

CITY OF ALLEN

POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY OF ALLEN • 305 CENTURY PARKWAY • ALLEN, TEXAS



CITY MANAGER
ERIC ELLWANGER

A MESSAGE

From the City of Allen

Dear Citizens,

The City of Allen is proud to present the Popular Annual Financial Report for the Fiscal Year ended September 30, 2025. The financial information contained within this report is taken from the financial statements that are a part of the City of Allen's 2025 Annual Comprehensive Financial Report, which is prepared in accordance with the Generally Accepted Accounting Principles (GAAP) and is audited by an independent firm of certified public accountants, Weaver & Tidwell, LLP of Dallas, TX. The annual financial report contains additional detailed and extensive information, such as notes, statistical information, investments and debt service obligations. It may be viewed at *AllenTX.gov/Accounting*.

The purpose of the popular report is to convey the information presented in the annual financial report in a condensed and easily understood format. This report is intended to provide an overview of the City's audited financial position, local taxing information and economic climate. This report represents another indication of the City of Allen's commitment to financial transparency and accountability.

If you should have any questions or concerns, please do not hesitate to contact the City of Allen Finance Department at 214-509-4626 or by email at *finance@allentx.gov*.

Eric Ellwanger
March 31, 2026



Allen City Council Chambers



"Bark Art" Public Art located at Bark Yard Dog Park

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About Allen

OUR CITY

The City of Allen is in Collin County, which is the third fastest-growing county in the nation. Collin County's population, 1,303,157 in 2025 and is expected to reach 2.4 million by 2050. Located 25 miles north of downtown Dallas on US 75, Allen encompasses approximately 27 square miles. The George Bush Tollway and Sam Rayburn Tollway (Highway 121) provide direct access into the Metroplex and access to Love Field (27 miles) and Dallas Ft Worth International Airport (31 miles). The City of Allen sits in a prime location for restaurants, shopping centers and other retail venues. The quality of the City's community attracts well-educated residents with a high level of spending power and disposable income.

26.40
SQUARE MILES

114,647
POPULATION

$350M
OPERATING BUDGET

978.67 Full-Time Equivalent Employees

2,259 Acres of Park Land

31 Playgrounds

6 Fire Stations

10 Recreation Facilties

150,000 Volumes at Allen Public Library

629 Miles of Paved Strees and Alleys

514 Miles of Established Water Main Lines

DEMOGRAPHICS

Allen's population reached 114,647 in 2025, more than doubling from just over 45,032 in year 2000 and is expected to reach 140,000 at build-out. Allen's median household income is $137,627 and per capita income is $55,986. More than 57% of residents possess at least a bachelor's degree, and the unemployment rate was 3.6% in 2025, below the national rate of 4.4%. In 2025, the median home price in Allen was $522,500, and the median age was 38.4 years old.


Celebration Park



MAYOR
BAINE L. BROOKS

MEET THE LEADERS

Allen City Council

ABOUT CITY COUNCIL

The Allen City Council consists of the mayor and six council members elected citywide to serve three-year, staggered terms of office. In addition to strategic planning and approving the annual budget, the council sets policy, enacts ordinances establishing municipal law and regulates zoning and development. The council also appoints board and commission members.

CITY COUNCIL MEETINGS

City Council meetings are held on the second and fourth Tuesday of each month at 7 p.m. in the Council Chambers of City Hall, 305 Century Parkway. Prior to the Council meeting, a workshop is conducted at 6 p.m. in City Hall's basement meeting room. City Council meetings and workshops are open to the public and citizen input is welcome. Citizens may speak at council meetings on agenda and non-agenda items by completing and submitting a public meeting appearance card.

WHAT'S ON THE AGENDA?

The City Council agenda is available at *AllenTX.gov* 72 hours prior to every meeting. The agendas are posted outside of City Hall in a glass public notice case adjacent to the main City Hall entrance.



