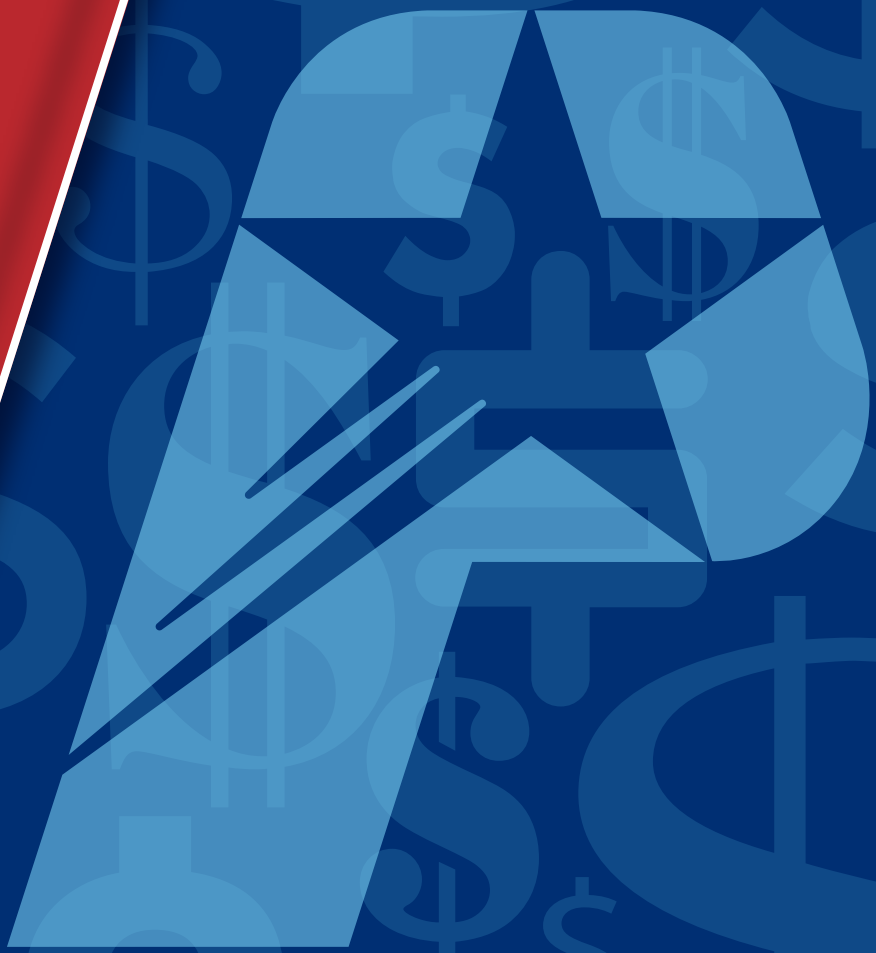
2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas




Plano
City of Excellence

CITY OF PLANO, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2025

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Plano
City of Excellence

CITY OF PLANO, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
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INTRODUCTORY SECTION

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

City of Plano
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Plano, TX 75074

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January 5, 2026

To the Honorable Mayor, Members of the City Council
and Citizens of the City of Plano, Texas:

The Annual Comprehensive Financial Report (ACFR) of the City of Plano, Texas (the City or Plano), for the year ended September 30, 2025, is submitted in accordance with Section 3.14 in the City Charter.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose.

Weaver and Tidwell, L.L.P. has issued an unmodified (clean) opinion on the City's financial statements for the year ended September 30, 2025. The independent auditor's report is located in the beginning of the financial section of the ACFR.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction. The City's MD&A can be found immediately following the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements.

City of Plano Profile

The City of Plano is the largest city in Collin County, located in the southwest corner of the county, approximately 20 miles north of downtown Dallas. There are currently 72.1 square miles of land in the City's boundary.

The City was incorporated on June 2, 1873. It was subsequently chartered on June 10, 1961, and operates under a Council-Manager form of government. The City Council is comprised of a Mayor and seven members and is responsible for enacting ordinances, resolutions and regulations governing the City, as well as, appointing the members of various statutory and advisory boards, the City Manager, the City Attorney and the Chief Municipal Judge. The City Manager is the chief administrative officer of the government and is responsible for the enforcement of laws and ordinances, the appointment and supervision of the Deputy City Managers and heads of departments and the performance of functions within the municipal organization.

Financial reporting of the entity (the government) includes all the funds of the primary government (the City of Plano as legally defined, in addition to three blended component units as discussed in the accompanying footnotes), as well as, the Tax Increment Financing Districts, reported as discretely presented component units. Discretely presented component units are legally separate entities and are not part of the primary government's operations.

The government provides a full range of services including police and fire protection, environmental health, community development, building inspection, traffic control, parks and libraries, the construction and operation of water, sewer, drainage, sustainability and environmental services, streets and infrastructure and convention, tourism and cultural events.

John B. Muns	Maria Tu	Julie Holmer	Bob Kehr	Rick Horne	Chris Krupa Downs	Steve Lavine	Vidal Quintanilla Jr.	Mark D. Israelson
Mayor	*Mayor Pro Tem*	*Deputy Mayor Pro Tem*	*Place 2*	*Place 3*	*Place 4*	*Place 5*	*Place 8*	*City Manager*

The Plano Housing Authority, a related organization, is not a part of this report as the City's accountability does not extend beyond making the appointments of the Plano Housing Authority Board.

Local Economy

Plano is a community that offers exceptional housing, award-winning schools and a dynamic business climate, all of which are strong factors in the success of the City's economy. The City continues to benefit from other favorable conditions including a stable, diverse economic base and desirable location for work and living.

Since 2019, Plano's population has grown an estimated 4.9%, reaching 299,262 in 2025. The City's planning department developed three projection scenarios using a combination of the Comprehensive Plan, Findings Policy and Senate Bill 840 as the foundation. Under the first scenario, based solely on the Comprehensive Plan and Findings Policy, Plano's population is projected to reach 311,848 by 2035 and 329,200 by 2045. The second scenario applies the Comprehensive Plan, Findings Policy and Senate Bill 840 with a 50% increase in multifamily construction, projecting growth to 326,590 by 2035 and 354,440 by 2045. The third scenario uses the Comprehensive Plan, Findings Policy and Senate Bill 840 with a 100% increase in multifamily construction, projecting population totals of 334,724 by 2035 and 368,384 by 2045.

According to the *U.S. Census Bureau*, the median household income of Plano is $115,901.

Plano is ranked 1st in Texas and 17th in the US by *The Trust for Public Land*'s ParkScore rankings, which is a national comparison of park systems across the 100 most populated cities in the United States. Published annually, the index measures park systems according to five categories reflective of an excellent city park system: access, investment, amenities, acreage and equity.

WalletHub.com's Best and Worst Places to Raise a Family ranked Plano 3rd best in the nation. Plano was compared to more than 180 U.S. cities considering 45 key metrics, including essential family dynamics, the quality of local school and health-care systems and opportunities for entertainment and recreation.

Plano is ranked the 6th most affordable city to live in by *Motley Fool Money*. The ranking compared median household income relative to cost-of-living data across hundreds of U.S. cities.

Plano is named in *World Atlas'* 12 Best Places to Live in Texas and in *Niche.com's* 2025 Best Cities to Live in America List. The City made these lists for its low crime rate, world-class parks, reputable school systems and night life.

Plano is considered the happiest big city to live in by *Smart Asset.* The publication compared 90 of the largest cities in the U.S. across metrics like personal finance, physical well-being and quality of life.

WalletHub.com ranked Plano as the 12th Best City for Jobs when comparing 180 U.S. cities across 32 key indicators of job-market strength, ranging from job opportunities to employment growth to monthly average starting salary.

Plano remains in the small percentage of cities in the United States to carry AAA-rated bonds on General Obligation bonds and Tax Anticipation Notes, the highest possible bond rating from Moody's Investor Service, Standard & Poor's and Fitch, Inc. The ratings are due to the City's stable financial position driven by conservative budgeting, as well as its large and diverse tax base and strong management practices.

Given Plano's continued pro-business attitude and enthusiastic accommodation of industry, the City's economy continues to prosper. The following categories represent key factors that impact Plano's economic and financial success:

Property Tax Revenues

Property tax revenues are the City's largest source of funding. According to the Collin County and Denton County Appraisal Districts, the original certified property assessed values increased 8.3% for fiscal year 2025, with 18.9% of the increase coming from new property. The tax rate remained the same as prior year at 41.76 cents. Tax collections for fiscal year 2025 totaled $240.0 million, an increase of 6.4% from the prior year.

Sales Tax Revenues

After property tax revenues, the General Fund's second largest revenue source is sales tax generated from a variety of businesses operating in the City. Sales tax collections are produced primarily from Plano's sizeable retail base, which includes numerous retail store facilities, Historic Downtown Plano with Dallas Area Rapid Transit (DART) light rail access, as well as hundreds of other specialty shops and major retailers.

Sales tax allocations to the City totaled $131.8 million from October 2024 through September 2025, an increase of 11.3% compared to fiscal year 2024.

Employment

The unemployment rate in Plano at September 30 increased from 3.6% in 2024 to 4.1% in 2025. This compares favorably to the unemployment rate statewide and nationally of 4.4%. A strong business atmosphere, coupled with a highly educated and motivated workforce, continue to draw diverse companies to relocate to Plano. The four largest job industries are trade, transportation and utilities; professional and business services; education and health services and government. According to the U.S. Census Bureau, 63.6% of Plano residents have a bachelor's degree or higher.

Plano's large businesses, employing 1,000+, include JPMorgan Chase, Capital One Finance, Toyota Motor North America, Bank of America, PepsiCo, AT&T, Ericsson, Medical City Plano, Liberty Mutual Insurance, USAA, NTT DATA, Samsung Electronics America, Texas Health Plano, FedEx Office, Fisher Investments, Abbott, Cognizant Technology Solutions and TATA Consultancy Services. Employing 500-999, companies having significant operations in Plano, include Tech Mahindra Americas, Palo Alto Networks, Integer Holdings, Transamerica Casualty Insurance, Tyler Technologies, Pizza Hut, Raising Cane's Chicken Fingers, Crestron Electronics, Baylor Scott and White The Heart Hospital – Plano, U.S. Renal Care, Baylor Scott and White Medical Center – Plano, PennyMac Financial Services, Siemens Digital Industries Software and Hilti North America. This type of environment creates a broad range of employment opportunities for Plano and area residents and creates a significant business component to the local tax base.

Job Growth

In fiscal year 2025, the following businesses announced relocation and/or expansion:

Texas Health Plano, a leading healthcare provider in North Texas, has expanded its hospital facilities along the Dallas North Tollway. The 306,600-square-foot expansion enhances its capacity to serve the growing Plano community with advanced medical services and state-of-the-art patient care.

Ryan LLC, a global tax services and software provider, has relocated its operations to Legacy West, occupying 205,120 square feet of office space. The move brings 50 employees to Plano, reinforcing the city's reputation as a hub for financial and professional services.

WareSpace, a coworking and distribution warehouse provider, has relocated to Southeast Plano. The company now operates out of a 175,000-square-foot facility and brings 150 jobs to the area. WareSpace offers flexible industrial space solutions tailored to small and mid-sized businesses.

Overwatch Capital – Resilience DFW, a data center operator, has expanded its presence in the Legacy District with a new 150,000-square-foot facility. This expansion supports the growing demand for resilient digital infrastructure in the region.

Sally Beauty, a leader in health, wellness and beauty retail, has relocated its operations to 7900 Windrose Avenue. The company now occupies 140,000 square feet and brings 600 employees to Plano, further strengthening the city's consumer goods and services sector.

Hilti, a global construction technology company, has expanded its Plano operations in the Legacy Towers with a 99,110-square-foot addition. The expansion supports 568 employees and enhances Hilti's North American footprint in innovation and customer service.

WRA Architects, a full-service architectural firm, has relocated to Legacy West, leasing 75,250 square feet of office space. The move brings 200 employees to Plano and supports the city's growing professional services sector.

RV Printing, a business services firm, has expanded its operations in the Research Technology Crossroads area. The company now occupies 60,560 square feet and has added 57 employees to its Plano workforce. Comcast Business, a leading provider of internet and communication services, has expanded its operations in the Legacy District to occupy 53,000 square feet of space. The company remains a key player in Plano's tech and telecom ecosystem.

Lockton, a global insurance brokerage and consulting firm, has expanded its presence in Granite Park. The company now occupies 52,960 square feet and brings 500 employees to Plano, contributing to the city's robust financial and insurance services industry.

Long-Term Financial Planning

Long-term planning and responding prudently to changing economic conditions remain key in maintaining the City's fiscal health. During the 2025-26 budget process, the City Manager met with each council member to hear priorities, followed by meeting with each department to receive updates on City operations. Last year, the City was presented with a financial forecast indicating the need for the City to implement a budget contingency plan, including a hiring freeze, and make some strategic changes to the budget philosophy. The City accelerated the implementation of a 5-year fiscal road map that provides the framework for a comprehensive review of financial policies and practices to adapt to flattening revenues and the continued reduction of land available for development. Additionally, the City studied several high-performing cities to understand industry best practices which resulted in adopting policy changes for fund balances and cost recovery of fees to ensure Plano continues financially strong in the future and remains the City of Excellence. Those actions towards reducing costs, changing policies and adapting new practices, have placed the City on a solid financial foundation for the upcoming fiscal year. Plano's future growth will look different than previous decades and the organization must adapt to flattening revenue growth and balance those revenue expectations with expenditures needed to support programs and services.

The City is a service industry and is subject to the same economic conditions affecting the rest of the business community including labor scarcity, wage escalation and inflation. Plano continues to adapt to the needs of the community including aging infrastructure, changing population, technology disruption and new development shifting to redevelopment. Revenue growth must match increased costs for programs and services expected by businesses and citizens, or the City must consider service reductions. The 2025-26 Budget does include a two (2.00) cent Ad Valorem Tax rate increase, from 41.76 cents to 43.76 cents per $100 of assessed property valuation, which provides an increase in revenue to keep up with service demands and new bond authority, and to remain competitive for staff in the metroplex.

Across all of Plano's operating funds in fiscal year 2026, appropriations equal $798.5 million, a $47.8 million or 6.4% increase from the fiscal year 2025 final budget. Projected at $423.4 million in fiscal year 2026, General Fund revenues are expected to increase by $33.3 million, or 8.5% when compared to the fiscal year 2025 final budget, while fiscal year 2026 General Fund appropriations are set at $422.7 million, an increase of $33.8 million from the fiscal year 2025 final budget.

Resources have been diligently set aside on a pay-go basis for renovating, repairing and replacing existing infrastructure via the Capital Maintenance Fund, which has been a highlighted factor in maintaining the City's AAA bond ratings. Capital Maintenance funding for fiscal year 2026 will be primarily supported by transfers of $25.0 million from the General Fund, $4.0 million from the Water and Sewer Fund, $1.5 million from the Convention and Tourism Fund and $500 thousand from the Municipal Drainage Fund.

The City of Plano will use bond authority approved by voters in May of 2021 and 2025 for the fiscal year 2026 Community Investment Program. Of the $182.0 million budgeted for General Obligation capital expenditures in fiscal year 2026, $91.5 million is for street improvement, $52.9 million is dedicated for park improvement and recreation center projects and $37.6 million is for public safety facilities and improvements at other City facilities.

Budgetary impacts are minimized by setting aside resources to purchase equipment and replace existing equipment which has reached the end of its useful life with the Equipment Replacement Fund (a component of the internal service's Equipment Maintenance Fund). The fund collects regularly scheduled depreciation charges, plus an inflationary factor, from City departments possessing vehicles and capital equipment and uses those funds for future purchases of new equipment on an as needed basis. In fiscal year 2026, the Equipment Replacement Fund's projected revenues total $23.9 million, with depreciation charges of $17.5 million as the primary source of revenue. The fund is also expected to collect $1.5 million from the auction of City equipment and $900 thousand from interest earned on the fund's available balance.

The City has programmed a General Obligation bond sale of $98.6 million to support capital projects in fiscal year 2026. The General Obligation sale will fund numerous street improvements, the continued development and renovation of Plano's park system and renovations and additions to recreation, public safety and other City facilities.

For 2026, costs in the Water and Sewer Fund and Sustainability and Environmental Services Fund have increased due to contractual commitments with the North Texas Municipal Water District (NTMWD). Increased costs in wholesale water rates and sewer treatment costs from the NTMWD have been included in the 2026 budget and are based on the latest adopted multi-year forecast and projections that were received by the District. The NTMWD will increase wholesale water rates from $3.85 per thousand gallons to $4.14 per thousand gallons in 2026. Additionally, wastewater treatment rates including the Upper East Fork Interceptor will increase from $5.61 per thousand gallons to $6.00 per thousand gallons. The City continues in its effort to minimize the impact of the pass-through rate increases from NTMWD on to customers, including continuing to use a water and sewer rate consultant in order to plan both short-term and long-term water and wastewater rates to ensure sustainability of the Water and Sewer Fund.

Similarly, Sustainability and Environmental Services has faced enormous financial pressures over the last several years including the loss of most all recycling revenue, increased cost for personnel, fuel and equipment plus contractual-related expenditures. The overall financial condition of the Sustainability and Environmental Services Fund has improved and continues to do so. To continue with this financial recovery, residential rates for waste collection will increase from $24.60 to $25.60 per month for 95-gallon cart service and from $17.61 to $18.32 per month for 68-gallon cart service. The rate for an additional 95-gallon cart will increase from $20.50 to $21.33 per month. Furthermore, the non-franchisee commercial rate will increase from $31.45 to $32.45 per month.

Relevant Financial Policies

Financial Policies. The City Council Finance Subcommittee developed written policies detailing financial goals and guidelines for the City. These included policies for accounting, budgeting, capital improvements,

asset management, revenue management, risk management, investing, cash management and fund balance and reserve levels. City Council adopted these policies, and on a periodic basis, the financial policies are reviewed and updated. The City is moving into year 2 of the 5-year financial roadmap that creates revised policies and practices for future budgets.

Accounting Procedures and Budgetary Controls. The City's accounting records for governmental funds are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets; and (3) compliance with all applicable rules, regulations and contractual requirements. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The City believes that the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the fund level, and encumbrances are entered at the time a purchase order is issued. Open encumbrances are recorded as assignments of fund balance as of September 30 of each year, and the subsequent year's budget is increased to reflect these encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year.

The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the City's financial management staff and expenditure estimates by each City department. Budgets are reviewed by the Budget Committee which consists of the City Manager, Deputy City Managers, Director of Budget and Research, Director of Finance and Director of Human Resources. The City Manager makes final decisions and submits a recommended budget to City Council. The proposed budget is reviewed extensively by City Council, a process that includes a Charter-mandated public hearing, in addition to work sessions which are open to the public. The City Charter requires adoption of the City budget no later than September 15 of each fiscal year.

While the budget is developed and controlled at the departmental level, appropriations are made at fund level. An ordinance establishes the budget for operating expenditures, debt service payments and interfund transfers, while a separate ordinance establishes the property tax rate. City Council approves annual appropriations for operations and interfund transfers for all operating and Debt Service funds. Only the General Fund and Debt Service Fund have legally adopted annual budgets. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. Funds with operating appropriations and interfund transfers set by ordinance include the General Fund and Debt Service Fund.

As part of each year's budget development process, departments are required to update expenditure estimates for the current fiscal year. The re-estimated budgets are reviewed by the Budget Committee and City Council concurrent with review of the proposed budget. The re-estimated current year budget is used as a working budget for the last half of the current fiscal year. This re-estimated budget, or final budget, may require a supplemental appropriation and, if so, such supplemental appropriation is approved by ordinance adopted by City Council prior to the end of the current fiscal year.

During the course of the fiscal year, expenditure controls are maintained by each department head with overall review exercised by the Budget Committee. Monthly departmental expenditure reports are generated by an automated management accounting system and provide expenditure totals and encumbrances at the line-item level for the most recently completed month, as well as a year-to-date total and an actual versus

planned rate of expenditure. Major expenditure requests are reviewed by the Budget and Research Department prior to the encumbrance of funds.

Constant review of revenue and expenditure trends is maintained with specific responsibility assigned to the Director of Budget and Research. If appropriate, recommendations for corrective action are made to the City Manager and City Council as needed to ensure the integrity of the adopted budget.

The City's Finance Department publishes a Comprehensive Monthly Financial Report (CMFR) directed at providing internal and external users with a general awareness of the City's financial positions and economic activity. The CMFR includes a Financial Summary section reporting the performances of the major operating funds, an Economic Analysis section summarizing key economic indicators and an in-depth review with graphic illustrations and an Investment Report section describing investment activity, interest earnings and the City's portfolio. The CMFR is presented quarterly to City Council.

Major Initiatives

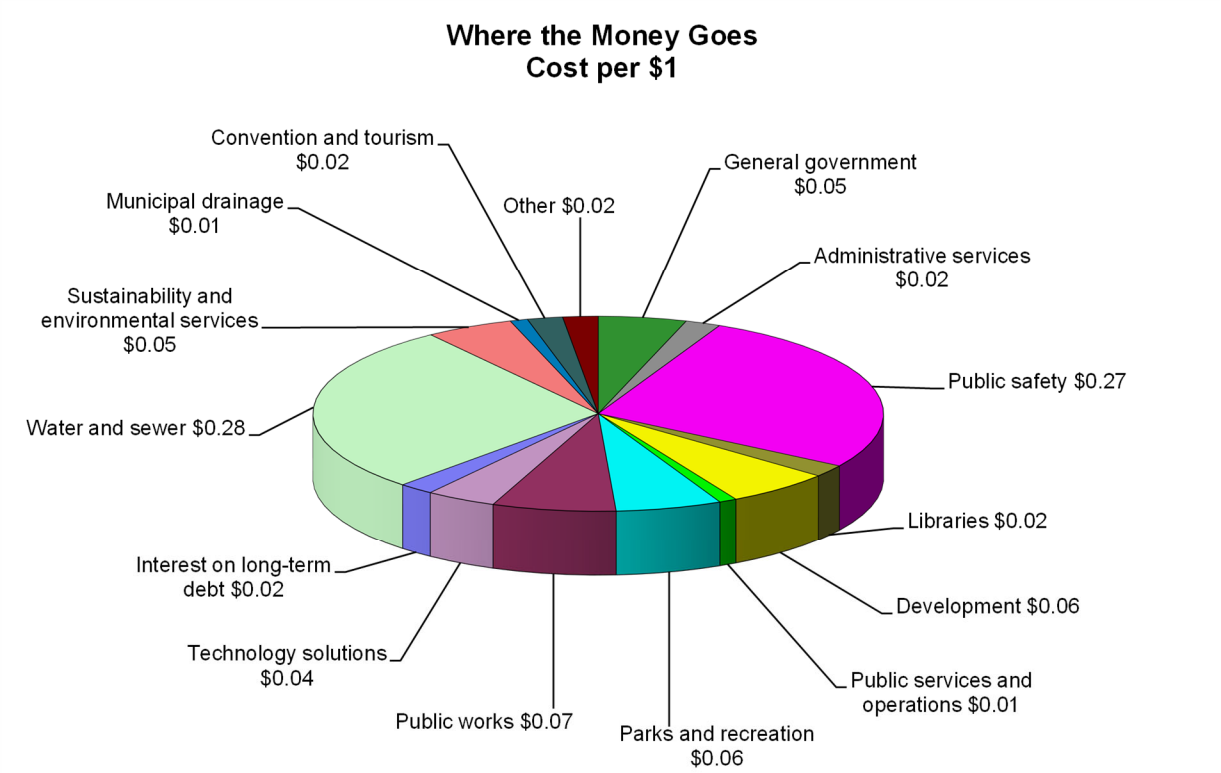
The fiscal year 2026 Community Investment Program (CIP) will continue to reflect the City's commitment to enhancing and maintaining its infrastructure. Major facility projects from fiscal year 2025 CIP included construction expenditures for remodeling and expansion of Fire Station 5 in southwest Plano, renovation of the Tom Muehlenbeck Recreation Center in west Plano, and the completion of the renovation of the City Council chambers in the Municipal Center facility located in downtown. Total municipal facilities expenditures were $14.6 million. Plano's parks and recreation system saw $31.2 million in expenditures to improve parks, connect trails and obtain land for future park development. Expenditures include replacement of restrooms and athletic field lighting at Enfield Park in northeast Plano, replacement of the restrooms at Bob Woodruff Park in east Plano, renovations at Hoblitzelle Park in north central Plano and the acquisition of land for the construction of Mendomi Park in west Plano. Numerous major street projects were undertaken in fiscal year 2025, with a total of $73.4 million spent to improve intersections, collector and residential streets, screening walls, sidewalks and alleys. Design and construction of water and sewer infrastructure renovations and replacements occurred in fiscal year 2025, with major expenditures occurring in wastewater improvements along the President George Bush Turnpike access road and replacement of water lines along Park Boulevard and in the River Bend neighborhood. Finally, $37.5 million was invested through the Capital Maintenance Fund on repairs, renovations and rehabilitation projects for City streets, facilities and park assets with the goal of extending the useful life of those assets.

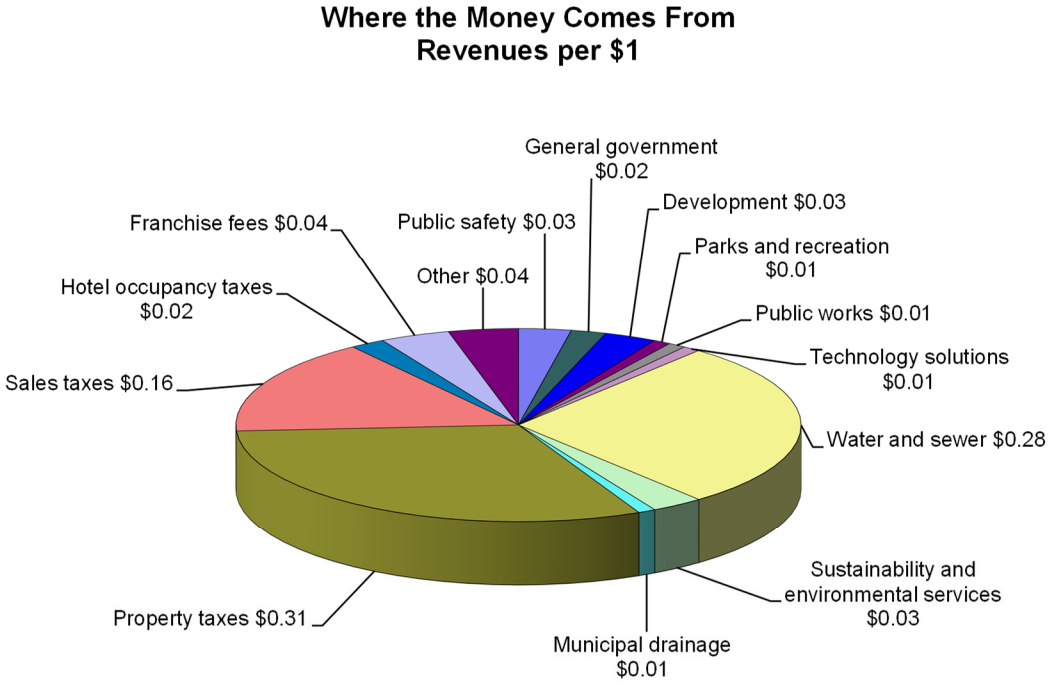
Plano also budgeted $11.5 million for economic development incentives for fiscal year 2026 to remain competitive with surrounding neighboring cities. Fiscal year 2025 was the 19th year the City has dedicated funds for economic development incentives. The $8.5 million transfer cap, which began in fiscal year 2024, was removed after two years in place. The Economic Development Incentive Fund is used to attract and retain major business and employees to the City.

Tax Abatements

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs abate or rebate property tax revenues. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapter 311 (Tax Increment Financing Act) and Chapter 312 (Property Redevelopment and Tax Abatement) of the Texas Tax Code. The economic development agreements are designed to support the creation of new businesses, the expansion and retention of existing businesses within the City and the attraction of companies that offer high impact jobs and share the community's values.

The following charts depict the sources and uses of the City's financial breakout for fiscal year 2025:





Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended September 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

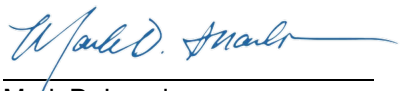
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City has received a Certificate of Achievement for the last 44 consecutive years (fiscal years ended 1981-2024). The City believes the current report continues to conform to the Certificate of Achievement Program requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

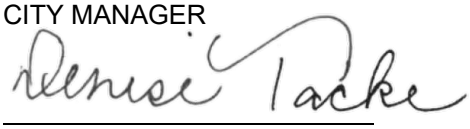
Many persons are responsible for the preparation of this report and maintenance of records upon which it is based. Appreciation is expressed to the City employees throughout the organization, especially those employees of the Accounting Department, who were instrumental in the successful completion of this report. Certain individuals worked many extra hours and exhibited extraordinary effort in ensuring the accuracy and timeliness of this report, and their contribution to this effort is greatly appreciated.

Appreciation is also extended to the Mayor and members of City Council for providing the resources necessary to maintain the integrity of the City's financial affairs.

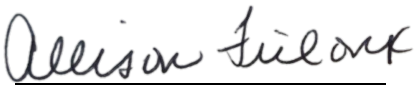
Respectfully submitted,



Mark D. Israelson
CITY MANAGER



Denise Tacke, CPA
DIRECTOR OF FINANCE



Allison Friloux
ASSISTANT DIRECTOR OF FINANCE

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Plano
Texas

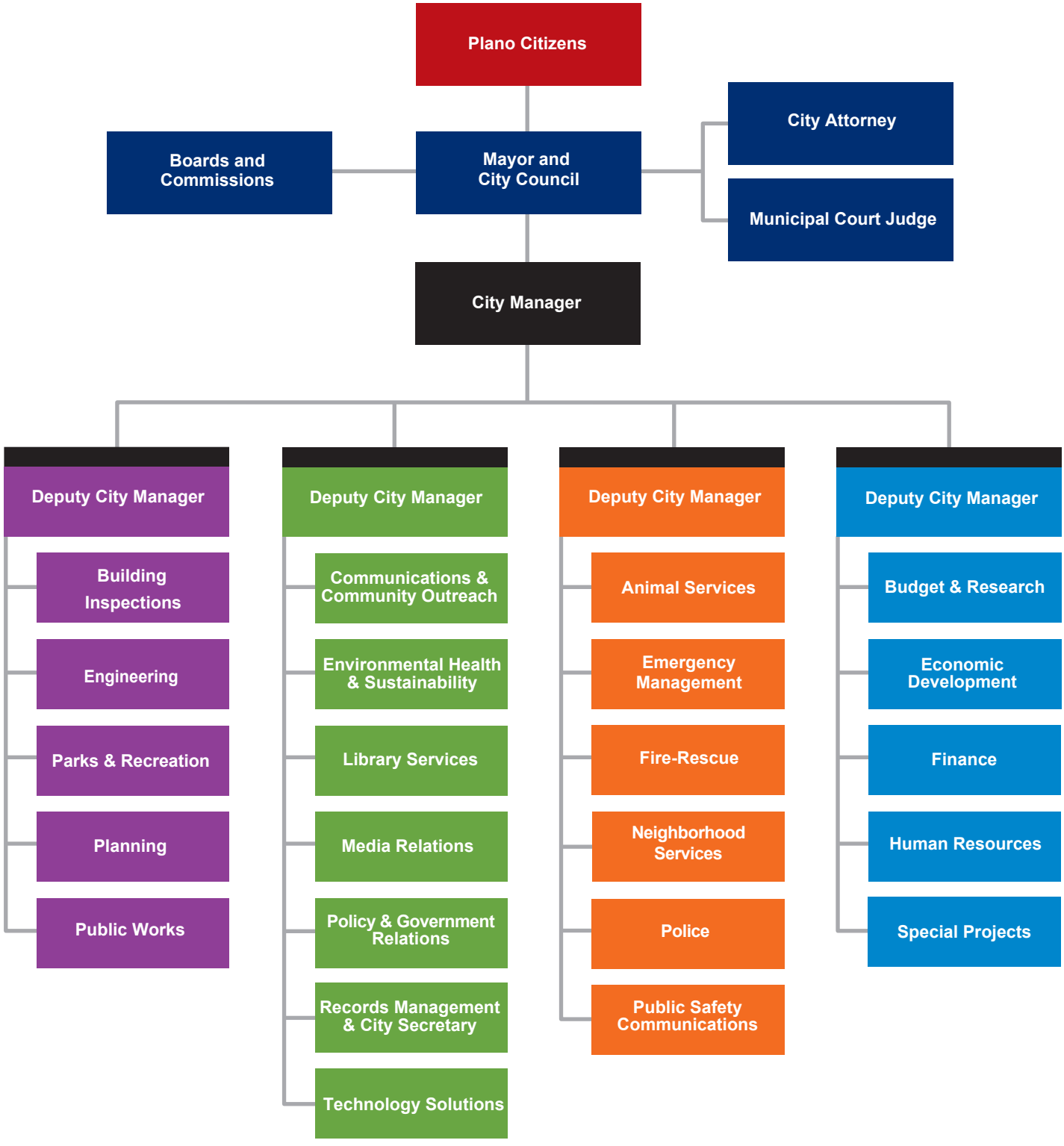
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF PLANO
ORGANIZATION CHART



CITY OF PLANO, TEXAS

ELECTED OFFICIALS AND ADMINISTRATIVE OFFICERS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

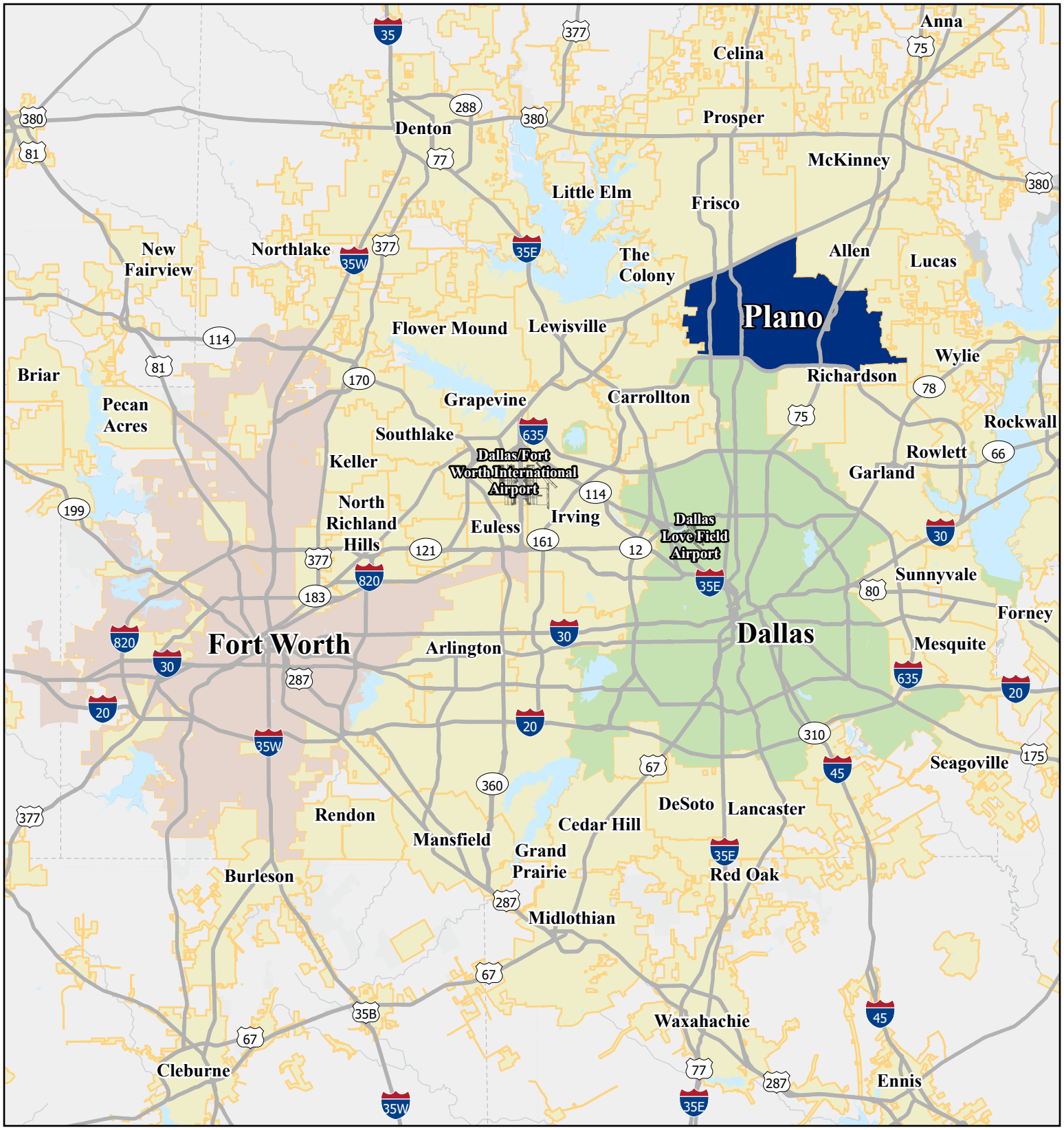
Elected Officials

City Council	Term Expires
John B. Muns Mayor Place 6	May 2029
Maria Tu Mayor Pro Tem Place 1	May 2027
Julie Holmer Deputy Mayor Pro Tem Place 7	May 2027
Bob Kehr Place 2	May 2029
Rick Horne Place 3	May 2027
Chris Krupa Downs Place 4	May 2029
Steve Lavine Place 5	May 2027
Vidal Quintanilla Jr. Place 8	May 2029

Administrative Officers

Name	Position
Mark D. Israelson	City Manager
Denise Tacke, CPA	Director of Finance
Allison Friloux	Assistant Director of Finance
Natalie Chavez	Controller

The City of Plano and Surrounding Areas




Plano
City of Excellence

FINANCIAL SECTION

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
The City of Plano, Texas

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and the individual fund budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report January 5, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 5, 2026


Plano
City of Excellence

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

MANAGEMENT'S DISCUSSION & ANALYSIS



CITY OF PLANO, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2025

(unaudited)

Management's discussion and analysis of the City's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $2.0 billion (net position). Of this amount, $1.5 billion (77.0%) is net investment in capital assets. The amount of net position restricted for a specific purpose is $67.4 million (3.4%). The remaining $387.6 million (19.6%) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.

- The City's total net position increased by $76.9 million.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $438.6 million, a decrease of $2.0 million in comparison with the prior year. Within this total, $93.4 million (21.3%) is restricted by specific legal requirements and $281.2 million (64.1%) has been committed and assigned to specific types of expenditures. Unassigned fund balance is $62.9 million (14.3%) and can be used for any lawful purpose. The remaining $1.1 million (0.3%) is nonspendable.

- The City's total bonded debt increased by $67.7 million primarily due to issuance in the current year of General Obligation, Water and Sewer Revenue and Municipal Drainage Revenue bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The Statement of Net Position presents information on all of the City's assets, deferred outflows, liabilities and deferred inflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The Statement of Net Position combines and consolidates current financial resources (short-term spendable resources) with capital assets and long-term obligations of governmental and business-type funds. In order to assess the overall health or financial condition of the City, other non-financial factors should also be taken into consideration. These include changes in the City's property tax base and the condition of the City's infrastructure (roads, drainage improvements, storm and sewer lines, etc.).

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 the related cash flows. Thus, revenues and expenses are

reported in this statement for some items that will only result in cash flows in future fiscal periods (uncollected taxes and earned but not used vacation leave).

