City of Amarillo, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OCTOBER 1, 2024 - SEPTEMBER 30, 2025

CITY OF AMARILLO, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2025

PREPARED BY:

FINANCE DEPARTMENT

LOLA OGUNREMI, CHIEF FINANCIAL OFFICER

CPAs | CONSULTANTS | WEALTH ADVISORS

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INTRODUCTORY SECTION

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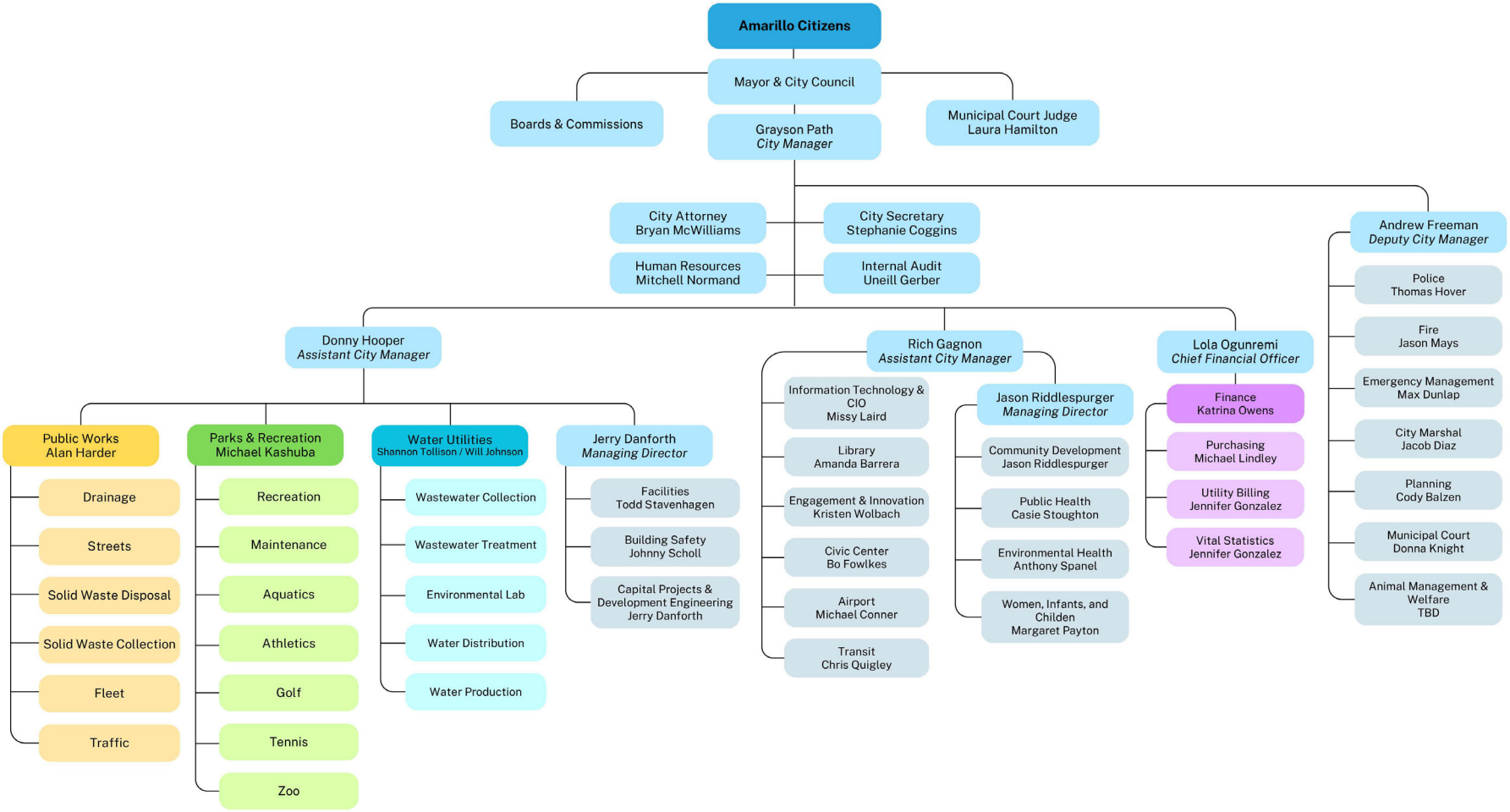
CITY OF AMARILLO, TEXAS
ORGANIZATION CHART
YEAR ENDED SEPTEMBER 30, 2025

CITY OF AMARILLO®
OPEN SPACES ★ ENDLESS OPPORTUNITIES

City of Amarillo Organization Chart



Updated March 2026

CITY OF AMARILLO, TEXAS
PRINCIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2025

GOVERNING BODY:

Cole Stanley	Mayor
Tim Reid	Councilmember Place 1
Don Tipps	Councilmember Place 2
David Prescott	Councilmember Place 3
Les Simpson	Councilmember Place 4

OTHER PRINCIPAL OFFICIALS:

Grayson Path	City Manager
Andrew Freeman	Deputy City Manager/Public Safety Director
Rich Gagnon	Assistant City Manager/Chief Technology Officer
Donny Hooper	Assistant City Manager/Public Infrastructure Director
Bryan McWilliams	City Attorney
Stephanie Coggins	City Secretary
Lola Ogunremi	Chief Financial Officer
Katrina Owens	Director of Finance
William Johnson	Director of Utilities
Shannon Tollison	Director of Utilities
Thomas Hover	Police Chief
Michael Kaschuba	Director of Parks and Recreation
Jason Mays	Fire Chief
Aubrie Cleavinger	Deputy Finance Director
Missy Laird	Chief Information Officer

CITY OF AMARILLO, TEXAS
GFOA CERTIFICATE OF ACHIEVEMENT
YEAR ENDED SEPTEMBER 30, 2025

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Amarillo Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

June 4, 2026

To the Honorable Mayor and City Council,
City of Amarillo,
Amarillo, Texas

Ladies and Gentlemen:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the City of Amarillo (the City) for the year ended September 30, 2025, in compliance with Article ill, Section 27 of the City Charter. The purpose of the report is to provide the Mayor, City Council, City Staff, citizens, bond holders, and other interested parties with useful information concerning the City's operations and financial position. The City is responsible for the accuracy, completeness, and fairness of the data presented in this report.

To the best of our knowledge, the following report is accurate in all material respects. It has been prepared in accordance with standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association of the United States and Canada (GFOA) and other rule-making bodies. We believe the report contains all disclosures necessary for the reader to understand the City's financial affairs.

The City Manager, through his appointee, the Chief Financial Officer, is responsible for establishing and maintaining an internal control structure to ensure that the assets of the government are protected from loss, theft or misuse, as well as to ensure that adequate and reliable accounting data are compiled to allow for the preparation of accurate financial statements in conformity with accounting principles generally accepted in the United States of America. This internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met, and it is continually modified to accommodate new technology and other changing conditions. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. In our opinion, the City employs sound accounting and control policies that fulfill these responsibilities.

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. In our opinion, the City employs an appropriate level of control and review procedures to ensure compliance with all applicable requirements.

We believe that this report is accurately and fairly presented, and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Independent audits are an essential element of financial control and accountability. The City Charter requires an annual audit to be made of the financial records of the City by a Certified Public Accountant selected by the City Council. The City has complied with this requirement and the auditors' opinion has been included in this report. The auditors performed their examination in accordance with generally accepted auditing standards and stated that, in their opinion, the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

The City is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget Compliance Supplement and the State of Texas Uniform Grant Management Standards. Information related to the City's single audits, including the Schedule of Expenditures of Federal Awards and the auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in separate federal and state "single audit" reports.

Following the report of the independent auditors is Management's Discussion and Analysis (MD&A). The objective of the MD&A is to provide an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions. The Statement specifies the topics that must be included in the MD&A, and we believe that our presentation is in conformity with this standard.

Profile of the City of Amarillo

The City of Amarillo is geographically located within the boundaries of both Potter and Randall Counties in the center of the Panhandle of Texas and now contains an area of 1,042.46 square miles. Located on Interstate Highway 40 at the crossroads of a number of other highways and railroad lines, the City is the trade, banking, transportation, medical services, and marketing center of the entire Panhandle, as well as for portions of New Mexico, Oklahoma, Colorado, and Kansas. The 2020 Census reported the City of Amarillo population as 200,393. The estimated population at the end of fiscal year 2024 is 201,106.

In accordance with its current Charter, adopted in 1913, the City of Amarillo operates under a council-manager form of government. As the legislative body, the City Council is responsible for enacting all ordinances, resolutions, and regulations governing the City, as well as for appointing the members of the various statutory and ordinance boards and for appointing the City Manager. As chief administrator, the City Manager is responsible for enforcement of the laws and ordinances, as well as for supervising all offices and departments created by the City Council.

The City provides the full range of municipal services normally associated with a municipality, including police and fire protection, street paving and maintenance, traffic engineering, enforcement of building and sanitary codes, a civic center complex, parks, golf courses, swimming pools and other recreational facilities, and five public libraries. The City provides solid waste collection and disposal services and operates a transit system, for which operations are accounted for as general governmental functions. The City maintains the water and sewer systems, an international airport, and a drainage utility system, the operations of which are all accounted for as enterprise funds.

Overview of the Financial Reporting Entity

In accordance with governmental accounting standards, various governmental entities with which we have relationships were evaluated to determine whether they should be reported in the City's combined financial statements as a part of its reporting entity. Based on standards established by the GASB, an entity should be considered to be part of the City's reporting entity if it is concluded that the nature and significance of the relationship between the City and the entity is such that exclusion would cause the City's financial statements to be misleading or incomplete.

Based on the accounting standards, the financial affairs of the Amarillo Hospital District, Amarillo Economic Development Corporation, Amarillo-Potter Events Venue District, Amarillo Local Government Corporation, Amarillo Convention and Visitors Bureau, Amarillo Housing Finance Corporation, and the Amarillo Health Facility Corporation are reported as component units in the City's financial statements.

The Amarillo Hospital District is a separate political subdivision of the state of Texas but is considered part of the City's financial reporting entity because the City Council appoints the District's Board of Managers and has final authority over its budget. Similarly, the Amarillo Economic Development Corporation is organized as a nonprofit corporation under the laws of the state of Texas but is included in the financial statements because of the City Council's authority to select its Board of Directors and approve its budget. The Amarillo-Potter Events Venue District, approved by the voters on January 17, 1998, is considered part of the City's financial reporting entity because the City's Mayor appoints four of the seven members of the District's Board of Directors. Moreover, through a facility lease agreement, the City has financial responsibility with respect to the Venue District's debt service payment(s) if the related tax revenues were not sufficient to make the payment(s). The Amarillo Local Government Corporation was created in FY 2011/12. The Amarillo Local Government Corporation's purpose is to assist with the redevelopment of the downtown area and other beneficial projects including the construction and operation of a downtown parking garage and leasing land from the City for the downtown convention hotel. The City appoints the Amarillo Local Government Corporation Board, but the Boards are not substantially the same. The Amarillo Convention and Visitors Bureau is organized as a nonprofit corporation under the laws of the state of Texas but is included in the financial statements because the City Council's authority to select its Board of Directors. Only summarized information regarding these entities is presented in the City's financial statements. Complete financial statements are available in separately issued reports for each of these entities.

The affairs of the Amarillo Housing Finance Corporation are included in the City's financial reporting entity because of the City Council's appointment of its Board of Directors. The activities of this corporation are limited to issuance of housing bonds under provisions of the Texas Housing Finance Corporation Act, and its bonds are not general obligations of either the corporation or the City. It does not publish separate financial statements. The Amarillo Health Facility Corporation Board of Directors is also appointed by the City Council. The purpose of the corporation is to authorize the issuance of bonds to providers of health care services in order to finance the acquisition, construction, and improvement of facilities. These bonds are not general obligations of either the corporation or the City.

Since none of the component unit operations are integral to the operations of the City, their affairs are segregated from the financial presentation of the primary government. As provided by the new accounting model, the aggregate component unit information is reflected "discretely" in the city-wide financial statements.

The City reports three Tax Increment Reinvestment Zones (TIRZ) as blended Component Units - TIRZ #1, TIRZ #2, and TIRZ #3. Each one has a ten-member board. The City of Amarillo appoints three board members, Potter/Randall County appoints three board members and Amarillo College, Amarillo Independent School District, Amarillo Hospital District, and the Panhandle Groundwater District (for TIRZ #1 and #2 only) each appoint one board member. TIRZ #3 has one ex officio board member because the water district did not participate in this TIRZ. While each TIRZ's revenues can be pledged to support debt, only the City can issue the debt and pledge the TIRZ's revenue. Moreover, the City Council created each TIRZ and has final approval authority on the budget and all TIRZ projects.

Operating and Capital Budgets

Budgetary controls serve two main purposes. First, the annual appropriated budget approved by the City Council satisfies our legal obligation to review and adopt an annual budget. Second, budgetary controls provide management with an effective means of managing the financial activities of a particular function or department. Activities of the general fund, debt service funds, and major grants in existence at the beginning of the fiscal year, internal service funds, enterprise funds, and other special revenue funds are included in the annual budget. The General Fund, Debt Service Fund, Compensated Absences, Public Health Fund, Law Enforcement Officers Standards and Education Training (LEOSE),

Local Seized Property Fund, Court Technology Fund, Court Security Fund, and the Public Improvement Districts budgets are legally adopted and represent appropriation of funds. The internal service fund budgets and enterprise fund budgets are for management purposes only and do not represent appropriations. Grants included in the budget are estimates included for presentation purposes only to give the budget reader a better understanding of the financial scope of the entire organization. Budgets are adopted for grant funds at the time formal acceptance of the grants is made by the City Council, such budgets generally being adopted for the time period covered by each grant.

The City prioritizes the funding of capital projects on the basis of five-year capital improvement plans. A capital improvement is any expenditure for the purchase, construction, replacement, expansion, or major renovation of the physical assets of the City when the project is relatively expensive (more than $25,000), long-term, and permanent. Some common examples are streets, libraries, traffic signal systems, fire stations, specialized equipment, and water and sewer lines. Capital needs of less than $25,000 (minor replacement items) are provided for in the department's annual budget. The first year of the five-year plan is the City's annual capital budget, which is approved by the City Council, along with the annual operating budget. Capital Improvement expenditures are controlled by means of individual project appropriations, and all funds needed to complete a project are reserved no later than the inception of the project.

As an enhancement of budgetary controls over expenditures, the City also maintains an encumbrance accounting system, which assures that adequate funds are set aside as commitments are made in the form of purchase orders. Open encumbrances for both purchase orders and construction contracts are reported as reservations of fund balances at year-end.

Budget and Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Amarillo for its annual comprehensive financial report for the fiscal year ended September 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. Our latest budget has been submitted for review, and we expect that our budget will earn the GFOA's Distinguished Budget Presentation Award.

One of the City's most significant financial achievements this year is affirmation by Standard & Poor's of a AAA rating, with stable outlook, for the City's General Obligation Bonds. The AAA rating is Standard & Poor's highest debt rating. The City also has AA+/Stable rating from Standard & Poor's on its Water & Sewer Revenue Bonds and Drainage Utility System Revenue bonds. The City also has an A+/Stable rating from Standard & Poor's on its Hotel Occupancy Tax revenue bonds.

Cash Management and Investments

State statutes govern the City's investment policies as well as the City's own written investment policy and strategy. In accordance with state law and the City Investment Policy, the City's investment objectives are to preserve capital, to provide liquidity, and to optimize earnings within the constraints of capital preservation and liquidity. City funds are deposited in an FDIC-insured bank located within the City. Permissible investments include the following:

1. Interest-bearing accounts and bank money market accounts at the City's authorized depository.

Certificates of deposit including CDARS (Certificate of Deposit Accounts Registry Service).

2. Obligations of the United States or its agencies and instrumentalities. The investment in agencies and instrumentalities is limited to 75% of the portfolio.

3. No-load money market mutual funds that are continuously rated AAA or AAAm by at least one nationally recognized rating agency; is regulated by the Securities and Exchange Commission; complies with the requirements of a money market mutual fund; has an average weighted maturity of less than two years; has either a duration of: (a) one year or more and is invested exclusively in obligations approved under the Public Funds Investment Act; or (b) less than one year and the investment portfolio is limited to investment grade securities, excluding asset-back securities; and includes in its investment objectives the maintenance of a stable net asset value of $1.00 for each share.

4. Taxable municipal securities rated not less than AA- or its equivalent by a nationally recognized rating agency. The total investment in taxable municipal securities is limited to 10% of the portfolio. To the extent that the investment in taxable municipal securities is not fully utilized in the portfolio, the unused portion can be invested in agencies' securities in addition to the 75% limit.

The City will not employ any investment strategy that is inherently risky and will not invest in any securities that are inherently risky. Prohibited securities include mortgage-backed securities that pay only interest, mortgage-backed securities that pay only principal, obligations where the interest rate is determined by an index that adjusts opposite to changes in a market index, obligations related to foreign currency or foreign market interest rates or indices, and obligations with maturities greater than five years.

The City's demand deposits, time deposits, and certificates of deposit balances that exceed FDIC insurance are collateralized by securities held by the Federal Reserve. The City uses third-party safekeeping for its investment securities.

Long-term Financial Planning

As mentioned above, in conjunction with our annual operating budget, the City develops five-year capital improvements estimate. When feasible, the City uses pay-as-you-go financing for capital. When debt is needed to finance capital assets, the City strives to schedule bond issues so that level payments are made over no more than the useful life of the assets. Historically, the excess of revenues over expenditures are earmarked for future capital needs, and the available resources of the general fund are transferred to capital projects funds during the budgetary process.

Debt Issuances

While the City historically uses available funds from the excess of revenues over expenditures to provide for its major capital improvement needs, our capital needs exceeded our ability to generate internal funds for capital. The note on Long-term Obligations in the financial statements, along with the Schedules of Outstanding Debt Issuances in the Supplemental Schedules, give details related to the outstanding debt issuances for the City. The MD&A also gives additional information regarding the debt issuances utilized during FY 2024/25.

Subsequent to the year ending September 30, 2025, the City Council approved three additional debt issuances, all of which are outlined in the subsequent events note in the financial statements.

Local Economy

Amarillo is also a regional trade center for a very large five-state region. Thus, retail sales, banking, and medical services are significant activities in Amarillo. Moreover, because of Amarillo's central location in the United States and being traversed by 1-40, 1-27, and State Highway 287, traffic and transportation and travel and tourism are important industries to Amarillo.

Natural gas and petroleum are major industries in the City of Amarillo and the Panhandle. According to the Amarillo Economic Analysis, prepared by Amarillo National Bank, at September 2025 oil decreased by 9.8% at $64.56 per barrel compared to September 2024 at $71.61 per barrel[(1)]. Natural gas prices increased 37% compared to last year. Natural gas was at $2.28 per MMBtu last year compared to $3.12 per MMBtu at September 2025[(1)]. Since Amarillo is both a producer and a consumer of natural gas, part of the economy benefits from lower gas prices while it is detrimental to another part of the economy. Increases in natural gas prices mean higher royalty payments to landowners, but it also means higher energy costs for area farmers that use natural gas for irrigation and other industries that rely in natural gas in their processes.

Changes in oil and gas prices also have a direct impact on drilling activity in the Panhandle. In September 2025[(1)], there were 0 active drilling rigs compared to 25 in 2018[(1)], 8 in 2019[(1)], 1 in 2020[(1)], 8 in 2021, 8 in 2022[(1)], 3 in 2023[(1)], and 3 in 2024[(1)].

According to the Texas Cattle Feeders Association, the Amarillo area produces about 6,000,000 fed cattle annually, which is about 15% of the nation's beef. Fed cattle prices decreased slightly from last year at $237 per hundredweight compared to $183.40 at September 2024[(1)].

Dairies have become major industries in the Panhandle and continue to remain profitable. September 2025 milk prices were down to $17.60 per hundredweight compared to $23.00 at September 2024[(1)].

The major crops grown in the Panhandle are com, wheat, and cotton. Com prices went up to $4.29[(1)] per bushel at September 2025 compared to $4.10[(1)] last year. Wheat prices went down from prior year, at $5.01 per bushel at September 2025. Wheat was at $4.93 per bushel at September 2020[(1)], $7.09 at September 2021[(1)], and $9.05 at September 2022[(1)], $6.81 at September 2023[(1)] and $6.69 at September 2024[(1)] Cotton was at $56.22[(1)] cents per pound at September 2025 compared to $83.90 cents per pound at September 2024[(1)], $73.30 cents per pound at September 2023[(1)], $91.30 cents per pound at September 2022[(1)], $73.00 cents per pound at September 2021[(1)], and $60.40 cents per pound at September 2020[(1)]. Historically, cotton has been grown south of Amarillo however, new hybrids can be grown in the area. The majority of area crops must be grown with the use of irrigation. Natural gas is the main fuel used for irrigation systems.

Amarillo Economic Development Corporation

The Amarillo Economic Development Corporation (Amarillo EDC) was created to foster economic development in the City of Amarillo and to manage the revenues from the 0.5% City sales tax increase that Amarillo voters approved in 1989. The mission of Amarillo EDC is to attract businesses to Amarillo which offer highly skilled, highly paid positions; to expand and retain existing local primary businesses in Amarillo; and to create a business environment conducive to entrepreneurship. The Amarillo EDC targets companies whose primary function is to produce goods or services that are then sold outside of the immediate trade area, thereby introducing new monies into the local economy. Economic development strategies are met by implementing aggressive business recruitment programs, local business retention and expansion programs, and promoting the Amarillo EDC and Amarillo, Texas, brands worldwide. The corporation consists of a five-member board appointed by the City Council. The Amarillo EDC Operating Fund expenses consist of all administrative, promotional, and marketing costs associated with operating the organization. The Amarillo EDC's Project Fund invests in capital projects, offers job creation incentives, loans, and other investments to local and outside industry to create primary jobs and capital investment in the Amarillo community. The Amarillo EDC has been instrumental in bringing new business and industry to Amarillo and assisting existing companies via a variety of programs that provide incentives and loans.

In FY2025, Amarillo EDC approved a location incentive agreement which includes a job creation incentive of up to $900,000 with AAA Cooper Transportation for the creation of up to 60 full-time employees. Amarillo EDC approved the sale of a 3.61 acre site in CenterPort Business Park in the amount of $162,450 to Slide Mountain Properties LLC for the expansion of Pacific Cheese's facility. Amarillo EDC approved a Texas Workforce Commission High Demand Job Training Grant that includes a $150,000 investment from the Texas Workforce Commission and a $150,000 cash match from the Amarillo EDC. These funds will be used by the Career & Technical education programs at Amarillo ISD, Canyon ISD, Bushland ISD, River Road ISD and Highland Park ISD to purchase equipment for student instruction'. Amarillo EDC also approved a location incentive agreement with International Aerospace Coatings, Inc. to expand in Amarillo which includes a job creation incentive of up to $700,000 on up to 70 additional full-time jobs.

The Amarillo EDC continued its partnership with West Texas A&M University through the EnterPrize Challenge, a local business plan competition funded by Amarillo EDC and facilitated by the WT Enterprise Center. The FY2025, Amarillo EnterPrize Challenge awarded three forgivable loans totaling $300,000 to local primary businesses expected to create more than 9 new jobs and make substantial investments in the regional economy.

By contractual agreement, Texas Panhandle Regional Development Corporation (TPRDC) acts as the small business financing arm of Amarillo EDC. TPRDC provides small business financing for owner-occupied commercial real estate. This Certified Development Company approved five Small Business Administration 504 loans totaling over **$13.7 million**, which leveraged **$27.8 million** in bank financing and **$5.9 million** in owner equity. For the year, this program was responsible for the creation of **106** new jobs.

Major Industries and Employers

The Amarillo Chamber of Commerce lists 25 employers with 400 or more employees in Amarillo. This is a very diverse group of employers consisting of governmental entities, manufacturing, defense, industry, food processing, healthcare, general retail, traffic and transportation, energy companies, public utilities, higher education, financial services, retirement services, the travel industry, and computer services[3].

Two of the largest employers are in the defense industry: Bell Helicopter and CNS Pantex. The Pantex Plant, located 17 miles northeast of Amarillo, in Carson County, is charged with maintaining the safety, security and reliability of the nation's nuclear weapons stockpile. The Pantex Plant is managed and operated by CNS Pantex for the U.S. Department of Energy/National Nuclear Security Administration (NNSA). The Pantex mission is Securing America as the NNSA's production integrator and provider of the nuclear deterrent to the Department of Defense (DoD); serving the Nuclear Security Enterprise through the area's highly reliable people, processes, infrastructure, and business systems. Pantex Engineering has provided technology solutions for the manufacturing, evaluation, and testing of nuclear explosives, joint test beds, and other special nuclear materials. As the nation's primary site for assembly and disassembly of nuclear weapons, Pantex also provides major support through the External Mission Center to the DoD and the United Kingdom (UK) Ministry of Defense[2]. Approximately 3,844 people are employed at Pantex[3].

In 1998, Bell Textron announced its decision to locate its V-22 Tiltrotor Assembly Center in Amarillo, Texas. The initial capital investment by the AEDC was $30,000,000 for the construction of a world-class facility. Over the past 23 years, the invested amount in the Bell Textron Amarillo Assembly Center by the AEDC on behalf of the Amarillo community has surpassed $120,000,000, resulting in a campus of more than 1.5 million square feet under roof. The company has diversified its product offerings out of the Amarillo Assembly Center due to the significant level of support the community has provided. Bell Textron's Amarillo Assembly Center builds the revolutionary V-22 Osprey, the UH-1 Huey, and the formidable AH-1 Cobra. The AEDC has issued a series of bonds to finance the project. Under the terms of the lease, Bell's lease payment is abated so long as they meet local compensation and spending requirements. Amarillo is very proud of Bell Textron and the continued success their company has created for the region.

Bell continues to expand in Amarillo by offering new product lines for its customers around the world. In 2013, Bell constructed the first company-owned facility at the Amarillo Assembly Center. This 275,000-square foot, state-of-the-art building houses the 525 Relentless program. The 525 Relentless is a five-blade commercial helicopter primarily used for offshore oil and gas exploration, firefighting and emergency medical evacuations, paramilitary operations, and VIP logistics. To assist Bell with the 525 Relentless project, City officials approved a $4.2 million AEDC investment in the new facility. Textron, Bell's parent company, provided the remaining $24.8 million for the facility.

Other manufacturing operations in Amarillo include Owens Corning Fiberglass, Amarillo Gear, and International Paper Company. Owens Corning Fiberglass employs about 650[3] people. Owens Coming produces fiberglass for building products. Amarillo Gear is a Marmon Walter/Berkshire Hathaway Company[9] and employs 175[3] people. Amarillo Gear has been in continual operation in Amarillo since 1917 and manufactures the largest range of spiral bevel right-angle gear drives in the world since 1934. International Paper Company produces containerboard packaging in Amarillo and employs 116[3] people.

Food distribution is also an important industry to Amarillo. Affiliated Foods employs 1,250[3] workers, Ben E. Keith, a distributor of food service products, employs 250[3] workers and Tyson Foods, one of the City's largest single employers, employs 4,300[3] workers.

Both ranching and cattle feeding are important to the Amarillo area. There are several advantages to cattle feeding operations in the Amarillo area. The area's central location reduces transportation costs. There are locally grown feed grains and volume shipments from the Midwest which ensure a plentiful supply of feed. Relatively mild winters and good summer weather have helped the three-state area earn its reputation as "Cattle Feeding Country." Local lenders in the area understand the industry and are willing partners. According to the Texas Cattle Feeders Association, 30% of the nation's beef is

produced in the Texas Panhandle. Both Cactus Feeders and Friona Industries are headquartered in Amarillo. Cactus Feeders has ten large-scale cattle feed yards across the Texas high plains and southwest Kansas. Since its founding in 1975, Cactus Feeders has grown into a $750 million company that employs approximately 800 people across six states. Cactus Feeders is the world's largest privately owned cattle feeding operation[4]. Founded in 1962, Friona Industries owns eight state-of-the-art feed yards in northwestern Texas with a feeding capacity that ranks them as the second largest cattle feeder in the United States[5].

Amarillo is a regional medical center for a five-state geographic region and the health care industry is another one of the largest employers in Amarillo. The Harrington Regional Medical Center in Amarillo was the first specifically designated city hospital district in Texas. From the beginning, the Medical Center was planned to include health care, the training of doctors and nurses, and medical research programs. The Harrington Regional Medical Center had a 410-acre campus and was supported by the Don and Sybil Harrington Regional Medical Center at Amarillo. The Medical Center's affiliated members include resident (on-campus) and non-resident (off-campus) patient care, patient service research, and education facilities. Each of these members provides vital services to the Amarillo area[8].

The Medical Center complex is home to several major employers: Baptist St. Anthony's Health Care System (BSA) with 3,200[3] employees and Northwest Texas Healthcare System (NWTHS) with 1,880[3] employees. Both BSA and NWTHS offer integrated acute care hospitals. BSA offers a full range of medical and surgical services at their acute care patient facility[11] located within the Harrington Regional Medical Center. BSA is also a partner in Physicians Surgical Hospitals, LLP, which offers two additional acute care hospital facilities near the Medical Center[11]. BSA is one of the City's largest taxpayers.

NWTHS is a designated tertiary care and teaching institution, academically affiliated with Texas Tech University, licensed for 495 acute beds, including 106 mental health beds, and 4 at the Northwest Texas Surgery Center. The emergency department is certified as an Advanced (Level-III) Trauma Center, treating approximately 57,000 patients per year. Comprised of the main hospital, children's hospital, heart hospital, and an affiliated free-standing surgical hospital, NWTHS also serves as a regional treatment center, providing emergent life flight services to patients within the Texas Panhandle. NWTHS is one of the City's largest taxpayers[12].

Amarillo's VA Medical Center employs approximately 1,215[3] people. The Amarillo VA Health Care System, a division of the Southwest VA Health Care Network, provides primary specialty and extended care of the highest quality to veterans throughout the Texas and Oklahoma panhandles, eastern New Mexico, and southern Kansas. Approximately 25,000 patients are treated annually. The health care system maintains 55 acute care inpatient beds for general medical, surgical, and intensive care. Geriatric and extended care is provided in the 120-bed skilled nursing home care unit. A modem ambulatory care center and medical arts building facilitates the delivery of primary care, specialty care, and preventive health services. The Amarillo VA Health Care System also ensures health care is accessible to those veterans residing in rural areas through three community-based outpatient clinics located in Lubbock, Childress, and Dalhart, Texas, as well as Clovis, New Mexico[6]. The VA offers a wide array of mental health services, including substance use treatment and programs for the homeless. The VA also boasts an intensive mental health case management program.

Other large medical employers include the Texas Panhandle Centers Behavioral & Developmental with 330[3] employees, Panhandle Eye Group with 186[3] employees, Family Medicine Centers with 204[3] employees, Amarillo Heart Group with 183[3] employees, Regence Health Network with 165[3] employees and Physicians Surgical Hospitals with 123[3] employees.

Mild weather, excellent medical facilities, and low living costs make Amarillo an excellent location for retirement living. There are several large retirement communities in Baptist Community Services/Park Central with 400[3] employees, Ussery-Roan Texas State Veterans Home with 100[3] employees, the Craig Senior Living with 120[3] employees, Heritage, and Vibra Acute Medical Rehabilitation Hospitals with 200[3].

For over 30 years, Insurance Management Services (IMS) has been a leader in Health Benefit Administration for employer groups of all sizes. IMS is locally owned and operated exclusively out of Amarillo[3] and employs 146[3] workers. IMS started as a small business with manual claims administration and has evolved into a full-service, third-party administrator with 45,000 covered lives[10].

Major retail stores draw customers from a wide region to shop within the City. Amarillo is currently home to four Wal-Mart supercenters, two Wal-Mart Neighborhood Markets and two Sam's Club. Wal-Mart employs a total of 400[3] people and Sam's Club employs 150[3]. United Supermarkets is a large employer and employs a total of 900[3] in their seven stores in Amarillo. Toot'n Totum has several convenience stores in Amarillo and employs 743[3] workers.

Customer support and back-office operations are also large employers. Maxor National Pharmacy Services Corporation is a pharmacy benefit management company headquartered in Amarillo and has 860[3] employees. The American Quarter Horse Association is also headquartered in Amarillo and employs 196[3] employees. The Atmos Energy customer support center located in Amarillo employs 333[3] employees.

Amarillo also serves as a regional banking center. Bank of America, Citibank, Chase, and Wells Fargo have branches in Amarillo, along with regional banks and local banks. The banking industry is very important to Amarillo and banks are some of the City's larger employers. Amarillo National Bank is on the list of top ten taxpayers and employs 568[3] employees. Happy State Bank employs 897[3]. Herring Bank employs 130[3] and Bank of America employs 105[3].

The Texas Department of Criminal Justice has two prison units in Amarillo and is a major employer. The two prisons provide 850[3] jobs.

Higher education is a major employer in the Amarillo area. Amarillo College offers both vocational training and associate degree programs and has 625[3] employees. Texas Tech University has a large presence in our community. The Texas Tech Health Science Center in Amarillo has both a medical school and pharmacy school in Amarillo and employs 621[3] employees. Texas Tech University provides training in our community for medical doctors earning specialty accreditation in family medicine. West Texas A&M University in nearby Canyon, which is a part of the Texas A&M University System, employs 856 full-time employees[3]. West Texas A&M University also has a campus in Amarillo.

As mentioned earlier, the oil and gas industry are important in the Panhandle and energy companies are also major employers such as Davidson Oil Company who employs 108[3].

The traffic and transportation industry has been important to Amarillo from its beginning in 1887. Amarillo was founded near a bend in the Fort Worth and Denver (FW&D) Railroad tracks, which were under construction. The Burlington Northern Santa Fe Railroad is still one of our major employers with 805[3] employees. Trucking is also important to Amarillo. Baldwin Express, Inc, and Plains Transportation, Inc. are also in the trucking industry. Support for the trucking industry is a larger employer in Amarillo and includes companies like Amarillo Truck Center, Summit Truck Group, and Bruckner's.

A few more of the larger employers are engineering firms and construction companies. J. Lee Milligan, Inc., a construction company, employs 225[3] and L. A. Fuller & Sons Construction Inc. employs 115[3] people.

Amarillo's Rick Husband International Airport is a great asset to the area and, as of today, has the third longest commercial runway in the world. There are numerous direct daily flights from Amarillo to major hub airports having direct flights to foreign countries. You can get to Dallas-Ft. Worth Regional Airport in one hour; Houston Intercontinental in about an hour and a half, Denver International in an hour, Las Vegas in two hours, and LAX in four hours.

Amarillo is a hub for major highways that connect to the rest of the region: 1-40 to Oklahoma City and Albuquerque, U.S. 287 to Dallas and Fort Worth, and U.S. 87 to Denver[7]. Because of Amarillo's location on Interstate 40, Interstate 27, and State Highway 287, along with attractions in and nearby Amarillo, hospitality and tourism are significant industries. Approximately 9.5 million people travel through Amarillo annually, dining in almost 500 local restaurants. The Amarillo hotel industry has over 90 hotels with over 7,600 rooms to rent.

Amarillo has an amusement park and an art museum. Wonderland Amusement Park is located in north Amarillo and the American Quarter Horse Museum is located on Interstate 40. The Panhandle Plains State Historical Museum is in nearby Canyon, Texas, Palo Duro Canyon, and the Alibates Flint Quarry are also nearby.

In summary, Amarillo's local economy is broadly diversified. While Amarillo has several large industries and employers, no single industry or employer dominates the Amarillo economy.

Current Economic Climate and Trends:

Amarillo has rebounded well from the recent pandemic. The strength of the economy was affirmed by the recent AAA bond ,ratings by Standard & Poor's for the City's outstanding General Obligation bonded debt and AA+ for Revenue bonded debt.

Sales tax is the largest General Fund revenue source. Sales tax for 2024/25 came in at $80.1. Sales tax for 2023/24 came in at $78.1 million, Sales tax receipts remain very strong, with record receipts recorded for the first quarter of the 2025/26 fiscal year.

Hotel occupancy tax revenue has also rebounded well. Fiscal year 2020/21 saw a large decrease in hotel occupancy tax revenue due to the pandemic. Hotel occupancy tax revenue for Fiscal year 2022/23 decreased by 4% compared to fiscal year 2021/22 and 9% less than budgeted. Hotel occupancy tax revenue for Fiscal year 2023/24 increased by 2% compared to fiscal year 2022/23. Hotel occupancy tax revenue for Fiscal year 2024/25 increased by 8% compared to fiscal year 2023/24. Hotel occupancy tax receipts for the first quarter of fiscal year 2024/25 continue to be strong.

The property tax base continues to grow in Amarillo. As of January 2025, the City had $18.4 billion in value compared to approximately $17.8 billion the previous year. The increased values along with the adopted rate generated $3.5 million more in property taxes levied than the previous year. In 2022/23, the City had $182 million in new taxable property values compared to $159 million in 2021/21.

Building for new construction decreased for 24/25 but increased in 23/24 while it decreased for 2022/23 fiscal years. The number of residential permits for new construction decreased from 681 in 2021/22 to 401 in 2022/23 to 592 for 23/24 and dropped to 479 in 24/25. The number of commercial permits for new construction increased from 77 in 2021/22 to 103 in 2022/23 to 84 in 23/24 and 125 in 24/25 with an increases in value of $8 million. The number of permits for additions and repairs increased from 7044 to 8020 and had a decrease in value of $78 million.

For 2024/25, the property tax rate decreased from $0.39195 to $0.38723 per $100 of taxable values. The decrease is associated with state law restrictions in a rising assessed value environment. History of the property tax rate is as follows: the property tax rate remained flat in 2016/17, increased by $0.01292 to $0.36364 for 2017/18, increased by $0.00474 to $0.36838 for 2018/19, increased by $0.02013 to $0.38851 for 2019/20, increased by 0.00830 to 0.39681 for 2020/21, by $0.04653 to $0.44334 for 2021/22, and decreased by $0.44334 to $0.40628 FOR 2022/23. For the 2024/25 budget, the property tax rate decreased again $0.00472 to $0.38723. The decrease in the tax rate is related to continued strong assessed value growth in Amarillo that set the voter approval tax rate at a lower rate than the prior year. The voter approval tax rate is the highest tax rate a governing body can approve without going to an election and sets the maximum amount of property tax revenue allowed to be collected year over year for general operations at 3.5%.

Water metered sales for 2024/25 decreased from the prior year by $3.4 million or 5%. Water revenues can be significantly affected by the amount and timing of local rainfall. Fisal year 2025 saw near normal precipitation of 20.0 inches; however, large amounts of precipitation were received during the summer. Fiscal year 2023 was the 50th driest year on record (18.5 inches of precipitation), which resulted in less consumption as compared to fiscal year 2024. Fiscal year 2022 was the 15th driest year on record (13.8 inches of precipitation), which resulted in increased consumption as compared to fiscal year 2023. The Management Discussion and Analysis section of the financials gives a ten-year history of precipitation that shows the varying amounts received from one year to the next. Water rates were increased by 3% for 2016/17, 2017/18, 2019/20 and 2020/21 to support a five-year capital improvement plan and increased by 5% in 2021/22, 3% for the final year of this same capital improvement plan and 2% for increased costs of maintenance and operations. In 2018/19, rates were increased by 7% to support an automated metering infrastructure project and to cover general operations and maintenance. Water rates increased by 10% to fund additional capital projects and for increased operation costs in 2022/23. The Water and Sewer Fund netted $7.0 million in 2018/19, $24.8 million in 2019/20, $23.5 million in 2020/21, $19.9 million in 2021/22, $25.6 million in 2022/23, $24.5 million in 2023/24, and $9 million in 2024/25.

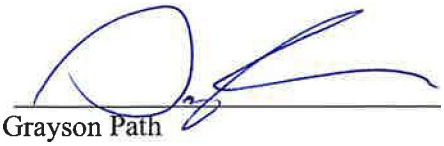
Employment remains stable, but very low. Amarillo's unemployment rate is 3.6% compared to 3.2% last year(1). Amarillo's unemployment was lower than the state of Texas at 4.3%, and national unemployment at 4.4%(13).

Amarillo continues to enjoy strong sales tax receipts and increasing property values. Amarillo has a very good quality of life and a lot of opportunity. Amarillo has a strong diversified economy with plenty of jobs. The City has major employers and industries for professionals, skilled craftsman, and laborers. Amarillo has the best-funded Economic Development Corporation in the state and a Chamber of Commerce and Convention and Visitors Bureau to help attract and retain industry and support tourism. Amarillo has great public education and higher education. Amarillo has excellent medical facilities and very nice retirement facilities. The City is well represented by national, regional, and local banks. Retail availability is diverse and strong in Amarillo; anything you need and most everything you want can be found in Amarillo. The City has amusement parks, regional parks, and neighborhood parks. The City also has sports teams, including a new AA baseball team, museums, area lakes, and other attractions. In short, Amarillo is a great place to live and work.

We wish to thank the Mayor and members of the City Council for their responsible manner of conducting the financial operations of the City.

Yours very truly,

Lola Ogunremi
Chief Financial Officer
City of Amarillo, Texas



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City Manager
City of Amarillo, Texas

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Sources:

1) Amarillo Economic Analysis, courtesy of Amarillo National Bank
2) CNS Pantex
3) Amarillo Chamber of Commerce includes only full-time employees
4) Cactus Feeders
5) Friona Industries
6) Amarillo VA Health Care System
7) Amarillo Economic Development Corporation
8) Harrington Regional Medical Center
9) Amarillo Gear
10) Insurance Management Services
11) Baptist St. Anthony's Hospital
12) Northwest Texas Hospital
13) U.S. Bureau of Labor Statistics

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of Amarillo, 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 Amarillo, 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 as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the 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.

We did not audit the financial statements of Amarillo Firemen's Relief and Retirement Fund as of December 31, 2024, which represents 56% of the assets, 66% of fund equity, and 23% of revenues of the aggregate remaining fund information as of September 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Amarillo Firemen's Relief and Retirement Fund, is based solely on the report of the other auditors.

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. Our responsibilities under those standards are further described in the *Auditors' 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. The financial statements of Amarillo Hospital District, Amarillo Economic Development Corporation, Amarillo-Potter Events Venue District, Amarillo Local Government Corporation, Tax Increment Reinvestment Zone Number One, City of Amarillo, Texas, Tax Increment Reinvestment Zone Number Two, City of Amarillo, Texas, and Tax Increment Reinvestment Zone Number Three, City of Amarillo, Texas were not audited in accordance with *Government Auditing Standards*.

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Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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, Budgetary Comparison Schedule – General Fund, the Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System, the Schedule of Contributions – Texas Municipal Retirement System, Notes to Required Supplementary Information – Texas Municipal Retirement System, the Schedule of Net Changes in Net Pension Liability and Related Ratios – Firemen's Relief and Retirement Fund, the Schedule of Contributions Firemen's Relief and Retirement Fund, Notes to Required Supplementary Information – Firemen's Relief and Retirement Fund, the Schedule of Net OPEB Liability and Related Ratios, Schedule of Changes to Net OPEB Liability and Related Ratios, Schedule of Contributions and Related Ratios OPEB, and Notes to Schedule of Required Supplementary Information OPEB, 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 and the other auditors 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 for the year ended September 30, 2025, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining Statements, Schedules and Other Information and Supplementary Information, as listed in the table of contents for the year ended September 30, 2025, 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 for the year ended September 30, 2025 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Combining Statements, Schedules and Other Information and Supplementary Information, as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended September 30, 2025.

The basic financial statements for the year ended September 30, 2024 (not presented herein), were audited by other auditors whose report thereon dated March 25, 2025, expressed unmodified opinions on those statements. The report of the other auditors stated that the supplementary information for the year ended September 30, 2024 was subjected to the auditing procedures applied in the audit of the 2024 basic financial statements and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended September 30, 2024.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical sections and the waterworks and sewer system and drainage utility historical financial data presented in supplementary information for the fiscal years ended 2019 through 2023 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Worth, Texas
June 4, 2026

This section of the City of Amarillo's (City) Annual Comprehensive Financial Report (ACFR) presents an overview, through Management's Discussion and Analysis (MD&A), of the City's financial activities and performance during the fiscal year ended September 30, 2025. As the management of the City of Amarillo, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025.

Financial Highlights:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $1.265 billion (net position). Of this amount, $1.165 billion is invested in capital assets and infrastructure net of related debt and $44.6 million is restricted for debt service and other purposes. The remaining $56.3 million is unrestricted net position.

- The City's total net position decreased by $9.6 million. Of this amount, a $19.8 million decrease is attributable to governmental activities, and an increase of $10.1 million is attributable to net operating revenues of the business-type activities, which revenues are attributable to rates/fees established to fund both current operating needs and future development.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $183.2 million. The General Fund's fund balance decreased by $21.9 million. This decrease was intentional as the excess reserves from prior years were budgeted to be spent down. The General Construction fund had an increase in fund balance of $26.2 million. This increase was a result of spending previously issued bonds on improvements. Changes in fund balance for the other governmental funds, which include many grants, special revenue funds, and other capital project funds, were a decrease of $12.4 million.

- At the end of the current fiscal year, the fund balance for the General Fund was $47.8 million, or 29.9% of total general fund expenditures. Expenditures and transfers out of the General Fund were $289.5 million, which included transfers of general revenues to capital outlay, internal service funds, grant funds, compensated absences fund, and other funds which carry out general governmental operations. The General Fund remains in good financial condition with unassigned fund balance of $44.7 million.

- Net position for the Water and Sewer Fund increased by $5.4 million. Fiscal year 2025 was a near normal year for precipitation. Fiscal year 2024 included a 6% rate increase in water and sewer rates, and experienced higher consumption in 2024 compared to 2025

- Net position for the Drainage Utility Fund increased by $3.7 million. Fiscal year 2024 included a 47.1% rate increase to help support a large debt issuance of $38.1 million to support multiple capital projects. Rates were flat in Fiscal year 2025.

- Net position for the Airport Fund decreased by $.66 million. Federal grant money continued to be received to help Airport capital projects on a matching basis.

- The City issued $12.5 million in Public Property Finance Contractual Obligations. The bond proceeds will be used for the purchase of fire apparatus, and the annual debt service will be funded by property taxes.

- The City issued $15.4 million in new combination tax and revenue certificates of obligation for new fleet vehicles. The will be funded by property taxes and offset by internal department charges.

- The City issued $11.2 million in new combination tax and revenue certificates of obligation for construction and improvements to streets. The will be funded by property taxes.

Overview of the Financial Statements:

Effective October 1, 2001, the City adopted the provisions of Statement No. 34 issued by GASB. The financial presentation promulgated by that statement is very different from the governmental financial presentation that was generally accepted before the issuance of Statement No. 34. This discussion is intended to serve as an introduction to the City's basic financial statements presented in conformity with this accounting standard.

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 required supplementary information, other supplementary information, and statistical 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 finances of the City in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes).

Both government-wide financial statements distinguish *governmental activities* – functions of the City that are principally supported by taxes and intergovernmental revenues – from *business-type activities* – functions of the City that are intended to recover all or a significant portion of their costs through user fees and charges. The *governmental activities* of the City include public safety, streets and traffic, culture and recreation, solid waste, transit, urban redevelopment, and tourism, as well as general government and staff services. The *business-type activities* of the City include a water and sewer system, drainage utility, and an international airport.

In addition to the financial statements of the City, the government-wide financial statements include information concerning six legally separate entities that are part of the City's financial reporting entity because of the City's oversight responsibility for their affairs. These entities include Amarillo Hospital District, Amarillo Economic Development Corporation, Amarillo-Potter Events Venue District, Amarillo Housing Finance Corporation, Amarillo Health Facilities Corporation, Amarillo Convention and Visitors Bureau, Inc., and Amarillo Local Government Corporation. This information is presented separately from that of the primary government (the City of Amarillo) because such component units are not legally or functionally an integral part of the City.

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

Government 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. Accordingly, these statements do not reflect capital assets or long-term debt, and they report capital outlay as opposed to depreciation and report proceeds and principal reductions of long-term debt as sources and expenditures which increase or decrease fund balance. Such statements are useful in evaluating a government's near-term financial requirements.

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

In addition to a general fund, the City maintains several special revenue funds, two debt service funds, ten capital projects funds, and one permanent fund. These funds have been categorized as either *major or non-major* based on the significance of their financial position or operations. For the current fiscal year, management has determined that the General Fund, and General Construction Fund met the criteria for major fund classification.

The City adopts annual appropriated budgets for most funds, other than funds controlled by the five-year capital improvement program or funds controlled by project-length grant budgets.

Proprietary funds: The City maintains three 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 system, the drainage utility system, and for its international airport. Internal service funds are an accounting device used to accumulate and allocate costs internally among a governmental entity's various functions. The City uses internal service funds to account for its fleet of vehicles, its management information systems, and its general and employee health self-insured programs. Because over 80% of these services benefit governmental functions as opposed to business-type functions, their net position and unallocated (investment) earnings have been included with governmental activities in the government-wide financial statements.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside of 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 fiduciary fund statements can be found in the Basic Financial Statement section 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.

Other information: As the budgetary comparison schedules of the major governmental funds are not a part of the basic financial statements, this information is presented after the footnotes as *required supplementary information*. This section also presents *required supplementary information* concerning the City's net pension liability and required contributions to its firefighters through the Firemen's Retirement and Relief Fund and its other employees through the Texas Municipal Retirement System. Information on the City's net other post-employment benefits (OPEB) liability, changes in the net OPEB liability and required contributions are also reported.

Government-Wide Financial Analysis: Changes in assets over time may serve as a useful indicator of a government's financial position. Prior to the effective date of Statement No. 34 issued by the Governmental Accounting Standards Board, capital assets used in governmental fund activities were accounted for in a "general fixed assets group of accounts" and were not depreciated. Effective with its adoption of Statement No. 34 as of October 1, 2001, the City computed the accumulated depreciation on all governmental activity capital assets, including infrastructure. Therefore, changes in assets of both governmental and business-type activities, including capital assets as well as current assets, provide meaningful information to the reader. The table below reflects the City's net position as of September 30, 2025, compared to the prior year (in thousands):

City of Amarillo, Texas – Net Position
(In Thousands)

	Governmental Activities		Business-Type Activities		Total		Percent
	2025	2024	2025	2024	2025	2024	2025
Current Assets	$ 266,273	$ 328,227	$ 109,864	$ 135,417	$ 376,137	$ 463,644	17.03 %
Noncurrent Assets	59,306	25,164	153,014	168,484	212,320	193,648	9.61 %
Capital Assets	706,757	671,737	913,169	848,405	1,619,926	1,520,142	73.35 %
Total Assets	$ 1,032,336	$ 1,025,128	$ 1,176,047	$ 1,152,306	$ 2,208,383	$ 2,177,434	100.00 %
Deferred Outflows of Resources	$ 50,002	$ 64,363	$ 8,792	$ 10,692	$ 58,794	$ 75,055	- %
Current Liabilities	$ 79,957	$ 98,233	$ 96,134	$ 69,296	$ 176,091	$ 167,529	18.53 %
Noncurrent Liabilities	432,164	405,721	341,931	365,034	774,095	770,755	81.47 %
Total Liabilities	$ 512,121	$ 503,954	$ 438,065	$ 434,330	$ 950,186	$ 938,284	100.00 %
Deferred Inflows of Resources	$ 19,125	$ 14,628	$ 27,806	$ 24,313	$ 46,931	$ 38,941	- %
Net Position:							
Net Investment in Capital Assets	$ 480,806	$ 435,098	$ 684,000	$ 616,534	$ 1,164,806	$ 1,051,632	92.03 %
Reserved/Restricted	35,019	32,830	9,551	19,032	44,570	51,862	3.52 %
Unrestricted (Deficit)	35,266	102,980	20,995	68,789	56,261	171,769	4.45 %
Total Net Position	$ 551,091	$ 570,908	$ 714,546	$ 704,355	$ 1,265,637	$ 1,275,263	100.00 %

The net position of the Governmental Activities was $551.0 million. Of this amount, approximately $480.8 million is net investment in capital assets. Restricted net position of approximately $35.0 million is restricted for debt service, tax increment financing, and other purposes, respectively. This leaves an unrestricted net position for Governmental Activities of $35.3 million. Net position of the Business-type Activities, which are comprised of the Water and Sewer Fund, Drainage Utility Fund, and the Airport Fund, totaled $714.5 million. The unrestricted net position of the Business-type Activities was $21.0 million and is used to provide working capital and fund capital projects.

The City's overall net position decreased by $9.6 million during the current fiscal year. The following table reflects the elements of this change:

City of Amarillo, Texas – Changes in Net Position
(In Thousands)

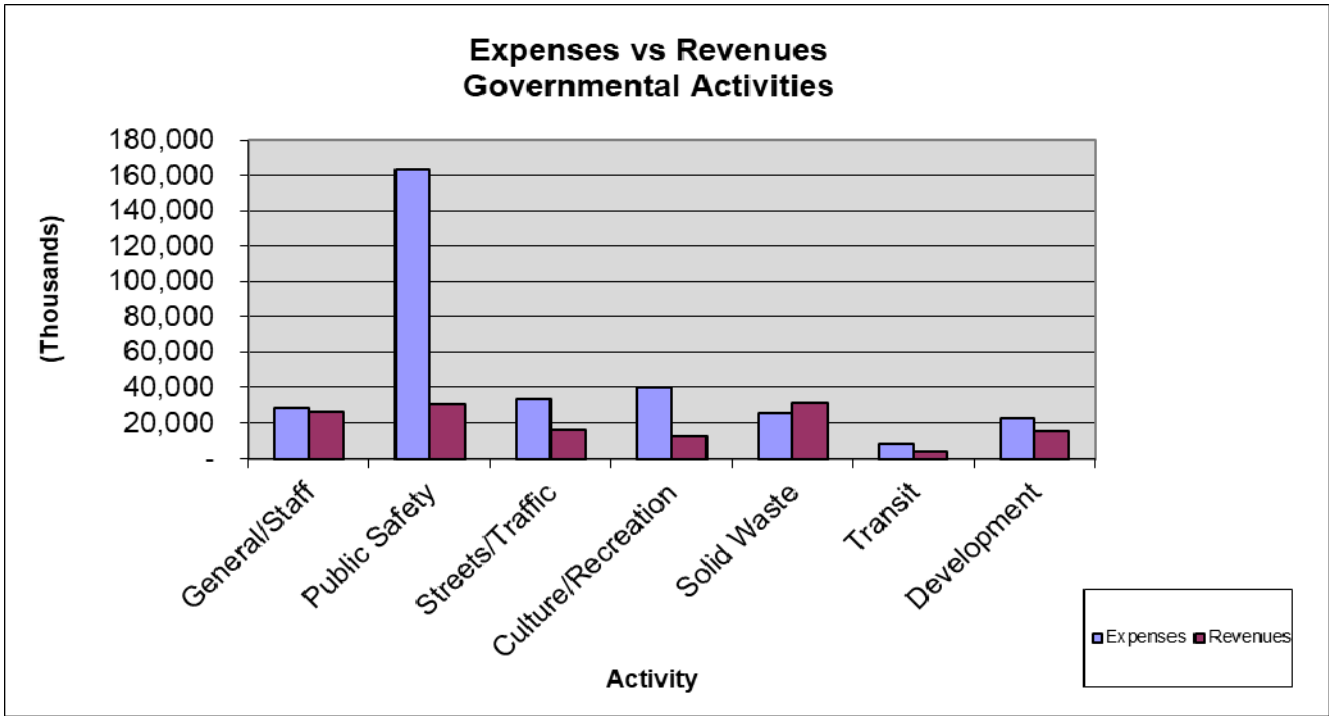
	Governmental Activities		Business-Type Activities		Total		Percent
	2025	2024	2025	2024	2025	2024	2025
Revenues							
Program Revenues:							
Charges for Services	$ 70,912	$ 67,404	$ 127,757	$ 130,277	$ 198,669	$ 197,681	41.03 %
Operating Grants and Contributions	28,349	38,936	4,360	1,897	32,709	40,833	6.76 %
Capital Grants and Contributions	23,392	28,718	11,781	8,425	35,173	37,143	7.26 %
General Revenues:					-		
Property Taxes	64,283	73,600	-	-	64,283	73,600	13.28 %
Other Taxes	125,739	108,309	-	-	125,739	108,309	25.97 %
Miscellaneous	7,771	-	-	-	7,771	-	1.61 %
Investment Earnings, Etc.	12,028	16,089	7,777	11,547	19,805	27,636	4.09 %
Total Revenues	332,474	333,056	151,675	152,146	484,149	485,202	100.00
Expenses							
General/Staff Services	30,332	28,559	-	-	30,332	28,559	6.14 %
Public Safety	173,979	163,353	-	-	173,979	163,353	35.23 %
Streets/Traffic	36,862	33,617	-	-	36,862	33,617	7.47 %
Culture and Recreation	42,090	39,462	-	-	42,090	39,462	8.52 %
Solid Waste	27,993	25,429	-	-	27,993	25,429	5.67 %
Transit	9,125	7,844	-	-	9,125	7,844	1.85 %
Tourism/Economic/Urban Development	21,391	22,291	-	-	21,391	22,291	4.33 %
Information Technology	7,738	6,385	-	-	7,738	6,385	1.57 %
Interest on Long-Term Debt	9,649	8,197	-	-	9,649	8,197	1.95 %
Water and Sewer	-	-	102,471	95,687	102,471	95,687	20.75 %
Drainage Utility	-	-	10,463	8,225	10,463	8,225	2.12 %
Airport	-	-	21,682	19,977	21,682	19,977	4.39 %
Total Expenses	359,159	335,137	134,616	123,889	493,775	459,026	100.00
Excess (Deficiency} before Transfers	(26,685)	(2,081)	17,059	28,257	(9,626)	26,176	
Transfers	6,868	2,520	(6,868)	(2,520)	-	-	
Change in Net Position	(19,817)	439	10,191	25,737	(9,626)	26,176	
Net Position, Beginning	570,908	573,362	704,355	678,845	1,275,263	1,252,207	
Prior Period Adjustment	-	(2,893)	-	(227)	-	(3,120)	
Net Position, Ending	$ 551,091	$ 570,908	$ 714,546	$ 704,355	$ 1,265,637	$ 1,275,263	

Governmental activities: At September 30, 2025, the net position for the Governmental Activities decreased $19.8 million. Expenses increased over the prior year $24.0 million, program revenues decreased over the prior year $4.6 million and general revenues increased over the prior year $4.0 million. Throughout the fiscal year the City continued to see economic growth in sales tax while putting forth efforts to keep positions filled. The overall net increase in expenses over the prior year of $24.0 million are a result of many staffing vacancies being filled along with continued rising fuel and inflationary costs. The pension liability is in line with normal market conditions. Excess reserves were also spent down through one-time capital projects during the fiscal year.

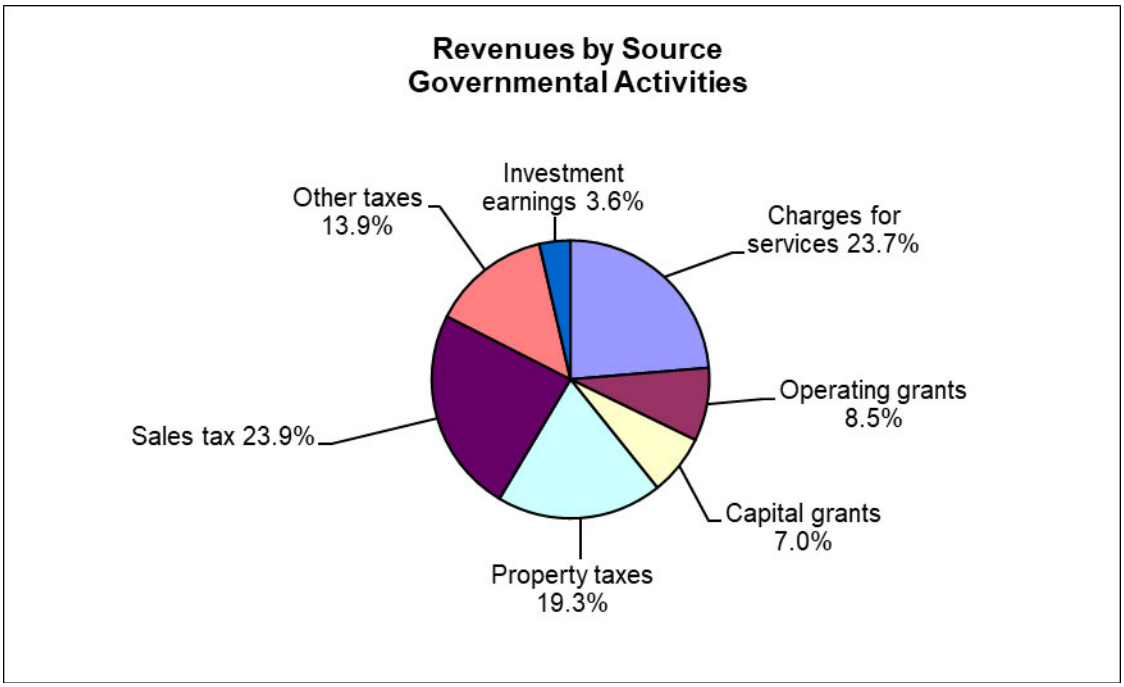
Program revenues decreased $4.6 million over the prior year. These revenues include charges for services, operating and capital grants, and various contributions. Charges for services include fees of the solid waste disposal utility and transit system, revenues of the auditorium-coliseum complex and parks department, along with permits, licenses, and fines. In October 1, 2023, charges for services specifically in solid waste saw an 8% residential rate increase to fund rising operational costs and a dedicated dumpster replacement program.

General revenues increased $4.0 million over the prior year. Property tax revenues decreased $9.3 million due to increases in taxable values while the overall property tax rate decreased by $0.00472. Sales tax increased $2.6 million and continues to see growth into the new fiscal year. Hotel Occupancy Taxes were flat with the prior year and have continued to remain flat mainly due to a stabilization in the average daily rate. Gross receipts business taxes increased $1.0 million as the area experienced mild seasons and unrestricted investment earnings decreased $7.8 million due to declining interest rates.

The chart below titled *Expenses vs. Revenues – Governmental Activities* – shows the expenses and revenues by activity. The chart reflects the extent to which each of the major governmental functions of the City is supported by revenues designated for that purpose. The revenues include charges for services, intergovernmental revenues, and citizen participation and contributions. Charges for services include fees of the solid waste disposal utility and transit system, revenues of the auditorium-coliseum complex and parks department, and permits, licenses, and fines. For most activities, expenses exceed revenues. General revenues such as sales tax and property taxes are used to fund most of the governmental activities.



The accompanying pie chart entitled *Revenues by Source – Governmental Activities* – reflects the major components of revenues as described above of $332 million excluding transfers.



Business-type activities: Business-type activities, which include the Water and Sewer Fund, Drainage Utility Fund, and the Airport Fund, increased the City's net position by $10.1 million.

Net position for the Water and Sewer Fund increased by $5.4 million. The increase was primarily due to water sales due to consumption remaining strong and a 6% rate increase in 2024.

Net position for the Drainage Utility Fund increased by $3.7 million. The Drainage Utility Fund was approved in late fiscal year 2011/12 and had assessment income starting October 1, 2012. As mentioned above, a 47.1% rate increase was implemented on October 1, 2023 in order to support a $38.1 million debt issuance for capital projects.

Net position for the Airport Fund decreased by $.77 million. Federal grant money continued to be received to help Airport with capital funding. Terminal building area rental decreased by $1 million as a new tenant occupied an existing building and as annual increases were implemented for tenants. Airport operating expenses were slightly higher than the prior year as the Airport saw a decrease in staffing shortages after implementing the 4% increase for all personnel.

94% of the City's net position for the business-type activities is net investment in capital assets (land, buildings, pipelines, streets, and runways, etc.). Management reviews the use of these assets on an ongoing basis and determines whether any should be disposed of. All of these assets are either being used in current City operations or, as in the case of underground water rights, are being held for planned future use.

$9.5 million of the net position represents resources that are subject to external restrictions on how they may be used. These restrictions primarily represent accounts established in accordance with bond covenants. Other restrictions include amounts to be spent in accordance with grant agreements. The balance of net position, $9.5 million, is available to meet the City's ongoing obligations to citizens and creditors and to hold in reserves.

Water and Sewer System: Overall Utility sales and service revenues decreased $1.5 million. Fiscal year 2024 included a 6% rate increase in water and sewer rates in order to cover inflation and the rising cost of attracting and retaining personnel. Water metered sales were flat compared to prior year due to 2025 receiving more precipitation compared to 2024. In total, fiscal year 2024/25 was a wetter year in comparison to fiscal year 2023/2024. Water revenues can be significantly affected by the amount and timing of local rainfall.

The chart below reflects the fluctuation in precipitation that the area has received over the past 10 years:

Year	Precipitation**	Records*
2015/16	21.5"	44th wettest on record (near normal**)
2016/17	25.8"	18th wettest on record
2017/18	10.9"	4th driest on record
2018/19	23.0"	32nd wettest on record
2019/20	18.2"	47th driest on record
2020/21	16.5"	33rd driest on record
2021/22	13.8"	15th driest on record
2022/23	18.5"	50th driest on record (near normal**)
2023/24	17.5"	41st driest on record
2024/25	24.0"	40th wettest on record

* Records go back to 1900
** Normal precipitation is 20.0"

Drainage Utility: The Drainage Utility Fund completed the thirteenth year of operation and recorded operating revenues of $10.8 million with $8.6 million in operating expenses resulting in net operating income of $2.8 million. Drainage utility assessment revenue was comparable to prior year that had a 47.1% rate increase. The rate increase helped fund the Drainage Revenue Bonds Series 2024 for capital improvements to the drainage system along with increased costs associated with rising costs. Some projects are funded with cash, as available, and others have been funded by Drainage Revenue Bonds, which are paid back through debt service payments over the term of the bonds Drainage Revenue Bonds were issued in 2012/13, 2013/14, 2019/20, 2020/21, 2022/23 and as mentioned in 2023/24. The total outstanding debt at year-end for the Drainage Utility Fund was $63.9 million.

Airport: The Airport has been in the process of improving facilities, and the Federal Aviation Administration (FAA) funds a significant part of the cost of these improvements. The Airport generally attempts to operate on a break-even basis. As compared to the prior year, operating revenues were up flat at $14.1 million along with non-operating revenues, which include grant funding, by $4.3 million. Operating revenues are derived from airlines, fees and commissions, and other building rentals.

Financial Analysis of the City's Funds:

Government funds: The focus of the financial statements of *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 requirement. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As management has long adhered to a policy of financing construction out of unreserved fund balances available after all current needs have been met, these balances also serve as an indication of the amounts available for expansion or replacement of infrastructure and other capital improvements.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $551.0 million, an increase of approximately $19.8 million from the prior year. Of the total fund balances, over half is non-spendable, restricted as to use or committed/assigned by management for specific purposes, which are accounted for in governmental funds established to control the expenditure of the funds for the specific purpose. These funds consist primarily of the Capital Projects funds and the grant funds. The remaining unassigned fund balance is available to fund current expenditures or to fund future capital improvements or operating needs along with maintaining reserve requirements. All of the unassigned fund balance is accounted for in the General Fund, which is the primary operating fund of the City. At the end of the current fiscal year, the total fund balance of the General Fund was $53.4 million, of which $50.3 million was unassigned.

The fund balance of the General Fund at year end was $47.8 million, a decrease of $21.9 million. As discussed above in the Government Wide Financial Analysis – Governmental Activities section, the decrease in fund balance was budgeted as the City spent down excess reserves from the prior year. These budgeted projects included one-time spending on a park enhancement, street improvements, and many improvements to City facilities. The City has continued to see increases in property tax revenues due to increased values, sales tax revenues setting new records, but saw a flattening in hotel occupancy tax returning to a new normal level.

The fund balance of the General Construction Fund at year end was $68.7 million, an increase of $26.2 million. The General Construction Fund had assigned fund balance of $39.9 million at September 30, 2025. These funds are assigned for construction projects in progress and for projects currently in the planning stages and in the City's five-year capital plan.

All Other Governmental Funds had as total fund balance at year-end of $68.7 million, a decrease of $12.4 million from the prior year. The Other Governmental Funds include all other Capital Project funds, the Housing and Urban Development (HUD) Grants fund, Other Grants funds, Public Improvement Districts, Seizure Funds, Other funds, Bonded Debt Service Fund, Compensated Absence Fund, and a Permanent Fund. The HUD Grants Fund accounts for funds administered by the City for the U.S. Department of Housing and Urban Development, including block grants, housing assistance, and various smaller low-income programs. Most of the grants awarded to the City are expenditure driven; thus, for most programs, revenues equal expenditures.

Proprietary funds: The financial statements of the Proprietary Funds provide information for the two types of funds – the Business-type (Enterprise) Funds and the Internal Service Funds. The Business-type funds activities were discussed above in the Government Wide Financial Analysis section. The accounting principles applied to the Business-type funds are like that of the private sector. Consequently, with the exception of the allocation of Internal Service Fund losses to business-type activities, the net position and changes in net position of the Business-type (Enterprise) Funds in these financial statements is identical with the net position and changes in net position in the Government-wide financial presentation.

The Internal Service Fund financial statements reflect a net position of $85.6 million. The purpose of Internal Service Funds is to provide services within a government on a break-even basis. Funds classified as Internal Service are Fleet Services, Information Services, Risk Management and Employee Insurance. The net income or loss from these Internal Service Funds has been allocated back to the user departments or funds for the Government-wide financial statements. The unrestricted net position of the Internal Service Funds, $30.2 million at year end, is generally used to replace capital assets and maintain minimum operating reserves.

The net position of the Internal Service Funds increased in fiscal year 2025 by $9.9 million. The increase was largely due to higher internal charges for information.

Capital Assets and Debt Administration:

Capital assets: The City's investment in capital assets as of September 30, 2025, was $1.8 billion, net of accumulated depreciation. The following tabulation summarizes the City's capital assets at September 30, 2025:

City of Amarillo, Texas – Capital Assets
(In Thousands, Net of Depreciation)

	Government Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land, Easements and Water rights	$ 69,410	$ 65,096	$ 113,178	$ 114,501	$ 182,588	$ 179,597
Infrastructure	202,785	193,465	-	-	202,785	193,465
Library Resources	4,067	4,112	-	-	4,067	4,112
Water and Sewer Other	-	-	536,593	517,248	536,593	517,248
Airport Facilities	-	-	64,454	66,212	64,454	66,212
Drainage Improvements	-	-	44,320	35,707	44,320	35,707
Buildings and Other Improvements	309,863	246,213	-	-	309,863	246,213
Equipment and Vehicles	45,691	42,593	5,059	4,568	50,750	47,161
Capital Lease Asset	16,541	14,612	117	535	16,658	15,147
Software Asset	16,486	17,971	831	-	17,317	17,971
Construction in Progress	41,914	87,675	148,618	109,634	190,532	197,309
Total Capital Assets	$ 706,757	$ 671,737	$ 913,170	$ 848,405	$ 1,619,927	$ 1,520,142

For this purpose, the vehicles, management information systems, and other assets of the Internal Service Funds are classified as assets used in government activities. Refer to Note 7 in the Notes to Basic Financial Statements for additional information related to capital assets.

The City of Amarillo attempts to fund its capital needs on a pay-as-you-go basis to the extent possible. However, the City has recently borrowed funds in order to complete significant infrastructure projects. The City attempts to take advantage of favorable interest rates and use debt only when conditions are favorable. Note 13 to the financial statements discloses in detail the debt activities of the City. In addition, a Combined Schedule of Outstanding Debt Issuances is provided in the supplemental section of the ACFR. The City's total outstanding debt as of September 30, 2025 was $535.6 million. The following table shows the City's total principal amounts outstanding under bond agreements as of September 30, 2025:

City of Amarillo, Texas – Outstanding Debt
(In Thousands)

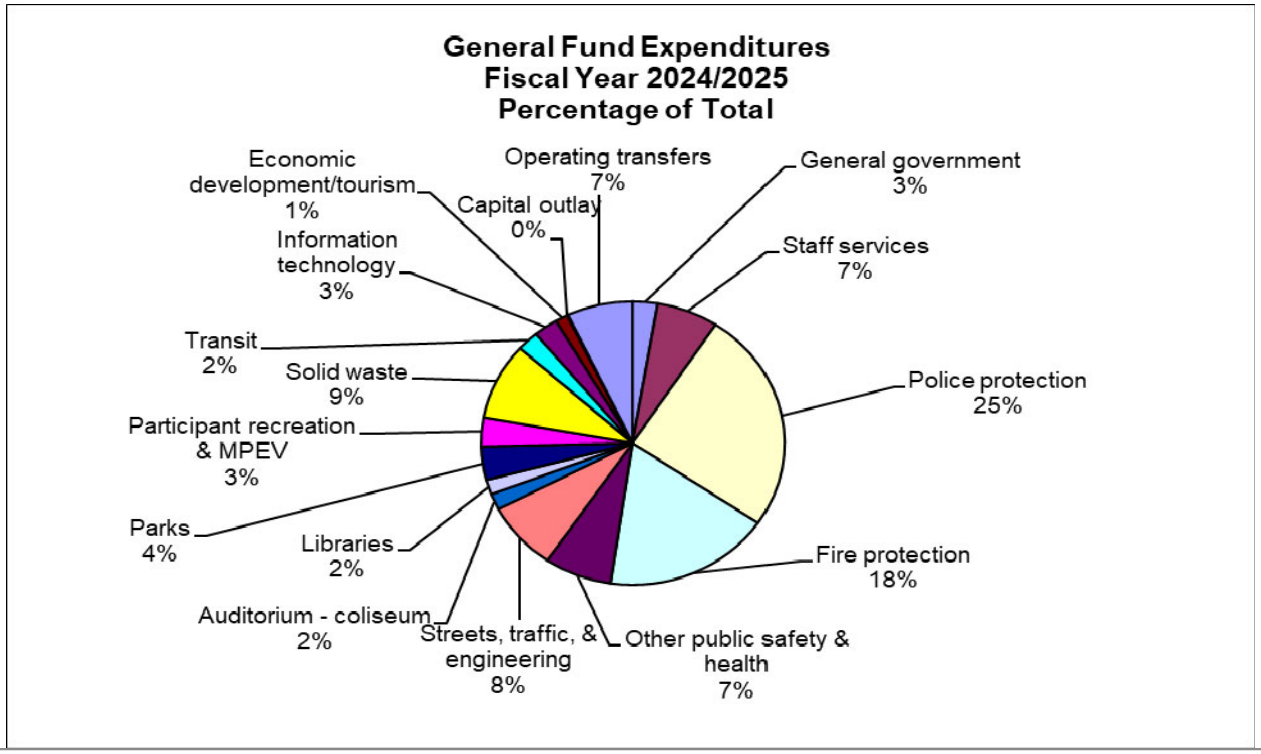
	Government Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	$ 106,056	$ 98,548	$ -	$ -	$ 106,056	$ 98,548
Certificates of Obligation	43,450	17,645	-	-	43,450	17,645
Tax Notes	13,505	19,370	-	-	13,505	19,370
Special Assessment and Other Debt	19,350	20,885	-	-	19,350	20,885
Hotel Occupancy Tax Debt	48,590	50,000	-	-	48,590	50,000
Water and Sewer Revenue Bonds	-	-	241,660	260,070	241,660	260,070
Water Authority Debt	-	-	21,740	21,740	21,740	21,740
Drainage Utility Revenue Bonds	-	-	62,645	64,265	62,645	64,265
Airport	-	-	3,040	3,085	3,040	3,085
Total Outstanding Debt	$ 230,951	$ 206,448	$ 329,085	$ 349,160	$ 560,036	$ 555,608

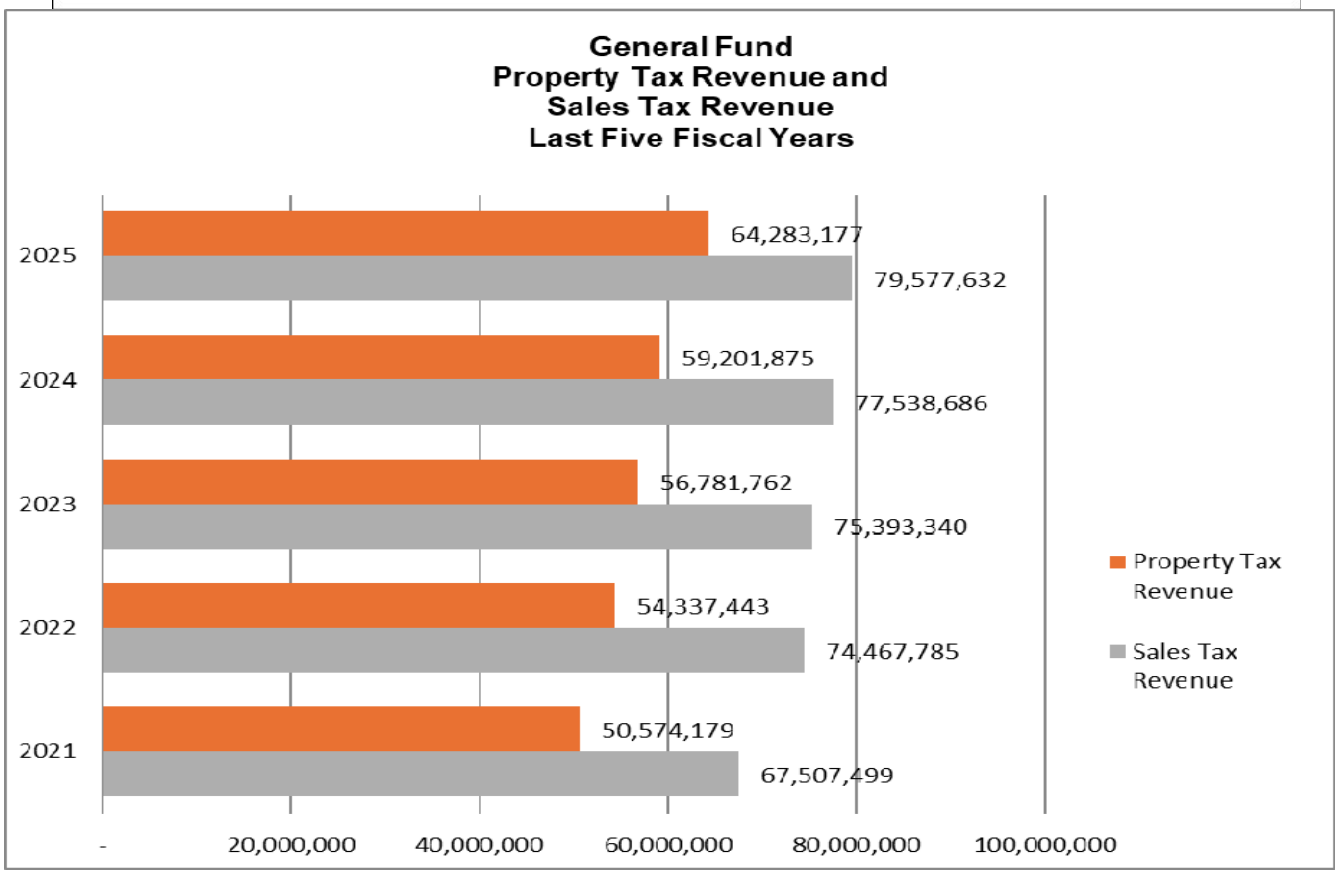
Refer to Notes 12 and 13 in the Notes to Basic Financial Statements for additional information related to long-term debt and other commitments.

General Fund Budgetary Highlights:

The primary purpose of the General Fund is to account for general revenues such as property taxes, sales taxes, and other taxes and expenditures related to essential City functions and programs. The General Fund is comprised of multiple departments that carry out many of the City's essential functions from street repair and maintenance, traffic, fire and police protection, sanitation collection and disposal, and other administrative functions just to name a few. Budget verses actual schedules for the General Fund are reported beginning on page 175.

