

CITY OF GRAND PRAIRIE, TEXAS
**Comprehensive Annual
Financial Report**

Fiscal Year Ended September 30th, 2014



The "Fish Story" sculpture celebrates the growth of the Lake Parks area and the new Lynn Creek Mildred Walker Parkway linking SH 360 and Lake Ridge Parkway.

Grand Prairie
— T E X A S —

CITY OF GRAND PRAIRIE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2014

PREPARED BY THE FINANCE DEPARTMENT



Ron Jensen
Mayor

Diana G. Ortiz, RTA, CGFO
Chief Financial Officer

Tom Hart
City Manager

Li Jen Lee, CPA
Controller



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**CITY OF GRAND PRAIRIE, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED SEPTEMBER 30, 2014
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INTRODUCTORY SECTION





February 27, 2015

To the Honorable Mayor,
Members of the City Council, and
Citizens of the City of Grand Prairie, Texas

Introduction

We are pleased to present the City of Grand Prairie, Texas (the City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014. The CAFR was prepared by the City's Finance Department and surpasses our responsibilities under the City's Charter and State law, which requires the City to publish annual financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by an independent certified public accountant. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with City management. We assert that the data, as presented, is accurate in all material respects and is organized in a manner which fairly sets forth the financial position and results of operations of the City as measured by the financial activity of its various funds.

City management is responsible for establishing and maintaining a system of internal controls designed to provide reasonable, but not absolute, assurance that the assets of the City are protected from loss, theft or misuse, and for the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Weaver and Tidwell, L.L.P., an independent firm of certified public accountants, has issued an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended September 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City is also required to undergo audits in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-profit Organizations*; and the State of Texas Uniform Grant Management Standards. These audits (Single Audits) are conducted simultaneously with the City's annual financial statement audit. Information related to the Single Audits, including the

auditor's reports on the internal control structure; the City's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters; the schedules of federal and state financial assistance; and the auditor's findings and recommendations, is not included in this report but may be obtained by contacting the City's Finance Department.

City of Grand Prairie and Its Services

The City of Grand Prairie is a Home Rule city operating under a Council/Manager form of government. The Council is comprised of the Mayor and eight Council members who are elected for staggered, three-year terms. The Mayor is elected at-large, and the City Council consists of two at-large members and six single-member districts. Duties of the Council include enacting local legislation, adopting annual budgets, setting policies and appointing the Municipal Court Judge and City Manager. The City Manager is the chief administrative officer responsible for carrying out policies and for the daily management of the City.

The financial statements of the City include all activities, organizations, and functions for which the City is financially accountable. The City provides a full range of municipal services including, but not limited to, police and fire protection; emergency medical services; development and code services; public libraries; traffic and municipal courts; solid waste collection; construction and maintenance of streets; and parks and recreational facilities. In addition to general government activities, enterprise and internal service fund activities are considered part of the City's legal entity. Enterprise and internal service fund activities include water, wastewater and storm water utility services; a municipal airport; municipal golf courses; and other cultural and annual events. Sixteen Public Improvement Districts and three Tax Increment Financing Districts, none of which are legally separate entities, are also included in the City's reporting entity.

Although the Grand Prairie Crime Control and Prevention District (District) is a separate legal entity, it is included in the City's reporting entity as a blended component unit. The District's Board of Directors is substantially the same as the City Council. The District is reported as a special revenue fund of the primary government and is used to account for the accumulation and use of quarter-cent sales tax proceeds dedicated to fund the District.

Discretely presented component units are other legally separate entities which are also included in the City's reporting entity based on the criteria set forth in the Codification of Governmental Accounting Standards, Section 2100, *Defining the Financial Reporting Entity*. The criteria considered in determining the activities to be reported within the City's financial statements are included in Note 1, Section b. Based on those criteria, the following organizations are included as discretely presented component units of the City for financial reporting purposes:

- The Grand Prairie Sports Facilities Development Corporation (Sports Corporation) which owns Lone Star Park at Grand Prairie, a horse track facility.
- Grand Prairie Housing Finance Corporation (HFC) which issues tax-exempt mortgage revenue bonds to provide affordable housing to low-to-moderate income citizens.

History and Population

Early settlers were enticed to the Grand Prairie area by Peters Colony, a series of Republic of Texas land grants offered by investors in 1841. In 1861, Alexander MacRae Dechman was living in Birdville, when he learned he could trade his wagon and oxen for land in Dallas County. Dechman traded for 239.5 acres (now downtown), and in 1863 filed title on his prairie land with the county. He eventually abandoned the idea of living on the land and instead granted right-of-way through the property to the railroad. As people began to settle close to the railroad, a post office was opened, and in 1876, Dechman filed a town plat, giving every other lot to the Texas and Pacific Railroad in exchange for operating a depot there. The railroad tracks were extended through Dechman to Fort Worth, and service began on July 19, 1876. In 1877, the railroad renamed Dechman Grand Prairie because of its location on the eastern edge of the vast prairie that stretched into West Texas.

As the village of Grand Prairie grew, burgeoning neighborhoods brought problems, including fire hazards wrought by houses built too close together, a need for a public water systems and regulations to force residents to keep their property and outhouses clean. On March 20, 1909, 110 of the town's 1,000 citizens turned out to vote, with 69 voting for and 41 against incorporation, establishing what is now the City of Grand Prairie, Texas.

Today, the City of Grand Prairie serves a population of 181,230, covers approximately eighty square miles within the Texas counties of Dallas, Tarrant and Ellis, and is located twelve miles west of downtown Dallas, eighteen miles east of downtown Fort Worth, and six miles south of DFW International Airport. Grand Prairie is readily accessible by State Highway 360 which runs north/south and Interstate Highways 20 and 30 which run east/west through the City. In addition, newly constructed State Highway 161, which also runs north/south, provides additional access and traffic relief through the City.

Budgetary Information

The annual budget serves as the foundation for the City of Grand Prairie's financial planning and control. In accordance with State law and the City Charter, the City Council, in collaboration with the Mayor, City Manager, and City Departments, adopts annual budgets for the General Fund, Debt Service Fund, Special Revenue Funds, Internal Service Funds, Proprietary Funds, and Capital Project Funds. All budgets are prepared and adopted using the modified accrual basis of accounting. Proprietary Fund budgets, also called Enterprise Funds, exclude depreciation and amortization, and include debt service and capital expenditures. No City expenditures may be made without an appropriation, and no money shall ever be appropriated unless funds are currently available or will be available within the same fiscal year.

The level of budgetary control is at the fund level. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Personnel expenditures are monitored and controlled at a position level, and capital expenditures are monitored and controlled project-by-project. Internal financial reports sufficient for City management and the City Council to plan, monitor and control the City's financial affairs are generated and distributed quarterly along with an analysis of the results.

Economic Condition

The City of Grand Prairie is ideally located in the heart of the Dallas/Fort Worth Metroplex (DFW). Situated midway between Dallas and Fort Worth and just minutes south of the DFW International Airport and Dallas Love Field, the economic vitality of the region significantly impacts the economic health of Grand Prairie. DFW's ideal location and diverse economy favorably contributes to businesses relocating to this area resulting in DFW being one of the fastest-growing economic regions in the country. Grand Prairie is the seventh largest city in DFW, the fifteenth largest city in Texas and the 127th largest city in the United States.

Local Economy

Grand Prairie's economic health continues to be strong.

Industrial and retail vacancy rates in 2014 were both about 6.3 percent. Both rates have been on a downward trend since early 2011.

In terms of commercial/industrial square feet under construction, only the City of Dallas has a higher value than the City of Grand Prairie in the DFW area, according to February 2015 CoStar data. Following Grand Prairie's 2.6 million square feet under construction is Irving at 1.8 million and Hutchins and Fort Worth at 1.6 million square feet.

Construction permitting in 2015 includes a 30-acre power center anchored by a new Wal-Mart.

The City of Grand Prairie permitted 379 single-family residential units in 2014. Single-family residential permits have averaged plus or minus 400 a year since 2009. Permitting in 2014 included a \$22 million multi-family complex.

Grand Prairie's unemployment rate fell to 4.6 percent in the 4th quarter of 2014, the lowest it has been since 1st quarter of 2008.

Long-Term Financial Planning

The City of Grand Prairie adopts and utilizes a comprehensive capital improvements program document. This process allows the City Council to fund several major infrastructure improvements, park enhancements, and capital purchases in a systematic manner with full consideration of the impact to the operating budget and tax requirements. Many of these projects have been completed on a pay-as-you-go basis. Utilizing a disciplined practice of annually budgeting for capital reserves, the City effectively funded various capital projects thus avoiding additional debt expenditures.

Relevant Financial Policies

The City's financial operations are guided by comprehensive financial management policies. The overriding goal of these policies is to enable the City to achieve a long-term, stable and positive financial condition while conducting its operations consistent with the council-manager form of government established by the City Charter. The watchwords of financial management

include integrity, prudent stewardship, planning, accountability and full disclosure. The scope of these policies spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management and expenditure control. The City also maintains, as separate documents, comprehensive investment, debt management and purchasing policies. These policies provide guidance to the City Council at a policy setting level and to City management and staff in their daily financial decision making. In addition to these policies, City Council has a three-member Finance and Government Committee whose members provide guidance to City management in budgetary, audit, internal control and other significant financial matters.

Due to strong management with strong financial policies, the City has achieved and maintained pertinent financial benchmarks and ratios including sufficient fund balances in all funds, compliance with debt coverage ratios, and fiscally sound investment practices. In turn, this financially healthy condition was an important and positive factor in the evaluation of the City's borrowing needs through bond sales. In February 2015, the City received a AAA water and sewer system bond rating, the highest rating given by Fitch. Only five Texas cities are so rated by both Fitch and Standard & Poors. Needless to say, this high credit rating directly affects the City's borrowing costs reflected in lower interest rates and reduced interest expenditures.

Major Initiatives/Highlights

Significant highway and road improvement projects were completed, including:

- I-30 frontage roads between Beltline Road and MacArthur Road
- New Park and Ride located at I-30 and Beltline Road

Other initiative/highlights include:

- The opening of Fire Station No. 1 located in downtown Grand Prairie
- Continued construction on The Lodge and Camp Store at Lloyd Park
- Voters approved a ¼ cent sales tax to fund the Epic, the working name for what will become a city health/wellness recreation center, library, water park, amphitheatre, and will include Texas' largest all-inclusive playground, trails, grand lawn, and other park amenities.

Awards

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Prairie for its CAFR for the fiscal year ended September 30, 2013. This was the twenty-eighth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the dedicated services and hard work of a highly qualified staff. The City of Grand Prairie has such a staff in the City's Finance Department. Although much time and effort in preparation for this report lies in the Accounting Division, other Divisions and Departments offered invaluable support. We would like to express our appreciation to the Finance Administration and Cash & Debt Divisions, the Budget Department and the Economic Development Department who assisted and contributed to the preparation of this report.

Our gratitude and respect are also extended to the City Council and Finance and Government Committee for their unfailing support of sound financial management and for maintaining the highest standards of professionalism in the management of the City's finances.

Sincerely,



Tom Hart, City Manager



Diana G. Ortiz, Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Grand Prairie
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

Council Member
Jorja Clemson
District 1

Deputy Mayor Pro Tem
Council Member
Tony Shotwell
District 5

Council Member
Jim Swafford
District 2

Mayor Pro Tem
Council Member
Richard Fregoe
District 4

Mayor
Ron Jensen

Council Member
Jeff Copeland
At Large
Place 7

Council Member
Greg Giessner
At Large
Place 8

Council Member
Lila Thorn
District 3

Council Member
Jeff Wooldridge
District 6

GRAND PRAIRIE
— T E X A S —

2015 CITY COUNCIL

Mayor Ron Jensen, council members Jim Swafford and Richard Fregoe were elected to three-year terms in 2013. Council Member Jorja Clemson was elected in May 2014 for a three-year term. Council Member Jeff Wooldridge was elected in May 2013 to fill a council seat vacancy for District 6, to serve the remaining two years of that term. Council members Greg Giessner and Tony Shotwell were elected to three-year terms in 2012. Council members Jeff Copeland and Lila Thorn were elected in May 2014 for a three-year term. Regular City Council elections are conducted in May every year.

City Hall, 317 College St., Grand Prairie, TX 75050
P.O. Box 534045, Grand Prairie, TX 75053
972-237-8022 • gptx.org/council

Updated: January 2015

CITY OF GRAND PRAIRIE, TEXAS

DIRECTORY OF CITY OFFICIALS

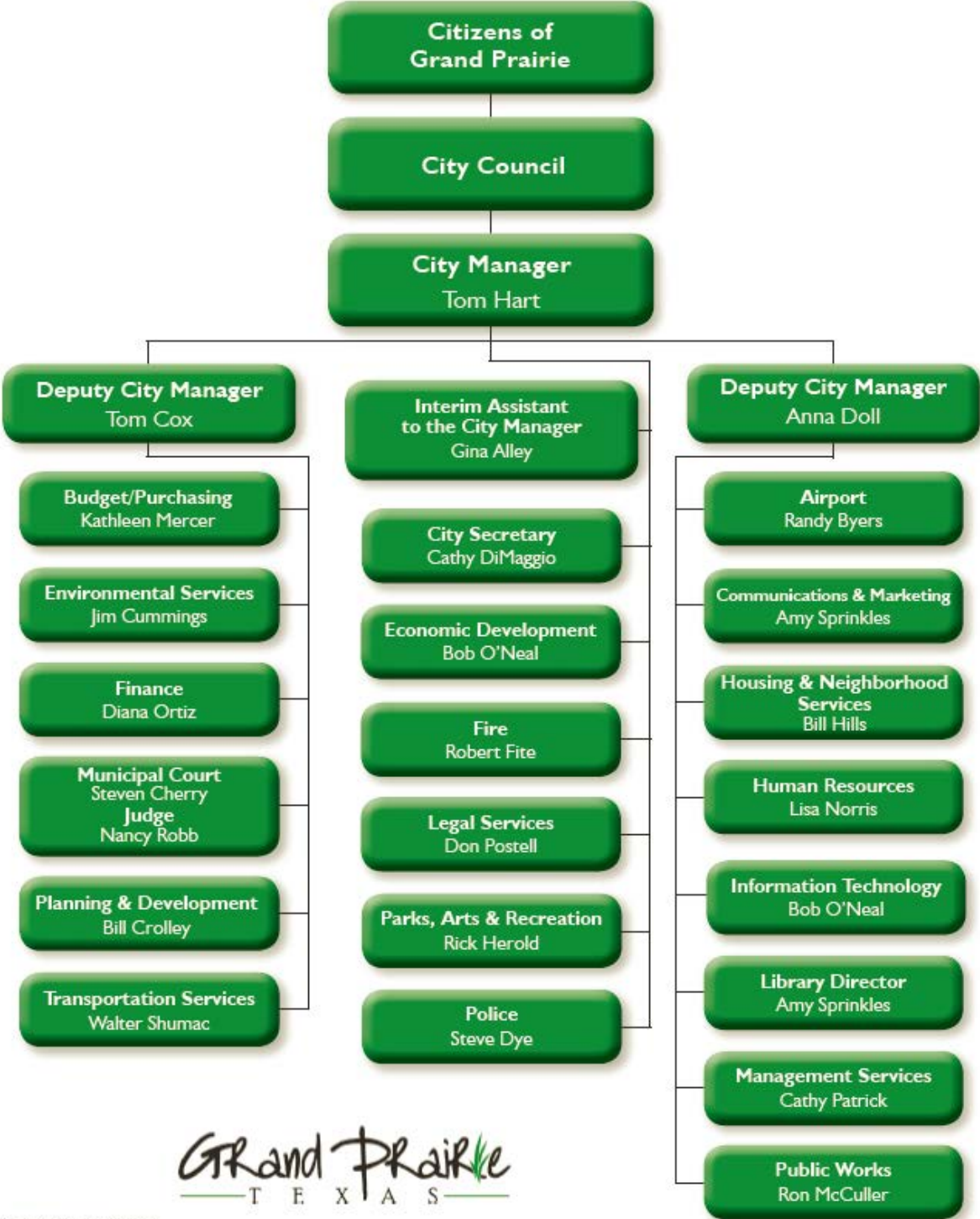
MAYOR AND CITY COUNCIL

Ron Jensen	Mayor At Large
Jorja Clemson	District 1
Jim Swafford	District 2
Lila Thorn	District 3
Richard Fregoe	Mayor Pro Tem - District 4
Tony Shotwell	Deputy Mayor Pro Tem - District 5
Jeff Wooldridge	District 6
Jeff Copeland	At Large – Place 7
Greg Giessner	At Large – Place 8

EXECUTIVE MANAGERS

Tom Hart	City Manager
Tom Cox	Deputy City Manager
Anna Doll	Deputy City Manager
Gina Alley	Interim Assistant to City Manager
Randy Byers	Airport Director
Steven Cherry	Court Services Director
Kathleen Mercer	Budget/Purchasing Director
Bill Crolley	Director of Planning & Development
Jim Cummings	Environmental Services Director
Cathy DiMaggio	City Secretary
Rick Herold	Parks, Arts & Recreation Director
Steve Dye	Police Chief
Bill Hills	Housing & Neighborhood Services Director
Ron McCuller	Public Works Director
Robert Fite	Fire Chief
Lisa Norris	Human Resources Director
Diana Ortiz	Chief Financial Officer
Bob O’Neal	Economic Development & Information Technology Director
Don Postell	City Attorney
Amy Sprinkles	Library Director
Nancy Robb	Municipal Court Judge
Walter Shumac	Transportation Director
Amy Sprinkles	Communications & Marketing Director
Cathy Patrick	Management Services Director

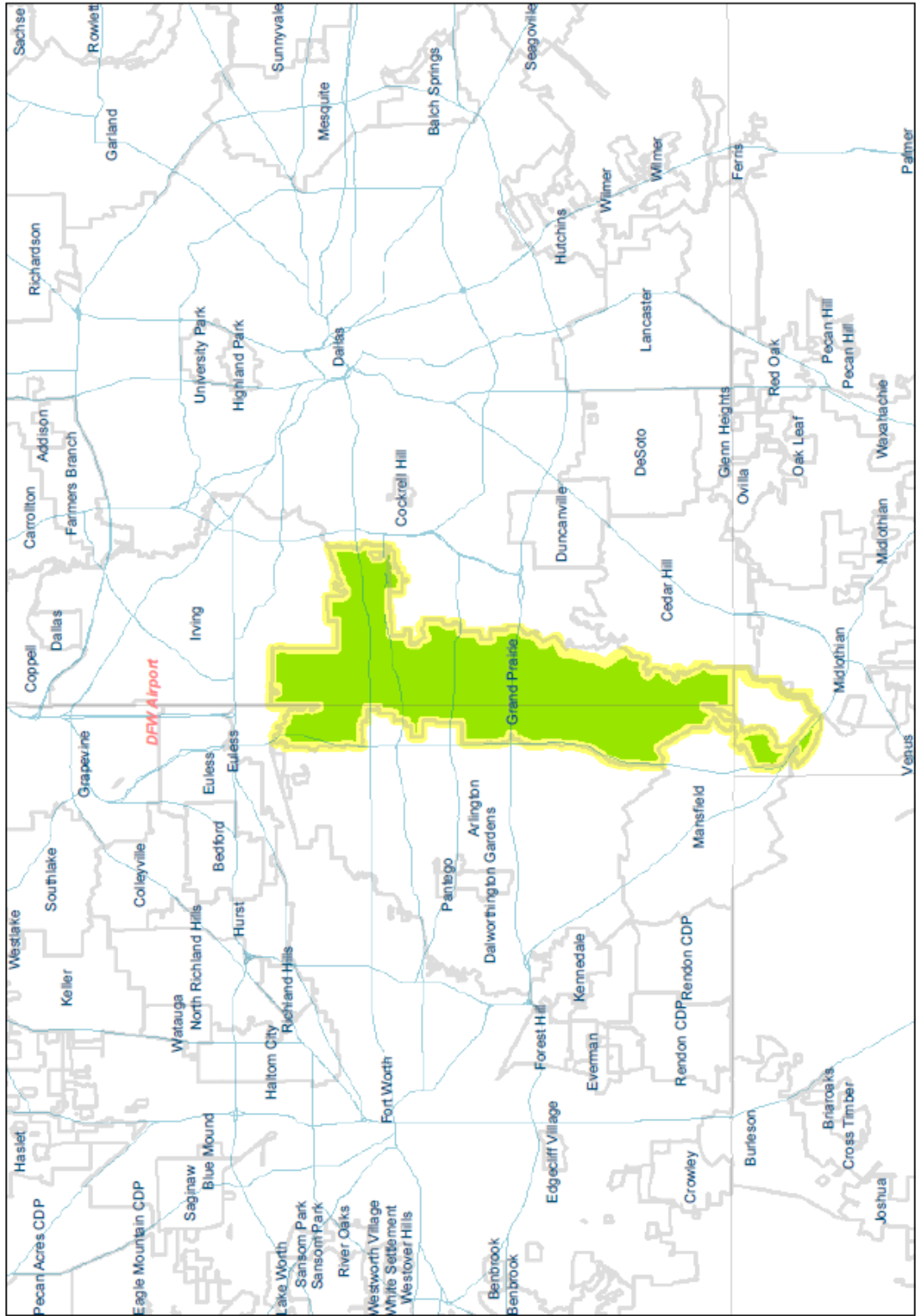
ORGANIZATIONAL CHART



Updated January 2015

City of Grand Prairie, Texas

Located in the middle of the Dallas-Fort Worth Metroplex





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FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Council
City of Grand Prairie, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of City of Grand Prairie, Texas (the City) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the component unit financial statements for the Grand Prairie Housing Finance Corporation (a discretely presented component unit). Those financial statements were audited by other auditors in accordance with auditing standards generally accepted in the United States of America, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Grand Prairie Housing Finance Corporation is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in government auditing standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Grand Prairie, Texas as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 8 to the financial statements, beginning net position of the Municipal Airport Fund was restated to correct an error in reporting a capital grant in previous years. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-16, budget to actual schedules for the General Fund and Section 8 Fund on pages 89 and 90 respectively, Texas Municipal Retirement System – Schedule of Funding Progress on page 91, and Other Post Employment Benefits – Schedule of Funding Progress on page 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

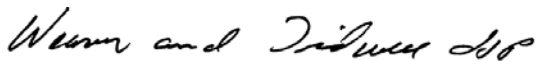
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2015, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 27, 2015



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MANAGEMENT'S DISCUSSION & ANALYSIS



**CITY OF GRAND PRAIRIE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
(Unaudited)**

As management of the City of Grand Prairie, Texas ("the City"), we offer to 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, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. Also, unless otherwise indicated, all amounts presented are for the City's primary government and exclude any component unit.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities (net position) at September 30, 2014, by \$658,159,029. Of this amount, \$81,560,107 may be used to meet the government's ongoing obligations to citizens and creditors (unrestricted net position).
- The City's net position increased by \$18,742,709 for the fiscal year ended September 30, 2014 from operations and the Municipal Airport Fund prior period adjustment.
- The City's governmental funds reported combined ending fund balances of \$145,162,939 at September 30, 2014, an increase of \$6,048,191 in comparison with the prior year fund balances. Of the governmental funds reported combined fund balances, \$22,961,626 or 15.8% is available for spending within City guidelines (unassigned fund balance).
- The City's unassigned fund balance for the general fund was \$22,961,626 at year end or 23.4% of total general fund expenditures for the reported fiscal year.
- The City's total long-term liabilities of \$342,583,547 decreased by \$6,817,901 or 2.0% during the reported fiscal year. In fiscal year 2014, the City issued general obligation, certificates of obligation, water and wastewater revenue, a combined \$18,165,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. Such supplementary information is unaudited and is presented to provide the reader with additional information for further analysis.

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

The statement of net position presents information on all of the City's assets, deferred outflows/inflows and liabilities, with the difference between these items reported as net position. Over time, increases and 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will 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 (government 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 public safety, recreation and leisure, development services, and the general government support services. Development services include, among other services, the City's planning, public works, transportation, housing, and community development activities. The business-type activities of the City include water and wastewater system, a solid waste sanitary landfill, a storm water drainage utility system, a municipal airport, and municipal golf courses.

The government-wide financial statements include not only the City itself (known as the primary government), but also the Grand Prairie Sports Facilities Development Corporation, Inc. (the "Sports Corporation") and the Grand Prairie Housing Finance Corporation ("HFC") as component units. Both are legally, financially, and administratively autonomous separate corporations. HFC issues tax exempt revenue bonds to supply mortgage financing for low income home buyers and multi-family developments, and engages in other affordable housing activities. The Sports Corporation oversees the Lone Star Park at Grand Prairie horse track facility.

The Crime Control and Prevention District is a legally separate entity that is financially accountable to the City. A blended presentation has been used to report the financial information of this component unit.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. The City does not have any funds that are used to account for resources held for the benefit of parties outside the government (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 government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide 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 has five major governmental funds: General Fund, Section 8 Fund, Street Improvements Fund, Grant Fund and Debt Service Fund. 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 each of the major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriating budget for its General Fund and certain other governmental funds of significance to governance. Budgetary comparison schedules have been provided for the General Fund and Section 8 Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds. The City maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities of the government-wide financial statements. The City uses enterprise funds to account for its respective water and wastewater system, solid waste sanitary landfill, storm water utility, municipal airport, and municipal golf courses operating, investing, and financing activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for vehicle and equipment maintenance and the premiums, deductibles, and claims for all insurance programs (e.g. employee health, workers compensation, general liability, etc.). Because these services benefit both governmental and business-type functions, they have been allocated to both activities in the government-wide financial statements in proportion to services received.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has five enterprise funds of which one is a major enterprise fund, the Water Wastewater Fund. Data from the other enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report. The City's two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the City's internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-88 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 89-92 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 93-128 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities by \$658,159,029 at year end. The City had total assets at year-end of \$1,037,589,259. The City's pooled cash and investments totaling \$251,571,767 and capital assets (e.g., land, buildings, equipment, infrastructure, and construction in progress), net of accumulated depreciation totaling \$760,210,122 represented 24.2% and 73.3%, respectively, of total government assets.

The City's investment in capital assets, less any related debt used to acquire those assets that are still outstanding, totaled \$462,710,193 and represented 70.3% of the City's total net position at year end. The City uses its 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 must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Table 1 below is a summary of the City's net position at year end compared to the prior year.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	9/30/2013	9/30/2014	9/30/2013	9/30/2014	9/30/2013	9/30/2014
Cash & investments	\$ 151,488,999	\$ 167,410,029	\$ 80,899,898	\$ 84,161,738	\$ 232,388,897	\$ 251,571,767
Other assets	17,333,606	17,874,015	7,728,901	7,933,355	25,062,507	25,807,370
Capital assets, net	553,818,748	555,054,138	203,830,596	205,155,984	757,649,344	760,210,122
Total assets	<u>722,641,353</u>	<u>740,338,182</u>	<u>292,459,395</u>	<u>297,251,077</u>	<u>1,015,100,748</u>	<u>1,037,589,259</u>
Deferred outflows of resources	<u>1,277,211</u>	<u>1,178,270</u>	<u>148,417</u>	<u>134,029</u>	<u>1,425,628</u>	<u>1,312,299</u>
Current liabilities	19,718,505	29,447,798	7,990,103	8,711,184	27,708,608	38,158,982
Long-term bonded debt	252,966,775	246,871,707	65,114,503	64,749,524	318,081,278	311,621,231
Other noncurrent liabilities	24,917,127	24,179,834	6,403,043	6,782,482	31,320,170	30,962,316
Total liabilities	<u>297,602,407</u>	<u>300,499,339</u>	<u>79,507,649</u>	<u>80,243,190</u>	<u>377,110,056</u>	<u>380,742,529</u>
Net position:						
Net investment in capital assets	316,856,535	319,412,513	141,678,428	143,297,680	458,534,963	462,710,193
Restricted	69,081,215	108,444,110	4,695,502	5,444,619	73,776,717	113,888,729
Unrestricted	<u>40,378,407</u>	<u>13,160,490</u>	<u>66,726,233</u>	<u>68,399,617</u>	<u>107,104,640</u>	<u>81,560,107</u>
Total net position	<u>\$ 426,316,157</u>	<u>\$ 441,017,113</u>	<u>\$ 213,100,163</u>	<u>\$ 217,141,916</u>	<u>\$ 639,416,320</u>	<u>\$ 658,159,029</u>

A portion of the City's net position totaling \$113,888,729 or 17.3% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizen's and creditors.

At the fiscal year end, the City is able to report positive balances in all three categories of net position, for both governmental and business-type activities.

The City's net position increased by \$16,488,427 in fiscal year 2014. Capital contribution from private developers and granting agencies for improvements to the City's infrastructure accounted for, \$3,367,807 or 20.4% of the increase to the City's net position. The remaining increase represents the degree to which revenues have exceeded expenses.

The fiscal year 2014 compared to fiscal 2013 changes in the City's net position were as follows:

Table 2

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	9/30/2013	9/30/2014	9/30/2013	9/30/2014	9/30/2013	9/30/2014
Revenues:						
Program revenues:						
Charges for services	\$ 35,828,489	\$ 37,100,503	\$ 78,805,277	\$ 81,242,152	\$ 114,633,766	\$ 118,342,655
Operating grants and contributions	33,339,115	34,980,362	30,291	42,697	33,369,406	35,023,059
Capital grants and contributions	5,242,216	4,020,110	3,089,677	4,402,822	8,331,893	8,422,932
General revenues:						
Property tax	71,785,225	77,334,662	-	-	71,785,225	77,334,662
Sales tax	47,155,704	50,846,972	-	-	47,155,704	50,846,972
Other tax	1,488,871	1,550,172	-	-	1,488,871	1,550,172
Franchise fees	12,811,696	13,315,452	-	-	12,811,696	13,315,452
Investment income	437,770	652,067	4,242	1,021	442,012	653,088
Total revenues	208,089,086	219,800,300	81,929,487	85,688,692	290,018,573	305,488,992
Expenses:						
Support services	17,503,253	20,400,867	-	-	17,503,253	20,400,867
Public safety services	76,439,796	80,333,290	-	-	76,439,796	80,333,290
Recreation and leisure services	25,847,664	25,255,982	-	-	25,847,664	25,255,982
Development services	79,057,014	75,473,059	-	-	79,057,014	75,473,059
Interest on long-term debt	8,125,389	7,922,519	-	-	8,125,389	7,922,519
Water and wastewater	-	-	59,993,534	58,454,761	59,993,534	58,454,761
Municipal airport	-	-	2,793,094	3,484,297	2,793,094	3,484,297
Municipal golf course	-	-	3,487,758	3,314,435	3,487,758	3,314,435
Storm water	-	-	1,909,737	1,635,198	1,909,737	1,635,198
Solid waste	-	-	9,773,626	9,712,711	9,773,626	9,712,711
Total expenses	206,973,116	209,385,717	77,957,749	76,601,402	284,930,865	285,987,119
Increase (decrease) in net position before special items and transfers						
	1,115,970	10,414,583	3,971,738	9,087,290	5,087,708	19,501,873
Special items-water settlement	-	-	-	-	-	-
Transfers	5,390,831	4,267,277	(5,390,831)	(4,267,277)	-	-
Capital assets' reassignments	-	19,096	-	(19,096)	-	-
Change in net position	6,506,801	14,700,956	(1,419,093)	4,800,917	5,087,708	19,501,873
Net position - beginning of year -as previously stated	419,809,356	426,316,157	214,519,256	213,100,163	634,328,612	639,416,320
Cumulative effect of change in accounting principle	(2,400,226)	-	(1,053,782)	-	(3,454,008)	-
Prior period adjustment	-	-	-	2,254,282	-	2,254,282
Net position - end of year	\$ 423,915,931	\$ 441,017,113	\$ 212,046,381	\$ 220,155,362	\$ 635,962,312	\$ 661,172,475

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the change in net position as previously stated.

The changes in the City's general revenues from prior year excluding contributions and transfers were as follows:

Table 3

General Revenue Comparison
for the Year End

	Fiscal Year 9/30/2013	Fiscal Year 9/30/2014	Increase (Decrease)
Governmental activities:			
Property taxes	\$ 71,785,225	\$ 77,334,662	\$ 5,549,437
Sales taxes	47,155,704	50,846,972	3,691,268
Other taxes	1,488,871	1,550,172	61,301
Franchise fees	12,811,696	13,315,452	503,756
Investment income	437,770	652,067	214,297
Total governmental activities	133,679,266	143,699,325	10,020,059
Business-type activities:			
Investment income	4,242	1,021	(3,221)
Total business-type activities	4,242	1,021	(3,221)
Total general revenues	\$ 133,683,508	\$ 143,700,346	\$ 10,016,838

Governmental activities. As a part of the State of Texas, specifically the Dallas/Fort Worth (“DFW”) metroplex, the City of Grand Prairie benefits from its economic strengths. In addition, the City maintains financial management practices that adhere to strong institutionalized policies for sustainable results. There was an increase in net position of \$14,700,956 in comparison with beginning net position. Total revenue for governmental activities (excluding transfers and capital assets reassignments from business-type activities) increased from the previous year by \$11,711,214. General Revenue which is primarily made up of property taxes, sales taxes, and franchise fees had a net increase of \$10,020,059. Property tax revenue increased by \$5,549,437 primarily due to an increase in net property tax values of 5.00%. Sales tax collections increased by \$3,691,268 due to a mixture of growth and new businesses opening combined with less adjustment by the Texas Comptroller’s office. Franchise fee revenue increased \$503,756 as a result of higher gross revenues realized in the seasonally sensitive gas and electric industries. In addition, investment income increased by \$214,297 primarily due to a higher average investment balance.

Net position of governmental operations accounts for 67.0% of total net position. Program revenues of the City include charges for service, operating grants and contributions, and capital grants and contributions. Two revenue categories, charges for services and operating grants and contributions, experienced a healthy increase from prior year totaling \$2,913,261.

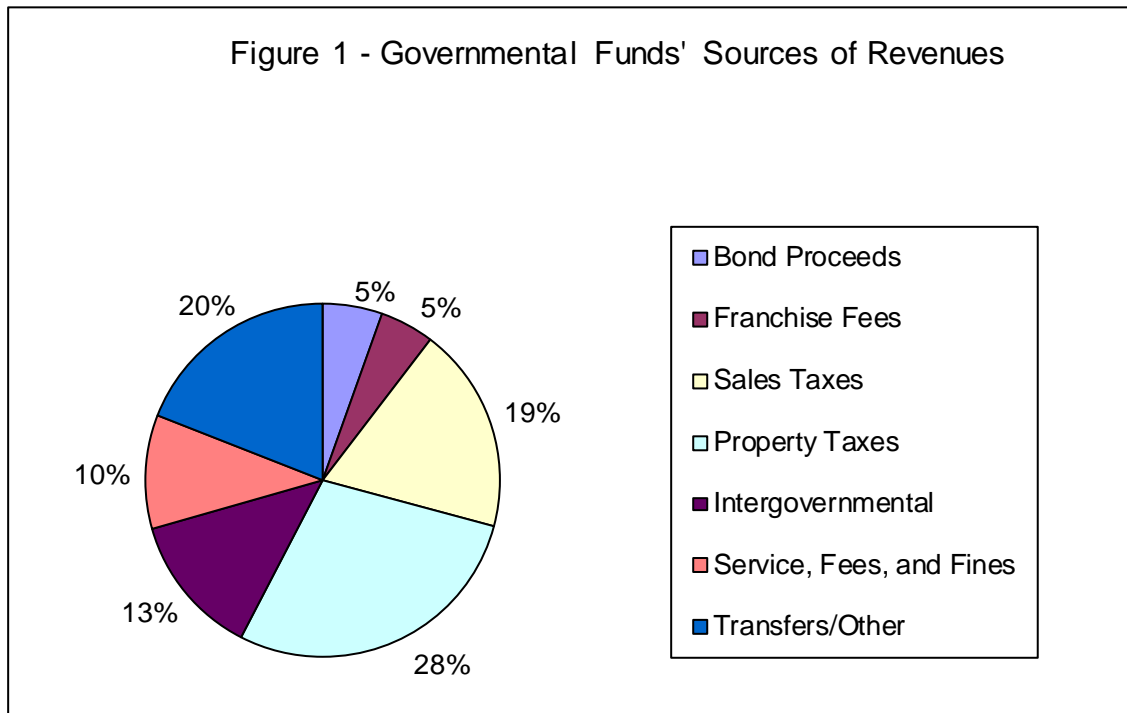
Business-type activities. Business-type activities increased the City’s net position by \$1,787,471 in comparison with beginning net position. Total revenue for the business-type activities increased from the previous year by \$3,759,205 due to sound fiscal management, increased user rates and a harsh, drought year. This increase provided for a healthy, positive change in net position before transfers. Of the increase, impact fees by private developers to the City’s water and wastewater system infrastructure totaled \$1,794,292. Net position for business type activities represents 33.0% of total primary government net position. Table 2 summarizes the changes in business-type activities net position.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

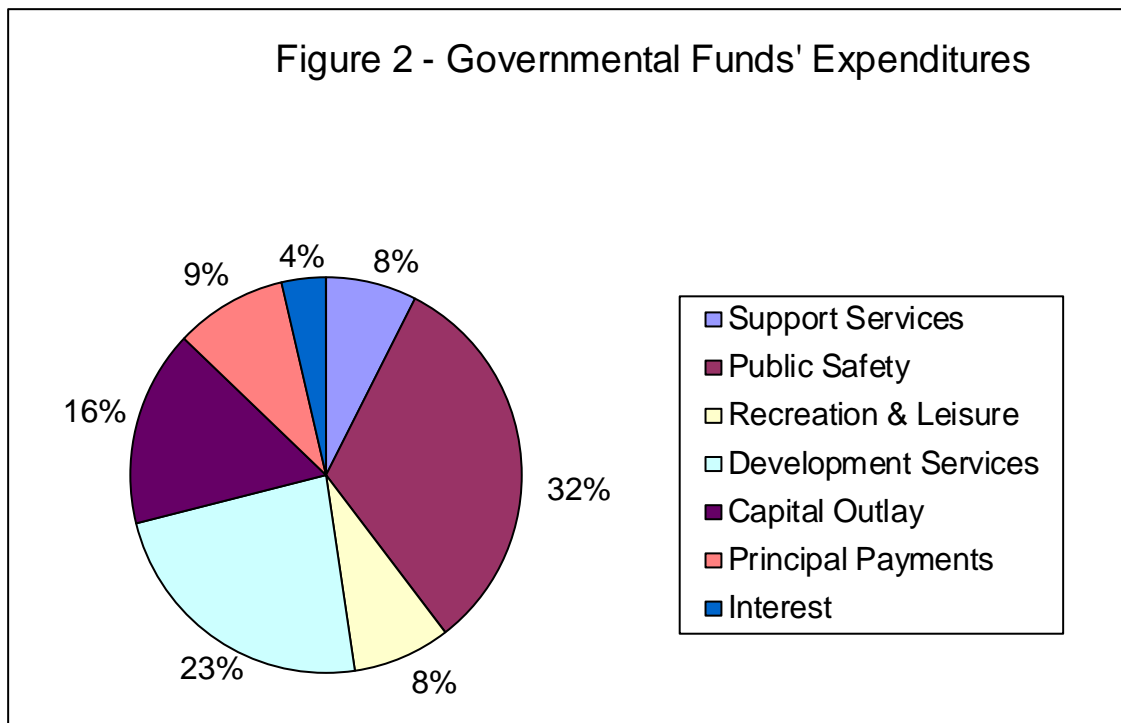
Governmental funds. The focus of City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of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

At fiscal year-end 2014, the City's governmental funds (excluding internal service funds) reported combined ending fund balances of \$145,162,939, an increase of \$6,048,191 in comparison with the prior year. The unassigned fund balance portion is 15.8% and is available for spending at the government's discretion. The remainder is restricted for specific purposes and is not available for new spending. Specific purposes include non-spendable inventories and prepaid items (\$47,402); restricted amounts by statutory, bond covenants or granting agency (\$96,095,975) either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$24,920,817) require formal action by City Council. Finally, funds may be assigned (\$1,137,119) by City Manager with the City Councils' delegated authority. Figures 1 and 2 that follow show the distribution of governmental funds' sources of revenues and expenditures, \$269,435,735 and \$263,387,544, respectively, for fiscal year 2014.



