,079)	-	(1,079)
(Increase) decrease in OPEB related deferred outflows	(1,754)	-	(1,754)
Increase (decrease) in accounts payable	10,632	(308)	10,324
Increase (decrease) in accrued payroll payable	5,095	-	5,095
Increase (decrease) in pension related deferred inflows	(13,351)	-	(13,351)
Increase (decrease) in OPEB related deferred inflows	(1,307)	-	(1,307)
Increase (decrease) in net pension liability	(41,543)	-	(41,543)
Increase (decrease) in OPEB liability	5,692	-	5,692
Total adjustments	<u>106,857</u>	<u>1,785</u>	<u>108,642</u>
Net cash provided by (used for) operating activities	<u>\$ 209,616</u>	<u>\$ (15,229)</u>	<u>\$ 194,387</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, 2021**

	<u>Budgeted Amounts</u>		<u>Actual GAAP Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Water Operating Revenues</b>				
Water sales	\$ 5,896,289	\$ 5,896,289	\$ 6,047,506	\$ 151,217
Water taps and connections	66,500	66,500	197,444	130,944
Penalties	135,000	135,000	135,466	466
Reconnection charges	31,268	31,268	35,635	4,367
Miscellaneous	31,347	31,347	228,865	197,518
	<u>6,160,404</u>	<u>6,160,404</u>	<u>6,644,916</u>	<u>484,512</u>
<b>Sewer Operating Revenues</b>				
Sewer service charge	4,312,767	4,312,767	4,439,002	126,235
Sewer taps and connection	6,500	6,500	12,500	6,000
EPA fees	45,000	45,000	73,101	28,101
	<u>4,364,267</u>	<u>4,364,267</u>	<u>4,524,603</u>	<u>160,336</u>
Total operating revenues	<u>\$ 10,524,671</u>	<u>\$ 10,524,671</u>	<u>\$ 11,169,519</u>	<u>\$ 644,848</u>
<b>Operating Expenses</b>				
Administration:				
Personnel	\$ 259,829	\$ 259,829	\$ 265,869	\$ (6,040)
Supplies	17,050	26,050	15,548	10,502
Maintenance and replacement	2,100	2,100	1,540	560
Miscellaneous services	82,722	82,722	112,347	(29,625)
Capital Outlay	6,370	6,370	-	6,370
	<u>368,071</u>	<u>377,071</u>	<u>395,304</u>	<u>(18,233)</u>
Water operations:				
Personnel	1,439,959	1,439,959	1,258,259	181,700
Supplies	979,800	982,144	1,000,256	(18,112)
Maintenance and replacement	599,700	599,700	532,057	67,643
Miscellaneous services	525,376	523,032	639,289	(116,257)
Capital outlay	79,250	104,250	-	104,250
	<u>3,624,084</u>	<u>3,649,084</u>	<u>3,429,861</u>	<u>219,224</u>
Sewer operations:				
Personnel	1,148,809	1,148,809	1,129,784	19,024
Supplies	291,600	281,600	281,982	(382)
Maintenance and replacement	401,500	339,286	265,134	74,152
Miscellaneous services	671,151	743,365	807,410	(64,046)
Capital outlay	98,750	298,750	-	298,750
	<u>2,611,809</u>	<u>2,811,809</u>	<u>2,484,310</u>	<u>327,499</u>
Total operating expenses before depreciation and amortization	6,603,965	6,837,965	6,309,475	528,490
Depreciation and amortization	-	-	3,286,432	(3,286,432)
Total operating expenses	<u>\$ 6,603,965</u>	<u>\$ 6,837,965</u>	<u>\$ 9,595,907</u>	<u>\$ (2,757,942)</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, 2021**

	<u>Budgeted Amounts</u>		<b>Actual GAAP Basis</b>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Sanitation revenues	\$ 1,505,032	\$ 1,505,032	\$ 1,555,314	\$ 50,282
Miscellaneous	20,727	20,727	26,689	5,962
	<u>\$ 1,525,759</u>	<u>\$ 1,525,759</u>	<u>\$ 1,582,003</u>	<u>\$ 56,244</u>
<b>Operating Expenses</b>				
Sanitation				
Personnel	\$ 831,303	\$ 831,303	\$ 785,044	\$ 46,259
Supplies	59,350	57,686	56,361	1,325
Maintenance and replacement	45,000	45,000	54,008	(9,008)
Miscellaneous services	155,511	266,175	255,813	10,362
	<u>1,091,165</u>	<u>1,200,165</u>	<u>1,151,226</u>	<u>48,939</u>
Total operating expenses before depreciation and amortization	<u>1,091,165</u>	<u>1,200,165</u>	<u>1,151,226</u>	<u>48,939</u>
Depreciation and amortization	<u>-</u>	<u>-</u>	<u>328,018</u>	<u>(328,018)</u>
Total operating expense	<u>\$ 1,091,165</u>	<u>\$ 1,200,165</u>	<u>\$ 1,479,244</u>	<u>\$ (279,079)</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, 2021**

	<u>Budgeted Amounts</u>		<b>Actual GAAP Basis</b>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Airport revenues	\$ 102,000	\$ 102,000	\$ 161,851	\$ 59,851
Miscellaneous	59,162	59,162	-	(59,162)
	<u>\$ 161,162</u>	<u>\$ 161,162</u>	<u>\$ 161,851</u>	<u>\$ 689</u>
<b>Operating Expenses</b>				
Airport:				
Supplies	\$ 123,500	\$ 146,500	\$ 140,723	\$ 5,777
Maintenance and replacement	17,000	17,000	5,391	11,609
Miscellaneous services	20,150	20,150	30,658	(10,508)
	<u>160,650</u>	<u>183,650</u>	<u>176,772</u>	<u>6,878</u>
Total operating expenses before depreciation and amortization				
	-	-	2,093	(2,093)
Depreciation and amortization				
Total operating expenses	<u>\$ 160,650</u>	<u>\$ 183,650</u>	<u>\$ 178,865</u>	<u>\$ 4,785</u>



## **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

<b>Financial Trends</b>	<b>86-90</b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>91-94</b>
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	
<b>Debt Capacity</b>	<b>95-98</b>
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.	
<b>Demographic and Economic Information</b>	<b>99-101</b>
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.	
<b>Operating Information</b>	<b>102-104</b>
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.	