In the Statement of Net Position and the Statement of Activities, the City is divided into three types of activities:

- Governmental activities – Most of the City's basic services are reported here, including police, fire, libraries, development, public services and operations, parks and recreation, public works, technology solutions and general administration. Property taxes, sales taxes and franchise fees finance most of these activities. Additionally, the City has three blended component units that are detailed in the accompanying footnotes.

- Business-type activities – The City charges a fee to customers in order to cover all or most of the cost of certain services the City provides. The City's water and sewer operations, sustainability and environmental services, municipal drainage system, convention and tourism, municipal golf course, downtown center development and recreation revolving programs are reported as business-type activities.

- Discretely Presented Component units – The City includes separate legal Tax Increment entities, created under Texas Tax Code Chapter 311, in its report; Tax Increment Financing (TIF) No. 2 East Side, TIF No. 3 Silver Line (formerly Cotton Belt) Regional Rail Project and TIF No. 4 Collin Creek Mall Redevelopment. In fiscal year 2024, TIF No. 5 Legacy Business Area was established to support the redevelopment of vacant corporate office campuses. TIF No. 5 had no activity since inception. Although legally separate, the City is financially accountable for TIF No. 2, No. 3, No. 4 and No. 5.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund Financial Statements

A fund is a self-balancing set of 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 three categories: governmental funds, proprietary funds and fiduciary funds.

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

  Because the focus of governmental funds is narrower than that of the government-wide statements, it is useful to compare the 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 22 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, Debt Service Fund, Capital Maintenance Fund, Street Improvements Fund, Municipal Facilities Fund, Park Improvements

Fund, Economic Development Incentive Fund and Grants Fund, all of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the Combining Financial Statements Section elsewhere in this report.

The basic governmental fund financial statements can be found on pages 22-28.

- **Proprietary funds**. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, sustainability and environmental services, municipal drainage system, convention and tourism, municipal golf course, downtown center development and recreation revolving programs. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its equipment maintenance services, municipal warehouse, technology solutions, risk management and health claims programs. Because these services predominately benefit government rather than business-type functions, they have 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 City maintains seven individual enterprise funds. The proprietary fund financial statements provide separate information for the water and sewer operations, sustainability and environmental services and municipal drainage system, as they are considered major funds. Data from the remaining four enterprise funds, known as the other enterprise funds, as well as the internal service funds, are combined into single aggregated presentations in the proprietary fund financial statements. Individual fund data is provided in the Combining Financial Statements Section elsewhere in this report.

  The basic proprietary fund financial statements can be found on pages 30-37 of this report.

- **Fiduciary funds**. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

  The basic fiduciary fund financial statements can be found on pages 38-39 of this report.

- **Notes to the financial statements**. The notes provide additional information that is essential to 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 41-88 of this report.

- **Other information**. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the General Fund's budget to actual performance and the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees and retirees.

  The required supplementary information can be found on pages 89-96 of this report.

The combining statements referred to earlier in connection with nonmajor governmental, nonmajor enterprise, internal service, fiduciary and component unit funds can be found on pages 97-137 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's combined net position was $2.0 billion as of September 30, 2025. This analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

By far the largest portion of the City's net position (77.0%) reflects its net investment in capital assets (land, buildings and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the City's net position (3.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (19.6%) may be used to meet the government's ongoing obligations to citizens and creditors.

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

Table 1
Net Position
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 572,841	$ 563,278	$ 228,343	$ 198,692	$ 801,184	$ 761,970
Capital assets	1,701,660	1,596,767	534,128	497,053	2,235,788	2,093,820
Total assets	2,274,501	2,160,045	762,471	695,745	3,036,972	2,855,790
Deferred outflows	82,041	131,494	10,920	16,336	92,961	147,830
Noncurrent liabilities	855,264	871,390	178,008	127,536	1,033,272	998,926
Other liabilities	44,568	41,676	25,984	24,890	70,552	66,566
Total liabilities	899,832	913,066	203,992	152,426	1,103,824	1,065,492
Deferred inflows	37,581	26,809	8,274	7,922	45,855	34,731
Net position:						
Net investment in capital assets	1,090,522	1,052,078	434,792	410,754	1,525,314	1,462,832
Restricted	58,940	46,979	8,419	6,282	67,359	53,261
Unrestricted	269,667	252,607	117,914	134,697	387,581	387,304
Total net position	$ 1,419,129	$ 1,351,664	$ 561,125	$ 551,733	$ 1,980,254	$ 1,903,397

Table 2
Change in Net Position
(in Thousands)

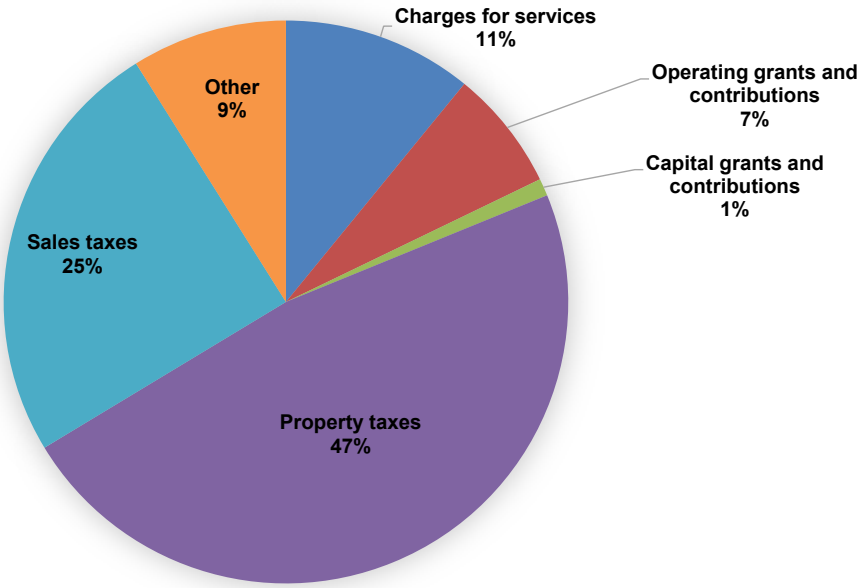
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 60,224	$ 52,775	$ 275,241	$ 267,360	$ 335,465	$ 320,135
Operating grants and contributions	35,346	20,474	-	-	35,346	20,474
Capital grants and contributions	4,470	26,748	2,656	6,650	7,126	33,398
General revenues:						
Property taxes	255,315	242,281	-	-	255,315	242,281
Sales taxes	132,060	120,263	-	-	132,060	120,263
Other taxes	2,921	2,966	13,343	12,895	16,264	15,861
Franchise fees	21,463	22,326	8,930	9,653	30,393	31,979
Investment income (loss)	24,498	36,788	5,777	8,571	30,275	45,359
Total revenues	536,297	524,621	305,947	305,129	842,244	829,750
Expenses:						
General government	40,662	37,289	-	-	40,662	37,289
Administrative services	15,479	14,724	-	-	15,479	14,724
Police	115,899	113,821	-	-	115,899	113,821
Fire	92,909	85,850	-	-	92,909	85,850
Libraries	16,134	15,911	-	-	16,134	15,911
Development	49,554	47,481	-	-	49,554	47,481
Public services and operations	10,815	12,972	-	-	10,815	12,972
Parks and recreation	44,904	44,792	-	-	44,904	44,792
Public works	53,110	51,830	-	-	53,110	51,830
Technology solutions	28,506	30,018	-	-	28,506	30,018
Interest on long-term debt	18,072	16,943	-	-	18,072	16,943
Water and sewer	-	-	214,600	200,222	214,600	200,222
Sustainability and environmental services	-	-	37,057	36,756	37,057	36,756
Municipal drainage	-	-	9,087	7,928	9,087	7,928
Convention and tourism	-	-	13,275	11,854	13,275	11,854
Municipal golf course	-	-	1,358	1,236	1,358	1,236
Downtown center development	-	-	285	54	285	54
Recreation revolving	-	-	3,681	3,828	3,681	3,828
Total expenses	486,044	471,631	279,343	261,878	765,387	733,509
Increase in net position before transfers	50,253	52,990	26,604	43,251	76,857	96,241
Transfers	17,212	16,269	(17,212)	(16,269)	-	-
Increase in net position	67,465	69,259	9,392	26,982	76,857	96,241
Net position – October 1	1,351,664	1,282,405	551,733	524,751	1,903,397	1,807,156
Net position – September 30	$ 1,419,129	$ 1,351,664	$ 561,125	$ 551,733	$ 1,980,254	$ 1,903,397

The City's total net position increased by $76.9 million. Property tax revenues increased over prior fiscal year by $13.0 million as a result of additional properties added in the current year and increases in total assessed property values. In fiscal year 2026, the total appraised value includes an increase in new property coming on-line of $650.8 million while existing property values are expected to increase by $1.7 billion. Sales tax revenues increased over prior year by $11.8 million due to increased consumer spending, even during inflationary pressures. Investment income is reported at $30.3 million, decreasing $15.1 million over prior year, as a result of fair market value adjustments to investments as required by the Governmental Accounting Standards Board (GASB) Statement No. 31. The unrealized gain for fiscal year 2025 is $4.8 million compared to the fiscal year 2024 unrealized gain of $22.2 million. Water and sewer charges for services increased $7.2 million over prior year due to water and sewer rate increases effective October 1, 2024.

Governmental Activities

Governmental activities increased the City's net position by $67.5 million. Key elements of this increase are shown in Table 2.

Revenues by Source – Governmental Activities



Program revenues were $100.0 million in both fiscal year 2024 and 2025. While program revenues were comparable, fluctuations in revenues occurred. In fiscal year 2025, contributions increased $15.0 million and were used to purchase park land, while capital grants received for streets projects decreased $17.7 million compared to prior year.

General revenues increased from $424.6 million in fiscal year 2024 to $436.3 million in fiscal year 2025. Property tax revenues increased by $13.0 million due to additional properties added in the current year and increases in total assessed property value. Sales tax revenues increased over prior year by $11.8 million due to increased consumer spending. Interest income decreased $12.3 million due to larger unrealized investment gains in prior year, as reported per GASB Statement No. 31.

Overall, governmental activities expenses were $486.0 million, an increase of $14.4 million over the prior year, the result of the organization focusing on priorities of meeting service demands and increased costs due to inflation.

Business-Type Activities

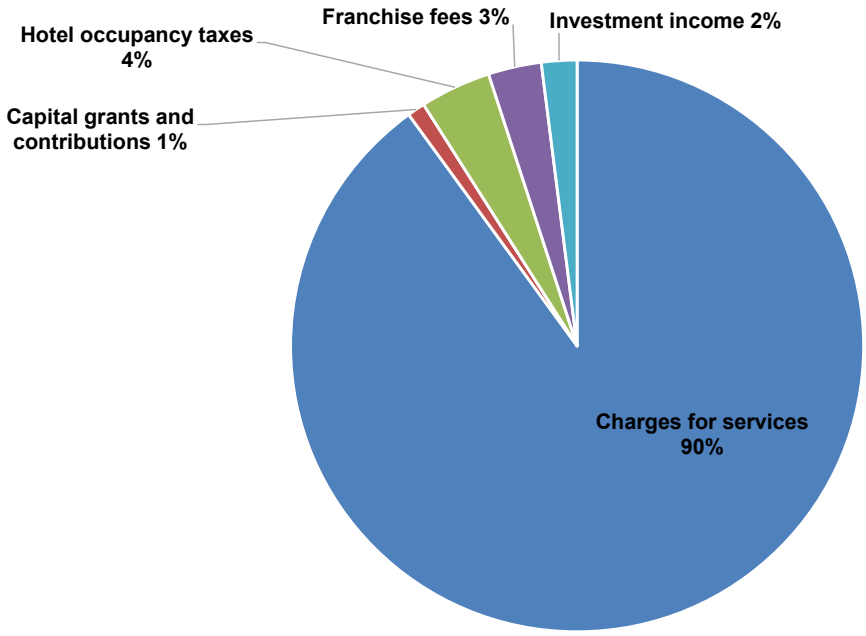
Revenues of the City's business-type activities were $305.9 million for the fiscal year ended September 30, 2025. Revenues increased approximately $816 thousand, or 0.3%, as compared to the prior fiscal year. Expenses for the City's business-type activities increased $17.5 million, or 6.7%. These changes are the result of several factors, including the following:

- The City's water and sewer system recorded charges for services of $227.3 million, an increase of $7.2 million, or 3.3%, from the prior year primarily attributable to water and sewer rate increases effective October 1, 2024. Contractual payments to NTMWD increased $12.6 million in the current year due to a rate increase effective October 1, 2024.

- The City's sustainability and environmental services activities operated with charges for services and franchise fee revenues exceeding expenses by $259 thousand in fiscal year 2025. A rate increase for fiscal year 2025 resulted in increased revenues.

- The City's municipal drainage activity operated with charges for services exceeding expenses by $1.1 million, compared to $1.9 million in the prior year. Drainage rates remain constant compared to prior year, ensuring coverage of additional debt costs associated with the renovation of the large culvert at Collin Creek Mall is met.

Revenues by Source – Business-Type Activities



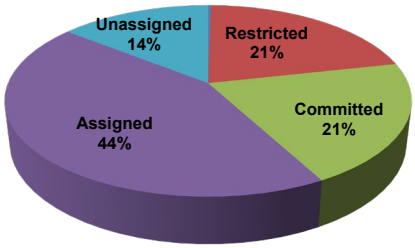
Financial Analysis of the City's Funds

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

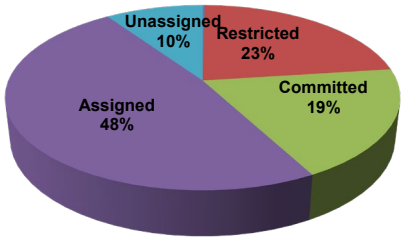
Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balances (unassigned, assigned and committed) may serve as a useful measure of a government's net resources available for spending in the next fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $438.6 million. Within this total, $93.4 million (21.3%) is restricted by specific legal requirements and $281.2 million (64.1%) has been committed and assigned to specific types of expenditures. Unassigned fund balance is $62.9 million (14.3%) and can be used for any lawful purpose. The remaining $1.1 million (0.3%) is nonspendable.

FY 2025



FY 2024



The General Fund is the chief operating fund of the City. The fund balance of the City's General Fund increased by $23.3 million during the current fiscal year. Key factors in this decrease are as follows:

- General fund revenues increased $28.5 million compared to prior year. Property tax revenues increased $10.4 million due to additional properties added in the current year and increases in total assessed property values. Sales tax revenues increased over prior year by $13.4 million due to continued consumer spending.

- Expenditures decreased $4.7 million primarily due to a hiring freeze in place in fiscal year 2024 which lifted January 2025. The City continues to focus on meeting service demands while maintaining financial prudence and financial responsiveness through cost reducing initiatives.

The Debt Service Fund has a total fund balance of $3.3 million, all of which is restricted for the payment of debt service. The fund balance decreased by $750 thousand primarily due to bond principal, interest and escrow payments exceeding property tax revenues and debt refunding sources in the current year.

The Capital Maintenance Fund balance of $64.5 million is assigned for replacement and renewals of the City's facilities and infrastructure. The Capital Maintenance Fund balance decreased $1.7 million from the prior year as a result of capital outlay expenditures exceeding transfers in by $5.3 million, offset by $2.8 million in investment income.

The Street Improvements Fund has a total fund balance of $81.3 million, all of which is assigned. The Street Improvements Fund balance decreased $4.1 million primarily due to capital outlay expenditures exceeding bond sources by $16.5 million.

The Municipal Facilities Fund has a total fund balance of $29.0 million, with $26.3 million in restricted and $2.2 million in assigned. The Municipal Facilities Fund balance decreased $12.7 million due to capital outlay expenditures of $14.6 million in the current fiscal year compared to revenues and other sources in the fund reported at $2.6 million.

The Park Improvements Fund has a total fund balance of $37.7 million, with $16.6 million in restricted and $21.2 million in assigned. The Park Improvements Fund balance decreased over prior year by $14.4 million due to capital outlay of $31.2 million exceeding other financing sources related to debt issuance of $14.4 million in the current year.

The Economic Development Incentive Fund balance of $90.3 million increased over prior year by $5.6 million as a result of contributions exceeding expenditures in the current year. Expenditures are based upon incentive obligations which stimulate economic development for the City through usage of Chapter 380 agreements as authorized by the Texas Local Government Code. The portion of the fund balance

obligated but unpaid for potential incentives on signed economic development agreements totals $10.0 million.

The Grant Fund has a negative fund balance of $573 thousand due to reimbursements not being received within 30 days and, therefore, not considered available to pay liabilities of the current period.

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

- The City's Water and Sewer Fund net position of $491.2 million increased by $7.3 million over the prior year. In the current fiscal year, total operating revenues are $227.1 million while operating expenses are $213.1 million. Revenue is higher in the current year by $7.1 million due to increased water and sewer rates effective October 1, 2024. Sewer revenues are calculated on averages of the winter quarter period (November-February) from prior actual usage. Contractual payments to NTMWD increased $12.6 million in the current year due to a rate increase implemented in fiscal year 2025. Contractual payments to NTMWD are $149.1 million of total operating expenses.

- The City's Sustainability and Environmental Services Fund reported negative net position of $1.1 million in the current year compared to negative net position of $2.0 million in the prior year. Total operating revenues are $37.1 million which exceeded operating expenses of $36.6 million. The change in net position is an increase of $834 thousand. While a rate increase occurred in the current fiscal year, expenses to meet service demands are higher due to increased customer growth and need for additional services, impacting increased personnel and contractual related expenses. In fiscal year 2023, an interest free loan of $2.5 million was made from the Water and Sewer Fund to be paid back over seven years starting in fiscal year 2025.

- The City's Municipal Drainage Fund net position increased over the prior year by $689 thousand. Drainage revenues are reported at $10.1 million exceeding operating expenses of $7.0 million.

General Fund Budgetary Highlights

During the current year, the actual expenditures on a budgetary basis were $358.4 million compared to the final budget amount of $363.2 million. Actual expenditures on a budgetary basis were $9.2 million lower than the original budget and $4.8 million lower as compared to the final budget. The City continues to focus on maintaining all of our current assets as well as meeting service demands generated by new businesses and residents, all while maintaining financial prudence and financial responsiveness.

For fiscal year 2025, the actual revenues on a budgetary basis were $390.4 million as compared to the final and original budget amounts of $380.1 million and $368.0 million, respectively.

The City has an actual budgetary basis General Fund balance of $67.2 million as of September 30, 2025, compared to the final and original budget fund balances of $52.2 million and $35.2 million, respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2025, the City had $2.2 billion invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges and water and sewer lines (Table 3). This amount represents a net increase (including additions and deductions) of $142.0 million over the prior fiscal year.

Table 3
Capital Assets at Year-end
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 199,186	$ 180,013	$ 10,486	$ 10,181	$ 209,672	$ 190,194
Buildings and improvements	381,709	377,187	382,817	393,171	764,526	770,358
Equipment	77,647	71,274	489	529	78,136	71,803
Construction in progress	130,122	87,544	48,974	42,903	179,096	130,447
Public art	1,895	1,847	50	50	1,945	1,897
Infrastructure	894,947	863,714	-	-	894,947	863,714
Right-to-use leased buildings	1,529	1,400	302	475	1,831	1,875
Right-to-use leased equipment	4,390	6,128	-	15	4,390	6,143
Right-to-use subscription assets	10,235	7,660	11,301	28	21,536	7,688
Drainage improvements	-	-	79,709	49,701	79,709	49,701
Totals	$ 1,701,660	$ 1,596,767	$ 534,128	$ 497,053	$ 2,235,788	$ 2,093,820

This year's major capital outlay additions for governmental capital projects included (in millions):

Arterial overlay 2025 projects	$ 8.7
West overlay 2024 projects	5.5
Tom Muehlenbeck Recreation Center renovations	11.2
Enfield Park lightling replacement	4.9
Fire Station No. 5 renovations	5.6
Screening wall projects	4.0
Mendomi Park improvements	3.9
Residential pavement repair	6.1
	$ 49.9

More detailed information about the City's capital asset activity is presented in Note 4 to the financial statements.

Capital Improvement Program for Fiscal Year 2026

The City's fiscal year 2025 General Obligation capital budget includes $182.0 million for capital projects, principally for three major categories: street improvements and enhancements, parks and recreation and municipal facilities. An additional $98.6 million in General Obligation bond proceeds will be required to support the fiscal year 2026 General Obligation capital investment program.

Street Improvements and Enhancements. The City plans to spend $91.5 million on street improvements and enhancements including $10.0 million for arterial overlay, $5.5 million for screening wall repairs, $4.0 million for traffic software and $4.0 million for a vehicle detection system. The remaining funds for street improvements are for a variety of projects totaling $68.0 million.

Parks and Recreation. Estimated expenditures for parks and recreation facilities are $52.9 million including $12.9 million for Oak Point Park Maintenance facility, $7.7 million for Oak Point Park Hillside parking lot and restroom improvements, $4.0 million for Bob Woodruff Park North Core renovations and $3.8 million for Bruce Glasscock Park improvements. The remaining funds for park improvements are for a variety of projects.

Municipal Facilities. Estimated expenditures for municipal facilities are $37.6 million including $17.8 million for Police Headquarters construction, $5.5 million for Parkway Operations and Fleet renovations and $3.9 million for High Point Fuel Station improvements. The remaining funds for municipal facilities are for a variety of projects.

Debt

At year-end, the City had $840.3 million in bonds, tax anticipation notes, leases and subscription liability outstanding as compared to $761.3 million at the end of the prior fiscal year, an increase of 10.4%.

Table 4
Outstanding Debt at Year-end
(in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General obligation bonds and tax anticipation notes (backed by the City)	$ 667,229	$ 643,488	$ -	$ -	$ 667,229	$ 643,488
Revenue bonds (backed by fee revenues)	-	-	146,996	103,020	146,996	103,020
Leases payable	5,705	7,014	339	533	6,044	7,547
Subscription liability	8,951	7,256	11,079	29	20,030	7,285
Totals	$ 681,885	$ 657,758	$ 158,414	$ 103,582	$ 840,299	$ 761,340

During the current fiscal year, the City issued $90.1 million in General Obligation Refunding and Improvement bonds, $4.9 million in Municipal Drainage Revenue bonds and $43.9 million in Water and Sewer Revenue bonds.

The City's General Obligation bonds and Tax Anticipation Notes continue to carry AAA-rated bonds issued by Moody's Investor Service, Standard & Poor's and Fitch, Inc., the highest rating possible. This rating has been assigned to the City's tax-supported debt since February 2000. The City's Water and Sewer Revenue

bonds carry AAA ratings as assigned by Standard & Poor's and AA+ ratings as assigned by Fitch. Municipal Drainage Revenue bonds are rated as Aa1 by Moody's and AAA as assigned by Standard & Poor's.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on General Obligation long-term debt.

The City maintains a self-insurance program for general liability, public officials' errors and omission, police professional liability, property loss and workers' compensation, as well as health related claims under the group accident and health insurance coverage provided to all City employees. The City has claims and judgments of $8.8 million outstanding at year-end compared with $8.2 million at the end of the prior fiscal year. Claims and judgements of $5.1 million relate to property and liability losses while $3.7 million relate to health claims.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities and self-insurance is presented in Notes 7 and 12 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City is a service industry and is subject to the same economic conditions affecting the rest of the country. In fiscal year 2025, the City was presented with a financial forecast indicating the need to implement the budget contingency plan including a hiring freeze and make some strategic changes to the budget philosophy. The City accelerated implementation of a 5-year Fiscal Road Map that provides the framework for a comprehensive review of financial policies and practices to adapt to flattening revenues and continued reduction of developable land. Additionally, the City studied several high-performing cities to understand industry best practices, resulting in the adoption of policy changes for fund balances and cost recovery of fees to ensure Plano stays financially strong in the future and remains the *City of Excellence*. Those actions towards reducing costs, changing policies, and adapting new practices, have placed the City in a strong financial position for the upcoming fiscal year. Plano's future growth will look different than previous decades and the organization must adapt to flattening revenue growth and balance those revenue expectations with expenditures needed to support the City's programs and services.

Within the strategic goal to deliver outstanding operational analysis and effectiveness, the City is committed to providing exceptional services at the greatest possible value. This is reinforced by consistently offering one of the lowest tax rates in the region. With that being said, the City must adapt to the needs of the community including aging infrastructure, changing population, technology disruption and new development shifting to redevelopment. Revenue growth must match increased costs for programs and services expected by businesses and citizens, or the city must consider service reductions. The 2025-26 budget does include a two (2.00) cent ad valorem tax rate increase, from 41.76 cents to 43.76 cents per $100 of assessed property valuation, which provides an increase in revenue to keep up with service demands and new bond authority, and to remain competitive for staff in the metroplex.

The fiscal year 2026 Combined Budget was developed with a focus on Plano's five main values and priorities: financial policies, personnel, quality infrastructure, service demands and programs, affordability and preserving existing programs, services and people. The City strives to retain the values and priorities that have made Plano successful while encompassing the organizational and community values that have made Plano the premier city in North Texas. The City is entering the next lifecycle phase, which is characterized by a slowing of new revenue from green field development and will transition to a larger focus on infrastructure maintenance, commercial and corporate redevelopment and long-term revenue sustainability. The 2026 budget positions the City to adapt to a mature environment where resource growth is reduced by slowed commercial growth, increased residential tax freezes, along with rising costs of providing service.

The annual budget is a critical City Council policy document that defines the service priorities and projects financial resources for the City of Plano. Given the conservative approach moving forward, revenue growth must match increased costs for programs and services expected by businesses and citizens, or the organization must consider service reductions. With that in mind, any new additional requests added to the 2026 budget must focus on preserving existing programs, services or people, and must be data-driven and data-supported, as well as, tie to the City Strategic Vision and the City's values and priorities. The budget provides for continued maintenance and improvements to the City's $3.0 billion infrastructure. With an aging infrastructure, it is critical for the City to reinvest in maintaining its assets. The City has reached functional build out of its 72.1 square miles but continues to have infill and redevelopment opportunities across the City. As part of the City's Fiscal Road Map project, the City is undergoing a comprehensive review of policies and practices to adjust to the current financial and development conditions.

The largest single revenue source in the fiscal year 2026 General Fund budget is property taxes, which account for 45.0% of total revenues. Assessed property values in Plano increased 3.8% from the prior year, including $650.8 million in new property entering the tax roll for the first time. In addition, the 65 and over exemption equals $15.4 million in property tax revenue this year. Existing property values are expected to increase by $1.7 billion, or 2.7%. Sales tax revenue remains the City's second largest revenue source, making up 29.0% of General Fund revenues.

For 2026, costs in the Water and Sewer Fund and Sustainability and Environmental Services Fund have increased due to contractual commitments with the North Texas Municipal Water District (NTMWD). Increased costs in wholesale water rates and sewer treatment costs from the NTMWD have been included in the 2026 budget and are based on the latest adopted multi-year forecast and projections that were received by NTMWD. Wholesale water rates will increase from $3.85 per thousand gallons to $4.14 per thousand gallons in 2026. Additionally, wastewater treatment rates including the Upper East Fork Interceptor will increase from $5.61 per thousand gallons to $6.00 per thousand gallons. The City continues to minimize the impact of the pass-through rate on to customers, including continuing to use a water and sewer rate consultant in order to plan both short-term and long-term water and wastewater rates to ensure sustainability of the Water and Sewer Fund.

Similarly, Sustainability and Environmental Services has faced enormous financial pressures over the last several years including the loss of most all recycling revenue, increased cost for personnel, fuel and equipment plus contractual-related expenditures. The overall financial condition of the Sustainability and Environmental Services Fund has improved and continues to improve. To continue with this financial recovery, residential rates for waste collection will increase from $24.60 to $25.60 per month for 95-gallon cart service and from $17.61 to $18.32 per month for 68-gallon cart service. The rate for an additional 95-gallon cart will increase from $20.50 to $21.33 per month. Furthermore, the non-franchisee commercial rate will increase from $31.45 to $32.45 per month.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Accounting Division, at City of Plano, 1520 Avenue K, Suite 370, Plano, Texas 75074.


Plano
City of Excellence

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

BASIC FINANCIAL STATEMENTS

CITY OF PLANO, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 106,000,445	$ 19,670,633	$ 125,671,078	$ 14,189,399
Investments	428,834,409	76,182,083	505,016,492	-
Receivables (net of allowance for uncollectibles)	28,903,680	35,809,814	64,713,494	-
Lease receivables	7,482,771	4,658,738	12,141,509	-
Internal balances	(14,929,459)	14,929,459	-	-
Due from other governments	2,447,633	-	2,447,633	-
Inventories	2,378,245	129,121	2,507,366	-
Prepaid items and other assets	951,857	2,799,726	3,751,583	-
Restricted assets:				
Cash and cash equivalents	-	14,308,640	14,308,640	-
Investments	-	58,506,721	58,506,721	-
Receivables	-	381,354	381,354	-
Net pension asset	10,771,601	966,694	11,738,295	-
Capital assets:				
Nondepreciable	331,203,676	59,510,105	390,713,781	7,223,987
Depreciable (net)	1,370,456,244	474,618,175	1,845,074,419	-
Total assets	2,274,501,102	762,471,263	3,036,972,365	21,413,386
DEFERRED OUTFLOWS OF RESOURCES				
Pensions related	60,816,465	7,561,442	68,377,907	-
Other postemployment benefits related	21,018,589	3,286,989	24,305,578	-
Deferred charges on refundings	205,932	71,754	277,686	-
Total deferred outflows of resources	82,040,986	10,920,185	92,961,171	-
LIABILITIES				
Accounts payable	6,291,015	9,559,726	15,850,741	450,923
Accrued liabilities	10,681,209	2,422,685	13,103,894	-
Contracts payable	15,483,059	3,787,053	19,270,112	-
Accrued interest payable	2,497,938	2,180,730	4,678,668	-
Customer deposits	-	3,420,265	3,420,265	-
Escrow liability	-	231,320	231,320	-
Unearned revenue	6,579,172	1,431,650	8,010,822	-
Due to other governments	211,599	-	211,599	-
Retainage payable	2,673,818	2,950,945	5,624,763	-
Seized assets payable	150,689	-	150,689	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	6,353,540	663,061	7,016,601	-
Leases payable	1,883,084	190,212	2,073,296	-
Subscription liabilities	3,145,752	776,929	3,922,681	-
Bonds and notes payable	49,934,495	7,590,736	57,525,231	-
Liability for insurance claims	8,776,353	-	8,776,353	-
Due in more than one year:				
Compensated absences	49,126,726	4,098,072	53,224,798	-
Leases payable	3,821,707	148,354	3,970,061	-
Subscription liabilities	5,804,992	10,302,187	16,107,179	-
Bonds and notes payable	617,294,262	139,405,751	756,700,013	-
Net pension liability	82,573,692	10,686,720	93,260,412	-
Net other postemployment benefits liability	26,549,569	4,145,756	30,695,325	-
Total liabilities	899,832,671	203,992,152	1,103,824,823	450,923
DEFERRED INFLOWS OF RESOURCES				
Pensions related	23,861,711	2,579,417	26,441,128	-
Other postemployment benefits related	7,109,694	1,306,768	8,416,462	-
Leases related	6,609,377	4,388,291	10,997,668	-
Total deferred inflows of resources	37,580,782	8,274,476	45,855,258	-
NET POSITION				
Net investment in capital assets	1,090,522,130	434,792,076	1,525,314,206	7,223,987
Restricted for:				
Net pension asset	10,771,601	966,694	11,738,295	-
Special revenue:				
Public safety	44,968,282	-	44,968,282	-
Public services and operations	1,210,709	-	1,210,709	-
Other	449,826	-	449,826	-
Component unit	352,708	-	352,708	13,738,476
Debt service	1,186,121	7,452,506	8,638,627	-
Unrestricted	269,667,258	117,913,544	387,580,802	-
Total net position	$ 1,419,128,635	$ 561,124,820	$ 1,980,253,455	$ 20,962,463

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

CITY OF PLANO, TEXAS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Function/Program Activities				
Primary Government:				
Governmental Activities:				
General government	$ 40,661,962	$ 13,483,551	$ 434,428	$ -
Administrative services	15,478,485	149,947	-	-
Police	115,899,255	8,128,661	3,234,240	16,236
Fire	92,908,552	9,034,149	2,219,439	-
Libraries	16,134,271	218,092	390,248	-
Development	49,553,795	11,930,859	11,613,148	-
Public services and operations	10,814,917	1,254,402	16,694,002	-
Parks and recreation	44,903,952	9,006,685	430,638	45,751
Public works	53,110,105	1,144,456	329,367	4,408,155
Technology solutions	28,506,149	5,872,852	-	-
Interest on long-term debt	18,072,325	-	-	-
Total governmental activities	486,043,768	60,223,654	35,345,510	4,470,142
Business-type Activities:				
Water and sewer	214,600,254	227,281,874	-	2,656,374
Sustainability and environmental services	37,057,314	28,386,848	-	-
Municipal drainage	9,086,457	10,140,636	-	-
Convention and tourism	13,275,344	4,234,992	-	-
Municipal golf course	1,357,657	1,414,727	-	-
Downtown center development	285,377	320,419	-	-
Recreation revolving	3,680,840	3,461,269	-	-
Total business-type activities	279,343,243	275,240,765	-	2,656,374
Total primary government	$ 765,387,011	$ 335,464,419	$ 35,345,510	$ 7,126,516
Component units	$ 4,280,219	$ -	$ 7,229	$ -

General revenues:
Property taxes
Sales taxes
Mixed drink taxes
Hotel occupancy taxes
Other taxes
Franchise fees based upon gross receipts
Investment income
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning
Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
$ (26,743,983)		$ (26,743,983)	
(15,328,538)		(15,328,538)	
(104,520,118)		(104,520,118)	
(81,654,964)		(81,654,964)	
(15,525,931)		(15,525,931)	
(26,009,788)		(26,009,788)	
7,133,487		7,133,487	
(35,420,878)		(35,420,878)	
(47,228,127)		(47,228,127)	
(22,633,297)		(22,633,297)	
(18,072,325)		(18,072,325)	
(386,004,462)		(386,004,462)	
	$ 15,337,994	15,337,994	
	(8,670,466)	(8,670,466)	
	1,054,179	1,054,179	
	(9,040,352)	(9,040,352)	
	57,070	57,070	
	35,042	35,042	
	(219,571)	(219,571)	
	(1,446,104)	(1,446,104)	
(386,004,462)	(1,446,104)	(387,450,566)	
			$ (4,272,990)
255,314,504	-	255,314,504	5,827,263
132,059,636	-	132,059,636	-
2,636,401	-	2,636,401	-
-	13,342,764	13,342,764	-
285,985	-	285,985	-
21,462,739	8,929,867	30,392,606	-
24,498,034	5,776,806	30,274,840	-
17,211,994	(17,211,994)	-	-
453,469,293	10,837,443	464,306,736	5,827,263
67,464,831	9,391,339	76,856,170	1,554,273
1,351,663,804	551,733,481	1,903,397,285	19,408,190
$ 1,419,128,635	$ 561,124,820	$ 1,980,253,455	$ 20,962,463

CITY OF PLANO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2025

	General	Debt Service	Capital Maintenance	Street Improvements
ASSETS				
Cash and cash equivalents	$ 14,273,989	$ 649,521	$ 13,679,201	$ 17,748,358
Investments	58,272,904	2,655,829	55,933,002	72,571,415
Receivables (net of allowance for uncollectibles):				
Taxes	22,172,140	361,398	-	-
Accounts	1,118,270	-	-	-
Accrued interest	662,955	17,311	364,579	473,030
Assessments	-	-	-	1,271,842
Other	-	-	-	-
Lease receivables	7,482,771	-	-	-
Due from other funds	2,895,858	-	263,225	222,120
Due from other governments	546,934	-	-	-
Inventories	199,192	-	-	-
Prepaid items and other assets	208,255	-	-	-
Total assets	$ 107,833,268	$ 3,684,059	$ 70,240,007	$ 92,286,765
LIABILITIES				
Accounts payable	$ 2,650,304	$ -	$ -	$ -
Accrued liabilities	10,099,640	-	-	-
Contracts payable	-	-	5,595,872	5,551,613
Unearned revenue	180,787	-	-	2,800,056
Due to other funds	1,552,612	-	-	-
Due to other governments	211,599	-	-	-
Retainage payable	-	-	112,884	1,324,795
Seized assets payable	-	-	-	-
Total liabilities	14,694,942	-	5,708,756	9,676,464
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	12,169,222	356,206	-	1,271,842
Leases related	6,609,377	-	-	-
Total deferred inflows of resources	18,778,599	356,206	-	1,271,842
FUND BALANCE				
Nonspendable:				
Prepaid items and inventories	407,447	-	-	-
Restricted for:				
Debt service	-	3,327,853	-	-
Municipal facilities	-	-	-	-
Park improvements	-	-	-	-
Grant	-	-	-	-
Special revenue	-	-	-	-
Blended component unit	-	-	-	-
Other capital projects	-	-	-	-
Committed to:				
Economic development incentive	-	-	-	-
Assigned to:				
General government	2,131,647	-	-	-
Administrative services	236,430	-	-	-
Police	450,991	-	-	-
Fire	1,411,927	-	-	-
Libraries	125,160	-	-	-
Development	1,365,521	-	-	-
Public services and operations	71,429	-	-	-
Parks and recreation	115,563	-	-	-
Public works	20,730	-	-	-
Capital maintenance	-	-	64,531,251	-
Street improvements	-	-	-	81,338,459
Municipal facilities	-	-	-	-
Park improvements	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	4,504,974	-	-	-
Unassigned	63,517,908	-	-	-
Total fund balance	74,359,727	3,327,853	64,531,251	81,338,459
Total liabilities, deferred inflows and fund balance	$ 107,833,268	$ 3,684,059	$ 70,240,007	$ 92,286,765

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

Municipal Facilities	Park Improvements	Economic Development Incentive	Grants	Other Governmental Funds	Total Governmental Funds
$ 5,550,285	$ 8,224,122	$ 17,647,863	$ 1,069,528	$ 11,862,686	$ 90,705,553
22,694,605	33,627,682	72,160,494	1,383,794	46,995,275	366,295,000
-	-	-	-	-	22,533,538
-	-	-	-	245	1,118,515
147,927	219,190	470,352	9,020	314,938	2,679,302
-	-	-	-	-	1,271,842
-	-	-	808,684	-	808,684
-	-	-	-	-	7,482,771
200,024	1,007,543	-	5,358	-	4,594,128
-	92,681	-	1,551,221	256,797	2,447,633
-	-	-	-	-	199,192
583,357	-	-	-	129,245	920,857
$ 29,176,198	$ 43,171,218	$ 90,278,709	$ 4,827,605	$ 59,559,186	$ 501,057,015
$ -	$ -	$ -	$ 49,893	$ 164,653	$ 2,864,850
-	-	7,937	5,137	244,954	10,357,668
95,768	4,239,806	-	-	-	15,483,059
-	-	-	3,255,223	343,106	6,579,172
-	-	-	1,251,771	50,477	2,854,860
-	-	-	-	-	211,599
85,437	1,150,702	-	-	-	2,673,818
-	-	-	-	150,689	150,689
181,205	5,390,508	7,937	4,562,024	953,879	41,175,715
-	45,751	-	838,432	5,433	14,686,886
-	-	-	-	-	6,609,377
-	45,751	-	838,432	5,433	21,296,263
583,357	-	-	-	129,245	1,120,049
-	-	-	-	-	3,327,853
26,257,307	-	-	-	-	26,257,307
-	16,555,564	-	-	-	16,555,564
-	-	-	14,503	-	14,503
-	-	-	-	46,494,139	46,494,139
-	-	-	-	352,708	352,708
-	-	-	-	351,102	351,102
-	-	90,270,772	-	-	90,270,772
-	-	-	-	-	2,131,647
-	-	-	-	-	236,430
-	-	-	-	-	450,991
-	-	-	-	-	1,411,927
-	-	-	-	-	125,160
-	-	-	-	-	1,365,521
-	-	-	-	-	71,429
-	-	-	-	-	115,563
-	-	-	-	-	20,730
-	-	-	-	-	64,531,251
-	-	-	-	-	81,338,459
2,154,329	-	-	-	-	2,154,329
-	21,179,395	-	-	-	21,179,395
-	-	-	-	11,272,680	11,272,680
-	-	-	-	-	4,504,974
-	-	-	(587,354)	-	62,930,554
28,994,993	37,734,959	90,270,772	(572,851)	58,599,874	438,585,037
$ 29,176,198	$ 43,171,218	$ 90,278,709	$ 4,827,605	$ 59,559,186	$ 501,057,015