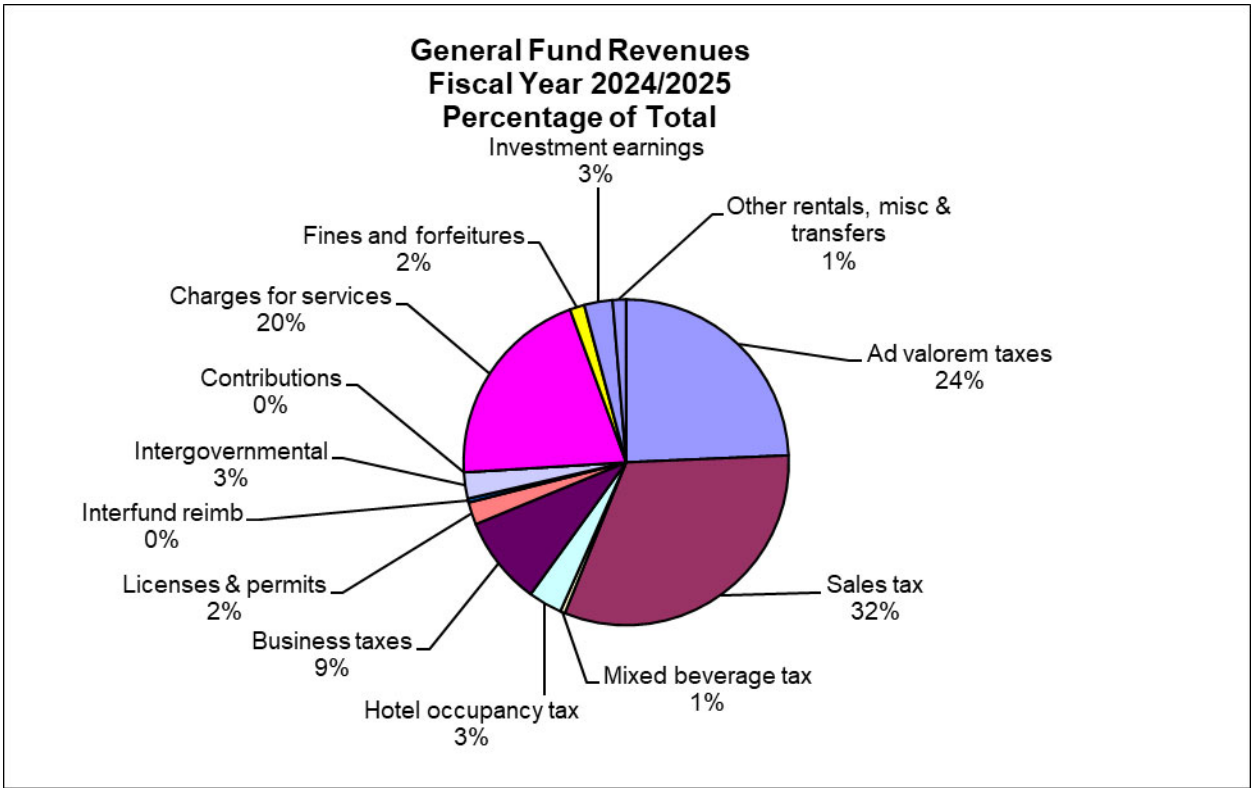
General Fund Revenues: The total General Fund revenues budgeted for fiscal year 2024/25 were $262.0 million and actual revenues came in at $267.2 million, $5.2 million more than budgeted. Actual sales tax revenue accounts for 30% of General Fund total revenue. Sales tax revenues were budgeted for $77.9 million. Actual sales tax revenues for 2024/25 were $79.5 million. Sales tax revenues were $1.6 million more than budgeted for the fiscal year. The City budgeted conservatively for sale tax not knowing the ongoing impact from inflation. Sales tax receipts remain strong and continue to exceed budget and exceed record numbers into the first five months of the new fiscal year. Another major component of General Fund revenue is ad valorem property taxes. General Fund ad valorem tax collections were budgeted at $57.1 million and actual ad valorem taxes were $64.2 million, $7.1 million more than budgeted. The ad valorem tax collection rate was slightly higher than anticipated. Charges for services is 22% of General Fund total revenue and continued to remain strong at $1.0 million over budget. Hotel Occupancy Tax revenue was also budgeted conservatively and came in slightly higher than budget by $0.78 million. Gross receipts of business taxes, or franchise fees, came in lower than budget by $0.2 million mainly due to the mild winter and summer during 2024/25. Other General Fund revenues are comprised of fines and forfeitures, investment earnings, and miscellaneous revenues. The chart below shows the major sources of total General Fund revenues:


General Fund Expenditures
Fiscal Year 2024/2025
Percentage of Total
Economic development/tourism 1%
Operating transfers 7%
General government 3%
Capital outlay 0%
Information technology 3%
Staff services 7%
Transit 2%
Solid waste 9%
Police protection 25%
Participant recreation & MPEV 3%
Parks 4%
Libraries 2%
Fire protection 18%
Auditorium - coliseum 2%
Streets, traffic, & engineering 8%
Other public safety & health 7%


General Fund
Property Tax Revenue and
Sales Tax Revenue
Last Five Fiscal Years
2025
64,283,177
79,577,632
2024
59,201,875
77,538,686
2023
56,781,762
75,393,340
2022
54,337,443
74,467,785
2021
50,574,179
67,507,499
-
20,000,000
40,000,000
60,000,000
80,000,000
100,000,000
Property Tax Revenue
Sales Tax Revenue

In the above graph you can see the growth rate of the General Fund property tax revenue (ad valorem tax collections) in contrast with the growth rate of sales tax revenue. The sales tax revenue has faired well and has a healthy, positive trend line. The City management keeps a watchful eye on the monthly sales tax to spot any flattening trends that might develop. Ad valorem tax revenues show an increase mainly due to increased property values. The tax rate in effect for the year ending September 30, 2025, was $0.387230 per $100 of taxable value, which is less than the prior year's rate of $0.39195. The decrease was $0.00472 to accomodate the over 10% growth in values and the state law requirement that revenue cannot increase more than 3.5% over the prior year for operations and maintenance. The total value of properties on the tax roll for fiscal year 2025 was $20.7 billion, an increase of $718k.

General Fund Expenditures: The total General Fund operating expenditure budget, excluding fund transfers, for fiscal year 2024/25 was $278.7 million. Total actual expenditures and appropriations against the operating budget for 2024/25 were $274.1 million. This resulted in underspending the budget by $4.5 million. Staffing vacancies throughout the fiscal year and overall staffing turnover account for the underspending. Police and Fire protection account for approximately 45% of the General Fund expenditure budget, excluding transfers. Operating transfers to Capital Projects Funds and other funds were budgeted for $37 million and actual General Fund transfers during the year were $29 million, a budget variance of $7 million less. The City had excess reserves during fiscal year 2025 related to sales tax collections coming in higher than anticipated; the excess was approved by City Council to be used for several major capital projects along with a working budget. Not all of the working budget was expended during the fiscal year which accounts for the budget variance in General Fund transfers to other funds. The following chart shows the breakdown by functional area of the General Fund actual expenditures for 2024/25:



Capital Improvement Program (CIP): The City's primary source of funding the annual General Fund CIP program has been through reallocation of excess revenues and unspent monies from the preceding fiscal year. The goal was to maintain an adequate level of fund balance or reserves within the General Fund for contingencies and operations and to allocate any excess funds to the capital improvement program. The City Council approved $11.2 million in new taxable combination tax and revenue certificates of obligation for construction and improvements to streets. The Cit will fund the debt service with property tax revenue. A 47.1% rate increase in Drainage was also implemented during the year to support the issuance of $38.1 million in debt for extensions and improvements in the drainage utility along with increased operating and maintenance costs. Mid-year the northeast interceptor project received final bids for construction and the City Council proceeded to issue $19.3 million in new water and sewer revenue bonds to finish funding the full construction. All other CIP needs will be met through reallocation of excess revenues and unspent monies from the preceding fiscal year along with various grant and federal funding opportunities.

Economic Factors and Next Year's Budget and Rates

The fiscal year 2025/2026 Budget totals approximately $557 million, with $381.4 million approved for operation and maintenance functions, $108.9 million in capital, and $66.7 million for required debt service payments. The annual Budget is the most important policy document for consideration by the Council. It identifies required funding to deliver more than 250 programs and services to the citizens of Amarillo.

The 2025/2026 Annual Operating Budget is presented to Council as a program-based budget, i.e., the various programs offered by City departments are presented with program descriptions and performance measures to define the level and quality of services delivered to Amarillo citizens. The Budget represents maintenance of current service levels for the more than 250 programs funded by the City. All programs have a demonstrated connection to the City Council pillars.

The City has continued to experience economic growth in most areas; however, rising costs in several vital areas including commodities, materials, supplies, construction, and attracting and retaining personnel have placed continued challenges on the budget process. Key areas of focus in the 2025/2026 Budget include addressing increased funding for public safety, aging infrastructure throughout City operations, and rising costs in most operational areas.

The Budget reflects revenues in line with current trends, with slight increases, and rate increased in certain areas to support the rising costs of doing business and aging infrastructure. On the expenditure side, the Budget includes enhancements that focus on the funding for public safety, critical capital projects, the implementation of a pay study for civilians, and a dedicated fund for streets. Details of the consolidated budget are as follows.

CONSOLIDATED BUDGET

The 2025/2026 Budget is $557 million, which is an increase of 11.6%, or $57.7 million, as compared to our 2024/2025 Budget of $499.3 million.

The areas of specific increase/decrease in the Budget are:

	FY 2024/2025	FY 2025/2026	% Change
General Fund Operating	$277,934,716	$275,200,035	-.09%
Water & Sewer Operating	75,993,765	74,182,540	-2.4%
Capital Improvement Projects	81,447,031	108,963,376	33.8%
Special Revenue Operating	31,723,457	37,941,913	19.6%
Fleet Services Operating	17,533,346	27,764,026	58.3%
Insurance Operating	48,074,020	47,437,090	-.08%
Debt Service	59,560,231	66,689,997	12.0%
Airport Operating	15,903,092	16,372,969	3.0%
Drainage Utility Operating	4,966,821	5,669,444	14.1%
Information Technology Operating	9,411,496	11,026,526	17.2%
Capital Transfers	6,433,877	4,563,719	-29.1%
Less: Interfund Transfers	(129,420,3540	(118,765,069)	-8.1%
Total Budget	$499,561,498	$557,046,566	11.6%

Municipal government is a service business and the predominant expense category in the Budget is always personnel and the associated salary and benefit expenses. Personnel costs comprise 42%, or $234.2 million, of the 2025/2026 net Budget. Personnel costs in the Budget are 4.5% more than the prior year budget due to an increase in personnel positions to better support operations along with raises for all personnel. The Budget also includes increasing the Texas Municipal Retirement System (TMRS) contribution rate to include funding for a repeating 70% COLA for retirees along with partial implementation of a pay study for civilians.

One of the largest categories in the Budget is Capital Improvement Projects at $108.9 million, or 19.6% of the Budget. Capital Improvement Projects reflect a 33.8% increase from the prior year and includes street projects, a dedicated dumpster replacement program, funding for parks and recreation assets and facilities, water and sewer system projects including the start of design for wastewater facilities with grant funding, airport projects that are eligible for federal funding, continued fire apparatus and fleet replacements, and more. The Capital Improvement Program section provided in the budget document provides more details of the proposed projects. Debt Service accounts for 12%, or $66.7 million, of the net Budget.

Debt service expenditures include all funds with outstanding debt. The Debt Service category includes a 12% increase which is due to a second year of debt issuances to support streets, fire apparatus replacement, heavy fleet equipment and vehicle replacements, and debt issuances planned for three Public Improvement Districts (PIDs).

Special Revenue operating costs have increased 19.6% due to most of the remaining photo traffic enforcement funding going to pay for traffic signals and other traffic safety measures, additional Public Health expenditures for women's healthcare and other grant initiatives, the majority of the remaining American Rescue Plan Act (ARPA) funding being spent, and three PIDs planning for developer reimbursements related to completed park amenities.

Property and Sales Taxes

Taxable property values remain strong with over a 3% increase for the 2025 tax year, when comparing 2025 certified values to the 2024 certified values. The total 2025/2026 proposed tax rate is $0.43070 ($0.33114 for maintenance and operations and $0.09956 for interest and sinking) per $100 taxable value versus the 2023/2024 rate of $0.38723 ($0.31867 for maintenance and operations and $0.06856 for interest and sinking). A historical review of the rate reflects that the City Council increased the operations and maintenance portion of the tax rate in 2019/2020 by $0.01750 in addition to increasing the debt service portion of the tax rate. In 2020/2021, the debt service portion of the tax rate was the only portion of the tax rate increased. In 2021/2022, City Council increased the property tax rate by $0.047 to $0.44334 and then decreased it in 2022/2023 to $0.40628 and in 2023/2024 to $0.39195, and again in 2024/2025 to $0.38723 due to increased taxable values.

Sales tax is the City's largest revenue source. Amarillo has long enjoyed a history of steadily increasing sales tax, which has offset the City's low property tax rate. The City's sales tax continues to remain strong. The Budget includes sales tax at an increase of $3.2 million over the 2024/25 original budget of $78.0 million. The sales tax revenue budget for next year has been normalized to sales tax collection experience for the past couple of years.

Sales tax and property tax revenues make up the largest percentage of funding for General Fund operations. However, each revenue source alone, property tax or sales tax, is not sufficient to fund the budgets for Public Safety. Therefore, the City must rely on multiple revenue sources to support General Fund operations.

Franchise Fees, User Fees and Charges

During 2016, the City initiated a $140 million five-year Community Investment Program with corresponding rate increases for water and sewer and drainage. For water and sewer rates, there was a 3% rate increase in 2016/2017, 2017/2018, and 2018/2019 to fund the first three years of the program. The 2019/2020 Budget included a 7% water and sewer rate increase, which funded the addition of automated metering infrastructure (4%) and provided for an increase in operating and maintenance (3%). The 2020/2021 Budget included the fourth year of the planned 3% rate increases. The 2021/2022 Budget included the final year of the original five-year Community Investment Program with a 3% rate increase for water and sewer infrastructure and a 2% rate increase for maintenance and operations to cover increases in operational costs. The 2022/2023 budget included a 10% water and sewer rate increase to cover inflation and additional debt issuances. The 2023/2024 budget included a 6% water and sewer rate increase to all water and sewer rates, except the residential base rate, to cover inflation and the rising cost of attracting and retaining personnel. A new tier for commercial usage of over 10,000 gallons per month was included in the 2024/2025 budget at a rate of $4.15 per thousand gallons. The current 2025/26 budget includes a 5% rate increase for all water and sewer rates to help fund capital improvements. The water rate structure is designed so that customers who only use water for domestic purposes still have very reasonable rates. A residential 10,000-gallon water user will have a monthly water and sewer bill of approximately $92.73. For drainage rates, there were 4% rate increases for the five years for the capital costs related to the five year Community Investment Program. The 2022/2023 budget included a 6% drainage fee increase to cover inflation and an additional debt issuance, while the 2023/2024 budget included a 47.1% drainage fee increase, that was an increase of $1.08 per month for an average residential property, to cover additional debt issuances for capital improvements. The drainage fee had no increases for 2024/2025, and no increases are proposed for 2025/2026.

The Budget includes an increase in the Solid Waste rates of 26.1% for commercial and 3.8% for residential customers for equipment and personnel associated with a dangerous structure removal program, capital projects and engineering services at the City of Amarillo landfill, and material cost increases associated with the residential dumpster replacement program. The fee for a one-family residence will increase from $24.18/month to $25.10/month for an annual increase of $11.04.

Other areas with fee increases include Golf, Parks and Recreation, Building Safety, and Environmental Health. The fee increases in each area are needed to adjust for increases in the Consumer Price Index (CPI) to cover the related cost of providing goods or services. The new fees are proposed to provide dedicated funding to important aspects of the City budget and to prioritize these important services so they do not compete with other funding needs.

Employee Staffing

The 2025/2026 Budget consists of 2,366 permanent and 346 part-time employee positions. Permanent positions have a net increase of 16 positions over the current year and part-time positions have decreased by one. Several of the changes are reclassifications of current positions to better meet departmental needs. New positions include one City Marshal position, one Firefighter, one Police Liaison position, and seven Water and Sewer positions for additional operations support, and a few other positions in various departments to support operations. Below is a summary of the staffing changes for permanent positions for the 2025/2026 Budget:

Position Title	Department	Full Time
Solid Waste Equipment Operator	Solid Waste	2
CISD Resource Officer	Police	1
Dangerous Structure Specialist	City Marshal	1
Signal Tech II	Traffic	1
Utility Worker (Full-time)	Traffic	-1
Firefighter	Fire	1
Dietician I	WIC	1
Process Control Shift Foreman	River Road Water Reclamation	3
Process Control Ship Foreman	Hollywood Road Water Reclamation	3
Compliance Investigator	Laboratory Admin	1
Custodian	Airport	1
Administrative Tech	Fleet	1
Security Analyst	IT Security	1
		16

Employee Compensation

Pay increases of 4% for Police and 3% for Fire.
2% increase based on performance for civilians.
Partial implementation of a pay study for civilians
Continuation of the annual leave buyback program.

The budget includes funding for discretionary retention pay, given to employees based on longevity during the holiday season.

Capital Improvement Program

The 2025/2026 capital improvement program budget is $108.9 million which includes $20.3 million in general government capital projects, $36.0 million in water and sewer system projects, $7.8 million in airport projects, $30.7 million in street projects, $3.1 million in solid waste improvement projects, $2.2 million in Civic Center projects, and $9.0 million in fleet services projects. The general government projects are funded from excess operational funds and grant funds; existing solid waste collection fees, plus an increase to the fees, are proposed to fund solid waste projects; hotel occupancy taxes and the Amarillo-Potter Events Venue District will fund the Civic Center projects; the streets projects will be funded by dedicated funds from a prior year tax increase and through a planned debt issuance. The water and sewer projects are funded through excess operational funds planned for capital improvements plus a 5% increase to rates. The airport projects are funded with excess operational funds planned for capital projects and grant money received from the FAA. The fleet services projects are funded with a planned debt issuance and excess operational funds planned for capital.

Future Priorities

The 2025/2026 Budget has prioritized enhancements to public safety, compensation to employees, an increased COLA for retirees, and funding of capital projects. Going forward, the City will need to continue to identify additional budget dollars to address the maintenance of aging city facilities and aging infrastructure throughout the City.

Request for information:

This financial report is designed to provide a general overview of the City of Amarillo's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105-1971.

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BASIC FINANCIAL STATEMENTS

These statements present an overview of the financial position and transactions of the entire reporting entity. The Statement of Net Position and Statement of Activities report information on all of the nonfiduciary resources and activities of the primary government and its component units. These statements, as well as the Statement of Net Position and Statement of Activities of the component units, are presented on a basis of accounting promulgated by the Governmental Accounting Standards Board, which is similar to the generally accepted accounting principles applicable to commercial enterprises. The financial statements of the governmental funds, proprietary funds, and the fiduciary funds are presented in accordance with generally accepted governmental accounting principles to the types of funds presented.

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CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	$ 43,878,354	$ 32,195,056	$ 76,073,410	$ 66,472,026
Investments	156,009,693	71,401,177	227,410,870	129,090,581
Receivables, Net	30,564,047	16,522,004	47,086,051	31,886,031
Leases	395,887	1,603,285	1,999,172	
Internal Balances	16,122,818	(16,122,818)	-	-
Deposit Held With Others	13,553,090	-	13,553,090	-
Inventories and Prepaid Expenses	5,748,890	4,265,436	10,014,326	843,845
Other Current Assets	-	-	-	870,191
Total Current Assets	266,272,779	109,864,140	376,136,919	229,162,674
NONCURRENT ASSETS				
Restricted Cash and Cash Equivalents	48,268,084	128,261,413	176,529,497	11,894,414
Restricted Investments	3,007,555	-	3,007,555	-
Leases	8,030,437	24,753,864	32,784,301	23,333,111
Land and Building Held for Future Incentives	-	-	-	12,058,806
Capital Assets:				
Land	18,397,891	8,527,010	26,924,901	-
Contributed Right of Way Easements	51,012,022	5,794,658	56,806,680	-
Water Rights and Contracts, Net of Amortization	-	98,856,675	98,856,675	-
Infrastructure, Net of Depreciation	202,784,806	44,319,210	247,104,016	-
Buildings and Improvements, Net of Depreciation	309,862,673	601,047,428	910,910,101	54,660,925
Equipment and Vehicles, Net of Depreciation	45,691,272	4,747,967	50,439,239	132,886
Right-to-Use Lease Asset, Net of Amortization	16,540,618	426,524	16,967,142	489,840
Library Resources, Net of Depreciation	4,067,233	-	4,067,233	-
Right-to-Use Software Asset, Net of Amortization	16,485,736	830,658	17,316,394	-
Construction in Progress	41,914,497	148,618,734	190,533,231	180,563
Total Noncurrent Assets	766,062,824	1,066,184,141	1,832,246,965	102,750,545
Total Assets	$ 1,032,335,603	$ 1,176,048,281	$ 2,208,383,884	$ 331,913,219
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows	$ 50,002,343	$ 4,368,513	$ 54,370,856	$ 440,378
Total Deferred Outflows of Resources	$ 50,002,343	$ 4,368,513	$ 54,370,856	$ 440,378
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable and Accrued Expenses	$ 42,754,498	$ 70,275,080	$ 113,029,578	$ 3,504,166
Unearned Revenue	1,227,483	645,078	1,872,561	5,409,741
Current Portion of Long-Term Obligations	18,798,000	3,659,946	22,457,946	10,679,914
Estimated Liability for Self-Insured Losses, Current Portion	7,899,202	-	7,899,202	-
Bonded Debt Current Maturity	-	21,005,000	21,005,000	-
Due to the City	-	-	-	1,640,915
Current Portion of Right-to-Use Lease Liability	4,991,266	106,546	5,097,812	-
Current Portion of Right-to-Use SBITA Liability	2,692,756	237,165	2,929,921	-
Current Portion of Compensated Absences	1,594,209	204,753	1,798,962	-
Total Current Liabilities	79,957,414	96,133,568	176,090,982	19,593,821
NONCURRENT LIABILITIES				
Noncurrent Portion of Long-Term Obligations	221,501,869	316,999,548	538,501,417	35,255,977
Other Accrued Expenses	-	2,504,372	2,504,372	-
Right-to-Use Lease Liability	11,492,539	220,054	11,712,593	-
Right-to-Use SBITA Liability	12,651,139	459,342	13,110,481	-
Compensated Absences, Net	29,331,806	2,444,788	31,776,594	390,828
Self-Insured Losses, Net of Current Portion	13,046,865	-	13,046,865	-
Landfill Closure and Postclosure Care	6,474,290	-	6,474,290	-
Net OPEB Liability	34,160,009	6,390,808	40,550,817	69,500
Net Pension Liability	103,505,827	12,912,614	116,418,441	162,879
Total Noncurrent Liabilities	432,164,344	341,931,526	774,095,870	35,879,184
Total Liabilities	$ 512,121,758	$ 438,065,094	$ 950,186,852	$ 55,473,005
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows	$ 19,125,335	$ 27,806,315	$ 46,931,650	$ 7,885,281
Total Deferred Inflows of Resources	$ 19,125,335	$ 27,806,315	$ 46,931,650	$ 7,885,281
NET POSITION				
Net Investment In Capital Assets	$ 480,805,642	$ 684,000,197	$ 1,164,805,839	$ 48,785,823
Restricted For:				
Debt Service	4,271,368	9,550,551	13,821,919	5,773,245
Capital Projects	1,563,736	-	1,563,736	-
Tax Increment Financing	6,974,270	-	6,974,270	-
Other Purposes	17,694	-	17,694	972,585
HOT Taxes	351,320	-	351,320	-
HUD Grants	2,463,539	-	2,463,539	-
Public Safety and Health	5,162,217	-	5,162,217	-
Other Grants	9,397,279	-	9,397,279	-
Culture and recreation	4,817,481	-	4,817,481	-
Unrestricted	35,266,307	20,994,637	56,260,944	213,463,658
Total Net Position	$ 551,090,853	$ 714,545,385	$ 1,265,636,238	$ 268,995,311

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 8,414,233	$ 7,521,098	$ 1,339,826	$ 16,936,387
Staff Services	21,918,240	4,247,610	-	1,833,869
Public Safety and Health:				
Police Protection	81,505,997	3,033,221	355,387	-
Fire Protection	60,094,923	2,700,626	2,450,235	-
Other	32,377,990	7,800,974	5,897,010	-
Streets, Traffic, and Engineering	36,862,405	462,759	-	-
Culture and Recreation:				
Auditorium/Coliseum	10,884,317	3,373,360	-	-
Libraries	5,738,435	89,983	65,942	-
Parks	15,049,299	747,976	-	-
Participant Recreation	10,418,702	6,142,202	-	-
Solid Waste	27,992,511	34,422,780	-	-
Transit	9,125,123	292,545	672,556	4,621,201
Information Technology	7,738,261	-	-	-
Economic Development/Tourism	5,163,594	-	-	-
Urban Redevelopment/Housing	16,226,669	76,714	17,567,580	-
Interest on Long-Term Debt	9,648,661	-	-	-
Total Governmental Activities	359,159,360	70,911,848	28,348,536	23,391,457
Business-Type Activities:				
Water and Sewer	102,470,751	101,112,745	-	9,054,738
Drainage Utility	10,462,945	10,888,900	-	2,725,898
Airport	21,682,365	15,755,429	4,359,809	-
Total Business-Type Activities	134,616,061	127,757,074	4,359,809	11,780,636
Total Primary Government	$ 493,775,421	$ 198,668,922	$ 32,708,345	$ 35,172,093
Component Units				
Amarillo Hospital District	$ 92,615,478	$ 60,220,638	$ 27,679	$ -
Amarillo Economic Development Corporation	13,933,764	959,985	-	-
Amarillo-Potter Events District	3,681,285	-	-	-
Amarillo Convention & Visitors Bureau	-	-	-	-
Amarillo Housing Finance Corporation	-	-	-	-
Amarillo Health Facilities Corporation	-	-	-	-
Amarillo Local Government Corporation	2,259,604	-	473,018	-
Total Component Units	$ 112,490,131	$ 61,180,623	$ 500,697	$ -
General Revenues				
Property Taxes, Levied for General Purposes				
Property Taxes, Levied for Debt Services				
Sales Taxes				
Mixed Beverage Taxes				
Hotel Occupancy Taxes				
Gross Receipts Business Taxes				
Miscellaneous				
Unrestricted Investment Earnings				
Transfers				
Total General Revenues and Transfers				
CHANGE IN NET POSITION				
Net Position - Beginning of Year, as Previously Reported				
Adjustments				
Net Position - Beginning of Year, as Restated				
NET POSITION - END OF YEAR				

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Net Revenue (Expense) and Changes in Net Position Primary Government Governmental Activities	Business-Type Activities	Total	Component Units
Primary Government:				
Governmental Activities:				
General Government	$ 17,383,078	$ -	$ 17,383,078	$ -
Staff Services	(15,836,761)	-	(15,836,761)	-
Public Safety and Health:				
Police Protection	(78,117,389)	-	(78,117,389)	-
Fire Protection	(54,944,062)	-	(54,944,062)	-
Other	(18,680,006)	-	(18,680,006)	-
Streets, Traffic, and Engineering	(36,399,646)	-	(36,399,646)	-
Culture and Recreation:				
Auditorium/Coliseum	(7,510,957)	-	(7,510,957)	-
Libraries	(5,582,510)	-	(5,582,510)	-
Parks	(14,301,323)	-	(14,301,323)	-
Participant Recreation	(4,276,500)	-	(4,276,500)	-
Solid Waste	6,430,269	-	6,430,269	-
Transit	(3,538,821)	-	(3,538,821)	-
Information Technology	(7,738,261)	-	(7,738,261)	-
Economic Development/Tourism	(5,163,594)	-	(5,163,594)	-
Urban Redevelopment/Housing	1,417,625	-	1,417,625	-
Interest on Long-Term Debt	(9,648,661)	-	(9,648,661)	-
Total Governmental Activities	(236,507,519)	-	(236,507,519)	-
Business-Type Activities:				
Water and Sewer	-	7,696,732	7,696,732	-
Drainage Utility	-	3,151,853	3,151,853	-
Airport	-	(1,567,127)	(1,567,127)	-
Total Business-Type Activities	-	9,281,458	9,281,458	-
				-
Total Primary Government	(236,507,519)	9,281,458	(227,226,061)	-
Component Units				
Amarillo Hospital District	-	-	-	(32,367,161)
Amarillo Economic Development Corporation	-	-	-	(12,973,779)
Amarillo-Potter Events District	-	-	-	(3,681,285)
Amarillo Convention & Visitors Bureau	-	-	-	-
Amarillo Housing Finance Corporation	-	-	-	-
Amarillo Health Facilities Corporation	-	-	-	-
Amarillo Local Government Corporation	-	-	-	(1,786,586)
Total Component Units	-	-	-	(50,808,811)
General Revenues				
Property Taxes, Levied for General Purposes	64,283,177	-	64,283,177	25
Property Taxes, Levied for Debt Services	12,821,217	-	12,821,217	-
Sales Taxes	80,182,847	-	80,182,847	26,648,782
Mixed Beverage Taxes	1,110,536	-	1,110,536	-
Hotel Occupancy Taxes	9,135,023	-	9,135,023	-
Gross Receipts Business Taxes	22,488,972	-	22,488,972	4,036,947
Miscellaneous	7,771,502	-	7,771,502	-
Unrestricted Investment Earnings	12,027,754	7,776,730	19,804,484	10,756,755
Transfers	6,868,286	(6,868,286)	-	-
Total General Revenues and Transfers	216,689,314	908,444	217,597,758	41,442,509
CHANGE IN NET POSITION	(19,818,205)	10,189,902	(9,628,303)	(9,366,302)
Net Position - Beginning of Year, as Previously Reported	570,909,058	704,355,483	1,275,264,541	281,441,100
Adjustments	-	-	-	(3,079,487)
Net Position - Beginning of Year, as Restated	570,909,058	704,355,483	1,275,264,541	278,361,613
NET POSITION - END OF YEAR	$ 551,090,853	$ 714,545,385	$ 1,265,636,238	$ 268,995,311

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	General Construction Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 4,544,226	$ 1,161,349	$ 37,358,227	$ 43,063,802
Restricted Cash and Cash Equivalents	-	28,817,714	19,100,948	47,918,662
Investments	98,471,396	14,550,666	8,752,623	121,774,685
Restricted Investments	-	-	3,007,555	3,007,555
Receivables, Net of Allowances for Uncollectibles:				
Property Taxes	422,139	-	92,401	514,540
Accounts	10,717,291	659,310	2,049,596	13,426,197
Accrued Interest	2,994,309	337,439	298,976	3,630,724
Other Accrued Revenue	5,687,245	-	7,224	5,694,469
Due from Other Funds	9,914,131	15,488,085	17,114,048	42,516,264
Due from Other Governments	2,968,733	-	1,853,295	4,822,028
Leases Receivable	8,374,584	-	-	8,374,584
Inventory of Supplies	250,206	-	-	250,206
Deposit Held With Others	-	13,553,090	-	13,553,090
Prepaid Items	472,192	26,014	11,944	510,150
Total Assets	$ 144,816,452	$ 74,593,667	$ 89,646,837	$ 309,056,956
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	$ 221,395	$ 33,450	$ 7,380	262,225
Accounts Payable	7,929,422	2,601,112	5,893,092	16,423,626
Accrued Expenditures	11,042,299	105,683	658,104	11,806,086
Deposits	3,273	-	1,540,307	1,543,580
Due to Other Funds	61,417,322	2,486,885	11,023,365	74,927,572
Due to Other Governments	1,931,897	-	680,735	2,612,632
Unearned Revenues - Other	196,977	-	1,030,506	1,227,483
Total Liabilities	82,742,585	5,227,130	20,833,489	108,803,204
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Leases	7,555,791	-	-	7,555,791
Unavailable Solid Waste Revenue	448,817	-	-	448,817
Unavailable Grant Revenue	5,950,539	659,310	1,971,771	8,581,620
Unavailable Construction Participations	-	-	75,000	75,000
Unavailable Property Taxes	283,277	-	61,881	345,158
Total Deferred Inflows of Resources	14,238,424	659,310	2,108,652	17,006,386
FUND BALANCES				
Nonspendable:				
Prepaid Items	472,192	26,014	11,944	510,150
Inventory	250,206	-	-	250,206
Restricted for:				
Debt Service	2,041,234	-	2,230,134	4,271,368
Capital Projects	-	28,817,714	1,563,736	30,381,450
Special Purposes	351,320	-	27,082,212	27,433,532
Assigned for:				
Capital Projects	-	39,863,499	38,413,458	78,276,957
Unassigned	44,720,491	-	(2,596,788)	42,123,703
Total Fund Balances	47,835,443	68,707,227	66,704,696	183,247,366
Total Liabilities and Fund Balances	$ 144,816,452	$ 74,593,667	$ 89,646,837	$ 309,056,956

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total Fund Balances - Governmental Funds			$ 183,247,366
The City uses internal service funds to charge the costs of fleet services, information services, risk management and employee health services to other departments of the City on a cost-reimbursement basis. The assets and liabilities, excluding capital assets, of the internal service funds are included in the governmental activities in the statement of net position.			5,273,797
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of including the balances for capital assets (net of depreciation) in the governmental activities is to increase net position.			
Capital Assets, Net October 1, 2024	$ 671,737,094		
Net Current Year Additions	160,899,511		
Net Current Year Deletions	(125,879,857)		
Capital Assets, Net September 30, 2025	706,756,748		706,756,748
Long-term liabilities, including bonds payable and compensated absence liabilities, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. In addition, long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as reductions in long-term debt in the government-wide financial statements. The net effect of including the long-term liabilities and the debt principal payments is to decrease net position. Those liabilities consist of:			
Long-Term Debt	240,299,869		
Compensated Absences	29,944,720		
Right-to-Use Lease	5,474,798		
Right-to-Use Software Liability	1,040,590		
Landfill Closure and Postclosure	6,474,290		
Total	283,234,267		(283,234,267)
Included in the items related to debt is the recognition of the City's net pension liability required by GASB 68 in the amount of $98,551,210, a deferred resource outflow in the amount of $41,317,587, and a deferred resource inflow in the amount of $7,717,378.			(64,950,999)
Included in the items related to debt is the recognition of the City's net other postemployment benefits (OPEB) Liability required by GASB 75 in the amount of $32,473,094, a deferred resource outflow in the amount of $7,190,857, and a deferred resource inflow in the amount of $2,973,859.			(28,256,096)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. These include recognizing unearned revenue as revenue, eliminating interfund transactions, and recognizing the receivable from the business-type activities for services provided by the internal service funds. The net effect of these reclassifications and recognitions is to increase net position.			
Accrued Interest Payable	(1,690,440)		
Accrued Lease Interest Income	34,635		
Arbitrage	(2,564,857)		
Internal Balances	26,811,459		
Unavailable Revenues	9,105,437		
Prepaid Bond Insurance	558,070		
Total	32,254,304		32,254,304
Net Position of Governmental Activities			$ 551,090,853

See accompanying Notes to Basic Financial Statements.

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

	General Fund	General Construction Fund	COVID-19 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Ad Valorem Taxes	$ 64,283,177	$ -	$ -	$ 12,821,217	$ 77,104,394
Sales Taxes	79,577,632	-	-	605,215	80,182,847
Mixed Beverage Taxes	1,110,536	-	-	-	1,110,536
Hotel Occupancy Taxes	9,135,023	-	-	-	9,135,023
Gross Receipts Business Taxes	22,488,972	-	-	-	22,488,972
License and Permits	6,405,179	-	-	-	6,405,179
Interfund Revenues	25,000	-	-	-	25,000
Intergovernmental Revenues	2,796,539	801,299	-	24,707,685	28,305,523
Citizen Contributions	2,408	-	-	82,266	84,674
Construction Participation	-	215,413	-	8,353,103	8,568,516
Revenue from Participating Taxing Entities	-	-	-	2,639,355	2,639,355
Other Entity Participations	-	-	-	108,179	108,179
Charges for Services	56,958,591	-	-	4,145,673	61,104,264
Fines and Forfeitures	4,420,596	-	-	212,747	4,633,343
Investment Earnings	6,122,726	1,825,188	-	3,046,654	10,994,568
Other Rentals and Commissions	1,616,358	-	-	-	1,616,358
Miscellaneous	5,871,021	3,782,231	-	83,746	9,736,998
Total Revenues	260,813,758	6,624,131		56,805,840	324,243,729
EXPENDITURES					
Current:					
General Government	7,194,118	-	-	347,721	7,541,839
Staff Services	15,115,703	-	-	489,770	15,605,473
Public Safety and Health:			-		
Police Protection	71,014,958	2,721,020	-	778,464	74,514,442
Fire Protection	54,142,843	-	-	-	54,142,843
Other	20,720,433	-	-	10,000,042	30,720,475
Streets, Traffic, and Engineering	20,240,451	-	-	-	20,240,451
Culture and Recreation:			-		
Auditorium-Coliseum	5,371,754	-	-	54,745	5,426,499
Libraries	4,407,611	-	-	40,585	4,448,196
Parks	9,712,302	-	-	1,838,734	11,551,036
Participant Recreation	8,517,605	-	-	22,120	8,539,725
Solid Waste	22,574,668	-	-	-	22,574,668
Transit System	6,821,259	-	-	-	6,821,259
Urban Redevelopment and Housing	-	-	-	16,060,498	16,060,498
Information Technology	5,523,043	-	-	-	5,523,043
Economic Development/Tourism	4,439,747	-	-	1,643,878	6,083,625
Termination, Vacation, and Sick Leave Pay	-	-	-	1,410,459	1,410,459
Capital Outlay	7,827,151	23,358,063	-	33,737,522	64,922,736
Debt Service:			-		
Principal Retirement	-	-	-	14,487,000	14,487,000
Interest and Fiscal Charges	-	-	-	6,735,801	6,735,801
Bond Issuance Costs	-	314,723		-	314,723
Total Expenditures	263,623,646	26,393,806	-	87,647,339	377,664,791
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,809,888)	(19,769,675)	-	(30,841,499)	(53,421,062)
OTHER FINANCING SOURCES (USES):					
Transfers from Other Funds	6,886,091	8,023,056	-	23,804,239	38,713,386
Transfers to Other Funds	(25,938,102)	(3,797,885)	-	(5,338,067)	(35,074,054)
Issuance of Long-Term Debt	-	38,990,000	-	-	38,990,000
Bond Premium	-	2,787,996	-	-	2,787,996
Total Other Financing Sources (Uses)	(19,052,011)	46,003,167	-	18,466,172	45,417,328
NET CHANGE IN FUND BALANCES	(21,861,899)	26,233,492		(12,375,327)	(8,003,734)
Fund Balances - Beginning of Year , as previously reported	69,697,342	42,473,735	1,026,645	78,053,378	191,251,100
Adjustments	-	-	(1,026,645)	1,026,645	-
Fund Balances - Beginning of Year, Restated	69,697,342	42,473,735	-	79,080,023	191,251,100
FUND BALANCES - END OF YEAR	$ 47,835,443	$ 68,707,227	$ -	$ 66,704,696	$ 183,247,366

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balances - Governmental Funds			$ (8,003,734)
The City uses an internal service fund to charge the costs of fleet services, information services, risk management and employee health services to other departments of the City. The net income (loss) of the internal service fund is included in the governmental activities in the Statement of Activities, except for net income (loss) allocated to the business-type activities for services provided by the internal service funds to those activities. The net effect of this consolidation is to increase net position.			9,931,942
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Issuance of long-term debt provides current financial resources to the governmental funds; however, it should be shown as an increase in long-term liabilities in the government-wide financial statements. The net effect of including the 2025 capital outlays, issuance of long-term debt, and debt principal payments is to decrease net position.			
Capital Outlay	$ 64,922,736		
Assets Acquired with Software Additions	211,493		
Issuance of Long-Term Debt	(38,990,000)		
Amortization of debt premium	(2,300,451)		
Premium on Bonds	(2,787,996)		
Long-Term Debt Principal Payments	14,487,000		
Total	35,542,782		35,542,782
Depreciation is not recognized as an expense in the governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.			(34,023,616)
GASB 68 requires that certain expenditures be derecognized and recorded instead as deferred outflows of resources. Of these previously deferred outflows, ($23,104,364) were recognized in the current year as expenditures, decreasing the change in net position. Contributions made after the measurement date of December 31, 2024 caused the change in the ending net position to increase by $3,598,824. The City's differences in expected and actual experience and changes in assumptions were $900,883, and the increase in expense of ($4,375,613) was recognized due to the current year changes in net pension liability. The impact of all these adjustments is to decrease the change in net position by ($22,980,270).			(22,980,270)
GASB 75 requires that certain expenditures be derecognized and recorded instead as deferred outflows of resources. Of these previously deferred outflows, ($1,612,959) were recognized in the current year as expenditures, decreasing the change in net position. Contributions made after the measurement date of December 31, 2024 caused the change in the ending net position to increase by $90,861. The City's changes in assumptions were ($432,872) and the decrease in expense of $2,287,700 was recognized due to the current year changes in net OPEB liability. The impact of all these adjustments is to increase the change in net position by $332,730.			332,730
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. These include recognizing unearned revenue as revenue, eliminating interfund transactions and the net loss on services provided to the business-type activities by the internal service funds. The net effect of these reclassifications and recognitions is to increase (decrease) net position.			
Compensated Absences	(4,150,551)		
Arbitrage	(164,656)		
Claims and Judgements	(140,196)		
Net Loss of Internal Service Funds Allocated to Business-Type Activities	(1,684,782)		
Landfill Closure and Postclosure Care	(475,941)		
Lease and SBITA Activity	(2,330,285)		
Unavailable Revenue	9,105,437		
Accrued Interest	(777,065)		
Total	(618,039)		(618,039)
Change in Net Position of Governmental Activities			$ (19,818,205)

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 19,218,314	$ 5,383,071	$ 7,593,671	$ 32,195,056	$ 814,552
Investments	57,603,263	9,529,208	4,268,706	71,401,177	34,235,008
Accounts Receivable, Net	7,550,457	866,930	1,185,349	9,602,736	1,533,526
Lease Receivable	93,892	-	1,509,393	1,603,285	51,739
Accrued Interest Receivable	6,637,511	-	-	6,637,511	101,200
Other Accrued Revenue	-	-	281,757	281,757	-
Due from Other Funds	11,764,830	485,887	209,825	12,460,542	24,072,331
Due from Other Governments	-	-	-	-	147,418
Prepaid Expenses	4,265,436	-	-	4,265,436	4,430,464
Total Current Assets	107,133,703	16,265,096	15,048,701	138,447,500	65,386,238
NONCURRENT ASSETS					
Restricted Cash and Cash Equivalents	78,987,366	46,018,909	3,255,138	128,261,413	349,422
Lease Receivable	591,996	-	24,161,868	24,753,864	-
Capital Assets:					
Land	6,395,710	460,875	1,670,425	8,527,010	-
Contributed Right of Way Easements	3,045,778	2,748,880	-	5,794,658	-
Underground Water Rights	137,642,988	-	-	137,642,988	-
Accumulated Depletion - Underground Water Rights	(38,786,313)	-	-	(38,786,313)	-
Pipelines and Plant	860,440,481	-	-	860,440,481	-
Accumulated Depreciation - Pipelines And Plant	(323,847,417)	-	-	(323,847,417)	-
Runways, Buildings, and Improvements	-	-	199,364,703	199,364,703	-
Accumulated Depreciation - Runways, Buildings, and Improvements	-	-	(134,910,339)	(134,910,339)	-
Improvements	-	48,090,270	-	48,090,270	25,013,192
Accumulated Depreciation - Improvements	-	(3,771,060)	-	(3,771,060)	(7,962,179)
Equipment and Vehicles	3,651,808	74,171	11,047,746	14,773,725	108,036,695
Accumulated Depreciation - Equipment and Vehicles	(3,123,884)	(57,885)	(6,843,989)	(10,025,758)	(74,527,961)
Right-to-Use Lease Asset	-	-	544,499	544,499	18,082,642
Accumulated Amortization	-	-	(117,975)	(117,975)	(7,470,476)
Right-to-Use Software Asset	1,148,288	-	-	1,148,288	19,309,386
Accumulated Amortization	(317,630)	-	-	(317,630)	(4,028,541)
Construction in Progress	123,957,372	7,514,279	17,147,083	148,618,734	3,909,322
Total Capital Assets, Net of Accumulated Depreciation	770,207,181	55,059,530	87,902,153	913,168,864	80,362,080
Total Noncurrent Assets	849,786,543	101,078,439	115,319,159	1,066,184,141	80,711,502
Total Assets	$ 956,920,246	$ 117,343,535	$ 130,367,860	$ 1,204,631,641	$ 146,097,740
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows	$ 3,339,671	$ 266,009	$ 762,833	$ 4,368,513	$ 1,493,899
Total Deferred Outflows of Resources	$ 3,339,671	$ 266,009	$ 762,833	$ 4,368,513	$ 1,493,899

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
LIABILITIES					
CURRENT LIABILITIES					
Vouchers Payable	$ 1,110,889	$ 4,168	$ 60,968	$ 1,176,025	$ 48,410
Accounts Payable	26,276,474	4,249,164	2,487,969	33,013,607	4,291,690
Accrued Expenses	14,219,568	376,494	381,111	14,977,173	851,642
Deferred Revenue	-	-	645,078	645,078	-
Deposits	1,000,357	-	27,796	1,028,153	-
Consumer Security Deposits	239,285	-	-	239,285	-
Share of Water Authority Debt - Current	3,659,946	-	-	3,659,946	-
Due to Other Funds	1,253,699	94,701	372,978	1,721,378	2,400,187
Due to Other Governments	15,172,953	4,000,000	667,884	19,840,837	-
Estimated Liability for Incurred Losses	-	-	-	-	7,899,202
Bonded Debt Current Maturity	19,235,000	1,675,000	95,000	21,005,000	-
Current Portion of Right-to-Use Lease Liability	-	-	106,546	106,546	3,678,669
Current Portion of Right-to-Use SBITA Liability	237,165	-	-	237,165	2,410,699
Current Portion of Compensated Absences	159,801	5,313	39,639	204,753	93,823
Total Current Liabilities	82,565,137	10,404,840	4,884,969	97,854,946	21,674,322
NONCURRENT LIABILITIES					
Bonded Debt, Net of Current	236,856,597	63,949,166	2,921,950	303,727,713	-
Water Authority Debt, Net of Current	13,271,835	-	-	13,271,835	-
Provision for Compensated Absences, Net	1,565,415	123,320	756,053	2,444,788	887,472
Other Accrued Expenses	2,504,372	-	-	2,504,372	-
Estimated Liabilities for Incurred Loss, Net	-	-	-	-	13,046,865
Right-to-Use SBITA Liability	459,342	-	-	459,342	11,892,606
Right-to-Use Lease Liability	-	-	220,054	220,054	7,330,338
Net OPEB Liability	4,870,154	478,498	1,042,156	6,390,808	1,686,913
Net Pension Liability	9,851,846	707,803	2,352,965	12,912,614	4,954,617
Total Noncurrent Liabilities	269,379,561	65,258,787	7,293,178	341,931,526	39,798,811
Total Liabilities	$ 351,944,698	$ 75,663,627	$ 12,178,147	$ 439,786,472	$ 61,473,133
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	$ 2,130,114	$ 90,648	$ 25,585,553	$ 27,806,315	$ 482,629
Total Deferred Inflows of Resources	$ 2,130,114	$ 90,648	$ 25,585,553	$ 27,806,315	$ 482,629
NET POSITION					
Net Investment in Capital Assets	$ 564,276,924	$ 35,271,216	$ 84,452,057	$ 684,000,197	$ 55,049,768
Restricted for Debt Service	6,255,981	39,432	3,255,138	9,550,551	79,318
Unrestricted	35,652,200	6,544,621	5,659,798	47,856,619	30,506,791
Total Net Position	$ 606,185,105	$ 41,855,269	$ 93,366,993	741,407,367	$ 85,635,877
Amounts Due Governmental Activities for Allocable Share of Net Expenses of Certain Internal Service Funds				(26,861,982)	
Total Net Position of Business-Type Activities in Statement of Net Position				$ 714,545,385	

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
OPERATING REVENUES					
Airfield Fees and Commissions	$ -	$ -	$ 1,462,785	$ 1,462,785	$ -
Charges for Services	-	-	-	-	5,292,196
Employees' Benefit Plan Contributions	-	-	-	-	5,394,319
Internal Charges	-	-	-	-	77,003,224
Miscellaneous Revenues	-	-	-	-	187,331
Other Building and Ground Rentals	-	-	2,092,853	2,092,853	-
Rents and Miscellaneous	1,327,759	-	-	1,327,759	-
Tap Fees and Frontage Charges	318,014	-	-	318,014	-
Terminal Building Area Rental	-	-	10,556,731	10,556,731	-
Utility Sales and Service	99,174,553	-	-	99,174,553	-
Drainage Utility Assessments	-	10,884,571	-	10,884,571	-
Total Operating Revenues	100,820,326	10,884,571	14,112,369	125,817,266	87,877,070
OPERATING EXPENSES					
Salaries, Wages, and Fringe Benefits	18,561,644	1,942,350	7,119,588	27,623,582	10,924,354
Supplies	5,931,260	252,509	1,278,177	7,461,946	6,849,686
Fuel and Oil	-	-	-	-	3,167,667
Fuel and Power	5,279,192	-	184,290	5,463,482	-
Contractual Services	18,560,119	2,367,116	3,233,422	24,160,657	4,404,188
Water Authority Charges	6,489,366	-	-	6,489,366	-
Other Charges	16,841,986	2,578,297	3,901,878	23,322,161	10,224,389
Claim and Loss Adjustments	-	-	-	-	34,109,726
Depreciation	17,774,518	861,799	5,734,829	24,371,146	12,436,569
Total Operating Expenses	89,438,085	8,002,071	21,452,184	118,892,340	82,116,579
OPERATING INCOME (LOSS)	11,382,241	2,882,500	(7,339,815)	6,924,926	5,760,491
NONOPERATING REVENUES (EXPENSES)					
Gain (Loss) in Disposal of Property	862	-	-	862	1,974
Grants-in-Aid	-	-	4,359,809	4,359,809	-
Intergovernmental Revenue	291,557	4,329	-	295,886	-
Passenger Facility Charge	-	-	1,449,060	1,449,060	-
Interest Earnings	5,333,611	1,449,884	993,235	7,776,730	999,376
Other Miscellaneous Revenues	-	-	194,000	194,000	-
Interest Expense and Fiscal Charges	(14,717,448)	(2,460,874)	(230,181)	(17,408,503)	(58,853)
Total Nonoperating Revenues (Expenses)	(9,091,418)	(1,006,661)	6,765,923	(3,332,156)	942,497
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,290,823	1,875,839	(573,892)	3,592,770	6,702,988

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
AFTER NONOPERATING REVENUES (EXPENSES)					
Capital Contributions	$ 9,054,738	$ 2,725,898	$ -	$ 11,780,636	$ -
Transfers from Other Funds	1,955,035	-	1,293,175	3,248,210	3,228,954
Transfers to Other Funds	(7,863,011)	(867,190)	(1,386,295)	(10,116,496)	-
CHANGE IN NET POSITION	5,437,585	3,734,547	(667,012)	8,505,120	9,931,942
Net Position - Beginning of Year	600,747,520	38,120,722	94,034,005	732,902,247	75,703,935
NET POSITION - END OF YEAR	$ 606,185,105	$ 41,855,269	$ 93,366,993	741,407,367	$ 85,635,877
Allocation of net expenses of certain Internal Service Funds to Business-Type Activities				(26,861,982)	
NET POSITION OF BUSINESS-TYPE ACTIVITIES IN STATEMENT OF NET POSITION				$ 714,545,385	

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION OF PROPRIETARY FUNDS TO THE STATEMENT OF ACTIVITIES

Total Net Change in Net Position - Proprietary Funds	$ 8,505,120
Internal Service Fund Allocation for Proprietary Funds	1,684,782
Change in Net Position for Primary Government Business-Type Activities	$ 10,189,902

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Third Parties	$ 107,218,927	$ 11,818,617	$ 19,856,693	$ 138,894,237	$ -
Cash Received from City Departments	-	-	-	-	87,727,611
Cash Payments to Suppliers for Goods and Services	(38,291,398)	(2,475,102)	(14,243,912)	(55,010,412)	(21,354,952)
Cash Payments to Employees	(15,188,420)	(1,444,373)	(5,296,757)	(21,929,550)	(4,128,792)
Cash Payments for Claims and Loss Adjustments	-	-	-	-	(40,018,047)
Net Cash Provided (Used) by Operating Activities	53,739,109	7,899,142	316,024	61,954,275	22,225,820
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to Other Funds	1,955,035	(867,190)	(2,676,350)	(1,588,505)	-
Transfers from Other Funds	(7,863,011)	-	-	(7,863,011)	3,228,954
Amounts Borrowed/Repaid from Other Funds/Gov't	15,696,969	446,113	2,427,156	18,570,238	325,679
Intergovernmental Revenue	291,557	-	-	291,557	-
Amounts Loaned to Other Funds/Governments	19,956,513	4,000,000	-	23,956,513	(3,396,911)
Cash Payments Received for Passenger Facility Charge	-	-	1,449,060	1,449,060	-
Net Cash Provided (Used) by Noncapital Financing Activities	30,037,063	3,583,252	1,199,866	34,820,181	157,722
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Capital Assets	(57,501,377)	(15,880,119)	(16,142,320)	(89,523,816)	(25,744,007)
Capital Grants Received	8,717,779	-	2,976,634	11,694,413	-
Issuance of Bonds	-	-	-	-	-
Principal Paid on Bond Maturities	(20,805,000)	(1,620,000)	(45,000)	(22,470,000)	-
Principal Paid on Proportionate Share Of Water Authority Debt	(4,847,000)	-	-	(4,847,000)	-
Principal Paid on Right-to-Use Software	-	-	-	-	(2,334,559)
Noncurrent Receivable	(591,996)	-	-	(591,996)	-
Interest Expense	(16,151,004)	(3,013,520)	(230,181)	(19,394,705)	(56,385)
Capital Contributions	-	2,476,831	-	2,476,831	-
Proceeds from Insurance	-	-	3,026,925	3,026,925	-
Proceeds from Sale of Capital Assets	-	-	-	-	4,416,199
Net Cash Provided (Used) by Capital and Related Financing Activities	(91,178,598)	(18,036,808)	(10,413,942)	(119,629,348)	(23,718,752)

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				
	Water and Sewer	Drainage Utility	Airport	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sales and Maturities of Investment Securities	$ 179,381,110	$ 13,505,857	$ 18,989,359	$ 211,876,326	$ 62,325,438
Purchase of Investment Securities	(185,140,162)	(16,506,520)	(17,985,659)	(219,632,341)	(76,919,745)
Interest and Gains on Investments	(1,009,595)	2,195,639	1,486,565	2,672,609	1,790,795
Net Cash Provided (Used) by Investing Activities	(6,768,647)	(805,024)	2,490,265	(5,083,406)	(12,803,513)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,171,073)	(7,359,438)	(6,407,787)	(27,938,298)	(14,138,723)
Cash and Cash Equivalents - Beginning of Year	112,376,753	58,761,418	17,256,596	188,394,767	15,302,697
CASH AND CASH EQUIVALENTS - END OF YEAR (RESTRICTED AND UNRESTRICTED)	$ 98,205,680	$ 51,401,980	$ 10,848,809	$ 160,456,469	$ 1,163,974
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 11,382,241	$ 2,882,500	$ (7,339,815)	$ 6,924,926	$ 5,760,490
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation And Amortization	17,774,518	861,799	5,734,829	24,371,146	12,436,569
(Increase) Decrease in Accounts Receivable	710,360	934,047	(983,812)	660,595	(173,960)
(Increase) Decrease in Lease Receivable	(65,047)	-	91,178	26,131	-
(Increase) Decrease in Deferred Outflows	4,919,924	303,876	1,043,311	6,267,111	2,312,481
(Increase) Decrease in Other Accrued Revenue	5,771,235	-	(88,744)	5,682,491	-
(Increase) Decrease in Prepaid Expenses	(4,153,881)	-	(7,582,055)	(11,735,936)	379,689
(Increase) Decrease in Inventories		-	-	-	441,988
Increase (Decrease) in Vouchers Payable	(7,513,722)	(580,012)	(217,041)	(8,310,775)	(955,773)
Increase (Decrease) in Accounts Payable	17,346,606	3,302,829	2,358,624	23,008,059	3,823,475
Increase (Decrease) in Accrued Operating Expenses	(2,062,075)	243,288	(132,253)	(1,951,040)	278,048
Increase (Decrease) in Deferred Inflows	(2,392,042)	(259,359)	6,725,702	4,074,301	(1,675,991)
Increase (Decrease) in Customer Deposits	8,094,129	-	-	8,094,129	-
Increase (Decrease) in Provision for Compensated Absences	585,009	40,831	329,509	955,349	274,064
Increase (Decrease) In Net OPEB Liability	(343,098)	(33,711)	(73,419)	(450,228)	(119,748)
Increase (Decrease) in Net Pension Liability	991,065	203,053	450,010	1,644,128	588,404
Increase (Decrease) in IBNR Accrual	-	-	-	-	(1,281,633)
Increase (Decrease) in Other Accrued Expenses	2,693,887	-	-	2,693,887	-
Increase (Decrease) in Estimated Claims Liabilities	-	-	-	-	137,717
Net Cash Provided (Used) by Operating Activities	$ 53,739,109	$ 7,899,141	$ 316,024	$ 61,954,274	$ 22,225,820
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Amortization of Bond Premiums	$ 921,922	$ 100,129	$ -	$ 1,022,051	$ -
Investment Premium/Discount Amortization	(760,931)	(2,026)	-	(762,957)	-

See accompanying Notes to Basic Financial Statements.

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

	Private-Purpose Trust Funds	Pension and Other Employee Benefit Trust Funds	Custodial Fund Civic Center Operations
ASSETS			
Cash and Cash Equivalents	$ 37,434	$ 9,028,011	576,516
Accrued Interest Receivable	-	637,474	-
Investments	-	291,417,596	-
Total Assets	$ 37,434	$ 301,083,081	$ 576,516
LIABILITIES			
Accounts Payable	$ -	$ 43,768	49,065
Members Payable	-	77,388	-
Total Liabilities	$ -	$ 121,156	$ 49,065
NET POSITION			
Held for Other Governments, Individuals, Entities	$ 37,434	$ -	$ 527,451
Net Position Restricted for Pension Benefits	-	254,320,720	-
Net Position Restricted for OPEB	-	46,641,205	-
Total Net Position	$ 37,434	$ 300,961,925	$ 527,451

See accompanying Notes to Basic Financial Statements.

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

	Private-Purpose Trust Funds	Pension and Other Employee Benefit Trust Funds	Custodial Fund Civic Center Operations
ADDITIONS:			
Contributions:			
Employer	$ -	$ 13,323,614	$ -
Plan Members	-	3,869,231	-
Total Contributions	-	17,192,845	-
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments	-	22,051,496	-
Interest, Dividends, and Other Investment Income	1,177	7,495,935	-
Total Investment Income	1,177	29,547,431	-
Less: Investment Expense	-	1,001,324	-
Net Investment Income	1,177	28,546,107	-
Event Income	-	-	4,698,059
Total Additions	1,177	45,738,952	4,698,059
DEDUCTIONS:			
Benefits Paid	-	18,494,594	-
Supplies	-	193,259	-
Reimbursement	-	4,966	-
Event Expense	-	-	4,785,349
Total Deductions	-	18,692,819	4,785,349
CHANGE IN NET POSITION	1,177	27,046,133	(87,290)
Net Position - Beginning of Year	36,257	273,915,792	614,741
NET POSITION - END OF YEAR	$ 37,434	$ 300,961,925	$ 527,451

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION
COMPONENT UNITS
SEPTEMBER 30, 2025

	Amarillo Hospital District	Amarillo Economic Development Corporation	Amarillo-Potter Events Venue District	Amarillo Convention & Visitors Bureau	Amarillo Housing Finance Corporation	Amarillo Health Facilities Corporation	Amarillo Local Government Corporation	Total
ASSETS								
CURRENT ASSETS								
Cash and Cash Equivalents	$ 1,371,051	$ 60,295,434	$ 3,678,271	$ -	$ 155,396	39,613	$ 932,261	$ 66,472,026
Investments	107,540,461	16,283,244	5,266,876	-	-	-	-	129,090,581
Receivables, Net	219,758	31,167,708	399,577	-	-	-	98,988	31,886,031
Inventories and Prepaid Expenses	641,681	48,123	146,633	-	-	-	7,408	843,845
Other Current Assets	709,143	-	-	-	-	-	161,048	870,191
Total Current Assets	110,482,094	107,794,509	9,491,357	-	155,396	39,613	1,199,705	229,162,674
NONCURRENT ASSETS								
Restricted Cash and Cash Equivalents	6,036,003	5,158,787	699,624	-	-	-	-	11,894,414
Receivables, Net	87,656	17,957,366	-	-	-	-	5,288,089	23,333,111
Other Noncurrent Assets	-	-	-	-	-	-	-	-
Land and Building Held for Future Incentives	16,800	12,042,006	-	-	-	-	-	12,058,806
Capital Assets:								
Buildings and Improvements, Net of Depreciation	92,519	6,775,796	6,483,521	-	-	-	41,309,089	54,660,925
Equipment and Vehicles, Net of Depreciation	-	79,878	184	-	-	-	52,824	132,886
Right-to-Use Lease Asset, Net of Amortization	-	489,840	-	-	-	-	-	489,840
Construction In Process	-	180,563	-	-	-	-	-	180,563
Total Noncurrent Assets	6,232,978	42,684,236	7,183,329	-	-	-	46,650,002	102,750,545
Total Assets	$ 116,715,072	$ 150,478,745	$ 16,674,686	$ -	$ 155,396	$ 39,613	$ 47,849,707	$ 331,913,219
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Charge on Refunding	$ -	$ -	$ 389,994	$ -	$ -	$ -	$ -	$ 389,994
Deferred Outflows on Net OPEB Liability	-	13,741	-	-	-	-	-	13,741
Deferred Outflows on Net Pension Liability	-	36,643	-	-	-	-	-	36,643
Total Deferred Outflows of Resources	$ -	$ 50,384	$ 389,994	$ -	$ -	$ -	$ -	$ 440,378

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)
SEPTEMBER 30, 2025

	Amarillo Hospital District	Amarillo Economic Development Corporation	Amarillo-Potter Events Venue District	Amarillo Convention & Visitors Bureau	Amarillo Housing Finance Corporation	Amarillo Health Facilities Corporation	Amarillo Local Government Corporation	Total
LIABILITIES AND NET POSITION								
CURRENT LIABILITIES								
Accounts Payable and Accrued Expenses	$ 530,158	$ 859,147	$ 184,007	$ -	$ -	$ -	$ 289,939	$ 1,863,251
Current Portion of Long-Term Obligations	-	10,074,914	605,000	-	-	-	-	10,679,914
Due to the City	1,388,561	252,354	-	-	-	-	-	1,640,915
Unearned Revenue	5,255,970	-	153,771	-	-	-	-	5,409,741
Total Current Liabilities	7,174,689	11,186,415	942,778	-	-	-	289,939	19,593,821
NONCURRENT LIABILITIES								
Liabilities Payable from Restricted Assets -								
Noncurrent Portion of Long-Term Obligations	-	29,330,300	5,925,677	-	-	-	-	35,255,977
Net Pension Liability	-	162,879	-	-	-	-	-	162,879
Net OPEB Liability	-	69,500	-	-	-	-	-	69,500
Compensated Absences	-	390,828	-	-	-	-	-	390,828
Total Noncurrent Liabilities	-	29,953,507	5,925,677	-	-	-	-	35,879,184
Total Liabilities	7,174,689	41,139,922	6,868,455	-	-	-	289,939	55,473,005
DEFERRED INFLOWS OF RESOURCES								
Deferred Inflow	-	29,283	-	-	-	-	5,128,683	5,157,966
Deferred Inflow on Net Pension Liability	-	10,720	-	-	-	-	-	10,720
Deferred Inflows Related to Lease Receivable	102,372	2,614,223	-	-	-	-	-	2,716,595
Total Deferred Inflows of Resources	102,372	2,654,226	-	-	-	-	5,128,683	7,885,281
NET POSITION								
Net Investment in Capital Assets	109,320	6,971,568	343,022	-	-	-	41,361,913	48,785,823
Restricted for:								
Debt Service	-	5,073,621	699,624	-	-	-	-	5,773,245
Other Purposes	972,585	-	-	-	-	-	-	972,585
Unrestricted	108,356,106	94,689,792	9,153,579	-	155,396	39,613	1,069,172	213,463,658
Total Net Position	109,438,011	106,734,981	10,196,225	-	155,396	39,613	42,431,085	268,995,311
Total Liabilities And Net Position	$ 116,715,072	$ 150,529,129	$ 17,064,680	$ -	$ 155,396	$ 39,613	$ 47,849,707	$ 332,353,597

See accompanying Notes to Basic Financial Statements.

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
COMPONENT UNITS
YEAR ENDED SEPTEMBER 30, 2025

	Amarillo Hospital District	Amarillo Economic Development Corporation	Amarillo-Potter Events Venue District	Amarillo Convention & Visitors Bureau	Amarillo Housing Finance Corporation	Amarillo Health Facilities Corporation	Amarillo Local Government Corporation	Total
EXPENSES								
Functions/Programs:								
Public Health	$ 92,615,478	$ -	$ -	$ -	$ -	$ -	$ -	$ 92,615,478
Urban Redevelopment and Housing	-	13,248,463	-	-	-	-	2,259,604	15,508,067
Economic Development/Industrial	-	-	3,486,785	-	-	-	-	3,486,785
Economic Development/Tourism	-	685,301	194,500	-	-	-	-	879,801
Total Program Expenses	92,615,478	13,933,764	3,681,285	-	-	-	2,259,604	112,490,131
PROGRAM REVENUES								
Property Taxes, Levied for General Purposes	25	-	-	-	-	-	-	25
Intergovernmental Revenues - Operating	27,679	-	-	-	-	-	472,533	500,212
Charges for Services / Local Provider Participation	60,059,145	198,116	-	-	-	-	-	60,257,261
Gain (Loss) on Disposal of Property	-	155,446	-	-	-	-	-	155,446
Gain (Loss) on Loan Forgiveness	-	606,423	-	-	-	-	485	606,908
Miscellaneous	161,493	-	-	-	-	-	-	161,493
Total Program Revenues	60,248,342	959,985	-	-	-	-	473,018	61,681,345
NET REVENUE (EXPENSE)	(32,367,136)	(12,973,779)	(3,681,285)	-	-	-	(1,786,586)	(50,808,786)
GENERAL REVENUES								
Sales Taxes	-	26,648,782	-	-	-	-	-	26,648,782
Gross Receipts Business Taxes	-	-	4,036,947	-	-	-	-	4,036,947
Investment Earnings (Loss)	4,806,708	5,366,305	528,563	-	4,994	1,659	48,526	10,756,755
Total General Revenues	4,806,708	32,015,087	4,565,510	-	4,994	1,659	48,526	41,442,484
CHANGE IN NET POSITION	(27,560,428)	19,041,308	884,225	-	4,994	1,659	(1,738,060)	(9,366,302)
Net Position - Beginning of Year	136,998,439	87,693,673	9,312,000	3,079,487	150,402	37,954	44,169,145	281,441,100
Adjustment	-	-	-	(3,079,487)	-	-	-	(3,079,487)
Net Position - Beginning of Year, Restated	136,998,439	87,693,673	9,312,000	-	150,402	37,954	44,169,145	278,361,613
NET POSITION - END OF YEAR	$ 109,438,011	$ 106,734,981	$ 10,196,225	$ -	$ 155,396	$ 39,613	$ 42,431,085	$ 268,995,311

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Definition and Scope of Reporting Entity

The City of Amarillo (the City) was chartered in 1913, as authorized by a statute enacted by the Texas Legislature that year, as the first city in Texas and fifth city in the United States to adopt the commission form of government. The principal services accounted for as general governmental functions include public safety and health, streets, solid waste, culture and recreation, planning and zoning, a transit system and general administrative service. In addition, the City maintains the water and sewer system, drainage utilities, and the airport, the operations of which are accounted for as enterprise funds.

The Governmental Accounting Standards Board (GASB) established standards for defining the financial reporting entity. Under such standards, the following entities have been determined to be component units of the City for financial reporting purposes because of their operational or financial benefit or burden relationships with the City. Based on these standards, the City has the following component units:

Discretely Presented Component Units

Amarillo Hospital District

The Amarillo Hospital District (the District), the first city hospital district in Texas, was established on March 24, 1959, by an amendment to the Constitution of the state of Texas. Its area is co-extensive with the incorporated limits of the City of Amarillo. The facilities built by the District constitute a regional center, serving the populace of an area that extends far beyond the boundaries of the City and county, across the entire Panhandle of the state of Texas and even surrounding states. Because of economic changes in the healthcare industry, in May 1996 the physical plant of the District was sold to a for-profit hospital entity, Northwest Texas Healthcare System, which, as one of the conditions of the sale, assumed responsibility for medical care of indigent citizens of the District to 2021 in exchange for inflation- adjusted, annual payments in the range of (in 1996 dollars) $6 million to $8 million. The inflation adjustment ceased in 2006 and the payment was fixed for the balance of the contract, which was for an additional 10 years unless the provider opted to extend the contract an additional 15 years. The quarterly payment to the provider was fixed at $1,735,385 per quarter or $6,941,540 annually. Certain public health services, which had been provided by the District, were assumed by the City. The District has no employees, but continues to exist as a governmental entity. Effective October 1, 1996, the City assumed responsibility for serving the District as its fiscal agent for purposes of maintaining its financial records. However, since the sale of the hospital, the District has not had to levy an ad valorem tax. The earnings from the sales proceeds together with the funds on hand at the time of the sale have been sufficient to fund indigent care payments and other expenses of the District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition and Scope of Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Amarillo Hospital District (Continued)

The District currently collaborates with Northwest Texas Healthcare System to ensure both parties best allocate their resources for the provision of care to the low income and needy residents in their community. As part of this collaboration, Northwest has proposed that the District fund payments to Northwest under the Medicaid program (Medicaid). Accordingly, the District suspended the "Indigent Care Agreement," which was part of the sales agreement and replaced it with an almost identical agreement called the "Health Care Services Agreement." With the suspension of the "Indigent Care Agreement," the District was no longer obligated to make indigent care payments. However, the District funded Northwest Texas Hospital's Medicaid program. The "Indigent Care Agreement" was amended to extend the suspension through May 8, 2021. The District is prepaid through May 8, 2020 and has provided $76.2 million in funding to the Medicaid program versus $93.7 million in indigent care payments that would have been due under the contract. On May 17, 2016, Northwest Texas Healthcare System exercised an option to extend the term of the "Indigent Care Agreement" until May 7, 2036. The "Indigent Care Agreement" indicated that if the extension occurred then the contractual consideration would be periodically adjusted by a consumer price index (CPI) factor. On May 6, 2020, both parties agreed to an amount to satisfy all CPI adjustments prior to May 8, 2020 and the quarterly amount the District would begin paying on May 8, 2020. The CPI increases were in effect from May 8, 2020 through May 8, 2021. The payment is fixed at the May 8, 2021 rate through the end of the contract.

On August 8, 2017 the Amarillo Hospital District held a public hearing and created a Local Provider Participation Fund (LPPF), The District set the mandatory payment rate for the 2024 fiscal year at 6.00% of net patient revenue. The mandatory payments are deposited into the LPPF. The funds may be used to support the nonfederal share of payments described in Section 295A.103(c)(l) of the Health and Safety Code. The LPPF is broad based as it applies to all nonpublic hospitals located in Amarillo Hospital District that provide inpatient hospital services. The formula for calculating the mandatory payments is the same for each hospital. No hospitals are held harmless or exempt from paying the mandatory payments.

The District is considered to be a part of the City's financial reporting entity because its Board of Managers is appointed by the City Council and, additionally, the City Council has final authority over any tax levy and the total amount of the annual budget. The Boards are not substantially the same, nor does the District provide services to the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition and Scope of Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Amarillo Economic Development Corporation

The Amarillo Economic Development Corporation (AEDC) is a nonprofit corporation that was formed in 1990 for the purpose of increasing employment opportunities, primarily through assisting qualifying enterprises with funds provided by a portion of the local sales tax. Assistance may be in the form of incentive grants, loans, or leases which call for either discounted rates or rebates based on job development and or local spending. The City serves as fiscal agent for AEDC's funds as well as its accounting records. AEDC is considered to be a part of the City's financial reporting entity, because the City Council appoints its Board of Directors and approves its budgets. The Boards are not substantially the same, nor does AEDC provide services to the City.

Amarillo-Potter Events Venue District

The Amarillo-Potter Events Venue District (Venue District) was established in January 1998, upon the approval of the voters of the City of Amarillo and Potter County to create a vehicle for financing a livestock arena and expansion of the Civic Center. Starting in December 1998, the District issued bonds to finance the first phase of this construction, consisting of the livestock arena, and in December 2000 bonds were issued to fund the Civic Center expansion. Subsequent to the initial debt issuances, the District has undertaken debt refundings to reduce debt service payments. Debt service is provided by a 2% hotel occupancy tax and a 5% short-term motor vehicle rental tax, which became effective April 1, 1998. Should such tax revenues be insufficient, a rental payment from the City for use of the expanded Civic Center facilities is required. The City's rental obligation is the greater of any $10 per month or any shortfall in the debt service fund due to insufficient Venue District tax receipts. The City serves as a fiscal agent for Venue District funds as well as the accounting records. The Venue District is considered to be a part of the City's financial reporting entity, because. the City's mayor appoints four of the seven members of the Venue District's Board of Directors. However, the Boards are not substantially the same.

Amarillo Housing Finance Corporation

Amarillo Housing Finance Corporation (AHFC) was established to provide funding for home purchases by low to moderate-income persons and families. Under the current program, mortgage loans are restricted to first-time homebuyers in targeted areas of the City. Beginning in April 1996, AHFC has issued single-family mortgage revenue bonds in the principal amounts of $15,700,000, and $10,000,000 in 2003. The bonds are purchased by Freddie Mac, loans are made by local lending institutions, and the funding of the mortgages with the bond proceeds is handled by the trust department of a financial institution. The City serves as fiscal agent for AHFC. AHFC is considered to be a part of the City's financial reporting entity, because the City Council appoints its Board of Directors and has discretion over their terms of office as well as the programs and activities of the Corporation. The Boards are not substantially the same, nor does AHFC provide services to the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition and Scope of Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Amarillo Local Government Corporation

Amarillo Local Government Corporation (LGC) is a nonprofit corporation that was formed March 2011 for the purpose of aiding and assisting the City to promote the development of the geographical area of the City. The City serves as fiscal agent for LGC funds as well as its accounting records. LGC is considered to be a part of the City's financial reporting entity, because the City Council appoints its Board of Directors, however the Boards are not substantially the same.

Amarillo Health Facilities Corporation

The Amarillo Health Facility Corporation (the Corporation) was established to assist the public health function. This Corporation can provide for the acquisition, improvement, renovation, furnishing or equipment of a project that is determined by the Board of Directors, who are appointed by the City Council, to be required, necessary or convenient for health care, research, and education within the state of Texas to assist the maintenance of public health. Assistance may be in the form of the issuance of bonds and loaning money to these providers of health care services. The City serves as fiscal agent for the Corporation funds as well as its accounting records. The Corporation is considered to be a part of the City's financial reporting entity, because the City Council appoints the Board of Directors and has the authority to approve the budget.

Amarillo Convention And Visitors Bureau, Inc.

Amarillo Convention and Visitors Bureau (the Bureau) is a nonprofit corporation that was formed October 1, 2020 for the purpose of soliciting, acquiring, and staging conventions, the promotion of tourism and the hotel industries and the attraction and entertainment of visitors to and from the City and the surrounding area thereby promoting the economic development and social welfare of the City. Until January 1, 2024, the City was designated as a fiscal agent for the Bureau's financial affairs. Effective October 1, 2024, the by-laws of the Bureau were amended to allow the current Board of Directors to approve all new Directors. Prior to the amendment, the City approved Board appointments. As a result of these changes, the Bureau is no longer considered to be part of the City's financial reporting entity.

While the above-named entities are considered part of the City's overall reporting entity, they are discretely presented in a separate column of the City's combined financial statements to emphasize that they are legally separate from the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Definition and Scope of Reporting Entity (Continued)

Blended Component Units

Tax Increment Reinvestment Zone #1

The Tax Increment Reinvestment Zone Number One (TIRZ #1) was created by the City Council in FY 2007 pursuant to the Texas Tax Increment Financing Act, Tax Code, Chapter 311. The purpose of the zone is to promote the development of or redevelopment of certain contiguous geographic areas in the City. The operations of TIRZ #1 benefit the City's redevelopment of downtown. The City Council has final approval authority on the budget and all TIRZ #1 projects and issues debt on behalf of TIRZ #1. TIRZ #1 revenues are pledged toward repayment of the debt. The operations of TIRZ #1 are included in the governmental activities of the government-wide financial statements as a separate special revenue fund.

Tax Increment Reinvestment Zone #2

The Tax Increment Reinvestment Zone Number Two (TIRZ #2) was created by the City Council in FY 2017 pursuant to the Texas Tax Increment Financing Act, Tax Code, Chapter 311. The purpose of the zone is to promote the development of or redevelopment of certain contiguous geographic areas in the City. The City Council has final approval authority on the budget and all TIRZ #2 projects. The operations of TIRZ #2 is included in the governmental activities of the government-wide financial statements as a separate Special revenue fund.

Tax Increment Reinvestment Zone #3

The Tax Increment Reinvestment Zone Number Three (TIRZ #3) was created by the City Council in FY 2023 pursuant to the Texas Tax Increment Financing Act, Tax Code, Chapter 311. The purpose of the zone is to promote the development of or redevelopment of certain contiguous geographic areas in the City. The City Council has final approval authority on the budget and all TIRZ #3 projects. The operations of TIRZ #3 is included in the governmental activities of the government-wide financial statements as a separate special revenue fund.

The component units separately issued financial statements may be obtained by contacting the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function 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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds on the basis of accounting applicable to funds-based financial statements. A separate financial statement is also provided for fiduciary funds, which with respect to the City comprise only cash and investments which are handled by the City in the capacity of a trust or custodial fund. These assets are excluded from the Statement of Net Position because they do not represent resources of the City.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on the balance sheets. The reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financial sources) and decreases (expenditures and other financing uses) in net current assets. Revenues are considered to be available when they are collectible within the Current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including employee termination payments made by the Compensated Absences Fund, are recorded only when payments are due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Sales taxes are considered "measurable" when in the hands of the State Comptroller and are recognized as revenue at that time. Other major revenues that are determined to be susceptible to accrual include property taxes, utility franchise taxes, interest, rentals. charges for services, and intercity charges. Waste collection fees are recorded as revenue when billed, which is on a cycle billing basis. Intergovernmental grants or revenues based on the "reimbursements of expenditures" concept are recorded as revenues when the related expenditures are made. Other intergovernmental revenues are reflected as revenues at the time of receipt or earlier if the availability criterion is met.

The City reports the following major governmental funds:

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

The *General Construction Fund* accounts for construction projects that are financed primarily by general revenues, as well as accounts for the resources designated for replacement of existing buildings, improvements and equipment and for similar projects.

All proprietary funds are accounted for on a cost of services or "flow of economic resources" measurement focus. This means that all assets and all liabilities (including capital assets and long-term debt) associated with their activities are included on their balance sheets. Costs of providing goods and services during the period include depreciation on capital assets. All proprietary funds follow generally accepted accounting principles prescribed by GASB.

Consequently, their affairs are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to residents and commercial enterprises of the City and proximate area.

The *Drainage Utility Fund* provides for a dedicated funding source for the operations and maintenance of the existing storm-water system.

The *Airport Fund* accounts for the operation of the City's international airport, which provides runway and passenger services as well as leases of former U.S. Air Force facilities to commercial tenants.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Four *internal service funds* account for fleet services, information services, risk management, and employee health services provided to the other departments of the City on a cost-reimbursement basis.

Fiduciary funds account for assets held by the City in a trustee and custodial capacity on behalf of others. Trust funds account for assets held by the City under the terms of a formal trust agreement.

The trust funds manage the Amarillo Relief and Retirement trust fund (AFRRF), the Amarillo Post Employment Benefits trust fund and private purpose trust funds. The AFRRF was established for members of the City of Amarillo fire department and accounts for contributions to the plan by the City and Fire Fighters. See NOTE 10 for more information.

The Post Employment Benefits Trust Fund was established by the City effective January 2013 to account for funds to finance other postemployment benefits paid by the City and the payment of these benefits as they come due. The fund presently is accounting for the payment of retiree's benefits on a "pay as you go basis. See Note 10 for more information.

The private purpose trust funds account for activities that are not City programs, but are programs sponsored by individuals, private organizations, or other governments. Although the City serves as fiscal agent, the funds received and held under the Centennial Park-way fund, the Indigent Dog Bite Victim fund and the Amarillo Industrial Development Corporation are not available to support the City activities and programs, but are received and held for individuals, private organizations or other governments.

The custodial fund accounts for the Civic Center Operations fund is used to account for assets that the City holds for others in a custodial capacity.

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

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and investment revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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 Water and Sewer Fund, the Drainage Utility Fund and the Airport Fund are charges to customers for sales and services, including tap fees intended to recover the cost of connecting new customers to the water and sewer system. The principal operating revenues of the internal service funds are charges to other funds for services and allocations of self-insurance costs. Operating expenses for these funds include the direct costs of personnel, supplies, and similar items needed to render the sales and services, including depreciation on capital assets, as well as administrative expenses. All revenues and expenses not meeting this definition, such as investment earnings and passenger facility charges, are reported as nonoperating revenues and expenses.

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

Estimates Inherent in Financial Statements

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimated liabilities related to self-insurance costs, net pension liability and net OPEB liability are material estimates that are particularly susceptible to significant changes in the near term.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity

Deposits and Investments

With the exception of certain restricted and special funds, the City pools the resources of the various funds in order to facilitate the management of cash. Records are maintained that reflect each fund's equity in the pooled account.

For financial reporting purposes a portion of the investment portfolio is classified as equivalent to cash. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less, which present an insignificant risk of changes in value because of changes in interest rates.

Debt securities held by the City's various operating and reserve funds are valued at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Interfund Receivable and, Payables

Activities between funds generally represent payment of charges to various departments for services rendered by other departments, reimbursements for allocated shares of expenditures, transfers of the City's unrestricted resources to supplement the inter-governmental grants and similar restricted resources of special revenue funds, and transfers of resources set aside to fund the Long-term capital plan. Outstanding balances of these activities are reported as "due to/from other funds" and "advances 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" and "advances to/from other funds."