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

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

	<b>Fiscal Year</b>			
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 27,354,738	\$ 27,753,892	\$ 27,768,206	\$ 27,488,955
Restricted	1,386,755	1,380,264	1,378,049	2,392,432
Unrestricted	3,021,657	1,508,347	2,883,184	451,345
Total governmental activities net position	<u>\$ 31,763,150</u>	<u>\$ 30,642,503</u>	<u>\$ 32,029,439</u>	<u>\$ 30,332,732</u>
<b>Business-type Activities</b>				
Net investment in capital assets	\$ 22,389,792	\$ 22,522,216	\$ 22,632,356	\$ 22,776,396
Restricted	582,596	583,984	600,548	-
Unrestricted	3,619,923	3,532,258	2,946,577	2,213,968
Total business-type activities net position	<u>\$ 26,592,311</u>	<u>\$ 26,638,458</u>	<u>\$ 26,179,481</u>	<u>\$ 24,990,364</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 49,744,530	\$ 50,276,108	\$ 50,400,562	\$ 50,265,351
Restricted	1,969,351	1,964,248	1,978,597	2,392,432
Unrestricted	6,641,580	5,040,605	5,829,761	2,665,313
Total primary government net position	<u>\$ 58,355,461</u>	<u>\$ 57,280,961</u>	<u>\$ 58,208,920</u>	<u>\$ 55,323,096</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.

<b>Fiscal Year</b>					
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$ 28,345,988	\$ 30,870,870	\$ 29,095,218	\$ 28,875,948	\$ 25,918,970	\$ 28,463,890
3,470,822	4,423,202	4,037,124	2,136,186	4,311,693	4,209,037
(38,762)	(3,109,063)	(675,895)	105,591	76,134	12,733,099
<u>\$ 31,778,048</u>	<u>\$ 32,185,009</u>	<u>\$ 32,456,447</u>	<u>\$ 31,117,725</u>	<u>\$ 30,306,797</u>	<u>\$ 45,406,026</u>
\$ 23,387,335	\$ 23,918,285	\$ 25,043,255	\$ 29,033,174	\$ 32,807,774	\$ 38,282,575
-	-	-	-	-	-
2,328,080	2,215,764	2,930,528	2,568,272	1,553,060	1,859,703
<u>\$ 25,715,415</u>	<u>\$ 26,134,049</u>	<u>\$ 27,973,783</u>	<u>\$ 31,601,446</u>	<u>\$ 34,360,834</u>	<u>\$ 40,142,278</u>
\$ 51,733,323	\$ 54,789,155	\$ 54,138,473	\$ 57,909,122	\$ 58,726,744	\$ 66,746,465
3,470,822	4,423,202	4,037,124	2,136,186	4,311,693	4,209,037
2,289,318	(893,299)	2,254,633	2,673,863	1,629,194	14,592,802
<u>\$ 57,493,463</u>	<u>\$ 58,319,058</u>	<u>\$ 60,430,230</u>	<u>\$ 62,719,171</u>	<u>\$ 64,667,631</u>	<u>\$ 85,548,304</u>

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

	Fiscal Year			
	2012	2013	2014	2015
<b>Expenses</b>				
Governmental activities:				
General government	\$ 961,270	\$ 983,979	\$ 1,103,543	\$ 2,009,993
Public Safety	7,281,415	7,701,614	7,980,862	8,355,627
Streets	3,153,983	4,989,549	2,253,495	2,210,989
Health	361,960	368,048	375,297	384,148
Equipment services	121,686	125,256	140,749	253,835
Cultural and recreational	1,166,598	1,160,194	1,222,311	1,270,123
Airport	478,439	126,414	194,828	169,804
Hospital	1,253,484	1,229,356	1,229,356	1,229,356
Public works	135,270	74,953	90,114	179,270
Sanitation services	957,114	1,034,298	1,011,691	-
Interest on long-term debt	1,054,040	944,094	1,051,856	832,587
Total governmental activities	<u>16,925,259</u>	<u>18,737,755</u>	<u>16,654,102</u>	<u>16,895,732</u>
Business-type activities:				
Utility	7,764,868	7,947,271	8,177,866	7,375,025
Sanitation	-	-	-	1,060,622
Airport	-	-	-	-
Total business-type activities	<u>7,764,868</u>	<u>7,947,271</u>	<u>8,177,866</u>	<u>8,435,647</u>
Total expenses	<u>\$ 24,690,127</u>	<u>\$ 26,685,026</u>	<u>\$ 24,831,968</u>	<u>\$ 25,331,379</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 107,126	\$ 140,632	\$ 144,941	\$ 222,213
Public safety	574,785	664,705	744,872	611,883
Airport	188,145	117,162	149,848	77,164
Health	-	-	-	-
Cultural and recreational	21,898	19,822	19,385	20,603
Hospital	544,893	544,893	544,893	544,893
Public Works	5,775	13,400	21,917	8,958
Sanitation services	893,691	886,476	897,447	-
Operating grants and contributions	250,162	5,861	12,013	247,955
Capital grants and contributions	53,919	150,873	-	12,037
Total governmental activities	<u>2,640,394</u>	<u>2,543,824</u>	<u>2,535,316</u>	<u>1,745,706</u>
Business-type activities:				
Charges for services:				
Utility	7,922,963	7,755,532	7,684,522	8,154,106
Sanitation	-	-	-	970,323
Airport	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities	<u>7,922,963</u>	<u>7,755,532</u>	<u>7,684,522</u>	<u>9,124,429</u>
Total program revenues	<u>\$ 10,563,357</u>	<u>\$ 10,299,356</u>	<u>\$ 10,219,838</u>	<u>\$ 10,870,135</u>
Net (expense)/revenue				
Government activities	\$ (14,284,865)	\$ (16,193,931)	\$ (14,118,786)	\$ (15,150,026)
Business-type activities	158,095	(191,739)	(493,344)	688,782
Total net expense	<u>\$ (14,126,770)</u>	<u>\$ (16,385,670)</u>	<u>\$ (14,612,130)</u>	<u>\$ (14,461,244)</u>