CITY OF PLANO, TEXAS
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2025

Total fund balance per balance sheet	$	438,585,037
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		1,625,651,153
Deferred charges on refundings represent a consumption of net position that applies to future periods and, therefore, will not be recognized as an outflow of resources until then. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.		205,932
Net pension asset and deferred outflows related to pensions and other postemployment benefits.		92,606,655
Internal service funds are used by management to charge the costs of equipment maintenance, municipal warehouse, technology solutions, risk management and health claims to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		117,791,332
Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.		(730,303,694)
Deferred inflows represent an acquisition of net position that applies to future periods. The amount is unavailable and deferred at the fund level but recognized as revenue in the governmental activities.		14,686,886
Net pension and other postemployment benefits liability and deferred inflows related to pensions and other post employment benefits.		(140,094,666)
Net position of governmental activities	$	1,419,128,635

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


Plano
City of Excellence

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General	Debt Service	Capital Maintenance	Street Improvements
REVENUES				
Taxes:				
Property taxes	$ 173,959,580	$ 66,061,455	$ -	$ -
Sales taxes	131,756,554	-	-	-
Mixed drink taxes	2,636,401	-	-	-
Other taxes	285,985	-	-	-
Franchise fees	21,133,219	-	-	-
Fines and forfeitures	3,761,512	-	-	-
Contributions	-	-	-	-
Rollback taxes	-	-	16,631	-
Licenses and permits	13,282,585	-	-	-
Intragovernmental	16,315,863	-	-	-
Intergovernmental	2,525,024	-	-	5,420,814
Charges for services	18,559,848	-	-	-
Assessed taxes	-	-	-	-
Investment income	4,750,711	1,811,100	2,833,900	3,401,263
Miscellaneous	2,600,632	16,236	695,205	-
Total revenues	391,567,914	67,888,791	3,545,736	8,822,077
EXPENDITURES				
Current operating:				
General government	39,327,254	-	-	-
Administrative services	14,964,223	-	-	-
Police	106,652,368	-	-	-
Fire	84,583,782	-	-	-
Libraries	15,229,614	-	-	-
Development	38,294,021	-	-	-
Public services and operations	8,330,798	-	-	-
Parks and recreation	32,590,799	-	-	-
Public works	9,627,911	-	-	-
Technology solutions	1,000,000	-	-	-
Capital outlay	935,348	-	37,494,161	73,379,098
Interest and fiscal charges	-	-	-	285,329
Debt service:				
Principal retirement	808,509	43,180,000	-	-
Interest and fiscal charges	96,736	25,526,050	-	-
Total expenditures	352,441,363	68,706,050	37,494,161	73,664,427
Excess (deficiency) of revenues over (under) expenditures	39,126,551	(817,259)	(33,948,425)	(64,842,350)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	56,880,508
Issuance of debt - refunding	-	18,145,000	-	-
Escrow payment - refunding	-	(19,522,789)	-	-
Premium on sale of bonds	-	1,445,066	-	2,794,957
Proceeds from sale of land	-	-	-	1,101,219
Issuance of debt - SBITA	13,517	-	-	-
Issuance of debt - leases	469,450	-	-	-
Insurance Receipts	-	-	6,059	-
Transfers in	10,023,416	-	32,200,000	-
Transfers out	(26,305,611)	-	-	-
Total other financing sources (uses)	(15,799,228)	67,277	32,206,059	60,776,684
Net change in fund balances	23,327,323	(749,982)	(1,742,366)	(4,065,666)
Fund balances - beginning	51,032,404	4,077,835	66,273,617	85,404,125
Fund balances - ending	$ 74,359,727	$ 3,327,853	$ 64,531,251	$ 81,338,459

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

Municipal Facilities	Park Improvements	Economic Development Incentive	Grants	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 240,021,035
-	-	-	-	-	131,756,554
-	-	-	-	-	2,636,401
-	-	-	-	-	285,985
-	-	-	-	-	21,133,219
-	-	-	-	117,450	3,878,962
-	-	8,500,000	-	15,816,285	24,316,285
-	-	-	-	-	16,631
-	-	-	-	-	13,282,585
-	-	-	-	-	16,315,863
-	73,355	-	4,042,694	1,532,829	13,594,716
-	-	-	-	3,843,701	22,403,549
-	-	-	-	76,353	76,353
1,322,281	1,637,501	3,564,863	107,649	2,130,733	21,560,001
-	-	279,400	-	61,112	3,652,585
1,322,281	1,710,856	12,344,263	4,150,343	23,578,463	514,930,724
-	-	-	-	-	39,327,254
-	-	-	-	-	14,964,223
-	-	-	294,622	2,540,404	109,487,394
-	-	-	1,259,554	406,957	86,250,293
-	-	-	73,937	141,358	15,444,909
-	-	6,776,701	2,638,004	365,155	48,073,881
-	-	-	196,032	1,634,034	10,160,864
-	-	-	-	-	32,590,799
-	-	-	-	-	9,627,911
-	-	-	-	-	1,000,000
14,575,487	31,178,292	-	208,901	15,753,764	173,525,051
3,596	72,089	-	-	-	361,014
515,027	-	-	-	38,675	44,542,211
188,565	-	-	-	4,075	25,815,426
15,282,675	31,250,381	6,776,701	4,671,050	20,884,422	611,171,230
(13,960,394)	(29,539,525)	5,567,562	(520,707)	2,694,041	(96,240,506)
718,309	14,366,183	-	-	-	71,965,000
-	-	-	-	-	18,145,000
-	-	-	-	-	(19,522,789)
35,296	705,916	-	-	-	4,981,235
-	109,600	-	-	-	1,210,819
529,637	-	-	-	-	543,154
-	-	-	-	-	469,450
-	-	-	-	-	6,059
-	-	-	-	625,000	42,848,416
-	-	-	(2,958)	(83,464)	(26,392,033)
1,283,242	15,181,699	-	(2,958)	541,536	94,254,311
(12,677,152)	(14,357,826)	5,567,562	(523,665)	3,235,577	(1,986,195)
41,672,145	52,092,785	84,703,210	(49,186)	55,364,297	440,571,232
$ 28,994,993	$ 37,734,959	$ 90,270,772	$ (572,851)	$ 58,599,874	$ 438,585,037

CITY OF PLANO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Net change in fund balances - total governmental funds	$	(1,986,195)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.		97,329,293
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(1,318,581)
The issuance of long-term debt 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 and discounts 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.		(30,819,637)
Pension and other postemployment benefits net expense are not reported in governmental funds.		(7,998,737)
Pension and other postemployment benefits net expense in internal service funds		(545,221)
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 governmental funds.		7,874,957
Internal service funds are used by management to charge the costs of equipment maintenance, municipal warehouse, technology solutions, risk management and health claims to individual funds. The net expenses of certain activities of internal service funds are reported within governmental activities.		4,928,952
Change in net position of governmental activities	$	67,464,831

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


Plano
City of Excellence

CITY OF PLANO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Other Enterprise Funds	Total	
ASSETS						
Current assets:						
Cash and cash equivalents	$ 15,144,179	$ 515,712	$ 1,375,399	$ 2,635,343	$ 19,670,633	$ 15,294,892
Investments	57,716,126	2,087,323	5,623,882	10,754,752	76,182,083	62,539,409
Receivables (net of allowance for uncollectibles):						
Accounts	29,165,534	2,719,007	1,344,539	1,207,648	34,436,728	-
Accrued interest	405,427	13,605	36,657	89,390	545,079	491,799
Other	58,334	769,673	-	-	828,007	-
Interfund receivables	357,143	-	-	-	357,143	-
Lease receivables	2,113,555	-	-	2,545,183	4,658,738	-
Due from other funds	35,585	14,603	4,326	13,301	67,815	145,624
Due from other governments	-	-	-	-	-	-
Inventories	103,015	-	-	26,106	129,121	2,179,053
Prepaid items and other assets	2,730,544	65,182	-	4,000	2,799,726	31,000
Net pension asset	401,961	277,272	85,893	201,568	966,694	202,629
Restricted assets:						
Revenue bond debt service-						
Cash and cash equivalents	357,209	-	1,099,622	-	1,456,831	-
Investments	1,460,595	-	4,496,253	-	5,956,848	-
Accrued interest receivable	9,520	-	29,307	-	38,827	-
Revenue bond construction fund-						
Cash and cash equivalents	9,534,808	-	3,317,001	-	12,851,809	-
Investments	38,986,959	-	13,562,914	-	52,549,873	-
Accrued interest receivable	254,122	-	88,405	-	342,527	-
Total current assets	158,834,616	6,462,377	31,064,198	17,477,291	213,838,482	80,884,406
Noncurrent assets:						
Advances to other funds	1,785,714	-	-	-	1,785,714	-
Capital assets:						
Land	7,293,393	-	200,804	2,992,154	10,486,351	62,522
Public art	-	-	-	50,000	50,000	-
Buildings	2,748,029	569,023	52,921	14,282,224	17,652,197	5,975,294
Right-to-use lease buildings	-	-	-	985,354	985,354	198,533
Improvements other than buildings	801,485,626	-	-	3,519,353	805,004,979	-
Equipment	-	546,839	15,048	2,075,760	2,637,647	65,669,571
Rolling equipment	-	-	-	-	-	95,049,179
Drainage improvements	-	-	98,258,119	-	98,258,119	-
Right-to-use lease equipment	-	-	-	59,760	59,760	8,052,521
Right-to-use subscription assets	11,672,189	-	37,092	-	11,709,281	10,792,667
Construction in progress	44,841,803	-	4,131,951	-	48,973,754	-
Less accumulated depreciation	(423,267,954)	(693,122)	(18,633,080)	(19,095,006)	(461,689,162)	(109,791,520)
Total capital assets (net of accumulated depreciation)	444,773,086	422,740	84,062,855	4,869,599	534,128,280	76,008,767
Total noncurrent assets	446,558,800	422,740	84,062,855	4,869,599	535,913,994	76,008,767
Total assets	605,393,416	6,885,117	115,127,053	22,346,890	749,752,476	156,893,173
DEFERRED OUTFLOWS OF RESOURCES						
Pensions related	3,291,221	2,439,909	615,889	1,214,423	7,561,442	3,330,960
Other postemployment benefits related	1,419,175	1,019,774	284,995	563,045	3,286,989	1,131,152
Deferred charges on refundings	-	-	71,754	-	71,754	-
Total deferred outflows of resources	4,710,396	3,459,683	972,638	1,777,468	10,920,185	4,462,112

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

(continued)

CITY OF PLANO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2025
(continued)

	Business-type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Other Enterprise Funds	Total	
LIABILITIES						
Current liabilities:						
Accounts payable	$ 8,577,513	$ 87,421	$ 469,773	$ 425,019	$ 9,559,726	$ 3,426,165
Accrued liabilities	214,977	1,717,454	43,237	447,017	2,422,685	323,541
Due to other funds	420,984	111,166	178,599	1,199	711,948	1,240,759
Interfund payable	-	357,143	-	-	357,143	-
Accrued interest payable	199,708	-	1,018	1,434	202,160	208,644
Leases payable	-	-	-	190,212	190,212	1,013,853
Subscription liabilities	769,850	-	7,079	-	776,929	2,312,477
Customer deposits	3,388,827	-	-	31,438	3,420,265	-
Escrow liability	231,320	-	-	-	231,320	-
Unearned revenue	90	-	-	1,431,560	1,431,650	-
Liability for compensated absences	268,702	280,858	34,384	79,117	663,061	114,436
Liability for insurance claims	-	-	-	-	-	8,776,353
Total current liabilities	14,071,971	2,554,042	734,090	2,606,996	19,967,099	17,416,228
Current liabilities payable from restricted assets:						
Contracts payable	3,787,053	-	-	-	3,787,053	-
Current portion of long-term debt	4,906,584	-	2,684,152	-	7,590,736	-
Accrued interest payable	1,067,727	-	910,843	-	1,978,570	-
Retainage payable	1,555,492	-	1,395,453	-	2,950,945	-
Total current liabilities payable from restricted assets	11,316,856	-	4,990,448	-	16,307,304	-
Total current liabilities	25,388,827	2,554,042	5,724,538	2,606,996	36,274,403	17,416,228
Noncurrent liabilities:						
Advance from other funds	-	1,785,714	-	-	1,785,714	-
Bonds payable	71,336,266	-	68,069,485	-	139,405,751	-
Net pension liability	4,893,848	3,258,720	859,450	1,674,702	10,686,720	4,206,624
Net other postemployment benefits liability	1,818,790	1,251,663	353,495	721,808	4,145,756	1,494,249
Leases payable	-	-	-	148,354	148,354	2,716,909
Subscription liabilities	10,287,039	-	15,148	-	10,302,187	2,390,634
Liability for compensated absences	1,445,113	1,497,091	334,687	821,181	4,098,072	801,849
Total noncurrent liabilities	89,781,056	7,793,188	69,632,265	3,366,045	170,572,554	11,610,265
Total liabilities	115,169,883	10,347,230	75,356,803	5,973,041	206,846,957	29,026,493
DEFERRED INFLOWS OF RESOURCES						
Pensions related	1,127,321	747,207	191,621	513,268	2,579,417	1,319,410
Other postemployment benefits related	636,480	389,851	82,418	198,019	1,306,768	283,110
Leases related	1,942,639	-	-	2,445,652	4,388,291	-
Total deferred inflows of resources	3,706,440	1,137,058	274,039	3,156,939	8,274,476	1,602,520
NET POSITION						
Net investment in capital assets	400,906,692	422,740	28,931,611	4,531,033	434,792,076	67,574,894
Net pension asset	401,961	277,272	85,893	201,568	966,694	202,629
Restricted for:						
Debt service	1,827,324	-	5,625,182	-	7,452,506	-
Unrestricted	88,091,512	(1,839,500)	5,826,163	10,261,777	102,339,952	62,948,749
Total net position	$ 491,227,489	$ (1,139,488)	$ 40,468,849	$ 14,994,378	$ 545,551,228	$ 130,726,272

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

CITY OF PLANO, TEXAS
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF PROPRIETARY FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2025

Total net position - total enterprise funds	$	545,551,228
Amounts reported for business-type activities in the statement of net position are different because:		
Internal service funds are used by management to charge the costs of equipment maintenance, municipal warehouse, technology solutions, risk management and health claims to individual funds.		
The net receivable due from activities of the internal service funds is reported within business-type activities.		15,573,592
Net position of business-type activities	$	561,124,820

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


Plano
City of Excellence

CITY OF PLANO, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds					
	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Other Enterprise Funds	Total	Governmental Activities-Internal Service Funds
OPERATING REVENUES						
Charges for services	$ 226,584,152	$ 22,385,467	$ 10,024,415	$ 9,377,475	$ 268,371,509	$ 115,563,280
Franchise fees	-	8,929,867	-	-	8,929,867	-
Sale of compost products	-	3,110,096	-	-	3,110,096	-
Subrogation receipts	-	-	-	-	-	3,191,207
Intergovernmental	-	260,736	-	-	260,736	-
Contributions	-	1,440	-	-	1,440	-
Miscellaneous charges	546,801	2,369,269	106,860	53,200	3,076,130	4,322
Total operating revenues	227,130,953	37,056,875	10,131,275	9,430,675	283,749,778	118,758,809
OPERATING EXPENSES						
Personnel services	12,907,948	9,629,985	3,768,664	6,289,487	32,596,084	17,730,268
Pension and other postemployment benefits expense (net)	436,762	329,175	95,290	186,541	1,047,768	545,221
Contractual services	12,593,766	13,246,466	1,304,237	10,904,775	38,049,244	20,816,252
Supplies	1,972,635	600,027	87,305	1,187,119	3,847,086	12,934,869
Claims expense	-	-	-	-	-	44,182,181
Depreciation and amortization	19,922,025	63,129	1,660,510	353,117	21,998,781	22,201,236
Solid waste disposal	-	9,271,448	-	-	9,271,448	-
Wastewater treatment	56,357,104	-	-	-	56,357,104	-
Charges in lieu of taxes	13,240,291	3,074,335	-	-	16,314,626	-
Water supply	92,705,247	-	-	-	92,705,247	-
Miscellaneous	2,968,035	344,418	55,081	226,469	3,594,003	213,012
Total operating expenses	213,103,813	36,558,983	6,971,087	19,147,508	275,781,391	118,623,039
Operating income (loss)	14,027,140	497,892	3,160,188	(9,716,833)	7,968,387	135,770
NONOPERATING REVENUES (EXPENSES)						
Investment income	3,884,418	76,183	1,157,343	658,862	5,776,806	2,938,033
Gain on property disposition	-	-	-	-	-	1,343,105
Interest and fiscal charges	(1,925,427)	-	(2,089,351)	(17,936)	(4,032,714)	(392,018)
Hotel occupancy taxes	-	-	-	13,342,764	13,342,764	-
Miscellaneous	150,921	259,840	9,361	732	420,854	74,092
Total nonoperating revenues (expenses)	2,109,912	336,023	(922,647)	13,984,422	15,507,710	3,963,212
Income before contributions and transfers	16,137,052	833,915	2,237,541	4,267,589	23,476,097	4,098,982
Contributions from developers	2,656,374	-	-	-	2,656,374	-
Transfers in	-	-	-	-	-	1,005,611
Transfers out	(11,461,552)	-	(1,548,340)	(4,202,102)	(17,211,994)	(250,000)
Change in net position	7,331,874	833,915	689,201	65,487	8,920,477	4,854,593
Total net position - beginning	483,895,615	(1,973,403)	39,779,648	14,928,891	536,630,751	125,871,679
Total net position - ending	$ 491,227,489	$ (1,139,488)	$ 40,468,849	$ 14,994,378	$ 545,551,228	$ 130,726,272

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

CITY OF PLANO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION OF PROPRIETARY FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Change in net position - total enterprise funds	$	8,920,477
Amounts reported for business-type activities in the statement of activities are different because:		
Internal service funds are used by management to charge the costs of equipment maintenance, municipal warehouse, technology solutions, risk management and health claims to individual funds.		
The net revenues of certain activities of internal service funds are reported within business-type activities.		470,862
Change in net position of business-type activities	$	9,391,339

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

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds					
	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	$ 233,598,023	$ 28,297,006	$ 9,879,436	$ 8,945,851	$ 280,720,316	$ -
Cash received from other funds	-	-	-	-	-	115,931,888
Cash received from subrogation	-	-	-	-	-	3,191,207
Franchise fees	-	8,929,867	-	-	8,929,867	-
Charges in lieu of taxes	(13,240,291)	(3,074,335)	-	-	(16,314,626)	-
Cash payments to suppliers for goods and services	(169,939,075)	(23,483,797)	(2,033,800)	(12,081,393)	(207,538,065)	(75,956,897)
Cash paid to or on behalf of employees for services	(12,942,325)	(9,293,593)	(3,757,360)	(6,191,214)	(32,184,492)	(17,693,816)
Net cash provided (used) by operating activities	37,476,332	1,375,148	4,088,276	(9,326,756)	33,613,000	25,472,382
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Advances to other funds	357,143	-	-	-	357,143	-
Advances from other funds	-	(357,143)	-	-	(357,143)	-
Hotel occupancy taxes	-	-	-	13,342,764	13,342,764	-
Transfers to other funds	(11,461,552)	(14,603)	(1,548,340)	(4,202,102)	(17,226,597)	255,611
Transfers from other funds	-	-	-	-	-	500,000
Net cash provided (used) by noncapital financing activities	(11,104,409)	(371,746)	(1,548,340)	9,140,662	(3,883,833)	755,611
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(37,845,138)	-	(4,901,906)	(60,417)	(42,807,461)	(22,871,720)
Bond proceeds	45,007,177	-	5,009,426	-	50,016,603	-
Bond issuance costs paid	(5,150)	-	(2,450)	-	(7,600)	-
Proceeds from sale of equipment	-	-	-	-	-	1,583,055
Principal paid on long-term debt	(3,315,000)	-	(2,393,100)	(194,384)	(5,902,484)	(5,003,750)
Interest and fees paid on long-term debt	(1,278,700)	-	(2,192,085)	(18,786)	(3,489,571)	(248,445)
Subscription related payment	(615,300)	-	-	-	(615,300)	-
Proceeds from insurance damages	150,921	259,840	9,361	732	420,854	74,092
Net cash provided (used) by capital and related financing activities	2,098,810	259,840	(4,470,754)	(272,855)	(2,384,959)	(26,466,768)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investment securities	(98,163,680)	(2,087,323)	(23,683,049)	(10,754,752)	(134,688,804)	(62,539,409)
Proceeds from sale and maturities of investment securities	76,317,288	1,073,278	25,653,372	11,184,844	114,228,782	63,510,320
Interest on investments	3,652,930	68,200	1,137,354	646,876	5,505,360	3,136,949
Net cash provided (used) by investing activities	(18,193,462)	(945,845)	3,107,677	1,076,968	(14,954,662)	4,107,860
Net increase in cash and cash equivalents	10,277,271	317,397	1,176,859	618,019	12,389,546	3,869,085
Cash and cash equivalents - beginning	14,758,925	198,315	4,615,163	2,017,324	21,589,727	11,425,807
Cash and cash equivalents - ending	$ 25,036,196	$ 515,712	$ 5,792,022	$ 2,635,343	$ 33,979,273	$ 15,294,892
Classified as:						
Current assets	$ 15,144,179	$ 515,712	$ 1,375,399	$ 2,635,343	$ 19,670,633	$ 15,294,892
Restricted assets	9,892,017	-	4,416,623	-	14,308,640	-
Total	$ 25,036,196	$ 515,712	$ 5,792,022	$ 2,635,343	$ 33,979,273	$ 15,294,892
Noncash disclosures:						
Developers' contributions	$ 2,656,374	$ -	$ -	$ -	$ 2,656,374	$ -
Premium amortization	532,558	-	289,702	-	822,260	-
Amortization of deferred charge on refunding	-	-	(16,564)	-	(16,564)	-
Contracts, retainage, leases and SBITA payables	1,163,048	-	153,004	(194,384)	1,121,668	(5,490,105)
Property disposition/adjustments	-	-	-	-	-	(239,949)
Increase in fair value of investments	690,705	11,000	215,212	94,612	1,011,529	539,918
Transfer in (out) of capital assets	(5,411)	(10,046)	(7,848)	-	(23,305)	263,174

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

(continued)

CITY OF PLANO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(continued)

	Business-type Activities Enterprise Funds					
	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	$ 14,027,140	$ 497,892	$ 3,160,188	$ (9,716,833)	$ 7,968,387	$ 135,770
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	19,922,025	63,129	1,660,510	353,117	21,998,781	22,201,236
Pension and other postemployment benefits expense (net)	436,762	329,175	95,290	186,541	1,047,768	545,221
Change in assets and liabilities:						
(Increase) decrease in-						
Accounts receivables	6,630,522	174,158	(247,513)	(290,139)	6,267,028	-
Leases receivables	260,505	-	-	273,562	534,067	-
Other receivables	(10,267)	(114,179)	-	(3,353)	(127,799)	-
Due from other funds	103,823	-	(4,326)	(13,301)	86,196	379,082
Due from other governments	-	185,786	-	-	185,786	-
Prepaid items and other assets	(2,721,488)	(24,292)	-	104,856	(2,640,924)	434
Inventories	55,882	-	-	-	55,882	9,450
Increase (decrease) in-						
Accounts payable	(1,094,553)	2,854	(764,982)	135,467	(1,721,214)	1,616,392
Accrued liabilities	20,930	327,466	2,637	87,211	438,244	43,880
Due to other funds	417,871	110,019	177,805	(143,726)	561,969	(14,796)
Liability for compensated absences	(55,307)	8,926	8,667	11,062	(26,652)	(7,428)
Customer deposits	(237,349)	-	-	(23,431)	(260,780)	-
Deferred inflows from leases	(280,154)	-	-	(315,418)	(595,572)	-
Unearned revenue	(10)	(185,786)	-	27,629	(158,167)	-
Liability for insurance claims	-	-	-	-	-	563,141
Total adjustments	23,449,192	877,256	928,088	390,077	25,644,613	25,336,612
Net cash provided (used) by operating activities	$ 37,476,332	$ 1,375,148	$ 4,088,276	$ (9,326,756)	$ 33,613,000	$ 25,472,382

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

CITY OF PLANO, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
AS OF SEPTEMBER 30, 2025

	Pension and Other Post-Employment Benefits Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	$ 4,052,779	$ 22,108,794
Investments:		
Mutual funds:		
Domestic equity funds	176,281,570	-
International equity funds	94,273,698	-
Fixed income funds	42,184,707	-
Bank loans	18,018,710	-
Real estate investment trusts	24,427,049	-
Collective investment trusts	42,481,392	-
Diversified inflation strategies	16,568,586	-
Accrued interest	17,669	-
Prepaid items and other assets	155,884	-
Total assets	418,462,044	22,108,794
LIABILITIES		
Accrued liabilities	536,509	1,079,997
Bond holder liability	-	67,034,097
Total liabilities	536,509	68,114,094
NET POSITION		
Net position restricted for pensions	265,157,535	-
Net position restricted for other postemployment benefits	152,768,000	-
Net position restricted for custodial funds	-	(46,005,300)
Total net position	$ 417,925,535	$ (46,005,300)

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

CITY OF PLANO, TEXAS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Pension and Other Post-Employment Benefits Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
From employers	$ 11,691,932	$ -
From retirees	2,977,316	-
From property assessments	-	3,432,809
Total contributions	14,669,248	3,432,809
Investment return:		
Net increase in fair value of investment	40,594,519	-
Interest	116,523	-
Dividends	5,789,362	1,184,465
Miscellaneous	24,510	-
Total investment return	46,524,914	1,184,465
Less investment expenses:		
Trustee fees	136,265	-
Advisory fees	162,194	-
Total investment expenses	298,459	-
Net investment return	46,226,455	1,184,465
Total additions	60,895,703	4,617,274
DEDUCTIONS		
Benefits	15,288,849	-
Administrative expenses	3,026,740	-
Bond interest	-	3,728,106
Project expenses	-	6,935,990
Total deductions	18,315,589	10,664,096
Change in net position	42,580,114	(6,046,822)
Total net position - beginning	375,345,421	(39,958,478)
Total net position - ending	$ 417,925,535	$ (46,005,300)

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


Plano
City of Excellence

CITY OF PLANO, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Plano, Texas (the City) was originally incorporated in 1873 and chartered on June 10, 1961. The City operates under a Council-Manager form of government and provides such services as authorized by its charter to advance the welfare, health, comfort, safety and convenience of the City and its inhabitants.

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

A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GAAP, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component units on the Statement of Net Position and Statement of Activities. The City's Statement of Net Position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the Statement of Activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary and fiduciary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Management's Discussion and Analysis (MD&A) provides an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended General Fund and Debt Service Fund budgets with actual results. The City does not have any special revenue funds with legally adopted budgets.

B. Reporting Entity

The City is governed by an elected mayor and seven-member council. As required by GAAP, these financial statements present the City (the primary government) and its discretely presented component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the City. The criteria for including organizations as component units within the

City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name);
- the City appoints a voting majority of the organization's board;
- the City is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the City; or
- there is fiscal dependency by the organization on the City.

Discretely Presented Component Units.

The City has established a Tax Increment Financing District Number Two (TIF No. 2) for project improvements within the City. The TIF No. 2 provides financing for public improvements associated with the future development of East Plano. The project was approved by City Council in fiscal year 1999. The TIF No. 2 is legally separate from the City, and the City appoints a majority of its governing board; however, the entity is fiscally dependent on the City. All taxing entities, including the Plano Independent School District, Collin College and Collin County continued to participate through the initial term which expired December 31, 2014. In fiscal year 2014, the City passed an ordinance to extend the termination date for an additional 15 years. The additional 15-year term includes participation with the City, as well as, Collin County.

In December 2018, City Council approved Tax Increment Financing District Number Three (TIF No. 3) to support construction and development of the Silver Line (formerly Cotton Belt) Regional Rail Project in the City of Plano. TIF No. 3 consists of two non-contiguous areas within an approximate ½ mile walking distance of planned 12th Street and Shiloh Road Stations. A station along the Dallas Area Rapid Transit (DART) Red Line is also planned for the project. Properties within TIF No. 3 largely consist of commercial, industrial and office type uses. The base year for calculating tax increments is 2018. Contributions are limited to a total of $12.3 million or the revenue on real property taxes levied through 2038, whichever occurs first. A portion of the increments collected from existing TIF No. 2 parcels within an approximate ½ mile walking distance of the proposed 12th Street Station shall also be dedicated to the project.

On July 22, 2019, a development agreement for the Collin Creek Mall Redevelopment Project was approved between the City and Collin Creek Development, LLC (developer). As part of the agreement, City Council agreed to establish TIF No. 4. In addition, City Council adopted a resolution establishing the Collin Creek West Public Improvement District (PID) in February 2021. The Collin Creek East PID was approved by resolution in January 2020 and its expansion in February 2021. The Collin Creek West PID and the Collin Creek East PID's first Service and Assessment plan and Assessment Roll was approved by ordinance(s) in August 2021. The Zone is established to support the revitalization of the Collin Creek Mall and surrounding gateway area. The tax increment would fund public projects with the Zone. Service and Assessment Plan updates are required to be approved annually to determine needed projects. The City is current with its updates and the discretely presented component began activity in fiscal year 2024. The City recognizes the positive impact the Collin Creek PIDs will bring to the City and promote state and local economic development.

On January 8, 2024, City Council approved TIF No. 5 to support the redevelopment of vacant corporate office campuses in the Legacy Business Area (the District). The District contains approximately 703 acres generally bounded by Dallas North Tollway to the west, Tennyson Parkway to the south, Headquarters to the north and Hedgecoxe to the east. The duration of the zone will be 25-years and the increment will be set at 65%, currently with City participation only. No activity occurred for TIF No. 5 in the current year.

The financial statements are formatted to allow the user to clearly distinguish between primary government and its discretely presented component units. Financial reports may be obtained by request to the City's Accounting Division, 1520 Avenue K, Suite 370, Plano, Texas 75074.

Blended Component Units.

The City first established a Downtown Plano PID for project improvements and services for the Downtown Plano area, which benefits the primary government. The PID was approved in October 2014. In November 2017, City Council voted to renew the PID for an additional five years. That PID was allowed to expire and a new PID with the same purpose was established in December 2022. The new PID has a 10-year term. The PID is utilized to provide additional improvements and services in Downtown Plano where funding is derived from a special assessment paid by downtown property owners and based on a property's taxable value. Chapter 372 of the Texas Local Government Code allows City Council to establish an advisory board for the PID, which has the responsibility of developing the improvement plan for the PID. The Advisory Board consists of all property owners within the Downtown Plano PID. The Advisory Board prepares an annual service plan and assessment plan for consideration to City Council for their review and approval.

The Plano Improvement Corporation (PIC) was established as a 501(c)3 to serve as a non-profit corporation to facilitate real estate transactions and serve as an independent foundation for acceptance of donations. The City desired to create the PIC for the purpose of transfer of land and improvements that the City wants developed pursuant to Texas Local Government Code §272.001(b)(4). Occasionally, individuals, as well as charitable corporations and foundations, desire to donate to the City to benefit the citizens of Plano. The City provides all financial support to the PIC and because the services provided by the PIC exclusively benefit the City, it is blended into the City's financial statements in the other governmental funds category.

On January 9, 2023, City Council conducted a public hearing to consider a petition requesting the creation of the Haggard Farm PID. A resolution creating the PID was approved. In August 2023, a development agreement for the Haggard Farm Project was approved between the City and developer. The City received payment from the developer to pay for outside professional services utilized in this project. City Council adopted a resolution calling for a public hearing to consider the Service and Assessment Plan and Assessment Roll for the Haggard Farm PID on October 23, 2023. The City recognizes the positive impact the Haggard Farm PID will bring to the City and how it will promote economic development.

Related Organization.

The City's mayor appoints the board of the Plano Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments. Thus, it is not included in the primary government or as a discretely presented component unit.

C. Upcoming and Newly Implemented Accounting Pronouncements

The GASB has issued the following statements:

GASB Statement No. 103, *Financial Reporting Model Improvements,* will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The City is currently evaluating the impact of this Statement.

GASB Statement No. 104, *Disclosure of Certain Capital Assets,* will provide users of government financial statements with essential information about certain types of capital assets to be disclosed separately in the capital assets note disclosures, such as lease and subscription assets. The Statement also requires for additional disclosures for capital assets held for sale. The requirements of this Statement are effective for

fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The City is currently evaluating the impact of this Statement.

D. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements; the focus is either the City as a whole or major individual funds (within the fund financial statements). The government-wide financial statements (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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The exception to this general rule is interfund services provided by the internal service funds. Elimination of these charges would distort the direct costs reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a functional category (police, fire, public works, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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; (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items properly excluded from program revenues are reported instead as general revenues. The net cost (by function or business-type activity) is normally covered by general revenue, such as property and sales taxes, franchise fees and interest income.

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the General, Debt Service, Capital Maintenance, Street Improvements, Municipal Facilities, Park Improvements, Economic Development Incentive and Grants funds. The major enterprise funds are the Water and Sewer, Sustainability and Environmental Services and Municipal Drainage funds. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a separate column in the fund financial statements.

Internal service funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the cost of these services is reflected in the appropriate functional activity (police, fire, public works, etc.). The City's internal service funds consist of Equipment Maintenance, Municipal Warehouse, Technology Solutions, Risk Management and Health Claims funds.

The City's fiduciary funds are presented only in the fund financial statements. Since by definition these assets are being held for the benefit of a third-party (other local governments, individuals, pension participants, developer projects, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's fiduciary funds consist of funds that account for the Pension Trust and Other Post-Employment Benefits (OPEB) Trust Funds, as well as, custodial funds related to the Collin Creek Mall redevelopment and Haggard Farm projects.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal year. The focus of the fund financial statements is on the major individual funds of the governmental and proprietary categories, as well as, the fiduciary funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

E. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. The economic resources measurement focus means all assets, liabilities and deferred outflows and inflows (whether current or noncurrent) are included on the Statement of Net Position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services, which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, in other words, 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 government considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. 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, lease liabilities and claims and judgments, are recorded only when the obligation has matured and is due and payable shortly after year-end. General capital asset acquisitions, including entering into contracts giving the City the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and subscription-based information technology arrangements are reported as other financing sources.

Ad valorem, franchise and sales tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept.

Licenses and permits, charges for services, fines and forfeitures, contributions and miscellaneous revenues are recorded as revenues when received in cash, as the resulting receivable is not measurable. Investment earnings or losses are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Intergovernmental grant revenues are recognized when all eligibility requirements have been met. Additionally, funds received in advance for which all eligibility requirements have not been met are considered unearned revenue.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as needed.

Paving assessments in the Street Improvements Fund are recorded as revenues when cash is received. The assessments are measurable when assessed but are generally not available for use.

Proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows, liabilities and deferred inflows associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in total net position. 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 City's Water and Sewer, Sustainability and Environmental Services, Municipal Drainage, Convention and Tourism, Municipal Golf Course, Downtown Center Development and Recreation Revolving funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include 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.

The following major funds are used by the City:

1. Governmental Funds:

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

a. The General Fund accounts for several of the City's primary services (police, fire, public works, libraries, parks and recreation, etc.) and is the primary operating unit of the City.

b. The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

c. The Capital Maintenance Fund accounts for the financing of betterments and renewals to the City's facilities and infrastructure and for public improvements not requiring general obligation bond financing.

d. The Street Improvements Fund accounts for the financing and acquisition of right-of-way and construction of streets, storm sewers and alleys. Resources are provided primarily through bond sales, paving assessments and interest earnings.

e. The Municipal Facilities Fund accounts for the financing and construction of various City facilities. Funds are provided primarily through bond sales and interest earnings.

f. The Park Improvements Fund accounts for the financing and construction of park projects. Funds are provided primarily through bond sales and interest earnings.

g. The Economic Development Incentive Fund accounts for projects stimulating economic development for the City through usage of Chapter 380 agreements as authorized by the Texas Local Government Code. In prior years, a portion of ad valorem tax revenue was dedicated for economic development program incentives and beginning in fiscal year 2024, City Council opted to cap funding from the General Fund at $8.5 million. It was removed after two years in place.

h. The Grant Fund accounts for resources received from other governmental agencies.

2. Enterprise Funds:

The focus of proprietary funds measurement is upon determination of operating income, changes in net position, financial position and cash flows, which is similar to businesses. The following is a description of the major enterprise funds of the City:

a. The Water and Sewer Fund accounts for the operation of the City's water and sewer utilities. Activities of the fund include administration, operation and maintenance of the water and sewer system and billing and collection activities. All costs are financed through

charges to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure financial integrity of the fund.

b. The Sustainability and Environmental Services Fund accounts for the provision of environmental services to customers who are billed monthly at a rate sufficient to cover the cost of providing such services.

c. The Municipal Drainage Fund accounts for the City's storm water management program.

3. Other Fund Types:

The City additionally reports for the following fund types:

a. Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, generally on a cost-reimbursement basis.

b. Fiduciary funds are used to account for the accumulation of resources to be used for the retirement benefit payments, postemployment health benefits for employees of the City and project redevelopment of the Collin Creek Mall and Haggard Farm areas.

- On January 1, 1983, the City withdrew from the Federal Social Security system and created the Retirement Security Plan (referred to as Pension Trust Fund in accompanying schedules), a single-employer, defined benefit pension plan and provides retirement benefits for all full-time employees of the City.

- The Other Post-Employment Benefits Trust Fund offers certain benefits to eligible retirees and dependents, such as medical, dental and vision insurance benefits. It is a single-employer other postemployment benefit plan.

- To develop and revitalize the Collin Creek Mall area, the developer plans to include 400,000 square feet of retail space, as well as an assortment of restaurants and entertainment destinations. The goal of the project, Collin Creek East and West PIDs, is to create a multifunctional environment conducive to living, working and leisure activities. A professional Special District Administrator initiates reimbursement requests to the developer and distribution of assets are performed by a trust bank where the assets are held.

- Haggard Farm PID, a mixed-use development of restaurants, offices, housing and parks on almost 130-acres of undeveloped space called Haggard Farms, will create an attractive environment of multipurpose highlights. A professional Special District Administrator initiates reimbursement requests to the developer and distribution of assets are performed by a trust bank where the assets are held.

F. Cash, Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits, escrow cash with a fiscal agent and short-term investments with original maturities of three months or less from the date of acquisition.