Other Receivables

Receivables of both governmental and proprietary funds are reported in the government-wide financial statements on the accrual basis of accounting. In the governmental fund financial statements, receivables are comprised of those amounts that are considered to be both measurable and available as defined under the modified accrual basis of accounting. As a city ordinance prohibits the appropriation of property taxes until collected, the entire amount of such taxes considered measurable and available has been reserved. Taxes receivable other than property taxes are reflected as accounts receivable (gross receipts business taxes) or due from other governments (sales taxes collected and disbursed by the State). Solid waste disposal fees are recorded when billed on a cycle billing basis. Most intergovernmental grants provide for reimbursement of actual costs, and the related revenues are recognized in the fiscal period of the underlying expenditures. Because payments on paving notes and assessments are uncertain and often long deferred, they are reflected as revenues when collected.

Receivables of proprietary funds are recorded when earned. Unbilled water and sewer revenues are estimated and accrued at year-end.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories, Prepaid and Unearned Revenue

Inventories of supplies are reflected at cost, determined on an average-cost basis. Inventories of motor fuel and oil are maintained by Fleet Services (an internal service fund), while all other inventories of materials and supplies, including water and sewer pipeline and related stores and automotive parts, are maintained by the General Fund, being recorded under the "consumption method" as inventory acquisition (current assets) at the time the inventory items are purchased, and charged to the various funds and departments of the City on the basis of requisitions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Inventories, Prepaid and Unearned Revenue (Continued)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Such items include payments of the housing assistance program which must be disbursed before fiscal year-end in order to be received by the vendors on October 1, but are obligations of the fiscal year beginning on that date.

Unearned revenues reported in the governmental fund financial statements generally represent delinquent taxes in excess of amounts currently available and advance rentals collected by the City's auditorium- coliseum complex. Unearned revenues reported in the statement of Net Position represent grant awards received for future grant expenditures.

Provision is made in the Risk Management and Employee Insurance funds (internal service. funds) for the estimated amounts of liabilities related to incurred claims, including provisions for future settlement payments of both known and unknown loss events.

Restricted Assets

Certain resources of the TIRZ #1 Fund, GO Bond Construction Fund, Civic Center Improvement Fund, Fleet Services Fund, Water and Sewer Fund, Drainage Utility Fund and Airport Fund are set aside for the construction and purchase of capital assets as well as repayment of its revenue bonds under applicable bond covenants. Such resources and the related liabilities payable out of those resources are reported in the financial statements as noncurrent assets and liabilities.

Capital Assets

Capital assets consist of property, plant, equipment, and infrastructure assets (streets, alleys, overpasses, curbs and gutters and drainage systems), as well as the cost of construction projects in process. Items having a value of more than $5,000 are capitalized. The costs of normal maintenance and repairs that do not add to the value of assets or materially extend their lives are not capitalized.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets of the proprietary funds are also reported in the applicable financial statements, but capital assets are not included in the governmental fund financial statements.

Capital assets are stated at historical cost or at acquisition value at date received, if donated, net of applicable depreciation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Capital Assets (Continued)

Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against their operations. Depreciation of capital assets used in governmental fund activities is reported only in the government-wide financial statements.

Property, plant, equipment and infrastructure are depreciated or depleted over the estimated useful lives using the straight-line method. The estimated useful lives are generally within the following ranges:

Buildings and Improvements	30 to 40 Years
Streets and Related Infrastructure	50 Years
Traffic Signals	30 Years
Landfill Improvements	40 Years
Water Supply Contract	85 Years
Water Rights	20 to 100 Years
Water Pipelines	50 Years
Sewer Pipelines	75 Years
Runways and Related Improvements	10 to 30 Years
Motor Buses	7 Years
Automobiles, Vans	3 to 7 Years
Data Processing Equipment	5 Years
Machinery and Other Equipment	7 to 30 Years
Office Equipment	5 to 10 Years
Library Books	15 Years

Intangible Assets

Intangible assets consist of right-of-way easements. The right-of-way easements have an indefinite life and, accordingly, are not subject to amortization. Details relating to the City's intangible assets are provided at Note 7.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Leases

Pursuant to GASB No. 87, *Leases*, as the lessee, the City determines whether a contract is, or contains a lease at inception. Lease agreements with a maximum lease term of twelve months or less, including options to extend, are accounted for as a short-term lease. Lease agreements that transfer ownership of the underlying asset to the City at the end of the contract are recorded as a finance purchase with a related lease liability. Lease agreements not classified as a short-term lease, or a finance purchase are accounted for as an intangible right to use lease asset. An Intangible right to use lease asset represents the City's right to use an underlying asset during the lease term and the lease liability represents the City's obligation to make lease payments arising from the lease. Intangible right to use lease assets and lease liabilities are recognized at lease commencement based upon the estimate present value of unpaid lease payments over the lease term, The City uses its incremental borrowing rate based on information available at lease commencement in determining the present value of unpaid lease payments. As the lessor, the City applies the same criteria but recognizes a lease receivable and a deferred inflow of resources equal to the present value of the lease payments. Details relating to the City's leases are provided at Note 8.

Subscription Based Information Technology Arrangement

Pursuant to GASB No. 96, *Subscription - Based Information Technology Arrangements (SBITAs)*. As the end user of technology arrangements, the City determines whether an arrangement contains a SBITA, which results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability. SBITAs, that at the commencement of the subscription term, has a maximum possible term of 12 months (or less), including any options to extend are classified as short-term. Intangible right-to-use SBITA assets and liabilities are recognized at the commencement based upon the expected payments to be made during subscription term discounted using the interest rate the SBITA vendor charges which may be the interest rate implicit in the agreement. If the interest rate cannot be readily determined the City's estimated incremental borrowing rate is used. Details relating to the City's SBITAs are provided at Note 9.

Compensated Absence

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Claims and Judgements

Claims and judgements are recorded as liabilities if all the conditions of GASB pronouncements are met. Claims and judgements that mature or become due are recorded during the year as expenditures in the governmental funds. If they have not matured, no liability is recognized in the governmental fund statements. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

Arbitrage Payable

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issue's tax exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for all tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. The City's governmental activities and business-type activities reported an arbitrage liability as of September 30, 2025 of $2,564,857 and $8,767,902, respectively.

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide and proprietary fund financial statements. Bonds payable are reported net of related discounts which are amortized over the terms of the related debts.

In the fund financial statements, governmental fund types report the proceeds of debt issuances, net of discounts, during the current period as other financing sources.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS' fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Amarillo Firemen's Relief and Retirement Fund (FRRF) and additions to/deductions from FRRF's Fiduciary Net Position have been determined on the same basis as they are reported by FRRF. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Post Employment Health Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes 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. At September 30, 2025, the City has three items that qualify for reporting in this category-a deferred charge on refunding of bonds, a deferred outflow related to the City's net pension liability and the net OPEB liability.

	Governmental Activities	Business-Type Activities
Deferred Outflows of Resources:		
Deferred Charge on Refunding	$ -	$ 33,502
Deferred Outflow Related to the Net Pension Liability:		
TMRS	18,708,519	2,919,827
FRRF	23,729,416	-
Deferred Outflows Related to OPEB Liability	7,564,408	1,415,184
Total Deferred Outflows of Resources	$ 50,002,343	$ 4,368,513

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position includes 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. At September 30, 2025, the City had five items which qualify for reporting in this category-deferred inflow related to the City's deferred gain on refunding, net pension liability, the net OPEB liability, unavailable property taxes and right-to-use lease receivable.

	Governmental Activities	Business-Type Activities
Deferred Inflows of Resources:		
Deferred Gain on Refunding	$ -	$ 364,269
Deferred Inflow Related to the Net Pension Liability:		
TMRS	5,473,642	854,269
FRRF	2,571,520	-
Deferred Inflow Related to the Net OPEB Liability	3,128,345	585,265
Deferred Inflow Related to the Right-to-Use Lease Receivable	7,606,670	26,002,512
Unavailable Property Taxes	345,158	-
Total Deferred Inflows of Resources	$ 19,125,335	$ 27,806,315

Net Position

In the government-wide financial statements, the difference between the City's total assets, deferred outflows of resources and liabilities and deferred inflows of resources represents net position. Net position displays the following three components:

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (Continued)

Fund Balances

In the governmental funds financial statements, fund balances are classified as follows:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted Fund Balance – Includes amounts that are restricted to specific purposes because of state or federal laws or externally imposed conditions by grantors or creditors.

Committed Fund Balance – Includes amounts that can only be used for specific purposes as pursuant to official action by the City Council prior to the end of the reporting period. Commitments are made and can be rescinded only via resolution by the City Council.

Assigned Fund Balance – Comprises amounts the City intends to use for a specific purpose but is neither restricted nor committed. The formal budget as approved by the City Council authorizes the City Manager to assign fund balance.

Unassigned Fund Balance – Represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

When restricted and other fund balance resources are available for use, it is the City's policy to use restricted resources first, followed by committed. assigned and unassigned amounts, respectively.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

As provided by state law, the City follows these procedures in establishing the annual budgetary data reflected in the financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Budgetary Information (Continued)

At least 30 days prior to the time when the City Council makes its tax levy for the commencing fiscal year beginning October 1, the City Manager, as budget officer, files a proposed operating budget, including proposed expenditures and the means of financing them. Such budget is available for the inspection of any taxpayer, and public hearings are conducted subsequent to the time of filing. Prior to October 1, the budget is legally enacted through passage of an ordinance. Under the City's budget ordinance, the City Council has authority to make such changes in the budget as it deems warranted. Additionally, the City Manager is authorized to transfer budgeted amounts among departments and among expenditure codes within any department or fund. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each fund is the fund's total expenditure budget. Accordingly, revisions that increase the total expenditures of a fund must be approved by the City Council. Except for the employment of encumbrance accounting, budgets are adopted consistent with generally accepted accounting principles. Unencumbered appropriations lapse at year-end.

The annual formal appropriated budget as described above is employed as a management-control device during the year for the General Fund, the debt service funds, and special revenue funds and those grant funds which are necessarily budgeted on a contract-period basis differing from the City's fiscal year.

Expenditures for the public improvement districts are being controlled by Long-term service plans allocated in relation to available, property-owner assessments. The service plan is the approved budget for the individual Public Improvement District. The following funds with legally adopted budgets have a budgetary comparison presented: the General Fund, Debt Service Fund, Compensated Absence Fund and certain nonmajor special revenue funds. The nonmajor special revenue funds with legally adopted budgets are as follows: Court Technology and Court Security Fund, Public Health Fund, LEOSE Training Fund, Local Seized Property Fund and the Public Improvement Districts. Budgeted amounts reflected therein are as originally adopted or, if applicable, as last amended by the City Council.

Grant funds not included in the annual appropriated budget are subject to management control by means of project-length budgets authorized by the City Council in the grant application processes. Cumulative expenditures through September 30, 2025, were within the limits prescribed by such budgets.

Capital outlay is controlled through formal, job cost accounting, in which available monies are allotted among the planned construction and capital acquisition undertakings, and costs are accumulated subject to such allotments. Unencumbered appropriations do not lapse at year-end for Capital Projects Funds. The City adopts five-year, capital outlay plans to budget such projects.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Budgetary Information (Continued)

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances, since they do not constitute expenditures or liabilities. Total encumbrances outstanding as of September 30, 2025, for General Fund are $1,591,459, for Special Revenue Funds are $178,322, for Water and Sewer Fund are $2,069,276, for Airport Fund are $216,451, for Drainage Fund are $67,166, for Fleet Services Fund are $4,424,448, and for Information Services Fund are $42,455.

Deficit Fund Equity

During the fiscal year ended September 30, 2025, the Community Development Block Grant had a fund deficit of $234,008. Housing Stability had a fund deficit of $5,476. Coming Home had a fund deficit of $316,929. HMIA had a fund deficit of $48. Street Improvement Fund had a fund deficit of $993,940. Court Technology had a fund deficit of $22,412. Court Security had a fund deficit of $184,507. Urban Transportation Planning had a fund deficit of $61,726.Transformation Park Support had a fund deficit of $697.Justice Assistant Grant had a fund deficit of $10,521.Selective Traffic Enforcement Program had a fund deficit of $5,834. Compensated Absences had a fund deficit of $593,554.

NOTE 3 DEPOSITS AND INVESTMENTS

All of the City’s demand deposit and time accounts are held in a local banking institution under terms of a written depository contract. All of the City’s demand and time accounts are insured or registered or held by the City or its agent in the City’s name.

Under the Revised Statutes of the state of Texas, all deposits, to the extent not insured by the Federal Deposit Insurance Corporation (FDIC), must be collateralized by securities or insured by a bond. At September 30, 2025, demand deposits and time deposits held by one depository institution, before reduction for checks issued and not presented, were in the total amount of $24,289,911 and collateralized by pledged securities of $38,727,710. Demand deposits and time deposits held by a second depository institution, before reduction for checks issued and not presented, were in the total amounts of $154,445 and collateralized by pledged securities of $3,126,269.

Time certificates of deposit with original maturities of more than three months are classified as investments for financial reporting purposes.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the area of investment practices, management reports and establishment of appropriate policies. With the exception of the assets of the deferred compensation plan and pension assets, all investments are administered by City management under terms of an investment policy and strategy that is updated to conform to the Texas Public Funds Investment Act (the Act) as last amended. The preservation of capital is the City's most important investment objective. Other objectives include providing liquidity and maximizing earnings within the constraints of the other objectives. The City is in substantial compliance with the requirements of the Act and with local policies.

Under the City's policies, the maximum dollar weighted-average maturity of the investment portfolio may not exceed one year, and 80% of the portfolio must be in investments with maturities of two years or less. At September 30, 2025, the weighted-average maturity of the City's total investment securities was 0.99 years.

The City will only invest in the following types of securities:

- Bank money market funds and other interest-bearing accounts at the City's authorized depository.
- Direct obligations of the United States government.
- Obligations of agencies and instrumentalities of the United States, limited to 75% of the portfolio.
- Highly rated investment pools and no-load money market mutual funds (AAA or AAAm).
- Taxable municipal bonds, limited to 10% of the portfolio.
- Certificates of deposit including CDARS (Certificate of Deposit Accounts Registry Service).
- For bond proceeds only, fully collateralized, flexible, repurchase agreements.

Investments are separately owned by the various funds. Under applicable bond ordinances, funds of the Waterworks and Sewer Revenue bond redemption and reserve accounts may be invested only in U.S. Government or agency obligations or in obligations guaranteed by the U.S. Government or by its agencies. Funds not so invested are to be maintained in the City's depository and secured as provided by law. The City's investment policy also sets forth specific, investment requirements and strategies for its various fund types. The City does not enter into reverse repurchase agreements. AU securities are held by the City's agent in the City's name.

Interest Rate Risk: In accordance with the Investment Policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of the investment portfolio to less than 12 months and requiring that 80% of the portfolio must be in investments with maturities of two years or less.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk: The City invests in direct obligations of the United States and obligations of agencies and instrumentalities of the United States. The Policy also allows for the investment in taxable municipal securities rated not less than AA- (or equivalent). The City does not have any commercial paper or taxable municipal security investments at this time. The City does invest in a treasury only and a government agency no-load money market mutual fund that is continuously rated AAA or AAAm (or equivalent).

Concentration of Credit Risk: As stated in the Investment Policy the City will diversify investments when purchasing agency securities or commercial paper to avoid a concentration in one agency or company.

Custodial Credit Risk - Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it, The City has tri-party agreements with both depositories and a third-party financial institution (Federal Reserve Bank) that holds pledged collateral in a separate custody account for the benefit of the City. All City deposits are fully collateralized by these pledged securities.

Custodial Credit Risk- Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the government 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 contracts with an outside financial institution as custodian for all investment transactions and all investment transaction are made on a delivery versus payment method with the outside custodian. The securities are held in the City's name in a separate account. Access to this account is limited to the approved Investment Officers.

A summary of investment securities of the City at September 30, 2025, and the corresponding weighted average maturity is shown in Table 1 below:

	Fair Value			Weighted Average Maturity (Years)
	Unrestricted Assets	Restricted Assets	Total	
Investment Securities:				
U.S. Treasury Obligations	$ 44,051,860	$ 1,007,554	$ 45,059,414	0.91
U.S. Government Sponsored Agencies	105,142,722	1,500,000	106,642,722	0.67
Total Investment Securities	149,194,582	2,507,554	151,702,136	1.58
No-Load U.S. Treasury-Only Mutual Funds	57,356,902	174,527,779	231,884,681	0.29
Total Investments	206,551,484	177,035,333	383,586,817	1.87
Add: Time Deposits with Original Maturities Over Three Months (measured at cost)	78,216,288	500,000	78,716,288	0.34
Total Investments	284,767,772	177,535,333	462,303,105	2.21
Deduct: Cash Equivalents	(57,356,902)	(174,527,779)	(231,884,681)	
Net Investments for Financial Reporting	$ 227,410,870	$ 3,007,554	$ 230,418,424	2.21

Table 1 - Investment Securities and Corresponding Weighted Average Maturity

NOTE 4 FAIR VALUE MEASUREMENTS

The City follows Governmental Accounting Standards Board's (GASS) Statement No. 72, *Fair Value Measurement and Application*. The standard established a three-level valuation hierarchy for disclosure based upon the transparency of inputs to the valuation of an asset or liability as of the measurement dare. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level 3 measurements). An asset's fair value measurement level within the hierarchy is based on the lowest level of input that is significant to the valuation.

The three levels are defined as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than Level I prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The City uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the City measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

		Fair Value Measurements Using		
September 30, 2025	Fair Value/Cost	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of Deposit (measured at cost)	$ 78,716,288	$ -	$ -	$ -
U.S. Government and Agency Obligations	151,702,136	151,702,136	-	-
Money Market Mutual Funds	231,884,681	231,884,681		-
Total	$ 462,303,105	$ 383,586,817	$ -	$ -

For the valuation of certain U.S. government and agency obligations, taxable municipal bonds and money market mutual funds at September 30, 2025, the City used quoted prices in principal active markets for identical assets as of the valuation date (Level 1).

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is presented in the following table:

	Fair Value	Redemption Frequency	Redemption Notice Period
OPEB Trust	$ 46,641,205	Daily	None

The Trust OPEB Funding Program investment utilizes a growth strategy seeking both a reasonable level of income and long-term growth capital and income. The Program invests in eight index and mutual funds. The fair values of the underlying investments are used to determine NAV per share (or its equivalent) of the Trust OPEB Funding Program investment.

Assets Measured at Fair Value on a Nonrecurring Basis

There were no fair values of assets and liabilities measured on a nonrecurring basis at September 30, 2025.

NOTE 5 TAXES

Property taxes attach as an enforceable lien on property as of January 1, are levied on October 1 of the same year, and unpaid taxes become delinquent after the following January 31.

The City Charter provides for a maximum tax levy of $1.80 per $100 of assessed valuation, of which any in excess of $1.30 is limited to debt service for waterworks bonds, and of which up to $0.05 is pledged for Airport Maintenance to the extent Airport revenues may not be available.

The combined tax rate of the 2024 tax roll for the 2024/25 fiscal year was $0.3872 per $100 of assessed valuation, resulting in a tax levy in the amount of $72,178,019 on taxable value of $20,718,906,819.

NOTE 5 TAXES (CONTINUED)

Property taxes receivable at September 30, 2025, are reflected in Table 2 below:

Year of Levy	Amount
2025	$ 828,567
2024	306,238
2023	160,964
2022	95,338
2021	72,215
2020	60,469
2019	61,756
2018	53,994
2017	39,463
2016	40,488
2015	35,703
2014	30,705
2013	25,292
2012	24,842
2011 and Prior	104,253
Total Taxes Receivable	1,940,286
Less: Allowance for Estimated Uncollectible Portion	1,425,746
Net Taxes Receivable	514,540
Less: Provisions for Collections Deferred over 60 Days	-
Amount Available (Reserved in Accordance with City Ordinances)	$ 169,382

Table 2 - Taxes Receivable at September 30, 2025

Beginning July 1, 1996, Potter and Randall Counties assumed responsibility of tax collections for various taxing entities within their borders, including the City of Amarillo. The cost of this service is included in the General Fund. The Potter-Randall Appraisal District performs the appraisal function.

The total City sales tax rate is 2%, which includes a 1/2-cent sales tax collected by the AEDC limited to development purposes.

NOTE 6 RESTRICTED ASSETS, LIABILITIES AND RESERVES

As required by bond indentures, the Water Sewer System, Drainage Utility, Airport, and Fleet Services maintain separate accounts for revenue bond debt service/retirement which are reported as noncurrent assets and related liabilities, and restricted net position, as reflected in Table 3:

	Restricted Assets	Related Liabilities	Restricted Net Position
Bonded Debt Service Fund			
Bond Interest and Redemption	$ 3,691,983	$ 1,238,891	$ 2,453,092
Total Bond Debt Service/Retirement	$ 3,691,983	$ 1,238,891	$ 2,453,092
General Construction Fund			
Bond Proceed Account	$ 28,817,714	$ 28,817,714	$ -
Total Bond Debt Service/Retirement	$ 28,817,714	$ 28,817,714	$ -
Solid Waste Disposal Improvement Fund			
Bond Proceed Account	$ 2,375,589	$ 2,375,589	$ -
Total Bond Debt Service/Retirement	$ 2,375,589	$ 2,375,589	$ -
Civic Center Improvement Fund			
Hotel Occupancy Tax Account	$ 3,007,555	$ 440,789	$ 2,566,766
Bond Proceed Account	-	-	-
Total Bond Debt Service/Retirement	$ 3,007,555	$ 440,789	$ 2,566,766
GO Bond Construction 16/17 Fund			
Bond Proceed Account	$ 12,941,984	$ 12,941,984	$ -
Bond Proceed Account-Restricted	-	-	-
Total Bond Debt Service/Retirement	$ 12,941,984	$ 12,941,984	$ -
Water Sewer System			
Bond Escrow and Proceed Accounts	$ 72,731,385	$ 72,731,385	$ -
Revenue Bond Interest and Redemption	1,951,413	-	1,951,413
Revenue Bond Reserve	4,304,568	-	4,304,568
Total Bond Debt Service/Retirement	$ 78,987,366	$ 72,731,385	$ 6,255,981

NOTE 6 RESTRICTED ASSETS, LIABILITIES AND RESERVES (CONTINUED)

	Restricted Assets	Related Liabilities	Restricted Net Position
Airport			
PFC Funds	$ 1,174	$ -	$ 1,174
Revenue Bond Interest and Redemption	3,253,964	-	3,253,964
Total Bond Debt Service/Retirement	$ 3,255,138	$ -	$ 3,255,138
Drainage Utility			
Bond Interest and Redemption	$ 39,432	$ -	$ 39,432
Bond Proceed Account	45,979,477	45,979,477	-
Total Bond Debt Service/Retirement	$ 46,018,909	$ 45,979,477	$ 39,432
Fleet Services			
Bond Interest and Redemption	$ 79,318	$ -	$ 79,318
Bond Proceed Account	270,104	270,104	-
Total Bond Debt Service/Retirement	$ 349,422	$ 270,104	$ 79,318
Greenways PID Fund			
Bond Interest and Redemption	$ 7,442	$ 7,442	$ -
Total Bond Debt Service/Retirement	$ 7,442	$ 7,442	$ -
Colonies PID Fund			
Bond Interest and Redemption	$ 48	$ 48	$ -
Total Bond Debt Service/Retirement	$ 48	$ 48	$ -
Heritage Hills PID Fund			
Bond Proceed Account	$ 83,901	$ 83,901	$ -
Total Bond Debt Service/Retirement	$ 83,901	$ 83,901	$ -

Table 3 - Restricted Funds/Reserved Retained Earnings

The Revenue bond reserve account reflects the amount required in the revenue bond covenants.

NOTE 7 CAPITAL ASSETS

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

	Balances Beginning of Year	Additions	Deletions	Balances End of Year
Capital Assets Used By Governmental Activities, At Cost				
Capital Assets, Not being Depreciated:				
Land	$ 18,397,891	$ -	$ -	$ 18,397,891
Capital ROW Easements	46,697,962	4,314,059	-	51,012,021
Capital Projects in Process	87,674,543	63,822,547	109,582,596	41,914,494
Total Capital Assets, Not Being Depreciated	152,770,396	68,136,606	109,582,596	111,324,406
Capital Assets, Being Depreciated:				
Infrastructure	364,650,766	16,658,739	-	381,309,505
Building and Other Improvements	493,881,630	90,740,740	11,017,259	573,605,111
Equipment and Vehicles	137,438,035	22,216,179	16,039,118	143,615,096
Right-to-Use Lease Asset	18,971,554	7,715,134	-	26,686,688
Subscription Based Information Technology Arrangements	20,002,042	1,373,881	284,043	21,091,880
Library Collections	7,417,508	390,551	460,673	7,347,386
Total Capital Assets, Being Depreciated	1,042,361,535	139,095,224	27,801,093	1,153,655,666
Less Accumulated Depreciation for:				
Infrastructure	171,185,387	7,339,309	-	178,524,696
Building and Other Improvements	247,668,484	20,021,452	3,947,498	263,742,438
Equipment and Vehicles	94,844,887	10,018,421	6,939,484	97,923,824
Right-to-Use Lease Asset	4,359,460	5,786,610	-	10,146,070
Subscription Based Information Technology Arrangements	2,031,293	2,858,893	284,043	4,606,143
Library Collections	3,305,326	435,500	460,673	3,280,153
Total Accumulated Depreciation	523,394,837	46,460,185	11,631,698	558,223,324
Total Capital Assets, Being Depreciated, Net	518,966,698	92,635,039	16,169,395	595,432,342
Net Capital Assets Used By Governmental Activities	671,737,094	160,771,645	125,751,991	706,756,748
Capital Assets Used by Business-Type Activities, at Cost:				
Enterprise Funds:				
Water and Sewer:				
Land	6,395,710	40,000	40,000	6,395,710
Construction in Progress	102,572,772	55,958,094	34,573,493	123,957,373
Contributed ROW Easements	2,708,819	336,959	-	3,045,778
Total Capital Assets, Not Being Depreciated	111,677,301	56,335,053	34,613,493	133,398,861
Capital Assets, Being Depreciated:				
Water Rights and Contracts	137,642,987	-	-	137,642,987
Building and Improvements	825,786,484	35,878,253	1,224,256	860,440,481
Equipment and Vehicles	4,229,508	59,342	637,042	3,651,808
Subscription Based Information Technology Arrangements	-	1,148,288	-	1,148,288
Total Capital Assets, Being Depreciated	967,658,979	37,085,883	1,861,298	1,002,883,564
Less Accumulated Depreciation for:				
Water Rights and Contracts	36,857,672	1,928,641	-	38,786,313
Building and Improvements	308,538,308	15,382,982	73,873	323,847,417
Equipment and Vehicles	3,614,407	145,266	635,789	3,123,884
Subscription Based Information Technology Arrangements	-	317,630	-	317,630
Total Accumulated Depreciation	349,010,387	17,774,519	709,662	366,075,244
Total Capital Assets, Being Depreciated, Net	618,648,592	19,311,364	1,151,636	636,808,320
Net Capital Assets Used by Water and Sewer	730,325,893	75,646,417	35,765,129	770,207,181

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Balances Beginning of Year	Additions	Deletions	Balances End of Year
Drainage Utility:				
Land	$ 440,875	$ 20,000	$ -	$ 460,875
Capital ROW Easements	2,499,813	249,067	-	2,748,880
Capital Projects in Process	2,061,417	15,861,258	10,408,396	7,514,279
Total Capital Assets, Not Being Depreciated	5,002,105	16,130,325	10,408,396	10,724,034
Capital Assets, Being Depreciated:				
Building and Improvements	38,620,520	9,469,750	-	48,090,270
Equipment and Vehicles	73,707	1,117	1,595	73,229
Total Capital Assets, Being Depreciated	38,694,227	9,470,867	1,595	48,163,499
Less Accumulated Depreciation for:				
Building and Improvements	2,914,332	855,786	-	3,770,118
Equipment and Vehicles	53,467	6,013	1,595	57,885
Total Accumulated Depreciation	2,967,799	861,799	1,595	3,828,003
Total Capital Assets Being Depreciation, Net	35,726,428	8,609,068	-	44,335,496
Net Capital Assets Used by Drainage Utility	40,728,533	24,739,393	10,408,396	55,059,530
Airport:				
Land	1,670,425	-	-	1,670,425
Construction in Progress	4,999,423	16,286,772	4,139,395	17,146,800
Total Capital Assets, Not Being Depreciated	6,669,848	16,286,772	4,139,395	18,817,225
Capital Assets, Being Depreciated:				
Building and Improvements	196,059,738	3,345,552	41,596	199,363,694
Equipment and Vehicles	10,359,344	793,843	103,479	11,049,708
Right-to-Use Lease Asset	544,499	-	-	544,499
Total Capital Assets, Being Depreciated	206,963,581	4,139,395	145,075	210,957,901
Less Accumulated Depreciation for:				
Building and Improvements	129,848,035	5,103,899	41,596	134,910,338
Equipment and Vehicles	6,426,109	108,900	-	6,535,009
Right-to-Use Lease Asset	9,075	522,030	103,479	427,626
Total Accumulated Depreciation	136,283,219	5,734,829	145,075	141,872,973
Total Capital Assets, Being Deprecated, Net	70,680,362	(1,595,434)	-	69,084,928
Net Capital Assets Used by Airport	77,350,210	14,691,338	4,139,395	87,902,153
Net Capital Assets Used by Business Type Activities	848,404,636	115,077,148	50,312,920	913,168,864
Government-Wide Net Capital Assets	$ 1,520,141,730	$ 275,848,793	$ 176,064,911	$ 1,619,925,612

Table 4 - Capital Asset Activity

NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities:	
General Government	$ 250,541
Staff Services	1,967,425
Police Protection	1,132,377
Fire Protection	1,727,751
Other Public Safety and Health	1,103,445
Streets, Traffic, and Engineering	15,506,667
Culture and Recreation	9,567,317
Solid Waste Services	1,447,713
Transit Services	1,320,380
Total Governmental Fund Departments	34,023,616
Internal Service Fund Depreciation Allocable to Governmental Activities Based on Predominant Usage	12,436,569
Total Governmental Activities	$ 46,460,185
Business-Type Activities:	
Water and Sewer System	$ 17,774,519
Drainage Utility	861,799
Airport	5,734,829
Total Business-Type Activities	$ 24,371,147

Water and Sewer System Capital Assets

The City of Amarillo is one of 11 cities that can receive surface water from a reservoir created by a dam on the Canadian River, which river arises from the headwaters of the Sangre de Cristo Mountains in New Mexico and crosses the Panhandle of Texas before merging into the Red River in eastern Oklahoma. The reservoir and related aqueduct system are operated by the Canadian River Municipal Water Authority (CRMWA), a subdivision of the state of Texas. The reservoir has experienced a serious decline in available water due to the drought conditions in the Texas Panhandle. Currently, the City of Amarillo is not allocating water from this source. The related infrastructure recorded on the City's books for CRMWA assets at September 30, 2025, is $50,336,389. The related amortized cost of these assets is $23,980,068.

The City owns $87 million of underground water rights in Roberts, Ochiltree, Hutchison, Potter, Randall, Carson, Hartley and Dallam counties with the majority in Roberts and Hutchison counties. Much of the water rights held in Potter, Randall and Carson counties have been developed and are currently being utilized. The City owns undeveloped water rights in Hartley and Dallam counties in the northwestern portion of the Texas Panhandle. Proceeds from the sale of past water rights are held in a separate interest- bearing account for future water right purchases. The related cost of these assets is $12 million.

NOTE 7 CAPITAL ASSETS (CONTINUED)

Airport Capital Assets

Airport capital assets include runways, buildings, and related improvements constructed by the Federal government for use as an Air Force Base on land contributed by the City, which was returned to the City in 1967 and 1970 upon closing of the Base. Upon return of such assets to the City, the land was recorded on the books of the Airport at $1,521,510, its original cost to the City, and improvements were recorded at $14,356,480 representing construction cost less a provision for depreciation to date returned.

Certain lands and improvements not utilized by the City for airport purposes are leased to various commercial enterprises. A new terminal facility was completed prior to September 30, 2014 and total cost of $52,499,341 was capitalized by the Airport. The Airport had various construction projects in process at September 30, 2025.

NOTE 8 LEASES

General Description of Leasing Arrangements

The City enters into a variety of lessor arrangements in both its governmental and proprietary funds. Governmental fund lessor transactions are for the lease of real property with lease terms ranging from 1 to 28 years, with discount rates ranging from 0.300% to 3.9470%. At September 30, 2025, the City's governmental activities had a lease receivable of $8,426,324 and a deferred inflow of resources of $7,606,312. Proprietary fund lessor transactions are for the lease of real property with lease terms ranging from 1 to 31 years, with discount rates ranging from 0.300% to 2.278%. At September 30, 2025, the City's business-type activities has a lease receivable of $26,357,149 and a corresponding deferred inflow of resources of $26,002,870.

During 2025, the City recognized amortization of deferred inflows as follows:

Inflow of Resources from Leases		
Governmental Funds	$	390,911
Business - Type Funds	$	2,038,133

NOTE 8 LEASES (CONTINUED)

General Description of Leasing Arrangements (Continued)

Included in the receivables reported in the financial statements are the following amounts of rental income received under noncancelable leases of land and buildings leased to outside parties.

Future Lease Income as of September 30:

	Primary Government					
	Governmental Activities			Proprietary Activities		
Year	Principal	Interest	Total Future Minimum Lease Payments	Principal	Interest	Total Future Minimum Lease Payments
2026	$ 345,996	$ 173,297	$ 519,293	$ 1,603,556	$ 299,106	$ 1,902,662
2027	353,611	166,159	519,770	1,406,804	279,155	1,685,959
2028	355,762	158,852	514,614	1,452,805	260,471	1,713,276
2029	353,914	151,394	505,308	1,240,578	241,992	1,482,570
2030	315,401	144,595	459,996	1,017,138	230,959	1,248,097
2031-2035	1,483,536	629,276	2,112,812	5,362,660	1,018,205	6,380,865
2036-2040	1,667,777	460,614	2,128,391	5,970,796	775,701	6,746,497
2041-2045	1,874,674	271,777	2,146,451	5,593,617	504,533	6,098,150
2046-2050	1,288,868	69,520	1,358,388	1,831,361	250,186	2,081,547
2051-2055	164,860	11,799	176,659	463,322	106,664	569,986
2056-2060	199,945	4,851	204,796	270,279	53,922	324,201
2061-2065	21,980	49	22,029	144,233	6,334	150,567
2066-2070	-	-	-	-	-	-
2071-2075	-	-	-	-	-	-
2076-2080	-	-	-	-	-	-
1081-2085	-	-	-	-	-	-
2086-2090	-	-	-	-	-	-
2091-2095	-	-	-	-	-	-
2096-2100	-	-	-	-	-	-
Total	$ 8,426,324	$ 2,242,183	$ 10,668,507	$ 26,357,149	$ 4,027,228	$ 30,384,377

The City enters into a variety of lessee arrangements in its governmental funds. Governmental fund lessee transactions are for the lease of equipment with lease terms ranging from 2 to 15 years, with discount rates ranging from 0.3964% to 5.495%.

NOTE 8 LEASES (CONTINUED)

General Description of Leasing Arrangements (Continued)

Future Lease Payments as of September 30:

	Primary Government					
	Governmental Activities			Proprietary Activities		
Year	Principal	Interest	Total Future Minimum Lease Payments	Principal	Interest	Total Future Minimum Lease Payments
2026	$ 4,991,266	$ 350,994	$ 5,342,260	$ 106,546	$ 7,062	$ 113,608
2027	4,361,786	250,535	4,612,321	108,850	4,758	113,608
2028	3,139,803	153,439	3,293,242	111,204	2,405	113,609
2029	1,860,419	89,467	1,949,886	-	-	-
2030	941,683	53,915	995,598	-	-	-
2031-2035	1,175,471	50,774	1,226,245	-	-	-
2036-2040	13,377	123	13,500	-	-	-
Total	$ 16,483,805	$ 949,247	$ 17,433,052	$ 326,600	$ 14,225	$ 340,825

NOTE 9 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

General Description

The City has several existing arrangements and some new arrangements subject to the requirements of GASB 96. These agreements can be described in groups based on the business unit of the user. The City makes annual payments and the agreements are for varying terms. The SBITA liability is the present value of these payments using the City's incremental borrowing rate. The liability is amortized providing the principal and interest components of the payments over the SBITA term. The SBITA Asset is measured as the SBITA Liability plus any capitalized expenditures/expenses incurred in the initial implementation stage. The SBITA asset is depreciated (amortized) using a straight-line depreciation method over the term of the SBITA arrangement. The City Council set a materiality threshold on SBITA arrangements at $5,000.

The Total Amount of the Subscription Assets and Accumulated Amortization:

	Term in Months	Total Asset Amounts	Total Accumulated Amortization
Governmental Funds:			
General Government	19-91	$ 1,782,493	$ 577,601
Internal Service Funds:			
Information Technology	10-164	18,930,088	4,011,331
Risk Management	36	379,298	17,209
Total Government Activities		$ 21,091,879	$ 4,606,141
Proprietary Funds:			
Water and Sewer	31-41	$ 1,148,289	$ 317,631
Total Business Activities		$ 1,148,289	$ 317,631

NOTE 9 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Outflows of Resources

There were no other outflows of resources paid for these SBITA arrangements.

The SBITA Liabilities and associated Principal and Interest Requirements:

	Interest Rate	Beginning Liability	Term in Months	Ending Balance
Governmental Funds:	2.625%-3.019%	$ 1,403,577	12-108	$ 1,040,589
General Government				
Internal Service Funds:				
Information Technology	2.310%-3.305%	15,468,754	19-60	14,053,753
Risk Management	2.643%	-	34	249,553
Total Government Activities				$ 15,343,895
Proprietary Funds:				
Water and Sewer	2.364%-2.925%	-	32-72	$ 696,507
Total Business Activities				$ 696,507

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

	Primary Government					
Year Ending	Governmental Activities			Proprietary Activities		
September 30,	Principal	Interest	Total Payments	Principal	Interest	Total Payments
2026	$ 2,692,486	$ 446,971	$ 3,139,457	$ 237,164	$ 20,197	$ 257,361
2027	1,796,724	365,455	2,162,179	251,459	13,345	264,804
2028	1,263,332	312,964	1,576,296	102,444	6,081	108,525
2029	1,167,555	276,617	1,444,172	105,440	3,084	108,524
2030	1,062,192	243,069	1,305,261	-	-	-
2031-2035	5,988,744	732,722	6,721,466	-	-	-
2036-2037	1,372,862	39,709	1,412,571	-	-	-
Total Funds	$ 15,343,895	$ 2,417,507	$ 17,761,402	$ 696,507	$ 42,707	$ 739,214

Commitments and Impairments

The City entered into a contract with total payments of $5,116,054. The City has not calculated the expected SBITA asset and liability since there is an implementation component that will impact the SBITA asset and liability final calculations. There were also no impairments or modifications to be reported during this fiscal year.

NOTE 10 DEFINED BENEFIT PENSION PLANS

The City participates in funding two retirement plans. TRMS is an agent, multiple-employer, public-employee retirement system which is a nontraditional, joint-contributory, hybrid defined benefit plan. The FRRF Plan is a single-employer, contributory defined benefit plan, Substantially all employees of the City are eligible to participate in one of these two plans. The components of the net pension liability of the City at September 30, 2025, were as follows:

	TMRS	FRRF	Total
Total Pension Liability	$ 654,983,866	$ 275,090,172	$ 930,074,038
Fiduciary Net Position	559,334,877	254,320,720	813,655,597
City's Net Pension Liability (Asset)	$ 95,648,989	$ 20,769,452	$ 116,418,441
City's Net Pension Liability (Asset) as a Percentage of Total Pension Liability	14.60 %	7.55 %	12.52 %
City's Deferred Outflows of Resources	$ 21,628,346	$ 23,729,416	$ 45,357,762
City's Deferred Inflow of Resources	$ 6,327,911	$ 2,571,520	$ 8,899,431
City's Pension Expense	$ 44,445,257	$ 8,816,441	$ 53,261,698

The City's total payroll for the fiscal year ended September 30, 2025, was $151,451,588. Covered payroll for the two plans was as follows:

TMRS	$ 117,458,610
FRRF	27,637,364
Total Covered Payroll	$ 145,095,974

Including current employees, annuitants and terminated employees entitled to future benefits, the City had 4,730 members of TMRS and 534 members of FRRF as of the dates of the latest actuarial valuations.

In addition to the two retirement plans funded by the City, employees may participate in a deferred compensation plan. Details of the various plans are as follows:

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS)

Plan Description

The City participates as one of 909 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the City. TMRS is an agency created by the state of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the state of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the state of Texas. TMRS' defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Plan provisions for the City are as follows:

	Plan Year 2025	Plan Year 2024
Employee Deposit Rate	7%	7%
Matching Ratio (City to Employee)	2 to 1	2 to 1
Years Required for Vesting	5	5
Service Retirement Eligibility (Expressed as Age/Years of Service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	100% repeating	100% repeating
Annuity Increase (to Retirees)	0% of CPI	0% of CPI

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS) (Continued)

Benefits Provided (Continued)

Upon joining the Plan, the City granted its employees monetary credits 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 (currently 200% for City of Amarillo employees) 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. The updated service credit 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 the City's matching percent had always been in existence, and if the employee's salary had always been the average of his 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.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,433
Inactive Employees Entitled to but Not Yet Receiving Benefits	1,461
Active Employees	1,836
Total Employees	4,730

Contributions

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

Employees for the City were required to contribute 7.00% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.90% and 15.04% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were $16,489,565.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS) (Continued)

Net Pension Liability

The City's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall Payroll Growth	3.60% to 11.85%, including inflation
Investment Rate of Return	6.75%

Salary increases were based on a service-related table. The gender-distinct 2019 Municipal Retirees of Texas mortality tables are used for calculating the actuarial liability and the retirement contribution rates. Male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis by the Scale MP-2021 to account for future mortality improvements. Mortality rates for disabled annuitants use the same mortality table and rates above with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger male and female members, respectively, 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% floor.

Actuarial assumptions used in the December 31, 2024, were primarily developed from the actuarial investigation of the experience of TMRS as of December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The postretirement mortality assumption for Annuity Purchase Rates (APRs) is updated based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS) (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation Percent	Long-Term Expected Real Rate of Return Percent (Arithmetic)
Global Equity	35 %	7.1 %
Core Fixed Income	6	5.0
Non-Core Fixed Income	6	6.8
Hedge Funds	5	6.4
Private Equity	13	8.5
Private Debt	13	8.2
Real Estate	12	6.7
Infrastructure	6	6.0
Other Private Markets	4	7.3
Total	100 %	

Discount Rate

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

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS) (Continued)

Changes in Net Pension Liability

The changes in net pension liability are summarized in the following table:

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A - B) Net Pension Liability
Balances - Beginning of Year	$ 597,587,443	$ 514,700,383	$ 82,887,060
Changes for the Year:			-
Service Cost	18,914,030	-	18,914,030
Interest	41,563,277	-	41,563,277
Change in Benefit Terms	25,697,672	-	25,697,672
Difference Between Expected and Actual Experience	5,201,216	-	5,201,216
Changes of Assumptions	-	-	-
Contributions - Employer	-	17,471,435	(17,471,435)
Contributions - Employee	-	8,208,197	(8,208,197)
Net Investment Income	-	53,285,642	(53,285,642)
Benefit Payments and Refunds of Employee Contributions	(33,979,772)	(33,979,772)	-
Administrative Expense	-	(342,986)	342,986
Other Changes	-	(8,021)	8,021
Net Changes	57,396,423	44,634,494	12,761,929
Balances - End of Year	$ 654,983,866	$ 559,334,877	$ 95,648,989

Table 5 - TMRS Net Pension Liability

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

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

	1% Decrease in Discount Rate 5.75%	Current Discount Rate 6.75%	1% Increase in Discount Rate 7.75%
City's Net Pension Liability	$ 181,018,536	$ 95,648,989	$ 25,040,820

Pension Plan Fiduciary Net Position

The pension plan's Fiduciary Net Position has been determined on the same basis used by the pension plan, which is generally accepted accounting principles prescribed by GASB. Detailed information about the pension plan's basis of accounting and policies is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Texas Municipal Retirement System (TMRS) (Continued)

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

For the year ended September 30, 2025, the City recognized pension expense of $44,445,257.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 5,138,781	$ -
Changes of Actuarial Assumptions	-	1,391,387
Net Difference Between Projected and Actual Investment Earnings	-	4,936,524
Contributions Subsequent to the Measurement Date	16,489,565	-
Total	$ 21,628,346	$ 6,327,911

The $16,489,565 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2025	$ 2,269,570
2026	8,118,744
2027	(7,868,790)
2028	(3,708,654)
2029	-
Total	$ (1,189,130)

Firemen's Relief and Retirement Fund (FRRF)

Plan Description

The City contributes to the FRRF, which is a single-employer, contributory defined benefit plan maintained for members of the City of Amarillo Fire Department. The benefit and contribution provisions of this plan are established under the authority of the Texas Local Fire Fighters Retirement Act (TLFFRA). The Board of Trustees of the Fund consists of three firefighters and two citizens elected by the members, together with the Mayor or the Mayor's designated representative and the Assistant City Manager/Chief Financial Officer. Within parameters established by TLFFRA, the plan may be amended upon approval by the Board and a vote of the membership.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Benefits Provided

The Plan's benefit provisions are established under the authority of the TLFFRA. Specific plan provisions are governed by a plan document and a trust agreement executed by the Board of Trustees. The following is a brief summary of the benefit provisions of the Plan.

Under the Plan, firefighters can retire at age 50 with 20 years of service and receive either (1) a monthly retirement benefit equal to 3.45% of the firefighter's highest average salary multiplied by the firefighter's total years of service, if hired prior to January 1, 2018 or (2) a monthly retirement benefit equal to the sum of (a) 3.25% of the firefighter's highest average salary multiplied by the firefighter's years of service up to a maximum of 20 years and (b) 2.50% of the firefighter's years of service in excess of 20 years, if hired on or after January 1, 2018. A firefighter's highest average salary is the greater of (1) the firefighter's highest five-year average salary for any period prior to retirement or (2) the firefighter's highest three- year average salary prior to January 1, 2018. In all retirement options, the Plan provides the firefighters with an annuity for life and can also provide a life annuity for their spouses. Firefighters who retire after completing 20 years of service, but who have not attained the age of 50, may elect to begin receiving benefits at age 45 or more in accordance with a lower scale of factors applied to the highest average salary. Firefighters age 53, with 23 years or more of service, may elect to participate in the Deferred Retirement Option Plan (DROP), under which a participant may convert his benefits accruing after the date of the election to a deferred retirement option payment (a form of lump sum distribution) to be paid in full within 36 months of retirement.

The standard benefit is payable in the form of a joint and 66-2/3% spouse annuity, but a firefighter may elect a joint and 100% spouse annuity, a 15-year certain and life thereafter annuity, a straight life annuity, or a pop-up option. Additionally, an option that provides an annually increasing retirement benefit in connection with any of the above annuity forms is available.

A firefighter who becomes disabled as a result of his duties as a firefighter is eligible for the normal monthly retirement benefits if he has 20 or more years of service. A firefighter with less than 20 years of service is entitled to a benefit equal to either (1) 69% of his highest average salary, if hired prior to January 1, 2018 or (2) 65% of his highest average salary, if hired on or after January 1, 2018. Off-duty disability retirement benefits are provided for as a percentage of the on-duty disability benefits, with the percentage being on a graduated scale based on years of service.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Benefits Provided (Continued)

The standard death benefit available to the spouse of a deceased firefighter who has met the eligibility requirements for DROP is two-thirds of the benefits the firefighter would have received had he retired on his date of death, plus any DROP payment to which the firefighter would have been entitled. Lesser monthly benefits are provided for a spouse of a firefighter who dies before meeting the qualifying criteria. If a firefighter has attained age 50 and has completed at least 20 years of service, he can elect to have his spouse receive a larger benefit in the event he dies prior to retiring from the fire department. An active firefighter must elect the optional death benefit on or before the date he attains age 60. If a firefighter dies while he is an active firefighter and after electing the optional joint and 100% survivor pre-retirement death benefit, the firefighter's spouse will receive a survivor's benefit equal to 100% of the amount the firefighter would have received if the firefighter had retired on his date of death. If this election is made, the firefighter who elects the higher pre-retirement death benefit will receive a slightly lower pension upon actual retirement. Each child of a deceased firefighter is entitled to a monthly benefit of $335 ($670 if there is no spouse receiving benefits) until age 18, or until age 25 while a full-time student.

A firefighter who terminates after completing at least 10 years of service, but who has not attained the age of 50, is entitled to receive a deferred vested retirement income commencing at the end of the month in which the firefighter would have both attained age 50 and completed 20 years of service.

Firefighters' salaries are not subject to the Federal Insurance Contributions Act and, consequently, Plan benefits are not integrated with Social Security benefits.

Effective January 1, 2023, these three changes in plan provisions were made:

1. The definition of compensation for determining both contributions and benefits was amended to exclude compensation for any unscheduled overtime in excess of 300 hours in a year.
2. The minimum monthly benefit was increased from $1,000 to $2,000.
3. The lump sum death benefit for the death of actives and retirees was increased from $7,500 to $10,000.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Employees Covered by Benefit Terms

As provided under TLFFRA, all firefighters must be less than 36 years of age upon entering service for the City as a firefighter and must become members of the Plan, which provides them with pension, death, and disability benefits. The Plan covers current and former firefighters as well as beneficiaries of current and former firefighters. The types of employees covered, as well as Plan membership as of December 31, 2024, the measurement date, are as follows:

Retirees and Beneficiaries Currently Receiving Benefits	236
Inactive Employees Entitled to but Not Yet Receiving Benefits	8
Active Employees	290
Total Participants	534

Contributions

The Plan's minimum required contribution provisions are established under the authority of TLFFRA. There are no contracts governing contributions to the Plan. Specific plan contribution rates are governed by a plan document. Changes in the members' contribution rate require a plan amendment. An actuarial valuation is performed every two years to be certain the plan benefits and plan contributions are in balance. There are no statutory reserve requirements for the Plan.

The City employer contribution rate was 18.83% of the firefighters' gross pay starting January 2014 and was increased to 19.57% starting January 2017, and was increased to 19.82%, 20.32%, and 20.82% starting January 1, 2020, 2021 and 2022 respectively. The City's contributions rate to the Fund was 20.82% of payroll in 2023 and 2024. The Plan is funded by a contribution by each firefighter. The firefighters' contribution rate is 13.00% of gross pay and was increased to 13.50% as of January 1, 2021, and 14% as of January 1, 2022. If a firefighter terminates service with the Fire Department of the City and be is not entitled to any of the benefits as described above, he will receive a lump sum payment of the contributions he made without accumulated interest. A firefighter who has become eligible for benefits may also elect to receive a refund of his contributions, but will forfeit his right to any benefits which he might otherwise have been entitled to receive.

Net Pension Liability

The City's net pension liability (asset) was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial report as of December 31, 2024.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2024, using the following actuarial assumptions applied to all prior periods included in the measurement:

Inflation	2.50%
Overall Payroll Growth	2.75%, plus promotion, step and longevity increases that vary by service
Investment Rate	7.35%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2010 (public safety) total dataset mortality tables for employees and for retirees (sex distinct), projected for mortality improvement generationally using the projection scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighing the expected future net real rates of return by the target asset allocation percentage (currently resulting in 4.85%) and by adding expected inflation (2.50%). In addition, the final 7.35% assumption was selected by rounding down. The target allocation and expected arithmetic net real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation Percent	Long-Term Expected Real Rate of Return Percent
Equities:		.
Large/Mid Cap Domestic	50 %	6.36 %
Small Cap Domestic	10	6.44
International Cap	5	6.16
Fixed Income and Cash	25	1.36
Private Debt	10	3.80
Total	100 %	
Weighted Average		4.85 %

Changes in Assumptions

There were no changes in actuarial assumptions.

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.35%. No projection of cash flows used to determine the discount rate because the December 31, 2023 actuarial valuation showed that expected contributions would pay the normal cost amortize the unfunded actuarial liability (UAAL) in 6 years.

Because of the 6-year amortization period of the UAAL, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7.35% was applied to all periods of projected benefit payments as the discount rate to determine total pension liability.

Changes in Net Pension Liability

The changes in net pension liability (asset) are summarized in the following table:

	(A) Total Pension Liability	(B) Plan Fiduciary Net Position	(A - B) Net Pension Liability
Balances - Beginning of Year	$ 261,287,114	$ 234,876,905	$ 26,410,209
Changes for the Year:			-
Service Cost	6,011,758	-	6,011,758
Interest	19,109,280	-	19,109,280
Change in Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Contributions - Employer	-	5,734,823	(5,734,823)
Contributions - Employee	-	3,869,231	(3,869,231)
Net Investment Income	-	24,655,319	(24,655,319)
Gain or (Loss) Due to Difference in Projected vs. Actual Earnings	-	-	-
Benefit Payments and Refunds of Employee Contributions	(14,617,333)	(14,617,333)	-
Administrative Expense	-	(198,225)	198,225
Other Changes	3,299,353	-	3,299,353
Net Changes	13,803,058	19,443,815	(5,640,757)
Balances - End of Year	$ 275,090,172	$ 254,320,720	$ 20,769,452

Table 6 - FRRF Net Pension Liability

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

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

The following presents the net pension liability of the City calculated using the discount rate of 7.35%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.35%) or one percentage point higher (8.35%) than the current rate.

Changes in Net Pension Liability

	1% Decrease in Discount Rate 6.35%	Current Discount Rate 7.35%	1% Increase in Discount Rate 8.35%
City's Net Pension Liability (Asset)	$ 54,488,588	$ 20,769,452	$ (7,343,837)

Pension Plan Fiduciary Net Position

The pension plan's Fiduciary Net Position has been determined on the same basis used by the pension plan, which is generally accepted accounting principles prescribed by GASB. Detailed information about the pension plan's basis of accounting and policies is available in a separately issued FRRF financial report. This report, and further details concerning the plan, is available by contacting the Board of Trustees, Firemen's Relief and Retirement Fund, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

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

For the year ended September 30, 2025, the City recognized pension expense of $8,816,441.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 8,064,363	$ -
Changes of Actuarial Assumptions	6,448,471	155,197
Net Difference Between Projected and Actual Investment Earnings	4,114,827	2,416,323
Contributions Subsequent to the Measurement Date	5,101,755	-
Total	$ 23,729,416	$ 2,571,520

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firemen's Relief and Retirement Fund (FRRF) (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The $5,101,755 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2026	$ 5,229,693
2027	10,282,471
2028	(1,299,069)
2029	(24,401)
2030	1,543,168
Thereafter	324,279
Total	$ 16,056,141

Deferred Compensation Plan

In addition to the TMRS and FRRF plans, the City offers its full-time employees a choice of deferred compensation plans created in accordance with internal Revenue Code (IRC) Section 457. The plans, available to all City employees, permit them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination of employment, retirement, death or unforeseeable emergency. The employee liability for the related Federal income taxes is deferred until the funds are paid to the participating employee or beneficiary under the terms of the agreement.

The laws governing deferred compensation plans require plan assets to be held by a trust for the exclusive benefit of plan participants and their beneficiaries. The assets held under these plans are not the City's property and are not subject to City control. The City does not make contributions to the plan.

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Administration

The City administers a multiemployer agent, defined benefit postemployment heath plan (Plan). The Plan does not include the pension benefits discussed in Note 10. The Finance Director is responsible for administration of the plan with Council oversight. The plan is reported as a Trust Fund in the City's financial statements. The plan does not issue a publicly available financial report.

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Plan Membership

As of December 31, 2023, the valuation date of the Plan, the plan membership data is as follows:

Active Employees	2,088
Retirees	685
Total	2,773

Eligibility Requirements

Employees of the City who have 10 years of full-time service with the City or the AEDC who are eligible to retire under the TMRS or the FRRF may continue coverage in the City-sponsored group healthcare plan as a retiree.

To be eligible to retire under TMRS, participants must attain either 20 years of TMRS service, or five years of TMRS service and age 60. To be eligible to retire under the FRRF, participants must attain 20 years of FRRF service and age 45.

Employees who become disabled after attaining 10 years of full-time service with the City or the AEDC are also eligible to continue coverage in the City-sponsored group healthcare plan.

Employees may only obtain dependent coverage at retirement, only if the employee was receiving dependent coverage immediately prior to retirement. The applicable contribution rate is based on the employee's service at retirement.

A widow/widower of an employee who 1) met the requirements above to continue coverage in the City-sponsored group healthcare plan at the time of death, and 2) had spouse coverage at the time of death, is eligible to continue coverage .in the City-sponsored group healthcare plan, at the applicable retiree rate, based on the employee's service at the time of death.

Prior to January 1, 2015, retirees and spouses who were eligible to continue coverage in the City-sponsored group healthcare plan at retirement may remain in the plan until age 65. Retirees who are Medicare eligible must apply for Medicare.

On or after January 1, 2015, retirees and their legal spouse who are eligible to continue coverage in the City-sponsored group healthcare plan at retirement may remain in the plan until age 65.

Benefits Provided

The Plan provides for medical insurance of eligible retirees and their dependents through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are. established and amended by the City Council.

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Contributions

In January 2013, the City began prefunding a portion of its Other Postemployment Benefits (OPEB) liability via an irrevocable multiemployer agent OPEB trust (PEB Trust) in addition to pay-as-you-go costs. Assets in the PEB Trust can only be used to fund other postemployment benefits, such as medical costs for eligible retirees, and any eligible spouse or children. The increased prefunding contributions to 3.0% of payroll into the OPEB Trust (approximately $3.4 million) and pay-as-you-go cost of approximately $3.9 million for a total contribution at December 31, 2024 of approximately $7.3 million. The City Council has the authority to increase or decrease prefunding contribution rates.

Effective January 1, 2015, all inactive participants age 65 or older must drop medical coverage and receive a stipend of $150 per month to be used toward their cost of medical coverage. The $150 stipend is not expected by the City to increase.

The following table summarizes the range of monthly retirees' health and basic life premiums based on years of service and date of retirement.

Range of Monthly Retiree Health Premiums
Retiree Health Premium
Fiscal Year 2025

Retiree Range of Monthly Health Premium Rates					
Plan 1 Retiree	$	201.35	-	$	544.40
Plan 1 Retiree and Spouse	$	402.70	-	$	1,088.77
Plan 2 Retiree	$	221.48	-	$	598.84
Plan 2 Retiree and Spouse	$	483.24	-	$	1,306.52

Summary of Significant Accounting Policies

Basis of Accounting

The Post Employment Benefit Trust Fund's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Investments

Investment Policy

The Trustees may invest funds held in the OPEB Trust Fund at their discretion in including, certificates of deposit; mutual funds, and other forms of security investments.

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Investments (Continued)

Rate of Return

For the year ended December 31, 2024, the annual money weighted rate of return on investments, net of investment expense, was 10.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Net OPEB Liability of the City

The components of the net OPEB liability of the City at September 30, 2025, were as follows:

Total OPEB Liability	$ 87,126,313
OPEB Plan Fiduciary Net Position	46,575,496
Net OPEB Liability	$ 40,550,817
Plan Fiduciary Net Position as a Percentage of The Total OPEB Liability	53.46 %

Asset Class	Target Asset Allocation Percent
Bank Insured Deposit/Cash	0.55 %
Equities	49.84
Mutual Funds	49.61
Total	100.00 %

Actuarial Assumptions

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

Additional Actuarial Methods and Assumptions:

Valuation Date	December 31, 2023
Measurement Date	December 31, 2024
Fiscal Year End	September 30, 2025
Benefits Valued	Health insurance and HRA benefits
Long-Term Rate of Return	6.50%
Muni-Bond (Unfunded) Rate	4.08%
Payroll Growth Rate	2.75%
Discount Rate	6.50%

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Discount Rate Method	The method determines an ultimate discount rate based on a blend of a) the unfunded municipal bond index rate and b) the trust's assumed long-term rate of return. We have assumed the City continues making future Trust contributions equal to 3.0% of payroll (the estimated average contribution rate over the past 4 years) and it continues paying retiree medical benefits from its general assets. Under these assumptions, we've projected the trust will remain sufficient to cover all future costs and thus the City's discount rate is equal to the trust's long-term rate of return.
General Inflation Rate	2.60%
Healthcare Cost Trend Rate	6.80%
Actuarial Cost Method	Entry Age Normal level percent of pay. Investment gains/losses are amortized over 5 years, liability gains/losses are amortized over Average Working Lifetime, and Plan changes are recognized immediately.
Actuarial Value of Assets	Market Value
City Contributions	3.00% of total covered payroll
Dental Benefits	Premiums contributed by retirees, disabled participants and dependents for dental coverage are assumed to equal or exceed their expected dental per capita claims costs. Therefore, dental coverage was not valued in this valuation.
Withdrawal, Retirement, Disability, Mortality Rates	Rates from the December 31, 2024 TMRS and FRRF actuarial reports
Medical Plan Blending	Future retirees are assumed to elect medical coverage on each plan according to the following assumptions:

Medical Plan	Percent Assumed to Elect
Plan 1	100%
Plan 2	0%

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Dependent Status	
- Spouse Age Differential Wives	Husbands are assumed to be three years older than wives.
- Children	Assume current and future retirees have no covered children
Per Capita Claims and Administrative Costs	Per capita medical and prescription drug claims and administration costs (PCCC) were developed based on the following: - Claims experience, stop loss fees and administration costs for actives and retirees from January 1, 2021 to December 31, 2023. - Claims experience was adjusted for plan values, healthcare cost trend, and age-sex differences between active employees and retirees.
Healthcare Cost Trend Rates	Trend rates are used to project health insurance claims and administration costs and retiree premiums into the future. If healthcare inflation were to continue as its current rate, eventually 100% of the Gross National Product (GNP) would be allocated for healthcare services. Since this is unrealistic, healthcare cost trend rates are assumed to decrease in future years.

Changes in Assumptions and Methods since Prior Valuation

The following changes were made since the prior valuation:

- Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience.
- Medical per capita claims tables were updated based on recent experience and demographics.
- Withdrawal, retirement, mortality, disability and salary scale assumptions were updated to those included in the recently published TMRS General and FRRF actuarial valuations.

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Changes in Assumptions and Methods since Prior Valuation (Continued)

	(A) Total OPEB Liability	(B) Plan Fiduciary Net Position	(A - B) Net OPEB Liability
Balances - Beginning of Year	$ 82,387,959	$ 38,980,374	$ 43,407,585
Changes for the Year:			
Service Cost	3,179,727	-	3,179,727
Interest on the Total OPEB Liability	5,435,888	-	5,435,888
Changes in Benefit	-	-	-
Difference Between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Employer Contributions	-	7,331,392	(7,331,392)
Plan Member Contributions	-	-	-
Net Investment Income	-	4,137,477	(4,137,477)
Benefit Payments, including Employee Refunds	(3,877,261)	(3,873,747)	(3,514)
Administrative Expense	-	-	-
Other Changes	-	-	-
Net Changes	4,738,354	7,595,122	(2,856,768)
Balances - End of Year	$ 87,126,313	$ 46,575,496	$ 40,550,817

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate 1-percentage-point lower and 1-percentage-point higher than the current discount rate of 6.50%.

	1% Increase	Current Discount Rate	1% Decrease
Net OPEB Liability	$ 32,220,435	$ 40,550,817	$ 50,132,370

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a healthcare cost trend rates 1-percentage-point lower and 1- percentage-point higher than the current healthcare cost trend rates.

	1% Increase	Current Healthcare Trend Rate	1% Decrease
Net OPEB Liability	$ 50,023,090	$ 40,550,817	$ 32,600,659

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates (Continued)

The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023.

For the year ended September 30, 2025, the City recognized total OPEB expense of $6,706,580.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 672,164	$ 2,403,438
Changes of Actuarial Assumptions	5,279,151	1,310,172
Net Difference Between Projected and Actual Investment Earnings	324,357	-
Total at Measurement Date	6,275,672	3,713,610
Contributions Paid Subsequent to the Measurement Date	2,703,920	-
Total as of Fiscal Year end	$ 8,979,592	$ 3,713,610

The $2,703,920 reported as deferred outflows from contributions subsequent to the measurement date will be recognized as a reduction of net OPEB liability for the year ended September 30, 2025. The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount
2026	$ 451,962
2027	1,757,870
2028	170,991
2029	(34,807)
2030	216,046
Thereafter	-
Total	$ 2,562,062

NOTE 11 DEFINED OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Financial Statements

The Plan does not publish separate financial statements. Below are the September 30, 2025 OPEB Trust's condensed financial statements. further information regarding the Plan, including the most recent actuarial study, may be obtained from the Finance Director, City of Amarillo.

Assets	
Cash and Cash Equivalents	$ 254,526
Investments, at Fair Value	46,386,679
Total Assets	$ 46,641,205
Net Position	
Net Position Restricted for OPEB	$ 46,641,205
Total Net Position	$ 46,641,205
Additions	
Employer - Contributions	$ 7,588,791
Total Contributions	7,588,791
Investment Income:	
Net Appreciation (Depreciation) in Fair Value of Investments	2,586,899
Interest, Dividends, and Other Investment Income	1,556,415
Total Investment Income	4,143,314
Less: investment Expenses	252,526
Net Investment Income	3,890,788
Total Additions	11,479,579
Deductions	
Benefits Paid	3,877,261
Total Deductions	3,877,261
Change in Net Position	7,602,318
Net Position - Beginning of Year	39,038,887
Net Position - End of Year	$ 46,641,205

NOTE 12 COMMITMENTS

The City has several ongoing commitments. One of the more significant commitments is the City's commitment to the Canadian River Municipal Water Authority (CRMWA). The City is obligated to pay its pro rata share of operating costs of the Canadian River Municipal Dam and Aqueduct System along with the City's portion of the CRMWA debt. These costs are included in the Water and Sewer system. In the event of the acquisition and financing of additional water rights, the City would be responsible for contract payments to CRMWA for its proportionate share of the debt service on the bonds issued.

Due to the increasing decline of Lake Meredith, CRMWA began acquiring additional water rights in Gray, Hutchinson, Roberts, and Wheeler Counties beginning in 2004. In the process of acquiring water rights, CRMWA is now one of the largest water rights owners in Texas.

The City leases facilities adjoining to the City's Civic Center from the Amarillo-Potter Events Venue District (the Venue District). Under the terms of the lease the City is obligated to pay the greater of $10 per month or any shortfall in the District's required monthly deposit to the debt service account. The City has not had to pay more than $120 in lease payments since the inception of the District in 1998.

Moreover, the Venue District's tax revenues currently can cover debt service payments approximately two times. Therefore, the City does not anticipate paying more than $120 in lease payments in 2024-25.

However, the City has appropriated $782,813 of its available Fund Balance in the City's 2025-26 budget for its potential commitment to the Venue District although City Management does not believe that any payment beyond $120 will be necessary.

Most of the City's commitments are in capital projects. Many of these projects take more than a year to design, bid, and construct; therefore, the appropriation and commitment do not end at year-end. At September 30, 2025, the City had commitments with respect to completion of various capital projects, as reflected in Table 7. For this purpose, commitments are defined as the difference between the appropriation for the project and amounts paid or recognized as liabilities at year-end; additional funding from outside sources are shown as a reduction to the amounts reported as committed. Sufficient resources were either on hand in the City's accounts or authorized and available to complete all committed projects.

NOTE 12 COMMITMENTS (CONTINUED)

	Project Authorizations	Expected Outside Funding Sources	Outside Funding Received	Complete at September 30, 2025	City's Remaining Committed
Governmental Activities:					
Street Improvements	$ 55,821,505	$ 37,951,508	$ 2,985,150	$ 8,862,301	$ 11,992,846
General Construction	96,292,167	121,837,006	107,703,353	16,804,146	65,354,368
Solid Waste Improvements	5,693,197	72,074	72,074	3,320,075	2,373,122
Civic Center Improvements	9,522,944	3,752,721	231,973	622,353	5,379,843
GO Bond Construction	43,766,965	8,623,795	6,654,828	8,396,297	33,401,701
Total - Governmental Fund Activities	211,096,778	172,237,104	117,647,378	38,005,172	118,501,880
Internal Service Fund Projects:					
Information Services	12,708,859	12,349,061	12,027,319	9,271,529	3,115,588
Fleet Services	15,572,381	5,692,980	5,692,980	-	15,572,381
Total - Governmental-Type Activities	239,378,018	190,279,145	135,367,677	47,276,701	137,189,849
Business-Type Activities					
Water and Sewer System Improvements	264,669,843	36,444,732	11,353,230	157,758,471	81,819,870
Airport	44,718,126	19,623,767	4,191,951	21,286,478	7,999,832
Drainage Utility	83,390,767	16,633,255	2,680,397	7,514,280	61,923,629
Total - All Business-Type Activities	392,778,736	72,701,754	18,225,578	186,559,229	151,743,331
Total - All City Project	$ 632,156,754	$ 262,980,899	$ 153,593,255	$ 233,835,930	$ 288,933,180

Table 7 - Unfinished Construction Projects

The City currently has ten Public Improvement Districts (PIDs). Nine of the ten PIDs are located in residential areas of the City and the last PIO is located in a business park. These PIDs were established to provide and maintain enhanced amenities beyond what the City would normally approve in a standard development. Most of these amenities take the form of linear parks with walkways, additional landscaping, special features such as bridges and clock towers and special lighting. Since the residents adjacent to these amenities benefit more than the general public, the residents adjacent to the enhanced areas pay special assessments each year for these enhanced amenities.

The PIDs are responsible for the maintenance and ongoing upkeep of these enhanced facilities along with the original cost of the improvements. The City has issued Certificates of Obligations to pay for improvements at the Greenways Public Improvement District. The first issue was for $600,000 in 2001; the second issue was for $620,000 in 2003 which have since been refunded, a third issue was for $600,000 in 2008 which have since been refunded, and a fourth issue of $725,000 in 2014, and fifth issue of $975,000 in 2021. The special assessments paid by the residents are used to pay for the maintenance and upkeep of the special amenities and to service the debt on the Certificates of Obligation. At the end of fiscal year 2025, there was approximately $35,000 due the developer of the Greenways for unreimbursed improvements.

The City is obligated to issue additional debt and pay the developer when there are sufficient property owners to support the debt service payments. All of the enhanced amenities at the Greenways were originally estimated to be approximately $2.5 million. The Colonies Public Improvement District has approximately $998,921 of unreimbursed costs to the developer for enhanced amenities. The City issued Certificates of Obligations during 2023 to reimburse the developer for enhancements.

NOTE 12 COMMITMENTS (CONTINUED)

The bonds were issued during 2006 in the amount of $585,000, which have since been refunded, $1,500,000 during 2008, which have since been refunded $1,535,000 in 2014, and $3,000,000 in 2018. The special assessments paid by the residents will be used to pay the debt service associated with this issue. The City is obligated to issue debt when there are sufficient property owners to support the debt to pay the developer along with the ongoing maintenance and upkeep of the amenities. All of the enhanced amenities at the Colonies were originally estimated to be approximately $4.6 million. The Pinnacle PID has approximately $2.5 million of unreimbursed costs to the developer for enhancements and Town Square has $200,000. The other PIDs are fully developed and there is not an amount to be paid to the developer or are in process of being developed and no amounts are to be paid to the developer as of September 30, 2025.

The City previously entered into a development agreement, which was assigned to the Amarillo Local Government Corporation (LGC) in 2011. The Corporation's charge was to work with a developer(s) on the following three downtown initiatives: a convention hotel, a parking garage, and a multi-purpose event venue (MPEV) that will also serve as a minor league ball park. On November 12, 2014, the LGC approved a Convention Center Hotel Agreement and a separate Convention Center Parking Garage Agreement. The developer of the convention hotel will operate the hotel and the LGC will operate the parking facility. The parking garage developer will operate the retail portion of the garage. The hotel agreement includes rebates of State sales and hotel occupancy taxes, rebate of local hotel occupancy taxes and a performance assurance of up to $2 million to assure a minimum performance of the hotel. The assurance for minimum performance ended 12/31/2021 and the City did not pay any of the $2 million. On December 22, 2014, the City Council approved Addendum #1 to the Interlocal Local Agreement between the City and LGC confirming that the City will provide public revenue, as necessary, to fund the downtown projects and to fund the hotel performance assurance. In July 2024, the City sold the retail portion to a private developer.

In 2012, the City approved to refund Local HOT revenues not to exceed 20 years or $15,251,258. The Embassy Suites became eligible for the refunds in 2017. Refund payments for September 30, 2025 and 2024, were $808,348 and $871,423, respectively. Refunds to date total $5,813,047. The original developer of the Embassy Suites sold their investment to a new group and all existing incentives have been reassigned to the new group during fiscal year ending September 30, 2020.

The Convention Center Hotel opened on September 8, 2017. The performance assurance period began July 1, 2018 and will run for 42 months ending on December 31, 2021. During this period the City will assure a minimum performance of the hotel up to $2 million, with no more than $1 million drawn in any 12-month period. The performance assurance criteria were 65% occupancy rate and an average daily room rate (ADR) of $130, prior to the opening of the MPEV. After the opening of the MPEV, the criteria changed to 63% occupancy and $125 average daily rate. The City did not have to pay anything related to this assurance.

NOTE 12 COMMITMENTS (CONTINUED)

On August 11, 2015, the Amarillo City Council approved Resolution 08-11-15-3 regarding the implementation of the proposed Convention Hotel and Parking Garage projects as Downtown Catalyst projects. The proposed resolution: 1) amends and restates Resolution 08-23-11 as amended by Resolution 11-11-14-1 approved by the Amarillo City Council on August 23, 2011, and November 11, 2014, respectively, 2) provides for the updated financial, contractual, and business structure of the Convention Hotel and Parking Garage projects, and 3) accepts the general terms of the financing plan for the hotel, parking garage, and MPEV.

On February 17, 2016, the LGC approved the parking garage construction project in the amount of $15.65 million. Funding for this project included bond proceeds, reserves from the Civic Center Improvement Fund, General Construction Fund, TIRZ #1, and an additional funding from Center City. On February 2, 2016, the City Council amended the loan agreement between the City and TIRZ #1 authorizing a loan of $1.85 million. During April 2016, the City issued approximately $12 million in hotel occupancy tax revenue bonds to fund the parking garage. The parking garage was opened on July 1, 2017.

The City entered into a rental lease agreement in September of 2017 as the lessor with Panhandle Baseball Club, Inc as the lessee of the multi-purpose event venue (MPEV). The agreement includes a $45.54 million construction budget. The initial term runs through 2048 with the annual rent payments of $400,000 beginning April 1, 2019 through 2038. The lessee, beginning April 1, 2019, shall pay annual rent of $400,000. A portion of the annual rent ($225,000) will be allocated into an MPEV Capital Improvements and Maintenance Reserve. On April 8, 2020, an amendment was signed for the lease to defer the installment payment of annual rent due on April 15, 2020 to be paid no later than May 15, 2020 and to defer the installment payment of annual rent due July 15, 2020 to be paid no later than December 31, 2020. On December 30, 2020, a second amendment was signed for the lease to allow half of the annual rent due on December 31, 2020 to be paid on July 15, 2021 and the other half to be paid on July 15, 2022. Prior to January 15, 2035 the City and the lessee will have the ability to negotiate a plan for renovation to the MPEV, the agreement anticipates renovation costs of $15 million. Upon successful negotiation of the renovation milestones which includes the renovation plan, amendment and completion of the renovation improvements the City and the lessee will have the ability to negotiate a series of renovation term extension options totaling 15 years. The agreement identifies surface parking area as 1,000 parking spaces which are owned or controlled by the City and located no more than 1,600 feet from the MPEV. As detailed in the agreement the lessee shall have the exclusive use of the surface parking area for all events at the MPEV. During January 2018 the City entered into a Construction Manager at Risk agreement for the construction of the MPEV. The maximum guaranteed price of the MPEV was $45.54 million. On March 20, 2018, the City issued the Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018 in the amount of $38.8 million to construct and equip the MPEV. The additional funding for this project was from the Civic Center Improvement Fund reserves. The MPEV opened in April 2019.

NOTE 12 COMMITMENTS (CONTINUED)

In March 2023, the City issued $4.6 million in additional Hotel Occupancy Tax Revenue Bonds to complete renovations at the MPEV to meet Major League Baseball requirements. A third amendment to the MPEV lease agreement was approved in January 2024 allowing the City to pay $175,000 of this annual debt service from a portion of the annual MPEV capital improvement and Maintenance Reserve Fund. The remaining debt service will be paid from the City's HOT allocation and CVB's HOT allocation.

The City anticipates the use of hotel occupancy taxes to fund the two bond issues associated with the downtown parking garage and MPEV, specifically the Hotel Occupancy Tax Revenue Bonds Series 2016 and Series 2018. Currently, 3.5% of the 7% hotel tax revenues are used to pay outstanding debt and to offset the operating loss at the Civic Center Complex. Also 3% of the hotel tax is normally allocated to the Convention and Visitor's Bureau (CVB) to also pay outstanding debt and to promote tourism and conventions in the City. The remaining half percent is used to subsidize events. Generally, the 3.5% for the Civic Center Complex is enough to offset the loss, and the balance is transferred to the Civic Center Improvement Fund for future capital needs.

For the Civic Center, the net result of issuing the hotel tax revenue bonds will be fewer funds for future capital for a period of time. The hotel occupancy tax revenue will ultimately need to grow to make up for the projected reductions to the CVB. Fortunately, the City has started to see recovery from the decreased hotel occupancy tax (HOT) revenues during 2020/2021 and 2021/2022. HOT revenues were down 25% in 2019/2020 versus 2018/2019, but up 54% in 2020/2021 and up another 14% in 2021/2022. HOT revenues were down 4% in 2022/2023, a slight 1% in 2023/2024 and a 5.8 increase in 2024/2025. Average increases over the previous ten years have been over 5% even with the 4% decrease in 2022/2023, 25% decrease in 2019/2020 and a 3% decrease in 2016/2017, These are the only three years in this period that reflect a decrease.

NOTE 13 LONG-TERM OBLIGATIONS

Tax Supported Debt

Recovery Zone Build America Bonds, Series 2010

On April 15, 2010, the City issued $1,392,000 Recovery Zone Build America Bonds, Series 2010. These bonds were issued at 5.81% with a 45% interest subsidy from the United States Treasury. The maturities range thru 2030 with an average interest coupon of 3.196% (net of the subsidy). The proceeds are to fund the City's portion of the construction of a bridge at Grand and 3rd Street, as well as street and drainage improvements. The annual principal maturities range from $77,000 to $88,000.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Tax Supported Debt (Continued)

General Obligation Refunding Bonds, Series 2017

On February 22, 2017, the City issued $15,110,000 of General Obligation Refunding Bonds for the purpose of the refunding the Combination Tax and Revenue Certificates of Obligation Bonds, Series 2007. The refunding was undertaken to reduce total debt service payments over the next ten years by $2.7 million and resulted in a present value benefit of $2.4 million. Interest is payable in semi-annual installments which began May 15, 2017 at a 4.00% interest rate and the term bonds mature annually to May 15, 2027 in amounts ranging from $1,625,000 to $1,760,000. The bonds are not subject to optional redemption.

Certificates of Obligation, Series 2017

In conjunction with the General Obligation Refunding Bonds issued on February 22, 2017, the City issued $6,940,000 of Combination Tax and Revenue Certificates of Obligation for the purpose of acquiring a two-way radio communications system for the public safety department. Interest is payable in semi-annual installments which will begin February 15, 2018, at rates ranging from 3.00% to 3.50%, and the term bonds mature annually to February 15, 2037 in amounts ranging from $140,000 to $620,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2028, on February 15, 2027, or any date thereafter.

General Obligation Bonds, Series 2017

The City issued $21,280,000 of General Obligation Bonds on May 11, 2017 to address public safety and street capital improvement projects approved by voters during a November 2016 bond election. Interest is payable in semi-annual installments which will begin February 15, 2018, at rates ranging from 3.00% to 5.00%, and the serial bonds mature annually to February 15, 2042 in amounts ranging from $660,000 to $1,270,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2028, on February 15, 2027, or any date thereafter.

General Obligation Bonds, Series 2018

On July 18, 2018, the City issued $22,145,000 of General Obligation Bonds for the purpose of public safety and street capital improvement projects approved by voters during a November 2016 bond election. Interest is payable in semi-annual installments which will begin February 15, 2019, at rates ranging from 3.125% to 5.00%, and the serial bonds mature annually to February 15, 2028 in amounts ranging from $650,000 to $1,325,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Tax Supported Debt (Continued)

General Obligation Refunding Bonds, Series 2020

On May 1, 2020, the City issued the City of Amarillo, Texas General Obligation Refunding Bonds, Series 2020 (Refunding Series 2020 Bonds) in the total amount of $50,450,000. The amount of the Refunding Series 2020 Bonds supported by tax revenue is $960,000. The Bonds refunded $52,080,783 of the City's existing debt. The refunding consisted of $950,000 of tax supported debt, $5,845,783 of special assessment and other revenue sources debt, and $45,285,000 of water and sewer debt. The Refunding Series 2020 Bonds refunded $950,000 of the 2009 General Obligation Refunding Bonds. The refunded bonds are considered defeased and have been removed from the City's books. The refunding was undertaken to reduce total debt service payments over the next three years by $45,680 and resulted in an economic gain of $38,348. The outstanding Refunding Series 2020 Bonds matured in 2022.