Other sources of revenues include General Fund general and administrative charges, transfers, gain on sale of capital assets, capital assets reassignments, and other operating revenues.

Figure 2 - Governmental Funds' Expenditures



The General Fund is the chief operating fund of the City. At fiscal year-end, unassigned fund balance of the General Fund was \$22,961,626, while total fund balance was \$24,115,372. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 23.4% of total general fund operating expenditures, while total fund balance represents 24.6% of that same amount. General Fund's fund balance decreased in the amount of \$4,701,436 from the prior fiscal year due to the City using fund balance to fund capital projects.

Fund balances of several other governmental funds changed significantly. Debt Service Fund balance increased by \$1,450,217 primarily due to the increase in property tax revenue. The fund balance total for other non-major governmental funds increased by \$5,567,871. This increase to fund balance is comprised of \$10,895,563 increase in special revenues' activities and \$5,327,692 decrease in capital projects' activities.

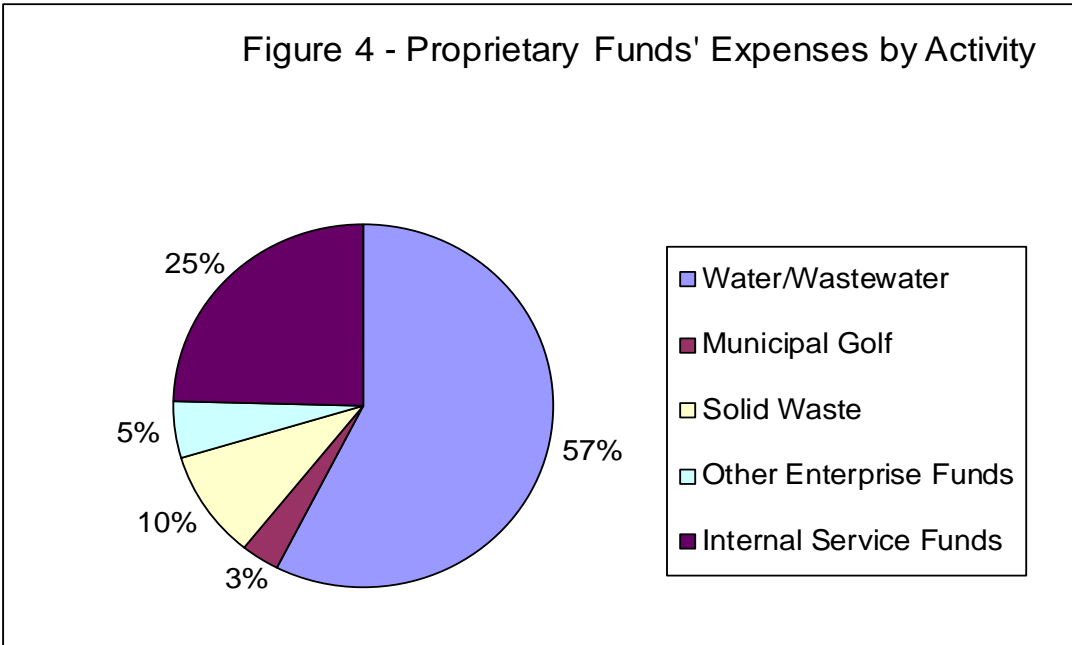
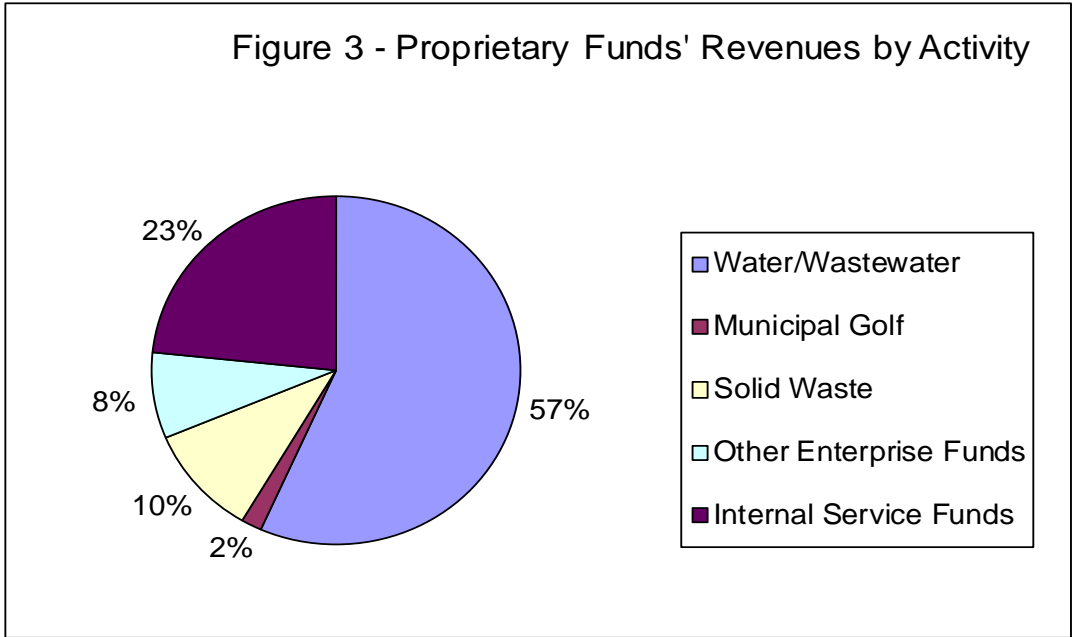
Special revenue funds with significant changes to fund balance are the Park Venue, Senior Center (Summit), Tax Increment Financing District (TIF), Baseball Stadium and Crime Tax Funds. The increase in fund balances are primarily a result of higher property tax and sales tax collections, less payment made to developers in TIF fund and no early debt service payments were made for Senior Center, Baseball Stadium and Crime Tax Funds. The decrease in fund balance of Park Venue Fund is due to an increase in capital outlay spending.

Capital project funds also experienced significant changes to some of the projects' fund balances including Fire, Capital Lending, Police Capital Project and Others funds. These changes are primarily a result of the increase in capital projects spending and a transfer from the Capital Lending fund to Police Capital Project fund for certain projects.

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

The net position of the City's enterprise funds and internal service funds were \$215,550,827 and \$9,833,846, respectively, at September 30, 2014. The enterprise funds' net investment in capital

assets represented 66% of total enterprise fund's net position. The internal service funds' net investment in capital assets represented 9.6% of total internal service funds' net position. The enterprise funds' unrestricted net position was 31.0% of their total net position, and, internal service funds' unrestricted net position was 90.4% of their total funds' net position. The City's enterprise funds reported a moderate income before contributions, special items and transfers of \$4,663,854 while the internal service funds reported a loss of \$240,813. The loss was primarily attributable to the Risk Management and Employee Insurance funds that managed premiums but incurred large claims towards fiscal year end. However, the City continues to maintain a fund balance level that meets the City's financial policy targets. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the government-wide financial statements and business-type activities. The following Figures 3 and 4 show the proprietary funds' revenues of \$106,063,325 and expenses of \$101,640,284 (excluding transfers and capital contributions) by activity.



General Fund Budgetary Highlights

For the reported fiscal year, revenues exceeded budgetary estimates by \$2,769,371. Expenditures were under budgetary estimates by \$687,040 resulting from continued city-wide efforts in cost containment and reductions in expenditures. The City traditionally budgets revenue conservatively and this practice frequently results in positive budgetary variances.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities at fiscal year-end amounted to \$760,210,122. This investment includes land, buildings, improvements other than buildings (includes infrastructure), machinery and equipment, and construction in progress. The City's capital assets increased from prior year by \$2,560,778 primarily due to continued growth and development.

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

- Opening of Lake Ridge Parkway from Interstate 20 to Great Southwest Parkway;
- Opening a Camp Store at Loyd Park;
- Began construction of the Lodge at Loyd Park;
- Launching Phase III for the Main Street façade renovation project;
- Continued construction of a new Fire Station 1;
- Continued a major renovation of the Dalworth Recreation center.

The City's capital assets, net of accumulated depreciation, at fiscal year-end was as follows:

Table 4
Capital Assets*

	Governmental Activities		Business-Type Activities		Total Primary Government	
	9/30/2013	9/30/2014	9/30/2013	9/30/2014	9/30/2013	9/30/2014
Land	\$ 40,112,883	\$ 39,870,355	\$ 4,161,706	\$ 4,171,796	\$ 44,274,589	\$ 44,042,151
Construction in progress	58,019,820	67,419,236	22,024,631	21,546,699	80,044,451	88,965,935
Depreciable capital assets	795,064,684	819,480,721	358,621,326	375,635,852	1,153,686,010	1,195,116,573
Accumulated depreciation	<u>(339,378,639)</u>	<u>(371,716,174)</u>	<u>(180,977,067)</u>	<u>(196,198,363)</u>	<u>(520,355,706)</u>	<u>(567,914,537)</u>
Total capital assets, net	<u>\$ 553,818,748</u>	<u>\$ 555,054,138</u>	<u>\$ 203,830,596</u>	<u>\$ 205,155,984</u>	<u>\$ 757,649,344</u>	<u>\$ 760,210,122</u>

*See note 3.a.2. for more detailed information on the City's capital assets.

Long-term debt. At September 30, 2014, the City had the following long-term liabilities:

Table 5
Long-Term Debt

	Governmental Activities		Business-Type Activities		Total Primary Government	
	9/30/2013	9/30/2014	9/30/2013	9/30/2014	9/30/2013	9/30/2014
Bonded debt	\$252,966,775	\$246,871,707	\$ 65,114,503	\$ 64,749,524	\$318,081,278	\$311,621,231
Accrued compensated absences	14,112,100	14,504,712	409,347	426,238	14,521,447	14,930,950
Other Post Employment Benefits	4,701,004	4,691,875	-	-	4,701,004	4,691,875
Pollution liability	-	40,000	-	-	-	40,000
Closure and post closure liability	-	-	5,993,696	6,356,244	5,993,696	6,356,244
Other liabilities	6,104,023	4,943,247	-	-	6,104,023	4,943,247
Total long-term debt	\$277,883,902	\$271,051,541	\$ 71,517,546	\$ 71,532,006	\$349,401,448	\$342,583,547
Long-term debt to net position percentage	65%	61%	34%	33%	55%	52%

Of the total bonded debt, \$214,055,001 or 68.7% is debt backed by the full faith and credit of the government with a property tax pledge.

During this fiscal year, the City issued \$18,165,000 in new bonded debt, and retired principal on bonds totaling \$24,670,000. In addition, the City's interest expense for its bonded debt was \$10,391,673.

Additional information is detailed in the Notes to Basic Financial Statements, section 3. c. 3., pages 52-63.

The City's bond ratings by Fitch, and Standard & Poor's are currently as follows:

	Fitch	Standard & Poor's
General obligation bonds	AA+	AAA
Sales tax revenue bonds	AA	AA-
Water and wastewater revenue bonds	AA+	AAA

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2015 budget, tax rates and fees that will be charged for the business-type activities. One of the biggest factors continued to be the national economy. Building and development growth rates indicate healthy activities in the residential sector and commercial type permitting continues to increase. Although the City is largely built out and mature, there are still several areas available mainly in higher end, residential growth on Joe Pool Lake. The City population as of January 1, 2014 is 181,230 which is a 1.6% increase over prior year. Grand Prairie's population continues to increase annually with even more growth expected as a result of continued development and mobility through the City. New and improved roadways among I20, I30, and SH161 continue to make additional demands on the City for increased services.

These indicators are taken into account when adopting the Budget for fiscal year 2015:

- An increase over prior year of 7% in property tax assessed values resulting in more property tax revenues. This revenue was reflected in the budgeted revenues with an increase of \$2.7M or 5.7% in the General Fund and \$1.8M or 10.2% in the General Obligation Debt Fund as compared to prior fiscal year collections. The City has maintained a stable property tax rate and did not change it from 0.669998 per \$100 valuation for fiscal year 2014.
- A 0.75% increase in budgeted sales tax collections as compared to prior fiscal year collections. There is no change in the City's sales tax rate.
- The City's very strong financial position, favorable bond ratings, and continued low interest expense rates.

The City expects a steady increase in other general revenues of governmental activities overall, due to continued population growth and further developments.

The City's total approved operating appropriations and reserves for fiscal year 2015 is \$274,770,369, an increase of \$4,585,897 or 2% as compared to prior fiscal year projected expenditures. The General Fund approved appropriations for fiscal year 2015 is \$114,262,251, an increase of \$3,266,493 or 2.9% from prior year. The remaining change in total budgeted operating appropriations and reserves includes an increase of \$1,928,676 in Golf Fund, \$256,516 in the Cable Fund, \$240,461 in Lake Parks Fund, \$266,217 in the Solid Waste Fund, and \$97,629 in the Prairie Lights Fund.

The City's total approved planned capital projects for fiscal year 2015 includes \$66,221,336 in appropriation requests. The fiscal year 2015 planned capital projects includes \$12,651,000 water and wastewater improvements, \$5,646,108 in street and signal improvements, \$1,528,000 in parks improvements, \$4,451,512 in storm drainage improvements, and \$22,082,300 in public safety equipment.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Controller, City of Grand Prairie, Texas, 326 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.

BASIC FINANCIAL STATEMENTS



**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

	Primary Government			GRAND PRAIRIE SPORTS FACILITIES DEVELOPMENT CORPORATION	GRAND PRAIRIE HOUSING FINANCE CORPORATION
	Governmental Activities	Business-Type Activities	Total		
ASSETS					
Cash and cash equivalents	\$ 73,039,705	\$ 22,362,653	\$ 95,402,358	\$ 6,731,861	\$ 639,811
Investments	85,643,715	39,391,781	125,035,496	6,988,810	147,583
Receivables (net of allowance for uncollectibles):					
Property tax	1,723,202	-	1,723,202	-	-
Franchise fees	2,563,727	-	2,563,727	-	-
Sales tax	9,008,002	-	9,008,002	-	-
Accounts receivables	-	5,736,529	5,736,529	-	-
Lease payments receivable	-	-	-	500,656	-
Other receivables	4,207,413	-	4,207,413	18,900	-
Due from other governments	1,743,319	42,987	1,786,306	-	-
Internal balances	(1,591,089)	1,591,089	-	-	-
Inventories and supplies	168,515	562,750	731,265	-	-
Prepays	50,926	-	50,926	-	19,631
Restricted assets:					
Cash and cash equivalents	8,726,609	14,097,494	22,824,103	-	1,293,271
Investments	-	8,309,810	8,309,810	-	-
Lease payments receivable	-	-	-	13,611,128	-
Estimated unguaranteed residual value	-	-	-	45,710,631	-
Capital assets:					
Land	39,870,355	4,171,796	44,042,151	-	1,612,851
Buildings	182,582,368	12,846,499	195,428,867	-	19,858,438
Equipment	89,005,004	30,795,824	119,800,828	310,078	-
Infrastructure	547,893,349	331,993,529	879,886,878	-	-
Construction in progress	67,419,236	21,546,699	88,965,935	-	-
Less: accumulated depreciation	(371,716,174)	(196,198,363)	(567,914,537)	(310,078)	(6,889,749)
Total capital assets	555,054,138	205,155,984	760,210,122	-	14,581,540
Total assets	740,338,182	297,251,077	1,037,589,259	73,561,986	16,681,836
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	1,178,270	134,029	1,312,299	-	-
Total deferred outflows of resources	1,178,270	134,029	1,312,299	-	-
LIABILITIES					
Current liabilities:					
Accounts payable	6,525,122	3,458,132	9,983,254	3,942	127,965
Accrued liabilities	10,599,493	1,233,748	11,833,241	-	490,988
Customer deposits	45,215	3,554,667	3,599,882	-	71,577
Unearned revenue	12,277,968	464,637	12,742,605	-	-
Noncurrent liabilities:					
Due within one year:					
Accrued compensated absences	5,846,573	407,675	6,254,248	-	-
Current portion of long-term debt	21,958,800	4,636,200	26,595,000	-	323,793
Environmental remediation obligation	40,000	-	40,000	-	-
Other liabilities	1,160,776	-	1,160,776	-	-
Due in more than one year:					
Accrued compensated absences	8,658,139	18,563	8,676,702	-	-
OPEB liability	4,691,875	-	4,691,875	-	-
Closure and postclosure liability	-	6,356,244	6,356,244	-	-
Other liabilities	3,782,471	-	3,782,471	-	-
Long-term debt	224,912,907	60,113,324	285,026,231	-	15,935,293
Total liabilities	300,499,339	80,243,190	380,742,529	3,942	16,949,616
NET POSITION					
Net investment in capital assets	319,412,513	143,297,680	462,710,193	-	(461,137)
Restricted for:					
Debt service	13,492,401	5,444,619	18,937,020	-	-
Support purposes	11,521,852	-	11,521,852	-	-
Public Safety purposes	9,635,501	-	9,635,501	-	-
Recreation and leisure purposes	21,654,011	-	21,654,011	-	-
Development purposes	18,642,722	-	18,642,722	-	-
Capital projects purposes	33,497,623	-	33,497,623	-	-
Facility lease	-	-	-	59,822,415	-
Replacement reserve	-	-	-	-	104,097
Unrestricted	13,160,490	68,399,617	81,560,107	13,735,629	89,260
Total net position	\$ 441,017,113	\$ 217,141,916	\$ 658,159,029	\$ 73,558,044	\$ (267,780)

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

FUNCTIONS/ACTIVITY	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 20,400,867	\$ 4,701,456	\$ 230,132	\$ -
Public safety services	80,333,290	16,190,902	5,369,542	-
Recreation and leisure services	25,255,982	9,055,820	484,299	-
Development services and other	75,473,059	7,152,325	28,896,389	4,020,110
Interest on long-term debt	7,922,519	-	-	-
Total governmental activities	<u>209,385,717</u>	<u>37,100,503</u>	<u>34,980,362</u>	<u>4,020,110</u>
Business-type activities:				
Water and wastewater	58,454,761	60,115,296	-	3,340,849
Municipal airport	3,484,297	2,978,121	42,697	1,061,973
Municipal golf course	3,314,435	1,909,090	-	-
Storm water	1,635,198	5,436,780	-	-
Solid waste	9,712,711	10,802,865	-	-
Total business-type activities	<u>76,601,402</u>	<u>81,242,152</u>	<u>42,697</u>	<u>4,402,822</u>
Total primary government	<u>\$ 285,987,119</u>	<u>\$ 118,342,655</u>	<u>\$ 35,023,059</u>	<u>\$ 8,422,932</u>
Component units:				
Grand Prairie Sports Facilities Development	6,612,342	1,412,354	-	300,000
Grand Prairie Housing Finance Corporation	5,801,154	5,686,784	-	-
Total component units:	<u>\$ 12,413,496</u>	<u>\$ 7,099,138</u>	<u>\$ -</u>	<u>\$ 300,000</u>

General revenues:

- Taxes:
 - Property tax
 - Sales tax
 - Hotel/motel tax and other taxes
 - Franchise fees based on gross receipt
 - Investment income
- Transfers
 - Capital assets reassignments
- Total general revenues, transfers and capital assets reassignments
- Special items
 - Change in net position

Net position - beginning of year

Prior period adjustment

Net position - end of year

See accompanying notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position Primary Government			GRAND PRAIRIE SPORTS FACILITIES DEVELOPMENT CORPORATION	GRAND PRAIRIE HOUSING FINANCE CORPORATION
Governmental Activities	Business-Type Activities	Total		
\$ (15,469,279)	\$ -	\$ (15,469,279)	\$ -	\$ -
(58,772,846)	-	(58,772,846)	-	-
(15,715,863)	-	(15,715,863)	-	-
(35,404,235)	-	(35,404,235)	-	-
(7,922,519)	-	(7,922,519)	-	-
<u>(133,284,742)</u>	<u>-</u>	<u>(133,284,742)</u>	<u>-</u>	<u>-</u>
-	5,001,384	5,001,384	-	-
-	598,494	598,494	-	-
-	(1,405,345)	(1,405,345)	-	-
-	3,801,582	3,801,582	-	-
-	1,090,154	1,090,154	-	-
<u>-</u>	<u>9,086,269</u>	<u>9,086,269</u>	<u>-</u>	<u>-</u>
<u>(133,284,742)</u>	<u>9,086,269</u>	<u>(124,198,473)</u>	<u>-</u>	<u>-</u>
			(4,899,988)	-
			<u>-</u>	<u>(114,370)</u>
			<u>(4,899,988)</u>	<u>(114,370)</u>
77,334,662	-	77,334,662	-	-
50,846,972	-	50,846,972	-	-
1,550,172	-	1,550,172	-	-
13,315,452	-	13,315,452	-	-
652,067	1,021	653,088	18,817	1,626
4,267,277	(4,267,277)	-	-	-
19,096	(19,096)	-	-	-
<u>147,985,698</u>	<u>(4,285,352)</u>	<u>143,700,346</u>	<u>18,817</u>	<u>1,626</u>
<u>-</u>	<u>(3,013,446)</u>	<u>(3,013,446)</u>	<u>-</u>	<u>-</u>
14,700,956	1,787,471	16,488,427	(4,881,171)	(112,744)
426,316,157	213,100,163	639,416,320	78,439,215	(155,036)
<u>-</u>	<u>2,254,282</u>	<u>2,254,282</u>	<u>-</u>	<u>-</u>
<u>\$ 441,017,113</u>	<u>\$ 217,141,916</u>	<u>\$ 658,159,029</u>	<u>\$ 73,558,044</u>	<u>\$ (267,780)</u>

**CITY OF GRAND PRAIRIE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	General	Section 8	Street Improvements	Grant	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 14,635,890	\$ 1,392,111	\$19,510,423	\$ 9,598,668	\$ 6,065,122	\$ 24,051,563	\$ 75,253,777
Investments	8,640,403	683,109	8,040,829	900,000	4,408,761	55,809,989	78,483,091
Property tax receivable	1,248,176	-	-	-	475,026	-	1,723,202
Sales tax receivable	4,514,016	-	-	-	-	4,493,986	9,008,002
Franchise fees receivable	2,482,736	-	-	-	-	80,991	2,563,727
Other receivables	3,365,781	-	-	-	8,082	815,380	4,189,243
Due from other governments	-	-	-	1,482,216	-	261,103	1,743,319
Due from other funds	200,000	-	-	-	-	-	200,000
Inventory	-	-	-	-	-	23,575	23,575
Prepays	16,627	-	-	-	-	7,200	23,827
Total assets	\$ 35,103,629	\$ 2,075,220	\$27,551,252	\$11,980,884	\$10,956,991	\$ 85,543,787	\$173,211,763
LIABILITIES							
Accounts payable	\$ 2,531,069	\$ 183,813	\$ 86,133	\$ 480,923	\$ 1,628	\$ 3,009,945	\$ 6,293,511
Accrued liabilities	3,707,039	45,030	-	58,163	-	1,120,744	4,930,976
Customer deposits	-	-	-	-	-	45,215	45,215
Due to other funds	-	-	-	-	-	200,000	200,000
Unearned revenue	902,786	-	-	9,613,875	-	1,761,307	12,277,968
Total liabilities	7,140,894	228,843	86,133	10,152,961	1,628	6,137,211	23,747,670
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	3,847,363	-	-	-	453,791	-	4,301,154
Total deferred inflows of resources	3,847,363	-	-	-	453,791	-	4,301,154
FUND BALANCES							
Nonspendable	16,627	-	-	-	-	30,775	47,402
Restricted	-	1,846,377	27,465,119	1,827,923	10,501,572	54,454,984	96,095,975
Committed	-	-	-	-	-	24,920,817	24,920,817
Assigned	1,137,119	-	-	-	-	-	1,137,119
Unassigned	22,961,626	-	-	-	-	-	22,961,626
Total fund balances	24,115,372	1,846,377	27,465,119	1,827,923	10,501,572	79,406,576	145,162,939
Total liabilities, deferred inflows of resources and fund balances	\$ 35,103,629	\$ 2,075,220	\$27,551,252	\$11,980,884	\$10,956,991	\$ 85,543,787	\$173,211,763

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

Total fund balance - total governmental funds \$ 145,162,939

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet. This is the amount of governmental capital assets excluding internal service capital assets of \$941,497. 554,112,641

Certain receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and are, therefore, deferred in the funds. 4,301,154

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet. (975,409)

Internal service funds are used by management to charge cost of certain activities, such as employee health insurance, risk management insurance, and fleet maintenance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities of \$1,591,089). 8,242,757

Noncurrent liabilities and the current portion of general long-term debt and other liabilities are not reported as liabilities in the governmental fund balance sheet. This amount represents total noncurrent liabilities related to governmental activities. These noncurrent liabilities are as follows:

General obligation bonds	\$ (91,132,435)	
Certificates of obligation	(83,920,000)	
Sales tax revenue bonds	(22,135,000)	
Sales tax venue revenue bonds	(9,855,000)	
Sales tax venue certificates of obligation	(35,405,000)	
Unamortized bond premium/discount, net	(4,424,272)	
Unamortized loss of refunding	1,178,270	
Compensated absences (excludes Internal service fund total of \$46,302)	(14,458,410)	
Other post employment benefits	(4,691,875)	
Environmental remediation obligation	(40,000)	
Other liabilities	(4,943,247)	(269,826,969)

Net position of governmental activities \$ 441,017,113

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	General	Section 8	Street Improvements	Grants	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property tax	\$45,315,907	\$ -	\$ -	\$ -	\$ 17,299,904	\$ 13,935,577	\$ 76,551,388
Sales tax	25,162,422	-	-	-	-	25,523,774	50,686,196
Other taxes	192,234	-	-	-	-	1,357,938	1,550,172
Franchise fees	13,315,452	-	-	-	-	-	13,315,452
Charges for goods and services	5,355,348	92,990	269,012	1,739	-	8,744,103	14,463,192
Licenses and permits	2,909,002	45,333	-	-	-	202,023	3,156,358
Fines and forfeitures	7,312,495	-	-	-	-	3,161,328	10,473,823
Intergovernment	1,214,804	24,021,858	97,137	7,231,861	-	2,314,564	34,880,224
General and administrative	4,126,217	-	-	-	-	-	4,126,217
Rents and royalties	134,125	-	-	-	-	3,632,470	3,766,595
Investment income	628,887	-	-	21,380	189	1,611	652,067
Contributions	122,123	16,130	-	-	-	3,101,385	3,239,638
Other	431,137	91,098	22,255	73,127	-	618,034	1,235,651
Total revenues	<u>106,220,153</u>	<u>24,267,409</u>	<u>388,404</u>	<u>7,328,107</u>	<u>17,300,093</u>	<u>62,592,807</u>	<u>218,096,973</u>
EXPENDITURES							
Current operations:							
Support services	14,690,989	-	-	-	-	2,702,320	17,393,309
Public safety services	68,546,747	-	-	2,056,411	-	3,764,386	74,367,544
Recreation and leisure services	1,931,941	-	-	186,087	-	16,578,865	18,696,893
Development services and other	12,102,510	25,716,468	2,146,886	1,169,608	-	13,167,611	54,303,083
Capital outlay	848,634	-	2,766,575	5,176,577	-	28,358,558	37,150,344
Debt service:							
Principal retirement	-	-	-	-	10,001,848	11,404,000	21,405,848
Interest charges	-	-	200,337	-	5,941,106	2,346,992	8,488,435
Total expenditures	<u>98,120,821</u>	<u>25,716,468</u>	<u>5,113,798</u>	<u>8,588,683</u>	<u>15,942,954</u>	<u>78,322,732</u>	<u>231,805,456</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,099,332</u>	<u>(1,449,059)</u>	<u>(4,725,394)</u>	<u>(1,260,576)</u>	<u>1,357,139</u>	<u>(15,729,925)</u>	<u>(13,708,483)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	499,009	-	1,113,878	1,288,450	160,000	32,788,028	35,849,365
Transfers out	(13,912,940)	(50,000)	(260,748)	(984,398)	(553,156)	(15,820,846)	(31,582,088)
Premium on bonds issued	-	-	-	-	486,234	-	486,234
Bonds issued	-	-	10,059,386	-	-	4,105,614	14,165,000
Proceeds from sale of capital assets	613,163	-	-	-	-	225,000	838,163
Total other financing sources (uses)	<u>(12,800,768)</u>	<u>(50,000)</u>	<u>10,912,516</u>	<u>304,052</u>	<u>93,078</u>	<u>21,297,796</u>	<u>19,756,674</u>
Net change in fund balances	<u>(4,701,436)</u>	<u>(1,499,059)</u>	<u>6,187,122</u>	<u>(956,524)</u>	<u>1,450,217</u>	<u>5,567,871</u>	<u>6,048,191</u>
Fund balances - beginning of year	<u>28,816,808</u>	<u>3,345,436</u>	<u>21,277,997</u>	<u>2,784,447</u>	<u>9,051,355</u>	<u>73,838,705</u>	<u>139,114,748</u>
Fund balances - end of year	<u>\$24,115,372</u>	<u>\$ 1,846,377</u>	<u>\$ 27,465,119</u>	<u>\$ 1,827,923</u>	<u>\$ 10,501,572</u>	<u>\$ 79,406,576</u>	<u>\$ 145,162,939</u>

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, 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, 2014**

Net change in fund balances - total governmental funds **\$ 6,048,191**

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

Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount of capital assets recorded in the current period. 37,150,344

The net effect of various transactions involving capital assets (i.e., disposals, sales, and trade-ins) is a decrease to net position. (1,105,064)

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds. This is the amount of governmental depreciation excluding internal service funds depreciation \$42,242. (35,528,446)

Governmental funds do not report developers' contributions. 759,277

The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the 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.

Bonds issued, plus premium on issuance	(14,651,234)	
Bond principal retirement	20,405,848	
Amortization bond related cost (premium/discount, deferred loss)	241,513	5,996,127

Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	(382,006)	
Change in accrued interest	57,355	
Change in Other Post Employment Benefits	9,129	
Change in Pollution Remediation Obligation	(40,000)	
Change in Other Liabilities	1,160,776	805,254

Some property tax and intergovernmental revenues will not be collected for several months after the City's fiscal year end. These are not considered "available" revenues in the governmental funds until received. Change in amount deferred on fund statements. 783,274

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net loss of the internal service funds is reported with governmental activities net of the amount allocated to business-type activities (\$5,914). (208,001)

Change in net position of governmental activities **\$ 14,700,956**

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2014**

	Business-Type Activities-Enterprise Funds			Governmental
	Water	Other	Total	Activities
	Wastewater	Non-major		Internal
				Service
				Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 18,718,249	\$ 3,644,404	\$ 22,362,653	\$ 6,334,609
Investments	22,733,705	16,658,076	39,391,781	7,160,624
Accounts receivable, net	4,676,779	1,059,750	5,736,529	-
Other receivables	-	-	-	18,170
Prepays	-	-	-	27,099
Due from other governments	-	42,987	42,987	-
Inventories and supplies	493,949	68,801	562,750	144,940
Current restricted assets:				
Cash and cash equivalents	13,845,068	252,426	14,097,494	177,928
Investments	8,037,954	271,856	8,309,810	-
Total current assets	68,505,704	21,998,300	90,504,004	13,863,370
Capital assets:				
Land	1,663,711	2,508,085	4,171,796	737,566
Buildings	2,361,045	10,485,454	12,846,499	1,477,875
Equipment	21,598,464	9,197,360	30,795,824	1,927,713
Infrastructure	296,428,632	35,564,897	331,993,529	16,672
Construction in progress	19,281,899	2,264,800	21,546,699	-
Less: accumulated depreciation	(167,429,187)	(28,769,176)	(196,198,363)	(3,218,329)
Total capital assets	173,904,564	31,251,420	205,155,984	941,497
Total assets	242,410,268	53,249,720	295,659,988	14,804,867
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	134,029	-	134,029	-
Total deferred outflows of resources	134,029	-	134,029	-
LIABILITIES				
Current liabilities:				
Accounts payable	2,147,485	1,310,647	3,458,132	231,611
Accrued liabilities	563,140	234,059	797,199	4,693,108
Accrued compensated absences	272,050	135,625	407,675	46,302
Unearned revenue	274,431	190,206	464,637	-
Current liabilities payable from restricted assets:				
Customer deposits	3,436,714	117,953	3,554,667	-
Accrued liabilities	416,420	20,129	436,549	-
Current portion of long-term debt	4,250,000	386,200	4,636,200	-
Total current liabilities	11,360,240	2,394,819	13,755,059	4,971,021
Noncurrent liabilities:				
Accrued compensated absences	-	18,563	18,563	-
Closure and postclosure liability	-	6,356,244	6,356,244	-
Long-term debt	56,808,763	3,304,561	60,113,324	-
Total noncurrent liabilities	56,808,763	9,679,368	66,488,131	-
Total liabilities	68,169,003	12,074,187	80,243,190	4,971,021
NET POSITION				
Net investment in capital assets	115,737,021	27,560,659	143,297,680	941,497
Restricted for debt service	5,444,619	-	5,444,619	-
Unrestricted	53,193,654	13,614,874	66,808,528	8,892,349
Total net position	\$ 174,375,294	\$ 41,175,533	\$ 215,550,827	\$ 9,833,846
Reconciliation to government-wide Statement of Net Position:				
Adjustments to reflect the consolidations of internal service funds activities related to enterprise funds			1,591,089	
Net position of business-type activities			\$ 217,141,916	

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Business-Type Activities-Enterprise Funds			Governmental Activities Internal Service Funds
	Water Wastewater	Other Non-major	Total	
OPERATING REVENUES				
Sales to customers	\$ 34,322,525	\$ 19,663,663	\$ 53,986,188	\$ 4,970,933
Wastewater charges to customers	22,678,679	-	22,678,679	-
Water and wastewater fees	2,094,465	-	2,094,465	-
Wastewater surcharges	653,220	-	653,220	-
Intergovernmental revenue	-	42,697	42,697	-
Insurance premiums	-	-	-	19,768,893
Miscellaneous	366,407	1,463,193	1,829,600	4,335
Total operating revenue	<u>60,115,296</u>	<u>21,169,553</u>	<u>81,284,849</u>	<u>24,744,161</u>
OPERATING EXPENSES				
Salaries and benefits	7,059,406	4,258,526	11,317,932	1,131,672
Supplies and miscellaneous purchases	876,656	2,091,949	2,968,605	3,303,325
Purchased services	5,292,120	6,902,590	12,194,710	1,632,833
Insurance costs	-	-	-	18,640,588
Water purchases	11,850,914	-	11,850,914	-
Wastewater treatment	12,716,847	-	12,716,847	-
Miscellaneous	472,973	652,651	1,125,624	170,616
Depreciation	12,484,294	3,066,562	15,550,856	42,242
Franchise fees	2,283,480	536,573	2,820,053	-
General and administrative costs	3,300,124	486,574	3,786,698	-
Total operating expense	<u>56,336,814</u>	<u>17,995,425</u>	<u>74,332,239</u>	<u>24,921,276</u>
Net operating income (loss)	<u>3,778,482</u>	<u>3,174,128</u>	<u>6,952,610</u>	<u>(177,115)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,021	-	1,021	-
Gain (loss) on property disposition	2,780	3,788	6,568	26,726
Interest expense	(2,072,826)	(158,074)	(2,230,900)	-
Contribution to other government	(38,917)	-	(38,917)	-
Capital assets contribution to government activities	(12)	(26,516)	(26,528)	(90,424)
Total nonoperating revenues (expenses)	<u>(2,107,954)</u>	<u>(180,802)</u>	<u>(2,288,756)</u>	<u>(63,698)</u>
Income (loss) before contributions and transfers	1,670,528	2,993,326	4,663,854	(240,813)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions-impact fees	1,794,292	-	1,794,292	-
Capital contributions	1,546,557	1,061,973	2,608,530	-
Capital assets contribution from government activities	-	7,432	7,432	26,898
Transfers in-capital assets	142,733	-	142,733	-
Transfers out-capital assets	-	(142,733)	(142,733)	-
Transfers in-monetary	22,600	1,058,156	1,080,756	-
Transfers out-monetary	(1,317,158)	(4,030,875)	(5,348,033)	-
Total capital contributions and transfers	<u>2,189,024</u>	<u>(2,046,047)</u>	<u>142,977</u>	<u>26,898</u>
SPECIAL ITEMS				
Water settlement	(3,013,446)	-	(3,013,446)	-
Total special items	<u>(3,013,446)</u>	<u>-</u>	<u>(3,013,446)</u>	<u>-</u>
Change in net position	846,106	947,279	1,793,385	(213,915)
Net position - beginning of year as previously stated	173,529,188	37,973,972	211,503,160	10,047,761
Prior period adjustment	-	2,254,282	2,254,282	-
Net Position -beginning of year	<u>173,529,188</u>	<u>40,228,254</u>	<u>213,757,442</u>	<u>10,047,761</u>
Net position -end of year	<u>\$ 174,375,294</u>	<u>\$ 41,175,533</u>	<u>\$ 215,550,827</u>	<u>\$ 9,833,846</u>
Reconciliation to government-wide Statement of Activities:				
Change in net position of enterprise funds			1,793,385	
Adjustments to reflect the consolidations of internal service funds activities related to enterprise funds			(5,914)	
Change in net position of business-type activities			<u>\$ 1,787,471</u>	