MAYOR PRO TEM, PLACE 6
BEN TRAHAN



COUNCILMEMBER, PLACE 1
MICHAEL SCHAEFFER



COUNCILMEMBER, PLACE 2
TOMMY BARIL



COUNCILMEMBER, PLACE 3
KEN COOK



COUNCILMEMBER, PLACE 4
AMY GNADT



COUNCILMEMBER, PLACE 5
CARL CLEMENCICH

MAJOR PROJECTS 2024-2025



Allen Public Library Expansion Phase II nears completion



Timbercreek and Allenwood water main replacement nears completion



Construction continues for new Allen Police Headquarters



Chelsea Boulevard northbound extension nears completion



Ridgeview Drive - Chelsea Boulevard to US-75: Streets/ paving nears completion



Heritage/Allen Heights sewer system main replacement continues



Children's Programming at Allen Public Library

NICHE
A+
Overall Grade

ConsumerAffairs
BEST CITY TO MOVE TO IN TEXAS
#1 for large cities in 2025

Reader's Digest
MOST AFFORDABLE & FASTEST-GROWING CITIES IN THE U.S.
#5 in the United States for 2025

STANDARD &POOR'S
AAA
Bond Rating

Accolades

We don't set out to win awards, but our everyday excellence has caught the eye of some of the country's most prestigious publications and organizations. In recent years, we were named one of the best real estate markets by WalletHub, one of the safest cities in the U.S. by Homes.com and the Best Place to Live in the South by Money Magazine. Across the City of Allen, our departments have earned numerous local, state and national honors that reflect a strong commitment to service and excellence. The Allen Public Library received its 11th consecutive Achievement of Library Excellence, while Allen Parks and Recreation was recognized with four awards from the Texas Recreation and Parks Society (TRAPS) North Region for outstanding efforts in programming, communication and professionalism. In addition, the City's Purchasing Division earned the Achievement of Excellence in Procurement Award from the National Procurement Institute, Inc. for the 24th consecutive year, continuing a long-standing tradition of operational excellence.



Allen Parks and Recreation earned multiple recognitions from the TRAPS North Region in 2024



Allen Public Library Receives 11th Consecutive Achievement of Excellence In Libraries Award



City of Allen's Purchasing Division was awarded 2024 Achievement of Excellence in Procurement Award

AWARD-WINNING REPORTING

Certificate of Achievement for Excellence in Financial Reporting

The City has earned the Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report from the Government Finance Officers Association for the twenty-seventh consecutive year. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. The comprehensive report is compiled by the finance department and audited by an independent firm of certified public accountants. The purpose of the comprehensive report is to give a detailed overview of the City's financial status, including various funds, investments and debt service obligations.

Distinguished Budget Presentation Award

The City has earned the Distinguished Budget Presentation Award from the Government Finance Officers Association for the twenty-fifth consecutive year. It reflects the commitment of the City's staff to meet the highest principles of governmental budgeting and the award represents a significant achievement. The budget presents the plan for accomplishing the City's goals and objectives during the fiscal year. Preparation of this document requires a comparison of the anticipated revenues with adopted programs and priorities that are based on City Council's priorities, service demands and prior year project commitments.

Outstanding Achievement in Popular Annual Financial Reporting

The City has also earned the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for five years. This is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

Achievement for Excellence in Procurement

Established by the National Procurement Institute, the Achievement of Excellence in Procurement Award is earned by public agencies that demonstrate a commitment of procurement and purchasing excellence and is given to organizations who demonstrate to their leadership, governing body, and the public that they exceed the highest standards in innovation, professionalism, productivity, e-procurement, and leadership attributes of procurement.



Watters Creek Village



Bethany Drive Street Median

Financial Highlights

OVERVIEW

The City of Allen, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely almost entirely on fees and charges for support.

The City of Allen currently maintains 11 governmental funds, including 4 major funds: General Fund, Debt Service Fund, General Capital Projects Fund, and General Obligation Bond Fund. In business-type activities, the City also has 5 enterprise funds: Water and Sewer, Solid Waste, Drainage, Golf Course, and Allen Event Center. The City also maintains 3 internal service funds: the Replacement Fund, Facility Maintenance Fund, and Risk Management Fund. The City also has 2 discretely presented component units: the Allen Economic Development Corporation (AEDC) and the Allen Community Development Corporation (ACDC).

More information can be found in the Annual Comprehensive Financial Report (ACFR) on the City's website at *AllenTX.gov*.

CITY NET POSITION

The Statement of Net Position shows the overall financial picture of the City of Allen. It represents an aggregate of the City's financial activities broken into two categories: governmental and business-type. Governmental activities are mainly supported by taxes and include many of the basic services the City provides including general government, public safety, public works, culture and recreation, and community development. Business-type activities are mainly supported by user fees and charges for services and include activities such as water and sewer, the golf course, and the event center.

