City of Mount Pleasant, Texas

Annual Comprehensive Financial Report

For the Year Ended September 30, 2024

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City of Mount Pleasant, Texas

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July 8, 2025

To the Honorable Mayor and City Council,

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Mount Pleasant, Texas for the fiscal year ended September 30, 2024. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. To enable the reader to gain an understanding of the City's financial activities, all necessary disclosures have been included.

The ACFR is prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America established by the Governmental Accounting Standards Board (GASB). The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of principal officials. The financial section includes the independent auditor's report, the management's discussion and analysis (MD&A), the government-wide and fund financial statements, notes to the basic financial statements, required supplemental information, and other supplemental information. The statistical section includes selected financial and demographic information which is presented on a multi-year basis.

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A can be found immediately following the independent auditor's report. This transmittal is designed to complement the MD&A and should be read in conjunction with it.

The Reporting Entity

The City was incorporated on September 17, 1900, under the provision of H.B. 901 of the Texas legislature and operates under a council-manager form of government. The City provides a full range of municipal services authorized by statute or charter. These services include the following: 1) police and fire protection, 2) water and wastewater services, 3) construction and maintenance of streets, infrastructure, and City facilities, 4) code enforcement and building inspections, 5) parks and recreation, 6) library services, 7) planning and zoning, 8) municipal airport, 9) economic development, and 10) general administrative services.

The ACFR includes all funds of the City. This report includes all government activities, organizations, and functions for which the City is financially accountable. The criteria used in determining activities to be reported within the City's basic financial statements are based upon and consistent with those set forth by the GASB. Based upon these criteria, the Industrial Development Corporation (IDC) is a discretely presented component unit.

Financial Planning And Fiscal Policies

The City continues to update the master plans to guide long-term growth and financial planning. The following areas are significant to the master plan: 1) comprehensive land use and thoroughfare plan, 2) park master plan, and a 3) strategic plan. Utilizing this information, the City updates a five-year capital improvement plan annually. The City also maintains a staffing plan for the police and fire departments. These plans are used to determine budget allocations to the various departments and activities of the City.

The City's fiscal management policy requires a minimum fund balance for numerous funds. The fund balance reserve plan guides the City in meeting the fund balance goal for each of the funds.

Accounting System And Budgetary Control

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Management must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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. All internal control evaluations occur within the above framework.

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues recognized when measurable and available, and expenditures recorded when the liability is incurred. Proprietary operations are maintained on full accrual basis.

The objective of budgetary controls is to ensure compliance with legal provisions contained in the annual budget approved by the City Council. Activities of the general fund, enterprise funds, special revenue funds and debt service fund are included in the annual budget. The budget is developed and controlled at the department level although appropriations are set at the fund level, and encumbrances are entered at the time a purchase order is issued. Outstanding encumbrances lapse at the fiscal year-end, and the subsequent year's budget must absorb the expenditures when incurred. Separate multi-year budgets are developed for the capital projects funds.

Other Information

Independent Audit:
The City Charter requires an annual audit of the books of account financial records and transactions of all departments of the City. The City charter specifies that such an audit be conducted by independent auditors selected by the City Council. Brooks Watson & Co. was selected by the City Council to conduct this year's audit. The independent auditor's report on the basic financial statements is included in the financial section of this report.

Certificate of Achievement:
To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such ACFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year.

ACKNOWLEDGEMENTS

The preparation of the ACFR was made possible by the dedicated service of the entire staff of the finance department and our independent auditors. I would like to express sincere appreciation to all employees who contributed to its preparation.

I would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible manner.

Respectfully Submitted,

Greg Nyhoff
City Manager

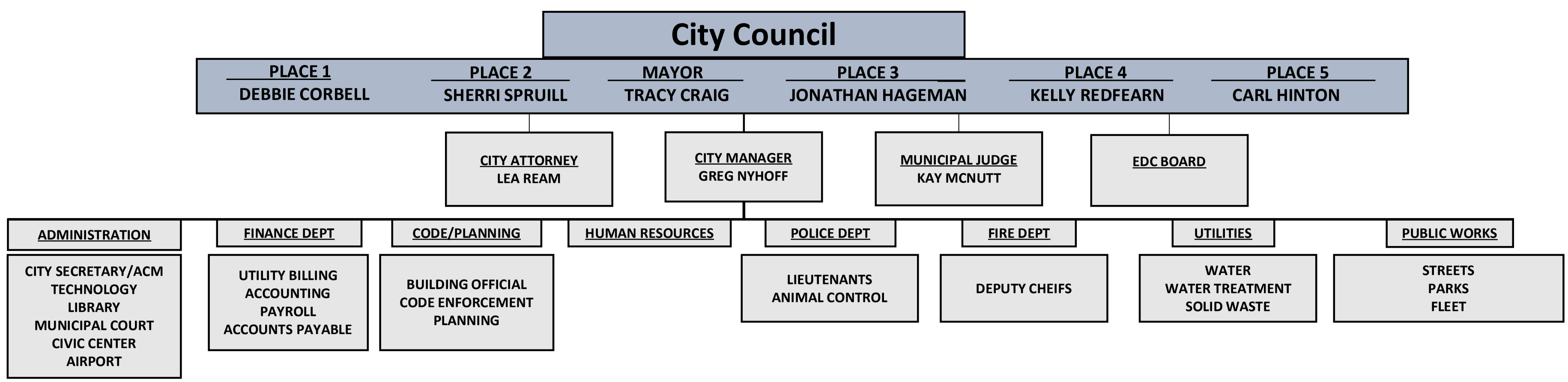
CITY OFFICIALS

Tracy Craig	Mayor
Carl Hinton	Mayor ProTem
Debbie Corbell	Council Member
Sherri Spruill	Council Member
Jonathan Hageman	Council Member
Kelly Redfearn	Council Member
Greg Nyhoff	City Manager

City Mailing Address: City of Mount Pleasant
501 N. Madison
Mount Pleasant, TX 75455

City Telephone: (903) 575-4000

City Employees Org Chart



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FINANCIAL SECTION

BROOKSWATSON & CO.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Mount Pleasant, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mount Pleasant, Texas (the "City") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mount Pleasant, Texas, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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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 one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Emphasis of Matter

As discussed in Note V.G. to the financial statements, due to a missed recording of revenue/receivable in the prior year, the City restated beginning net position for business-type activities to correct beginning net position.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2025 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.

BrooksWatson & Co.

BrooksWatson & Co.
Certified Public Accountants
Houston, Texas
July 8, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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City of Mount Pleasant, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2024

As management of the City of Mount Pleasant, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024.

Financial Highlights

- The City's total combined net position was $63,710,067 at September 30, 2024.

- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of $13,852,292, an increase of $7,664,820.

- As of the end of the year, the unassigned fund balance of the general fund was ~~negative~~ $3,145,700, which was 19% of annual expenditures.

- The City had an overall decrease in net position of $2,083,259, due to governmental expenses exceeding revenues.

Overview of the Financial Statements

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

Government-Wide Statements

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

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

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

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

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

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

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

The City of Mount Pleasant, Texas maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and street funds, which are considered major funds. Fund data for the remaining nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Mount Pleasant, Texas adopts an annual appropriated budget for its general, street, construction bond funds, debt service, hotel/motel/civic center, cemetery, library, PEG, capital replacement, firemen's fund, insurance fund, and park improvements fund. A budgetary comparison schedule has been provided to demonstrate compliance with each respective fund budget.

Proprietary Funds. The City maintains two proprietary funds, the water & sewer and airport 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 distribution, wastewater collection/treatment and water construction, and airport operations. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

Component Unit

The City maintains the accounting and financial statements for one component unit. The Mount Pleasant Industrial Development District ("MPIDD") is a discretely presented component unit displayed on the government-wide financial statements.

Notes to Financial Statements. The notes to the financial statements provide additional information that is necessary to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension.

Government-Wide Financial Analysis

As noted previously, net position over time, may serve as a useful indicator of the City's financial position. For the City of Mount Pleasant, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by $63,710,067 as of September 30, 2024.

The largest portion of the City's net position, $60,928,513, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Total current and other assets of the primary government as of September 30, 2024 and September 30, 2023 were $67,255,495 and $59,844,942 , respectively. The increase of $7,410,553 was primarily due to the proceeds from new debt issuances.

Total deferred outflows of the primary government decreased by $1,591,328. The variance is due to the amortization of pension investment losses in the current year.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

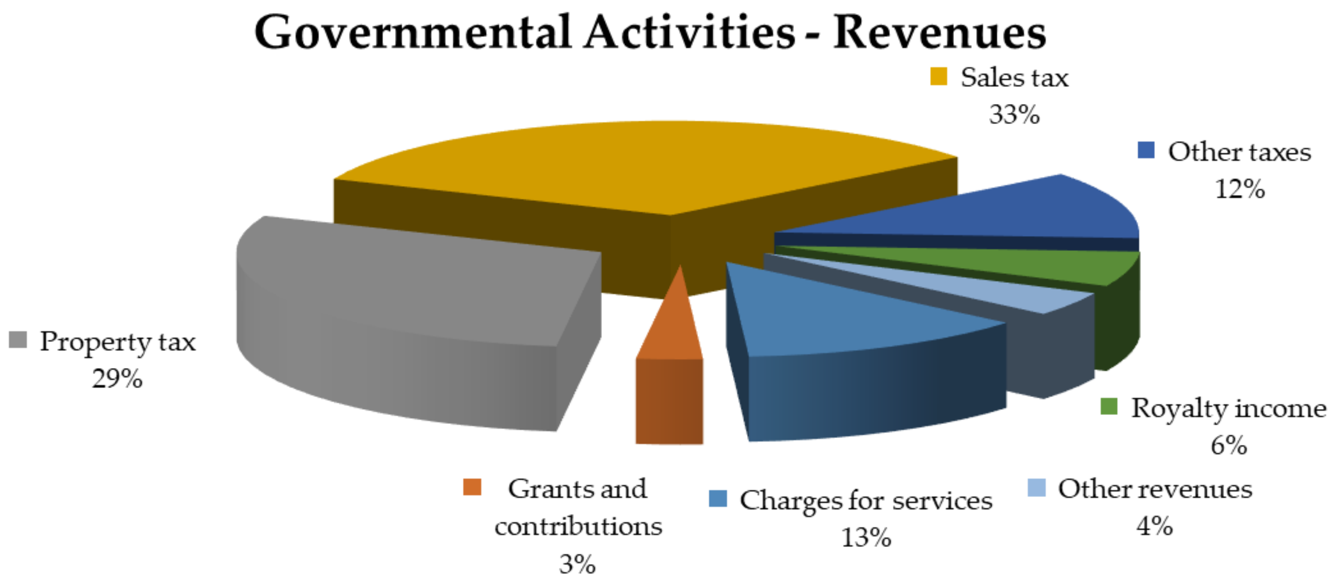
	2024			2023		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 17,342,648	$ 49,912,847	$ 67,255,495	$ 7,487,739	$ 52,357,203	$ 59,844,942
Internal balances	(2,443,729)	2,443,729	-	46,688	(46,688)	-
Capital assets, net	40,256,390	97,840,871	138,097,261	41,553,970	74,679,071	116,233,041
Total Assets	55,155,309	150,197,447	205,352,756	49,088,397	126,989,586	176,077,983
Deferred Outflows	3,157,396	761,095	3,918,491	4,450,653	1,059,166	5,509,819
Other liabilities	3,594,628	7,724,879	11,319,507	3,595,293	7,349,142	10,944,435
Long-term liabilities	32,047,246	101,692,160	133,739,406	25,324,603	79,197,932	104,522,535
Total Liabilities	35,641,874	109,417,039	145,058,913	28,919,896	86,547,074	115,466,970
Deferred Inflows	413,986	88,281	502,267	275,802	51,704	327,506
Net Position:						
Net investment in capital assets	23,176,536	37,751,977	60,928,513	23,739,518	35,875,749	59,615,267
Restricted	1,742,576	1,776,799	3,519,375	4,921,274	3,168,941	8,090,215
Unrestricted	(2,662,267)	1,924,446	(737,821)	(4,317,440)	2,405,284	(1,912,156)
Total Net Position	$ 22,256,845	$ 41,453,222	$ 63,710,067	$ 24,343,352	$ 41,449,974	$ 65,793,326

Statement of Activities:

The following table provides a summary of the City's changes in net position:

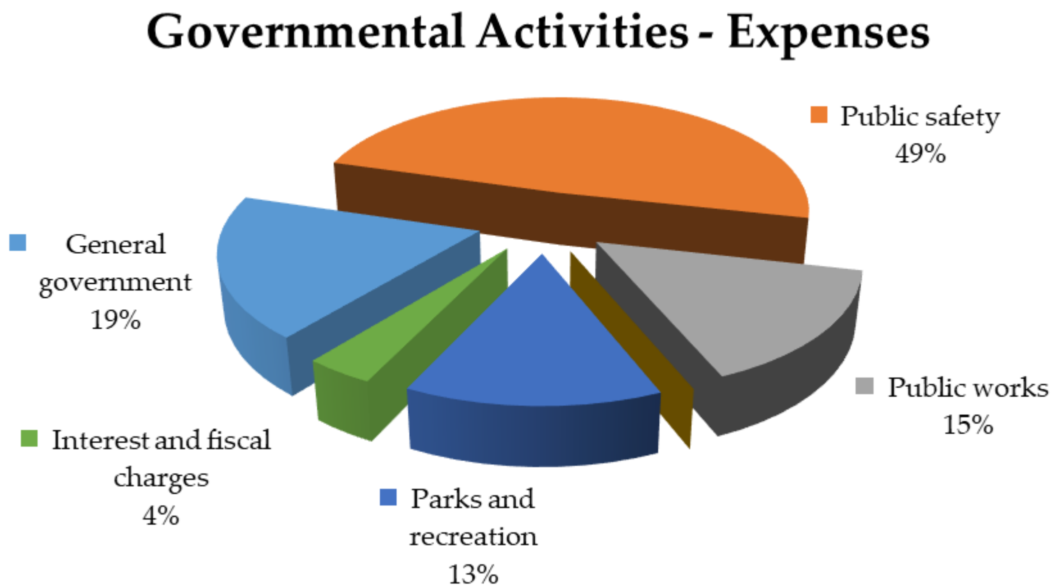
	For the Year Ended September 30, 2024			For the Year Ended September 30, 2023		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	$ 2,486,998	$ 17,854,701	$ 20,341,699	$ 2,774,368	$ 16,670,000	$ 19,444,368
Grants and contributions	565,928	89,150	655,078	302,930	261,385	564,315
General revenues:						
Property tax	5,647,591	-	5,647,591	5,021,107	-	5,021,107
Sales tax	6,392,527	-	6,392,527	6,753,299	-	6,753,299
Other taxes	2,225,834	-	2,225,834	2,417,425	-	2,417,425
Royalty income	1,154,586	-	1,154,586	1,171,585	-	1,171,585
Investment income	355,402	2,556,217	2,911,619	298,843	2,396,716	2,695,559
Other revenues	442,707	-	442,707	750,395	101,357	851,752
Total Revenues	19,271,573	20,500,068	39,771,641	19,489,952	19,429,458	38,919,410
Expenses						
General government	4,241,429	-	4,241,429	4,010,412	-	4,010,412
Public safety	11,034,011	-	11,034,011	11,307,258	-	11,307,258
Public works	3,431,049	-	3,431,049	3,555,309	-	3,555,309
Parks and recreation	3,026,108	-	3,026,108	3,818,884	-	3,818,884
Water & sewer	-	15,435,807	15,435,807	-	14,073,239	14,073,239
Airport	-	1,759,274	1,759,274	-	1,783,093	1,783,093
Interest & fiscal charges	828,249	2,098,973	2,927,222	441,260	1,644,829	2,086,089
Total Expenses	22,560,846	19,294,054	41,854,900	23,133,123	17,501,161	40,634,284
Change in Net Position						
Before Transfers	(3,289,273)	1,206,014	(2,083,259)	(3,643,171)	1,928,297	(1,714,874)
Transfers in (out)	1,202,766	(1,202,766)	-	1,029,350	(1,029,350)	-
Total	1,202,766	(1,202,766)	-	1,029,350	(1,029,350)	-
Change in Net Position	(2,086,507)	3,248	(2,083,259)	(2,613,821)	898,947	(1,714,874)
Beginning Net Position	24,343,352	41,449,974	65,793,326	26,957,173	40,551,027	67,508,200
Ending Net Position	$ 22,256,845	$ 41,453,222	$ 63,710,067	$ 24,343,352	$ 41,449,974	$ 65,793,326

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



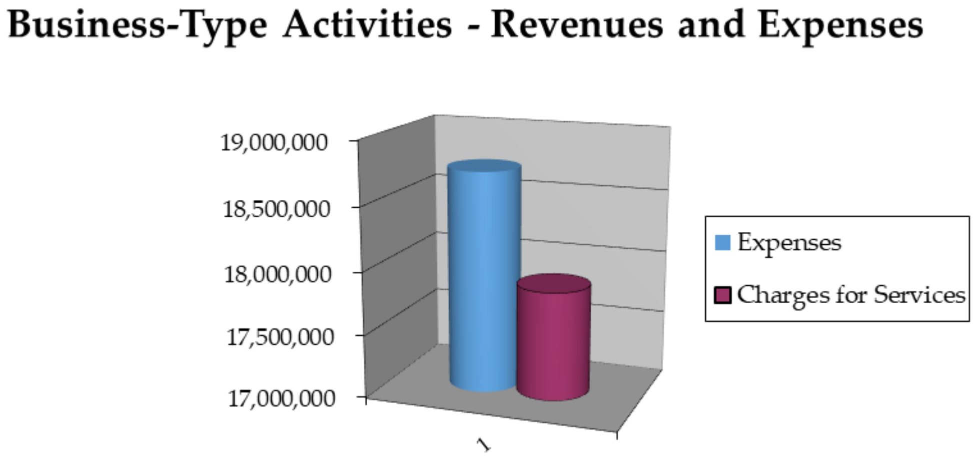
For the year ended September 30, 2024, revenues from governmental activities totaled $19,271,573. Overall revenues decreased by $218,379 or 1%. Sales tax and property tax are the City's largest revenue sources. Grants/contributions increased by $262,998 or 87% primarily due to increased CDBG grant funding received during the current year. Property tax revenue increased by $626,484 or 12% primarily due to an increase in appraised values in the current year. Other taxes decreased by $191,591 or 8% primarily due to lower franchise and hotel/motel tax collections. Royalty income decreased by $16,999 or 1% primarily due to a reduction in landfill fee income received in the current year. Investment income increased by $56,559 or 2% primarily due to greater interest bearing accounts held and the realization of higher interest rates. Other revenues decreased by $307,688 or 41% as a direct result of nonrecurring sale of capital assets in the prior year. All other revenues remained relatively consistent with the previous year.