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 2,493,478	\$ 3,484,434	\$ 3,052,597	\$ 3,323,582	\$ 9,654,303	\$ 4,377,857	
9,328,294	11,271,841	10,408,224	10,731,634	12,703,761	13,037,988	
2,703,513	3,259,684	4,793,071	3,805,200	2,990,759	3,491,357	
334,096	449,742	502,639	14,151,551	103,997,142	145,722,694	
330,555	343,313	318,197	405,495	401,137	315,210	
1,278,502	1,710,782	1,540,188	1,696,613	1,908,687	1,823,078	
148,531	288,471	359,718	-	-	-	
1,229,321	1,223,582	1,160,052	1,160,052	-	-	
363,013	372,854	362,099	869,278	557,302	585,827	
-	-	-	-	-	-	
965,000	930,610	897,132	1,818,008	2,381,383	2,503,864	
19,174,303	23,335,313	23,393,917	37,961,413	134,594,474	171,857,875	
7,840,074	8,061,956	8,831,650	8,199,645	9,259,784	10,040,237	
1,153,513	1,122,815	1,182,579	1,180,725	1,299,928	1,479,244	
-	-	-	165,814	108,390	178,865	
8,993,587	9,184,771	10,014,229	9,546,185	10,668,102	11,698,346	
\$ 28,167,890	\$ 32,520,084	\$ 33,408,146	\$ 47,507,598	\$ 145,262,576	\$ 183,556,221	
\$ 308,178	\$ 367,645	\$ 692,179	\$ 500,257	\$ 797,022	\$ 632,746	
763,986	700,651	721,657	556,997	887,422	704,513	
35,236	46,633	101,059	-	-	-	
-	-	-	11,915,091	98,995,577	146,088,938	
19,920	15,151	25,080	65,684	104,649	83,080	
544,893	544,893	544,893	544,893	868,138	689,203	
3,677	5,327	3,870	450	-	-	
-	-	-	-	-	-	
458,596	472,921	2,070,536	1,180,486	3,395,699	5,034,089	
270,773	1,345,067	11,596	466,874	3,562,566	3,070,891	
2,405,259	3,498,288	4,170,870	15,230,732	108,611,073	156,303,460	
8,617,166	9,364,187	10,364,129	10,263,373	10,944,643	11,214,672	
1,112,661	1,509,792	1,511,592	1,481,012	1,555,371	1,582,003	
-	-	-	141,230	98,014	161,851	
-	-	-	19,970	-	-	
702,809	129,639	-	52,824	3,261,807	4,648,631	
10,432,636	11,003,618	11,875,721	11,958,409	15,859,835	17,607,157	
\$ 12,837,895	\$ 14,501,906	\$ 16,046,591	\$ 27,189,141	\$ 124,470,908	\$ 173,910,617	
\$ (16,769,044)	\$ (19,837,025)	\$ (19,223,047)	\$ (22,730,681)	\$ (25,983,401)	\$ (15,554,415)	
1,439,049	1,818,847	1,861,492	2,412,224	5,191,733	5,908,811	
\$ (15,329,995)	\$ (18,018,178)	\$ (17,361,555)	\$ (20,318,457)	\$ (20,791,668)	\$ (9,645,604)	