In 2025, the City's net position increased by over $71 million, which represents an overall increase of about 10%. From 2024 to 2025, Allen saw improvements in 2 key indicators of financial health in this statement of net position: an increase in current and other assets and an increase in unrestricted net position. The City has also seen consistent increases in working capital (current assets minus current liabilities) at the government-wide level in both governmental and business-type activities. This helps the City have the ability to cover our short-term obligations and fund our growth. The portion of the City's net position that can be used to fund future operations and capital projects not funded by debt is $173 million or 22% of the total net position. The remaining 78% is part of the City's investment in capital assets currently owned by the City and funds that are restricted by outside agencies for specific purposes.

Statement of Net Position (in millions of dollars)

	Governmental Activities			Business-Type Activities			Total		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Assets:									
Current & other assets	$257.08	$252.21	$182.46	$103.60	$99.10	$81.73	$360.68	$351.31	$264.19
Capital assets	574.06	506.32	492.21	157.27	154.41	150.60	731.33	660.74	642.80
Total Assets	**831.14**	**758.53**	**674.67**	**260.87**	**253.51**	**232.33**	**1,092.01**	**1,012.05**	**907.00**
Deferred outflows of resources	16.51	20.44	28.12	2.54	3.04	4.13	19.05	23.48	32.25
Liabilities:									
Current & other liabilities	18.19	15.82	21.27	8.63	5.67	8.36	19.05	23.48	32.25
Long-term liabilities	259.98	260.25	191.79	32.70	34.89	36.93	295.14	228.72	187.10
Total Liabilities	**278.17**	**276.08**	**213.06**	**41.33**	**40.56**	**45.29**	**319.50**	**316.64**	**258.34**
Deferred inflows of resources	4.94	1.39	1.56	0.64	0.21	0.16	5.58	1.60	1.72
Net Position:									
Net investment in capital assets	456.01	404.05	389.80	128.41	125.81	122.53	584.41	529.86	512.34
Restricted	25.92	26.74	22.26	2.50	2.34	2.63	28.42	29.07	24.90
Unrestricted	82.62	70.72	76.10	90.52	87.63	65.84	173.14	158.35	141.94
Total Net Position	**$564.54**	**$501.50**	**$488.17**	**$221.43**	**$215.78**	**$191.00**	**$785.97**	**$717.28**	**$679.17**

CHANGES IN NET POSITION

The Changes in Net Position show how revenues and expenses during the year effect the City's net position in governmental and business-type activities. Program revenues are made up of charges for services, grants, and contributions while general revenues are made up of taxes, investment earnings, and miscellaneous revenues. As shown below, the majority of governmental activities are funded by general revenues, while the majority of business-type activities are funded by program revenues. Increases in revenues have outpaced increases in expenses in an effort to build reserves and help fund the City's capital improvement plan.

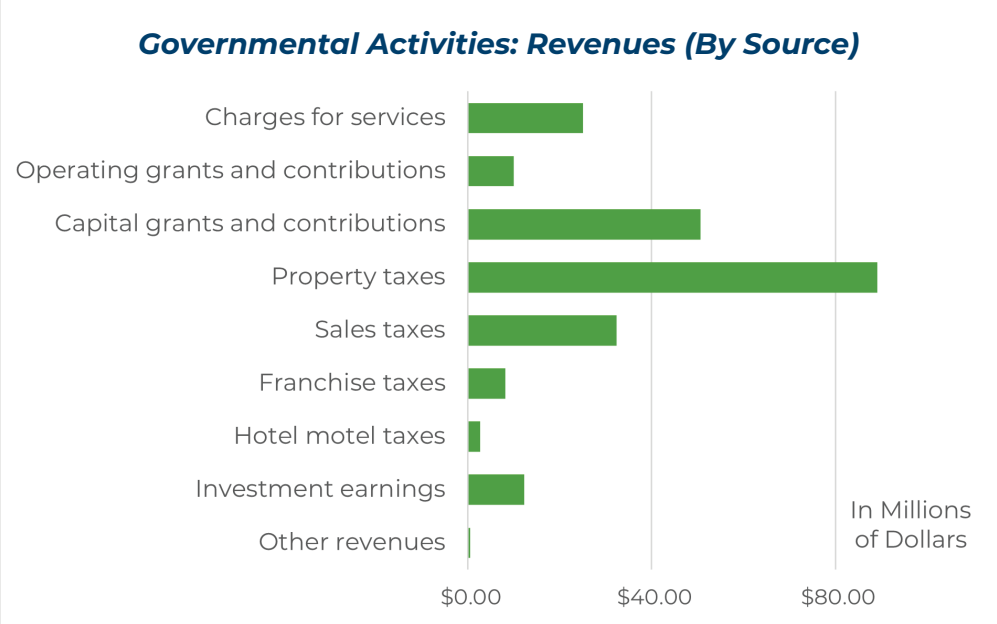
There is a consistent transfer from business-type activities to governmental type activities each year to represent the contributions that governmental funds make to support the operations of enterprise funds. For example, departments that operate out of the General Fund like City Administration, Human Resources, Information Technology, Public and Media Relations, and Finance use their resources to support the entire City including the operations of the enterprise funds, meaning that a portion of those general government expenses should be covered by revenues generated by the enterprise funds.