Cash and cash equivalents for government-wide funds are pooled in order to maximize investment opportunities. Although individual funds may experience temporary overdraft liabilities, a positive balance is maintained in combined cash.

All investments are recorded at fair value based on quoted market prices, except for certificates of deposit and investments in government pools, which are recorded at amortized cost and certain pension and OPEB

Trust funds that are measured at net asset value. Amortized cost approximates fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

G. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund advances or interfund receivable/payable. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

H. Inventories, Prepaid Items and Other Assets

Inventories of supplies are maintained at the City warehouse for use by all City funds and are accounted for by the consumption method. They are valued at cost, which is determined using a weighted-average method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased.

Prepaid items are for payments made by the City in the current year to receive services occurring in the subsequent fiscal year, utilizing the consumption method. Inventories and prepaid items are reflected as nonspendable fund balance in the governmental funds.

I. Interfund Transactions

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Long-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts and fund balance is nonspendable for these amounts. All legally authorized transfers are appropriately treated as transfers and are included in the results of operations of both governmental and proprietary funds. Nonrecurring or nonroutine transfers of equity between funds, for example, contribution of capital assets to a proprietary fund or transfers of residual balances of discontinued funds to other funds, are accounted for as transfers.

J. Capital Assets

Property, plant and equipment purchased or acquired are carried at historical cost or estimated historical cost. Contributed capital assets are recorded at acquisition value at the time received. Public domain (infrastructure) capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems have been recorded at estimated historical cost. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Right-to-use lease and subscription assets are discussed in notes I. Q. and I. R., respectively, below.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, right-to-use lease and subscription assets and infrastructure of the primary government and business-type activities are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15-40
Right-to-use lease buildings	3-100
Improvements other than buildings	20-50
Equipment	5-10
Right-to-use lease equipment	3-10
Right-to-use subscription assets	2-10
Infrastructure	30-50
Drainage Improvements	50

K. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. Upon termination and completion of five years of service, an employee is reimbursed for accumulated vacation up to 480 hours. Vacation leave cannot accrue in excess of 480 hours. Full-time, non-civil service employees, with at least five years of service, are eligible to be paid out for unused sick leave upon termination up to 720 hours. However, fire department civil service shift personnel may be paid for up to 1,080 hours. Accumulated vacation and sick leave is accrued when incurred in the government-wide and proprietary financial statements.

L. Federal and State Grants

Grants and shared revenues are generally accounted for within the fund financed. Federal grants are accounted for within the Grant Fund (special revenue), Street Improvements Fund (capital projects) and Park Improvements Fund (capital projects). Various state grants are also included in the Grant Fund and Street Improvements Fund. Grant revenues received for purposes normally financed through the general government are accounted for within the General Fund and those for specific purposes in the special revenue funds.

M. Retirement Plans

The City has two separate retirement (pension) plans, Texas Municipal Retirement System (TMRS) and Retirement Security Plan (RSP), covering substantially all employees. In addition, the City has an Internal Revenue Code Section 457 deferred compensation plan and an OPEB plan (Section 115 Other Post-Employment Benefits Trust or 115 Trust). It is the City's policy to record the cost for such plans on the accrual basis (see Note 5).

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Difference in expected and actual experience for the pension and OPEB plans – This difference is deferred and recognized over the estimated average remaining service lives of all members determined as of the measurement date.

- Difference in projected and actual investment earnings on pension and OPEB plans' assets – This difference is deferred and amortized over a closed five-year period.

- Changes in actuarial assumptions used to determine pension liability for the RSP and OPEB plans – This difference is deferred and amortized over the estimated average remaining service lives of all members determined as of the measurement date.

- Pension and OPEB plans' employer contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

- Deferred charges on refundings – This outflow results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- Unavailable revenue – These deferred inflows are reported on the governmental funds balance sheet as the funds are not received soon enough after year end to pay liabilities of the current period. These deferred inflows are reclassified to revenue on the governmental-wide financial statements.

- Difference in expected and actual experience for the pension and OPEB plans – This difference is deferred and recognized over the estimated average remaining service lives of all members determined as of the measurement date.

- Difference in projected and actual investment earnings on pension and OPEB plans' assets – This difference is deferred and amortized over a closed five-year period.

- Changes in actuarial assumptions used to determine liabilities for the pension and OPEB plan – This difference is deferred and amortized over the estimated average remaining service lives of all members determined as of the measurement date.

- Deferred amounts related to leases – This amount is initially an offset to Lease Receivable recorded at lease commencement, and subsequently, recognized as revenue over the life of the lease term.

O. Long-Term Debt

General Obligation bonds issued for general government capital projects that are to be repaid from tax revenues of the City are recorded in the government-wide statement of net position. Tax Anticipation Notes have been issued to fund permanent public improvements related to public safety communications and network infrastructure. Such notes are to be repaid from tax revenues of the City and are recorded in the government-wide statement of net position. Revenue bonds issued for proprietary fund assets that are to be repaid by the proprietary fund are recorded in the proprietary funds.

Revenue bonds have been issued to fund capital projects of proprietary funds. Such bonds are to be repaid from the net revenues of the applicable proprietary fund. To date, revenue bonds have been issued for municipal drainage and waterworks and sewer system improvements.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest method in the government-wide financial statements. Issuance costs are recognized as an expense in the period incurred. 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, issuance costs, in the current period. The face amount of the debt issued is reflected as other financing

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

P. Net Position

In the government-wide and proprietary funds financial statements, the net position is reported in three components: (1) net investment in capital assets, (2) restricted and (3) unrestricted. Net investment in capital assets represents the City's total investment in capital assets, net of depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

The Sustainability and Environmental Services Fund reported negative net position of $1,139,488 at September 30, 2025. Expenses are projected to increase in 2026 to account for the growth in commercial and residential entities. In fiscal year 2026, continued rate increases will occur for residential and commercial customers.

The Grant Fund also reported negative fund balance of $572,851 at September 30, 2025, due to reimbursements not being received within 30 days and, therefore, not considered available to pay liabilities of the current period.

Q. Leases

The City has contracts as lessee and lessor related to various capital assets.

Lessee –

The City recognizes a lease liability and intangible right-to-use lease assets in the government-wide and proprietary funds financial statements.

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

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

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

- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of its leases and will re-measure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor –

The City recognizes lease receivables and deferred inflows of resources in the government-wide, governmental funds and proprietary funds financial statements.

The City initially measures the lease receivables at the present value of payments expected to be received during the lease term. Subsequently, the lease receivables are reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivables, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term. Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts.

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

The City monitors changes in circumstances that would require a re-measurement of its leases, and will re-measure the lease receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivables.

R. Subscription-Based Information Technology Arrangements (SBITA)

The City has contracts with SBITA vendors for the right-to-use information technology software, alone or in combination with tangible capital assets. The City recognizes subscription liabilities, reported with long-term debt, and right-to-use subscription assets, reported with the other capital assets, in the government-wide and proprietary funds financial statements.

At implementation of GASB Statement No. 96 and the commencement of SBITAs beginning after October 1, 2022, the City initially measured the subscription liabilities at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liabilities are reduced by the principal portion of SBITA payments made. The right-to-use subscription assets are initially measured as the initial amount of the subscription liabilities, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying assets.

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

- The subscription term includes the non-cancellable period of the SBITA.

- Subscription payments included in the measurement of the subscription liabilities are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liabilities.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance and net position of governmental activities as reported in the government-wide statement of net position. One element of the reconciliation explains, “Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

Bonds and tax anticipation notes payable	$ (632,410,000)
Bond premium	(34,818,757)
Accrued interest payable	(2,289,294)
Leases liability	(1,974,029)
Subscription liabilities	(4,247,633)
Compensated absences	(54,563,981)
	$ (730,303,694)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of the reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense." The details of this difference are as follows:

Capital outlay	$ 173,525,051
Depreciation expense	(73,238,239)
Lease and SBITA amortization expense	(1,665,945)
Other capital-related transactions	(1,291,574)
	$ 97,329,293

Another element of the reconciliation states, "The issuance of long-term debt 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 and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Bonds issued:	
New money	$ (71,965,000)
Refunded bonds	(18,145,000)
Premium	(4,981,235)
Interest and sinking fund for bonds	3,262
Payment to escrow agent	19,522,789
Interest earned on escrow	203,337
Principal payments	43,180,000
Lease and SBITA principal payments	1,362,210
	$ (30,819,637)

The reconciliation also states, "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 governmental funds." The details of this difference are as follows:

Compensated absences	$ (53,564)
Accrued interest	(120,666)
Amortization of deferred charge on refunding	(873,376)
Amortization of bond premium	8,922,563
	$ 7,874,957

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Legal Compliance - Budgets

The City Charter contains the following requirements, which are adhered to by City Council, regarding preparation of the annual budget:

- The City Manager, between 60 and 90 days prior to October 1 of each fiscal year, shall submit to City Council a proposed budget. Such budget shall provide a complete financial plan for the fiscal year.

- At the meeting of City Council at which the budget is submitted, City Council shall fix the time and place of a public hearing on the budget and shall cause to be published in the official newspaper of the City, a notice of the hearing setting forth the time and place thereof at least five days before the date of such hearing.

- The budget shall be finally adopted no later than 15 days prior to the beginning of the fiscal year and should City Council fail to so adopt a budget, the then existing budget together with its tax-levying ordinance and its appropriation ordinance, shall be deemed adopted for the ensuing fiscal year.

City Council approves annual appropriations for operations and interfund transfers for all operating and debt service funds. Only the General Fund and Debt Service Fund have legally adopted annual budgets. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. During the year, there were no supplemental appropriations. Funds with operating appropriations and interfund transfers set by ordinance include the General Fund and Debt Service Fund. During the year, appropriations are adjusted as a result of re-estimates by the departments. For budgetary purposes, unencumbered appropriations lapse at fiscal year-end.

Budgets and Budgetary Basis of Accounting

The Budgetary Comparison Schedule, included in the required supplementary information section of this report, presents a comparison of budgetary data to actual results of operations for the General Fund, for which an annual operating budget is legally adopted. This fund utilizes the same basis of accounting for both budgetary purposes and actual results, with the following exceptions:

- The portion of ad valorem tax revenues in the General Fund from “rolled back” tax payments (those taxes, up to five years back, on properties previously taxed at special use exemption values and currently changed to full values) are excluded from the budgetary basis tax revenues and from the general governmental expenditures.

- The General Fund encumbrances are added to the actual expenditures for budgetary comparison.

- The GASB 31 fair value adjustments are excluded for budgetary comparison.

Nature and Purpose of Classifications of Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Fund balance should be reported as restricted when constraints placed

on the use of resources are either externally imposed by creditors (such as, through debt covenants), grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provision or enabling legislation. Fund balance should be reported as committed when amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Fund balance should be reported as assigned for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Unassigned fund balance is the residual classification for the General Fund and includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

Open encumbrances are recorded as assignments of fund balance as of September 30 of each year, and the subsequent year's budget is increased to reflect these encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year. Below are details of encumbrances at September 30, which are classified as a portion of assigned fund balance:

Assigned to encumbrances:	
Governmental funds	
General	$ 5,929,398
Capital maintenance	19,577,929
Street improvements	46,022,351
Municipal facilities	2,154,329
Park services	606,283
Park improvements	27,179,395
	$ 101,469,685

City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify or rescind a fund balance commitment is a resolution approved by City Council. This can also be done through adoption or amendment of the budget. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

City Council has authorized the City Manager as the official to assign fund balance. Such assignments cannot exceed the available (spendable, unrestricted and uncommitted) fund balance in any particular fund.

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by City Council and unassigned fund balance), the City will start with the most restricted category and spend those funds first before the next category with available funds.

It is the desire of the City to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. City Council has adopted a financial standard to maintain a General Fund minimum unassigned fund balance of 30 days working capital.

IV. DETAILED NOTES ON ALL FUNDS

1. DEPOSITS AND INVESTMENTS:

Deposits

Pursuant to provisions of both the Texas Public Funds Investment Act (PFIA) and the Public Funds Investment Policy of the City, all deposits of the City that exceed the federal depository insurance coverage level are collateralized with an irrevocable letter of credit at 100% or by securities held by a third party custodian and pledged to the City in an amount not less than 102% (on a fair value basis) of the City's deposit of public funds and any accrued interest.

At September 30, 2025, the carrying amount of the City's demand deposits was $8,834,299, which includes component units' deposits of $14,189,399. The bank balance was $8,411,909. Cash on hand totaled $1,061,767. The carrying value and the bank balance of the City's non-negotiable certificates of deposit (CD) were $57,845,897. The carrying value of cash held in trust by a bank trust department for the Pension and Other Post-Employment Benefits Trust Funds were $4,844,880. The carrying value of cash held in trust by a bank trust department for the Collin Creek and Haggard Farm Custodial Funds was $22,108,794.

Investments – Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs. As of September 30, 2025, the City does not value any of its investments using Level 3 inputs. Additionally, the Pension and Other Post-Employment Benefits Trust Funds have investments measured at the Net Asset Value (NAV). Investments measured at NAV are not classified in the fair value hierarchy.

The City has the following recurring fair value measurements as of September 30, 2025:

- U.S. agencies of $276.3 million are valued using matrix pricing (Level 2 inputs)
- Municipal bonds of $229.4 million are valued using quoted market prices in markets that are not active (Level 2 inputs)

The Pension and Other Post-Employment Benefits Trust Funds have the following recurring fair value measurements as of September 30, 2025:

- Fixed income investments of $42.2 million are valued using quoted market prices (Level 1 inputs)
- Equities of $270.5 million are valued using quoted market prices (Level 1 inputs)

At September 30, 2025, the City's investment balances measured at fair value levels were as follows:

		Fair Value Measurements Using			
	9/30/2025	Quoted Prices in Active Markets for Identical Assets Primary Government (Level 1)	Significant Other Observable Inputs Primary Government (Level 2)	Significant Other Observable Inputs Component Unit (Level 2)	Weighted Avg Maturity (Years)
Government-wide					
U.S. agencies	$ 276,267,458	$ -	$ 276,267,458	$ -	0.8505
Municipal bonds	229,409,858	-	229,409,858	-	0.5966
Total Government-wide	505,677,316	-	505,677,316	-	1.4471
Trust Funds					
Pension and Other					
Post-Employment Benefits:					
Fixed income funds	42,184,707	42,184,707	-	-	NA
Domestic equity funds	176,281,570	176,281,570	-	-	NA
International equity funds	94,273,698	94,273,698	-	-	NA
Total Investment Trust Funds	312,739,975	312,739,975	-	-	
Total Investments Measured at Fair Value	$ 818,417,291	$ 312,739,975	$ 505,677,316	$ -	

At September 30, 2025, the City's investment balances measured at the net asset value (NAV) per share (or its equivalent) were as follows:

	9/30/2025	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Trust Funds				
Pension and Other				
Post-Employment Benefits:				
Real estate collective trusts	$ 24,427,049	$ -	Quarterly	45 days
Collective investment trusts	42,481,392	-	Not limited	None
Bank loans	18,018,710	-		
Diversified inflation strategies	16,568,586	-		
Total Investments Measured at the NAV	$ 101,495,737	$ -		
Total Investments	$ 919,913,028			

In addition, the City had investments in government pools at September 30, 2025 totaling $143,480,950 which are recorded at amortized cost. GASB Statement No. 79, *Certain External Investment Pools and Pool Participants,* establishes criteria for an external investment pool to qualify for making an election to measure all of its investments at amortized cost. The City does not have any limitations or restrictions on withdrawals.

Investments in the Pension and the Other Post-Employment Benefits Trust Funds are held by a bank trust department, apart from the overall City's cash and investments. The City employs the services of professional investment managers, an investment consultant and a custodial bank to retain the assets and administer benefit payments of the Pension and Other Post-Employment Benefits Trust Funds. The investments are subject to the policies and guidelines established by the Pension and Other Post-Employment Benefits Trust Funds committee members.

The City is authorized to invest in: (1) obligations of, or guaranteed by, governmental entities; (2) certificates of deposit, issued by a depository institution that has its main office or branch in Texas; (3) fully collateralized repurchase agreements having a defined termination date; (4) commercial paper having a stated maturity of 365 days or fewer and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state; (5) no-load money market mutual funds registered and regulated by the SEC, or no-load mutual funds registered with the SEC, having an average weighted maturity of less than two years and either has a duration of one year or more and is invested exclusively in obligations authorized by the PFIA; or has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities; and (6) eligible investment pools that invest in instruments and follow practices allowed by current law as defined by PFIA, provided that each investment meets guidelines set forth by the City's investment policy.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from increasing interest rates, the City's investment policy establishes the portfolio's maximum average dollar-weighted maturity of no more than two and a half years. By policy, the City will not directly invest in securities maturing more than five years from the date of purchase.

Credit Risk. The City's investment policy, in conjunction with state law, specifies the type of credit rating of all authorized investments. The City's investments in U.S. Agency securities, including, Federal Agricultural Mortgage Corporation (FAMC), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB) and Federal Farm Credit Bank (FFCB), are rated AA+ by Standard and Poor's and Aa1 by Moody's Investors Service. The investment in the Texas Local Government Pools (Texas Class, Texas Range and Texas Fixed Income Trust) carried a credit rating of AAAm by Standard & Poor's or Fitch as of September 30, 2025. The investments in Municipal Securities hold an investment rating not less than A or its equivalent.

Custodial Credit Risk. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy follows state statutes, which require that all deposits in financial institutions be fully collateralized or insured. For investments, custodial credit risk is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all investments held by outside parties for safekeeping be held in the name of the City. The City was not exposed to any custodial credit risk during the year.

Concentration of Credit Risk. Except for U.S. Treasury securities and authorized pools, the City's investment policy limits the amount that may be invested in any one security type to 50% of the total investment portfolio. As of September 30, 2025, five percent (5%) or more of the City's total investments are in municipal bonds (32.45%), Federal Agricultural Mortgage Corporation (11.33%), Federal Farm Credit Bank (13.98%), Federal Home Loan Bank (5.42%) and investment pools (20.29%), on a fair value basis.

2. PROPERTY TAXES:

The City's ad valorem, or property tax, is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. The property taxes attach as an enforceable lien on property as of January 1. Appraised values are established by the Central Appraisal Districts of Collin and Denton Counties at 100% of estimated market value and certified by the Appraisal Review Boards. The original certified assessed value for the tax roll of January 1, 2024, was $62,213,379,722. Subsequent adjustments decreased this value to $58,955,108,434.

Taxes are due October 1 and become delinquent after the following January 31. Penalty and interest are charged at 7% on delinquent taxes beginning February 1, and increases each month to 18% on July 1.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the tax levy is billed. Current year revenues recognized are those ad valorem taxes collected within the current period or soon enough thereafter to pay current liabilities, generally thirty days after year-end. Current tax collections for the year ended September 30, 2025, were 99.8% of the tax levy.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The tax rate to finance general governmental services, including debt service, for the year ended September 30, 2025, was $0.4176 ($0.3026 for general government and $0.1150 for debt service) per $100 of assessed valuation. Thus, the City has a tax margin of $2.0824 per $100 and could have levied up to $1,227,681,178 in additional taxes from the present assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City, at its own expense, requires annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals, and, if necessary, legal action. Under this system, the City sets tax rates on City property. However, if the no-new-revenue rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 3.5%, an election is required to determine whether to limit the tax rate to no more than 3.5% above the tax rate of the previous year.

3. RECEIVABLES:

Receivables at September 30, 2025 for the government's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, consist of the following:

	Property Taxes	Other Taxes	Accounts	Leases	Accrued Interest	Assessments	Other	Gross Receivables	Less: Allowance for Uncollectibles	Net Total Receivables
General	$ 2,716,814	$ 21,207,655	$ 1,118,270	$ 7,482,771	$ 662,955	$ -	$ -	$ 33,188,465	$ (1,752,329)	$ 31,436,136
Debt Service	1,011,917	-	-	-	17,311	-	-	1,029,228	(650,519)	378,709
Capital Maintenance	-	-	-	-	364,579	-	-	364,579	-	364,579
Street Improvements	-	-	-	-	473,030	1,271,842	-	1,744,872	-	1,744,872
Municipal Facilities	-	-	-	-	147,927	-	-	147,927	-	147,927
Park Improvements	-	-	-	-	219,190	-	-	219,190	-	219,190
Economic Development Incentive	-	-	-	-	470,352	-	-	470,352	-	470,352
Grant	-	-	-	-	9,020	-	808,684	817,704	-	817,704
Water and Sewer	-	-	29,165,534	2,113,555	669,069	-	58,334	32,006,492	-	32,006,492
Sustainability and Environmental Services	-	-	2,719,007	-	13,605	-	769,673	3,502,285	-	3,502,285
Municipal Drainage	-	-	1,344,539	-	154,369	-	-	1,498,908	-	1,498,908
Nonmajor and Other Funds	-	-	1,207,893	2,545,183	896,127	-	-	4,649,203	-	4,649,203
	$ 3,728,731	$ 21,207,655	$ 35,555,243	$ 12,141,509	$ 4,097,534	$ 1,271,842	$ 1,636,691	$ 79,639,205	$ (2,402,848)	$ 77,236,357

The enterprise fund accounts receivable includes unbilled charges for services of $16,904,508 rendered at September 30, 2025.

Leases receivable – The City has entered into multiple lease agreements for land and cell sites as lessor. The lease rate, term and ending lease receivables at September 30, 2025 are as follows:

	Interest Rates	Lease Term in Years	Ending Balance
General Fund:			
Land	4.20%	20-50	$ 6,727,101
Cell sites	4.20%	30	755,670
			$ 7,482,771
Water and Sewer Fund:			
Cell sites	4.20%	30	$ 2,113,555
Nonmajor Enterprise Funds:			
Land	4.20%	114	$ 2,545,183

4. CAPITAL ASSETS:

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

Primary Government

	Balance at Beginning of Year	Additions	Transfers	Retirements	Balance at End of Year
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 180,012,680	$ 15,000,000	$ 4,173,683	$ -	$ 199,186,363
Construction in progress	87,543,917	156,689,039	(114,110,715)	-	130,122,241
Public art	1,846,983	-	87,189	(39,100)	1,895,072
Total capital assets, not being depreciated	269,403,580	171,689,039	(109,849,843)	(39,100)	331,203,676
Capital assets, being depreciated/amortized:					
Buildings	386,658,889	148,267	18,439,893	-	405,247,049
Right-to-use lease buildings	2,119,052	469,450	-	-	2,588,502
Improvements other than buildings	372,889,371	-	12,113,767	-	385,003,138
Equipment	293,411,600	22,720,627	6,418,769	(6,440,046)	316,110,950
Right-to-use lease equipment	9,421,946	435,511	-	-	9,857,457
Right-to-use subscription assets	10,769,290	6,332,682	-	-	17,101,972
Infrastructure	1,695,058,803	458,560	72,900,719	-	1,768,418,082
Total capital assets, being depreciated/amortized	2,770,328,951	30,565,097	109,873,148	(6,440,046)	2,904,327,150
Less accumulated depreciation/amortization for:					
Buildings	(218,739,687)	(15,562,551)	-	-	(234,302,238)
Right-to-use lease buildings	(718,561)	(341,354)	-	-	(1,059,915)
Improvements other than buildings	(163,621,903)	(10,617,361)	-	-	(174,239,264)
Equipment	(222,137,476)	(22,526,584)	-	6,200,097	(238,463,963)
Right-to-use lease equipment	(3,294,294)	(2,172,785)	-	-	(5,467,079)
Right-to-use subscription assets	(3,109,434)	(3,757,714)	-	-	(6,867,148)
Infrastructure	(831,344,228)	(42,127,071)	-	-	(873,471,299)
Total accumulated depreciation/amortization	(1,442,965,583)	(97,105,420)	-	6,200,097	(1,533,870,906)
Total capital assets, being depreciated/amortized, net	1,327,363,368	(66,540,323)	109,873,148	(239,949)	1,370,456,244
Governmental Activities capital assets, net	$1,596,766,948	$ 105,148,716	$ 23,305	$ (279,049)	$ 1,701,659,920
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 10,180,867	$ -	$ 305,484	$ -	$ 10,486,351
Construction in progress	42,903,005	44,685,160	(38,614,411)	-	48,973,754
Public art	50,000	-	-	-	50,000
Total capital assets, not being depreciated	53,133,872	44,685,160	(38,308,927)	-	59,510,105
Capital assets, being depreciated/amortized:					
Buildings	17,652,197	-	-	-	17,652,197
Right-to-use lease buildings	985,354	-	-	-	985,354
Improvements other than buildings	795,696,830	2,656,373	6,651,776	-	805,004,979
Drainage improvements	66,600,968	-	31,657,151	-	98,258,119
Equipment	2,577,230	75,874	(15,457)	-	2,637,647
Right-to-use lease equipment	59,760	-	-	-	59,760
Right-to-use subscription assets	37,092	11,680,037	(7,848)	-	11,709,281
Total capital assets, being depreciated/amortized	883,609,431	14,412,284	38,285,622	-	936,307,337
Less accumulated depreciation/amortization for:					
Buildings	(16,510,160)	(131,379)	-	-	(16,641,539)
Right-to-use lease buildings	(509,642)	(173,595)	-	-	(683,237)
Improvements other than buildings	(403,667,873)	(19,531,310)	-	-	(423,199,183)
Drainage improvements	(16,900,402)	(1,648,591)	-	-	(18,548,993)
Equipment	(2,048,212)	(100,212)	-	-	(2,148,424)
Right-to-use lease equipment	(44,819)	(14,940)	-	-	(59,759)
Right-to-use subscription assets	(9,273)	(398,754)	-	-	(408,027)
Total accumulated depreciation/amortization	(439,690,381)	(21,998,781)	-	-	(461,689,162)
Total capital assets, being depreciated/amortized, net	443,919,050	(7,586,497)	38,285,622	-	474,618,175
Business-type Activities capital assets, net	$ 497,052,922	$ 37,098,663	$ (23,305)	$ -	$ 534,128,280

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

Governmental activities:	
General government	$ 18,512,733
Administrative services	21,430
Police	1,499,743
Fire	399,284
Libraries	551,497
Development	460,506
Public services and operations	155,914
Parks and recreation	10,801,040
Public works	42,502,037
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	22,201,236
Total depreciation/amortization expense - governmental activities	$ 97,105,420
Business-type activities:	
Water and sewer	$ 19,922,025
Sustainability and environmental services	63,129
Municipal drainage	1,660,510
Convention and tourism	238,399
Recreation revolving	114,718
Total depreciation/amortization expense - business-type activities	$ 21,998,781

Component Unit

	Balance at Beginning of Year	Additions	Transfers	Retirements	Balance at End of Year
TIF No. 2 Activities:					
Capital assets, not being depreciated:					
Land	$ 7,223,987		$ -	$ -	$ 7,223,987

Future expenditures for capital projects will be funded from federal and state grants, as well as, unexpended bond proceeds and additional General Obligation or Revenue bonds and operating revenues. In May 2021, $363,965,000 of various purpose General Obligation bonds were authorized, of which $307,445,000 has been issued.

5. EMPLOYEE BENEFIT PLANS:

Summary of Significant Accounting Policies

For purposes of measuring the pension and OPEB net liabilities, deferred outflows and inflows of resources and expense, information about the fiduciary net position of TMRS, RSP and 115 Trust and additions to/deductions from Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. 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.

A summary of the pension and OPEB net liabilities, deferred outflows and inflows of resources and expenses are below and discussed in further detail in this footnote.

	Pension		Total	OPEB
	TMRS	RSP	Pension	115 Trust
Net (asset)/liability	$ 93,260,412	$ (11,738,295)	$ 81,522,117	$ 30,695,325
Deferred outflow	57,046,699	11,331,208	68,377,907	24,305,578
Deferred inflow	19,201,378	7,239,750	26,441,128	8,416,462
Expense in current year	45,117,783	6,720,795	51,838,578	8,915,991

A. Texas Municipal Retirement System Plan (TMRS)

Plan Description

The City participates as one of 942 plans in the defined benefit cash-balance plan administered by TMRS. TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com.*

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

Benefits Provided

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

At retirement, the member's benefit is calculated based on the sum of the member's contributions with interest, the city-financed monetary credits with interest. The retiring member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total member contributions and interest.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150% or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount, which, when added to the employee's accumulated

contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated, with interest, if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his or her salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions, with interest, and the employer-financed monetary credits, with interest, were used to purchase an annuity.

Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
A member is vested after	5 years
Service retirement eligibility	20 years at any age, 5 years at age 60 and above

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

Inactive employees or beneficiaries currently receiving benefits	1,764
Inactive employees entitled to but not yet receiving benefits	1,462
Active employees	2,462
	5,688

Contributions and Funding Policy

Member contribution rates in TMRS are either 5%, 6% or 7% of the member's total compensation, and the city matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The City's contribution rate requirement set by TMRS was 17.64% in calendar year 2024 and 18.20% for calendar year 2025. The City's contributions to TMRS for fiscal year 2025 were $39,461,854.

Net Pension Liability

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

Actuarial Assumptions

The TPL in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation:	2.5% per year
Overall payroll growth:	2.75% per year, adjusted down for population declines, if any
Investment rate of return:	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale MP-2021 to account for future mortality improvements subject to the 3.0% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation and the production of income to satisfy the short-term and long-term funding needs of TMRS.

Rate of Return

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00 %	7.10 %
Core Fixed Income	6.00	5.00
Non-core Fixed Income	6.00	6.80
Hedge Funds	5.00	6.40
Private Equity	13.00	8.50
Private Debt	13.00	8.20
Real Estate	12.00	6.70
Infrastructure	6.00	6.00
Other Private Markets	4.00	7.30
Total	100.00 %	

Discount Rate

The discount rate used to measure the TPL was 6.75%. 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 TPL.

Changes in the Net Pension (Asset)/Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balance at December 31, 2023	$ 1,431,217,709	$ 1,298,376,483	$ 132,841,226
Changes for the year:			
Service cost	42,072,795	-	42,072,795
Interest (on the total pension liability)	95,887,873	-	95,887,873
Difference between expected and actual experience	10,444,243	-	10,444,243
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(63,386,058)	(63,386,058)	-
Contributions - employer	-	38,655,248	(38,655,248)
Contributions - employee	-	15,339,391	(15,339,391)
Net investment income	-	134,876,532	(134,876,532)
Administrative expense	-	(865,211)	865,211
Other	-	(20,235)	20,235
Net change	85,018,853	124,599,667	(39,580,814)
Balance at December 31, 2024	$ 1,516,236,562	$ 1,422,976,150	$ 93,260,412

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

The following presents the NPL of the City, calculated using the discount rate of 6.75%, as well as, what the City's NPL would be if it were calculated using a discount rate that is 1-percentage-point-lower (5.75%) and 1-percentage-point-higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 296,767,364	$ 93,260,412	$ (75,033,730)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the Schedule of Changes in Fiduciary Net Position, by participating city and may be obtained at www.tmrs.com.

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

For the year ended September 30, 2025, the City recognized pension expense of $45,117,783.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 26,751,927	$ (82,699)
Difference in assumption changes	-	(4,690,119)
Difference in projected and actual investment earnings	-	(14,428,560)
Employer contributions subsequent to the measurement date	30,294,772	-
	$ 57,046,699	$ (19,201,378)

Deferred outflows of resources of $30,294,772 related to employer contributions subsequent to the measurement date will be recognized as a reduction of the NPL for fiscal year 2026. Other amounts reported as deferred outflows and inflows of resources will be recognized in pension expense in the following fiscal years:

2026	$	11,724,593
2027		21,873,658
2028		(17,698,642)
2029		(8,349,060)
Total	$	7,550,549

B. Retirement Security Plan (RSP)

Plan Description

On January 1, 1983, the City withdrew from the Federal Social Security system and created the RSP, a single-employer, defined benefit pension trust fund, to provide retirement benefits for all full-time employees of the City. The Plan is created by City ordinance and administered by a committee of five or more, not to exceed seven, which meets a minimum of four times a year. Professional investment management and an investment consultant are used, and a custodial bank retains the assets and provides for administration of benefit payments.

The Plan issues a separate publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by request to the City's Human Resources Department, 1520 Avenue K, Suite 130, Plano, Texas 75074.

Benefits Provided

As of the December 31, 2024 biennial actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	1,202
Inactive employees entitled to but not yet receiving benefits	142
Active employees	2,314
	3,658

Retirement benefits become vested after five years of service. Members who terminate employment prior to completing five years of service are not eligible for any benefit and all contributions made on their behalf remain with the plan. Members are eligible to receive full retirement income benefits when they reach age 65 or reduced benefits when they reach a younger age and meet certain length-of-service requirements. Early retirement benefits are paid upon completion of 20 years of vesting service (TMRS credited service) or upon attaining age 60 with five years of vesting service. At least five years must be with the City. The RSP provides retirement income benefits, with annual cost-of-living adjustments, based on a member's years of service, average compensation (highest three years of last ten), and choice of single or joint-life monthly payments or a lump-sum payment as follows.

For normal retirement (age 65), the monthly benefit payment is calculated as follows:

.007 X City of Plano credited service (not to exceed 25 years) X average compensation (highest 3 years of last 10).

Early retirement benefits paid upon completion of 20 years of vesting (TMRS credited service) or upon attaining age 60 with 5 years of vesting service with the City are calculated as follows:

> .007 X City of Plano credited service since January 1, 1983 (not to exceed 25 years) X average compensation (highest 3 years of last 10) X a reduction factor based on the number of years which the benefit start date precedes the normal retirement date. The benefit amount is reduced by one-fifteenth (1/15) for each of the first five years and one-thirtieth (1/30) for each of the next five years (and on an Actuarial Equivalent basis thereafter) by which the starting date of payments precedes the employee's normal retirement date.

Benefits are paid as a monthly life annuity to the participant, with a guarantee that should the participant die prior to receiving 60 monthly payments, the payments will continue to a beneficiary for the balance of the 60-month period. There is no reduction factor if the participant waits until age 65 to begin drawing a monthly benefit.

A lump-sum payment option is available to eligible employees. Lump-sum payments follow these guidelines:

> When lump-sum value is less than $5,000, the benefit must be in form of a single lump-sum payment.
>
> When lump-sum value is $5,000 - $25,000, participant has a choice of single lump-sum payment or monthly annuity payments.
>
> When lump-sum value exceeds $25,000, the participant must receive monthly annuity payments.

Joint and survivor options are available. Additionally, benefits are available for members who become totally and permanently disabled. Each April 1, retirement benefits that have been paid for at least 12 months are adjusted to reflect changes in the U.S. Consumer Price Index (not to exceed 4%), as determined by the Plan's actuary. This cost of living adjustment is applied to only the participant's benefits; spouses or beneficiaries are excluded.

Contributions and Funding Policy

Contributions by the City are established as part of the City budget process and the actuarially determined percentage of each payroll. No employee contributions are required by the plan. The City contributed $7,181,090 for the year ended September 30, 2025.

The contribution amount is a 15-year level percentage of pay funding with a 3.00% payroll growth assumption. This funding approach produces a contribution pattern that is intended to increase in amount from year to year but remain relatively constant as a percent of payroll. Administrative costs, including investment, custodial trustee and actuarial services, are charged to the plan.

Net Pension Asset

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

Actuarial Assumptions

The TPL was determined by an actuarial valuation as of December 31, 2024 using the following actuarial assumptions:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method:	Entry Age Normal
Amortization method:	Level percentage of payroll, layered
Remaining amortization period:	15 year layered bases as of the measurement date
Asset valuation method:	5-year smoothed market; 20% corridor
Inflation:	2.50%
Salary increases:	7.75% to 3.00%, including inflation
Investment rate of return:	6.75%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility conditior
Mortality:	2019 Municipal Retirees of Texas mortality tables are used. Generational morta improvements applied using the ultimate rates of Scale MP-2014.

Rate of Return

Asset Class	Long-Term Expected Arithmetic Real Rate of Return	Target Asset Allocation	Development of Long-Term Arithmetic Return for Investment Portfolio
Domestic Equity	3.80%	40%	1.52%
International Equity	6.73%	20%	1.35%
Core Fixed Income	2.60%	20%	0.52%
Bank Loans	4.00%	5%	0.20%
Core Real Estate	3.75%	10%	0.38%
Private Infrastructure	7.25%	5%	0.36%
Cash Equivalents	0.25%	0%	-
		Total Expected Arithmetic Real Return:	4.33%
		Inflation Assumption for Actuarial Valuation:	2.50%
		Total Expected Arithmetic Nominal Return:	6.83%

Discount Rate

A single discount rate of 6.75% was used to measure the TPL for the measurement period ending December 31, 2024. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. Based on the stated assumptions and the projection of cash flows as of each year ending December 31, the Plan's fiduciary net position and future contributions were sufficient to finance all the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the TPL.

The projection of cash flows used to determine the single discount rate for the Plan assumed that the funding policy adopted by the RSP Committee will remain in effect for all future years. Under this funding policy, the City of Plano will finance the unfunded actuarial accrued liability as a level percentage of payroll. New amortization bases will be established and separately maintained and amortized over 15 years. If the net amortization cost is negative, or a credit, then all prior bases shall be zeroed out and the resulting surplus shall be established as the new base. However, per the Plan's funding policy, the recommended

contribution applicable to the City in this surplus position shall be no less than the total normal cost (no credit for the surplus on the actuarial value of the assets).

Changes in the Net Pension (Asset)/Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balance at December 31, 2023	$ 216,717,937	$ 211,401,023	$ 5,316,914
Changes for the year:			
Service cost	6,663,082	-	6,663,082
Interest (on the total pension liability)	14,553,380	-	14,553,380
Difference between expected and actual experience	(1,738,947)	-	(1,738,947)
Assumption changes	(2,576,533)	-	(2,576,533)
Benefit payments	(8,887,711)	(8,887,711)	-
Contributions - employer	-	7,488,767	(7,488,767)
Net investment income	-	26,566,240	(26,566,240)
Administrative expense	-	(98,816)	98,816
Net change	8,013,271	25,068,480	(17,055,209)
Balance at December 31, 2024	$ 224,731,208	$ 236,469,503	$ (11,738,295)

Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate

The following presents the NPA of the City, as well as, what the City's NPA/NPL would be if it were calculated using a discount rate of 1-percentage point lower and 1-percentage point higher than the current discount rate.

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 19,491,958	$ (11,728,295)	$ (37,574,153)

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

For the year ended September 30, 2025, the City recognized pension expense of $6,720,795.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 5,160,728	$ (1,530,772)
Difference in assumption changes	635,355	(3,476,048)
Difference in projected and actual investment earnings	-	(2,232,930)
Employer contributions subsequent to the measurement date	5,535,125	-
	$ 11,331,208	$ (7,239,750)

Deferred outflows of resources of $5,535,125 related to employer contributions subsequent to the measurement date will be recognized as an addition of the NPA for fiscal year 2026. Other amounts

reported as deferred outflows and inflows of resources will be recognized in pension expense in the following fiscal years:

2026	$	2,072,071
2027		4,525,951
2028		(5,214,964)
2029		(2,372,093)
2030		97,069
Thereafter		(551,701)
Total	$	(1,443,667)

C. Deferred Compensation Plan

The City offers its employees a deferred compensation plan, which is a defined-contribution benefit plan, created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights are held in trust or under one or more annuity contracts described in Internal Revenue Code Section 401(f). Except as may otherwise be permitted or required by law, no assets or income of the plan shall be used for, or diverted to, purposes other than for the exclusive purpose of providing benefits for participants and their beneficiaries or defraying reasonable expenses of administration of the plan. Accordingly, the assets of the plan are not reported in the City's basic financial statements.