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Business-Type Activities-Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Other	Total	
	Wastewater	Non-major		
Cash flows from operating activities:				
Cash received from customers	\$ 60,308,428	\$ 21,109,694	\$ 81,418,122	\$ 24,756,580
Cash received from intergovernmental	-	54,536	54,536	-
Cash payments to suppliers for goods and services	(30,910,731)	(7,892,400)	(38,803,131)	(23,092,578)
Cash payments to employees for services	(7,008,669)	(4,245,723)	(11,254,392)	(1,118,124)
Cash payments to other funds for services	(6,067,045)	(1,311,551)	(7,378,596)	(168,270)
Other operating cash payments	(229,956)	(397,477)	(627,433)	9,116
Net cash provided by operating activities	16,092,027	7,317,079	23,409,106	386,724
Cash flows from noncapital financing activities:				
Transfers from other funds	22,600	1,058,156	1,080,756	-
Transfers to other funds	(1,317,158)	(4,030,875)	(5,348,033)	-
Due to other funds	-	-	-	(100,000)
Contribution to other government	(38,917)	-	(38,917)	-
Water settlement	(3,013,446)	-	(3,013,446)	-
Net cash used in noncapital financing activities	(4,346,921)	(2,972,719)	(7,319,640)	(100,000)
Cash flows from capital and related financing activities:				
Capital outlays	(10,747,559)	(1,941,440)	(12,688,999)	(65,046)
Proceeds from capital assets disposals	2,780	5,474	8,254	26,726
Interest paid on bonds	(2,164,813)	(168,013)	(2,332,826)	-
Repayment of principal on bonds	(3,900,000)	(364,152)	(4,264,152)	-
Impact fees received	1,794,292	-	1,794,292	-
Proceeds from issuance of bonds	4,000,000	-	4,000,000	-
Contributions	654,788	-	654,788	-
Net cash used in capital and related financing activities	(10,360,512)	(2,468,131)	(12,828,643)	(38,320)
Cash flows from investing activities:				
Investment earnings received on cash and investments	1,021	-	1,021	-
Sale of investments	37,044,752	17,590,975	54,635,727	7,264,828
Purchase of investments	(32,940,198)	(18,140,978)	(51,081,176)	(7,664,828)
Net cash provided by (used in) investing activities	4,105,575	(550,003)	3,555,572	(400,000)
Net increase (decrease) in cash and equivalents	5,490,169	1,326,226	6,816,395	(151,596)
Cash and cash equivalents - beginning of year	27,073,148	2,570,604	29,643,752	6,664,133
Cash and cash equivalents - end of year	\$ 32,563,317	\$ 3,896,830	\$ 36,460,147	\$ 6,512,537
Reconciliation of income (loss) from operations to net cash provided by (used in) operating activities:				
Net operating income (loss)	\$ 3,778,482	\$ 3,174,128	\$ 6,952,610	\$ (177,115)
Adjustments to net operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	12,484,294	3,066,562	15,550,856	42,242
Provision for non-collectibles receivables	241,769	97,545	339,314	-
Changes in assets and liabilities:				
Decrease (Increase) in accounts receivable	(344,261)	(143,044)	(487,305)	12,418
Decrease (Increase) in inventories and supplies	(65,987)	3,610	(62,377)	22,951
Increase in prepaids	-	-	-	(5,016)
Increase (Decrease) in accounts payable	(174,194)	684,028	509,834	174,301
Increase (Decrease) in accrued liabilities	(59,208)	399,691	340,483	306,337
Increase in customer deposits	295,624	51,117	346,741	-
Decrease in unearned revenue	(87,000)	(10,941)	(97,941)	-
Increase (Decrease) in accrued compensated absences	22,508	(5,617)	16,891	10,606
Net cash provided by operating activities	\$ 16,092,027	\$ 7,317,079	\$ 23,409,106	\$ 386,724
Noncash investing, capital and financing activities:				
Contributions of capital assets from developers/granting agency	\$ 891,769	1,061,973	1,953,742	-
Unrestricted cash and cash equivalents-end of year	\$ 18,718,249	\$ 3,644,404	\$ 22,362,653	\$ 6,334,609
Restricted cash and cashequivalents-end of year	13,845,068	252,426	14,097,494	177,928
Total cash and cash equivalents -end of year	\$ 32,563,317	\$ 3,896,830	\$ 36,460,147	\$ 6,512,537

See accompanying notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS



**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

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**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Introduction

The City of Grand Prairie ("City") is one of the Mid-Cities in the Dallas-Fort Worth Metroplex, 12 miles west of downtown Dallas, 18 miles east of downtown Fort Worth and 6 miles south of DFW International Airport. The City was incorporated in 1909, and adopted the Council-Manager form of government in 1948.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable (GAAP) to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

b. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

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

Knowledge of the definitions for the following terms is important to the reader's understanding of the Notes:

Reporting Entity – The primary government and all related component units are combined to constitute the financial reporting entity.

Primary Government – The core or nucleus of the financial reporting entity. The City's services include primarily the traditional local government responsibilities of public safety, streets and transportation, water and wastewater, solid waste collection and disposal, environmental health, leisure services and general aviation airport.

- 1) Blended Component Units – A legally separate governmental unit that is an extension of the primary government whereby the component unit's governing body is substantively the same as the primary government, provides services almost

entirely to the primary government, and almost exclusively benefits the primary government.

Component Unit – Grand Prairie Crime Control and Prevention District

The Grand Prairie Crime Control and Prevention District (“District”) is used to account for the accumulation and use of quarter-cent sales tax proceeds dedicated to fund a new Public Safety Facility. The District has been included as a blended component unit because 1) the District’s governing body is substantively the same as the governing body of the City, 2) there is a benefit relationship between the City and the District, 3) the City has operational responsibility for the District. The District is reported as a special revenue fund of the primary government. The Board of Directors of the District is substantively the same as the City Council. There are seven directors on this board, and, all of them are council members constituting a voting majority of the City Council. Upon dissolution of the District, the entity’s assets will be distributed to the City. This unit provides all its services to the City. Financial information for this unit may be obtained from the City.

- 2) Discretely Presented Component Units – A legally separate governmental unit or organization for which the elected officials of the primary government are financially accountable, and which is reported in a column separate from the primary government within the basic financial statements.

Component Unit – Sports Corporation

Although the Sports Corporation is legally, financially and administratively autonomous, its Board of Directors is appointed by the Grand Prairie City Council. Additionally, four of the seven Sports Corporation board members are members of the Grand Prairie City Council. Therefore, the Sports Corporation should be included within the financial reporting entity of the City; as such, the financial statements of the component unit have been included in the financial reporting entity as a discretely presented component unit. The component unit column is reported as a separate column in the combined financial statements to emphasize it as a legally separate entity from the City.

The Sports Corporation was incorporated on June 10, 1992, under the provisions of the Development Corporation Act of 1979, as amended, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended (“Act”) by Resolution No. 2841 of the Grand Prairie City Council. The purpose of the Sports Corporation is to promote economic development within the City in order to reduce unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing and financing projects authorized under the Act.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

The Act provides that the City may levy a one-half cent sales and use tax for the benefit of the Sports Corporation if the tax is authorized by a majority of the qualified voters in an election. On January 18, 1992, a majority of the voters approved a proposition to levy and collect an additional one-half cent sales and use tax for the purpose of constructing a horse racetrack. The one-half cent sales and use tax increase became effective April 1, 1993 to cover the costs of the project or the principal, interest and other costs relating to any bonds or obligations issued to pay the costs of the project or to refund bonds or obligations issued to pay the cost of the project. All bonds were redeemed on September 15, 2007. The sales tax was discontinued on September 30, 2007.

The activities of the Sports Corporation are similar to those of proprietary funds, and, therefore, are reported as an enterprise fund. The activities of the Sports Corporation are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of the Sports Corporation are included in a single fund. Transactions are accounted for using the accrual basis of accounting.

Complete September 30, 2014 financial statements for the Sports Corporation may be obtained at its administrative office.

Component Unit – Housing Finance Corporation

The Grand Prairie Housing Finance Corporation (HFC) was created to issue tax-exempt revenue bonds to supply mortgage financing for low income home buyers and multi-family development. While the entity is legally, financially and administratively autonomous, the governing body of the City of Grand Prairie may, at its sole discretion, and at any time, amend HFC's Articles of Incorporation, and alter or change its structure, programs or activities, or terminate or dissolve it. Additionally, members of the Board of Directors are appointed by and may be removed by the City Council. The city is not financially obligated for any debt of the HFC. The financial information for HFC is included in the statements for its fiscal year ended December 31, 2013. Complete separate December 31, 2013 financial statements for HFC year-end may be obtained from the City.

- 3) Related Autonomous Entities - Related autonomous entities are those entities whose boards of directors are appointed by the City Council, but over which the City is not financially accountable, and are therefore excluded from the reporting entity. These include:
- Grand Prairie Health Facilities Development Authority – created to issue tax-exempt revenue bonds to finance medical facilities. The Authority's bonds have been defeased, and the Authority only exists to make decisions from time to time regarding the defeased bonds. The City exercises no control over the Authority or its budget.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

- Grand Prairie Industrial Development Authority – created to issue tax-exempt industrial revenue bonds to assist in the City’s economic development and to evaluate tax abatement applications. The City exercises no control over the Authority’s management, budget or operations.

c. Government-Wide Financial Statements and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the activities of the primary government and its component unit. Activity for the primary government and its component unit are reported separately in the government-wide financial statements. The effect of interfund activity between governmental activities and business-type activities has been eliminated in these statements except that business-type activities include charges for administrative overhead services provided by the governmental activities.

Governmental activities are supported in part by property taxes, sales taxes, franchise fees, and grant revenues from the federal government and the State of Texas. Governmental activities are reported separately from *business-type activities*, which rely to a large extent on fees and charges for support. Significant revenues generated from business-type activities include: charges to customers for water and wastewater services, golf course fees, airport user charges, solid waste collection services, and storm water utility fees.

The statement of activities reports the change in the City’s net position from October 1, 2013 to September 30, 2014. This statement demonstrates the degree to which the direct expenses of a given function of government are offset by program revenues. Specifically, the City has identified the following functions of government: support services, public safety services, recreation and leisure services, development services, water sales, wastewater services, solid waste services, storm water services, airport operations, and golf course operations. *Direct expenses* are those that are clearly identifiable with a specific function of City government. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues* in the statement of activities.

In addition to the government-wide financial statements, the City also reports separate financial statements for major governmental funds and proprietary funds; these statements are classified as *fund financial statements*. The fund financial statements are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources fund equity, revenues, and expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, deferred inflows of resources fund equity, revenues and expenditures/expenses. Funds are ordered into two distinct categories: governmental and proprietary. Information in the fund financial statements is reported on a major fund basis. The calculation of major funds is conducted by the City each year under the methods outlined in GASB Statement No. 34 or any fund that management considers as major. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. The major funds at September 30, 2014, are as follows: general fund, section 8 fund, street improvement fund, grant fund, a debt service fund, and water/wastewater fund. Non-major funds are reported in the aggregate as "Other Funds." The various funds are summarized by type in the fund financial statements.

Major governmental funds include the following:

General Fund: The General Fund is the primary operating fund of the City. This fund is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

Section 8 Fund: The fund accounts for grants received from the federal government for providing housing assistance to low income families.

Street Improvements Fund: This fund accounts for the costs of street improvements in the City financed through general obligation bond proceeds, and other dedicated sources.

Grant Fund: The fund accounts for the various federal, state and local grant revenue received by the City. All grants included in this fund are for specific projects with limited duration.

Debt Service Fund: The City's Debt Service Fund accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation (property tax supported) debt.

Major enterprise fund includes the following:

Water/Wastewater Fund: This fund accounts for water and wastewater system services provided for residents of the City, including administration, operations, maintenance, debt service, billing and collection. The City has no treatment facilities for water or wastewater. Treated water is purchased from the Dallas Water Utilities ("DWU") and Trinity River Authority ("TRA"), and water is pumped from City-owned wells. The City owns the wastewater collection system and all of the wastewater treatment is provided by the TRA. The contracts with DWU and TRA are discussed elsewhere in the Notes.

d. Measurement Focus and Basis of Accounting

1) Governmental Funds

The City uses the modified accrual basis of accounting and the flow of current financial resources measurement focus for all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when both “measurable and available.” Measurable means knowing, or being capable of calculating or estimating the amount to be received. Available means collectible within the current period or soon enough thereafter to pay current liabilities (generally 60 days). Also, under the modified accrual basis of accounting, expenditures (including capital outlay) are recorded in the period when the related fund liability is incurred, except for general obligation bond principal and interest and expenditures related to compensated absences which are recorded when due rather than when incurred.

Major revenue sources susceptible to accrual in the governmental funds include:

- Sales taxes are collected by the State and remitted to the City monthly 60 days in arrears. The City recognizes sales taxes revenues using the modified accrual basis. Additional amounts estimated to be collectible in time to be a resource payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with General Accepted Accounting Principles have been recognized as revenue. The City allocates its sales taxes revenues to the General Fund, Street Maintenance Fund, Baseball Stadium, Summit Venue, and Park Venue Fund pursuant to City ordinances. The Crime Control and Prevention District receives monthly sales taxes revenues from the State separate from the City.
- Franchise fees are remitted regularly by franchise owners for gas, electric, telephone and cable utilities. Franchise fees are also paid by the City’s Water and Wastewater Fund, Solid Waste Fund and Storm Water Utility Fund. The fees are not taxes, but compensate the City for the use of public right-of-way by the utilities. Amounts earned but not collected at fiscal year-end are recorded as accounts receivable. Amounts earned at fiscal year-end and collected within 60 days are recorded as revenue.
- Property taxes are billed and collected by the Dallas County Tax Assessor based on assessed taxable values each January 1 as determined by the Dallas Central Appraisal District using exemptions approved by the City. Taxes are levied and due on the next October 1 and are past due after February 1 of the following year. Tax liens are automatic on January 1 for each year of tax levy. Property tax receivables are recorded on October 1 when taxes are assessed with a reserve estimate for un-collectibles. Property tax revenues are recorded as the taxes are

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

collected. Delinquent tax payments are recognized as revenue when both measurable and available. Additional amounts estimated to be collectible in time to be a resource payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with General Accepted Accounting Principles have been recognized as revenue (amounts received within 60 days of year-end).

- Intergovernmental grant revenues are recognized when available and the qualifying expenditures have been incurred and all other grant requirements have been met for expenditure-driven grants.
- Interest revenues are recognized as earned as they are measurable and available.
- Interfund services provided and/or used by other funds are reported as “general and administrative revenue/expenses” and represent direct charges/payments for services provided to one or more other funds. Allocations of indirect costs are included in transfers in/out between funds and not reported as revenues or expenditures.

2) Proprietary Funds

The accrual basis of accounting and flow of economic resources measurement focus are used in all proprietary fund types. Under the accrual basis of accounting, revenues are recognized when earned, and expenses (including depreciation) are recorded when the liability is incurred. The accounting objectives for proprietary funds are the determination of net income, financial position and cash flows. Proprietary fund equity is segregated into (1) net investment in capital assets; (2) restricted net position, and (3) unrestricted net position.

Proprietary funds distinguish operating revenues and expenses from the non-operating 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 enterprise funds and the City’s internal service funds are charges to customers for water sales, airport user charges, solid waste collection charges, storm water fees and municipal golf course fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Council

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is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of revenues earned, expenses incurred and/or net income (loss), is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The enterprise funds of the City are classified as business-type activities in the government-wide statements of net position and activities.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments within the City, on a cost-reimbursement basis. The City has two internal service funds, which include:

- Fleet Services Fund – accounts for a full range of services in managing and maintaining the City’s fleet of vehicles and equipment.
- Risk Management Fund - accounts for premiums, deductibles and claims for the City’s property, liability and workers compensation and employee health and life insurance programs. The City reports all risk financing activities in the Risk Management Fund.

e. Assets, Liabilities, Deferred Outflows/Inflows Resources, and Net Position/Fund Balance

1) Pooled Cash, Investments and Temporary Deposits

The City’s cash, investments and temporary deposits are pooled for investment. Interest earnings are recorded in the General Fund unless it is required by regulations or agreements to allocate to certain funds. In fiscal year 2014, the funds receiving allocation of interest earnings were: Grant Fund, Debt Service Fund, Police Seizure Fund, and the Water/Wastewater Fund. For purposes of the statements of cash flows, the City considers cash on hand, demand deposits and investments with original maturities of three months or less to be cash equivalents.

2) Depository Contract

The City operates under a depository contract in accordance with State law.

3) Inventories/Prepays

Inventory is recorded at cost when purchased and charged to expenditures when consumed. General Fund supplies and materials inventory are recorded as expenditures on an actual specific cost basis. Park Venue Fund and Lake Parks Fund

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supplies inventory is charged out on a first-in, first-out basis. The Water and Wastewater Fund supplies and materials inventory is charged out on a first-in, first-out basis. Fleet Services Fund charges supplies and materials out on a first-in, first-out basis and its gasoline inventory is charged out on a moving average basis. The Municipal Airport Fund, included as "Other Proprietary Funds" charges fuel inventory on a moving average basis. Prepaid balances are for payment made by the City in the current year to provide services occurring in the subsequent fiscal year.

4) Capital Assets and Depreciation

Capital assets (i.e. land, buildings, equipment, improvements other than buildings, which includes the City's infrastructure, and construction in progress) of all the funds are stated at historical cost or estimated historical cost if historical cost is not known. Donated capital assets are recorded at their fair value on the date donated. An item is classified as an asset if the initial, individual cost is \$5,000 or greater. Capital assets of the City are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Assets subject to depreciation are depreciated using the straight-line method. The estimated useful lives of all depreciable assets are as follows:

Buildings	20-40 years
Machinery and Equipment	5-15 years
Improvements other than Buildings	20-40 years
Infrastructure	20-40 years

5) Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position by the City that is applicable to a future reporting period and as so will not be recognized as an outflow of resources (expenses/expenditures) until then.

The City 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.

Deferred inflows of resources represents an acquisition of net position that is applicable to a future reporting period and as so will not be recognized as an inflow of resources (revenue) until that time.

Governmental funds' receivables expected to be collected later than 60-days after the end of the fiscal year are recorded as deferred inflows of resources.

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The City only has one item that qualifies for reporting in this category, which arises only under a modified accrual basis of accounting, which 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 two sources: property taxes and ambulance fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6) Compensated Absences

Employees are granted vacation benefits in varying amounts, depending on tenure with the City. These benefits accumulate pro rata by pay period. Employees may not use vacation leave before it is earned. Payment for unused vacation will be made at the termination of employment, retirement or death of employees. Fire and police civil service employees who have completed their introductory period are paid up to 90 days sick leave upon separation of employment, excluding indefinite suspensions. The valuation of the civil service sick leave is at current pay rates. The valuation of accrued compensated absences includes salary-related payments such as the City's share of taxes and contributions to the retirement plan in accordance with GASB 16. Long-term accrued compensated absences and those related amounts to be paid in the next fiscal year are reported in the respective columns in the government-wide financial statements and in the proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is typically used to liquidate the liability for governmental activities' compensated absences. Long-term accrued compensated absences are not expected to be liquidated with expendable available financial resources and are not reported in the governmental fund financial statements.

7) Encumbrances

Encumbrance accounting is used for the General Fund, Section 8 Fund, Street Improvement Fund, Grant Fund and other governmental funds. Encumbrances are recorded when a purchase order is issued, and encumbrances are not considered expenditures until a liability for payment is incurred. Encumbered amounts for specific purposes which have not been previously classified as restricted, committed, or assigned are classified as assigned fund balance. On October 1, each year encumbrances are carried forward, along with the prior year's related appropriation, and added to the new year's budget.

As of September 30, 2014 the City had \$167,538 of General Fund balance assigned to encumbrances.

In addition to encumbrances, a separate work order system based upon approved contracts is used to manage disbursements for capital projects.

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8) Nature and Purpose of Classifications of Fund Equity

Governmental Funds fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution, which are considered equally restrictive for the purpose of committing fund balance. The City Council must take the same level of action to remove or change the constraint. Assigned fund balances are constrained by the intent to be used for specific purposes, neither restricted nor committed.

The City Council has authorized the City's City Manager as the official authorized to assign fund balance to a specific purpose as approved by the fund balance policy.

For the classification of Governmental Fund balances, the City considers expenditures to have been made from the most restrictive classification first when more than one classification is available.

9) Minimum Fund Balance Policy

It is the desire of the City to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial standard to maintain a General Fund unassigned fund balance at a minimum level of between 50 and 60 days expenditures.

10) Net Position

Net position represents the difference between assets plus deferred outflows of resources, on the one hand, and liabilities plus deferred inflows of resources, on the other.

Net investment in capital assets consists of capital assets net of accumulated depreciation, capital-related deferred outflows of resources and capital-related borrowings and deferred inflows of resources.

Net position-restricted is the difference between 1) non-capital assets whose use is restricted and 2) related liabilities and deferred inflows of resources.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

a. Budget Law and Practice

Accounting Standards literature defines three levels of budgetary control which may be employed. These are: (1) appropriated budget, (2) legally authorized nonappropriated

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budget review and approval process, which is outside the appropriated budget process, and (3) nonbudgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized nonappropriated budget review and approval process, but still are important for sound financial management and oversight.

The City Manager submits annual budgets to the City Council for all budgeted funds in August in accordance with the City Charter. In September, the City Council legally adopted annual fiscal year appropriated budgets for the City's General Fund, Debt Service Fund, Park Venue Fund, Senior Center Sales Tax Fund, Hotel/Motel Tax Fund, Municipal Court Fund, Cable Operation Fund, Red Light Safety Fund, Lake Parks Fund, Crime Tax Sales Tax Fund, Cemetery Fund, and Juvenile Case Manager Fund. The expenditures budgeted in each fund may not exceed the budgeted revenues, including beginning fund balance.

The Section 8 budget is presented annually and is based on a combination of historical data and estimated appropriations from the Department of Housing and Urban Development (HUD) Section 8 program.

HUD provides each housing authority an annual baseline for the management of the voucher program (a statistical unit of measure). While this baseline is only a statistical unit of measure, economic factors can affect the financial component of each submitted voucher (unit).

Policy decisions at the federal level, increases in rental subsidies, and the expansion of the number of clients served due to unforeseen circumstances may require a higher voucher subsidy and can affect the financial component of each voucher. Accordingly, expenditures may exceed budget, but only to the extent that this increase will be offset by a like increase in revenues as received from HUD for the management and administration of the Section 8 voucher program. HUD monitors the financial activity and unit activity of the Section 8 program each month through required submissions via the Voucher Management System (VMS).

Annual budgets are adopted on a basis that is consistent with generally accepted accounting principles. That is, revenues are budgeted in the year they are realized, and expenditures are budgeted in the year when goods or services are received. The amounts in Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual for the general fund are reported on a GAAP basis. Encumbered appropriations are carried forward to the next fiscal year and become part of the new-year's appropriations, while unencumbered appropriations lapse at fiscal year-end. Appropriations for certain nonbudgeted special revenue funds and capital projects funds are controlled on a project basis and are carried forward each year until the project is completed or the grant receipts are expended.

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Encumbrances and the related appropriations outstanding at the end of a year are carried forward into the next year, and these carried-forward appropriations then become part of the new-year's appropriations. This is because it is not possible to distinguish between current and prior year's appropriations in the City's computer system.

The City's capital projects are planned in an annually updated five-year capital budget which encompasses all capital resources.

b. Budgetary Control

Appropriations are approved by the City Council by fund for all budgeted funds. All appropriation amendments are subject to final approval by the City Council.

For day-to-day management purposes, line item budgets are prepared. Revenues are budgeted by type and source. Expenditures are budgeted by function, by organization level, i.e., department, division and program, and by detailed type or character code, i.e., personal services, maintenance and operation, capital outlay, debt service and transfers. Appropriations are budgeted at the fund level. If budget amendments (increase in appropriations) are necessary they must be approved by the City Council. Budget adjustments (transfers between line items within the fund) are allowed as long as the adjustments do not exceed the total budgeted appropriations for the fund.

c. Budget Amendments

During the fiscal year it was necessary to amend the original budget by City Council action. The original budget and amended budget are presented in the Schedules of Revenue, Expenditures, and Changes in Fund Balance – Budget to Actual Comparison for the General and Section 8 Funds.

d. Deficit Fund Equity

As of September 30, 2014, the City had no funds with deficit fund equity.

3. DETAILED NOTES ON ALL FUNDS

a. Assets

1) Deposits, Investments and Investment Policies

The City invests in United States Treasury notes and United States Agency Securities. These investments are recorded at fair value, which is defined as the amount at which a willing buyer and seller would exchange the security.

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The City is required by Government Code Chapter 2256, the Public Funds Investment Act (“Act”), to adopt, implement, and publicize an investment policy. That policy must be written, primarily to emphasize safety of principal and liquidity, address investment diversification, yield, and maturity and the quality and capability of investment management, and include a list of the types of authorized investments in which the investing entity’s funds may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

The City Council has adopted Investment Policies (“Policies”) which are in accordance with the laws of the State of Texas, where applicable. The Policies identify authorized investments and investment terms, collateral requirements, safekeeping requirements for collateral and investments and certain investment practices.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establish appropriate polices. Authorized investments include obligations of the United States or its agencies and instrumentalities (except for mortgage pass-through securities), repurchase agreements, municipal securities, public funds investment pools, SEC regulated money market mutual funds and collateralized or insured certificates of deposit. The City adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local polices.

The investment policies require that repurchase agreements be made pursuant to a master agreement, the collateral is a U. S. Treasury bill, note or bond; the security is held in safekeeping by the City’s custodial agent; and the investment is transacted “delivery vs. payment” so that the City’s interest in the underlying security is perfected. The City does not invest in reverse repurchase agreements. No City monies were invested in repurchase agreements at September 30, 2014.

The City’s investments are stated at fair value, using the following methods and assumptions as of September 30, 2014:

- 1) Fair value is based on quoted market prices as of the valuation date.
- 2) The portfolio did not hold investments in any of the following:
 - (a) Items required to be reported at amortized cost, except investments in TexPool, and TexStar,
 - (b) Items in external pools that are not SEC-registered,
 - (c) Items subject to involuntary participation in an external pool,
 - (d) Items associated with a fund other than the fund to which the income is assigned.
- 3) Any unrealized gain/loss resulting from the valuation is recognized in the respective fund that participates in the City’s investment pool.

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- 4) The gain/loss resulting from valuation is reported within the revenue account "investment income" on the Statement of Revenues, Expenditures and Changes in Fund Balances for the Governmental Funds, and the Statement of Revenues, Expenses and Changes in Net Position for the Proprietary Funds.

The City invested \$48,157,673 in TexPool as of September 30, 2014. The Texas State of Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. 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, TexPool is rated AAA by Standard & Poors. As a requirement to maintain the rating weekly portfolio, information must be submitted to Standard & Poors, as well as the office of the Comptroller of Public Accounts for review.

TexPool uses amortized cost rather than fair value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. The City invested \$56,386,869 in TexSTAR as of September 30, 2014. J.P. Morgan Investment Management, Inc. (JPMIM) and First Southwest Asset Management, Inc. (FSAM) serve as co-administrators for TexSTAR under an agreement with the TexSTAR board. JPMIM provides investment management services, and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JP Morgan Chase Bank, NA and or its subsidiary J.P. Morgan Investor Services Co. Finally, TexSTAR is rated AAAM by Standard and Poor's.

TexSTAR uses amortized cost rather than fair value to report net assets to compute share prices. Accordingly, the fair value of the position in TexSTAR is the same as the value of TexSTAR shares.

The City's policy is to hold investments until maturity or until fair values equal or exceed cost.

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investments portfolio to less than twelve months.

Credit risk. State law limits investments in commercial paper if the commercial paper is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state. The City's policy does not allow investments in commercial paper.

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Concentration of credit risk. Investments shall be diversified to reduce the risk of loss resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of securities.

The asset mix of the City's portfolio is expressed in terms of maximum commitment so as to allow flexibility to take advantage of market conditions.

The asset mix requirements are as follows:

	<u>% Maximum</u>
1. U.S. Treasury Bills and Notes	100
2. U.S. Agency or Instrumentality Obligations (each type)	25 (a)
3. Repurchase Agreements	20
4. Municipal Securities (total)	40
5. Municipal Securities (out-of-state)	20
6. Certificates of Deposit (per institution)	20
7. Money Market Mutual Fund	50 (b)
8. Public Funds Investment Pool	50

(a) Total agency investments limited to no more than 100% of the total portfolio.

(b) State law allows up to 80% of monthly average fund balance, excluding bond proceeds. The City limits its exposure to 50% to reduce risk.

In addition, the City may invest in callable securities but shall limit the total amount to no more than 50% of the portfolio.

The City's carrying amount of cash, cash equivalents and investments as of September 30, 2014 as reflected in the primary government's financial statements, are:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash	\$ 13,503,991	\$ 177,928	\$ 13,681,919
Pooled Investments			
Cash and cash equivalents	81,898,367	22,646,175	104,544,542
Investments	<u>125,035,496</u>	<u>8,309,810</u>	<u>133,345,306</u>
Total pooled investments	<u>206,933,863</u>	<u>30,955,985</u>	<u>237,889,848</u>
Total	<u>\$ 220,437,854</u>	<u>\$ 31,133,913</u>	<u>\$ 251,571,767</u>

Chapter 2257 Collateral for Public Funds of the Government Code requires that all deposits in financial institutions be 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 market value of not less than the principal amount of the deposits. Due to Wells Fargo Bank, N.A. contractual obligation to the City, the

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collateral value held at the Federal Reserve Bank in the City's name at year end was \$11,477,120.

The City's cash equivalents of \$104,544,542 were also covered by collateral held by the City's agent in the City's name.

As of September 30, 2014, the City had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Risk</u>
Federal Farm Credit Bank	\$ 56,887,210	596	AAA
Federal Home Loan Bank	28,986,110	662	AAA
Federal Home Loan Mortgage Corp.	34,478,847	752	AAA
Federal National Mortgage Assoc.	7,972,419	837	AAA
Farmer MAC	5,020,720	312	AAA
TexPool	48,157,673	1	AAAm
TexStar	56,386,869	1	AAAm
Total	<u>\$ 237,889,848</u>	<u>*368</u>	

*Portfolio Weighted Average Maturity

Maturities of the City's investments at September 30, 2014 were as follows:

Cash equivalents	\$ 104,544,542
Under 30 days	-
30 days to 60 days	-
61 days to 90 days	1,999,940
91 days to 1 year	17,046,180
After 1 year	<u>114,299,186</u>
Total	<u>\$ 237,889,848</u>

The City did not invest in any securities different from the categories mentioned above during the 2013-2014 fiscal year.

At September 30, 2014, the carrying amount of the Sports Corporation's deposits included in cash and cash equivalents was \$511,605 while the bank balance of the Sports Corporation's deposits was \$511,781. The bank balance was entirely covered by collateral held by the Sports Corporation's agent in the Sports Corporation's name.

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As of September 30, 2014, the Corporation had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Risk</u>
TexPool	\$ 6,220,256	1	AAAm
U.S. Governmental Obligations	<u>6,988,810</u>	<u>553</u>	AAA
Total	<u>\$ 13,209,066</u>	<u>293</u>	
Portfolio Weighted Average Maturity			

The Sports Corporation is authorized to invest in obligations of the U. S. or its agencies and instrumentalities, certain repurchase agreements, municipal securities with a rating of at least A, collateralized or insured certificates of deposit, and SEC-registered, no-load money market mutual funds comprised of securities allowed under the Public Funds Investments Act and public funds investment pools. At year-end, all investments of the Sports Corporation were held by the Sports Corporation's agent in the Sports Corporation's name. The fair value of investments owned at September 30, 2014 was \$6,220,256 in the Public Funds Investment Pool (TexPool) and \$6,988,810 in U.S agency instrumentalities.

The bank balance of HFC at December 31, 2013, including restricted cash, totaled \$713,920 all of which was covered by FDIC insurance and collateral held by the depository institution in HFC's name. HFC's unrestricted cash and cash equivalents had a balance of \$639,811. Restricted cash of \$74,109 "tenant security deposits" represents cash held on deposit by HFC for insurance proceeds received for damages to federally funded assets. The liability is recorded until final disposition of the proceeds is requested by HUD. Other assets include temporary investments of \$147,583, reserves of \$101,565, and bonds held by a trustee of \$1,117,597 as a debt service reserve.

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2) Capital Assets

Capital assets balances and transactions for the year ended September 30, 2014 are summarized below for governmental activities:

	Balance October 1, 2013	Additions/ Completions	Disposals/ Reclasses	Balance September 30, 2014
Non-depreciable capital assets:				
Land	\$ 40,112,883	\$ 362,909	\$ (605,437)	\$ 39,870,355
Construction in progress	58,019,820	31,216,083	(21,816,667)	67,419,236
Total non-depreciable capital assets	98,132,703	31,578,992	(22,422,104)	107,289,591
Depreciable capital assets:				
Buildings	182,308,148	626,313	(352,093)	182,582,368
Equipment	87,438,086	6,348,336	(4,781,418)	89,005,004
Infrastructure	525,318,450	22,709,729	(134,830)	547,893,349
Total depreciable capital assets	795,064,684	29,684,378	(5,268,341)	819,480,721
Less accumulated depreciation for:				
Buildings	(47,685,359)	(5,780,358)	31,878	(53,433,839)
Equipment	(49,403,431)	(6,292,464)	3,157,100	(52,538,795)
Infrastructure	(242,289,849)	(23,497,866)	44,175	(265,743,540)
Total accumulated depreciation	(339,378,639)	(35,570,688)	3,233,153	(371,716,174)
Total depreciable capital assets, net	455,686,045	(5,886,310)	(2,035,188)	447,764,547
Governmental activities capital assets, net	<u>\$553,818,748</u>	<u>\$ 25,692,682</u>	<u>\$ (24,457,292)</u>	<u>\$555,054,138</u>

Additions include developers contribution of \$759,277.

Capital asset balances for business-type activities for the year ended September 30, 2014 are summarized below:

	Balance October 1, 2013	Adjustments	October 1, 2013 as restated	Additions/ Completions	Disposals/ Reclasses	Balance September 30, 2014
Non-depreciable capital assets:						
Land	\$ 4,161,706	\$ -	\$ 4,161,706	\$ 10,090	\$ -	\$ 4,171,796
Construction in progress	22,024,631	-	22,024,631	11,294,898	(11,772,830)	21,546,699
Total non-depreciable capital assets	26,186,337	-	26,186,337	11,304,988	(11,772,830)	25,718,495
Depreciable capital assets:						
Buildings	11,940,153	-	11,940,153	906,346	-	12,846,499
Equipment	27,855,111	-	27,855,111	3,434,391	(493,678)	30,795,824
Infrastructure	318,826,062	2,254,282	321,080,344	10,913,185	-	331,993,529
Total depreciable capital assets	358,621,326	2,254,282	360,875,608	15,253,922	(493,678)	375,635,852
Less accumulated depreciation for:						
Buildings	(6,002,201)	-	(6,002,201)	(637,921)	-	(6,640,122)
Equipment	(16,176,618)	-	(16,176,618)	(1,839,645)	329,560	(17,686,703)
Infrastructure	(158,798,248)	-	(158,798,248)	(13,073,290)	-	(171,871,538)
Total accumulated depreciation	(180,977,067)	-	(180,977,067)	(15,550,856)	329,560	(196,198,363)
Total depreciable capital assets, net	177,644,259	2,254,282	179,898,541	(296,934)	(164,118)	179,437,489
Business-type activities capital assets, net	<u>\$203,830,596</u>	<u>\$ 2,254,282</u>	<u>\$ 206,084,878</u>	<u>\$ 11,008,054</u>	<u>\$ (11,936,948)</u>	<u>\$205,155,984</u>

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Depreciation expense was charged to governmental and business-type activities as follows:

Support services	\$ 2,890,127	Water and wastewater	\$ 12,484,294
Public safety services	5,516,944	Other business-type	3,066,562
Recreation and leisure services	6,463,261		
Development services	20,658,114		
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of assets	<u>42,242</u>		
Total governmental	<u>\$ 35,570,688</u>	Total business-type	<u>\$ 15,550,856</u>

A summary of changes in capital assets of the Sports Corporation is as follows:

	Balance October 1, 2013	Additions/ Completions	Disposals/ Reclasses	Balance September 30, 2014
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	<u>(310,078)</u>	<u>-</u>	<u>-</u>	<u>(310,078)</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

A summary of changes in capital assets of the Housing Finance Corporation is as follows:

	Balance January 1, 2013	Additions/ Completions	Disposals/ Reclasses	Balance December 31, 2013
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	<u>1,612,851</u>	<u>-</u>	<u>-</u>	<u>1,612,851</u>
Depreciable capital assets:				
Buildings	19,808,852	584,261	(534,675)	19,858,438
Less accumulated depreciation	<u>(6,523,831)</u>	<u>(900,593)</u>	<u>534,675</u>	<u>(6,889,749)</u>
Total depreciable capital assets, net	<u>13,285,021</u>	<u>(316,332)</u>	<u>-</u>	<u>12,968,689</u>
Housing Finance Corporation assets, net	<u>\$ 14,897,872</u>	<u>\$ (316,332)</u>	<u>\$ -</u>	<u>\$ 14,581,540</u>

**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2014**

b. Deferred Outflows/Inflows of Resources

1) Deferred Outflows of Resources

The City 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.