Changes in Net Position (in millions of dollars)

	Governmental Activities			Business-Type Activities			Total		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Revenues:									
Program revenues	$85.58	$44.28	$15.43	$104.97	$108.40	$90.59	$190.55	$152.68	$106.01
General revenues	145.07	136.78	137.61	4.48	5.45	3.31	149.54	142.24	140.93
Total Revenues	**230.65**	**181.07**	**153.04**	**109.45**	**113.85**	**93.90**	**340.10**	**294.92**	**246.94**
Expenses:									
General Government	35.27	36.58	29.57	-	-	-	35.27	36.58	29.57
Public Safety	73.89	67.14	57.99	-	-	-	73.89	67.14	57.99
Public Works	28.26	29.86	27.24	-	-	-	28.26	29.86	27.24
Culture & Recreation	33.75	31.34	29.95	-	-	-	33.75	31.34	29.95
Community Development	6.67	6.47	6.73	-	-	-	6.67	6.47	6.73
Interest on long-term debt	6.97	4.02	4.97	-	-	-	6.97	4.02	4.97
Business-type activities	-	-	-	83.89	81.40	77.38	83.89	81.40	77.38
Total Expenses:	**184.80**	**175.41**	**156.45**	**83.89**	**81.40**	**77.38**	**268.70**	**256.81**	**233.83**
Transfers	20.13	7.68	5.71	(20.13)	(7.68)	(5.71)	-	-	-
Change in Net Position	65.98	13.34	2.30	5.43	24.77	10.80	71.40	38.11	13.11
Net position, beginning of year	501.50	488.17	485.86	215.78	191.00	180.20	717.28	679.17	666.07
Adjustment - change in accounting principle	(2.94)	-	-	0.22	-	-	(2.71)	-	-
Net position, end of year	$564.54	$501.50	$488.17	$221.43	$215.78	$191.00	$785.97	$717.28	$679.17