This graph shows the governmental function expenses of the City:



For the year ended September 30, 2024, expenses for governmental activities totaled $22,560,846. This represents an increase of $572,277 or 2% from the prior year. The City's largest functional expense is public safety of $11,034,011, which decreased by $273,247 or 2% due to lower personnel costs resulting from several vacant positions during the year. In addition, there was a reduced allocation of net pension expense compared to the prior year, driven by a significant decrease in the City's net pension liability. General government expenses increased by $231,017 or 6% primarily due to higher personnel costs resulting from salary increases and promotions. Public works expenses decreased by $124,260 or 3%, primarily due to nonrecurring building maintenance and contractual engineering fees incurred in the prior year. Parks and recreation expenses decreased by $792,776 or 21% primarily due to nonrecurring expenditures related to community development and park improvement projects in the prior year. Interest and fiscal charges increased by $386,989 or 88% primarily due to bond issuance expenses related to the new debt issued during the current year. All other expenses remained relatively consistent with the previous year.

Business-type activities are shown comparing operating costs to revenues generated by related services.



For the year ended September 30, 2024, charges for services by business-type activities totaled $17,854,701. This is an increase of $1,184,701, or 7%, from the previous year. The increase is primarily a result of service rate increases over the course of the year.

Total expenses increased by $1,792,893, or 10%, from the previous year. Water and sewer expenses increased due to greater personnel expenses, maintenance costs, legal fees related to water issues, theft loss, and supplies expenses incurred in the current year. The increase in airport expenses was primarily due to greater personnel costs related to salary increases in the current year. In addition, there was an increase in maintenance and administration fees related to rebuilding the airport fence and costs related to periodic maintenance and utility bills.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the City's governmental funds is to provide information of near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

As of the end of the year the general fund reflected a total fund balance of $3,455,961. The general fund reflected an increase of $2,229,990. Total revenues in the general fund were $15,085,271 which decreased by $106,838 when compared to prior year, primarily due to less license and permit revenue in the current year. Total general fund expenditures were $16,215,378 which increased by $174,437 when compared to prior year, primarily due to an increase in debt service payments in the current year. The street fund reflected a fund deficit of $3,513, an improvement of $290,223 over last year. The increase is due to fewer street repairs/maintenance expenses incurred compared to the prior year.

There was an overall increase in governmental fund balance of $7,664,820. This is due to bond issuances in the current year.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget included increases of: $331,012 to revenues, $490,413 to expenditures, and an increase of $2,814,323 to other financing sources. These changes primarily related to greater anticipated intergovernmental revenues, transfers in, and increases to general government for more anticipated contractual fees and insurance expenses.

There was a negative budget variance of $651,834 before other financing sources and uses, and a total negative variance of after other financing sources and uses. Total budgeted revenues were less than actual revenue by $1,127,841 . Total actual expenditures were $476,007 under budget.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested $40,256,390 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested $97,840,871 in a variety of capital assets and infrastructure, net of accumulated depreciation.

Major capital asset events during the current year include the following:

- Continued construction costs for West Loop Wastewater line for $634,868
- Continued work on the Downtown Revitalization Project for $568,327
- Street Improvements for $137,700.
- Purchased a forklift for $95,995
- Lift station improvement projects for 142,005
- Continued construction costs for the wastewater treatment plant for $23,434,367
- Began water meter optimization for 3,658,477
- Storage tank improvements totaling $75,310.
- Sewer improvements totaling $1,438,597.
- Improvements to pump stations for $120,300
- Hanger Firewall Construction for $90,500.
- Airport improvement for $152,023

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total long-term debt outstanding of $121,910,794 (excluding premiums). During the year, the City made $2,840,1767 in principal payments on outstanding debt. The City issued new debts during the year totaling $37,914,906. More detailed information about the City's long-term liabilities is presented in note IV. D. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City, and improving services provided to their residents.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Mount Pleasant, Texas' finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City of Mount Pleasant, Texas, Open Records, 501 N. Madison, Mount Pleasant, Texas 75455-3650.

FINANCIAL STATEMENTS

City of Mount Pleasant, Texas

STATEMENT OF NET POSITION (Page 1 of 2)

September 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 15,283,222	$ 1,714,190	$ 16,997,412
Restricted cash	156,275	46,438,247	46,594,522
Prepaid items	320,140	49,676	369,816
Receivables, net	1,446,152	1,710,734	3,156,886
Internal balances, net	(2,443,729)	2,443,729	-
Total Current Assets	14,762,060	52,356,576	67,118,636
Notes receivable, net of current portion	136,859	-	136,859
Capital assets:			
Non-depreciable	2,100,629	46,196,491	48,297,120
Net depreciable capital assets	38,155,761	51,644,380	89,800,141
Total Noncurrent Assets	40,393,249	97,840,871	138,234,120
Total Assets	55,155,309	150,197,447	205,352,756
Deferred Outflows of Resources			
Deferred OPEB outflows - TMRS	7,008	1,682	8,690
Deferred OPEB outflows - Healthcare	178,870	55,846	234,716
Deferred pension outflows	2,931,828	703,567	3,635,395
Deferred loss on refunding	39,690	-	39,690
Total Deferred Outflows of Resources	3,157,396	761,095	3,918,491

Component Unit
Industrial Development District
$ 9,006,691
-
3,595
316,763
-
9,327,049
-
1,084,625
2,188,236
3,272,861
12,599,910
119
2,671
50,050
-
52,840

City of Mount Pleasant, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	481,933	3,886,463	4,368,396
Accrued liabilities	382,768	-	382,768
Accrued interest payable	404,603	1,067,740	1,472,343
Customer deposits	-	293,590	293,590
Compensated absences, current	955,251	213,656	1,168,907
Long-term debt due within one year	1,370,073	2,263,430	3,633,503
Total Current Liabilities	3,594,628	7,724,879	11,319,507
Noncurrent liabilities:			
Compensated absences, noncurrent	106,139	23,739	129,878
Long-term debt due in more than one year	24,088,743	99,712,936	123,801,679
Net pension liability	6,511,221	1,562,535	8,073,756
OPEB liabilities - TMRS	350,807	84,185	434,992
OPEB liabilities - Healthcare	990,336	308,765	1,299,101
Total Noncurrent Liabilities	32,047,246	101,692,160	133,739,406
Total Liabilities	35,641,874	109,417,039	145,058,913
Deferred Inflows of Resources			
Deferred OPEB inflows - TMRS	96,704	23,207	119,911
Deferred OPEB inflows - Healthcare	10,103	3,982	14,085
Deferred gain on refunding	52,602	-	52,602
Deferred pension inflows	254,577	61,092	315,669
Total Deferred Inflows of Resources	413,986	88,281	502,267
Net Position			
Net investment in capital assets	23,176,536	37,751,977	60,928,513
Restricted for:			
Debt service	887,188	1,776,799	2,663,987
Community improvements	429,370	-	429,370
Insurance	310,706	-	310,706
Cemetary	25,289	-	25,289
Development	69,696	-	69,696
Public safety	20,327	-	20,327
Unrestricted	(2,662,267)	1,924,446	(737,821)
Total Net Position	$ 22,256,845	$ 41,453,222	$ 63,710,067

See Notes to Financial Statements.

Component Unit
Industrial Development District
23,410
12,493
-
-
10,347
-
46,250
1,149
-
111,153
5,988
15,216
133,506
179,756
1,651
60
-
4,346
6,057
3,272,861
-
9,194,076
-
-
-
-
-
$ 12,466,937

City of Mount Pleasant, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

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	$ 4,241,429	$ 1,864,165	$ -	$ -
Public safety	11,034,011	622,833	22,846	-
Public works	3,431,049	-	-	242,847
Parks and recreation	3,026,108	-	-	300,235
Interest and fiscal charges	828,249	-	-	-
Total Governmental Activities	22,560,846	2,486,998	22,846	543,082
Business-Type Activities				
Water & sewer	17,534,780	16,627,416	-	-
Airport	1,759,274	1,227,285	89,150	-
Total Business-Type Activities	19,294,054	17,854,701	89,150	-
Total Primary Government	$ 41,854,900	$ 20,341,699	$ 111,996	$ 543,082
Component Unit				
Development District	1,592,002	-	-	-
Total Component Unit Activities	$ 1,592,002	$ -	$ -	$ -

General Revenues:

Taxes

Property tax

Sales tax

Franchise tax

Mixed beverage taxes

Hotel occupancy taxes

Investment income

Royalties

Other revenues

Transfers:

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position, as previously stated

Error correction

Beginning Net Position, as adjusted

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position			Component Unit
Primary Government			Industrial Development District
Governmental Activities	Business-Type Activities	Total	
$ (2,377,264)	$ -	$ (2,377,264)	$ -
(10,388,332)	-	(10,388,332)	-
(3,188,202)	-	(3,188,202)	-
(2,725,873)	-	(2,725,873)	-
(828,249)	-	(828,249)	-
(19,507,920)	-	(19,507,920)	-
-	(907,364)	(907,364)	-
-	(442,839)	(442,839)	-
-	(1,350,203)	(1,350,203)	-
(19,507,920)	(1,350,203)	(20,858,123)	-
			(1,592,002)
			(1,592,002)
5,647,591	-	5,647,591	-
6,392,527	-	6,392,527	2,123,015
1,430,097	-	1,430,097	-
30,105	-	30,105	-
765,632	-	765,632	-
355,402	2,556,217	2,911,619	249,029
1,154,586	-	1,154,586	-
442,707	-	442,707	742,850
1,202,766	(1,202,766)	-	-
17,421,413	1,353,451	18,774,864	3,114,894
(2,086,507)	3,248	(2,083,259)	1,522,892
24,343,352	$ 41,395,759	$ 65,739,111	$ 10,944,045
-	54,215	54,215	
24,343,352	41,449,974	65,793,326	
$ 22,256,845	$ 41,453,222	$ 63,710,067	$ 12,466,937

City of Mount Pleasant, Texas

BALANCE SHEET

GOVERNMENTAL FUNDS (Page 1 of 2)

September 30, 2024

	General Fund	Street Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 1,954,882	$ 690,203	$ 12,638,137	$ 15,283,222
Restricted cash	36,552	-	119,723	156,275
Receivables, net				
Property taxes	120,984	-	43,538	164,522
Sales taxes	950,289	-	-	950,289
Other taxes	5,998	-	226,082	232,080
Other receivable	90,526	140,470	5,124	236,120
Prepaid	293,551	9,831	16,758	320,140
Due from other funds	795,125	-	-	795,125
Total Assets	$ 4,247,907	$ 840,504	$ 13,049,362	$ 18,137,773
Liabilities				
Accounts payable	$ 287,685	$ 24,096	$ 170,152	$ 481,933
Accrued liabilities	367,909	14,859	-	382,768
Due to other funds	-	805,062	2,433,792	3,238,854
Total Liabilities	655,594	844,017	2,603,944	4,103,555
Deferred Inflows of Resources				
Unavailable revenue - prop. taxes	136,352	-	45,574	181,926
Total Deferred Inflows of Resources	136,352	-	45,574	181,926

See Notes to Financial Statements.

City of Mount Pleasant, Texas

BALANCE SHEET

GOVERNMENTAL FUNDS (Page 2 of 2)

September 30, 2024

	General Fund	Street Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances				
Nonspendable:				
Prepaid items	$ 293,551	$ 9,831	$ 16,758	$ 320,140
Notes Receivable	-	-	171,977	171,977
Restricted for:				
Debt service	-	-	841,614	841,614
Community improvements	-	-	429,370	429,370
Insurance	-	-	310,706	310,706
Cemetary	-	-	25,289	25,289
Development	-	-	69,696	69,696
Capital projects	-	-	8,378,961	8,378,961
Public safety	-	-	20,327	20,327
Assigned to:				
Public safety	16,710	-	290,084	306,794
Library	-	-	25,732	25,732
Unassigned	3,145,700	(13,344)	(180,670)	2,951,686
Total Fund Balances	3,455,961	(3,513)	10,399,844	13,852,292
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 4,247,907	$ 840,504	$ 13,049,362	$ 18,137,773

See Notes to Financial Statements.

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City of Mount Pleasant, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

September 30, 2024

Fund Balances - Total Governmental Funds	$	13,852,292
Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		2,100,629
Capital assets - net depreciable		38,155,761
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax receivable		181,926
Deferred outflows (inflows) of resources represent a consumption of net assets that applies to a future period)s) and is not recognized as an an outflow of resources (expense/expenditure) until then.		
Deferred gain on refunding		(52,602)
Deferred loss on refunding		39,690
Pension contributions		1,182,856
OPEB contributions - TMRS		7,008
Pension difference in experience		835,890
Pension changes in assumptions		(254,577)
Pension investment earnings		913,082
OPEB experience - Healthcare		178,870
OPEB experience - TMRS		(40,746)
OPEB changes in assumptions - TMRS		(55,958)
OPEB changes in assumptions - Healthcare		(10,103)
Some liabilities, including bonds payable and deferred charges are not reported as liabilities in the governmental funds.		
Compensated absences		(1,061,390)
Accrued interest		(404,603)
Premiums on bonds payable		(1,558,323)
Non-current liabilities due in one year		(1,370,073)
Non-current liabilities due in more than one year		(22,530,420)
Net pension liability		(6,511,221)
OPEB liability - TMRS		(350,807)
OPEB liability - Healthcare		(990,336)
Net Position of Governmental Activities	$	22,256,845

See Notes to Financial Statements.

City of Mount Pleasant, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS (Page 1 of 2)
For the Year Ended September 30, 2024

	General Fund	Street Fund	Nonmajor Governmental Funds
Revenues			
Property tax	$ 4,310,701	$ -	1,264,165
Sales tax	6,392,527	-	-
Mixed beverage taxes	30,105	-	-
Hotel occupancy taxes	-	-	765,632
Intergovernmental revenue	237,652	-	328,276
License and permits	392,932	-	-
Charges for services	1,471,233	-	-
Fines and forfeitures	622,833	-	-
Franchise tax	127,708	1,281,082	21,307
Investment income	83,795	36,062	235,545
Royalties	1,154,586	-	-
Other revenues	261,199	-	181,508
Total Revenues	15,085,271	1,317,144	2,796,433
Expenditures			
Current:			
General government	2,608,198	-	864,513
Public safety	10,421,390	-	87,293
Building maintenance	215,701	-	-
Public works	615,983	1,286,136	-
Parks and recreation	1,463,503	-	545,191
Library	639,210	-	-
Debt service:			
Principal	138,755	-	927,992
Interest and fiscal charges	13,071	-	521,884
Bond issuance costs	99,408	-	107,076
Capital outlay	159	140,781	1,204,727
Total Expenditures	16,215,378	1,426,917	4,258,676
Revenues Over (Under) Expenditures	(1,130,107)	(109,773)	(1,462,243)

See Notes to Financial Statements.

Total Governmental Funds
$ 5,574,866
6,392,527
30,105
765,632
565,928
392,932
1,471,233
622,833
1,430,097
355,402
1,154,586
442,707
19,198,848
3,472,711
10,508,683
215,701
1,902,119
2,008,694
639,210
1,066,747
534,955
206,484
1,345,667
21,900,971
(2,702,123)

City of Mount Pleasant, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS (Page 2 of 2)

For the Year Ended September 30, 2024

	General Fund	Street Fund	Nonmajor Governmental Funds
Other Financing Sources (Uses)			
Transfers in	$ 3,868,323	$ 399,996	1,220,454
Transfers (out)	(713,316)	-	(3,572,691)
Payment to refunded bond escrow agent	(3,693,343)	-	-
Bond issuance	-	-	7,725,000
Refunding bond issued	3,335,000	-	-
Premiums on bonds issued	457,751		649,869
Sale of capital assets	-	-	74,185
SBITAs related issuance	105,682.23	-	-
Lease related issuance	-	-	510,033
Total Other Financing Sources (Uses)	3,360,097	399,996	6,606,850
Net Change in Fund Balances	2,229,990	290,223	5,144,607
Beginning fund balances	1,225,971	(293,736)	5,255,237
Ending Fund Balances	$ 3,455,961	$ (3,513)	10,399,844

See Notes to Financial Statements.

Total Governmental Funds	
$	5,488,773
	(4,286,007)
	(3,693,343)
	7,725,000
	3,335,000
	1,107,620
	74,185
	105,682
	510,033
	10,366,943
	7,664,820
	6,187,472
$	13,852,292

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City of Mount Pleasant, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balances - total governmental funds	$	7,664,820
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital asset additions		1,584,522
Net book value of capital assets disposed		(103,324)
Depreciation expense		(2,778,778)
Revenues in the statement of activities that do not provide current financial resources and, therefore, are not reported as revenues in the funds.		
Property tax receivable		72,725
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(170,349)
Accrued interest		(218,651)
Pension expense		(177,546)
OPEB expense		(68,522)
Amortization of debt premium		136,289
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Current year debt issuances		(4,442,620)
Debt refunding		3,675,000
Current year deferred gain on refunding		18,343
Amortization deferred loss/gain on debt refunding		(4,448)
Lease related issuance		(510,033)
SBITAs related issuance		(105,682)
Principal payments		1,066,747
Change in Net Position of Governmental Activities	$	5,638,493

See Notes to Financial Statements.