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

	Fiscal Year			
	2012	2013	2014	2015
<b>General Revenues</b>				
Governmental activities:				
Property taxes	\$ 9,358,803	\$ 10,006,830	\$ 9,909,883	\$ 9,893,516
Sales taxes	2,541,704	2,753,904	2,979,576	3,782,774
Franchise taxes	1,539,061	1,529,513	1,622,886	1,606,673
Hotel occupancy taxes	239,769	248,450	270,869	309,009
Alcoholic beverage taxes	24,867	27,836	34,385	38,206
Unrestricted grants and contributions	123,720	117,842	120,200	118,200
Investment earnings	310,712	299,994	330,224	273,786
Gain on sale of capital assets	-	-	-	-
Miscellaneous	395,302	88,915	237,699	163,812
Transfers	-	-	-	1,191,451
Total governmental activities	<u>14,533,938</u>	<u>15,073,284</u>	<u>15,505,722</u>	<u>17,377,427</u>
Business-type activities:				
Investment on earnings	44,814	31,828	34,367	23,463
Gain on sale of capital assets	-	-	-	-
Miscellaneous	-	206,058	-	-
Transfers	-	-	-	(1,191,451)
Total business-type activities	<u>44,814</u>	<u>237,886</u>	<u>34,367</u>	<u>(1,167,988)</u>
Total primary government	<u>\$ 14,578,752</u>	<u>\$ 15,311,170</u>	<u>\$ 15,540,089</u>	<u>\$ 16,209,439</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 249,073	\$ (1,120,647)	\$ 1,386,936	\$ 2,227,401
Business-type activities	<u>202,909</u>	<u>46,147</u>	<u>(458,977)</u>	<u>(479,206)</u>
Total change in net position	<u>\$ 451,982</u>	<u>\$ (1,074,500)</u>	<u>\$ 927,959</u>	<u>\$ 1,748,195</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						
2016	2017	2018	2019	2020	2021	
\$ 10,005,334	\$ 10,957,007	\$ 11,290,108	\$ 11,865,422	\$ 14,185,118	\$ 15,124,636	
5,018,180	5,332,377	5,404,232	5,324,306	6,280,797	7,585,464	
1,550,923	1,629,324	1,647,872	1,494,793	1,640,222	1,694,133	
344,126	346,010	389,228	391,787	231,856	516,155	
43,442	42,885	46,153	52,512	49,051	77,564	
116,000	118,550	121,200	-	-	-	
283,228	131,188	146,149	391,289	257,103	153,933	
-	16,400	112,907	14,800	-	-	
107,252	211,749	507,296	403,138	11,767	605,402	
745,875	1,458,496	(97,570)	203,424	2,516,559	170,161	
<u>18,214,360</u>	<u>20,243,986</u>	<u>19,567,575</u>	<u>20,141,471</u>	<u>25,172,473</u>	<u>25,927,448</u>	
31,877	7,324	30,040	169,245	79,097	38,460	
-	50,959	(47,914)	-	5,117	4,334	
-	-	-	-	-	-	
<u>(745,875)</u>	<u>(1,458,496)</u>	<u>97,570</u>	<u>(203,424)</u>	<u>(2,516,559)</u>	<u>(170,161)</u>	
<u>(713,998)</u>	<u>(1,400,213)</u>	<u>79,696</u>	<u>(34,179)</u>	<u>(2,432,345)</u>	<u>(127,367)</u>	
<u>\$ 17,500,362</u>	<u>\$ 18,843,773</u>	<u>\$ 19,647,271</u>	<u>\$ 20,107,292</u>	<u>\$ 22,740,128</u>	<u>\$ 25,800,081</u>	
\$ 1,445,316	\$ 406,961	\$ 344,528	\$ (2,589,210)	\$ (810,928)	\$ 10,373,033	
<u>725,051</u>	<u>418,634</u>	<u>1,941,188</u>	<u>2,378,045</u>	<u>2,759,388</u>	<u>5,781,444</u>	
<u>\$ 2,170,367</u>	<u>\$ 825,595</u>	<u>\$ 2,285,716</u>	<u>\$ (211,165)</u>	<u>\$ 1,948,460</u>	<u>\$ 16,154,477</u>	

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

	Fiscal Year			
	2012	2013	2014	2015
General fund				
Nonspendable	\$ 243,249	\$ 279,515	\$ 261,936	\$ 311,358
Restricted	50,494	46,874	35,950	3,096
Assigned	-	-	-	-
Unassigned	6,455,305	7,435,540	8,079,732	7,801,393
Total general fund	<u>\$ 6,749,048</u>	<u>\$ 7,761,929</u>	<u>\$ 8,377,618</u>	<u>\$ 8,115,847</u>
All other governmental funds				
Nonspendable	\$ 28,966	\$ 28,966	\$ 28,966	\$ 28,966
Restricted	4,766,407	1,627,368	6,307,671	3,640,617
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 4,795,373</u>	<u>\$ 1,656,334</u>	<u>\$ 6,336,637</u>	<u>\$ 3,669,583</u>

**Source:** Annual Comprehensive Financial Report

<b>Fiscal Year</b>						
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	
\$ 69,308	\$ 84,625	\$ 84,454	\$ 53,213	\$ 33,482	\$ 21,414	
3,096	4,650	4,652	4,708	-	-	
203,464	-	-	-	-	-	
7,712,536	5,779,072	6,769,432	8,017,606	8,833,812	11,503,614	
<b>\$ 7,988,404</b>	<b>\$ 5,868,347</b>	<b>\$ 6,858,538</b>	<b>\$ 8,075,527</b>	<b>\$ 8,867,294</b>	<b>\$ 11,525,028</b>	
\$ 32,554	\$ 36,961	\$ 36,961	\$ 28,966	\$ 28,966	\$ 6,676,150	
13,255,506	18,812,318	11,427,256	23,347,316	30,209,343	22,768,960	
-	-	-	(1,706,059)	(500,174)	(2,787,000)	
<b>\$ 13,288,060</b>	<b>\$ 18,849,279</b>	<b>\$ 11,464,217</b>	<b>\$ 21,670,223</b>	<b>\$ 29,738,135</b>	<b>\$ 26,658,110</b>	