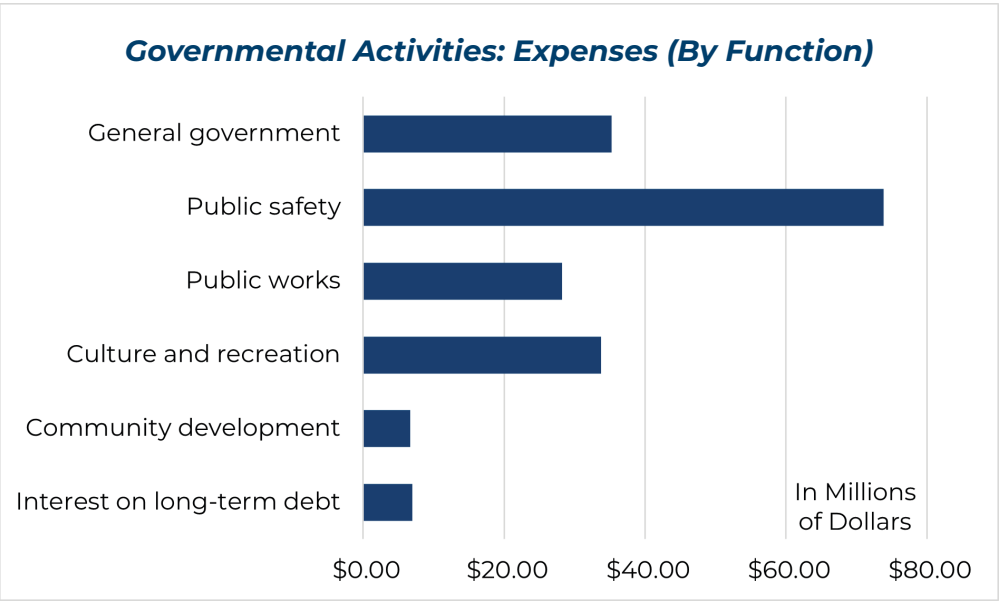
GOVERNMENTAL ACTIVITIES

Revenues (by source)



The governmental revenues for the City of Allen in 2025 totaled over $230 million. Almost $90 million (39%) of these revenues come from property taxes. Another $43.2 million (19%) are comprised of sales, franchise, and hotel motel taxes. The City also has a robust investment portfolio that earned the governmental activities over $12 million in investment earnings. The City is in compliance with the Public Funds Investment Act (PFIA), which imposes requirements for the investment of public funds that prioritize safety over yield. You can also find the City's quarterly investment reports in compliance with PFIA on the City website. In the current year, the City also received a $43 million parcel of land from the EDC that will be used in a lease for an upcoming economic development project.

Expenses (by function)



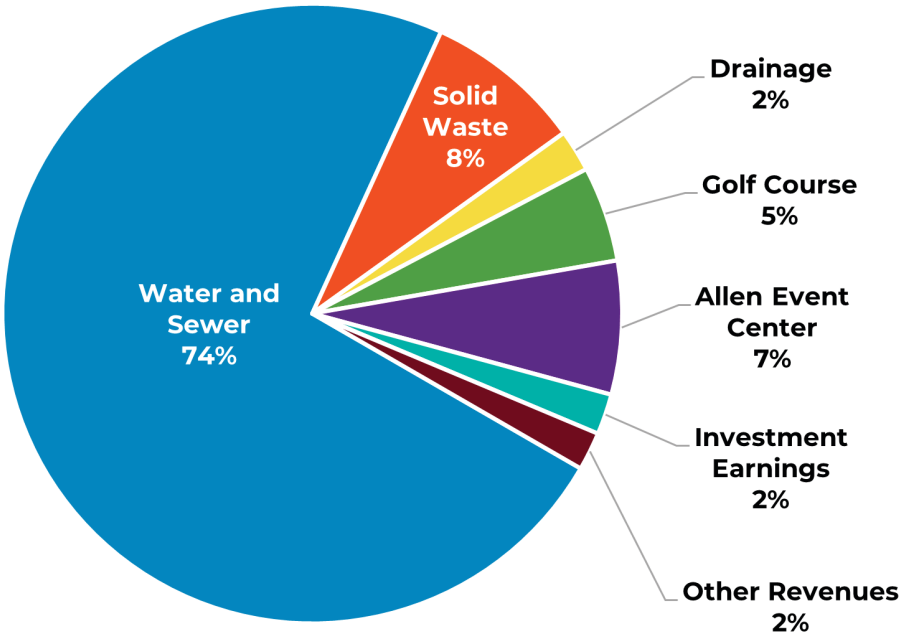
Governmental activity expenses for 2025 reached over $184 million. Almost $74 million (40%) of this total is in the public safety function, which includes the City's police and fire departments. The largest piece of any function is personnel and the 354 of the City's 978 full time equivalent employees are employed by these two departments. The second largest function of governmental expenses was for general government, with expenses of over $35 million or 19% of total expenses. Combined, these two functions represent almost 60% of governmental activities.

BUSINESS-TYPE ACTIVITIES

Revenues (by program)

The largest program in business-type activities for the City is the Water and Sewer program, which makes up 73% (almost $80 million) of the total business-type revenues of almost $110 million. The Water and Sewer program recognized almost $6 million in developer fees and capital contributions from developers. When developers build commercial or residential property, they must also build water and sewer lines that connect the property to the City infrastructure. Once the property is complete, that infrastructure is then contributed to the City because the City will be expected to maintain that infrastructure. The Allen Event Center Fund, which accounts for the operations of the CUTX Event Center, was classified as a major fund in the current year due to the increase in current liabilities resulting from the advance collections of event revenues for events that took place after the end of the fiscal year.