Below is the summary of City's deferred charges on refunding:

Governmental Activities	\$	1,178,270
Business-type Activities		<u>134,029</u>
Total	\$	<u><u>1,312,299</u></u>

2) Deferred Inflows of Resources-Unavailable Revenue

The governmental funds report unavailable revenues from the following sources:

	General Fund	Debt Service Fund	Total
Property taxes	\$ 1,125,351	\$ 453,791	\$ 1,579,142
Ambulance	<u>2,722,012</u>	<u>-</u>	<u>2,722,012</u>
Total	<u><u>\$ 3,847,363</u></u>	<u><u>\$ 453,791</u></u>	<u><u>\$ 4,301,154</u></u>

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

c. Liabilities

1) Risk Management

The City currently administers a deductible program for Workers Compensation, all Liability, Property, Airport, and Crime claims through the Texas Municipal League Intergovernmental Risk Pool (TMLIRP), a public entity risk pool. The TMLIRP sustains itself through member premiums and stop loss coverage for excess claims through commercial insurers. The City's current per occurrence and aggregate limits through the TMLIRP are shown below.

<u>Coverage</u>	<u>Per Occurrence</u>	<u>Aggregate</u>
General Liability	\$ 1,000,000	\$ 2,000,000
Law Enforcement Liability	\$ 3,000,000	\$ 6,000,000
Errors and Omissions	\$ 3,000,000	\$ 6,000,000
Automobile Liability	\$ 3,000,000	N/A
Airport Liability	\$ 10,000,000	\$ 10,000,000

Current deductibles with TMLIRP are \$350,000 for Workers Compensation with no aggregate retention; \$300,000 for all liability lines (General, Law Enforcement, Public Officials, and Auto Liability); \$1,000 for Automobiles; and \$10,000 for Mobile Equipment.

The City's operating funds are charged premiums for coverage provided by the Risk Management Fund based on approved annual budgets with adjustments based on estimates of the amounts needed to pay prior and current-year claims. These inter-fund premiums are used to reduce the amount of actual expenditures.

Liabilities of the Risk Management Fund 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 (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, timing of filed claims, adjudication of claim benefits, changes in legal doctrines, and damage awards.

Accordingly, claims are reevaluated annually to consider the effects of inflation, plan benefit designs, recent claim settlement trends, claim expense, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The total accrued liabilities for the Risk Management Fund based on the recent September 30, 2014 actuarial report, as of September 30, 2014, was \$3,229,008.

**CITY OF GRAND PRAIRIE, TEXAS
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The City offers group health coverage to its employees and retirees in plans administered by United Health Care using an escrow account funded by the City with both employee and City contributions. The City allows retired employees under age 65 to continue participating in its group health insurance program after retirement with a portion of premiums paid by the City. The amount of premiums paid by retirees is based on the retirement date, length of service with the City, plan selected and dependents covered at the time of retirement. The City retains risk for up to \$400,000 per member per year, and transfers risk in excess of this amount to a reinsurer. Reported claims are charged to expense in the period the loss is incurred. The total accrued liabilities for health insurance as of September 30, 2014 were \$1,303,511.

Below is the change in estimates of accrual liabilities for health coverage for the risk management fund:

	Beginning of Fiscal Year <u>Liability</u>	Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	End of Fiscal Year <u>Liability</u>
2014	\$ 4,296,416	\$14,561,923	\$14,325,820	\$ 4,532,519
2013	\$ 3,969,914	\$13,734,536	\$13,408,034	\$ 4,296,416

2) Unearned Revenue

Unearned revenue is a liability for resources obtained prior to revenue recognition. Below is a summary of the City's unearned revenue as of September 30, 2014.

General Fund pipeline lease prepaid	\$ 902,786
Grant Fund advance funding from granting agencies	9,613,875
Community Development Block Grant funding for future projects	16,551
Neighborhood stabilization program	114,738
Park Venue Fund deposits on events to be held	21,725
ParkVenue Fund rental deposits on events to be held	151,412
Prairie Light Fund deposits for future events	18,000
Cemetery Fund deposits held for preneed arrangements	980,834
Whisp Oaks PID #2 assess collection in advance	1,800
Capital/Lending reserve fund pipeline lease prepaid	456,247
Governmental funds total	<u>\$ 12,277,968</u>
Texas Water Development Board forgiveness loan	\$ 274,431
Airport Fund pipeline lease prepaid	190,206
Enterprise Funds total	<u>\$ 464,637</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

3) Long-Term Debt

Below is a summary of the changes in long-term debt of the City's primary government and component unit:

	Balance October 1, 2013	Borrowings or Increase	Payments or Decrease	Balance September 30, 2014	Due Within One Year
<u>Governmental Activities</u>					
General obligation bonds	\$ 94,188,283	\$ 2,220,000	\$ (7,585,848)	\$ 88,822,435	\$ 8,103,800
Certificates of obligation bonds	80,175,000	11,945,000	(5,890,000)	86,230,000	6,355,000
Sales tax revenue bonds	23,550,000	-	(1,415,000)	22,135,000	1,465,000
Sales tax venue revenue bonds	12,480,000	-	(2,625,000)	9,855,000	2,835,000
Sales tax venue certificates of obligation	38,295,000	-	(2,890,000)	35,405,000	3,200,000
Issuance premiums/discounts, net	4,278,492	486,234	(340,454)	4,424,272	-
Compensated absences	14,112,100	7,763,601	(7,370,989)	14,504,712	5,846,573
Other post employment benefits	4,701,004	-	(9,129)	4,691,875	-
Environmental remediation liability	-	40,000	-	40,000	40,000
Other liabilities	6,104,023	-	(1,160,776)	4,943,247	1,160,776
Total governmental activities	<u>277,883,902</u>	<u>22,454,835</u>	<u>(29,287,196)</u>	<u>271,051,541</u>	<u>29,006,149</u>
<u>Business-Type Activities</u>					
General obligation bonds	2,261,718	-	(239,152)	2,022,566	261,200
Certificates of obligation bonds	1,700,000	-	(125,000)	1,575,000	125,000
Water and wastewater revenue bonds	59,780,000	4,000,000	(3,900,000)	59,880,000	4,250,000
Issuance premiums/discounts, net	1,372,785	-	(100,827)	1,271,958	-
Closure and post closure liability	5,993,696	362,548	-	6,356,244	-
Compensated absences	409,347	590,907	(574,016)	426,238	407,675
Total business-type activities	<u>71,517,546</u>	<u>4,953,455</u>	<u>(4,938,995)</u>	<u>71,532,006</u>	<u>5,043,875</u>
Total primary government	<u>\$ 349,401,448</u>	<u>\$ 27,408,290</u>	<u>\$ (34,226,191)</u>	<u>\$ 342,583,547</u>	<u>\$ 34,050,024</u>
<u>Component Unit Activities</u>					
Housing Finance Corporation:					
Notes payable	\$ 3,434,305	\$ 41,760	\$ (45,791)	\$ 3,430,274	\$ 49,981
Line of Credit	118,812	-	(20,000)	98,812	98,812
Revenue bonds	8,340,000	-	(160,000)	8,180,000	175,000
Subordinate Revenue bonds	4,550,000	-	-	4,550,000	-
Total component units	<u>\$ 16,443,117</u>	<u>\$ 41,760</u>	<u>\$ (225,791)</u>	<u>\$ 16,259,086</u>	<u>\$ 323,793</u>

The General Fund is typically used to liquidate the net other post-employment benefit obligation.

**CITY OF GRAND PRAIRIE, TEXAS
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a) Governmental Activities Long-Term Debt

Long-term debt in the governmental type activities column of the government-wide financial statements consists of general obligation bonds, including refunding, sales tax revenue bonds, certificates of obligation bonds, and accrued compensated absence. The certificates of obligation bonds include bonds issued in 2010 for Tax Increment Financing Zones No. 2 project.

(i) General Obligation Debt

General obligation bonds and certificates of obligation provide funds for the acquisition and construction of major capital equipment and facilities. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds and certificates of obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity.

On October 15, 2013 the City issued \$2,220,000 in General Obligation Bonds, Series 2013A. The proceeds were used to fund street improvements. The City also issued \$11,945,000 in Combination Tax and Revenue Certificates of Obligation, Series 2013A, for public safety, library, street, and other City structure improvements.

(ii) Defeased Debt Outstanding

At September 30, 2014, certain outstanding debt of the city is considered to be defeased. The following table details such outstanding defeased debt:

<u>Type of Obligation</u>	<u>Defeased Debt Outstanding</u>
Certificates of Obligation	\$ 2,010,000
	<u>\$ 2,010,000</u>

CITY OF GRAND PRAIRIE, TEXAS
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Governmental type long-term debt is summarized as follows:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
General obligation bonds:					
Series 2006	3.9-5.0	2006	2026	3,300,000	-
Series 2006-A	4.125-4.375	2006	2027	4,000,000	3,000,000
Series 2007	4.0-4.50	2007	2027	33,098,000	23,602,435
Series 2008	4.0-5.50	2009	2029	8,985,000	7,480,000
Series 2010	2.0-4.25	2010	2030	5,480,000	4,635,000
Series 2011	2.0-5.3	2011	2031	11,550,000	7,635,000
Series 2011A	2.0-5.0	2011	2025	27,145,000	23,025,000
Series 2012 Refunding	1.0-2.0	2012	2026	7,740,000	7,675,000
Series 2013 Ref. & Improv.	1.5-3.25	2013	2033	10,975,000	9,550,000
Series 2013A	3.0-4.125	2014	2034	2,220,000	2,220,000
Total general obligation bonds					<u>88,822,435</u>
Certificates of obligation bonds:					
Tax and revenue bonds:					
Series 2006	4.0-5.50	2006	2026	8,291,250	-
Series 2006-A	4.125-4.375	2006	2027	11,947,500	9,218,000
Series 2007	4.0-4.50	2007	2027	6,610,000	4,860,000
Series 2008A	4.0-5.50	2009	2029	13,185,000	10,180,000
Series 2010	2.0-4.25	2010	2030	590,000	505,000
Series 2011	2.0-5.3	2011	2031	6,305,000	5,625,000
Series 2011A	2.0-4.0	2011	2031	7,430,000	6,815,000
Series 2013	2.0-3.25	2013	2033	8,830,000	8,560,000
Series 2013A	2.0-4.125	2014	2034	11,945,000	11,945,000
Total tax and revenue bonds					<u>57,708,000</u>
Tax and tax increment bonds					
Series 2001	3 month LIBOR + .31%	2000	2022	17,900,000	10,395,000
Series 2006	4.0-5.50	2006	2020	1,575,000	-
Series 2006-A	4.125-4.375	2006	2020	2,498,470	1,312,000
Series 2006-A	4.125-4.375	2006	2020	1,468,000	795,000
Series 2007	4.0-4.50	2007	2017	1,235,000	420,000
Series 2008A	4.0-5.50	2008	2021	10,550,000	6,825,000
Series 2008A	4.0-5.50	2008	2019	1,500,000	825,000
Series 2010	2.0-4.25	2010	2020	1,355,000	855,000
Series 2011	2.0-5.3	2011	2020	655,000	450,000
Series 2011	2.0-5.3	2011	2020	2,725,000	1,875,000
Series 2011A	2.0-5.0	2011	2025	1,545,000	1,210,000
Series 2012	1.0-2.0	2012	2021	890,000	880,000
Series 2013	2.0-3.25	2013	2021	265,000	220,000
Series 2013	2.0-3.25	2013	2021	2,820,000	2,460,000
Total tax and tax increment bonds					<u>28,522,000</u>
Sales Tax Venue CO's					
Series 2007A Crime Control	12 month LIBOR * 62.075 + .75	2007	2017	5,000,000	2,310,000
Series 2008 Crime Control	6 month LIBOR * 62.075+ 1.07	2008	2024	54,800,000	33,095,000
Total sales tax venue bonds					<u>35,405,000</u>
Total certificate of obligation bonds					<u>121,635,000</u>
Sales tax revenue bonds:					
Series 2009	3.77	2009	2027	13,390,000	11,915,000
Series 2013	2.0-4.0	2013	2027	11,060,000	10,220,000
Total sales tax revenue bonds					<u>22,135,000</u>
Sales Tax Venue Bonds					
Series 2007 Taxable Baseball	12 month LIBOR +.61%	2007	2019	16,850,000	2,565,000
Series 2007 Senior Center	12 month LIBOR * 62.075 + .75	2007	2019	3,000,000	1,790,000
Series 2008 Senior Center	6 month LIBOR * 62.075+ 1.28	2008	2024	16,850,000	5,500,000
Total sales tax venue bonds					<u>9,855,000</u>
Premiums/discounts, net	N/A	N/A	N/A	N/A	4,424,272
Compensated absences	N/A	N/A	N/A	N/A	14,504,712
Other Post Employment Benefits	N/A	N/A	N/A	N/A	4,691,875
Environmental remediation liability	N/A	N/A	N/A	N/A	40,000
Other liabilities	N/A	N/A	N/A	N/A	4,943,247
Total governmental long-term debt					<u>\$ 271,051,541</u>

CITY OF GRAND PRAIRIE, TEXAS
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The changes in governmental type long-term debt is summarized below:

	Balance October 1, 2013	Borrowings or Increase	Payments or Decrease	Balance September 30, 2014	Due Within One Year
General obligation bonds:					
Series 2006	\$ 140,000	\$ -	\$ (140,000)	\$ -	\$ -
Series 2006-A	3,165,000	-	(165,000)	3,000,000	170,000
Series 2007	26,073,283	-	(2,470,848)	23,602,435	2,573,800
Series 2008	7,805,000	-	(325,000)	7,480,000	340,000
Series 2010	4,850,000	-	(215,000)	4,635,000	220,000
Series 2011	8,315,000	-	(680,000)	7,635,000	620,000
Series 2011A	25,125,000	-	(2,100,000)	23,025,000	1,975,000
Series 2012	7,740,000	-	(65,000)	7,675,000	565,000
Series 2013	10,975,000	-	(1,425,000)	9,550,000	1,560,000
Series 2013A	-	2,220,000	-	2,220,000	80,000
Total general obligation bonds	94,188,283	2,220,000	(7,585,848)	88,822,435	8,103,800
Certificates of obligation bonds:					
Tax and revenue bonds:					
Series 2006	315,000	-	(315,000)	-	-
Series 2006-A	9,669,000	-	(451,000)	9,218,000	476,000
Series 2007	5,135,000	-	(275,000)	4,860,000	290,000
Series 2008A	10,720,000	-	(540,000)	10,180,000	570,000
Series 2010	530,000	-	(25,000)	505,000	25,000
Series 2011	5,855,000	-	(230,000)	5,625,000	235,000
Series 2011A	7,125,000	-	(310,000)	6,815,000	320,000
Series 2013	8,830,000	-	(270,000)	8,560,000	355,000
Series 2013A	-	11,945,000	-	11,945,000	420,000
	48,179,000	11,945,000	(2,416,000)	57,708,000	2,691,000
Tax and tax increment bonds:					
Series 2001	11,335,000	-	(940,000)	10,395,000	1,010,000
Series 2006	100,000	-	(100,000)	-	-
Series 2006-A	1,501,000	-	(189,000)	1,312,000	199,000
Series 2006-A	905,000	-	(110,000)	795,000	115,000
Series 2007	550,000	-	(130,000)	420,000	135,000
Series 2008A	7,630,000	-	(805,000)	6,825,000	845,000
Series 2008A	970,000	-	(145,000)	825,000	150,000
Series 2010	985,000	-	(130,000)	855,000	130,000
Series 2011	520,000	-	(70,000)	450,000	70,000
Series 2011	2,160,000	-	(285,000)	1,875,000	290,000
Series 2011A	1,365,000	-	(155,000)	1,210,000	165,000
Series 2012	890,000	-	(10,000)	880,000	115,000
Series 2013	265,000	-	(45,000)	220,000	50,000
Series 2013	2,820,000	-	(360,000)	2,460,000	390,000
	31,996,000	-	(3,474,000)	28,522,000	3,664,000
Total certificate of obligation bonds	80,175,000	11,945,000	(5,890,000)	86,230,000	6,355,000
Sales tax revenue bonds:					
Series 2009	12,490,000	-	(575,000)	11,915,000	410,000
Series 2013	11,060,000	-	(840,000)	10,220,000	1,055,000
Total sales tax revenue bonds	23,550,000	-	(1,415,000)	22,135,000	1,465,000
Sales tax venue revenue bonds:					
Series 2007	4,320,000	-	(1,755,000)	2,565,000	1,855,000
Series 2007	2,110,000	-	(320,000)	1,790,000	330,000
Series 2007A certificate of obligation bonds	3,020,000	-	(710,000)	2,310,000	740,000
Series 2008	6,050,000	-	(550,000)	5,500,000	650,000
Series 2008 certificate of obligation bonds	35,275,000	-	(2,180,000)	33,095,000	2,460,000
Total sales tax venue bonds	50,775,000	-	(5,515,000)	45,260,000	6,035,000
Premiums/discounts, net	4,278,492	486,234	(340,454)	4,424,272	-
Compensated absences:	14,112,100	7,763,601	(7,370,989)	14,504,712	5,846,573
Other post employment benefits	4,701,004	-	(9,129)	4,691,875	-
Environmental remediation liability	-	40,000	-	40,000	40,000
Other liabilities	6,104,023	-	(1,160,776)	4,943,247	1,160,776
Total	\$ 277,883,902	\$ 22,454,835	\$ (29,287,196)	\$ 271,051,541	\$ 29,006,149

CITY OF GRAND PRAIRIE, TEXAS
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The aggregate debt service payments through final year of maturity for the City's governmental general obligation bonds, certificates of obligation bonds, and sale tax revenue bonds are as follows:

Fiscal Year	General Obligation Bonds			Certificates of Obligation Bonds			TIF Certificates of Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015	8,103,800	3,245,500	11,349,300	2,691,000	2,261,615	4,952,615	3,664,000	2,140,784	5,804,784
2016	8,191,752	2,960,220	11,151,972	2,776,000	2,174,894	4,950,894	3,824,000	1,888,858	5,712,858
2017	8,458,744	2,666,468	11,125,212	2,746,000	2,085,705	4,831,705	4,009,000	1,618,804	5,627,804
2018	8,400,734	2,339,300	10,740,034	2,846,000	1,993,291	4,839,291	4,059,000	1,330,506	5,389,506
2019	8,437,405	2,022,124	10,459,529	2,956,000	1,892,101	4,848,101	4,254,000	1,025,173	5,279,173
2020	7,480,000	1,716,800	9,196,800	3,068,000	1,774,598	4,842,598	4,292,000	700,943	4,992,943
2021	7,010,000	1,426,398	8,436,398	3,460,000	1,637,816	5,097,816	2,785,000	389,663	3,174,663
2022	6,550,000	1,173,294	7,723,294	3,625,000	1,486,812	5,111,812	1,635,000	61,313	1,696,313
2023	5,465,000	949,961	6,414,961	3,550,000	1,331,158	4,881,158	-	-	-
2024	5,045,000	747,599	5,792,599	3,705,000	1,178,604	4,883,604	-	-	-
2025	4,020,000	573,971	4,593,971	3,860,000	1,023,858	4,883,858	-	-	-
2026	3,575,000	426,026	4,001,026	4,040,000	857,102	4,897,102	-	-	-
2027	2,965,000	287,531	3,252,531	4,215,000	678,092	4,893,092	-	-	-
2028	1,585,000	183,230	1,768,230	2,960,000	521,648	3,481,648	-	-	-
2029	1,440,000	112,725	1,552,725	3,095,000	388,295	3,483,295	-	-	-
2030	775,000	63,753	838,753	2,235,000	274,683	2,509,683	-	-	-
2031	405,000	40,956	445,956	2,295,000	183,254	2,478,254	-	-	-
2032	375,000	26,856	401,856	1,340,000	112,091	1,452,091	-	-	-
2033	385,000	13,306	398,306	1,395,000	61,297	1,456,297	-	-	-
2034	155,000	3,197	158,197	850,000	17,531	867,531	-	-	-
	\$ 88,822,435	\$ 20,979,215	\$ 109,801,650	\$ 57,708,000	\$ 21,934,445	\$ 79,642,445	\$ 28,522,000	\$ 9,156,044	\$ 37,678,044

Fiscal Year	Venue Sales Tax Revenue Bonds			Park Venue Sales Tax Revenue Bonds			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2015	6,035,000	1,418,176	7,453,176	1,465,000	731,667	2,196,667	21,958,800	9,797,742	31,756,542
2016	5,360,000	1,303,315	6,663,315	1,505,000	690,595	2,195,595	21,656,752	9,017,882	30,674,634
2017	5,125,000	1,104,768	6,229,768	1,565,000	644,053	2,209,053	21,903,744	8,119,798	30,023,542
2018	5,625,000	935,230	6,560,230	1,615,000	595,704	2,210,704	22,545,734	7,194,031	29,739,765
2019	6,190,000	754,505	6,944,505	1,665,000	545,691	2,210,691	23,502,405	6,239,594	29,741,999
2020	6,130,000	559,094	6,689,094	1,720,000	490,514	2,210,514	22,690,000	5,241,949	27,931,949
2021	5,550,000	362,321	5,912,321	1,785,000	432,067	2,217,067	20,590,000	4,248,265	24,838,265
2022	5,245,000	188,894	5,433,894	1,860,000	371,136	2,231,136	18,915,000	3,281,449	22,196,449
2023	-	-	-	1,930,000	305,412	2,235,412	10,945,000	2,586,531	13,531,531
2024	-	-	-	2,010,000	232,566	2,242,566	10,760,000	2,158,769	12,918,769
2025	-	-	-	2,095,000	152,772	2,247,772	9,975,000	1,750,601	11,725,601
2026	-	-	-	2,105,000	71,785	2,176,785	9,720,000	1,354,913	11,074,913
2027	-	-	-	815,000	15,610	830,610	7,995,000	981,233	8,976,233
2028	-	-	-	-	-	-	4,545,000	704,878	5,249,878
2029	-	-	-	-	-	-	4,535,000	501,020	5,036,020
2030	-	-	-	-	-	-	3,010,000	338,436	3,348,436
2031	-	-	-	-	-	-	2,700,000	224,210	2,924,210
2032	-	-	-	-	-	-	1,715,000	138,947	1,853,947
2033	-	-	-	-	-	-	1,780,000	74,603	1,854,603
	\$ 45,260,000	\$ 6,626,303	\$ 51,886,303	\$ 22,135,000	\$ 5,279,572	\$ 27,414,572	\$ 242,447,435	\$ 63,975,579	\$ 306,423,014

**CITY OF GRAND PRAIRIE, TEXAS
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SEPTEMBER 30, 2014**

b) Business Type Activities Long-Term Debt

Long-term debt in the business-type activities column of the government-wide financial statements consists of general obligation refunding bonds, water and wastewater system revenue bonds, certificates of obligation bonds, a line of credit, accrued compensated absence, closure and post closure liability.

Debt is issued to fund improvements for the following activities: the water and wastewater system, the solid waste system, the golf courses and the airport.

The long-term debt for the business-type activities is summarized as follows:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
Water and wastewater					
Revenue bonds:					
Series 2006	4.0-5.5	2006	2026	4,840,000	-
Series 2006-A	4.25-4.375	2006	2027	6,625,000	4,975,000
Series 2007	4.0-4.50	2007	2027	15,845,000	11,595,000
Series 2008	3.5-5.50	2009	2029	4,940,000	4,105,000
Series 2010	0.0-2.587	2010	2030	4,995,000	4,220,000
Series 2011	2.0-4.25	2011	2031	8,940,000	5,925,000
Series 2011A	2.0-5.0	2011	2031	11,020,000	9,555,000
Series 2012	0	2012	2015	495,000	165,000
Series 2013	2.0-4.0	2013	2026	14,045,000	13,835,000
Series 2013A	0.0-0.31	2013	2019	1,805,000	1,505,000
Series 2014	0.0-1.990	2014	2030	4,000,000	4,000,000
Total revenue bonds					<u>59,880,000</u>
Premiums/discounts, net					1,178,762
Compensated absences					272,050
Total water and wastewater long-term debt					<u>61,330,812</u>
Solid waste					
Closure and post closure liability	N/A	N/A	N/A	N/A	6,356,244
Compensated absences	N/A	N/A	N/A	N/A	69,035
Total solid waste long-term debt					<u>6,425,279</u>
Municipal airport					
Certificates of obligation bonds:					
Series 2004A	2.25-5.0	2004	2024	2,120,000	1,575,000
Compensated absences	N/A	N/A	N/A	N/A	32,181
Total municipal airport long-term debt					<u>1,607,181</u>
Municipal golf					
General obligation bonds:					
Series 2007	4.0-4.50	2007	2019	1,482,000	957,566
Series 2011A	2.0-5.0	2011	2025	1,170,000	940,000
Series 2012	1.0-2.0	2012	2026	125,000	125,000
Total general obligation bonds					<u>2,022,566</u>
Certificate of obligation bonds:					
Series 2006	4.0-5.50	2006	2026	153,750	-
Total certificate of obligation bonds					<u>-</u>
Premiums/discounts, net	N/A	N/A	N/A	N/A	93,196
Compensated absences	N/A	N/A	N/A	N/A	52,972
Total municipal golf long-term debt					<u>2,168,734</u>
Total business-type activities' long-term debt					<u>\$ 71,532,006</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

The changes in long-term debt for business type activities are summarized as follows:

	Balance October 1, 2013	Borrowings or Increase	Payments or Decrease	Balance September 30, 2014	Due Within One Year
Water and wastewater					
Revenue bonds:					
Series 2006	\$ 210,000	\$ -	\$ (210,000)	\$ -	\$ -
Series 2006-A	5,245,000	-	(270,000)	4,975,000	285,000
Series 2007	12,255,000	-	(660,000)	11,595,000	685,000
Series 2008	4,285,000	-	(180,000)	4,105,000	190,000
Series 2010	4,425,000	-	(205,000)	4,220,000	210,000
Series 2011	6,740,000	-	(815,000)	5,925,000	745,000
Series 2011A	10,440,000	-	(885,000)	9,555,000	915,000
Series 2012	330,000	-	(165,000)	165,000	165,000
Series 2013	14,045,000	-	(210,000)	13,835,000	515,000
Series 2013A	1,805,000	-	(300,000)	1,505,000	300,000
Series 2014	-	4,000,000	-	4,000,000	240,000
Total revenue bonds	59,780,000	4,000,000	(3,900,000)	59,880,000	4,250,000
Premiums/discount, net	1,271,207	-	(92,445)	1,178,762	-
Compensated absences	249,542	399,811	(377,303)	272,050	272,050
Total water and wastewater long-term debt	61,300,749	4,399,811	(4,369,748)	61,330,812	4,522,050
Solid waste					
Closure and post closure liability	5,993,696	362,548	-	6,356,244	-
Compensated absences	73,775	107,367	(112,107)	69,035	69,035
Total solid waste long-term debt	6,067,471	469,915	(112,107)	6,425,279	69,035
Municipal airport					
Certificate of obligation bonds:					
Series 2004A	1,695,000	-	(120,000)	1,575,000	125,000
Compensated absences	35,250	20,614	(23,683)	32,181	22,330
Total municipal airport long-term debt	1,730,250	20,614	(143,683)	1,607,181	147,330
Municipal golf					
General obligation bonds:					
Series 2007	1,126,718	-	(169,152)	957,566	176,200
Series 2011A	1,010,000	-	(70,000)	940,000	75,000
Series 2012	125,000	-	-	125,000	10,000
Total general obligation bonds	2,261,718	-	(239,152)	2,022,566	261,200
Certificate of obligation bonds:					
Series 2006	5,000	-	(5,000)	-	-
Total certificate of obligation bonds	5,000	-	(5,000)	-	-
Premiums/discount, net	101,578	-	(8,382)	93,196	-
Compensated absences	44,396	52,231	(43,655)	52,972	44,260
Total municipal golf long-term debt	2,412,692	52,231	(296,189)	2,168,734	305,460
Storm water					
Compensated absences	6,384	10,884	(17,268)	-	-
Total business-type activities' long-term debt	\$ 71,517,546	\$ 4,953,455	\$ (4,938,995)	\$ 71,532,006	\$ 5,043,875

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(i) Water and Wastewater System Debt

On March 18, 2014 the City issued \$4,000,000 in Water and Wastewater System Revenue Bonds, New Series 2014. The proceeds are to be used for Phase I of the AMI Water Meter Conversion Project and will remain in the Texas Water Development Board Drinking Water State Revolving Fund until committed.

- Defeased Debt Outstanding

At September 30, 2014, all of the previously defeased debt has been paid off.

Water and wastewater system long-term debt consists of general obligation refunding bonds, and revenue bonds, which are all being repaid with water and wastewater system revenues.

Although not required by state laws, City Council in the past has chosen to have the electorate vote to authorize revenue bond issuance. During the fiscal year ended September 30, 2005, the City issued the remaining authorized water and wastewater system revenue bonds. At this time the city plans to issue non-voted authorized revenue bonds in the future.

The following covenants are included in each of the various water and wastewater system revenue bond indenture ordinances:

- Net revenues (defined as gross revenues less expenses of operation and maintenance) are pledged for the payment of bond principal and interest.
- Additional water and wastewater system revenue bonds cannot be issued unless the “net earnings” (defined as gross revenues after deducting the expenses of operation and maintenance, excluding depreciation and certain other items specified in the ordinances) of the system for 12 consecutive months out of the 15 months prior to the date of such bonds is equal to at least 1.25 times the average annual requirements for the payment of principal and interest on the then outstanding bonds and any additional bonds then proposed to be issued.
- All revenues derived from the operations must be kept separate from other funds of the City.
- The amount required to meet interest and principal payments falling due on or before the next maturity dates of the bonds is to be paid into the water and wastewater system interest and redemption account during each year.

At September 30, 2014, the City was in compliance with these covenants.

CITY OF GRAND PRAIRIE, TEXAS
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Debt service to maturity on the City's outstanding water and wastewater system bond debt is summarized as follows:

Water and Wastewater System Revenue Bonds:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 4,250,000	\$ 1,939,175	\$ 6,189,175
2016	4,380,000	1,812,079	6,192,079
2017	4,505,000	1,684,973	6,189,973
2018	4,715,000	1,548,597	6,263,597
2019	5,010,000	1,392,564	6,402,564
2020	4,605,000	1,230,430	5,835,430
2021	4,775,000	1,064,485	5,839,485
2022	4,955,000	889,080	5,844,080
2023	4,600,000	721,808	5,321,808
2024	4,635,000	569,670	5,204,670
2025	4,075,000	422,068	4,497,068
2026	3,050,000	292,948	3,342,948
2027	2,785,000	177,911	2,962,911
2028	1,180,000	100,689	1,280,689
2029	1,225,000	57,558	1,282,558
2030	860,000	23,140	883,140
2031	275,000	5,500	280,500
Total	<u>\$ 59,880,000</u>	<u>\$ 13,932,675</u>	<u>\$ 73,812,675</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

Water and Wastewater System Debt Service Coverage

According to the terms of the ordinance which authorized the sale of Water and Wastewater Revenue Bonds, the Water and Wastewater system will produce net revenues each year in an amount reasonably estimated to be not less than 1.25 times the average annual principal and interest requirements of the outstanding bonds. At September 30, 2014, compliance with this requirement can be demonstrated as follows:

Revenue (1)	\$ 61,910,609
Operating expense (excluding depreciation):	
Water purchased	11,850,914
Sewage disposal contract	12,716,847
Other	<u>19,284,759</u>
Total expense (2)	43,852,520
Available for debt service	\$ 18,058,089
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2014	\$ 4,341,922
Coverage of average annual requirements based on September 30, 2014 revenue available for debt service	4.16

(1) Includes operating revenues plus investment income and impact fees

(2) Excludes depreciation expense.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(ii) Municipal Golf Course Long-Term Debt

Municipal Golf Course long-term debt consists of general obligation refunding bonds issued in 2007, 2011, and 2012 used to finance the construction of the Prairie Lakes Golf Course, improvements to other municipal golf courses and accrued compensated absences. The long-term debt are currently being repaid from the Debt Service Fund.

Debt service to maturity of outstanding bonds are summarized as follows:

General Obligation Bonds:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 261,200	\$ 81,015	\$ 342,215
2016	273,248	72,727	345,975
2017	286,257	63,992	350,249
2018	294,266	54,497	348,763
2019	307,595	36,205	343,800
2020	105,000	20,270	125,270
2021	110,000	15,720	125,720
2022	115,000	11,760	126,760
2023	120,000	7,600	127,600
2024	125,000	2,900	127,900
2025	10,000	400	10,400
2026	15,000	150	15,150
Total	<u>\$ 2,022,566</u>	<u>\$ 367,236</u>	<u>\$ 2,389,802</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(iii) Municipal Airport Long-Term Debt

Municipal Airport Fund long-term debt consists of the 2004A Certificates of Obligations and accrued compensated absences. The long-term debt is being repaid solely from airport revenues.

Debt service to maturity on outstanding bonds is summarized as follows:

Certificate of Obligation Bonds:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 125,000	\$ 72,973	\$ 197,973
2016	130,000	67,072	197,072
2017	140,000	60,660	200,660
2018	145,000	53,891	198,891
2019	150,000	46,979	196,979
2020	160,000	39,710	199,710
2021	170,000	31,830	201,830
2022	175,000	23,375	198,375
2023	185,000	14,375	199,375
2024	195,000	4,875	199,875
Total	<u>\$ 1,575,000</u>	<u>\$ 415,740</u>	<u>\$ 1,990,740</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(c) Grand Prairie Housing Finance Corporation Long-Term Debt

The GPHFC has a general obligation note payable to a bank which was used to construct the Cotton Creek and Willow Tree Learning Center. The note bears a rate of 6.25% and is payable in equal monthly installments of \$15,576 through June 10, 2020.

In December, 2003, the HFC issued Independent Senior Living Center Revenue Bonds for \$13,890,000 to finance the construction and operations of its planned Senior Living Center facility. The bonds bear interest rates from 7.5% to 7.75% depending on longevity. Beginning January 1, 2011, semi-annual retirements of the Bonds began and continues through January 1, 2034. The bonds are non-recourse liabilities collateralized solely by the land and construction in progress, less the accrued interest.

A summary of long-term debt activity during the fiscal year ended December 31, 2013 follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 2,259,331	\$ -	\$ (45,791)	\$ 2,213,540	\$ 49,981
Line of credit	118,812	-	(20,000)	98,812	98,812
Revenue bonds	8,340,000	-	(160,000)	8,180,000	175,000
Subordinate bonds	4,550,000	-	-	4,550,000	-
Developer loan	1,174,974	41,760	-	1,216,734	-
Total	<u>\$ 16,443,117</u>	<u>\$ 41,760</u>	<u>\$ (225,791)</u>	<u>\$ 16,259,086</u>	<u>\$ 323,793</u>

Effective July 1, 2010 the bonds of the Senior Living Center were reissued in two series: \$8,630,000 in Priority Lien Revenue Bonds and \$4,550,000 in Subordinate Lien Revenue Bonds.

Future maturities of the debt are as follows:

Fiscal Year Ending December 31	Note Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 49,981	\$ 136,878	\$ 175,000	\$ 628,119
2015	53,253	133,659	190,000	614,619
2016	56,678	130,234	200,000	600,181
2017	60,324	126,588	220,000	584,619
2018	64,136	122,776	235,000	567,978
2019-2023	1,929,168	190,564	1,470,000	2,534,775
2024-2028	-	-	2,165,000	1,853,025
2029-2033	-	-	3,155,000	852,888
2034	-	-	370,000	14,338
Total	<u>\$ 2,213,540</u>	<u>\$ 840,699</u>	<u>\$ 8,180,000</u>	<u>\$ 8,250,542</u>

The Subordinate Lien Revenue Bonds are not scheduled above as their payments are contingent upon cash flow and payment amounts and periods are uncertain.

CITY OF GRAND PRAIRIE, TEXAS
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Conduit Debt – Mortgage Revenue Bonds

The HFC issues Single Family and Multi-Family Mortgage Revenue Bonds. The proceeds of the bonds are placed in trust to be used for the origination of qualifying single- or multi-family mortgages or to refund, at any time, bonds previously issued by HFC. The bonds are to be paid only from the funds placed in trust, and these funds can be used only for purposes specified in the bond indenture. HFC is liable to the bondholders only to the extent of the related revenues and assets pledged under the indenture. Therefore, these transactions are accounted for as conduit debt, and the principal amount of the bonds outstanding and assets held by the trustee are not reflected on the face of the financial statements.

At December 31, 2013, outstanding conduit debt was as follows:

<u>Bond Series</u>	<u>Original Issue Amount</u>	<u>Outstanding Amount</u>
2004B Single-Family Mortgage Revenue & Refunding Bonds	\$ 7,500,000	<u>\$ 1,223,082</u>
	Total	<u><u>\$ 1,223,082</u></u>

4) Retirement Plan

Plan Description - The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 850 administered by TMRS, an agent multiple-employer public employee retirement system.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits, and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.TMRS.com.