D. Section 115 Post-Employment Benefits Trust (115 Trust)

Plan Description

The 115 Trust (the Plan) was established on March 1, 2008 to comply with the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, for the purpose of funding and providing certain benefits to its eligible retirees and dependents, such as medical, dental and vision insurance benefits. It is a single-employer, defined benefit OPEB plan.

The 115 Trust was created by City ordinance and is administered by the Risk Pool Trustees (the Trustees) who meet at least four times a year. The Trustees consist of six City employees, including four City Deputy Managers, Director of Finance and Director of Human Resources, who are appointed by the City through the City Manager pursuant to the City of Plano Welfare Benefit Plan. The Trustees oversee the Plan and set policies for operations, including appointing management and directing investment decisions. The Plan employs the services of professional investment managers, an investment consultant and a custodial bank to retain the assets. Pursuant to Section 6.01 of the Welfare Benefit Plan and Resolution 2007-9-2(R), City Council has set forth delegation to the City Manager, or his designee, the authority to amend each Plan in any and all respects, except for any amendment that would materially increase the costs of the Plan to the City.

The 115 Trust issues a separate publicly available financial report that includes financial statements and required supplementary information at the 115 Trust's fiscal year-end, which is December 31. Those financial reports may be obtained by request to the City's Human Resources Department, 1520 Avenue K, Suite 130, Plano, Texas 75074.

Benefits Provided

The City offers its retired employees and their dependents under age 65 health insurance coverage under the same plan as the active employees and Medicare supplementary insurance for retirees 65 and older. The number of retired participants receiving health insurance coverage for 2025 was 580 of which 244 were on the same plan as the active employees and 336 on Medicare supplementary insurance. Premiums are paid by the retired employees and claims are processed by the City's agent and paid through the Health Claims Fund. Expenditures for postretirement healthcare benefits are recognized as retirees' report claims. Claims paid for retired employees for 2025 were $5,763,791.

As of December 31, 2024, the following were covered by the benefit terms:

Retirees and dependents currently receiving benefits	344
Terminated members entitled to benefits, but not yet receiving them	177
Active members	2,314
	2,835

Contributions and Funding Policy

The City has the authority to establish and amend the Plan contributions. The City transfers retiree and City contributions to the 115 Trust on a monthly basis. Contributions by the City are established as part of the City budget process and are based on amounts determined in the actuarial study prepared biennially. Retirees and their dependents currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums. Monthly retiree premiums contributed to the Plan are based on the benefit election of the Plan member and are as follows:

	Medical Plan	Dental Plan	Vision Plan
Retiree only	$ 713.00	$ 47.00	$ 10.59
Retiree and spouse	1,840.00	92.00	16.95
Retiree and children	1,311.00	113.00	17.34
Retiree and family	2,657.00	171.00	27.90
Spouse only	1,127.00	47.00	10.59
Children only	598.00	66.00	6.75
Spouse and children only	1,944.00	124.00	17.31

Net OPEB Liability

The City's net OPEB liability (NOL) was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the NOL was determined by an actuarial valuation as of October 1, 2023.

Actuarial Assumptions

The TOL was determined by an actuarial valuation as of October 1, 2023.

As of December 31, 2024:

Valuation Date:	The actuarially determined contribution is the sum of the current year's normal cost plus an amount necessary to amortize the unfunded liability over a closed 19-year period. Actuarial valuations have been performed biennially as of October 1. The most recent valuation was performed as of October 1, 2023.
Actuarial cost method:	Entry Age Normal
Amortization method:	Level percent, Closed
Remaining amortization period:	20 years, as of the valuation date
Amortization growth rate:	2.75%
Asset valuation method:	Market Value
Inflation:	2.50%
Salary increases:	2.75%
Discount rate:	6.75%
Healthcare cost trend rates:	8.50% for 2023, decreasing to an ultimate rate of 4.00%.
Dental cost trend rates:	4.10% for 2023, decreasing to an ultimate rate of 4.00%.
Retirement:	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality:	
Active participants	Pub-2010 General Employee Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.
Retired participants	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.
Disabled participants	Pub-2010 General Disabled Retiree Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.

Rate of Return

The long-term rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of December 31, 2024.

Asset Classification	Index	Target Allocation	Expected Arithmetic Real Rate of Return	Expected Geometric Real Rate of Return
Core Fixed Income	Bloomberg Barclays Aggregate	25.00%	2.36%	2.21%
Domestic Equity	Russell 3000	37.00%	5.41%	3.70%
International Equity	MSCI ACWI Ex US NR	23.00%	7.62%	5.75%
Core Real Estate	NCREIF Property	5.00%	5.93%	4.51%
Bank Loans	Credit Suisse Leveraged Loan	5.00%	3.62%	3.27%
Diversified Inflation Strategies	Bloomberg US Corporate Baa	5.00%	3.14%	2.85%
		Assumed Inflation - Mean	2.30%	2.30%
		Assumed Inflation - Standard Deviation	1.46%	
		Portfolio Real Mean Return	4.98%	4.23%
		Portfolio Nominal Mean Return	7.28%	6.66%
		Portfolio Standard Deviation	11.77%	
		Long-Term Expected Rate of Return	**6.75%**	

Discount Rate

A single discount rate of 6.75% was used to measure the TOL. Based on the stated assumptions and the projection of cash flows as of each Plan year, the OPEB plan's fiduciary net position and future contributions were sufficient to finance all the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of the projected benefit payments to determine the TOL.

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2023	$ 154,486,963	$ 123,495,045	$ 30,991,918
Changes for the year:			
Service cost	6,141,808	-	6,141,808
Interest on total OPEB liability	10,662,751	-	10,662,751
Effect of economic/demographic gains	-	-	-
Effect of assumptions changes or inputs	-	-	-
Benefit payments, net of retiree contributions	(5,412,555)	(5,412,555)	-
Employer contributions	-	4,531,342	(4,531,342)
Net investment income	-	12,600,710	(12,600,710)
Administrative expenses	-	(30,900)	30,900
Net change	11,392,004	11,688,597	(296,593)
Balance at December 31, 2024	$ 165,878,967	$ 135,183,642	$ 30,695,325

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

The following presents the NOL of the City, as well as, what the City's NOL would be if it were calculated using a discount rate 1-percentage point lower or 1-percentage point higher than the current discount rate.

1% Decrease 5.75%	Current Discout Rate 6.75%	1% Increase 7.75%
$ 46,922,342	$ 30,695,325	$ 16,476,273

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the NOL of the City, as well as, what the City's NOL would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate.

1% Decrease	Current Trend Rate	1% Increase
$ 19,111,671	$ 30,695,325	$ 44,340,733

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

For the year ended September 30, 2025, the City recognized OPEB expense of $8,915,991. At September 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 1,457,648	$ (7,307,499)
Difference in assumption changes	18,740,863	(1,108,963)
Difference in projected and actual investment earnings	715,836	-
Employer contributions subsequent to the measurement date	3,391,231	-
	$ 24,305,578	$ (8,416,462)

Deferred outflows of resources of $3,391,231 related to employer contributions subsequent to the measurement date will be recognized as a reduction of the NOL for fiscal year 2026. Other amounts reported as deferred outflows and inflows of resources will be recognized in OPEB expense in the following fiscal years:

2026	$ 2,740,525
2027	5,078,825
2028	(852,843)
2029	1,344,567
2030	2,203,583
Thereafter	1,983,228
Total	$ 12,497,885

6. CUSTODIAL UNITS:

To develop and revitalize the Collin Creek Mall area, the developer plans to include 400,000 square feet of retail space, as well as an assortment of restaurants and entertainment destinations. The goal of the project is to create a multifunctional environment conducive to living, working and leisure activities. The creation of the PID and custodial units will be the vehicles to facilitate these funds held in trust. A professional Special District Administrator initiates reimbursement requests to the developer and actual distribution of assets are performed by a trust bank where the assets are held. The following entities are accounted for as custodial units.

As part of the Collin Creek Mall Redevelopment Project, the developer plans to develop 99-acres of real property and the TIF No. 4 revenue stream from the assessment will be used for projects benefiting the zone. On August 9, 2021, City Council approved an agreement to consider the sale of the TIF No. 4 increment generated from the project's 99-acres. On September 13, 2021, the TIF No. 4 assignment of the 99-acres' increment was approved via a purchase and sale between the City and ORIX Public Finance, LLC in the amount of $38,500,000.

The Collin Creek East PID was created on January 13, 2020, which boundaries were expanded on February 8, 2021. The Collin Creek West PID was approved on February 8, 2021. The Collin Creek East and West PIDs contain approximately 60 acres and 39 acres, respectively. The funding of this development is through PID bonds, developer cash contributions, TIF revenue stream and land acquisition by the City, all of which will reside in a trust. The City authorized the issuance of PID bonds to construct, reimburse or

acquire the public improvements within the districts, including a garage. The amount of Collin Creek East and West PID bonds issued are $32,761,000 and $14,687,000, respectively.

These bonds are issued by the City pursuant to the Public Improvements District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, an ordinance adopted by the City on August 23, 2021, and an Indenture of Trust, dated as of September 1, 2021, by and between the City and the Trustee.

Proceeds of the bonds will be used to provide funds for (i) paying a portion of the actual costs of the PID improvements in the Collin Creek East and West districts, (ii) paying interest on the bonds during and after the period of acquisition and construction of the public improvements, (iii) funding the reserve account of the reserve fund, (iv) paying district formation costs and (v) paying bond issuance costs.

The bonds are special obligations of the City payable solely from the pledged revenues and other funds comprising the trust estate, as and to the extent provided in the indenture. The bonds do not give rise to a charge against the general credit or taxing power of the City and are payable solely from the sources identified in the indenture.

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2021 Collin Creek East PID	4.375	9/1/2021	12/31/2051	$ 32,761,000	$ 1,210,000	$ 31,551,000
2021 Collin Creek West PID	4.000	9/1/2021	12/31/2051	14,687,000	833,000	13,854,000
				$ 47,448,000	$ 2,043,000	$ 45,405,000

The difference in the bonds payable of the custodial funds, reported in the basic financial statements compared to the table above, is attributed to premium amortization of the PID West bonds with a balance of $171,097.

In October 2023, City Council approved and authorized the issuance and sale of the City of Plano, Texas, Special Assessment Revenue Bonds, Series 2023, for purposes related to the Haggard Farm Public Improvement District. Within the Haggard Farm PID, are two levies; Major Improvement Area Project and Public Improvement District Area #1 Project. The bonds are issued by the City pursuant to Chapter 372 of the Texas Local Government Code. The amount of Major Improvement Area Project and Area #1 Project bonds issued are $16,458,000 and $5,000,000, respectively, and settled November 20, 2023.

As with the Collin Creek Redevelopment Project, the purpose of the Haggard Farm PID will be to finance public infrastructure (via bond sales or other related financial instruments) that historically would be the responsibility of the developer. The bonds will be repaid using proportional levies on the private property within the PID. No City funds will be used to pay the bond holders.

Any method of financing will be repaid using proportional levies on the private property within the PID. Until the properties are sold to other entities, the current property owner is responsible for the entire yearly levy – starting in year one. It should be noted that while the City will be sponsoring the bond sales, the City is not responsible for the bonds repayment or performance. Similarly, other financial instruments that require payment via levy will not require the City to pledge either its credit or any funds. The PID was divided into two areas to ensure each parcel was assessed according to the benefit it receives from the PID funded improvements.

The bonds are special obligations of the City payable solely from the pledged revenues and other funds comprising the trust estate, as and to the extent provided in the indenture. The bonds do not give rise to a charge against the general credit or taxing power of the City and are payable solely from the sources identified in the indenture.

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2023 Haggard Farm Improvement Area #1	7.500	11/20/2023	9/30/2053	$ 5,000,000	$ -	$ 5,000,000
2023 Haggard Farm Major Improvement Area	4.000	11/20/2023	9/30/2053	16,458,000	-	16,458,000
				$ 21,458,000	$ -	$ 21,458,000

7. LONG-TERM DEBT:

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2025, is as follows (in thousands of dollars):

	Balance, Beginning of Year	Increase	Decrease	Balance, End of Year	Due Within One Year
Governmental Activities:					
General obligation bonds	$ 592,210	$ 90,110	$ (60,375)	$ 621,945	$ 40,925
Tax anticipation notes	12,515	-	(2,050)	10,465	2,155
Deferred amounts:					
Premium	38,763	4,978	(8,922)	34,819	6,854
Total bonds and notes payable	643,488	95,088	(71,347)	667,229	49,934
Compensated absences	55,434	23,357	(23,311)	55,480	6,354
Leases payable*	7,014	905	(2,214)	5,705	1,883
Subscription liabilities*	7,256	6,333	(4,638)	8,951	3,146
Liability for insurance claims	8,213	44,182	(43,619)	8,776	8,776
Net pension liability	123,177	-	(40,603)	82,574	-
Net other postemployment benefits liability	26,808	-	(259)	26,549	-
Governmental Activities Long-term debt	$ 871,390	$ 169,865	$ (185,991)	$ 855,264	$ 70,093

*Of the end of year leases payable and subscription liabilities balances, $3,730,762 and $4,703,111, respectively, belong to internal service funds.

	Balance, Beginning of Year	Increase	Decrease	Balance, End of Year	Due Within One Year
Business-Type Activities:					
Water and Sewer revenue bonds	$ 30,200	$ 43,850	$ (3,315)	$ 70,735	$ 4,325
Municipal Drainage revenue bonds	63,970	4,905	(2,385)	66,490	2,355
Deferred amounts:					
Premium	8,850	1,743	(822)	9,771	911
Total bonds payable	103,020	50,498	(6,522)	146,996	7,591
Compensated absences	4,788	2,151	(2,178)	4,761	663
Leases payable	533	-	(194)	339	190
Subscription liabilities	29	11,672	(622)	11,079	777
Net pension liability	14,982	-	(4,295)	10,687	-
Net other postemployment benefits liability	4,184	-	(38)	4,146	-
Business-type Activities Long-term debt	$ 127,536	$ 64,321	$ (13,849)	$ 178,008	$ 9,221

The compensated absences liability attributable to the governmental activities will be liquidated by several of the City's governmental and internal service funds. Approximately 98.8% has been paid by the General Fund, 0.5% by special revenue funds and 0.7% by internal service funds.

Pension and OPEB liabilities for governmental-type funds are recorded at the government-wide statement level and are primarily liquidated in the General Fund. Liabilities for the proprietary type activities are recorded and liquidated in the fund that incurs the liability.

The liability for insurance claims will be liquidated through a variety of funds. The General Fund bears approximately 82.9% and the enterprise funds bear approximately 11.3% of the liability, while the internal service and special revenue funds bear approximately 5.7% and 0.1%, respectively.

Long-term debt at September 30, 2025 includes the following individual issues (not including the unamortized premiums of $34,818,757 and the unamortized deferred charge on refunding of $205,932 of the General Obligation bonds, the unamortized premiums of $4,263,637 and unamortized deferred charges of $71,754 of the Municipal Drainage Revenue bonds and the unamortized premiums of $5,507,850 of the Water and Sewer Revenue bonds).

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
General Obligation Bonds:						
2015 Refunding and Improvements	2.00 - 5.00	5/1/2015	9/1/2035	75,685,000	75,685,000	-
2016 Refunding and Improvements	1.00 - 5.00	4/15/2016	9/1/2036	67,195,000	33,780,000	33,415,000
2017 Improvements	2.00 - 5.00	2/1/2017	9/1/2036	41,290,000	13,310,000	27,980,000
2017 Refunding	4.00 - 5.00	8/1/2017	9/1/2031	27,805,000	15,415,000	12,390,000
2018 Improvements	3.00 - 5.00	4/15/2018	9/1/2038	77,915,000	19,790,000	58,125,000
2019 Refunding and Improvements	3.00 - 5.00	4/1/2019	9/1/2039	63,420,000	15,195,000	48,225,000
2020 Refunding and Improvements	3.00 - 4.00	4/1/2020	9/1/2040	74,635,000	15,540,000	59,095,000
2021 Refunding and Improvements	2.00 - 5.00	5/1/2021	9/1/2041	74,085,000	12,485,000	61,600,000
2022 Improvements	4.00 - 5.00	5/1/2022	9/1/2042	76,450,000	7,145,000	69,305,000
2023 Refunding and Improvements	4.00 - 5.00	4/15/2023	9/1/2043	97,490,000	17,995,000	79,495,000
2024 Refunding and Improvements	4.00 - 5.00	5/1/2024	9/1/2044	89,665,000	5,815,000	83,850,000
2025 Refunding and Improvements	4.00 - 5.00	5/1/2025	9/1/2045	90,110,000	1,645,000	88,465,000
				$ 855,745,000	$ 233,800,000	$ 621,945,000
Tax Anticipation Notes:						
2023 Tax anticipation notes	5.00	4/15/2023	9/1/2029	$ 8,405,000	$ 3,300,000	$ 5,105,000
2024 Tax anticipation notes	5.00	5/1/2024	9/1/2030	6,585,000	1,225,000	5,360,000
				$ 14,990,000	$ 4,525,000	$ 10,465,000
Water & Sewer Revenue Bonds:						
2016 Improvements	1.00 - 5.00	4/15/2016	5/1/2036	$ 24,775,000	$ 8,710,000	$ 16,065,000
2018 Improvements	3.00 - 5.00	4/15/2018	5/1/2028	11,350,000	7,365,000	3,985,000
2021 Improvements	4.00 - 5.00	5/1/2021	5/1/2031	10,605,000	3,770,000	6,835,000
2025 Improvements	4.625-5.00	5/1/2025	5/1/2055	43,850,000	-	43,850,000
				$ 90,580,000	$ 19,845,000	$ 70,735,000
Municipal Drainage Revenue Bonds:						
2015 Refunding	2.00 - 4.00	5/1/2015	5/15/2027	$ 7,105,000	$ 6,795,000	$ 310,000
2017 Refunding and Improvements	2.00 - 5.00	2/1/2017	5/15/2036	8,035,000	3,445,000	4,590,000
2019 Refunding and Improvements	2.00 - 4.00	8/1/2019	5/15/2039	6,925,000	1,790,000	5,135,000
2021 Refunding and Improvements	2.00 - 5.00	5/1/2021	5/15/2061	40,590,000	3,425,000	37,165,000
2024 Improvements	4.00-5.00	5/1/2024	5/15/2054	14,660,000	275,000	14,385,000
2025 Refunding and Improvements	4.00-5.00	5/1/2025	5/15/2045	4,905,000	-	4,905,000
				$ 82,220,000	$ 15,730,000	$ 66,490,000

The annual requirements to amortize debt outstanding as of September 30, 2025, including interest payments of $295,518,741 follow (noted in thousands).

Year Ended September 30	General Obligation and Tax Anticipation Notes		Water and Sewer		Municipal Drainage	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 43,080	$ 26,185	$ 4,325	$ 3,048	$ 2,355	$ 2,349
2027	42,130	24,092	4,325	3,043	2,340	2,254
2028	41,775	22,132	4,525	2,850	2,345	2,147
2029	40,410	20,278	3,260	2,675	2,290	2,039
2030	39,560	18,352	3,410	2,526	2,295	1,931
2031-2035	194,315	67,002	13,795	10,594	11,745	8,170
2036-2040	159,690	31,276	7,730	8,003	11,795	5,885
2041-2045	71,450	6,941	7,610	6,286	8,785	4,260
2046-2050	-	-	9,640	4,255	7,655	2,911
2051-2055	-	-	12,115	1,779	8,080	1,617
2056-2060	-	-	-	-	5,595	607
2061-2065	-	-	-	-	1,210	32
Total	$ 632,410	$ 216,258	$ 70,735	$ 45,059	$ 66,490	$ 34,202

The City intends to retire all general long-term liabilities, plus interest, from ad valorem taxes and other current revenues. The proprietary fund type long-term debt will be repaid, plus interest, from the operating revenues of the Water and Sewer Fund and the Municipal Drainage Fund.

A. General Obligation Bonds

The City is required by ordinance to create from ad valorem tax revenues a sinking fund sufficient to pay the current interest and principal installments as they become due. The Debt Service Fund has $3,327,853 available to service the general obligation debt after all debt due in the current fiscal year has been paid.

There are a number of limitations and restrictions contained in the various General Obligation bonds. Management of the City believes it is in compliance with the significant limitations and restrictions at September 30, 2025.

In June 2025, the City issued $90,110,000 in General Obligation Refunding and Improvement bonds, with interest rates ranging from 4.0% to 5.0%. The portion of the debt that represents refunded bonds were Series 2015 General Obligation Refunding and Improvement bonds totaling $19,245,000 with interest rates of 5.0% and maturity dates of 2026 through 2035. As a result of the refunding, the City obtained an economic gain (difference between present value of the debt service payments on the old and new debt) of $1,447,560.

B. Water and Sewer Revenue Bonds

The Water and Sewer Revenue bonds are secured by the net revenues of the Water and Sewer Fund as defined in the respective bond indentures.

The bond indenture requires the City to make equal monthly installments to a debt service fund to pay principal and interest requirements as they become due. At September 30, 2025, $1,827,324 is in restricted net position of the Water and Sewer Fund for debt service requirements.

A reserve fund is not required so long as the net revenues equal or exceed 150% of the annual debt service requirements due and payable in the fiscal year.

In June 2025, the City issued $43,850,000 in Water and Sewer Revenue bonds, with interest rates ranging from 4.625% to 5.0%.

Restricted assets of the Water and Sewer Fund at September 30, 2025 are as follows:

Cash and cash equivalents	$	9,892,017
Investments		40,447,554
Accrued interest receivable		263,642
	$	50,603,213

C. Municipal Drainage Revenue Bonds

These bonds are secured by a first lien on and pledge of the revenues of the Municipal Drainage Fund in accordance with the provisions of the bond indenture.

The bond indenture requires the City to make equal monthly installments to a debt service fund to pay principal and interest requirements as they become due. At September 30, 2025, $5,625,182 is in restricted net position of the Municipal Drainage Fund for debt service requirements.

A reserve fund is not required so long as the net revenues equal or exceed 1.25 times the average annual debt service requirements due and payable in the fiscal year.

In June 2025, the City issued $4,905,000 in Municipal Drainage improvement bonds, with interest rates ranging from 4.0% to 5.0%.

Restricted assets of the Municipal Drainage Fund at September 30, 2025 are as follows:

Cash and cash equivalents	$	4,416,623
Investments		18,059,167
Accrued interest receivable		117,712
	$	22,593,502

D. Leases Payable

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-use of buildings and equipment over the term of the lease. The City is required to make periodic payments at its incremental borrowing rate or the interest rate stated or implied within the leases.

The lease rate, term and ending lease liability are as follows (noted in thousands):

	Interest Rates %	Lease Term in Years	Ending Balance
Governmental activities:			
Buildings	4.20 - 5.00	3 - 100	$ 1,601
Equipment	4.20 - 5.00	3 - 9	4,104
Total governmental activities			$ 5,705
Business-type activities:			
Buildings	4.20	10	$ 339
Equipment	4.20	10	-
Total business-type activities			$ 339

The annual requirements to amortize leases payable outstanding as of September 30, 2025, including interest of $1,457,667 follow (noted in thousands).

Year Ended September 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2026	$ 1,883	$ 284	$ 190	$ 10
2027	999	185	149	3
2028	973	132	-	-
2029	393	79	-	-
2030	248	64	-	-
2031-2035	821	152	-	-
2036-2040	189	62	-	-
2041-2045	-	43	-	-
2046-2050	-	44	-	-
2051-2055	-	48	-	-
2056-2060	-	48	-	-
2061-2065	-	52	-	-
2066-2070	-	53	-	-
2071-2075	-	57	-	-
2076-2080	13	45	-	-
2081-2085	27	36	-	-
2086-2090	35	30	-	-
2091-2095	49	21	-	-
2096-2100	62	9	-	-
2101-2105	13	-	-	-
Total	$ 5,705	$ 1,444	$ 339	$ 13

E. Subscription-Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make scheduled payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs.

The SBITA rate, term and ending subscription liability are as follows (noted in thousands):

	Interest Rates %	Lease Term in Years	Ending Balance
Governmental activities:			
Subscription-based information technology arrangements	5.00	3-10	$ 8,951
Total governmental activities			$ 8,951
Business-type activities:			
Subscription-based information technology arrangements	5.00	3-10	$ 11,079
Total business-type activities			$ 11,079

The future principal and interest SBITA payments as of fiscal year end, including interest of $7,369,168 are as follows (noted in thousands):

Year Ended September 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2026	$ 3,146	$ 434	$ 777	$ 503
2027	2,885	285	597	459
2028	763	149	140	447
2029	474	111	168	439
2030	516	86	206	432
2031-2035	1,167	91	1,723	1,977
2036-2040	-	-	3,272	1,451
2041-2045	-	-	4,196	506
Total	$ 8,951	$ 1,156	$ 11,079	$ 6,214

8. INTERFUND TRANSACTIONS:

A summary of interfund receivables and payables at September 30, 2025 is as follows:

Due To Other Funds	Due From Other Funds											
	General	Capital Maintenance	Street Improvements	Municipal Facilities	Park Improvements	Grants	Water and Sewer	Sustainability and Environmental Services	Municipal Drainage	Nonmajor Enterprise	Internal Service	Total
General	$ -	$ 263,225	$ -	$ 200,024	$ 944,595	$ 5,358	$ 958	$ -	$ 958	$ -	$ 137,494	$ 1,552,612
Grants	1,251,724	-	-	-	-	-	-	-	-	-	47	1,251,771
Water and Sewer	119,768	-	222,120	-	62,948	-	-	8,845	3,368	-	3,935	420,984
Sustainability and Environmental Services	75,402	-	-	-	-	-	34,627	-	-	-	1,137	111,166
Municipal Drainage	172,047	-	-	-	-	-	-	5,758	-	-	794	178,599
Nonmajor Governmental	50,190	-	-	-	-	-	-	-	-	-	287	50,477
Nonmajor Enterprise	-	-	-	-	-	-	-	-	-	-	1,199	1,199
Internal Service	1,226,727	-	-	-	-	-	-	-	-	13,301	731	1,240,759
Total	$ 2,895,858	$ 263,225	$ 222,120	$ 200,024	$ 1,007,543	$ 5,358	$ 35,585	$ 14,603	$ 4,326	$ 13,301	$ 145,624	$ 4,807,567

Due to and due from entries are primarily used to account for cash owed between funds that are expected to be repaid within one year or less.

The City performs a calculation to determine the value of the charges in lieu of taxes to be paid to the General Fund. This calculation is reasonably equivalent to the value of the services provided to the Water and Sewer and Sustainability and Environmental Services Funds and is, therefore, appropriately reported as an expense as opposed to a transfer. During fiscal year 2025, charges in lieu of taxes were $16,315,863.

In fiscal year 2023, a loan of $2.5 million was made from the Water and Sewer Fund to the Sustainability and Environmental Services Fund to be paid back over seven years. The balance remaining at September 30, 2025, is $2,142,857.

Transfers between funds during the year were as follows:

	Transfers In				
Transfers Out	General	Capital Maintenance	Nonmajor Governmental	Internal Service	Total
General	$ -	$ 25,000,000	$ 300,000	$ 1,005,611	$ 26,305,611
Grants	2,958	-	-	-	2,958
Water and Sewer	7,461,552	4,000,000	-	-	11,461,552
Municipal Drainage	1,048,340	500,000	-	-	1,548,340
Nonmajor Governmental	8,464	-	75,000	-	83,464
Nonmajor Enterprise	1,502,102	2,700,000	-	-	4,202,102
Internal Service	-	-	250,000	-	250,000
Total	$ 10,023,416	$ 32,200,000	$ 625,000	$ 1,005,611	$ 43,854,027

The City performs a cost allocation to determine the portion of indirect expenses that is indicative of a fund's share in operating costs that will be transferred by the respective fund to another fund. The City funds the Capital Maintenance Fund by transferring amounts from other funds each year based on a portion of depreciation.

Transfers are primarily used to move funds to finance various programs in accordance with budgetary authorizations.

9. TAX ABATEMENTS AND ECONOMIC DEVELOPMENT INCENTIVES:

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs

abate or rebate property tax revenues. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapter 311 (Tax Increment Financing Act) and Chapter 312 (Property Redevelopment and Tax Abatement) of the Texas Tax Code. The economic development agreements are designed to support the creation of new businesses, the expansion and retention of existing businesses within the City and the attraction of companies that offer high impact jobs and share the community's values. Recipients may be eligible to receive economic assistance based on the employment, economic or community impact of the project requesting assistance. Recipients generally commit to building or remodeling real property and related infrastructure, redeveloping properties, expanding operations or bringing targeted business to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has the following categories of economic development agreements:

- Tax Abatements - The City of Plano offers tax abatement on improvements to real and business personal property as directed under Chapter 312 of the Texas Tax Code. The abatements allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants with underlying goals to further economic development in Plano. Real Property abatements are offered to applicants that pursue the construction of new or expanded facilities in which to house the applicable project. The abatement applies to the assessed value of the improvements made. Business Personal Property abatements are offered to applicants that pursue the purchase or long-term lease of existing facilities. The abatement applies to the assessed value of new personal property brought into the taxing jurisdiction. Property taxes abated under this program in fiscal year 2025 are $3,911,816.

- Economic Development - Plano also budgeted $8.5 million for economic development incentives for fiscal year 2026 to remain competitive with surrounding neighboring cities. The Economic Development Incentive Fund is used to attract and retain major business and employees to the City. Chapter 380 of the Texas Local Government Code allows municipalities to establish and provide programs to promote state or local economic development and to stimulate business and commercial activity. The City's economic development program offers incentives to provide a competitive advantage, foster relocation, encourage employment retention or growth and/or assist in public infrastructure improvements within the City. For fiscal year 2025, the City paid incentives of $5,028,049.

- Tax Rebates – The City of Plano offers property tax rebates to real and business personal property, pursuant to Chapter 380 of the Texas Local Government Code, to promote local economic development and stimulate business and commercial activity in the City. The City paid out $53,706 in tax rebates in fiscal year 2025.

- Tax Increment Financing - The City has TIF zones under Chapter 311 of the State of Texas Code. The City enters into economic development and infrastructure reimbursement agreements which earmark TIF revenues for payment to developers and represent obligations over the life of the TIF or until all terms of the agreements have been met. These obligations are described in section I.B. of the footnotes. Additionally, the City enters into general economic development agreements under Chapter 380 of the Texas Local Government Code, which are funded with TIF resources. The City paid $4,176,456 in TIF obligations in fiscal year 2025.

10. REGIONAL SYSTEMS FOR WATER SUPPLY, WASTEWATER TREATMENT AND SOLID WASTE DISPOSAL:

The City secures its water supply and sewer services from the North Texas Municipal Water District (District), a district authorized by the Texas Constitution, Article XVI, Section 59; created by the Texas Legislature, Article 8280-141; and authorized to act by the confirming vote of the majority of the qualified voters in each of the cities comprising the District. The District has police, taxation and eminent domain

powers and is authorized to issue revenue and/or tax bonds upon approval by the Attorney General of the State of Texas and functions as a political subdivision of the State of Texas independent of the City. The District is governed by a 17-member board (the "Board"), the City being authorized by statute to appoint two of those members. The Board has full power and discretion to establish its budget and to set the rates for the services it provides by contracts with its member cities and customers. The Board is empowered by statute and contract, or otherwise permitted by law, to discontinue a facility or service in order to prevent an abuse or to enforce payment of an unpaid charge, fee or rental due to the District. Because of the factors mentioned above, the District is not included in the City's basic financial statements. A portion of the outstanding bonds of the District is contract revenue bonds based on contracts with certain member cities of the District. The City provides for the payment of its contractual obligations with the District from revenues generated by its waterworks and sewer systems. Such contractual payments provide for the payment of the principal and interest requirements, and the premium payment, if any, on specified indebtedness and associated operation and maintenance expenses of the District.

Water Supply

On December 12, 1953, the City entered into a contract with the District whereby the District agreed to provide water for the benefit of the City. In return for this service, the City agreed to pay the District at a rate per 1,000-gallon basis, subject to minimum annual payments. The City's annual payment for the year ended September 30, 2025 was $92,705,247.

Wastewater Treatment

On October 1, 1975, the City entered into a contract for wastewater treatment services with the District. The District has been designated by the Texas Water Quality Board as the regional agency to provide and develop a Regional System for Wastewater Treatment in the general area of the East Fork of the Trinity River, which includes the City and other cities located in Collin, Dallas, Kaufman and Rockwall counties. Relative thereto, the City and other cities have entered into wastewater system contracts with the District, which provide for the establishment, operation and maintenance of a regional wastewater system for the purpose of providing facilities to adequately receive, transport, treat and dispose of wastewater for the cities. In order to provide said services, the contract provides that (a) the District will acquire, design, construct and complete the system and repair, replace and/or extend the system to provide service to the cities; (b) in consideration of payments to be made under the contract, each of the cities shall have the right to discharge all its wastewater from its sewage system into the District's system, subject to certain quality requirements set forth in the contract; (c) the District will issue its bonds, in amounts and at times determined by the District, to provide for the wastewater treatment facilities; (d) each city agrees to pay its proportionate share of the annual requirement sufficient to pay or provide for the payment of an "Operation and Maintenance Component" and a "Bond Service Component;" (e) each city's proportionate share of the annual requirement shall be a percentage obtained by dividing such city's estimated contributing flow to the system by the total estimated contributing flow to the system by all cities during such fiscal year. No city will exercise oversight responsibility for the District and no city is liable for the District's debt. The City's payment for the year ended September 30, 2025 was $56,357,105, net of payments to the City for facilities usage.

Solid Waste Disposal

On November 29, 1979, the City entered into a contract for services with the District, whereby the District agreed to provide a solid waste disposal system for the benefit of the City and other cities. Each city agreed to pay its share of an annual requirement for the operating expenses and debt service of the District to be calculated in the same manner as the wastewater contract. The City's annual payment to the District for the year ended September 30, 2025 was $8,579,342.

11. COMMITMENTS AND CONTINGENCIES:

The City has contractual commitments of $95,537,662 in the capital projects funds, $33,426,931 in the Water and Sewer Fund and $8,658,006 in the Municipal Drainage Fund. These commitments are for construction of various projects and will be funded primarily from general obligation bond proceeds in the capital projects funds, revenue bond proceeds in the Water and Sewer Fund and revenue bond proceeds in the Municipal Drainage Fund.

Various claims and lawsuits are pending in which the City is involved. Included among the various actions are those for which the discovery process is currently underway or which have yet to proceed to trial. It is the opinion of City management that the ultimate outcome of all other lawsuits will not have a material adverse effect on the City's financial position.

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

12. SELF-INSURANCE:

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains a self-insurance program for general liability, public officials' errors and omission, police professional liability, property loss and workers' compensation. The Risk Management Fund has been established to pay identified claims and judgments, maintain loss reserves and purchase insurance coverage as required.

Group medical benefits are paid from the Health Claims Fund, which has an annually negotiated stop loss provision. Revenues are recognized from employee payroll deductions and from City contributions.

The liabilities for insurance claims reported in each of the funds are based on GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include an estimate for incurred but not reported claims. Change in each fund’s claims liability amount in fiscal years 2025 and 2024 was as follows:

Fund	Liability, Beginning of year	Current year Claims and Changes in Estimates	Claim Payments	Liability, End of year
2025				
Property/Liability Loss	$ 5,422,592	$ 6,870,180	$ (7,249,456)	$ 5,043,316
Health Claims	$ 2,790,620	$ 37,312,001	$ (36,369,584)	$ 3,733,037
Total	$ 8,213,212	$ 44,182,181	$ (43,619,040)	$ 8,776,353
2024				
Property/Liability Loss	$ 5,008,774	$ 7,875,622	$ (7,461,804)	$ 5,422,592
Health Claims	4,445,072	33,685,477	(35,339,929)	2,790,620
Total	$ 9,453,846	$ 41,561,099	$ (42,801,733)	$ 8,213,212

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

Required Supplementary Info.