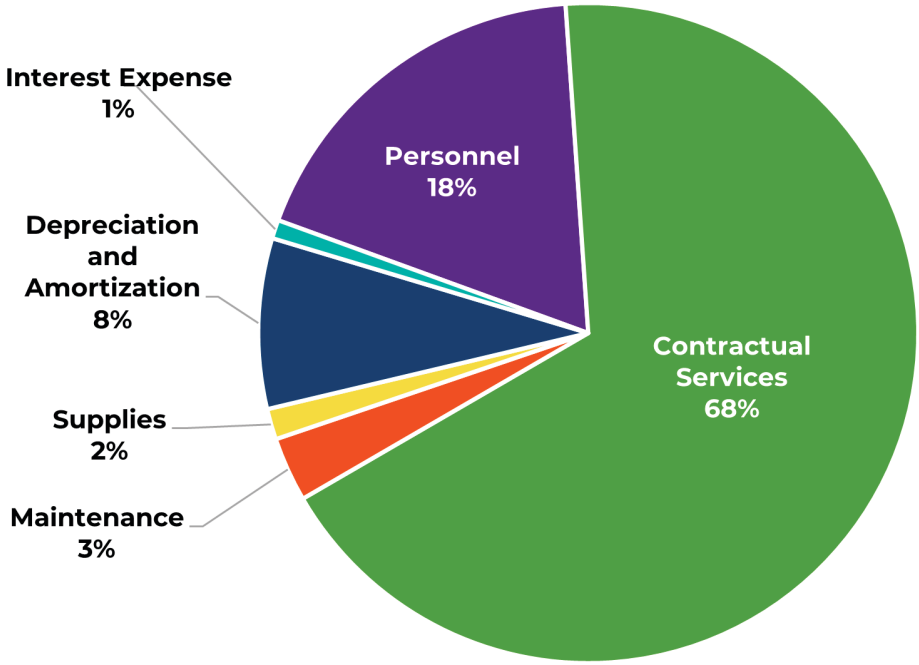
Business-Type Activities: Revenues (By Program)



Expenses (by type)

In contrast with governmental activities, the majority of business-type activity expenses are found in contractual services instead of personnel. This is due to the fact that the largest expense for the water and sewer program is the purchase of water from the North Texas Municipal Water District (NTMWD). Similarly, the Solid Waste program contracts a third-party to do the trash collection. NTMWD and Solid Waste contractual services account for $43.56 million, or 52% of the total business-type activity expenses. These expenses also increased $2 million from 2024.

Business-Type Activities: Expenses (By Type)



GENERAL FUND

The City's General Fund is its main operating fund. Since it is the main fund the City uses to track activities, it is where most of the City's tax revenue and operating expenditures are recorded. At the end of the year, the General Fund has an unassigned fund balance, which can be used without restriction on the General Fund's future needs. The City has a policy of maintaining about 90 days or 3 months of subsequent year budgeted expenditures in unassigned fund balance.

The General Fund departments are categorized in functions at the fund level and the government-wide level. Below are the departments and their assigned function:

General Government

City Administration
City Secretary
Public & Media Relations
Information Technology
Human Resources
Internal Services
Finance
Municipal Court
Building Maintenance
Service Center