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

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
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employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

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

	<u>Plan Year 2013</u>	<u>Plan Year 2014</u>
Employee deposit rate	7%	7%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/25	60/5, 0/25
Updated Service Credit	100% Repeating Transfers	100% Repeating Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Contributions – Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) cost method (EAN was first used in the December 31, 2013 valuation; previously, the Projected Unit Credit actuarial cost method had been used). This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate for an employee is the contribution rate which, if applied to a member's compensation throughout their period of anticipated covered service with the municipality, would be sufficient to meet all benefits payable on their behalf. The salary-weighted average of the individual rates is the total normal cost rate. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
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The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013, also follows:

Actuarial Valuation Date	December 31, 2011	December 31, 2012	December 31, 2013
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age Normal
Amortization Method	Level of Percent of Payroll	Level of Percent of Payroll	Level of Percent of Payroll
Remaining Amortization Period	26.1 Years/Closed	25.1 Years/Closed	22.0 Years/Closed
Amortization Period for new Gains/Losses	30 Years	30 Years	30 Years
Asset Valuation Method	10-year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Investment Rate of Return	7.0%	7.0%	7.0%
Projected Salary Increases	Varies by age and service	Varies by age and service	Varies by age and service
Inflation	3.0%	3.0%	3.0%
Cost-of-Living Adjustments	2.1% (3.0% CPI)	2.1% (3.0% CPI)	2.1% (3.0% CPI)

Funded Status and Funding Progress – In October 2013, the TMRS Board approved actuarial changes in (a) the funding method from Projected Unit Credit to Entry Age Normal, (b) the post-retirement mortality assumptions used in calculating liabilities and contribution rates and in the development of the Annuity Purchase Rate factors, and (c) the amortization policy. These actuarial changes were effective with the December 31, 2013 actuarial valuation. For a complete description of the new actuarial cost method and assumptions, please see the December 31, 2013 TMRS Comprehensive Annual Financial Report (CAFR).

Note: The TMRS Board of Trustees has adopted a 10-year smoothing method with a 15% corridor to determine the System's actuarial value of assets (AVA). This "smoothing method" is intended to help reduce the volatility of the contribution rates from one year to the next.

The funded status as of December 31, 2013, the most recent actuarial valuation date, is presented as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2013	\$376,082,419	\$450,523,220	\$ 74,440,801	83.5%	\$ 68,769,035	108.2%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

CITY OF GRAND PRAIRIE, TEXAS
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Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the 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 post-employment benefit," or OPEB.

Supplemental Death Benefits Fund	Plan Year 2013	Plan Year 2014
Active employees	Yes	Yes
Retirees	Yes	Yes

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.

The City's contributions to the TMRS SDBF for the years ended 2014, 2013, and 2012 were \$21,562, \$20,363, and \$19,803, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates:
RETIREE-only portion of the rate

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2011	0.03%	0.03%	100%
2012	0.03%	0.03%	100%
2013	0.03%	0.03%	100%

CITY OF GRAND PRAIRIE, TEXAS
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SEPTEMBER 30, 2014

5) Post-Employment Benefits Other than Pension Benefits

Current employees who retire from the City of Grand Prairie under a TMRS Retirement / Plan option may elect to remain on the City's medical, dental, and vision insurance plans as long as they meet the following criteria:

- Under age of 65
- Currently working for the City immediately prior to retirement, and
- Payment of required premiums monthly by due date, or within grace period

TMRS Retirement / Plan option may include:

- Service retirement, 25 years of TMRS creditable service at any age, or
- Age 60 and 5 years of TMRS creditable service
- Disability/Medical retirement at any age, if approved by TMRS

Eligibility requirements do not vary by type of retirement. The retiree health care plan is a single-employer defined benefit plan. No trust is setup for the plan; therefore there is no separate audit report available.

Benefits

Retirees pay a portion of their retiree health care premium based on their years of service with the City of Grand Prairie, the plan selected, and dependent coverage when they retire. The base retiree health care premium is based on the accrual rate, claims costs, and budget for the prior fiscal year.

Medical coverage for retiree benefits extends only to age 65. Once a retiree reaches age 65, they will be dropped from medical coverage at the beginning of the month in which they turn 65. If a retiree cancels any or all insurance at any time during retirement, they forfeit all rights to coverage through the City for that benefit. If they cancel medical coverage all together, they may not elect medical again in the future for any reason.

Spouse Coverage

A spouse who is on the employee's plan at the time of retirement may continue on the plan until the spouse reaches age 65. Spouse coverage continues after the employee reaches the age 65 and after the death of the employee until the spouse reaches the age of 65, as well. Spouse coverage continues even though the employee becomes Medicare eligible.

Rates for spouse coverage are dependent upon the employee's years of service with the City of Grand Prairie. Spouses receive the same benefits as the employee. Surviving spouses of deceased active members are not eligible for retiree health care benefits, unless they become eligible under TMRS and elect retirement immediately following the month of death. They become "retiree" in that case.

**CITY OF GRAND PRAIRIE, TEXAS
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For all retirements after 1/1/08, dependents must have been covered for the 2 years immediately preceding the effective date of retirement to be eligible to continue coverage under retiree into retirement.

Child / Dependent Coverage

New dependents gained during retirement (due to marriage or birth) may not be added to the City's plan since they were not eligible at the time of retirement.

Opt-outs / Payment-in-lieu / Reimbursements

Retirees that do not continue coverage through our retiree health care plans do not receive payment in lieu of retiree health care.

Types of Coverage Offered

The City offers medical, dental, and vision coverage to eligible retirees.

Employee / Retiree 2014 Monthly Health Care Premiums (Employee Pays Portion)

<u>Group</u>	Monthly Health Care Premium	
	<u>PRIOR TO 12/1/2005</u>	<u>AFTER 11/30/2005</u>
Gold (Under Age 65)		
Employee Only	\$531	\$577
Employee plus Spouse	\$1,082	\$1,175
Surviving Spouse	\$551	\$598
Employee plus Child(ren)	\$850	\$921
Family	\$1,558	\$1,686
Silver (Under Age 65)		
Employee Only	\$455	\$501
Employee plus Spouse	\$908	\$1,001
Surviving Spouse	\$455	\$501
Employee plus Child(ren)	\$714	\$785
Family	\$1,299	\$1,427
Bronze (Under Age 65)		
Employee Only	\$417	\$463
Employee plus Spouse	\$838	\$931
Surviving Spouse	\$421	\$468
Employee plus Child(ren)	\$636	\$707
Family	\$1,156	\$1,284

**CITY OF GRAND PRAIRIE, TEXAS
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<u>Group</u>	<u>Monthly Health Care Premium</u>
Over 65 Retiree (Grandfathered by Age)	
Employee (10-14 years of service)	\$116
Employee (15-19 years of service)	\$119
Employee (20-24 years of service)	\$99
Employee (25-29 years of service)	\$58
Employee (30+ years of service)	\$37
Employee plus spouse (10-14 years of service)	\$264
Employee plus spouse (15-19 years of service)	N/A
Employee plus spouse (20-24 years of service)	N/A
Employee plus spouse (25-29 years of service)	\$123
Employee plus spouse (30+ years of service)	\$88

The Under Age 65 monthly premiums shown above are rates based on 0-5 years of credited service. Employee /retiree premiums will reduce as years of service increase.

Funding Policy and Annual OPEB Cost

The City's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2007 as required by GASB. The City's annual OPEB cost for the current year is as follows:

Annual required contribution	\$ 2,628,469
Interest on OPEB obligation	211,545
Adjustment to ARC	<u>(191,743)</u>
Annual OPEB cost (expense) end of year	2,648,271
Net estimated employer contributions	<u>2,657,400</u>
Increase/(decrease) in net OPEB obligation	(9,129)
Net OPEB obligation as of beginning of the year	<u>4,701,004</u>
Net OPEB obligation (asset) as of end of the year	<u><u>\$ 4,691,875</u></u>

**CITY OF GRAND PRAIRIE, TEXAS
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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for 2014 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost	Net OPEB Obligation
2012	\$2,306,748	61.6%	\$3,709,278
2013	2,434,053	59.3%	4,701,004
2014	2,648,271	100.3%	4,691,875

Funding status and funding progress

The funded status of the City's retiree health care plan, under GASB Statement No. 45, as of September 30, 2014 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a % of Payroll
9/30/2014	-	\$ 33,019,361	\$ 33,019,361	0%	\$67,055,488	49.24%

Under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$33,019,361 at September 30, 2014.

Actuarial methods and assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the City's retiree health care plan. Using the plan benefits, the present health premiums, and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members, as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the City's employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

CITY OF GRAND PRAIRIE, TEXAS
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Actuarial Methods and Assumptions

Inflation rate	3.0% per annum
Investment rate of return	4.5%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year open amortization
Salary Growth	3.0% per annum
Healthcare cost trend rate	Initial rate of 9.0% declining to an ultimate rate of 4.5% after 9 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Fiscal Year Ended	Employer Annual Required Contribution	Employer Amount Contributed	Interest on NOO (9) x 4.5%	ARC Adjustment (9) / (6)	Amortization Factor	OPEB cost (2)+(4)-(5)	Change in NOO (7) - (3)	NOO Balance NOO + (8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
09/30/08	\$ 1,477,994	\$ 990,121	\$ -	\$ -	23.9854	\$ 1,477,994	\$ 487,873	\$ 487,873
09/30/09	\$ 1,522,334	\$ 1,467,368	\$ 21,954	\$ 20,340	23.9854	\$ 1,523,948	\$ 56,580	\$ 544,453
09/30/10	\$ 2,128,596	\$ 860,144	\$ 24,500	\$ 22,699	23.9854	\$ 2,130,397	\$ 1,270,253	\$ 1,814,706
09/30/11	\$ 2,114,805	\$ 1,113,112	\$ 81,662	\$ 74,018	24.5200	\$ 2,122,449	\$ 1,009,337	\$ 2,824,044
09/30/12	\$ 2,294,853	\$ 1,421,514	\$ 127,082	\$ 115,187	24.5200	\$ 2,306,748	\$ 885,234	\$ 3,709,278
09/30/13	\$ 2,418,429	\$ 1,442,328	\$ 166,918	\$ 151,293	24.5200	\$ 2,434,054	\$ 991,726	\$ 4,701,004
09/30/14	\$ 2,628,469	\$ 2,657,400	\$ 211,545	\$ 191,743	24.5200	\$ 2,648,271	\$ (9,129)	\$ 4,691,875

6) Closure and Post Closure Liability

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfills stop accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The City follows the provisions of GASB Statement No. 18 Accounting for Municipal Solid Waste Landfill Closure and Post closure Care Costs. Accordingly, the City has recorded a closure and post closure care liability of \$6,356,244 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 40.71% of the estimated capacity of the landfill.

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The City will recognize the remaining estimated cost of closure and post closure care of \$9,375,386 as the remaining estimated capacity is filled. The City expects to close the landfill in year 2037. Actual cost may be higher or lower due to inflation, changes in technology or changes in regulations.

7) Environmental Remediation Obligations

The City has recorded a liability and an asset related to environmental remediation in the amount of \$40,000, on the Statement of Net Position and on the Statement of Activities. The estimates of the liabilities are prepared by the Environmental Professional Group and by the City's Environmental Quality Manager and based on a range of expected outlays, net of expected cost recoveries, if any, for the type and amount of pollution contamination detected. The estimates are reviewed and adjusted periodically for price changes, additional contamination and any other changes detected.

- The City of Grand Prairie owns the building and is responsible for the asbestos abatement at 317 College Street.

Environmental remediation liability activity in fiscal year 2014 was as follows:

Property Description	Beginning Balance 9/30/2013	Additions	Reductions	Ending Balance 9/30/2014	Current Portion
City Hall Asbestos Abatement	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 40,000
Total	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 40,000

8) Other Liabilities

The liability amount to developer is scheduled to be repaid from Tax Increment Financing District Fund in four payments. Each payment will be made when the requirements of the agreement are met during the prior twelve month period.

The liability amount to the State Comptroller of Texas is being repaid from future sales tax revenue over the next 13 years. The liability is for sales tax previously allocated to the City, but determined, though taxpayer audits, to be due back to the taxpayer.

Liability to Outlet Mall Developer	\$ 3,000,000
Liability to state comptroller office	1,943,247
Total Other Liabilities	\$ 4,943,247

CITY OF GRAND PRAIRIE, TEXAS
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c. Fund Equity, Net Position, and Fund Balance

1) Fund Equity

A fund's equity is generally the difference between its assets deferred outflows of resources and liabilities deferred outflows of resources.

2) Net Position: Net Investment in Capital Assets

This component of net position is reported in the proprietary fund financial statements and in the government-wide financial statements and consists of capital assets net of accumulated depreciation, capital-related deferred outflows of resources and capital-related borrowings and deferred inflows of resources.

3) Net Position: Restricted

This component of net position reports funds with limitations imposed on their use through third-party (statutory, bond covenant or granting agency).

4) Net Position: Unrestricted

This component of net position is reported in the proprietary fund financial statements and in the government-wide financial statements and represents the difference between assets, deferred outflows/inflows resources and liabilities that are not reported in Net Investment in Capital Assets or Net Position restricted for specific purposes.

5) Fund Balance Disclosure

In accordance with Governmental Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, an accounting distinction is made between the portions of fund equity that are spendable and non-spendable. These are broken up into five categories:

- Non-spendable – includes amounts that are not in a spendable form or are required to be maintained intact, for example Inventory, prepaids or permanent funds.
- Restricted – includes amounts that can be spent only for specific purposes either constitutionally or through enabling legislation (e.g., grants and child safety fees).
- Committed – includes amounts that can be used only for the specific purposes pursuant to constraints imposed by the City Council ordinance or resolution action, which are considered equally restrictive for the purpose of committing fund balance. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined subsequent to fiscal year-end.
- Assigned – comprises amounts intended to be used by the government for specific purposes. The City Council has delegated responsibility to assign fund balances to

**CITY OF GRAND PRAIRIE, TEXAS
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the City Manager or his designee. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds, other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

- Unassigned – the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

The City of Grand Prairie shall approve all commitments by the City Council Ordinance or Resolution formal action. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined subsequent to fiscal year-end. A commitment can only be modified or removed by the same formal action.

When it is appropriate for fund balance to be assigned, the City of Grand Prairie delegates the responsibility to assign funds to the City Manager or his/her designee. Assignments may occur subsequent to fiscal year-end.

When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

The City of Grand Prairie will utilize funds in the following spending order:

- Restricted
- Committed
- Assigned
- Unassigned

A schedule of City fund balances is provided in the following page.

CITY OF GRAND PRAIRIE, TEXAS
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	General Fund	Section 8	Street Improvements	Grant	Debt Service	Non Major Capital Projects Funds	Non Major Special Revenue Funds	Total
FUND BALANCES:								
Nonspendable:								
Pre-paids	\$ 16,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,775	\$ 47,402
Spendable:								
Restricted for:								
Section 8	-	1,846,377	-	-	-	-	-	1,846,377
Street Improvements	-	-	27,465,119	-	-	-	-	27,465,119
Grant	-	-	-	1,827,923	-	-	-	1,827,923
Debt Service	-	-	-	-	10,501,572	-	-	10,501,572
Fire Capital	-	-	-	-	-	4,727,444	-	4,727,444
Park Venue	-	-	-	-	-	-	6,381,766	6,381,766
Senior Center	-	-	-	-	-	-	5,467,540	5,467,540
Hotel Motel	-	-	-	-	-	-	1,454,407	1,454,407
Police seizure	-	-	-	-	-	-	601,176	601,176
Tax Increment Financing	-	-	-	-	-	-	12,501,732	12,501,732
Lake/Parks	-	-	-	-	-	-	2,734,631	2,734,631
Baseball stadium	-	-	-	-	-	-	2,502,650	2,502,650
Streets	-	-	-	-	-	-	3,837,096	3,837,096
Crime fund operations	-	-	-	-	-	-	7,909,311	7,909,311
Cemetery	-	-	-	-	-	-	681,684	681,684
Other purposes	-	-	-	-	-	-	1,706,763	1,706,763
Other Special Revenue	-	-	-	-	-	-	2,431,333	2,431,333
Public Improvement Districts	-	-	-	-	-	-	1,517,451	1,517,451
Total Restricted	-	1,846,377	27,465,119	1,827,923	10,501,572	4,727,444	49,727,540	96,095,975
Committed to:								
Municipal Facilities	-	-	-	-	-	2,953,333	-	2,953,333
CAP Lending	-	-	-	-	-	3,880,827	-	3,880,827
Drainage Capital	-	-	-	-	-	8,742,083	-	8,742,083
Police Capital projects	-	-	-	-	-	4,940,878	-	4,940,878
Other Capital projects	-	-	-	-	-	3,798,171	-	3,798,171
Cemetery	-	-	-	-	-	-	571,933	571,933
Economic Development	-	-	-	-	-	-	33,592	33,592
Total Committed	-	-	-	-	-	24,315,292	605,525	24,920,817
Assigned to:								
Encumbrances	167,538	-	-	-	-	-	-	167,538
Home Match Cash Fund	49,911	-	-	-	-	-	-	49,911
Employee Welfare	46,294	-	-	-	-	-	-	46,294
Library Memorials	33,439	-	-	-	-	-	-	33,439
At Risk Youths	36,091	-	-	-	-	-	-	36,091
Impact Grand Prairie	5,169	-	-	-	-	-	-	5,169
Anti Drug Program	27,987	-	-	-	-	-	-	27,987
Greg Hunter Scholarship	55,515	-	-	-	-	-	-	55,515
Police Memorials	6,984	-	-	-	-	-	-	6,984
Shattered Dreams	1,146	-	-	-	-	-	-	1,146
State Training (Police)	3,555	-	-	-	-	-	-	3,555
Animal Shelter Contributions	184,498	-	-	-	-	-	-	184,498
Parks Education Foundation	4,864	-	-	-	-	-	-	4,864
Westchester Park	12,740	-	-	-	-	-	-	12,740
Uptown Trust	95,268	-	-	-	-	-	-	95,268
First Offender Program	25,020	-	-	-	-	-	-	25,020
Kirby Creek Accessibility Garden	53,089	-	-	-	-	-	-	53,089
Take a Load Off Facility	224,646	-	-	-	-	-	-	224,646
US Marshals Service Agreement	90,552	-	-	-	-	-	-	90,552
Other projects	12,813	-	-	-	-	-	-	12,813
Total Assigned	1,137,119	-	-	-	-	-	-	1,137,119
Unassigned	22,961,626	-	-	-	-	-	-	22,961,626
Total fund balances:	\$ 24,115,372	\$ 1,846,377	\$ 27,465,119	\$ 1,827,923	\$ 10,501,572	\$ 29,042,736	\$ 50,363,840	\$ 145,162,939

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

d. Interfund Transactions

The composition of interfund balances as of September 30, 2014, is as follows:

1) Interfund Receivables/Payables

Outstanding balances between funds result mainly from the time lag between the dates that
(1) Interfund goods and services are provided or reimbursable expenditures occur,
(2) Transactions are recorded in the accounting system, and
(3) Payments between funds are made

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 200,000	\$ -
CDBG Fund	-	200,000
	<u>\$ 200,000</u>	<u>\$ 200,000</u>

The General Fund receivable represents cash provided to Other Special Revenue Funds and Internal Service Funds for temporary funding of reimbursement.

CITY OF GRAND PRAIRIE, TEXAS
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2) Interfund Transfers

The following is a summary of interfund transfers which were made for normal operations of the city:

	Transfers In			
	General Fund	Street Improvements	Debt Service	Grant Fund
<u>Transfers out:</u>				
General Fund	\$ -	\$ -	\$ -	\$ 827,130
Section 8	-	-	50,000	-
Street Improvements	-	-	-	260,748
Grant Fund	499,009	451,066	-	-
Debt Service	-	168,051	-	-
Nonmajor				
Governmental Funds	-	494,761	110,000	200,572
Water/wastewater	-	-	-	-
Nonmajor				
Enterprise Funds	-	-	-	-
Total	<u>\$ 499,009</u>	<u>\$ 1,113,878</u>	<u>\$ 160,000</u>	<u>\$ 1,288,450</u>

	Transfers In			
	Nonmajor Governmental Funds	Water Wastewater	Municipal Golf	Total
<u>Transfers out:</u>				
General Fund	\$ 13,085,810	\$ -	\$ -	\$ 13,912,940
Section 8	-	-	-	50,000
Street Improvements	-	-	-	260,748
Grant Fund	27,723	6,600	-	984,398
Debt Service	51,949	-	333,156	553,156
Nonmajor				
Governmental Funds	14,274,513	16,000	725,000	15,820,846
Water/wastewater	1,317,158	-	-	1,317,158
Nonmajor				
Enterprise Funds	<u>4,030,875</u>	<u>-</u>	<u>-</u>	<u>4,030,875</u>
Total	<u>\$ 32,788,028</u>	<u>\$ 22,600</u>	<u>\$ 1,058,156</u>	<u>\$ 36,930,121</u>

Transfers are used to (1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, (3) move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, and (4) move capital assets from one fund to another.

3) Cost Reimbursements

The cost of the City's central general and administrative services is allocated to the designated special revenue and enterprise funds. These costs are reported as interfund services provided and used rather than interfund transactions, and are treated as revenue in the General Fund and expense in the other funds. Interfund services provided and used are "arms-length" transactions between departments or funds that would be treated as revenues, expenditures or

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
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expenses if they were with an external organization. The distinguishing aspect of interfund services provided and used are that each department or fund both gives and receives consideration.

Total reimbursement for “indirect cost” to the General Fund is considered general and administrative revenue. Amounts from other funds are included in general and administrative expenses. Significant cost reimbursements made during the year were as follows:

<u>Fund</u>	<u>Amount</u>
Water and Wastewater Funds	\$ 3,300,124
Solid Waste Funds	349,689
Grant Ffund	59,144
Storm Water Funds	77,648
Airport Fund	59,237
Other Nonmajor Governmental Funds	<u>280,375</u>
Total to General Fund	<u>\$ 4,126,217</u>

4) Franchise Fees

The City’s enterprises which use the public right-of-way funds pay franchise fees to the General Fund as if they were organizations separate from the City. These fees are not taxes, but are compensation to the City for the use of the City’s water lines, sewer lines, etc. These payments, 4% of gross revenues, are reported as interfund services provided and used rather than interfund transactions, and are treated as revenue (reported as franchise fees) in the General Fund and expense in the enterprise funds. Such fees paid during the year were:

<u>Fund</u>	<u>Amount</u>
Water and Wastewater Funds	\$ 2,283,480
Solid Waste Funds	318,192
Storm Water Funds	<u>218,381</u>
Total	<u>\$ 2,820,053</u>

5) Payments in Lieu of Property Taxes

Two of the City’s enterprise funds, the Water and Wastewater Fund and Solid Waste Fund, make payments in lieu of property taxes to the Street Maintenance Fund, which is included in “Other Governmental Funds”, to provide funding for street repairs. The payments are calculated by applying the City’s property tax rate to the net book value of the enterprise funds’ fixed assets. Since the calculation methodology is not the same as that applied to similar activities in the private sector in several respects, the payments are recorded as transfers out rather than as an operating expense. Payments made during the year were as follows:

CITY OF GRAND PRAIRIE, TEXAS
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<u>Fund</u>	<u>Amount</u>
Water and Wastewater Funds	\$ 1,167,158
Solid Waste Funds	<u>82,875</u>
Total	<u>\$ 1,250,033</u>

e. Leases

On September 15, 1995, the Sports Corporation and LSJC entered into a lease agreement. On October 23, 2002, Lone Star, LSJC, and MEC Lone Star, L.P. ("MEC") entered into an asset purchase agreement whereby MEC agreed to purchase substantially all of the racing assets of Lone Star and LSJC. The Master Agreement between the Sports Corporation, Lone Star, and LSJC was terminated. Lone Star and LSJC assigned to MEC all of their rights and obligations under the lease and certain ancillary agreements with the Sports Corporation.

On March 5, 2009, Magna Entertainment Corp (MEC) the parent company of MEC Lone Star Park LP filed for bankruptcy under Chapter 11 federal bankruptcy protection. Subsequently on September 14, 2009 Lone Star filed for bankruptcy protection.

On October 23, 2009, an auction for Lone Star was conducted with Global Gaming LSP, LLC (a wholly owned subsidiary of the Chickasaw Nation) winning the auction for \$47 million. On May 13, 2011, Global Gaming obtained their license with the Texas Racing Commission. The sale was completed on May 16, 2011. Under the terms of the purchase agreement Global Gaming has agreed to assume the lease agreement between Lone Star and the Corporation.

The agreement states that upon completion of the project, Global Gaming will lease the facility for a period of 30 years. The lease became effective April 1997 and meets the requirements for accounting as a direct financing lease.

CITY OF GRAND PRAIRIE, TEXAS
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The future base rent payments under the lease are as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 1,597,200
2016	1,597,200
2017	1,716,990
2018	1,756,920
2019	1,756,920
Thereafter	<u>14,324,751</u>
	22,749,981
Less interest	<u>8,638,197</u>
Net present value	14,111,784
Less current portion	<u>500,656</u>
Non-current portion	<u>\$ 13,611,128</u>

Additional contingent rentals are due monthly based upon 1% of gross revenues from the operation of the track for each month plus an amount equal to the cumulative net retainage from the live races and the simulcast races multiplied by the following percentage:

<u>Cumulative Net Retainages</u>	<u>Percentage</u>
\$0 to less than \$20 million	1%
\$20 million to less than \$40 million	3%
\$40 million to less than \$60 million	5%
\$60 million or more	7%

The lease has been accounted for as a capital lease. However, only the base rent payments are determinable and are included in the lease payments receivable at the net present value of future rent payments. The remaining portion of the Facility is recorded as estimated unguaranteed residual value of the lease. Its fair value is estimated to be approximately equal to the differences between the original cost plus capitalized improvements of the Facility, net of what accumulated depreciation would be, and the fixed lease payments receivable. Therefore, this amount is being amortized over the life of the lease (30 years). Amortization for the year ended September 30, 2014 was \$3,676,692. Additional contingent rentals are recorded as revenue when received.

The capital lease is being amortized using the interest method over the 30-year life of the lease. The Corporation has recorded lease rental and interest for the year ended September 30, 2014 as follows:

Nominal interest on the lease	\$ 1,599,599
Amortization of the lease	<u>(462,759)</u>
Net interest	1,136,840
Contingent rentals received (includes rent for simulcast facility prior to completion of project)	<u>225,514</u>
Total lease rental and interest	<u>\$ 1,362,354</u>

4. CONTRACTS, COMMITMENTS AND CONTINGENT LIABILITIES

a. Federal Grants

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

b. Litigation

The City and Sports Corporation are contingently liable in respect of lawsuits and claims in the ordinary course of operations which, in the opinion of management, will not have material adverse effect on the combined financial statements.

c. Water Intake Facility Contract

The City entered into a contract with the Trinity River Authority ("TRA") whereby TRA agreed to sell revenue bonds, and, to construct and operate water treatment, transmission and storage facilities necessary to supply treated water to several area cities. The City has also agreed contractually to pay TRA annually an amount sufficient to pay its pro rata share of the operation and maintenance expenses of the facilities and related debt service of its bonds. The project is not treated as a joint venture by the City since the project is managed and unilaterally controlled by TRA, the City has no equity interest in the project, and the City is not obligated for the repayment of TRA bonds.

d. Water Purchase Contracts

According to the terms of a take-or-pay contract between the City and TRA, the City is entitled to 10.56% of the raw water yield of Lake Joe Pool which yields 15.1 million gallons of water a day. The City is paying for its prorated share of the project over a 50-year amortization period, 10 years from the date the reservoir gates were closed in January 1986. It is estimated that the City's total liability will be approximately \$7,032,000.

A contract with the City of Fort Worth, effective until the year 2031, permits the City to purchase up to 2.5 million gallons of treated water daily.

The City has a 30-year contract with the City of Dallas, which expires in 2042, for the purchase of water. Grand Prairie currently takes up to 33.8 million gallons a day, and pays a fixed demand charge plus a volume charge. The demand charge is based on current maximum demand or the highest demand established during the five preceding years whichever is greater. Thus, even if the City were to stop purchasing water from Dallas, its obligation to pay the demand charge (\$223,308 per million gallons per day) would extend for five years. The maximum may be increased in future years as needed. Grand Prairie has two intake points for

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

City of Dallas water with a contractual right obligating the City of Dallas to meet Grand Prairie's needs. Existing pipelines will provide up to 55 million gallons per day.

e. Wastewater Treatment Contract

The City has a 50 year contract with TRA, which will expire in 2023, for wastewater treatment. The City is billed for its prorated share of total wastewater costs, which was 11.30% during fiscal year 2014. The City must pay its prorated share of the debt service related to wastewater treatment facilities until the debt matures whether it contributes to flow or not.

f. Master and Other Agreements

The City and Texas NextStage, LP ("NextStage") entered into agreements (Development Agreement, Lease Agreements and other ancillary agreements) on January 10, 2001, to design, develop and construct a performance hall (the "Performance Hall"). Construction of the Performance Hall began in July 2000 and was completed in February 2001. Under the agreements, the City purchased the Performance Hall from NextStage for \$15 million with the proceeds from the \$17.9 million TIF tax and tax increment certificate of obligation bond issue in fiscal year 2001. NextStage initially leased the Performance Hall from the City under a 21-year lease. Effective September 18, 2002, Anschutz Texas, L. P. assumed the lease obligations of NextStage and became lessee and operator of the Performance Hall. The lease between the City and Anschutz Texas, L. P. expires January 23, 2023. Monthly lease payments from the lessee of the Performance Hall are used to pay debt service on bonds issued by the City for the purchase of the Performance Hall.

Baseball Stadium Agreements - The Citizens of Grand Prairie approved a 1/8 cent sales tax to build a minor league professional baseball stadium. The City of Grand Prairie (City) and Grand Prairie Professional Baseball, LP (GPPB) entered into an agreement on June 26, 2007 to develop, construct and operate a minor league professional baseball stadium. This was accomplished through the use of development, lease and sublease agreements. Construction began in July, 2007 and was completed in May of 2008. On April 1, 2011 Grand Prairie Baseball Club L.L.C. (GPBC) assumed the amended lease.

Stadium Sublease - From the effective date of the amended lease agreement through March 31, 2016, GPBC shall pay to the City a base rent of \$8,333 each month. If gross revenues for a lease year exceed \$2 million, GPBC shall pay an additional base rent of \$50,000. If gross revenues for a lease year exceed \$2.5 million, GPBC shall pay an additional base rent of \$100,000. From April 1, 2016 through the expiration or termination of this Sublease, GPBC shall pay to the City a base rent of \$16,667 each month.

Ground Lease - The City entered into a lease agreement with the Sports Corporation for the land on which the stadium was built. The lease runs through June 25, 2036 with an annual base rent of \$50,000.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

Stadium Sublease-GPPB and the City entered into a sublease agreement for GPPB to operate the baseball stadium facility. GPPB pays monthly rent of \$16,667 of which one-fourth is for lease of land and three-fourths is for lease of improvements. Additional rent is paid annually and due March 31 of each year. The following schedule determines the additional rent level: 0% of adjusted net income between \$0-\$399,999; 25% of adjusted net income between \$400,000-800,000 and 50% of adjusted net income over \$800,000. This lease agreement expires the earlier of May 15, 2028 or termination of underlying lease.

On March 15, 2011, City Council unanimously approved the assignment and transfer for the lease of the baseball stadium from GPPB to ISB, Inc.

g. Construction Commitments

The City has several approved outstanding major capital projects as of September 30, 2014. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$52,470,386. Funding for these contracts will be received through various capital projects funds and enterprise funds.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

5. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains five enterprise funds for water and wastewater, golf, solid waste, airport and storm water utility activities. Segment information for the non-major enterprise fund with outstanding revenue-backed certificates of obligation debt is as follows:

	<u>Municipal Airport</u>
<u>Condensed statement of net position:</u>	
Current assets	\$ 2,317,187
Capital assets	<u>12,717,177</u>
Total assets	<u>15,034,364</u>
Current liabilities	559,086
Long-term liabilities	<u>1,459,851</u>
Total liabilities	<u>2,018,937</u>
Net position: Net investment in capital assets	11,142,177
Net position: Unrestricted	<u>1,873,250</u>
Total net position	<u>\$ 13,015,427</u>
<u>Condensed statement of revenues, expenses and changes in net position:</u>	
Sales to customers	\$ 1,641,337
Intergovernmental revenue	42,697
Miscellaneous	<u>1,336,784</u>
Total operating revenues	<u>3,020,818</u>
Depreciation	1,224,131
Other operating expenses	<u>2,179,448</u>
Total operating expenses	<u>3,403,579</u>
Loss on property disposition	(1,686)
Interest expense	<u>(78,391)</u>
Total nonoperating revenues (expenses)	<u>(80,077)</u>
Loss before transfers	(462,838)
Capital contributions	1,061,973
Transfers out	<u>(48,000)</u>
Change in net position	551,135
Net position at the beginning of the year as previously stated	10,210,010
Prior period adjustment	2,254,282
Restated Net position-beginning of year	<u>12,464,292</u>
Net position at the end of the year	<u>\$ 13,015,427</u>
<u>Condensed statement of cash flows:</u>	
Net cash provided (used) by:	
Operating activities	\$ 968,031
Noncapital financing activities	(48,000)
Capital and related financing activities	(948,146)
Investing activities	(4)
Beginning cash and cash equivalent balances	<u>432,684</u>
Ending cash and cash equivalent balances	<u>\$ 404,565</u>

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

6. SUBSEQUENT EVENTS

On November 4, 2014 the City Council issued:

- \$26,125,000 in Combination Tax and Revenue Certificates, Series 2014. The proceeds are to be used to fund public safety, library, street, and other City structure improvements.
- \$8,475,695 in Prairie Lakes Golf Course and TIRZ #2 debt cash defeasance. The funds are to be used to facilitate a cash defeasance of a portion of certain obligations.

The City has evaluated all other events or transactions that occurred after September 30, 2014 up through February 27, 2015 the date the financial statements were available to be issued.

7. SPECIAL ITEMS

In October 2013, the City's Public Works Department discovered that a water line was unplugged without the City's knowledge. As a result, it is estimated that the City has been using water of a neighboring city. In 2014, the City reached a settlement with the neighboring city by paying \$3,013,446. This transaction was significant and infrequent in occurrence.

8. PRIOR PERIOD ADJUSTMENTS

The Texas Department of Transportation acts as an agent on behalf of the City on Airport Improvement Program funded projects. As a result of prior year capital asset purchases by the Texas Department of Transportation not being captured infrastructure was understated as of September 30, 2006 and thereafter. The correction of these errors resulted in a \$2,254,282 increase in beginning Municipal Airport Fund's net position. The Municipal Airport Fund's net position has been restated as follows:

Net position , October 1, 2013 , as previously presented	\$ 10,210,010
Prior period adjustment	<u>2,254,282</u>
Net position, October 1, 2013, as restated	<u>\$ 12,464,292</u>

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

9. RECLASSIFICATION OF BEGINNING FUND BALANCE

In 2014, the Red Light Safety Fund is reported as a separate special revenue fund. The Red Light Safety Fund had previously been presented in combination with Other Special Revenue Funds. These reclassifications affected beginning fund balance balances in the fund financial statements as follows:

	Red Light Safety	Other Special Revenue Funds
Fund balances , October 1, 2013 , as previously presented	\$ -	\$ 2,549,530
Adjustment of Red Light Safety Fund presentation	78,157	(78,157)
Fund balances, October 1, 2013, as restated	<u>\$ 78,157</u>	<u>\$ 2,471,373</u>

In 2014, the Police Capital Projects Fund is reported as a separate capital projects fund. The Police Capital Projects Fund had previously been presented in combination with Other Capital Projects Funds. These reclassifications affected beginning fund balance balances in the fund financial statements as follows:

	Police Capital Projects	Other Capital Projects Funds
Fund balances , October 1, 2013 , as previously presented	\$ -	\$ 8,890,194
Adjustment of Police Capital Projects Fund presentation	2,302,059	(2,302,059)
Fund balances, October 1, 2013, as restated	<u>\$ 2,302,059</u>	<u>\$ 6,588,135</u>

REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property tax	\$ 44,943,599	\$ 44,943,599	\$ 45,315,907	\$ 372,308
Sales tax	25,298,087	25,298,087	25,162,422	(135,665)
Other taxes	203,770	203,770	192,234	(11,536)
Franchise fees	12,922,947	12,922,947	13,315,452	392,505
Charges for goods and services	4,864,087	4,864,087	5,355,348	491,261
Licenses and permits	2,272,999	2,272,999	2,909,002	636,003
Fines and forfeitures	6,468,000	6,468,000	7,312,495	844,495
Intergovernmental revenue	726,909	851,909	1,214,804	362,895
General and administrative	4,119,337	4,119,337	4,126,217	6,880
Investment income	803,439	803,439	628,887	(174,552)
Rents and royalties	300,000	300,000	134,125	(165,875)
Contributions	7,200	7,200	122,123	114,923
Other	395,408	395,408	431,137	35,729
Total revenues	<u>103,325,782</u>	<u>103,450,782</u>	<u>106,220,153</u>	<u>2,769,371</u>
EXPENDITURES				
Current:				
Support services	15,700,518	15,786,211	14,690,989	1,095,222
Public safety services	65,920,507	67,894,618	68,546,747	(652,129)
Recreation and leisure services	1,882,944	1,910,869	1,931,941	(21,072)
Development and other services	12,223,664	12,271,013	12,102,510	168,503
Capital outlay	<u>854,400</u>	<u>945,150</u>	<u>848,634</u>	<u>96,516</u>
Total expenditures	<u>96,582,033</u>	<u>98,807,861</u>	<u>98,120,821</u>	<u>687,040</u>
Excess of revenues over expenditures	<u>6,743,749</u>	<u>4,642,921</u>	<u>8,099,332</u>	<u>3,456,411</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	499,009	499,009
Transfers out	(15,713,365)	(13,870,270)	(13,912,940)	(42,670)
Proceeds from sale of capital assets	565,000	565,000	613,163	48,163
Total other financing sources (uses)	<u>(15,148,365)</u>	<u>(13,305,270)</u>	<u>(12,800,768)</u>	<u>504,502</u>
Net change in fund balances	(8,404,616)	(8,662,349)	(4,701,436)	3,960,913
Fund balances - beginning of year	<u>28,816,808</u>	<u>28,816,808</u>	<u>28,816,808</u>	-
Fund balances - end of year	<u>\$ 20,412,192</u>	<u>\$ 20,154,459</u>	<u>\$ 24,115,372</u>	<u>\$ 3,960,913</u>

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – SECTION 8 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for goods and service	\$ 83,229	\$ 91,831	\$ 92,990	\$ 1,159
Licenses and permits	198,433	49,411	45,333	(4,078)
Intergovernmental revenue	23,847,493	23,996,338	24,021,858	25,520
Investment income	4,000	-	-	-
Contributions	22,500	16,130	16,130	-
Other	64,992	88,307	91,098	2,791
Total revenues	<u>24,220,647</u>	<u>24,242,017</u>	<u>24,267,409</u>	<u>25,392</u>
EXPENDITURES				
Current operations:				
Development services and other	24,149,019	25,798,420	25,716,468	81,952
Capital outlay	427,500	-	-	-
Total expenditures	<u>24,576,519</u>	<u>25,798,420</u>	<u>25,716,468</u>	<u>81,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(355,872)</u>	<u>(1,556,403)</u>	<u>(1,449,059)</u>	<u>107,344</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	412,500	13,247	-	(13,247)
Transfers out	(50,000)	(60,999)	(50,000)	10,999
Total other financing sources (uses)	<u>362,500</u>	<u>(47,752)</u>	<u>(50,000)</u>	<u>(2,248)</u>
Net change in fund balances	6,628	(1,604,155)	(1,499,059)	105,096
Fund balances - beginning of year	<u>3,345,436</u>	<u>3,345,436</u>	<u>3,345,436</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,352,064</u>	<u>\$ 1,741,281</u>	<u>\$ 1,846,377</u>	<u>\$ 105,096</u>

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS**

Fiscal Year	Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Percentage Funded (1)/(2)	(4) Unfunded Actuarial Liability (UAL) (2) - (1)	(5) Covered Payroll	(6) Unfunded Actuarial Accrued Liability (UAAL) as a Percentage of Covered Payroll (4)/(5)
2005	12/31/2004	152,470,087	187,718,712	81.2%	35,248,625	52,997,624	66.5%
2006	12/31/2005	157,030,678	194,053,949	80.9%	37,023,271	53,849,572	68.8%
2007	12/31/2006	167,101,197	208,328,802	80.2%	41,227,605	56,817,617	72.6%
2008	12/31/2007	174,692,032	252,870,914	69.1%	78,178,882	61,880,950	126.3%
2009	12/31/2008	184,115,536	270,661,623	68.0%	86,546,087	67,018,137	129.1%
2010	12/31/2009	195,807,917	283,654,428	69.0%	87,846,511	66,030,734	133.0%
2011	12/31/2010	299,459,271	365,426,666	81.9%	65,967,395	65,426,278	100.8%
2012	12/31/2011	323,972,818	385,345,197	84.1%	61,372,379	64,693,060	94.9%
2013	12/31/2012	349,460,132	405,074,405	86.3%	55,614,273	66,435,664	83.7%
2014	12/31/2013	376,082,419	450,523,220	83.5%	74,440,801	68,769,035	108.2%

Ten year historical trend information designed to provide information about the fund's progress made in accumulating sufficient assets to pay benefits when due is available for plan years 2005 through 2014. This information can be referred to in separately issued financial reports of the pension fund.