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(UNAUDITED)

	Budgeted Amounts			Adjustments-Budgetary Basis	Actual on a Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final	Actual			
REVENUES:						
Taxes:						
Property taxes	$ 176,682,156	$ 174,281,556	$ 173,959,580	$ (16,631)	$ 173,942,949	$ (338,607)
Sales taxes	113,401,847	124,557,372	131,756,554	-	131,756,554	7,199,182
Mixed drink taxes	2,798,712	2,785,857	2,636,401	-	2,636,401	(149,456)
Other taxes	281,048	294,004	285,985	-	285,985	(8,019)
Franchise fees	21,899,524	21,543,716	21,133,219	-	21,133,219	(410,497)
Fines and forfeitures	4,331,591	3,886,112	3,761,512	-	3,761,512	(124,600)
Licenses and permits	7,966,721	10,679,360	13,282,585	-	13,282,585	2,603,225
Intragovernmental	16,315,863	16,315,863	16,315,863	-	16,315,863	-
Intergovernmental	2,520,662	2,520,662	2,525,024	-	2,525,024	4,362
Charges for services	16,706,972	17,719,120	18,559,848	-	18,559,848	840,728
Investment income	2,800,000	3,000,000	4,750,711	(1,195,677)	3,555,034	555,034
Miscellaneous	2,261,991	2,503,190	2,600,632	-	2,600,632	97,442
Total revenues	367,967,087	380,086,812	391,567,914	(1,212,308)	390,355,606	10,268,794
EXPENDITURES:						
General government	45,802,935	42,684,372	39,327,254	2,115,016	41,442,270	1,242,102
Administrative services	15,148,187	15,541,491	14,964,223	236,430	15,200,653	340,838
Police	111,546,349	108,605,309	106,652,368	450,991	107,103,359	1,501,950
Fire	85,061,982	85,327,416	84,583,782	64,928	84,648,710	678,706
Libraries	15,078,584	15,402,720	15,229,614	125,160	15,354,774	47,946
Development	40,539,063	41,076,055	38,294,021	1,365,520	39,659,541	1,416,514
Public services and operations	8,847,935	8,694,169	8,330,798	69,829	8,400,627	293,542
Parks and recreation	34,079,272	33,101,444	32,590,799	115,563	32,706,362	395,082
Public works	10,418,986	9,912,067	9,627,911	20,730	9,648,641	263,426
Technology solutions	1,000,000	1,000,000	1,000,000	-	1,000,000	-
Capital outlay	-	1,823,129	935,348	1,348,600	2,283,948	(460,819)
Debt service:						
Principal retirement on leases and subs	-	-	808,509	-	808,509	(808,509)
Interest and fiscal charges on leases an	-	-	96,736	-	96,736	(96,736)
Total expenditures	367,523,293	363,168,172	352,441,363	5,912,767	358,354,130	4,814,042
Excess (deficiency) of revenues over (under) expenditures	443,794	16,918,640	39,126,551	(7,125,075)	32,001,476	15,082,836
OTHER FINANCING SOURCES (USES):						
Subscription-based arrangements	-	-	13,517	-	13,517	13,517
Leases issued	-	-	469,450	-	469,450	469,450
Transfers in	9,466,702	10,011,994	10,023,416	-	10,023,416	11,422
Transfers out	(25,750,000)	(25,750,000)	(26,305,611)	-	(26,305,611)	(555,611)
Total other financing sources (uses)	(16,283,298)	(15,738,006)	(15,799,228)	-	(15,799,228)	(61,222)
Net change in fund balance	(15,839,504)	1,180,634	23,327,323	(7,125,075)	16,202,248	15,021,614
FUND BALANCE, October 1	51,032,404	51,032,404	51,032,404	-	51,032,404	-
FUND BALANCE, September 30	$ 35,192,900	$ 52,213,038	$ 74,359,727	$ (7,125,075)	$ 67,234,652	$ 15,021,614

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
ADJUSTMENTS TO REVENUES, EXPENDITURES AND OTHER FINANCING USES FROM GAAP BASIS TO BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(UNAUDITED)

	Net Change in Fund Balance
GAAP basis	$ 23,327,323
Revenues:	
Decrease due to rolled back taxes	(16,631)
Decrease due to GASB Statement No.31 market adjustment	(1,195,677)
Expenditures:	
Increase due to encumbrances	(5,912,767)
Budgetary basis	$ 16,202,248

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS
(UNAUDITED)

Fiscal year ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	$ 42,072,795	$ 38,060,057	$ 35,453,512	$ 33,499,863	$ 32,466,781	$ 31,626,466	$ 30,262,774	$ 28,866,767	$ 27,113,143	$ 25,341,004
Interest (on the total pension liability)	95,887,873	90,782,766	84,911,516	79,592,577	75,778,584	71,666,069	67,704,728	64,180,007	60,407,716	59,290,515
Difference between expected and actual experience	10,444,243	13,916,804	20,900,686	15,902,679	(4,677,159)	(1,524,064)	193,289	(4,550,911)	950,930	(6,117,445)
Change of assumptions	-	(8,297,905)	-	-	-	1,969,335	-	-	-	(685,185)
Benefit payments, including refunds of employee contributions	(63,386,058)	(58,287,713)	(52,887,296)	(49,458,379)	(45,703,919)	(40,759,727)	(39,552,473)	(34,399,087)	(32,526,510)	(29,059,878)
Net change in total pension liability	85,018,853	76,174,009	88,378,418	79,536,740	57,864,287	62,978,079	58,608,318	54,096,776	55,945,279	48,769,011
Total pension liability - beginning	1,431,217,709	1,355,043,700	1,266,665,282	1,187,128,542	1,129,264,255	1,066,286,176	1,007,677,858	953,581,082	897,635,803	848,866,792
Total pension liability - ending (a)	1,516,236,562	1,431,217,709	1,355,043,700	1,266,665,282	1,187,128,542	1,129,264,255	1,066,286,176	1,007,677,858	953,581,082	897,635,803
Plan fiduciary net position										
Contributions - employer	38,655,248	34,367,369	32,013,956	31,077,671	30,213,790	30,578,118	29,233,234	28,535,854	26,761,281	25,429,543
Contributions - employee	15,339,391	14,362,499	13,378,709	12,641,458	12,289,329	12,087,312	11,556,306	11,029,878	10,345,977	9,831,426
Net investment income (loss)	134,876,532	135,783,108	(92,968,318)	147,638,938	80,158,056	141,253,119	(28,192,692)	114,003,401	51,816,415	1,121,428
Benefit payments, including refunds of employee contributions	(63,386,058)	(58,287,713)	(52,887,296)	(49,458,379)	(45,703,919)	(40,759,727)	(39,552,473)	(34,399,087)	(32,526,510)	(29,059,878)
Administrative expense	(865,211)	(863,698)	(804,320)	(682,877)	(518,522)	(797,858)	(544,700)	(590,653)	(585,071)	(683,011)
Other	(20,235)	(6,034)	959,793	4,676	(20,231)	(23,967)	(28,458)	(29,932)	(31,522)	(33,734)
Net change in plan fiduciary net position	124,599,667	125,355,531	(100,307,476)	141,221,487	76,418,503	142,336,997	(27,528,783)	118,549,461	55,780,570	6,605,774
Plan fiduciary net position - beginning	1,298,376,483	1,173,020,952	1,273,328,428	1,132,106,941	1,055,688,438	913,351,441	940,880,224	822,330,763	766,550,193	759,944,419
Plan fiduciary net position - ending (b)	1,422,976,150	1,298,376,483	1,173,020,952	1,273,328,428	1,132,106,941	1,055,688,438	913,351,441	940,880,224	822,330,763	766,550,193
Net pension (asset)/liability (a) - (b)	$ 93,260,412	$ 132,841,226	$ 182,022,748	$ (6,663,146)	$ 55,021,601	$ 73,575,817	$ 152,934,735	$ 66,797,634	$ 131,250,319	$ 131,085,610
Plan fiduciary net position as a percentage of the total pension liability	93.85%	90.72%	86.57%	100.53%	95.37%	93.48%	85.66%	93.37%	86.24%	85.40%
Covered payroll	$ 219,129,143	$ 205,175,508	$ 191,124,052	$ 180,592,252	$ 175,496,112	$ 172,539,364	$ 165,009,673	$ 157,569,687	$ 147,755,548	$ 140,393,376
Net pension (asset)/liability as a percentage of covered payroll	42.56%	64.75%	95.24%	(3.69)%	31.35%	42.64%	92.68%	42.39%	88.83%	93.37%

TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
(UNAUDITED)

For year ending September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 39,463,573	$ 39,461,854	$ 1,719	$ 218,432,284	18.07%
2024	38,204,538	38,283,309	(78,771)	219,675,053	17.43%
2023	33,137,262	33,436,695	(299,433)	199,622,057	16.75%
2022	31,582,175	31,784,103	(201,928)	188,550,301	16.86%
2021	30,844,427	31,809,437	(965,010)	184,831,171	17.21%
2020	29,310,064	30,463,893	(1,153,829)	175,520,827	17.36%
2019	28,822,800	30,304,772	(1,481,972)	171,116,724	17.71%
2018	28,117,546	28,953,620	(836,074)	162,477,475	17.82%
2017	26,897,936	28,071,915	(1,173,979)	155,007,834	18.11%
2016	25,652,983	26,360,550	(707,567)	145,557,931	18.11%

Notes to Schedule of Contributions

Valuation Date:

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:	21 years
Asset valuation method:	10 year smoothed market; 12% soft corridor
Inflation:	2.50%
Salary increases:	3.60% to 11.85% including inflation
Investment rate of return:	6.75%
Retirement age:	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an expeirence study of the period ending 2022.
Mortality:	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes	There were no benefit changes during the year.

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT SECURITY PLAN
SCHEDULE OF CHANGES IN NET PENSION (ASSET)/LIABILITY AND RELATED RATIOS
LAST TEN YEARS
(UNAUDITED)

Fiscal year ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	$ 6,663,082	$ 6,311,406	$ 5,476,527	$ 5,216,760	$ 5,110,419	$ 4,725,748	$ 4,510,192	$ 5,073,946	$ 4,716,387	$ 3,803,153
Interest (on the total pension liability)	14,553,380	13,445,688	12,716,254	11,987,174	11,314,548	10,611,657	9,976,825	9,960,603	9,240,119	8,412,933
Difference between expected and actual experience	(1,738,947)	5,033,469	2,466,793	559,364	-	325,133	-	(3,005,892)	-	(1,059,691)
Assumption changes	(2,576,533)	-	(2,453,137)	-	-	6,187,338	-	2,989,199	-	7,094,524
Benefit payments	(8,887,711)	(8,224,594)	(7,410,301)	(6,773,708)	(6,252,909)	(5,775,825)	(5,275,730)	(4,760,146)	(4,297,533)	(3,822,305)
Net change in total pension liability	8,013,271	16,565,969	10,796,136	10,989,590	10,172,058	16,074,051	9,211,287	10,257,710	9,658,973	14,428,614
Total pension liability - beginning	216,717,937	200,151,968	189,355,832	178,366,242	168,194,184	152,120,133	142,908,846	132,651,136	122,992,163	108,563,549
Total pension liability - ending (a)	224,731,208	216,717,937	200,151,968	189,355,832	178,366,242	168,194,184	152,120,133	142,908,846	132,651,136	122,992,163
Plan fiduciary net position										
Employer contributions	7,488,767	7,073,127	6,612,525	6,318,436	5,745,254	5,664,638	5,406,257	5,159,461	4,133,463	3,959,196
Pension plan investment income (loss)	26,566,240	26,906,490	(33,613,047)	28,427,222	25,238,831	27,982,706	(8,633,093)	21,781,774	6,276,782	2,076,698
Benefit payments	(8,887,711)	(8,224,594)	(7,410,301)	(6,773,708)	(6,252,909)	(5,775,825)	(5,275,730)	(4,760,146)	(4,297,533)	(3,822,305)
Pension plan administrative expenses	(98,816)	(154,514)	(113,123)	(50,473)	(83,295)	(48,584)	(81,574)	(363,144)	(336,043)	(327,528)
Net change in plan fiduciary net position	25,068,480	25,600,509	(34,523,946)	27,921,477	24,647,881	27,822,935	(8,584,140)	21,817,945	5,776,669	1,886,061
Plan fiduciary net position - beginning	211,401,023	185,800,514	220,324,460	192,402,983	167,755,102	139,932,167	148,516,307	126,698,362	120,921,693	119,035,632
Plan fiduciary net position - ending (b)	236,469,503	211,401,023	185,800,514	220,324,460	192,402,983	167,755,102	139,932,167	148,516,307	126,698,362	120,921,693
Net pension (asset)/liability - ending (a) - (b)	$ (11,738,295)	$ 5,316,914	$ 14,351,454	$ (30,968,628)	$ (14,036,741)	$ 439,082	$ 12,187,966	$ (5,607,461)	$ 5,952,774	$ 2,070,470
Plan fiduciary net position as a percentage of total pension liability	105.22%	97.55%	92.83%	116.35%	107.87%	99.74%	91.99%	103.92%	95.51%	98.32%
Covered payroll	$ 192,019,667	$181,362,231	$ 169,551,923	$ 162,011,179	$158,708,674	$ 156,481,717	$ 149,344,120	$ 142,526,560	$ 132,482,794	$ 130,412,851
Net pension (asset)/liability as a percentage of covered payroll	(6.11%)	2.93%	8.46%	(19.12)%	(8.84)%	0.28%	8.16%	(3.93)%	4.49%	1.59%

RETIREMENT SECURITY PLAN
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS
(UNAUDITED)

For year ending September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 7,181,090	$ 7,181,090	-	$ 194,202,640	3.70%
2024	7,575,811	7,575,811	-	194,251,557	3.90%
2023	6,929,246	6,929,246	-	177,672,977	3.90%
2022	6,533,924	6,533,924	-	167,536,555	3.90%
2021	6,358,994	6,358,994	-	166,054,205	3.83%
2020	5,758,065	5,758,065	-	159,062,559	3.62%
2019	5,601,861	5,601,861	-	154,747,546	3.62%
2018	5,339,710	5,339,710	-	147,505,817	3.62%
2017	4,880,321	4,880,321	-	139,928,684	3.49%
2016	4,081,765	4,081,765	-	130,825,766	3.12%

Notes to Schedule of Contributions

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 of odd numbered years. The actuarially determined contribution rate determined by the valuation is effective for the biennium period beginning with the fiscal year following the valuation date. Effective December 31, 2022, valuations are performed annually with the actuarially determined contribution rate effective for the calendar year one year after the vaulation date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method:	Entry Age Normal
Amortization method:	Level percentage of payroll, layered
Remaining amortization period:	15 year layered bases as of the measurement date
Asset valuation method:	5-year smoothed market; 20% corridor
Inflation:	2.50%
Salary increases:	7.75% to 3.00%, including inflation
Investment rate of return:	6.75%
Retirement age:	
Mortality:	Experience-based table of rates that are specific to the type of eligibility condition. 2019 Municipal Retirees of Texas mortality tables are used. Generational mortality improvements applied using the ultimate rates of Scale MP-2014.

CITY OF PLANO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SECTION 115 POST-EMPLOYMENT BENEFITS TRUST
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST EIGHT YEARS
(UNAUDITED)

Fiscal year ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	$ 6,141,808	$ 3,921,701	$ 3,948,389	$ 3,512,754	$ 3,512,754	$ 2,929,725	$ 2,631,776	$ 2,631,472
Interest on total OPEB liability	10,662,751	8,906,170	8,505,387	8,296,379	7,600,903	6,961,454	6,401,106	7,587,712
Effect of economic/demographic gains or losses	-	(2,508,090)	-	(13,844,749)	-	6,923,828	-	(1,889,319)
Effect of assumptions changes or inputs	-	19,916,399	-	10,053,138	-	(495,595)	-	(17,339,980)
Benefit payments, net of retiree contributions	(5,412,555)	(7,420,373)	(5,588,671)	(5,132,293)	(3,597,582)	(4,052,790)	(3,396,639)	(2,505,768)
Net change in total OPEB liability	11,392,004	22,815,807	6,865,105	2,885,229	7,516,075	12,266,622	5,636,243	(11,515,883)
Total OPEB liability - beginning	154,486,963	131,671,156	124,806,051	121,920,822	114,404,747	102,138,125	96,501,882	108,017,765
Total OPEB liability - ending (a)	165,878,967	154,486,963	131,671,156	124,806,051	121,920,822	114,404,747	102,138,125	96,501,882
Plan fiduciary net position								
Employer contributions	4,531,342	4,786,586	4,272,033	4,327,093	4,344,778	4,792,867	4,834,363	5,585,470
Net investment income (loss)	(5,412,555)	16,820,546	(19,815,321)	15,596,951	12,934,745	19,624,624	(4,140,078)	11,242,528
Benefit payments, net of retiree contributions	12,600,710	(7,420,373)	(5,588,671)	(5,132,293)	(3,597,582)	(4,052,790)	(3,396,639)	(2,505,768)
Administrative expenses	(30,900)	(27,750)	(28,250)	(27,453)	(27,250)	(19,124)	(36,227)	(10,951)
Net change in plan fiduciary net position	11,688,597	14,159,009	(21,160,209)	14,764,298	13,654,691	20,345,577	(2,738,581)	14,311,279
Plan fiduciary net position - beginning	123,495,045	109,336,036	130,496,245	115,731,947	102,077,256	81,731,679	84,470,260	70,158,981
Plan fiduciary net position - ending (b)	135,183,642	123,495,045	109,336,036	130,496,245	115,731,947	102,077,256	81,731,679	84,470,260
Net OPEB (asset)/liability - ending (a) - (b)	$ 30,695,325	$ 30,991,918	$ 22,335,120	$ (5,690,194)	$ 6,188,875	$ 12,327,491	$ 20,406,446	$ 12,031,622
Plan fiduciary net position as a percentage of the total OPEB liability	81.50%	79.94%	83.04%	104.56%	94.92%	89.22%	80.02%	87.53%
Covered payroll	$ 194,304,279	$ 185,955,486	$ 169,551,926	$ 162,006,381	$ 158,641,160	$ 156,985,248	$ 152,783,696	$ 148,694,595
Net OPEB (asset)/liability as a percentage of covered payroll	15.80%	16.67%	13.17%	(3.51)%	3.90%	7.85%	13.36%	8.09%

Note: GASB 75 requires 10 fiscal years of data. As a result of the City implementing GASB 75 in fiscal year 2018, this schedule will be built to show the remaining reporting requirement.

SECTION 115 POST-EMPLOYMENT BENEFITS TRUST
SCHEDULE OF CONTRIBUTIONS
LAST EIGHT YEARS
(UNAUDITED)

Fiscal year ending September 30,	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	$ 9,476,595	$ 8,877,373	$ 6,488,078	$ 3,692,978	$ 4,291,299	$ 4,510,751	$ 4,451,343	$ 3,774,139
Contributions in relation to the actuarially determined contribution	4,519,727	4,519,901	4,741,215	4,262,934	4,296,812	4,515,739	4,769,684	5,044,806
Contribution deficiency (excess)	$ 4,956,868	$ 4,357,472	$ 1,746,863	$ (569,956)	$ (5,513)	$ (4,988)	$ (318,341)	$ (1,270,667)
Covered payroll	$ 194,202,640	$ 194,251,557	$ 177,672,977	$ 167,536,555	$ 166,054,205	$ 159,062,559	$ 154,747,546	$ 147,505,817
Contributions as a percentage of covered payroll	2.33%	2.33%	2.67%	2.54%	2.59%	2.84%	3.08%	3.42%

Notes to Schedule of Contributions

Valuation Date:	The actuarially determined contribution is the sum of the current year's normal cost plus an amount necessary to amortize the unfunded liability over a closed 19-year period. Actuarial valuations have been performed biennially as of October 1. The most recent valuation was performed as of October 1, 2023.
Actuarial cost method:	Entry Age Normal
Amortization method:	Level percent, Closed
Remaining amortization period:	20 years, as of the valuation date
Amortization growth rate:	2.75%
Asset valuation method:	Market Value
Inflation:	2.50%
Salary increases:	2.75%
Discount rate:	6.75%
Healthcare cost trend rates:	8.50% for 2023, decreasing to an ultimate rate of 4.00%.
Dental cost trend rates:	4.10% for 2023, decreasing to an ultimate rate of 4.00%.
Retirement:	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality:	
Active participants	Pub-2010 General Employee Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.
Retired participants	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.
Disabled participants	Pub-2010 General Disabled Retiree Amount-Weighted Mortality Tables projected fully generationally using Scale MP-2014.

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas

COMBINING FINANCIAL STATEMENTS



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

CRIMINAL INVESTIGATION FUND – to account for any monies taken into police custody as a result of police investigation. These monies are to be spent only on law enforcement activities as provided by state statute.

PLANO TELEVISION FUND – to account for monies received for local access programming, under conditions contained within the franchise agreement with AT&T Broadband.

PUBLIC SAFETY COMMUNICATIONS FUND – to account for 9-1-1 reserve fund monies received from wireless communication fees to be used for related 9-1-1 services; intergovernmental radio fund fees collected under an interlocal agreement for a joint communication system between the cities of Plano, Allen and Frisco, the fees are used to pay maintenance expenses of the system; and wireline fees and reporting for 9-1-1 expenditures.

MUNICIPAL COURT FUND – to account for the following: (1) Building Security Fund monies received from the collection of Class "C" misdemeanor fees, pursuant to the Texas Local Government Code, to be specifically used to provide for the security and housing of the Municipal Courts, the Court Clerks Offices and City Prosecutors Offices; (2) Teen Court Fund fees collected from juvenile defendants requesting the option of participating in the Court's Teen Court program and used specifically to cover the costs of administering that program; (3) Municipal Court Technology Fund monies received from the collection of Class "C" misdemeanor fees, pursuant to the Texas Local Government Code, for the express purpose of maintaining and enhancing technology related issues for the Municipal Court; (4) Judicial Efficiency fees collected for payment on any part of a judgment on or after the 31st day on which a judgment is entered, where one-half is remitted to the State, four-tenths is retained locally without restriction, and one-tenth is used for the purpose of improving judicial efficiency; (5) the Juvenile Case Manager Fund employing Juvenile Case Managers with the function of supervising cases involving youth, under the age of 17 years, charged with a Class "C" Misdemeanor criminal offense. Beginning January 1, 2025, the function of the Juvenile Case Manager shall also include oversight of the Court's Youth Diversion Program as mandated by State law, addressing Class "C" misdemeanor "Charges" other than Transportation Code matters. Fees to fund the Juvenile Case Manager Fund are currently derived from the collection of Class "C" misdemeanor fees, pursuant to the Texas Local Government Code and to be used specifically for all expenses incurred and for the benefit of the Court's juvenile related programs through the filing of Class "C" misdemeanor related cases. After January 1, 2025, those fees generated as a result of the Court's Youth Diversion Program will also be used to fund the juvenile related Diversion programs adopted by the Court; (6) traffic safety fees collected in relation to motor vehicle code violation which are used for public safety purposes; and (7) child safety fees collected from $1 for each registered vehicle. These fees are used to fund the school crossing guard program and other child safety related programs.

MEMORIAL LIBRARY FUND – to account for monies received in support of the City's library.

SEIZED ASSETS FUND – to account for the seizure and disposition of assets confiscated by local law enforcement agencies.

DONATIONS FUND – to account for donations related to various programs within the City.

COMMUNITY PARAMEDIC PROGRAM FUND – to account for donations from local hospitals to increase the overall well-being of patients recently discharged from the hospital enabling paramedics to better assist Plano residents who frequently use the 9-1-1 system.

OPIOID SETTLEMENT FUND – to account for monies received from the Texas Comptroller of Public Accounts in an effort to address the opioid crisis across the state of Texas. These funds are acquired by statewide opioid settlement agreements and dispersed by the Texas Opioid Abatement Fund Council.

BLENDED COMPONENT UNITS:

DOWNTOWN PLANO PUBLIC IMPROVEMENT DISTRICT – organized to provide additional improvements and services in Downtown Plano where funding is derived from a special assessment paid by downtown property owners and based on a property's taxable value.

PLANO IMPROVEMENT CORPORATION – organized as a legally separate, nonprofit entity that serves the citizens of the City by facilitating real estate transactions and serve as an independent foundation for acceptance of donations.

HAGGARD FARM PUBLIC IMPROVEMENT DISTRICT – organized to provide a method to finance infrastructure and development for the area historically known as Haggard Farm.

CAPITAL PROJECTS FUNDS:

The capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations or other government.

The City's nonmajor capital projects funds are as follows:

PUBLIC INFRASTRUCTURE FUND – to account for improvements to City of Plano owned infrastructure related to existing commercial facilities, including streets, utilities, open space and other infrastructure.

PARK SERVICES FUND – to account for building permit fees exclusively for the acquisition and development of new neighborhoods and parks.


Plano
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CITY OF PLANO, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2025

	Special Revenue			
	Criminal Investigation	Plano Television	Public Safety Communications	Municipal Court
ASSETS				
Cash and cash equivalents	$ 839,362	$ 146,424	$ 5,271,207	$ 2,602,442
Investments	3,432,074	598,711	21,553,482	10,641,146
Receivables (net of allowance for uncollectibles):				
Accounts	-	-	-	-
Accrued interest	22,391	3,902	152,489	69,361
Due from other governments	7,263	-	139,576	109,958
Prepaid items and other assets	-	-	129,245	-
Total assets	$ 4,301,090	$ 749,037	$ 27,245,999	$ 13,422,907
LIABILITIES				
Accounts payable	$ -	$ 2,076	$ 72,034	$ 2,621
Accrued liabilities	228,631	9,915	-	3,945
Unearned revenue	-	-	-	-
Due to other funds	7,023	30	36,946	6,478
Seized assets payable	-	-	-	-
Total liabilities	235,654	12,021	108,980	13,044
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	5,433	-	-	-
FUND BALANCES				
Prepaid items and other assets	-	-	129,245	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue	4,060,003	737,016	27,007,774	13,409,863
Blended component unit	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Total fund balances	4,060,003	737,016	27,137,019	13,409,863
Total liabilities and fund balance	$ 4,301,090	$ 749,037	$ 27,245,999	$ 13,422,907

Special Revenue				
Memorial Library	Seized Assets	Donations	Community Paramedic Program	Opioid Settlement
$ 91,765	$ 29,457	$ 102,494	$ 10,223	$ 126,914
375,218	120,447	419,091	41,802	522,322
-	-	245	-	-
2,446	785	2,732	272	-
-	-	-	-	-
-	-	-	-	-
$ 469,429	$ 150,689	$ 524,562	$ 52,297	$ 649,236
$ 19,603	$ -	$ 50,869	$ -	$ -
-	-	-	2,463	-
-	-	-	-	343,106
-	-	-	-	-
-	150,689	-	-	-
19,603	150,689	50,869	2,463	343,106
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
449,826	-	473,693	49,834	306,130
-	-	-	-	-
-	-	-	-	-
449,826	-	473,693	49,834	306,130
$ 469,429	$ 150,689	$ 524,562	$ 52,297	$ 649,236

(continued)

CITY OF PLANO, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2025
(continued)

	Blended Component Units		
	Downtown Plano Public Improvement District	Plano Improvement Corporation	Haggard Farm Public Improvement District
ASSETS			
Cash and cash equivalents	$ 181,388	$ 184,657	$ 4,113
Investments	-	-	-
Receivables (net of allowance for uncollectibles):			
Accounts	-	-	-
Accrued interest	-	-	-
Due from other governments	-	-	-
Prepaid items and other assets	-	-	-
Total assets	$ 181,388	$ 184,657	$ 4,113
LIABILITIES			
Accounts payable	$ 6,000	$ 11,450	$ -
Accrued liabilities	-	-	-
Unearned revenue	-	-	
Due to other funds	-	-	-
Seized assets payable	-	-	-
Total liabilities	6,000	11,450	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
FUND BALANCES			
Prepaid items and other assets	-	-	-
Restricted for:			
Capital projects	-	-	-
Special revenue	-	-	-
Blended component unit	175,388	173,207	4,113
Assigned to:			
Capital projects	-	-	-
Total fund balances	175,388	173,207	4,113
Total liabilities and fund balance	$ 181,388	$ 184,657	$ 4,113

Capital Projects		Total Nonmajor Governmental Funds
Public Infrastructure	Park Services	
$ 68,634	$ 2,203,606	$ 11,862,686
280,639	9,010,343	46,995,275
-	-	245
1,829	58,731	314,938
-	-	256,797
-	-	129,245
$ 351,102	$ 11,272,680	$ 59,559,186
$ -	$ -	$ 164,653
-	-	244,954
-	-	343,106
-	-	50,477
-	-	150,689
-	-	953,879
-	-	5,433
-	-	129,245
351,102	-	351,102
-	-	46,494,139
-	-	352,708
-	11,272,680	11,272,680
351,102	11,272,680	58,599,874
$ 351,102	$ 11,272,680	$ 59,559,186

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue			
	Criminal Investigation	Plano Television	Public Safety Communications	Municipal Court
REVENUES				
Fines and forfeitures	$ 114,992	$ -	$ -	$ 2,458
Contributions	-	-	-	-
Intergovernmental	42,408	-	1,490,421	-
Charges for services	-	329,520	1,878,488	768,415
Assessed taxes	-	-	-	-
Investment income	-	30,407	1,051,848	549,533
Miscellaneous	17,663	-	-	-
Total revenues	175,063	359,927	4,420,757	1,320,406
EXPENDITURES				
Police	85,687	-	1,160,910	1,236,673
Fire	-	-	246,254	-
Libraries	-	-	-	-
Development	-	-	-	-
Public services and operations	-	806,766	780,518	-
Capital outlay	6,157	-	-	-
Debt Service:				
Principal retirement	-	38,675	-	-
Interest and fiscal charges	-	4,075	-	-
Total expenditures	91,844	849,516	2,187,682	1,236,673
Excess (deficiency) of revenues over (under) expenditures	83,219	(489,589)	2,233,075	83,733
OTHER FINANCING SOURCES (USES)				
Transfers in	-	500,000	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	500,000	-	-
Net change in fund balances	83,219	10,411	2,233,075	83,733
Fund balances - beginning	3,976,784	726,605	24,903,944	13,326,130
Fund balances - ending	$ 4,060,003	$ 737,016	$ 27,137,019	$ 13,409,863

Special Revenue			
Memorial Library	Donations	Community Paramedic Program	Opioid Settlement
$ -	$ -	$ -	$ -
289,070	15,072,950	115,600	-
-	-	-	-
-	-	-	-
-	-	-	-
14,725	18,876	4,111	-
-	11,649	-	-
303,795	15,103,475	119,711	-
-	-	-	57,134
-	-	160,703	-
141,358	-	-	-
-	-	-	-
-	46,750	-	-
-	15,155,969	-	-
-	-	-	-
-	-	-	-
141,358	15,202,719	160,703	57,134
162,437	(99,244)	(40,992)	(57,134)
-	75,000	-	-
-	-	-	-
-	75,000	-	-
162,437	(24,244)	(40,992)	(57,134)
287,389	497,937	90,826	363,264
$ 449,826	$ 473,693	$ 49,834	$ 306,130

(continued)

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(continued)

	Blended Component Units		
	Downtown Plano Public Improvement District	Plano Improvement Corporation	Haggard Farm Public Improvement District
REVENUES			
Fines and forfeitures	$ -	$ -	$ -
Contributions	-	338,665	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Assessed taxes	76,353	-	-
Investment income	-	-	-
Miscellaneous	31,800	-	-
Total revenues	108,153	338,665	-
EXPENDITURES			
Police	-	-	-
Fire	-	-	-
Libraries	-	-	-
Development	126,794	238,361	-
Public services and operations	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	126,794	238,361	-
Excess (deficiency) of revenues over (under) expenditures	(18,641)	100,304	-
OTHER FINANCING SOURCES (USES)			
Transfers in	50,000	-	-
Transfers out	-	(83,464)	-
Total other financing sources (uses)	50,000	(83,464)	-
Net change in fund balances	31,359	16,840	-
Fund balances - beginning	144,029	156,367	4,113
Fund balances - ending	$ 175,388	$ 173,207	$ 4,113

Capital Projects		
Public Infrastructure	Park Services	Total Nonmajor Governmental Funds
$ -	$ -	$ 117,450
-	-	15,816,285
-	-	1,532,829
-	867,278	3,843,701
-	-	76,353
15,151	446,082	2,130,733
-	-	61,112
15,151	1,313,360	23,578,463
-	-	2,540,404
-	-	406,957
-	-	141,358
-	-	365,155
-	-	1,634,034
3,182	588,456	15,753,764
-	-	38,675
-	-	4,075
3,182	588,456	20,884,422
11,969	724,904	2,694,041
-	-	625,000
-	-	(83,464)
-	-	541,536
11,969	724,904	3,235,577
339,133	10,547,776	55,364,297
$ 351,102	$ 11,272,680	$ 58,599,874


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CITY OF PLANO, TEXAS
DEBT SERVICE FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(UNAUDITED)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property taxes	$ 67,659,296	$ 65,933,970	$ 66,061,455	$ 127,485
Investment income	750,000	1,350,000	1,811,100	461,100
Miscellaneous	16,218	16,236	16,236	-
Total revenues	68,425,514	67,300,206	67,888,791	588,585
EXPENDITURES				
Principal retirement	41,535,000	43,180,000	43,180,000	-
Interest and fiscal charges	24,910,258	25,451,985	25,526,050	(74,065)
Total expenditures	66,445,258	68,631,985	68,706,050	(74,065)
Excess (deficiency) of revenues over (under) expenditures	1,980,256	(1,331,779)	(817,259)	514,520
OTHER FINANCING SOURCES (USES)				
Issuance of debt-refunding	-	-	18,145,000	18,145,000
Escrow payment-refunding	-	-	(19,522,789)	(19,522,789)
Premium from sale of bonds	-	-	1,445,066	1,445,066
Total other financing uses	-	-	67,277	67,277
Net change in fund balance	1,980,256	(1,331,779)	(749,982)	581,797
Fund balance - beginning	4,077,835	4,077,835	4,077,835	-
Fund balance - ending	$ 6,058,091	$ 2,746,056	$ 3,327,853	$ 581,797


Plano
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NONMAJOR ENTERPRISE FUNDS

CONVENTION AND TOURISM FUND – to account for the convention and tourism activities of the City's Plano Event Center and Visit Plano operations.

MUNICIPAL GOLF COURSE FUND – to account for operation of the City's golf course, including administration, operation and maintenance. All costs are financed through fees charged to patrons.

DOWNTOWN CENTER DEVELOPMENT FUND – to account for improvements and activities in support of the City's downtown area.

RECREATION REVOLVING FUND – to account for recreational programs and activities that are offered to groups and individuals on a fee basis. Fees are adjusted periodically to cover the cost of providing each program.

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
AS OF SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds				
	Convention and Tourism	Municipal Golf Course	Downtown Center Development	Recreation Revolving	Total Nonmajor Enterprise Funds
ASSETS					
Cash and cash equivalents	$ 1,842,886	$ 116,074	$ 248,559	$ 427,824	$ 2,635,343
Investments	7,516,717	474,616	1,016,335	1,747,084	10,754,752
Receivables:					
Accounts	1,099,742	27,861	33,839	46,206	1,207,648
Accrued interest	48,995	3,094	25,913	11,388	89,390
Inventories	26,106	-	-	-	26,106
Due from other funds	13,301	-	-	-	13,301
Lease receivables	-	-	2,545,183	-	2,545,183
Prepaid items and other assets	4,000	-	-	-	4,000
Net pension asset	137,074	34,368	-	30,126	201,568
Capital assets:					
Land	2,359,859	595,296	36,999	-	2,992,154
Public art	-	-	50,000	-	50,000
Buildings	11,354,841	2,427,383	-	500,000	14,282,224
Right-to-use lease buildings	985,354	-	-	-	985,354
Improvements other than buildings	790,021	1,247,352	-	1,481,980	3,519,353
Equipment	1,731,116	17,479	-	327,165	2,075,760
Right-to-use lease equipment	59,760	-	-	-	59,760
Less accumulated depreciation	(14,371,172)	(3,692,214)	-	(1,031,620)	(19,095,006)
Total capital assets (net of accumulated depreciation)	2,909,779	595,296	86,999	1,277,525	4,869,599
Total assets	13,598,600	1,251,309	3,956,828	3,540,153	22,346,890
DEFERRED OUTFLOWS OF RESOURCES					
Pensions related	875,015	160,005	-	179,403	1,214,423
Other postemployment benefits related	379,711	83,941	-	99,393	563,045
Total deferred outflows of resources	1,254,726	243,946	-	278,796	1,777,468
LIABILITIES					
Current liabilities:					
Accounts payable	320,428	11,144	4,962	88,485	425,019
Accrued liabilities	246,760	13,686	-	186,571	447,017
Unearned revenue	556,783	-	-	874,777	1,431,560
Due to other funds	938	94	-	167	1,199
Accrued interest payable	1,434	-	-	-	1,434
Leases payable	190,212	-	-	-	190,212
Customer deposits	-	-	1,500	29,938	31,438
Liability for compensated absences	63,225	11,400	-	4,492	79,117
Total current liabilities	1,379,780	36,324	6,462	1,184,430	2,606,996
Noncurrent liabilities:					
Net pension liability	1,257,019	238,041	-	179,642	1,674,702
Net other postemployment benefits liability	495,042	111,748	-	115,018	721,808
Leases payable	148,354	-	-	-	148,354
Liability for compensated absences	668,513	84,552	-	68,116	821,181
Total noncurrent liabilities	2,568,928	434,341	-	362,776	3,366,045
Total liabilities	3,948,708	470,665	6,462	1,547,206	5,973,041
DEFERRED INFLOWS OF RESOURCES					
Pensions related	323,967	79,174	-	110,127	513,268
Other postemployment benefits related	124,786	31,571	-	41,662	198,019
Leases related	-	-	2,445,652	-	2,445,652
Total deferred inflows of resources	448,753	110,745	2,445,652	151,789	3,156,939
NET POSITION					
Net investment in capital assets	2,571,213	595,296	86,999	1,277,525	4,531,033
Net pension asset	137,074	34,368	-	30,126	201,568
Unrestricted	7,747,578	284,181	1,417,715	812,303	10,261,777
Total net position	$ 10,455,865	$ 913,845	$ 1,504,714	$ 2,119,954	$ 14,994,378

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds				
	Convention and Tourism	Municipal Golf Course	Downtown Center Development	Recreation Revolving	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for services	$ 4,202,630	$ 1,413,995	$ 320,419	$ 3,440,431	$ 9,377,475
Miscellaneous charges	32,362	-	-	20,838	53,200
Total operating revenues	4,234,992	1,413,995	320,419	3,461,269	9,430,675
OPERATING EXPENSES					
Personnel services	4,062,447	817,939	-	1,409,101	6,289,487
Pension and other postemployment benefits expense (net)	136,191	28,687	-	21,663	186,541
Contractual services	8,304,528	400,575	259,375	1,940,297	10,904,775
Supplies	917,516	127,865	-	141,738	1,187,119
Depreciation and amortization	238,399	-	-	114,718	353,117
Miscellaneous	166,092	2,103	26,002	32,272	226,469
Total operating expenses	13,825,173	1,377,169	285,377	3,659,789	19,147,508
Operating income (loss)	(9,590,181)	36,826	35,042	(198,520)	(9,716,833)
NONOPERATING REVENUES (EXPENSES)					
Investment income	374,523	23,820	165,593	94,926	658,862
Interest and fiscal charges	(17,936)	-	-	-	(17,936)
Hotel occupancy taxes	13,342,764	-	-	-	13,342,764
Miscellaneous	-	732	-	-	732
Total nonoperating revenues	13,699,351	24,552	165,593	94,926	13,984,422
Income (loss) before transfers	4,109,170	61,378	200,635	(103,594)	4,267,589
Transfers out	(3,821,665)	(137,158)	-	(243,279)	(4,202,102)
Change in net position	287,505	(75,780)	200,635	(346,873)	65,487
Total net position - beginning	10,168,360	989,625	1,304,079	2,466,827	14,928,891
Total net position - ending	$ 10,455,865	$ 913,845	$ 1,504,714	$ 2,119,954	$ 14,994,378

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities Enterprise Funds				
	Convention and Tourism	Municipal Golf Course	Downtown Center Development	Recreation Revolving	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	$ 3,931,030	$ 1,386,134	$ 261,644	$ 3,367,043	$ 8,945,851
Cash payments to suppliers for goods and services	(9,259,826)	(527,363)	(232,096)	(2,062,108)	(12,081,393)
Cash paid to or on behalf of employees for services	(3,994,706)	(840,982)	-	(1,355,526)	(6,191,214)
Net cash provided (used) by operating activities	(9,323,502)	17,789	29,548	(50,591)	(9,326,756)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Hotel occupancy taxes	13,342,764	-	-	-	13,342,764
Transfers to other funds	(3,821,665)	(137,158)	-	(243,279)	(4,202,102)
Net cash provided (used) by noncapital financing activities	9,521,099	(137,158)	-	(243,279)	9,140,662
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(60,417)	-	-	-	(60,417)
Principal paid on long-term debt	(194,384)	-	-	-	(194,384)
Interest paid on long-term debt	(18,786)	-	-	-	(18,786)
Proceeds from insurance damages	-	732	-	-	732
Net cash provided (used) by capital and related financing activities	(273,587)	732	-	-	(272,855)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of investment securities	(7,516,717)	(474,616)	(1,016,335)	(1,747,084)	(10,754,752)
Proceeds from sale and maturities of investment securities	7,683,037	581,027	908,626	2,012,154	11,184,844
Interest on investments	365,774	23,770	163,254	94,078	646,876
Net cash provided by investing activities	532,094	130,181	55,545	359,148	1,076,968
Net increase in cash and cash equivalents	456,104	11,544	85,093	65,278	618,019
Cash and cash equivalents - beginning	1,386,782	104,530	163,466	362,546	2,017,324
Cash and cash equivalents - ending	$ 1,842,886	$ 116,074	$ 248,559	$ 427,824	$ 2,635,343
Noncash disclosures:					
Increase in fair value of investments	$ 65,226	$ 4,761	$ 7,946	$ 16,679	$ 94,612
Contracts, retainage, leases and SBITA payables	(194,384)	-	-	-	(194,384)

(continued)

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(continued)

	Business-type Activities Enterprise Funds				
	Convention and Tourism	Municipal Golf Course	Downtown Center Development	Recreation Revolving	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ (9,590,181)	$ 36,826	$ 35,042	$ (198,520)	$ (9,716,833)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	238,399	-	-	114,718	353,117
Pension and other postemployment benefits expense (net)	136,191	28,687	-	21,663	186,541
Change in assets and liabilities:					
(Increase) decrease in-					
Accounts receivables	(212,915)	(27,861)	(16,919)	(32,444)	(290,139)
Lease receivables	-	-	273,562	-	273,562
Other receivables	(3,353)	-	-	-	(3,353)
Due from other funds	(13,301)	-	-	-	(13,301)
Prepaid items and other assets	49,942	-	49,583	5,331	104,856
Increase (decrease) in-					
Accounts payable	81,721	3,180	3,698	46,868	135,467
Accrued liabilities	48,484	2,766	-	35,961	87,211
Due to other funds	(143,726)	-	-	-	(143,726)
Liability for compensated absences	19,257	(25,809)	-	17,614	11,062
Customer deposits	-	-	-	(23,431)	(23,431)
Deferred inflows from leases	-	-	(315,418)	-	(315,418)
Unearned revenue	65,980	-	-	(38,351)	27,629
Total adjustments	266,679	(19,037)	(5,494)	147,929	390,077
Net cash provided (used) by operating activities	$ (9,323,502)	$ 17,789	$ 29,548	$ (50,591)	$ (9,326,756)


Plano
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INTERNAL SERVICE FUNDS

Internal service funds account for the financing of goods or services provided by one department for another.