Culture & Recreation

Library
Parks & Recreation

Public Safety

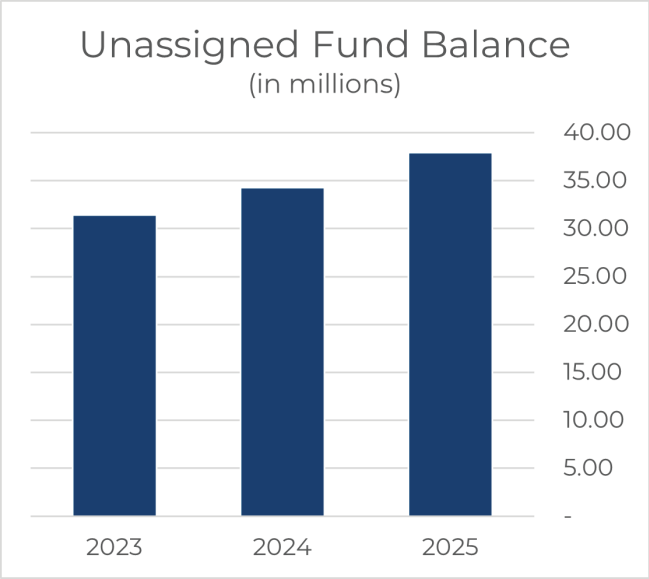
Fire
Police

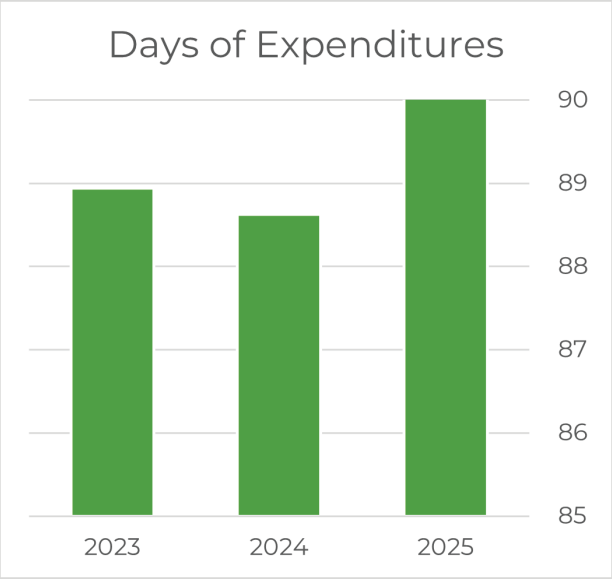
Public Works

Community Services Admin
Streets
Engineering

Community Development

Community Development
Community Enhancement







Brining and Sanding Equipment at Allen Municipal Service Center

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, was $731.3 million (net of accumulated depreciation). Investment in capital assets includes land and improvements, buildings, intangible assets, vehicles, machinery and equipment, park land and facilities, and roads and bridges. About 78% of the capital assets are governmental and 22% represent business-type activities.

During the fiscal year, the City received about $10.6 million in developer contributions of capital assets. When developers complete projects, the water and sewer infrastructure, streets, and rights-of-way/ROWs (alleys/sidewalks/medians/etc) are donated to the City. The City spent about $43.6 million during the fiscal year on CIP projects, including $13.3 million for the library expansion, $13.7 million for the new police headquarters, and $2.6 million for the Chelsea Blvd northbound expansion. The City spent an additional $5.1 million on vehicles and equipment, about $3 million of which was paid for using funds that the City builds up in reserve in its Asset Replacement internal service fund. Using the internal service fund allows the City to put funds away annually so that asset replacement doesn't have to effect general operations.

DEBT OBLIGATIONS

The City's primary government had total outstanding debt at September 30, 2025 of $292.7 million. The gross bonded debt had a total outstanding amount of $235.8 million, which excludes pension and other post employment benefits, compensated absences, and private placement debt instruments like leases and financing arrangements.

The City uses General Obligation bonds to pay for projects that have been voted on by residents in bond elections. The most recent bond election in 2023 resulted in the citizens endorsing projects for streets, parks and recreation, mobility projects, and the City's new Police Department Headquarters. The amounts authorized by citizens also include premiums on our debt, so the City tries to have the lowest principal possible and still issue enough for these projects with bond premiums. The City is able to receive lower interest rates and higher premiums due its commitment to excellent credit ratings. The City currently has the highest possible credit rating from Moody's (Aaa) and S&P (AAA).

Major Bond Funded Projects (In Millions)	
Active:	
New Police Headquarters	$90.3
Library Expansion – Phase II	$14.0
Completed:	
Stephen G Terrell Recreation Center	$42.1
Don Rodenbaugh Aquatic Center Improvements	$2.8
Spirit Park	$4.6
Molsen Farm Trailhead Improvements	$2.7
Fire Station #6	$8.9
Fire Station #2 Reconstruction	$4.7
Central Fire Station Remodel	$7.6
Streets - Allen Drive Gateway	
Streets – Ridgeview Dr – Cottonwood to Chelsea	$4.0
Streets – Ridgeview Dr – Alma to Stacy	$2.1



Allen Civic Plaza at Allen City Hall Complex

COMPONENT UNITS

The City has 2 discretely presented component units: the Allen Economic (AEDC) Development Corporation and the Allen Community Development Corporation (ACDC). They are component units of the City because they are legally separate entities that have their own boards of trustees and are able to issue their own debt. They are still part of the reporting entity of the City because those boards are made up of City Council appointees and the Corporations are fiscally dependent on the City as their revenues consist mostly of sales tax revenues that have been legally allocated to them.