General Obligation Bonds, Series 2020

On May 1, 2020, the City issued the City of Amarillo, Texas General Obligation Bonds, Series 2020 (GO Series 2020) in the total amount of $8,000,000 for the purpose of constructing and improving public safety facilities. Interest is payable in semi-annual installments which will begin February 15, 2021, at rates ranging from 2.00% to 5.00%. The serial bonds mature annually through 2045 in amounts ranging from $140,000 to $485,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2028, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2027, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Certificates of Obligation, Series 2020

On May 1, 2020, the City issued the City of Amarillo, Texas Combination Tax and Revenue Certificates of Obligation, Series 2020 (CO Series 2020) in the total amount of $8,000,000 for the purpose of constructing and improving park and recreation facilities. Interest is payable in semi-annual installments which will begin February 15, 2021, at rates ranging from 2.00% to 5.00%. The serial bonds mature annually through 2050 in amounts ranging from $150.000 to $400,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2028, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2027, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Tax Notes, Series 2020

On May 1, 2020, the City issued the City of Amarillo, Texas Tax Notes, Series 2020 (Notes Series 2020) in the total amount of $3,520,000 for the purpose of acquiring land for municipal facilities. Interest is payable in semi-annual installments which will begin February 15, 2021, at rates ranging from 2.00% to 3.00% ranging in amounts from $515,000 to $545,000. The notes mature annually through 2027. The notes will not be subject to optional redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Tax Supported Debt (Continued)

General Obligation Bonds, Series 2021

The City issued $52,985,000 of General Obligation Bonds on January 15, 2021 to address street capital improvement projects approved by voters during a November 2016 bond election. Interest is payable in semi-annual installments which will begin February 15, 2022, at rates ranging from 2.00% to 4.00%, and the serial bonds mature annually to February 15, 2046 in amounts ranging from $1,620,000 to $2,775,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2031, on February 15, 2030, or any date thereafter.

On January 21, 2021, the City's General Obligation debt is rated AAA negative by Standards and Poor's.

Certificates of Obligation, Series 2022

On March 15, 2022, the City of Amarillo, Texas issued Combination Tax and Revenue Certificates of Obligation, Series 2022 (CO Series 2022) in the total amount of $6,815,000 for the purpose of acquiring, constructing, improving and installing lighting for park and recreational facilities and for professional services rendered in connection therewith. Interest is payable in semi-annual installments which begin February 15, 2023, at rates ranging from 3.00% to 4.00%. The serial bonds mature annually through 2043 in amounts ranging from $100,000 to $505,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2033, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032 or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Tax Notes, Series 2022

On January 1, 2022, the City issued the City of Amarillo, Texas Combination Tax and Revenue Notes, Series 2022 (Notes Series 2022) in the total amount of $23,900,000 for the purpose of renovating, improving and equipping an existing City-owned building and for professional services rendered in connection therewith. Interest is payable in semi-annual installments which will begin January 10, 2023 at an interest rate of 2.00%, ranging in amounts from $4,790,000 to $4,990,000. The notes mature annually through 2027. The notes are subject to redemption prior to maturity at the option of the City, in whole or in part, in principal amounts of $1,000 or any integral multiple thereof, on any date at the redemption price of par plus accrued interest to the date of the redemption.

Tax Notes, Series 2022B

On August 15, 2022 the City of Amarillo, Texas issued Tax Notes, Series 2022B (Notes 2022B) in the total amount of $7,345,000 for the purpose of acquiring enterprise resource planning software and the construction and improvement of fuel islands for the fleet services department, as well as to pay the costs of issuing the Notes. Interest is payable in semi-annual instalments which begin February 15, 2023, at rates ranging from 4.00% to 5.00% and in amounts ranging from $1,055,000 to $1,290,000. The notes mature annually through 2029. The Notes will not be subject to optional redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Tax Supported Debt (Continued)

Public Property Finance Contractual Obligations, Series 2025

On February 15, 2025, the City issued $12,355,000 of Public Property Finance Contractual Obligations, Series 2025 for the purpose of purchasing fire apparatus. Interest is payable in semi- annual installments which will begin February 15, 2026, at rates ranging from 4.00% to 5.00%, and the serial bonds mature annually to February 15, 2038 in amounts ranging from $545,000 to $2,600,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2036, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Certificates of Obligation, Series 2025

On February 15, 2025, the City issued $15,453,000 of Combination Tax & Revenue Certificates of Obligation for the purpose of constructing, improving, renovating, and equipping park and recreation facilities that are generally accessible to the public and acquiring vehicles and equipment for the solid waste, police, street and parks and recreation departments. Interest is payable in semi- annual installments which will begin February 15, 2026, at rates of 5.00%, and the serial bonds mature annually to February 15, 2055 in amounts ranging from $225,000 to $1,320,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2035, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Certificates of Obligation, Series 2025A

On June 10, 2025, the City issued $11,200,000 of Combination Tax & Revenue Certificates of Obligation for the purpose of constructing, improving and renovating streets, alleys, culverts and bridges. Interest is payable in semi- annual installments which will begin February 15, 2026, at rates ranging from 4.00% to 5.00%, and the serial bonds mature annually to February 15, 2035 in amounts ranging from $875,000 to $1,375,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2036, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Special Assessment and Other Supported Debt

Certificates of Obligation, Series 2014

On April 1, 2014, the City issued $2,260,000 of Combination Tax and Revenue Certificates of Obligation, Series 2014 for the purpose of financing enhancements of the park facilities in the Greenways Public Improvement District ($725,000) and the Colonies Public Improvement District ($1,535,000), respectively. Debt Service is to be funded out of special assessments on properties within each District. The principal and interest are payable in semi-annual installments at rates ranging from 3.00% to 3.625%, and the certificates are subject to mandatory redemption in annual amounts ranging from $110,000 to $155,000. The final maturity is August 15, 2034.

Certificates of Obligation, Series 2018

In conjunction with the General Obligation Bonds issued on July 18, 2018, the City issued $3,000,000 of Combination Tax and Revenue Certification of Obligation for the purpose of improving park facilities in the Colonies PID. Interest is payable in semi-annual installments which will begin February 15, 2019, at rates ranging from 3.00% to 4.00%, and the serial bonds mature annually to February 15, 2038 in amounts ranging from $130,000 to $205,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Certificates of Obligation, Series 2021

On January 15, 2021, the City issued $975,000 of Combination Tax and Revenue Certification of Obligation for the purpose of improving park facilities in the Greenways PID. Interest is payable in semi- annual installments which will begin February 15, 2022, at rates ranging from 1.00% to 3.00%, and the serial bonds mature annually to February 15, 2041 in amounts ranging from $40,000 to $60,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2031, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Special Assessment and Other Supported Debt (Continued)

General Obligation Refunding Bonds, Series 2020

As discussed above, the City issued the Refunding Series 2020 Bonds in the total amount of $50,450,000. The amount of the Refunding Series 2020 Bonds supported by special assessment and other sources revenue is $5,700,000. The Refunding Series 2020 Bonds refunded $170,000 of the Series 2003 Certificates of Obligation, $230,738 of the Series 2006 Certificates of Obligation, $305,000 of the Series 2008A Certificates of Obligation, $755,000 of the Series 2008B Certificates of Obligation, $2,885,000 of the Series 2011A Certificates of Obligation, and $1,500,000 of the Series 2011B Certificates of Obligation Bonds. The refunded bonds are considered defeased and have been removed from the City's books. The refunding was undertaken to reduce total debt service payments over the next eighteen years by $1,497,571 and resulted in an economic gain of $1,346,586. The outstanding Refunding Series 2020 Bonds mature annually thru 2037 with principal payments ranging from $115,000 to $200,000 and provide an interest rate ranging from 2.00% to 3.00%. The City reserved the right to redeem the bonds with maturities on or after February 15, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Certificates of Obligation, Series 2023

On January 1, 2023, the City issued $9,825,000 of Combination Tax and Revenue Certification of Obligation for the purpose of acquiring, constructing, and improving landfill and park facilities. Interest is payable in semi-annual installments which will begin February 15, 2024, at rates ranging from 4.00% to 5.00%, and the serial bonds mature annually to February 15, 2043 in amounts ranging from $320,000 to $740,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2033, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Hotel Occupancy Tax Revenue Bonds, Taxable Series 2016

On April 13, 2016, the City issued the Hotel Occupancy Tax Revenue Bonds, Taxable Series 2016 (Series 2016) in the amount of $11,995,000 to construct and equip the downtown Amarillo parking garage located in the vicinity of the City's convention center facilities. Debt service is to be funded by the Hotel Occupancy Tax. Principal and interest are payable annually at rates ranging from 3.20% to 4.25% and are subject to mandatory redemption in annual amounts ranging from $365,000 to $740,000. Final maturity is August 15, 2043.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Special Assessment and Other Supported Debt (Continued)

Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018

On March 20, 2018, the City issued the Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018 (Series 2018) in the amount of $38,835,000 to construct and equip a multiuse facility. Debt service is to be funded by the Hotel Occupancy Tax. Principal and interest are payable annually at rates ranging from 3.55% to 4.40% and are subject to mandatory redemption in annual amounts ranging from $900,000 to $2,305,000. Final maturity is August 15, 2033 with additional maturities of $6,915,000 4.20% term bonds due August 15, 2038 and $19,120,000 4.40% term bonds due August 15, 2048. The City reserved the right to redeem the bonds with maturities on or after August 15, 2027, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on August 15, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Hotel Occupancy Tax Revenue Bonds, Taxable Series 2023

On March 15, 2023, the City issued the Hotel Occupancy Tax Revenue Bonds, Taxable Series 2023 (Series 2023) in the amount of $4,575,000 to construct, improve, enlarge, and equip municipal buildings. Debt service is to be funded by the Hotel Occupancy Tax. Principal and interest are payable annually at rates ranging from 5.00% to 5.406% and are subject to mandatory redemption in annual amounts ranging from $145,000 to $365,000, Final maturity is August 15, 2043.

Summary of changes in the governmental activities debt for the year ended September 30, 2025, is as follows:

	Tax Supported Debt	Special Assessment Debt and Other Revenue Sources	Total Government
Principal Balances Outstanding, October 1, 2024	$ 142,218,000	$ 64,230,000	$ 206,448,000
New bond issue	38,990,000	-	38,990,000
Principal Maturities	(12,477,000)	(2,010,000)	(14,487,000)
Balances September 30, 2025	168,731,000	62,220,000	230,951,000
Balance of Unamortized Discount/Premium	8,776,625	572,244	9,348,869
Net Balances, September 30, 2025	$ 177,507,625	$ 62,792,244	$ 240,299,869

At September 30, 2025, the required debt service reserved fund was $1,238,891. The amount available in this account was $2,294,762.

Water and Sewer Bonds

Certificates of Obligation, Series 2009

On December 29, 2009, the City issued Combination. Tax and Revenue Certificates of Obligation Series 2009C in the amount of $18,075,000. The Series 2009C bonds mature annually through 2031 with annual principal payment of $905,000 and provide for 0% interest rate.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

Water and Sewer Revenue Bonds, Series 2013

On July 10, 2013, the City issued the Waterworks and Sewer System New Series Revenue Bonds, Series 2013 in the amount of $1,310,000. The Series bonds matured annually through 2023 in principal amounts of $135,000 and provide for an interest rate of 0.85%. The proceeds will be used to fund the design of the Osage to Arden Road pipeline.

Water and Sewer Revenue Bonds, Series 2014

On January 22, 2014, the City issued the Waterworks and Sewer System New Series Revenue Bonds, Series 2014 in the amount of $8,495,000. The Series 2014 bonds mature annually through 2033 in principal amounts ranging from $430,000 to $495,000 and provide for interest rates ranging from 1.81% to 2.62%. These funds will be used for the design and construction of Georgia Street Interceptor project. This project will eliminate a lift station and ensure proper operation of the collection system in the area. This bond issue will also fund the planning and design for the replacement of Lift Station 32. Included in this financing is an additional amount of $441,131 of loan forgiveness for a total project of $8.9 million.

Water and Sewer Revenue Bonds, Series 2015

On October 2, 2015, the City issued the City of Amarillo, Texas, Waterworks & Sewer System Revenue Bonds, Series 2015 in the amount of $17,195,000. The Series 2015 bonds mature annually through 2035 in principal amounts ranging from $835,000 to $950,000 and provide for interest rates ranging from 0.88% to 1.59%. These funds will be used for the construction of the Arden Road transmission pipeline project from the Osage water treatment plant to the connection for the Arden Road pump station. This allows the City to move an additional 20 million gallons per day which allows the City to deliver the new water supply from the Potter County well field to the west side of town.

Water and Sewer Revenue Refunding Bonds, Series 2015A

On October 2, 2015, the City issued the City of Amarillo, Texas, Waterworks & Sewer System Refunding Bonds, New Series 2015A (Series 2015A Bonds) in the amount of $21,145,000. The Series 2015A Bonds refunded the Series 2005, 2006 and 2006A Bonds. The refunded bonds are considered defeased and have been removed from the City's books. The refunding was undertaken to reduce total debt service payments over the next sixteen years by $4,259,179 and resulted in an economic gain of $3,494,212 and the present value benefit of $2,623,562. The outstanding Series 2015A Bonds mature annually thru 2032 with principal payments ranging from $375,000 to $1,615,000 and provide for interest rates ranging from 3.00% to 4.00%.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

Water and Sewer Revenue Bonds, Series 2017

On May 11, 2017 the City issued the City of Amarillo, Texas, Waterworks & Sewer System Revenue Bonds, New Series 2017 in the amount of $31,005,000. The New Series 2017 bonds mature annually through 2037 in principal amounts ranging from $1,500,000 to $2,035,000 and provide for interest rates ranging from 3.00% to 5.00%. These funds will be used for the construction of the improvement and extension of the City's waterworks and sewer system as identified through a five-year community improvement plan.

Water and Sewer Revenue Bonds, Series 2018A

On July 19, 2018, the City issued the City of Amarillo, Texas, Waterworks & Sewer System Revenue Bonds, New Series 2018A in the amount of $12,500,000. The New Series 2018A bonds mature annually through 2038 in principal amounts ranging from $590,000 to $705,000 and provide for interest rates ranging from 0.95% to 1.60%. These funds will be used for the construction of Lift Station 32. The City reserved the right to redeem the bonds with maturities on or after April I, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on October 1, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Water and Sewer Revenue Bonds, Series 2018B

On July 19, 2018, the City issued the City of Amarillo, Texas, Waterworks & Sewer System Revenue Bonds, New Series 2018B in the amount of $14,610,000. The New Series 2018B bonds mature annually through 2034 in principal amounts ranging from $625,000 to $845,000 and provide for interest rates ranging from 4.00% to 5.00% with additional maturities of $1,790,000 3.50% term bonds due April 1, 2036 and $1,915,000 3.50% term bonds due April 1, 2038. These funds will be used for the improvement and extension of the City's waterworks and sewer system as identified through a five-year community improvement plan. The City reserved the right to redeem the bonds with maturities on or after April 1, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on April 1, 2028, or any date thereafter, at the par Value thereof plus accrued interest to the date of redemption.

Water and Sewer Revenue Bonds, Series 2020

On July 14, 2020, the City issued the City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, Series 2020 (Series 2020 Bonds) in the amount of $28,500,000. The Series 2020 bonds mature annually through 2040 with principal payments of $1,425,000 and bear no interest. The City reserved the right to redeem the bonds with maturities on or after April 1, 2031, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on October 1, 2030, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

Water and Sewer Revenue Refunding Bonds, Series 2020A

On May 1, 2020, the City issued the City of Amarillo, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2020A (Series 2020A Bonds) in the amount of $9,775,000 with a premium of $642,656. The Series 2020A Bonds refunded $10,230,000 of the Water and Sewer Revenue Bonds, Series 2011. The refunded bonds are considered defeased and have been removed from the City's books. The refunding was undertaken to reduce total debt service payments over the next 11 years by $1,485,127 and resulted in an economic gain of $1,351,098. The outstanding Refunding Series 2020 Bonds mature annually thru 2031 with principal payments ranging from $820,000 to $1,040,000 and provide for interest rates ranging from 2.00% to 3.00%. The City reserved the right to redeem the bonds with maturities on or after April 1, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on April 1, 2028, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

General Obligation Refunding Bonds, Series 2020

As discussed above, the City issued the Refunding Series 2020 Bonds in the total amount of $50,450,000. The amount of the Refunding Series 2020 Bonds supported by water and sewer revenue is $43,880,000. The Refunding Series 2020 Bonds refunded $16,480,000 of the Series 2009 Certificates of Obligation, $27,140,000 of the Series 2009B Certificates of Obligation, and $1,665,000 of the Series 2011 General Obligation Bonds. The refunded bonds are considered defeased and have been removed from the City's books. The refunding was undertaken to reduce total debt service payments over the next ten years by $2,807,342 and resulted in an economic gain of. $2,492,547. The outstanding Refunding Series 2020 Bonds mature annually thru 2029 with principal payments ranging from $2,245,000 to $3,275,000 and provide for interest rates ranging from 2.00% to 3.00%. The City reserved the right to redeem the bonds with maturities on or after February 15, 2029, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Water and Sewer Revenue Bonds, Series 2021

On February 1, 2021, the City issued the City of Amarillo, Texas, Waterworks and Sewer System Revenue Bonds, Series 2021 (Series 2021 Bonds) in the amount of $25,900,000. The Series 2021 bonds mature annually through 2041 with principal payments of $1,125,000 to $1,565,000 and provide for interest rates ranging from 2,00% to 4.00%. These funds will be used for the improvement and extension of the City's waterworks and sewer system and to pay issuance costs on the Bonds. The City reserved the right to redeem the bonds with maturities on or after April 1, 2031, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on April 1, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

Water and Sewer Revenue Bonds, Series 2022

On August 1, 2022, the City of Amarillo, Texas issued the Waterworks and Sewer System New Series Revenue Bonds, Series 2022 in the amount of $52,590,000 for the purpose of the improvement and extension of the City's waterworks and sewer system and to pay issuance costs on the Bonds. Interest is payable in semi-annual installments which begin April 1, 2023, at rates ranging from 4.00% to 5.00%. The serial bonds mature annually through 2042 in amounts ranging from $1,845,000 to $3,990,000. The City reserved the right to redeem the bonds with maturities on or after April 1, 2032, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof. on April 1, 2031 or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Water and Sewer Revenue Bonds, Series 2023

On January 1, 2023, the City of Amarillo, Texas issued the Waterworks and Sewer System New Series Revenue Bonds, Series 2023 in the amount of $42,920,000 for the purpose of the improvement and extension of the City's waterworks and sewer system and to pay issuance costs on the Bonds. Interest is payable in semi-annual installments which begin October 1, 2023, al rates ranging from 4.00% to 5.00%. The serial bonds mature annually through 2043 in amounts ranging from $1,250,000 to $3,255,000. The City reserved the right to redeem the bonds with maturities on or after April 1, 2033, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on April 1, 2032 or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

Water and Sewer Revenue Bonds, Series 2024

On December 1, 2023, the City of Amarillo, Texas issued the Waterworks and Sewer System New Series Revenue Bonds, Series 2024 in the amount of $19,300,000 for the purpose of the improvement and extension of the City's waterworks and sewer system and to pay issuance costs on the Bonds. Interest is payable in semi-annual installments which begin October 1, 2024, at roles ranging from 4.00% to 6.00%. The serial bonds mature annually through 2053 in amounts ranging from $125,000 to $1,155,000. The City reserved the right to redeem the bonds with maturities on or after April 1, 2034, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on April 1, 2033 or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

A summary of changes in Water and Sewer System bonded debt for the year ended September 30, 2025, is as follows:

Principal Outstanding, October 1, 2024	$ 260,070,000
Principal Maturities	(18,410,000)
Principal Outstanding, September 30, 2025	241,660,000
Unamortized Redemption Premium	14,431,597
Net Balances, September 30, 2025	$ 256,091,597

The net revenues of the Water and Sewer System are pledged to secure this debt. In accordance with bond covenants, the following special funds or accounts must be maintained:

- A revenue fund, to which all gross revenues are to be credited immediately upon receipt.
- An interest and redemption fund, to be funded by transfers from pledged revenues in approximately equal monthly installments, sufficient to pay the next succeeding interest and principal payments. The 2024/2025 obligation is $10,171,803. At September 30, 2024, the amount available in this account was $13,434,087.
- A reserve fund, to be funded monthly by transfers from pledged revenues in the amount equal to 1/60th of the average annual principal and interest requirements of the bonds until the fair value of the reserve fund is equal to the average annual debt service requirements of the then outstanding bonds. At September 30, 2025, the combined requirement amounted to $4,242,428, and the amount available in this account was $16,260,160.

The interest/redemption and reserve funds required by the bond covenants are reported in the financial statements as noncurrent assets and liabilities. The various revenue bond covenants require that the City carry insurance against risks, accidents or casualties to the extent usually carried by corporations operating like properties.

The City is subject to arbitrage provisions under the Internal Revenue Code, which requires that excess earnings on invested proceeds from tax-exempt bond sales over interest expense paid to bond holders be remitted to the Internal Revenue Service. The City's governmental-activities and business-type activities recorded an arbitrage liability at September 30, 2025, of $2,564,857 and $8,767,902, respectively. The City has maintained its tax-exempt status during 2024.

The City has the right to issue additional Waterworks and Sewer Revenue Bonds, subordinate to these issues. Moreover, the City can issue additional parity debt so long as the net Water and Sewer System revenues exceed the debt service on the prior bonds together with any additional borrowings by 1.25 times.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water and Sewer Bonds (Continued)

On December 20, 2022, Standard & Poor's Rating Services assigned a rating of AA+ and an outlook of stable on the City of Amarillo, Texas Waterworks and Sewer System Revenue Bonds Series 2023.

Water Authority Obligations

In 1968 the City, together with 10 other cities, entered into a contract with the Canadian River Municipal Water Authority (CRMWA) to reimburse it for the cost of constructing a dam and aqueduct system in exchange for the water to be provided from the reservoir. The dam is located approximately 35 miles northeast of the City.

CRMWA, 2017 Revenue Refunding Issuance

CRMWA issued Subordinate Lien Contract Revenue Refunding Bonds, Series 2017 in the amount of $11,465,000 with interest rates ranging from 3.00% - 5.00%. The proceeds were used to advance refund $13,575,000 of outstanding Contract Revenue Bonds, Series 2009 which had interest rates ranging from 3.00% - 5.00%. The net proceeds of $14,228,820 (including a $1,317,090 premium, a debt service reserve contribution of $1,684,400, less $237,670 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The refunded portion of the Contract Revenue Bonds, Series 2009 is considered defeased and the liability for those bonds has been removed from the statement of net position. The City's proportionate share of Series 2017 bonds is $1,566,447 at September 30, 2025. The City's portion of the principal payments for the 2017 issue range from $341,216 to $558,539.

CRMWA, 2020 Revenue Refunding Issuance

During December 2011, CRMWA issued debt -in the amount $81,630,000 to fund the purchase of additional water rights in the Ogallala Aquifer. The City participated in this issue and the City's proportionate share of the bond issue was $33,536,053. The bonds were issued at a premium and the City's proportionate share was $3,091,199 with bond issuance cost of $473,755. During 2021, the 2011 CRMWA issue was refunded with the 2020 refunding issue. At September 30, 2024, the City's proportionate share of the 2020 issue is $12,320,278, The City's portion of the principal payments for the 2020 issue range from $742,233 to $2,193,147 with an interest rate ranging from 4.00% to 5.00%.

The City increased Water and Sewer rates by 6% beginning October 1, 2011, and by 5% effective October 1, 2012, to help pay for the purchase of the Ochiltree County water rights and the City's portion of the CRMWA debt. The City increased rates effective October 1, 2013, by 2% to help pay for the 2013 and 2014 Water and Sewer Revenue bonds.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Water Authority Obligations (Continued)

CRMWA, 2021 Revenue Refunding Issuance

On January 22, 2013, CRMWA issued a Subordinate Lien Contract Revenue Refunding Bonds, Series 2012 in the amount of $39,505,000 for the advance refunding of the 2005 CRMWA Contract Revenue Series. The 2012 Refunding Bonds will reduce total debt service payments over the next thirteen years by $5,063,754 with Amarillo's share at $2,443,576. The refunding resulted in an economic gain of $4,259,006 with Amarillo's share at $2,044,083. During 2022, the 2012 CRMWA issue was refunded with the 2021 refunding issue. At September 30, 2025, the City's proportionate share of the 2021 issue is $0. The City's portion of the principal payments for the 2021 issue range from $1,364,693 to $1,364,693 with an interest rate ranging from 1.75% to 1.75%.

CRMWA, 2023 Revenue Refunding Issuance

During 2015, CRMWA issued a Subordinate Lien Contract Revenue Refunding Bonds, Series 2014 with the City's proportionate share of $5,560,338 for the partial refunding of the 2006 CRMWA Contract Revenue Series. During 2023, the 2014 CRMWA issue was refunded with the 2023 refunding issue. The refunding resulted in an economic gain of $430,579 with Amarillo's share at $174,905. At September 30, 2025, the City's proportionate share of the 2023 issue is $3,036,758. The City's portion of the principal payments for the 2023 issue range from $1,222,692 to $1,342,524 with an interest rate ranging of 5.00%.

A summary of changes in the City's CRMWA debt for the year ended September 30, 2025, is reflected in the following table:

Principal Outstanding, October 1, 2024	$ 18,522,491
Principal Maturities	(4,298,290)
Principal Outstanding, September 30, 2025	14,224,201
Unamortized Redemption Premium	2,707,580
Net Balances, September 30, 2025	$ 16,931,781

Drainage Utility Bonds

Certificates of Obligation, Series 2012A

On December 12, 2012, the City issued $6,260,000 in Combination Tax and Drainage Utility Revenue Certificates of Obligations (COs). The 2012A issue is mainly for drainage improvements on Fanners Avenue. The 2012A bonds have a final maturity of August 15, 2032. The COs are subject to mandatory redemption in annual amounts ranging from $265,000 to $320,000 and provide for an interest rate of 2.00%. In addition to the tax pledge, the Drainage Utility COs have an unlimited net pledge of the Drainage Utility System of 1.25 times net revenue. The City intends to fund the debt entirely from the Drainage Utility and not levy a property tax for the COs. Thus, the debt is structured similar to the Water & Sewer revenue debt.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Drainage Utility Bonds (Continued)

Drainage Revenue Bonds, Series 2014

On April 1, 2014, the City issued $6,080,000 in Drainage Utility Revenue Bonds. The 2014 issue is mainly for drainage improvements on Martin Road. The 2014 bonds have a final maturity of 2034. The bonds are subject to mandatory redemption in annual amounts ranging from $295,000 to $410,000 and provide for interest rates ranging from 3.00% to 3.75%. The bonds have an unlimited net pledge of the Drainage Utility System of 1.25 times net revenue.

Drainage Revenue Bonds, Series 2020

On July 1, 2020, the City issued the City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2020 (Series 2020 Bonds) in the amount of $9,240,000. The Series 2020 Bonds mature annually thru 2040 with principal payments ranging from $400,000 to $550,000 and provide for interest rates ranging from 2.00% to 5.00%. The City reserved the right to redeem the bonds with maturities on or after August 15, 2029, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on August 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Drainage Revenue Bonds, Series 2021

On February 1, 2021, the City issued the City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2021 (Series 2021 Bonds) in the amount of $9,160,000. The Series 2021 Bonds mature annually thru 2041 with principal payments ranging from $400,000 to $540,000 and provide for interest rates ranging from 2.00% to 4.00%. The City reserved the right to redeem the bonds with maturities on or after August 15, 2031, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on August 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Drainage Revenue Bonds, Series 2023

On January 1, 2023, the City issued the City of Amarillo, Texas, Drainage Utility System Revenue Bonds, Series 2023 (Series 2023 Bonds) in the amount of $4,675,000. The Series 2023 Bonds mature annually thru 2042 with principal payments ranging from $105,000 to $400,000 and provide for interest rates ranging from 4.00% to 5.00%. The City reserved the right to redeem the bonds with maturities on or after August 15, 2033, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on August 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Drainage Utility Bonds (Continued)

Drainage Revenue Bonds, Series 2024

On March 15, 2024, the City issued the City of Amarillo, Texas Drainage Utility System Revenue Bonds, Series 2024 (Series 2024 Bonds) in the amount of $38,135,000. The Series 2024 Bonds mature annually through 2054 with principal payments ranging from $150,000 to $2,630,000 and provide for interest rates ranging from 4.00% to 5.00%. The City reserved the right to redeem the bonds with maturities on or after August 15, 2035, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on August 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

A summary of changes in Drainage Utility bonded debt for the year ended September 30, 2025, is as follows:

Principal Outstanding, October 1, 2024	$ 64,265,000
Principal Maturities	(1,620,000)
Principal Outstanding, September 30, 2025	62,645,000
Unamortized Redemption Premium	2,979,166
Net Balances, September 30, 2025	$ 65,624,166

Airport Bonds

Certificates of Obligation, Series 2024

On March 15, 2024 the City issued the City of Amarillo, Texas Combination Tax and Revenue Notes, Taxable Series 2024 (Series 2024) in the total amount of $3,085,000 for the purpose of constructing, improving, and equipping municipal airport hangers and professional services rendered in connection therewith. Interest is payable in semi-annual installments which will begin February 15, 2025 at rates ranging from 4.85% to 5.530%. The serial bonds mature annually through 2044 in amounts ranging from $45,000 to $250,000. The City reserved the right to redeem the bonds with maturities on or after February 15, 2034, in whole or from time to time in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2033, or any date thereafter, at par value thereof plus accrued interest to the date of redemption.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Airport Bonds (Continued)

A summary of changes in Airport Bonds for the year ended September 30, 2025, is as follows:

Principal Outstanding, October 1, 2024	$ 3,085,000
Principal Maturities	(45,000)
Principal Outstanding, September 30, 2025	3,040,000
Unamortized Redemption Discount	(23,050)
Net Balances, September 30, 2025	$ 3,016,950

Summary Information - Long-Term Bonds and Contracts

Bond issues outstanding at September 30, 2025, are summarized in Table 8 below.

	Interest Rates	Final Maturity Date	Principal Amount Outstanding	Annual Principal Installments
City of Amarillo Indebtedness				
General Obligation Debt				
Payable from Tax Revenues				
Recovery Zone Build America Bonds, Series 2010	5.81%	2030	$ 416,000	$ 78,000 - $ 88,000
General Obligation Refunding Bonds, Series 2017	4.00%	2027	3,450,000	1,690,000 - 1,760,000
Certificates of Obligation, Series 2017	3.00 - 3.50%	2037	2,835,000	140,000 - 620,000
General Obligation Bonds, Series 2017	3.00 - 5.00%	2042	16,775,000	730,000 - 1,270,000
General Obligation Bonds, Series 2018	3.00 - 5.00%	2043	18,060,000	720,000 - 1,325,000
General Obligation Bonds, Series 2020	2.00 - 5.00%	2045	7,485,000	155,000 - 485,000
Certificates of Obligation, Series 2020	2.00 - 5.00%	2050	7,365,000	155,000 - 400,000
Tax Notes, Series 2020	2.00 - 3.00%	2027	1,075,000	530,000 - 545,000
General Obligation Bonds, Series 2021	2.00 - 4.00%	2046	47,515,000	1,685,000 - 2,775,000
Certificates of Obligation, Series 2022	3.00 - 4.00%	2043	6,615,000	100,000 - 505,000
Tax Notes, Series 2022	2.00%	2027	9,880,000	4,890,000 - 4,990,000
Tax Notes, Series 2022B - Purpose 2	3.00 - 5.00%	2029	2,550,000	525,000 - 605,000
Public Property Finance Contractual Obligations	4.00 - 5.00%	2038	12,355,000	- -
Certificates of Obligation, Series 2025	5.00%	2055	15,435,000	350,000 790,000
Certificates of Obligation, Series 2025A	5.00%	2035	11,200,000	875,000 1,375,000
Payable from Special Assessments				
Combination Tax/Revenue Certificates of Obligation, Series 2014	3.00 - 3.625%	2034	1,195,000	115,000 - 155,000
Combination Tax/Revenue Certificates of Obligation, Series 2018	3.00 - 4.00%	2038	2,195,000	135,000 - 205,000
General Obligation Refunding Bonds, Series 2020	2.00%	2028	430,000	
Combination Tax/Revenue Certificates of Obligation, Series 2021	1.00 - 3.00%	2041	825,000	45,000 - 60,000
Combination Tax/Revenue Certificates of Obligation, Series 2023	4.00 - 5.00%	2043	3,800,000	
Payable from Other Sources				
General Obligation Refunding Bonds, Series 2020	2.00 - 3.00%	2037	2,130,000	155,000 - 200,000
General Obligation Refunding Bonds, Series 2020	2.00 - 3.00%	2032	905,000	115,000 - 140,000
Tax Notes, Series 2022B - Purpose 1	3.00 - 5.00%	2029	5,615,000	525,000 - 605,000
Combination Tax/Revenue Certificates of Obligation, Series 2023	4.00 - 5.00%	2043	2,255,000	335,000 - 740,000
Hotel Occupancy Tax Revenue Bonds, Series 2016	2.93 - 4.25%	2043	9,630,000	375,000 - 740,000
Hotel Occupancy Tax Revenue Bonds, Series 2018	3.20 - 4.40%	2048	34,600,000	935,000 - 2,305,000
Hotel Occupancy Tax Revenue Bonds, Series 2023	4.969 - 5.406%	2043	4,360,000	155,000 - 365,000

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Summary Information - Long-Term Bonds and Contracts (Continued)

	Interest Rates	Final Maturity Date	Principal Amount Outstanding	Annual Principal Installments
General Obligation Debt (Continued)				
Waterworks and Sewer Bonds				
2014 Revenue Issuance	1.68 - 2.62%	2033	$ 3,715,000	$ 435,000 - $ 495,000
2015 Revenue Issuance	0.77 - 1.59%	2035	8,915,000	845,000 - 950,000
2015A Revenue Refunding Issuance	3.00 - 4.00%	2032	5,400,000	375,000 - 1,730,000
2017 Revenue Issuance	3.00 - 5.00%	2037	20,660,000	1,445,000 - 2,035,000
2018A Revenue Issuance	0.83 - 1.60%	2038	8,395,000	600,000 - 705,000
2018B Revenue Issuance	4.00 - 5.00%	2038	10,520,000	655,000 - 845,000
2020 Revenue Issuance	0.00%	2040	21,375,000	1,425,000 - 1,425,000
2020A Revenue Issuance	2.00 - 3.00%	2031	5,715,000	870,000 - 1,040,000
2021 Revenue Issuance	2.00 - 4.00%	2041	21,615,000	1,160,000 - 1,565,000
2022 Revenue Issuance	4.00 - 5.00%	2042	49,245,000	1,935,000 - 3,990,000
2023 Revenue Issuance	4.00 - 5.00%	2043	41,670,000	1,505,000 - 3,255,000
2024 Revenue Issuance	4.00 - 5.00%	2053	19,175,000	330,000 - 1,155,000
Combination Tax/Revenue Certificates of Obligation, Series 2009C	0.00%	2031	5,430,000	905,000 - 905,000
General Obligation Refunding Bonds, Series 2020	2.00 - 3.00%	2029	19,830,000	2,245,000 - 3,275,000
Drainage Bonds				
2014 Revenue Issuance	3.00 - 3.75%	2034	3,190,000	305,000 - 410,000
2020 Revenue Issuance	2.00 - 5.00%	2040	7,410,000	420,000 - 550,000
Combination Tax/Revenue Certificates of Obligation, Series 2012A	2.00%	2032	2,075,000	265,000 - 320,000
2021 Revenue Issuance	2.00 - 4.00%	2041	7,710,000	400,000 - 540,000
2023 Revenue Issuance	4.00 - 5.00%	2042	4,275,000	105,000 - 400,000
2024 Revenue Issuance	4.00 - 5.00%	2054	37,985,000	150,000 - 2,630,000
Airport Bonds				
Certificates of Obligation, Series 2024	4.85 - 5.53%	2044	3,040,000	95,000 - 250,000
Total City of Amarillo Issuances			538,296,000	
Canadian River Water Authority Indebtedness				
2017 Refunding Issuance	3.00 - 5.00%	2029	1,609,269	113,738 - 551,769
2020 Refunding Issuance	4.00 - 5.00%	2031	10,738,411	742,233 - 2,193,147
2023 Refunding Issuance	5.00%	2027	1,876,521	559,385 - 1,317,136
Total City Share of Water Authority Indebtedness			14,224,201	
Total Bond Issues Outstanding			$ 552,520,201	

Table 8 - Description of Individual Bond Issues Outstanding

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Summary Information - Long-Term Bonds and Contracts (Continued)

The annual requirements to amortize all bonds outstanding, including interest, are shown in Table 9 below.

Year Ending	Tax-Supported Debt		Special Assessment and Other Supported Debt		Water and Sewer Debt		Water Authority Debt	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 15,753,000	$ 5,719,310	$ 1,580,000	$ 715,332	$ 19,235,000	$ 7,701,770	$ 3,652,839	$ 665,566
2027	14,856,000	4,680,801	1,635,000	652,407	19,675,000	7,147,880	3,011,243	486,512
2028	7,793,000	4,215,353	1,700,000	586,807	18,845,000	6,575,771	2,415,084	345,191
2029	8,141,000	3,879,710	1,615,000	518,950	16,815,000	6,044,963	2,209,656	232,710
2030-2034	39,848,000	14,096,025	5,380,000	1,939,885	66,470,000	23,575,673	2,935,379	154,191
2035-2039	36,650,000	8,375,545	4,540,000	967,242	59,755,000	13,160,650	-	-
2040-2044	28,860,000	3,412,180	2,900,000	230,750	32,005,000	4,604,481	-	-
2045-2049	9,390,000	816,847	-	-	4,520,000	1,495,613	-	-
2050-2054	1,505,000	184,375	-	-	4,340,000	470,688	-	-
2055-2059	215,000	5,375	-	-	-	-	-	-
Total	$ 163,011,000	$ 45,385,521	$ 19,350,000	$ 5,611,373	$ 241,660,000	$ 70,777,489	$ 14,224,201	$ 1,884,170

Year Ending	Drainage Debt		Airport Debt		Hotel Occupancy Tax Debt		Total	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 1,675,000	$ 2,412,906	$ 95,000	$ 160,852	$ 1,465,000	$ 2,095,275	$ 43,455,839	$ 19,471,011
2027	1,740,000	2,351,706	100,000	156,244	1,520,000	2,040,835	42,537,243	17,516,385
2028	1,805,000	2,287,956	105,000	151,244	1,580,000	1,981,484	34,243,084	16,143,806
2029	1,875,000	2,216,944	115,000	145,994	1,640,000	1,918,740	32,410,656	14,958,011
2030-2034	10,420,000	10,036,625	655,000	638,548	9,265,000	8,526,312	134,973,379	58,967,259
2035-2039	12,370,000	8,082,563	855,000	450,137	11,435,000	6,368,033	125,605,000	37,404,170
2040-2044	10,710,000	5,747,263	1,115,000	191,893	13,040,000	3,600,639	88,630,000	17,787,206
2045-2049	9,920,000	3,802,088	-	-	8,645,000	971,520	32,475,000	7,086,068
2050-2054	12,130,000	1,580,475	-	-	-	-	17,975,000	2,235,538
2055-2059	-	-	-	-	-	-	215,000	5,375
Total	$ 62,645,000	$ 38,518,526	$ 3,040,000	$ 1,894,912	$ 48,590,000	$ 27,502,838	$ 552,520,201	$ 191,574,829

Table 9 - Annual Debt/Service Requirements Including Interest

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Provision for Compensated Absences

The City provides for its full-time employees annual leave of two to five weeks, depending upon years of service with the City. Civilian, full-time employees hired prior to October 1, 2007 and Fire Fighters and Police Officers may accumulate up to 65 days of annual leave to be paid in a lump sum upon termination of employment. Civilian, full-time employees hired after October 1, 2007 may accumulate 30 days of annual leave to be paid in a lump sum upon termination of employment.

The City also provides its full-time employees sick leave of twelve working days each year for Civilian employees and fifteen working days each year for Fire Fighters and Police Officers.

For full-time Civilian employees hired prior to October 1, 2007 sick leave may be accumulated without limit. Upon termination, if the employee has over ten years of continuous service, they will receive a lump sum payment of their sick leave not to exceed 90 days. Fire Fighters and Police Officers, regardless of years of service, shall be paid a lump sum payment not to exceed 90 days upon their termination of employment.

Full-time Civilian employees hired prior to October 1, 2007 and fire Fighters and Police Officers who are eligible to retire will be allowed to convert any available sick leave, above the 90 days sick leave paid at retirement, and annual leave, above the 65 days annual leave paid at retirement, into a Health Reimbursement Account (HRA). For this purpose, each 30 hours, for Civilian employees and Police Officers, or each 42 hours, for 12-hour Fire Fighters of accrued leave above the max paid out will be converted to the equivalent of one month of retiree-only health benefit coverage. The resulting dollar value will be deposited into the retiree's HRA.

Full-time Civilian employees hired after October 1, 2007 may accumulate 60 days of sick leave. This will be paid in a lump-sum upon termination if the employee has ten continuous years of service.

In certain cases, compensatory time, in lieu of cash payments for overtime, may be granted to nonexempt employees at the rate of 1.0 hours or 1.5 hours for each hour worked for which overtime is required. Civilian employees are limited to 80 hours of compensatory time while Fire Fighters and Police Officers may accrue up to 120 hours. Upon termination all nonexempt employees will be eligible to receive a lump sum payment for any accrued compensatory time which has not already been taken off as time off with pay.

The obligation of the City with respect to vested benefits and non-vested benefits up to the maximum allowed number of hours paid out at September 30, 2025, under the annual leave policy was $13,612,181, compensated time policy was $2,027,593, and under the sick leave policy was $15,625,930, and under the individual health retirement account policy was $2,309,852.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Provision for Compensated Absences (Continued)

These obligations were recognized in the financial statements as summarized in the following tabulation:

	Government Funds	Proprietary Funds
Balances at October 1, 2024	$ 26,501,409	$ 1,694,192
Terminations Paid	(3,390,980)	(294,867)
Leave Accrued	7,815,586	1,250,216
Balances at September 30, 2025	$ 30,926,015	$ 2,649,541

Of the above obligations, $1,594,209 in the Government Funds and $204,753 in the Proprietary Funds are estimated to be current. In prior years, the General Fund has liquidated the compensated absences liability related to governmental funds.

In 1997 the City established a compensated absences fund to provide for the portion of the liability applicable to the General Fund and certain special revenue funds. The net position in the fund at September 30, 2025, was $-0-; $1,051,025 of the obligation is funded in separate internal service funds and is accrued as a liability of these funds.

Provision for Landfill Closure and Postclosure Care Costs

The City owns a 662-acre rural site, which it operates for solid waste disposal purposes. Based on an amended permit issued by the Texas Commission on Environmental Quality dated August 22, 2007, the site has an estimated total capacity of 43,098,100 tons or 89,787,477 cubic yards. It is estimated that 32.9% of the revised capacity was filled at September 30, 2023, and that the landfill has a projected remaining life of approximately 109 years at the current rate of usage. State and federal laws and regulations require the City to place a final cover on the site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The construction as well as the cost of wells, which have been installed for monitoring the underlying water table for any impact on it of ongoing landfill activities, were funded by waste collection and disposal revenues of the City's General Fund, and are included in capital assets of the governmental activities.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Provision for Landfill Closure and Postclosure Care Costs (Continued)

Governmental accounting standards require that, for periods beginning after June 15, 1993, governmental entities recognize an accrued liability for the estimated cost of equipment, facilities, and services for closure, and postclosure care expected to result in disbursements near or after the date that the facility stops accepting solid waste. The amount of the liability is based on what it would cost to have all such closure and postclosure care performed in the current year, and is assigned to periods based on cumulative landfill use. The City engaged an independent engineer who estimated the cost of final cover at $8,145,871 for a 100-acre, two-cell segment. The estimated cost of monitoring the entire 662 acres during the statutory 30-year period is an additional $1,780,200. Both computations were made in accordance with regulations of the Environmental Protection Agency, which require that the estimates be based on the current cost of hiring third parties to perform the services. The actual cost of these functions, when performed in future years, may differ because of inflation, changes in technology, changes in environmental regulations, or performance of certain of the functions by City personnel and equipment. Considering the change in the Consumer Price Index (CPI) and the addition of the Transfer station, closure costs would be about $11.8 million and postclosure costs would be about $3.5 million for a total of $15.4 million in today's dollars. During fiscal year 2019/2020, the City determined a change in accounting estimate needed to occur on the calculation of estimated accrued liability. Previously tonnage was used for the total capacity, the capacity used, and the remaining capacity. It was determined that cubic yards were a more accurate way to measure capacity for estimated liability purposes due to the compaction rate, which varies from year to year, being a factor in when tonnage is used Based on the cumulative usage of 30,157,725 cubic yards at September 30, 2024, together with the estimated 89,787,477-cubic yard capacity of the landfill, the accrued liability consists of the following elements:

Provision for Final Cover Costs	$	4,979,484
Cost of Postclosure Care and Monitoring		1,494,806
Total Estimated Accrued Liability	$	6,474,290

Under laws and regulations administered by the Texas Natural Resource Conservation Commission, owners and operators are required to provide financial assurances that the funds needed for the closure of landfills will be available when needed. The City has elected to meet this responsibility by demonstrating its compliance with the "local government financial test," which promulgates criteria regarding financial strength, public notice, and record-keeping and reporting. The City fulfilled the financial strength test by demonstrating a current Standard & Poor's rating of AAA. together with a ratio of total annual revenues to the gross estimated cost of environmental obligations in excess of 100/43, together with meeting certain general conditions. It fulfills the public notice component by disclosure in this footnote, and fulfills the record-keeping and reporting component by submission of reports to the Texas Commission on Environmental Quality.

NOTE 13 LONG-TERM OBLIGATIONS (CONTINUED)

Long-term liabilities activity for the year ended September 30, 2025, was as follows:

	Balance Beginning of Year	Amortization/ Accretion	Additions	Reduction	Balance End of Year	Due Within One Year
Bonds Payable:						
Government Activities:						
General Obligation Bonds	$ 124,080,000	$ -	$ 38,990,000	$ (11,570,000)	$ 151,500,000	$ 15,770,000
Recovery Zone Build America Bonds	493,000	-	-	(77,000)	416,000	78,000
Tax-Supported Certificates of Obligation	17,645,000	-	-	(830,000)	16,815,000	855,000
Unamortized Offering Premium	8,861,324	(2,300,451)	2,787,996	-	9,348,869	-
Special Assessment and Other Debt	64,230,000	-	-	(2,010,000)	62,220,000	2,095,000
Total Governmental Activities	215,309,324	(2,300,451)	41,777,996	(14,487,000)	240,299,869	18,798,000
Business-Type Activities:						
Water and Sewer Bonds	260,070,000	-	-	(18,410,000)	241,660,000	19,235,000
Premium on Water and Sewer Bonds	15,353,552	(921,955)	-	-	14,431,597	-
Water Authority Obligations	18,522,491	-	-	(4,298,290)	14,224,201	3,659,946
Premium on Water Authority Obligations	3,216,995	(509,415)	-	-	2,707,580	-
Airport Bonds	3,085,000	-	-	(45,000)	3,040,000	95,000
Discount on Airport Bonds	(21,954)	(1,096)	-	-	(23,050)	-
Drainage Utility Bonds	64,265,000	-	-	(1,620,000)	62,645,000	1,675,000
Premium on Drainage Utility Bonds	3,079,295	(100,129)	-	-	2,979,166	-
Total Business-Type Activities	367,570,379	(1,532,595)	-	(24,373,290)	341,664,494	24,664,946
Total	582,879,703	(3,833,046)	41,777,996	(38,860,290)	581,964,363	43,462,946
Other Liabilities:						
Government Activities:						
Compensated Absences	26,501,409	-	7,815,586	(3,390,980)	30,926,015	1,594,209
Self-Insurance Liability	22,089,983	-	31,860,865	(33,004,781)	20,946,067	7,889,202
Right-to-Use Lease Liability	13,747,278	-	7,830,846	(5,094,319)	16,483,805	4,991,266
Right-to-Use SBITA Liability	16,872,331	-	1,289,897	(2,818,333)	15,343,895	2,692,486
Provision for Landfill and Postclosure Care Costs	6,134,591	-	339,699	-	6,474,290	-
Net OPEB Liability	36,566,550	-	7,257,794	(9,664,335)	34,160,009	-
Net Pension Liability	98,542,713	-	107,962,646	(102,999,532)	103,505,827	-
Total Governmental Activities	220,454,855	-	164,357,333	(156,972,280)	227,839,908	17,167,163
Business-Type Activities						
Compensated Absences	1,694,192	-	1,250,216	(294,867)	2,649,541	204,753
Other Accrued Expenses	2,521,417	-	-	(17,045)	2,504,372	-
Right-to-Use Lease Liability	544,499	-	-	(217,899)	326,600	106,546
Right-to-Use SBITA Liability	-	-	1,050,582	(354,075)	696,507	237,164
Net OPEB Liability	6,841,035	-	1,357,821	(1,808,048)	6,390,808	-
Net Pension Liability	11,268,486	-	12,383,172	(10,739,044)	12,912,614	-
Total Business-Type Activities	22,869,629	-	16,041,791	(13,430,978)	25,480,442	548,463
Total	243,324,484	-	180,399,124	(170,403,258)	253,320,350	17,715,626
Total Long-Term Liabilities	$ 826,204,187	$ (3,833,046)	$ 222,177,120	$ (209,263,548)	$ 835,284,713	$ 61,178,572

For the governmental activities, compensated absences, postemployment benefits and net pension liability are generally liquidated by the General Fund.

NOTE 14 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following tabulation reflects the composition of interfund balances at September 30, 2025.

Receivable Fund		Payable Funds	
General Fund	$ 9,914,131	Nonmajor Governmental Funds	$ 3,305,681
		General Construction Fund	2,486,885
		Proprietary Funds	1,721,378
		Internal Service Funds	2,400,187
Total	$ 9,914,131	Total	$ 9,914,131
General Construction Fund	$ 15,488,085	General Fund	$ 32,602,133
Nonmajor Governmental Funds	17,114,048		
Total	$ 32,602,133	Total	$ 32,602,133
Internal Service Funds	$ 24,072,331	General Fund	$ 23,941,399
		Nonmajor Governmental Funds	130,932
Total	$ 24,072,331	Total	$ 24,072,331
Proprietary Funds	$ 12,460,542	Nonmajor Governmental Funds	$ 7,586,752
		General Fund	4,873,790
Total	$ 12,460,542	Total	$ 12,460,542

All transactions between funds represent “due to/from other funds” caused by cash from one fund paying for expenditures or expenses of another.

The following tabulations summarize interfund cash transfers made during the year:

Transfers to Fund		Transfers from Fund	
General Fund	$ 6,886,091	Proprietary Funds	$ 6,886,091
Total	$ 6,886,091	Total	$ 6,886,091
General Construction Fund	$ 8,023,056	General Fund	$ 6,610,416
		Nonmajor Governmental Funds	1,367,520
		Proprietary Funds	45,120
Total	$ 8,023,056	Total	$ 8,023,056
Nonmajor Governmental Funds	$ 23,804,239	General Fund	$ 17,346,019
		Nonmajor Governmental Funds	218,510
		General Construction	3,697,885
		Proprietary Funds	2,541,825
Total	$ 23,804,239	Total	$ 23,804,239
Internal Service	$ 3,228,954	General Fund	$ 1,981,667
		General Construction Fund	100,000
		Nonmajor Governmental Funds	503,827
		Proprietary Funds	643,460
Total	$ 3,228,954	Total	$ 3,228,954
Proprietary Funds	$ 3,248,210	Nonmajor Governmental Funds	$ 3,248,210
Total	$ 3,248,210	Total	$ 3,248,210

NOTE 14 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

In general, transfers are used to (1) move revenues from the fund that collects the money to the fund that expends the money, (2) move receipts restricted or earmarked for debt service from the funds collecting the receipts 10 the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in a fund co provide operating advances to other funds in accordance with budgetary authorizations. The due to/from balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

NOTE 15 WATER SUPPLY CONTRACT

The City's water is supplied by a series of underground wells, together with water that is purchased from CRMWA.

CRMWA is a water district that was created in 1953 by the Texas legislature for the purpose of supplying water from the Canadian River to eleven cities that wished to participate in its activities. A board of nineteen individual board members, two of whom are selected by the City, governs the affairs of the District.

CRMWA was originally created for the purpose of operating a dam, which had been constructed on the Canadian Rivet approximately 35 miles northeast of Amarillo, the related water reservoir known as Lake Meredith, and an aqueduct system for the purpose of transporting the surface water to the member cities. The construction was performed under the direction of the U.S. Bureau of Reclamation. Prior to construction, each of the member cities was allotted a portion of the water rights together With a proportionate share of the cost of the dam based on its contractual share of the water and a share of the aqueduct costs based on its water allocation and distance from the reservoir.

In 1996 CRMWA initiated a project to purchase and develop underground water rights in the northeastern portion of the Texas Panhandle to supplement CRMWA's available surface water. Water is transported from the well fields to be mixed with the lake water before entering the aqueduct system. Water deliveries of the well water to the member cities began in December 2001.

NOTE 15 WATER SUPPLY CONTRACT (CONTINUED)

Each city is assessed for operating costs, which are accounted for by the City as an operating expense. Each member may sell part or all of its rights under the contract to other members of the aqueduct system. The last audited financial statements of CRMWA, as of September 30, 2025, and for its fiscal year then ended, reflect the following:

Assets	
Cash and Cash Equivalents	$ 13,548,479
Investments	8,770,096
Due from Member Cities and Other Receivable	9,127,748
Inventory	1,287,687
Debt Service Funds	
Restricted Cash and Cash Equivalents	6,398,404
Due from Cities and Other Receivables	28,078,155
Land and Land Rights	15,592,753
Property, Plant, and Equipment, Net of Accumulated Depreciation	305,954,273
Liabilities and Deferred Revenues	
Current Liabilities	12,997,116
Noncurrent Liabilities	37,104,400
Deferred Inflows of Resources	
Deferred Revenue from Refunding	2,669,277
Net Position	$ 335,986,802
Operating Revenues	
User Assessments for Operations	$ 17,507,037
Operating Expenses	19,482,594
Nonoperating Revenue (Expense)	
Net Contributions from Member Cities	1,499,258
Nonoperating Revenues (Expenses)	3,237,767
Net increase (Decrease) in Net Position	$ 2,761,468

CRMWA's debt service consists of approximately $56 million related to the underground water project. The CRMWA's annual debt services requirements, including interest, range from $5.5 million to $11.5 million with final repayment in 2031. Because certain member cities elected to fund their proportionate shares of these costs on a separate basis, and the City's contractual share of the available lake water is 36.57% and 63.43% of well water. The City's share of this debt is approximately $18.5 million. The City's contractual water rights and its proportionate shares of CRMWA's various debt obligations are accounted for as assets and liabilities of its Water and Sewer System.

NOTE 15 WATER SUPPLY CONTRACT (CONTINUED)

Because the cities that are members of the aqueduct system have the right to elect members of the governing Board, this arrangement has one of the attributes of a joint venture. However, the City has not reported this contract as a joint venture for the following reasons:

- CRMWA was created by the state of Texas and is a subdivision thereof, as opposed to having been created by the members of CRMWA.
- The City has no vested rights in the assets of CRMWA, nor responsibility for its liabilities other than its proportionate share of the contractual construction obligations.
- The affairs of CRMWA are accounted for on a "financial flow" measurement focus, which is not consistent with the measurement focus required for the water and sewer enterprise fund.

NOTE 16 HARRINGTON LIBRARY CONSORTIUM

The City is a member, as well as the fiscal agent, of a library consortium comprised of itself together with the Amarillo Junior College District and Amarillo Independent School District. The Consortium's purpose is to maintain a computer-based, online automated system to enhance the delivery of library information services to the citizens of the Panhandle of Texas. It provides a bibliographic database, an online catalog system, intralibrary and interlibrary circulation systems, and similar services to citizens through their local libraries. The Consortium is governed by a six-member council comprised of the chief administrator of the library services for each member, the chair of two of its committees and a representative of the Hanington User Group.

The original funding for the Consortium was a grant from a local charitable organization, the Harrington Foundation. Continuing operations are financed through user fees from the members and from subscribing libraries in the region. During the year ended September 30, 2025, the Consortium served over 100 libraries. The condensed financial statements of the Consortium at September 30, 2025, and for the year then ended are summarized in the table below.

Balance Sheet	
Cash and Other Assets, Net	$ 1,852,928
Total Liabilities	(1,242,038)
Net Position	$ 610,890
Revenues	
Operating Revenues	$ 325,118
Nonoperating Revenues (Expense)	63,008
Total Revenues	388,126
Expenses	
Operating Expenses	(340,979)
Change in Net Position	$ 47,147

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT

Self-Insurance and Risk Management

The City's insurance coverage consists of self-insured programs supplemented by certain commercial insurance policies maintained with various carriers. The City's insurance and self-insurance programs are administered by a risk-management committee comprised of selected City management personnel. Each type of potential claim is discussed below.

The City of Amarillo has a blanket all risk property insurance policy with a $100,000,000 policy limit. The blanket feature allows this limit to be used for one occurrence. Thus, if a property's scheduled value was not sufficient to cover a loss, the entire blanket would be used to cover the loss. The schedule of values and the coverage have been increasing over- the last three years as property is added to the schedule, and replacement values have increased with increases in construction costs. Settlements of insurance have not exceeded coverage in the past three years.

Health and Accident: The City self-insures medical benefits for employees, retirees, and their covered dependents. The City purchases stop-loss coverage for specific claims over $750,000. There is no limit on this coverage.

Property: Property insurance is maintained with commercial carriers, with a self-insured retention per occurrence of $250,000 and wind/hail is 5% total value per occurrence minimum $1,000,000. Total coverage for all scheduled buildings and contents including terrorism coverage is $100 million. The property insurance policy also includes $50 million in flood and earth-quake coverage and has a terrorism endorsement.

The City has an endorsement to its property insurance coverage for Fire and Extended Coverage (explosion and damage). Insurance is maintained with commercial carriers to the extent of $100,000,000 potential liability. The City has incurred no losses with respect to this risk.

Automobile Liability and Physical Damage: The City has elected to fully self-insure these risks. As of November 12, 2021, the City insures large value fire apparatus against physical damage with a $10k deductible if valued at less than $1M and over $1M is a $50k deductible.

Workers' Compensation: City employees are entitled to statutory workers' compensation benefits. The City has a self-insurance retention of $2 million per occurrence for any employee classified under code 7704 described as firefighters and Drivers or code 7720 described as Police Officers and Drivers, and a self-insurance retention of $1.5 million per occurrence for all others. The Excess Workers' Compensation and Employers' Liability Indemnity Policy was purchased to cover a major accident.

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT (CONTINUED)

Self-Insurance and Risk Management (Continued)

General Liability: The City has elected to self-insure public official, professional, and general liability contingencies to the foll extent of its statutory limits. The City carries medical professional insurance on the Public Health clinic for $2 million each, $5 million aggregate with a $25,000 deductible. Additionally, no insurance is carried for crime or burglary losses or employee dishonesty, except for the minimal bonds required by law.

Law Enforcement Liability: The City has purchased Law Enforcement Liability insurance with a $100,000 deductible per occurrence and annual aggregate coverage of $6 million.

Unemployment Benefits: The City fully self-insures unemployment benefits, reimbursing the Texas Workforce Commission for claims on the basis of quarterly reports. Two internal service funds are used to account for the transactions associated with the various risks.

Employee Insurance Fund: Full-time employees are eligible to enroll in health and additional life insurance coverage for themselves and eligible dependents. A $10,000 Basic Life Insurance policy is provided at no cost to full-time employees. Additional life insurance is purchased by the employee. Pre- 65 retiree medical and dental benefits are available to eligible retirees and their dependents if they are enrolled in these benefit plans at time of retirement. Retirees can purchase a Basic Life Insurance policy of either $5k or $10k at time of retirement and if enrolled in the $10k policy, the Spouse can be enrolled in a $5k policy. While the City pays for the majority of the health insurance benefit, the employee and retiree do pay a portion of the overall healthcare premium. Health and life insurance plans are managed by third-party vendors for the City of Amarillo.

The City currently has specific stop loss coverage with a $750,000 annual individual deductible but is self-insured for employee and retiree health coverage.

The Employee Insurance Fund is used to account for the collection of employer and employee contributions, and for payments of claims and insurance premiums. The City covers most of the cost of employee only coverage and contributes to spouse and family coverage. Retirees contribute based on their service with the City and retiree rates are also subsidized by the City. Liabilities are presented at the estimated amounts of incurred losses outstanding, without discounting. Effective January 1, 2016, Aetna Life Insurance Company became the medical third-party administrator (TPA) for the City of Amarillo. This change has allowed the City to obtain more favorable discounts with medical providers. Employees have up to one year after services are rendered in which to present their claims for reimbursement. The estimated current liability at September 30, 2025, related to incurred but not reported (IBNR) claims was $2,194,637. The IBNR estimate was computed by management based on historical patterns and reference to previous actuarial estimates.

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT (CONTINUED)

Self-Insurance and Risk Management (Continued)

The following tabulation reflects changes in the estimated aggregate liabilities for incurred losses of the Employee Insurance Fund:

	2025	2024
Estimated Liabilities at Beginning of Year	$ 2,056,920	$ 1,774,751
Claims During Year and Changes in Estimates	27,418,955	28,298,217
Payments During Year	(27,281,238)	(28,016,048)
Estimated Liabilities at End of Year	$ 2,194,637	$ 2,056,920

Risk Management Fund

The transactions related to risk areas other than employee health are accounted for in the Risk Management Fund, which is funded through assessments to City departments at rates developed by reference to the actuarial studies of the self-insurance fund together with estimates of the charges by private insurers for similar coverages. Risks considered included general and airport liability, boiler and machinery, police, auto, and excess liability; workers' compensation; unemployment; crime/fidelity/bur- glary; property insurance deductibles and various other risk groups.

Actuarial studies of the Fund are made at least biennially. The actuary's methodology includes review of the City's historical experience with respect to each type of risk, together with insurance industry patterns and any amendments to the state workers' compensation laws.

An actuarial study of the self-insurance liability was done as of September 30, 2025. Management's estimate of the liability by the City was within recommended funding ranges of that study. Management estimated the liability for incurred losses at September 30, 2025, to be $18,751,430.

The City is self-insured for most exposures. Tire most significant risk assigned to third-party carriers is the property insurance coverage in excess of the $250,000 retention. The City also carries Excess Workers' Compensation and Employers' Liability Indemnity insurance with self-insurance retention of $1.5 million.

The following tabulation reflects changes in the estimated aggregate liabilities for incurred claims of the Risk Management Fund:

	2025	2024
Estimated Liability at Beginning of Year	$ 20,033,063	$ 16,686,865
Claims During Year and Changes in Estimates	4,441,910	6,398,854
Payments During Year	(5,723,543)	(3,052,656)
Estimated Liability at End of Year	$ 18,751,430	$ 20,033,063

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT (CONTINUED)

Litigation

The City has been named as defendant in a number of other lawsuits or complaints arising out of the ordinary course of conducting its operations. While several of these claims ask for the full amount allowed by state statute, it has been the City's experience that such actions, if pursued, result in losses of amounts substantially less than the claimed amounts. These complaints are similar to complaints resolved in prior years, which settlements comprise the City's historical experience that formed the basis for the actuarial determination of the estimated liability for presented and unpresented claims payable at September 30, 2025.

Pollution Remediation Obligation

Environmental Liabilities

The Hillside Terrace Estates Subdivision vitrified clay pipe (VCP) sewer main experienced collapse/breakage in several areas due to apparent deterioration and defects in the VCP and/or its design and installation.

In July 2018 the City notified the Texas Commission on Environmental Quality (TCEQ) of its intent to conduct an environmental health and safety compliance audit on a portion of the wastewater collection system located in Hillside Terrace Estates Subdivision, in accordance with the Texas Environmental, Health and Safety Audit Privilege Act, Texas Health and Safety Code (Chapter 1101) (Audit Act). The scope of the audit was to evaluate compliance with all applicable environmental, health, and safety regulations as well as other associated environmental permits, licenses, certificates, submissions, or registrations. The scope of the Audit was to investigate a limited portion of the pipe. Other potential environmental liability may exist with other areas of the pipe, and the City is still investigating to determine the scope and remediation necessary for such areas.

Environmental and engineering consultants retained by the City, in conducting the Audit discovered several violations which were reported to the TCEQ along with recommendations for corrective action. Specifically, at one or more locations the consultants identified subsurface soil/wastewater contamination which had escaped from the collapsed/broken VCP. Pursuant to the consultants' recommendations, the City intends to undertake corrective action to remediate the contamination at one or more locations. Although the extent of remediation cannot be fully identified pending further investigation and obtaining bids from qualified contractors to accomplish the work, a preliminary estimate of remediation costs is in range of $11 million. Final remediation costs are subject to vary depending upon a number of factors including conditions encountered by the contractor and further investigations.

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT (CONTINUED)

Pollution Remediation Obligation (Continued

Environmental Liabilities (Continued)

As a result of the apparent defects in the manufacture of the VCP and the design and installation of the sewer main, the City filed a lawsuit against several parties to recover its monetary damages. During 2022 the City recovered $11,725,000 in monetary damages and in during 2023 the City recovered $5,000,000. In January 2024, the City purchased property to facilitate all the necessary remediation and abandonment for this stage of the project. The remediation plan was approved by the TCEQ in June 2024. The abandonment project occurred during 2025 . Currently, water samples are being tested and actively monitored. The City is not aware of any pending regulatory actions or penalties to be asserted.

Upon completion of the Hollywood Road Wastewater Treatment in the 1960s, the City of Amarillo began to discharge treated effluent into an on-site playa lake. This practice was in full conformance with all environmental regulations, was conducted under a lawfully issued state of Texas environmental discharge permit, and was subject to regular monitoring and reporting standards. Over time, a sub-surface plume of water developed under the playa lake and has since slowly migrated outward. This plume is comprised of water that contains a chloride level that is higher than the native groundwater in the area. The City ceased pumping treated effluent into the playa and the chloride content of the plume, both originally and currently, is below the federal and state limits for potable water.

As the plume migrated outward, it has seeped into some domestic water wells near the facility. Due to this, the City has historically conducted a voluntary monitoring program of the nearby domestic wells and continues to do so at this time. If this monitoring detects chloride content in a well that is higher than the native groundwater, the City then either re-works the existing well, replaces it with a new well-constructed to current standards, or provides a reverse osmosis treatment system based on the homeowner’s preference.

Management believes that GASB 49 does not apply in this instance since there has been no actual pollution by any legal definition of the term. However, the City intends to continue the practice of monitoring the plume, providing replacement wells and treatment systems and pursuing options for remediation in the future. The City has recorded a liability of $2.6 million to continue the voluntary monitoring and well replacement program throughout this fiscal year. The estimated amount could change in the future as the City evaluates various alternatives.

NOTE 17 CONTINGENCIES AND RISK MANAGEMENT (CONTINUED)

Federal and State Grant Programs

The City participates in numerous federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required.

NOTE 18 CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued industrial revenue bonds to provide financial assistance in private- sector entities for the acquisition and construction of commercial and health facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage Loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for repayments of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

While the outstanding principal amount could not be determined, the original issues were as follows:

Issues	Number of Issues	Original Issue Amounts
Amarillo Health Facilities Corporation	1	$ 3,155,000
Amarillo Housing Finance Corporation	1	10,000,000
Total		$ 13,155,000

NOTE 19 TAX ABATEMENTS AND ECONOMIC INCENTIVES

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax and hotel tax and enhance the property tax base and economic vitality of the City. These programs abate or rebate property taxes, sales tax, and hotel tax, and also include incentive payments and reductions in fees that are not tied to taxes. 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 312 (Property Redevelopment and Tax Abatement Act) and 351 (Municipal Hotel Occupancy Taxes) of the Texas Tax Code. Recipients may be eligible to receive economic assistance based on the employment impact, economic impact or community impact of the project requesting assistance. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, demolishing and redeveloping outdated properties, expanding operations, renewing facility leases, or bringing targeted businesses to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has three categories of economic development agreements:

- Tax Abatements - Tax Abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. Property taxes abated under this program were $1,776,952 in fiscal year 2025.

- General Economic Development - The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount or percentage of property, sales, or hotel tax received by the City, may result in fee reductions such as utility charges or building inspection fees, or make Lump sum payments to offset moving expenses, tenant finish-outs, demolition costs, infrastructure reimbursements, redevelopment costs or other expenses. For fiscal year 2025, the City rebated $808,348 in hotel taxes and $368,715 in sales tax.

- Tax Increment Financing - The City has adopted three Tax Increment Financing zones (TIFs) under Chapter 311 of the Texas Tax 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 more fully described in Note 22. Additionally, the City enters into general economic development agreements under Chapter 380 of the Texas Local Government Code which are funded with TIF resources of $60,013 in fiscal year 2025. For fiscal year 2025, the City made $821,577 in payments for TIF obligations, $40,000 in incentive payments and $855,362 in property tax rebates from general TIF resources.

NOTE 20 AMARILLO HOSPITAL DISTRICT

Significant Accounting Policies

Financial Reporting Entity

The financial reporting entity represents a political subdivision of the state of Texas and a component unit of the City. Its fiscal year coincides with that of the City.

On May 7, 1996, the Amarillo Hospital District (District) sold its hospital facilities to a private hospital management company for approximately $121,000,000 and discontinued assessing ad valorem taxes for hospital purposes. With the exception of continuing the operations of a pediatric-specialty, nonprofit entity until 2000, the functions of the District since the sale of the hospital facilities have consisted primarily of investing the sales proceeds for future hospital pw-poses and funding indigent care costs. The employee pension plan is held for payment of future benefits as former employees meet applicable retirement requirements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The District follows the provision of Governmental Accounting Standards Board Statement No. 34. While it is no longer engaged in hospital operations, it continues to use the accounting principles applicable to enterprise funds.

The District follows GASB Statement No. 31, Accounting and Financial Reporting for Certain Investment Pools, which provides that investments generally are reported at fair value, and changes in fair value are recognized as revenue.

The District follows GASB Statement No. 68, Accounting and Financial Reporting for Pensions-an Amendment to GASB Statement No. 27.

The District follows GASB Statement No. 87, leases.

The District has self-insured claims arising from professional malpractice.

Agreements with Respect to Hospital Sale

On May 7, 1996, the District sold its physical plant, patient receivables, and other operating assets to a for-profit, hospital-management company which assumed all of its hospital operations, as well as responsibility for healthcare services to indigent and needy persons within the District. The total sales proceeds were approximately $121 million.

In return, the District will make indigent care payments to the buyer, payable in quarterly installments, for the next 25 years. The payments were $8,000,000 per year through May 1999. Thereafter, through May 2006, payments varied between $6,000,000 to $8,000,000 per year, adjusted for inflation. Subsequent to May 2006, the payments per year will generally be equal to the lesser of the payments per year made in 2005 or 2006. For the year ended September 30, 2025, the District recognized approximately $7,700,164 in indigent care expenses relating to the agreement.

NOTE 20 AMARILLO HOSPITAL DISTRICT (CONTINUED)

Agreements with Respect to Hospital Sale (Continued)

The District currently collaborates with Northwest Texas Healthcare System to ensure both parties best allocate their resources for the provision of care to the low income and needy residents in their community. As part of this collaboration, Northwest has proposed that the District fund payments to Northwest under the Medicaid program (Medicaid). On November 9, 2006, the District temporarily suspended the "Indigent Care Agreement," dated May 7, 1996, for the period from November 9, 2006 through November 8, 2008, and replaced it with an almost identical agreement called the Health Care Services Agreement (HCA). The District remitted approximately $12,712,000 on November 20, 2006 to fund the Medicaid UPL program. The original agreement has been extended thirty-six times. On May 3, 2016, the District received written notice from UHS dated April 28, 2016, pursuant to Section 7(b) of the Indigent Care Agreement (the Agreement) between UHS and the District, UHS elected to exercise its Extension Option (as defined in the Agreement) extending the term of the Agreement until May 7, 2036. On December 5, 2023, the Board approved a resolution for the annual funding of the Indigent Care Agreement in four quarterly payments at $1.9 million and remain flat through the end of the Indigent Care Agreement in 2036.

Waiver Under Section 1115 of the Social Security Act

The District agreed to participate in a waiver under Section 1115 of the Social Security Act that is designed to build on existing Texas health care reforms and to redesign health care delivery in the state administered through the Amarillo Department of Public Health. The waiver consists of two components: the Uncompensated Care (UC) program and the Delivery System Reform Incentive Payments (DSRIP) program, which is a five-year program. The only requirement in year one was to submit a plan, while subsequent years required process and outcome metrics. The District has made intergovernmental transfers on behalf of this program of $11.9 million.

Deposits and Investments

The District's funds are required to be invested in accordance with the Public Funds investment Act. Bank deposits are collateralized by FDIC insurance or by pledged collateral. Governmental accounting standards require the categorization of investments to give an indication of the level of risk assumed. Based on the applicable criteria, a summary of the District's investment securities at September 30, 2025, are as follows:

NOTE 20 AMARILLO HOSPITAL DISTRICT (CONTINUED)

Deposits and Investments (Continued)

	Fair Value			Weighted Average Maturity (Years) (Excluding Securities Lending)
	Unrestricted Assets	Restricted Assets	Total	
Investment Securities				
U S. Treasury Obligations	$ 22,494,227	$ -	$ 22,494,227	1.95
U.S. Government and Government-Sponsored Agencies	76,317,630	-	76,317,630	3.70
Municipal Bonds	8,728,603	-	8,728,603	1.07
Total Investment Securities	107,540,460	-	107,540,460	
No-Load U.S. Treasury-Only Mutual Funds	6,175,091	-	6,175,091	
Total Investments	113,715,551	-	113,715,551	
Deduct: Cash Equivalents	(6,175,091)	-	(6,175,091)	
Net Investments for Financial Reporting	$ 107,540,460	$ -	$ 107,540,460	

Tobacco Settlement

During 1998 the state of Texas settled litigation against certain tobacco manufacturers, which entitles political subdivisions with legal responsibility for providing indigent healthcare services to a portion of the settlement proceeds. As a result of the settlement, in 1998 the District received a distribution of approximately $2.9 million based on a per capita calculation (1990 federal census). Subsequent distributions have been made based on each subdivision's total unreimbursed indigent healthcare expenditures for the calendar year immediately preceding the year of distribution. As the various calculations are not determinable by the District, these revenues are not accrued. In 2025, the District received approximately $416,200, in tobacco settlement funds.

Employee Retirement Benefits and Plan Termination

Substantially all full-time employees of the District were eligible for participation in the Retirement Plan for Employees of Northwest Texas Healthcare System (AHD Plan), a single-employer, noncontributory plan. Upon the sale of the Hospital in 1996, the AHD Plan was "frozen."

On September 20, 2023, the AHD Plan was amended to terminate effective upon annuity contract completion. The District has commenced the plan termination process and all benefits were settled in fiscal year 2024 through the purchase of an annuity offering on behalf of the participants.

NOTE 20 AMARILLO HOSPITAL DISTRICT (CONTINUED)

Commitments and Contingencies

Although the District sold the Hospital on May 7, 1996, it retained the responsibility for certain claims as of the date of sale. The District self-insures substantially all of the important risks.

In accordance with the limited liability provisions of the Texas Tort Claims Act, the District may be liable for settlement of malpractice claims up to a limit of $100,000 per person. Claims have been made alleging malpractice arising out of the ordinary course of business, and such litigation is in various stages of progress. The District self-insures for claims arising from professional malpractice.

It is the opinion of management that estimated self-insurance costs, including known claims and reserves for incurred but not reported claims, are adequate to provide for potential claims.

Northwest Texas Healthcare System (Northwest) provides the tobacco prevention services and the pediatric sub-specialty care services in the community. Pediatric sub-specialty care is provided through Texas Tech. Northwest provides tobacco prevention and control services through a contract with the Harrington Cancer and Health Foundation.

Financial Statements

The District's financial offices were closed upon the sale of the hospital, and its Board selected the City of Amarillo as its fiscal agent. Accordingly, the separately issued financial statements for this entity and for its pension trust may be obtained by contacting the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION

Significant Accounting Policies

Operations

The Amarillo Economic Development Corporation (AEDC) was created by the City in 1990 under provisions of the Development Corporation Act of the state of Texas. Its operations are financed by the proceeds of a 1/2-percent economic-development, sales tax. It is governed by a five-member Board of Directors appointed by the City Council. The City serves as fiscal agent for AEDC, providing such services as accounting, investment, and management information services.

The mission of AEDC is to attract businesses to Amarillo which offer highly skilled, highly paid positions, to expand and retain existing local businesses in Amarillo, and to create a business environment conducive to entrepreneurship. The AEDC targets companies whose primary function is to produce goods or services that are then sold outside of the immediate trade area, thereby introducing new monies into the local economy. This strategy is met by implementing aggressive business recruitment programs, local business retention and expansion programs, and promoting AEDC and Amarillo, Texas, brands worldwide.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Significant Accounting Policies (Continued)

Operations (Continued)

Projects involve construction of facilities which involve direct financing leases. Other projects have taken the form of grants or interest waivers on loans to industrial enterprises based on meeting targeted, job-creation levels, as well as grants and contracts supporting research and promotional activities.

Measurement Focus, Basis of Accounting, and Financial Statement Preparation

The AEDC's fiscal year coincides with that of the City. AEDC follows the provisions of Governmental Accounting Standards Board Statement No. 34. Accordingly, it presents government-wide financial statements using accounting principles similar to those used by commercial enterprises.

Investments are valued at fair value. Grants are generally recorded as expenses and liabilities at the time of the awards. Grants subject to significant performance criteria are recorded when the funds are disbursed or the criteria satisfied, whichever is earlier.

The maximum potential job creation credits available against loan interest are recognized as development expense in the period in which the loans are made. Development notes receivable are reported at their stated principal amounts, reduced by the estimated effect of the potential interest waivers as well as by an allowance for uncollectible amounts. Direct financing leases are reported at the lower of the Corporation's investment in the property or the present value of the future minimum lease payments to be received pins the estimated residual value of the leased property. Income from finance leases is credited to income based on a constant periodic rate of return on the net investment in the lease allowance for uncollectible amounts. Direct financing leases are reported at the lower of the Corporation's investment in the property or the present value of the future minimum lease payments to be received plus the estimated residual value of the leased property. Income from finance leases is credited to income based on a constant periodic rate of return on the net investment in the lease.

Property and equipment are recorded at cost, and donated property is recorded at fair value at date of receipt. Property and equipment consists primarily of hangars and related improvements located at the City's airport, as to which the estimated useful lives are 30 years. Depreciation is provided on the straight-line method. Assets restricted by interest and sinking fund indenture agreements are segregated and are presented as restricted assets.

Deposits and Investments

The AEDC's cash and investments are managed by the City, which accounts for its liquid assets and its receipts and disbursements as one of its agency funds. The AEDC's uninvested cash is held in the City's depository in the City's name as agent for AEDC. All such cash is insured by the Federal Deposit Insurance Corporation and other insurers.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Deposits and Investments (Continued)

The AEDC's investments are administered by City management under terms of an investment policy and strategy that has been updated to conform to the latest amendments to the Texas Public Funds Investment Act.

A summary of the AEDC's investment securities at September 30, 2025, is as follows:

	Fair Value	Weighted Average Maturity (Years)
Investments		
CDARs	$ 13,250,000	0.37
Money Market Mutual Funds	59,676,645	-
U.S. Government and Agency	3,033,244	0.87
Total investments at fair value	75,959,889	
Deduct: Classified as Cash Equivalents for Financial Reporting	(59,676,645)	
Net investments	$ 16,283,244	

Economic Development Loans

As one type of economic development project, the AEDC has made several loans to industrial enterprises under arrangements that waive up to 100% of the stated interest on such loans if job creation targets are met. These maximum allowances are recognized as development expenses in the period in which the loans are made. In addition to interest waivers, a provision has been made for uncollectible loans, including amounts related to the individual credits based on managements' analysis, as well as a provision for unidentified risks.

In August 1998, Bell Helicopter, the world's leading producer of helicopters, announced its selection of Amarillo as the site for its new tiltrotor helicopter plant, based partly on incentives offered by AEDC. The original incentive package included manufacturing facilities financed by AEDC sales-tax-backed bonds up to a total amount of $34 million, as well as industrial revenue bonds up to a total amount of $8 million, plus cash of up to $5 million for site acquisition and employee training and relocation. Bell's obligations under the agreements are sufficient to service the construction debt, but if job creation goals are met, the resulting incentive credits could fully discharge Bell's payment obligations.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Economic Development Loans (Continued)

During 2019, all of the remaining Bell leases were converted to notes receivable. As with the leases, all payments can be waived if job credit requirements are met. As of September 30, 2025, the notes receivable consists of five notes for different projects:

- Phase 2 was for an expansion of the aircraft assembly building at an original cost of $10,570,000. The original net investment of the note receivable on September 30, 2019 was $2,548,944, with a stated interest of 0% and a discount rate of 6%. The annual note payment is $528,500 through 2025. As of September 30, 2025 and 2024, the balance outstanding was $-0- and $498,585, respectively.

- Phase 3 was an expansion to Bell's facilities at a cost of $14,234,368. The original net investment of the note receivable on September 30, 2019 was $3,896,855, with a stated interest of 0% and a discount rate of 6%. The annual note payment is $711,718 through 2026. As of September 30, 2025 and 2024 there was a balance outstanding of $711,718 and $1,304,859, respectively.

- Phase 4 was an expansion to Bell's facilities at a cost of $15,028,921. The original net investment of the note receivable on September 30, 2019 was $4,114,374, with a stated interest of 0% and a discount rate of 6%. The annual note payment is $751,446 through 2026. As of September 30, 2025 and 2024 there was a balance outstanding of $751,446 and $1,377,696, respectively.