City of Mount Pleasant, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUND (Page 1 of 2)

September 30, 2024

	Water & Sewer	Airport	Total
Assets			
Current Assets			
Cash and cash equivalents	$ 1,402,813	$ 311,377	$ 1,714,190
Restricted cash	44,661,448	-	44,661,448
Restricted cash - TWDB bond	1,776,799	-	1,776,799
Due from other funds	2,490,417	-	2,490,417
Accounts and other receivables, net	1,710,734	-	1,710,734
Prepaid items	45,667	4,009	49,676
Total Current Assets	52,087,878	315,386	52,403,264
Noncurrent Assets			
Capital assets:			
Non-depreciable	44,155,851	2,040,640	46,196,491
Net depreciable capital assets	46,678,196	4,966,184	51,644,380
Total Noncurrent Assets	90,834,047	7,006,824	97,840,871
Total Assets	142,921,925	7,322,210	150,244,135
Deferred Outflows of Resources			
Deferred OPEB outflows - TMRS	1,510	172	1,682
Deferred OPEB outflows - Healthcare	51,028	4,818	55,846
Deferred pension outflows	631,506	72,061	703,567
Total Deferred Outflows of Resources	$ 684,044	$ 77,051	$ 761,095

See Notes to Financial Statements.

City of Mount Pleasant, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUND (Page 2 of 2)

September 30, 2024

	Water & Sewer	Airport	Total
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	$ 3,871,441	$ 15,022	$ 3,886,463
Customer deposits	293,590	-	293,590
Compensated abscences, current	158,593	55,063	213,656
Long-term debt due within one year	2,255,672	7,758	2,263,430
Accrued interest	1,067,740	-	1,067,740
Due to other funds	-	46,688	46,688
Total Current Liabilities	7,647,036	124,531	7,771,567
Noncurrent Liabilities			
Net pension liability	1,402,496	160,039	1,562,535
OPEB liabilities - TMRS	75,563	8,622	84,185
OPEB liabilities - Healthcare	282,552	26,213	308,765
Compensated absences, noncurrent	17,621	6,118	23,739
Debt due in more than one year	99,689,607	23,329	99,712,936
Total Liabilities	109,114,875	348,852	109,463,727
Deferred Inflows of Resources			
Deferred OPEB inflows - TMRS	20,830	2,377	23,207
Deferred OPEB inflows - Healthcare	3,588	394	3,982
Deferred pension inflows	54,835	6,257	61,092
Total Deferred Inflows of Resources	79,253	9,028	88,281
Net Position			
Net investment in capital assets	30,776,240	6,975,737	37,751,977
Restricted for debt service	1,776,799	-	1,776,799
Unrestricted	1,858,802	65,644	1,924,446
Total Net Position	$ 34,411,841	$ 7,041,381	$ 41,453,222

See Notes to Financial Statements.

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City of Mount Pleasant, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the Year Ended September 30, 2024

	Water & Sewer	Airport	Total
Operating Revenues			
Charges for services	$ 16,351,576	$ 1,227,090	$ 17,578,666
Other operating revenue	243,827	-	243,827
Intergovernmental	-	89,150	89,150
Miscellaneous revenue	32,013	195	32,208
Total Operating Revenues	16,627,416	1,316,435	17,943,851
Operating Expenses			
Personnel	3,806,619	342,390	4,149,009
Supplies and services	1,100,000	680,113	1,780,113
Maintenance	625,446	42,006	667,452
Administrative expenses	6,047,625	76,339	6,123,964
Depreciation	2,978,380	616,158	3,594,538
Total Operating Expenses	14,558,070	1,757,006	16,315,076
Operating Income (Loss)	2,069,346	(440,571)	1,628,775
Nonoperating Revenues (Expenses)			
Investment income	2,556,217	-	2,556,217
Interest expense	(2,098,973)	(2,268)	(2,101,241)
Bond issuance costs	(320,397)	-	(320,397)
Theft loss	(557,340)	-	(557,340)
Total Nonoperating Revenues (Expenses)	(420,493)	(2,268)	(422,761)
Income (Loss) Before Transfers	1,648,853	(442,839)	1,206,014
Transfers in	-	267,787	267,787
Transfers (out)	(1,470,553)	-	(1,470,553)
Change in Net Position	178,300	(175,052)	3,248
Beginning net position, as previously stated	34,179,326	7,216,433	41,395,759
Error correction	54,215	-	54,215
Beginning net position, as adjusted	34,233,541	7,216,433	41,449,974
Ending Net Position	$ 34,411,841	$ 7,041,381	$ 41,453,222

See Notes to Financial Statements.

City of Mount Pleasant, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUND (Page 1 of 2)

For the Year Ended September 30, 2024

	Water & Sewer	Airport	Total
Cash Flows from Operating Activities			
Receipts from customers	$ 16,506,841	$ 1,316,435	$ 17,823,276
Payments to employees	(3,683,204)	(315,826)	(3,999,030)
Payments to suppliers and contractors	(8,410,190)	(801,866)	(9,212,056)
Net Cash Provided (Used) by Operating Activities	4,413,447	198,743	4,612,190
Cash Flows from Noncapital Financing Activities			
Transfers in from other funds	-	267,787	267,787
Transfers (out) to other funds	(3,960,970)	(587)	(3,961,557)
Net Cash Provided (Used) by Noncapital Financing Activities	(3,960,970)	267,200	(3,693,770)
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	(26,490,796)	(317,398)	(26,808,194)
Proceeds from capital debt	25,085,245	46,326	25,131,571
Principal paid on capital debt	(1,750,432)	(22,997)	(1,773,429)
Bond issuance costs	(320,397)		(320,397)
Interest paid on capital debt	(1,726,508)	(2,268)	(1,728,776)
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,760,228)	(296,337)	(6,056,565)
Cash Flows from Investing Activities			
Interest on investments	2,556,217	-	2,556,217
Net Cash Provided by Investing Activities	2,556,217	-	2,556,217
Net Increase (Decrease) in Cash and Cash Equivalents	(2,751,534)	169,606	(2,581,928)
Beginning cash and cash equivalents	50,592,594	141,771	50,734,365
Ending Cash and Cash Equivalents	$ 47,841,060	$ 311,377	$ 48,152,437

See Notes to Financial Statements.

City of Mount Pleasant, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUND (Page 2 of 2)

For the Year Ended September 30, 2024

	Water & Sewer	Airport	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (loss)	$ 2,069,346	$ (440,571)	$ 1,628,775
Adjustments to reconcile operating income to net cash provided:			
Depreciation	2,978,380	616,158	3,594,538
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts receivable	(129,639)	-	(129,639)
Prepaid	(7,346)	-	(7,346)
Deferred outflows/inflows - pension and OPEB	299,453	35,195	334,648
Increase (Decrease) in:			
Accounts payable and accrued liabilities	(637,119)	(3,408)	(640,527)
Customer deposits	16,410	-	16,410
Net pension liability	(319,451)	(36,454)	(355,905)
OPEB liability	101,544	6,859	108,403
Compensated absences	41,869	20,964	62,833
Net Cash Provided (Used) by Operating Activities	$ 4,413,447	$ 198,743	$ 4,612,190

See Notes to Financial Statements.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Mount Pleasant, Texas (the "City") was incorporated in 1900 and has a Council/Manager form of government with a City Council comprised of an elected Mayor and five council members. The City provides a full range of municipal services including public safety, streets, parks and recreation, community development, planning and zoning, and general administrative services. In addition, the City provides water and sewer service, civic center, and airport services, as enterprise functions of the City.

As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Mount Pleasant Industrial Development Corporation ("IDC") is legally separate and presented as a discretely presented component unit. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Discretely Presented Component Unit

Mount Pleasant Industrial Development Corporation

The City of Mount Pleasant Industrial Development Corporation is governed by a five member board of directors appointed, at will, by the City Council. The Mount Pleasant Industrial Development Corporation ("IDC") is a political subdivision of the City of Mount Pleasant, authorized under Chapter 377 of the Texas Government Code, which was formed in 1993 when the citizens of Mount Pleasant approved its creation and authorized it to impose a one-half percent sales tax to finance development projects beneficial to the District. State law allows the

District to collect a sales tax up to one-half of one percent, and tax receipts began in 1993. Separate financial statements have not been prepared.

B. Basis of Presentation - Government-Wide and Fund Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and transit functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

The government reports the following major governmental funds:

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, and community development. The general fund is considered a major fund for reporting purposes.

Street Fund

This fund is a capital projects fund used to account for the administration, operation, and maintenance of the City's streets. The fund also accounts for any street projects while under construction.

The City reports the following enterprise funds:

Water and Sewer Fund

This fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water production and distribution system, water collection and treatment systems. The fund also accounts for the accumulation of resources for and the payment of long-term debt. All costs are financed through charges to utility customers.

Airport Fund

This fund is used to account for the operations of the airport. Activities of the fund include the administration, operation, and maintenance of the airport infrastructure. The fund also accounts for airport projects while under construction.

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

D. Assets, Deferred Outflows/Inflows, Liabilities, and Fund Equity or Net Position

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

Direct obligations of the U.S. Government
Fully collateralized certificates of deposit and money market accounts
Statewide investment pools

2. Fair Value Measurement

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a fund balance nonspendable account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets or similar items are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.
The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Asset Description	Estimated Useful Life
Vehicles	6 years
Furniture and equipment	5 - 10 years
Infrastructure	30 - 45 years
Buildings	45 years
Buildings improvements	15 – 20 years

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, fines, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. Net Position Flow Assumptions

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

9. Fund Balance Flow Assumptions

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

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through the following spending constraints:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

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

- Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e. City council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.

- Assigned fund balance – amounts the City intends to use for a specific purpose. Intent can be expressed by City Council or by an official or body to which the Council delegates the authority.

- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

11. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation and sick balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

12. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

13. Leases

Lessee: The City is a lessee for noncancellable lease of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the full-accrual financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

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

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

14. Subscription-Based Information Technology Arrangements

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled Subscription-Based Information Technology Arrangements ("SBITA"). The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

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

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

- The subscription term includes the noncancellable period of the SBITA.

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

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

15. Estimates

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

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

17. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is $7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

In addition to the contributions made to TMRS, the City provides certain other post-employment benefits to its retirees and dependents. Full time City employees who retire from the City under the Texas Municipal Retirement System, and who are covered by the City's group hospitalization and medical insurance at the time of retirement, will be eligible to receive the current health plan from age 60 to 65. The City will contribute toward the plan equal to the active individual rate, and the retiree is responsible for the difference.

E. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the water and sewer and airport fund are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, and special revenue funds. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control is the fund level. No funds can be transferred or added to a budgeted item without Council approval. Appropriations lapse at the end of the year. Several supplemental budget appropriations were made during the year.

A. Expenditures Over Appropriations

For the year ended, expenditures exceeded appropriations at the legal level of control and as follows:

Construction Bond Fund:		
Total expenditures	$	203,687
Capital Replacement Fund:		
Total expenditures	$	491,701

B. Deficit Fund Balances

As of September 30, 2024, the Street Fund, Hotel/Motel Fund, Park Improvement Fund, and Capital Replacement Fund had deficit fund balances of $3,513, $41,422, $16,976, and $116,033, respectively. The deficits should be reduced or eliminated in the future with tax revenue and reducing capital outlay expenditures.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2024, the primary government had the following investments:

Investment Type		Value	Weighted Average Maturity (Years)
External investment pools			
LOGIC	$	54,447,111	0.13
Texpool		754,167	0.07
TexasTERM		7,266	0.08
Total fair value	$	55,208,544	
Portfolio weighted average maturity			0.07

As of September 30, 2024, the City's component unit had the following investments:

Investment Type		Value	Weighted Average Maturity (Years)
External investment pool - Texpool	$	1,672,411	0.07
External investment pool - TexasTERM		2,779,582	0.08
Total fair value	$	4,451,993	
Portfolio weighted average maturity			0.08

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed one year; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk The City's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2024, the City's investments in TexPool and LOGIC were rated AAAm by Standard & Poor's.

Custodial credit risk – deposits In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of the deposits. As of September 30, 2024, the fair values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

<u>TexPool</u>

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAm. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2024, the fair value of the portion in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

<u>LOGIC</u>

LOGIC is a local government investment pool organized under the authority of the Interlocal Cooperation Act, chapter 791, of the Texas Government Code, and the Public Funds Investment Act, chapter 2256, of the Texas Government Code. The pool was created in April 1994 through a contract among its participating governmental units, and is governed by a board of directors (the board) to provide for the joint investments of participant's public funds and funds under their control. LOGIC's policy seeks to invest pooled assets in a manner that will provide for safety of principal, liquidity in accordance with the operating requirements of the Participants, and a competitive rate of return by utilizing economies of scale and professional investment expertise. Standard & Poor's rates Local Government Investment Cooperative (LOGIC) 'AAAm'. This is Standard & Poor's highest principal stability fund rating and is based on an analysis of the pool's investment portfolio and guidelines, market price exposure, and management. The rating demonstrates that the pool has an extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. LOGIC has a conservative investment policy and invests in only authorized investments under the Texas Public Funds Investment Act. To ensure an accurate and current rating, Standard & Poor's monitors pertinent pool information, including the fund's portfolio holdings, on a weekly basis. There were no limitations or restrictions on withdrawals.

TexasTERM

TexasTERM is an external investment pool operated by a private asset management corporation and is not SEC registered. The Texas Interlocal Cooperation Act and the Texas Public Investments Act provide for the creation of public funds investment pools and permit eligible governmental entities to jointly invest their funds in authorized investments. The City participates in both investment options operated by TexasTERM – a daily investment pool (TexasDAILY) and a long-term investment pool (TexasTERM). At September 30, 2024, the fair value of the position in both the TexasTERM investments approximate fair value of the shares. There were no limitations or restrictions on withdrawals.

B. Receivables

The following comprise receivable balances of the primary government at year end:

	General	Street	Nonmajor Government	Water / Sewer	Total
Property tax	$ 120,984	$ -	$ 43,538	$ -	$ 164,522
Sales tax	950,289	-	-	-	950,289
Franchise tax		140,470	5,124	-	145,594
Other	5,998	-	46,707	-	52,705
Accounts	3,412,503	-	179,375	1,969,050	5,560,928
Allowance	(3,321,977)	-	-	(258,316)	(3,580,293)
Total	$ 1,167,797	$ 140,470	$ 274,744	$ 1,710,734	$ 3,293,745

The City extended loans to 3 local businesses through the Rural Development fund during the fiscal year. Below is the schedule of notes receivable for those loans:

	Principal	Interest	Total
2025	$ 35,118	9,363	$ 44,481
2026	37,285	7,197	44,482
2027	38,047	4,913	42,960
2028	38,178	2,653	40,831
2029	23,349	469	23,818
Thereafter	-	-	-
Total	$ 171,977	$ 24,595	$ 196,572

The discretely presented component unit had $326,612 in receivables at yearend that related to sales tax.

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	$ 2,100,629	$ -	$ -	$ 2,100,629
Construction in progress	389,208	-	(389,208)	-
Total capital assets not being depreciated	2,489,837	-	(389,208)	2,100,629
Capital assets, being depreciated:				
Buildings	15,009,288	-	-	15,009,288
Improvements	19,043,851	52,250	-	19,096,101
Infrastructure	28,335,838	629,572	358,617	29,324,027
Machinery	6,983,091	225,386	-	7,208,477
Vehicles	3,172,471	-	-	3,172,471
Right-to-use assets	1,522,752	571,632	(131,525)	1,962,859
SBITAs	187,479	105,682	-	293,161
Total capital assets being depreciated	74,254,770	1,584,522	227,092	76,066,384
Less accumulated depreciation:				
Buildings	(4,309,887)	(323,103)	-	(4,632,990)
Improvements	(6,927,718)	(819,349)	-	(7,747,067)
Infrastructure	(14,207,591)	(581,189)	-	(14,788,780)
Machinery	(6,391,159)	(384,270)	-	(6,775,429)
Vehicles	(2,608,793)	(179,201)	-	(2,787,994)
Right-to-use assets	(682,996)	(408,038)	58,792	(1,032,242)
SBITAs	(62,493)	(83,628)	-	(146,121)
Total accumulated depreciation	(35,190,637)	(2,778,778)	58,792	(37,910,623)
Net capital assets being depreciated	39,064,133	(1,194,256)	285,884	38,155,761
Total Capital Assets	$ 41,553,970	$ (1,194,256)	$ (103,324)	$ 40,256,390

Depreciation was charged to governmental functions as follows:

General government	$	219,511
Public safety		745,082
Building maintenance		129,420
Public works		1,291,785
Parks and recreation		237,076
Library		155,904
Total Governmental Activities Depreciation Expense	$	2,778,778

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	$ 8,794,228	$ -	$ -	$ 8,794,228
Construction in progress	15,234,700	24,296,716	(2,129,153)	37,402,263
Total capital assets not being depreciated	24,028,928	24,296,716	(2,129,153)	46,196,491
Capital assets, being depreciated:				
Buildings	32,128,432	-	-	32,128,432
Improvements	20,574,113	129,050	2,084,886	22,788,049
Infrastructure	34,851,125	1,999,367	44,267	36,894,759
Machinery	8,758,497	311,088	-	9,069,585
Vehicles	1,583,968	-	-	1,583,968
Right-to-use assets	485,760	71,973	(81,782)	475,951
SBITAs	187,480	-		187,480
Total capital assets being depreciated	98,569,375	2,511,478	2,047,371	103,128,224
Less accumulated depreciation:				
Buildings	(12,737,276)	(620,506)	-	(13,357,782)
Improvements	(11,763,095)	(962,575)	-	(12,725,670)
Infrastructure	(14,334,818)	(1,276,373)	-	(15,611,191)
Machinery	(7,789,695)	(389,280)	-	(8,178,975)
Vehicles	(990,358)	(142,258)	-	(1,132,616)
Right-to-use assets	(241,497)	(141,053)	29,926	(352,624)
SBITAs	(62,493)	(62,493)	-	(124,986)
Total accumulated depreciation	(47,919,232)	(3,594,538)	29,926	(51,483,844)
Net capital assets being depreciated	50,650,143	(1,083,060)	2,077,297	51,644,380
Total Capital Assets	$ 74,679,071	$ 23,213,656	$ (51,856)	$ 97,840,871