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

	Fiscal Year			
	2012	2013	2014	2015
<b>Revenues</b>				
Property taxes	\$ 9,502,311	\$ 10,062,727	\$ 9,903,070	\$ 9,899,156
Sales taxes	2,541,704	2,753,904	2,979,576	3,782,774
Franchise taxes	1,539,061	1,529,513	1,622,886	1,606,673
Hotel occupancy taxes	239,769	248,450	270,869	309,009
Alcoholic beverage taxes	24,867	27,836	34,385	38,206
Licenses and permits	105,806	140,632	144,941	200,916
Fines and forfeitures	408,162	510,652	605,176	470,713
Charges for current services	1,162,883	1,121,191	1,163,283	233,969
Investment earnings	310,712	299,994	330,224	273,786
Miscellaneous	605,990	161,351	303,910	227,546
Intergovernmental	421,076	117,842	124,010	486,000
Contributions and donations	6,725	5,861	8,203	22,255
<b>Total revenues</b>	<b>16,869,066</b>	<b>16,979,953</b>	<b>17,490,533</b>	<b>17,551,003</b>
<b>Expenditures</b>				
Current:				
General government	951,284	972,299	1,124,725	2,000,927
Public Safety	8,216,556	7,560,985	7,850,808	8,304,576
Streets	1,060,271	1,052,162	1,246,624	1,092,572
Health	357,716	403,090	370,085	375,606
Equipment services	114,270	120,050	138,956	254,287
Cultural and recreational	1,024,531	1,000,738	1,060,585	1,137,874
Airport	183,007	106,613	165,174	54,601
Public works	129,134	84,971	89,434	179,385
Sanitation services	900,368	1,117,602	958,107	-
Capital outlay	1,380,183	3,168,293	1,369,145	3,798,531
Debt service:				
Principal retirement	2,443,646	2,695,699	2,956,333	3,178,482
Interest and fiscal charges	993,504	1,011,277	946,141	837,011
Bond issuance costs	151,930	-	141,483	-
Advance refunding escrow	64,977	-	-	-
<b>Total expenditures</b>	<b>17,971,377</b>	<b>19,293,779</b>	<b>18,417,600</b>	<b>21,213,852</b>
Excess (deficiency) of revenues over (under) expenditures	(1,102,311)	(2,313,826)	(927,067)	(3,662,849)
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,456,882	4,815,596	3,531,473	984,866
Transfers out	(3,456,882)	(4,815,596)	(3,531,473)	(250,842)
Refunding bonds issued	3,670,000	-	10,045,000	-
Certificates of obligation issued	2,955,000	-	6,000,000	-
Premium on bonds issued	245,934	-	276,162	-
Discount on bonds issued	-	-	-	-
Payment to refunded bond escrow agent	(3,999,405)	-	(10,194,056)	-
Capital leases	781,741	187,668	95,953	-
Sale of capital assets	-	-	-	-
<b>Total other financing sources</b>	<b>3,653,270</b>	<b>187,668</b>	<b>6,223,059</b>	<b>734,024</b>
<b>Net change in fund balances</b>	<b>\$ 2,550,959</b>	<b>\$ (2,126,158)</b>	<b>\$ 5,295,992</b>	<b>\$ (2,928,825)</b>
Debt service as a percentage of noncapital expenditures	20.72%	22.99%	22.89%	23.06%

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 10,014,934	\$ 10,953,855	\$ 11,337,170	\$ 11,838,643	\$ 14,184,459	\$ 15,117,110
5,018,180	5,332,377	5,404,232	5,324,306	6,280,797	7,585,464
1,550,923	1,629,324	1,647,872	1,494,793	1,640,222	1,694,133
344,126	346,010	389,228	391,787	231,856	516,155
43,442	42,885	46,153	52,512	49,051	77,564
292,635	367,628	692,179	457,282	700,874	1,328,324
625,830	569,395	592,443	426,638	332,410	250,972
243,145	198,384	259,223	12,154,558	99,211,261	146,308,493
283,228	131,188	146,149	391,289	257,103	153,933
76,641	211,749	405,276	415,548	531,049	707,367
722,471	1,397,186	2,213,233	1,093,469	3,663,633	5,034,089
40,532	19,304	24,092	227,691	53,589	9,163
19,256,087	21,199,285	23,157,250	34,268,516	127,136,304	178,782,767
2,934,110	4,975,332	3,758,434	3,370,826	5,467,394	4,671,333
8,875,792	9,698,196	11,268,840	10,977,766	11,899,996	11,902,107
1,474,034	2,122,396	2,631,639	2,296,706	1,457,560	1,722,077
317,168	389,665	519,089	14,247,239	103,361,741	145,087,384
322,871	303,858	335,479	900,753	322,337	299,006
1,105,233	1,472,159	1,454,924	1,541,631	1,679,559	1,526,782
14,570	-	-	-	-	-
297,208	306,571	339,063	324,467	510,564	545,770
-	-	-	-	-	-
362,581	847,885	6,733,013	13,889,614	14,631,755	6,848,019
3,041,326	3,202,663	3,314,075	3,257,300	3,980,000	4,070,000
804,256	818,200	841,789	1,129,696	2,201,711	2,747,984
146,343	88,114	57,753	499,015	208,671	-
-	-	-	-	-	-
19,695,492	24,225,039	31,254,098	52,435,013	145,721,288	179,420,462
(439,405)	(3,025,754)	(8,096,848)	(18,166,497)	(18,584,984)	(637,695)
763,408	1,548,526	2,057,056	16,769,899	8,593,209	5,589,700
(17,533)	(246,536)	(2,154,626)	(15,699,434)	(6,076,650)	(5,419,539)
3,325,000	2,080,000	-	-	-	-
8,760,000	5,225,000	1,495,000	26,900,000	16,920,000	-
127,405	185,596	63,325	1,604,227	3,278,833	-
-	-	-	-	-	-
(3,299,300)	(2,085,009)	-	-	-	-
-	-	-	-	-	-
-	30,798	151,593	14,800	48,318	-
9,658,980	6,738,375	1,612,348	29,589,492	22,763,710	170,161
\$ 9,219,575	\$ 3,712,621	\$ (6,484,500)	\$ 11,422,995	\$ 4,178,726	\$ (467,534)
19.89%	17.20%	16.95%	11.38%	4.72%	3.95%