**CITY OF GRAND PRAIRIE, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 OTHER POST EMPLOYMENT BENEFITS
 SCHEDULE OF FUNDING PROGRESS**

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Unit Credit Method	Unfunded Actuarial Liability (UAL)	Funded Percent	Covered Payroll	UAL as a % of Payroll
2010	12/31/2009	-	\$ 25,220,971	\$ 25,220,971	0%	\$ 61,083,237	41.29%
2011	9/30/2010	-	28,244,542	28,244,542	0%	61,281,663	46.09%
2012	9/30/2012	-	29,395,343	29,395,343	0%	62,017,533	47.40%
2013	9/30/2013	-	32,048,413	32,048,413	0%	63,065,199	50.82%
2014	9/30/2014	-	33,019,361	33,019,361	0%	67,055,488	49.24%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



**CITY OF GRAND PRAIRIE, TEXAS
MAJOR FUND OTHER SCHEDULES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Property tax	\$ 17,152,844	\$ 17,152,844	\$ 17,299,904	\$ 147,060
Investment income	300	300	189	(111)
Total revenues	17,153,144	17,153,144	17,300,093	146,949
EXPENDITURES				
Debt service:				
Principal retirement	10,001,848	10,001,848	10,001,848	-
Interest	6,293,856	6,293,856	5,941,106	352,750
Total expenditures	16,295,704	16,295,704	15,942,954	352,750
Excess (deficiency) of revenue over (under) expenditures	857,440	857,440	1,357,139	499,699
OTHER FINANCING SOURCES (USES)				
Transfers in	160,000	160,000	160,000	-
Transfers out	(333,156)	(333,156)	(553,156)	(220,000)
Premium on debt issued	-	-	486,234	486,234
Total other financing sources (uses)	(173,156)	(173,156)	93,078	266,234
Net change in fund balances	684,284	684,284	1,450,217	765,933
Fund balances - beginning of year	9,051,355	9,051,355	9,051,355	-
Fund balances - end of the year	<u>\$ 9,735,639</u>	<u>\$ 9,735,639</u>	<u>\$ 10,501,572</u>	<u>\$ 765,933</u>



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CITY OF GRAND PRAIRIE, TEXAS COMBINING FINANCIAL STATEMENTS NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used by the City to account for revenues derived from specific taxes, fees, donations, and grants which are restricted or committed to expenditures for specific purposes other than for debt service or capital projects.

- ◆ Other Special Revenue Funds – account for operations of various small funds and includes, Commercial Vehicle, Theater , Truancy Prevention Diversion and Economic Development.
- ◆ Park Venue Fund – accounts for the operation and construction of the City's park system. Approved by the Grand Prairie voters, an one-quarter cent sales and use tax was levied for the benefit of the Park Venue Fund.
- ◆ Senior Center Sales Tax – accounts for the operation of the Active Adult Center. Approved by the Grand Prairie voters, a one-eighth cent sales and use tax was levied for the benefit of the Senior Center Sales Tax Fund.
- ◆ Hotel/Motel Tax Fund – accounts for the receipts and allocation of the City's 7% hotel-motel tax revenue in accordance with the requirements of state law.
- ◆ Police Seizure Fund – accounts for police seizure assets for pending court cases and for money awarded to the City by county courts from assets seized by the Grand Prairie Police Department.
- ◆ Municipal Court Fund – accounts for fees collected to maintain security for municipal court buildings, judicial efficiency, and municipal court technology.
- ◆ Cable Operations Fund – accounts for the revenue collected through the cable company for government access programming. Expenditures in this special revenue fund are committed for the operations and improvements to the City's cable channel.
- ◆ Red Light Safety Fund – accounts for the red light camera operations. The purpose of the fund is to improve major street intersection safety.
- ◆ Tax Increment Financing Districts (TIF) Fund – accounts for the activity of the City's three TIFs. Revenues collected are primarily inter-local property tax increment funding.
- ◆ Lake Parks – accounts for the activity of the 4 major parks surrounding Joe Pool Lake. All funds received are restricted for the operation of these parks by the lease agreement with U. S. Corps of Engineers
- ◆ Baseball Stadium Fund – accounts for the operation of City's baseball stadium. Approved by the Grand Prairie voters, an one-eighth cent sales and use tax was levied for the benefit of the Baseball stadium.
- ◆ Street Sales Tax Fund – accounts for the quarter cent sales tax to maintain existing streets and alleys that was effective April 1, 2002.
- ◆ Crime Tax Sales Tax Fund – accounts for the Crime Tax Sales Tax revenue collected by the City. Approved by the Grand Prairie voters, an one-quarter cent sales and use tax.
- ◆ Cemetery Fund – accounts for the Memorial Gardens operations and related revenues received by the City.
- ◆ Community Development Block Grant (CDBG) Fund – accounts for the CDBG revenue received by the City from US Department of Housing and Urban Development .
- ◆ Public Improvement Districts (PID) Fund – accounts for the activity of the City's sixteen PIDs.
- ◆ Juvenile Case Manager Fund – accounts for the collection of Juvenile Case Manager Fee paid by defendants and the salary and benefits of a juvenile case manager employed under Article 45.056 Texas Code of Criminal Procedure.

Capital Projects Funds

Capital Projects Funds are used to account for capital improvements which are financed by the city's general obligation bond or certificate obligation bond issues and other restricted, and committed resources for capital projects.

- ◆ Senior Center Fund – accounts for the construction/improvement and other expenditures related to the Active Adult Center for the citizens of Grand Prairie.
- ◆ Fire Capital Fund – accounts for the construction/improvement of fire related facilities and capital purchase of fire related equipment for the safety of the citizens and businesses in the City.
- ◆ Municipal Facilities Fund (MFAC) – accounts for the construction and capital improvements of the City's facilities.
- ◆ Capital Lending Reserve Fund – established for financing one-time, non-recurring capital projects.
- ◆ Drainage Fund – accounts for the construction/improvements and other expenditures related to City's drainage system.
- ◆ Police Capital Project Fund – accounts for the construction/improvements and other expenditures related to City's Police Capital Projects
- ◆ Other Capital Projects Funds – accounts for the activities of other capital projects including Crime Tax CIP fund, Capital Reserve Fund, Street Projects Fund, Equipment Acquisition Fund, and Certificates of Obligation Fund.

**CITY OF GRAND PRAIRIE, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2014**

	Special Revenue Funds			
	Other Special Revenue Funds	Park Venue	Senior Center Sales Tax	Hotel Motel Tax
ASSETS				
Cash and cash equivalents	\$ 641,122	\$ 3,497,112	\$ 153,780	\$ 684,434
Investments	1,823,855	3,023,344	4,750,000	680,000
Sales tax receivable	-	1,128,504	564,252	-
Franchise fees receivable	-	-	-	-
Other receivables	-	21,295	-	133,661
Due from other governments	-	-	-	-
Inventory	-	18,521	-	-
Prepaid items	-	-	-	-
Total assets	2,464,977	7,688,776	5,468,032	1,498,095
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	52	788,431	492	35,119
Accrued liabilities	-	281,706	-	8,569
Due to funds	-	-	-	-
Customer deposits	-	45,215	-	-
Unearned revenue	-	173,137	-	-
Total liabilities	52	1,288,489	492	43,688
FUND BALANCES				
Nonspendable	-	18,521	-	-
Restricted	2,431,333	6,381,766	5,467,540	1,454,407
Committed	33,592	-	-	-
Total fund balances	2,464,925	6,400,287	5,467,540	1,454,407
Total liabilities and fund balances	\$ 2,464,977	\$ 7,688,776	\$ 5,468,032	\$ 1,498,095

Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Tax Increment Financing Districts	Lake Parks
\$ 636,140	\$ 353,498	\$ 205,785	\$ 117,524	\$ 4,801,732	\$ 1,019,595
-	70,000	300,000	600,000	7,700,000	1,922,298
-	-	-	-	-	-
-	-	80,991	-	-	-
-	-	-	199,743	-	-
-	-	-	-	-	-
-	-	-	-	-	5,054
-	-	-	-	-	7,200
<u>636,140</u>	<u>423,498</u>	<u>586,776</u>	<u>917,267</u>	<u>12,501,732</u>	<u>2,954,147</u>
9,071	3,265	2,823	109,833	-	147,102
25,893	2,221	2,204	435,243	-	42,160
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	18,000
<u>34,964</u>	<u>5,486</u>	<u>5,027</u>	<u>545,076</u>	<u>-</u>	<u>207,262</u>
-	-	-	-	-	12,254
601,176	418,012	581,749	372,191	12,501,732	2,734,631
-	-	-	-	-	-
<u>601,176</u>	<u>418,012</u>	<u>581,749</u>	<u>372,191</u>	<u>12,501,732</u>	<u>2,746,885</u>
<u>\$ 636,140</u>	<u>\$ 423,498</u>	<u>\$ 586,776</u>	<u>\$ 917,267</u>	<u>\$ 12,501,732</u>	<u>\$ 2,954,147</u>

(continued)

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	Special Revenue Funds			
	Baseball Stadium	Street Sales Tax	Crime Sales Tax	Cemetery
ASSETS				
Cash and cash equivalents	\$ 140,545	\$ 1,728,667	\$ 128,460	\$ 1,506,257
Investments	1,800,000	1,950,000	6,700,000	500,000
Sales tax receivable	564,252	1,128,504	1,108,474	-
Franchise fees receivable	-	-	-	-
Other receivables	-	-	-	251,088
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Prepaid expenditures	-	-	-	-
Total assets	2,504,797	4,807,171	7,936,934	2,257,345
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	2,147	970,075	9,278	14,606
Accrued liabilities	-	-	18,345	8,288
Due to funds	-	-	-	-
Customer deposits	-	-	-	-
Unearned revenue	-	-	-	980,834
Total liabilities	2,147	970,075	27,623	1,003,728
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	2,502,650	3,837,096	7,909,311	681,684
Committed	-	-	-	571,933
Total fund balances	2,502,650	3,837,096	7,909,311	1,253,617
Total liabilities and fund balances	\$ 2,504,797	\$ 4,807,171	\$ 7,936,934	\$ 2,257,345

CDBG	PID	Juvenile Case Manager	Total Special Revenue Funds
\$ 137,469	\$ 1,673,256	\$ 340,050	\$ 17,765,426
-	-	-	31,819,497
-	-	-	4,493,986
-	-	-	80,991
-	2,619	-	608,406
261,103	-	-	261,103
-	-	-	23,575
-	-	-	7,200
<u>398,572</u>	<u>1,675,875</u>	<u>340,050</u>	<u>55,060,184</u>
56,319	108,783	1,800	2,259,196
10,964	47,841	3,439	886,873
200,000	-	-	200,000
-	-	-	45,215
<u>131,289</u>	<u>1,800</u>	<u>-</u>	<u>1,305,060</u>
<u>398,572</u>	<u>158,424</u>	<u>5,239</u>	<u>4,696,344</u>
-	-	-	30,775
-	1,517,451	334,811	49,727,540
-	-	-	605,525
<u>-</u>	<u>1,517,451</u>	<u>334,811</u>	<u>50,363,840</u>
<u>\$ 398,572</u>	<u>\$ 1,675,875</u>	<u>\$ 340,050</u>	<u>\$ 55,060,184</u>

(continued)

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	Capital Projects Funds			
	Senior Center	Fire Capital	Municipal Facilities MFAC	Capital Lending Reserve
ASSETS				
Cash and cash equivalents	\$ 14,485	\$ 145,823	\$ 309,513	\$ 110,881
Investments	50,000	4,958,927	2,800,000	4,200,000
Sales tax receivable	-	-	-	-
Franchise tax receivable	-	-	-	-
Other receivables	-	-	-	198,902
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Prepaid expenditures	-	-	-	-
Total assets	64,485	5,104,750	3,109,513	4,509,783
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	-	218,174	139,599	172,709
Accrued liabilities	-	159,132	16,581	-
Due to funds	-	-	-	-
Customer deposits	-	-	-	-
Unearned revenue	-	-	-	456,247
Total liabilities	-	377,306	156,180	628,956
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	4,727,444	-	-
Committed	64,485	-	2,953,333	3,880,827
Total fund balances	64,485	4,727,444	2,953,333	3,880,827
Total liabilities, fund balances	\$ 64,485	\$ 5,104,750	\$ 3,109,513	\$ 4,509,783

Drainage	Police Capital Projects	Other Capital Projects Funds	Total Capital Projects Funds	Total Non-major Governmental Funds
\$ 217,687	\$ 5,044,486	\$ 443,262	\$ 6,286,137	\$ 24,051,563
8,671,184	-	3,310,381	23,990,492	55,809,989
-	-	-	-	4,493,986
-	-	-	-	80,991
-	-	8,072	206,974	815,380
-	-	-	-	261,103
-	-	-	-	23,575
-	-	-	-	7,200
8,888,871	5,044,486	3,761,715	30,483,603	85,543,787
90,451	103,608	26,208	750,749	3,009,945
56,337	-	1,821	233,871	1,120,744
-	-	-	-	200,000
-	-	-	-	45,215
-	-	-	456,247	1,761,307
146,788	103,608	28,029	1,440,867	6,137,211
-	-	-	-	30,775
-	-	-	4,727,444	54,454,984
8,742,083	4,940,878	3,733,686	24,315,292	24,920,817
8,742,083	4,940,878	3,733,686	29,042,736	79,406,576
\$ 8,888,871	\$ 5,044,486	\$ 3,761,715	\$ 30,483,603	\$ 85,543,787

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Special Revenue Funds			
	Other Special Revenue Funds	Park Venue	Senior Center Sales Tax	Hotel Motel Tax
REVENUES				
Property tax	\$ -	\$ -	\$ -	\$ -
Sales tax	-	6,391,068	3,195,531	-
Other taxes	-	-	-	1,357,938
Charges for goods and service	-	2,871,721	-	10,223
Licenses and permits	-	-	-	-
Fines and forfeitures	107,196	-	-	-
Intergovernment	-	-	-	-
Rents and royalties	1,033,749	632,664	-	-
Investment income	-	-	-	-
Contributions	-	164,760	-	14,399
Other	-	3,133	-	3,337
Total revenues	<u>1,140,945</u>	<u>10,063,346</u>	<u>3,195,531</u>	<u>1,385,897</u>
EXPENDITURES				
Current operations:				
Support services	-	-	-	-
Public safety services	48,848	-	-	-
Recreation and leisure services	-	11,595,071	-	1,064,854
Development services	16,819	-	-	-
Capital outlay	95,848	4,376,241	86,596	27,525
Debt service:				
Principal retirement	940,000	1,415,000	870,000	-
Interest charges	59,951	774,384	117,248	-
Total expenditures	<u>1,161,466</u>	<u>18,160,696</u>	<u>1,073,844</u>	<u>1,092,379</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,521)</u>	<u>(8,097,350)</u>	<u>2,121,687</u>	<u>293,518</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	19,645	5,375,623	-	-
Transfers out	(5,572)	(880,809)	-	(241,500)
Bonds issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>14,073</u>	<u>4,494,814</u>	<u>-</u>	<u>(241,500)</u>
Net change in fund balances	<u>(6,448)</u>	<u>(3,602,536)</u>	<u>2,121,687</u>	<u>52,018</u>
Fund balances - beginning of year	<u>2,471,373</u>	<u>10,002,823</u>	<u>3,345,853</u>	<u>1,402,389</u>
Fund balances - end of year	<u>\$ 2,464,925</u>	<u>\$ 6,400,287</u>	<u>\$ 5,467,540</u>	<u>\$ 1,454,407</u>

Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Tax Increment Financing Districts	Lake Parks
\$ -	\$ -	\$ -	\$ -	\$ 13,935,577	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,326,838
-	-	-	-	-	173,711
-	325,592	-	2,512,480	-	-
121,783	-	-	-	-	-
-	-	-	-	-	1,005,278
1,580	-	-	-	-	-
-	-	-	-	-	108,229
15,774	-	316,858	-	-	41,914
139,137	325,592	316,858	2,512,480	13,935,577	3,655,970
-	-	268,522	-	2,433,798	-
329,216	228,748	-	2,218,446	-	-
-	-	-	-	-	3,168,854
-	-	-	-	-	-
15,000	35,280	-	-	-	947,242
-	-	-	-	3,259,000	-
-	-	-	-	712,183	-
344,216	264,028	268,522	2,218,446	6,404,981	4,116,096
(205,079)	61,564	48,336	294,034	7,530,596	(460,126)
-	-	-	-	-	159,000
(19,645)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(19,645)	-	-	-	-	159,000
(224,724)	61,564	48,336	294,034	7,530,596	(301,126)
825,900	356,448	533,413	78,157	4,971,136	3,048,011
\$ 601,176	\$ 418,012	\$ 581,749	\$ 372,191	\$ 12,501,732	\$ 2,746,885

(continued)

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Special Revenue Funds			
	Baseball Stadium	Street Sales Tax	Crime Sales Tax	Cemetery
REVENUES				
Property tax	\$ -	\$ -	\$ -	\$ -
Sales tax	3,195,531	6,391,060	6,350,584	-
Other taxes	-	-	-	-
Charges for goods and service	-	2,853	-	870,267
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernment	-	-	-	-
Rents and royalties	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	2,200
Total revenues	<u>3,195,531</u>	<u>6,393,913</u>	<u>6,350,584</u>	<u>872,467</u>
EXPENDITURES				
Current operations:				
Support services	-	-	-	-
Public safety services	-	-	205,195	-
Recreation and leisure services	30,538	-	-	581,409
Development services	-	6,912,039	-	-
Capital outlay	195,825	-	-	222,985
Debt service:				
Principal retirement	1,755,000	-	2,890,000	-
Interest charges	55,827	-	499,103	-
Total expenditures	<u>2,037,190</u>	<u>6,912,039</u>	<u>3,594,298</u>	<u>804,394</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,158,341</u>	<u>(518,126)</u>	<u>2,756,286</u>	<u>68,073</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	1,450,033	-	-
Transfers out	-	-	-	(110,000)
Bonds issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>1,450,033</u>	<u>-</u>	<u>(110,000)</u>
Net change in fund balances	1,158,341	931,907	2,756,286	(41,927)
Fund balances - beginning of year	<u>1,344,309</u>	<u>2,905,189</u>	<u>5,153,025</u>	<u>1,295,544</u>
Fund balances - end of year	<u>\$ 2,502,650</u>	<u>\$ 3,837,096</u>	<u>\$ 7,909,311</u>	<u>\$ 1,253,617</u>

CDBG	PID	Juvenile Case Manager	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ 13,935,577
-	-	-	25,523,774
-	-	-	1,357,938
-	2,551,519	-	8,633,421
-	-	-	173,711
-	-	216,060	3,161,328
2,192,781	-	-	2,314,564
-	-	-	2,671,691
-	31	-	1,611
-	3,997	-	291,385
-	10,090	-	393,306
<u>2,192,781</u>	<u>2,565,637</u>	<u>216,060</u>	<u>58,458,306</u>
-	-	-	2,702,320
-	-	190,022	3,220,475
-	-	-	16,440,726
2,192,781	1,853,161	-	10,974,800
-	439,683	-	6,442,225
-	275,000	-	11,404,000
-	61,585	-	2,280,281
<u>2,192,781</u>	<u>2,629,429</u>	<u>190,022</u>	<u>53,464,827</u>
-	(63,792)	26,038	4,993,479
-	171,309	-	7,175,610
-	(16,000)	-	(1,273,526)
-	-	-	-
-	-	-	-
-	155,309	-	5,902,084
-	91,517	26,038	10,895,563
-	1,425,934	308,773	39,468,277
<u>\$ -</u>	<u>\$ 1,517,451</u>	<u>\$ 334,811</u>	<u>\$ 50,363,840</u>

(continued)

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Capital Project Funds			
	Senior Center	Fire Capital	Municipal Facilities MFAC	Capital Lending Reserve
REVENUES				
Property tax	\$ -	\$ -	\$ -	\$ -
Sales tax	-	-	-	-
Other taxes	-	-	-	-
Charges for goods and service	-	-	-	-
Licenses and permits	-	4,299	-	24,013
Fines and forfeitures	-	-	-	-
Intergovernment	-	-	-	-
Rents and royalties	-	-	-	960,779
Investment income	-	-	-	-
Contributions	-	2,500,000	-	-
Other	-	-	-	101,573
Total revenues	<u>-</u>	<u>2,504,299</u>	<u>-</u>	<u>1,086,365</u>
EXPENDITURES				
Current operations:				
Support services	-	-	-	-
Public safety services	-	331,391	-	-
Recreation and leisure services	9,135	-	-	-
Development services	-	-	372,278	-
Capital outlay	-	5,321,678	871,467	422,834
Debt service:				
Principal retirement	-	-	-	-
Interest charges	-	24,938	20,880	-
Total expenditures	<u>9,135</u>	<u>5,678,007</u>	<u>1,264,625</u>	<u>422,834</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,135)</u>	<u>(3,173,708)</u>	<u>(1,264,625)</u>	<u>663,531</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	28,267	589,223	848,362
Transfers out	-	-	(25,500)	(6,500,000)
Bonds issued	-	1,534,755	1,285,000	-
Proceeds from sale of capital assets	-	225,000	-	-
Total other financing sources (uses)	<u>-</u>	<u>1,788,022</u>	<u>1,848,723</u>	<u>(5,651,638)</u>
Net change in fund balances	<u>(9,135)</u>	<u>(1,385,686)</u>	<u>584,098</u>	<u>(4,988,107)</u>
Fund balances - beginning of year	<u>73,620</u>	<u>6,113,130</u>	<u>2,369,235</u>	<u>8,868,934</u>
Fund balances - end of year	<u>\$ 64,485</u>	<u>\$ 4,727,444</u>	<u>\$ 2,953,333</u>	<u>\$ 3,880,827</u>

Drainage	Police Capital Projects	Other Capital Projects Funds	Total Capital Projects Funds	Total Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 13,935,577
-	-	-	-	25,523,774
-	-	-	-	1,357,938
-	-	110,682	110,682	8,744,103
-	-	-	28,312	202,023
-	-	-	-	3,161,328
-	-	-	-	2,314,564
-	-	-	960,779	3,632,470
-	-	-	-	1,611
-	-	310,000	2,810,000	3,101,385
-	-	123,155	224,728	618,034
-	-	543,837	4,134,501	62,592,807
-	-	-	-	2,702,320
-	212,520	-	543,911	3,764,386
-	-	129,004	138,139	16,578,865
958,517	-	862,016	2,192,811	13,167,611
1,954,763	11,103,015	2,242,576	21,916,333	28,358,558
-	-	-	-	11,404,000
-	11,374	9,519	66,711	2,346,992
2,913,280	11,326,909	3,243,115	24,857,905	78,322,732
(2,913,280)	(11,326,909)	(2,699,278)	(20,723,404)	(15,729,925)
3,600,048	13,265,728	7,280,790	25,612,418	32,788,028
-	-	(8,021,820)	(14,547,320)	(15,820,846)
-	700,000	585,859	4,105,614	4,105,614
-	-	-	225,000	225,000
3,600,048	13,965,728	(155,171)	15,395,712	21,297,796
686,768	2,638,819	(2,854,449)	(5,327,692)	5,567,871
8,055,315	2,302,059	6,588,135	34,370,428	73,838,705
<u>\$ 8,742,083</u>	<u>\$ 4,940,878</u>	<u>\$ 3,733,686</u>	<u>\$ 29,042,736</u>	<u>\$ 79,406,576</u>

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**CITY OF GRAND PRAIRIE, TEXAS
INDIVIDUAL FUND SCHEDULES
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL SCHEDULES**

Appropriations are approved by the City Council by fund for all budgeted funds. During the fiscal year it was necessary to amend the original budget by City Council action. The original budget and amended budget are presented for the following funds:

- ◆ Park Venue Fund – accounts for the operation and construction of the City's park system. Approved by the Grand Prairie voters, an one-quarter cent sales and use tax was levied for the benefit of the Park Venue Fund.
- ◆ Senior Center Sales Tax Fund – accounts for the operation of the City's active adult center. Approved by the Grand Prairie voters, an one-eighth cent sales and use tax was levied for the benefit of the Senior Center Sales Tax Fund.
- ◆ Hotel/Motel Tax Fund – accounts for the receipts and allocation of the City's 7% hotel-motel tax revenue in accordance with the requirements of state law.
- ◆ Municipal Court Fund – accounts for fees collected to maintain security for municipal court buildings, judicial efficiency, and municipal court technology.
- ◆ Cable Operations Fund – accounts for the revenue collected through the cable company for government access programming. Expenditures in this special revenue fund are designated for the operations and improvements to the City's cable channel.
- ◆ Red Light Safety Fund – accounts for the revenues and expenditures of the red light camera operation.
- ◆ Lake Parks – accounts for the activity of the 4 major parks surrounding Joe Pool Lake. All funds received are restricted for the operation of these parks by the lease agreement with U. S. Corps of Engineers
- ◆ Crime Tax Sales Tax Fund – accounts for the Crime Sales Tax revenue collected by the City. Approved by the Grand Prairie voters, an one-quarter cent sales and use tax.
- ◆ Cemetery Fund – accounts for the Memorial Gardens operations and related revenues received by the City.
- ◆ Juvenile Case Manager Fund – accounts for the collection of Juvenile Case Manager Fee paid by defendants and the salary and benefits of a juvenile case manager employed under Article 45.056 Texas Code of Criminal Procedure.

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – PARK VENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$ 6,324,522	\$ 6,324,522	\$ 6,391,068	\$ 66,546
Charges for goods and services	2,682,575	2,682,575	2,871,721	189,146
Contributions	42,300	42,300	164,760	122,460
Rents and royalties	654,020	654,020	632,664	(21,356)
Other	-	-	3,133	3,133
Total revenues	9,703,417	9,703,417	10,063,346	359,929
EXPENDITURES				
Current operations:				
Recreation and leisure services	13,111,509	11,263,499	11,595,071	(331,572)
Capital outlay	257,500	262,850	4,376,241	(4,113,391)
Debt service:				
Principal retirement	1,415,000	1,415,000	1,415,000	-
Interest expense	777,884	775,384	774,384	1,000
Total expenditures	15,561,893	13,716,733	18,160,696	(4,443,963)
Deficiency of revenues under expenditures	(5,858,476)	(4,013,316)	(8,097,350)	(4,084,034)
OTHER FINANCING SOURCES (USES)				
Transfers in	7,399,603	5,521,993	5,375,623	(146,370)
Transfers out	(630,809)	(880,809)	(880,809)	-
Total other financing sources	6,768,794	4,641,184	4,494,814	(146,370)
Net change in fund balances	910,318	627,868	(3,602,536)	(4,230,404)
Fund balances - beginning of year	10,002,823	10,002,823	10,002,823	-
Fund balances - end of year	\$ 10,913,141	\$ 10,630,691	\$ 6,400,287	\$ (4,230,404)

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – SENIOR CENTER SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	
REVENUES				
Sales tax	\$ 3,162,261	\$ 3,162,261	\$ 3,195,531	\$ 33,270
Total revenues	3,162,261	3,162,261	3,195,531	33,270
EXPENDITURES				
Capital Outlay	700,000	700,000	86,596	613,404
Debt service:				
Principal retirement	870,000	870,000	870,000	-
Interest expense	283,416	283,416	117,248	166,168
Total expenditures	1,853,416	1,853,416	1,073,844	779,572
Excess (deficiency) of revenues over (under) expenditures	1,308,845	1,308,845	2,121,687	812,842
Net change in fund balances	1,308,845	1,308,845	2,121,687	812,842
Fund balances - beginning of year	3,345,853	3,345,853	3,345,853	-
Fund balances - end of year	\$ 4,654,698	\$ 4,654,698	\$ 5,467,540	\$ 812,842

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – HOTEL/MOTEL TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other taxes	\$ 1,145,263	\$ 1,145,263	\$ 1,357,938	\$ 212,675
Charges for goods and services	8,515	8,515	10,223	1,708
Contributions	3,000	3,000	14,399	11,399
Other	3,890	3,890	3,337	(553)
Total revenues	<u>1,160,668</u>	<u>1,160,668</u>	<u>1,385,897</u>	<u>225,229</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	1,404,842	1,433,485	1,064,854	368,631
Capital outlay	200,000	203,808	27,525	176,283
Total expenditures	<u>1,604,842</u>	<u>1,637,293</u>	<u>1,092,379</u>	<u>544,914</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(444,174)</u>	<u>(476,625)</u>	<u>293,518</u>	<u>770,143</u>
OTHER FINANCING USES				
Transfers out	(241,500)	(241,500)	(241,500)	-
Total other financing uses	<u>(241,500)</u>	<u>(241,500)</u>	<u>(241,500)</u>	<u>-</u>
Net change in fund balances	(685,674)	(718,125)	52,018	770,143
Fund balances - beginning of year	1,402,389	1,402,389	1,402,389	-
Fund balances - end of year	<u>\$ 716,715</u>	<u>\$ 684,264</u>	<u>\$ 1,454,407</u>	<u>\$ 770,143</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – MUNICIPAL COURT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget-</u>
			<u>Basis</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Fines and forfeitures	\$ 242,750	\$ 242,750	\$ 325,592	\$ 82,842
Total revenues	242,750	242,750	325,592	82,842
EXPENDITURES				
Current operations:				
Public safety	218,884	236,884	228,748	8,136
Capital outlay	64,000	85,950	35,280	50,670
Total expenditures	282,884	322,834	264,028	58,806
Excess (deficiency) of revenues over (under) expenditures	(40,134)	(80,084)	61,564	141,648
Net change in fund balances	(40,134)	(80,084)	61,564	141,648
Fund balances - beginning of year	356,448	356,448	356,448	-
Fund balances - end of year	\$ 316,314	\$ 276,364	\$ 418,012	\$ 141,648

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – CABLE OPERATIONS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Positive (Negative)</u>
REVENUES				
Other	\$ 297,306	\$ 297,306	\$ 316,858	\$ 19,552
Total revenues	<u>297,306</u>	<u>297,306</u>	<u>316,858</u>	<u>19,552</u>
EXPENDITURES				
Current operations:				
Support services	328,278	328,278	268,522	59,756
Capital outlay	<u>220,000</u>	<u>224,395</u>	-	<u>224,395</u>
Total expenditures	<u>548,278</u>	<u>552,673</u>	<u>268,522</u>	<u>284,151</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(250,972)</u>	<u>(255,367)</u>	<u>48,336</u>	<u>303,703</u>
Net change in fund balances	(250,972)	(255,367)	48,336	303,703
Fund balances - beginning of year	<u>533,413</u>	<u>533,413</u>	<u>533,413</u>	<u>-</u>
Fund balances - end of year	<u>\$ 282,441</u>	<u>\$ 278,046</u>	<u>\$ 581,749</u>	<u>\$ 303,703</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – RED LIGHT SAFETY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Positive</u> <u>(Negative)</u>
REVENUES				
Fines and forfeitures	\$ -	\$ 2,717,578	\$ 2,512,480	\$ (205,098)
Total revenues	-	2,717,578	2,512,480	(205,098)
EXPENDITURES				
Current operations:				
Public safety	-	2,341,713	2,218,446	123,267
Total expenditures	-	2,341,713	2,218,446	123,267
Excess (deficiency) of revenues over (under) expenditures	-	375,865	294,034	(81,831)
Net change in fund balances	-	375,865	294,034	(81,831)
Fund balances - beginning of year	78,157	78,157	78,157	-
Fund balances - end of year	\$ 78,157	\$ 454,022	\$ 372,191	\$ (81,831)

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – LAKE PARKS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Positive (Negative)</u>
REVENUES				
Charges for goods and services	\$ 2,304,500	\$ 2,304,500	\$ 2,326,838	\$ 22,338
Licenses and permits	194,000	194,000	173,711	(20,289)
Rents and royalties	831,600	831,600	1,005,278	173,678
Contributions	90,000	90,000	108,229	18,229
Other	26,000	26,000	41,914	15,914
Total revenue	<u>3,446,100</u>	<u>3,446,100</u>	<u>3,655,970</u>	<u>209,870</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	3,215,257	3,222,837	3,168,854	53,983
Capital outlay	200,000	200,000	947,242	(747,242)
Total expenditures	<u>3,415,257</u>	<u>3,422,837</u>	<u>4,116,096</u>	<u>(693,259)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,843</u>	<u>23,263</u>	<u>(460,126)</u>	<u>(483,389)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	159,000	159,000	159,000	-
Total other financing sources (uses)	159,000	159,000	159,000	-
Net change in fund balances	189,843	182,263	(301,126)	(483,389)
Fund balances - beginning of year	<u>3,048,011</u>	<u>3,048,011</u>	<u>3,048,011</u>	<u>-</u>
Fund balances - end of year	<u>\$3,237,854</u>	<u>\$ 3,230,274</u>	<u>\$ 2,746,885</u>	<u>\$ (483,389)</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – CRIME TAX SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget-</u>
			<u>Basis</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Sales tax	\$ 6,324,522	\$ 6,324,522	\$ 6,350,584	\$ 26,062
Total revenues	<u>6,324,522</u>	<u>6,324,522</u>	<u>6,350,584</u>	<u>26,062</u>
EXPENDITURES				
Current operations:				
Public safety services	-	343,301	205,195	138,106
Capital outlay	50,000	50,000	-	50,000
Debt service:				
Principal retirement	2,890,000	2,890,000	2,890,000	-
Interest expense	1,239,800	1,239,800	499,103	740,697
Total expenditures	<u>4,179,800</u>	<u>4,523,101</u>	<u>3,594,298</u>	<u>928,803</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,144,722</u>	<u>1,801,421</u>	<u>2,756,286</u>	<u>954,865</u>
Net change in fund balances	2,144,722	1,801,421	2,756,286	954,865
Fund balances - beginning of year	<u>5,153,025</u>	<u>5,153,025</u>	<u>5,153,025</u>	<u>-</u>
Fund balances - end of year	<u>\$ 7,297,747</u>	<u>\$ 6,954,446</u>	<u>\$ 7,909,311</u>	<u>\$ 954,865</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – CEMETERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget- Positive (Negative)</u>
			<u>Basis</u>	
REVENUES				
Charges for goods and services	\$ 743,500	\$ 849,053	\$ 870,267	\$ 21,214
Other	-	2,201	2,200	(1)
Total revenues	<u>743,500</u>	<u>851,254</u>	<u>872,467</u>	<u>21,213</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	564,061	587,844	581,409	6,435
Capital outlay	-	252,137	222,985	29,152
Total expenditures	<u>564,061</u>	<u>839,981</u>	<u>804,394</u>	<u>35,587</u>
Excess (deficiency) of revenues over (under) expenditures	<u>179,439</u>	<u>11,273</u>	<u>68,073</u>	<u>56,800</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(110,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(110,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>
Net change in fund balances	69,439	(98,727)	(41,927)	56,800
Fund balances - beginning of year	<u>1,295,544</u>	<u>1,295,544</u>	<u>1,295,544</u>	<u>-</u>
Fund balances - end of year	<u>\$1,364,983</u>	<u>\$ 1,196,817</u>	<u>\$1,253,617</u>	<u>\$ 56,800</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – JUVENILE CASE MANAGER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 173,744	\$ 173,744	\$ 216,060	\$ 42,316
Total revenues	173,744	173,744	216,060	42,316
EXPENDITURES				
Current operations:				
Public safety	191,309	191,309	190,022	1,287
Total expenditures	191,309	191,309	190,022	1,287
Excess (deficiency) of revenues over (under) expenditures	(17,565)	(17,565)	26,038	43,603
Net change in fund balances	(17,565)	(17,565)	26,038	43,603
Fund balances - beginning of year	308,773	308,773	308,773	-
Fund balances - end of year	<u>\$ 291,208</u>	<u>\$ 291,208</u>	<u>\$ 334,811</u>	<u>\$ 43,603</u>



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**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
NON-MAJOR ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income (loss), is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The reporting entity has four non-major enterprise funds which include:

- ◆ Municipal Airport Fund – accounts for the Grand Prairie Municipal Airport, a general aviation airport, which has revenues from fixed-base operators' leases, City-owned hangar leases, and fuel sales. City employees operate and maintain airport facilities.
- ◆ Municipal Golf Fund – accounts for the operations and maintenance of the Prairie Lakes Golf Course and the Tangle Ridge Golf Course.
- ◆ Storm Water Utility Fund – accounts for the receipt of storm water utility fees for construction, operations, and maintenance of the City's storm water drainage system.
- ◆ Solid Waste Fund – accounts for the operations of the City's refuse collection and disposal services.