The City has five internal service funds as follows:

EQUIPMENT MAINTENANCE FUND – to account for the cost of operating and maintaining automotive and other equipment used by City departments. Service charges are billed to departments on a monthly basis to cover all expenses of the fund, including depreciation of furniture and fixtures, machinery and equipment necessary to provide maintenance services and for replacement of the fleet.

MUNICIPAL WAREHOUSE FUND – to account for the operation of a central warehouse facility, which provides the capability of storing and distributing in volume supplies and materials used by City departments. An overhead charge is applied to the purchase price of all materials handled to cover the operating costs, including the cost of goods sold.

TECHNOLOGY SOLUTIONS FUND – to account for the data processing and information systems. Charges for software, hardware and maintenance of the systems are billed to the user funds.

RISK MANAGEMENT FUND – to account for the operation of a self-insurance program for general liability, public officials' errors and omission, police professional liability, property loss and workers' compensation.

HEALTH CLAIMS FUND – to account for the self-insurance operation of group accident and health insurance coverage for all City employees. In addition to the basic insurance coverage provided, employees may purchase dependent coverage through payroll deductions. Coverage is financed by billings to the departments and through employee payroll deductions.

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF SEPTEMBER 30, 2025

	Equipment Maintenance	Municipal Warehouse	Technology Solutions
ASSETS			
Cash and cash equivalents	$ 8,624,281	$ -	$ 3,235,474
Investments	35,263,896	-	13,229,555
Receivables:			
Accrued interest	229,855	-	86,232
Due from other funds	-	-	69,060
Inventories	62,127	2,116,926	-
Prepaid items and other assets	-	-	-
Net pension asset	48,680	30,888	108,842
Capital assets:			
Land	51,515	-	11,007
Buildings	5,264,915	-	710,379
Right-to-use lease buildings	-	-	198,533
Equipment	37,851,546	-	27,818,025
Rolling equipment	95,049,179	-	-
Right-to-use lease equipment	2,549,795	-	5,502,726
Right-to-use subscription assets	-	-	10,792,667
Less accumulated depreciation	(79,076,946)	-	(30,714,574)
Total capital assets (net of accumulated depreciation)	61,690,004	-	14,318,763
Total assets	105,918,843	2,147,814	31,047,926
DEFERRED OUTFLOWS OF RESOURCES			
Pensions related	830,729	180,072	2,124,097
Other postemployment benefits related	333,286	87,430	651,421
Total deferred outflows of resources	1,164,015	267,502	2,775,518
LIABILITIES			
Current liabilities:			
Accounts payable	2,518,287	300,594	436,524
Accrued liabilities	63,083	12,183	234,544
Due to other funds	31,481	1,209,113	-
Accrued interest payable	72,044	-	136,600
Leases payable	470,508	-	543,345
Subscription liabilities	-	-	2,312,477
Liability for compensated absences	8,858	356	104,589
Liability for insurance claims	-	-	-
Total current liabilities	3,164,261	1,522,246	3,768,079
Noncurrent liabilities:			
Net pension liability	1,141,161	235,354	2,549,219
Net other postemployment benefits liability	424,819	110,005	883,207
Leases payable	1,029,874	-	1,687,035
Subscription liabilities	-	-	2,390,634
Liability for compensated absences	125,020	106,489	507,659
Total noncurrent liabilities	2,720,874	451,848	8,017,754
Total liabilities	5,885,135	1,974,094	11,785,833
DEFERRED INFLOWS OF RESOURCES			
Pensions related	254,307	73,912	935,254
Other postemployment benefits related	107,437	33,427	125,614
Total deferred inflows of resources	361,744	107,339	1,060,868
NET POSITION			
Net investment in capital assets	60,189,622	-	7,385,272
Net pension asset	48,680	30,888	108,842
Unrestricted	40,597,677	302,995	13,482,629
Total net position	$ 100,835,979	$ 333,883	$ 20,976,743

Risk Management	Health Claims	Total
$ 1,396,082	$ 2,039,055	$ 15,294,892
5,708,450	8,337,508	62,539,409
37,208	138,504	491,799
-	76,564	145,624
-	-	2,179,053
-	31,000	31,000
14,219	-	202,629
-	-	62,522
-	-	5,975,294
-	-	198,533
-	-	65,669,571
-	-	95,049,179
-	-	8,052,521
-	-	10,792,667
-	-	(109,791,520)
-	-	76,008,767
7,155,959	10,622,631	156,893,173
196,062	-	3,330,960
59,015	-	1,131,152
255,077	-	4,462,112
80,954	89,806	3,426,165
13,731	-	323,541
165	-	1,240,759
-	-	208,644
-	-	1,013,853
-	-	2,312,477
633	-	114,436
5,043,316	3,733,037	8,776,353
5,138,799	3,822,843	17,416,228
280,890	-	4,206,624
76,218	-	1,494,249
-	-	2,716,909
-	-	2,390,634
62,681	-	801,849
419,789	-	11,610,265
5,558,588	3,822,843	29,026,493
55,937	-	1,319,410
16,632	-	283,110
72,569	-	1,602,520
-	-	67,574,894
14,219	-	202,629
1,765,660	6,799,788	62,948,749
$ 1,779,879	$ 6,799,788	$ 130,726,272

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Equipment Maintenance	Municipal Warehouse	Technology Solutions
OPERATING REVENUES			
Charges for services	$ 31,235,337	$ 5,923,282	$ 26,395,410
Subrogation receipts	-	-	-
Miscellaneous charges	-	4,322	-
Total operating revenues	31,235,337	5,927,604	26,395,410
OPERATING EXPENSES			
Personnel services	3,682,649	724,879	12,580,614
Pension and other postemployment benefits expense (net)	124,287	26,772	370,355
Contractual services	3,346,886	79,590	8,090,769
Supplies	7,255,961	5,118,169	537,431
Claims expense	-	-	-
Depreciation and amortization	16,027,290	-	6,173,946
Miscellaneous	123,831	47,257	6,213
Total operating expenses	30,560,904	5,996,667	27,759,328
Operating income (loss)	674,433	(69,063)	(1,363,918)
NONOPERATING REVENUES (EXPENSES)			
Investment income	1,675,498	-	641,916
Gain on property disposition	1,343,105	-	-
Interest and fiscal charges	(98,607)	-	(293,411)
Miscellaneous	31,458	-	42,634
Total nonoperating revenues	2,951,454	-	391,139
Income (loss) before transfers	3,625,887	(69,063)	(972,779)
Transfers in	505,611	-	500,000
Transfers out	-	-	(250,000)
Change in net position	4,131,498	(69,063)	(722,779)
Total net position - beginning	96,704,481	402,946	21,699,522
Total net position - ending	$ 100,835,979	$ 333,883	$ 20,976,743

Risk Management	Health Claims	Total
$ 11,000,000	$ 41,009,251	$ 115,563,280
3,191,207	-	3,191,207
-	-	4,322
14,191,207	41,009,251	118,758,809
742,126	-	17,730,268
23,807	-	545,221
3,665,776	5,633,231	20,816,252
23,308	-	12,934,869
6,870,180	37,312,001	44,182,181
-	-	22,201,236
35,711	-	213,012
11,360,908	42,945,232	118,623,039
2,830,299	(1,935,981)	135,770
180,775	439,844	2,938,033
-	-	1,343,105
-	-	(392,018)
-	-	74,092
180,775	439,844	3,963,212
3,011,074	(1,496,137)	4,098,982
-	-	1,005,611
-	-	(250,000)
3,011,074	(1,496,137)	4,854,593
(1,231,195)	8,295,925	125,871,679
$ 1,779,879	$ 6,799,788	$ 130,726,272

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Equipment Maintenance	Municipal Warehouse	Technology Solutions
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from other funds	$ 31,266,300	$ 5,881,845	$ 26,395,965
Cash received from subrogation	-	-	-
Cash payments to suppliers for goods and services	(9,436,646)	(5,169,706)	(8,482,846)
Cash paid to or on behalf of employees for services	(3,690,730)	(712,139)	(12,556,206)
Net cash provided (used) by operating activities	18,138,924	-	5,356,913
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	505,611	-	(250,000)
Transfers from other funds	-	-	500,000
Net cash provided by noncapital financing activities	505,611	-	250,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(22,833,181)	-	(38,539)
Proceeds on sale of equipment	1,583,055	-	-
Principal paid on long-term debt	-	-	(5,003,750)
Interest paid on long-term debt	-	-	(248,445)
Proceeds from insurance damages	31,458	-	42,634
Net cash used by capital and related financing activities	(21,218,668)	-	(5,248,100)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investment securities	(35,263,896)	-	(13,229,555)
Proceeds from sales and maturities of investment securities	37,984,163	-	13,121,228
Interest on investments	1,644,617	-	624,417
Net cash provided (used) by investing activities	4,364,884	-	516,090
Net increase in cash and cash equivalents	1,790,751	-	874,903
Cash and cash equivalents - beginning	6,833,530	-	2,360,571
Cash and cash equivalents - ending	$ 8,624,281	$ -	$ 3,235,474
Noncash disclosure:			
Contracts, retainage, leases and SBITA payables	$ (486,355)	$ -	$ (5,003,750)
Property disposition/adjustments	(239,949)	-	-
Increase in fair value of investments	319,017	-	112,110
Transfer in of capital assets	263,174	-	-

Risk Management	Health Claims	Total
$ 11,455,091	$ 40,932,687	$ 115,931,888
3,191,207	-	3,191,207
(10,934,470)	(41,933,229)	(75,956,897)
(734,741)	-	(17,693,816)
2,977,087	(1,000,542)	25,472,382
-	-	255,611
-	-	500,000
-	-	755,611
-	-	(22,871,720)
-	-	1,583,055
-	-	(5,003,750)
-	-	(248,445)
-	-	74,092
-	-	(26,466,768)
(5,708,450)	(8,337,508)	(62,539,409)
3,361,516	9,043,413	63,510,320
161,176	706,739	3,136,949
(2,185,758)	1,412,644	4,107,860
791,329	412,102	3,869,085
604,753	1,626,953	11,425,807
$ 1,396,082	$ 2,039,055	$ 15,294,892
$ -	$ -	$ (5,490,105)
-	-	(239,949)
32,945	75,846	539,918
-	-	263,174

(continued)

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(continued)

	Equipment Maintenance	Municipal Warehouse	Technology Solutions
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	$ 674,433	$ (69,063)	$ (1,363,918)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	16,027,290	-	6,173,946
Pension and other postemployment benefits expense (net)	124,287	26,772	370,355
Changes in assets and liabilities:			
(Increase) decrease in-			
Due from other funds	-	-	555
Prepaid items and other assets	284	-	-
Inventories	(7,648)	17,098	-
Increase (decrease) in-			
Accounts payable	1,297,396	58,212	151,567
Accrued liabilities	5,896	1,731	34,346
Due to other funds	30,963	(45,759)	-
Liability for compensated absences	(13,977)	11,009	(9,938)
Liability for insurance claims	-	-	-
Total adjustments	17,464,491	69,063	6,720,831
Net cash provided (used) by operating activities	$ 18,138,924	$ -	$ 5,356,913

Risk Management	Health Claims	Total
$ 2,830,299	$ (1,935,981)	$ 135,770
-	-	22,201,236
23,807	-	545,221
455,091	(76,564)	379,082
150	-	434
-	-	9,450
39,631	69,586	1,616,392
1,907	-	43,880
-	-	(14,796)
5,478	-	(7,428)
(379,276)	942,417	563,141
146,788	935,439	25,336,612
$ 2,977,087	$ (1,000,542)	$ 25,472,382


Plano
City of Excellence

FIDUCIARY FUNDS

PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS:

PENSION TRUST – to account for the Retirement Security Plan assets held for full-time employees as a substitute retirement plan to Social Security.

OTHER POST-EMPLOYMENT BENEFITS TRUST – to account for the Section 115 Post-Employment Benefits Trust assets held for the purpose of funding and providing certain benefits to its eligible retirees in accordance with the requirements of Governmental Accounting Standards Board Statement No. 45.

CUSTODIAL FUNDS:

COLLIN CREEK EAST PID – to account for the 60-acres of the Collin Creek Mall Redevelopment Project with funding deriving from PID bonds, developers' contributions and land acquisition, which is held in trust.

COLLIN CREEK WEST PID - to account for the 30-acres of the Collin Creek Mall Redevelopment Project with funding deriving from PID bonds, which is held in trust.

TIRZ NO. 4 – to account for the sale of the TIRZ revenue stream from the 99-acres of real property related to the Collin Creek Mall Redevelopment Project.

HAGGARD FARM PID – to account for the 140-acres of the Haggard Farm/Almanac Development with funding deriving from PID bonds, which is held in trust.

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
AS OF SEPTEMBER 30, 2025

	Pension Trust Fund	Other Post-Employment Benefits Trust Fund	Total Pension and Other Post-Employment Benefits Trust Funds
ASSETS			
Cash and cash equivalents	$ 2,510,676	$ 1,542,103	$ 4,052,779
Investments:			
Mutual funds:			
Domestic equity funds	114,327,936	61,953,634	176,281,570
International equity funds	56,502,098	37,771,600	94,273,698
Fixed income funds	25,052,105	17,132,602	42,184,707
Bank loans	12,503,852	5,514,858	18,018,710
Real estate investment trusts	18,473,962	5,953,087	24,427,049
Collective investment trusts	24,860,614	17,620,778	42,481,392
Diversified inflation strategies	10,916,450	5,652,136	16,568,586
Accrued interest	9,842	7,827	17,669
Prepaid items and other assets	-	155,884	155,884
Total assets	265,157,535	153,304,509	418,462,044
LIABILITIES			
Accrued liabilities	-	536,509	536,509
Bonds payable	-	-	-
Total liabilities	-	536,509	536,509
NET POSITION			
Net position restricted for pensions	265,157,535	-	265,157,535
Net position restricted for other postemployment benefits	-	152,768,000	152,768,000
Net position restricted for custodial funds	-	-	-
Total net position	$ 265,157,535	$ 152,768,000	$ 417,925,535

Collin Creek East PID Custodial Fund	Collin Creek West PID Custodial Fund	Collin Creek Custodial Fund	Haggard Farm PID Custodial Fund	Total Custodial Funds
$ 11,957,749	$ 1,419,762	$ 1,807,568	$ 6,923,715	$ 22,108,794
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
11,957,749	1,419,762	1,807,568	6,923,715	22,108,794
1,073,212	2,730	-	4,055	1,079,997
31,551,000	14,025,097	-	21,458,000	67,034,097
32,624,212	14,027,827	-	21,462,055	68,114,094
-	-	-	-	-
-	-	-	-	-
(20,666,463)	(12,608,065)	1,807,568	(14,538,340)	(46,005,300)
$ (20,666,463)	$ (12,608,065)	$ 1,807,568	$ (14,538,340)	$ (46,005,300)

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Pension Trust Fund	Other Post-Employment Benefits Trust Fund	Total Pension and Other Post-Employment Benefits Trust Funds
ADDITIONS			
Contributions:			
From employers	$ 7,181,090	$ 4,510,842	$ 11,691,932
From retirees	-	2,977,316	2,977,316
From property assessments	-	-	-
Total contributions	7,181,090	7,488,158	14,669,248
Investment return:			
Net increase in fair value of investments	26,354,979	14,239,540	40,594,519
Interest	-	116,523	116,523
Dividends	3,477,622	2,311,740	5,789,362
Miscellaneous	5,927	18,583	24,510
Total investment return	29,838,528	16,686,386	46,524,914
Less investment expenses:			
Trustee fees	105,400	30,865	136,265
Advisory fees	63,763	98,431	162,194
Total investment expenses	169,163	129,296	298,459
Net investment return	29,669,365	16,557,090	46,226,455
Total additions	36,850,455	24,045,248	60,895,703
DEDUCTIONS			
Benefits	9,525,058	5,763,791	15,288,849
Administrative expenses	56,885	2,969,855	3,026,740
Bond interest and fiscal charges	-	-	-
Project expenses	-	-	-
Total deductions	9,581,943	8,733,646	18,315,589
Change in net position	27,268,512	15,311,602	42,580,114
Total net position - beginning	237,889,023	137,456,398	375,345,421
Total net position - ending	$ 265,157,535	$ 152,768,000	$ 417,925,535

Collin Creek East PID Custodial Fund	Collin Creek West PID Custodial Fund	Collin Creek Custodial Fund	Haggard Farm PID Custodial Fund	Total Custodial Funds
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
2,275,119	972,555	-	185,135	3,432,809
2,275,119	972,555	-	185,135	3,432,809
-	-	-	-	-
-	-	-	-	-
636,554	69,910	75,789	402,212	1,184,465
-	-	-	-	-
636,554	69,910	75,789	402,212	1,184,465
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
636,554	69,910	75,789	402,212	1,184,465
2,911,673	1,042,465	75,789	587,347	4,617,274
-	-	-	-	-
-	-	-	-	-
1,407,438	562,151	-	1,758,517	3,728,106
4,121,968	63,976	-	2,750,046	6,935,990
5,529,406	626,127	-	4,508,563	10,664,096
(2,617,733)	416,338	75,789	(3,921,216)	(6,046,822)
(18,048,730)	(13,024,403)	1,731,779	(10,617,124)	(39,958,478)
$ (20,666,463)	$ (12,608,065)	$ 1,807,568	$ (14,538,340)	$ (46,005,300)


Plano
City of Excellence

DISCRETELY PRESENTED COMPONENT UNITS

TIF No. 2 – organized to account for a tax increment financing unit for improvements related to the future development of East Plano.

TIF No. 3 – organized to account for a tax increment financing unit for improvements related to the future construction and development of the Silver Line Regional Rail Project.

TIRZ No. 4 – organized to support and account for the revitalization of Collin Creek Mall and the surrounding gateway area. It is the City's intent to consider creating a new tax increment financing reinvestment zone that would dedicate to the 75% of collected real property tax increments to public projects within the zone.

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
AS OF SEPTEMBER 30, 2025

	TIF No. 2 East Side	TIF No. 3 Silver Line	TIF No. 4 Collin Creek	Total
ASSETS				
Current:				
Cash and cash equivalents	$ 13,890,424	$ 38,860	$ 260,115	$ 14,189,399
Noncurrent:				
Capital assets, nondepreciable	7,223,987	-	-	7,223,987
Total assets	21,114,411	38,860	260,115	21,413,386
LIABILITIES				
Accounts payable	450,000	-	923	450,923
Total liabilities	450,000	-	923	450,923
NET POSITION				
Net investment in capital assets	7,223,987	-	-	7,223,987
Restricted	13,440,424	38,860	259,192	13,738,476
Total net position	$ 20,664,411	$ 38,860	$ 259,192	$ 20,962,463

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	TIF No. 2 East Side	TIF No. 3 Silver Line	TIF No. 4 Collin Creek	Total
OPERATING REVENUES				
Miscellaneous	$ 5,581	$ -	$ -	$ 5,581
Total operating revenues	5,581	-	-	5,581
OPERATING EXPENSES				
Contractual services	1,273,222	2,867,235	105,850	4,246,307
Supplies	-	33,912	-	33,912
Total operating expenses	1,273,222	2,901,147	105,850	4,280,219
Operating loss	(1,267,641)	(2,901,147)	(105,850)	(4,274,638)
NONOPERATING REVENUES				
Property taxes collected for zone	-	-	103,762	103,762
Property taxes	4,495,521	1,009,849	234,257	5,739,627
Interest income on leases	1,648	-	-	1,648
Loss on lease	(16,126)	-	-	(16,126)
Total nonoperating revenues	4,481,043	1,009,849	338,019	5,828,911
Change in net position	3,213,402	(1,891,298)	232,169	1,554,273
Total net position - beginning	17,451,009	1,930,158	27,023	19,408,190
Total net position - ending	$ 20,664,411	$ 38,860	$ 259,192	$ 20,962,463

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	TIF No. 2 East Side	TIF No. 3 Silver Line	TIF No. 4 Collin Creek	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash payments to suppliers for goods and services	$ (806,733)	$ (2,901,147)	$ (104,927)	$ (3,812,807)
Cash received from customers	5,581	-	-	5,581
Net cash used by operating activities	(801,152)	(2,901,147)	(104,927)	(3,807,226)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes related to zone	-	-	103,762	103,762
Property taxes	4,495,521	1,009,849	234,257	5,739,627
Loss on lease	(16,126)	-	-	(16,126)
Net cash provided by noncapital financing activities	4,479,395	1,009,849	338,019	5,827,263
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	1,901	-	-	1,901
Net cash provided by investing activities	1,901	-	-	1,901
Net increase (decrease) in cash and cash equivalents	3,680,144	(1,891,298)	233,092	2,021,938
Cash and cash equivalents - beginning	10,210,280	1,930,158	27,023	12,167,461
Cash and cash equivalents - ending	$ 13,890,424	$ 38,860	$ 260,115	$ 14,189,399

CITY OF PLANO, TEXAS
COMBINING STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(continued)

	TIF No. 2 East Side	TIF No. 3 Silver Line	TIF No. 4 Collin Creek	Total
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:				
Operating loss	$ (1,267,641)	$ (2,901,147)	$ (105,850)	$ (4,274,638)
Changes in assets and liabilities:				
Increase in leases receivables	109,915	-	-	109,915
Decrease in:				
Deferred inflows from leases	(92,726)	-	-	(92,726)
Accounts payable	449,300	-	923	450,223
Total adjustments	466,489	-	923	467,412
Net cash used by operating activities	$ (801,152)	$ (2,901,147)	$ (104,927)	$ (3,807,226)


Plano
City of Excellence

STATISTICAL SECTION

2025

Annual Comprehensive Financial Report

For Fiscal Year Ended

September 30, 2025

City of Plano, Texas



STATISTICAL SECTION TABLE OF CONTENTS
(unaudited)

Tables in the statistical section present detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the overall financial health of the City.

	Pages
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	140-145
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	146-149
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	150-155
Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	156-157
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	158-162

CITY OF PLANO, TEXAS **Table 1**

NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

(unaudited)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Governmental activities:										
Net investment in capital assets	$ 1,090,522,130	$ 1,052,077,968	$ 964,900,369	$ 930,684,227	$ 930,347,632	$ 911,222,409	$ 863,800,846	$ 831,253,007	$ 790,687,802	$ 749,829,714
Restricted	58,939,247	46,979,203	45,676,771	46,144,013	50,665,804	76,623,719	57,577,590	53,020,956	59,809,891	68,249,570
Unrestricted	269,667,258	252,606,633	271,827,496	263,136,295	196,822,044	128,293,244	144,063,956	123,431,005	163,907,113	167,247,133
Total governmental activities net position	$ 1,419,128,635	$ 1,351,663,804	$ 1,282,404,636	$ 1,239,964,535	$ 1,177,835,480	$ 1,116,139,372	$ 1,065,442,392	$ 1,007,704,968	$ 1,014,404,806	$ 985,326,417
Business-type activities:										
Net investment in capital assets	$ 434,792,076	$ 410,754,533	$ 395,785,489	$ 386,232,200	$ 385,244,970	$ 389,326,342	$ 377,284,205	$ 378,270,126	$ 377,622,087	$ 374,462,834
Restricted	8,419,200	6,281,879	5,967,745	5,775,755	6,049,457	5,225,754	5,054,830	4,591,766	6,106,990	3,298,965
Unrestricted	117,913,544	134,697,069	122,997,807	101,039,838	88,688,126	89,260,757	101,767,064	91,641,587	81,186,158	88,495,857
Total business-type activities net position	$ 561,124,820	$ 551,733,481	$ 524,751,041	$ 493,047,793	$ 479,982,553	$ 483,812,853	$ 484,106,099	$ 474,503,479	$ 464,915,235	$ 466,257,656
Primary government:										
Net investment in capital assets	$ 1,525,314,206	$ 1,462,832,501	$ 1,360,685,858	$ 1,316,916,427	$ 1,315,592,602	$ 1,300,548,751	$ 1,241,085,051	$ 1,209,523,133	$ 1,168,309,889	$ 1,124,292,548
Restricted	67,358,447	53,261,082	51,644,516	51,919,768	56,715,261	81,849,473	62,632,420	57,612,722	65,916,881	71,548,535
Unrestricted	387,580,802	387,303,702	394,825,303	364,176,133	285,510,170	217,554,001	245,831,020	215,072,592	245,093,271	255,742,990
Total primary government net position	$ 1,980,253,455	$ 1,903,397,285	$ 1,807,155,677	$ 1,733,012,328	$ 1,657,818,033	$ 1,599,952,225	$ 1,549,548,491	$ 1,482,208,447	$ 1,479,320,041	$ 1,451,584,073

Source: Annual Comprehensive Financial Report

CITY OF PLANO, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(unaudited)

Table 2

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Expenses										
Governmental activities:										
General government	$ 40,661,962	$ 37,288,631	$ 34,046,772	$ 28,958,997	$ 26,692,769	$ 28,402,791	$ 27,370,123	$ 26,304,530	$ 27,352,742	$ 27,017,457
Administrative services	15,478,485	14,724,195	14,645,127	11,020,080	12,795,988	13,857,328	13,469,841	11,464,812	11,729,785	10,635,244
Police	115,899,255	113,821,259	111,065,230	86,630,567	85,181,136	90,732,275	96,849,338	90,322,013	88,408,381	80,837,474
Fire	92,908,552	85,850,308	85,566,977	66,169,812	64,308,828	69,356,690	69,588,566	61,042,750	63,104,587	56,724,482
Libraries	16,134,271	15,911,006	15,835,410	12,110,167	11,335,058	12,572,838	13,630,329	11,436,405	12,381,069	12,107,913
Development	49,553,795	47,481,011	47,473,343	45,910,292	48,276,298	47,639,113	43,648,189	47,861,153	38,018,301	36,859,600
Public services and operations	10,814,917	12,971,336	10,782,568	8,283,381	7,665,759	8,464,111	8,742,013	7,972,290	8,350,096	7,638,382
Parks and recreation	44,903,952	44,792,162	44,181,906	38,038,757	35,645,989	35,069,347	35,901,150	33,854,714	36,069,542	32,462,901
Public works	53,110,105	51,829,747	47,161,322	43,146,962	40,695,992	39,076,813	37,692,509	35,968,999	33,751,984	32,287,926
Technology solutions	28,506,149	30,017,709	28,354,541	24,817,161	23,536,254	26,540,857	18,420,184	19,215,958	18,193,246	18,524,241
Interest on long-term debt	18,072,325	16,943,085	15,904,802	12,831,275	13,460,964	13,137,948	15,660,793	12,725,258	10,897,222	10,309,486
Total governmental activities expenses	486,043,768	471,630,449	455,017,998	377,917,451	369,595,035	384,850,111	380,973,035	358,168,882	348,256,955	325,405,106
Business-type activities:										
Water and sewer	214,600,254	200,222,458	185,133,437	169,317,808	166,293,322	165,919,227	158,249,938	153,117,762	144,379,544	133,481,605
Sustainability and environmental services	37,057,314	36,755,622	33,700,795	31,906,204	28,779,807	30,769,325	30,404,600	26,932,415	26,767,335	25,354,273
Municipal drainage	9,086,457	7,927,679	7,772,336	7,055,069	6,483,487	5,661,224	5,737,101	5,308,525	4,977,428	4,933,219
Convention and tourism	13,275,344	11,854,371	11,409,220	9,511,343	7,467,714	8,728,965	9,997,772	8,937,082	8,661,450	7,402,651
Municipal golf course	1,357,657	1,236,171	1,082,288	941,744	837,798	1,020,315	938,059	1,173,724	1,220,462	1,198,346
Downtown center development	285,377	53,725	65,465	8,581	8,748	12,385	11,788	26,836	17,406	14,273
Recreation revolving	3,680,840	3,828,370	3,905,008	2,778,478	1,153,645	2,170,082	3,891,884	3,432,942	3,574,034	3,295,974
Total business-type activities expenses	279,343,243	261,878,396	243,068,549	221,519,227	211,024,521	214,281,523	209,231,142	198,929,286	189,597,659	175,680,341
Total primary government expenses	765,387,011	733,508,845	698,086,547	599,436,678	580,619,556	599,131,634	590,204,177	557,098,168	537,854,614	501,085,447
Program Revenues										
Governmental activities:										
Charges for services:										
General government	13,483,551	9,971,967	7,762,769	7,860,975	8,670,629	5,852,307	7,158,219	6,906,381	10,088,711	6,691,140
Administrative services	149,947	148,123	179,352	149,117	18,267	23,513	24,847	49,074	5,855	3,928
Police	8,128,661	8,520,496	8,945,533	8,633,086	8,590,717	9,107,057	14,290,643	17,637,778	18,608,424	17,981,734
Fire	9,034,149	7,230,306	6,839,571	6,903,668	5,895,986	7,139,689	6,771,721	6,138,787	5,941,980	5,798,677
Libraries	218,092	192,653	172,505	120,946	76,877	67,348	137,389	323,969	251,187	245,954
Development	11,930,859	8,438,422	8,758,244	10,939,460	9,735,663	7,906,705	7,034,801	7,588,183	9,335,464	12,573,047
Public services and operations	1,254,402	1,217,788	1,213,750	1,165,120	1,327,940	1,377,109	1,580,198	1,578,599	1,550,664	1,534,663
Parks and recreation	9,006,685	10,262,958	9,715,916	8,673,156	6,974,286	5,163,321	9,551,063	6,200,769	4,858,934	5,049,382
Public works	1,144,456	1,172,657	64,022	416,040	282,033	170,167	154,379	89,655	34,783	18,829
Technology solutions	5,872,852	5,619,173	5,088,198	4,656,195	4,321,836	4,239,203	4,087,167	3,789,685	3,673,689	3,862,930
Operating grants and contributions	35,345,510	20,474,144	37,056,832	46,287,625	38,177,985	38,930,198	16,419,176	15,900,571	12,735,876	13,846,703
Capital grants and contributions	4,470,142	26,747,740	20,635,758	5,288,711	4,520,953	9,080,740	22,049,949	13,149,824	12,042,196	16,642,121
Total governmental activities program revenues	100,039,306	99,996,427	106,432,450	101,094,099	88,593,172	89,057,357	89,259,552	79,353,275	79,127,763	84,249,108

(continued)

CITY OF PLANO, TEXAS
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(unaudited)

Table 2
(continued)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Business-type activities:										
Charges for services:										
Water and sewer	$ 227,281,874	$ 220,078,333	$ 211,510,105	$ 191,480,491	$ 166,260,792	$ 169,326,233	$ 165,610,500	$ 169,851,498	$ 143,957,017	$ 140,654,894
Sustainability and environmental services	28,386,848	28,265,682	23,506,783	21,004,408	21,748,362	19,189,375	18,892,173	17,707,463	17,819,166	16,288,331
Municipal drainage	10,140,636	9,828,473	11,160,281	9,908,199	9,445,831	7,709,626	7,547,254	7,618,351	7,541,895	7,318,823
Convention and tourism	4,234,992	4,030,381	3,678,588	3,081,453	1,002,340	1,542,996	3,409,953	2,720,286	1,861,402	2,420,541
Municipal golf course	1,414,727	1,235,495	1,324,162	1,338,795	1,254,783	1,054,720	919,608	977,664	1,020,019	887,717
Downtown center development	320,419	49,240	28,889	62,831	72,678	72,678	73,278	94,393	68,678	73,206
Recreation revolving	3,461,269	3,872,227	3,849,588	3,405,797	1,938,605	1,505,331	4,099,481	3,728,889	3,889,169	3,733,821
Operating grants and contributions	-	-	-	-	-	-	-	-	-	1,041
Capital grants and contributions	2,656,374	6,650,433	3,033,360	2,804,559	1,210,647	7,412,313	6,099,345	4,443,912	7,778,571	4,451,393
Total business-type activities program revenues	277,897,139	274,010,264	258,091,756	233,086,533	202,934,038	207,813,272	206,651,592	207,142,456	183,935,917	175,829,767
Total primary government program revenues	377,936,445	374,006,691	364,524,206	334,180,632	291,527,210	296,870,629	295,911,144	286,495,731	263,063,680	260,078,875
Net (expense) revenue										
Governmental activities	(386,004,462)	(371,634,022)	(348,585,548)	(276,823,352)	(281,001,863)	(295,792,754)	(291,713,483)	(278,815,607)	(269,129,192)	(241,155,998)
Business-type activities	(1,446,104)	12,131,868	15,023,207	11,567,306	(8,090,483)	(6,468,251)	(2,579,550)	8,213,170	(5,661,742)	149,426
Total primary government net (expense)	(387,450,566)	(359,502,154)	(333,562,341)	(265,256,046)	(289,092,346)	(302,261,005)	(294,293,033)	(270,602,437)	(274,790,934)	(241,006,572)
General revenues and transfers										
Governmental activities:										
Property taxes	255,314,504	242,281,161	222,561,336	216,371,573	212,712,653	206,429,516	202,327,784	191,237,106	173,005,300	163,619,692
Sales taxes	132,059,636	120,262,825	114,129,170	108,199,089	93,476,667	87,256,319	88,493,108	85,790,057	81,795,481	76,948,348
Mixed drink taxes	2,636,401	2,683,537	2,819,115	2,752,147	2,122,801	1,748,846	2,402,680	2,322,487	2,048,388	1,930,054
Other taxes	285,985	282,433	286,528	368,973	133,212	194,110	124,661	644,540	213,020	145,579
Franchise fees	21,462,739	22,325,811	22,059,424	21,085,800	19,634,200	21,635,342	24,031,070	25,088,152	24,553,341	24,665,352
Investment income	24,498,034	36,788,071	19,757,576	(23,117,209)	2,974,751	17,150,138	19,904,018	4,548,178	3,018,751	3,180,298
Transfers	17,211,994	16,269,352	9,412,500	13,292,034	11,643,687	12,075,463	12,167,586	12,559,897	13,573,300	12,121,270
Total governmental activities	453,469,293	440,893,190	391,025,649	338,952,407	342,697,971	346,489,734	349,450,907	322,190,417	298,207,581	282,610,593
Business-type activities:										
Hotel occupancy taxes	13,342,764	12,895,296	12,588,654	10,889,103	6,945,359	6,725,576	11,474,715	9,209,353	8,685,384	8,263,231
Franchise fees	8,929,867	9,653,210	9,242,409	8,628,798	8,478,963	8,464,909	9,035,082	8,631,271	8,753,718	8,499,964
Investment income	5,776,806	8,571,418	4,261,478	(4,727,933)	479,548	3,059,983	3,839,959	797,183	453,519	539,844
Transfers	(17,211,994)	(16,269,352)	(9,412,500)	(13,292,034)	(11,643,687)	(12,075,463)	(12,167,586)	(12,559,897)	(13,573,300)	(12,121,270)
Total business-type activities	10,837,443	14,850,572	16,680,041	1,497,934	4,260,183	6,175,005	12,182,170	6,077,910	4,319,321	5,181,769
Total primary government	464,306,736	455,743,762	407,705,690	340,450,341	346,958,154	352,664,739	361,633,077	328,268,327	302,526,902	287,792,362
Change in net position										
Governmental activities	67,464,831	69,259,168	42,440,101	62,129,055	61,696,108	50,696,980	57,737,424	43,374,810	29,078,389	41,454,595
Business-type activities	9,391,339	26,982,440	31,703,248	13,065,240	(3,830,300)	(293,246)	9,602,620	14,291,080	(1,342,421)	5,331,195
Total primary government	$ 76,856,170	$ 96,241,608	$ 74,143,349	$ 75,194,295	$ 57,865,808	$ 50,403,734	$ 67,340,044	$ 57,665,890	$ 27,735,968	$ 46,785,790

Source: Annual Comprehensive Financial Report

CITY OF PLANO, TEXAS **Table 3**

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(unaudited)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
General Fund										
Nonspendable	$ 407,447	$ 558,885	$ 482,193	$ 503,367	$ 648,008	$ 747,041	$ 443,626	$ 452,138	$ 426,935	$ 455,431
Assigned	10,434,372	8,240,296	10,057,258	8,467,715	6,991,053	4,955,264	5,516,549	5,398,044	8,648,847	7,482,574
Unassigned	63,517,908	42,233,223	51,147,448	59,388,187	57,909,616	55,902,939	52,719,878	46,363,342	42,559,341	46,251,968
Total general fund	$ 74,359,727	$ 51,032,404	$ 61,686,899	$ 68,359,269	$ 65,548,677	$ 61,605,244	$ 58,680,053	$ 52,213,524	$ 51,635,123	$ 54,189,973
All Other Governmental Funds										
Nonspendable	$ 712,602	$ 273,218	$ 388,940	$ 2,177	$ 48,005	$ 4,618	$ 2,907,075	$ 2,914,126	$ 203,063	$ 350,071
Restricted	93,353,176	100,239,397	126,723,148	113,351,335	156,227,768	179,416,915	148,005,503	139,233,489	118,218,632	110,520,152
Committed	90,270,772	84,703,210	79,701,029	69,130,134	64,402,705	59,345,711	52,566,786	48,179,905	52,076,874	45,745,697
Assigned	180,476,114	204,445,709	180,646,988	170,148,818	109,121,698	74,982,713	96,815,937	85,460,149	82,418,884	79,391,186
Unassigned	(587,354)	(122,706)	(1,468,216)	(1,791,693)	(1,191,728)	(229,841)	(223,661)	(356,136)	-	-
Total all other governmental funds	$ 364,225,310	$ 389,538,828	$ 385,991,889	$ 350,840,771	$ 328,608,448	$ 313,520,116	$ 300,071,640	$ 275,431,533	$ 252,917,453	$ 236,007,106