Key financial takeaways from the presented statements are as follows:

The AEDC's focus is on stimulating the economy of Allen through economic incentives to draw businesses to operate in Allen. There was a reclassification in 2024 of the AEDC's land as being held for sale as the Corporation has purchased the land to include in future economic incentive contracts. The AEDC has more unrestricted net position because the net position that has been accumulated is available for the Corporation to use in its organizational goals.

The majority of operating expenses of AEDC are payments related to existing economic incentive contracts. Details of expenses related to these agreements can be found in the quarterly financial reports published by the Corporation.

In the current year, the CDC contributed $20 million to the EDC for the purchase of a $43 million parcel of land that was then transferred to the City to facilitate a lease within an economic development agreement. This transaction effected the CDC's expenses (increasing it by $20 million), the EDC's revenue (increasing it by $20 million) and the EDC's expenses (increasing it by $43 million for the contribution of the land to the City).

The ACDC's focus is on contributing to the quality of life of the residents of Allen, so it assists in the funding of parks and recreation projects and occasionally street projects. This results in higher capital asset balances and almost half of its net position being tied to its net investment in capital assets.

Both Corporations contribute operational support to the City. The EDC contributes around $100 thousand for general and administrative costs provided by the City, similar to the contribution from the business-type activities to the governmental activities. The CDC contributes to the Allen Event Center to support its operations as a community amenity. The CDC also contributes to the City to assist in debt service payments related to the debt issued for the Stephen G Terrell Recreation Center, another community amenity.

Statement of Net Position (in millions of dollars)

	Allen Economic Development Corporation (AEDC)			Allen Community Development Corporation (ACDC)		
	2025	2024	2023	2025	2024	2023
Assets:						
Current and other assets	$57.88	$61.88	$17.58	$13.44	$31.45	$31.38
Capital assets	0.68	0.73	36.08	54.43	54.18	49.91
Total Assets	**58.55**	**62.61**	**53.66**	**67.87**	**85.62**	**81.29**
Deferred outflows of resources	-	-	0.13	-	-	-
Liabilities:						
Current & other liabilities	0.41	0.16	0.15	0.86	1.32	1.50
Long-term liabilities	5.82	7.47	9.06	15.04	16.98	18.87
Total Liabilities	**6.22**	**7.63**	**9.21**	**15.90**	**18.30**	**20.36**
Net Position:						
Net investment in capital assets	0.68	0.73	27.40	38.84	36.34	29.77
Restricted	2.26	2.25	2.27	2.38	2.38	2.42
Unrestricted	49.39	52.00	14.69	10.75	28.61	28.74
Total Net Position	**$52.33**	**$54.98**	**$44.36**	**$51.96**	**$67.33**	**$60.93**

Changes in Net Position (in millions of dollars)

	Allen Economic Development Corporation (AEDC)			Allen Community Development Corporation (ACDC)		
	2025	2024	2023	2025	2024	2023
Revenues						
Program Revenues	$23.80	$0.00	$0.00	$0.00	$0.00	$0.00
General Revenues	25.59	16.99	14.97	16.71	16.92	15.32
Total Revenues	**49.39**	**16.99**	**14.97**	**16.71**	**16.92**	**15.32**
Expenses						
AEDC	51.92	6.26	6.54	-	-	-
ACDC	-	-	-	28.48	7.07	6.46
Operational support to the City	0.11	0.11	0.11	3.59	3.45	3.43
Total Expenses	**52.04**	**6.37**	**6.65**	**32.07**	**10.52**	**9.89**
Change in net position	(2.65)	10.62	8.32	(15.36)	6.40	5.43
Net position, beginning of the year	54.98	44.36	36.04	67.33	60.93	55.50
Net position, end of the year	$52.33	$54.98	$44.36	$51.96	$67.33	$60.93

Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

City of Allen
Texas

For its Annual Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF ALLEN

305 CENTURY PARKWAY | ALLEN, TEXAS 75013
PHONE: 214-509-4100 | FAX: 214-509-4118