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2014**

	Municipal Airport	Municipal Golf	Storm Water Utility	Solid Waste	Total Nonmajor Enterprise Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 152,139	\$ 67,293	\$ 66,643	\$ 3,358,329	\$ 3,644,404
Investments	1,600,000	170,044	1,750,000	13,138,032	16,658,076
Accounts receivable, net	228,329	34,555	344,410	452,456	1,059,750
Due from other governments	42,987	-	-	-	42,987
Inventories and supplies	41,306	27,495	-	-	68,801
Current restricted assets:					
Cash and cash equivalents	252,426	-	-	-	252,426
Investments	-	271,856	-	-	271,856
Total current assets	<u>2,317,187</u>	<u>571,243</u>	<u>2,161,053</u>	<u>16,948,817</u>	<u>21,998,300</u>
Capital assets:					
Land	183,923	568,284	7,500	1,748,378	2,508,085
Buildings	6,866,106	1,854,835	-	1,764,513	10,485,454
Equipment	825,620	1,135,383	45,696	7,190,661	9,197,360
Infrastructure	10,472,120	9,931,537	4,712,067	10,449,173	35,564,897
Construction in progress	2,098,272	54,882	-	111,646	2,264,800
Less: accumulated depreciation	<u>(7,728,864)</u>	<u>(8,813,692)</u>	<u>(3,367,983)</u>	<u>(8,858,637)</u>	<u>(28,769,176)</u>
Total capital assets	<u>12,717,177</u>	<u>4,731,229</u>	<u>1,397,280</u>	<u>12,405,734</u>	<u>31,251,420</u>
Total assets	<u>15,034,364</u>	<u>5,302,472</u>	<u>3,558,333</u>	<u>29,354,551</u>	<u>53,249,720</u>
LIABILITIES					
Current liabilities:					
Accounts payable	56,194	76,029	30,785	1,147,639	1,310,647
Accrued liabilities	37,930	36,717	11,207	148,205	234,059
Accrued compensated absences	22,330	44,260	-	69,035	135,625
Unearned revenue	190,206	-	-	-	190,206
Current liabilities payable from restricted assets:					
Customer deposits	117,953	-	-	-	117,953
Accrued liabilities	9,473	10,656	-	-	20,129
Current portion of long-term debt	<u>125,000</u>	<u>261,200</u>	<u>-</u>	<u>-</u>	<u>386,200</u>
Total current liabilities	<u>559,086</u>	<u>428,862</u>	<u>41,992</u>	<u>1,364,879</u>	<u>2,394,819</u>
Noncurrent liabilities:					
Accrued compensated absences	9,851	8,712	-	-	18,563
Closure and post closure liability	-	-	-	6,356,244	6,356,244
Long-term debt	<u>1,450,000</u>	<u>1,854,561</u>	<u>-</u>	<u>-</u>	<u>3,304,561</u>
Total noncurrent liabilities	<u>1,459,851</u>	<u>1,863,273</u>	<u>-</u>	<u>6,356,244</u>	<u>9,679,368</u>
Total liabilities	<u>2,018,937</u>	<u>2,292,135</u>	<u>41,992</u>	<u>7,721,123</u>	<u>12,074,187</u>
NET POSITION					
Net investment in capital assets	11,142,177	2,615,468	1,397,280	12,405,734	27,560,659
Unrestricted	<u>1,873,250</u>	<u>394,869</u>	<u>2,119,061</u>	<u>9,227,694</u>	<u>13,614,874</u>
Total net position	<u>\$ 13,015,427</u>	<u>\$ 3,010,337</u>	<u>\$ 3,516,341</u>	<u>\$ 21,633,428</u>	<u>\$ 41,175,533</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Municipal Airport</u>	<u>Municipal Golf</u>	<u>Storm Water Utility</u>	<u>Solid Waste</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES					
Sales to customers	\$ 1,641,337	\$ 1,908,340	\$ 5,436,780	\$ 10,677,206	\$ 19,663,663
Intergovernmental revenue	42,697	-	-	-	42,697
Miscellaneous	1,336,784	750	-	125,659	1,463,193
Total operating revenues	<u>3,020,818</u>	<u>1,909,090</u>	<u>5,436,780</u>	<u>10,802,865</u>	<u>21,169,553</u>
OPERATING EXPENSES					
Salaries and benefits	379,812	1,352,457	412,516	2,113,741	4,258,526
Supplies and miscellaneous purchases	1,288,860	226,852	18,994	557,243	2,091,949
Purchased services	406,406	1,053,732	598,499	4,843,953	6,902,590
Miscellaneous	45,133	44,772	68,862	493,884	652,651
Depreciation	1,224,131	557,544	240,074	1,044,813	3,066,562
Franchise fees	-	-	218,381	318,192	536,573
General and administrative costs	59,237	-	77,648	349,689	486,574
Total operating expenses	<u>3,403,579</u>	<u>3,235,357</u>	<u>1,634,974</u>	<u>9,721,515</u>	<u>17,995,425</u>
Operating income (loss)	<u>(382,761)</u>	<u>(1,326,267)</u>	<u>3,801,806</u>	<u>1,081,350</u>	<u>3,174,128</u>
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on property disposition	(1,686)	3,939	-	1,535	3,788
Interest expense	(78,391)	(79,683)	-	-	(158,074)
Capital assets contribution to government activities	-	-	-	(26,516)	(26,516)
Total nonoperating revenues (expenses)	<u>(80,077)</u>	<u>(75,744)</u>	<u>-</u>	<u>(24,981)</u>	<u>(180,802)</u>
Income (loss) before transfers	(462,838)	(1,402,011)	3,801,806	1,056,369	2,993,326
Capital contributions	1,061,973	-	-	-	1,061,973
Capital assets contribution from government activities	-	-	-	7,432	7,432
Transfers out-capital assets	-	-	-	(142,733)	(142,733)
Transfers in-monetary	-	1,058,156	-	-	1,058,156
Transfers out-monetary	(48,000)	-	(3,600,000)	(382,875)	(4,030,875)
Change in net position	551,135	(343,855)	201,806	538,193	947,279
Net position - beginning of year	10,210,010	3,354,192	3,314,535	21,095,235	37,973,972
Prior period adjustment	<u>2,254,282</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,254,282</u>
Restated Net position -beginning of year	<u>12,464,292</u>	<u>3,354,192</u>	<u>3,314,535</u>	<u>21,095,235</u>	<u>40,228,254</u>
Net position - end of year	<u>\$ 13,015,427</u>	<u>\$ 3,010,337</u>	<u>\$ 3,516,341</u>	<u>\$ 21,633,428</u>	<u>\$ 41,175,533</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Municipal Airport	Municipal Golf	Storm Water Utility	Solid Waste	Total Nonmajor Enterprise Funds
Cash flows from operating activities:					
Cash received from customers	\$ 3,002,329	\$ 1,874,535	\$ 5,423,549	\$ 10,809,281	\$ 21,109,694
Cash received from intergovernmental	54,536	-	-	-	54,536
Cash payments to suppliers for goods and services	(1,631,347)	(1,298,947)	(630,771)	(4,331,335)	(7,892,400)
Cash payments to employees for services	(381,540)	(1,341,400)	(411,601)	(2,111,182)	(4,245,723)
Cash payments to other funds for services	(84,041)	(2,903)	(331,766)	(892,841)	(1,311,551)
Other operating cash payments	8,094	(74,326)	(47,723)	(283,522)	(397,477)
Net cash provided by (used in) operating activities	<u>968,031</u>	<u>(843,041)</u>	<u>4,001,688</u>	<u>3,190,401</u>	<u>7,317,079</u>
Cash flows from non-capital financing activities:					
Transfers from other funds	-	1,058,156	-	-	1,058,156
Transfers to other funds	(48,000)	-	(3,600,000)	(382,875)	(4,030,875)
Net cash provided by (used in) non-capital financing activities	<u>(48,000)</u>	<u>1,058,156</u>	<u>(3,600,000)</u>	<u>(382,875)</u>	<u>(2,972,719)</u>
Cash flows from capital and related financing activities:					
Capital outlays	(749,137)	(21,228)	-	(1,171,075)	(1,941,440)
Proceeds from capital assets disposals	-	3,939	-	1,535	5,474
Interest paid on bonds and line of credit	(79,009)	(89,004)	-	-	(168,013)
Repayment of principal on bonds	(120,000)	(244,152)	-	-	(364,152)
Net cash used in capital and related financing activities	<u>(948,146)</u>	<u>(350,445)</u>	<u>-</u>	<u>(1,169,540)</u>	<u>(2,468,131)</u>
Cash flows from investing activities:					
Sale of investments	1,723,919	577,394	1,533,055	13,756,607	17,590,975
Purchase of investments	(1,723,923)	(477,394)	(1,883,055)	(14,056,606)	(18,140,978)
Net cash provided by (used in) investing activities	<u>(4)</u>	<u>100,000</u>	<u>(350,000)</u>	<u>(299,999)</u>	<u>(550,003)</u>
Net increase (decrease) in cash and cash equivalents	(28,119)	(35,330)	51,688	1,337,987	1,326,226
Cash and cash equivalents - beginning of year	432,684	102,623	14,955	2,020,342	2,570,604
Cash and cash equivalents - end of year	<u>\$ 404,565</u>	<u>\$ 67,293</u>	<u>\$ 66,643</u>	<u>\$ 3,358,329</u>	<u>\$ 3,896,830</u>
Reconciliation of income (loss) from operations to net cash provided by (used in) operating activities:					
Net operating income (loss)	\$ (382,761)	\$ (1,326,267)	\$ 3,801,806	\$ 1,081,350	\$ 3,174,128
Adjustments to net operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	1,224,131	557,544	240,074	1,044,813	3,066,562
Provision for non-collectibles receivables	(33)	-	22,750	74,828	97,545
Changes in assets and liabilities:					
Increase in other accounts receivable	(4,096)	(34,555)	(35,981)	(68,412)	(143,044)
(Increase) decrease in inventories and supplies	31,105	(27,495)	-	-	3,610
Increase (decrease) in accounts payable	39,389	(23,298)	(22,015)	689,952	684,028
Increase in accrued liabilities	23,189	2,454	1,438	372,610	399,691
Increase in customer deposits	51,117	-	-	-	51,117
Decrease in unearned revenue	(10,941)	-	-	-	(10,941)
Increase (decrease) in compensated absences	(3,069)	8,576	(6,384)	(4,740)	(5,617)
Net cash provided by (used in) operating activities	<u>\$ 968,031</u>	<u>\$ (843,041)</u>	<u>\$ 4,001,688</u>	<u>\$ 3,190,401</u>	<u>\$ 7,317,079</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets from developers/granting agency	\$ 1,061,973	\$ -	\$ -	\$ -	\$ 1,061,973
Total cash and cash equivalents -end of year	<u>\$ 404,565</u>	<u>\$ 67,293</u>	<u>\$ 66,643</u>	<u>\$ 3,358,329</u>	<u>\$ 3,896,830</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the city:

- ◆ Fleet Services Fund – accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment. The fund does not own the city fleet.
- ◆ Risk Management Fund – accounts for premiums, deductibles, and claims for all types of City's insurance.

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2014**

	Fleet Services	Risk Management	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 144,573	\$ 6,190,036	\$ 6,334,609
Investments	-	7,160,624	7,160,624
Prepays	-	27,099	27,099
Other receivables	18,170	-	18,170
Inventories and supplies	144,940	-	144,940
Current restricted assets:			
Cash and cash equivalents	-	177,928	177,928
Total current assets	307,683	13,555,687	13,863,370
Capital assets:			
Land	737,566	-	737,566
Buildings	1,477,875	-	1,477,875
Equipment	1,749,484	178,229	1,927,713
Infrastructure	16,672	-	16,672
Less: accumulated depreciation	(3,177,059)	(41,270)	(3,218,329)
Total noncurrent assets	804,538	136,959	941,497
Total assets	1,112,221	13,692,646	14,804,867
LIABILITIES			
Current liabilities:			
Accounts payable	41,370	190,241	231,611
Other accrued liabilities	28,103	4,665,005	4,693,108
Accrued compensated absences	35,580	10,722	46,302
Total current liabilities	105,053	4,865,968	4,971,021
Total liabilities	105,053	4,865,968	4,971,021
NET POSITION			
Net investment in capital assets	804,538	136,959	941,497
Unrestricted	202,630	8,689,719	8,892,349
Total net position	\$ 1,007,168	\$ 8,826,678	\$ 9,833,846

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Fleet Services	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Sales to customers	\$ 4,970,933	\$ -	\$ 4,970,933
Insurance premiums	-	19,768,893	19,768,893
Miscellaneous	46	4,289	4,335
Total operating revenues	<u>4,970,979</u>	<u>19,773,182</u>	<u>24,744,161</u>
OPERATING EXPENSES			
Salaries and benefits	940,009	191,663	1,131,672
Supplies and miscellaneous purchases	3,298,068	5,257	3,303,325
Purchased services	558,194	1,074,639	1,632,833
Insurance costs	-	18,640,588	18,640,588
Miscellaneous	32,283	138,333	170,616
Depreciation	14,683	27,559	42,242
Total operating expenses	<u>4,843,237</u>	<u>20,078,039</u>	<u>24,921,276</u>
Operating income (loss)	<u>127,742</u>	<u>(304,857)</u>	<u>(177,115)</u>
NONOPERATING REVENUES (EXPENSE)			
Gain on property disposition	26,726	-	26,726
Capital assets contribution to government activities	-	(90,424)	(90,424)
Total nonoperating revenues (expenses)	<u>26,726</u>	<u>(90,424)</u>	<u>(63,698)</u>
Income (Loss) before contributions and transfers	154,468	(395,281)	(240,813)
Capital assets contribution from government activities	26,898	-	26,898
Change in net position	<u>181,366</u>	<u>(395,281)</u>	<u>(213,915)</u>
Net position- beginning of year	<u>825,802</u>	<u>9,221,959</u>	<u>10,047,761</u>
Net position - end of year	<u>\$ 1,007,168</u>	<u>\$ 8,826,678</u>	<u>\$ 9,833,846</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Internal Service Funds</u>
Cash flows from operating activities:			
Cash received from customers	\$ 4,960,631	\$ 19,795,949	\$ 24,756,580
Cash paid to other funds for services	(31,938)	(136,332)	(168,270)
Cash payments to suppliers for goods and services	(3,834,649)	(19,257,929)	(23,092,578)
Cash payments to employees for services	(926,486)	(191,638)	(1,118,124)
Other operating cash (payments)	15,546	(6,430)	9,116
Net cash provided by operating activities	<u>183,104</u>	<u>203,620</u>	<u>386,724</u>
Cash flows from non-capital financing activities:			
Due to other funds	<u>(100,000)</u>	-	<u>(100,000)</u>
Net cash used in noncapital financing activities	<u>(100,000)</u>	-	<u>(100,000)</u>
Cash flows from capital and related financing activities:			
Capital outlays	-	(65,046)	(65,046)
Proceeds from capital assets disposals	26,726	-	26,726
Net cash provided by (used in) capital and related financing activities	<u>26,726</u>	<u>(65,046)</u>	<u>(38,320)</u>
Cash flows from investing activities			
Sale of investments	-	7,264,828	7,264,828
Purchase of investments	-	(7,664,828)	(7,664,828)
Net cash used in investing activities	<u>-</u>	<u>(400,000)</u>	<u>(400,000)</u>
Net increase (decrease) in cash and cash equivalents	109,830	(261,426)	(151,596)
Cash and cash equivalents - beginning of year	<u>34,743</u>	<u>6,629,390</u>	<u>6,664,133</u>
Cash and cash equivalents - end of year	<u>\$ 144,573</u>	<u>\$ 6,367,964</u>	<u>\$ 6,512,537</u>
Reconciliation of income (loss) from operations to net cash provided by operating activities:			
Net operating income (loss)	\$ 127,742	\$ (304,857)	\$ (177,115)
Adjustments to net operating loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	14,683	27,559	42,242
Change in assets and liabilities:			
(Increase) Decrease in other accounts receivable	(10,348)	22,766	12,418
Increase in prepaids	-	(5,016)	(5,016)
Decrease in inventories and supplies	22,951	-	22,951
Increase in accounts payable	14,553	159,748	174,301
Increase in accrued liabilities	3,530	302,807	306,337
Increase in accrued compensated absences	9,993	613	10,606
Net cash provided by operating activities	<u>\$ 183,104</u>	<u>\$ 203,620</u>	<u>\$ 386,724</u>
Unrestricted cash and cash equivalents-end of year	\$ 144,573	\$ 6,190,036	\$ 6,334,609
Restricted cash and cashequivalents-end of year	<u>-</u>	<u>177,928</u>	<u>177,928</u>
Total cash and cash equivalents -end of year	<u>\$ 144,573</u>	<u>\$ 6,367,964</u>	<u>\$ 6,512,537</u>

CAPITAL ASSETS OF GOVERNMENTAL FUNDS



**CITY OF GRAND PRAIRIE, TEXAS
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY SOURCE (SEE NOTE BELOW)
 AS OF SEPTEMBER 30, 2014**

Governmental funds capital assets:

Land	\$ 39,132,789
Buildings	181,104,493
Equipment	87,077,291
Infrastructure	547,876,677
Construction in progress	<u>67,419,236</u>
Total governmental funds capital assets	<u><u>\$ 922,610,486</u></u>

Investment in governmental funds capital assets by source:

Capital projects funds	\$ 67,419,236
General fund	813,861,260
Special revenue funds	9,542,226
Private and other	<u>31,787,764</u>
Total investment	<u><u>\$ 922,610,486</u></u>

Note:

This schedule presents only the capital asset balances related to governmental and excludes internal service funds.

**CITY OF GRAND PRAIRIE, TEXAS
CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY (SEE NOTE BELOW)
AS OF SEPTEMBER 30, 2014**

Function and Activity	Land	Building	Equipment	Infrastructure	Total
Support Services:					
City Council	\$ -	\$ 165,791	\$ -	\$ -	\$ 165,791
City Manager	388,520	4,636,699	573,936	333,875	5,933,030
Budget	-	39,949	10,000	-	49,949
City Secretary	-	-	83,944	-	83,944
City Attorney	-	20,739	138,936	-	159,675
Human Resources	-	248,294	575,655	-	823,949
Information Systems	-	6,750	6,600,114	716,431	7,323,295
Finance	154,695	220,786	563,489	21,836,297	22,775,267
Total support services	<u>543,215</u>	<u>5,339,008</u>	<u>8,546,074</u>	<u>22,886,603</u>	<u>37,314,900</u>
Public Safety:					
Fire	1,084,723	12,023,760	14,187,653	1,406,729	28,702,865
Police	725,971	57,299,595	24,869,263	703,283	83,598,112
Environmental Health	132,862	3,754,122	929,285	191,883	5,008,152
Municipal Court	186,003	2,261,062	675,237	143,016	3,265,318
Total public safety	<u>2,129,559</u>	<u>75,338,539</u>	<u>40,661,438</u>	<u>2,444,911</u>	<u>120,574,447</u>
Recreation and Leisure:					
Parks and Recreation	15,772,867	64,376,782	11,872,280	62,765,728	154,787,657
Library	49,904	7,016,694	5,116,304	988,698	13,171,600
Total recreation and leisure	<u>15,822,771</u>	<u>71,393,476</u>	<u>16,988,584</u>	<u>63,754,426</u>	<u>167,959,257</u>
Development Services:					
Planning	-	143,332	52,500	67,940	263,772
Building inspections	-	-	338,492	-	338,492
Economic Development	-	20,000	16,031	487,093	523,124
Housing & Community Development	107,301	260,232	481,464	-	848,997
Public Works	19,281,043	1,042,654	857,952	268,223,356	289,405,005
Transportation	110,733	18,132	11,143,770	12,031,291	23,303,926
Streets	-	-	7,990,986	177,981,057	185,972,043
Contingency	1,138,167	27,549,120	-	-	28,687,287
Total development services	<u>20,637,244</u>	<u>29,033,470</u>	<u>20,881,195</u>	<u>458,790,737</u>	<u>529,342,646</u>
Total	<u>\$ 39,132,789</u>	<u>\$ 181,104,493</u>	<u>\$ 87,077,291</u>	<u>\$ 547,876,677</u>	<u>\$ 855,191,250</u>
Construction in Progress					<u>67,419,236</u>
Total governmental funds capital assets					<u>\$ 922,610,486</u>

Note:

This schedule presents only the capital asset balances related to governmental funds and excludes internal service funds.

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF
GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY (SEE NOTE BELOW)
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Function and Activity	Balance October 1, 2013	Additions/ Completions	Disposals/ Reclassifications	Balance September 30, 2014
Support Services:				
City Council	\$ 227,800	\$ -	\$ (62,009)	\$ 165,791
City Manager	6,006,808	87,123	(160,901)	5,933,030
Budget	49,949	-	-	49,949
City Secretary	83,944	-	-	83,944
City Attorney	159,675	-	-	159,675
Human Resources	823,949	-	-	823,949
Information Systems	7,290,263	33,032	-	7,323,295
Finance	21,977,481	797,786	-	22,775,267
Total support services	<u>36,619,869</u>	<u>917,941</u>	<u>(222,910)</u>	<u>37,314,900</u>
Public Safety:				
Fire	28,699,353	1,719,215	(1,951,872)	28,466,696
Police	84,230,131	826,614	(1,458,633)	83,598,112
Environmental Health	4,948,482	418,275	(122,436)	5,244,321
Municipal Court	3,288,914	21,339	(44,935)	3,265,318
Total public safety	<u>121,166,880</u>	<u>2,985,443</u>	<u>(3,577,876)</u>	<u>120,574,447</u>
Recreation and Leisure:				
Parks and Recreation	152,022,460	3,411,619	(646,422)	154,787,657
Library	12,235,667	935,933	-	13,171,600
Total recreation and leisure	<u>164,258,127</u>	<u>4,347,552</u>	<u>(646,422)</u>	<u>167,959,257</u>
Development Services:				
Planning	263,772	-	-	263,772
Building Inspection	335,092	18,400	(15,000)	338,492
Economic Development	523,124	-	-	523,124
Housing & Community Development	2,499,005	-	(1,650,008)	848,997
Public Works	268,620,349	20,853,563	(68,907)	289,405,005
Transportation	22,431,939	965,120	(93,133)	23,303,926
Streets	185,848,199	351,129	(227,285)	185,972,043
Contingency	28,687,287	-	-	28,687,287
Total development services	<u>509,208,767</u>	<u>22,188,212</u>	<u>(2,054,333)</u>	<u>529,342,646</u>
Construction in progress	<u>58,019,820</u>	<u>31,216,083</u>	<u>(21,816,667)</u>	<u>67,419,236</u>
Total governmental funds capital	<u>\$ 889,273,463</u>	<u>\$ 61,655,231</u>	<u>\$ (28,318,208)</u>	<u>\$ 922,610,486</u>

Note:

This schedule presents only the capital asset balances related to governmental funds and excludes internal service funds.



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SUPPLEMENTAL SCHEDULES



**CITY OF GRAND PRAIRIE, TEXAS
SUPPLEMENTAL SCHEDULES**

The schedules in this section, although not required for fair presentation in conformity with Generally Accepted Accounting Principles, present other information deemed useful. The information consists of schedules which aggregate the several funds which exist internally in the City's accounting system into the Park Venue Fund, Water and Wastewater Fund, the Municipal Airport Fund, the Municipal Golf Course Fund, the Solid Waste Fund, and the Risk Management Fund.

**CITY OF GRAND PRAIRIE, TEXAS
 AGGREGATING BALANCE SHEET
 PARK VENUE FUND
 SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Total Park Venue</u>
ASSETS			
Cash and cash equivalents	\$ 3,331,587	\$ 165,525	\$ 3,497,112
Investment	-	3,023,344	3,023,344
Sales tax receivable	1,128,504	-	1,128,504
Other receivable	21,295	-	21,295
Inventories	18,521	-	18,521
Total assets	<u>4,499,907</u>	<u>3,188,869</u>	<u>7,688,776</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	469,196	319,235	788,431
Accrued liabilities	159,294	122,412	281,706
Customer deposits	45,215	-	45,215
Unearned revenue	173,137	-	173,137
Total liabilities	<u>846,842</u>	<u>441,647</u>	<u>1,288,489</u>
Fund Balance:			
Nonspendable	18,521	-	18,521
Restricted	3,634,544	2,747,222	6,381,766
Total fund balance	<u>3,653,065</u>	<u>2,747,222</u>	<u>6,400,287</u>
Total liabilities and fund balance	<u>\$ 4,499,907</u>	<u>\$ 3,188,869</u>	<u>\$ 7,688,776</u>

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
PARK VENUE FUND
SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Elimination</u>	<u>Total Park Venue</u>
REVENUES				
Sales tax	\$ 6,391,068	\$ -	\$ -	\$ 6,391,068
Charges for goods and services	2,871,721	-	-	2,871,721
Rents and royalties	632,664	-	-	632,664
Contributions	164,760	-	-	164,760
Miscellaneous	3,133	-	-	3,133
Total revenues	<u>10,063,346</u>	<u>-</u>	<u>-</u>	<u>10,063,346</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	11,172,137	422,934	-	11,595,071
Capital outlay	192,474	4,183,767	-	4,376,241
Debt service:				
Principal retirement	1,415,000	-	-	1,415,000
Interest expense	774,384	-	-	774,384
Total expenditures	<u>13,553,995</u>	<u>4,606,701</u>	<u>-</u>	<u>18,160,696</u>
Deficiency of revenues under expenditures	<u>(3,490,649)</u>	<u>(4,606,701)</u>	<u>-</u>	<u>(8,097,350)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,375,623	2,000,000	(2,000,000)	5,375,623
Transfers out	<u>(2,880,809)</u>	<u>-</u>	<u>2,000,000</u>	<u>(880,809)</u>
Total other financing sources	<u>2,494,814</u>	<u>2,000,000</u>	<u>-</u>	<u>4,494,814</u>
Change in fund balance	(995,835)	(2,606,701)	-	(3,602,536)
Fund balance - beginning of year	<u>4,648,900</u>	<u>5,353,923</u>	<u>-</u>	<u>10,002,823</u>
Fund balance - end of year	<u>\$ 3,653,065</u>	<u>\$ 2,747,222</u>	<u>\$ -</u>	<u>\$ 6,400,287</u>

Interfund transfers in/out between the Operating fund and Capital Projects fund are eliminated on the Statement of Revenue, Expenditures, and Change in Fund Balance.

**CITY OF GRAND PRAIRIE, TEXAS
 AGGREGATING SCHEDULE OF NET POSITION
 WATER AND WASTEWATER FUND
 SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Debt Service</u>	<u>Water Capital Projects</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 8,238,457	\$ 1,260,370	\$ 2,911,332
Investments	300,000	-	13,400,000
Accounts receivable, net	4,621,893	-	54,886
Due from other funds	383,000	-	37,659
Inventories and supplies	493,949	-	-
Current restricted assets:			
Cash and cash equivalents	4,250,000	-	-
Investments	3,436,535	4,601,419	-
Total current assets	<u>21,723,834</u>	<u>5,861,789</u>	<u>16,403,877</u>
Capital assets:			
Land	1,663,711	-	-
Buildings	2,361,045	-	-
Equipment	21,598,464	-	-
Improvements other than buildings	296,428,632	-	-
Construction in progress	19,281,899	-	-
Less: accumulated depreciation	<u>(167,429,187)</u>	<u>-</u>	<u>-</u>
Total capital assets	<u>173,904,564</u>	<u>-</u>	<u>-</u>
Total assets	<u>195,628,398</u>	<u>5,861,789</u>	<u>16,403,877</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	134,029	-	-
Total deferred outflows of resources	<u>134,029</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,626,313	750	352,413
Accrued liabilities	334,668	-	161,711
Due to other funds	-	-	-
Accrued compensated absences	272,050	-	-
Unearned revenue	-	-	-
Current liabilities payable from restricted assets:			
Customer deposits	3,436,714	-	-
Accrued liabilities	-	416,420	-
Current portion of long-term debt	<u>4,250,000</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>9,919,745</u>	<u>417,170</u>	<u>514,124</u>
Noncurrent liabilities:			
Long-term debt less the current portion	<u>56,808,763</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>56,808,763</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>66,728,508</u>	<u>417,170</u>	<u>514,124</u>
NET POSITION			
Net investment in capital assets	115,737,021	-	-
Restricted for debt service	-	5,444,619	-
Unrestricted	<u>13,296,898</u>	<u>-</u>	<u>15,889,753</u>
Total net position	<u>\$ 129,033,919</u>	<u>\$ 5,444,619</u>	<u>\$ 15,889,753</u>

Rate Stabilization	Wastewater Capital Projects	Water/ Wastewater Projects	TWDB Financial Assistance	Elimination	Total Water Wastewater
\$ 109,976	\$ 5,953,151	\$ 244,370	\$ 593	-	\$ 18,718,249
3,318,432	615,273	5,100,000	-	-	22,733,705
-	-	-	-	-	4,676,779
-	-	-	-	(420,659)	-
-	-	-	-	-	493,949
-	-	-	9,595,068	-	13,845,068
-	-	-	-	-	8,037,954
<u>3,428,408</u>	<u>6,568,424</u>	<u>5,344,370</u>	<u>9,595,661</u>	<u>(420,659)</u>	<u>68,505,704</u>
-	-	-	-	-	1,663,711
-	-	-	-	-	2,361,045
-	-	-	-	-	21,598,464
-	-	-	-	-	296,428,632
-	-	-	-	-	19,281,899
-	-	-	-	-	(167,429,187)
-	-	-	-	-	173,904,564
<u>3,428,408</u>	<u>6,568,424</u>	<u>5,344,370</u>	<u>9,595,661</u>	<u>(420,659)</u>	<u>242,410,268</u>
-	-	-	-	-	134,029
-	-	-	-	-	134,029
-	74,423	-	93,586	-	2,147,485
-	54,847	-	11,914	-	563,140
-	-	-	420,659	(420,659)	-
-	-	-	-	-	272,050
-	-	-	274,431	-	274,431
-	-	-	-	-	3,436,714
-	-	-	-	-	416,420
-	-	-	-	-	4,250,000
-	129,270	-	800,590	(420,659)	11,360,240
-	-	-	-	-	56,808,763
-	-	-	-	-	56,808,763
-	129,270	-	800,590	(420,659)	68,169,003
-	-	-	-	-	115,737,021
-	-	-	-	-	5,444,619
<u>3,428,408</u>	<u>6,439,154</u>	<u>5,344,370</u>	<u>8,795,071</u>	<u>-</u>	<u>53,193,654</u>
<u>\$ 3,428,408</u>	<u>\$ 6,439,154</u>	<u>\$ 5,344,370</u>	<u>\$ 8,795,071</u>	<u>\$ -</u>	<u>\$ 174,375,294</u>

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
WATER AND WASTEWATER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Debt Service</u>	<u>Water Capital Projects</u>
OPERATING REVENUES			
Water charges to customers	\$ 34,322,525	\$ -	\$ -
Wastewater charges to customers	22,678,679	-	-
Water and wastewater fees	2,094,465	-	-
Wastewater surcharges	653,220	-	-
Miscellaneous	311,522	-	54,885
Total operating revenue	<u>60,060,411</u>	<u>-</u>	<u>54,885</u>
OPERATING EXPENSES			
Salaries and benefits	7,059,406	-	-
Supplies	875,889	-	767
Purchased services	4,082,280	-	883,596
Capital outlay	(10,149,172)	-	8,616,020
Water purchases	11,850,914	-	-
Wastewater treatment	12,716,847	-	-
Miscellaneous	453,743	-	19,230
Depreciation	12,484,294	-	-
Franchise fees	2,283,480	-	-
General and administrative costs	3,300,124	-	-
Principal payment on bonds	(3,900,000)	3,900,000	-
Total operating expense	<u>41,057,805</u>	<u>3,900,000</u>	<u>9,519,613</u>
Operating income (loss)	<u>19,002,606</u>	<u>(3,900,000)</u>	<u>(9,464,728)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	-	-	-
Gain on property position	2,780	-	-
Interest expense	78,057	(2,150,883)	-
Contribution to other government	-	-	(38,917)
Capital assets contribution to government activities	(12)	-	-
Total nonoperating revenues (expenses)	<u>80,825</u>	<u>(2,150,883)</u>	<u>(38,917)</u>
Income (loss) before transfers and contributions	19,083,431	(6,050,883)	(9,503,645)
CAPITAL CONTRIBUTION AND TRANSFERS			
Capital contributions-impact fees	-	-	-
Capital contributions	1,459,557	-	-
Transfers in-capital assets	142,733	-	-
Transfers in-monetary	361,431	6,800,000	11,239,761
Transfers out-monetary	(25,136,161)	-	(2,894,957)
Total capital contributions and transfers	<u>(23,172,440)</u>	<u>6,800,000</u>	<u>8,344,804</u>
SPECIAL ITEMS			
Water settlement	(3,013,446)	-	-
Total special items	<u>(3,013,446)</u>	<u>-</u>	<u>-</u>
Change in net position	(7,102,455)	749,117	(1,158,841)
Net position - beginning of the year	136,136,374	4,695,502	17,048,594
Net position - end of the year	<u>\$ 129,033,919</u>	<u>\$ 5,444,619</u>	<u>\$ 15,889,753</u>

Interfund transfers in/out between the Operating fund, Debt Service fund, Water Capital Projects fund, Rate Stabilization fund Wastewater Capital Projects fund, Water/Wastewater Projects fund, and TWDB Financial Assistance fund are eliminated on the Statement of Revenues Expenses, and Change in Net Position.