Source: Annual Comprehensive Financial Report

CITY OF PLANO, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS **Table 4**
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Revenues:										
Taxes:										
Property taxes	$ 240,021,035	$ 225,687,977	$ 207,614,928	$ 202,171,685	$ 200,329,766	$ 193,848,107	$ 189,817,662	$ 178,046,219	$ 161,637,414	$ 152,476,517
Other taxes	134,678,940	121,360,873	117,341,556	111,508,168	94,781,930	88,687,767	90,755,222	88,014,346	83,724,225	78,390,614
Franchise fees	21,133,219	21,928,916	21,594,398	20,570,938	19,088,694	20,948,685	23,330,387	24,354,134	23,778,918	23,795,403
Fines and forfeitures	3,878,962	4,209,513	4,504,821	4,450,993	4,443,221	4,929,202	9,942,676	13,469,216	13,865,452	13,228,933
Contributions	24,316,285	9,096,586	10,913,892	10,101,746	9,626,167	9,517,998	9,172,962	11,864,743	8,275,401	16,065,928
Rollback taxes	16,631	281,626	93,527	203,156	363,767	240,301	194,215	775,587	1,083,768	2,080,324
Licenses and permits	13,282,585	9,094,470	10,387,615	12,415,455	11,428,949	8,215,483	8,794,102	9,521,069	11,096,275	13,864,396
Intragovernmental	16,315,863	15,497,009	14,505,365	13,530,063	12,283,397	12,376,756	12,264,483	12,366,054	10,272,023	9,845,021
Intergovernmental	13,594,716	33,831,227	36,213,306	36,258,524	30,816,508	32,045,840	24,118,568	7,226,129	3,294,983	8,600,986
Charges for services	22,403,549	22,279,764	20,673,591	20,056,464	16,959,300	16,646,271	21,068,480	17,232,194	17,591,060	17,476,570
Assessed taxes	76,353	75,614	104,022	143,929	143,929	138,263	86,540	79,560	97,091	96,327
Loan repayments	-	-	132,844	64,394	151,802	75,562	161,782	26,190	44,326	52,553
Investment income	21,560,001	31,976,825	17,290,791	(20,011,483)	2,502,551	14,463,906	16,523,779	3,812,784	2,610,264	2,708,822
Insurance receipts	-	-	-	-	-	-	-	-	2,524,669	-
Miscellaneous	3,652,585	4,220,869	2,936,128	2,384,663	4,222,493	2,098,185	3,139,882	2,757,734	2,941,582	2,088,223
Total revenues	514,930,724	499,541,269	464,306,784	413,848,695	407,142,474	404,232,326	409,370,740	369,545,959	342,837,451	340,770,617
Expenditures:										
Current:										
General government	39,327,254	37,859,182	35,598,255	32,625,979	28,827,074	30,798,961	28,330,854	29,285,243	27,946,543	28,719,550
Administrative services	14,964,223	14,526,207	13,339,342	13,510,685	13,530,398	12,181,897	12,293,671	11,242,058	11,009,172	10,137,693
Police	109,487,394	111,476,459	102,700,980	96,843,776	92,282,548	91,502,568	92,232,377	91,071,389	85,173,812	77,750,758
Fire	86,250,293	84,898,804	76,438,538	70,252,974	68,937,969	66,364,628	65,226,911	61,459,845	59,067,134	53,993,731
Libraries	15,444,909	15,874,603	14,887,977	13,179,054	11,956,910	12,454,004	12,651,794	11,346,986	10,933,170	10,910,966
Development	48,073,881	46,927,096	45,241,040	48,141,123	49,205,188	47,449,567	42,292,492	48,359,267	35,587,723	35,279,126
Public services and operations	10,160,864	12,726,613	10,091,134	9,005,968	8,119,893	8,272,140	8,116,706	7,937,937	7,659,746	7,323,817
Parks and recreation	32,590,799	34,297,971	31,911,843	29,717,794	27,449,113	26,077,933	26,737,356	25,293,952	24,471,388	23,043,731
Sustainability and environmental services	-	-	-	-	-	-	-	-	-	877
Public works	9,627,911	10,787,574	9,020,804	8,111,993	7,486,190	7,264,887	7,480,001	7,427,734	6,488,697	6,328,770
Technology solutions	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,379,149	1,000,000	1,000,000	1,000,000	1,000,000
Capital outlay	173,525,051	180,221,425	137,358,923	105,299,376	107,477,666	127,135,076	108,889,776	102,403,953	90,609,900	79,143,347
Interest and fiscal charges	361,014	670,146	491,136	1,000,226	706,751	502,461	656,331	579,586	204,212	267,002
Debt service:										
Principal retirement	44,542,211	41,654,342	31,812,281	33,393,642	31,530,000	29,375,000	30,205,000	28,765,000	27,145,000	28,540,000
Interest and fiscal charges	25,815,426	24,401,102	21,613,956	19,106,870	19,139,601	17,442,679	18,023,790	14,650,303	14,652,723	12,982,753
Total expenditures	611,171,230	617,321,524	531,506,209	481,189,460	467,649,301	479,200,950	454,137,059	440,823,253	401,949,220	375,422,121
Deficiency of revenues under expenditures	(96,240,506)	(117,780,255)	(67,199,425)	(67,340,765)	(60,506,827)	(74,968,624)	(44,766,319)	(71,277,294)	(59,111,769)	(34,651,504)

(continued)

CITY OF PLANO, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(unaudited)

Table 4
(continued)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Other financing sources (uses):										
Issuance of debt	$ 71,965,000	$ 85,435,000	$ 80,930,000	$ 76,450,000	$ 62,595,000	$ 70,455,000	$ 59,145,000	$ 77,915,000	$ 54,740,000	$ 33,610,000
Issuance of debt-refunding	18,145,000	10,815,000	24,965,000	-	11,490,000	4,180,000	4,275,000	-	27,805,000	33,585,000
Escrow payment-refunding	(19,522,789)	(11,991,583)	(33,441,098)	-	(13,110,000)	(4,590,261)	(4,869,493)	-	(32,589,261)	(39,339,873)
Premium on sale of bonds	4,981,235	8,458,548	11,377,834	3,728,395	7,392,136	7,085,255	6,127,422	4,443,627	10,517,669	12,243,821
Proceeds from sale of land	1,210,819	425,200	-	-	-	1,890,396	-	-	-	830,000
Subscription based agreements	543,154	673,414	4,485,163	-	-	-	-	-	-	-
Leases issued	469,450	1,237,609	668,688	-	-	-	-	-	-	-
Capital receipt of land	-	-	-	-	-	-	-	-	-	650,000
Capital disposal of land	-	-	-	-	-	-	-	-	-	(650,000)
Insurance receipts	6,059	-	-	-	-	-	-	-	-	-
Transfers in	42,848,416	43,311,461	50,347,222	60,018,132	51,442,913	48,962,041	43,039,104	40,819,060	38,680,903	36,271,298
Transfers out	(26,392,033)	(27,691,950)	(43,654,636)	(47,812,847)	(40,271,457)	(36,640,140)	(31,844,078)	(28,807,912)	(25,687,045)	(24,688,986)
Total other financing sources	94,254,311	110,672,699	95,678,173	92,383,680	79,538,592	91,342,291	75,872,955	94,369,775	73,467,266	52,511,260
Net change in fund balances	$ (1,986,195)	$ (7,107,556)	$ 28,478,748	$ 25,042,915	$ 19,031,765	$ 16,373,667	$ 31,106,636	$ 23,092,481	$ 14,355,497	$ 17,859,756
Debt service as a percentage of noncapital expenditures	16.1%	15.1%	13.6%	14.0%	14.1%	13.3%	14.0%	12.8%	13.4%	14.0%

Source: Statement of Revenues and Expenditures

CITY OF PLANO, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(unaudited)

Table 5

	Estimated Market Value			Less:		
Fiscal Year	Real Property Residential	Real Property Non-Residential	Non-Real Property Personal	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2016	$ 25,513,643,395	$ 10,228,975,248	$ 3,332,540,330	$ 7,795,148,020	$ 31,280,010,953	$ 0.4886
2017	28,337,673,807	11,154,737,907	3,336,271,261	8,476,155,936	34,352,527,039	0.4786
2018	30,462,326,984	14,153,497,676	3,572,079,971	9,121,844,876	39,066,059,755	0.4686
2019	33,597,627,029	15,316,491,841	3,592,061,370	9,784,093,465	42,722,086,775	0.4603
2020	35,162,765,539	16,227,114,514	4,025,352,218	10,340,342,237	45,074,890,034	0.4482
2021	36,212,423,085	16,628,075,561	4,144,052,447	10,419,695,940	46,564,855,153	0.4482
2022	37,813,711,417	16,695,210,222	3,968,989,421	10,785,602,439	47,692,308,621	0.4465
2023	42,281,944,484	17,727,718,231	4,450,641,756	12,478,810,262	51,981,494,209	0.4176
2024	48,347,530,086	19,063,906,324	4,813,550,090	14,803,489,429	57,421,497,071	0.4176
2025	51,864,787,225	19,899,235,641	5,700,244,799	15,250,887,943	62,213,379,722	0.4176

Source: City of Plano Budget Department and Collin and Denton Central Appraisal Districts based on original tax roll.
Note: Real, Personal and Tax-Exempt breakout of Net Adjustments provided by Kenneth L. Maun, Tax Assessor/Collector, is unavailable.

CITY OF PLANO, TEXAS **Table 6**
PROPERTY TAX RATES (per $100 of assessed valuation) -
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(unaudited)

	City Direct Rates			Overlapping Rates						
Fiscal Year (1)	General Fund	Debt Service Fund	Total	Plano School District	Allen School District	Collin County	Frisco School District	Lewisville School District	Denton County	Collin College
2016	$ 0.3576	$ 0.1310	$ 0.4886	$ 1.4390	$ 1.61	$ 0.225	$ 1.46	$ 1.4767	$ 0.2620	$ 0.0820
2017	0.3556	0.1230	0.4786	1.4390	1.59	0.192	1.46	1.4200	0.2484	0.0812
2018	0.3500	0.1186	0.4686	1.4390	1.57	0.192	1.46	1.4075	0.2378	0.0798
2019	0.3493	0.1110	0.4603	1.4390	1.55	0.181	1.44	1.3375	0.2256	0.0812
2020	0.3372	0.1110	0.4482	1.3374	1.46	0.175	1.34	1.3375	0.2253	0.0812
2021	0.3372	0.1110	0.4482	1.3374	1.43	0.173	1.31	1.3473	0.2331	0.0812
2022	0.3330	0.1135	0.4465	1.3208	1.41	0.168	1.27	1.3085	0.2175	0.0812
2023	0.3026	0.1150	0.4176	1.2598	1.33	0.152	1.21	1.2368	0.1894	0.0812
2024	0.3026	0.1150	0.4176	1.0779	1.14	0.149	1.03	1.1178	0.1878	0.0812
2025	0.3026	0.1150	0.4176	1.0779	1.13	0.149	1.03	1.1178	0.1878	0.0812

(1) For School Districts, fiscal years ended on August 31 and include the County Education District tax rate.

Sources: Representatives of the various taxing jurisdictions.

CITY OF PLANO, TEXAS
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

Table 7

Name of Taxpayer	2025 Taxable Assessed Valuation	2025 Rank	2025 Percentage of Total Taxable Assessed Valuation	2016 Taxable Assessed Valuation	2016 Rank	2016 Percentage of Total Taxable Assessed Valuation
LW Owner 1 llc	$ 476,808,667	1	0.81%	$ -		
Toyota Motor North America Inc	476,737,382	2	0.81%			
Coreweave	441,213,771	3	0.75%			
CCI-D 6501 Legacy Owners LLC	353,141,430	4	0.60%			
JP Morgan Chase Bank NA	348,919,737	5	0.59%			
5765 Bozeman (Tx) Owner LP	317,000,000	6	0.54%			
Oncor Electric Delivery Company	242,119,900	7	0.41%	212,175,234	1	0.69%
Capital One National Association	214,742,669	8	0.36%			
Texas Heart Hospital of the Southwest LLP	208,325,827	9	0.35%			
Liberty Mutual Plano LLC	197,713,545	10	0.34%			
TM Willow Bend Shops				140,600,000	6	0.45%
J C Penney Inc				166,000,000	2	0.54%
HP Enterprise Services LLC				151,351,731	3	0.49%
HSP Of Texas Inc				141,146,264	5	0.46%
Legacy Campus LP				133,735,904	7	0.43%
T5@Dallas LLC				146,000,000	4	0.47%
Bank Of America NA				125,000,000	8	0.40%
UDR Legacy Village LLC				122,947,560	9	0.40%
Tollway/121 Partners LTD				114,367,577	10	0.37%
	$ 3,276,722,928		5.56%	$ 1,453,324,270		4.70%

Sources: Collin and Denton County Appraisal Districts

Note: Percentages calculated based on adjusted tax levy of $58,955,108,434 for fiscal year 2025 and $30,911,500,205 for fiscal year 2016.

CITY OF PLANO, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(unaudited)

Table 8

Fiscal Year	Tax Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collections Current Year's Taxes During Period	Collections Transferred to TIF Component Units	Total Current Year Collections	Percent of Levy Collected During Fiscal Period	Collections in Subsequent Years	Total Tax Collections	Ratio of Total Tax Collections to Current Levy
2016	$ 151,033,590	$ (42,296)	$ 150,991,294	$ 149,629,519	$ 1,032,587	$ 150,662,106	99.75	$ 243,783	$ 150,905,890	99.94%
2017	161,973,421	(322,507)	161,650,914	160,220,041	1,467,896	161,687,937	99.82	(138,641)	161,549,296	99.94
2018	179,305,578	(472,051)	178,833,527	177,244,572	1,663,605	178,908,177	99.78	(193,759)	178,714,417	99.93
2019	191,830,572	(822,587)	191,007,985	189,455,568	1,960,247	191,415,815	99.78	(537,043)	190,878,771	99.93
2020	196,275,097	(427,400)	195,847,697	193,818,037	2,074,137	195,892,174	99.80	(246,674)	195,645,500	99.90
2021	202,492,736	(810,907)	201,681,829	199,425,009	2,548,640	201,973,649	99.74	(466,774)	201,506,876	99.91
2022	205,542,622	(762,820)	204,779,802	202,312,918	2,720,126	205,033,044	99.75	(469,960)	204,563,084	99.89
2023	211,354,645	(1,455,059)	209,899,586	207,417,433	3,197,550	210,614,983	99.65	(975,587)	209,639,396	99.88
2024	230,268,017	(2,219,061)	228,048,956	225,389,092	3,906,589	229,295,681	99.58	(1,543,984)	227,751,697	99.87
2025	246,196,533	-	246,196,533	241,075,692	4,595,908	245,671,600	99.79	N/A	245,671,600	99.79

Note: Negative levy adjustments and collection balances are the result of recalculated refunds due to disputed appraisal values.

CITY OF PLANO, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(unaudited)

Table 9

	Governmental Activities			Business-type Activities						
Fiscal Year	General Obligation Bonds and Tax Anticipation Notes	Leases	SBITA	Water and Sewer Revenue Bonds	Municipal Drainage Revenue Bonds	Leases	SBITA	Total Primary Government	Percentage of Personal Income	Per Capita
2016	$ 332,366,608	$ -	$ -	$ 28,210,692	$ 14,279,894	$ -	$ -	$ 374,857,194	3.11 %	1,355
2017	363,534,046	-	-	27,276,451	18,940,154	-	-	409,750,651	3.27	1,468
2018	411,906,068	-	-	39,012,987	17,052,171	-	-	467,971,226	3.57	1,655
2019	441,336,296	-	-	37,004,927	22,020,333	-	-	500,361,556	3.67	1,754
2020	482,993,512	-	-	34,806,216	20,163,710	-	-	537,963,438	3.78	1,871
2021	513,078,273	-	-	45,148,138	59,642,819	-	-	617,869,230	4.31	2,145
2022	553,206,383	4,273,989	-	41,836,340	57,569,242	782,051	-	657,668,005	4.11	2,258
2023	599,784,007	5,474,035	5,901,635	38,358,983	55,461,091	715,519	-	705,695,270	4.67	2,409
2024	643,488,347	7,014,332	7,255,876	34,697,019	68,323,443	532,950	28,991	761,340,958	4.53	2,588
2025	667,228,757	5,704,791	8,950,744	76,242,850	70,753,637	338,566	11,079,116	840,298,461	4.51	2,808

Note: See Table 15 for personal income and population data.

CITY OF PLANO, TEXAS **Table 10**
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	General Obligation Bonds and Tax Anticipation Notes	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2016	$ 332,366,608	$ 3,925,760	$ 328,440,848	1.05 %	$ 1,187
2017	363,534,046	4,440,930	359,093,116	1.05	1,287
2018	411,906,068	6,571,577	405,334,491	1.04	1,434
2019	441,336,296	5,548,057	435,788,239	1.02	1,527
2020	482,993,512	8,116,339	474,877,173	1.05	1,652
2021	513,078,273	7,352,771	505,725,502	1.09	1,755
2022	553,206,383	5,063,562	548,142,821	1.15	1,882
2023	599,784,007	4,921,498	594,862,509	1.14	2,031
2024	643,488,347	4,077,835	639,410,512	1.11	2,174
2025	667,228,757	3,327,853	663,900,904	1.07	2,218

Note: See Table 5 for property value data.
Note: See Table 15 for population data.

CITY OF PLANO, TEXAS **Table 11**
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2025
(unaudited)

Taxing Body	Debt Outstanding	Percentage of Debt Applicable to Area	City of Plano Share of Debt
City of Plano	$ 681,884,292	100.00%	$ 681,884,292
Total direct debt	**681,884,292**		**681,884,292**
Plano Independent School District	1,380,545,000	69.81%	963,758,465
Collin County	982,755,000	33.38%	328,043,619
Denton County	721,100,000	1.58%	11,393,380
Frisco Independent School District	2,314,685,112	12.99%	300,677,596
Allen Independent School District	736,868,999	0.65%	4,789,648
Lewisville Independent School District	1,515,480,000	4.08%	61,831,584
Collin College	437,722,591	33.38%	146,111,801
Total overlapping debt	**8,089,156,702**		**1,816,606,093**
Total direct and overlapping bonded debt	**$ 8,771,040,994**		**$ 2,498,490,385**
Ratio of overlapping bonded debt to taxable assessed valuation (valued at 100% of market value)			4.32%
Per capita overlapping bonded debt			$ 8,349

Sources: For net bonded debt, representatives (business manager or finance officer) of the taxing jurisdictions. For percentage of debt applicable to City, the Municipal Advisory Council of Texas.

CITY OF PLANO, TEXAS **Table 12**
COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2025
(unaudited)

As a home rule city, the City of Plano is not limited by the law in the amount of debt it may issue. The City's Charter (Section 9.18) states:

> The City Council shall have the power under the provisions of the state law to levy, assess and collect an annual tax upon real and personal property within the City to the maximum provided by the Constitution and the general laws of the State of Texas. The City Council shall also have the power to levy occupation taxes on such occupations as consistent with the general laws of the State of Texas.

Article II, Section 5 of the State of Texas Constitution states in part:

> ...but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of such city.

The tax rate at October 1, 2024 is $0.4176 per $100.00 with assessed valuation at 100% of market value.

CITY OF PLANO, TEXAS **Table 13**
SCHEDULE OF REVENUE BOND COVERAGE - WATER AND SEWER BONDS
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	Total Operating Revenue	Direct Operating Expense	Net Revenue Available for Debt Service	Annual Debt Service Requirements			
				Principal	Interest	Total	Coverage
2016	$ 140,225,993	$ 109,031,127	$ 31,194,866	$ 930,000	$ 985,050	$ 1,915,050	1629%
2017	143,783,223	118,878,037	24,905,186	855,000	980,400	1,835,400	1357%
2018	169,527,381	126,024,504	43,502,877	1,825,000	1,446,070	3,271,070	1330%
2019	165,449,556	130,333,204	35,116,352	1,855,000	1,411,200	3,266,200	1075%
2020	169,258,210	138,500,945	30,757,265	1,935,000	1,337,000	3,272,000	940%
2021	166,190,392	139,031,944	27,158,448	2,945,000	1,650,277	4,595,277	591%
2022	191,403,438	140,859,477	50,543,961	3,020,000	1,569,350	4,589,350	1101%
2023	211,428,678	153,227,038	58,201,640	3,165,000	1,427,450	4,592,450	1267%
2024	220,068,292	168,522,074	51,546,218	3,315,000	1,278,700	4,593,700	1122%
2025	227,130,953	183,930,710	43,200,243	4,325,000	3,048,068	7,373,068	586%

Note: Direct operating expense excludes depreciation, charges in lieu of taxes, and net pension and other postemployment benefits expense.
Beginning with the 2016 bond issue, a reserve fund is not required so long as the net revenues equal or exceed 150% of the annual debt service requirements due and payable in the fiscal year.

CITY OF PLANO, TEXAS **Table 14**
SCHEDULE OF REVENUE BOND COVERAGE - MUNICIPAL DRAINAGE BONDS
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	Gross Revenue	Operating and Maintenance Expense	Net Revenue Available for Debt Service	Average Annual Debt Service Requirement			
				Principal	Interest	Total	Coverage
2016	$ 7,392,218	$ 3,445,947	$ 3,946,271	$ 982,857	$ 211,124	$ 1,193,981	3.31
2017	7,507,296	3,297,572	4,209,724	945,000	260,839	1,205,839	3.49
2018	7,724,220	3,691,664	4,032,556	895,278	240,647	1,135,925	3.55
2019	8,014,835	3,817,171	4,197,664	1,040,500	303,410	1,343,910	3.12
2020	8,106,541	3,927,825	4,178,716	1,002,105	281,088	1,283,193	3.26
2021	9,515,469	3,871,129	5,644,340	1,381,625	684,897	2,066,522	2.73
2022	8,100,035	4,482,115	3,617,920	1,366,538	658,063	2,024,601	1.79
2023	12,337,027	5,327,091	7,009,936	1,351,053	629,353	1,980,406	3.54
2024	11,586,963	4,955,146	6,631,817	1,728,919	913,131	2,642,050	2.51
2025	10,352,495	5,211,787	5,140,708	1,846,944	950,047	2,796,991	1.84

Note: Operating expense excludes depreciation and net pension and other postemployment benefits expense.

Note: Bond ordinance requires that revenues are at least 1.25 times the average annual debt service for all outstanding bonds.

CITY OF PLANO, TEXAS **Table 15**
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(unaudited)

DEMOGRAPHICS					
Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	PISD School Enrollment	Unemployment Rate (%)
2016	276,700	$ 12,058,309	$ 43,579	54,573	3.7
2017	279,100	12,519,031	44,855	54,173	3.2
2018	282,700	13,115,584	46,394	53,952	3.2
2019	285,300	13,648,752	47,840	53,085	2.9
2020	287,500	14,218,313	49,455	50,116	6.3
2021	288,100	14,345,075	49,792	50,154	3.8
2022	291,200	16,008,429	54,974	49,405	3.0
2023	292,930	16,748,273	57,175	48,932	3.7
2024	294,152	18,329,199	62,312	47,901	3.6
2025	299,262	18,647,614	62,312 *	46,614	4.1

Sources: Population estimates were prepared by the City of Plano. Personal income estimates were obtained from the U.S. Census Bureau beginning in fiscal year 2014. School enrollment figures were provided by the Plano Independent School District (PISD). Unemployment rates were provided by the Texas Workforce Commission.

* At the time of reporting, the Census Bureau had not released the 2025 American Community Survery not available. 2024 American Community Survey data used.

CITY OF PLANO, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

Table 16

2025			2016		
Employer	**Employees**	**Percentage of Total City Employment**	**Employer**	**Employees**	**Percentage of Total City Employment**
JPMorgan Chase	11,261	6.82 %	Capital One Finance	5,500	3.52 %
Bank of America	6,566	3.98	Bank of America Home Loans	3,400	2.17
Capital One Finance	5,649	3.42	HP Enterprise Services	3,250	2.08
Toyota Motor North America, Inc.	4,938	2.99	Ericsson	3,020	1.93
PepsiCo Foods North America	3,759	2.28	Frito-Lay	2,500	1.60
Ericsson	3,346	2.03	J. C. Penney Company, Inc.	2,420	1.55
AT&T Foundry and Services	2,500	1.51	Dell Services	2,250	1.44
Medical City Plano	2,332	1.41	Texas Health Presbyterian Hospital Plano	1,680	1.07
Liberty Mutual Insurance Company	2,100	1.27	Medical Center of Plano	1,600	1.02
USAA	2,092	1.27	PepsiCo	1,340	0.86
Total	44,543	26.98	Total	26,960	17.24

Sources: Plano Economic Development

CITY OF PLANO, TEXAS **Table 17**
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(unaudited)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
General government	91.0	92.5	86.5	87.0	84.0	90.5	95.0	96.0	92.5	90.0
Administrative services	102.0	103.5	98.5	94.0	99.0	101.0	104.5	96.0	92.5	91.5
Police	691.0	708.5	690.5	687.5	688.0	691.0	711.5	692.5	669.5	628.0
Fire	424.5	424.5	412.5	402.0	401.0	406.0	399.0	400.0	397.0	362.5
Libraries	154.5	152.0	147.0	150.5	144.5	145.5	155.5	156.5	152.0	155.0
Development	205.5	199.0	199.0	186.0	188.5	180.5	185.0	184.5	184.5	180.0
Public services and operations	81.5	78.0	85.5	81.0	76.5	77.5	78.0	76.0	75.0	73.0
Parks and recreation	435.0	494.5	482.0	423.5	380.5	439.5	438.5	421.5	415.5	360.5
Public works	68.0	64.0	70.0	59.0	63.0	62.0	69.0	70.0	69.0	66.0
Technology solutions	83.5	82.0	80.0	69.5	61.0	62.0	64.0	59.0	54.0	58.0
Water and sewer	134.0	135.0	131.0	121.0	122.0	132.5	136.5	141.5	141.5	145.5
Sustainability and environmental services	98.0	94.5	93.0	95.5	93.5	95.5	100.0	97.0	100.0	94.5
Municipal drainage	25.0	29.0	29.0	29.0	26.0	25.0	24.0	22.0	26.0	28.0
Convention and tourism	45.5	42.0	42.0	42.0	39.5	40.0	43.5	40.0	41.0	39.5
Municipal golf course	9.0	9.0	8.0	8.0	8.0	8.0	6.0	7.0	8.0	8.0
Recreation revolving	113.5	130.0	116.0	101.0	91.5	127.5	127.0	128.5	143.5	149.5
Total	2,761.5	2,838.0	2,770.5	2,636.5	2,566.5	2,684.0	2,737.0	2,688.0	2,661.5	2,529.5

CITY OF PLANO, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(unaudited)

Table 18

	Fiscal Year									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Administrative Services										
Legal										
Ordinance/resolution review/preparation	142	127	128	128	179	147	147	129	141	226
Human Resources										
Full-time civilian employees	1,556	1,529	1,497	1,460	1,432	1,451	1,498	1,454	1,434	1,410
Accounting										
Payment requests processed	53,213	59,575	62,327	58,514	51,453	59,068	65,587	61,800	65,025	66,170
Police										
Employees (uniformed)	396	413	408	400	413	395	405	406	394	361
Citations	28,605	31,511	34,013	63,216	31,464	41,809	59,653	59,137	53,111	63,559
Public Safety Communications										
911 calls*	145,713	150,701	170,466	164,564	167,861	153,548	159,522	156,865	161,310	159,795
911 dispatches*	249,273	258,763	270,083	249,328	242,072	234,869	256,602	226,222	204,016	215,733
Fire										
Employees (uniformed)	401	402	391	381	381	385	379	380	377	343
Fire runs	17,582	17,521	16,974	15,906	32,570	25,723	27,496	27,890	26,570	25,005
EMS runs	47,868	46,449	45,900	43,626	20,035	17,288	18,148	17,667	15,760	15,689
Libraries										
Volumes in collection	696,729	685,551	701,814	728,356	729,551	745,562	740,968	691,466	795,654	770,701
Registered borrowers	219,677	227,272	212,543	198,264	186,277	190,504	195,986	188,470	188,787	181,131
Development										
Building Inspections										
Inspections (all construction)	61,922	65,603	66,378	56,207	47,950	48,155	55,252	64,632	71,069	65,230
New construction permits issued	1,154	544	1,113	1,168	692	551	817	755	765	825
Engineering										
New streets/alleys paved (miles)	3	3	3	1	4	1	4	5	7	6
New water lines installed (miles)	96	14	7	18	10	23	19	17	24	18
Public Services and Operations										
Environmental Health										
Inspections	5,378	4,998	5,330	4,938	7,019	6,652	6,355	6,242	7,417	6,482
Animal Control										
Animals impounded	5,978	6,168	6,331	6,089	7,401	8,075	6,386	6,383	6,891	6,947

(continued)

CITY OF PLANO, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(unaudited)

Table 18
(continued)

	Fiscal Year									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Parks and Recreation										
Recreation attendance	2,198,856	2,466,361	2,474,933	2,058,132	1,274,219	1,000,229	2,496,307	2,332,667	2,295,266	2,561,438
Recreation center members	21,847	32,753	47,573	41,065	31,797	28,851	42,703	37,465	31,845	27,068
Public Works										
Streets										
Streets, alleys and sidewalks										
Excavate/Replace (Sq Ft)	12,299,498	11,722,018	11,215,787	3,331,913	5,328,213	4,690,871	2,632,027	2,562,992	2,461,590	2,109,483
Water and Sewer										
Water customers	83,023	82,843	82,999	82,849	82,425	82,206	81,772	81,346	80,827	80,621
Average daily water consumption (gal)	55,210,000	63,770,000	61,209,330	60,799,580	57,139,123	57,153,954	51,548,075	59,734,375	48,909,020	56,517,827
Maximum storage capacity (gal)+	85,500,000	85,500,000	85,500,000	126,000,000	126,000,000	126,000,000	126,000,000	85,500,000	85,500,000	85,500,000
Sustainability and Environmental Services (residential)										
Refuse collected (tons)	59,515	66,125	65,439	60,760	64,371	63,682	67,636	61,227	58,319	60,287
Bulky waste pickups (tons)	5,368	4,891	5,436	6,216	7,323	7,553	7,390	6,157	6,470	6,535
Recyclables collected (tons)	14,094	14,646	14,751	15,388	16,902	17,616	17,175	17,698	17,489	18,406
Yard trimmings collected (tons)	13,071	23,070	13,757	17,341	17,429	21,261	18,422	18,540	19,540	21,199
Municipal Drainage										
Storm sewer inlets maintained	27,351	27,981	20,212	20,150	20,037	19,963	19,804	19,537	19,400	19,264
Convention and Tourism										
Event days booked and serviced	289	247	235	256	148	168	300	300	150	246
Municipal Golf Course										
Rounds of golf played	60,018	55,385	58,296	59,170	57,719	44,702	46,834	48,155	52,746	48,982
Recreation Revolving										
Courses completed	6,939	7,193	6,832	6,411	4,006	2,993	6,464	6,999	6,512	6,971

Source: City Departments

Notes: *911 Calls and 911 dispatches include all calls to 911 which represent both police and fire.
+Beginning in Fiscal Year 2019, maximum water storage capacity includes gallons currently in the distribution system; data is not available for prior years.
Operating indicators are not available for the general government, technology services, property management or downtown center development functions.

CITY OF PLANO, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(unaudited)

Table 19

	Fiscal Year									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Police										
Number of stations	3	3	3	3	3	3	3	3	3	3
Number of patrol units	165	165	165	163	162	161	159	154	147	130
Number of motorcycle units	0	0	0	0	1	2	5	5	5	5
Fire										
Number of stations and training centers	14	14	14	14	13	13	13	13	13	13
Number of fire engines/trucks	26	26	24	24	24	24	24	23	22	22
Number of EMS trucks	16	17	17	13	13	13	13	11	11	11
Libraries										
Number of libraries	5	5	5	5	5	5	5	5	5	5
Development										
Planning										
Streets- paved (miles)	1,174	1,171	1,168	1,166	1,166	1,162	1,162	1,159	1,158	1,152
Alleys- paved (miles)	539	539	539	538	537	537	536	534	531	530
Public Services and Operations										
Animal Services										
Animal control trucks	8	8	8	8	8	8	8	8	8	8
Parks and Recreation										
Parks* (acres)	4,381	4,390	4,386	4,376	4,376	4,382	4,382	4,375	4,322	4,268
Athletic fields	140	139	139	139	151	151	157	163	161	171
Playgrounds	69	70	70	70	70	70	71	70	71	69
Recreation centers	4	4	4	4	5	5	5	5	5	5
Tennis centers	1	1	1	1	1	1	1	1	1	1
Senior centers	1	1	1	1	1	1	1	1	1	1
Aquatic/Natatorium	8	9	9	9	9	9	9	9	9	8
Public Works										
Traffic signals	290	290	241	241	239	238	232	230	227	225

(continued)

CITY OF PLANO, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(unaudited)

Table 19
(continued)

Function/Program		Fiscal Year 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Water and Sewer											
Water mains (miles)	**	1,549	1,471	1,461	1,455	1,449	1,441	1,426	1,407	1,391	1,373
Sanitary sewers (miles)	**	1,016	1,016	1,013	1,010	1,008	1,007	1,006	1,003	997	991
Fire hydrants		16,981	16,965	16,826	16,735	16,655	16,563	16,396	16,173	15,963	15,698
Sustainability and Environmental Services											
Collection trucks		44	58	55	54	54	54	50	51	51	50
Municipal Drainage											
Storm sewers (miles)		1008	990	989	987	984	977	970	956	945	930
Convention and Tourism											
Civic centers		1	1	1	1	1	1	1	1	1	1

Source: City Departments

Notes: *Includes Golf Course.

**Beginning in fiscal year 2023, implementation of new capital asset software resulted in increased accuracy of totals.

Capital asset indicators are not available for the general government, administrative services, property management, recreation revolving or downtown center development functions.

City of Plano, Texas

Single Audit Report
For the Fiscal Year Ended September 30, 2025

weaver
Assurance • Tax • Advisory

City of Plano, Texas
Single Audit Report
For the Fiscal Year Ended September 30, 2025
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2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plano, Texas (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 5, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

The Honorable Mayor and Members of the City Council of the
City of Plano, Texas

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 5, 2026

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Compliance for Each Major Federal Program, Report on Internal Control over Compliance, and Report on Schedule of Expenditures of Federal and State Awards as Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Plano, Texas (the City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Plano, Texas as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated January 5, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 5, 2026

City of Plano, Texas
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Texas Division of Emergency Management:				
Windy Deuce FMAG (TX-TFMS-240003)	97.046	24-0001.01	$ 1,374	$ -
Crabapple FMAG (TX-TFMS-250007)	97.046	25-0015	14,761	-
Total Assistance Listing Number 97.046			16,135	-
Passed through Texas Office of the Governor - Homeland Security Grants Division:				
Homeland Security Grant Program	97.067	5245601	70,000	-
Homeland Security Grant Program	97.067	5245801	27,000	-
Homeland Security Grant Program	97.067	5245701	105,500	-
Total Assistance Listing Number 97.067			202,500	-
Total U.S. Department of Homeland Security			218,635	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
CDBG Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-48-0035	1,517,934	275,542
COVID-19 - Community Development Block Grant - Coronavirus Grant	14.218	B-20-MW-48-0035	492,239	142,922
Total CDBG Entitlement Grants Cluster			2,010,173	418,464
HOME Investment Partnerships Program	14.239	M-24-MC-48-0234	422,035	12,029
HOME Investment Partnerships Program	14.239	M-21-MP-48-0234	78,055	78,055
Total Assistance Listing Number 14.239			500,090	90,084
Total U.S. Department of Housing and Urban Development			2,510,263	508,548
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through National Environmental Health Association:				
Food and Drug Administration Research	93.103	G-BM&A-202110-01104	46,066	-
Total U.S. Department of Health and Human Services			46,066	-
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03833-JAGX	20,585	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-05145-JAGX	40,721	40,721
Total Assistance Listing Number 16.738			61,306	40,721
Federal Bureau of Investigation Violent Crimes Against Children Task Force	16.UNK	N/A	21,741	-
Federal Bureau of Investigation North Texas Joint Terrorism Task Force	16.UNK	N/A	16,389	-
Total Assistance Listing Number 16.UNK			38,130	-
Department of Justice Equitable Sharing Program	16.922	N/A	49,999	-
Total U.S. Department of Justice			149,435	40,721
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Texas Department of Transportation:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2025-PlanoPD-S-1YG-00099	114,006	-
Total Highway Safety Cluster			114,006	-
SH 121 Signal Upgrade	20.205	CSJ: 0364-03-106	35,280	-
SH 121 Signal Upgrade	20.205	CSJ: 0364-04-052	297,226	-
Transportation Management Association	20.205	CSJ: 0918-24-239	96,025	96,025
Breckinridge Trail Extension	20.205	CSJ: 0918-24-269	119,106	-
Total Assistance Listing Number 20.205			547,637	96,025
Total U.S. Department of Transportation			661,643	96,025
U.S. DEPARTMENT OF TREASURY				
Direct Program:				
United States Secret Service North Texas Financial Crimes Task Force	21.UNK	N/A	9,540	-
Treasury Equitable Sharing	21.016	N/A	6,282	-
Passed through Commission on State Emergency Communications:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	4549601	292,607	-
Total U.S. Department of Treasury			308,429	-

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Plano, Texas

Schedule of Expenditures of Federal and State Awards – Continued
For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Direct Program:				
Food Scrap Composting Pilot Program	10.935	2024-70510-42112	61,176	
Total U.S. Department of Agriculture			61,176	-
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed through Texas State Library and Archives Commission:				
Special Projects Grant Program	45.310	SPP-25013	48,800	-
TexTreasures Grant Program	45.310	TXT-25008	40,000	
Total Institute of Museum and Library Services			88,800	-
U.S. DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program	81.128	DE-EE0000969	130,424	
Total U.S. Department of Energy			130,424	-
TOTAL FEDERAL ASSISTANCE			$ 4,174,871	$ 645,294

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Plano, Texas

Schedule of Expenditures of Federal and State Awards – Continued
For the Fiscal Year Ended September 30, 2025

State Grantor/Pass-Through Grantor Program Title	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
TEXAS DEPARTMENT OF STATE HEALTH SERVICES			
Passed through North Central Texas Trauma Regional Advisory Council, Inc.:			
EMS Trauma Care System Program	N/A	$ 7,446	$ -
Total Texas Department of State Health Services		7,446	-
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS			
Direct Programs:			
Texas Homeless Housing and Services Program	6325600014	144,325	143,456
Texas Homeless Housing and Services Program Youth Set-Aside	1825600004	18,153	18,153
Ending Homelessness Fund			
Total Texas Department of Housing and Community Affairs		162,478	161,609
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS			
Direct Program:			
State / Local Criminal Investigation	N/A	4,843	-
Total Texas Comptroller of Public Accounts		4,843	-
TEXAS OFFICE OF THE GOVERNOR - HOMELAND SECURITY GRANTS DIVISION			
Passed through City of North Richland Hills, Texas:			
North Texas Anti-Gang Center (TAG)	N/A	2,582	-
Total Texas Office of the Governor - Homeland Security Grants Division		2,582	-
Texas State Library and Archives Commission			
Direct Program:			
ILL Lending Reimbursement Program 2025	904206	12,378	-
Total Texas State Library and Archives Commission		12,378	-
TOTAL STATE ASSISTANCE		$ 189,727	$ 161,609

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Plano, Texas

Notes to the Schedule of Expenditures of Federal and State Awards

Note 1. General

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City of Plano, Texas (the City) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The City's reporting entity is defined in Note 1 to the City's basic financial statements. Federal and state awards received directly from federal agencies and state agencies as well as federal and state awards passed through other government agencies are included on the schedule.

Note 2. Loans

At September 30, 2025, the amount of loans outstanding related to the Community Development Block Grants and HOME Investment Partnerships Program was approximately $723,594 and $85,090, respectively.

Note 3. Indirect Cost Rate

The City has elected not to use the fifteen percent de minimis indirect cost rate allowed under the Uniform Guidance.

City of Plano, Texas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2025

Section 1. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes ___X___ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes ___X___ None reported

Noncompliance material to the financial statements noted? _____ Yes ___X___ No

Federal Awards

An unmodified opinion was issued on compliance for the major program.

Internal control over major program:

- Material weakness(es) identified? _____ Yes ___X___ No
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ Yes ___X___ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes ___X___ No

Identification of major programs:

Federal Assistance Listing/Grant Identification Number	Name of Federal Program or Cluster
Major Federal Programs:	
14.218	CDBG Entitlement Grants Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $1,000,000

Auditee qualified as low-risk auditee? ___X___ Yes _____ No

Section 2. Financial Statement Findings

None

Section 3. Federal Award Findings and Questioned Costs

None

Section 4. Schedule of Prior Year Findings and Questioned Costs

None