Depreciation was charged to business-type functions as follows:

Water and sewer	$	2,978,380
Airport		616,158
Total Business-Type Activities Depreciation Expense	$	3,594,538

A summary of changes in the Mount Pleasant Industrial Development Corporation capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	$ 1,084,625	$ -	$ -	$ 1,084,625
Construction in progress	294,857	-	(294,857)	-
Total capital assets not being depreciated	1,379,482	-	(294,857)	1,084,625
Capital assets, being depreciated:				
Improvements	1,718,691	-	-	1,718,691
Infrastructure	2,499,327	19,657	294,857	2,813,841
Total capital assets being depreciated	4,218,018	19,657	294,857	4,532,532
Less accumulated depreciation				
Improvements	(1,367,682)	(84,207)	-	(1,451,889)
Infrastructure	(843,653)	(48,754)	-	(892,407)
Total accumulated depreciation	(2,211,335)	(132,961)	-	(2,344,296)
Net capital assets being depreciated	2,006,683	(113,304)	294,857	2,188,236
Total capital assets	$ 3,386,165	$ (113,304)	$ -	$ 3,272,861

D. Long-term Debt

The following is a summary of changes in the City's and Component Unit's total long-term liabilities for the year ended. In general, the City uses the debt service fund to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	Reductions	Refunding	Ending Balance	Amounts Due Within One Year
Governmental Activities:						
Certificates of obligations	$ 7,750,000	$ 7,725,000	$ (175,000)	$ -	$ 15,300,000	$ 180,000
General obligation bonds	5,930,000	3,335,000	(245,000)	(3,675,000)	5,345,000	270,000
Tax note payable	1,996,759	-	(40,000)	-	1,956,759	309,000
Lease liabilities	905,685	510,033	(414,142)	-	1,001,576	457,090
Subscription liabilities	127,334	105,682	(103,188)	-	129,828	80,806
Note payable	256,747	-	(89,417)	-	167,330	73,177
Issuance premium	586,992	1,107,620	(136,289)	-	1,558,323	-
Total Govt. Activities	$ 17,553,517	$ 12,783,335	$ (1,203,036)	$ (3,675,000)	$ 25,458,816	$ 1,370,073
Long-term Liabilities Due in More than One Year					$ 24,088,743	
Business-Type Activities:						
Revenue bonds	$ 15,685,000	$ -	$ (1,210,000)	$ -	$ 14,475,000	$ 1,235,000
Certificates of obligations	59,375,000	23,115,000	(85,000)	-	82,405,000	520,000
GO refunding bonds	700,000	-	(240,000)	-	460,000	235,000
Issuance discount	(19,716)	-	6,570	-	(13,146)	-
Issuance premium	2,147,630	1,944,598	(113,018)	-	3,979,210	-
Note payable	453,000	-	(10,000)	-	443,000	86,000
Subscription liabilities	127,327	-	(61,188)	-	66,139	66,139
Lease liabilities	256,431	71,973	(167,241)	-	161,163	121,291
Total Bus.-Type Activities	$ 78,724,672	$ 25,131,571	$ (1,879,877)	$ -	$ 101,976,366	$ 2,263,430
Long-term Liabilities Due in More than One Year					$ 99,712,936	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Leases are collateralized by the respective assets being leased. If any default on these leases the City would forfeit the respective asset to the lessor.

Long-term debt at year end was comprised of the following debt issues:

Description	Interest Rates	Maturity Date	Original Balance	Current Balance
Governmental Activities:				
2017 Combination tax & revenue cert.	4%	5/15/2038	$ 8,440,000	$ 7,575,000
2024 Combination Tax & Rev. Certificates	5%	5/15/2049	7,725,000	7,725,000
	Total Certificates of Obligation		16,165,000	15,300,000
2020 General Obligation Refunding Bond	2%-4%	5/15/2030	2,900,000	2,010,000
2021 General Obligation Refunding Bond	1.19%	5/15/2032	4,457,000	-
2024 General Obligation Refunding Bond	5.00%	5/15/2042	3,335,000	3,335,000
	Total General Obligation Bonds		10,692,000	5,345,000
2022 Tax Note Payable	2.06%	4/15/2029	1,996,000	1,956,759
	Total Tax Notes		1,996,000	1,956,759
Notes Payable	Various	Various	319,218	167,330
Lease liabilities	Various	Various	734,877	1,001,576
Subscription liabilities	Various	Various	187,479	129,828
	Total Notes Payable and Lease Liabilities		1,241,574	1,298,734
	Total Governmental Activities		$ 30,094,574	$ 23,900,493
Business-Type Activities:				
2008 Utility System Revenue Bonds	1.00%	3/15/2033	$ 22,905,000	$ 14,475,000
2016 General Obligation Refunding Bond	2%-2.75%	5/15/2026	7,115,000	460,000
	Total Bonds		30,020,000	14,935,000
2020 Certificates of Obligation	1.15%-4.15%	5/15/2030	3,985,000	3,730,000
2021 Combination Tax & Rev. Certificates	2.25-5%	5/15/2051	55,560,000	55,560,000
2024 Combination Tax & Rev. Certificates	5%	5/15/2049	23,115,000	23,115,000
	Total Certificates		82,660,000	82,405,000
2021 Note Payable	1.23%	11/15/2028	463,000	443,000
Lease liabilities	3.8% - 6.49%	Various	238,482	161,163
Subscription liabilities	8.04%	1/1/2027	187,479	66,139
	Total Notes Payable and Lease Liabilities		888,961	670,302
	Total Business-Type Activities		$ 113,568,961	$ 98,010,302

The annual requirements to amortize governmental activities debt issues outstanding at year ending were as follows:

Governmental Activities

Year ending	General Obligation Bond		Certificates of Obligation		Tax Note Payable	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 180,000	$ 697,609	$ 270,000	$ 260,583	$ 309,000	$ 37,111
2026	298,971	662,377	295,000	236,350	315,000	30,683
2027	310,233	651,128	320,000	224,550	322,000	24,122
2028	325,243	639,417	345,000	211,750	328,000	17,428
2029	336,505	625,154	375,000	197,950	682,759	9,408
2030-2034	4,244,606	2,734,153	850,000	839,200	-	-
2035-2039	4,830,170	1,698,416	1,475,000	595,000	-	-
2040-2044	2,954,487	851,818	1,415,000	143,750	-	-
2045-2049	1,819,784	231,346			-	-
Total	$ 15,300,000	$ 8,791,418	$ 5,345,000	$ 2,709,133	$ 1,956,759	$ 118,752

Governmental Activities

Year ending	Lease Liabilities		Subscription Liabilities		Note payable	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 457,090	$ 45,241	$ 80,806	$ 8,665	73,177	5,746
2026	298,422	21,869	15,549	2,451	46,548	3,295
2027	172,191	7,643	16,327	1,673	47,605	2,238
2028	69,047	1,563	17,146	857	-	-
2029	4,826	112	-	-	-	-
Total	$ 1,001,576	$ 76,428	$ 129,828	$ 13,645	$ 167,330	$ 11,279

The net book value of right-to-use assets as of September 30, 2024 were $930,617.

The annual requirements to amortize business-type activities debt issues outstanding at year ending were as follows:

Business-Type Activities

Year ending September 30,	Certificates of Obligation & Revenue Bonds Principal	Certificates of Obligation & Revenue Bonds Interest	GO Refunding Bonds Principal	GO Refunding Bonds Interest
2025	$ 1,755,000	$ 2,070,401	$ 235,000	$ 7,314
2026	2,201,029	2,002,842	225,000	3,578
2027	2,489,767	1,953,716	-	-
2028	2,549,757	1,723,543	-	-
2029	2,618,495	1,849,112	-	-
2030-2034	14,930,394	8,538,041	-	-
2035-2039	17,274,830	6,785,208	-	-
2040-2044	23,760,513	4,535,143	-	-
2045-2049	22,100,216	2,182,209	-	-
2050-2052	7,200,000	243,900	-	-
Total	$ 96,880,000	$ 31,884,115	$ 460,000	$ 10,892

On December 29, 2021, the City entered into a tax note payable agreement for $463,000 with an interest rate of 1.29%. Principal payments are due in annual installments through November 2028.

Business-Type Activities

Year ending September 30,	Tax Note Payable Principal	Tax Note Payable Interest
2025	$ 86,000	4,920
2026	87,000	3,856
2027	89,000	2,774
2028	90,000	1,673
2029	91,000	560
Total	$ 443,000	$ 13,783

Business-Type Activities

Year ending September 30,	Lease Liabilities Principal	Lease Liabilities Interest	Subscription Liabilities Principal	Subscription Liabilities Interest
2025	$ 121,291	$ 5,780	$ 66,139	$ 10,237
2026	34,466	1,313	-	-
2027	5,406	195	-	-
Total	$ 161,163	$ 7,288	$ 66,139	$ 10,237

The net book value of right-to-use assets as of September 30, 2024 was $123,329.

E. Other Long-term Liabilities

The following is a summary of changes in the City's other long-term liabilities for the year ended. In general, the City uses the general and enterprise funds to liquidate compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	$ 891,041	$ 972,286	$ (801,937)	$ 1,061,390	$ 955,251
Total Governmental Activities	$ 891,041	$ 972,286	$ (801,937)	$ 1,061,390	$ 955,251
Long-term Liabilities Due in More than One Year				$ 106,139	
Business-Type Activities:					
Compensated Absences	$ 174,562	$ 219,938	$ (157,105)	$ 237,395	$ 213,656
Total Business-Type Activities	$ 174,562	$ 219,938	$ (157,105)	$ 237,395	$ 213,656
Long-term Liabilities Due in More than One Year				$ 23,739	
Component Unit Activities:					
Compensated Absences	$ 9,335	$ 10,563	$ (8,402)	$ 11,496	$ 10,347
Total Component Unit Activities	$ 9,335	$ 10,563	$ (8,402)	$ 11,496	$ 10,347
Long-term Liabilities Due in More than One Year				$ 1,149	

F. Interfund Receivables and Payables

The composition of interfund balances as of September 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amount
General	Airport	$ 46,688
General	Street fund	397,925
General	Nonmajor funds	350,512
Water and Sewer	Nonmajor funds	2,083,280
Water and Sewer	Street fund	407,137
		$ 3,285,542

Amounts recorded as "due to/from" are considered to be temporary loans and will be repaid during the following year.

G. Interfund Transactions

Transfers between the primary government funds during the year were as follows:

	Transfer In				
Transfer Out:	**General**	**Street**	**Nonmajor Governmental**	**Airport**	**Total**
General	$ -	$ -	$ 713,316	$ -	$ 713,316
Nonmajor governmental	3,223,823	-	348,868	-	3,572,691
Water and Sewer	644,500	399,996	158,270	267,787	1,470,553
Total	$ 3,868,323	$ 399,996	$ 1,220,454	$ 267,787	$ 5,756,560

Amounts transferred between funds relate to amounts collected by general and enterprise funds for various governmental expenditures, capital expenditures and debt payments.

H. Fund Equity

The City records fund balance restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

The following is a list of fund balances restricted/committed/assigned by the City:

	Governmental Funds		Proprietary Funds
	Restricted	**Assigned**	**Restricted**
Debt service	$ 841,614	$ -	$ 1,776,799
Community improvements	429,370	-	-
Insurance	310,706	-	-
Cemetary	25,289	-	-
Development	69,696	-	-
Capital projects	8,378,961	-	-
Public safety	20,327 *	-	-
Public safety	-	306,794	-
Library	-	25,732	-
Total	$ 10,075,963	$ 332,526	$ 1,776,799

*Restricted by enabling legislation

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with over 2,800 other entities in the Texas Municipal League Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

Theft of City assets:

During the year ended September 30, 2024, the City was victim to cyber crime resulting in the thief stealing $1,100,340 from the City. The City contacted law enforcement when they became aware of the crime, and was able to recover $543,000. The net loss to the City from the theft was $557,340. The City is still actively pursuing recovery of the remaining funds lost, but no additional funds have been recovered at this time.

B. Contingent Liabilities

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City owns the land being used for the Pleasant Oaks Landfill within the City of Mount Pleasant. The City leases the landfill to an operating company, Republic, the "lessee", that operates the landfill and pays a royalty to the City based on the volume of activity. As a condition to the lease arrangement between the City and the lessee, the lessee has agreed to assume all closure and post-closure costs associated with the landfill.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does not anticipate that it will have an arbitrage liability and performs annual calculations to estimate this potential liability. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Construction Commitments

As of September 30, 2024, the City had the following contractual construction commitments:

Project	Remaining Commitment
West Loop Waste water line	$ 496,445
Wastewater Treatment Plant	7,163,919
LBS WP & Pump Station	282,556
Total	$ 7,942,920

E. Pension Plans

Texas Municipal Retirement Systems

1. Plan Description

The City participates as one of 919 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (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's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available Annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

2. 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.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	Plan Year 2023	Plan Year 2022
Employee deposit rate	7.0%	7.0%
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 Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	105
Inactive employees entitled to but not yet receiving benefits	100
Active employees	189
Total	394

3. 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% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.76% and 15.21% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024, were $1,985,834, and were equal to the required contributions.

4. <u>Net Pension Liability</u>

The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 16 mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the

Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.7%
Core Fixed Income	6.0%	4.9%
Non-Core Fixed Income	20.0%	8.7%
Other Public/Private Markets	12.0%	8.1%
Real Estate	12.0%	5.8%
Hedge Funds	5.0%	6.9%
Private Equity	10.0%	11.8%
Total	100.0%	

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. Of the total pension liability, $9,912,744 is related to the primary government and $136,471 is attributable to the discretely presented component unit.

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 (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

Primary Government

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 16,769,868	$ 8,073,756	$ 970,541

Component Unit

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 230,875	$ 111,153	$ 13,362

Total

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$ 17,000,743	$ 8,184,909	$ 983,903

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Total Net Pension Liability	Primary Government	Component Unit
Balance at 12/31/22	$ 54,446,948	$ 44,397,732	$ 10,049,213	$ 9,912,745	$ 136,471
Changes for the year:					
Service cost	2,138,443	-	2,138,443	2,109,402	29,041
Interest	3,692,323	-	3,692,323	3,642,180	50,143
Difference between expected and actual experience	674,273	-	674,273	665,116	9,157
Changes of assumptions	(421,286)	-	(421,286)	421,286	(5,721)
Contributions – employer	-	1,940,675	(1,940,675)	(1,914,320)	(26,355)
Contributions – employee	-	893,144	(893,144)	(881,015)	(12,129)
Net investment income	-	5,147,156	(5,147,156)	(5,077,256)	(69,900)
Benefit payments, including refunds of emp. contributions	(1,630,162)	(1,630,162)	-	-	-
Administrative expense	-	(32,690)	32,690	32,246	444
Other changes	-	(228)	228	225	3
Net changes	4,453,591	6,317,895	(1,864,304)	(1,838,986)	(25,318)
Balance at 12/31/23	$ 58,900,539	$ 50,715,627	$ 8,184,909	$ 8,073,759	$ 111,153

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the year ended September 30, 2024, the City recognized pension expense of $2,208,627. Of this amount, $2,178,633 is related to the primary government and $29,994 is attributable to the discretely presented component unit.

At September 30, 2024, 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
Primary Government:		
Difference between projected and actual investment earnings	$ 1,132,200	$ -
Differences between expected and actual economic experience	1,036,482	-
Changes in assumptions		(315,669)
Contributions subsequent to the measurement date	1,466,713	-
Component Unit:		
Difference between projected and actual investment earnings	15,587	-
Differences between expected and actual economic experience	14,270	-
Changes in assumptions		(4,346)
Contributions subsequent to the measurement date	20,193	-
Total	$ 3,685,444	$ (320,015)

The primary government and component unit reported $1,466,713 and $20,193, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2025.

Year ended December 31:	Primary Government	Discretely Presented Component Unit	Total
2024	$ 749,581	$ 10,320	$ 759,901
2025	566,746	7,803	574,549
2026	951,307	13,097	964,404
2027	(414,620)	(5,709)	(420,329)
2028	-	-	-
Thereafter	-	-	-
	$ 1,853,014	$ 25,511	$ 1,878,525

6. Supplemental Death Benefits Fund

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	28
Active employees	189
Total	276

The City's contributions to the TMRS SDBF for the years ended 2023, and 2024 were $13,134 and $12,415, respectively, which equaled the required contributions each year.

<u>Three-Year Contribution Information</u>

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2022	0.10%	0.10%	100.0%
2023	0.09%	0.09%	100.0%
2024	0.11%	0.11%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2023, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	4.05%
Retirees' share of benefit-related costs	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

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

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 3.77%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

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

The following presents the OPEB liability of the City, calculated using the discount rate of 3.77%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

Primary Government

1% Decrease 2.77%	Current Single Rate Assumption 3.77%	1% Increase 4.77%
$ 523,234	$ 434,992	$ 366,187

Component Unit

1% Decrease 2.77%	Current Single Rate Assumption 3.77%	1% Increase 4.77%
$ 7,203	$ 5,988	$ 5,041

Total

1% Decrease 2.77%	Current Single Rate Assumption 3.77%	1% Increase 4.77%
$ 530,437	$ 440,980	$ 371,228

Changes in the Total OPEB Liability:

	Total OPEB Liability	Component Unit	Primary Government
Balance at 12/31/22	$ 406,243	$ 5,516	$ 400,727
Changes for the year:			
Service Cost	20,415	277	20,138
Interest	16,582	225	16,357
Difference between expected and actual experience	(9,312)	(126)	(9,186)
Changes of assumptions	21,087	286	20,801
Benefit payments	(14,035)	(191)	(13,844)
Net changes	34,737	472	34,265
Balance at 12/31/23	$ 440,980	$ 5,988	$ 434,992

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

For the year ended September 30, 2024, the City recognized OPEB expense of $13,628. Of this amount, $13,310 is related to the primary government and $318 is attributable to the discretely presented component unit.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Primary Government:		
Contributions subsequent to measurement date	$ 8,691	$ -
Difference in experience	-	(50,523)
Change in assumptions	-	(69,388)
Component Unit:		
Contributions subsequent to measurement date	119	-
Difference in experience	-	(696)
Change in assumptions	-	(955)
Total	$ 8,810	$ (121,562)

The primary government and component unit reported $8,690 and $119, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2025.