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

<b>Fiscal Year Ended September 30</b>	<b>Estimated Actual Value</b>		<b>Less: Tax-Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Rate</b>
	<b>Real Property</b>	<b>Personal Property</b>			
2012	\$ 1,158,181,442	\$ 534,976,383	\$ 353,485,909	\$ 1,339,671,916	0.69500
2013	1,148,522,273	536,978,364	310,253,824	1,375,246,813	0.69500
2014	1,143,218,632	563,332,312	294,789,804	1,411,761,140	0.69500
2015	1,147,947,475	544,574,734	282,434,339	1,410,087,870	0.69500
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

**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	
2012	0.44174	0.25326	0.69500	1.54000	0.41360	2.64860
2013	0.45698	0.23802	0.69500	1.54000	0.41360	2.64860
2014	0.44871	0.24629	0.69500	1.54000	0.41360	2.64860
2015	0.42918	0.26582	0.69500	1.54000	0.41360	2.64860
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	0.44547	0.27900	0.72447	1.48835	0.32956	2.54238
2021	0.44987	0.27461	0.72447	1.46990	0.35028	2.54465

**Source:** City Administration Office

<sup>1</sup> 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	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
CVS Texas Distribution LP	\$ 106,435,830	1	5.17%	\$ 64,441,486	2	4.81%
Ennis Power Company, LLC	69,323,500	2	3.37%	73,842,526	1	5.51%
Sterilite Corporation of Texas	56,013,192	3	2.72%	55,651,240	3	4.15%
Elk Corporation of Texas	50,958,700	4	2.47%	55,507,030	4	4.14%
Legget Partners LP	28,421,681	5	1.38%	22,968,180	6	1.71%
Valent USA Corporation	26,691,160	6	1.30%	-		0.00%
Spyglass Apartments of Ennis LP	25,000,000	7	1.21%	-		0.00%
JTEKT of Texas, Inc	21,702,280	8	1.05%	30,191,195	5	2.25%
Atlas Sound	20,477,170	9	0.99%	10,803,150	10	0.81%
Ennis TX 287 LLC	20,100,000	10	0.98%	-		0.00%
Syngenta Crop Protection LLC	-		-	19,203,770	7	1.43%
Wal-Mart Real Estate	-		-	18,635,470	8	1.39%
Ennis Paint Inc	-		-	14,382,970	9	1.07%
<b>Total</b>	<b>\$ 425,123,513</b>		<b>20.64%</b>	<b>\$ 365,627,017</b>		<b>27.29%</b>
<b>Total valuation of City net of exempt property</b>	<b>\$ 2,059,672,112</b>			<b>\$ 1,339,671,916</b>		

Source: City Administration Office



**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
2012	\$ 9,282,003	\$ 9,167,040	98.76 %	\$ 110,854	\$ 9,277,894	99.96 %
2013	9,625,186	9,453,560	98.22	166,455	9,620,015	99.95
2014	9,827,953	9,705,917	98.76	116,874	9,822,791	99.95
2015	9,809,002	9,693,244	98.82	107,486	9,800,730	99.92
2016	9,931,494	9,817,879	98.86	98,231	9,916,110	99.85
2017	10,881,653	10,779,321	99.06	87,119	10,866,440	99.86
2018	11,215,175	11,118,724	99.14	78,604	11,197,329	99.84
2019	11,754,144	11,637,327	99.01	89,750	11,727,077	99.77
2020	14,146,718	13,927,146	98.45	78,978	14,006,124	99.01
2021	14,956,587	14,744,645	98.58	-	14,744,645	98.58

Source: City Administration Office

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	0.6950	0.6950	0.6950	0.6950	0.6692	0.6990	0.7100	0.7100	0.7245	0.7245
Available tax rate	\$ 1.8050	\$ 1.8050	\$ 1.8050	\$ 1.8050	\$ 1.8308	\$ 1.8010	\$ 1.7900	\$ 1.7900	\$ 1.7755	\$ 1.7755

**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

**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					Business-Type Activities			Total Outstanding Debt	Percentage of Personal Income <sup>1</sup>	Debt Per Capital <sup>1</sup>
	General Obligation Bonds	Certificates of Obligation	Notes Payable	Development Agreement Payable	Capital Leases	General Obligation Bonds	Certificates of Obligation	Capital Leases			
2012	\$ 20,330,629	\$ 5,510,000	\$ 205,137	\$ 19,025,862	\$ 940,630	\$ 14,495,619	\$ -	\$ 10,880	\$ 60,518,757	16.30%	\$ 3,266
2013	18,370,315	4,955,000	182,343	18,480,969	930,160	12,794,062	-	-	\$ 55,712,849	14.68%	\$ 2,979
2014	17,271,780	9,930,000	159,549	17,936,076	835,515	11,015,017	-	-	\$ 57,147,937	14.73%	\$ 3,036
2015	15,429,447	8,665,000	136,755	17,391,183	646,388	9,498,448	-	46,999	\$ 51,814,220	13.07%	\$ 2,605
2016	15,610,885	14,705,000	-	16,846,290	459,908	8,094,837	4,720,000	9,482	\$ 60,446,402	13.46%	\$ 2,974
2017	13,749,514	18,825,000	-	16,301,397	351,591	6,604,737	7,005,000	-	\$ 62,837,239	13.97%	\$ 3,092
2018	11,678,166	19,170,000	-	15,756,504	252,517	5,083,677	12,450,000	-	\$ 64,390,864	13.07%	\$ 3,163
2019	11,259,922	44,810,000	-	15,211,611	170,217	3,494,606	12,130,000	-	\$ 87,076,356	17.38%	\$ 4,264
2020	12,428,437	59,720,000	-	14,666,718	-	2,774,541	16,475,000	-	\$ 106,064,696	21.00%	\$ 5,108
2021	10,505,432	57,275,000	-	14,171,735	-	1,815,271	15,615,000	-	\$ 99,382,438	20.08%	\$ 4,746