- Phase 6 was an expansion to Bell's facilities at a cost of $22,242,454. The original net investment of the note receivable on September 30, 2019 was $10,568,696, with a stated interest of 0% and a discount rate of 6%. The annual note payment is $1,366,249 through 2030. As of September 30, 2025 and 2024 there was a balance outstanding of $5,755,139 and $6,718,291, respectively.

- Phase 7 was an expansion to Bell's facilities at a cost of $31,749,325. The original net investment of the note receivable on September 30, 2019 was $15,725,318, with a stated interest of 0% and a discount rate of 6%. The annual note payment is $1,912,360 through 2031. As of September 30, 2025 and 2024 there was a balance outstanding of $9,403,696 and $10,675,525, respectively.

- AEDC acquired another 48.7 acres of adjacent land for future expansion, at a total cost of $273,779. In accordance with the terms of the incentive package, this land together with any improvements thereon will be subject to a purchase option at a nominal amount after redemption of any bonds issued for related construction.

The AEDC has other loans receivable in addition to the Bell loans receivable. At September 30, 2025, there were Enterprize program loans of $863,318.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Economic Development Loans (Continued)

In fiscal year 2015, approximately 48 acres of land in AEDC's Centerport complex was deeded to a wind tower manufacturer. The receivable for this project commences on November 15, 2021. The term for this project is seven years, beginning on the date that the receivable commences. The resulting annual note payment of $274,286 could be fully or partially waived if job creation goals are met. At September 30, 2025, AEDC's balance outstanding was $508,205.

In 2017, AEDC released constructed assets to the wind tower manufacturer. The lease for this portion of the project commences on November 15, 2021 with a term of seven years. The annual note payment of $471,429 could be fully or partially waived if job creation goals are met. At September 30, 2025, AEDC's balance outstanding was $873,486.

An analysis of loans and the related valuations allowances at September 30, 2025, are as follows:

Principal Balances	$ 18,779,511
Allowance for Uncollectible Accounts	-
Loans, Net of Allowances	$ 18,779,511

Direct Financing Leases

In fiscal year 2009, a project was completed for a tenant in which, subject to job creation targets, the tenant has the option to acquire the property in 2029, for $1. The rental term for this project is 20 years beginning on the date the lease commenced. The resulting annual rentals in the amount of $630,000 could be fully waived if job creation goals are met. At September 30, 2025, AEDC's net investment in this lease, less discount for jobs credits, was $2,193,876.

Year Ending September 30,	Amount
2026	$ 630,000
2027	630,000
2028	630,000
2029	630,000
Future Years	-
Total	$ 2,520,000

Capital Assets

As part of its economic development program, the AEDC has constructed a number of improvements on property leased from the City's airport for the purpose of subleasing to qualifying enterprises.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Capital Assets (Continued)

Additionally, it holds equipment needed for administrative purposes. At September 30, 2025, the AEDC's property, plant, and equipment were as follows:

Buildings and Improvements	$ 11,257,819
Construction in Process	180,563
Equipment	197,964
Right-to-Use Lease Asset	789,384
Contributed Right-of-Way Easements	17,947
Accumulated Depreciation and Amortization	(4,917,599)
Total Capital Assets	$ 7,526,078

Grants Payable

During 2020, Texas Tech University System (the University) met the requirements for payment of the first stages of a $69 million commitment, making $30 million of the commitment payable. In 2023, the agreement was reduced by $5 million. In 2024, the University provided a certified report of other pledged amounts from external third parties, which triggered the remaining commitment of $20,810,706. As of September 30, 2025, AEDC has paid $-0- million of the commitment and has accrued $20.8 million to be paid over the next four years. Subsequent to year end, AEDC paid off the remaining balance of the Texas Tech Payable. The last two installments were $5,202,676.47 and $13,653,467.33, respectively, with the first such installment due under the terms of the agreement following AEDC's receipt of the Certificate for the Performance Year ending on August 31, 2025, and the second such installment shall be due on or before January 21, 2026.

Net Pension Liability

As of October 1, 2019, the AEDC discontinued their money purchase pension plan and began participating in the City's TMRS plan. AEDC has a net pension liability as of September 30, 2025 of $162,879.

Long-Term Debt

In June 2017, AEDC issued its Taxable Sales Tax Revenue Refunding Bonds, Series 2017, dated June 20, 2017, in the face amount of $2,010,000. The 2017 issue refunded the 2007 bond issue. The 2017 Series has annual principal amounts ranging from $2,170,000 to $2,305,000. Annual debt requirements range from approximately $2,377,000 to $2,382,000 through August 15, 2027. Interest rates on the outstanding bonds range from 2.963% to 3.183%. Scheduled principal payments are as follows: 2026, $2,240,000 and 2027, $2,305,000. The principal outstanding at September 30, 2025 was $4,545,000.

At the time of refunding there was $23,345,000 of outstanding Taxable Sales Tax Revenue Refunding and Improvement Bonds, Series 2007. The refunding was undertaken to reduce total debt service payments over the next ten years by approximately $4,141,000 and resulted in an economic benefit of approximately $3,557,000. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from AEDC's financial statements.

NOTE 21 AMARILLO ECONOMIC DEVELOPMENT CORPORATION (CONTINUED)

Long-Term Debt (Continued)

In June 2019, AEDC issued its Taxable Sales Tax Revenue Refunding Bonds. Series 2019, dated June 18, 2019, in the face amount of $27,680,000. The 2019 issue refunded the 2009 bond issue. The 2019 Series has annual principal amounts ranging from $2,470,000 to $2,865,000. Annual debt requirements range from approximately $2,956,000 to $2,961,000 through August 15, 2030. Interest rates on the outstanding bonds range from 2.80% to 3.24%. Scheduled principal payments are as follows: 2026, $2,540,000; 2027, $2,615,000; and thereafter $8,340,000. The principal outstanding at September 30, 2025 was $13,495,000.

At the time of the refunding there was $28,130,000 of outstanding Taxable Sales Tax Revenue Bonds, Series 2009. The refunding was undertaken to reduce total debt service payments over the next 12 years by approximately $6,004,000 and resulted in an economic benefit of approximately $5,114,000. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from AEDC's financial statements.

Commitments

At September 30, 2025, AEDC had outstanding commitments to make grants or extend credit to qualifying enterprises, in the amount of approximately $98,788,052. On February 18, 2025, AEDC's Board terminated a commitment of $20,000,000.

Net OPEB Liability

For the fiscal year ended September 30, 2025, AEDC's net OPEB liability is $69,500.

Financial Statements

Separately issued financial statements for this entity may be obtained by contacting the AEDC at its offices, which are located at 600 S. Tyler Street, Suite 1600, Amarillo, Texas 79101.

NOTE 22 AMARILLO-POTTER EVENTS VENUE DISTRICT

Significant Accounting Policies

The Venue District is a governmental entity created by enabling resolutions of the City and Potter County (the County) in September 1997. In January 1998, the voters of the City and the County approved the proposed project, which consists of constructing a livestock arena at the county fairgrounds to be used for livestock shows, sporting events, agricultural expositions and other civic or charitable events, together with expansion of the City's Civic Center to provide additional exhibit hall space and meeting rooms.

NOTE 22 AMARILLO-POTTER EVENTS VENUE DISTRICT (CONTINUED)

Significant Accounting Policies (Continued)

The construction of the livestock arena has been financed by citizen contributions, together with bonds serviced by a 2% hotel occupancy tax and a 5% tax on short-term auto rentals, both of which taxes were approved by the voters on January 17, 1998. The City has agreed to pay lease rentals, if necessary, to cover any shortfall in the tax revenues available for the debt service.

The Venue District is governed by a seven-member Board of Directors, four of whom are appointed by the Mayor of the City and three of whom are appointed by the County Judge of the County. The budget is subject to approval by both the City Council and the County Commissioner's Court. The City serves as fiscal agent for the Venue District, performing various administrative services under a contract providing that it will be reimbursed for its cost of providing the services.

The Venue District is considered to be a component unit of the City's financial reporting entity because of its oversight responsibility with respect to management, as well as its financial accountability with respect to debt service.

Measurement Focus, Basis of Accounting, and Financial Statement Preparation

The Venue District's fiscal year coincides with that of the City. It follows the provisions of Governmental Accounting Standards Board Statement No. 34. Accordingly, it presents government-wide financial statements using accounting principles similar to those used by commercial enterprises.

Taxes collected by hotels and rental agencies are due to the Venue District by the tenth of the month following collection. Such taxes are recognized as revenues when collected by the remitters.

Depreciation is provided for on the straight-tine method over the estimated useful lives of the facilities. The primary depreciable asset of the Venue District at September 30, 2025, was a livestock arena, and its estimated useful life is 40 years.

Physical Facilities

A livestock arena and special events center (the Center) has been constructed on fairground property owned by the County and has a total capacity of 10,000 persons. The total construction cost of the facility was approximately $12.8 million. When completed as of June 1, 2000, the Center was leased on a rent-free basis to the local nonprofit fair association.

In January 2002 construction began on a 65,000 square foot addition to the City's Civic Center, together with additional paved parking. The total construction cost of this facility was $9.6 million. Cost in excess of the funds provided by the Venue District's bonds and available revenues are to be paid by the City with proceeds of its hotel-motel taxes earmarked for this expansion.

NOTE 22 AMARILLO-POTTER EVENTS VENUE DISTRICT (CONTINUED)

Financing

In December 1998, the Venue District issued sales tax and lease revenue bonds in the face amount of $10 million, secured by a pledge of the Venue District's tax revenues, as well as by a lease agreement from the City secured by its hotel occupancy taxes, to be applicable if there is a shortfall in the Venue District's revenues available for debt service. In November 2000, the Venue District issued additional bonds in the face amount of $6,750,000. On November 10, 2005, the Venue District issued $6,425,000 in Special Tax and Lease Revenue Refunding Bonds (Series 2005) for a refunding of $6,340.000 of outstanding Special Tax and Lease Revenue Bonds, Series 2000. On September 20, 2016, the Venue District issued $5,085,000 in Special Tax and Lease Revenue Refunding Bonds for a refunding of $5,105,000 of the Series 2005 outstanding bonds. The refunding was undertaken to reduce debt service payments by approximately $327,000 over the next 30 years. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the Venue District's financial statements. The principal amount outstanding at September 30, 2025, on the 2016 bond issue was $3,995,000 and the unamortized bond premium was $201,803.

In May 2021, the Venue District issued $3,945,000 in Special Tax and Lease Revenue Refunding Bonds for a refunding of outstanding Special Tax and Lease Revenue Refunding Bonds, Series 2009. The refunding was undertaken to reduce total debt service payments over the next 31 years by approximately $317,000 and resulted in an economic gain of approximately $357,000. The debt has been considered defensed and, therefore, removed as a liability from the Venue District's financial statements for reporting purposes. The principal amount outstanding at September 30, 2025 bond issue was $2,185,000 and the unamortized bond premium was $148,873.

Commitments

The District added an addendum to its agreement with Amarillo Tri-State Exposition, which provides that a monthly sum will be paid in consideration of management and operation of the Events Center. The monthly sum paid is subject 10 annual appropriation. The District's Board approved an annual appropriation in the amount of $500,000 for the year ending September 30, 2025, to Amarillo Tri-State Exposition. Additionally, the District's Board approved $879,950 for the Amarillo Tri-State participation and $440,750 for event development in its normal budgetary process.

The District has made a similar commitment to the City. In the lease addendum with the City, the District agreed to a monthly sum in consideration of management and operation of the District's addition to the Civic Center. The payment to the City is also subject to annual appropriation. The District's Board approved an appropriation in the amount of $398,004 through the year ending September 30, 2025, to the City in its normal budgetary process. Additionally, the District's Board approved $1,545,000 for Civic Center improvements in its normal budgetary process.

Financial Statements

Separately issued financial statements for this entity may be obtained by contacting the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

NOTE 23 AMARILLO HOUSING FINANCE CORPORATION

ln 1996 AHFC issued bonds in the amount of $15,700,000 under authority of the Texas Housing Finance Corporation Act, and entered into a trusteed investment arrangement in which the proceeds are to be invested in GNMA and FHLMC certificates secured by the mortgage loans originated under a lending program prescribed by the Act. On February 1, 1999 the AHFC refunded $5,500,000 and called $3,260,000 of this issue. The remaining bonds are payable solely from the Trust Estate, and are not general obligations of either the AHFC or the City. A similar issuance was made in a prior year in the amount of $8,700,000.

On February 28, 2000 the AHFC issued $15,000,000 under authority of the Texas' Housing Finance Corporation Act, and entered into a trusteed investment arrangement in which proceeds are invested in GNMA and FNMA certificates. In 2003 the AHFC issued $10,000,000 under authority of the Texas' Housing Finance Corporation Act, and entered into a trusteed investment arrangement in which proceeds are invested in GNMA and FNMA certificates.

In December 2007, the Housing Finance Corporation converted its $5.6 million mortgage bond allocation to $4 million in Mortgage Credit Certificates (MCC). MCCs allow first-time homebuyers to take a tax credit of up to $2,000 a year on their income tax return for a portion of the mortgage interest paid during the year and the taxpayer is still allowed to deduct the balance of the mortgage interest as an itemized deduction. Also, MCCs work in any interest-rate environment. The program ended in December 2009. Jn total, the City utilized $2,730,817 of the $4 million in MCCs available.

Financial Statements

This organization does not publish separate financial statements, but its nontrusteed cash balance, used for miscellaneous operating expenses. Further information regarding this entity may be obtained from the Director of Finance, City of Amarillo.

NOTE 24 TAX INCREMENT REINVESTMENT ZONE #1

The Tax Increment Reinvestment Zone Number One (TIRZ #1) was created in FY 2007 pursuant to the Texas Tax Increment Financing Act, Tax Code, Chapter 311. The purpose of the zone is to promote the development of or redevelopment of certain contiguous geographic areas in the City.

TIRZ #1 enters into economic development agreements designed to promote development and redevelopment within TIRZ #1, spur economic improvement, stimulate commercial activity, generate additional sales tax and hotel tax and enhance the properly tax base and economic vitality of TIRZ #1. These programs abate or rebate property taxes, sales tax, and hotel tax, and also include incentive payments and reductions in fees that are not tied to taxes. TIRZ #1's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code.

TIRZ #1 has one category of economic development agreement. For 2025, TIRZ #1 made $682,890 in property tax rebates from general TIF resources.

NOTE 24 TAX INCREMENT REINVESTMENT ZONE #1 (CONTINUED)

At September 30, 2025, TIRZ #1 has outstanding commitments for community projects and Center City projects of $1,160,000.

The TIRZ #1 Board approved approximately $2.7 million for the streetscape improvements for the Amarillo Convention Hotel, parking structure, and multi-purpose event venue. On January 14, 2016, the TIRZ #1 Board voted to increase the participation in the downtown projects from $2.7 million to $4.387 million. The increase of $1.687 million is in the form of a loan to the Amarillo Local Government Corporation (LGC) with the original commitment of $2.7 million remaining as a grant. On the same date, the Board agreed to fund the retail portion of the parking garage construction and a portion of the streetscape and amended the TIRZ #1 Project and Financing Plan accordingly. During FY 2017, the City loaned TIRZ #1 $1,500,000 to assist TIRZ #I with its obligation to fund $3.45 million for the retail space associated with the parking garage project and approximately $930,000 of streetscape improvements. As of September 30, 2025, the outstanding balance on this loan is $972,218.

Financial Statements

Separately issued financial statements may be obtained by contacting the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

NOTE 25 AMARILLO LOCAL GOVERNMENT CORPORATION

In March 2011, the Corporation was organized as a public nonprofit corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental functions to promote the development of the geographic area of the City, including the vicinity of the downtown area, in furtherance of the promotions, development, encouragement and maintenance of employment, commerce, convention and meeting activity, tourism and economic development in the City. The Corporation was created under the provisions of Subchapter D of Chapter 431, Texas Transportation Code and the Texas Nonprofit Corporation Law, Chapter 22, Business Organizations Code.

LGC is governed by a seven-member Board of Directors appointed by the City Council. LGC's annual operating budget, as well as projects undertaken by it, is subject to approval by the City Council.

The City leased land to the LCG to build a convention hotel and parking garage. The term of the ground lease is for 80 years. The LGC entered into a lease and development agreement with Supreme Bright Amarillo II, LLC to construct a full-service convention center hotel with 225 rooms and approximately 17,000 square feet of configurable meeting space. Construction of the hotel by the developer was substantially completed and commencement of operations occurred on September 8, 2017.

NOTE 25 AMARILLO LOCAL GOVERNMENT CORPORATION (CONTINUED)

Pursuant to the lease and development agreement, LGC owns the hotel during the lease term and leases the hotel to the developer for eighty (80) years. Upon expiration or termination of the lease, ownership of the hotel transfers from LGC to the City. At September 30, 2017, LGC recorded $40,700,000 in contributed capital and capital assets for the hotel. During the lease term, the developer will receive all revenue from the hotel and will be responsible for all operating and maintenance costs. The agreement included a performance assurance clause of up to $2 million, to be funded, if necessary, to assure a minimum performance of the hotel for a limited time surrounding the opening of it. The assurance for minimum performance ended December 31, 2021, the City did not have to fund any amount of the $2 million performance assurance clause. The LGC, the City, and TIRZ #1 have agreed not to incentivize another comparable hotel in the downtown area for five years.

July 1, 2017, LGC completed construction of a 750-space parking garage adjacent to the hotel. The cost of the parking garage was $16,947,568. LGC owns the parking garage and will operate the parking facility and retain all parking fee revenue. At the end of the eighty year ground lease, ownership of the parking garage will transfer from LGC to the City.

Financial Statements

Separately issued financial statements may be obtained by contacting the Director of Finance, City of Amarillo. P.O. Box 1971, Amarillo. Texas 79105.

NOTE 26 TAX INCREMENT REINVESTMENT ZONE #2

Tile Tax Increment Reinvestment Zone Number Two (TIRZ #2) was created November 8, 2016, through an Ordinance of the City of Amarillo in accordance with the Tax Incentive Financing Act, codified at Chapter 311 of the Texas Tax Code. TIRZ #2 will terminate no later than November 8, 2046. The purpose of the zone is LO promote the development of or redevelopment of certain contiguous geographic areas in the City. On November 17, 2020, through an Ordinance of the City of Amarillo, the contiguous geographic areas were expanded.

TIRZ #2 enters into economic development agreements designed to promote development and redevelopment within TIRZ #2, spur economic improvement, stimulate commercial activity, generate additional sales tax and hotel tax and enhance the property tax base and economic vitality of TIRZ #2. These programs abate or rebate property taxes, sales tax, and hotel tax, and also include incentive payments and reductions in fees that are not tied to taxes. TIRZ #2’s economic development agreements are authorized under Chapter 380 of the Texas Local Government Code.

NOTE 26 TAX INCREMENT REINVESTMENT ZONE #2 (CONTINUED)

TIRZ #2 has one category of economic development agreements. For 2025, TIRZ #2 made $207,952 in property tax rebates from general TIF resources.

Financial Statements

Separately issued financial statements may be obtained by contacting the Director of Finance, City of Amarillo, P.O. Box 1971, Amarillo, Texas 79105.

NOTE 27 NEW GASB PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued several new pronouncements that the City has reviewed for application to their accounting and reporting.

The GASB has issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The City implemented this statement during the current year. The implementation did not have a significant effect on the City.

The GASB has issued Statement No. 102, *Risk Related to Government's Vulnerabilities* The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The City implemented this statement during the current year.

The GASB has issued Statement No. 103, *Financial Reporting Model Improvements* was issued in April 2024 and aims to enhance the effectiveness of the financial reporting model for state and local governments. This Statement addresses key components of the financial reporting to provide users with information that is essential for decision making and assessing a government's accountability. The key provisions under GASB 103 include Management's Discussion and Analysis (MD&A), presentation of Proprietary Fund Financial Statements, Unusual or Infrequent Items, Major component Unit Information, and Budgetary Comparison Information. The requirements of GASB Statement No. 103 are effective for fiscal years beginning after June 15, 2025. GASB 103 will be implemented by the City in fiscal year 2026 and although the impact has not yet been determined it is not expected to have a material effect on the City's Financial Statements.

NOTE 27 NEW GASB PRONOUNCEMENTS (CONTINUED)

The GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets* The objective is to provide users of government financial statements with essential information about certain types of capital assets. Under GASB 104, Governments are required to separately disclose information about intangible lease assets, subscription assets, and other intangible assets, each categorized by major class. This Statement also requires that the assets held for sale be evaluated each reporting period. The Statement establishes criteria for identifying capital assets held for sale and mandates additional disclosures for these assets. The requirements of GASB Statement No. 104 are effective for fiscal years beginning after June 15, 2025. GASB 104 will be implemented by the City in fiscal year 2026 and although the impact has not yet been determined it is not expected to have a material effect on the City's Financial Statements.

NOTE 28 ACCOUNTING CHANGES

During the year ended September 30, 2025, the COVID-19 relief fund was previously reported as a major governmental fund and is now reported as a non-major fund. The Amarillo Convention and Visitors Bureau Inc. is no longer considered to be a part of the City's financial reporting entity – See Note 1. The effect of these changes to or within the financial reporting entity is shown in the table below:

	Other Governmental Funds	COVID-19 Relief Fund	Amarillo Convention and Visitors Bureau	Total Component Units
Beginning Fund Balance or Net Position - As Previously Reported	$ 78,053,378	$ 1,026,645	$ 3,079,487	$ 281,441,100
Change from Major to Nonmajor Fund	1,026,645	(1,026,645)	-	-
Change from Being a Component Unit	-	-	(3,079,487)	(3,079,487)
Beginning Fund Balance or Net Position - As Restated	$ 79,080,023	$ -	$ -	$ 278,361,613

NOTE 29 SUBSEQUENT EVENTS

The City evaluated for inclusion as a subsequent event disclosure those events that occurred prior to June 4, 2026, the date the financial statements were issued. There were no events that require disclosure except as noted below.

NOTE 29 SUBSEQUENT EVENTS (CONTINUED)

In October 2025, the City entered into an agreement with a company that desires to develop an Independence Advanced Energy and Intelligence Campus, to sell ground water to the company at a rate of two times more than what the City charges to a connection of like size, not to exceed 2.5 million gallons per day. The agreement is for 20 years and can be renewed for two additional 10-year renewal terms. At the time of this report, no water has been sold by the City.

On February 10, 2026, the City issued $4,515,000 of Public Property Finance Contractual Obligations, Series 2026 with interest rates ranging from 3.125% to 5% for fire apparatus paid for through property taxes.

On February 10, 2026, the City issued $5,945,000 of Water Sewer Revenue Bonds with interest rates ranging from 4% to 5% for a construction project to be paid for through water customer revenues.

On March 10, 2026, the City issued $27,925,000 of Combination Tax and Revenue Certificates of Obligation Series 2026A with interest rates ranging from 4% to 5% for street construction projects paid for through property taxes and park improvements for the Colonies Property Improvement District paid for through PID assessments.

On December 1, 2025, the City issued $8,520,000 of Combination Tax and Revenue Certificates of Obligation Series 2026 with interest rates ranging from 4% to 5% for fleet replacements to be paid for through property taxes.

On May 17, 2026, a fire started at the Amarillo landfill and spread to the outlying area due to high winds on May 18. The fire burned 2,335 acres before being 100% contained. The City is engaging consultants to evaluate potential risks and develop related cost estimates.

REQUIRED SUPPLEMENTARY INFORMATION

Certain information that is not a part of the basic financial statements but, nevertheless, is considered to be an important part of a governmental entity's financial report, must be presented immediately after the notes to the basic financial statements. This information includes the following:

Budgetary comparison schedules for the General Fund and each major special revenue fund that has a legally adopted annual budget: Under these criteria, the budgetary comparison schedule of the General Fund is presented in this section.

Pension trend data: The City's Net Pension Liability and Required Contributions for the Texas Municipal Retirement System, as well as the Firemen's Relief and Retirement Fund for City of Amarillo firefighters, is included in this section.

Postemployment trend data: The City's Net OPEB Liability and Required Contributions, is included in this section.

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CITY OF AMARILLO, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Amounts		Actual Amounts			
	Original	Final	Actual Amounts	Adjustments to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
REVENUES						
Ad Valorem Taxes	$ 63,214,819	$ 63,214,819	$ 64,283,177	$ -	$ 64,283,177	$ 1,068,358
Sales Taxes	77,944,000	77,944,000	79,577,632	-	79,577,632	1,633,632
Mixed Beverage Taxes	1,185,000	1,185,000	1,110,536	-	1,110,536	(74,464)
Hotel Occupancy Taxes	8,240,000	8,240,000	9,135,023	-	9,135,023	895,023
Gross Receipts Business Taxes	22,699,311	22,699,311	22,488,972	-	22,488,972	(210,339)
Licenses and Permits	5,410,473	5,410,473	6,405,179	-	6,405,179	994,706
Interfund Reimbursement	36,333	36,333	25,000	-	25,000	(11,333)
Intergovernmental Revenue	7,554,718	7,554,718	2,796,539	-	2,796,539	(4,758,179)
Contributions from Citizens	-	-	2,408	-	2,408	2,408
Charges for Services	53,444,396	53,444,396	56,958,591	-	56,958,591	3,514,195
Fines and Forfeitures	3,420,823	3,420,823	4,420,596	-	4,420,596	999,773
Investment Earnings	2,770,367	2,770,367	6,122,726	-	6,122,726	3,352,359
Other Rentals and Commissions	685,778	685,778	1,616,358	-	1,616,358	930,580
Miscellaneous Revenues	1,125,779	1,125,779	5,871,021	-	5,871,021	4,745,242
Total Revenues	247,731,797	247,731,797	260,813,758	-	260,813,758	13,081,961
EXPENDITURES						
Auditorium/Coliseum	5,737,595	5,737,595	5,371,754	(58,875)	5,312,879	424,716
Tourism	4,454,841	4,454,841	4,439,747	(90,500)	4,349,247	105,594
Fire Protection	48,541,601	52,256,601	54,527,720	(42,572)	54,485,148	(2,228,547)
General Government	7,715,557	7,821,557	7,194,118	342,433	7,536,551	285,006
Libraries	4,375,993	4,380,817	4,423,843	6,689	4,430,532	(49,715)
Public Safety and Health	20,484,171	21,449,171	20,957,954	5,930	20,963,884	485,287
Parks	9,954,957	9,954,957	9,738,832	100,832	9,839,664	115,293
Participant Recreation	7,984,629	8,346,129	8,517,605	43,310	8,560,915	(214,786)
Police Protection	66,106,287	66,347,287	72,915,571	63,175	72,978,746	(6,631,459)
Solid Waste	23,252,325	23,252,325	22,574,668	23,795	22,598,463	653,862
Staff Services	16,140,568	16,140,568	15,392,701	69,931	15,462,632	677,936
Information Technology	5,523,043	5,523,043	5,523,043	-	5,523,043	-
Streets Traffic and Engineering	20,124,549	20,495,549	24,693,540	270,638	24,964,178	(4,468,629)
Transit	6,618,706	6,618,706	7,352,550	28,781	7,381,331	(762,625)
Total Expenditures	247,014,822	252,779,146	263,623,646	763,567	264,387,213	(11,608,067)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	716,975	(5,047,349)	(2,809,888)	(763,567)	(3,573,455)	1,473,894
OTHER FINANCING SOURCES (USES)						
Transfers from Other Funds	14,375,178	14,375,178	6,886,091	-	6,886,091	(7,489,087)
Transfers to Other Funds	(37,231,798)	(37,231,798)	(25,938,102)	-	(25,938,102)	11,293,696
Total Other Financing Sources (Uses)	(22,856,620)	(22,856,620)	(19,052,011)	-	(19,052,011)	3,804,609
NET CHANGE IN FUND BALANCES	(22,139,645)	(27,903,969)	(21,861,899)	(763,567)	(22,625,466)	5,278,503
Fund Balance - Beginning Of Year	48,484,653	23,312,830	69,697,342	364,520	70,061,862	46,749,032
FUND BALANCE - END OF YEAR	$ 26,345,008	$ (4,591,139)	$ 47,835,443	$ (399,047)	$ 47,436,396	$ 52,027,535

Note 1 - The City prepares its annual budget on a basis (budget basis) which differs from a GAAP basis. The differences between budget and GAAP basis in the General Fund are that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP), unrealized investment gain (loss) is recognized for GAAP basis only and interfund loan transactions treated as transfers for budget basis.

See accompanying Notes to Required Supplementary Information

CITY OF AMARILLO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2024 [1]	2023 [1]	2022 [1]	2021 [1]	2020 [1]	2019 [1]	2018 [1]	2017 [1]	2016 [1]	2015 [1]
Total Pension Liability										
Service Cost	$ 18,914,030	$ 11,233,840	$ 13,767,430	$ 13,123,514	$ 12,290,490	$ 12,476,747	$ 12,336,149	$ 12,122,087	$ 11,329,118	$ 10,715,246
Interest (on the Total Pension Liability)	41,563,277	26,444,892	34,433,404	33,967,236	31,845,252	32,015,252	31,164,809	30,060,764	29,137,163	28,509,723
Changes of Benefit Terms	25,697,672	37,132,566	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	5,201,216	2,695,719	208,076	(4,150,451)	(4,525,660)	(2,973,382)	(2,072,564)	783,263	(1,733,915)	2,896,352
Change of Assumptions	-	(2,454,201)	-	-	-	1,860,274	-	-	-	7,637,919
Benefit Payments, Including Refunds of Employee Contributions	(33,979,772)	(31,248,763)	(32,190,686)	(30,287,666)	(28,693,720)	(29,654,024)	(28,145,055)	(25,288,785)	(25,602,958)	(25,769,544)
Net Change in Total Pension Liability	57,396,423	43,804,053	16,218,224	12,652,633	10,916,362	13,724,867	13,283,339	17,677,329	13,129,408	23,989,696
Total Pension Liability - Beginning	597,587,443	536,400,760	520,182,536	507,529,903	496,613,541	482,888,674	469,605,335	451,928,006	438,798,598	414,808,902
Total Pension Liability - Ending (a)	$ 654,983,866	$ 580,204,813	$ 536,400,760	$ 520,182,536	$ 507,529,903	$ 496,613,541	$ 482,888,674	$ 469,605,335	$ 451,928,006	$ 438,798,598
Plan Fiduciary Net Position										
Contributions - Employer	$ 17,471,435	$ 12,610,565	$ 11,298,569	$ 11,073,188	$ 10,740,303	$ 10,762,444	$ 10,870,728	$ 9,999,142	$ 8,727,306	$ 8,989,606
Contributions - Employee	8,208,197	7,452,285	6,676,964	6,291,377	6,157,628	6,185,896	6,126,621	5,977,591	5,573,830	5,589,314
Net Investment Income	53,285,642	37,630,366	(38,048,640)	62,257,538	33,134,163	62,355,975	(12,811,240)	53,245,620	25,057,057	563,574
Benefit Payments, Including Refunds of Employee Contributions	(33,979,772)	(31,248,763)	(32,190,686)	(30,287,666)	(28,693,720)	(29,654,024)	(28,145,055)	(25,288,785)	(25,602,958)	(25,769,544)
Administrative Expense	(342,986)	(240,150)	(329,993)	(288,556)	(214,903)	(352,814)	(247,841)	(276,145)	(283,170)	(343,321)
Other	(8,021)	(1,678)	393,781	1,976	(8,386)	(10,599)	(12,949)	(13,995)	(15,257)	(16,957)
Net Change in Plan Fiduciary Net Position	44,634,495	26,202,625	(52,200,005)	49,047,857	21,115,085	49,286,878	(24,219,736)	43,643,428	13,456,808	(10,987,328)
Plan Fiduciary Net Position - Beginning	514,700,383	471,134,542	523,334,547	474,286,690	453,171,605	403,884,727	428,104,463	384,461,035	371,004,227	381,991,555
Plan Fiduciary Net Position - Ending (b)	$ 559,334,877	$ 497,337,167	$ 471,134,542	$ 523,334,547	$ 474,286,690	$ 453,171,605	$ 403,884,727	$ 428,104,463	$ 384,461,035	$ 371,004,227
Net Pension Liability - Ending (a) - (b)	$ 95,648,989	$ 82,867,646	$ 65,266,218	$ (3,152,011)	$ 33,243,213	$ 43,441,936	$ 79,003,947	$ 41,500,872	$ 67,466,971	$ 67,794,371
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.40%	85.72%	87.83%	100.61%	93.45%	91.25%	83.64%	91.16%	85.07%	84.55%
Covered Payroll	$ 117,259,948	$ 107,539,741	$ 96,396,887	$ 90,805,468	$ 88,760,687	$ 88,362,233	$ 87,181,265	$ 85,306,707	$ 79,614,328	$ 79,785,899
Net Pension Liability as a Percentage of Covered Payroll	81.57%	77.06%	67.71%	-3.47%	37.45%	49.16%	90.62%	48.65%	84.74%	84.97%

[1] Amounts are based on the Texas Municipal Retirement System Plan year end December 31

See accompanying Notes to Required Supplementary Information – Texas Municipal Retirement System.

CITY OF AMARILLO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 20,808,476	$ 16,331,902	$ 12,441,807	$ 11,692,682	$ 11,064,970	$ 10,802,270	$ 10,835,851	$ 10,572,971	$ 8,973,486	$ 8,571,738
Contributions in Relation to the Actuarially Determined Contribution	20,808,476	16,331,902	12,441,807	11,692,682	11,064,970	10,802,270	10,835,851	10,572,971	8,888,138	8,545,939
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 85,348	$ 25,799
Covered Payroll	$ 123,726,659	$ 115,002,776	$ 107,539,545	$ 97,696,549	$ 90,047,982	$ 88,362,233	$ 88,422,191	$ 86,398,268	$ 84,792,191	$ 77,629,583
Contributions as a Percentage of Covered Payroll	16.82%	14.20%	11.57%	11.97%	12.29%	12.22%	12.25%	12.24%	10.48%	11.01%

See accompanying Notes to Required Supplementary Information – Texas Municipal Retirement System.

CITY OF AMARILLO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

NOTE 1 VALUATION DATE

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

NOTE 2 METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

The following methods and assumptions are 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 fair value; 12% soft corridor
Inflation	2.50%
Individual Salary Increases	3.60% to 11.85%, including inflation
Investment Rate of Return	6.75%

Salary increases were based on a service-related table. The gender-distinct 2019 Municipal Retirees of Texas mortality tables are used for calculating the actuarial liability and the retirement contribution rates. Male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis by the Scale MP-2021 to account for future mortality improvements. Mortality rates for disabled annuitants use the same mortality table and rates above with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger male and female members, respectively, 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% floor.

Actuarial assumptions used in the December 31, 2024, were primarily developed from the actuarial investigation of the experience of TMRS as of December 31, 2022. They 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 updated based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

NOTE 3 OTHER INFORMATION

There were no benefit changes during the year.

CITY OF AMARILLO, TEXAS
FIREMEN'S RELIEF AND RETIREMENT FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2024 [1]	2023 [1]	2022 [1]	2021 [1]	2020 [1]	2019 [1]	2018 [1]	2017 [1]	2016 [1]	2015 [1]
Total Pension Liability										
Service Cost	$ 6,011,758	$ 5,397,368	$ 5,252,913	$ 5,200,689	$ 5,049,213	$ 5,556,209	$ 5,368,316	$ 4,945,627	$ 4,755,411	$ 3,983,821
Interest (on the Total Pension Liability)	19,109,280	17,890,435	17,265,665	16,683,554	16,090,189	15,778,264	15,169,042	15,134,536	14,501,797	13,596,993
Changes of Benefit Terms	3,299,353	1,051,315	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	-	5,538,353	-	(106,840)	-	(6,269,191)	-	(3,093,038)	-	4,740,472
Change of Assumptions	-	5,595,361	-	(309,621)	-	2,646,016	-	7,650,803	-	4,770,803
Benefit Payments, Including Refunds of Employee Contributions	(14,617,333)	(14,654,960)	(14,010,569)	(13,506,425)	(13,252,330)	(12,838,260)	(12,366,342)	(11,610,516)	(11,465,839)	(11,340,691)
Net Change in Total Pension Liability	13,803,058	20,817,872	8,508,009	7,961,357	7,887,072	4,873,038	8,171,016	13,027,412	7,791,369	15,751,398
Total Pension Liability - Beginning	261,287,114	240,469,242	231,961,233	223,999,876	216,112,804	211,239,766	203,068,750	190,041,338	182,249,969	166,498,571
Total Pension Liability - Ending (a)	$ 275,090,172	$ 261,287,114	$ 240,469,242	$ 231,961,233	$ 223,999,876	$ 216,112,804	$ 211,239,766	$ 203,068,750	$ 190,041,338	$ 182,249,969
Plan Fiduciary Net Position										
Contributions - Employer	$ 5,734,823	$ 5,247,514	$ 4,862,719	$ 4,484,279	$ 4,140,635	$ 3,933,863	$ 3,969,255	$ 3,879,330	$ 3,635,605	$ 3,559,287
Contributions - Employee	3,869,231	3,528,588	3,269,398	2,975,216	2,715,854	2,613,196	2,636,704	2,576,969	2,509,970	2,456,814
Net Investment Income	24,655,319	22,004,180	(38,175,486)	43,062,077	38,234,115	37,111,511	(3,233,190)	24,077,154	13,708,943	12,177,834
Gain (Loss) Due to Difference in Projected vs. Actual Earnings	-	-	-	-	-	-	-	-	-	(12,274,477)
Benefit Payments, Including Refunds of Employee Contributions	(14,617,333)	(14,654,960)	(14,010,569)	(13,506,425)	(13,252,330)	(12,838,260)	(12,366,342)	(11,610,516)	(11,465,839)	(11,340,691)
Administrative Expense	(198,225)	(122,955)	(144,607)	(69,299)	(97,473)	(67,113)	(86,128)	(76,383)	(80,849)	(436,742)
Other	-	-	310,969	44	2,516	19,957	705	2,147	30,991	50,173
Net Change in Plan Fiduciary Net Position	19,443,815	16,002,367	(43,887,576)	36,945,892	31,743,317	30,773,154	(9,078,996)	18,848,701	8,338,821	(5,807,802)
Plan Fiduciary Net Position - Beginning	234,876,905	218,341,194	262,228,770	225,282,878	193,539,561	162,766,407	171,845,403	152,996,702	144,657,881	150,465,683
Plan Fiduciary Net Position - Ending (b)	$ 254,320,720	$ 234,343,561	$ 218,341,194	$ 262,228,770	$ 225,282,878	$ 193,539,561	$ 162,766,407	$ 171,845,403	$ 152,996,702	$ 144,657,881
City's Net Pension Liability - Ending (a) - (b)	$ 20,769,452	$ 26,943,553	$ 22,128,048	$ (30,267,537)	$ (1,283,002)	$ 22,573,243	$ 48,473,359	$ 31,223,347	$ 37,044,636	$ 37,592,088
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.45%	89.69%	90.80%	113.05%	100.57%	89.55%	77.05%	84.62%	80.51%	79.37%
Covered Payroll	$ 27,637,364	$ 25,204,200	$ 23,352,843	$ 22,038,637	$ 20,891,185	$ 20,101,508	$ 20,282,338	$ 19,822,841	$ 19,307,515	$ 18,902,215
Net Pension Liability as a Percentage of Covered Payroll	75.15%	106.90%	94.76%	-137.34%	-6.14%	112.30%	238.99%	157.51%	191.87%	198.88%

[1] Amounts are based on the Firemen's Relief and Retirement Plan year end December 31

See accompanying Notes to Required Supplementary Information – Firemen's Relief and Retirement Fund.

CITY OF AMARILLO, TEXAS
FIREMEN'S RELIEF AND RETIREMENT FUND
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 5,101,755	$ 4,270,046	$ 4,862,719	$ 4,484,279	$ 4,140,635	$ 3,933,863	$ 3,969,255	$ 3,879,330	$ 3,635,605	$ 3,559,287
Contributions in Relation to the Actuarially Determined Contribution	5,101,755	4,270,046	4,862,719	4,484,279	4,140,635	3,933,863	3,969,255	3,879,330	3,635,605	3,559,287
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 27,637,364	$ 25,204,200	$ 23,352,843	$ 22,038,637	$ 20,891,185	$ 20,101,508	$ 20,282,338	$ 19,822,841	$ 19,307,515	$ 18,902,215
Contributions as a Percentage of Covered Payroll	18.46%	16.94%	20.82%	20.35%	19.82%	19.57%	19.57%	19.57%	18.91%	18.77%

Information to present a ten-year history is not readily available

See accompanying Notes to Required Supplementary Information – Firemen's Relief and Retirement Fund.

CITY OF AMARILLO, TEXAS
FIREMEN'S RELIEF AND RETIREMENT FUND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

NOTE 1 ACTUARIAL METHODS AND ASSUMPTIONS

The information presented in the required supplementary schedules was determined as part of the biennial actuarial valuations. Additional information as of the latest actuarial valuation follows:

Valuation Date	December 31, 2023
Actuarial Cost Method	Individual entry age normal actuarial cost method
Amortization Method	Level percent projected payroll
Remaining Amortization	6 years
Asset Calculation Method	Smoothed fair value method
Actuarial Assumptions:	
Investment Rate of Return	7.35%
Inflation	2.50%
Projected Salary Increases	2.75%, plus promotion step and longevity increases that vary by service
Contribution Rate:	
City of Amarillo	20.82% in 2022
Employees	14.00% in 2022
Mortality Rate	PubS-2010 (public safety) total dataset for mortality improvement generationally using the projection scale MP-2019, separate rates for male and female.

NOTE 2 EMPLOYER CONTRIBUTIONS

Employer fiscal year contributions are actuarially determined in the current valuation. The range of recommended contributions was based on amortization of the actuarial accrued liability over a period ranging from 10 to 30 years. The amortization period as of December 31, 2024, was approximately 8 years, taking into account the contributions made between January 1, 2024, and December 31, 2024. The amortization method was the level dollar method and the amortization period is an open amortization period. The annual contributions for the Plan years ending December 31, 2024 and 2023 were approximately $5,700,000 and $5,200,000, respectively. Covered compensation was approximately

$28,000,000 and $25,000,000 for calendar years 2024 and 2023, respectively. For 2024 and 2023, the member contribution rate was 14% and 14% of pay, respectively and the City's contribution rate was 20.82% and 20.82% of pay for calendar years 2024 and 2023, respectively.

NOTE 3 CHANGES IN ACTUARIAL ASSUMPTIONS

There were no changes in actuarial assumption.

CITY OF AMARILLO, TEXAS
SCHEDULE OF NET OPEB LIABILITY AND RELATED RATIOS [1]
OTHER POSTEMPLOYMENT BENEFIT (OPEB)
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability	$ 87,126,313	$ 82,387,959	$ 77,423,809	$ 74,441,419	$ 66,736,901	$ 71,489,073	$ 64,305,284	$ 61,979,142	$ 59,119,728
Plan Fiduciary Net Position	46,575,496	38,980,374	31,005,635	33,853,842	27,589,392	21,366,171	15,237,541	13,621,113	9,478,461
Net OPEB Liability (Asset)	$ 40,550,817	$ 43,407,585	$ 46,418,174	$ 40,587,577	$ 39,147,509	$ 50,122,902	$ 49,067,743	$ 48,358,029	$ 49,641,267
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	53.46%	47.31%	40.05%	45.48%	41.34%	29.89%	23.70%	21.98%	16.03%
Covered Payroll	$ 127,380,000	$ 101,420,000	$ 96,500,000	$ 93,980,000	$ 92,000,000	$ 88,500,000	$ 100,300,000	$ 97,400,000	$ 99,700,000
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	31.83%	42.80%	48.10%	43.19%	42.55%	56.64%	48.92%	49.65%	49.79%

[1] This schedule is intended to show 10 years. Additional information will be presented as it becomes available.

See accompanying Notes to Required Supplementary Information – Other Postemployment Benefits (OPEB).

CITY OF AMARILLO, TEXAS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS [1]
OTHER POSTEMPLOYMENT BENEFIT (OPEB)
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	$ 3,179,727	$ 2,440,742	$ 2,313,335	$ 1,723,641	$ 2,060,894	$ 2,000,869	$ 1,955,516	$ 1,832,510
Interest	5,435,888	5,050,661	4,853,078	4,974,872	4,598,432	4,137,785	4,138,657	3,944,418
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	-	(3,386,218)	-	1,602,496	-	(724,960)	-	-
Change of Assumptions	-	5,183,078	-	3,661,371	(7,342,117)	5,679,902	(745,063)	-
Benefit Payments	(3,877,261)	(4,324,113)	(4,184,023)	(4,257,863)	(4,069,380)	(3,909,807)	(3,022,968)	(2,917,514)
Net Change in Total OPEB Liability	4,738,354	4,964,150	2,982,390	7,704,517	(4,752,171)	7,183,789	2,326,142	2,859,414
Total OPEB Liability - Beginning	82,387,959	77,423,809	74,441,419	66,736,902	71,489,073	64,305,284	61,979,142	59,119,728
Total OPEB Liability - Ending (a)	$ 87,126,313	$ 82,387,959	$ 77,423,809	$ 74,441,419	$ 66,736,902	$ 71,489,073	$ 64,305,284	$ 61,979,142
Plan Fiduciary Net Position								
Contributions - Employer	$ 7,331,392	$ 7,800,675	$ 7,078,945	$ 6,987,323	$ 6,721,291	$ 2,635,573	$ 2,700,901	$ 2,647,545
Net Investment Income	4,137,477	4,499,074	(5,738,496)	3,538,257	3,573,328	3,493,057	(1,084,473)	1,495,107
Benefit Payments	(3,877,261)	(4,324,113)	(4,184,023)	(4,257,863)	(4,069,380)	-	-	-
Administrative Expense	-	-	-	-	-	-	-	-
Other	3,514	(897)	(4,633)	(3,266)	(2,019)	-	-	-
Net Change in Plan Fiduciary Net Position	7,595,122	7,974,739	(2,848,207)	6,264,451	6,223,220	6,128,630	1,616,428	4,142,652
Plan Fiduciary Net Position - Beginning	38,980,374	31,005,635	33,853,842	27,589,391	21,366,171	15,237,541	13,621,113	9,478,461
Plan Fiduciary Net Position - Ending (b)	$ 46,575,496	$ 38,980,374	$ 31,005,635	$ 33,853,842	$ 27,589,391	$ 21,366,171	$ 15,237,541	$ 13,621,113
City's Net OPEB Liability - Ending (a) - (b)	$ 40,550,817	$ 43,407,585	$ 46,418,174	$ 40,587,577	$ 39,147,511	$ 50,122,902	$ 49,067,743	$ 48,358,029
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	53.46%	47.31%	40.05%	45.48%	41.34%	29.88%	23.70%	21.98%
Covered Payroll	$ 127,380,000	$ 101,420,000	$ 96,560,000	$ 93,980,000	$ 92,000,000	$ 88,500,000	$ 100,300,000	$ 97,400,000
Net OPEB Liability as a Percentage of Covered Payroll	31.83%	42.80%	48.07%	43.19%	42.54%	56.64%	48.92%	49.65%

[1] This schedule is intended to show 10 years. Additional information will be presented as it becomes available.

See accompanying Notes to Required Supplementary Information – Other Postemployment Benefits (OPEB).

CITY OF AMARILLO, TEXAS
SCHEDULE OF CONTRIBUTIONS AND RELATED RATIOS [1]
OTHER POSTEMPLOYMENT BENEFIT (OPEB)
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	$ 2,590,459	$ 2,893,963	$ 2,894,920	$ 2,729,460	$ 2,652,911	$ 2,635,573	$ 2,700,901	$ 2,647,545
Contributions in Relation to the Actuarially Determined Contribution	2,590,459	2,893,963	2,894,920	2,729,460	2,652,911	2,635,573	2,700,901	2,647,545
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 127,380,000	$ 101,420,000	$ 96,500,000	$ 93,980,000	$ 92,000,000	$ 88,500,000	$ 100,300,000	$ 97,400,000
Contributions as a Percentage of Covered Payroll	2.03%	2.85%	3.00%	2.90%	2.88%	2.98%	2.69%	2.72%
Annual Money Weighted Rate of Return, Net of Investment Expenses	10.17%	13.74%	-16.27%	12.23%	15.75%	21.09%	-7.24%	13.84%
Allocation								
Bank Insured Deposit/Cash	0.55%	0.60%	0.61%	0.53%	0.97%	1.22%	0.66%	2.50%
Equities	49.84%	49.58%	48.97%	49.89%	50.52%	50.21%	51.36%	50.37%
Mutual Funds	49.61%	49.82%	50.42%	49.58%	48.51%	48.57%	47.98%	47.13%
Peb Trust of Texas	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

[1] This schedule is intended to show 10 years. Additional information will be presented as it becomes available.

See accompanying Notes to Required Supplementary Information – Other Postemployment Benefits (OPEB).

CITY OF AMARILLO, TEXAS
OTHER POSTEMPLOYMENT BENEFIT (OPEB)
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

NOTE 1 METHODS AND ASSUMPTIONS

The following methods and assumptions are used to determine contribution rates:

Valuation Date	December 31, 2023
Measurement Date	December 31, 2024
Benefits Valued	Health insurance and HRA benefits
Long-Term Rate of Return	6.50%
Muni-Bond (Unfunded) Rate	4.08
Discount Rate	6.50%
General Inflation Rate	2.60%
Payroll Growth Rate	2.75%
Withdrawal, Retirement, Disability, Mortality Rates and Salary Scale	Rates from the December 31, 2023 TMRS and FRRF actuarial reports
Medical Plan Blending	Future retirees are assumed to elect medical coverage on each plan according to the following assumptions:

Medical Plan	Percent Assumed to Elect
Plan 1	100%
Plan 2	0%

Postretirement Medical Plan Coverage	Effective January 1, 2025, all inactive participants age 65 or older must drop medical coverage and receive a stipend of $150 per month to be used toward their cost of medical coverage. The $150 stipend is not expected by the City to increase, and is a fixed variable in our model.
Spouse Age	Husbands are assumed to be three years older than wives.
Dependent Coverage	Assume current and future retirees have no covered children
Spouse Participation	Actual spouse elections used for current retirees. 40% of future retirees electing coverage at retirement are assumed to elect spousal coverage.
Medicare Eligibility	Current Medicare eligibility was used for current retirees who are over age 65. All other current and future retirees are assumed to become Medicare eligible at age 65.
Retiree Contribution Increase Rates	Assumed to increase at health care cost trend rates.

NOTE 1 METHODS AND ASSUMPTIONS (CONTINUED)

Per Capita Claims and Administrative Costs	Per capita medical and prescription drug claims and administration costs (PCCC) were developed based on the following: - Claims experience, stop loss fees and administration costs for actives and retirees from January 1, 2021 to December 31, 2023. - Claims experience was adjusted for healthcare cost trend, and age-sex differences between retirees and group.
Healthcare Cost Trend Rates	Trend rates are used to project health insurance claims and administration costs and retiree premiums into the future. If healthcare inflation were to continue as its current rate, eventually 100% of the Gross National Product (GNP) would be allocated for healthcare services. Since this is unrealistic, healthcare cost trend rates are assumed to decrease in future years.
Actuarial Cost and Amortization Methods	Entry Age Normal level percent of pay. Investment gains/losses are amortized over 5 years, liability gains/losses are amortized over Average Working Lifetime, and Plan changes are recognized immediately.
Actuarial Value of Assets	Market Value
City Contributions	3.00% of total covered payroll
Dental Benefits	Premiums contributed by inactive participants are assumed to equal or exceed their expected dental per capita claims costs. Therefore, dental coverage was not valued in this valuation.

NOTE 2 OTHER INFORMATION

There were no benefit changes during the year.

The following changes were made since the prior valuation:

- Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience.
- Medical per capita claims tables were updated based on recent experience and demographics.
- Withdrawal, retirement, mortality, disability and salary scale assumptions were updated to those included in the recently published TMRS General and FRRF actuarial valuations.

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COMBINING STATEMENTS, SCHEDULES, AND OTHER INFORMATION

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Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. This category includes the following funds:

Grant funds: These funds are used to account for the receipt and expenditure of funds received under various federal and state assistance programs.

Public improvement districts: These funds are used to account for assessments levied against residential lots in various public improvement districts, the use of which is restricted for maintenance of beautification and recreational facilities.

Seizures funds: These funds are used, to account for crime seizure proceeds awarded to the City, the use of which is restricted to law enforcement purposes.

Other: These funds include:

Court Technology Fund: Fees collected by the Municipal Court under state laws which restrict the use of the proceeds to technological enhancements for the Court.

Court Security Fund: Fees collected by the Municipal Court under state laws which restrict the use of the proceeds to court security activities and cost for the Court.

LEOSE Training Program: Fees collected by the Municipal Court under state laws for the purpose of providing continuing education for law enforcement and fire officers.

Homeland Security Program: The homeland security programs provide the Emergency Management Department with professional services and equipment, which allows the City to be operationally equipped and trained to respond to emergencies through the purchase of equipment, training, and exercises with the goal of improving the preparedness of local responders.

Cable Capital Facilities Fund: Funds received and restricted for specific cable connectivity with Amarillo Independent School District.

Photo Enforcement: Fees collected from red-light traffic violations that are restricted by state law to be used only for traffic intersection improvements.

Public Library Bush Collection: Funds received and restricted for the purchase and maintenance of items in the William Henry Bush Collection.

Library Trust: Various funds received for the sole benefit of the Amarillo Public Library.

Flood Hazard: Fees collected for playa lake development.

General Donations: Funds donated for various items in the City.

Civic Amarillo: Funds accumulated and used by the Amarillo Civic Center for the in-house promotion of events.

Other (Continued):

Zoo Trust: Funds received and restricted for operations and improvements at the Amarillo Zoo.

Centennial Celebration: Funds received and restricted for the City's centennial celebration.

Tax Increment Reinvestment Zone #1: Blended component unit created to promote the development of or redevelopment of certain contiguous geographic areas in the City.

Tax Increment Reinvestment Zone #2: Blended component unit created to promote the development of or redevelopment of certain contiguous geographic areas in the City.

Tax Increment Reinvestment Zone #3: Blended component unit created to promote the development of or redevelopment of certain contiguous geographic areas in the City.

Capital Project Fund

This fund is a combination of all capital outlay funds. Which accounts for construction projects that are financed primarily by general revenues, as well as accounts for the resources set aside to fund the City's capital plans with respect to projects including streets.

Bonded Debt Service Fund

This fund currently accounts for ad valorem taxes assessed for purposes of servicing the serial debt obligations of the 2001 general obligation bonds issued for library purposes, as well as special assessments made for servicing certificates of obligation issued for the Public Improvement District.

Compensated Absences Fund

This fund accounts for the ultimate payment of termination obligations to the employees of the City.

Permanent Fund

Pavillard Endowment: This fund accounts for a contribution to the City’s Library, which was to be held to provide a lifetime income to the grantor and, thereafter, to use the income therefrom for purchases of children's books.

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET OF
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Special Revenue Funds				
	Housing and Urban Development Grants	Other Grant Funds	Public Improvement Districts	Seizures Funds	Other
ASSETS					
Cash and Cash Equivalents	$ 4,083,149	$ 9,042,110	$ 4,888,595	$ 881,744	$ 11,457,611
Investments	-	1,000,000	-	-	2,750,000
Receivables, Net of Allowances for Uncollectibles:					
Property Taxes	-	-	-	-	-
Accounts Receivable	320,905	1,650,866	2,825	-	-
Accrued Interest	-	-	-	-	3,219
Other Accrued Revenue	7,224	250,874	-	-	-
Due from Other Funds	553,375	1,141,457	-	21,024	-
Due from Other Governments	1,334,382	515,090	-	-	3,823
Prepaid Items	8,056	3,283	-	605	-
Restricted Cash and Cash Equivalents	-	-	91,391	-	-
Restricted Investments	-	-	-	-	-
Total Assets	$ 6,307,091	$ 13,603,680	$ 4,982,811	$ 903,373	$ 14,214,653
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	$ -	$ 7,380	$ -	$ -	$ -
Accounts Payable	265,489	56,230	441,973	16,806	270,521
Accrued Expenditures	191,379	431,877	-	-	34,848
Deposits	-	-	-	-	1,268,954
Due to Other Funds - Unrestricted	3,816,541	2,139,349	-	75,968	1,244,113
Due to Other Governments	83,747	596,988	-	-	-
Unearned Revenues - Other	42,857	987,649	-	-	-
Total Liabilities	4,400,013	4,219,473	441,973	92,774	2,818,436
DEFERRED INFLOWS OF RESOURCES					
Unearned Revenues - Grant Revenue	320,905	1,650,866	-	-	-
Unearned Revenues - Construction Participations	-	-	-	-	-
Unearned Revenues - Property Taxes	-	-	-	-	-
Total Deferred Inflows of Resources	320,905	1,650,866	-	-	-
FUND BALANCES					
Nonspendable:					
Prepaid Items	8,056	3,283	-	605	-
Restricted for:					
Debt Service	-	-	-	-	-
Capital Projects	-	-	-	-	-
Special Purposes	2,238,941	7,871,609	4,540,838	809,994	11,603,136
Committed for:					
Capital Projects	-	-	-	-	-
Unassigned	(660,824)	(141,551)	-	-	(206,919)
Total Fund Balances	1,586,173	7,733,341	4,540,838	810,599	11,396,217
Total Liabilities and Fund Balances	$ 6,307,091	$ 13,603,680	$ 4,982,811	$ 903,373	$ 14,214,653

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET OF
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Capital Projects Funds	Bonded Debt Service Fund	Compensated Absences Fund	Permanent Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 6,971,168	$ 1,710	$ 14,446	$ 17,694	$ 37,358,227
Investments	5,002,623	-	-	-	8,752,623
Receivables, Net of Allowances for Uncollectibles:					
Property Taxes	-	92,401	-	-	92,401
Accounts Receivable	75,000	-	-	-	2,049,596
Accrued Interest	44,883	-	-	-	48,102
Other Accrued Revenue	-	-	-	-	258,098
Due from Other Funds	14,948,192	-	450,000	-	17,114,048
Due from Other Governments	-	-	-	-	1,853,295
Prepaid Items	-	-	-	-	11,944
Restricted Cash and Cash Equivalents	15,317,574	3,691,983	-	-	19,100,948
Restricted Investments	3,007,555	-	-	-	3,007,555
Total Assets	$ 45,366,995	$ 3,786,094	$ 464,446	$ 17,694	$ 89,646,837
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	$ -	$ -	$ -	$ -	$ 7,380
Accounts Payable	4,839,329	2,744	-	-	5,893,092
Accrued Expenditures	-	-	-	-	658,104
Deposits	271,353	-	-	-	1,540,307
Due to Other Funds - Unrestricted	1,198,059	1,491,335	1,058,000	-	11,023,365
Due to Other Governments	-	-	-	-	680,735
Unearned Revenues - Other	-	-	-	-	1,030,506
Total Liabilities	6,308,741	1,494,079	1,058,000	-	20,833,489
DEFERRED INFLOWS OF RESOURCES					
Unearned Revenues - Grant Revenue	-	-	-	-	1,971,771
Unearned Revenues - Construction Participations	75,000	-	-	-	75,000
Unearned Revenues - Property Taxes	-	61,881	-	-	61,881
Total Deferred Inflows of Resources	75,000	61,881	-	-	2,108,652
FUND BALANCES					
Nonspendable:					
Prepaid Items	-	-	-	-	11,944
Restricted for:					
Debt Service	-	2,230,134	-	-	2,230,134
Capital Projects	1,563,736	-	-	-	1,563,736
Special Purposes	-	-	-	17,694	27,082,212
Committed for:					
Capital Projects	38,413,458	-	-	-	38,413,458
Unassigned	(993,940)	-	(593,554)	-	(2,596,788)
Total Fund Balances	38,983,254	2,230,134	(593,554)	17,694	66,704,696
Total Liabilities and Fund Balances	$ 45,366,995	$ 3,786,094	$ 464,446	$ 17,694	$ 89,646,837

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Special Revenue Funds				
	Housing and Urban Development Grants	Other Grant Funds	Public Improvement Districts	Seizures Funds	Other
REVENUES					
Ad Valorem Taxes - for Debt Service	$ -	$ -	$ -	$ -	$ -
Intergovernmental Revenues	15,409,261	8,956,389	-	-	342,035
Citizen Contributions	-	-	-	-	82,266
Construction Participation	-	-	-	-	-
Revenue from Participating Taxing Entities	-	-	-	-	2,639,355
Other Entity Participations	-	108,179	-	-	-
Charges for Services	-	5,778	3,322,979	-	401,330
Fines and Forfeitures	-	-	-	88,209	124,538
Investment Earnings	139,237	461,420	158,653	226,936	372,962
Miscellaneous	63,717	-	-	-	1,495
Total Revenues	15,612,215	9,531,766	3,481,632	315,145	3,963,981
EXPENDITURES					
General Government	-	-	-	-	330,018
Police Protection	-	517,825	-	260,639	-
Other Public Safety and Health	-	9,641,737	-	-	358,305
Staff Services	-	477,026	-	-	-
Auditorium - Coliseum	-	-	-	-	54,745
Library	-	40,585	-	-	-
Parks	-	-	1,838,734	-	-
Participation Recreation	-	-	-	-	22,120
Urban Redevelopment and Housing	16,060,498	-	-	-	-
Capital Outlay	-	-	-	301,297	-
Debt Service Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Bond Issuance Costs	-	-	509,494	-	-
Economic Development and Tourism	-	-	-	-	1,596,369
Termination Vacation and Sick Leave Pay	-	-	-	-	-
Total Expenditures	16,060,498	10,677,173	2,348,228	561,936	2,361,557
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(448,283)	(1,145,407)	1,133,404	(246,791)	1,602,424
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	396,947	1,840,839	-	-	175,000
Transfers to Other Funds	-	(1,629,499)	(268,182)	-	(667,550)
Total Other Financing Sources (Uses)	396,947	211,340	(268,182)	-	(492,550)
NET CHANGE IN FUND BALANCES	(51,336)	(934,067)	865,222	(246,791)	1,109,874
Fund Balances - Beginning of Year, as previously reported	1,637,509	7,640,763	3,675,616	1,057,390	10,296,343
Adjustments	-	1,026,645	-	-	-
Fund Balances - Beginning of Year, Restated	1,637,509	8,667,408	3,675,616	1,057,390	10,286,343
FUND BALANCES - END OF YEAR	$ 1,586,173	$ 7,733,341	$ 4,540,838	$ 810,599	$ 11,396,217

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Capital Projects Funds	Bonded Debt Service Fund	Compensated Absences Fund	Permanent Fund	Total Nonmajor Governmental Funds
REVENUES					
Ad Valorem Taxes - for Debt Service	$ -	$ 12,821,217	$ -	$ -	$ 12,821,217
Intergovernmental Revenues	605,215	-	-	-	25,312,900
Citizen Contributions	-	-	-	-	82,266
Construction Participation	8,353,103	-	-	-	8,353,103
Revenue from Participating Taxing Entities	-	-	-	-	2,639,355
Other Entity Participations	-	-	-	-	108,179
Charges for Services	415,586	-	-	-	4,145,673
Fines and Forfeitures	-	-	-	-	212,747
Investment Earnings	1,150,234	523,083	14,129	-	3,046,654
Miscellaneous	-	-	18,528	-	83,740
Total Revenues	10,524,138	13,344,300	32,657	-	56,805,834
EXPENDITURES					
General Government	-	-	17,703	-	347,721
Police Protection	-	-	-	-	778,464
Other Public Safety and Health	-	-	-	-	10,000,042
Staff Services	1,544	11,200	-	-	489,770
Auditorium - Coliseum	-	-	-	-	54,745
Library	-	-	-	-	40,585
Parks	-	-	-	-	1,838,734
Participation Recreation	-	-	-	-	22,120
Urban Redevelopment and Housing	-	-	-	-	16,060,498
Capital Outlay	32,926,731	-	-	-	33,228,028
Debt Service Principal Retirement	-	14,487,000	-	-	14,487,000
Interest and Fiscal Charges	-	6,735,801	-	-	6,735,801
Bond Issuance Costs	-	-	-	-	509,494
Economic Development and Tourism	47,509	-	-	-	1,643,878
Termination Vacation and Sick Leave Pay	-	-	1,410,459	-	1,410,459
Total Expenditures	32,975,784	21,234,001	1,428,162	-	87,647,339
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(22,451,646)	(7,889,701)	(1,395,505)	-	(30,841,505)
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	13,814,141	6,327,312	1,250,000	-	23,804,239
Transfers to Other Funds	(2,772,836)	-	-	-	(5,338,067)
Total Other Financing Sources (Uses)	11,041,305	6,327,312	1,250,000	-	18,466,172
NET CHANGE IN FUND BALANCES	(11,410,341)	(1,562,389)	(145,505)	-	(12,375,333)
Fund Balances - Beginning of Year, as previously reported	50,393,595	3,792,523	(448,049)	17,694	78,053,384
Adjustments	-	-	-	-	1,026,645
Fund Balances - Beginning of Year, Restated	50,393,595	3,792,523	(448,049)	17,694	79,080,029
FUND BALANCES - END OF YEAR	$ 38,983,254	$ 2,230,134	$ (593,554)	$ 17,694	$ 66,704,696

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET
OTHER GRANT FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Special Revenue Funds			
	Public Health Grants	Justice Grants	Miscellaneous Grants	Total Other Grant Funds
ASSETS				
Cash and Cash Equivalents	$ 6,820,327	$ 22,468	$ 2,199,315	$ 9,042,110
Investments	1,000,000	-	-	1,000,000
Receivables, Net of Allowances for Uncollectibles				
Accounts	1,401,502	125,196	124,168	1,650,866
Other Accrued Revenue	250,874	-	-	250,874
Due from Other Funds	-	-	1,141,457	1,141,457
Due from Other Governments	-	198,299	316,791	515,090
Prepaid Items	3,283	-	-	3,283
Total Assets	$ 9,475,986	$ 345,963	$ 3,781,731	$ 13,603,680
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	$ -	$ 7,380	$ -	$ 7,380
Accounts Payable	30,053	9,055	17,122	56,230
Accrued Expenditures	202,281	-	229,596	431,877
Deferred Revenue	2,214	-	985,435	987,649
Due to Other Funds	566,711	312,367	1,260,271	2,139,349
Due to Other Governments	550,480	33,516	12,992	596,988
Total Liabilities	1,351,739	362,318	2,505,416	4,219,473
DEFERRED INFLOWS OF RESOURCES				
Unavailable Grant Revenue	1,401,502	125,196	124,168	1,650,866
Total Deferred Inflows of Resources	1,401,502	125,196	124,168	1,650,866
FUND BALANCES				
Nonspendable:				
Prepaid Items	3,283	-	-	3,283
Restricted:				
Special Purposes	6,719,462	-	1,152,147	7,871,609
Unassigned	-	(141,551)	-	(141,551)
Total Fund Balances	6,722,745	(141,551)	1,152,147	7,733,341
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 9,475,986	$ 345,963	$ 3,781,731	$ 13,603,680

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER GRANT FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Special Revenue Funds			
	Public Health Grants	Justice Grants	Miscellaneous Grants	Total Other Grants Funds
REVENUES				
Intergovernmental Revenues	$ 6,095,061	$ 376,441	$ 2,484,887	$ 8,956,389
Other Entity Participations	108,179	-	-	108,179
Charges for Services	5,778	-	-	5,778
Investment Earnings	343,385	-	118,035	461,420
Total Revenues	6,552,403	376,441	2,602,922	9,531,766
EXPENDITURES				
Other Public Safety and Health	8,981,513	-	660,224	9,641,737
Library	-	-	40,585	40,585
Staff Services	-	-	477,026	477,026
Police Protection	-	517,825	-	517,825
Total Expenditures	8,981,513	517,825	1,177,835	10,677,173
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,429,110)	(141,384)	1,425,087	(1,145,407)
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	1,462,903	-	377,936	1,840,839
Operating Transfers To Other Funds	(14)	(74)	(1,629,411)	(1,629,499)
NET CHANGE IN FUND BALANCES	(966,221)	(141,458)	173,612	(934,067)
Fund Balances - Beginning of Year	7,688,966	(93)	978,535	8,667,408
FUND BALANCES - END OF YEAR	$ 6,722,745	$ (141,551)	$ 1,152,147	$ 7,733,341

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET
PUBLIC IMPROVEMENT DISTRICTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Greenways at Hillside	Heritage Hills	The Colonies	Tutbury	Point West
ASSETS					
Cash and Cash Equivalents	$ 517,090	$ 1,095,944	$ 1,220,747	$ 31,180	$ 265,066
Accounts Receivable	150	-	-	-	-
Restricted Cash and Cash Equivalents	7,442	83,901	48	-	-
Total Assets	$ 524,682	$ 1,179,845	$ 1,220,795	$ 31,180	$ 265,066
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 70,027	$ 49,490	$ 17,280	$ 1,143	$ 4,266
Total Liabilities	70,027	49,490	17,280	1,143	4,266
FUND BALANCES					
Restricted for:					
Special Purposes	454,655	1,130,355	1,203,515	30,037	260,800
Total Fund Balances	454,655	1,130,355	1,203,515	30,037	260,800
Total Liabilities and Fund Balances	$ 524,682	$ 1,179,845	$ 1,220,795	$ 31,180	$ 265,066

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET (CONTINUED)
PUBLIC IMPROVEMENT DISTRICTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Quail Creek	Vineyards	Redstone	Townsquare	Pinnacle	Total
ASSETS						
Cash and Cash Equivalents	$ 8,925	$ 16,568	$ 548	$ 1,409,860	$ 322,667	$ 4,888,595
Accounts Receivable	1,400	1,275	-	-	-	2,825
Restricted Cash and Cash Equivalents	-	-	-	-	-	91,391
Total Assets	$ 10,325	$ 17,843	$ 548	$ 1,409,860	$ 322,667	$ 4,982,811
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 703	$ 2,216	$ -	$ 291,560	$ 5,288	$ 441,973
Total Liabilities	703	2,216	-	291,560	5,288	441,973
FUND BALANCES						
Restricted for:						
Special Purposes	9,622	15,627	548	1,118,300	317,379	4,540,838
Total Fund Balances	9,622	15,627	548	1,118,300	317,379	4,540,838
Total Liabilities and Fund Balances	$ 10,325	$ 17,843	$ 548	$ 1,409,860	$ 322,667	$ 4,982,811

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
PUBLIC IMPROVEMENT DISTRICTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Greenways at Hillside	Heritage Hills	The Colonies	Tutbury	Point West
REVENUES					
Charges for Services	$ 949,597	$ 505,342	$ 1,431,026	$ 28,800	$ 52,026
Investment Earnings	11,374	36,676	32,149	822	11,515
Total Revenues	960,971	542,018	1,463,175	29,622	63,541
EXPENDITURES					
Parks	654,933	258,508	687,136	21,476	79,740
Capital Outlay	-	-	-	-	-
Total Expenditures	654,933	258,508	687,136	21,476	79,740
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	306,038	283,510	776,039	8,146	(16,199)
OTHER FINANCING SOURCES					
Transfer to Other Funds	(100,016)	(60,575)	(107,591)	-	-
NET CHANGE IN FUND BALANCES	206,022	222,935	668,448	8,146	(16,199)
Fund Balances - Beginning of Year	248,633	907,420	535,067	21,891	276,999
FUND BALANCES - END OF YEAR	$ 454,655	$ 1,130,355	$ 1,203,515	$ 30,037	$ 260,800

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
PUBLIC IMPROVEMENT DISTRICTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Quail Creek	Vineyards	Redstone	Townsquare	Pinnacle	Total
REVENUES						
Charges for Services	$ 11,644	$ 21,519	$ -	$ 199,981	$ 123,044	$ 3,322,979
Investment Earnings	-	-	-	55,157	10,960	158,653
Total Revenues	11,644	21,519	-	255,138	134,004	3,481,632
EXPENDITURES						
Parks	12,332	22,958	-	2,716	98,935	1,838,734
Capital Outlay	-	-	-	509,494	-	509,494
Total Expenditures	12,332	22,958	-	512,210	98,935	2,348,228
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(688)	(1,439)	-	(257,072)	35,069	1,133,404
OTHER FINANCING SOURCES						
Transfer to Other Funds	-	-	-	-	-	(268,182)
NET CHANGE IN FUND BALANCES	(688)	(1,439)	-	(257,072)	35,069	865,222
Fund Balances - Beginning of Year	10,310	17,066	548	1,375,372	282,310	3,675,616
FUND BALANCES - END OF YEAR	$ 9,622	$ 15,627	$ 548	$ 1,118,300	$ 317,379	$ 4,540,838

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET
SEIZURE FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Federal APD Seized Property	Local Seized Property	Texas Narcotics Seized Property	Total
ASSETS				
Cash and Cash Equivalents	$ 547,271	$ 334,473	$ -	$ 881,744
Prepaid Items	-	-	605	605
Due from Other Funds	164	-	20,860	21,024
Total Assets	$ 547,435	$ 334,473	$ 21,465	$ 903,373
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 16,806	$ -	$ -	$ 16,806
Due to Other Funds	5,000	50,750	20,218	75,968
Total Liabilities	21,806	50,750	20,218	92,774
FUND BALANCES				
Nonspendable:				
Prepaid Items	-	-	605	605
Restricted for:				
Special Purposes	525,629	283,723	642	809,994
Total Fund Balances	525,629	283,723	1,247	810,599
Total Liabilities and Fund Balances	$ 547,435	$ 334,473	$ 21,465	$ 903,373

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SEIZURE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Federal APD Seized Property	Local Seized Property	Texas Narcotics Seized Property	Total
REVENUES				
Investment Earnings	$ 216,855	$ 10,081	$ -	$ 226,936
Seized Property Revenue	-	88,209	-	88,209
Total Revenues	216,855	98,290	-	315,145
EXPENDITURES				
Police Protection	198,863	61,776	-	260,639
Capital Outlay	270,974	30,323	-	301,297
Total Expenditures	469,837	92,099	-	561,936
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(252,982)	6,191	-	(246,791)
Fund Balances - Beginning of Year	778,611	277,532	1,247	1,057,390
FUND BALANCES - END OF YEAR	$ 525,629	$ 283,723	$ 1,247	$ 810,599

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET
MISCELLANEOUS SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT))

	Court Technology	Court Security	LEOSE Training Program	Homeland Security	Cable Capital Facilities	Photo Enforcement	Public Library Bush Collection	Library Trust	Flood Hazard
ASSETS									
Cash and Cash Equivalents	$ 2,093	$ 17,863	$ 85,266	$ 187,334	$ 19,673	$ 1,985,361	$ 59,055	$ 68,171	$ 1,750,219
Accrued Interest Receivable	-	-	-	-	-	-	-	-	2,202
Investments	-	-	-	-	-	-	-	-	1,000,000
Due from Other Governments	270	-	-	-	-	33	-	-	-
Total Assets	$ 2,363	$ 17,863	$ 85,266	$ 187,334	$ 19,673	$ 1,985,394	$ 59,055	$ 68,171	$ 2,752,421
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts Payable	$ 2,363	$ -	$ -	$ 12,481	$ -	$ 38,456	$ -	$ -	$ -
Accrued Expenditures	-	15,733	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	1,268,954
Due to Other Funds	22,412	186,637	-	-	-	50,000	-	-	-
Total Liabilities	24,775	202,370	-	12,481	-	88,456	-	-	1,268,954
FUND BALANCES									
Restricted:									
Special Purposes	-	-	85,266	174,853	19,673	1,896,938	59,055	68,171	1,483,467
Unassigned	(22,412)	(184,507)	-	-	-	-	-	-	-
Total Fund Balances	(22,412)	(184,507)	85,266	174,853	19,673	1,896,938	59,055	68,171	1,483,467
Total Liabilities and Fund Balances	$ 2,363	$ 17,863	$ 85,266	$ 187,334	$ 19,673	$ 1,985,394	$ 59,055	$ 68,171	$ 2,752,421

CITY OF AMARILLO, TEXAS
COMBINING BALANCE SHEET (CONTINUED)
MISCELLANEOUS SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT))

	General Donations	Civic Amarillo	Zoo Trust	Centennial Celebration	Opioid Settlement	Tax Increment Reinvestment Zone #1	Tax Increment Reinvestment Zone #2	Tax Increment Reinvestment Zone #3	Total
ASSETS									
Cash and Cash Equivalents	$ 210,290	$ 438,742	$ 2,412	$ 20,674	$ 692,026	$ 4,536,956	$ 1,381,476	$ -	$ 11,457,611
Accrued Interest Receivable	-	-	-	-	-	872	145	-	3,219
Investments	-	-	-	-	-	1,500,000	250,000	-	2,750,000
Due from Other Governments	-	-	60	-	-	-	-	3,460	3,823
Total Assets	$ 210,290	$ 438,742	$ 2,472	$ 20,674	$ 692,026	$ 6,037,828	$ 1,631,621	$ 3,460	$ 14,214,653
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts Payable	$ 80	$ 450	$ -	$ -	$ -	$ 216,292	$ 132	$ 267	270,521
Accrued Expenditures	-	9,385	-	-	-	9,730	-	-	34,848
Deposits	-	-	-	-	-	-	-	-	1,268,954
Due to Other Funds	-	12,846	-	-	-	972,218	-	-	1,244,113
Total Liabilities	80	22,681	-	-	-	1,198,240	132	267	2,818,436
FUND BALANCES									
Restricted:									
Special Purposes	210,210	416,061	2,472	20,674	692,026	4,839,588	1,631,489	3,193	11,603,136
Unassigned	-	-	-	-	-	-	-	-	(206,919)
Total Fund Balances	210,210	416,061	2,472	20,674	692,026	4,839,588	1,631,489	3,193	11,396,217
Total Liabilities and Fund Balances	$ 210,290	$ 438,742	$ 2,472	$ 20,674	$ 692,026	$ 6,037,828	$ 1,631,621	$ 3,460	$ 14,214,653

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MISCELLANEOUS SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT))

	Court Technology	Court Security	LEOSE Training Program	Homeland Security	Cable Capital Facilities	Photo Enforcement	Library Bush Collection	Library Trust	Flood Hazard
REVENUES									
Intergovernmental Revenues - Operating	$ -	$ -	47,774	$ -	$ -	$ -	$ -	$ -	$ -
Citizen Contributions	-	-	-	-	-	-	-	615	-
Revenue from Participating Taxing Entities	-	-	-	-	-	-	-	-	-
Charges for Services	102,983	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	124,538	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	56,204	2,425	-	118,136
Miscellaneous Revenues	-	-	1,495	-	-	-	-	-	-
Total Revenues	102,983	124,538	49,269	-	-	56,204	2,425	615	118,136
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Other Public Safety and Health	114,190	218,193	9,866	16,056	-	-	-	-	-
Auditorium - Coliseum	-	-	-	-	-	-	-	-	-
Participant Recreation	-	-	-	-	-	-	-	-	-
Economic Development/Tourism	-	-	-	-	-	-	-	-	-
Total Expenditures	114,190	218,193	9,866	16,056	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,207)	(93,655)	39,403	(16,056)	-	56,204	2,425	615	118,136
OTHER FINANCING SOURCES (USES)									
Transfers to Other Funds	(11,206)	(90,844)	-	-	-	(430,000)	-	-	-
Transfers from Other Funds	-	-	-	-	-	-	-	-	-
Total Other Financing Sources and Uses	(11,206)	(90,844)	-	-	-	(430,000)	-	-	-
NET CHANGE IN FUND BALANCES	(22,413)	(184,499)	39,403	(16,056)	-	(373,796)	2,425	615	118,136
Fund Balances - Beginning of Year	1	(8)	45,863	190,909	19,673	2,270,734	56,630	67,556	1,365,331
FUND BALANCES - END OF YEAR	$ (22,412)	$ (184,507)	$ 85,266	$ 174,853	$ 19,673	$ 1,896,938	$ 59,055	$ 68,171	$ 1,483,467

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
MISCELLANEOUS SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT))

	General Donations	Civic Amarillo	Zoo Trust	Centennial Celebration	Opioid Settlement	Tax Increment Reinvestment Zone #1	Tax Increment Reinvestment Zone #2	Tax Increment Reinvestment Zone #3	Total
REVENUES									
Intergovernmental Revenues - Operating	$ -	$ -	$ -	$ -	294,261	$ -	$ -	$ -	$ 342,035
Citizen Contributions	77,430	-	4,221	-	-	-	-	-	82,266
Revenue from Participating Taxing Entities	-	-	-	-	-	2,080,362	526,578	32,415	2,639,355
Charges for Services	-	298,347	-	-	-	-	-	-	401,330
Fines and Forfeitures	-	-	-	-	-	-	-	-	124,538
Investment Earnings	-	-	-	-	10,847	152,278	33,072	-	372,962
Miscellaneous Revenues	-	-	-	-	-	-	-	-	1,495
Total Revenues	77,430	298,347	4,221	-	305,108	2,232,640	559,650	32,415	3,963,981
EXPENDITURES									
General Government	13,546	316,472	-	-	-	-		-	330,018
Other Public Safety and Health	-	-	-	-	-	-	-	-	358,305
Auditorium - Coliseum	-	54,745	-	-	-	-	-	-	54,745
Participant Recreation	-	-	22,120	-	-	-	-	-	22,120
Economic Development/Tourism	-	-	-	-	-	1,254,636	304,359	37,374	1,596,369
Total Expenditures	13,546	371,217	22,120	-	-	1,254,636	304,359	37,374	2,361,557
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	63,884	(72,870)	(17,899)	-	305,108	978,004	255,291	(4,959)	1,602,424
OTHER FINANCING SOURCES (USES)									
Transfers to Other Funds	-	-	-	-	-	(135,500)	-	-	(667,550)
Transfers from Other Funds	-	175,000	-	-	-	-	-	-	175,000
Total Other Financing Sources and Uses	-	175,000	-	-	-	(135,500)	-	-	(492,550)
NET CHANGE IN FUND BALANCES	63,884	102,130	(17,899)	-	305,108	842,504	255,291	(4,959)	1,109,874
Fund Balances - Beginning of Year	146,326	313,931	20,371	20,674	386,918	3,997,084	1,376,198	8,152	10,286,343
FUND BALANCES - END OF YEAR	$ 210,210	$ 416,061	$ 2,472	$ 20,674	$ 692,026	$ 4,839,588	$ 1,631,489	$ 3,193	$ 11,396,217

Street Assessments - To account for the construction of streets and alleys which are financed primarily by property owner participation.