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Primary Government	Discretely Presented Component Unit	Total
2024	$ (20,336)	$ (280)	$ (20,616)
2025	(25,998)	(358)	(26,356)
2026	(40,162)	(553)	(40,715)
2027	(35,334)	(486)	(35,820)
2028	1,919	26	1,945
Thereafter	-	-	-
	$ (119,911)	$ (1,651)	$ (121,562)

F. Other Post-Employment Benefits

Health Care Benefit Provided by Plan

The City offers a single-employer OPEB plan. For eligible retirees (age 60 to 65 with service), the City provides a flat subsidy per month, based on the premium of the High Deductible Health Plan (HDHP) of the current fiscal year. The monthly subsidy was equal to $411.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.77%. The discount rate was based on the Bond Buyer GO Bond 20 Year Index rate as of September 30, 2024.

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

The following presents the net OPEB liability of the City, calculated using the discount rate of 4.77%, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.77%) or 1-percentage-point higher (5.77%) than the current rate:

Primary Government

1% Decrease 3.06%	Current Single Rate Assumption 4.06%	1% Increase 5.06%
$ 1,184,656	$ 1,299,101	$ 1,430,476

Component Unit

1% Decrease 3.06%	Current Single Rate Assumption 4.06%	1% Increase 5.06%
$ 12,614	$ 15,216	$ 15,231

Total

1% Decrease 3.06%	Current Single Rate Assumption 4.06%	1% Increase 5.06%
$ 1,197,270	$ 1,314,317	$ 1,445,707

Healthcare Cost Trend

Primary Government

1% Decrease 3.50%	Current Single Rate Assumption 4.50%	1% Increase 5.50%
$ 850,836	$ 941,147	$ 1,048,074

Component Unit

1% Decrease 3.50%	Current Single Rate Assumption 4.50%	1% Increase 5.50%
$ 9,059	$ 10,020	$ 11,159

Total

1% Decrease 3.50%	Current Single Rate Assumption 4.50%	1% Increase 5.50%
$ 1,184,857	$ 1,314,316	$ 1,468,747

Changes in the Total OPEB Liability

	Total OPEB Liability	Component Unit	Primary Government
Balance at 9/30/2022	$ 951,168	$ 11,390	$ 939,778
Changes for the year:			
Service Cost	64,776	682	64,094
Interest	47,528	501	47,027
Difference between expected and actual experience	205,448	2,164	203,284
Changes of assumptions	84,507	890	83,617
Benefit payments	(39,110)	(412)	(38,698)
Net changes	363,149	3,826	359,323
Balance at 9/30/2023	$ 1,314,317	$ 15,216	$ 1,299,101

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

For the year ended September 30, 2024, the City recognized OPEB expense of $153,289. Of this amount, $151,514 is related to the primary government and $1,775 is attributable to the discretely presented component unit.

Employees covered by benefit terms

At the September 30, 2024 valuation (the most recent available date) and measurement date, the following employees were covered by the benefit terms:

Status	Employee	Employee & Spouse
Inactive employees or beneficiaries currently receiving benefits	1	-
Active employees	103	58
Total	104	57

Funding Status and Funding Progress

Actuarial valuations of an ongoing program involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Program, assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The valuation dated and measured as of September 30, 2022, uses the mortality table: RPH-2014 Total Table with Projection MP-2021.

Actuarial Methods and Assumptions

There have been no substantive changes in the retiree plan since the last full valuation. Therefore, the interim-year projection study is based on the census information, benefit schedules and costs for the fiscal year 2022 actuarial valuation for the development of the GASB 75 disclosures related to OPEB benefits for the year ended September 30, 2024.

Projections of benefits for financial reporting purposes are based on the substantive program (the program as understood by the employer and the Program members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Program members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following is a summary of the actuarial assumptions:

Actuarial Cost Method	Entry Age Normal Cost
Amortization Method	Level Percent-of-Payroll
Asset Valuation Method	N/A
Discount Rate	4.06%
Inflation Rate	2.5%
Salary Growth	3.5%
Healthcare Cost Trend Rate (Initial/Ultimate)	4.5% for medical

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the Healthcare OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Component Unit:		
Difference in experience	$ 2,671	$ -
Change in assumptions	-	(60)
Primary Government:		
Difference in experience	234,716	-
Change in assumptions	-	(14,085)
Total	$ 237,387	$ (14,145)

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	Primary Government	Discretely Presented Component Unit	Total
2025	$ 40,511	$ 474	$ 40,985
2026	40,511	474	40,985
2027	27,897	327	28,224
2028	14,210	166	14,376
2029	28,314	332	28,646
Thereafter	69,189	837	70,026
	$ 220,631	$ 2,611	$ 223,242

G. Restatement

The City has restated the beginning net position in the Water and Sewer Fund and Business-Type Activities to reflect a water purchase expenditure from Titus County. The restatement of the beginning fund net position is as follows:

	Business-Type Activities	Water & Sewer
Prior year ending net position/fund balance, as reported	$ 41,395,759	$ 34,179,326
Titus County FWSD #1 Payment	54,215	54,215
Restated beginning net position	$ 41,449,974	$ 34,233,541

H. Subsequent Events

There were no material subsequent events through July 8, 2025, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 1 of 2)

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	$ 4,348,800	$ 4,348,800	$ 4,310,701	$ (38,099)
Sales tax	7,229,300	7,229,300	6,392,527	(836,773)
Mixed beverage tax	36,000	36,000	30,105	(5,895)
Franchise and local taxes	180,000	180,000	127,708	(52,292)
License and permits	481,500	519,000	392,932	(126,068)
Charges for services	1,490,000	1,490,000	1,471,233	(18,767)
Intergovernmental revenue	3,000	219,520	237,652	18,132
Fines and forfeitures	551,000	551,000	622,833	71,833
Investment income	140,000	140,000	83,795	(56,205)
Royalties	1,250,000	1,250,000	1,154,586	(95,414)
Other revenues	172,500	249,492	261,199	11,707
Total Revenues	15,882,100	16,213,112	15,085,271	(1,127,841)
Expenditures				
Current:				
General government	2,363,720	2,771,369	2,608,198	163,171
Public safety	10,614,372	10,693,372	10,421,390	271,982
Building maintenance	276,738	261,738	215,701	46,037
Public works	622,167	639,846	615,983	23,863
Parks and recreation	1,692,263	1,693,348	1,463,503	229,845
Library	631,712	631,712	639,210	(7,498)
Capital outlay	-	-	159	(159)
Debt service:				
Principal	-	-	138,755	(138,755)
Bond issuance costs	-	-	99,408	(99,408)
Interest and fiscal charges	-	-	13,071	(13,071)
Total Expenditures	16,200,972	16,691,385	16,215,378	476,007
Revenues Over (Under) Expenditures	(318,872)	(478,273)	(1,130,107)	(651,834)

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Page 2 of 2)

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses)				
Refunding bond issued	-	-	3,335,000	3,335,000
Premium on refunding bond issued	-	-	457,751	457,751
Payment to refunded bond escrow agent	-	-	(3,693,343)	(3,693,343)
SBITAs related issuance	-	-	105,682	105,682
Transfers in	750,000	3,564,323	3,868,323	304,000
Transfers (out)	(445,100)	(445,100)	(713,316)	(268,216)
Total Other Financing Sources (Uses)	304,900	3,119,223	3,360,097	240,874
Net Change in Fund Balance	$ (13,972)	$ 2,640,950	2,229,990	$ (410,960)
Beginning fund balance			1,225,971	
Ending Fund Balance			$ 3,455,961	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

See Notes to Financial Statements

City of Mount Pleasant, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended December 31,

[1]	2023	2022	2021	2020
Total pension liability				
Service cost	$ 2,138,443	$ 1,874,819	$ 1,662,375	$ 1,585,135
Interest	3,692,323	3,404,596	3,112,315	2,906,099
Differences between expected and actual experience	674,273	484,957	1,045,824	205,878
Changes of assumptions	(421,286)	-	-	-
Benefit payments, including refunds of participant contributions	(1,630,162)	(1,636,944)	(1,556,366)	(1,804,971)
Net change in total pension liability	4,453,591	4,127,428	4,264,148	2,892,141
Total pension liability - beginning	$ 54,446,947	$ 50,319,519	$ 46,055,371	$ 43,163,230
Total pension liability - ending (a)	$ 58,900,538	$ 54,446,947	$ 50,319,519	$ 46,055,371
Plan fiduciary net position				
Contributions - employer	$ 1,940,675	$ 1,637,012	$ 1,448,298	$ 1,446,120
Contributions - members	893,144	776,552	693,069	675,758
Net investment income	5,147,156	(3,438,761)	5,367,344	2,883,280
Benefit payments, including refunds of participant contributions	(1,630,162)	(1,636,944)	(1,556,366)	(1,804,971)
Administrative expenses	(32,690)	(29,723)	(24,807)	(18,638)
Other	(228)	35,468	170	(727)
Net change in plan fiduciary net position	6,317,895	(2,656,396)	5,927,708	3,180,822
Plan fiduciary net position - beginning	44,397,734	47,054,130	41,126,422	37,945,600
Plan fiduciary net position - ending (b)	$ 50,715,629	$ 44,397,734	$ 47,054,130	$ 41,126,422
Fund's net pension liability - ending (a) - (b)	$ 8,184,909	$ 10,049,213	$ 3,265,389	$ 4,928,949
Plan fiduciary net position as a percentage of the total pension liability	86.10%	81.54%	93.51%	89.30%
Covered payroll	$ 12,759,207	$ 11,093,605	$ 9,900,982	$ 9,653,686
Fund's net position as a percentage of covered payroll	64.15%	90.59%	32.98%	51.06%

Notes to schedule:

[1] This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

2019	2018	2017	2016	2015	2014
$ 1,418,226	$ 1,429,608	$ 1,329,605	$ 1,227,492	$ 1,115,182	$ 1,011,813
2,718,098	2,516,855	2,344,212	2,180,101	2,111,839	1,979,099
(13,552)	262,972	(25,061)	(1,282)	(293,769)	(196,764)
100,803	-	-	-	160,204	-
(1,238,689)	(1,206,054)	(1,076,107)	(976,083)	(1,065,821)	(833,264)
2,984,886	3,003,381	2,572,649	2,430,228	2,027,635	1,960,884
$ 40,178,344	$ 37,174,963	$ 34,602,314	$ 32,172,086	$ 30,144,451	$ 28,183,567
$ 43,163,230	$ 40,178,344	$ 37,174,963	$ 34,602,314	$ 32,172,086	$ 30,144,451
$ 1,258,146	$ 1,262,297	1,202,940	1,094,829	1,058,856	1,056,491
583,632	579,795	543,965	499,271	463,831	445,241
5,009,166	(981,247)	3,907,476	1,746,137	37,417	1,336,903
(1,238,689)	(1,206,054)	(1,076,107)	(976,083)	(1,065,821)	(833,264)
(28,270)	(18,947)	(20,234)	(19,713)	(22,790)	(13,956)
(849)	(990)	(1,025)	(1,062)	(1,126)	(1,147)
5,583,136	(365,146)	4,557,015	2,343,379	470,367	1,990,268
32,362,464	32,727,610	28,170,595	25,827,216	25,356,849	23,366,581
$ 37,945,600	$ 32,362,464	$ 32,727,610	$ 28,170,595	$ 25,827,216	$ 25,356,849
$ 5,217,630	$ 7,815,880	$ 4,447,353	$ 6,431,719	$ 6,344,870	$ 4,787,602
87.91%	80.55%	88.04%	81.41%	80.28%	84.12%
$ 8,337,600	$ 8,282,780	$ 7,770,922	$ 7,132,436	$ 6,626,153	$ 6,360,582
62.58%	94.36%	57.23%	90.18%	95.75%	96.33%

City of Mount Pleasant, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	9/30/2024	9/30/2023	9/30/2022
Actuarially determined employer contributions	$ 1,985,834	$ 1,885,663	$ 1,599,718
Contributions in relation to the actuarially determined contribution	$ 1,985,834	$ 1,885,663	$ 1,599,718
Contribution deficiency (excess)	$ -	$ -	$ -
Annual covered-employee payroll	$ 13,068,977	$ 12,486,421	$ 10,862,816
Employer contributions as a percentage of covered-employee payroll	15.20%	15.10%	14.73%

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	23 years
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2024
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables Pre-retirement: PUB(10) mortalitity tables, with the Public Safety tables used for males and the General Employee table for females.

Other Information:

Notes	There were no benefit changes during the year.

9/30/2021	9/30/2020	9/30/2019	9/30/2024	9/30/2023	9/30/2016	9/30/2015
$ 1,433,992	$ 1,343,731	$ 1,267,196	$ 1,252,188	$ 1,104,101	$ 1,017,114	$ 1,016,421
$ 1,433,992	$ 1,343,731	$ 1,267,196	$ 1,252,188	$ 1,104,101	$ 1,017,114	$ 1,016,421
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 9,738,728	$ 8,955,953	$ 8,377,947	$ 8,186,857	$ 7,132,436	$ 6,626,153	$ 6,360,582
14.72%	15.00%	15.13%	15.30%	15.48%	15.35%	15.98%

City of Mount Pleasant, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended December 31,

	2023 [1]	2022	2021
Total OPEB liability			
Service cost	$ 20,414	$ 39,937	$ 31,683
Interest	16,582	11,816	11,828
Differences between expected and actual experience	(9,312)	(48,215)	(7,289)
Changes of assumptions	21,087	(214,511)	20,363
Benefit payments, including refunds of participant contributions	(14,035)	(9,985)	(9,901)
Net change in total OPEB liability	34,736	(220,958)	46,684
Total OPEB liability - beginning	$ 406,244	$ 627,202	$ 580,518
Total OPEB liability - ending [2]	$ 440,980	$ 406,244	$ 627,202
Covered-employee payroll	$ 12,759,207	$ 11,093,605	$ 9,900,982
Fund's net position as a percentage of covered-employee payroll	3.46%	3.66%	6.33%

Notes to schedule:

[1] This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

[2] No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

2020	**2019**	**2018**	**2017**
$ 27,030	$ 14,174	$ 18,222	$ 14,765
13,253	14,493	13,303	12,968
(10,287)	(22,420)	(6,872)	-
84,041	82,204	(30,116)	33,349
(3,861)	(3,335)	(4,141)	(3,885)
110,176	85,116	(9,604)	57,197
$ 470,342	$ 385,226	$ 394,830	$ 337,633
$ 580,518	$ 470,342	$ 385,226	$ 394,830
$ 9,653,686	$ 8,282,780	$ 8,282,780	$ 7,770,922
6.01%	5.68%	4.65%	5.08%

City of Mount Pleasant, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
RETIREE HEALTHCARE

Years Ended September 30,

[1]	2024	2023	2022
Total OPEB liability			
Service cost	$ 64,777	$ 64,776	$ 70,983
Interest	47,528	45,048	24,649
Differences between expected and actual experience	205,448	-	65,563
Changes of assumptions	84,507	-	(229,525)
Benefit payments, including refunds of participant contributions	(39,110)	(76,562)	(76,562)
Net change in total OPEB liability	363,150	33,262	(144,892)
Total OPEB liability - beginning	$ 951,167	$ 917,905	$ 1,062,797
Total OPEB liability - ending [2]	$ 1,314,317	$ 951,167	$ 917,905
Covered-employee payroll	$ 10,069,433	$ 10,537,764	$ 10,537,764
Fund's net position as a percentage of covered-employee payroll	13.05%	9.03%	8.71%

Notes to schedule:

[1] This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

[2] No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

2021	2020	2019	2018
$ 70,983	$ 57,160	$ 57,162	$ 54,440
24,202	34,289	31,781	30,878
-	56,912	-	-
-	143,199	-	-
(74,199)	(74,277)	(37,217)	(37,219)
20,986	217,283	51,726	48,099
$ 1,041,811	$ 824,528	$ 772,802	$ 724,703
$ 1,062,797	$ 1,041,811	$ 824,528	$ 772,802
$ 7,044,703	$ 8,337,600	$ 8,282,780	$ 7,280,738
15.09%	12.50%	9.95%	10.61%

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OTHER SUPPLEMENTARY INFORMATION

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

City of Mount Pleasant, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2024

	Debt Service	Special Revenue Funds: Hotel/Motel Civic Center Occupancy	Special Revenue Funds: Cemetery	Special Revenue Funds: Police Seizure
Assets				
Cash and cash equivalents	$ 893,650	$ -	$ 28,589	$ 20,327
Receivables, net	43,538	46,707	1,696	-
Restricted cash	-	-	-	119,723
Prepaid	-	6,239	-	-
Total Assets	$ 937,188	$ 52,946	$ 30,285	$ 140,050
Liabilities				
Accounts payable	$ -	$ 26,705	$ 4,996	$ 119,723
Due to other funds	50,000	67,663	-	-
Total Liabilities	50,000	94,368	4,996	119,723
Deferred Inflows of Resources				
Unavailable revenue - prop. taxes	45,574	-	-	-
Total Deferred Inflows of Resources	45,574	-	-	-
Fund Balances				
Nonspendable:				
Prepaids	-	6,239	-	-
Notes Receivable	-	-	-	-
Restricted for:				
Community Improvements	-	-	-	-
Capital projects	-	-	-	-
Development	-	-	-	-
Cemetary	-	-	25,289	-
Debt Service	841,614	-	-	-
Public safety	-	-	-	20,327
Insurance	-	-	-	-
Assigned to:				
Public safety	-	-	-	-
Library	-	-	-	-
Unassigned	-	(47,661)	-	-
Total Fund Balances	841,614	(41,422)	25,289	20,327
Total Liabilities, Deferred Inflows, and Fund Balances	$ 937,188	$ 52,946	$ 30,285	$ 140,050