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

<sup>1</sup> Personal Income data and population data can be found in the Schedule of Demographic and Economic Statistics on page

**City of Ennis, Texas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of September 30, 2020**  
*(Dollars in Thousands)*

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable<sup>1</sup></b>	<b>Amounts Applicable to Primary Government</b>
Debt repaid with property taxes: Ellis County	\$ 33,200,000	11.02%	\$ 3,658,640
Debt repaid with property taxes: School District	\$ 284,685,487	77.46%	<u>220,517,378</u>
Subtotal, overlapping debt			224,176,018
City of Ennis, Texas direct debt			<u>81,952,167</u>
Total direct and overlapping debt			<u><u>306,128,185</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.

<sup>1</sup> 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 <sup>1</sup> of Property	Per Capita <sup>2</sup>
2012	\$ 34,826,248	\$ 5,510,000	\$ 416,953	\$ 39,919,295	1.94%	\$ 2,154
2013	31,164,377	4,955,000	407,021	35,712,356	2.67%	1,909
2014	28,286,797	9,930,000	417,928	37,798,869	2.75%	2,008
2015	24,927,895	8,665,000	636,046	32,956,849	2.33%	1,657
2016	23,705,722	14,705,000	834,307	37,576,415	2.66%	1,849
2017	20,354,251	18,825,000	966,622	38,212,629	2.57%	1,880
2018	16,761,843	19,170,000	694,244	35,237,599	2.27%	1,731
2019	14,754,528	44,810,000	723,532	58,840,996	3.72%	2,881
2020	15,202,978	76,195,000	803,308	90,594,670	5.47%	4,363
2021	12,320,703	72,890,000	36,182	85,174,521	4.36%	4,068

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

<sup>1</sup> See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property in page For property value data.

<sup>2</sup> 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**

Fiscal Year	Waterworks and Sewer System Revenue Bonds					
	Total Revenues <sup>1</sup>	Less Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	\$ 7,967,777	\$ 5,424,083	\$ 2,543,694	\$ 1,632,124	\$ 555,938	1.16
2013	7,787,360	5,680,378	2,106,982	1,689,558	519,273	0.95
2014	7,718,889	5,911,133	1,807,756	1,767,052	511,392	0.79
2015	8,177,569	5,245,884	2,931,685	1,504,573	399,667	1.54
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

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

<sup>1</sup> Includes operating and nonoperating revenues

<sup>2</sup> Includes operating expenses minus depreciation.

# City of Ennis, Texas

## Demographic and Economic Statistics

### Last Ten Calendar Years

Fiscal Year	Estimated Population <sup>1</sup>	Personal Income	Per Capita Personal Income <sup>2</sup>	Median Age <sup>2</sup>	Public School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2012	18,530	\$ 494,843,650	\$ 26,705	*	5,790	6.2 %
2013	18,704	\$ 371,311,808	\$ 19,852	33.7	5,675	5.6 %
2014	18,823	\$ 379,603,441	\$ 20,167	34.5	5,675	5.6 %
2015	19,887	\$ 387,895,935	\$ 19,505	34.5	5,784	3.6 %
2016	20,324	\$ 396,419,620	\$ 19,505	34.4	5,829	3.6 %
2017	20,324	\$ 449,099,428	\$ 22,097	34.5	5,773	3.0 %
2018	20,357	\$ 449,828,629	\$ 22,097	33.1	5,797	3.3 %
2019	20,422	\$ 492,639,906	\$ 24,123	33.8	5,818	3.1 %
2020	20,764	\$ 500,893,349	\$ 24,123	33.7	5,939	7.3 %
2021	20,940	\$ 505,135,620	\$ 24,123	33.8	5,694	5.8 %

**Sources:**

<sup>1</sup> North Central Texas Council of Governments, 2010 Census, 2013 Census Bureau

<sup>2</sup> U.S. Census Bureau

<sup>3</sup> Ennis Independent School District

<sup>4</sup> 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	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Ennis Independent School District	733	1	8.87%	750	1	9.18%
Sterilite Corporation of Texas	650	2	7.87%	650	2	7.95%
Leggett Partners LP	350	3	4.24%	189	8	2.31%
GAF	290	4	3.51%	220	7	
Wal-mart	250	5	3.03%	250	4	3.06%
CVS Texas Distribution LP	233	6	2.82%	222	6	2.72%
Schirm USA, Inc.	212	7	2.57%	-		
JTEKT of Texas, Inc.	185	8	2.24%	233	5	2.85%
Ennis Extruded Products	150	9	1.82%	125	10	
Ennis, Inc.	120	10	1.45%	-		
National Envelope Corporation	-	-	-	325	3	3.98%
Ennis Paint, Inc.	-	-	-	184	9	2.25%
<b>Total</b>	<b>3,583</b>		<b>43.37%</b>	<b>3,431</b>		<b>41.97%</b>