Street Improvement Fund - To account for improvements being made to major thoroughfares and the storm sewer system of the City financed by general revenues, augmented in some instances by property owner participation.

Golf Course Improvement Fund - To account for the portion of green fees designated for improvements to the public golf courses.

Solid Waste Disposal Improvement Fund - To account for costs of improvements to the City's solid waste disposal facilities, which in recent years have been financed primarily by general revenues.

T-Anchor-Bivins Improvement Fund - To account for sales of City land, the proceeds of which are designated for future betterments to the historic Bivins home, which is owned and rented by the City to the Amarillo Chamber of Commerce and other community service organizations.

Civic Center Improvement Fund - To account for improvements to Civic Center Convention Annex facilities, financed by motel tax receipts.

Animal Shelter Improvement Fund - To account for improvements to the Animal Shelter facilities.

Park Improvement Fund - To account for various Parks projects funded by the General Fund and other contributions and revenues.

GO Bond Construction Fund - To account for the construction of street and public safety improvement projects as approved by voters in the November 2016 bond election.

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Street Assessments Fund	Street Improvement Fund	Golf Course Improvement Fund	Solid Waste Disposal Improvement Fund	T-Anchor Bivins Improvement Fund
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 716,510	$ 149,940	$ 200,089	$ 1,747,325	$ 167,745
Restricted Cash and Cash Equivalents	-	-	-	2,375,589	-
Investments	(3,347)	-	-	5,005,970	-
Restricted Investments	-	-	-	-	-
Due from Other Funds	74,673	1,800,000	500,000	-	-
Accounts Receivable	-	-	-	-	-
Accrued Interest Receivable	-	-	-	26,700	-
Total Assets	$ 787,836	$ 1,949,940	$ 700,089	$ 9,155,584	$ 167,745
LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
CURRENT LIABILITIES					
Accounts Payable	$ -	$ 2,866,035	$ -	$ 21,082	$ -
Refundable Security Deposit	271,353	-	-	-	-
Due to Other Funds	-	77,845	-	98,806	-
Total Liabilities	271,353	2,943,880	-	119,888	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Construction Participations	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Restricted for:					
Capital Projects	-	-	-	-	-
Assigned for:					
Capital Projects	516,483	-	700,089	9,035,696	167,745
Unassigned	-	(993,940)	-	-	-
Total Fund Balances	516,483	(993,940)	700,089	9,035,696	167,745
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 787,836	$ 1,949,940	$ 700,089	$ 9,155,584	$ 167,745

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES (CONTINUED)
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Civic Center Improvement Fund	Animal Shelter Improvement Fund	Park Improvement Fund	GO Bond Const Fund	Total
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 670	$ 3,207	$ 108,845	$ 3,876,837	$ 6,971,168
Restricted Cash and Cash Equivalents	525	-	-	12,941,460	15,317,574
Investments	-	-	-	-	5,002,623
Restricted Investments	3,007,555	-	-	-	3,007,555
Due from Other Funds	-	-	600,000	11,973,519	14,948,192
Accounts Receivable	-	-	-	75,000	75,000
Accrued Interest Receivable	18,183	-	-	-	44,883
Total Assets	$ 3,026,933	$ 3,207	$ 708,845	$ 28,866,816	$ 45,366,995
LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
CURRENT LIABILITIES					
Accounts Payable	$ 441,789	$ -	$ -	$ 1,510,423	$ 4,839,329
Refundable Security Deposit	-	-	-	-	271,353
Due to Other Funds	1,021,408	-	-	-	1,198,059
Total Liabilities	1,463,197	-	-	1,510,423	6,308,741
DEFERRED INFLOWS OF RESOURCES					
Unavailable Construction Participations	-	-	-	75,000	75,000
Total Deferred Inflows of Resources	-	-	-	75,000	75,000
FUND BALANCES					
Restricted for:					
Capital Projects	1,563,736	-	-	-	1,563,736
Assigned for:					
Capital Projects	-	3,207	708,845	27,281,393	38,413,458
Unassigned	-	-	-	-	(993,940)
Total Fund Balances	1,563,736	3,207	708,845	27,281,393	38,983,254
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,026,933	$ 3,207	$ 708,845	$ 28,866,816	$ 45,366,995

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Street Assessments Fund	Street Improvement Fund	Golf Course Improvement Fund	Solid Waste Disposal Improvement Fund	T-Anchor Bivins Improvement Fund
REVENUES					
Intergovernmental Revenue - Operating	$ -	$ -	$ -	$ -	$ -
Charges for Services	-	-	415,586	-	-
Construction Participations	8,353,103	-	-	-	-
Investment Earnings	6,485	34,990	6,183	109,227	3,892
Total Revenues	8,359,588	34,990	421,769	109,227	3,892
EXPENDITURES					
Staff Services	1,544	-	-	-	-
Economic Development/Tourism	-	-	-	-	-
Capital Outlay	8,353,102	8,870,788	-	2,668,541	-
Total Expenditures	8,354,646	8,870,788	-	2,668,541	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,942	(8,835,798)	421,769	(2,559,314)	3,892
OTHER FINANCING SOURCES (USES)					
Transfers to Other Funds	-	(119,938)	(22,997)	(400,000)	-
Transfers from Other Funds	-	5,495,150	-	3,491,689	-
Total Other Financing Sources and Uses	-	5,375,212	(22,997)	3,091,689	-
NET CHANGE IN FUND BALANCES	4,942	(3,460,586)	398,772	532,375	3,892
Fund Balances - Beginning of Year	511,541	2,466,646	301,317	8,503,321	163,853
FUND BALANCES - END OF YEAR	516,483	$ (993,940)	$ 700,089	$ 9,035,696	$ 167,745

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
CAPITAL PROJECTS FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Civic Center Improvement Fund	Animal Shelter Improvement Fund	Park Improvement Fund	GO Bond Const Fund	Total
REVENUES					
Intergovernmental Revenue - Operating	$ 605,215	$ -	$ -	$ -	$ 605,215
Charges for Services	-	-	-	-	415,586
Construction Participations	-	-	-	-	8,353,103
Investment Earnings	95,243	-	17,808	876,406	1,150,234
Total Revenues	700,458	-	17,808	876,406	10,524,138
EXPENDITURES					
Staff Services	-	-	-	-	1,544
Economic Development/Tourism	-	-	-	47,509	47,509
Capital Outlay	841,989	-	-	12,192,311	32,926,731
Total Expenditures	841,989	-	-	12,239,820	32,975,784
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(141,531)	-	17,808	(11,363,414)	(22,451,646)
OTHER FINANCING SOURCES (USES)					
Transfers to Other Funds	(2,212,093)	-	(17,808)	-	(2,772,836)
Transfers from Other Funds	1,281,374	-	-	3,545,928	13,814,141
Total Other Financing Sources and Uses	(930,719)	-	(17,808)	3,545,928	11,041,305
NET CHANGE IN FUND BALANCES	(1,072,250)	-	-	(7,817,486)	(11,410,341)
Fund Balances - Beginning of Year	2,635,986	3,207	708,845	35,098,879	50,393,595
FUND BALANCES - END OF YEAR	$ 1,563,736	$ 3,207	$ 708,845	$ 27,281,393	$ 38,983,254

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CITY OF AMARILLO, TEXAS
INTERNAL SERVICE FUNDS

Fleet Services Fund - To account for the revenues and cost of operations of a central motor pool which includes all City-owned vehicles except fire trucks and buses. Vehicles are rented to using departments at estimated cost of usage. The original equipment was contributed to Fleet Services upon its organization on October 1, 1973. Effective with the 1994/95 year, the City adopted a policy of financing additions, as well as replacements, out of Fleet Services' net earnings from user charges.

Information Services Fund - To account for the revenues and costs of operations of the City's data processing system. Charges to using departments are based on estimated cost of providing the service, including depreciation on equipment. This fund was established October 1, 1979, upon transfer of the necessary equipment from the general fixed assets of the City.

Risk Management Fund - To account for funds accumulated from operating transfers and from assessments of the various City departments for the purpose of self-insuring liability, workmen's compensation, unemployment claims, and miscellaneous other risks.

Employee Insurance Funds - To account for self-insured medical and dental benefits together with life insurance for employees, retirees and covered dependents. Additionally, employee contributions to the flexible benefits plan and related expenditures are accounted for within these funds.

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Fleet Services	Information Services	Risk Management	Employee Insurance	Total
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	$ 34,585	$ 324,089	$ (19,457)	$ 475,335	$ 814,552
Investments	12,998,327	3,356,073	16,130,608	1,750,000	34,235,008
Receivables (Net of Allowances for Uncollectibles)					
Accounts	13,183	7,909	90,812	1,421,622	1,533,526
Accrued Interest	76,271	-	-	24,929	101,200
Lease	-	51,739	-	-	51,739
Due from Other Funds	3,289,007	4,211,884	6,688,769	9,882,671	24,072,331
Due from Other Governments	-	70,153	-	77,265	147,418
Prepaid Expenses	-	1,135,496	3,294,968	-	4,430,464
Total Current Assets	16,411,373	9,157,343	26,185,700	13,631,822	65,386,238
NONCURRENT ASSETS					
Restricted Cash and Cash Equivalents	349,422	-	-	-	349,422
Capital Assets:					
Improvements	6,556,483	18,456,709	-	-	25,013,192
Accumulated Depreciation	(526,774)	(7,435,405)	-	-	(7,962,179)
Equipment	210,334	7,353,803	9,623	-	7,573,760
Accumulated Depreciation	(166,540)	(3,918,374)	(9,623)	-	(4,094,537)
Vehicles	100,462,935	-	-	-	100,462,935
Accumulated Depreciation	(70,433,424)	-	-	-	(70,433,424)
Right-to-Use Lease Asset	13,463,216	4,619,426	-	-	18,082,642
Accumulated Amortization	(4,443,615)	(3,026,861)	-	-	(7,470,476)
Right-to-Use SBITA Asset	-	18,930,087	379,299	-	19,309,386
Accumulated Amortization	-	(4,011,331)	(17,210)	-	(4,028,541)
Construction in Progress	-	3,909,322	-	-	3,909,322
Total Capital Assets, Net of Accumulated Depreciation and Amortization	45,122,615	34,877,376	362,089	-	80,362,080
Total Noncurrent Assets	45,472,037	34,877,376	362,089	-	80,711,502
Total Assets	$ 61,883,410	$ 44,034,719	$ 26,547,789	$ 13,631,822	$ 146,097,740
DEFERRED OUTFLOWS	$ 579,146	$ 771,552	$ 36,932	$ 106,269	$ 1,493,899
LIABILITIES					
CURRENT LIABILITIES					
Vouchers Payable	$ -	$ 48,410	$ -	$ -	$ 48,410
Accounts Payable	1,292,308	2,254,446	502,937	241,999	4,291,690
Accrued Expenses	135,765	684,458	31,419	-	851,642
Due to Other Funds	5,213	1,393,503	10,702	990,769	2,400,187
Estimated Liability For Incurred Losses	-	-	5,704,565	2,194,637	7,899,202
Current Portion of Right-to-Use Lease Liability	2,788,012	890,657	-	-	3,678,669
Current Portion of Right-to-Use SBITA Liability	-	2,287,280	123,419	-	2,410,699
Current Portion Of Compensated Absences	68,135	23,756	1,932	-	93,823
Total Current Liabilities	4,289,433	7,582,510	6,374,974	3,427,405	21,674,322
NONCURRENT LIABILITIES					
Provision for Compensated Absences, Net	265,781	594,939	26,752	-	887,472
Estimated Liability for Incurred Losses, Net of Current Portion	-	-	13,046,865	-	13,046,865
Right-to-Use SBITA Liability	-	11,766,202	126,404	-	11,892,606
Right-to-Use Lease Liability	6,269,396	1,060,942	-	-	7,330,338
Net OPEB Liability	847,512	729,913	20,276	89,212	1,686,913
Net Pension Liability	1,731,247	2,697,301	143,473	382,596	4,954,617
Total Noncurrent Liabilities	9,113,936	16,849,297	13,363,770	471,808	39,798,811
Total Liabilities	$ 13,403,369	$ 24,431,807	$ 19,738,744	$ 3,899,213	$ 61,473,133
DEFERRED INFLOWS	$ 192,149	$ 245,650	$ 11,349	$ 33,481	$ 482,629
NET POSITION					
Net Investment in Capital Assets	$ 36,065,207	$ 18,872,295	$ 112,266	$ -	$ 55,049,768
Restricted for Other Purposes	79,318	-	-	-	79,318
Unrestricted	12,722,513	1,256,519	6,722,362	9,805,397	30,506,791
Total Net Position	$ 48,867,038	$ 20,128,814	$ 6,834,628	$ 9,805,397	$ 85,635,877

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Fleet Services	Information Services	Risk Management	Employee Insurance	Total
OPERATING REVENUES					
Charges for Services	$ -	$ -	$ -	$ 5,292,196	$ 5,292,196
Internal Charges	22,356,019	21,085,336	11,000,790	22,561,079	77,003,224
Employee Contributions	-	-	-	5,394,319	5,394,319
Miscellaneous	-	-	-	187,331	187,331
Total Operating Revenues	22,356,019	21,085,336	11,000,790	33,434,925	87,877,070
OPERATING EXPENSES					
Salaries, Wages, Fringes	3,272,446	4,940,906	417,830	2,293,172	10,924,354
Supplies	5,580,599	1,018,785	224,453	25,849	6,849,686
Fuel and Oil	3,167,667	-	-	-	3,167,667
Contractual Services	784,109	1,666,346	89,820	1,863,913	4,404,188
Claims, Net of Settlements	-	-	5,723,543	28,386,183	34,109,726
Other Charges	4,015,640	1,121,788	4,084,407	1,002,554	10,224,389
Depreciation	6,529,546	5,834,473	72,550	-	12,436,569
Total Operating Expenses	23,350,007	14,582,298	10,612,603	33,571,671	82,116,579
OPERATING INCOME (LOSS)	(993,988)	6,503,038	388,187	(136,746)	5,760,491
NONOPERATING REVENUES (EXPENSES)					
Interest Earnings	460,249	175,662	363,465	-	999,376
Interest and Fiscal Charges	(56,375)	-	(10)	(2,468)	(58,853)
Gain (Loss) on Property Sales	1,974	-	-	-	1,974
Total Nonoperating Revenues (Expenses)	405,848	175,662	363,455	(2,468)	942,497
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(588,140)	6,678,700	751,642	(139,214)	6,702,988
TRANSFERS					
From Municipality - Cash	1,828,998	1,399,956	-	-	3,228,954
CHANGE IN NET POSITION	1,240,858	8,078,656	751,642	(139,214)	9,931,942
Net Position - Beginning of Year	47,626,180	12,050,158	6,082,986	9,944,611	75,703,935
NET POSITION - END OF YEAR	$ 48,867,038	$ 20,128,814	$ 6,834,628	$ 9,805,397	$ 85,635,877

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Fleet Services	Information Services	Risk Management	Employee Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from City Departments	$ 22,369,174	$ 21,094,571	$ 11,166,316	$ 33,097,550	$ 87,727,611
Cash Received from Employees and Insurers	-	-	-	-	-
Cash Payments to Suppliers for Goods and Services	(11,413,888)	(2,667,213)	(3,967,095)	(3,306,756)	(21,354,952)
Cash Payments to Employees	(2,281,421)	(3,815,549)	(389,980)	2,358,158	(4,128,792)
Cash Payments for Claims and Loss Adjustments	(59,706)	(51,423)	(7,006,604)	(32,900,314)	(40,018,047)
Net Cash Provided (Used) by Operating Activities	8,614,159	14,560,386	(197,363)	(751,362)	22,225,820
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from Other Funds	1,828,998	1,399,956	-	-	3,228,954
Transfers to Other Funds	-	-	-	-	-
Amounts Borrowed/Repaid from Other Funds	(219,900)	(280,271)	10,702	815,148	325,679
Amounts Loaned to Other Funds	60,758	(1,072,730)	2,123,237	(4,508,176)	(3,396,911)
Net Cash Provided (Used) by Noncapital Financing Activities	1,669,856	46,955	2,133,939	(3,693,028)	157,722
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition and Construction of Capital Assets	(12,668,089)	(12,880,083)	(195,835)	-	(25,744,007)
Principal Paid on Right-to-Use Software Asset	-	(2,211,410)	(123,149)	-	(2,334,559)
Proceeds from Issuance of Bonds	-	-	-	-	-
Principal Paid on Lease	-	-	-	-	-
Interest Expense	(56,375)	-	(10)	-	(56,385)
Insurance Proceeds	-	-	-	-	-
Proceeds from Sale of Equipment	4,416,199	-	-	-	4,416,199
Net Cash Provided (Used) by Capital Financing Activities	(8,308,265)	(15,091,493)	(318,994)	-	(23,718,752)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sales and Maturities of Investment Securities	17,247,478	20,850,940	14,186,289	10,040,731	62,325,438
Purchase of Investment Securities	(30,491,187)	(21,952,567)	(17,882,846)	(6,593,145)	(76,919,745)
Interest and Gains (Losses) on Investments	(180,172)	1,165,888	1,672,965	(867,886)	1,790,795
Net Cash Provided (Used) by Investing Activities	(13,423,882)	64,261	(2,023,592)	2,579,700	(12,803,513)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,448,132)	(419,891)	(406,010)	(1,864,690)	(14,138,723)
Cash and Cash Equivalents - Beginning of Year	11,832,140	743,980	386,552	2,340,025	15,302,697
CASH AND CASH EQUIVALENTS - END OF YEAR (RESTRICTED AND UNRESTRICTED)	$ 384,008	$ 324,089	$ (19,458)	$ 475,335	$ 1,163,974

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Fleet Services	Information Services	Risk Management	Employee Insurance	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ (993,988)	$ 6,503,037	$ 388,187	$ (136,746)	$ 5,760,490
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation	6,529,546	5,834,473	72,550	-	12,436,569
(Increase) Decrease in Accounts Receivable	(13,155)	11,043	165,527	(337,375)	(173,960)
(Increase) Decrease in Deferred Outflows	958,395	1,155,079	4,058	194,949	2,312,481
(Increase) Decrease in Inventories	437,738	4,250	-	-	441,988
(Increase) Decrease in Prepaid Expenses	1,547,412	(1,135,496)	(32,227)	-	379,689
Increase (Decrease) in Vouchers Payable	(524,060)	29,105	(125,788)	(335,030)	(955,773)
Increase (Decrease) in Accounts Payable	1,172,180	2,240,040	490,666	(79,411)	3,823,475
Increase (Decrease) in Accrued Expenses	63,130	259,216	27,850	(72,148)	278,048
Increase (Decrease) in Deferred Inflows	(598,160)	(913,805)	(43,324)	(120,702)	(1,675,991)
Increase (Decrease) in Provision for Compensated Absences	80,427	176,301	17,336	-	274,064
Increase (Decrease) in Estimated Claims Liabilities	-	-	-	137,717	137,717
Increase (Decrease) in Net OPEB Liability	(59,706)	(51,423)	(2,334)	(6,285)	(119,748)
Increase (Decrease) in Net Pension Liability	14,400	448,566	121,769	3,669	588,404
Increase (Decrease) in IBNR Accrual	-	-	(1,281,633)	-	(1,281,633)
Net Cash Provided (Used) By Operating Activities	$ 8,614,159	$ 14,560,386	$ (197,363)	$ (751,362)	$ 22,225,820
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Decreases (Increases) in Fair Values of Investments	$ -	$ -	$ -	$ -	$ -

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CITY OF AMARILLO, TEXAS
GENERAL FUND

The General Fund accounts for all unrestricted resources except those required to be accounted for in another fund. The revenues and expenditures of the Transit System, Solid Waste Department and the Auditorium-Coliseum are accounted for in this fund.

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CITY OF AMARILLO, TEXAS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS

Cash and Cash Equivalents	$ 4,544,226
Investments	98,471,396
Receivables (Net of Allowances for Uncollectibles)	
Property Taxes	422,139
Solid Waste and Other	10,717,291
Accrued Interest	2,994,309
Other Accrued Revenue	5,687,245
Leases Receivable	8,374,584
Due from Other Funds	9,914,131
Due from Other Governments	2,968,733
Inventory of Supplies	250,206
Prepaid Items	472,192
Total Assets	$ 144,816,452

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

LIABILITIES	
Vouchers Payable	$ 221,395
Accounts Payable	7,929,422
Accrued Expenditures	11,042,299
Deposits	3,273
Due to Other Funds	61,417,322
Due to Other Governments	1,931,897
Unearned Revenues - Other	196,977
Total Liabilities	82,742,585
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Leases	7,555,791
Unavailable Solid Waste Revenue	448,817
Unavailable Grant Revenue	5,950,539
Unavailable Property Taxes	283,277
Total Deferred Inflows of Resources	14,238,424
FUND BALANCE	
Nonspendable:	
Inventory	250,206
Prepaid Items	472,192
Restricted for:	
Special Purpose	351,320
Debt Service	2,041,234
Unassigned	44,720,491
Total Fund Balance	47,835,443
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 144,816,452

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

REVENUES	
Taxes	$ 176,595,340
License and Permits	6,405,179
Interfund Revenues	25,000
Intergovernmental Revenues	2,796,539
Contributions - Citizens	2,408
Charges for Services	56,958,591
Fines and Forfeitures	4,420,596
Investment Earnings	6,122,726
Other Rentals and Commissions	1,616,358
Miscellaneous	5,871,021
Total Revenues	260,813,758
EXPENDITURES	
Current:	
General Government	7,194,118
Staff Services	15,115,703
Public Safety and Health:	
Police Protection	71,014,958
Fire Protection	54,142,843
Other	20,720,433
Streets, Traffic, and Engineering	20,240,451
Culture and Recreation;	
Auditorium-Coliseum	5,371,754
Libraries	4,407,611
Parks	9,712,302
Participant Recreation	8,517,605
Solid Waste	22,574,668
Transit System	6,821,259
Information Technology	5,523,043
Economic Development/Tourism	4,439,747
Capital Outlay	7,827,151
Total Expenditures	263,623,646
EXCESS OF REVENUES OVER EXPENDITURES	(2,809,888)
OTHER FINANCING SOURCES (USES)	
Transfers from Other Funds	6,886,091
Transfers to Other Funds	(25,938,102)
NET CHANGE IN FUND BALANCE	(21,861,899)
Fund Balance - Beginning of Year	69,697,342
FUND BALANCE - END OF YEAR	$ 47,835,443

CITY OF AMARILLO, TEXAS
COMPARATIVE SCHEDULE OF REVENUES
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Actual Revenue	Budget	Variance with Final Budget Positive (Negative)
TAXES			
General Property Taxes:			
Ad Valorem Tax Collections	$ 58,233,086	$ 57,183,383	$ 1,049,703
Penalty and Interest on Delinquent Taxes	541,155	505,000	36,155
Water and Sewer Utility	5,508,936	5,526,436	(17,500)
General Sales Tax	79,577,632	77,944,000	1,633,632
Mixed Beverage Tax	1,110,536	1,185,000	(74,464)
Hotel Occupancy Tax	9,943,371	9,155,000	788,371
Hotel Occupancy Tax Rebate	(808,348)	(915,000)	106,652
Gross Receipts Business Taxes:			
Electric Utility	10,818,986	11,270,000	(451,014)
Telephone Utility	413,385	535,000	(121,615)
Gas Utility	3,522,132	3,465,000	57,132
Cable Television	1,027,305	940,000	87,305
Water and Sewer Utility	6,707,164	6,489,311	217,853
Total Taxes	176,595,340	173,283,130	3,312,210
LICENSES AND PERMITS			
Food and Beverage Establishments:			
Liquor, Beer, and Wine Licenses	8,102	10,000	(1,898)
Restaurant Permits	1,377,127	1,354,850	22,277
Food Handler Permits	4,507	-	4,507
Miscellaneous Occupational:			
Occupational and Business	298,929	277,610	21,319
Group Care	102,526	33,900	68,626
Transient Bus Licenses	612	1,815	(1,203)
Solicitation Permits	1,215	700	515
Building and Structures:			
Building Permits	3,414,095	2,758,228	655,867
Electrical Permits	77,776	81,237	(3,461)
Plumbing and Gas Permits	403,574	343,900	59,674
Heating and Air Permits	190,529	136,903	53,626
Sewage Disposal Permits	479,420	371,000	108,420
Mobile Home Parks	46,767	40,330	6,437
Total Licenses And Permits	6,405,179	5,410,473	994,706
INTERFUND REVENUES			
Other Interfund Reimbursements	25,000	36,333	(11,333)
Total Interfund Revenue	25,000	36,333	(11,333)
INTERGOVERNMENTAL REVENUES			
General Government:			
Auditorium Operating Assistance	398,044	398,004	40
Public Safety and Health:			
Emergency Management Participations	11,613	706,904	(695,291)
Other	-	1,018,983	(1,018,983)
Solid Waste	251,864	-	251,864
State Shared Revenues	419,763	449,730	(29,967)
Transit			
Federal/State Operating Assistance	1,715,255	4,981,097	(3,265,842)
Total Intergovernmental Revenues	2,796,539	7,554,718	(4,758,179)
CONTRIBUTIONS FROM CITIZENS			
Donations Unrestricted	2,408	-	2,408

CITY OF AMARILLO, TEXAS
COMPARATIVE SCHEDULE OF REVENUES (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Actual Revenue	Budget	Variance with Final Budget Positive (Negative)
CHARGES FOR SERVICES			
General Government:			
Zoning, Planning Application Fees	$ 96,020	$ 77,162	$ 18,858
Construction and Development Fees	2,480,634	300,000	2,180,634
Staff Services:			
Indirect Cost Reimbursement	1,968,214	2,483,934	(515,720)
Business Type Fund Administrative Fees:			
Water and Sewer Administrative	2,535,148	1,809,027	726,121
Airport	313,973	313,973	-
Other Administrative Fees:			
Weed Mowing Contract	351,301	212,500	138,801
Weed Bad Debt Adjustment	(26,029)	(93,750)	67,721
Fiscal Agent Fees	142,608	205,815	(63,207)
Technology Fees	199,458	111,436	88,022
Public Safety and Health:			
Police Liaison Officer	1,557,383	1,560,000	(2,617)
AECC Participations	1,341,274	1,181,190	160,084
EMS Support	48,059	46,000	2,059
Warrant Fees	348,679	328,774	19,905
Traffic Accident Reports	16,178	12,000	4,178
Airport Fire Service Fee	2,486,857	2,486,857	-
Fire Inspections	125,369	39,000	86,369
Animal Shelter Fees	81,842	121,395	(39,553)
Vital Statistics Fee	256,862	302,853	(45,991)
Culture and Recreation:			
Auditorium Rentals	1,414,507	1,816,100	(401,593)
Auditorium Concessions	469,087	377,792	91,295
Auditorium Advertising	1,644	8,000	(6,356)
Auditorium Box Office	298,947	365,110	(66,163)
Library Late Fees	50,575	51,500	(925)
Library Copy Charges	29,297	26,000	3,297
Nonresident Library Fees	13,235	10,999	2,236
Baseball Field Rentals	309,977	53,700	256,277
Golf Green Fees	1,676,765	1,485,000	191,765
Golf Membership Fees	332,634	360,000	(27,366)
Golf Other	3,075,885	2,786,272	289,613
Swimming Pool Fees	256,835	602,853	(346,018)
Tennis Center Fees	171,344	182,000	(10,656)
Warford Center	83,007	39,302	43,705
Zoo Admission Fees	321,821	407,989	(86,168)
Rifle Range Fees	75,321	46,500	28,821
Admission Fees	33,533	18,500	15,033
Solid Waste:			
Collection and Disposal Fees	28,237,121	28,686,670	(449,549)
Landfill Charges	4,814,964	3,900,000	914,964
Recyclable Materials	99,592	64,854	34,738
Forfeited Discounts	563,625	275,726	287,899
Transit			
Passenger Revenue	202,530	308,231	(105,701)
Demand Response	37,099	37,886	(787)
Miscellaneous Transit Revenue	65,416	35,246	30,170
Total Charges for Services	56,958,591	53,444,396	3,514,195

CITY OF AMARILLO, TEXAS
COMPARATIVE SCHEDULE OF REVENUES (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Actual Revenue	Budget	Variance with Final Budget Positive (Negative)
FINES AND FORFEITURES			
Traffic Fines	$ 3,217,146	$ 2,378,658	$ 838,488
Misdemeanor Fees	209,686	205,409	4,277
Parking Fines	21,934	22,000	(66)
Other Court Revenue	222,395	196,148	26,247
Miscellaneous Fines	277,374	296,808	(19,434)
State Court Costs	472,061	321,800	150,261
Total Fines and Forfeitures	4,420,596	3,420,823	999,773
INVESTMENT EARNINGS			
Interest Earnings	6,122,726	2,770,367	3,352,359
Total Investment Earnings	6,122,726	2,770,367	3,352,359
OTHER RENTALS AND COMMISSIONS			
Amusement Park Commissions	118,441	105,000	13,441
Municipal Building Rents	868,164	44,408	823,756
MPEV Rents	400,000	471,329	(71,329)
Surface Land Rents	135,516	43,045	92,471
Miscellaneous Concessions	94,237	21,996	72,241
Total Rental/Commissions	1,616,358	685,778	930,580
MISCELLANEOUS			
Use of Money and Property:			
Miscellaneous Revenues	5,785,143	1,099,029	4,686,114
Sales to Outside Utilities	64,729	13,000	51,729
Discounts Earned	9,969	13,000	(3,031)
Sale of Property and Gains	10,699	250	10,449
Bad Debt/Exp Recovery	481	500	(19)
Total Miscellaneous	5,871,021	1,125,779	4,745,242
Total Revenues	$ 260,813,758	$ 247,731,797	$ 13,081,961

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT (GAAP BASIS)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Salaries, Wages, and Fringe Benefits	Supplies	Contractual Services	Other Charges	Total	Capital Outlay	Total (GAAP) Basis
GENERAL GOVERNMENT							
Mayor and Council	$ 1,196	$ 21,255	$ 50,349	$ 10,116	$ 82,916	$ -	$ 82,916
City Manager	1,920,737	28,756	64,169	25,793	2,039,455	-	2,039,455
Office of Public Communication	1,050,741	7,990	33,717	18,246	1,110,694	-	1,110,694
City Secretary	349,755	288,938	20,545	21,936	681,174	-	681,174
Municipal Court	1,299,008	34,373	62,072	38,945	1,434,398	-	1,434,398
Judicial	496,604	2,996	76,611	6,952	583,163	-	583,163
Office of Civic Hearing	2,174	-	16,287	1,918	20,379	-	20,379
Planning and Zoning	1,192,541	12,712	10,440	26,246	1,241,939	-	1,241,939
Total General Government	6,312,756	397,020	334,190	150,152	7,194,118	-	7,194,118
STAFF SERVICES							
Financial Administration:							
Director of Finance	2,485,976	48,497	1,578,548	3,293	4,116,314	-	4,116,314
Benefits	238,424	-	3,000	6,972	248,396	-	248,396
Purchasing	674,375	12,738	67,914	11,812	766,839	-	766,839
Central Stores	101,688	3,733	5,541	7,410	118,372	-	118,372
Municipal Office Services	101,768	-	739	-	102,507	-	102,507
Information Technology	-	-	-	5,523,043	5,523,043	-	5,523,043
Legal	1,054,796	75,703	784,119	10,541	1,925,159	-	1,925,159
Personnel:							
Human Resources	875,626	158,243	497,292	23,357	1,554,518	-	1,554,518
Safety and Training	403,126	15,558	1,306	5,589	425,579	-	425,579
Occupancy							
Custodial Operations	1,328,870	130,533	20,765	431,752	1,911,920	-	1,911,920
Building Maintenance	2,535,937	672,855	705,065	32,242	3,946,099	276,998	4,223,097
Total Staff Services	9,800,586	1,117,860	3,664,289	6,056,011	20,638,746	276,998	20,915,744
PUBLIC SAFETY AND HEALTH							
Police:							
Police	54,325,499	1,942,008	7,050,075	817,958	64,135,540	1,663,215	65,798,755
Civilian Personnel	4,531,774	5,101	1,821,469	201,898	6,560,242	-	6,560,242
Miscellaneous Police Programs	319,176	-	-	-	319,176	237,398	556,574
Total Police Protection	59,176,449	1,947,109	8,871,544	1,019,856	71,014,958	1,900,613	72,915,571
Fire Protection:							
Fire Operations	46,812,193	1,730,634	2,137,382	868,876	51,549,085	384,877	51,933,962
Civilian Personnel	882,138	7,476	64,154	12,938	966,706	-	966,706
Fire Marshall	1,493,062	33,196	83,874	16,920	1,627,052	-	1,627,052
Total Fire Protection	49,187,393	1,771,306	2,285,410	898,734	54,142,843	384,877	54,527,720
Other:							
Building Safety	2,841,649	355,006	220,881	41,002	3,458,538	-	3,458,538
City Marshal	1,579,950	137,999	709,427	768,042	3,195,418	-	3,195,418
Animal Management And Welfare	2,905,661	877,322	362,601	9,987	4,155,571	16,300	4,171,871
Emergency Services	678,844	63,402	46,397	134,190	922,833	221,221	1,144,054
AECC	5,633,360	67,414	445,278	285,844	6,431,896	-	6,431,896
Environmental Health	1,973,417	35,368	286,950	28,919	2,324,654	-	2,324,654
Vital Statistics	163,121	22,324	41,511	4,567	231,523	-	231,523
Total Other	15,776,002	1,558,835	2,113,045	1,272,551	20,720,433	237,521	20,957,954
Total Public Safety and Health	124,139,844	5,277,250	13,269,999	3,191,141	145,878,234	2,523,011	148,401,245

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT (GAAP BASIS) (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Salaries, Wages, and Fringe Benefits	Supplies	Contractual Services	Other Charges	Total	Capital Outlay	Total (GAAP) Basis
STREETS, TRAFFIC, AND ENGINEERING							
Street Maintenance	$ 5,748,084	$ 397,830	$ 4,951,525	$ 213,450	$ 11,310,889	$ 23,528	$ 11,334,417
Traffic Engineering	1,593,245	3,123,784	1,135,063	84,873	5,936,965	18,036	5,955,001
Public Works	633,809	17,772	10,373	4,948	666,902	97,465	764,367
Capital Projects And Development	2,047,359	23,121	97,133	158,082	2,325,695	4,314,060	6,639,755
Total Streets, Traffic, and Engineering	10,022,497	3,562,507	6,194,094	461,353	20,240,451	4,453,089	24,693,540
CULTURE AND RECREATION							
Auditorium - Coliseum:							
Civic Center Operations	1,652,938	409,197	163,943	492,876	2,718,954	-	2,718,954
Civic Center Administration	921,428	12,349	215,612	70,526	1,219,915	-	1,219,915
Box Office Operations	231,965	1,270	27,585	51,290	312,110	-	312,110
Civic Center Sports	102,578	311,037	72,409	3,111	489,135	-	489,135
Globe News Center	138,023	125,681	16,846	345,129	625,679	-	625,679
Santa Fe Pavillion	-	4,406	1,228	327	5,961	-	5,961
Library Operations	3,376,328	588,332	173,665	269,286	4,407,611	16,232	4,423,843
Parks:							
Parks Administration	816,044	93,838	56,819	37,106	1,003,807	26,530	1,030,337
Park Maintenance	2,553,126	876,774	4,857,716	193,449	8,481,065	-	8,481,065
Beautification and Public Arts	92,112	15,177	27,112	1,417	135,818	-	135,818
Senior Services	77,714	11,875	2,023	-	91,612	-	91,612
Participant Recreation:							
Golf Operations	2,292,895	1,794,932	1,048,536	66,899	5,203,262	-	5,203,262
Warford Center	304,544	89,618	54,913	17,521	466,596	-	466,596
Zoo	481,024	187,848	42,253	18,503	729,628	-	729,628
Swimming Pools	554,161	154,776	176,925	26,864	912,726	-	912,726
Tennis Center	89,957	49,060	119,715	9,894	268,626	-	268,626
Parks and Recreation Programs	752,063	102,348	30,151	52,205	936,767	-	936,767
Total Culture and Recreation	14,436,900	4,828,518	7,087,451	1,656,403	28,009,272	42,762	28,052,034
SOLID WASTE							
Solid Waste Collection	7,474,990	1,103,163	7,117,737	1,076,000	16,771,890	-	16,771,890
Solid Waste Disposal	2,044,045	279,327	2,798,241	681,165	5,802,778	-	5,802,778
Total Solid Waste	9,519,035	1,382,490	9,915,978	1,757,165	22,574,668	-	22,574,668
TRANSIT							
Fixed Route	1,137,265	202,705	163	642,565	1,982,698	531,291	2,513,989
Demand Response	1,419,703	323,103	3,006	-	1,745,812	-	1,745,812
Transit Administration	932,705	341,571	779,173	-	2,053,449	-	2,053,449
Transit Maintenance	994,873	40,987	3,440	-	1,039,300	-	1,039,300
Total Transit	4,484,546	908,366	785,782	642,565	6,821,259	531,291	7,352,550
ECONOMIC DEVELOPMENT							
Tourism Support	920,031	-	3,519,716	-	4,439,747	-	4,439,747
Total Economic Development	920,031	-	3,519,716	-	4,439,747	-	4,439,747
Total General Fund Expenditures	$ 179,636,195	$ 17,474,011	$ 44,771,499	$ 13,914,790	$ 255,796,495	$ 7,827,151	$ 263,623,646

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances
GENERAL GOVERNMENT	$ 82,916	$ -	$ 82,916	$ -
Mayor and Council	2,039,455	-	2,039,455	-
City Manager	1,110,694	-	1,110,694	-
Office of Public Communication	681,174	-	681,174	-
City Secretary	1,434,398	-	1,434,398	-
Municipal Court	583,163	-	583,163	-
Judicial	20,379	-	20,379	-
Office of Civil Hearing	1,241,939	-	1,241,939	3,332
Planning and Zoning	7,194,118	-	7,194,118	3,332
Total General Government				
STAFF SERVICES				
Financial Administration:	4,116,314	-	4,116,314	-
Director of Finance	248,396	-	248,396	-
Benefits	766,839	-	766,839	-
Purchasing	118,372	-	118,372	-
Central Stores	5,523,043	-	5,523,043	
Information Technology	1,925,159	-	1,925,159	3,865
Legal				
Personnel:	1,554,518	-	1,554,518	1,014
Human Resources	425,579	-	425,579	-
Safety and Training				
Occupancy:	1,911,920	-	1,911,920	-
Custodial Operations	3,946,099	276,998	4,223,097	-
Building Maintenance	20,638,746	276,998	20,915,744	4,879
Total Staff Services				
PUBLIC SAFETY AND HEALTH				
Police:				
Police	64,135,540	1,663,215	65,798,755	280,900
Civilian Personnel	6,560,242	-	6,560,242	-
Miscellaneous Police Programs	319,176	237,398	556,574	73,686
Total Police Protection	71,014,958	1,900,613	72,915,571	354,586
Fire Protection:				
Fire Operations	51,549,085	384,877	51,933,962	52,836
Civilian Personnel	966,706	-	966,706	-
Fire Marshall	1,627,052	-	1,627,052	-
Total Fire Protection	54,142,843	384,877	54,527,720	52,836
Other:				
Building Safety	3,458,538	-	3,458,538	15,624
City Marshal	3,195,418	-	3,195,418	-
Animal Management and Welfare	4,155,571	16,300	4,171,871	16,300
Emergency Services	922,833	221,221	1,144,054	1,509
AECC	6,431,896	-	6,431,896	2,680
Environmental Health	2,324,654	-	2,324,654	-
Vital Statistics	231,523	-	231,523	-
Total Other	20,720,433	237,521	20,957,954	36,113
Total Public Safety and Health	145,878,234	2,523,011	148,401,245	443,535

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
GENERAL GOVERNMENT					
Mayor and Council	$ -	$ 82,916	$ 139,955	$ 139,955	$ 57,039
City Manager	-	2,039,455.00	2,303,907	2,303,907	264,452
Office of Public Communication	-	1,110,694.00	1,198,684	1,198,684	87,990
City Secretary	17,192	663,982.00	558,990	664,990	1,008
Municipal Court	37,808	1,396,590.00	1,454,423	1,454,423	57,833
Judicial	-	583,163.00	593,248	593,248	10,085
Office of Civil Hearing	-	20,379.00	128,353	128,353	107,974
Planning and Zoning	290,765	1,529,372	1,337,997	1,337,997	(191,375)
Total General Government	345,765	7,426,551	7,715,557	7,821,557	395,006
STAFF SERVICES					
Financial Administration:					
Director of Finance	-	4,116,314	4,402,005	4,402,005	285,691
Benefits	-	248,396	254,513	254,513	6,117
Purchasing	-	766,839	903,819	903,819	136,980
Central Stores	11,015	129,387	399,916	399,916	270,529
Information Technology	-	5,523,043	5,523,043	5,523,043	-
Legal	-	1,921,294	2,003,624	2,003,624	82,330
Personnel:					
Human Resources	-	1,553,504	1,640,954	1,640,954	87,450
Safety and Training	-	425,579	378,573	378,573	(47,006)
Occupancy:					
Custodial Operations	63,795	1,975,715	1,934,000	1,934,000	(41,715)
Building Maintenance	-	4,223,097	4,223,164	4,223,164	67
Total Staff Services	74,810	20,985,675	21,663,611	21,663,611	677,936
PUBLIC SAFETY AND HEALTH					
Police:					
Police	417,761	65,935,616	59,523,208	59,764,208	(6,171,408)
Civilian Personnel	-	6,560,242	6,583,079	6,583,079	22,837
Miscellaneous Police Programs	-	482,888	-	-	(482,888)
Total Police Protection	417,761	72,978,746	66,106,287	66,347,287	(6,631,459)
Fire Protection:					
Fire Operations	10,264	51,891,390	46,266,922	49,981,922	(1,909,468)
Civilian Personnel	-	966,706	861,461	861,461	(105,245)
Fire Marshall	-	1,627,052	1,413,218	1,413,218	(213,834)
Total Fire Protection	10,264	54,485,148	48,541,601	52,256,601	(2,228,547)
Other:					
Building Safety	-	3,442,914	3,743,489	3,743,489	300,575
City Marshal	-	3,195,418	2,234,904	3,199,904	4,486
Animal Management and Welfare	-	4,155,571	4,256,230	4,256,230	100,659
Emergency Services	28,925	1,171,470	1,345,978	1,345,978	174,508
AECC	13,118	6,442,334	6,303,478	6,303,478	(138,856)
Environmental Health	-	2,324,654	2,365,063	2,365,063	40,409
Vital Statistics	-	231,523	235,029	235,029	3,506
Total Other	42,043	20,963,884	20,484,171	21,449,171	485,287
Total Public Safety and Health	470,068	148,427,778	135,132,059	140,053,059	(8,374,719)

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances
STREETS, TRAFFIC, AND ENGINEERING				
Street Maintenance	$ 11,310,889	$ 23,528	$ 11,334,417	$ 35,357
Traffic Engineering	5,936,965	18,036	5,955,001	86,578
Public Works	666,902	97,465	764,367	-
Capital Projects and Development	2,325,695	4,314,060	6,639,755	-
Total Streets, Traffic, and Engineering	20,240,451	4,453,089	24,693,540	121,935
CULTURE AND RECREATION				
Auditorium - Coliseum:				
Civic Center Operations	2,718,954	-	2,718,954	24,298
Civic Center Administration	1,219,915	-	1,219,915	25,027
Box Office Operations	312,110	-	312,110	-
Civic Center Sports	489,135	-	489,135	9,550
Globe News Center	625,679	-	625,679	-
Santa Fe Pavillion	5,961	-	5,961	-
MPEV	-	-	-	-
Library Operations	4,407,611	16,232	4,423,843	8,331
Parks:				
Parks Administration	1,003,807	26,530	1,030,337	30,581
Park Maintenance	8,481,065	-	8,481,065	-
Beautification and Public Arts	135,818	-	135,818	-
Senior Services	91,612	-	91,612	-
Participant Recreation:				
Golf Operations	5,203,262	-	5,203,262	3,580
Warford Center	466,596	-	466,596	-
Zoo	729,628	-	729,628	-
Swimming Pools	912,726	-	912,726	-
Tennis Center	268,626	-	268,626	-
Parks and Recreation Programs	936,767	-	936,767	-
Total Culture and Recreation	28,009,272	42,762	28,052,034	101,367
SOLID WASTE				
Solid Waste Collection	16,771,890	-	16,771,890	2,693
Solid Waste Disposal	5,802,778	-	5,802,778	24,215
Total Solid Waste	22,574,668	-	22,574,668	26,908
TRANSIT				
Fixed Route	1,982,698	531,291	2,513,989	19,255
Demand Response	1,745,812	-	1,745,812	-
Transit Administration	2,053,449	-	2,053,449	-
Transit Maintenance	1,039,300	-	1,039,300	16,182
Total Transit	6,821,259	531,291	7,352,550	35,437
ECONOMIC DEVELOPMENT				
Tourism Support	4,439,747	-	4,439,747	90,500
Total Economic Development	4,439,747	-	4,439,747	90,500
Total General Fund Expenditures	$ 255,796,495	$ 7,827,151	$ 263,623,646	$ 827,893
OPERATING TRANSFERS:				
Operating Transfers to Other Funds	$ (25,938,102)	$ -	$ (25,938,102)	$ -
Operating Transfers from Other Funds	6,886,091	-	6,886,091	-
Totals Including Transfers	$ 236,744,484	$ 7,827,151	$ 244,571,635	$ 827,893

CITY OF AMARILLO, TEXAS
SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS (CONTINUED)
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
STREETS, TRAFFIC, AND ENGINEERING					
Street Maintenance	$ 137,034	$ 11,436,094	$ 11,931,001	$ 11,931,001	$ 494,907
Traffic Engineering	255,539	6,123,962	5,859,292	5,885,292	(238,670)
Public Works	-	764,367	686,319	686,319	(78,048)
Capital Projects and Development	-	6,639,755	1,647,937	1,992,937	(4,646,818)
Total Streets, Traffic, and Engineering	392,573	24,964,178	20,124,549	20,495,549	(4,468,629)
CULTURE AND RECREATION					
Auditorium - Coliseum:					
Civic Center Operations	-	2,694,656	2,968,895	2,968,895	274,239
Civic Center Administration	-	1,194,888	646,313	646,313	(548,575)
Box Office Operations	-	312,110	381,892	381,892	69,782
Civic Center Sports	-	479,585	556,974	556,974	77,389
Globe News Center	-	625,679	727,021	727,021	101,342
Santa Fe Pavillion	-	5,961	25,500	25,500	19,539
MPEV	-	-	431,000	431,000	431,000
Library Operations	15,020	4,430,532	4,375,993	4,380,817	(49,715)
Parks:					
Parks Administration	57,848	1,057,604	1,020,421	1,020,421	(37,183)
Park Maintenance	63,212	8,544,277	8,679,404	8,679,404	135,127
Beautification and Public Arts	-	135,818	135,871	135,871	53
Senior Services	10,353	101,965	119,261	119,261	17,296
Participant Recreation:					
Golf Operations	12,254	5,211,936	4,850,687	5,076,687	(135,249)
Warford Center	18,044	484,640	416,068	416,068	(68,572)
Zoo	10,947	740,575	618,915	676,915	(63,660)
Swimming Pools	-	912,726	844,125	913,125	399
Tennis Center	-	268,626	264,369	272,869	4,243
Parks and Recreation Programs	5,645	942,412	990,465	990,465	48,053
Total Culture and Recreation	193,323	28,143,990	28,053,174	28,419,498	275,508
SOLID WASTE					
Solid Waste Collection	49,216	16,818,413	17,434,095	17,434,095	615,682
Solid Waste Disposal	1,487	5,780,050	5,818,230	5,818,230	38,180
Total Solid Waste	50,703	22,598,463	23,252,325	23,252,325	653,862
TRANSIT					
Fixed Route	64,218	2,558,952	-	3,071,833	512,881
Demand Response	-	1,745,812	6,618,706	1,565,011	(180,801)
Transit Administration	-	2,053,449	-	854,545	(1,198,904)
Transit Maintenance	-	1,023,118	-	1,127,317	104,199
Total Transit	64,218	7,381,331	6,618,706	6,618,706	(762,625)
ECONOMIC DEVELOPMENT					
Tourism Support	-	4,349,247	4,454,841	4,454,841	105,594
Total Economic Development	-	4,349,247	4,454,841	4,454,841	105,594
Total General Fund Expenditures	$ 1,591,460	$ 264,277,213	$ 247,014,822	$ 252,779,146	$ (11,498,067)
OPERATING TRANSFERS:					
Operating Transfers to Other Funds	$ -	$ (25,938,102)	$ (37,231,798)	$ (37,231,798)	$ (11,293,696)
Operating Transfers from Other Funds	-	6,886,091	14,375,178	14,375,178	7,489,087
Totals Including Transfers	$ 1,591,460	$ 245,225,202	$ 224,158,202	$ 229,922,526	$ (15,302,676)

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CITY OF AMARILLO, TEXAS
STATEMENTS OF WATER AND SEWER FUND

This fund accounts for the provision of water and sewer services to residents and commercial enterprises of the City and proximate area. Water is obtained from a number of city-owned well fields, as well as from an allocation of surface water from the Canadian River and underground water from the northeast sector of the Panhandle, both provided by the Canadian River Municipal Water Authority.

CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION
WATER AND SEWER FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$	19,218,314
Investments		57,603,263
Accounts Receivable, Net of Allowances		7,550,457
Lease Receivable		93,892
Accrued Interest Receivable		6,637,511
Due from Other Funds		11,764,830
Prepaid Expenses		4,265,436
Total Current Assets		107,133,703
NONCURRENT ASSETS		
Restricted Cash and Cash Equivalents		78,987,366
Lease Receivable		591,996
Capital Assets:		
Land		6,395,710
Contributed Right of Way Easements		3,045,778
Underground Water Rights and Contracts		137,642,988
Accumulated Depletion - Underground Water Rights		(38,786,313)
Pipelines and Plant		860,440,481
Accumulated Depreciation - Pipelines and Plant		(323,847,417)
Equipment and Vehicles		3,651,808
Accumulated Depreciation - Equipment and Vehicles		(3,123,884)
Construction in Progress		123,957,372
Right- to -use software asset		1,148,288
Accumulated Amortization		(317,630)
Total Capital Assets Net of Accumulated Depreciation		770,207,181
Total Noncurrent Assets		849,786,543
Total Assets	$	956,920,246
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows	$	3,339,671
Total Deferred Outflows of Resources	$	3,339,671
LIABILITIES		
CURRENT LIABILITIES		
Vouchers Payable	$	1,110,889
Accounts Payable		26,276,474
Accrued Expenses		14,219,568
Due to Other Funds		1,253,699
Due to Other Governments		15,172,953
Deposits		1,000,357
Consumer Security Deposits		239,285
Share of Water Authority Debt, Current		3,659,946
Bonded Debt Current Maturity		19,235,000
Current Portion of Right-to-Use SBITA Liability		237,165
Current Portion of Provision for Compensated Absences		159,801
Total Current Liabilities		82,565,137
NONCURRENT LIABILITIES		
Bonded Debt, Net of Current		236,856,597
Water Authority Debt, Net of Current		13,271,835
Other Accrued Expenses		2,504,372
Provision for Compensated Absences, Net		1,565,415
Right-to-Use SBITA Liability		459,342
Net OPEB Liability		4,870,154
Net Pension Liability		9,851,846
Total Noncurrent Liabilities		269,379,561
Total Liabilities	$	351,944,698
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows	$	2,130,114
Total Deferred Inflows of Resources	$	2,130,114
NET POSITION		
Net Investment in Capital Assets	$	564,276,924
Restricted for Debt Service		6,255,981
Unrestricted		35,652,200
Total Net Position	$	606,185,105

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

OPERATING REVENUES	
Utility Sales and Service	$ 99,174,553
Tap Fees and Frontage Charges	318,014
Rents and Miscellaneous	1,327,759
Total Operating Revenues	100,820,326
OPERATING EXPENSES	
Salaries, Wages, and Fringe Benefits	18,561,644
Supplies	5,931,260
Fuel and Power	5,279,192
Contractual Services	18,560,119
Water Authority Charges	6,489,366
Other Charges	16,841,986
Depreciation	17,774,518
Total Operating Expenses	89,438,085
OPERATING INCOME	11,382,241
NONOPERATING REVENUES (EXPENSES)	
Gain (Loss) on Disposal of Property	862
Intergovernmental Revenue	291,557
Interest Earnings	5,333,611
Interest and Fiscal Charges	(14,717,448)
Total Nonoperating Revenue (Expenses)	(9,091,418)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	2,290,823
Capital Contributions	9,054,738
Transfers from Other Funds	1,955,035
Transfers to Other Funds	(7,863,011)
CHANGE IN NET POSITION	5,437,585
Total Net Position - Beginning of Year	600,747,520
TOTAL NET POSITION - END OF YEAR	$ 606,185,105

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Third Parties	$ 107,218,927
Cash Payments to Suppliers For Goods And Services	(38,291,398)
Cash Payments to Employees	(15,188,420)
Net Cash Provided (Used) By Operating Activities	53,739,109
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	(7,863,011)
Amounts Loaned to or Repaid from Other Funds	19,956,513
Amounts Borrowed from or Repaid to Other Funds/Governments	15,696,969
Interfund Reimbursements	291,557
Settlement Proceeds	-
Transfers to Other Funds	1,955,035
Net Cash Provided (Used) By Noncapital Financing Activities	30,037,063
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(57,501,377)
Capital Grants Received	8,717,779
Principal Paid on Bond Maturities	(20,805,000)
Principal Paid on Proportionate Share of Water Authority Debt	(4,847,000)
Noncurrent Receivable	(591,996)
Interest Expense	(16,151,004)
Proceeds from Sale of Equipment	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(91,178,598)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investment Securities	179,381,110
Purchase of Investment Securities	(185,140,162)
Interest and Gains on Investments	(1,009,595)
Net Cash Provided (Used) by Investing Activities	(6,768,647)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(14,171,073)
Cash and Cash Equivalents - Beginning of Year	112,376,753
CASH AND CASH EQUIVALENTS - END OF YEAR (RESTRICTED AND UNRESTRICTED)	$ 98,205,680

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS (CONTINUED)
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	$ 11,382,241
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	17,774,518
(Increase) Decrease in Accounts Receivable	710,360
(Increase) Decrease in Lease Receivable	(65,047)
(Increase) Decrease in Deferred Outflows	4,919,924
(Increase) Decrease in Other Accrued Revenue	5,771,235
(Increase) Decrease in Prepaid Expenses	(4,153,881)
Increase (Decrease) in Vouchers Payable	(7,513,722)
Increase (Decrease) in Accounts Payable	17,346,606
Increase (Decrease) in Accrued Operating Expenses	(2,062,075)
Increase (Decease) in Deferred Inflows	(2,392,042)
Increase (Decrease) in Customer Deposits	8,094,129
Increase (Decrease) in Provision for Compensated Absences	585,009
Increase (Decrease) in SBITA Liability	-
Increase (Decrease) in Net OPEB Liability	(343,098)
Increase (Decrease) in Net Pension Liability	991,065
Increase (Decease) in Other Accrued Expenses	2,693,887
Net Cash Provided (Used) By Operating Activities	$ 53,739,109
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Amortization of Bond Premiums	$ (1,441,168)
Prepaid Insurance	-
Increases in Fair Values of Investments	-
Interest Expense Capitalized	-
Capital Contributions	-
Investment Premium/Discount Amortization	(760,931)

CITY OF AMARILLO, TEXAS
SCHEDULE OF OPERATING REVENUES
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

UTILITY SALES AND SERVICE	
Water Metered Sales	$ 66,925,502
Sewer Charges	29,728,540
Industrial Waste Charges	135,488
Forfeited Discounts	3,273,319
Water Service Charges	509,027
Net Loss on Bad Debts	(1,667,258)
Lab Fees	84,320
Liquid Waste Disposal	185,615
Total Utility Sales and Service	99,174,553
TAP FEES AND FRONTAGE CHARGES	
Water Tap Fees	83,020
Sewer Tap Fees	53,715
Water Frontage Charges	208
Grease Trap Fees	181,071
Total Tap Fees and Frontage Charges	318,014
RENTS AND MISCELLANEOUS	
Rents and Miscellaneous	1,327,759
Total Rents and Miscellaneous	1,327,759
TOTAL OPERATING REVENUE	$ 100,820,326

CITY OF AMARILLO, TEXAS
SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Salaries, Wages, and Fringe Benefits	Supplies	Fuel and Power	Water Authority Charges
WATER AND SEWER SYSTEM FUND				
DEPARTMENT				
Water Production	$ 656,273	$ 75,737	$ 1,739,795	$ -
Water Transmission	3,524,884	95,830	1,725,151	-
Surface Water Treatment	2,044,682	997,001	738,084	6,489,366
Water Distribution	2,880,615	897,840	-	-
Water - General	-	13,039	-	-
Wastewater Collection	2,509,326	35,880	-	-
Wastewater Treatment	3,785,306	1,262,386	1,058,323	-
Environmental Laboratory	1,721,030	395,446	17,839	-
Sewer - General	-	-	-	-
Utility Billing	443,953	-	-	-
Director of Utilities - Administration	756,097	2,142,199	-	-
Capital Projects Development and Engineering	239,478	15,902	-	-
Total Operating Expenses	$ 18,561,644	$ 5,931,260	$ 5,279,192	$ 6,489,366

CITY OF AMARILLO, TEXAS
SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT (CONTINUED)
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Contractual Services	Other Charges	Depreciation/ Amortization	Total Current Year
WATER AND SEWER SYSTEM FUND				
DEPARTMENT				
Water Production	$ 2,799,822	$ 16,672	$ 3,690,346	$ 8,978,645
Water Transmission	1,922,699	-	3,211,708	10,480,272
Surface Water Treatment	1,567,144	226,109	974,346	13,036,732
Water Distribution	5,562,754	58,887	3,498,196	12,898,292
Water - General	299,611	9,810,199	-	10,122,849
Wastewater Collection	-	33,101	2,858,098	5,436,405
Wastewater Treatment	4,970,927	642,326	2,320,431	14,039,699
Environmental Laboratory	333,746	34,412	156,112	2,658,585
Sewer - General	-	4,771,173	-	4,771,173
Utility Billing	-	91,705	900,751	1,436,409
Director of Utilities - Administration	1,020,273	1,155,016	164,530	5,238,115
Capital Projects Development and Engineering	83,143	2,386	-	340,909
Total Operating Expenses	$ 18,560,119	$ 16,841,986	$ 17,774,518	$ 89,438,085

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CITY OF AMARILLO, TEXAS
STATEMENTS OF DRAINAGE UTILITY FUND

The Drainage Utility Fund provides for a dedicated funding source for the operations and maintenance of the existing storm-water system.

CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION
DRAINAGE UTILITY FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$	5,383,071
Investments		9,529,208
Accounts Receivable		866,930
Due from Other Funds		485,887
Total Current Assets		16,265,096
NONCURRENT ASSETS		
Restricted Cash and Cash Equivalents		46,018,909
Capital Assets:		
Land		460,875
Contributed Right of Way Easements		2,748,880
Infrastructure		48,090,270
Accumulated Depreciation - Infrastructure		(3,771,060)
Equipment and Vehicles		74,171
Accumulated Depreciation - Equipment and Vehicles		(57,885)
Construction In Progress		7,514,279
Total Capital Assets Net of Accumulated Depreciation		55,059,530
Total Noncurrent Assets		101,078,439
Total Assets	$	117,343,535
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows	$	266,009
Total Deferred Outflows of Resources	$	266,009
LIABILITIES		
CURRENT LIABILITIES		
Vouchers Payable	$	4,168
Accounts Payable		4,249,164
Accrued Expenses		376,494
Due to Other Funds		94,701
Due to Other Governments		4,000,000
Bonded Debt Current Maturity		1,675,000
Current Portion of Provision for Compensated Absences		5,313
Total Current Liabilities		10,404,840
NONCURRENT LIABILITIES		
Bonded Debt Net of Current		63,949,166
Provision for Compensated Absences, Net		123,320
Net OPEB Liability		478,498
Net Pension Liability		707,803
Total Noncurrent Liabilities		65,258,787
Total Liabilities	$	75,663,627
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows	$	90,648
Total Deferred Inflows of Resources	$	90,648
NET POSITION		
Net Investment in Capital Assets	$	35,271,216
Restricted for Debt Service		39,432
Unrestricted		6,544,621
Total Net Position	$	41,855,269

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
DRAINAGE UTILITY FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

OPERATING REVENUES	
Drainage Utility Assessments	$ 10,761,430
Forfeited Discounts	123,141
Total Operating Revenues	10,884,571
OPERATING EXPENSES	
Salaries, Wages, and Fringe Benefits	1,942,350
Supplies	252,509
Contractual Services	2,367,116
Other Charges	2,578,297
Depreciation	861,799
Total Operating Expenses	8,002,071
Operating Income	2,882,500
NON-OPERATING REVENUES (EXPENSES)	
Interest Earnings	1,449,884
Miscellaneous Revenue	4,329
Interest and Fiscal Charges	(2,460,874)
Total Non-Operating Revenues (Expenses)	(1,006,661)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	1,875,839
Capital Contributions	2,725,898
Transfers to Other Funds	(867,190)
CHANGE IN NET POSITION	3,734,547
Total Net Position - Beginning of Year	38,120,722
TOTAL NET POSITION - END OF YEAR	$ 41,855,269

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS
DRAINAGE UTILITY FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Third Parties	$ 11,818,617
Cash Payments to Suppliers for Goods and Services	(2,475,102)
Cash Payments to Employees	(1,444,373)
Net Cash Provided (Used) by Operating Activities	7,899,142
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	-
Sales to Other Departments	4,329
Transfers to Other Funds	(867,190)
Amounts Borrowed from Other Funds	446,113
Amounts Loaned to or Repaid to Other Funds	4,000,000
Net Cash Provided (Used) by Noncapital Financing Activities	3,583,252
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(15,880,119)
Principal Paid on Bond Maturities	(1,620,000)
Interest Expense	(3,013,520)
Capital Contributions	2,476,831
Net Cash Provided (Used) by Capital and Related Financing Activities	(18,036,808)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investment Securities	13,505,857
Purchase Of Investment Securities	(16,506,520)
Interest And Gains On Investments	2,195,639
Net Cash Provided (Used) by Investing Activities	(805,024)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,359,438)
Cash and Cash Equivalents - Beginning of Year	58,761,418
CASH AND CASH EQUIVALENTS, AT END OF YEAR (RESTRICTED AND UNRESTRICTED)	$ 51,401,980

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS (CONTINUED)
DRAINAGE UTILITY FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	$	2,882,500
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization		861,799
(Increase) Decrease in Accounts Receivable		934,047
(Increase) Decrease in Deferred Outflows		303,876
Increase (Decrease) in Vouchers Payable		(580,012)
Increase (Decrease) in Accounts Payable		3,302,830
Increase (Decrease) in Accrued Operating Expenses		243,288
Increase (Decrease) in Deferred Inflows		(259,359)
Increase (Decrease) in Provision for Compensated Absences		40,831
Increase (Decrease) in Net OPEB Liability		(33,711)
Increase (Decrease) in Net Pension Liability		203,053
Net Cash Provided (Used) By Operating Activities	$	7,899,142

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Amortization of Bond Issuance Costs	$	92,534
Investment Premium/Discount Amortization	$	(2,026)

CITY OF AMARILLO, TEXAS
AIRPORT FUND

This fund accounts for the operation of the Amarillo International Airport. In addition to providing runways, a passenger terminal and related facilities, the Airport includes improvements built by the federal government for an air force base on land which was returned to the City in 1967 and 1970. These facilities, together with later additions, are leased to commercial tenants for warehousing, manufacturing, and aircraft-related activities.

CITY OF AMARILLO, TEXAS
STATEMENT OF NET POSITION
AIRPORT FUND
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$	7,593,671
Investments		4,268,706
Receivables (Net of Allowances for Uncollectibles):		
Accounts		1,185,349
Other Accrued Revenue		281,757
Lease		1,509,393
Due from Other Funds		209,825
Total Current Assets		15,048,701
NONCURRENT ASSETS		
Restricted Cash and Cash Equivalents:		3,255,138
Lease Receivable		24,161,868
Capital Assets:		
Land		1,670,425
Runways, Buildings, and Improvements		199,364,703
Accumulated Depreciation - Runways, Buildings And Improvements		(134,910,339)
Equipment and Vehicles		11,047,746
Accumulated Depreciation - Equipment and Vehicles		(6,843,989)
Right-to-Use Lease Assets		544,499
Accumulated amortization-right -to-use-lease assets		(117,975)
Construction in Progress		17,147,083
Total Capital Assets, Net of Accumulated Depreciation		87,902,153
Total Noncurrent Assets		115,319,159
Total Assets	$	130,367,860
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows	$	762,833
Total Deferred Outflows Of Resources	$	762,833
LIABILITIES		
CURRENT LIABILITIES		
Vouchers Payable	$	60,968
Accounts Payable		2,487,969
Accrued Expenses		381,111
Unearned Revenue		645,078
Due to Other Funds		372,978
Due to Other Governments		667,884
Deposits		27,796
Bonded Debt Current Maturity		95,000
Current Portion of Right-to-Use Lease Liability		106,546
Current Portion of Provision for Compensated Absences		39,639
Total Current Liabilities		4,884,969
NONCURRENT LIABILITIES		
Bonded Debt, Net of Current Portion		2,921,950
Right-to-Use Lease Liability		220,054
Provision for Compensated Absences, Net		756,053
Net OPEB Liability		1,042,156
Net Pension Liability		2,352,965
Total Noncurrent Liabilities		7,293,178
Total Liabilities	$	12,178,147
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows	$	25,585,553
Total Deferred Inflows of Resources	$	25,585,553
NET POSITION		
Net Investment in Capital Assets	$	84,452,057
Restricted for Debt Service		3,255,138
Unrestricted		5,659,798
Total Net Position	$	93,366,993

CITY OF AMARILLO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

OPERATING REVENUES	
Airfield Fees and Commissions	$ 1,462,785
Terminal Building Revenue	10,556,731
Other Building Revenue	2,092,853
Total Operating Revenues	14,112,369
OPERATING EXPENSES	
Salaries, Wages, and Fringes	7,119,588
Supplies	1,278,177
Fuel and Power	184,290
Contractual Services	3,233,422
Other Charges	3,901,878
Depreciation	5,734,829
Total Operating Expenses	21,452,184
OPERATING LOSS	(7,339,815)
NONOPERATING REVENUES (EXPENSES)	
Passenger Facility Charge	1,449,060
Interest Earnings	993,235
Capital Grants	4,359,809
Interest Expense	(230,181)
Other Miscellaneous Revenue	194,000
Net Nonoperating Revenues (Expenses)	6,765,923
NET INCOME BEFORE CONTRIBUTIONS	(573,892)
Transfers to Other Funds	(1,386,295)
Transfers from Other Funds	1,293,175
CHANGE IN NET POSITION	(667,012)
Net Position - Beginning of Year	94,034,005
NET POSITION - END OF YEAR	$ 93,366,993

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Third Parties	$ 19,856,693
Cash Payments to Suppliers for Goods and Services	(14,243,912)
Cash Payments to Employees	(5,296,757)
Net Cash Provided (Used) by Operating Activities	316,024
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	1,386,295
Amounts Borrowed from or Repaid by Other Funds/Governments	1,040,861
Amounts Loaned to or Repaid to Other Funds	(1,383,175)
Cash Payments Received for Passenger Facility Charge	1,449,060
Transfers to Other Funds	(1,293,175)
Net Cash Provided (Used) By Noncapital Financing Activities	1,199,866
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(16,142,320)
Bond Proceeds	3,026,925
Principal Paid on Bond Maturities	(45,000)
Capital Grants Received	2,976,634
Interest Expense	(230,181)
Proceeds from Sale of Equipment	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(10,413,942)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investment Securities	18,989,359
Purchase of Investment Securities	(17,985,659)
Interest and Gains (Losses) on Investments	1,486,565
Net Cash Provided (Used) by Investing Activities	2,490,265
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,407,787)
Cash and Cash Equivalents - Beginning of Year	17,256,596
CASH AND CASH EQUIVALENTS, AT END OF YEAR (RESTRICTED AND UNRESTRICTED)	$ 10,848,809

CITY OF AMARILLO, TEXAS
STATEMENT OF CASH FLOWS (CONTINUED)
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	$	(7,339,815)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation		5,734,829
(Increase) Decrease in Accounts Receivable		(983,812)
(Increase) Decrease in Lease Receivable		91,178
(Increase) Decrease in Other Accrued		(88,744)
(Increase) Decrease Deposits Received		-
(Increase) Decrease in Prepaid Expenses		(7,582,055)
(Increase) Decrease in Deferred Outflows		1,043,311
Increase (Decrease) in Vouchers Payable		(217,041)
Increase (Decrease) in Accounts Payable		2,358,624
Increase (Decrease) in Accrued Operating Expenses		(132,253)
(Increase) Decrease in Deferred Inflows		6,725,702
Increase (Decrease) in Provision For Compensated Absences		329,509
Increase (Decrease) in Net OPEB Obligation		(73,419)
Increase (Decrease) in Net Pension Obligation		450,010
Net Cash Provided (Used) by Operating Activities	$	316,024

CITY OF AMARILLO, TEXAS
STATEMENT OF OPERATING REVENUES
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

AIRFIELD FEES AND COMMISSIONS	
Landing Fees	$ 1,365,476
Military Fuel Flowage Commission	97,309
Total Airfield Fees and Commissions	1,462,785
TERMINAL BUILDING REVENUES	
Airline Rentals	4,509,993
Restaurant Commissions	273,477
Other Terminal Building Rentals	152,473
Car Rental Agencies	1,363,318
Auto Parking Concession	4,257,470
Total Terminal Building Revenues	10,556,731
OTHER BUILDING REVENUES	
Lease Rentals:	
Bell Helicopter	532,726
Krams, Inc.	230,479
Leading Edge	526,368
Fixed Base Operator	485,286
Other Building Rentals	231,280
Ground Rentals	42,328
Advertising Commissions	44,386
Total Other Building Revenues	2,092,853
TOTAL OPERATING REVENUES	$ 14,112,369

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CITY OF AMARILLO, TEXAS
COMBINING SCHEDULES

GRANT PROGRAMS

The City participates in the following types of federal, federal-pass-through, and state financial assistance programs, many of which benefit the entire 26-county region known as the Panhandle of Texas:

HUD Programs: These grants, funded by the U. S. Department of Housing and Urban Development, include both block grants and housing and emergency shelter assistance grants for the benefit of low and moderate-income persons.

Public Health: These funds account for grants received for public health purposes within the city-bi-county public health district, received primarily through the U.S. Department of Agriculture, U.S. Department of Health and Human Services, and Texas Department of State Health Services.

Justice: These grants are received from the U.S. Department of Justice for assistance in both local and Panhandle area crime control, as well as from the Department of Transportation for traffic safety purposes.

Other: The City's transportation planning department administers grants from the U.S. Department of Transportation for general transportation planning. The City’s emergency management department administers grants from the U.S. Department of Energy for planning with respect to the Pantex plant east of the City. The City occasionally receives assistance from various outside sources to offset the cost on the City to respond to disasters. The City's parks department administers a summer lunch program for low-income children funded by the U.S. Department of Agriculture.

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES
HOUSING AND URBAN DEVELOPMENT GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Community Development Block Grant	Housing Assistance Payments Program	Home Investment Partnership Program	Housing Stability	Shelter Plus Care/ Permanent Housing
ASSETS					
Cash and Cash Equivalents	$ 1,231,594	$ 2,610,383	$ 163,769	$ (25,413)	$ 648
Accounts Receivable	28,569	13,266	122,539	4,981	3,154
Due from Other Funds	121,541	124,244	131,108	29,934	-
Due from Other Governments	747,956	33,883	451,930	-	-
Other Accrued Revenue	-	7,224	-	-	-
Prepaid Items	-	-	-	-	-
Total Assets	$ 2,129,660	$ 2,789,000	$ 869,346	$ 9,502	$ 3,802
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 201,084	$ 2,312	$ 61,561	$ -	$ -
Accrued Expenditures	110,477	32,059	36,858	-	-
Due to Other Funds	2,006,324	408,910	618,292	14,978	647
Due to Other Governments	45,783	34,749	-	-	3,154
Unearned Revenue	-	-	42,857	-	-
Total Liabilities	2,363,668	478,030	759,568	14,978	3,801
DEFERRED INFLOWS OF RESOURCES					
Unavailable Grant Revenue	28,569	13,266	122,539	4,981	3,154
Total Deferred Inflows of Resources	28,569	13,266	122,539	4,981	3,154
FUND BALANCES					
Nonspendable:					
Prepaid Items	-	-	-	-	-
Restricted for:					
Special Purposes	-	2,297,704	(12,761)	-	(3,153)
Unassigned	(262,577)	-	-	(10,457)	-
Total Fund Balances	(262,577)	2,297,704	(12,761)	(10,457)	(3,153)
Tota Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,129,660	$ 2,789,000	$ 869,346	$ 9,502	$ 3,802

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES (CONTINUED)
HOUSING AND URBAN DEVELOPMENT GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Supportive/ Transitional Housing	Coming Home	Emergency Shelter	HMIS	Total
ASSETS					
Cash and Cash Equivalents	$ 14,782	$ 8,475	$ (2,575)	$ 81,486	$ 4,083,149
Accounts Receivable	14,107	42,999	71,532	19,758	320,905
Due from Other Funds	2,488	127,218	1,864	14,978	553,375
Due from Other Governments	-	39,393	29,150	32,070	1,334,382
Other Accrued Revenue	-	-	-	-	7,224
Prepaid Items	-	4,975	-	3,081	8,056
Total Assets	$ 31,377	$ 223,060	$ 99,971	$ 151,373	$ 6,307,091
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ 418	$ -	$ 114	$ 265,489
Accrued Expenditures	-	11,985	-	-	191,379
Due to Other Funds	30,134	527,586	58,363	151,307	3,816,541
Due to Other Governments	61	-	-	-	83,747
Unearned Revenue	-	-	-	-	42,857
Total Liabilities	30,195	539,989	58,363	151,421	4,400,013
DEFERRED INFLOWS OF RESOURCES					
Unavailable Grant Revenue	14,107	42,999	71,532	19,758	320,905
Total Deferred Inflows of Resources	14,107	42,999	71,532	19,758	320,905
FUND BALANCES					
Nonspendable:					
Prepaid Items	-	4,975	-	3,081	8,056
Restricted for:					
Special Purposes	(12,925)	-	(29,924)	-	2,238,941
Unassigned	-	(364,903)	-	(22,887)	(660,824)
Total Fund Balances	(12,925)	(359,928)	(29,924)	(19,806)	1,586,173
Tota Liabilities, Deferred Inflows of Resources and Fund Balances	$ 31,377	$ 223,060	$ 99,971	$ 151,373	$ 6,307,091

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
HOUSING AND URBAN DEVELOPMENT GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Community Development Block Grant	Housing Assistance Payments Program	Home Investment Partnership Program	Housing Stability	Shelter Plus Care/ Permanent Housing
REVENUES					
Grants-in-Aid - Capital	$ 1,307,695	$ 12,593,186	$ 1,009,240	$ 3,589	$ 13,834
Investment Earnings	45,294	93,943	-	-	-
Miscellaneous Revenues	-	31,487	-	-	-
Total Revenues	1,352,989	12,718,616	1,009,240	3,589	13,834
EXPENDITURES					
Urban Redevelopment/Housing	1,696,952	12,151,781	1,317,430	14,046	16,988
Total Expenditures	1,696,952	12,151,781	1,317,430	14,046	16,988
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(343,963)	566,835	(308,190)	(10,457)	(3,154)
OTHER FINANCING SOURCES (USES)					
Operating Transfer from Other Fund	-	-	296,947	-	-
Total Other Financing Sources (Uses)	-	-	296,947	-	-
NET CHANGE IN FUND BALANCES	(343,963)	566,835	(11,243)	(10,457)	(3,154)
Fund Balances - Beginning of Year	81,386	1,730,869	(1,518)	-	1
FUND BALANCES - END OF YEAR	$ (262,577)	$ 2,297,704	$ (12,761)	$ (10,457)	$ (3,153)

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
HOUSING AND URBAN DEVELOPMENT GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Supportive/ Transitional Housing	Coming Home	Emergency Shelter	HMIS	Total
REVENUES					
Grants-in-Aid - Capital	$ 42,956	$ 164,053	$ 102,889	$ 171,819	$ 15,409,261
Investment Earnings	-	-	-	-	139,237
Miscellaneous Revenues	-	32,230	-	-	63,717
Total Revenues	42,956	196,283	102,889	171,819	15,612,215
EXPENDITURES					
Urban Redevelopment/Housing	55,883	482,981	132,813	191,624	16,060,498
Total Expenditures	55,883	482,981	132,813	191,624	16,060,498
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,927)	(286,698)	(29,924)	(19,805)	(448,283)
OTHER FINANCING SOURCES (USES)					
Operating Transfer from Other Fund	-	100,000	-	-	396,947
Total Other Financing Sources (Uses)	-	100,000	-	-	396,947
NET CHANGE IN FUND BALANCES	(12,927)	(186,698)	(29,924)	(19,805)	(51,336)
Fund Balances - Beginning of Year	2	(173,230)	-	(1)	1,637,509
FUND BALANCES - END OF YEAR	$ (12,925)	$ (359,928)	$ (29,924)	$ (19,806)	$ 1,586,173

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES
PUBLIC HEALTH GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Public Health	Women, Infants, and Children	Total
ASSETS			
Cash and Cash Equivalents	$ 6,812,716	$ 7,611	$ 6,820,327
Investments	1,000,000	-	1,000,000
Accounts Receivable	708,478	693,024	1,401,502
Other Accrued Revenue	1,404	249,470	250,874
Other Prepaid Expenses	3,112	171	3,283
Total Assets	$ 8,525,710	$ 950,276	$ 9,475,986
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 22,536	$ 7,517	$ 30,053
Due to Other Funds	231,690	335,021	566,711
Due to Other Governments	410,501	139,979	550,480
Accrued Expenses	162,194	40,087	202,281
Deferred Revenue	2,214	-	2,214
Total Liabilities	829,135	522,604	1,351,739
DEFERRED INFLOWS OF RESOURCES			
Unavailable Grant Revenue	708,478	693,024	1,401,502
Total Deferred Inflows of Resources	708,478	693,024	1,401,502
FUND BALANCES			
Nonspendable:			
Prepaid Items	3,112	171	3,283
Restricted:			
Special Purposes	6,984,985	(265,523)	8,120,964
Total Fund Balances	6,988,097	(265,352)	6,722,745
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,525,710	$ 950,276	$ 9,475,986

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
PUBLIC HEALTH GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Public Health	Women, Infants, and Children	Total
REVENUES			
Other Entity Participation	$ 108,179	$ -	$ 108,179
Intergovernmental Revenues	4,684,482	1,410,579	6,095,061
Charges for Services	5,778	-	5,778
Investment Earnings	338,665	4,720	343,385
Total Revenues	5,137,104	1,415,299	6,552,403
EXPENDITURES			
Other Public Safety and Health	7,227,065	1,754,448	8,981,513
Total Expenditures	7,227,065	1,754,448	8,981,513
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,089,961)	(339,149)	(2,429,110)
OTHER FINANCING SOURCES (USES)			
Operating Transfers to Other Fund	(14)	-	(14)
Transfers from Other Fund	1,398,101	64,802	1,462,903
Total Other Financing Sources and Uses	1,398,087	64,802	1,462,889
NET CHANGE IN FUND BALANCES	(691,874)	(274,347)	(966,221)
Fund Balances - Beginning of Year	7,679,971	8,995	7,688,966
FUND BALANCES - END OF YEAR	$ 6,988,097	$ (265,352)	$ 6,722,745

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES
JUSTICE GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Justice Assistant Grant	Selective Traffic Enforcement Program	Total
ASSETS			
Cash and Cash Equivalents	$ 280	$ 22,188	$ 22,468
Accounts Receivable	110,335	14,861	125,196
Due from Other Governments	198,299	-	198,299
Total Assets	$ 308,914	$ 37,049	$ 345,963
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 9,055	$ -	$ 9,055
Vouchers Payable	7,380	-	7,380
Due to Other Funds	303,000	9,367	312,367
Due to Other Governments	-	33,516	33,516
Total Liabilities	319,435	42,883	362,318
DEFERRED INFLOWS OF RESOURCES			
Unavailable Grant Revenue	110,335	14,861	125,196
Total Deferred Inflows of Resources	110,335	14,861	125,196
FUND BALANCES			
Unassigned	(120,856)	(20,695)	(141,551)
Total Fund Balances	(120,856)	(20,695)	(141,551)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 308,914	$ 37,049	$ 345,963

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JUSTICE GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Justice Assistance Grant	Selective Traffic Enforcement Program	Total
REVENUES			
Intergovernmental revenues	$ 246,297	$ 130,144	$ 376,441
Total Revenues	246,297	130,144	376,441
EXPENDITURES			
Police Protection	367,060	150,765	517,825
Total Expenditures	367,060	150,765	517,825
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(120,763)	(20,621)	(141,384)
OTHER FINANCING SOURCES (USES)			
Operating Transfers to Other Fund	-	(74)	(74)
Total Other Financing Sources and Uses	-	(74)	(74)
NET CHANGE IN FUND BALANCES	(120,763)	(20,695)	(141,458)
Fund Balances - Beginning of Year	(93)	-	(93)
FUND BALANCES - AT END OF YEAR	$ (120,856)	$ (20,695)	$ (141,551)

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE ASSETS, LIABILITIES, AND FUND BALANCES
MISCELLANEOUS GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Texas State Library Programs	Urban Transportation Planning	COVID 19 Relief	Pantex Plant Environmental Oversight
ASSETS				
Cash and Cash Equivalents	$ 4,268	$ (36,085)	$ 2,213,976	$ 727
Accounts Receivable	-	-	10,616	55,791
Due from Other Funds	48,165	89,537	929,055	-
Due from Other Governments	-	289,137	-	-
Total Assets	$ 52,433	$ 342,589	$ 3,153,647	$ 56,518
LIABILITIES, DEFERRED INFOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ 4,187
Deferred Revenue	-	-	985,435	-
Due to Other Funds	40,585	181,304	893,907	30,553
Due to Other Governments	-	-	-	12,992
Accrued Expenditures	-	223,011	-	6,230
Total Liabilities	40,585	404,315	1,879,342	53,962
DEFERRED INFOWS OF RESOURCES				
Unavailable Grant Revenue	-	-	10,616	55,791
Total Deferred Inflows of Resources	-	-	10,616	55,791
FUND BALANCES				
Restricted:				
Special Purposes	11,848	(61,726)	1,263,689	(53,235)
Total Fund Balances	11,848	(61,726)	1,263,689	(53,235)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 52,433	$ 342,589	$ 3,153,647	$ 56,518

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE ASSETS, LIABILITIES, AND FUND BALANCES (CONTINUED)
MISCELLANEOUS GRANTS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	PREP Program	Transformation Park Support	Pool Safety	Summer Lunch Program	Total
ASSETS					
Cash and Cash Equivalents	$ 673	$ 14,833	$ 923	$ -	$ 2,199,315
Accounts Receivable	55,338	-	2,423	-	124,168
Due from Other Funds	74,700	-	-	-	1,141,457
Due from Other Governments	-	-	27,654	-	316,791
Total Assets	$ 130,711	$ 14,833	$ 31,000	$ -	$ 3,781,731
LIABILITIES, DEFERRED INFOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ 12,935	$ -	$ -	$ 17,122
Deferred Revenue	-	-	-	-	985,435
Due to Other Funds	80,327	2,595	31,000	-	1,260,271
Due to Other Governments	-	-	-	-	12,992
Accrued Expenditures	355	-	-	-	229,596
Total Liabilities	80,682	15,530	31,000	-	2,505,416
DEFERRED INFOWS OF RESOURCES					
Unavailable Grant Revenue	55,338	-	2,423	-	124,168
Total Deferred Inflows of Resources	55,338	-	2,423	-	124,168
FUND BALANCES					
Restricted:					
Special Purposes	(5,309)	(697)	(2,423)	-	1,152,147
Total Fund Balances	(5,309)	(697)	(2,423)	-	1,152,147
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 130,711	$ 14,833	$ 31,000	$ -	$ 3,781,731

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MISCELLANEOUS GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Texas State Library Programs	Urban Transportation Planning	COVID 19 Relief	Pantex Plant Environmental Oversight
REVENUES				
Intergovernmental Revenues	$ 4,268	$ 461,478	$ 1,837,152	$ 151,516
Investment Income	-	1,931	116,104	-
Total Revenues	4,268	463,409	1,953,256	151,516
EXPENDITURES				
Libraries	40,585	-	-	-
Other Public Safety and Health	-	-	86,801	204,751
Staff Services	-	477,026	-	-
Total Expenditures	40,585	477,026	86,801	204,751
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(36,317)	(13,617)	1,866,455	(53,235)
OTHER FINANCING SOURCES (USES)				
Transfers to Other Fund	-	-	(1,629,411)	-
Operating Transfers from Other Fund	48,165	-	-	-
Total Other Financing Sources (Uses)	48,165	-	(1,629,411)	-
NET CHANGE IN FUND BALANCES	11,848	(13,617)	237,044	(53,235)
Fund Balances - Beginning of Year, as Previously Reported	-	(48,109)	-	-
Adjustments	-	-	1,026,645	-
Fund Balances - Beginning of Year, as Restated	-	(48,109)	1,026,645	-
FUND BALANCES - END OF YEAR	$ 11,848	$ (61,726)	$ 1,263,689	$ (53,235)

CITY OF AMARILLO, TEXAS
COMBINING SCHEDULE REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
MISCELLANEOUS GRANTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	PREP Program	Transformation Park Support	Pool Safety	Summer Lunch Program	Total
REVENUES					
Intergovernmental Revenues	$ (36)	$ -	30,509	$ -	$ 2,484,887
Investment Income	-	-	-	-	118,035
Total Revenues	(36)	-	30,509	-	2,602,922
EXPENDITURES					
Libraries	-	-	-	-	40,585
Other Public Safety and Health	85,043	250,697	32,932	-	660,224
Staff Services	-	-	-	-	477,026
Total Expenditures	85,043	250,697	32,932	-	1,177,835
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(85,079)	(250,697)	(2,423)	-	1,425,087
OTHER FINANCING SOURCES (USES)					
Transfers to Other Fund	-	-	-	-	(1,629,411)
Operating Transfers from Other Fund	79,771	250,000	-	-	377,936
Total Other Financing Sources (Uses)	79,771	250,000	-	-	(1,251,475)
NET CHANGE IN FUND BALANCES	(5,308)	(697)	(2,423)	-	173,612
Fund Balances - Beginning of Year, as Previously Reported	(1)	-	-	-	(48,110)
Adjustments	-	-	-	-	1,026,645
Fund Balances - Beginning of Year, as Restated	(1)	-	-	-	978,535
FUND BALANCES - END OF YEAR	$ (5,309)	$ (697)	$ (2,423)	$ -	$ 1,152,147

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CITY OF AMARILLO, TEXAS
COMBINING SCHEDULES

FIDUCIARY FUNDS

The City accounts for the assets of the following other parties:

Pension and Other Employee Benefit Trust Funds

Post-Employment Benefits Trust Fund: To account for the resources accumulated for the City of Amarillo's postemployment healthcare for City employees.