Special Revenue Funds

Rural Development	Police	Library	Fireman's Relief Fund	PEG Funds	Community Improvements	Park Improvements
$ 69,696	$ 291,634	$ 23,497	$ 33	$ 424,213	$ -	$ 2,178,618
171,977	1,200	-	-	5,124	-	-
-	-	-	-	-	-	-
-	-	-		-	-	-
$ 241,673	$ 292,834	$ 23,497	$ 33	$ 429,337	$ -	$ 2,178,618
$ -	$ 2,750	$ 28	$ -	$ -	$ -	$ -
-	-	-	-	-	-	2,195,594
-	2,750	28	-	-	-	2,195,594
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
171,977	-	-	-	-	-	-
-	-	-	33	429,337	-	-
-	-	-	-	-	-	-
69,696	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	290,084	-	-	-	-	-
-	-	23,469	-	-	-	-
-	-	-	-	-	-	(16,976)
241,673	290,084	23,469	33	429,337	-	(16,976)
$ 241,673	$ 292,834	$ 23,497	$ 33	$ 429,337	$ -	$ 2,178,618

City of Mount Pleasant, Texas

COMBINING BALANCE SHEET (Continued)

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2024

	Capital Project Funds		Special Revenue Funds	
	Construction Bond	**Capital Replacement**	**Booker T. Washington**	**Insurance Fund**
Assets				
Cash and cash equivalents	$ 8,394,911	$ -	$ 2,263	$ 310,706
Receivables, net	-	4,502	-	-
Restricted cash	-	-	-	-
Prepaid	-	-	-	10,519
Total Assets	$ 8,394,911	$ 4,502	$ 2,263	$ 321,225
Liabilities				
Accounts payable	$ 15,950	$ -	$ -	$
Due to other funds	-	120,535	-	-
Total Liabilities	15,950	120,535	-	-
Deferred Inflows of Resources				
Unavailable revenue - prop. taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable:				
Prepaids	-	-	-	10,519
Notes Receivable	-	-	-	-
Restricted for:				
Community improvements	-	-	-	-
Capital projects	8,378,961	-	-	-
Development	-	-	-	-
Cemetary	-	-	-	
Debt Service	-	-	-	-
Public safety	-	-	-	-
Insurance	-	-	-	310,706
Assigned to:				
Public safety	-	-	-	-
Library	-	-	2,263	-
Unassigned	-	(116,033)	-	-
Total Fund Balances	8,378,961	(116,033)	2,263	321,225
Total Liabilities, Deferred Inflows, and Fund Balances	$ 8,394,911	$ 4,502	$ 2,263	$ 321,225

Special Revenue ARPA / CARES Fund	Total Nonmajor Governmental
$ -	$ 12,638,137
-	274,744
-	119,723
-	16,758
$ -	$ 13,049,362
$ -	$ 170,152
-	2,433,792
-	2,603,944
-	45,574
-	45,574
-	16,758
-	171,977
-	429,370
-	8,378,961
-	69,696
	25,289
-	841,614
-	20,327
-	310,706
-	290,084
-	25,732
-	(180,670)
-	10,399,844
$ -	$ 13,049,362

City of Mount Pleasant, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

		Special Revenue Funds		
	Debt Service	Hotel/Motel Civic Center Occupancy	Cemetery	Police Seizure
Revenues				
Taxes:				
Property	$ 1,223,761	$ -	$ 40,404	$ -
Hotel	-	765,632	-	-
Utility franchise fees	-	-	-	-
Donations	-	-	-	-
Investment income	26,830	-	-	2,290
Intergovernmetal revenue	-	-	-	-
Other revenue	-	107,401	-	21,726
Total Revenues	1,250,591	873,033	40,404	24,016
Expenditures				
General government	9,398	464,248	40,158	-
Public safety	-	-	-	40,717
Culture and recreation	-	544,546	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	460,000	-	-	-
Interest and fiscal charges	455,472	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	924,870	1,008,794	40,158	40,717
Revenues Over (Under) Expenditures	325,721	(135,761)	246	(16,701)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	(7,296)	-	-
Sale of capital assets	-	-	22,860	-
Lease related issuance	-	-	-	-
Bond issuance	-	-	-	-
Premium on bond issued	-	-	-	-
Total Other Financing Sources (Uses)	-	(7,296)	22,860	-
Net Change in Fund Balances	325,721	(143,057)	23,106	(16,701)
Beginning fund balances	515,893	101,635	2,183	37,028
Ending Fund Balances	$ 841,614	$ (41,422)	$ 25,289	$ 20,327

Special Revenue Funds						
Rural Development	Police	Library	Fireman's Relief Fund	PEG Funds	Community Improvements	Park Improvements
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	21,307	-	-
-	13,310	12,481	-	-	-	-
5,376	1,091	-	-	15,385	-	7,371
-	22,846	-	-	-	-	300,235
-	26,590	-	-	-	-	-
5,376	63,837	12,481	-	36,692	-	307,606
-	-	-	-	688	-	-
-	46,109	-	467	-	-	-
-	-	645	-	-	-	-
-	-	5,949	-	-	-	431,485
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	46,109	6,594	467	688	-	431,485
5,376	17,728	5,887	(467)	36,004	-	(123,879)
-	231,517	-	500	-	-	341,572
-	-	-	-	-	(341,572)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	
-	231,517	-	500	-	(341,572)	341,572
5,376	249,245	5,887	33	36,004	(341,572)	217,693
236,297	40,839	17,582	-	393,333	341,572	(234,669)
$ 241,673	$ 290,084	$ 23,469	$ 33	$ 429,337	$ -	$ (16,976)

City of Mount Pleasant, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	Capital Project Funds		Special Revenue Funds	
	Construction Bond	Capital Replacement	Booker T. Washington	Insurance Fund
Revenues				
Taxes:				
Property	$ -	$ -	$ -	$ -
Hotel	-	-	-	-
Utility franchise fees	-	-	-	-
Donations	-	-	-	-
Investment income	177,202	-	-	-
Intergovernmetal revenue	-	-	-	5,195
Other revenue	-	-	-	-
Total Revenues	177,202	-	-	5,195
Expenditures				
General government	19,057	107,264	-	223,700
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	227,554	510,033	-	-
Debt service:				
Principal	-	467,992	-	-
Interest and fiscal charges	-	66,412	-	-
Bond issuance costs	107,076	-	-	-
Total Expenditures	353,687	1,151,701	-	223,700
Revenues Over (Under) Expenditures	(176,485)	(1,151,701)	-	(218,505)
Other Financing Sources (Uses)				
Transfers in	86,143	288,921	-	271,801
Transfers (out)	-	-	-	
Sale of capital assets	-	51,325	-	-
Lease related issuance	-	510,033	-	-
Bond issuance	7,725,000	-	-	-
Premium on bonds issued	649,869	-	-	
Total Other Financing Sources (Uses)	8,461,012	850,279	-	271,801
Net Change in Fund Balances	8,284,527	(301,422)	-	53,296
Beginning fund balances	94,434	185,389	2,263	267,929
Ending Fund Balances	$ 8,378,961	$ (116,033)	$ 2,263	$ 321,225

Special Revenue ARPA / CARES Fund	Total Nonmajor Governmental
$ -	$ 1,264,165
-	765,632
-	21,307
-	25,791
-	235,545
-	328,276
-	155,717
-	2,796,433
-	864,513
-	87,293
-	545,191
29,706	1,204,727
-	927,992
-	521,884
-	107,076
29,706	4,258,676
(29,706)	(1,462,243)
	1,220,454
(3,223,823)	(3,572,691)
-	74,185
-	510,033
-	7,725,000
	649,869
(3,223,823)	6,606,850
(3,253,529)	5,144,607
3,253,529	5,255,237
$ -	$ 10,399,844

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

STREET FUND

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Franchise tax	$ 1,400,000	$ 1,281,082	$ (118,918)
Investment income	-	36,062	36,062
Total Revenues	1,400,000	1,317,144	(82,856)
Expenditures			
Current:			
Public works	1,711,682	1,286,136	425,546
Capital outlay	85,000	140,781	(55,781)
Total Expenditures	1,796,682	1,426,917	369,765
Revenues Over (Under) Expenditures	(396,682)	(109,773)	286,909
Other Financing Sources (Uses)			
Transfers in	400,000	399,996	(4)
Total Other Financing Sources (Uses)	400,000	399,996	(4)
Net Change in Fund Balance	$ 3,318	290,223	$ 286,905
Beginning fund balance		(293,736)	
Ending Fund Balance		$ (3,513)	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

CONSTRUCTION BOND FUND

For the Year Ended September 30, 2024

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	$ 150,000	$ 177,202	$ 27,202
Total Revenues	150,000	177,202	27,202
Expenditures			
Current:			
General government	-	19,057	(19,057)
Debt service:			
Bond Issued Cost	-	107,076	(107,076)
Capital outlay	150,000	227,554	(77,554)
Total Expenditures	150,000	353,687	(203,687) *
Revenues Over (Under) Expenditures	-	(176,485)	(176,485)
Other Financing Sources (Uses)			
Transfers in	-	86,143	86,143
Bond Issued	-	7,725,000	7,725,000
Premium on bond issued	-	649,869	649,869
Total Other Financing Sources (Uses)	-	8,461,012	8,461,012
Net Change in Fund Balance	$ -	8,284,527	$ 8,284,527
Beginning fund balance		94,434	
Ending Fund Balance		$ 8,378,961	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. * Expenditures exceeded appropriations at the legal level of control.

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes:				
Property	$ 1,235,500	$ 1,235,500	$ 1,223,761	$ (11,739)
Investment income	20,000	20,000	26,830	6,830
Total Revenues	1,255,500	1,255,500	1,250,591	(4,909)
Expenditures				
Current:				
General government	5,000	5,000	9,398	(4,398)
Debt service:				
Principal	848,000	848,000	460,000	388,000
Interest and fiscal charges	477,500	477,500	455,472	22,028
Total Expenditures	1,330,500	1,330,500	924,870	405,630
Net Change in Fund Balance	$ (75,000)	$ (75,000)	325,721	$ 400,721
Beginning fund balance			515,893	
Ending Fund Balance			$ 841,614	

Notes to Other Supplementary Information

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL/CIVIC CENTER FUND

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes:				
Hotel	$ 1,696,400	$ 1,696,400	$ 765,632	$ (930,768)
Other revenues	165,000	165,000	107,401	(57,599)
Total Revenues	1,861,400	1,861,400	873,033	(988,367)
Expenditures				
Current:				
General government	478,978	913,018	464,248	448,770
Culture and recreation	500,171	500,171	544,546	(44,375)
Total Expenditures	979,149	1,413,189	1,008,794	404,395
Revenues Over (Under) Expenditures	882,251	448,211	(135,761)	(583,972)
Other Financing Sources (Uses)				
Transfers (out)	(497,860)	(995,720)	(7,296)	988,424
Total Other Financing Sources (Uses)	(497,860)	(995,720)	(7,296)	988,424
Net Change in Fund Balance	$ 384,391	$ (547,509)	(143,057)	$ 404,452
Beginning fund balance			101,635	
Ending Fund Balance			$ (41,422)	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Taxes:			
Property	$ 41,025	$ 40,404	$ (621)
Total Revenues	41,025	40,404	(621)
Expenditures			
Current:			
General government	70,225	40,158	30,067
Total Expenditures	70,225	40,158	30,067
Revenues Over (Under) Expenditures	(29,200)	246	29,446
Other Financing Sources (Uses)			
Proceeds from sale of assets	32,000	22,860	(9,140)
Total Other Financing Sources (Uses)	32,000	22,860	(9,140)
Net Change in Fund Balance	$ 2,800	23,106	$ 20,306
Beginning fund balance		2,183	
Ending Fund Balance		$ 25,289	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

LIBRARY FUND

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Donations	$ 5,000	$ 12,481	$ 7,481
Other revenues	20,521	-	(20,521)
Total Revenues	25,521	12,481	(13,040)
Expenditures			
Current:			
Capital outlay	25,521	5,949	19,572
Total Expenditures	25,521	6,594	18,927
Net Change in Fund Balance	$ -	5,887	$ 5,887
Beginning fund balance		17,582	
Ending Fund Balance		$ 23,469	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

PEG FUND

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Franchise fees	$ 24,500	$ 21,307	$ (3,193)
Investment income	800	15,385	14,585
Total Revenues	25,300	36,692	11,392
Expenditures			
Current:			
General government	25,300	688	24,612
Total Expenditures	25,300	688	24,612
Net Change in Fund Balance	$ -	36,004	$ 36,004
Beginning fund balance		393,333	
Ending Fund Balance		$ 429,337	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL REPLACEMENT FUND
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Other revenues	$ 30,000	$ 30,000	$ -	$ (30,000)
Total Revenues	30,000	30,000	-	(30,000)
Expenditures				
Current:				
General government	-	-	107,264	(107,264)
Debt service:				
Principal	660,000	660,000	467,992	192,008
Interest and fiscal charges	-	-	66,412	(66,412)
Capital outlay	-	-	510,033	(510,033)
Total Expenditures	660,000	660,000	1,151,701	(491,701) *
Revenues Over (Under) Expenditures	(630,000)	(630,000)	(1,151,701)	(521,701)
Other Financing Sources (Uses)				
Transfers in	-	-	288,921	288,921
Sale of capital assets	250,000	250,000	51,325	(198,675)
Lease related issuance	-	-	510,033	510,033
Total Other Financing Sources (Uses)	250,000	250,000	850,279	600,279
Net Change in Fund Balance	$ (380,000)	$ (380,000)	(301,422)	$ 78,578
Beginning fund balance			185,389	
Ending Fund Balance			$ (116,033)	

Notes to Other Supplementary Information
1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. * Expenditures exceeded appropriations at the legal level of control.

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PARK IMPROVEMENTS

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ -	$ -	$ 300,235	$ 300,235
Investment income	2,000	2,000	7,371	5,371
Other revenues	50,000	50,000	-	(50,000)
Total Revenues	52,000	52,000	307,606	255,606
Expenditures				
Capital outlay	703,327	703,327	431,485	271,842
Total Expenditures	703,327	703,327	431,485	271,842
Net Change in Fund Balance	$ (309,756)	$ (309,756)	217,693	$ 527,449
Beginning fund balance			(234,669)	
Ending Fund Balance			$ (16,976)	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

INSURANCE FUND

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	$ -	$ 5,195	$ 5,195
Total Revenues	-	5,195	5,195
Expenditures			
Current:			
General government	277,000	223,700	53,300
Total Expenditures	277,000	223,700	53,300
Revenues Over (Under) Expenditures	(277,000)	(218,505)	58,495
Other Financing Sources (Uses)			
Transfers in	277,000	271,801	(5,199)
Total Other Financing Sources (Uses)	277,000	271,801	(5,199)
Net Change in Fund Balance	$ -	53,296	$ 53,296
Beginning fund balance		267,929	
Ending Fund Balance		$ 321,225	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ARPA / CARES FUND

For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures			
Capital outlay	2,405,288	29,706	2,375,582
Total Expenditures	2,405,288	29,706	2,375,582
Revenues Over (Under) Expenditures	(2,405,288)	(29,706)	2,375,582
Other Financing Sources (Uses)			
Transfers (out)	(3,133,323)	(3,223,823)	(90,500)
Total Other Financing Sources (Uses)	(3,133,323)	(3,223,823)	(90,500)
Net Change in Fund Balance	$ (5,538,611)	(3,253,529)	$ 2,285,082
Beginning fund balance		3,253,529	
Ending Fund Balance		$ -	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Mount Pleasant, Texas

BALANCE SHEET

DISCRETELY PRESENTED COMPONENT UNIT

September 30, 2024

		Industrial Development District
Assets		
Cash and cash equivalents	$	9,006,691
Receivables, net		316,763
Prepaid		3,595
Total Assets	$	9,327,049
Liabilities		
Accounts payable	$	23,410
Accrued liabilities		12,493
Total Liabilities		35,903
Fund Balances		
Restricted for:		
Economic development		9,291,146
Total Fund Balance		9,291,146
Total Liabilities and Fund Balance	$	9,327,049

City of Mount Pleasant, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION

DISCRETELY PRESENTED COMPONENT UNIT

September 30, 2024

Fund Balance	$	9,291,146
Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		1,084,625
Capital assets - net depreciable		2,188,236
Deferred outflows of resources, represent a consumption of net assets that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.		
Pension deferred outflows		50,050
OPEB deferred outflows - TMRS		119
OPEB deferred outflows - Healthcare		2,671
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.		
OPEB deferred inflows - TMRS		(1,651)
OPEB deferred inflows - Healthcare		(60)
Pension deferred inflows		(4,346)
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Net pension liability		(111,153)
OPEB liability - TMRS		(5,989)
OPEB liability - Healthcare		(15,215)
Compensated absences		(11,496)
Net Position of the Discretely Presented Component Unit	$	12,466,937

City of Mount Pleasant, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DISCRETELY PRESENTED COMPONENT UNIT

For the Year Ended September 30, 2024

		Industrial Development District
Revenues		
Sales tax	$	2,123,015
Investment income		249,029
Other revenues		742,850
Total Revenues		3,114,894
Expenditures		
Current:		
Economic Development		1,471,177
Total Expenditures		1,471,177
Total Revenues Over (Under) Expenditures		1,643,717
Net Change in Fund Balance		1,643,717
Beginning fund balance		7,647,429
Ending Fund Balance	$	9,291,146

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City of Mount Pleasant, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE DISCRETELY PRESENTED COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balance	$	1,643,717
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		19,657
Depreciation expense		(132,961)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Pension expense		(3,030)
OPEB expense		(2,330)
Compensated absences		(2,161)
Change in Net Position of the Discretely Presented Component Unit	$	1,522,892

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STATISTICAL SECTION

The Statistical Section 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 of Mount Pleasant's overall financial health.