Source: City Administration Office



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

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Administration	10.0	10.0	12.5	12.2	12.2	17.2	16.7	16.9	14.4	16.3
Tourism	2.0	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public Safety										
Police	43.5	43.5	43.5	43.5	44.2	46.2	47.3	49.1	50.1	44.9
Judicial	2.0	2.0	2.0	2.0	2.0	4.5	3.8	3.8	3.8	3.8
Fire	29.0	30.0	30.0	30.0	30.0	30.0	41.5	43.5	41.1	42.8
Inspection	6.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.1
Streets	11.0	13.0	13.0	13.0	11.0	8.0	10.3	10.0	8.4	8.2
Health	4.0	3.0	3.0	3.0	3.0	4.0	5.1	5.1	5.1	4.8
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	7.9	8.0	8.0	8.0	8.0	6.4	6.8	7.1	8.5	9.4
Library	5.6	6.0	6.0	5.6	5.6	5.6	5.6	5.6	5.4	5.5
Museum	1.0	1.0	1.0	1.0	1.0	1.1	0.7	0.8	0.7	0.7
Public Works	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.1	2.5
Sanitation Services	15.0	15.0	15.0	15.0	15.0	15.0	15.3	14.7	12.1	11.0
Water and Wastewater										
Administration	5.0	5.0	5.0	5.0	5.0	5.0	4.9	5.1	4.0	4.2
Water	19.0	19.0	18.0	18.0	18.0	19.0	17.6	16.7	16.1	15.3
Wastewater	15.0	15.0	15.0	15.0	15.0	15.0	16.3	16.8	17.8	16.8
<b>Total</b>	<b>181.0</b>	<b>183.0</b>	<b>184.5</b>	<b>183.3</b>	<b>182.0</b>	<b>189.0</b>	<b>204.0</b>	<b>207.3</b>	<b>199.4</b>	<b>196.3</b>

Source: City Administration Office

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

Function	Fiscal Year			
	2012	2013	2014	2015
<b>Police</b>				
UCR – Reported Crimes	1,155	1,024	860	868
Number of Violations (Citations)	8,509	7,934	9,083	7,539
<b>Judicial</b>				
Municipal Court Fines	\$ 363,863	\$ 446,042	\$ 500,672	\$ 451,022
<b>Fire</b>				
Fire Calls	10	18	14	994
First Response (Ambulance Assist.)	-	-	-	1,587
Fire Loss	\$ 159,650	\$ 169,950	\$ 20,500	\$ 39,500
<b>Inspection</b>				
Permits Issued (Units)	74	122	35	36
Permit Value	\$ 7,518,503	\$ 22,756,456	\$ 9,260,747	\$ 9,582,310
<b>Streets</b>				
Miles of Streets Maintained	103.67	103.67	103.67	103.67
<b>Health</b>				
Food Establishment Inspections	456	544	377	213
Animals Impounded	876	1,024	979	783
<b>Equipment Services</b>				
Equipment Maintained	127	125	276	582
<b>Cultural and Recreational</b>				
<b>Parks</b>				
Parks Maintained	12	12	12	12
<b>Library</b>				
Patrons	101,150	94,103	80,160	78,079
Circulation	81,970	75,682	73,482	74,621
<b>Museum</b>				
Paid Attendance	639	502	826	638
<b>Sanitation Service</b>				
Refuse Customers	5,169	5,167	5,156	5,208
Estimated Refuse Collected (in tons)	8,174	8,285	8,398	8,356
<b>Water</b>				
Number of Water Customers	5,702	5,167	5,754	5,868
Estimated Gallons Billed (in thousands)	1,086,971	952,797	943,507	881,881
<b>Sewer</b>				
Number of Wastewater Customers	5,390	5,491	5,488	5,548

**Source:** Various City Departments

Fiscal Year						
2016	2017	2018	2019	2020	2021	
770	687	775	701	736	893	
6,670	5,192	3,570	3,166	2,929	1,236	
\$ 566,512	\$ 496,376	\$ 527,036	\$ 378,279	\$ 275,906	\$ 250,972	
114	108	981	1,256	1,197	784	
1,842	1,679	1,182	1,565	1,614	2,054	
\$ 280,000	\$ 590,735	\$ 196,000	\$ 72,200	\$ 350,000	\$ 520,300	
52	79	889	743	714	903	
\$ 14,940,779	\$ 42,960,978	\$ 106,407,201	\$ 79,312,350	\$ 189,043,510	\$ 105,898,603	
103.67	103.67	119.05	120.54	120.93	124.01	
235	290	137	144	159	143	
713	723	524	806	272	253	
565	278	170	171	176	190	
12	17	19	19	19	19	
71,360	60,566	61,906	60,546	36,049	38,020	
73,612	65,767	68,106	65,623	54,925	57,939	
595	481	635	785	294	538	
5,271	5,165	5,330	5,384	5,762	6,250	
8,418	8,249	8,754	8,985	9,735	10,148	
5,944	5,919	6,108	6,245	6,564	7,044	
1,008,824	889,840	951,188	914,218	947,640	972,904	
5,613	5,500	5,547	5,641	6,045	6,228	

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

<b>Function</b>	<b>Fiscal Year</b>			
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Police				
Number of Stations	1	1	1	1
Fire				
Number of Stations	2	2	2	2
Fire Hydrants	1,048	1,048	1,048	1,048
Streets				
Miles of Streets	103.67	103.67	103.67	103.67
Equipment Services				
Equipment Maintained	127	125	276	582
Cultural and Recreational				
Parks Maintained	12	12	12	12
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

<b>Fiscal Year</b>					
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
1	1	1	1	1	1
2	2	3	3	3	3
1,048	1,050	1,055	1,064	1,064	1,184
103.67	103.67	119.05	120.54	120.93	124.01
565	278	170	171	176	190
12	17	19	19	19	19
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	3.10

**This Page Intentionally Left Blank**