Amarillo Firemen's Relief and Retirement Fund: To account for the resources accumulated for the City of Amarillo's Firemen's Relief and Retirement Fund.

Private-Purpose Trust Funds

Centennial Parkway: Donations for trees and landscaping along Airport Boulevard.

Indigent Dog Bite Victim: Donations for health-related services for qualifying indigent dog bite victims.

Amarillo Industrial Development Corporation: Promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and the public welfare.

Custodial Fund

Civic Center Operations: Accounts for individual events at the City of Amarillo Civic Center. Funds are held in these accounts until events occur and are balanced and closed out.

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS – PRIVATE-PURPOSE TRUST FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Centennial Parkway	Indigent Dog Bite Victim	Amarillo Industrial Development Corporation	Total Private-Purpose Trust Funds
ASSETS				
Cash and Cash Equivalents	$ 2,472	$ 5,008	$ 29,954	$ 37,434
Total Assets	$ 2,472	$ 5,008	$ 29,954	$ 37,434
NET POSITION				
Held in Trust for Private Purposes	$ 2,472	$ 5,008	$ 29,954	$ 37,434
Total Net Position	$ 2,472	$ 5,008	$ 29,954	$ 37,434

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY FUNDS
FIDUCIARY FUNDS – PRIVATE-PURPOSE TRUST FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Centennial Parkway	Indigent Dog Bite Victim	Amarillo Industrial Development Corporation	Total Private-Purpose Trust Funds
ADDITIONS:				
Employer Contributions	$ -	$ -	$ -	$ -
Investment Earnings	-	-	1,177	1,177
Total Additions	-	-	1,177	1,177
DEDUCTIONS:				
Benefits Payments	-	-	-	-
Total Deductions	-	-	-	-
CHANGE IN NET ASSETS	-	-	1,177	1,177
Net Position - Beginning of Year	2,472	5,008	28,777	36,257
NET POSITION - END OF YEAR	$ 2,472	$ 5,008	$ 29,954	$ 37,434

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS – PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Postemployment Benefits Trust Fund	Amarillo Firemen's Relief and Retirement Fund	Total Pension and Other Employee Benefit Trust
ASSETS			
Cash and Cash Equivalents	$ 254,526	$ 8,773,485	$ 9,028,011
Accrued Interest Receivable	-	637,474	637,474
Investments	46,386,679	245,030,917	291,417,596
Total Assets	$ 46,641,205	$ 254,441,876	$ 301,083,081
LIABILITIES			
Accounts Payable	$ -	$ 43,768	$ 43,768
Members Payable	-	77,388	77,388
Total Liabilities	$ -	$ 121,156	$ 121,156
NET POSITION			
Net Position Restricted for Pension Benefits	$ -	$ 254,320,720	$ 254,320,720
Net Position Restricted for OPEB	46,641,205	-	46,641,205
Total Net Position	$ 46,641,205	$ 254,320,720	$ 300,961,925

CITY OF AMARILLO, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS – PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Postemployment Benefits Trust Fund	Amarillo Firemen's Relief and Retirement Fund	Total Pension and Other Employee Benefit Trust
ADDITIONS:			
Contributions:			
Employer	$ 7,588,791	$ 5,734,823	$ 13,323,614
Plan Members	-	3,869,231	3,869,231
Total Contributions	7,588,791	9,604,054	17,192,845
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments	2,586,899	19,464,597	22,051,496
Interest, Dividends, and Other Investment Income	1,556,415	5,939,520	7,495,935
Total Investment Income	4,143,314	25,404,117	29,547,431
Less: Investment Expenses	252,526	748,798	1,001,324
Net Investment Income	3,890,788	24,655,319	28,546,107
Total Additions	11,479,579	34,259,373	45,738,952
DEDUCTIONS:			
Benefits Paid	3,877,261	14,617,333	18,494,594
Supplies	-	193,259	193,259
Reimbursement	-	4,966	4,966
Total Deductions	3,877,261	14,815,558	18,692,819
CHANGE IN NET POSITION	7,602,318	19,443,815	27,046,133
Net Position - Beginning of Year	39,038,887	234,876,905	273,915,792
NET POSITION - END OF YEAR	$ 46,641,205	$ 254,320,720	$ 300,961,925

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SUPPLEMENTARY INFORMATION

The following schedules are presented for the purpose of additional analysis and are not a required part of the annual comprehensive financial report. The following types of information are included:

- Schedule of investments by funds
- Schedules concerning ad valorem taxes
- Schedules of outstanding debt issuances
- Schedules for Waterworks and Sewer System
- Schedule for Drainage Utility
- Schedule of insurance coverage - all funds
- Nonmajor Special Revenue Budgets

CITY OF AMARILLO, TEXAS
SCHEDULE OF INVESTMENTS – BY FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

		U.S. Treasury Obligations		
	No-Load Mutual Funds	Amortized Cost	Par Value	Fair Values
GOVERNMENTAL FUNDS				
Unrestricted:				
General Fund	$ 3,430,782	$ 38,899,310	$ 39,000,000	$ 39,033,633
Housing and Urban Development	7,194,674	-	-	-
Seizure Funds	415,427	-	-	-
Tax Increment Reinvestment Zone #1	1,441,650	-	-	-
Tax Increment Reinvestment Zone #2	992,343	-	-	-
Public Improvement Districts	4,601,380	-	-	-
Capital Projects Funds	22,631,841	-	-	-
Flood Hazard	-	-	-	-
Miscellaneous Special Revenue	1,747,706	-	-	-
Total Unrestricted	42,455,803	38,899,310	39,000,000	39,033,633
Restricted:				
General Obligation Debt	423,039	-	-	-
General Construction Fund	28,390,153	2,994,980	3,000,000	3,012,891
Solid Waste Improvement Fund	-	-	-	-
Total Restricted	28,813,192	2,994,980	3,000,000	3,012,891
Total Governmental Funds	71,268,995	41,894,289	42,000,000	42,046,524
PROPRIETARY FUNDS				
ENTERPRISE FUNDS				
Unrestricted:				
Water and Sewer Fund	42,810,842	-	-	-
Airport Fund	10,722,512	998,327	1,000,000	1,004,297
Drainage Utility	46,961,824	998,327	1,000,000	1,004,297
Total Unrestricted	100,495,179	1,996,653	2,000,000	2,008,594
Restricted:				
Water and Sewer Fund	55,231,885	-	-	-
Airport Fund	51,379	-	-	-
Drainage Utility	4,393,263	-	-	-
Total Restricted	59,676,527	-	-	-
Total Enterprise Funds	160,171,705	1,996,653	2,000,000	2,008,594
INTERNAL SERVICE FUNDS				
Unrestricted:				
Fleet Services	4,488	998,327	1,000,000	1,004,296
Information Services	47,249	-	-	-
Risk Management	1,186	-	-	-
Employee Insurance	1,636	-	-	-
Total Unrestricted	54,559	998,327	1,000,000	1,004,296
Restricted:				
Fleet Services	349,422	-	-	-
Total Internal Service Funds	403,981	998,327	1,000,000	1,004,296
Totals - All Funds	$ 231,844,681	$ 44,889,269	$ 45,000,000	$ 45,059,414

CITY OF AMARILLO, TEXAS
SCHEDULE OF INVESTMENTS – BY FUNDS (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	U.S. Government and Government-Sponsored Agencies Interest Bearing Obligations		Total Investments			
	Par Values	Fair Values	at Fair Values	Add Time Deposits	Less Cash Equivalents	Total Investments
GOVERNMENTAL FUNDS						
Unrestricted:						
General Fund	$ 53,009,990	$ 53,019,196	$ 95,483,611	$ 12,882,871	$ (3,430,782)	$ 104,935,700
Housing and Urban Development	-	-	7,194,674	1,000,000	(7,194,674)	-
Seizure Funds	-	-	415,427	-	(415,427)	-
Tax Increment Reinvestment Zone #1	-	-	1,441,650	1,500,000	(1,441,650)	1,500,000
Tax Increment Reinvestment Zone #2	-	-	992,343	250,000	(992,343)	250,000
Public Improvement Districts	-	-	4,601,380	-	(4,601,380)	-
Capital Projects Funds	14,000,000	14,045,330	36,677,171	-	(22,631,841)	14,045,330
Flood Hazard	-	-	-	1,000,000	-	1,000,000
Miscellaneous Special Revenue	-	-	1,747,706	1,000,000	(1,747,706)	1,000,000
Total Unrestricted	67,009,990	67,064,526	148,553,962	16,632,871	(42,455,803)	122,731,030
Restricted:						
General Obligation Debt	-	-	423,039	-	(423,039)	-
General Construction Fund	-	-	31,403,044	3,500,000	(28,390,153)	6,512,891
Solid Waste Improvement Fund	-	-	-	2,000,000	-	2,000,000
Total Restricted	-	-	31,826,083	5,500,000	(28,813,192)	8,512,891
Total Governmental Funds	67,009,990	67,064,526	180,380,045	22,132,871	(71,268,995)	131,243,921
PROPRIETARY FUNDS						
ENTERPRISE FUNDS						
Unrestricted:						
Water and Sewer Fund	28,040,000	28,036,408	70,847,250	23,368,090	(42,810,842)	51,404,498
Airport Fund	1,000,000	1,004,220	12,731,029	2,250,000	(10,722,512)	4,258,517
Drainage Utility	7,500,000	7,524,911	55,491,032	1,000,000	(46,961,824)	9,529,208
Total Unrestricted	36,540,000	36,565,539	139,069,312	26,618,090	(100,495,179)	65,192,223
Restricted:						
Water and Sewer Fund	-	-	55,231,885	-	(55,231,885)	-
Airport Fund	-	-	51,379	-	(51,379)	-
Drainage Utility	-	-	4,393,263	-	(4,393,263)	-
Total Restricted	-	-	59,676,527	-	(59,676,527)	-
Total Enterprise Funds	36,540,000	36,565,539	198,745,838	26,618,090	(160,171,705)	65,192,223
INTERNAL SERVICE FUNDS						
Unrestricted:						
Fleet Services	1,000,000	1,004,219	2,013,003	11,601,854	(4,488)	13,610,369
Information Services	-	-	47,249	2,750,000	(47,249)	2,750,000
Risk Management	1,000,000	1,004,219	1,005,405	14,863,473	(1,186)	15,867,692
Employee Insurance	1,000,000	1,004,219	1,005,855	750,000	(1,636)	1,754,219
Total Unrestricted	3,000,000	3,012,657	4,071,512	29,965,327	(54,559)	33,982,280
Restricted:						
Fleet Services	-	-	349,422	-	(349,422)	-
Total Internal Service Funds	3,000,000	3,012,657	4,420,934	29,965,327	(403,981)	33,982,280
Totals - All Funds	$ 106,549,990	$ 106,642,722	$ 383,546,817	$ 78,716,288	$ (231,844,681)	$ 230,418,424

CITY OF AMARILLO, TEXAS
AD VALOREM TAXES RECEIVABLE BY ROLL YEAR
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Roll Year	General Fund	Debt Service	Total
2025	$ 681,867	$ 146,700	$ 828,567
2024	245,678	60,560	306,238
2023	131,055	29,908	160,964
2022	78,326	17,012	95,338
2021	62,691	9,523	72,215
2020	52,495	7,974	60,469
2019	54,757	6,999	61,756
2018	47,926	6,068	53,994
2017	35,484	3,978	39,463
2016	37,595	2,893	40,488
2015	33,019	2,684	35,703
2014	28,291	2,414	30,705
2013	23,132	2,159	25,292
2012	22,685	2,157	24,842
2011 & Prior	97,737	6,517	104,253
Total Taxes Receivable	1,632,738	307,548	1,940,286
Allowance for Uncollectible Taxes	1,210,599	215,147	1,425,746
Net Taxes Receivable	422,139	92,401	514,540
Provision for Deferred Collections	283,277	61,881	345,158
Net Taxes Available for Current Expenditure	$ 138,862	$ 30,520	$ 169,382

CITY OF AMARILLO, TEXAS
SCHEDULE OF CHANGES IN TAXES AVAILABLE
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

TAXES AVAILABLE, BEGINNING, Net	$ 144,343
REVENUES	
Taxes Levied	72,178,019
Adjustments	(69,772)
Tax Levy Net of Adjustments	72,108,247
Increase in Allowance for Uncollectible Taxes	(154,084)
Decrease in Provision for Deferred Collections	(51,025)
Net Revenues	71,903,138
COLLECTIONS	71,878,099
Net Increase (Decrease) in Taxes Available	25,039
TAXES AVAILABLE, ENDING, Net	$ 169,382
TOTAL AD VALOREM TAXES:	
Ad Valorem Taxes - Property Tax Rolls	$ 58,233,086
Penalty and Interest	541,155
Payment in Lieu of Property Tax	5,508,936
Total General Fund Tax Revenues	64,283,177
Debt Service	12,821,217
TOTAL TAX REVENUES	$ 77,104,394

CITY OF AMARILLO, TEXAS
COMBINED SCHEDULE OF OUTSTANDING DEBT ISSUANCES
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Issue Date	Final Maturity Date	Interest Rates on Outstanding Maturities	Bond Issuances Authorized	Bond Issuances Issued
GENERAL OBLIGATION DEBT:					
Serviced by Tax Revenues:					
Recovery Zone Build America Bonds, Series 2010	4/15/2010	8/15/2030	5.81%	$ 1,392,000	$ 1,392,000
General Obligation Refunding Bonds, Series 2017	2/22/2017	5/15/2027	4.00%	15,110,000	15,110,000
Certificates of Obligation, Series 2017	2/22/2017	2/15/2037	3.00 - 3.50%	6,940,000	6,940,000
General Obligation Bonds, Series 2017	5/11/2017	2/15/2042	3.00 - 5.00%	21,280,000	21,280,000
General Obligation Bonds, Series 2018	7/18/2018	2/15/2043	3.125 - 5.00%	22,145,000	22,145,000
General Obligation Bonds, Series 2020	6/2/2020	2/15/2045	2.00 - 5.00%	8,100,000	8,100,000
Certificates of Obligation, Series 2020	6/2/2020	2/15/2050	2.00 - 5.00%	8,000,000	8,000,000
Tax Notes, Series 2020	6/2/2020	2/15/2027	3.00%	3,520,000	3,520,000
General Obligation Bonds, Series 2021	2/25/2021	2/15/2046	2.00 - 4.00%	52,985,000	52,985,000
Certificates of Obligation, Series 2022	4/21/2022	2/15/2043	3.00 - 4.00%	6,815,000	6,815,000
Tax Notes, Series 2022	1/24/2022	1/10/2027	2.00%	23,900,000	23,900,000
Tax Notes, Series 2022B - Purpose 2	9/13/2022	2/15/2029	3.00 - 5.00%	3,650,000	3,650,000
PPFCO Series 2025	3/11/2025	2/15/2038	4.00 - 5.00%	12,355,000	12,355,000
Combination Tax & Revenue Certificates of Obligations, Series 2025	5/8/2025	2/15/2055	5.00%	15,435,000	15,435,000
Combination Tax & Revenue Certificates of Obligations, Series 2025A	7/10/2025	2/15/2035	4.00 - 5.00%	11,200,000	11,200,000
Serviced by special assessments and other revenue sources:					
Public Improvement Districts:					
Combination Tax and Revenues Certificates of Obligation					
Series 2014 ($380,000 Greenways, $815,000 Colonies)	4/30/2014	8/15/2034	3.00 - 3.625%	2,260,000	2,260,000
Series 2018 Colonies	7/18/2018	2/15/2038	3.00 - 4.00%	3,000,000	3,000,000
General Obligation Refunding Bonds, Series 2020 ($120,000 Greenways, $310,000 Colonies)	5/12/2020	2/15/2028	2.00%	1,380,000	1,380,000
Combination Tax and Revenues Certificates of Obligation, Series 2021 Greenways	2/25/2021	2/15/2041	1.25 - 3.00%	975,000	975,000
Combination Tax and Revenues Certificates of Obligation, Series 2023 ($2,685,000 Colonies, $1,115,000 Heritage Hills)	1/1/2023	2/15/2043	4.00 - 5.00%	3,960,000	3,960,000
Golf Course Supported:					
General Obligation Refunding Bonds, Series 2020	5/12/2020	2/15/2037	2.00 - 2.50%	2,860,000	2,860,000
Tax Increment Reinvestment Zone #1 Supported:					
General Obligation Refunding Bonds, Series 2020	5/12/2020	2/15/2032	2.00 - 3.00%	1,460,000	1,460,000
Solid Waste Revenue Supported:					
Combination Tax and Revenues Certificates of Obligation, Series 2023	1/1/2023	2/15/2043	4.00 - 5.00%	5,865,000	5,865,000
Fleet Services Fund Supported:					
Tax Notes, Series 2022B - Purpose 1	9/13/2022	2/15/2029	3.00 - 5.00%	3,695,000	3,695,000
Total Debt Serviced by Property Taxes, including Special Assessment and Other Revenue Sources				238,282,000	238,282,000
REVENUE OBLIGATION DEBT:					
Serviced by Water and Sewer Revenues:					
Waterworks and Sewer Revenue, 2014	1/22/2014	4/1/2033	1.93 - 2.62%	8,495,000	8,495,000
Waterworks and Sewer Revenue, 2015	10/2/2015	4/1/2035	1.01 - 1.59%	17,195,000	17,195,000
Waterworks and Sewer Revenue, 2015A	10/2/2015	4/1/2032	3.00 - 3.25%	21,145,000	21,145,000
Waterworks and Sewer Revenue, 2017	5/11/2017	4/1/2037	3.00 - 5.00%	31,005,000	31,005,000
Waterworks and Sewer Revenue, 2018A	7/19/2018	4/1/2038	1.06 - 1.60%	12,500,000	12,500,000
Waterworks and Sewer Revenue, 2018B	7/19/2018	4/1/2038	3.50 - 5.00%	14,610,000	14,610,000
Waterworks and Sewer Revenue, 2020	8/11/2020	4/1/2040	0.00%	28,500,000	28,500,000
Waterworks and Sewer Revenue, 2020A	6/2/2020	4/1/2031	2.00 - 3.00%	9,775,000	9,775,000
Waterworks and Sewer Revenue, 2021	3/2/2021	4/1/2041	2.00 - 4.00%	25,900,000	25,900,000
Waterworks and Sewer Revenue, 2022	9/13/2022	4/1/2042	4.00 - 5.00%	52,590,000	52,590,000
Waterworks and Sewer Revenue, 2023	2/16/2023	4/1/2043	4.00 - 5.00%	42,920,000	42,920,000
Waterworks and Sewer Revenue, 2024	1/9/2024	4/1/2053	4.00 - 6.00%	19,300,000	19,300,000
Combination Tax and Revenues Certificates of Obligation					
Waterworks and Sewer Tax and Revenue 2009C	1/19/2010	5/15/2031	0.00%	18,075,000	18,075,000
General Obligation Refunding Bonds, Series 2020	5/12/2020	2/15/2029	2.00 - 3.00%	43,880,000	43,880,000
Total Bonds Serviced by Water and Sewer Revenues				345,890,000	345,890,000
Serviced by Airport Fund Revenue:					
Combination Tax and Revenue Certificates of Obligation, Series 2024	4/25/2024	2/15/2044	4.85 - 5.53%	3,085,000	3,085,000
Serviced by Drainage Fund Revenue:					
Combination Tax and Revenue Certificates of Obligation, 2012A	12/12/2012	8/15/2032	2.00%	6,260,000	6,260,000
Drainage Revenue, 2014	4/30/2014	8/15/2034	3.00 - 3.75%	6,080,000	6,080,000
Drainage Revenue, 2020	8/11/2020	8/15/2040	2.00 - 5.00%	9,240,000	9,240,000
Drainage Revenue, 2021	3/2/2021	8/15/2041	2.00 - 4.00%	9,160,000	9,160,000
Drainage Revenue, 2023	2/16/2023	8/15/2042	4.00 - 5.00%	4,675,000	4,675,000
Drainage Revenue, 2024	4/25/2024	8/15/2054	4.00 - 5.00%	38,135,000	38,135,000
Total Debt Serviced by Drainage Fund Revenue				73,550,000	73,550,000
Serviced by Hotel Occupancy Tax :					
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2016	4/13/2016	8/15/2043	3.35 - 4.25%	11,995,000	11,995,000
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018	3/20/2018	8/15/2048	3.65 - 4.40%	38,835,000	38,835,000
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2023	3/15/2023	8/15/2043	5.00 - 5.406%	4,575,000	4,575,000
Total Debt Serviced by Hotel Occupancy Tax				55,405,000	55,405,000
Total Bonds Payable*				$ 716,212,000	$ 716,212,000

* Does not include the City's proportionate share of the Canadian River Water Authority indebtedness.

** Total interest of $28,643 less 45% ($12,155) offset subsidy from the United States Treasury.

The debt schedule required by Section 140.08 of the Texas Local Government Code is located at http://www.amarillo.gov/home/showdocument?id=4093

CITY OF AMARILLO, TEXAS
COMBINED SCHEDULE OF OUTSTANDING DEBT ISSUANCES (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Bond Issuances		2025-26 Maturities		
	Retired	Outstanding	Principal	Interest	Total
GENERAL OBLIGATION DEBT:					
Serviced by Tax Revenues:					
Recovery Zone Build America Bonds, Series 2010	$ 976,000	$ 416,000	$ 78,000	$ 24,170 **	$ 102,170
General Obligation Refunding Bonds, Series 2017	11,660,000	3,450,000	1,690,000	138,000	1,828,000
Certificates of Obligation, Series 2017	4,105,000	2,835,000	600,000	79,550	679,550
General Obligation Bonds, Series 2017	4,505,000	16,775,000	730,000	562,319	1,292,319
General Obligation Bonds, Series 2018	4,085,000	18,060,000	720,000	630,444	1,350,444
General Obligation Bonds, Series 2020	615,000	7,485,000	155,000	189,794	344,794
Certificates of Obligation, Series 2020	635,000	7,365,000	155,000	190,969	345,969
Tax Notes, Series 2020	2,445,000	1,075,000	530,000	24,300	554,300
General Obligation Bonds, Series 2021	5,470,000	47,515,000	1,685,000	1,119,750	2,804,750
Certificates of Obligation, Series 2022	200,000	6,615,000	100,000	223,126	323,126
Tax Notes, Series 2022	14,020,000	9,880,000	4,890,000	148,700	5,038,700
Tax Notes, Series 2022B - Purpose 2	1,100,000	2,550,000	590,000	112,750	702,750
PPFCO Series 2025	-	12,355,000	2,180,000	774,231	2,954,231
Combination Tax & Revenue Certificates of Obligations, Series 2025	-	15,435,000	775,000	960,319	1,735,319
Combination Tax & Revenue Certificates of Obligations, Series 2025A	-	11,200,000	875,000	530,014	1,405,014
Serviced by special assessments and other revenue sources:					
Public Improvement Districts:					
Combination Tax and Revenues Certificates of Obligation					
Series 2014 ($380,000 Greenways, $815,000 Colonies)	1,065,000	1,195,000	115,000	40,256	155,256
Series 2018 Colonies	805,000	2,195,000	135,000	72,131	207,131
General Obligation Refunding Bonds, Series 2020 ($120,000 Greenways, $310,000 Colonies)	950,000	430,000	150,000	7,100	157,100
Combination Tax and Revenues Certificates of Obligation, Series 2021 Greenways	150,000	825,000	45,000	17,250	62,250
Combination Tax and Revenues Certificates of Obligation, Series 2023 ($2,685,000 Colonies, $1,115,000 Heritage Hills)	160,000	3,800,000	135,000	168,075	303,075
Golf Course Supported:					
General Obligation Refunding Bonds, Series 2020	730,000	2,130,000	155,000	44,444	199,444
Tax Increment Reinvestment Zone #1 Supported:					
General Obligation Refunding Bonds, Series 2020	555,000	905,000	120,000	18,150	138,150
Solid Waste Revenue Supported:					
Combination Tax and Revenues Certificates of Obligation, Series 2023	250,000	5,615,000	200,000	248,300	448,300
Fleet Services Fund Supported:					
Tax Notes, Series 2022B - Purpose 1	1,440,000	2,255,000	525,000	99,625	624,625
Total Debt Serviced by Property Taxes, including Special Assessment and Other Revenue Sources	55,921,000	182,361,000	17,333,000	6,423,766	23,756,766
REVENUE OBLIGATION DEBT:					
Serviced by Water and Sewer Revenues:					
Waterworks and Sewer Revenue, 2014	4,780,000	3,715,000	435,000	86,310	521,310
Waterworks and Sewer Revenue, 2015	8,280,000	8,915,000	845,000	120,541	965,541
Waterworks and Sewer Revenue, 2015A	15,745,000	5,400,000	1,685,000	164,056	1,849,056
Waterworks and Sewer Revenue, 2017	10,345,000	20,660,000	1,475,000	728,544	2,203,544
Waterworks and Sewer Revenue, 2018A	4,105,000	8,395,000	600,000	115,839	715,839
Waterworks and Sewer Revenue, 2018B	4,090,000	10,520,000	655,000	430,575	1,085,575
Waterworks and Sewer Revenue, 2020	7,125,000	21,375,000	1,425,000	-	1,425,000
Waterworks and Sewer Revenue, 2020A	4,060,000	5,715,000	870,000	161,050	1,031,050
Waterworks and Sewer Revenue, 2021	4,285,000	21,615,000	1,160,000	553,000	1,713,000
Waterworks and Sewer Revenue, 2022	3,345,000	49,245,000	1,935,000	2,213,200	4,148,200
Waterworks and Sewer Revenue, 2023	1,250,000	41,670,000	1,505,000	1,880,400	3,385,400
Waterworks and Sewer Revenue, 2024	125,000	19,175,000	330,000	873,006	1,203,006
Combination Tax and Revenues Certificates of Obligation					
Waterworks and Sewer Tax and Revenue 2009C	12,645,000	5,430,000	905,000	-	905,000
General Obligation Refunding Bonds, Series 2020	24,050,000	19,830,000	5,410,000	375,250	5,785,250
Total Bonds Serviced by Water and Sewer Revenues	104,230,000	241,660,000	19,235,000	7,701,770	26,936,770
Serviced by Airport Fund Revenue:					
Combination Tax and Revenue Certificates of Obligation, Series 2024	45,000	3,040,000	95,000	160,852	255,852
Serviced by Drainage Fund Revenue:					
Combination Tax and Revenue Certificates of Obligation, 2012A	4,185,000	2,075,000	275,000	41,500	316,500
Drainage Revenue, 2014	2,890,000	3,190,000	305,000	107,544	412,544
Drainage Revenue, 2020	1,830,000	7,410,000	420,000	212,200	632,200
Drainage Revenue, 2021	1,450,000	7,710,000	410,000	199,450	609,450
Drainage Revenue, 2023	400,000	4,275,000	105,000	191,950	296,950
Drainage Revenue, 2024	150,000	37,985,000	160,000	1,660,263	1,820,263
Total Debt Serviced by Drainage Fund Revenue	10,905,000	62,645,000	1,675,000	2,412,906	4,087,906
Serviced by Hotel Occupancy Tax :					
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2016	2,365,000	9,630,000	375,000	395,670	770,670
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2018	4,235,000	34,600,000	935,000	1,470,153	2,405,153
Hotel Occupancy Tax Revenue Bonds, Taxable Series 2023	215,000	4,360,000	155,000	229,452	384,452
Total Debt Serviced by Hotel Occupancy Tax	6,815,000	48,590,000	1,465,000	2,095,274	3,560,274
Total Bonds Payable*	$ 177,916,000	$ 538,296,000	$ 39,803,000	$ 18,794,569	$ 58,597,569

CITY OF AMARILLO, TEXAS
COMBINED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	General Obligation Bonds and Tax Revenues Certificates of Obligations (Serviced by Tax Revenues)				Tax and Revenues Certificates of Obligation (Serviced by Special Assessments)			Water and Sewer Revenue Bonds (Debt Serviced by Water and Sewer Revenues)		
	Principal	Interest	Treasury Subsidy	Total	Principal	Interest	Total	Principal	Interest	Total
2025-2026	$ 15,753,000	$ 5,708,435	$ (10,876)	$ 21,450,559	$ 1,580,000	$ 715,332	$ 2,295,332	$ 19,235,000	$ 7,701,770	$ 26,936,770
2026-2027	14,856,000	4,671,964	(8,837)	19,519,127	1,635,000	652,407	2,287,407	19,675,000	7,147,880	26,822,880
2027-2028	7,793,000	4,208,633	(6,720)	11,994,913	1,700,000	586,807	2,286,807	18,845,000	6,575,771	25,420,771
2028-2029	8,141,000	3,875,161	(4,550)	12,011,611	1,615,000	518,950	2,133,950	16,815,000	6,044,963	22,859,963
2029-2030	7,733,000	3,561,039	(2,307)	11,291,732	1,045,000	466,263	1,511,263	13,970,000	5,558,392	19,528,392
2030-2031	7,940,000	3,266,851	-	11,206,851	1,095,000	428,425	1,523,425	14,330,000	5,124,835	19,454,835
2031-2032	8,225,000	2,980,411	-	11,205,411	1,130,000	388,394	1,518,394	12,775,000	4,710,627	17,485,627
2032-2033	7,835,000	2,702,286	-	10,537,286	1,035,000	348,369	1,383,369	12,740,000	4,299,456	17,039,456
2033-2034	8,115,000	2,428,061	-	10,543,061	1,075,000	308,434	1,383,434	12,655,000	3,882,364	16,537,364
2034-2035	8,410,000	2,142,876	-	10,552,876	960,000	266,228	1,226,228	13,075,000	3,460,198	16,535,198
2035-2036	6,660,000	1,896,933	-	8,556,933	995,000	227,688	1,222,688	12,560,000	3,021,584	15,581,584
2036-2037	6,875,000	1,691,054	-	8,566,054	1,035,000	190,238	1,225,238	12,960,000	2,610,351	15,570,351
2037-2038	8,570,000	1,438,826	-	10,008,826	865,000	156,238	1,021,238	11,270,000	2,208,611	13,478,611
2038-2039	6,135,000	1,205,854	-	7,340,854	685,000	126,850	811,850	9,890,000	1,859,906	11,749,906
2039-2040	6,315,000	1,031,486	-	7,346,486	715,000	100,000	815,000	10,205,000	1,544,906	11,749,906
2040-2041	6,495,000	851,370	-	7,346,370	735,000	72,150	807,150	9,115,000	1,217,606	10,332,606
2041-2042	6,680,000	664,632	-	7,344,632	710,000	43,800	753,800	7,860,000	877,256	8,737,256
2042-2043	5,555,000	493,275	-	6,048,275	740,000	14,800	754,800	4,025,000	562,856	4,587,856
2043-2044	3,815,000	371,416	-	4,186,416	-	-	-	800,000	401,856	1,201,856
2044-2045	3,910,000	278,659	-	4,188,659	-	-	-	835,000	369,856	1,204,856
2045-2046	3,415,000	192,150	-	3,607,150	-	-	-	865,000	336,456	1,201,456
2046-2047	660,000	140,569	-	800,569	-	-	-	900,000	300,775	1,200,775
2047-2048	690,000	115,725	-	805,725	-	-	-	940,000	263,650	1,203,650
2048-2049	715,000	89,744	-	804,744	-	-	-	980,000	224,875	1,204,875
2049-2050	740,000	62,750	-	802,750	-	-	-	1,020,000	184,450	1,204,450
2050-2051	180,000	44,500	-	224,500	-	-	-	1,060,000	141,100	1,201,100
2051-2052	185,000	35,375	-	220,375	-	-	-	1,105,000	96,050	1,201,050
2052-2053	195,000	25,875	-	220,875	-	-	-	1,155,000	49,088	1,204,088
2053-2054	205,000	15,875	-	-	-	-	-	-	-	-
2054-2055	215,000	5,375	-	-	-	-	-	-	-	-
Totals	$ 163,011,000	$ 46,197,159	$ (33,290)	$ 208,733,619	$ 19,350,000	$ 5,611,371	$ 24,961,371	$ 241,660,000	$ 70,777,490	$ 312,437,490

Note: Does not include the City's proportionate share of the Canadian River Water Authority indebtedness.

CITY OF AMARILLO, TEXAS
COMBINED SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Drainage Utility Bonds (Debt Serviced by Drainage Revenues)			Airport Bonds (Debt Serviced by Airport Revenues)			Hotel Occupancy Tax (Revenue Bonds)		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025-2026	$ 1,675,000	$ 2,412,906	$ 4,087,906	$ 95,000	$ 160,852	$ 255,852	$ 1,465,000	$ 2,095,274	$ 3,560,274
2026-2027	1,740,000	2,351,706	4,091,706	100,000	156,244	256,244	1,520,000	2,040,834	3,560,834
2027-2028	1,805,000	2,287,956	4,092,956	105,000	151,244	256,244	1,580,000	1,981,483	3,561,483
2028-2029	1,875,000	2,216,944	4,091,944	115,000	145,994	260,994	1,640,000	1,918,739	3,558,739
2029-2030	1,950,000	2,142,494	4,092,494	120,000	140,244	260,244	1,705,000	1,852,583	3,557,583
2030-2031	2,015,000	2,074,581	4,089,581	125,000	134,244	259,244	1,780,000	1,783,229	3,563,229
2031-2032	2,085,000	2,007,506	4,092,506	130,000	127,994	257,994	1,850,000	1,709,196	3,559,196
2032-2033	2,150,000	1,942,806	4,092,806	135,000	121,455	256,455	1,925,000	1,631,642	3,556,642
2033-2034	2,220,000	1,869,238	4,089,238	145,000	114,611	259,611	2,005,000	1,549,661	3,554,661
2034-2035	2,300,000	1,792,463	4,092,463	155,000	107,013	262,013	2,095,000	1,463,626	3,558,626
2035-2036	2,385,000	1,707,163	4,092,163	160,000	98,891	258,891	2,185,000	1,372,716	3,557,716
2036-2037	2,470,000	1,618,213	4,088,213	170,000	90,507	260,507	2,285,000	1,277,904	3,562,904
2037-2038	2,560,000	1,528,913	4,088,913	180,000	81,599	261,599	2,380,000	1,178,713	3,558,713
2038-2039	2,655,000	1,435,813	4,090,813	190,000	72,167	262,167	2,490,000	1,075,076	3,565,076
2039-2040	2,750,000	1,338,713	4,088,713	200,000	61,660	261,660	2,595,000	963,493	3,558,493
2040-2041	2,475,000	1,237,463	3,712,463	210,000	50,600	260,600	2,710,000	847,177	3,557,177
2041-2042	2,030,000	1,133,763	3,163,763	220,000	38,987	258,987	2,835,000	725,688	3,560,688
2042-2043	1,695,000	1,052,563	2,747,563	235,000	26,821	261,821	2,960,000	598,542	3,558,542
2043-2044	1,760,000	984,763	2,744,763	250,000	13,825	263,825	1,940,000	465,740	2,405,740
2044-2045	1,830,000	914,363	2,744,363	-	-	-	2,025,000	380,380	2,405,380
2045-2046	1,905,000	841,163	2,746,163	-	-	-	2,110,000	291,280	2,401,280
2046-2047	1,980,000	764,963	2,744,963	-	-	-	2,205,000	198,440	2,403,440
2047-2048	2,060,000	683,288	2,743,288	-	-	-	2,305,000	101,420	2,406,420
2048-2049	2,145,000	598,313	2,743,313	-	-	-	-	-	-
2049-2050	2,230,000	509,831	2,739,831	-	-	-	-	-	-
2050-2051	2,325,000	417,844	2,742,844	-	-	-	-	-	-
2051-2052	2,420,000	321,938	2,741,938	-	-	-	-	-	-
2052-2053	2,525,000	219,088	2,744,088	-	-	-	-	-	-
2053-2054	2,630,000	111,775	2,741,775	-	-	-	-	-	-
Totals	$ 62,645,000	$ 38,518,525	$ 101,163,525	$ 3,040,000	$ 1,894,947	$ 4,934,947	$ 48,590,000	$ 27,502,836	$ 76,092,836

CITY OF AMARILLO, TEXAS
BOND PRINCIPAL REPAYMENT SCHEDULE
WATERWORKS AND SEWER SYSTEM
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ending 09/30	Principal Repayment Schedule	Bonds Remaining Unpaid at End of Year	Percent of Principal Retired
1	$ 19,235,000	$ 240,835,000	7.96 %
2	19,675,000	221,160,000	16.10
3	18,845,000	202,315,000	23.90
4	16,815,000	185,500,000	30.86
5	13,970,000	171,530,000	36.64
6	14,330,000	157,200,000	42.57
7	12,775,000	144,425,000	47.85
8	12,740,000	131,685,000	53.13
9	12,655,000	119,030,000	58.36
10	13,075,000	105,955,000	63.77
11	12,560,000	93,395,000	68.97
12	12,960,000	80,435,000	74.33
13	11,270,000	69,165,000	79.00
14	9,890,000	59,275,000	83.09
15	10,205,000	49,070,000	87.31
16	9,115,000	39,955,000	91.08
17	7,860,000	32,095,000	94.34
18	4,025,000	28,070,000	96.00
19	800,000	27,270,000	96.33
20	835,000	26,435,000	96.68
21	865,000	25,570,000	97.04
22	900,000	24,670,000	97.41
23	940,000	23,730,000	97.80
24	980,000	22,750,000	98.20
25	1,020,000	21,730,000	98.63
26	1,060,000	20,670,000	99.06
27	1,105,000	19,565,000	99.52
28	1,155,000	18,410,000	100.00
29	-	18,410,000	100.00
30	-	18,410,000	100.00
	$ 241,660,000		

CITY OF AMARILLO, TEXAS
HISTORICAL FINANCIAL DATA
WATERWORKS AND SEWER SYSTEM
OPERATING STATEMENTS
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Years Ended September 30,						
	2025	2024	2023	2022	2021	2020	2019
OPERATING REVENUES	$ 100,820,326	$ 102,337,762	$ 93,961,664	$ 93,835,331	$ 83,856,717	$ 83,320,670	$ 75,031,911
OPERATING EXPENSES [1]							
Personal Services	18,561,644	21,721,381	16,656,970	12,365,349	12,786,077	14,123,864	15,180,072
Supplies	5,931,260	3,754,181	3,116,483	4,945,058	1,846,864	1,687,910	1,644,628
Contractual and Other Services	47,170,663	43,932,696	41,599,950	41,481,373	30,589,632	26,897,279	36,112,876
Reimbursements	-	-	-	-	-	-	-
Total Expenses	71,663,567	69,408,258	61,373,403	58,791,780	45,222,573	42,709,053	52,937,576
NONOPERATING REVENUES (EXPENSES) [2]	5,250,780	9,905,850	7,646,069	630,832	1,377,342	809,494	1,926,334
NET AVAILABLE FOR DEBT SERVICE	$ 34,407,539	$ 42,835,354	$ 40,234,330	$ 35,674,383	$ 40,011,486	$ 41,421,111	$ 24,020,669
ANNUAL DEBT SERVICE							
Principal	$ 19,235,000	$ 18,410,000	$ 15,315,000	$ 16,015,000	$ 14,590,000	$ 13,290,000	$ 11,770,000
Interest	7,701,770	8,420,682	7,936,766	5,053,937	4,120,240	3,784,301	4,249,146
TOTAL DEBT SERVICE	$ 26,936,770	$ 26,830,682	$ 23,251,766	$ 21,068,937	$ 18,710,240	$ 17,074,301	$ 16,019,146
Coverage	1.60%	1.60%	1.73%	1.69%	2.14%	2.43%	1.50%

(1) Excludes depreciation
(2) Includes CRMWA interest expense, but excludes bond interest expense

	NET POSITION (As of SEPTEMBER 30, 2025)
Net Investment in Capital Assets	$ 564,276,924
Restricted for Revenue Bond Debt Retirement	6,255,981
Unrestricted	35,652,200
Total Net Position	$ 606,185,105

CITY OF AMARILLO, TEXAS
HISTORICAL FINANCIAL DATA
WATERWORKS AND SEWER SYSTEM
CITY'S EQUITY IN SYSTEM
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Years Ended September 30,						
	2025	2024	2023	2022	2021	2020	2019
Waterworks and Sewer System in Service	$ 1,011,176,765	$ 976,763,508	$ 924,119,512	$ 917,860,895	$ 835,838,912	$ 821,898,476	$ 800,729,996
Reserve for Depreciation	(365,757,614)	(349,010,387)	(332,463,766)	(319,084,762)	(303,596,715)	(288,930,365)	(274,262,400)
Net Plant in Service	645,419,151	627,753,121	591,655,746	598,776,133	532,242,197	532,968,111	526,467,596
Plus Construction in Progress	123,957,372	102,572,772	66,159,735	36,090,686	76,616,081	67,985,407	66,204,539
Net Plant in Service and Coming on Line	769,376,523	730,325,893	657,815,481	634,866,819	608,858,278	600,953,518	592,672,135
Plus Restricted Assets and Other Noncurrent Assets and Deferred Items	80,788,919	115,151,040	169,527,270	130,033,239	95,683,204	77,235,746	59,039,458
Plus Working Capital	43,803,566	65,427,815	59,868,936	64,393,212	63,516,802	62,121,728	56,556,672
Total Assets	893,969,008	910,904,748	887,211,687	829,293,270	768,058,284	740,310,992	708,268,265
Other Noncurrent Liabilities	269,379,561	291,747,228	294,444,237	263,991,111	235,724,564	232,825,996	227,062,178
Plus Liabilities Payable from Restricted Assets	19,235,000	18,410,000	15,315,000	16,015,000	14,590,000	13,290,000	11,770,000
Total Obligations	288,614,561	310,157,228	309,759,237	280,006,111	250,314,564	246,115,996	238,832,178
City's Equity in System	$ 605,354,447	$ 600,747,520	$ 577,452,450	$ 549,287,159	$ 517,743,720	$ 494,194,996	$ 469,436,087

COVERAGE OF DEBT SERVICE REQUIREMENT

Net System Income Available for Debt Service for Fiscal Year Ended 9/30/2025	$ 34,407,539
Average Annual Principal and Interest Requirements (2026-2053)	$ 10,773,707
Coverage of Average Annual Requirements by 2025 Net Revenues	3.19
Maximum Principal and Interest Requirements, 2026	$ 26,936,770
Coverage of Maximum Requirements by 2025 Net Revenues	1.28

CITY OF AMARILLO, TEXAS
HISTORICAL FINANCIAL DATA
WATERWORKS AND SEWER SYSTEM
WATER AND SEWER FUND OPERATIONS
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Years Ended September 30,						
	2025	2024	2023	2022	2021	2020	2019
OPERATING REVENUES							
Water Sales	$ 66,925,502	$ 68,179,020	$ 62,545,592	$ 63,382,534	$ 54,937,272	$ 56,701,641	$ 48,906,889
Sewer Charges	29,728,540	29,644,157	29,232,152	27,652,251	25,528,454	24,928,246	23,765,730
Industrial Surcharges	321,103	587,338	972,150	432,834	507,594	380,204	299,876
Forfeited Discounts - Water	3,273,319	1,709,514	975,474	827,234	1,283,633	1,161,657	1,333,844
Sale of Reclaimed Water	-	582,453	638,082	612,496	693,094	356,420	499,316
Water Service Charges	509,027	1,456,317	359,084	1,290,809	1,310,474	634,740	713,819
Water Tap Fees	83,020	96,606	57,067	272,483	165,448	157,322	232,827
Sewer Tap Fees	53,715	49,050	29,778	128,726	81,235	66,438	93,201
Grease Tap Fees	181,071	198,622	138,291	110,520	94,426	95,175	91,375
Water Frontage Charges	208	-	5,203	7,480	23,683	12,704	10,550
Sewer Frontage Charges	-	-	1,950	14,723	-	-	3,013
Net Loss on Bad Debts	(1,667,258)	(1,246,090)	(1,584,282)	(1,428,532)	(1,322,614)	(985,117)	(948,984)
Lab Fees	84,320	82,831	87,569	98,700	104,930	102,539	114,374
Miscellaneous	1,327,759	997,944	503,554	433,073	449,088	(291,299)	(83,919)
Total operating revenues	100,820,326	102,337,762	93,961,664	93,835,331	83,856,717	83,320,670	75,031,911
OPERATING EXPENSES							
Salaries, Wages, and Fringe Benefits	18,561,644	21,721,381	16,656,970	12,365,349	12,786,077	14,123,864	15,180,072
Supplies	5,931,260	3,754,181	3,116,483	4,945,058	1,846,864	1,687,910	1,644,628
Fuel and Power	5,279,192	5,697,249	6,791,582	5,287,272	4,102,560	3,573,897	3,955,978
Surface Water	6,489,366	7,640,941	7,216,296	6,273,564	4,358,958	4,348,316	5,269,514
Other Contractual Charges	18,560,119	13,974,259	11,360,971	15,125,482	8,390,402	6,666,801	15,245,320
Other Charges	16,841,986	16,620,247	16,231,101	14,795,055	13,737,712	12,308,265	11,642,064
Depreciation	17,774,518	16,656,739	16,123,392	15,620,102	14,970,724	14,782,725	14,246,222
Less: Interfund Reimbursements	(291,557)	(534,410)	(651,622)	(737,521)	(796,180)	(802,336)	(1,073,237)
Total Operating Expenses	89,146,528	85,530,587	76,845,173	73,674,361	59,397,117	56,689,442	66,110,561
OPERATING INCOME	11,673,798	16,807,175	17,116,491	20,160,970	24,459,600	26,631,228	8,921,350
NONOPERATING REVENUES (EXPENSES)							
Capital Contributions	9,054,738	7,135,455	6,485,285	6,562,863	2,667,471	3,629,687	2,098,738
Interest Earnings	5,333,611	8,912,540	6,922,797	(169,904)	70,222	1,651,675	3,124,262
Change in Fair Values of Investments	-	-	5,000,000	11,725,000	-	-	-
Disposition of Property	862	88,084	61,258	32,694	(64,738)	24,344	(29,745)
Interest Expense and Fiscal Charges	(14,717,448)	(7,156,262)	(6,793,753)	(3,838,525)	(3,294,692)	(6,757,027)	(6,470,440)
Total Nonoperating Revenues (Expenses)	(328,237)	8,979,817	11,675,587	14,312,128	(621,737)	(1,451,321)	(1,277,185)
Total Income Before Transfers	11,345,561	25,786,992	28,792,078	34,473,098	23,837,863	25,179,907	7,644,165
TRANSFERS FROM (TO) OTHER FUNDS	(5,907,976)	(2,494,357)	(3,242,554)	(2,816,983)	(289,139)	(420,998)	(670,665)
NET INCOME	$ 5,437,585	$ 23,292,635	$ 25,549,524	$ 31,656,115	$ 23,548,724	$ 24,758,909	$ 6,973,500

CITY OF AMARILLO, TEXAS
HISTORICAL FINANCIAL DATA
WATERWORKS AND SEWER SYSTEM
WATER AND SEWER FUND NET POSITION
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Years Ended September 30,						
	2025	2024	2023	2022	2021	2020	2019
ASSETS							
CURRENT ASSETS							
Cash	$ 19,218,314	$ 467,984	$ 32,769,911	$ 20,608,211	$ 67,816,637	$ 52,620,864	$ 35,164,365
Investments - at Fair Market Value	57,603,263	62,584,267	46,832,911	60,123,561	10,570,020	21,560,042	32,886,057
Receivables (Net of Allowance For Uncollectibles):							
Accounts	7,644,349	8,775,770	8,377,327	8,585,108	7,077,680	7,514,058	7,577,503
Accrued Interest	6,637,511	671,778	110,241	110,241	64,219	167,550	224,453
Other Accrued Revenue	-	5,771,235	246,833	219,898	6,375,275	5,793,239	5,073,586
Due from Other Funds	11,764,830	31,235,234	6,125,156	4,767,934	32,629	31,509	1,030,428
Due from Other Governments	-	-	34,990	33,789	-	-	-
Prepaid Expenses	4,265,436	112,054	87,375	1,604,012	1,933,324	1,443,774	1,603,474
Total Current Assets	107,133,703	109,618,322	94,584,744	96,052,754	93,869,784	89,131,036	83,559,866
NONCURRENT ASSETS							
Restricted Cash	78,987,366	111,908,769	165,093,963	133,593,550	96,570,399	76,864,466	55,086,751
Restricted Investments at Fair Value	591,996	-	-	-	-	-	-
Other Noncurrent Receivable	-	-	34,853	43,507	-	-	-
Other Noncurrent Asset	-	29,115	2,435	112,675	56,328	59,815	67,494
Interfund Advance Receivable	-	-	-	-	-	-	-
Capital Assets:							
Land, Easements, and Water Rights	147,084,476	96,411,127	91,562,505	91,420,711	62,352,012	62,177,120	62,086,461
Accumulated Depletion Water Rights	(38,786,313)	(13,642,156)	(12,478,068)	(11,332,384)	(10,522,863)	(9,745,094)	(9,404,381)
Right-to-Use Software Asset	1,148,288	-	-	-	-	-	-
Accumulated Amortization	(317,630)	-	-	-	-	-	-
Supply Contract	-	50,336,389	50,336,389	50,336,389	50,336,389	50,336,389	50,336,389
Accumulated Amortization	-	(23,215,516)	(22,449,408)	(26,697,984)	(25,933,969)	(25,169,954)	(24,403,846)
Pipelines and Other Improvements	860,440,481	825,786,484	777,864,979	771,636,071	718,597,688	704,603,117	683,446,448
Accumulated Depreciation	(323,847,417)	(308,538,308)	(293,948,556)	(277,398,593)	(263,505,527)	(250,279,114)	(236,811,478)
Equipment	3,651,808	4,229,508	4,355,639	4,467,724	4,552,823	4,781,850	4,860,698
Accumulated Depreciation	(3,123,884)	(3,614,407)	(3,587,734)	(3,655,801)	(3,634,356)	(3,736,203)	(3,642,695)
Construction in Progress	123,957,372	102,572,772	66,159,735	36,090,686	76,616,081	67,985,407	66,204,539
Total Capital Assets, Net	770,207,181	730,325,893	657,815,481	634,866,819	608,858,278	600,953,518	592,672,135
Total Noncurrent Assets	849,786,543	842,263,777	822,946,732	768,616,551	705,485,005	677,877,799	647,826,380
Total Assets	$ 956,920,246	$ 951,882,099	$ 917,531,476	$ 864,669,305	$ 799,354,789	$ 767,008,835	$ 731,386,246
DEFERRED OUTFLOW OF RESOURCES							
Deferred Outflow of Resources	$ 3,339,671	$ 8,316,066	$ 9,208,093	$ 3,727,092	$ 5,530,555	$ 7,059,112	$ 8,278,493
Total Deferred Outflows	$ 3,339,671	$ 8,316,066	$ 9,208,093	$ 3,727,092	$ 5,530,555	$ 7,059,112	$ 8,278,493

CITY OF AMARILLO, TEXAS
HISTORICAL FINANCIAL DATA
WATERWORKS AND SEWER SYSTEM
WATER AND SEWER FUND NET POSITION (CONTINUED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Years Ended September 30,						
	2025	2024	2023	2022	2021	2020	2019
LIABILITIES							
CURRENT LIABILITIES							
Vouchers Payable	$ 1,110,889	$ 8,624,611	$ 3,846,574	$ 3,661,517	$ 3,501,250	$ 3,038,775	$ 2,713,696
Accounts Payable	26,276,474	11,653,920	4,969,369	1,493,283	1,021,565	731,241	1,492,979
Accrued Expenses	14,219,568	11,525,681	12,345,725	13,383,700	13,541,419	11,559,527	11,920,231
Deposits	1,000,357	1,038,738	1,038,738	1,038,738	1,038,738	1,038,738	38,738
Consumer Security Deposits	239,285	5,876,408	5,771,209	5,638,335	5,038,738	4,444,518	4,005,303
Compensated Absences, Current	159,801	159,801	180,446	140,376	143,208	134,210	194,987
Proportionate Share Of Water Authority Indebtedness - Current Installments	3,659,946	4,581,665	6,563,747	6,303,593	6,068,064	6,061,019	5,837,260
Due to Other Funds	1,253,699	729,683	-	-	-	1,280	800,000
Due to Other Governments	15,172,953	-	-	-	-	-	-
Current Portion of SBITA	237,165	-	-	-	-	-	-
Revenue Bonds - Current Maturities	19,235,000	18,410,000	15,315,000	16,015,000	14,590,000	13,290,000	11,770,000
Total Current Liabilities	82,565,137	62,600,507	50,030,808	47,674,542	44,942,982	40,299,308	38,773,194
NONCURRENT LIABILITIES							
Revenue Bonds - Less Current Maturities and Unamortized Issuance Costs	236,856,597	257,013,552	256,066,421	225,406,975	184,814,988	171,311,031	155,583,382
Proportionate Share of Water Authority Indebtedness - Less Current Installments	13,271,835	17,157,821	22,420,955	30,424,668	39,163,914	47,349,397	53,880,681
Other Accrued Expenses	2,504,372	2,521,417	2,503,071	2,520,032	2,557,951	2,567,106	2,578,684
Provision for Accrued Sick And Annual Leave	1,565,415	980,406	831,133	764,112	736,631	778,770	663,576
Right-to-Use SBITA	459,342	-	-	-	-	-	-
Net OPEB Liability	4,870,154	5,213,251	5,574,823	4,874,568	4,701,616	6,019,760	5,893,036
Net Pension Liability	9,851,846	8,860,781	7,047,834	756	3,749,464	4,799,932	8,462,819
Total Noncurrent Liabilities	269,379,561	291,747,228	294,444,237	263,991,111	235,724,564	232,825,996	227,062,178
Total Liabilities	$ 351,944,698	$ 354,347,735	$ 344,475,045	$ 311,665,653	$ 280,667,546	$ 273,125,304	$ 265,835,372
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflow of Resources	$ 2,130,114	$ 5,102,910	$ 4,809,639	$ 7,330,910	$ 6,474,078	$ 6,747,647	$ 4,393,280
Total Deferred Inflows	$ 2,130,114	$ 5,102,910	$ 4,809,639	$ 7,330,910	$ 6,474,078	$ 6,747,647	$ 4,393,280
NET POSITION							
Net Investment in Capital Assets	$ 564,276,924	$ 514,822,601	$ 504,366,426	$ 473,642,540	$ 449,652,302	$ 433,810,572	$ 412,568,214
Restricted for Debt Service	6,255,981	17,279,434	13,351,113	13,617,583	11,139,409	5,995,965	8,119,349
Unrestricted	35,652,200	68,645,485	59,737,346	62,139,711	56,952,009	54,388,459	48,748,524
Total Net Position	$ 606,185,105	$ 600,747,520	$ 577,454,885	$ 549,399,834	$ 517,743,720	$ 494,194,996	$ 469,436,087
Total Liabilities and Net Position	$ 958,129,803	$ 955,095,255	$ 921,929,930	$ 861,065,487	$ 798,411,266	$ 767,320,300	$ 735,271,459

CITY OF AMARILLO, TEXAS
DRAINAGE UTILITY
CONDENSED SCHEDULE OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019
OPERATING REVENUES	$ 10,884,571	$ 10,835,472	$ 7,624,310	$ 6,901,991	$ 6,528,963	$ 6,339,811	$ 5,582,179
OPERATING EXPENSES							
Personal Services	1,942,350	1,755,165	1,407,778	819,810	1,067,784	1,124,934	1,295,842
Contractual and Other Services	2,367,116	1,226,646	1,099,122	877,971	892,409	880,851	882,488
Other Supplies and Expenses	252,509	985,319	281,577	1,078,920	157,088	741,311	144,769
Other Charges	2,578,297	1,584,686	1,248,771	1,116,022	1,127,052	1,204,980	475,056
Depreciation	861,799	714,895	384,897	371,901	319,530	313,533	165,056
Total expenses	8,002,071	6,266,711	4,422,145	4,264,624	3,563,863	4,265,609	2,963,211
NONOPERATING REVENUES (EXPENSES) (1)	1,454,213	1,304,397	1,198,980	163,710	9,334	135,699	214,067
NET AVAILABLE FOR DEBT SERVICE	$ 4,336,713	$ 5,873,158	$ 4,401,145	$ 2,801,077	$ 2,974,434	$ 2,209,901	$ 2,833,035
NUMBER OF CUSTOMERS	70,294	76,235	74,816	74,624	75,079	73,544	71,952

(1) Nonoperating revenues (expenses) exclude bond interest expense, capital contributions and transfers.

COVERAGE OF DEBT SERVICE REQUIREMENTS

	2025	2024	2023	2022	2021	2020	2019
Net System Income Available for Debt Service	$ 4,336,713	$ 5,873,758	$ 4,401,145	$ 2,801,077	$ 2,974,434	$ 2,209,901	$ 2,833,035
Average Annual Principal and Interest Requirements (2026-2054)	$ 3,372,118	$ 3,508,381	$ 1,840,185	$ 1,579,821	$ 1,599,632	$ 1,083,738	$ 695,559
Coverage of Average Annual Requirements	1.29	1.67 x	2.39 x	1.77 x	1.86 x	2.04 x	4.07 x
Maximum Principal and Interest Requirements, 2031	$ 4,089,581	$ 4,092,494	$ 2,270,944	$ 1,982,994	$ 1,982,994	$ 1,373,444	$ 749,394
Coverage of Maximum Requirements	1.06	1.44 x	1.94 x	1.41 x	1.50 x	1.61 x	3.78 x

CITY OF AMARILLO, TEXAS
SCHEDULE OF INSURANCE – ALL FUNDS
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Coverage	Premium	Premiums	Limits	Coverages	Comments
Property	$3,499,303	$3,077,803	$100,000,000	**Total Limit of Liability; any one occurrence (All Layers)**	Policy Deductible for claims other than Named Storm and Wind and Hail: $250,000
(Coverage is layered between various policies)					
				Sublimits:	Hail/Wind Deductible: 3% of TIV, minimum of $500,000
			$10,000,000	Flood	
			$100,000,000	Named Storm	Named Storm Deductible: 5% of TIV, minimum of $1,000,000
			$10,000,000	Earth Movement	
			$250,000	Fungus, Mold or Spore Additional Coverage	
			$10,000,000	Demolition and Increased Cost of Construction	
			$5,000,000	Newly Acquired Property	
			$5,000,000	Service Interruption	*Actual Cash Value for Roof Surfacing of a Specific Age Endorsement
				(See policy for full list of coverages)	*Age of Roof Surfacing: 12 Years
Terrorism Insurance	$53,961	$55,631	$250,000,000	Policy Limit	Total Insured Value: $1,000,000,000 Deductible: $0 Indemnity Period: 12 Months
Boiler & Machinery	$49,274	$51,729	$200,000,000	Limit Per Breakdown	Combined Deductible: $25,000
			Included	Property Damage	
			$1,000,000	Business Income and Extra Expense	
			$2,500,000	Utility Interruption	
Fiduciary Liability - Firemen's Relief Retirement Fund	$9,492	$9,209	$1,000,000 $200,000	Each Claim & Aggregate Voluntary Compliance Program Expenditure Sub-Limit Claims Made	Retention: $5,000 Prior or Pending Litigation Date: 07/18/2020
Cyber	$58,073	$58,073	$3,000,000	Aggregate Limit of Liability	Retention: $25,000 (Each Incident or Event)
			$3,000,000	Breach Response Limit of Liability	Continuity Date: 5/1/2021
			$250,000	eCrime Loss Sublimit of Liability	
			$300,000	Dependent Business Sublimit of Liability	
			$3,000,000	Ransomware/Malware Sublimit of Liability	

CITY OF AMARILLO, TEXAS
SCHEDULE OF INSURANCE – ALL FUNDS (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Coverage	Premium	Premiums	Limits	Coverages	Comments
Medical Malpractice	$35,292	$35,907		**Professional Liability**	Deductible: $25,000 (Each Claim)
			$2,000,000	Each Claim (Other than Physical Abuse & Sexual Misconduct Claims)	Retro Date: 01/01/2011
			$1,000,000	Each Claim - Physical Abuse / Sexual Misconduct	
			$3,000,000	Aggregate Sublimit – Physical Abuse/Sexual Misconduct	
			$5,000,000	Aggregate for all Claims	
				General Liability	Deductible: $25,000 (Each Claim)
			$2,000,000	Each Claim	
			$2,000,000	Products Completed Operations Hazard	
			$50,000	Damage to Rented Premises	
			$5,000	Medical Expenses	
			$5,000,000	Aggregate for all Claims and Medical Expenses	
				Employee Benefit Liability	Deductible: $1,000 (Each Claim)
			$1,000,000	Each Claim	
			$3,000,000	Aggregate for all Claims	
				Evacuation Expense	
			$50,000	Each Evacuation	
			$50,000	Aggregate for all Evacuations	
				Legal/Media Expense	
			$50,000	Each Legal Defense Proceeding	
			$50,000	Aggregate for all Legal Defense Proceedings	
				Patient Property Loss	
			$1,000	Each Patient Property Loss	
			$25,000	All Patients Property Loss	
Medical Professional (AFD)	$21,240	$24,426	$1,000,000	Each Claim Limit (PL)	Deductible Per Claim: $10,000 (Applies to Indemnity and Expense)
			$3,000,000	Aggregate Limit (PL)	
				Retroactive Date (PL): 01/25/2022	
			$1,000,000	Occurrence Limit (GL)	
			$3,000,000	Aggregate Limit (GL)	
			$1,000,000	Products / Comp Operation Aggregate	
			$1,000,000	Personal Injury and Advertising Limit	
			$5,000	Medical Payments (Any one Person)	
			$50,000	Damage to Premises Rented to You	

CITY OF AMARILLO, TEXAS
SCHEDULE OF INSURANCE – ALL FUNDS (CONTINUED)
SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Coverage	Premium	Premiums	Limits	Coverages	Comments
Law Enforcement Liability	$203,693	$214,087	$1,000,000	**Law Enforcement Liability**	Deductible: $100,000
			$1,000,000	Each Person Each Wrongful Act Aggregate	**Law Enforcement Department or Agency:**
			$1,000,000	**Excess Liability**	Amarillo Police Department, TX Amarillo Fire Marshalls, TX
D&O / EPL / Fiduciary (AHD)	$37,930	$37,930	$5,000,000	**Directors and Officers Liability**	Retention: $50,000
			$500,000	Directors & Officers Limit of Liability Additional Side-A Limit of Liability	Prior and/or Pending Litigation Date: 05/07/2004
			$5,000,000	**Employment Practices Liability**	Retention: $50,000
			$3,000,000	**Fiduciary Liability**	Retention: $15,000
Public Officials Liability	$4,338	$4,390	$2,000,000	Public Officials Liability Maximum Limit of Liability for All Loss from Each Claim	Retention: $2,500
			$2,000,000	Employment Practices Liability	Retention: $2,500
			$2,000,000	Policy Aggregate	-
			$50,000	Non-Monetary Coverage - Defense Only	Retention: $2,500
			$100,000	Non-Monetary Coverage - Defense Only Aggregate	-
			$25,000	Crisis Management	Retention: $5,000
Auto Physical Damage (AFD Fire Fleet)	$262,001	$455,317	$20,504,967	Total Values **Lower** Than $1,000,000 Total Values **More** Than $1,000,000	Deductible: $10,000 Deductible: $50,000
			$10,726,968		
			$250,000	Additionally Acquired Equipment (45 days) Temporary Transportation Rental Expense	Total Limits were increased from
Inland Marine - Rare Books/Fine Arts	$3,864	$3,967	$1,352,352	Fine Arts/Rare Books	Actual Cash Value Applies
			10 Days	Emergency Removal	$2,500 Deductible
			$5,000	Newly Purchased Property	
			$1,000	Property on Exhibit	
			$1,000	Property Off Premises for Framing, Renovating, Packing or Appraising	
			$1,000	Transit	
Business Travel Accident	$5,871	$4,865	$250,000	Accidental Death and Dismemberment Benefit Adaptive Home and Vehicle Benefit	10% of Principal Sum to a Maximum of $25,000 10% of Principal Sum to a Maximum
				Rehabilitation Benefit	of $25,000 10% of Principal Sum to a Maximum of $25,000 5% of Principal Sum to a
				Seat Belt Airbag Benefit	Maximum of $10,000
Excess Workers Compensation	$238,552	$280,133	Statutory	Specific Limit Employer's Liability	**Self Insured Retentions:**
			$1,000,000		$2,000,000 First Responders
					$1,500,000 All Other Employees Rating Basis: Payrolls $126,889,575 Claims
Totals:	**$4,482,884**	**$4,313,467**		**Total Premium All Lines**	

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
PUBLIC HEALTH FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Public Health	$ 5,137,104	$ -	$ 5,137,104	$ -	$ -	$ 5,137,104	$ 7,013,332	$ 5,843,332	$ (706,228)
Total	$ 5,137,104	$ -	$ 5,137,104	$ -	$ -	$ 5,137,104	$ 7,013,332	$ 5,843,332	$ (706,228)
Expenditures:									
Public Health	$ 7,227,065	$ -	$ 7,227,065	$ 7,538	$ -	$ 7,219,527	$ 6,596,564	$ 7,391,564	$ 172,037
Total	$ 7,227,065	$ -	$ 7,227,065	$ 7,538	$ -	$ 7,219,527	$ 6,596,564	$ 7,391,564	$ 172,037

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
LAW ENFORCEMENT OFFICERS STANDARDS AND EDUCATION (LEOSE) TRAINING FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
LEOSE Training	$ 49,269	$ -	$ 49,269	$ -	$ -	$ 49,269	$ 17,850	$ 17,850	$ 31,419
Total	$ 49,269	$ -	$ 49,269	$ -	$ -	$ 49,269	$ 17,850	$ 17,850	$ 31,419
Expenditures:									
LEOSE Training	$ 9,866	$ -	$ 9,866	$ -	$ -	$ 9,866	$ 17,850	$ 17,100	$ 7,234
Total	$ 9,866	$ -	$ 9,866	$ -	$ -	$ 9,866	$ 17,850	$ 17,100	$ 7,234

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
LOCAL SEIZED PROPERTY FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Local Seized Property	$ 98,290	$ -	$ 98,290	$ -	$ -	$ 98,290	$ 94,965	$ 94,965	$ 3,325
Total	$ 98,290	$ -	$ 98,290	$ -	$ -	$ 98,290	$ 94,965	$ 94,965	$ 3,325
Expenditures:									
Local Seized Property	$ 61,776	$ 30,323	$ 92,099	$ -	$ 113,155	$ 205,254	$ 100,239	$ 262,000	$ 56,746
Total	$ 61,776	$ 30,323	$ 92,099	$ -	$ 113,155	$ 205,254	$ 100,239	$ 262,000	$ 56,746

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
COMPENSATED ABSENCES FUND
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Compensated Absences	$ 1,282,657	$ -	$ 1,282,657	$ -	$ -	$ 1,282,657	$ 1,250,000	$ 1,250,000	$ 32,657
Total	$ 1,282,657	$ -	$ 1,282,657	$ -	$ -	$ 1,282,657	$ 1,250,000	$ 1,250,000	$ 32,657
Expenditures:									
Compensated Absences	$ 1,428,162	$ -	$ 1,428,162	$ -	$ -	$ 1,428,162	$ 1,250,000	$ 1,430,000	$ 1,838
Total	$ 1,428,162	$ -	$ 1,428,162	$ -	$ -	$ 1,428,162	$ 1,250,000	$ 1,430,000	$ 1,838

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
COURT TECHNOLOGY AND COURT SECURITY FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Court Technology	$ 102,983	$ -	$ 102,983	$ -	$ -	$ 102,983	$ 112,300	$ 90,300	$ 12,683
Total	$ 102,983	$ -	$ 102,983	$ -	$ -	$ 102,983	$ 112,300	$ 90,300	$ 12,683
Court Security	$ 124,538	$ -	$ 124,538	$ -	$ -	$ 124,538	$ 202,205	$ 32,205	$ 92,333
Total	$ 124,538	$ -	$ 124,538	$ -	$ -	$ 124,538	$ 202,205	$ 32,205	$ 92,333
Expenditures:									
Court Technology	$ 125,396	$ -	$ 125,396	$ -	$ -	$ 125,396	$ 115,850	$ 112,300	$ (13,096)
Total	$ 125,396	$ -	$ 125,396	$ -	$ -	$ 125,396	$ 115,850	$ 112,300	$ (13,096)
Court Security	$ 218,193	$ -	$ 218,193	$ -	$ -	$ 218,193	$ 166,535	$ 216,535	$ (1,658)
Total	$ 218,193	$ -	$ 218,193	$ -	$ -	$ 218,193	$ 166,535	$ 216,535	$ (1,658)

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
PUBLIC IMPROVEMENT DISTRICTS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Greenways at Hillside	$ 960,971	$ -	$ 960,971	$ -	$ -	$ 960,971	$950,455	$950,455	$ 10,516
Heritage Hills	542,018	-	542,018	-	-	542,018	459,287	459,287	82,731
The Colonies	1,463,175	-	1,463,175	-	-	1,463,175	1,428,130	1,428,130	35,045
Tutbury	29,622	-	29,622	-	-	29,622	28,800	28,800	822
Point West	63,541	-	63,541	-	-	63,541	52,000	52,000	11,541
Quail Creek	11,644	-	11,644	-	-	11,644	11,600	11,600	44
Vineyards	21,519	-	21,519	-	-	21,519	26,250	21,250	269
Townsquare	255,138	-	255,138	-	-	255,138	190,000	190,000	65,138
Pinnacle	134,004	-	134,004	-	-	134,004	122,594	122,594	11,410
Total	$ 3,481,632	$ -	$ 3,481,632	$ -	$ -	$ 3,481,632	$ 3,269,116	$ 3,264,116	$ 217,516
Expenditures:									
Greenways at Hillside	$ 654,933	$ -	$ 654,933	$ -	$ -	$ 654,933	$947,477	$947,477	$ 292,544
Heritage Hills	258,508	-	258,508	-	-	258,508	315,444	320,444	61,936
Brennan Boulevard	-	-	-	-	-	-	-	-	-
The Colonies	687,136	-	687,136	-	-	687,136	1,413,259	1,448,259	761,123
Tutbury	21,476	-	21,476	-	-	21,476	26,876	26,876	5,400
Point West	79,740	-	79,740	-	-	79,740	71,618	81,618	1,878
Quail Creek	12,332	-	12,332	-	-	12,332	13,111	13,111	779
Vineyards	22,958	-	22,958	-	-	22,958	26,245	26,245	3,287
Redstone	-	-	-	-	-	-	-	-	-
Townsquare	2,716	509,494	512,210	-	-	512,210	390,441	515,441	3,231
Pinnacle	98,935	-	98,935	-	-	98,935	107,730	107,730	8,795
Total	$ 1,838,734	$ 509,494	$ 2,348,228	$ -	$ -	$ 2,348,228	$3,312,201	$ 3,487,201	$ 1,138,973

CITY OF AMARILLO, TEXAS
SCHEDULE OF REVENUES AND EXPENDITURES BY DEPARTMENT – BUDGETARY BASIS
BONDED DEBT SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Current	Capital Outlay	Total Current Year (GAAP Basis)	Paid Prior Year Encumbrances	Encumbrances at End of Year	Total Actual Budgetary Basis	Original Budget	Final Budget	Variance with Final Budget
Revenues:									
Bonded Debt Service	$ 19,671,612	$ -	$ 19,671,612	$ -	$ -	$ 19,671,612	$ 21,025,127	$ 19,670,127	$ 1,485
Total	$ 19,671,612	$ -	$ 19,671,612	$ -	$ -	$ 19,671,612	$ 21,025,127	$ 19,670,127	$ 1,485
Expenditures:									
Bonded Debt Service	$ 21,234,001	$ -	$ 21,234,001	$ -	$ -	$ 21,234,001	$ 20,679,807	$ 22,199,807	$ 965,806
Total	$ 21,234,001	$ -	$ 21,234,001	$ -	$ -	$ 21,234,001	$ 20,679,807	$ 22,199,807	$ 965,806

STATISTICAL SECTION

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STATISTICAL SECTION

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

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Financial Trends
These schedules contain trend information to help the reader understand how the City's financial information and well-being have changed over time. 290 - 295

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes. 296 - 302

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. 303 - 307

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time. 308 - 309

Operating Information
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. 310 - 314

Waterworks and Sewer System Information
These schedules contain information about how the City's Waterworks and Sewer System financial information relates to services and activities provided. 315 - 318

Drainage Utility **Information**
These schedules contain information about how the City's Drainage Utility financial information relates to services and activities provided. 319

Hotel Occupancy Tax Information
These schedules contains information about how the City's Hotel Occupancy Tax financial information relates to services and activities provided. 320 - 322