FINANCIAL TRENDS INFORMATION

These schedule contain trend information to help the reader understand how the City's Financial performance and well-being have changed over time

1 Net Assets by component
2 Changes in net assets
3 Fund balances, governmental funds
4 Changes in fund balance, governmental funds

REVENUE CAPACITY INFORMATION

These schedules contain information to help the reader assess the City's most significant revenue source, the property tax.

5 Assessed value and actual value of taxable property
6 Direct and overlapping property tax rates
7 Principal property tax payers
8 Property tax levies and collections

DEBT CAPACITY INFORMATION

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.

9 Ratios of outstanding debt
10 Ratios of general bonded debt outstanding
11 Direct and overlapping governmental activities debt
12 Legal debt margin information
13 Pledged-revenue coverage

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand how the environment within which the City's financial activities take place.

14 Demographic and economic statistics
15 Principal employers

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the government provides and the activities it performs.

16 Full-time equivalent city government employees by function/program
17 Operating indicators by function/program
18 Capital asset statistics by function/program

City of Mount Pleasant, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

Table 1

	2015	2016	2017	2018
Governmental Activities				
Net investment in				
capital assets	$ 18,343,148	$ 19,049,789	$ 19,752,903	$ 14,140,261
Restricted	1,553,240	1,501,525	2,770,138	7,765,128
Unrestricted	2,061,836	1,664,655	(2,138,823)	(559,188)
Total Governmental Net Position	$ 21,958,224	$ 22,215,969	$ 20,384,218	$ 21,346,201
Business-type Activities				
Net investment in				
capital assets	$ 41,898,179	$ 42,429,776	$ 40,163,100	$ 40,598,234
Restricted	2,125,320	1,655,002	1,839,739	170,596
Unrestricted	1,286,131	481,429	1,476,233	3,245,106
Total Business-type Activities Net	$ 45,309,630	$ 44,566,207	$ 43,479,072	$ 44,013,936
Primary Government				
Net investment in				
capital assets	$ 60,241,327	$ 61,479,565	$ 59,916,003	$ 54,738,495
Restricted	3,678,560	3,156,527	4,609,877	7,935,724
Unrestricted	3,347,967	2,146,084	(662,590)	2,685,918
Total Primary Government Net	$ 67,267,854	$ 66,782,176	$ 63,863,290	$ 65,360,137

2019	**2020**	**2021**	**2022**	**2023**	**2024**
$ 22,431,539	$ 24,401,450	$ 23,697,005	$ 21,845,202	$ 23,739,518	$ 23,176,536
1,163,916	879,970	4,737,541	7,605,345	4,921,274	1,742,576
(1,227,968)	(1,458,742)	(1,644,713)	(2,493,374)	(4,317,440)	(2,662,267)
$ 22,367,487	$ 23,822,678	$ 26,789,833	$ 26,957,173	$ 24,343,352	$ 22,256,845
$ 40,351,700	$ 38,739,851	$ 39,037,742	$ 34,996,612	$ 35,875,749	$ 37,751,977
-	-	2,839,100	2,826,592	3,168,941	1,776,799
4,343,063	3,975,540	(1,185,646)	2,727,823	2,408,532	1,924,446
$ 44,694,763	$ 42,715,391	$ 40,691,196	$ 40,551,027	$ 41,453,222	$ 41,453,222
$ 62,783,239	$ 63,141,301	$ 62,734,747	$ 56,841,814	$ 59,615,267	$ 60,928,513
1,163,916	879,970	7,576,641	10,431,937	8,090,215	3,519,375
3,115,095	2,516,798	(2,830,359)	234,449	(1,912,156)	(737,821)
$ 67,062,250	$ 66,538,069	$ 67,481,029	$ 67,508,200	$ 65,793,326	$ 63,710,067

City of Mount Pleasant, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

Table 2

	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	$ 1,710,938	$ 2,008,181	$ 2,327,564	$ 3,013,630
Public safety	5,883,502	6,540,258	7,159,767	8,408,833
Public Services	562,802	621,795	704,173	804,786
Parks and Recreation	648,588	690,461	701,994	847,436
Public works	1,740,343	1,826,322	1,762,260	1,960,212
Library	564,061	611,154	668,071	-
Interest and fiscal charges	277,200	259,199	278,863	573,410
Total governmental activities	11,387,434	12,557,370	13,602,692	15,608,307
Business-type activities:				
Water and Sewer	8,687,052	9,057,408	9,534,141	9,544,722
Airport Fund	1,392,013	1,275,439	1,284,235	1,410,670
Civic Center	527,404	524,076	507,477	470,543
Total business-type activities	10,606,469	10,856,923	11,325,853	11,425,935
Total primary government	$ 21,993,903	$ 23,414,293	$ 24,928,545	$ 27,034,242
Governmental activities:				
Charges for services				
General government	25,770	25,078	26,992	-
Public safety	1,007,322	977,419	1,369,290	1,455,719
Public Services	37,142	36,498	42,754	63,644
Public works	166,749	143,165	177,241	-
Parks and Recreation	54,339	57,559	47,675	162,361
Library	6,604	4,286	4,620	-
Operating grants/contributions	173,136	-	-	1,142,032
Capital grants/contributions	578,337	691,059	757,224	-
Total governmental activities	2,049,399	1,935,064	2,425,796	2,823,756
Business-type activities:				
Charges for services:				
Water and sewer	10,004,701	9,776,518	10,353,769	11,345,594
Airport	898,846	897,508	840,575	805,365
Civic center	79,515	88,981	89,430	123,628
Operating grants and contributions	22,336	27,612	7,506	26,972
Capital grants and contributions	-	-	-	-
Total business-type activities	11,005,398	10,790,619	11,291,280	12,301,559
Total primary government	$ 13,054,797	$ 12,725,683	$ 13,717,076	$ 15,125,315
Net (Expense)/Revenue				
Governmental activities	$ (9,338,035)	$ (10,622,306)	$ (11,176,896)	$ (12,784,551)
Business-type activities	398,929	(66,304)	(34,573)	875,624
Total primary government	$ (8,939,106)	$ (10,688,610)	$ (11,211,469)	$ (11,908,927)

2019	2020	2021	2022	2023	2024
$ 1,653,454	$ $ 2,447,119	$ 3,401,920	$ 3,573,865	$ 4,010,412	$ 4,241,429
9,598,062	9,349,911	9,156,779	9,406,770	11,307,258	11,034,011
344,203	160,859	-	-	-	-
1,505,577	1,610,785	1,916,968	2,910,578	3,818,884	3,026,108
1,724,711	2,429,084	2,844,387	3,859,438	3,555,309	3,431,049
-	-	-	-	-	-
490,322	567,594	431,244	523,361	441,260	828,249
15,316,329	16,565,352	17,751,298	20,274,012	23,133,123	22,560,846
9,580,684	10,769,947	13,299,833	13,335,278	15,718,068	17,534,780
1,416,507	1,294,688	1,355,083	1,624,193	1,783,093	1,759,274
453,072	-	-	-	-	-
11,450,263	12,064,635	14,654,916	14,959,471	17,501,161	19,294,054
$ 26,766,592	$ 28,629,987	$ 32,406,214	$ 35,233,483	$ 40,634,284	$ 41,854,900
1,226,820	1,287,558	1,366,827	1,439,582	1,994,377	1,864,165
902,940	635,225	678,302	747,849	779,991	622,833
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
157,192	265,806	2,785,189	7,313	12,295	22,846
432,210	761,462	1,400,000	2,067,701	290,635	543,082
2,719,162	2,950,051	6,230,318	4,262,445	3,077,298	3,052,926
11,707,347	11,409,873	12,240,416	14,565,579	15,373,940	16,627,416
839,524	755,627	797,561	1,107,204	1,241,845	1,227,285
73,759	-	-	-	-	-
-	-	259,500	129,182	61,385	89,150
-	-	-	-	200,000	-
12,620,630	12,165,500	13,297,477	15,801,965	16,877,170	17,943,851
$ 15,339,792	$ 15,115,551	$ 19,527,795	$ 20,064,410	$ 19,954,468	$ 20,996,777
$ (12,597,167)	$ (13,615,301)	$ (11,520,980)	$ (16,011,567)	$ (20,055,825)	$ (19,507,920)
1,170,367	100,865	(1,357,439)	842,494	(623,991)	(1,350,203)
$ (11,426,800)	$ (13,514,436)	$ (12,878,419)	$ (15,169,073)	$ (20,679,816)	$ (20,858,123)

City of Mount Pleasant, Texas

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

Table 2

	2015	2016	2017	2018
General Revenues				
Governmental activities:				
Taxes:				
Property taxes	$ 2,960,832	$ 3,074,506	$ 3,058,493	$ 3,258,505
Sales tax	3,926,335	4,302,977	4,386,891	4,564,492
Non-Property taxes	568,608	583,520	564,708	556,741
Franchise and other taxes	1,255,336	1,179,533	1,164,889	1,226,097
Investment Income	8,286	34,226	80,535	262,404
Royalties	157,458	572,289	114,768	545,064
Other income	-	-	-	-
Gain on sale of assets	388,322	376,883	536,862	547,225
Special items	-	-	-	21,575
Transfers, net	650,975	756,116	848,173	969,895
Total governmental activities	9,916,152	10,880,050	10,755,319	11,951,998
Business-type activities:				
Investment Income	6,514	22,617	41,094	64,522
Miscellaneous	145,916	56,380	291,889	164,635
Intergovernmental Revenue	-	-	-	14,925
Transfers, net	(650,975)	(756,116)	(848,173)	(969,895)
Total business-type activities	(498,545)	(677,119)	(515,190)	(725,813)
Total primary government	$ 9,417,607	$ 10,202,931	$ 10,240,129	$ 11,226,185
Change in Net Position				
Governmental activities	$ (706,154)	$ (296,846)	$ (2,029,232)	$ (645,169)
Business-type activities	(564,849)	(711,692)	360,434	444,554
Total primary government	$ (1,271,003)	$ (1,008,538)	$ (1,668,798)	$ (200,615)

Source: Annual Financial Report

2019	2020	2021	2022	2023	2024
$ 3,803,341	$ 4,108,990	$ 4,206,268	$ 4,336,425	$ 5,021,107	$ 5,647,591
4,764,917	5,654,458	5,834,265	6,435,353	6,753,299	6,392,527
559,262	-	-	723,194	821,173	795,737
1,183,180	1,776,649	2,119,057	1,342,851	1,596,252	1,430,097
298,847	119,081	24,211	81,218	298,843	355,402
982,394	701,295	758,028	1,000,794	1,171,585	1,154,586
-	485,690	410,709	606,340	391,351	442,707
395,626	-	-	-	359,044	-
-	-	-	-	-	-
1,259,691	2,224,329	1,079,973	1,706,162	1,029,350	1,202,766
13,247,258	15,070,492	14,432,511	16,232,337	17,442,004	17,421,413
103,711	46,255	28,894	427,420	2,396,716	2,556,217
124,529	97,837	384,323	296,079	101,357	-
-	-	-	-	-	-
(1,258,766)	(2,224,329)	(1,079,973)	(1,706,162)	(1,029,350)	(1,202,766)
(1,030,526)	(2,080,237)	(666,756)	(982,663)	1,468,723	1,353,451
$ 12,216,732	$ 12,990,255	$ 13,765,755	$ 15,249,674	$ 18,910,727	$ 18,774,864
$ (368,043)	$ 3,549,512	$ (1,579,056)	$ (3,823,488)	$ (2,613,821)	$ (2,086,507)
(929,661)	(3,437,676)	175,738	(1,606,654)	844,732	3,248
$ (1,297,704)	$ 111,836	$ (1,403,318)	$ (5,430,142)	$ (1,769,089)	$ (2,083,259)

City of Mount Pleasant, Texas

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

Table 3

	2015	2016	2017	2018
General fund:				
Nonspendable	$ 23,253	$ 6,161	$ 9,117	$ 15,215
Committed	16,551	19,252	23,816	23,231
Restricted	946,711	935,860	989,632	185,934
Assigned	-	-	-	-
Unassigned	1,928,156	2,048,570	1,763,186	2,399,531
Total general fund	$ 2,914,671	$ 3,009,843	$ 2,785,751	$ 2,623,911
All other governmental funds:				
Nonspendable	$ -	$ -	$ -	$ -
Restricted	517,123	474,621	503,175	7,579,194
Assigned	5,658,959	5,120,689	3,458,766	3,079,878
Unassigned	(130,886)	(118,641)	(131,511)	30,244
Total all other governmental funds	$ 6,045,196	$ 5,476,669	$ 3,830,430	$ 10,689,316

Source: Annual Financial Report

2019		2020		2021		2022		2023		2024	
$	17,653	$	2,900	$	-	$	-	$	136,139	$	293,551
	-		-		-		-		-		-
	471,762		216,229		2,194,763		3,771,817		-		-
	16,742		16,742		25,916		16,710		16,710		16,710
	-		2,700,578		1,901,191		1,334,139		1,073,122		3,145,700
$	506,157	$	2,936,449	$	4,121,870	$	5,122,666	$	1,225,971	$	3,455,961
$	-	$	-	$	-	$	-	$	22,055	$	198,566
	597,807		599,477		2,701,250		4,149,773		5,074,199		10,075,963
	390,896		355,125		2,098,251		1,033,922		402,256		315,816
	-		(272,752)		-		(5,959)		(537,009)		(194,014)
$	988,703	$	681,850	$	4,799,501	$	5,177,736	$	4,961,501	$	10,396,331

City of Mount Pleasant, Texas

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

Table 4

	2015	2016	2017	2018
Revenues				
Property taxes	$ 2,960,832	$ 3,098,745	$ 3,092,727	$ 3,258,505
Non-Property taxes	568,608	583,520	564,708	556,741
Sales tax	3,926,335	4,302,977	4,386,891	4,564,492
Franchise and local taxes	1,281,106	1,204,611	1,191,881	1,226,097
Fines and Forfeitures	890,505	959,116	1,332,587	1,455,719
Licenses and Permits	94,035	68,674	102,397	63,644
Charge for Services	164,194	168,547	165,273	162,361
Intergovernmental revenues-local & state	662,968	610,427	693,436	1,067,447
Grants	47,730	41,381	46,289	-
Donations	40,775	39,250	17,499	74,585
Royalties	388,322	376,883	536,862	547,225
Investment Income	8,286	34,227	80,535	262,404
Miscellaneous	280,880	618,555	123,081	545,066
Total Revenues	11,314,576	12,106,913	12,334,166	13,784,286
Expenditures				
General government	1,023,895	1,125,153	1,011,680	1,112,784
Public safety	5,818,590	6,621,607	7,365,738	7,947,088
Public Works	1,243,239	1,306,901	1,229,536	1,285,060
Public Services and Operations	574,836	684,779	740,021	785,824
Parks and Recreation	621,345	693,048	685,938	778,350
Library	328,002	320,013	389,364	412,658
Capital Outlay	1,490,095	1,938,566	2,961,404	4,165,361
Debt service				
Principal	434,121	467,363	481,739	501,739
Interest	277,200	259,200	279,487	440,439
Bond issuance costs	28,127	-	-	764,930
Total Expenditures	11,839,450	13,416,630	15,144,907	18,194,233
Revenues over (under) expenditures	(524,874)	(1,309,717)	(2,810,741)	(4,409,947)
Other Financing Sources (Uses)				
Transfers, net	650,976	827,313	912,923	969,895
Debt/Lease Proceeds	-	-	-	8,440,000
Payment to escrow agent	-	-	-	-
Debt Issuance Costs	-	-	-	-
Proceeds from sale of Assets	112,129	9,049	27,487	21,575
Total other financing sources	763,105	836,362	940,410	9,431,470
Net Change in Fund Balances	$ 238,231	$ (473,355)	$ (1,870,331)	$ 5,021,523
Ratio of total debt service expenditures to noncapital expenditures	7.14%	6.33%	6.25%	12.17%

Source: Annual Financial Report

2019	2020	2021	2022	2023	2024
$ 3,791,902	$ 4,108,990	$ 4,206,268	$ 4,323,191	$ 4,994,154	$ 5,574,866
-	-	-	723,194	821,173	795,737
4,764,917	5,152,451	5,834,265	6,435,353	6,753,299	6,392,527
1,183,180	2,278,656	2,119,057	1,342,851	1,596,252	1,430,097
902,940	635,225	678,302	747,849	779,991	622,833
76,210	206,254	235,768	287,177	517,789	392,932
1,150,610	1,081,304	1,131,059	1,152,405	1,476,588	1,471,233
157,192	1,459,478	4,185,189	2,075,014	302,930	545,733
-	-	-	-	-	-
-	-	-	-	-	-
982,394	701,295	758,028	1,000,794	1,171,585	1,154,586
298,847	119,081	24,211	81,218	298,843	355,402
383,626	454,524	228,544	368,483	384,015	442,707
13,691,818	16,197,258	19,400,691	18,537,529	19,096,619	19,178,653
1,527,460	2,514,329	3,198,690	3,495,930	3,482,374	3,491,929
8,978,987	8,865,060	8,900,566	9,042,394	10,502,943	10,508,683
1,203,105	1,476,769	1,408,225	2,619,041	2,625,262	1,902,119
299,245	131,517	-	-	203,978	215,701
872,699	994,606	1,720,194	2,096,822	2,766,323	2,008,694
393,873	421,307	446,887	497,044	598,926	639,210
4,895,511	4,511,990	2,151,747	2,399,554	3,271,772	1,345,667
552,178	741,166	740,253	1,024,270	1,304,634	4,750,097
689,144	567,947	549,903	521,623	581,617	525,730
-	142,691	-	119,186	-	206,484
19,412,202	20,367,382	19,116,465	21,815,864	25,337,829	25,594,314
(5,720,384)	(4,170,124)	284,226	(3,278,335)	(6,241,210)	(6,415,661)
1,259,691	1,425,595	1,079,973	1,706,162	1,029,350	1,222,961
-	3,322,054	54,090	6,930,531	721,269	615,715
-	(3,215,951)	-	(4,350,000)	-	-
-	-	-	-	-	12,167,620
12,000	305,381	182,165	370,673	377,661	74,185
1,271,691	1,837,079	1,316,228	4,657,366	2,128,280	14,080,481
$ (4,448,693)	$ (2,333,045)	$ 1,600,454	$ 1,379,031	$ (4,112,930)	$ 7,664,820
8.55%	8.26%	7.60%	7.96%	8.55%	21.76%

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City of Mount Pleasant, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Table 5

Fiscal Year	Real Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2014	$ 888,098,290	$ 196,777,198	$ 268,324,956	$ 816,550,532	$ 0.3437
2015	$ 832,561,738	$ 277,414,497	$ 259,605,301	$ 850,370,934	$ 0.3437
2016	$ 876,046,975	$ 302,583,248	$ 271,046,415	$ 907,583,808	$ 0.3437
2017	$ 933,667,070	$ 301,341,991	$ 305,600,799	$ 929,408,262	$ 0.3437
2018	$ 1,002,324,819	$ 324,977,786	$ 311,986,965	$ 1,015,315,640	$ 0.3712
2019	$ 1,097,735,889	$ 349,805,243	$ 343,282,418	$ 1,104,258,714	$ 0.3712
2020	$ 1,147,076,394	$ 319,354,610	$ 338,444,697	$ 1,127,986,307	$ 0.3678
2021	$ 1,153,739,369	$ 341,154,143	$ 322,369,643	$ 1,172,523,869	$ 0.3620
2022	$ 1,143,343,939	$ 351,335,773	$ 330,589,105	$ 1,164,090,607	$ 0.3603
2023	$ 1,337,791,808	$ 427,457,738	$ 395,026,366	$ 1,370,223,180	$ 0.3448
2024	$ 1,712,901,025	$ 462,437,794	$ 484,778,006	$ 1,690,560,813	$ 0.3404

Tax rates per $100 of assessed valuation.
Source: Titus County Appraisal District

City of Mount Pleasant, Texas

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years

Table 6

	2014	2015	2016	2017
Direct Rates:				
City of Mount Pleasant - Operating	$ 0.3139	$ 0.3138	$ 0.3411	$ 0.3140
City of Mount Pleasant - Cemetery	-	-	-	-
City of Mount Pleasant - Debt Service	0.0298	0.0299	0.0026	0.0297
Total Direct Rate	0.3437	0.3437	0.3437	0.3437
Overlapping Rates:				
Mount Pleasant ISD	1.2120	1.2120	1.2120	1.2390
Titus County	0.4182	0.4475	0.4584	0.4790
Total Direct and Overlapping Rates	1.9739	2.0032	2.0141	2.0617

Tax rates per $100 of assessed valuation.

Source: Titus County Apprasial District

2018	2019	2020	2021	2022	2023	2024
$ 0.3135	$ 0.3016	$ 0.2980	$ 0.2922	$ 0.2615	$ 0.2668	$ 0.2624
-	-	$ 0.0028	$ 0.0028	$ 0.0028	$ 0.0025	$ 0.0025
0.0577	0.0696	0.0698	0.0698	0.0960	0.0755	0.0755
0.3712	0.3712	0.3706	0.3648	0.3603	0.3448	0.3405
1.2180	1.3400	1.2917	1.2590	1.1592	0.8952	0.8857
0.5085	0.4742	0.4679	0.4669	0.4263	0.3690	0.3630
2.0977	2.1854	2.1302	2.0907	1.9458	1.6090	1.5892

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City of Mount Pleasant, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year

Table 7

			2024		
Property Tax Payer	**Type of Business**		**Taxable Assessed Value**	**Rank**	**% of Taxable Assessed Value**
Pilgrims	Food Packaging/Processing	$	84,606,890	1	6.17%
Priefert Manufacturing Co. ACCT	Industrial Manufacturing		63,002,670	2	4.60%
Grow Bounti Northwest LLC	Controlled Environment Agriculture		29,515,508	3	2.15%
Newly Weds Foods	Food Packaging/Processing		23,406,470	4	1.71%
Diamond C Trailers	Trailer /Industrial Manufacturing		20,199,860	5	1.47%
Trans Texas Tire LLC	Tire / Wheel Components		19,417,570	6	1.42%
Southwestern Electric Power Co..	Electric Utility Power Plant		18,574,660	7	1.36%
Priefert Manufacturing Co. Inc	Trailer /Industrial Manufacturing		18,167,150	8	1.33%
PMCI Properties II LP	Business Services		16,140,492	9	1.18%
Newly Weds Foods	Food Packaging/Processing		14,674,578	10	1.07%
Total		$	307,705,848		22.46%
Total Assessed Valuation		$	1,370,223,180		100.00%

Source: Titus County Appraisal District

City of Mount Pleasant, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Table 8

	2015	2016	2017	2018
Tax levy	$ 2,922,720	$ 3,029,813	$ 3,119,366	$ 3,194,376
Current tax collected	$ 2,942,251	$ 3,013,755	$ 3,065,713	$ 3,142,308
Percent of current tax collections	100.67%	99.47%	98.28%	98.37%
Delinquent tax collections	$ 81,075	$ (9,302)	$ 22,612	$ 37,278
Total tax collections	$ 3,023,326	$ 3,004,453	$ 3,088,325	$ 3,179,586
Total collections as a percentage of levy	103.44%	99.16%	99.00%	99.54%

Source: Titus County Appraisal District/Titus County Tax Office

2019		2020		2021		2022	2023	2024
$	3,768,852	$	4,086,217	$	4,117,800	4,214,008	4,920,902	5,525,009
$	3,700,636	$	4,000,406	$	4,058,400	4,160,276	4,830,084	5,395,860
	98.19%		97.90%		98.56%	98.72%	98.15%	97.66%
$	49,682	$	59,748	$	21,429	18,088		57,228
$	3,750,318	$	4,060,154	$	4,079,829	4,178,364	4,830,084	5,453,088
	99.51%		99.36%		99.08%	99.15%	98.15%	98.70%

City of Mount Pleasant, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

Table 9

	2015	2016	2017	2018
Governmental activities:				
General Obligation Bonds	$ -	$ -	$ -	$ -
Certificates of Obligation	10,448,100	9,986,344	9,509,488	17,365,000
Premiums	-	-	-	-
Leases/SBITA/notes payable	-	-	-	-
Business-type activities:				
General Obligation Bonds	-	-	3,020,859	2,410,000
Certificates of Obligation	-	-	-	-
Premiums	-	-	-	-
Discounts	-	-	-	-
Leases/notes payable	-	-	-	-
Contract Revenue Bonds	27,144,548	25,913,032	21,625,000	20,975,000
Total primary government	$ 37,592,648	$ 35,899,376	$ 34,155,347	$ 40,750,000

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

Source: City Staff

2019	2020	2021	2022	2023	2024
$ -	$ 2,870,000	$ 2,685,000	$ 6,541,000	$ 5,930,000	5,345,000
16,825,000	12,955,000	12,440,000	7,920,000	7,750,000	15,300,000
701,569	1,039,917	916,027	701,854	586,992	1,558,323
11,166	305,381	688,486	3,096,226	3,286,525	3,255,493
1,735,000	1,465,000	1,205,000	950,000	700,000	460,000
-	3,985,000	59,545,000	59,460,000	59,375,000	82,405,000
-	149,980	2,308,846	2,264,951	2,147,630	3,979,210
(45,999)	(39,428)	(32,858)	(26,286)	(19,716)	(13,146)
11,165	-	238,482	869,883	836,758	670,301
20,305,000	19,180,000	18,035,000	16,870,000	15,685,000	14,475,000
$ 39,542,901	$ 41,910,850	$ 98,028,983	$ 98,647,628	$ 96,278,189	127,435,181

City of Mount Pleasant, Texas

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Years

Table 10

	2015	2016	2017	2018
NET TAXABLE ASSESSED VALUE (2)				
All property	$ 881,528,357	$ 881,528,357	$ 907,583,808	$ 929,408,262
NET BONDED DEBT (3)				
Gross bonded debt	34,664,243	13,460,000	12,495,000	19,775,000
Less debt service funds	-	-	-	-
Net Bonded Debt	$ 34,664,243	$ 13,460,000	$ 12,495,000	$ 19,775,000
RATIO OF NET BONDED DEBT TO ASSESSED VALUE	3.93%	1.53%	1.38%	2.13%
POPULATION (1)	16,018	16,419	16,566	16,714
TAXABLE ASSESSED VALUATION PER CAPITA	55,034	53,690	54,786	55,607
NET BONDED DEBT PER CAPITA	$ 2,164	$ 820	$ 754	$ 1,183

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

(1) Source: MPEDC

(2) As Reported by the Appraisal District

(3) Include Self-supported debt

2019	2020	2021	2022	2023	2024
$ 1,015,315,640	$ 1,104,264,714	$ 1,127,986,307	$ 1,370,223,180	$ 1,605,533,850	$ 1,690,560,813
18,560,000	21,275,000	21,925,000	24,361,000	22,315,000	20,280,000
-	-	-	-	-	
$ 18,560,000	$ 21,275,000	$ 21,925,000	$ 24,361,000	$ 22,315,000	$ 20,280,000
1.83%	1.93%	1.94%	1.78%	1.39%	1.20%
16,863	17,014	17,167	16,015	16,015	15,822
60,210	64,903	65,707	85,559	100,252	106,849
$ 1,101	$ 1,250	$ 1,277	$ 1,521	$ 1,393	$ 1,282

City of Mount Pleasant, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2024

Table 11

Governmental Unit	Net Bonded Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Harts Bluff ISD	$ -	1%	$ -
Mount Pleasant Independent School District	88,106,000	86%	75,612,133
Northeast Texas CCD	24,501,880	26%	6,392,625
Titus County	87,560,000	55%	48,262,954
Titus County FWSD #1	-	0%	-
Titus County Hospital District	9,260,000	49%	4,505,357
Subtotal, overlapping debt			134,773,070
City direct debt	20,280,000	100.00%	20,280,000
Total direct and overlapping debt			$ 155,053,070

Sources: City Staff

City of Mount Pleasant, Texas

LEGAL DEBT MARGIN INFORMATION

Current Fiscal Year

Table 12

Net Assessed Value	$	1,690,560,813
Plus Exempt Property		484,778,006
Total Assessed Value		2,175,338,819
Debt Limit - (10%) of Total Assessed Value		217,533,882
Less amount of debt applicable to debt limits	$	20,280,000
Legal Debt Margin		197,253,882
The Debt Rate legal limit percentage		9%

As a home rule city, the City is not limited by law in the amount of debt it may issue.

Article IV of the City Charter states in part:
In keeping with the Constitution and laws of the state of Texas and not contrary there, the city shall have the power to borrow money on the credit of the city for any public purpose or for any permanent improvement now or hereafter prohibited by the constitution and laws of the State of Texas.

Texas Local Government code section 1507.152 -.154 states the governing body may pledge to the payment of bonds issued under this subchapter an ad valorem tax sufficient to pay when due the principal of and interest on the bonds. A municipality may not issue bonds under this subchapter in a principal amount that: Exceeds the amount of loss sustained or anticipated by the municipality and the cost of issuing the bonds; or would result in the outstanding aggregate principal amount of tax bond indebtedness of the municipality exceeding 10% of the Assessed valuation of taxable property in the municipality according to the most recent ad valorem tax roll of the municipality.

City of Mount Pleasant, Texas

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Table 13

Fiscal Year ended 9/30	(1) Total Revenue	(2) Less Operating Expense	Net Available Revenue	(3) Avg. Annual debt service	Coverage
2014	$ 10,126,495	$ 6,849,580	$ 3,276,915	$ 1,521,694	2.15
2015	10,148,404	7,129,738	3,018,666	1,542,945	1.96
2016	9,820,646	6,843,140	2,977,506	1,029,106	2.89
2017	10,621,511	7,223,990	3,397,521	1,581,972	2.15
2018	11,345,594	9,544,724	1,800,870	1,589,719	1.13
2019	11,707,347	9,319,449	2,387,898	1,620,011	1.47
2020	11,409,873	10,403,653	1,006,220	1,406,165	0.72
2021	12,862,921	11,408,604	1,454,317	1,573,271	0.92
2022	15,288,849	11,635,862	3,652,987	1,627,370	2.24
2023	18,067,094	15,718,068	2,349,026	1,747,047	1.34
2024	16,627,416	12,137,030	4,490,386	3,247,741	1.38

Source: Hilltop Securities Annual Disclosure

(1) Gross Revenue includes all water and sewer revenues.

(2) Operating expense includes all water and sewer expense less depreciation expense.

(3) Average annual debt service is the average principal and interest payments paid for all water and sewer bonds.

City of Mount Pleasant, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Table 14

Fiscal Year ended 9/30	(1) Estimated population	Median Income	Per Capita Personal Income	Median Household Income	Median Age
2014	15,929	58,001	16,000	42,856	28.3
2015	16,018	60,987	15,762	44,178	29.2
2016	16,419	62,898	17,165	45,026	30.1
2017	16,566	63,761	15,762	46,980	29.2
2018	16,714	64,324	17,165	45,604	30.1
2019	16,863	68,703	18,366	43,819	32
2020	17,014	68,703	19,893	48,567	31.6
2021	17,167	64,300	21,730	48,240	32.7
2022	16,361		20,352	49,853	31.41
2023	16,015	54,303	22,858	51,689	29.5
2024	15,822	53,039	22,858	54,837	31

(1) Source: City Staff and MPEDC

Note: Unable to obtain some date for the City of Mount Pleasant

N/D No reliable data

City of Mount Pleasant, Texas

PRINCIPAL EMPLOYERS

Current Fiscal Year

Table 15

Employer	Type of Business	9/30/2024 [1] Employees	Rank
Pilgrim's Pride MP	Poultry Processor	3,142	1
Priefert Manufacturing	Ranch Equipment	1,075	2
Mount Pleasant Independent School District	ISD	919	3
Diamond C Trailers	Trailer Manufacturer	642	4
Titus Regional Medical Center	Medical Center	700	5
Big Tex Trailer Mfg., Inc.	Trailers	400	6
Newly Weds Foods, Inc.	Food Process/Cater	309	7
Pilgrim's Pride Pitsburg	Poultry Processor	290	8
Chapel Hill Independent School District	ISD	187	9
City of Mount Pleasant	City Government	173	10
Total		7,837	

Source: MPEDC

[1] Nine years from current year was not available for presentation

City of Mount Pleasant, Texas

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Table 16

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government and administration	10	9	9	10	11	11	18	23	24	20
Public safety	75	75	81	81	80	80	80	86	87	84
Public works	10	12	12	13	12	11	14	10	10	7
Community development	13	13	13	13	13	13	10	11	10	10
Culture and recreation	22	22.5	23.5	23.5	22.5	22.5	19.5	30.0	29.0	29
Water and sewer	27	32	32	32	34	34	37	26	27	27
EDC	-	1	1	1	1.5	2	2	2	2	2
Total	157	165	171.50	173.50	174.00	173.50	180.00	188.00	189.00	178.00

Sources: Various City departments.
Note: FTE are based on 2080 hours

City of Mount Pleasant, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Table 17

Function/Program	2015	2016	2017
Public Safety:			
Municipal Court:			
Number of cases filed	7,517	5,807	7,668
Police:			
Citation issued	3,493	6,073	9,899
Fire:			
Number of calls answered	1,166	1,064	1,092
Number of inspections	488	401	388
Animal Control			
Number of calls answered	781	774	834
Public Works:			
Number of streets maintained	293	250	282
Code Compliance:			
Number of Inspections	N/D	N/D	N/D
Water:			
New connections	25	120	17
Average daily cunsumption (millions of gallons)	7.8	6	6.45
Wastewater:			
Average daily sewage treatment (millions of gallons)	1.7	2.1	2.1

Sources: Various City departments.

2018	2019	2020	2021	2022	2023	2024
8,325	4,871	4,447	4,583	5,200	5,505	5,086
10,846	5,795	3,131	3,062	3,666	3,290	2,845
898	829	818	878	878	1,028	926
358	62	54	77	77	335	293
815	814	989	799	936	1,114	1,200
282	272	345	260	260	266	266
N/D	427	1,129	1,929	4,229	4,502	5,693
27	26	30	69	69	60	20
6.32	6.64	7.71	6.06	6.06	6.76	7.36
2.1	2.43	2.81	2.23	2.23	2.12	1.99

City of Mount Pleasant, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Years

Table 18

Function/Program	2015	2016	2017	2018
Public safety:				
Police Stations	1	1	1	1
Patrol units	12	12	12	12
Fire Stations	2	2	2	2
Public works:				
Streets (miles)	110.4	110.4	110.4	110.4
Parks and Recreation:				
Parks (acreage)	188.08	188.08	188.08	188.08
Number of playgrounds	6	6	6	6
Number of baseball/softball fields	20	20	20	20
Number of soccer fields	0	0	0	0
Number of football fields	0	0	0	0
Water:				
Water mains (miles)	205	205	205	205
Number of fire hydrants	900	900	900	900
Storage capacity (millions of gallons)	7.6	7.6	7.6	7.6
Sewer:				
Sanitary sewers (miles)	185	190	190	190
Airport:				
Runaways maintained (feet)	6,000	6,000	6,000	6,000

Sources: Various City departments.

	2019	2020	2021	2022	2023	2024
	1	1	1	1	1	1
	12	12	12	12	12	13
	2	2	2	2	2	2
	110.4	110.4	110.4	110.4	112.2	112.2
	188.08	188.08	333.08	795.00	795.00	795.00
	6	6	7	6	6	7
	20	20	24	19	19	19
	0	0	0	18	18	18
	0	0	0	1	1	1
	205	205	205	205	205	205
	900	900	900	900	1,020	1,020
	7.6	7.6	7.6	7.6	7.6	7.6
	190	190	190	190	190	195
	6,000	6,000	6,000	6,000	6,000	6,000