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

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CITY OF AMARILLO, TEXAS
NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Net Investment in Capital Assets	$ 480,805,642	$ 435,098,493	$ 428,814,543	$ 394,218,122	$ 402,316,847	$ 389,564,377	$ 432,567,629	$ 386,319,847	$ 369,427,169	$ 366,307,710
Restricted for:										
Debt Service	4,271,368	6,619,914	19,987,909	14,376,876	1,208,088	2,000,474	3,621,710	1,993,391	5,538,062	3,782,207
Tax Increment Financing	6,974,270	5,881,433	5,172,900	4,030,881	3,156,856	2,252,955	1,650,395	1,650,395	1,623,164	2,515,936
Capital Outlay	1,563,736	-	-	-	-	-	-	2,252,955	-	1,650,695
Other Purposes	22,209,530	20,329,042	14,933,544	26,715,825	24,182,805	22,570,735	29,378,545	26,918,100	8,398,866	5,484,949
Unrestricted	35,266,307	102,980,176	104,453,356	91,913,988	14,014,456	(4,952,392)	(70,244,908)	(20,715,856)	(47,062,287)	(28,863,242)
Total Governmental Activities Net Position	$ 551,090,853	$ 570,909,058	$ 573,362,252	$ 531,255,692	$ 444,879,052	$ 411,436,149	$ 396,973,371	$ 398,418,832	$ 337,924,974	$ 350,878,255
Business-Type Activities										
Net Investment in Capital Assets	$ 664,560,786	$ 616,534,371	$ 601,792,401	$ 571,862,729	$ 545,702,261	$ 525,232,133	$ 502,604,330	$ 483,457,427	$ 444,384,784	$ 433,391,146
Restricted for:										
Debt Service	9,550,551	19,032,194	13,930,498	14,270,338	11,497,033	6,163,507	8,233,447	7,652,378	6,588,837	6,084,330
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	40,434,048	68,788,918	63,122,689	58,808,810	49,611,288	47,508,063	38,003,417	42,064,112	58,053,615	49,991,605
Total Business-Type Activities Net Position	$ 714,545,385	$ 704,355,483	$ 678,845,588	$ 644,941,877	$ 606,810,582	$ 578,903,703	$ 548,841,194	$ 533,173,917	$ 509,027,236	$ 489,467,081
Primary Government										
Net Investment in Capital Assets	$ 1,145,366,428	$ 1,051,632,864	$ 1,030,606,944	$ 966,080,851	$ 948,019,108	$ 914,796,510	$ 935,171,959	$ 869,777,274	$ 813,811,953	$ 799,698,856
Restricted for:										
Debt Service	13,821,919	25,652,108	33,918,407	28,647,214	12,705,121	8,163,981	11,855,157	9,645,769	12,126,899	9,866,537
Tax Increment Financing	6,974,270	5,881,433	5,172,900	4,030,881	3,156,856	2,252,955	1,650,395	1,650,395	1,623,164	2,515,936
Capital Outlay	1,563,736	-	-	-	-	-	-	2,252,955	-	1,650,695
Other Purposes	22,209,530	20,329,042	14,933,544	26,715,825	24,182,805	22,570,735	29,378,545	26,918,100	8,398,866	5,484,949
Unrestricted	75,700,355	171,769,094	167,576,045	150,722,798	63,625,744	42,555,671	(32,241,491)	21,348,256	10,991,328	21,128,363
Total Primary Government Net Position	$ 1,265,636,238	$ 1,275,264,541	$ 1,252,207,840	$ 1,176,197,569	$ 1,051,689,634	$ 990,339,852	$ 945,814,565	$ 931,592,749	$ 846,952,210	$ 840,345,336
Component Units										
Net Investment in Capital Assets	$ 13,687,535	$ 50,564,668	$ 54,067,328	$ 55,728,211	$ 57,746,644	$ 59,343,536	$ 61,735,665	$ 64,798,720	$ 67,407,683	$ 12,468,562
Restricted for:										
Debt Service	3,820,998	5,826,137	5,780,766	6,551,408	6,294,095	6,334,261	7,071,045	5,485,866	979,053	12,119,902
Other Purposes	112,753,170	20,903,300	24,256,388	21,880,646	39,765,432	9,756,251	11,997,330	51,942,802	3,950,662	3,643,106
Unrestricted	138,996,240	204,146,995	204,067,703	200,032,825	221,354,814	222,354,076	243,354,340	238,880,978	241,347,724	258,011,431
Total Component Units Activities Net Position	$ 269,257,943	$ 281,441,100	$ 288,172,185	$ 284,193,090	$ 325,160,985	$ 297,788,124	$ 324,158,380	$ 361,108,366	$ 313,685,122	$ 286,243,001

CITY OF AMARILLO, TEXAS
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
Expenses	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
General Government and Administration	$ 30,332,473	$ 34,895,650	$ 28,209,890	$ 23,683,543	$ 23,772,181	$ 21,973,506	$ 23,184,118	$ 20,001,400	$ 21,064,801	$ 20,851,218
Public Safety and Health	173,978,910	163,320,869	124,429,967	96,806,507	100,945,075	111,473,412	113,380,917	106,934,135	109,098,944	104,181,567
Streets, Traffic and Engineering	36,862,405	33,629,003	28,781,953	24,903,326	23,095,095	23,312,421	24,640,143	23,373,741	23,588,460	21,874,716
Culture and Recreation	42,090,753	39,688,385	33,379,158	29,742,495	27,076,651	26,641,837	29,712,341	29,070,736	27,387,507	26,367,544
Solid Waste	27,992,511	25,428,902	21,775,831	18,035,318	17,343,743	18,472,117	15,402,955	17,489,426	15,390,078	13,834,793
Transit	9,125,123	7,749,548	6,023,480	5,388,811	5,918,092	5,771,823	6,042,060	5,665,669	5,446,446	5,567,243
Economic Development	5,163,594	5,966,841	5,477,095	3,892,806	2,058,637	3,150,026	3,237,465	3,841,058	6,558,819	12,211,918
Urban Redevelopment/Housing	16,226,669	16,261,031	16,642,438	15,344,470	15,585,015	14,813,413	12,675,458	11,312,847	12,969,762	11,168,871
Interest on Long-Term Debt	9,648,661	8,196,668	8,260,888	8,018,883	6,712,130	5,726,472	5,735,225	5,363,761	3,146,654	2,371,915
Total Governmental Activities Expenses	351,421,099	335,136,896	272,980,700	225,816,159	222,506,619	231,335,027	234,010,682	223,052,773	224,651,471	218,429,785
Business-Type Activities										
Water and Sewer	102,470,751	95,687,181	82,765,301	79,053,860	65,380,727	63,675,508	73,215,660	62,223,013	61,909,502	59,713,515
Drainage Utility	10,462,945	8,224,737	5,217,461	4,908,747	4,253,932	4,602,834	3,202,944	2,958,630	3,042,378	2,563,644
Airport	21,682,365	19,976,605	18,773,183	16,400,520	16,636,611	14,662,163	14,617,231	14,581,119	13,593,479	12,824,993
Total Business-Type Activities Expenses	134,616,061	123,888,523	106,755,945	100,363,127	86,271,270	82,940,505	91,035,835	79,762,762	78,545,359	75,102,152
Total Primary Government Expenses	$ 486,037,160	$ 459,025,419	$ 379,736,645	$ 326,179,286	$ 308,777,889	$ 314,275,532	$ 325,046,517	$ 302,815,535	$ 303,196,830	$ 293,531,937
Component Units										
Amarillo Hospital District	$ 92,615,478	$ 78,077,891	$ 50,489,783	$ 50,198,823	$ 30,851,175	$ 30,108,105	$ 59,547,140	$ 22,809,856	$ 10,991,668	$ 8,482,393
Amarillo Economic Development Corporation	13,954,201	45,871,985	27,423,469	17,740,755	15,107,444	43,053,405	24,173,802	17,164,756	30,773,567	21,490,466
Amarillo-Potter Events District	4,544,194	2,859,471	2,994,273	4,572,140	2,720,621	2,314,374	3,228,142	3,136,507	2,210,341	2,875,830
Amarillo Convention & Visitors Bureau	-	2,261,154	2,303,019	1,711,350	852,658	-	-	-	-	-
Amarillo Housing Finance Corporation	-	-	-	-	-	-	-	-	-	-
Amarillo Health Facilities Corporation	-	-	-	-	-	-	-	-	-	-
Tax Increment Reinvestment Zone #1	-	-	-	-	-	-	-	270	-	-
Amarillo Local Government Corporation	2,259,600	2,278,916	1,916,744	2,079,476	2,333,666	2,224,775	2,042,521	2,022,550	311,006	64,084
Total Component Units Activities Expenses	$ 113,373,473	$ 131,349,417	$ 85,127,288	$ 76,302,544	$ 51,865,564	$ 77,700,659	$ 88,991,605	$ 45,133,939	$ 44,286,582	$ 32,912,773
Program Revenues										
Governmental Activities:										
Fees, Fines, and Charges For Services:										
General Government and Administration	$ 11,768,708	$ 10,479,910	$ 9,812,537	$ 11,288,713	$ 10,122,152	$ 9,623,873	$ 9,875,597	$ 9,686,712	$ 9,866,838	$ 9,086,805
Public Safety And Health	13,534,821	12,495,631	11,336,047	13,413,282	11,778,400	10,422,108	10,808,393	10,216,819	9,675,793	8,920,524
Streets, Traffic and Engineering	462,759	1,023,811	989,967	752,820	821,742	971,425	1,686,805	1,149,616	1,316,207	882,924
Culture and Recreation	10,454,554	11,761,193	10,931,274	9,661,016	7,562,228	7,030,732	8,820,423	10,330,913	7,006,781	6,707,749
Solid Waste	34,423,517	30,814,034	27,267,118	23,986,223	23,918,544	23,361,603	20,971,891	20,522,012	20,011,490	19,468,069
Transit	292,545	698,827	696,338	542,663	514,323	511,227	356,401	202,330	193,226	188,419
Economic Development	-	-	-	-	-	-	-	-	-	-
Urban Redevelopment/Housing	76,714	131,046	231,140	93,365	157,007	284,546	66,632	100,229	233,577	73,079
Operating Grants and Contributions	28,348,536	38,936,236	37,182,538	60,931,916	33,871,780	40,412,852	22,853,120	23,646,610	26,127,954	20,392,663
Capital Grants And Contributions	14,286,020	28,718,199	21,491,920	15,987,418	13,043,805	12,677,070	12,033,363	12,970,962	13,245,080	10,481,151
Total Governmental Activities Program Revenues	113,648,174	135,058,887	119,938,879	136,657,416	101,789,981	105,295,436	87,472,625	88,826,203	87,676,946	76,201,383

CITY OF AMARILLO, TEXAS
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Business-Type Activities										
Water and Sewer	$ 101,112,745	$ 102,960,256	$ 94,674,544	$ 94,605,546	$ 84,588,159	$ 84,147,350	$ 76,075,403	$ 84,539,511	$ 75,145,344	$ 73,507,187
Drainage Utility	10,888,900	10,835,472	7,624,310	6,902,531	6,528,963	6,357,689	5,594,762	5,548,081	5,540,635	5,581,158
Airport	15,755,429	16,481,016	14,580,451	11,704,906	10,261,116	9,518,458	12,193,581	11,424,284	10,764,718	9,790,456
Operating Grants and Contributions	4,359,809	1,897,317	545,351	6,357,409	6,180,912	6,706,126	2,713,821	588,563	25,692	-
Capital Grants and Contributions	11,780,636	8,424,818	8,819,218	10,313,742	6,822,070	4,765,754	6,422,346	7,245,540	7,328,325	4,907,514
Total Business-Type Activities Program Revenues	143,897,519	140,598,879	126,243,874	129,884,134	114,381,220	111,495,377	102,999,913	109,345,979	98,804,714	93,786,315
Total Primary Government Revenues	$ 257,545,693	$ 275,657,766	$ 246,182,753	$ 266,541,550	$ 216,171,201	$ 216,790,813	$ 190,472,538	$ 198,172,182	$ 186,481,660	$ 169,987,698
Component Units										
Amarillo Hospital District	$ 60,475,381	$ 60,821,947	$ 40,318,895	$ 20,087,912	$ 49,544,970	$ 17,853,204	$ 11,935,272	$ 65,045,092	$ 33,311	$ -
Amarillo Economic Development Corporation	964,460	10,594,803	12,084,883	3,253,683	3,598,652	4,287,496	3,834,920	5,339,886	5,547,126	10,865,721
Amarillo-Potter Events District	-	79,588	45,227	127,931	150,581	-	106,359	107,267	71,947	56,342
Amarillo Housing Finance Corporation	-	-	67,210	50	-	92	123	5,527	190	267
Amarillo Health Facilities Corporation	-	-	-	-	-	-	-	-	-	-
Tax Increment Reinvestment Zone #1	-	-	-	-	-	-	-	-	-	-
Amarillo Local Government Corporation	-	825,721	393,311	-	413,412	314,877	442,852	388,524	4,607,037	10,621,715
Operating Grants and Contributions	382,569	411,436	-	361,734	367,171	327,141	355,752	356,636	277,338	193,111
Capital Grants and Contributions	-	-	-	391,191	(451,504)	(117,626)	-	-	40,700,000	39,736
Total Component Units Revenue	$ 61,822,410	$ 72,733,495	$ 52,909,526	$ 24,222,501	$ 53,623,282	$ 22,665,184	$ 16,675,278	$ 71,242,932	$ 51,236,949	$ 21,776,892
Net (Expense) Revenue										
Governmental Activities	$ (228,736,016)	$ (200,078,009)	$ (153,041,822)	$ (89,158,743)	$ (120,716,638)	$ (126,039,591)	$ (146,538,057)	$ (134,226,570)	$ (136,974,525)	$ (142,228,402)
Business-Type Activities	9,281,458	16,710,356	19,487,929	29,521,007	28,109,950	28,554,872	11,964,078	29,583,217	20,259,355	18,684,163
Total Primary Government Net Expense	$ (219,454,558)	$ (183,367,653)	$ (133,553,893)	$ (59,637,736)	$ (92,606,688)	$ (97,484,719)	$ (134,573,979)	$ (104,643,353)	$ (116,715,170)	$ (123,544,239)
Component Units										
Amarillo Hospital District	$ (32,112,418)	$ (16,844,508)	$ (10,170,888)	$ (29,719,720)	$ 19,060,966	$ (11,927,760)	$ (47,256,116)	$ 42,591,872	$ (10,681,019)	$ (8,249,546)
Amarillo Economic Development Corporation	(12,987,740)	(35,277,182)	(16,101,382)	(14,487,072)	(12,504,024)	(38,765,909)	(20,338,882)	(11,824,870)	(25,226,441)	(10,624,745)
Amarillo-Potter Events District	(3,404,696)	(2,779,883)	(2,949,046)	(4,444,209)	(2,570,040)	(2,314,374)	(3,121,783)	(3,029,240)	(2,138,394)	(2,819,488)
Amarillo Convention & Visitors Bureau	-	(2,180,388)	(2,235,809)	(1,711,300)	(306,320)	-	-	-	-	-
Amarillo Housing Finance Corporation	-	-	-	-	-	92	123	5,527	190	267
Amarillo Health Facilities Corporation	-	-	-	-	-	-	-	(270)	-	-
Amarillo Local Government Corporation	(1,904,710)	(1,453,195)	(1,523,433)	(1,717,742)	(1,920,254)	(2,027,524)	(1,599,669)	(1,634,026)	44,996,031	10,557,631
Total Component Units Net Expense	$ (50,409,564)	$ (58,535,156)	$ (32,980,558)	$ (52,080,043)	$ 1,760,328	$ (55,035,475)	$ (72,316,327)	$ 26,108,993	$ 6,950,367	$ (11,135,881)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes, Levied for General Purposes	$ 64,283,177	$ 60,201,535	$ 57,970,644	$ 55,888,416	$ 50,992,631	$ 49,633,223	$ 45,893,341	$ 44,631,498	$ 42,547,617	$ 40,480,567
Property Taxes, Levied for Debt Services	12,821,217	13,397,946	11,783,154	10,812,992	7,021,065	5,726,974	5,218,010	4,504,109	2,789,543	2,822,783
Sales Taxes	80,182,847	77,538,686	75,393,340	74,467,785	67,507,499	59,785,142	59,175,698	57,403,769	55,544,448	56,093,996
Mixed Beverage Taxes	1,110,536	1,152,431	1,157,840	1,124,346	950,948	727,691	954,629	893,587	816,149	810,426

CITY OF AMARILLO, TEXAS
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities (Continued):										
Hotel Occupancy Taxes	$ 9,135,023	$ 8,191,671	$ 8,386,003	$ 8,832,427	$ 7,858,566	$ 4,879,165	$ 6,458,248	$ 6,355,676	$ 6,591,586	$ 6,777,185
Gross Receipts Business Taxes	22,488,972	21,426,222	22,959,078	21,047,981	19,087,424	16,961,374	17,350,836	18,208,762	17,962,785	16,778,557
Unrestricted Investment Earnings	12,027,754	16,088,799	13,421,365	444,582	449,188	2,347,563	4,655,471	2,650,804	1,268,229	843,358
Income (Expense) From Use And Disposition of Property	-	-	-	-	-	-	-	-	-	-
Other	14,639,788	2,520,196	3,344,554	3,507,403	292,220	441,237	7,171,591	(292,622)	1,197,273	42,453
Total Governmental Activities	216,689,314	200,517,486	194,415,978	176,125,932	154,159,541	140,502,369	146,877,824	134,355,583	128,717,630	124,649,325
Business-Type Activities										
Unrestricted Investment Earnings	7,776,730	11,547,217	9,376,600	392,691	89,149	1,928,874	3,510,746	1,806,398	498,073	487,381
Income (Expense) from Use And Disposition of Property	-	-	-	-	-	-	-	-	-	-
Other	(6,868,286)	(2,520,196)	1,655,446	8,217,597	(292,220)	(421,237)	(558,955)	292,622	(1,197,273)	(1,420,423)
Total Business-Type Activities	908,444	9,027,021	11,032,046	8,610,288	(203,071)	1,507,637	2,951,791	2,099,020	(699,200)	(933,042)
Total Primary Government	$ 217,597,758	$ 209,544,507	$ 205,448,024	$ 184,736,220	$ 153,956,470	$ 142,010,006	$ 149,829,615	$ 136,454,603	$ 128,018,430	$ 123,716,283
Component Units										
Property Taxes, Levied for General Purposes	$ 25	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Taxes, Levied for Debt Services	-	-	-	-	-	-	-	-	-	-
Sales Taxes	26,648,782	29,682,704	28,953,017	28,644,987	22,502,499	19,943,667	19,725,232	19,134,590	18,514,816	18,697,999
Gross Receipts Business Taxes	4,036,947	2,901,604	4,187,333	1,384,780	4,295,894	2,343,334	3,120,780	2,970,579	2,840,646	2,917,154
Unrestricted Investment Earnings	10,879,630	19,219,763	3,819,303	(18,960,537)	(1,185,860)	7,972,852	12,520,329	(772,223)	(340,235)	5,548,637
Total Component Units Activities	$ 41,565,384	$ 51,804,071	$ 36,959,653	$ 11,069,230	$ 25,612,533	$ 30,259,853	$ 35,366,341	$ 21,332,946	$ 21,015,227	$ 27,163,790
Change in Net Position										
Governmental Activities	$ (19,818,205)	$ 439,477	$ 41,374,155	$ 86,967,189	$ 33,442,903	$ 14,462,778	$ 339,767	$ 129,013	$ (8,256,895)	$ (17,579,077)
Business-Type Activities	10,189,902	25,737,377	30,519,975	38,131,295	27,906,879	30,062,509	14,915,869	31,682,237	19,560,155	17,751,121
Total Primary Government	$ (9,628,303)	$ 26,176,854	$ 71,894,130	$ 125,098,484	$ 61,349,782	$ 44,525,287	$ 15,255,636	$ 31,811,250	$ 11,303,260	$ 172,044
Total Component Units	$ (8,844,180)	$ (6,731,085)	$ 3,979,095	$ (41,010,813)	$ 27,372,861	$ (24,775,622)	$ (36,949,986)	$ 47,441,939	$ 27,965,594	$ 16,027,909

CITY OF AMARILLO, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable:										
Prepaid Items	472,192	(2,344)	38,526	36,767	292,177	303,478	10,608	34,874	31,933	21,203
Inventory	250,206	2,130,738	1,756,869	1,754,385	1,469,279	1,390,445	1,160,490	1,398,034	1,178,590	1,681,954
Uncollected Taxes	-	117,916	115,707	77,261	66,995	116,360	69,530	74,195	75,466	45,820
Advances to Other Funds	-	-	522,343	557,333	591,122	623,752	655,261	685,689	715,043	-
Restricted for:										
Debt Service	2,041,234									
Special Purposes	351,320	1,938,735	1,323,782	1,323,782	1,323,782	-	-	-	-	-
Committed for:										
Encumbrances	-	-	-	-	-	-	-	-	-	-
Unreserved/Unassigned	44,720,491	65,512,297	69,602,561	74,922,951	65,727,866	60,304,707	41,751,499	45,894,428	43,661,641	46,330,873
Total General Fund	$ 47,835,443	$ 69,697,342	$ 73,359,788	$ 78,672,479	$ 69,471,221	$ 62,738,742	$ 43,647,388	$ 48,087,220	$ 45,662,673	$ 48,079,850
All Other Governmental Funds										
Nonexpendable:										
Prepaid Items	$ 13,593,048	$ 13,541	$ 12,986	$ 51,482	$ 40,649	$ 51,945	$ 8,558	$ 4,538	$ 7,248	$ 10,769
Uncollected Taxes	-	26,427	23,844	12,868	8,736	13,461	6,895	5,508	5,648	3,818
Advanced to Other Funds	-	17,693	17,693	17,693	17,693	17,693	17,693	17,693	-	-
Restricted for:										
Debt Service Fund	2,230,134	3,766,096	2,855,834	3,226,979	1,428,207	1,912,160	3,041,911	1,340,072	1,090,928	904,204
Capital Projects	1,563,736	-	-	5,587,448	5,022,571	5,627,302	10,626,612	-	2,635,986	2,635,986
Special Purposes	28,832,480	25,283,311	22,745,572	20,044,169	18,976,636	17,424,556	14,162,853	13,286,529	10,016,563	8,624,696
Committed for:										
Compensated Absences	(593,554)	(420,639)	25,400	32,483	25,688	398,599	708,629	1,412,287	3,550,232	4,915,277
Assigned for:										
Capital Projects	94,275,891	42,473,735	65,635,990	130,158,529	73,031,876	34,234,134	39,639,612	90,534,266	62,308,575	44,245,744
Unreserved/Unassigned	(2,375,255)									
Total all Other Governmental Funds	$ 137,526,480	$ 71,160,164	$ 91,317,319	$ 159,131,651	$ 98,552,056	$ 59,679,850	$ 68,212,763	$ 106,600,893	$ 79,615,180	$ 61,340,494

Source: Information obtained from the City's Comprehensive Annual Financial Reports.

CITY OF AMARILLO, TEXAS
GOVERNMENTAL FUNDS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS, LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	$ 190,021,772	$ 180,908,831	$ 176,461,177	$ 170,622,974	$ 152,999,681	$ 136,912,875	$ 134,265,695	$ 131,428,612	$ 125,707,610	$ 123,284,814
License And Permits	6,405,179	5,435,219	4,972,928	4,902,238	4,827,057	3,875,490	3,534,174	3,300,746	3,379,143	3,234,237
Interfund Revenues	25,000	960,481	961,684	1,064,426	1,007,600	1,284,850	1,879,045	1,297,732	1,362,765	919,710
Intergovernmental Revenues	28,305,323	40,736,022	39,531,535	62,350,479	34,014,848	42,181,833	23,691,837	24,773,874	29,116,583	21,872,713
Grants-in-Aid	-	-	-	1,578,994	26,731	-	-	-	-	-
Citizen Contributions	84,674	84,374	170,361	580,622	97,233	525,609	87,099	49,768	187,497	24,864
Construction Participation	8,568,516	8,943,215	13,115,108	8,226,901	6,011,366	4,823,934	7,297,396	9,564,048	8,743,879	5,077,744
Revenue from Participating Taxing Entities	2,639,355	2,367,769	1,858,030	1,807,900	1,685,152	1,497,439	1,076,355	746,065	640,129	655,852
Other Entity Participations	108,179	2,069,892	2,047,172	226,250	226,250	226,250	-	-	-	100,000
Charges for Services	61,104,264	53,789,469	49,386,816	44,531,336	41,478,871	40,023,318	39,506,191	38,909,157	36,274,459	34,678,170
Fines and Forfeitures	4,633,343	4,267,166	3,518,783	6,253,047	4,756,490	4,679,114	6,019,094	6,549,307	6,487,419	5,699,964
Investment Earnings	10,994,569	13,616,988	11,109,498	8,154	384,044	1,712,667	3,704,551	2,159,031	1,042,999	682,885
Other Rentals and Commissions	1,616,358	715,335	814,130	1,281,063	1,279,081	1,502,691	609,697	482,908	479,190	491,669
Miscellaneous	9,737,197	1,526,572	2,118,325	577,218	825,093	502,729	395,576	1,806,518	477,337	487,816
Total Revenues	324,243,729	315,421,333	306,065,547	304,011,602	249,619,497	239,748,799	222,066,710	221,067,766	213,899,010	197,210,438
Expenditures										
General Government and Administration	28,670,355	29,656,847	26,291,128	22,790,719	22,243,351	20,085,727	20,472,736	18,623,409	18,851,886	19,367,655
Public Safety and Health	179,618,211	156,364,815	145,806,077	132,370,273	124,545,186	121,433,000	116,451,569	112,510,824	112,018,659	106,379,423
Culture and Recreation	29,965,456	28,927,411	26,315,478	23,714,608	21,014,927	19,737,669	23,529,989	23,393,846	21,952,536	20,776,190
Solid Waste	22,574,668	21,736,017	20,387,201	17,456,797	16,975,730	16,433,111	16,561,807	15,293,540	14,132,745	13,019,526
Transit System	6,821,259	5,696,261	5,383,797	4,807,545	4,902,209	4,847,793	5,380,196	5,038,578	4,716,811	4,633,595
Urban Redevelopment and Housing	16,060,498	15,812,420	16,223,694	15,548,139	15,683,494	14,842,540	12,665,085	11,661,271	13,078,306	11,107,518
Economic Development/Tourism	6,083,625	3,491,013	5,598,749	4,040,657	2,194,806	3,282,392	3,366,915	3,975,529	6,558,819	12,211,918
Capital Outlay	64,922,736	66,324,672	62,435,693	32,915,968	37,973,359	38,028,965	60,439,644	52,636,028	28,575,975	18,251,480
Debt Service:										
Principal Retirement	14,487,000	13,755,000	12,548,000	7,132,000	5,960,000	4,291,913	4,110,037	2,841,509	2,399,051	2,080,659
Interest and Fiscal Charges	6,735,801	7,422,846	7,222,354	6,821,391	5,137,259	4,803,026	5,043,070	3,475,426	1,758,596	1,513,688
Bond Issuance Cost	314,723	-	-	244,187	213,171	192,557	-	1,660,652	-	-
Termination Vacation and Sick Leave Pay	1,410,459	1,698,047	1,963,702	1,903,692	2,076,369	1,512,308	2,126,448	2,108,950	1,374,058	1,857,067
Total Expenditures	377,664,791	350,885,349	330,175,873	269,745,976	258,919,861	249,491,001	270,147,496	253,219,562	225,417,442	211,198,719
Excess of Revenues Over (Under) Expenditures	(53,421,062)	(35,464,016)	(24,110,326)	34,265,626	(9,300,364)	(9,742,202)	(48,080,786)	(32,151,796)	(11,518,432)	(13,988,281)
Other Financing Sources (Uses):										
Transfers from Other Funds	38,713,386	45,156,404	36,877,492	75,403,083	20,495,736	7,615,889	18,567,746	10,780,666	12,532,337	12,826,493
Transfers to Other Funds	(35,074,054)	(44,226,792)	(39,910,791)	(78,947,058)	(25,294,281)	(7,521,191)	(18,343,103)	(11,490,194)	(12,349,445)	(13,728,025)
Other	-	-	-	-	-	-	-	-	(1,769,719)	(1,377,970)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	20,000	6,612,636	-	(17,265,000)	-
Bond Premium	2,787,996	-	-	999,203	4,419,813	441,415	-	927,566	2,897,768	(401,232)
Issuance of Refunding Debt	-	-	-	-	-	-	-	-	-	-
Issuance of Long-Term Debt	38,990,000	-	15,125,000	38,060,000	53,960,000	26,280,000	-	63,980,000	43,330,000	11,995,000
Total Other Financing Sources (Uses)	45,417,328	929,612	12,091,701	35,515,228	53,581,268	26,836,113	6,837,279	64,198,038	27,375,941	9,314,266
Net Change in Fund Balances	$ (8,003,734)	$ (34,534,404)	$ (12,018,625)	$ 69,780,854	$ 44,280,904	$ 17,093,911	$ (41,243,507)	$ 32,046,242	$ 15,857,509	$ (4,674,015)
Debt Service as A Percentage ff Noncapital Expenditures	6.786%	7.442%	7.384%	5.892%	5.023%	4.301%	4.365%	3.149%	2.112%	1.863%

CITY OF AMARILLO, TEXAS
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS, LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year	Property Taxes* General Fund	Property Taxes* Debt Service	Sales Taxes	Mixed Beverage Taxes	Hotel Occupancy Taxes	Gross Receipts Business Taxes	Total Taxes
2016	$ 40,001,867	$ 2,822,783	$ 56,093,996	$ 810,426	$ 6,777,185	$ 16,778,557	$ 123,284,814
2017	42,003,099	2,789,543	55,544,448	816,149	6,610,423	17,962,785	125,726,447
2018	44,062,709	4,504,109	57,403,769	893,587	6,932,936	18,208,762	132,005,872
2019	45,108,274	5,218,010	59,175,698	954,629	7,208,732 (1)	17,350,836	135,016,179
2020	48,832,529	5,726,974	59,785,142	727,691	7,208,732 (2)	16,961,374	137,464,883
2021	50,574,179	7,021,065	67,507,499	950,948	8,545,313 (3)	19,087,424	153,686,428
2022	54,337,443	10,812,992	74,467,785	1,124,346	9,585,539 (4)	21,047,981	171,376,086
2023	56,781,762	11,783,154	75,393,340	1,157,840	8,386,003 (5)	22,959,078	176,461,177
2024	59,201,875	13,397,946	77,538,686	1,152,431	8,191,671 (6)	21,426,222	180,908,831
2025	58,223,086	12,528,895	79,577,632	1,110,536	9,943,371 (7)	22,488,972	183,872,492
Change 2016-2025	64.03%	367.56%	42.50%	53.28%	37.97%	17.18%	52.87%

Notes:

* The City was able to keep its property tax rates fairly stable because of substantial growth in property tax values (See Exhibit A-6.)

(7) $808,348 was rebated during the year ended September 30, 2025.

(6) $871,423 was rebated during the year ended September 30, 2024.

(5) $794,828 was rebated during the year ended September 30, 2023.

(4) $753,112 was rebated during the year ended September 30, 2022.

(3) $686,797 was rebated during the year ended September 30, 2021.

(2) $552,008 was rebated during the year ended September 30, 2020.

(1) $750,484 was rebated during the year ended September 30, 2019.

CITY OF AMARILLO, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year	Real Estate	Business Personal	Total Assessed Value	Less: Tax-Exempt Property	Taxable Value	Total Direct Tax Rate
2016	$ 11,896,261,823	$ 1,650,461,901	$ 13,546,723,724	$ 2,004,664,460	$ 11,542,059,264	0.34509
2017	12,372,427,053	1,767,776,977	14,140,204,030	2,074,738,931	12,065,465,099	0.35072
2018	13,069,862,666	1,820,657,962	14,890,520,628	2,102,746,587	12,787,774,041	0.35072
2019	13,472,051,057	1,842,147,371	15,314,198,428	2,165,143,672	13,149,054,756	0.36364
2020	14,010,925,947	1,873,109,857	15,884,035,804	2,267,402,353	13,616,633,451	0.36838
2021	14,532,887,588	1,981,618,042	16,514,505,630	2,415,832,309	14,098,673,321	0.39681
2022	15,002,010,347	2,063,554,910	17,065,565,257	2,471,389,939	14,594,175,318	0.44334
2023	15,547,814,500	2,276,367,809	17,824,182,309	2,693,984,550	15,130,197,759	0.40628
2024	21,439,681,292	3,029,980,850	24,469,662,142	4,473,511,050	19,996,151,092	0.39195
2025	22,763,882,956	3,696,695,461	26,460,578,417	4,014,466,586	22,446,111,831	0.38723

Source: Potter and Randall Counties

Notes: Property in Potter County and Randall County is reassessed annually. The counties assess property at approximately 100% of actual value for business personal property and 100% for real estate property. Tax rates are per $100 of taxable value.

CITY OF AMARILLO, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES, LAST TEN FISCAL YEARS
(RATE PER $100 OF ASSESSED VALUE)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	City Direct Rates			Overlapping Rates							
Fiscal Year	Basic Rate	General Obligation Debt Service	Total Direct Rate	Amarillo Independent School District and County Education District 20	Amarillo College District	Canyon Independent School District	River Road Independent School District	Potter County	Randall County	Highland Park Independent School District	Bushland Independent School District
2016	0.32566	0.02506	0.35072	1.18900	0.20750	1.26000	1.35000	0.66402	0.40605	1.16190	1.26804
2017	0.32698	0.02374	0.35072	1.18900	0.20750	1.26500	1.35000	0.67000	0.41473	1.16190	1.23777
2018	0.32698	0.03666	0.36364	1.23900	0.20750	1.26500	1.35000	0.68500	0.43126	1.18590	1.23371
2019	0.32698	0.04140	0.36838	1.16900	0.22790	1.23000	1.27650	0.70100	0.44126	1.10330	1.16371
2020	0.34448	0.04403	0.38851	1.15540	0.22790	1.28000	1.00280	0.69015	0.44421	1.09740	1.16010
2021	0.34448	0.05233	0.39681	1.14960	0.22790	1.23300	1.00280	0.70595	0.44421	1.08480	1.15665
2022	0.36423	0.07911	0.44334	1.08470	0.22323	1.14000	1.16200	0.64725	0.41713	0.98670	1.34055
2023	0.33079	0.07549	0.40628	0.92580	0.22031	0.96000	0.96560	0.61692	0.40148	0.98920	1.06737
2024	0.31444	0.07751	0.39195	0.88300	0.21556	0.93000	1.02715	0.62193	0.40115	0.98971	0.98469
2025	0.31867	0.06856	0.38723	0.87120	0.21994	0.92720	0.91970	0.61525	0.40099	0.96580	1.01165

The maximum tax rate provided by City charter is $1.80, of which $1.30 may be levied for general purposes; the remaining $0.50 may be used only for waterworks purposes.

Taxes are assessed by the Potter-Randall Appraisal District. The City of Amarillo collected its own taxes until July 1, 1996, when Potter and Randall Counties assumed collection responsibilities for all entities within their boundaries. Taxes are due October 1, and become delinquent February 1. Delinquent taxes are subject to 12% to 18% per annum interest plus a penalty of 5% to 10% in accordance with statutes.

CITY OF AMARILLO, TEXAS
PRINCIPAL PROPERTY TAXPAYERS, CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025			2016		
Taxpayer	Taxable Value	Rank	Percent of Total City Taxable Value	Taxable Value	Rank	Percent of Total City Taxable Value
Southwestern Public Service	$ 922,603,830	1	4.110%	$ 115,863,982	1	1.004%
BNSF Railway Company	265,405,680	2	1.182%	70,851,872	5	0.614%
Bell Helicopter Textron	253,582,300	3	1.130%	-		0.000%
Tyson Fresh Meats Inc	210,708,905	4	0.939%	-		0.000%
Atmos Energy	196,664,650	5	0.876%	54,998,098	7	0.477%
BSA Hospital LLC	140,036,980	6	0.624%	105,866,750	2	0.917%
Affiliated Foods Inc	79,702,640	7	0.355%	-		0.000%
Messer LLC	75,500,000	8	0.336%	-		0.000%
Northwest Texas Healthcare/UHS of Amarillo	69,352,981	9	0.309%	93,916,813	3	0.814%
Amarillo National Bank	53,948,144	10	0.240%	39,348,964	9	0.341%
Amarillo Mall, LLC	-		0.000%	63,835,317	6	0.553%
Toot N Totum, Inc	-		0.000%	41,550,047	8	0.360%
Case Newport	-		0.000%	38,690,935	10	0.335%
Walmart	-		0.000%	88,569,247	4	0.767%
Total taxable value of ten largest taxpayers	2,267,506,110		10.102%	713,492,025		6.182%
Total taxable value of other taxpayers	20,178,605,721		89.898%	10,828,567,239		93.818%
Total taxable value of all taxpayers	$ 22,446,111,831		100.000%	$ 11,542,059,264		100.000%

Source: Potter Randall Appraisal District

*Amarillo Economic Development Corporation owns and leases property to Bell Helicopter.

CITY OF AMARILLO, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended September 30,	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 39,236,666	$ 38,751,501	98.76	$ 479,714	$ 39,231,215	99.99
2017	40,948,124	40,559,556	99.05	381,047	40,940,603	99.98
2018	44,623,248	44,198,870	99.05	415,090	44,613,960	99.98
2019	46,446,992	45,951,750	98.93	480,283	46,432,033	99.97
2020	50,290,705	49,969,323	99.36	298,011	50,267,334	99.95
2021	53,091,686	52,689,367	99.24	338,675	53,028,042	99.88
2022	60,590,154	60,143,235	99.26	312,351	60,455,586	99.78
2023	63,372,302	63,202,054	99.73	170,248	63,372,302	100.00
2024	67,729,006	67,068,248	99.02	306,238	67,374,486	99.48
2025	72,178,019	71,408,042	98.93	-	-	-

Sources: Potter and Randall County Tax Offices

CITY OF AMARILLO, TEXAS
TAXABLE SALES BY CATEGORY, LAST TEN CALENDAR YEARS
(IN $1,000S)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Calendar Year									
	2025*	2024	2023	2022	2021	2020	2019	2018	2017	2016
Agriculture/Forestry/Fishing/Hunting	*	$ 3,697	$ 951	$ 187	$ 419	$ 469	$ 464	$ 6,159	$ 2,789	$ 2,743
Mining/Quarrying/Oil and Gas	*	4,742	17,008	14,052	6,049	3,987	1,064	1,327	5,144	4,350
Utilities	*	105,733	231,457	213,991	167,447	143,037	170,924	159,126	156,533	134,454
Construction	*	93,596	129,951	137,465	113,634	98,484	112,086	111,987	116,092	101,647
Manufacturing	*	74,548	89,741	80,395	76,646	74,980	78,090	82,002	81,103	77,042
Wholesale Trade	*	191,273	265,897	270,077	232,678	230,928	245,218	199,242	193,212	194,437
Retail Trade	*	1,092,022	2,034,894	2,109,843	2,066,367	1,749,541	1,697,514	1,680,577	1,653,926	1,688,710
Transportation/Warehousing	*	2,851	2,192	2,548	2,466	2,122	2,073	1,886	2,401	1,742
Information	*	40,002	75,925	70,917	90,608	117,661	157,112	155,029	132,821	130,722
Finance/Insurance	*	12,688	59,578	43,132	40,184	19,329	16,354	12,360	16,611	20,451
Real Estate/Rental Leasing	*	41,732	55,530	56,571	49,548	42,802	43,987	41,613	38,724	48,556
Professional/Scientific/Technical Services	*	31,701	31,071	32,404	30,982	33,895	38,991	37,380	42,581	46,168
Management of Companies/Enterprises	*	241	46,166	415	547	602	471	416	87	67
Admin/Support/Waste Mgmt/Remediation	*	108,922	143,106	143,580	123,379	110,444	92,605	69,873	69,586	71,048
Educational Services	*	2,131	3,264	3,050	2,835	2,462	3,447	3,857	4,266	4,591
Health Care/Social Assistance	*	5,307	12,914	11,844	9,803	12,922	11,050	13,311	11,676	10,002
Arts/Entertainment/Recreation	*	29,728	52,688	49,594	45,794	29,011	42,154	32,405	28,180	25,334
Accommodation/Food Services	*	377,719	669,032	625,340	590,415	468,278	490,568	470,498	451,961	443,427
Other Services	*	78,391	126,898	126,739	116,903	100,209	106,131	100,053	95,247	95,625
Public Administration	*	4,113	542	391	3,734	385	543	302	Not reported	Not reported
Other	*	2,151	2,608	2,490	-	-	-	-	Not reported	Not reported
All Industries **	*	$ 2,303,288	$ 4,051,413	$ 3,995,025	$ 3,770,438	$ 3,241,548	$ 3,310,846	$ 3,179,403	$ 3,102,940	$ 3,101,116
City direct sales tax rate	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

*Note: State taxable sales information is not available for the 2025 Calendar Year

** All Industries is a total of all industries reported and not reported.

Note: Reported sales tax includes only amounts subject to state sales tax

Source: State of Texas https://ourcpa.cpa.state.tx.us/allocation/HistSales.jsp

CITY OF AMARILLO, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year	City* Direct Rate	State
2016	2.0	6.25
2017	2.0	6.25
2018	2.0	6.25
2019	2.0	6.25
2020	2.0	6.25
2021	2.0	6.25
2022	2.0	6.25
2023	2.0	6.25
2024	2.0	6.25
2025	2.0	6.25

Sources: City Budget Office and Department of Finance

Note: The City sales tax rate may be changed only with the approval of the state legislature.

* The Amarillo Economic Development Corporation is funded with 1/2 percent sales tax.

CITY OF AMARILLO, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT, AS OF SEPTEMBER 30, 2025
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Net Debt Outstanding	Percent Applicable	Applicable Debt Outstanding
Amarillo Independent School District	$ 205,672,407	98.83%	$ 203,266,040
Amarillo College District	92,985,000	100.00%	92,985,000
Amarillo Hospital District	-		-
Canyon Independent School District	201,565,000	38.68%	77,965,342
River Road Independent School District	5,718,200	25.16%	1,438,699
Potter County	64,250,000	76.11%	48,900,675
Randall County	9,094,586	63.96%	5,816,897
Highland Park Independent School District	107,720,000	45.82%	49,357,304
Bushland Independent School District	105,779,459	25.33%	26,793,937
Total Overlapping Debt			506,523,894
City of Amarillo*			538,296,000
Total direct and overlapping debt			$ 1,044,819,894

Sources: Assessed value data used to estimate applicable percentages provided by the Municipal Advisory Council, October 2017. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Amarillo. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

* City of Amarillo outstanding debt includes all governmental activities debt.

CITY OF AMARILLO, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Governmental Activities						Business-type Activities						
	General Bonded Debt												
Fiscal Year	Tax-Supported Debt	Special Assessment/ Other Debt	Percentage of Actual Taxable Value of Property	Per Capita	Hotel Occupancy Debt	Fleet Services Debt	Water & Sewer Revenue Debt	Water Authority Debt	Airport Debt	Drainage Utility Debt	Total Primary Government	Percentage of Personal Income	Per Capita
2016	$ 21,477,662	$ 9,482,840	0.24%	153.70	$ 11,995,000	$ 2,323,931	$ 137,972,057	$ 78,645,922	$ 7,338,808	$ 10,287,436	$ 279,523,656	2.44%	1,387.70
2017	49,212,399	9,041,972	0.44%	287.25	11,995,000	1,400,862	168,468,919	72,649,086	5,634,868	9,595,524	327,998,630	2.85%	1,617.35
2018	69,642,292	11,680,564	0.64%	397.03	50,830,000	462,565	179,326,703	65,917,240	3,850,044	9,090,681	390,800,089	3.31%	1,907.94
2019	66,211,938	11,113,430	0.59%	373.78	50,515,000	-	167,353,382	59,717,941	1,973,552	8,575,740	365,460,983	2.86%	1,766.57
2020	82,899,430	10,642,569	0.69%	447.69	50,195,000	-	184,601,031	53,410,416	-	18,235,283	399,983,729	3.02%	1,914.30
2021	135,805,113	11,002,333	1.04%	728.89	49,065,000	-	199,404,988	45,231,978	-	27,433,484	467,942,896	3.40%	2,323.32
2022	165,582,515	13,938,488	1.23%	886.81	47,910,000	-	241,421,975	36,728,261	-	26,204,731	531,785,970	3.87%	2,640.30
2023	154,666,249	23,656,079	1.22%	880.89	51,295,000	-	271,381,421	28,984,702	-	29,708,517	559,691,968	3.69%	2,764.81
2024	165,582,515	61,848,488	1.24%	1123.48	50,000,000	-	275,423,552	21,739,486	3,063,046	67,344,295	645,001,382	4.25%	3,186.23
2025	163,011,000	19,350,000	1.25%	900.84	50,685,275	-	301,294,000	25,909,000	3,085,000	65,690,000	629,024,275	2.70%	3,073.06

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

CITY OF AMARILLO, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Bonded Debt Outstanding*										
Tax Supported Debt	$ 163,011,000	$ 165,582,515	$ 154,666,249	$ 165,582,515	$ 135,805,113	$ 82,899,430	$ 66,211,938	$ 69,642,292	$ 49,212,399	$ 21,477,662
Special Assessment/Other Debt	70,035,275	111,848,488	74,951,079	61,848,488	60,067,333	60,837,569	61,628,430	62,510,564	21,036,972	21,477,840
Water & Sewer Bonds	301,294,000	275,423,552	271,381,421	241,421,975	199,404,988	184,601,031	167,353,382	179,326,703	161,846,891	137,972,057
Airport Bonds	3,085,000	3,063,046	-	-	-	-	1,973,552	3,850,044	5,634,868	7,338,808
Drainage Utility Bonds	65,690,000	67,344,295	29,708,517	26,204,731	27,433,484	18,235,283	8,575,740	9,090,681	9,595,524	10,287,436
Fleet Services Bonds	-	-	-	-	-	-	-	462,565	1,400,862	2,323,931
Total	$ 603,115,275	$ 623,261,896	$ 530,707,266	$ 495,057,709	$ 422,710,918	$ 346,573,313	$ 305,743,042	$ 324,882,849	$ 248,727,516	$ 200,877,734
Percentage of Estimated Actual Property Value	2.28%	3.39%	3.64%	3.39%	3.00%	2.55%	2.33%	2.54%	2.06%	1.74%
Per Capita	$ 3,073.06	$ 3,078.84	$ 2,621.63	$ 2,457.95	$ 2,098.75	$ 1,658.68	$ 1,477.93	$ 1,586.13	$ 1,226.47	$ 997.26
Less: Amounts Set Aside to Repay General Debt	3,693,694	3,792,523	2,879,678	3,239,847	1,436,943	1,925,621	3,048,806	1,345,580	1,096,576	908,022
Total Net Debt Applicable to Debt Limit	599,421,581	619,469,373	527,827,588	491,817,862	421,273,975	344,647,692	302,694,236	323,537,269	247,630,940	199,969,712
Legal Debt Limit	2,646,057,842	2,262,649,073	1,782,418,231	1,706,556,526	1,657,211,918	1,588,403,580	1,531,419,843	1,489,052,063	1,414,020,403	1,354,672,372
Legal Debt Margin	$ 2,046,636,261	$ 1,643,179,700	$ 1,254,590,643	$ 1,214,738,664	$ 1,235,937,943	$ 1,243,755,888	$ 1,228,725,607	$ 1,165,514,794	$ 1,166,389,463	$ 1,154,702,660
Debt Service as a Percentage of Noncapital Expenditures	6.01%	8.74%	8.84%	7.29%	6.44%	5.38%	5.68%	4.42%	2.89%	2.91%

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

* Excludes Water Authority Debt, includes unamortized bond premium

CITY OF AMARILLO, TEXAS
LEGAL DEBT MARGIN INFORMATION, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	9/30/2025 (2024 Tax Roll)	9/30/2024 (2023 Tax Roll)	9/30/2023 (2022 Tax Roll)	9/30/2022 (2021 Tax Roll)	9/30/2021 (2020 Tax Roll)	9/30/2020 (2019 Tax Roll)	9/30/2019 (2018 Tax Roll)	9/30/2018 (2017 Tax Roll)	9/30/2017 (2016 Tax Roll)	9/30/2016 (2015 Tax Roll)
Assessed Value, Tax Roll	$ 26,460,578,417	$ 22,626,490,734	$ 17,824,182,309	$ 17,065,565,257	$ 16,572,119,184	$ 15,884,035,804	$ 15,314,198,428	$ 14,890,520,628	$ 14,140,204,030	$ 13,546,723,724
Debt Limit -10% of Assessed Roll	$ 2,646,057,842	$ 2,262,649,073	$ 1,782,418,231	$ 1,706,556,526	$ 1,657,211,918	$ 1,588,403,580	$ 1,531,419,843	$ 1,489,052,063	$ 1,414,020,403	$ 1,354,672,372
Amount of Debt Applicable to Debt Limit:										
Total Bonded Debt	603,115,275	623,261,896	530,707,266	495,057,709	422,710,918	346,573,313	305,743,042	324,882,849	248,727,516	200,877,734
Less: Assets in Debt Service Funds (Net)	2,294,762	3,792,523	2,879,678	3,239,847	1,436,943	1,925,621	3,048,806	1,345,580	1,096,576	908,022
Waterworks Revenue Bonds	301,294,000	228,605,000	218,520,000	107,830,000	1,115,270,000	122,605,000	102,685,000	106,525,000	84,415,000	57,120,000
Total	303,588,762	232,397,523	221,399,678	111,069,847	1,116,706,943	124,530,621	105,733,806	107,870,580	85,511,576	58,028,022
Total Amount of Debt Applicable to Debt Limit	299,526,513	390,864,373	309,307,588	383,987,862	306,003,975	222,042,692	200,009,236	217,012,269	163,215,940	142,849,712
Pro Forma Legal Debt Margin	$ 2,346,531,329	$ 1,871,784,700	$ 1,473,110,643	$ 1,322,568,664	$ 1,351,207,943	$ 1,366,360,888	$ 1,331,410,607	$ 1,272,039,794	$ 1,250,804,463	$ 1,211,822,660

Note: Article 835p of the State of Texas Civil Statutes, effective March 17, 1967, provides that this limitation applies only to cities having a population of 600,000 or more according to the then last preceding Federal Census.

CITY OF AMARILLO, TEXAS
PLEDGED REVENUE COVERAGE, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Water Revenue Bonds						
Fiscal Year	Total Revenue	Less: Operating Expenses	Less: CRMWA Interest	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 73,927,400	$ 39,178,131	$ 2,761,863	$ 31,987,406	$ 9,100,000	$ 2,744,260	2.70
2017	75,540,295	42,561,770	2,497,027	30,481,498	10,440,000	3,727,269	2.15
2018	86,129,584	42,585,261	2,350,787	41,193,536	11,750,000	4,224,902	2.58
2019	79,199,665	52,937,576	2,241,420	24,020,669	11,750,000	4,249,148	1.50
2020	85,799,025	42,709,053	1,668,861	41,421,111	13,290,000	3,784,301	2.43
2021	84,658,381	45,222,573	(575,678)	40,011,486	14,590,000	4,120,240	2.14
2022	94,435,642	58,791,780	(30,521)	35,674,383	16,015,000	5,053,937	1.69
2023	101,597,341	61,373,403	(10,392)	40,234,330	15,315,000	7,936,766	1.73
2024	111,872,796	69,408,258	(370,816)	42,835,354	18,410,000	8,420,681	1.60
2025	106,446,356	71,663,567	(375,250)	35,158,039	19,235,000	7,701,770	1.31

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

CITY OF AMARILLO, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS, LAST TEN CALENDAR YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Calendar Year	Population (1)	Personal Income (2) (in $1,000s)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2016	196,582	$ 11,376,011	$ 43,025	33.4	33,615	3.3%
2017	197,580	11,791,320	44,111	33.7	33,141	3.1%
2018	198,584	12,261,607	46,131	33.7	32,722	2.8%
2019	199,593	12,739,902	47,769	33.9	32,498	2.7%
2020	200,393	13,232,936	49,893	34.7	32,436	4.1%
2021	201,411	13,745,051	51,161	*	31,388	3.6%
2022	202,434	15,170,292	56,248	39	34,582	3.0%
2023	203,466	15,757,382	60,182	35	33,939	3.2%
2024	204,512	16,367,193	62,511	38.8	29,729	3.6%
2025	204,690	17,000,603	64,930	35.0	28,282	3.6%

Sources:

1. Population estimates prepared by City of Amarillo Planning Department on 2010 and 2020 Census Data. (Amarillo grows by an average of .51% annually.)
2. Personal income and per capita income figures obtained from U.S. Department of Commerce's Bureau of Economic Analysis, MSA Income Summary. The latest data is 2019. Planning staff estimated 2020 - 2023 based on the average annual growth rate of 3.87% between 2010 and 2019.
3. Median age obtained from 2010 Census and American Community Survey 1-Year (2020) and 5-Year (2011-2019) estimates.
4. School enrollment was provided by the Texas Education agency accessed at tea.texas.gov.
5. Unemployment rates obtained from Local Area Unemployment Statistics (LAUS) Report from Texas Labor Market Information (texaslmi.com) for August each year shown.

* Median age was not available for these years.

CITY OF AMARILLO, TEXAS
PRINCIPAL EMPLOYERS, CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025			2016		
Employer	Employees	Rank	Percent of Total City MSA* Employment	Employees	Rank	Percent of Total City MSA Employment
Amarillo Independent School District	4,674	1	3.448%			-
Tyson Foods Inc.	3,800	3	2.803%	3,700	1	2.958%
CNS Pantex	4,626	2	3.413%			-
BSA Health Systems	3,000	4	2.213%	2,700	2	2.158%
Northwest Texas Healthcare System	1,350	9	0.996%	1,950	3	1.559%
City of Amarillo	2,414	5	1.781%			-
Texas Tech University Health Sciences Center	1,901	6	1.402%			-
Xcel Energy/Southwestern Public Service Co.	1,431	8	1.056%	1,430	4	1.143%
Affiliated Foods	1,257	10	0.927%	1,250	6	0.999%
Canyon ISD	1,700	7	1.254%			
Walmart Supercenters	400	13	0.295%	939	7	0.751%
Bell Helicopter	600	11	0.443%	1,251	5	1.000%
Toot 'n Totum	743	12	0.548%	815	8	0.651%
Total Employees of the Principal Employers	27,896		20.578%	14,035		11.219%
Total Employees of Other Employers	107,664		79.422%	111,064		88.781%
Total Amarillo MSA* Employment	135,560		100.000%	125,099		100.000%

Sources: The ten principal employers information was provided by the Amarillo Chamber of Commerce.

* Amarillo Metropolitan Statistical Area (MSA) employment figure obtained from the U.S. Bureau of Labor Statistics (Local Area Unemployment Stats) at September 2025.

CITY OF AMARILLO, TEXAS
CITY GOVERNMENT BUDGETED POSITIONS BY FUNCTION/PROGRAM, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Positions as of September 30									
Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GENERAL GOVERNMENT										
Mayor and Council	5	5	5	5	5	5	5	5	5	5
City Manager	6	11	11	9	8	7	6	6	9	7
City Secretary	3	3	3	3	2	2	2	2	2	5
Judicial	4	4	4	4	4	4	4	5	5	5
Municipal Court and Office of Civil Hearings	24	25	25	27	27	27	28	26	26	26
Planning and Zoning	11	9	9	9	9	10	10	11	9	8
Public Communications	9	8	8	6	4	4	4	3	-	-
STAFF SERVICES										
Financial Administration										
Director of Finance	29	27	27	8	9	7	7	6	6	5
Accounting	-	-	-	17	15	15	15	16	16	18
Payroll	-	-	-	-	-	-	-	-	-	-
Health Plan Administration	3	3	3	4	4	4	4	4	4	4
Purchasing	10	9	9	9	9	9	9	9	9	9
Central Stores	7	7	7	7	7	7	7	7	7	8
Municipal Office Services	-	-		-		-	-	-	-	-
Legal	10	10	10	10	10	10	10	10	10	10
Human Resources and Risk Management	14	15	15	13	14	13	13	13	13	13
Emergency Management and Communications	9	7	7	5	9	9	9	9	9	9
Occupancy										
Custodial Operations	30	30	30	30	27	27	26	26	26	27
Building Maintenance	29	31	31	31	31	31	31	31	30	27
PUBLIC SAFETY AND HEALTH										
Police										
Police	378	380	380	372	373	371	370	365	375	375
Civilian Personnel	87	83	83	75	70	71	71	69	62	60
Fire Protection										
Fire	303	295	295	279	279	279	269	264	263	263
Civilian Personnel	11	11	11	20	19	19	19	19	18	18
City Marshall	23	24	24	-	-	-	-	-	-	-
Other										
Building Safety	35	35	35	39	36	35	34	33	34	35
Animal Management	48	48	48	48	45	46	43	37	37	39
Emergency Services								-	-	-
Amarillo Emergency Comm. Center	64	67	67	64	69	69	69	69	66	67
Environmental Health	22	22	22	20	18	18	18	15	16	14
Vital Statistics	2	2	2	1	1	1	1	1	1	1
STREETS, TRAFFIC AND ENGINEERING										
Street Maintenance	89	94	94	95	95	95	97	97	97	100
Traffic Engineering	44	44	44	44	46	46	47	47	44	45
Traffic Field Operations	23	23	23	23	22	22	22	22	22	23
Public Works	5	5	5	5	5	5	4	4	4	3
Capital Projects and Development Engineering	34	19	18	18	18	19	20	20	19	19

CITY OF AMARILLO, TEXAS
CITY GOVERNMENT BUDGETED POSITIONS BY FUNCTION/PROGRAM, LAST TEN FISCAL YEARS (CONTINUED)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Positions as of September 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function/Program										
CULTURE AND RECREATION										
Auditorium Coliseum										
Civic Center Operations	22	22	22	22	22	22	22	22	22	23
Civic Center Promotions	5	5	5	5	5	5	5	5	5	5
Box Office Operations	12	12	12	12	12	12	12	12	12	12
Civic Center Sports	3	3	3	2	2	2	2	2	2	2
Globe News Center	3	3	3	3	3	3	3	3	3	3
Library Operations	72	77	77	77	77	77	77	77	77	77
Parks and Recreation	243	242	242	240	290	277	287	287	290	271
Golf	90	91	91	91	91	91	93	93	51	51
SOLID WASTE										
Solid Waste Collection	122	115	115	117	111	112	105	105	104	110
Solid Waste Disposal	38	40	40	43	45	45	44	44	42	35
TRANSIT										
Transit	69	69	69	68	68	65	65	67	67	67
Total General Fund	**2,050**	**2,035**	**2,034**	**1,980**	**2,016**	**1,998**	**1,989**	**1,968**	**1,919**	**1,904**
WATER AND SEWER SYSTEM										
Water Production	12	9	9	15	15	15	15	9	9	9
Water Transmission	9	9	9	8	8	8	8	8	8	9
Surface Water Treatment	29	29	29	30	30	31	31	31	30	29
Water Distribution	53	61	61	65	65	65	65	65	65	65
Wastewater Collection	40	38	38	38	38	38	38	38	38	38
Wastewater Treatment	49	46	46	47	47	47	47	53	54	55
Environmental Laboratory	20	18	18	21	21	21	21	22	19	19
Utility Billing	85	75	75	65	40	40	40	40	34	34
Director of Utilities	8	8	8	5	5	5	5	5	4	3
Capital Projects and Development Engineering	34	17	17	17	17	18	19	19	20	20
Total Water & Sewer System	**339**	**310**	**310**	**311**	**286**	**288**	**289**	**290**	**281**	**281**
AIRPORT	77	72	72	63	58	59	54	57	57	57
DRAINAGE UTILITY	32	32	32	32	32	32	32	31	29	28
INFORMATION SERVICES	43	40	40	44	38	34	34	33	42	41
FLEET SERVICES	45	45	45	45	45	45	45	45	45	50
SELF INSURANCE	4	4	4	4	3	1	1	1	1	2
CITY CARE CLINIC	-	-	-	5	5	5	5	5	6	7
SPECIAL REVENUE										
Library					-	-	-	-	-	-
Police Grant	2	2	2	1	1	-	-	-	-	-
Urban Planning/Traffic Grants	4	4	4	-	6	6	6	5	8	7
Health Grants	95	95	95	95	87	83	83	83	83	83
Court Security Fund	5	5	5	5	3	3	3	3	3	3
Community Development and Housing	52	44	44	42	33	22	21	17	17	17
Emergency Management	-	-	-	-	1	1	1	1	3	3
Total Special Revenue	**158**	**150**	**150**	**143**	**131**	**115**	**114**	**109**	**114**	**113**
Total	**2,748**	**2,688**	**2,687**	**2,627**	**2,614**	**2,577**	**2,563**	**2,539**	**2,494**	**2,483**

Source: City Annual Budgets

Notes: Budgeted positions are made up of both full-time and part-time positions.

CITY OF AMARILLO, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Staff Services:										
Annual Number of Purchase Orders	1,507	2,452	2,409	2,432	2,381	1,987	2,293	2,217	2,319	2,516
Public Safety and Health:										
Annual Calls for Police Services	126,011	126,011	83,961	97,427	95,995	95,261	101,221	106,701	104,920	126,628
Annual Calls for Fire Services	23,519	22,523	23,164	22,343	22,038	22,163	22,892	22,340	20,544	18,516
Permits:										
Residential - New	479	592	401	681	605	518	445	549	533	639
Residential - Additions & Repairs	8,020	7,044	5,398	4,671	5,534	1,265	1,174	1,212	1,248	1,341
Commercial - New	125	84	56	77	83	65	59	74	64	81
Commercial - Additions & Repairs	1,224	936	316	770	1,073	436	397	430	524	351
Mobile Homes	50	35	29	29	47	35	40	45	68	99
Roof	1,978	1,254	882	1,825	2,298	3,684	4,321	2,909	3,599	2,049
Value of Construction:										
Residential - New	*	*	*	*	*	112,154,209	75,984,672	150,148,301	137,369,554	161,251,256
Residential - Additions & Repairs	*	*	*	*	7,293,147	5,722,028	15,581,819	19,471,785	19,890,333	20,323,224
Commercial - New	525,749,902	240,262,895	120,004,770	171,996,668	558,981,435	187,694,948	97,094,708	138,924,022	138,613,396	192,613,720
Commercial - Additions & Repairs	79,811,449	295,510,300	103,710,623	369,785,923	293,276,777	217,448,628	161,109,012	86,983,319	102,244,992	65,319,537
Mobile Homes	*	*	*	*	*	231,000	1,769,500	2,475,700	3,938,988	4,465,117
Roof	7,877,218	10,845,786	26,606,439	24,104,169	33,977,346	47,337,679	40,279,466	51,632,414	40,442,631	33,572,908
Culture and Recreation:										
Civic Center Event Days	1,326	1,330	1,321	1,407	1,074	1,030	1,534	1,406	1,493	1,582
Civic Center Annual Attendance	492,115	456,321	461,318	412,107	300,549	331,219	609,311	637,979	583,474	607,909
Library Volumes Loaned Annually	1,217,849	1,281,705	1,727,652	602,770	864,123	1,511,726	1,652,490	1,643,675	1,565,059	1,582,208
Annual Swimming Pool Attendance	72,500	73,764	48,129	48,129	23,274	1,705	43,519	53,623	51,200	55,506
Tennis Center Attendance	33,530	30,534	10,889	10,889	12,359	22,002	24,793	23,358	28,900	33,305
Rounds of Golf Played Annually (2 Courses)	98,189	91,456	86,152	83,000	82,609	70,740	66,604	72,762	85,318	88,316
Rifle Range Attendance	5,673	5,673	3,667	3,667	2,660	4,250	5,190	8,254	8,744	9,505
Solid Waste:										
Tons of Waste Collected	159,769	151,745	157,716	157,716	157,716	152,576	161,815	152,594	154,964	156,197
Tons of Waste Landfill	293,940	274,404	281,096	281,096	281,096	281,324	266,655	253,322	238,360	234,989
Transit:										
Fixed Transit Route--In Miles	577,117	521,340	447,038	444,225	453,016	533,982	646,784	624,309	578,614	541,121
Passengers Served--Fixed Route Services	238,632	195,928	179,744	204,674	176,444	194,545	266,361	286,610	306,018	302,010
Demand Response Passengers	50,270	47,476	45,571	47,998	40,433	36,224	52,529	54,020	50,840	47,403

CITY OF AMARILLO, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM, LAST TEN FISCAL YEARS (CONTINUED)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Water and Sewer:										
Active Water Accounts	72,812	72,320	72,617	72,213	71,559	71,892	70,277	73,136	72,348	72,272
Average Daily Production--Gallons	46,077,807	48,355,550	43,299,000	49,241,678	43,299,000	44,166,293	39,877,924	46,161,550	43,407,570	43,058,000
Plant Capacity--Gallons:										
Bonham:										
Pumping	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000	54,000,000
Storage	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
24th Street:										
Pumping	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000
Storage	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
34th Street:										
Pumping	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000
Storage	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Arden Road:										
Pumping	21,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Storage	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	2,500,000
Purification Plant:										
Pumping	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Storage	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Overhead Storage	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Surface Water Allocation--Gallons	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	2,415,080,000	-
Roberts County (CRMWA) Allocation	10,914,810	9,131,110,000	9,131,110,000	9,131,110,000	9,131,110,000	9,131,110,000	9,131,110,000	9,131,110,000	9,131,110,000	9,133,110,000
Active Sewer Accounts	92,143	71,616	71,616	71,183	70,672	70,464	69,446	70,661	70,071	69,999
Plant Capacity--Gallons:										
North Treatment--Per Day	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Southeast Treatment--Per Day	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Daily Average of Sewage Treated--Gallons	17,617,723	16,958,153	16,958,153	16,317,750	16,958,153	16,888,565	16,564,000	16,978,082	16,885,581	16,149,175
Daily Average of Reclaimed Water Sold to Industry--Gallons	6,378,340	9,413,825	9,413,825	5,199,000,000	3,436,046,000	8,801,000	8,801,000	8,139,726	8,992,127	9,671,427
Airport:										
Major Airlines	3	3	3	3	3	3	3	4	3	3
Scheduled Daily Flights	17	17	17	17	16	24	36	35	32	32
Airline Passengers Enplaned	412,189	412,265	396,166	356,381	260,169	223,414	367,628	358,819	373,885	341,359
Airplanes Cleared Daily--Average	103	111	110	113	109	117	157	172	177	169
Total Tower Operations (24 Hours FAA Control Tower)	37,853	40,564	40,296	41,456	39,785	43,031	57,610	62,896	64,540	54,271

Source: Various City departments

* Information was not available for these years.

CITY OF AMARILLO, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM, LAST TEN FISCAL YEARS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Fiscal Year									
Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Safety and Health:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	13	13	13	13	13	13	13	13	13	13
Number of Fire Hydrants	4,675	4,594	4,594	4,594	4,978	4,271	4,255	4,228	4,102	4,102
Number of Outdoor Warning Sirens	83	83	83	77	76	92	92	90	89	89
Streets, Traffic and Engineering:										
Streets - Paved (Miles)	988.32	976.32	976.32	980.73	967.03	959.33	957.00	954.02	939.87	939.87
Streets - Unpaved (Miles)	83.13	83.13	83.13	83.13	83.13	83.13	83.13	83.13	83.13	83.13
Alleys (Miles)	512.94	510.39	510.39	510.39	507.87	516.33	514.79	512.71	496.18	496.18
Miles of Storm Sewers	167.06	163.79	163.79	162.97	161.57	160.16	159.16	157.47	189.50	130.85
Number of Street Lights	10,932	10,909	10,894	10,894	10,888	10,888	10,726	10,655	10,627	10,624
Number of Signalized Locations	276	276	274	274	273	272	271	271	271	269
Number of Traffic Signs Installed	40,651	40,504	39,864	39,634	39,326	38,742	38,243	37,920	37,597	37,257
Culture and Recreation:										
Civic Center (Auditorium, Coliseum, Convention Annex, Center)--in Square Feet	410,000	410,000	410,000	410,000	410,000	410,000	410,000	410,000	410,000	410,000
Number of Libraries	5	5	5	5	5	5	5	5	5	5
Total Library Holdings	736,883	450,145	357,685	413,250	412,428	428,973	453,658	407,112	397,313	414,840
Number of Parks and Playgrounds	64	64	64	55	55	65	64	64	64	64
Parks--Number of Acres	2,935	2,935	2,935	2,403	2,403	2,218	2,936	2,936	2,936	2,936
Number of Swimming Pools	4	4	4	4	4	3	3	4	3	3
Number of Golf Courses--36 Holes	2	2	2	2	2	2	2	2	2	2
Number of Golf Courses--18 Holes	2	2	2	2	2	2	2	2	2	2
Other Recreational Facilities:										
Soccer Fields	18	18	18	15	15	15	44	44	44	44
Jogging Trails (Miles)	33.24	33.24	33.24	18.20	18.20	22.20	39.14	39.14	39.14	39.14
Baseball and Softball Fields	26	26	26	25	25	25	26	26	26	26
Tennis Courts	26	26	26	28	28	28	32	32	32	32
Solid Waste:										
Number of Solid Waste Customers, Residential	67,614	73,098	71,840	65,140	63,502	63,683	63,493	63,303	60,683	63,016
Number of Solid Waste Customers, Commercial	4,701	5,252	5,179	3,506	4,938	4,259	5,214	6,484	6,547	3,861
Landfill Acreage	662	662	662	662	662	662	662	662	662	662
Transit:										
Number of Buses In Service	17	17	17	17	20	20	20	16	17	17
Number of Vans In Service	16	11	11	11	11	11	11	14	14	11
Water and Sewer:										
Miles of Water Mains:										
Transmission, Well Collection, and Transfer	198.48	200.00	200.00	200.00	200.00	195.80	195.80	195.80	181.41	181.41
Distribution	1,208.42	1,208.89	1,208.89	1,208.89	1,197.00	1,187.82	1,183.36	1,176.70	1,165.53	1,165.53
Number of Water Wells	129	140	140	129	129	141	141	135	126	126
Miles of Sanitary Sewers	1,040.82	1,030.50	1,030.79	1,193.81	1,034.88	1,014.87	1,003.24	998.20	984.73	984.73
Number of Wastewater Treatment Plants	2	2	2	2	2	2	2	2	2	2

Source: Various City departments

* Information was not available for these years.

CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM
HISTORICAL INFORMATION
HISTORICAL SUMMARY OF TOTAL CUSTOMERS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended September 30	Number of Customers	
	Water	Sewer
2016	72,272	69,999
2017	72,348	70,071
2018	73,136	70,661
2019	70,277	69,446
2020	71,892	70,464
2021	71,559	70,672
2022	72,213	71,183
2023	72,617	71,616
2024	72,320	71,408
2025	72,812	72,143

CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM
HISTORICAL INFORMATION
AVERAGE DAILY WATER CONSUMPTION AND SYSTEM INFORMATION
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended September 30	Average Daily Water Consumption (Gallons)	Maximum Daily Water Consumption (Gallons)	Miles of Mains		Number of Hydrants
			Water	Sewer	
2006	47,707,877	80,200,000	1,051	885	3,441
2008	43,752,000	83,000,000	1,080	926	3,587
2013	44,131,039	84,500,000	1,120	955	3,864
2014	43,702,583	80,400,000	1,130	963	3,940
2015	37,590,000	65,970,000	1,136	968	4,024
2016	39,826,296	80,123,000	1,166	985	4,102
2017	44,748,000	75,980,000	1,166	985	4,102
2018	49,077,500	77,970,000	1,177	998	4,228
2019	39,929,737	72,561,390	1,183	1,003	4,255
2020	44,166,293	81,502,800	1,188	1,026	4,271
2021	43,299,000	68,076,300	1,197	1,035	4,978
2022	49,241,678	89,056,628	1,209	1,194	4,594
2023	46,180,783	82,650,100	1,002	1,193	4,634
2024	46,894,170	81,248,000	1,209	1,031	4,673
2025	45,376,156	89,979,980	1,209	1,041	4,675

Maximum Water Production Capacity (from Water Plant and Wells)	117.0 million gallons per day
Maximum or Peak Usage to Date	93.6 million gallons
Overhead Storage Capacity	8.5 million gallons
Ground Storage Capacity	74.3 million gallons

TEN LARGEST WATER CUSTOMERS AND AVERAGE MONTHLY USE (thousand gallons)

1. SW Public	197,328
2. Tyson Fresh Meats	119,215
3. Cacique Foods	26,180
4. Texas Department of Corrections	21,043
5. Owens Corning	15,816
6. SWPS Nichols	15,552
7. City of Canyon	7,951
8. BSA	4,928
9. Panhandle Pur	4,031
10. Quick Quack	2,681

CAPACITY OF SEWER TREATMENT PLANTS

(Two plants combined)	28.00 million gallons per day
Average daily sewage treated	16.32 million gallons per day

CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM
WATER RATES
SEPTEMBER 30, 2025
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Minimum Monthly Billing for First 3,000 Gallons Consumed:	Rates Per Month	
Meter Size	Inside City	Outside City
5/8"	$ 19.15	$ 28.74
1"	25.70	38.56
1-1/2"	34.92	52.37
2"	54.25	81.38
3"	199.55	299.33
4"	253.23	379.86
6"	378.63	567.96
8" and larger	522.00	783.01

Additional Charge by Volume (per 1,000 Gallons):	Inside City	Outside City
Residential		
3,001-10,000	3.63	5.45
Over 10,000	4.75	7.12
Over 30,000	7.03	10.53
Over 50,000	7.97	11.98
Commercial		
Over 3,000	4.15	6.22

Source: City of Amarillo Ordinance Number 8004 effective October 1, 2025.

CITY OF AMARILLO, TEXAS
WATERWORKS AND SEWER SYSTEM
SEWER RATES
SEPTEMBER 30, 2025
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

Base Amount	Rates Per Month
Meter Size	
5/8"	$ 20.66
1"	21.34
1-1/2"	23.20
2"	25.20
3"	28.50
4"	41.64
6"	61.29
8" and larger	80.99

Additional Charge by Volume
Commercial accounts are charged on total water used with a rate of $2.83 per 1,000 gallons of water consumed over the initial allotment of 3,000 gallons. Residential accounts are charged based on the average water consumed in December, January and February, but in no event shall residential customers be charged for more than 20,000 gallons of sewage. The volume charge for sewer accounts is $3.13 per 1,000 gallons of water consumed over the initial allotment of 3,000 gallons.

Source: City of Amarillo Ordinance Number 7811 effective October 1, 2024.

CITY OF AMARILLO, TEXAS
DRAINAGE UTILITY
TOP TEN DRAINAGE CUSTOMERS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	2025		
Customer Name	Total ERUs	Rank	Monthly Drainage Fee
Burlington Northern	21,400	1	$ 105,716
Amarillo ISD	3,235	2	15,979
City of Amarillo	1,271	3	6,278
Wal mart	955	4	4,718
Milligan Real Estate LLC	944	5	4,662
BSA Hospital LLC	738	6	3,646
Westgate Mall Realty LLC	651	7	3,216
Xcel	601	8	2,969
Gavilon Grain LLC	559	9	2,761
Lowes Home Center Inc.	444	10	2,193
Total	30,797		$ 152,139

Residential Rates

Residential Rates are based on statistical evaluation of land parcel impervious area for single-family properties. The equivalent residential unit (ERU) rate is $3.36 per ERU per month.

	Classification	Equivalent Residential Units	Monthly Fee
Tier 1	Less than 2,072 square feet impervious area	.068 ERU	3.37
Tier 2	2,072 - 3,236 square feet impervious area	1.00 ERU	4.94
Tier 3	Greater than 3,236 square feet impervious area	1.51 ERU	7.47

Commercial Rates

Total ERUs for commercial property is based on the impervious area for each parcel divided by 2,800 square feet with a minimum of ERU. The monthly Drainage Utility charge for commercial property is calculated by multiplying the total number of ERUs for parcel by the ERU monthly billing rate.

CITY OF AMARILLO, TEXAS
HOTEL OCCUPANCY TAX
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

HISTORICAL TAX COLLECTIONS

Fiscal Year	Total 7%	
2016	6,777,185	
2017	6,610,423	*
2018	6,932,936	**
2019	7,208,732	***
2020	5,431,173	****
2021	8,545,313	*****
2022	9,585,539	******
2023	9,180,831	*******
2024	9,063,095	********
2025	9,943,372	*********

CONDENSED STATEMENT OF OPERATIONS OF HOTEL OCCUPANCY TAX FUND

	Fiscal Year Ended September 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Pledged Hotel Taxes	$ 9,943,372	$ 9,063,095	$ 9,180,831	$ 9,585,539	$ 8,545,313	$ 5,431,173	$ 7,208,732	$ 6,932,936	$ 6,610,423	$ 6,777,185
Number of Rooms	6,719	7,298	7,298	7,298	7,298	6,772	6,851	7,050	6,715	6,690
Maximum Annual Debt Service (2039)	$ 3,565,075	$ 3,565,075	$ 3,565,075	$ 3,181,417	$ 3,181,417	$ 3,181,417	$ 3,181,417	$ 3,181,417	$ 775,288	$ 775,288
Debt Service Coverage (x)	2.79 x	2.54 x	2.58 x	3.01	2.69 x	1.71 x	2.27 x	2.18 x	8.53 x	8.74 x

******* $808,348 was rebated during fiscal year September 30, 2025
******* $871,423 was rebated during fiscal year September 30, 2024
******* $794,828 was rebated during fiscal year September 30, 2023
****** $753,112 was rebated during fiscal year September 30, 2022
***** $677,040 was rebated during fiscal year September 30, 2021
**** $552,008 was rebated during fiscal year September 30, 2020.
*** $750,484 was rebated during fiscal year September 30, 2019.

CITY OF AMARILLO, TEXAS
HOTEL TAXPAYERS
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

NAME OF TAXPAYER	TOTAL 2025 COLLECTIONS	CAPACITY	% OF TOTAL COLLECTIONS
Amarillo Motel	3,918.07	30	0.000311
Ashmore Inn & Suites	163,435.22	138	0.012983
Atrea Inn	124,388.89	100	0.009881
BABA HOTELS, LLC	9,699.56	22	0.000771
Baymont inn & suites	132,154.26	84	0.010498
Best Western Plus Amarillo East	172,490.33	80	0.013703
Best Western Plus Medical Center	217,218.49	84	0.017256
BEST WESTERN SANTA FE	129,234.69	54	0.010266
BIG TEXAN INN	144,046.01	54	0.011443
Budget Inn & Suites	7,178.43	68	0.000570
Camelot Inn	40,273.88	68	0.003199
CANDLEWOOD SUITES	138,843.08	96	0.011030
Comfort Inn & Suites	224,505.90	70	0.017835
Comfort Inn and Suites Soncy	166,481.78	74	0.013225
Comfort Suites	50,213.78	70	0.003989
Comfort Suites Western Plaza	98,869.47	71	0.007854
Country Inn & Suites	193,677.67	70	0.015386
Courtyard Amarillo	190,084.26	92	0.015100
Courtyard Downtown	341,602.56	111	0.027137
COWBOY MOTEL	3,902.94	19	0.000310
DAYS INN	63,732.96	50	0.005063
Days Inn East	55,697.00	119	0.004425
Deluxe Inn	984.11	20	0.000078
Drury Inn & Suites Amarillo	561,580.74	196	0.044612
ECONOMY INN	607.02	20	0.000048
Embassy Suites by Hilton Amarillo Downtown	903,819.00	234	0.071799
Express inn	2,763.30	16	0.000220
Everhome Suites Amarillo	45,889.68	96	0.003645
Extend A Suites	4,834.81	96	0.000384
Extended Stay America Amarillo	41,634.94	95	0.003307
Fairfield Inn & Suites Amarillo West/Medical Center	161,898.24	74	0.012861
Fairfield Inn and Suites Airport	228,754.57	79	0.018172
FIESTA MOTEL	1,434.89	20	0.000114
Fifth Season Inn	81,025.37	113	0.006437
Four Points by Sheraton/Fairfield Inn & Suites by Marriott	478,591.81	128	0.038019
Hampton Inn & Suites	353,158.31	117	0.028055
HAMPTON INN & SUITES AMARILLO EAST	330,351.42	120	0.026243
HAMPTON INN & SUITES AMARILLO WEST	93,090.04	64	0.007395
Hillcrest Motel	3,851.52	16	0.000306
HILTON GARDEN INN	235,580.34	90	0.018714
HOLIDAY INN	300,416.40	122	0.023865
Holiday Inn Amarillo West Medical Center	227,094.12	156	0.018040
HOLIDAY INN EXPRESS & SUITES - AMARILLO WEST	451,250.62	49	0.035847
HOLIDAY INN EXPRESS AMARILLO	130,128.16	68	0.010337
HOLIDAY INN EXPRESS AND SUITES AMARILLO	505,773.87	128	0.040179
HOME 2 SUITES	254,950.79	92	0.020253
Home2 Suites by Hilton Amarillo West	272,221.17	92	0.021625
HOMEWOOD SUITES	240,470.73	92	0.019103
HYATT PLACE - AMARILLO WEST	290,270.80	94	0.023059
Interstate Motel	9,511.77	20	0.000756
La Quinta Inn & Suites	206,791.36	130	0.016427
La Quinta Inn by Wyndham Amarillo West Medical Center	47,774.73	128	0.003795
La Quinta mid city	137,717.62	130	0.010940

CITY OF AMARILLO, TEXAS
HOTEL TAXPAYERS (CONTINUED)
(UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

NAME OF TAXPAYER	TOTAL 2025 COLLECTIONS	CAPACITY	% OF TOTAL COLLECTIONS
Llano Real Estate Group	10,836.16	31	0.000861
Microtel Inn & Suites	93,857.81	45	0.007456
Microtel Inn & Suites by Wyndham	37,426.86	45	0.002973
Motel 6	32,936.43	118	0.002616
MOTEL 6 #9144	99,069.40	63	0.00787
MOTEL 6 WEST	56,065.81	107	0.004454
My Place Hotel Amarillo West	111,630.65	63	0.008868
Quality Inn East	67,197.96	89	0.005338
Quality Inn Medical Center	48,505.18	103	0.003853
R2 SFH US Inc	6,753.92	31	0.000537
Rama Motel	2,335.44	32	0.000186
Red Roof Inn	84,690.84	125	0.006728
Redwood Motel	1,974.64	18	0.000157
Relax Inn	22,261.91	90	0.001768
Residence Inn Amarillo	120,251.40	78	0.009553
ROUTE66INN	10,277.89	36	0.000816
Silver Spur Motel	291.71	21	0.000023
Sleep Inn and Suites West Medical Center	87,503.97	63	0.006951
SPRING HILL SUITES	287,740.89	102	0.022858
STAYBRIDGE SUITES	228,315.77	97	0.018137
Sundown motel	3,946.52	24	0.000314
Super 8 Central	39,357.27	72	0.003127
Super 8 Lakeside	91,513.39	60	0.00727
Super 8 west	33,027.98	56	0.002624
The Barfield	624,010.26	112	0.049571
THE WESTERNER/ CACTUS COVE	170,328.77	37	0.013531
Towneplace Suites	298,448.22	110	0.023709
TOWNHOUSE MOTEL	5,396.09	24	0.000429
Tru by Hilton - Amarillo West	232,728.76	90	0.018488
Two Nine Investments, LLC	7,410.79	31	0.000589
WoodSpring Suites - Amarillo	62,304.65	105	0.004949
All Others Including Short Term Rental	333,882.16	122	0.026524
	12,588,150.98	6,719	

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