Rate Stabilization	Wastewater Capital Projects	Water/Wastewater Projects	TWDB Financial Assistance	Elimination	Total Water/Wastewater
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,322,525
-	-	-	-	-	22,678,679
-	-	-	-	-	2,094,465
-	-	-	-	-	653,220
-	-	-	-	-	366,407
-	-	-	-	-	60,115,296
-	-	-	-	-	7,059,406
-	-	-	-	-	876,656
-	326,244	-	-	-	5,292,120
-	1,045,245	-	487,907	-	-
-	-	-	-	-	11,850,914
-	-	-	-	-	12,716,847
-	-	-	-	-	472,973
-	-	-	-	-	12,484,294
-	-	-	-	-	2,283,480
-	-	-	-	-	3,300,124
-	-	-	-	-	-
-	1,371,489	-	487,907	-	56,336,814
-	(1,371,489)	-	(487,907)	-	3,778,482
-	-	-	1,021	-	1,021
-	-	-	-	-	2,780
-	-	-	-	-	(2,072,826)
-	-	-	-	-	(38,917)
-	-	-	-	-	(12)
-	-	-	1,021	-	(2,107,954)
-	(1,371,489)	-	(486,886)	-	1,670,528
-	-	1,794,292	-	-	1,794,292
-	-	-	87,000	-	1,546,557
-	-	-	-	-	142,733
100,000	1,701,842	-	9,194,957	(29,375,391)	22,600
-	(2,661,431)	-	-	29,375,391	(1,317,158)
100,000	(959,589)	1,794,292	9,281,957	-	2,189,024
-	-	-	-	-	(3,013,446)
-	-	-	-	-	(3,013,446)
100,000	(2,331,078)	1,794,292	8,795,071	-	846,106
3,328,408	8,770,232	3,550,078	-	-	173,529,188
\$ 3,428,408	\$ 6,439,154	\$ 5,344,370	\$ 8,795,071	\$ -	\$ 174,375,294

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF NET POSITION
MUNICIPAL AIRPORT FUND
SEPTEMBER 30, 2014**

ASSETS	Operating	Capital Projects	Grant	Elimination	Total Municipal Airport
Current assets:					
Cash and cash equivalents	\$ 36,740	\$ 78,386	\$ 37,013	\$ -	\$ 152,139
Investments	400,000	1,200,000	-	-	1,600,000
Accounts receivable, net	132,912	95,417	-	-	228,329
Due from other governments	-	-	42,987	-	42,987
Due from other funds	80,000	-	-	(80,000)	-
Inventories and supplies	41,306	-	-	-	41,306
Current restricted assets:					
Cash and cash equivalents	252,426	-	-	-	252,426
Total current assets	943,384	1,373,803	80,000	(80,000)	2,317,187
Capital assets:					
Land	183,923	-	-	-	183,923
Buildings	4,942,514	-	1,923,592	-	6,866,106
Equipment	791,424	-	34,196	-	825,620
Infrastructure	6,217,838	-	4,254,282	-	10,472,120
Construction In Progress	956,271	-	1,142,001	-	2,098,272
Less: accumulated depreciation	(6,647,363)	-	(1,081,501)	-	(7,728,864)
Total capital assets	6,444,607	-	6,272,570	-	12,717,177
Total assets	7,387,991	1,373,803	6,352,570	(80,000)	15,034,364
LIABILITIES					
Current liabilities:					
Accounts payable	19,612	36,582	-	-	56,194
Accrued liabilities	18,030	19,900	-	-	37,930
Due to other funds	-	-	80,000	(80,000)	-
Accrued compensated absences	22,330	-	-	-	22,330
Unearned revenue	190,206	-	-	-	190,206
Current liabilities payable from restricted assets:					
Customer deposits	117,953	-	-	-	117,953
Accrued liabilities	9,473	-	-	-	9,473
Current portion of long-term debt	125,000	-	-	-	125,000
Total current liabilities	502,604	56,482	80,000	(80,000)	559,086
Noncurrent liabilities:					
Accrued compensated absences	9,851	-	-	-	9,851
Long-term debt less the current portion	1,450,000	-	-	-	1,450,000
Total noncurrent liabilities	1,459,851	-	-	-	1,459,851
Total liabilities	1,962,455	56,482	80,000	(80,000)	2,018,937
NET POSITION					
Net investment in capital assets	4,869,607	-	6,272,570	-	11,142,177
Unrestricted	555,929	1,317,321	-	-	1,873,250
Total net position	\$ 5,425,536	\$ 1,317,321	\$ 6,272,570	\$ -	\$ 13,015,427

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
MUNICIPAL AIRPORT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Grant</u>	<u>Elimination</u>	<u>Total Municipal Airport</u>
OPERATING REVENUES					
Sales to customers	\$ 1,641,237	\$ 100	\$ -	\$ -	\$ 1,641,337
Intergovernment	-	-	42,697	-	42,697
Miscellaneous	688,787	647,997	-	-	1,336,784
Total operating revenues	<u>2,330,024</u>	<u>648,097</u>	<u>42,697</u>	<u>-</u>	<u>3,020,818</u>
OPERATING EXPENSES					
Salaries and benefits	379,812	-	-	-	379,812
Supplies	1,280,082	8,778	-	-	1,288,860
Purchased services	157,048	-	249,358	-	406,406
Miscellaneous	45,133	-	-	-	45,133
Capital outlay	(904,904)	904,904	-	-	-
Depreciation	617,374	-	606,757	-	1,224,131
General and administrative costs	59,237	-	-	-	59,237
Total operating expenses	<u>1,633,782</u>	<u>913,682</u>	<u>856,115</u>	<u>-</u>	<u>3,403,579</u>
Operating income (loss)	<u>696,242</u>	<u>(265,585)</u>	<u>(813,418)</u>	<u>-</u>	<u>(382,761)</u>
NONOPERATING EXPENSES					
Loss on property disposition	(1,686)	-	-	-	(1,686)
Interest expense	(78,391)	-	-	-	(78,391)
Total nonoperating expenses	<u>(80,077)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,077)</u>
Income (loss) before transfers	616,165	(265,585)	(813,418)	-	(462,838)
Capital contributions	900,000	-	161,973	-	1,061,973
Transfers in	-	361,533	44,553	(406,086)	-
Transfers out	<u>(200,000)</u>	<u>(92,553)</u>	<u>(161,533)</u>	<u>406,086</u>	<u>(48,000)</u>
Change in net position	1,316,165	3,395	(768,425)	-	551,135
Net position - beginning of the year (as previously stated)	4,109,371	1,313,926	4,786,713	-	10,210,010
Prior period adjustment	-	-	2,254,282	-	2,254,282
Net position - end of the year	<u>\$ 5,425,536</u>	<u>\$ 1,317,321</u>	<u>\$ 6,272,570</u>	<u>\$ -</u>	<u>\$ 13,015,427</u>

Transfers in/out between the Airport's Operating fund, Capital Projects fund, and Grant fund are eliminated on the Statement of Revenues, Expenses, and Change in Net Position, Nonmajor Enterprise Funds.

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF NET POSITION
MUNICIPAL GOLF COURSE FUND
SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Total Municipal Golf</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 36,743	\$ 30,550	\$ 67,293
Investments	170,044	-	170,044
Accounts receivable	34,555	-	34,555
Inventories	27,495	-	27,495
Current restricted assets:			
Investments	271,856	-	271,856
Total current assets	<u>540,693</u>	<u>30,550</u>	<u>571,243</u>
Capital assets:			
Land	568,284	-	568,284
Buildings	1,854,835	-	1,854,835
Equipment	1,135,383	-	1,135,383
Improvements other than buildings	9,931,537	-	9,931,537
Construction in progress	54,882	-	54,882
Less: accumulated depreciation	<u>(8,813,692)</u>	<u>-</u>	<u>(8,813,692)</u>
Total capital assets	<u>4,731,229</u>	<u>-</u>	<u>4,731,229</u>
Total assets	<u>5,271,922</u>	<u>30,550</u>	<u>5,302,472</u>
LIABILITIES			
Current liabilities:			
Accounts payable	75,094	935	76,029
Accrued liabilities	36,717	-	36,717
Accrued compensated absences	44,260	-	44,260
Current liabilities payable from restricted assets:			
Accrued liabilities	10,656	-	10,656
Current portion of long-term debt	<u>261,200</u>	<u>-</u>	<u>261,200</u>
Total current liabilities	<u>427,927</u>	<u>935</u>	<u>428,862</u>
Noncurrent liabilities			
Accrued compensated absences	8,712	-	8,712
Long-term debt	<u>1,854,561</u>	<u>-</u>	<u>1,854,561</u>
Total noncurrent liabilities	<u>1,863,273</u>	<u>-</u>	<u>1,863,273</u>
Total liabilities	<u>2,291,200</u>	<u>935</u>	<u>2,292,135</u>
NET POSITION			
Net investment in capital assets	2,615,468	-	2,615,468
Unrestricted	<u>365,254</u>	<u>29,615</u>	<u>394,869</u>
Total net position	<u>\$ 2,980,722</u>	<u>\$ 29,615</u>	<u>\$3,010,337</u>

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
MUNICIPAL GOLF COURSE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Elimination</u>	<u>Total Municipal Golf</u>
OPERATING REVENUES				
Sales to customers	\$1,908,340	\$ -	\$ -	\$1,908,340
Miscellaneous	750	-	-	750
Total operating revenue	<u>1,909,090</u>	<u>-</u>	<u>-</u>	<u>1,909,090</u>
OPERATING EXPENSES				
Salaries and benefits	1,352,457	-	-	1,352,457
Supplies	226,852	-	-	226,852
Purchased services	1,050,234	3,498	-	1,053,732
Capital outlay	(21,228)	21,228	-	-
Miscellaneous	44,772	-	-	44,772
Depreciation	557,544	-	-	557,544
Total operating expense	<u>3,210,631</u>	<u>24,726</u>	<u>-</u>	<u>3,235,357</u>
Operating loss	<u>(1,301,541)</u>	<u>(24,726)</u>	<u>-</u>	<u>(1,326,267)</u>
NONOPERATING REVENUES (EXPENSES)				
Gain on property disposition	3,939	-	-	3,939
Interest expense	(79,683)	-	-	(79,683)
Total nonoperating expense	<u>(75,744)</u>	<u>-</u>	<u>-</u>	<u>(75,744)</u>
Loss before transfers	<u>(1,377,285)</u>	<u>(24,726)</u>	<u>-</u>	<u>(1,402,011)</u>
Transfers in	<u>1,058,156</u>	<u>-</u>	<u>-</u>	<u>1,058,156</u>
Change in net position	<u>(319,129)</u>	<u>(24,726)</u>	<u>-</u>	<u>(343,855)</u>
Net position -beginning of year	<u>3,299,851</u>	<u>54,341</u>	<u>-</u>	<u>3,354,192</u>
Net position - end of year	<u>\$2,980,722</u>	<u>\$ 29,615</u>	<u>\$ -</u>	<u>\$3,010,337</u>

Interfund transfers between the Operating fund, and Capital Projects fund, are eliminated on the Statement of Revenues, Expenses, and Change in Net Position, Nonmajor Enterprise Funds.

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF NET POSITION
SOLID WASTE FUND
SEPTEMBER 30, 2014**

	Operating	Capital Projects	Closure Liability
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,394,820	\$ 179,665	\$ 102,497
Investment	2,163,496	4,300,000	3,100,000
Accounts receivable, net	452,456	-	-
Total current assets	<u>4,010,772</u>	<u>4,479,665</u>	<u>3,202,497</u>
Capital assets:			
Land	1,748,378	-	-
Buildings	1,764,513	-	-
Equipment	7,190,661	-	-
Improvements other than buildings	10,449,173	-	-
Construction in progress	111,646	-	-
Less: accumulated depreciation	(8,858,637)	-	-
Total capital assets	<u>12,405,734</u>	<u>-</u>	<u>-</u>
Total assets	<u>16,416,506</u>	<u>4,479,665</u>	<u>3,202,497</u>
LIABILITIES			
Current liabilities:			
Accounts payable	404,325	1,732	-
Accrued liabilities	148,205	-	-
Accrued compensated absences	69,035	-	-
Total current liabilities	<u>621,565</u>	<u>1,732</u>	<u>-</u>
Noncurrent liabilities:			
Closure and post closure liability	6,356,244	-	-
Total noncurrent liabilities	<u>6,356,244</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,977,809</u>	<u>1,732</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	12,405,734	-	-
Unrestricted	(2,967,037)	4,477,933	3,202,497
Total net position	<u>\$ 9,438,697</u>	<u>\$ 4,477,933</u>	<u>\$ 3,202,497</u>

<u>Equipment Acquisition</u>	<u>Landfill Replacement</u>	<u>Liner Reserve</u>	<u>Total Solid Waste</u>
\$ 1,141,709	\$ 400,798	\$ 138,840	\$ 3,358,329
-	2,574,536	1,000,000	13,138,032
-	-	-	452,456
<u>1,141,709</u>	<u>2,975,334</u>	<u>1,138,840</u>	<u>16,948,817</u>
-	-	-	1,748,378
-	-	-	1,764,513
-	-	-	7,190,661
-	-	-	10,449,173
-	-	-	111,646
-	-	-	(8,858,637)
-	-	-	<u>12,405,734</u>
<u>1,141,709</u>	<u>2,975,334</u>	<u>1,138,840</u>	<u>29,354,551</u>
741,582	-	-	1,147,639
-	-	-	148,205
-	-	-	69,035
<u>741,582</u>	<u>-</u>	<u>-</u>	<u>1,364,879</u>
-	-	-	6,356,244
-	-	-	6,356,244
<u>741,582</u>	<u>-</u>	<u>-</u>	<u>7,721,123</u>
-	-	-	12,405,734
<u>400,127</u>	<u>2,975,334</u>	<u>1,138,840</u>	<u>9,227,694</u>
<u>\$ 400,127</u>	<u>\$ 2,975,334</u>	<u>\$ 1,138,840</u>	<u>\$ 21,633,428</u>

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
SOLID WASTE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Operating</u>	<u>Capital Projects</u>	<u>Closure Liability</u>
OPERATING REVENUES			
Sales to customers	\$ 10,677,206	\$ -	\$ -
Miscellaneous	125,659	-	-
Total operating revenues	<u>10,802,865</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES			
Salaries and benefits	2,113,741	-	-
Supplies	544,291	12,952	-
Purchased services	4,738,184	54,519	-
Miscellaneous	493,884	-	-
Capital outlay	(938,064)	169,059	-
Depreciation	1,044,813	-	-
Franchise fee	318,192	-	-
General and administrative costs	349,689	-	-
Total operating expenses	<u>8,664,730</u>	<u>236,530</u>	<u>-</u>
Operating income	<u>2,138,135</u>	<u>(236,530)</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)			
Gain (loss) on property disposition	-	-	-
Capital assets contribution to government activities	(26,516)	-	-
Total nonoperating revenues	<u>(26,516)</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions and transfers	2,111,619	(236,530)	-
Capital assets contribution from government activities	7,432	-	-
Transfers out-capital assets	(142,733)	-	-
Transfers in-monetary	-	500,000	200,000
Transfers out-monetary	(2,132,875)	-	-
Change in net position	<u>(156,557)</u>	<u>263,470</u>	<u>200,000</u>
Net position - beginning of the year	<u>9,595,254</u>	<u>4,214,463</u>	<u>3,002,497</u>
Net position - end of the year	<u>\$ 9,438,697</u>	<u>\$ 4,477,933</u>	<u>\$ 3,202,497</u>

Interfund transfers in/out between the Operating fund, Capital Projects fund, Closure Liability fund, Equipment Acquisition fund, Landfill Replacement fund, and Liner Reserve fund are eliminated on the Statement of Revenues, Expenses, and Change in Net Position, Nonmajor Enterprise Funds.

Equipment Acquisition	Landfill Replacement	Liner Reserve	Elimination	Total Solid Waste
\$ -	\$ -	\$ -	\$ -	\$10,677,206
-	-	-	-	125,659
-	-	-	-	10,802,865
-	-	-	-	2,113,741
-	-	-	-	557,243
51,250	-	-	-	4,843,953
-	-	-	-	493,884
769,005	-	-	-	-
-	-	-	-	1,044,813
-	-	-	-	318,192
-	-	-	-	349,689
820,255	-	-	-	9,721,515
(820,255)	-	-	-	1,081,350
1,535	-	-	-	1,535
-	-	-	-	(26,516)
1,535	-	-	-	(24,981)
(818,720)	-	-	-	1,056,369
-	-	-	-	7,432
-	-	-	-	(142,733)
750,000	100,000	200,000	(1,750,000)	-
-	-	-	1,750,000	(382,875)
(68,720)	100,000	200,000	-	538,193
468,847	2,875,334	938,840	-	21,095,235
\$ 400,127	\$ 2,975,334	\$ 1,138,840	\$ -	\$ 21,633,428

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF NET POSITION
RISK MANAGEMENT FUND
SEPTEMBER 30, 2014**

	Risk Management	Employee Insurance	Total Risk Management
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 343,379	\$5,846,657	\$ 6,190,036
Investments	6,000,000	1,160,624	7,160,624
Prepaid	-	27,099	27,099
Current restricted assets:			
Cash and cash equivalents	-	177,928	177,928
Total current assets	<u>6,343,379</u>	<u>7,212,308</u>	<u>13,555,687</u>
Capital assets:			
Equipment	149,456	28,773	178,229
Less: accumulated depreciation	(28,839)	(12,431)	(41,270)
Total capital assets	<u>120,617</u>	<u>16,342</u>	<u>136,959</u>
Total assets	<u>6,463,996</u>	<u>7,228,650</u>	<u>13,692,646</u>
LIABILITIES			
Current liabilities:			
Accounts payable	164,791	25,450	190,241
Accrued liabilities	3,312,606	1,352,399	4,665,005
Accrued compensated absences	5,484	5,238	10,722
Total current liabilities	<u>3,482,881</u>	<u>1,383,087</u>	<u>4,865,968</u>
Total liabilities	<u>3,482,881</u>	<u>1,383,087</u>	<u>4,865,968</u>
NET POSITION			
Net investment in capital assets	120,617	16,342	136,959
Unrestricted	2,860,498	5,829,221	8,689,719
Total net position	<u>\$ 2,981,115</u>	<u>\$5,845,563</u>	<u>\$ 8,826,678</u>

**CITY OF GRAND PRAIRIE, TEXAS
AGGREGATING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
RISK MANAGEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Risk Management	Employee Insurance	Total Risk Management
OPERATING REVENUES			
Insurance premiums	\$ 3,727,376	\$ 16,041,517	\$ 19,768,893
Miscellaneous	-	4,289	4,289
Total operating revenues	<u>3,727,376</u>	<u>16,045,806</u>	<u>19,773,182</u>
OPERATING EXPENSES			
Salaries and benefits	103,851	87,812	191,663
Supplies	3,025	2,232	5,257
Purchased services	749,144	325,495	1,074,639
Insurance claims	2,759,757	15,880,831	18,640,588
Miscellaneous	64,813	73,520	138,333
Depreciation	18,317	9,242	27,559
Total operating expenses	<u>3,698,907</u>	<u>16,379,132</u>	<u>20,078,039</u>
Operating income	<u>28,469</u>	<u>(333,326)</u>	<u>(304,857)</u>
NONOPERATING REVENUES			
Capital assets contribution to government activities	(55,423)	(35,001)	(90,424)
Total nonoperating revenue	<u>(55,423)</u>	<u>(35,001)</u>	<u>(90,424)</u>
Income before transfers	<u>(26,954)</u>	<u>(368,327)</u>	<u>(395,281)</u>
Change in net position	(26,954)	(368,327)	(395,281)
Net position - beginning of the year	<u>3,008,069</u>	<u>6,213,890</u>	<u>9,221,959</u>
Net position - end of the year	<u>\$ 2,981,115</u>	<u>\$ 5,845,563</u>	<u>\$ 8,826,678</u>



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STATISTICAL SECTION



**CITY OF GRAND PRAIRIE, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2014
 STATISTICAL SECTION INDEX (UNAUDITED)**

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**CITY OF GRAND PRAIRIE, TEXAS
NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 237,535,813	\$ 255,230,188	\$ 250,427,112	\$ 265,961,757
Restricted	1,768,257	3,034,411	5,260,954	5,491,185
Unrestricted	41,171,528	52,044,716	99,358,971	114,556,201
Total governmental activities net position	<u>\$ 280,475,598</u>	<u>\$ 310,309,315</u>	<u>\$ 355,047,037</u>	<u>\$ 386,009,143</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 130,998,728	\$ 133,275,493	\$ 134,270,404	\$ 129,219,761
Restricted	3,699,150	3,671,913	3,748,093	6,089,188
Unrestricted	30,147,871	37,114,582	46,861,049	56,978,613
Total business-type activities net position	<u>\$ 164,845,749</u>	<u>\$ 174,061,988</u>	<u>\$ 184,879,546</u>	<u>\$ 192,287,562</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 368,534,541	\$ 388,505,681	\$ 384,697,516	\$ 395,181,518
Restricted	5,467,407	6,706,324	9,009,047	11,580,373
Unrestricted	71,319,399	89,159,298	146,220,020	171,534,814
Total primary government net position	<u>\$ 445,321,347</u>	<u>\$ 484,371,303</u>	<u>\$ 539,926,583</u>	<u>\$ 578,296,705</u>

The City implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definition" in fiscal year 2011, which changed classification of certain activities from governmental to business type activities. The beginning net position in 2011 have been restated.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 271,217,903	\$ 286,120,135	\$ 279,371,594	\$ 311,048,653	\$ 316,856,535	\$ 319,412,513
9,302,232	9,792,214	83,793,231	63,267,418	69,081,215	108,444,110
129,915,331	129,649,766	62,743,136	47,893,511	40,378,407	13,160,490
<u>\$ 410,435,466</u>	<u>\$ 425,562,115</u>	<u>\$ 425,907,961</u>	<u>\$ 422,209,582</u>	<u>\$ 426,316,157</u>	<u>\$ 441,017,113</u>
\$ 139,067,912	\$ 134,524,036	\$ 137,253,007	\$ 139,042,561	\$ 141,678,428	\$ 143,297,680
3,673,504	4,228,742	3,988,491	4,601,419	4,695,502	5,444,619
60,527,614	68,647,313	68,859,665	71,929,058	66,726,233	68,399,617
<u>\$ 203,269,030</u>	<u>\$ 207,400,091</u>	<u>\$ 210,101,163</u>	<u>\$ 215,573,038</u>	<u>\$ 213,100,163</u>	<u>\$ 217,141,916</u>
\$ 410,285,815	\$ 420,644,171	\$ 416,624,601	\$ 450,091,214	\$ 458,534,963	\$ 462,710,193
12,975,736	14,020,956	87,781,722	67,868,837	73,776,717	113,888,729
190,442,945	198,297,079	131,602,801	119,822,569	107,104,640	81,560,107
<u>\$ 613,704,496</u>	<u>\$ 632,962,206</u>	<u>\$ 636,009,124</u>	<u>\$ 637,782,620</u>	<u>\$ 639,416,320</u>	<u>\$ 658,159,029</u>

**CITY OF GRAND PRAIRIE, TEXAS
CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
EXPENSES				
Governmental activities:				
Support services	\$ 13,933,988	\$ 16,076,516	\$ 22,481,067	\$ 19,829,891
Public safety services	53,811,047	57,826,788	70,124,744	76,192,160
Recreation and leisure services	14,491,018	15,606,279	19,168,072	20,548,092
Development services	40,009,351	50,642,965	38,630,596	51,061,087
Interest on long-term debt	7,482,003	7,659,557	8,421,424	10,329,775
Total governmental activities expenses	<u>\$ 129,727,407</u>	<u>\$ 147,812,105</u>	<u>\$ 158,825,903</u>	<u>\$ 177,961,005</u>
Business-type activities:				
Water and wastewater	\$ 36,537,343	\$ 39,746,718	\$ 40,211,646	\$ 43,521,711
Municipal airport	6,422,295	2,156,251	2,010,376	2,274,829
Municipal golf course	3,451,846	3,390,562	3,295,065	3,388,253
Storm water	1,833,787	829,867	1,034,458	1,076,876
Solid waste	6,422,295	7,320,755	9,599,260	8,147,843
Total business-type activities expenses	<u>54,667,566</u>	<u>53,444,153</u>	<u>56,150,805</u>	<u>58,409,512</u>
Total primary government expenses	<u>\$ 184,394,973</u>	<u>\$ 201,256,258</u>	<u>\$ 214,976,708</u>	<u>\$ 236,370,517</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
Support services	\$ 6,462,531	\$ 9,856,362	\$ 11,369,944	\$ 12,976,068
Public safety services	8,567,505	8,982,681	5,453,931	5,827,320
Recreation and leisure services	2,947,751	3,502,325	4,843,898	6,894,465
Development services	3,826,062	6,108,583	3,731,729	2,947,454
Operating grants and contributions	28,456,869	33,141,279	48,052,791	36,873,575
Capital grants and contributions	25,867,397	8,409,834	14,027,960	11,432,768
Total governmental activities program revenues	<u>\$ 76,128,115</u>	<u>\$ 70,001,064</u>	<u>\$ 87,480,253</u>	<u>\$ 76,951,650</u>
Business-type activities:				
Charges for services:				
Water and wastewater	\$ 34,084,321	\$ 42,564,693	\$ 41,221,192	\$ 43,493,084
Municipal airport	1,654,152	1,496,579	1,492,202	2,330,000
Municipal golf course	2,397,915	2,587,757	2,637,807	2,232,189
Storm water	1,917,720	2,470,183	2,691,742	2,974,336
Solid waste	8,061,725	8,767,399	9,023,648	9,103,212
Operating grants and contributions	386,900	737,536	1,668,944	270,729
Capital grants and contributions	10,979,777	4,172,710	8,109,411	5,519,297
Total business-type activities program revenues	<u>59,482,510</u>	<u>62,796,857</u>	<u>66,844,946</u>	<u>65,922,847</u>
Total primary government program revenues	<u>\$ 135,610,625</u>	<u>\$ 132,797,921</u>	<u>\$ 154,325,199</u>	<u>\$ 142,874,497</u>

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the change in net position as previously stated.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 17,647,031	\$ 17,278,851	\$ 19,100,748	\$ 17,928,238	\$ 17,503,253	\$ 20,400,867
70,728,042	81,872,640	88,336,343	72,934,512	76,439,796	80,333,290
24,302,491	21,517,961	22,368,768	24,071,731	25,847,664	25,255,982
56,491,002	58,153,994	74,251,224	84,171,971	79,057,014	75,473,059
12,141,929	10,618,864	9,817,549	9,227,801	8,125,389	7,922,519
<u>\$ 181,310,495</u>	<u>\$ 189,442,310</u>	<u>\$ 213,874,632</u>	<u>\$ 208,334,253</u>	<u>\$ 206,973,116</u>	<u>\$ 209,385,717</u>
\$ 46,025,037	\$ 48,888,158	\$ 52,658,416	\$ 55,186,501	\$ 59,993,534	\$ 61,468,207
1,758,664	1,999,196	2,809,039	2,650,503	2,793,094	3,484,297
3,336,554	3,488,564	3,521,660	3,527,637	3,487,758	3,314,435
1,344,716	1,692,009	1,537,846	1,617,905	1,909,737	1,635,198
8,316,221	8,931,468	9,079,737	9,485,700	9,773,626	9,712,711
60,781,192	64,999,395	69,606,698	72,468,246	77,957,749	79,614,848
<u>\$ 242,091,687</u>	<u>\$ 254,441,705</u>	<u>\$ 283,481,330</u>	<u>\$ 280,802,499</u>	<u>\$ 284,930,865</u>	<u>\$ 289,000,565</u>
\$ 13,272,240	\$ 10,929,541	\$ 5,981,676	\$ 5,000,964	\$ 4,914,303	\$ 4,701,456
11,030,095	12,823,754	16,384,019	13,752,467	15,557,404	16,190,902
5,815,486	7,112,226	8,886,903	8,256,815	9,686,041	9,055,820
5,087,515	4,412,063	7,991,012	5,866,787	5,670,741	7,152,325
28,333,421	31,232,753	37,588,585	31,329,503	33,339,115	34,980,362
5,795,714	9,112,664	2,664,489	6,290,285	5,242,216	4,020,110
<u>\$ 69,334,471</u>	<u>\$ 75,623,001</u>	<u>\$ 79,496,684</u>	<u>\$ 70,496,821</u>	<u>\$ 74,409,820</u>	<u>\$ 76,100,975</u>
\$ 46,898,346	\$ 46,459,483	\$ 54,761,115	\$ 57,610,991	\$ 57,632,524	\$ 60,115,296
1,703,398	1,759,319	3,791,577	3,048,547	2,973,572	2,978,121
2,409,475	2,080,152	2,244,356	2,306,811	2,262,430	1,909,090
3,073,155	4,685,730	5,015,547	5,125,840	5,367,769	5,436,780
10,290,559	10,100,502	9,984,080	10,664,949	10,568,982	10,802,865
468,397	-	-	-	30,291	42,697
3,742,875	2,444,475	1,792,377	2,465,951	3,089,677	4,402,822
68,586,205	67,529,661	77,589,052	81,223,089	81,925,245	85,687,671
<u>\$ 137,920,676</u>	<u>\$ 143,152,662</u>	<u>\$ 157,085,736</u>	<u>\$ 151,719,910</u>	<u>\$ 156,335,065</u>	<u>\$ 161,788,646</u>

(continued)

**CITY OF GRAND PRAIRIE, TEXAS
CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	2005	2006	2007	2008
NET (EXPENSES)/REVENUE				
Governmental activities	\$ (53,599,292)	\$ (77,811,041)	\$ (71,345,650)	\$ (101,009,355)
Business-type activities	4,814,944	9,352,704	10,694,141	7,513,335
Total primary government net expense	<u>\$ (48,784,348)</u>	<u>\$ (68,458,337)</u>	<u>\$ (60,651,509)</u>	<u>\$ (93,496,020)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property taxes	\$ 50,217,892	\$ 54,462,317	\$ 61,443,459	\$ 69,813,294
Sales taxes	24,833,472	29,289,416	31,919,487	39,665,104
Hotel/motel tax and other taxes	1,803,169	1,299,365	1,344,762	1,414,822
Franchise fees	9,870,488	15,658,628	11,375,535	11,847,401
Investment income	2,820,035	4,735,009	7,573,850	7,444,199
Miscellaneous	3,014,011	71,784	-	-
Contributions	-	-	-	2,553,427
Transfers-monetary	350,310	2,128,239	2,426,279	-
Transfers-capital assets	-	-	-	-
Total governmental activities	<u>\$ 92,909,377</u>	<u>\$ 107,644,758</u>	<u>\$ 116,083,372</u>	<u>\$ 132,738,247</u>
Business-type activities:				
Franchise fees	-	305,907	-	\$ -
Investment income	288,044	1,685,867	2,549,696	2,448,108
Contributions	-	-	-	-
Transfers-monetary	(350,310)	(2,128,239)	(2,426,279)	(2,553,427)
Transfers-capital assets	-	-	-	-
Total business-type activities	<u>(62,266)</u>	<u>(136,465)</u>	<u>123,417</u>	<u>(105,319)</u>
Total primary government	<u>\$ 92,847,111</u>	<u>\$ 107,508,293</u>	<u>\$ 116,206,789</u>	<u>\$ 132,632,928</u>
CHANGES IN NET POSITION				
Governmental activities	\$ 39,310,085	\$ 29,833,717	\$ 44,737,722	\$ 31,728,892
Business-type activities	4,752,678	9,216,239	10,817,558	7,408,016
Total primary government	<u>\$ 44,062,763</u>	<u>\$ 39,049,956</u>	<u>\$ 55,555,280</u>	<u>\$ 39,136,908</u>

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ (111,976,024)	\$ (113,819,309)	\$ (134,377,948)	\$ (137,837,432)	\$ (132,563,296)	\$ (133,284,742)
<u>7,805,013</u>	<u>2,530,266</u>	<u>7,982,354</u>	<u>8,754,843</u>	<u>3,967,496</u>	<u>6,072,823</u>
<u>\$ (104,171,011)</u>	<u>\$ (111,289,043)</u>	<u>\$ (126,395,594)</u>	<u>\$ (129,082,589)</u>	<u>\$ (128,595,800)</u>	<u>\$ (127,211,919)</u>
\$ 76,687,029	\$ 75,091,425	\$ 71,554,937	\$ 70,153,052	\$ 71,785,225	\$ 77,334,662
40,376,226	39,891,881	41,713,795	45,457,902	47,155,704	50,846,972
1,231,899	1,232,928	1,332,984	1,332,259	1,488,871	1,550,172
12,531,556	12,060,211	13,492,977	12,902,516	12,811,696	13,315,452
6,688,474	1,844,371	1,341,476	1,004,777	437,770	652,067
-	-	-	-	-	-
-	-	-	-	-	-
(1,112,837)	(1,542,012)	5,625,851	3,167,893	5,390,831	4,267,277
<u>-</u>	<u>367,154</u>	<u>-</u>	<u>120,654</u>	<u>-</u>	<u>19,096</u>
<u>\$ 136,402,347</u>	<u>\$ 128,945,958</u>	<u>\$ 135,062,020</u>	<u>\$ 134,139,053</u>	<u>\$ 139,070,097</u>	<u>\$ 147,985,698</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,063,618	425,937	6,343	5,579	4,242	1,021
-	-	-	-	-	-
1,112,837	1,542,012	(5,625,851)	(3,167,893)	(5,390,831)	(4,267,277)
<u>-</u>	<u>(367,154)</u>	<u>-</u>	<u>(120,654)</u>	<u>-</u>	<u>(19,096)</u>
<u>3,176,455</u>	<u>1,600,795</u>	<u>(5,619,508)</u>	<u>(3,282,968)</u>	<u>(5,386,589)</u>	<u>(4,285,352)</u>
<u>\$ 139,578,802</u>	<u>\$ 130,546,753</u>	<u>\$ 129,442,512</u>	<u>\$ 130,856,085</u>	<u>\$ 133,683,508</u>	<u>\$ 143,700,346</u>
\$ 24,426,323	\$ 15,126,649	\$ 684,072	\$ (3,698,379)	\$ 6,506,801	\$ 14,700,956
<u>10,981,468</u>	<u>4,131,061</u>	<u>2,362,846</u>	<u>5,471,875</u>	<u>(1,419,093)</u>	<u>1,787,471</u>
<u>\$ 35,407,791</u>	<u>\$ 19,257,710</u>	<u>\$ 3,046,918</u>	<u>\$ 1,773,496</u>	<u>\$ 5,087,708</u>	<u>\$ 16,488,427</u>

(concluded)

**CITY OF GRAND PRAIRIE, TEXAS
 FUND BALANCES
 GOVERNMENTAL FUNDS (UNAUDITED)
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
GENERAL FUND				
Reserved	\$ 1,245,756	\$ 1,202,824	\$ 978,032	\$ 769,535
Unreserved/Unassigned	16,467,282	23,797,074	24,474,441	23,517,200
Nonspendable	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Total general fund	<u>\$ 17,713,038</u>	<u>\$ 24,999,898</u>	<u>\$ 25,452,473</u>	<u>\$ 24,286,735</u>
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 21,832,554	\$ 20,495,695	\$ 9,009,855	\$ 9,713,094
Unreserved, reported in:				
Special revenue funds	29,473,920	23,834,504	51,481,507	152,319,219
Capital projects funds	14,339,856	17,522,013	36,334,868	36,672,982
Non Spendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Total all other governmental funds	<u>\$ 65,646,330</u>	<u>\$ 61,852,212</u>	<u>\$ 96,826,230</u>	<u>\$ 198,705,295</u>

The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.

2009	2010	2011	2012	2013	2014
\$ 576,286	\$ 306,798		\$ -	\$ -	\$ -
29,769,771	29,794,717	29,186,299	25,938,708	27,346,027	22,961,626
-	-	-	1,035	3,545	16,627
-	-	-	524,836	130,240	-
-	-	1,407,704	1,449,177	1,336,996	1,137,119
<u>\$ 30,346,057</u>	<u>\$ 30,101,515</u>	<u>\$ 30,594,003</u>	<u>\$ 27,913,756</u>	<u>\$ 28,816,808</u>	<u>\$ 24,115,372</u>
\$ 13,783,052	\$ 11,783,598	\$ -	\$ -	\$ -	\$ -
69,553,793	39,727,431	-	-	-	-
75,403,545	60,591,611	-	-	-	-
-	-	265,296	98,473	41,103	30,775
-	-	89,928,651	70,226,080	81,264,054	96,095,975
-	-	34,061,536	26,402,391	28,992,783	24,920,817
<u>\$ 158,740,390</u>	<u>\$ 112,102,640</u>	<u>\$ 124,255,483</u>	<u>\$ 96,726,944</u>	<u>\$ 110,297,940</u>	<u>\$ 121,047,567</u>

**CITY OF GRAND PRAIRIE, TEXAS
CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES				
Taxes	\$ 76,112,349	\$ 85,051,098	\$ 94,529,349	\$ 109,658,169
Licenses, fees, and permits	12,650,409	18,962,716	14,221,385	14,300,656
Fines and penalties	5,462,053	5,537,867	5,807,484	5,615,462
Charges for services	7,209,753	7,537,479	8,466,964	11,648,865
Special assessments	742,184	980,999	1,379,597	-
Intergovernmental	25,146,652	31,315,423	26,598,586	30,132,609
Investment income	2,805,479	4,620,911	7,391,922	7,239,258
Other revenues	14,506,025	9,195,418	25,059,295	15,655,620
Total revenues	<u>144,634,904</u>	<u>163,201,911</u>	<u>183,454,582</u>	<u>194,250,639</u>
EXPENDITURES				
Current operations:				
Support services	11,346,466	12,875,349	17,431,881	14,740,779
Public safety services	46,304,166	49,046,924	54,033,347	59,110,908
Recreation and leisure services	12,457,293	13,194,080	14,769,610	17,039,606
Development services	33,607,969	40,658,989	37,067,631	48,283,183
Capital outlay	41,489,772	43,035,692	29,577,246	62,450,315
Debt service:				
Principal retirement	10,998,736	9,079,928	9,632,819	13,268,068
Interest	8,123,692	7,333,210	8,350,646	10,693,686
Total expenditures	<u>164,328,094</u>	<u>175,224,172</u>	<u>170,863,180</u>	<u>225,586,545</u>
Excess of revenues over (under) expenditures	<u>(19,693,190)</u>	<u>(12,022,261)</u>	<u>12,591,402</u>	<u>(31,335,906)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in-monetary	21,490,429	21,651,931	29,302,328	51,850,485
Transfers out-monetary	(21,037,549)	(19,402,662)	(28,036,960)	(49,205,367)
Proceeds from sale of capital assets	47,967	71,784	12,410	-
Premium (discount) on debt issued	(96,248)	27,700	97,413	61,992
Bonds issued	9,285,000	13,166,250	21,460,000	129,440,000
Refunding bonds issued	17,540,000	-	-	17,278,000
Payment for refunded debt - escrow agent	(16,380,000)	-	-	(17,161,031)
Sale of assets held for resale	-	-	-	-
Total other financing sources	<u>10,849,599</u>	<u>15,515,003</u>	<u>22,835,191</u>	<u>132,264,079</u>
Net change in fund balances	<u>\$ (8,843,591)</u>	<u>\$ 3,492,742</u>	<u>\$ 35,426,593</u>	<u>\$ 100,928,173</u>
Debt service as a percentage of noncapital expenditures	15.6%	12.4%	12.7%	14.7%

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 116,142,863	\$ 116,814,717	\$ 114,587,907	\$ 117,208,804	\$ 122,360,903	\$ 128,787,756
14,767,427	14,667,062	16,136,711	15,606,264	15,799,334	16,471,810
6,342,727	7,311,853	6,987,287	8,074,797	9,918,968	10,473,823
11,488,375	12,497,178	12,961,293	13,655,483	13,619,154	14,463,192
-	-	-	-	-	-
26,343,441	38,692,557	39,462,880	35,616,500	37,762,890	34,880,224
6,472,181	1,767,720	1,341,476	1,004,777	437,770	652,067
10,735,637	7,707,687	10,064,673	9,637,107	9,741,528	12,368,101
<u>192,292,651</u>	<u>199,458,774</u>	<u>201,542,227</u>	<u>200,803,732</u>	<u>209,640,547</u>	<u>218,096,973</u>
14,778,861	13,793,906	14,078,101	14,546,500	15,198,818	17,393,309
59,391,711	63,301,812	62,850,732	65,260,700	69,057,285	74,367,544
20,392,873	19,086,560	18,595,333	17,481,772	18,222,070	18,696,893
47,383,981	50,416,087	48,594,485	59,915,550	55,630,019	54,303,083
92,227,467	65,612,028	18,510,959	43,651,279	30,121,392	37,150,344
15,331,241	29,423,291	28,993,944	32,623,895	18,937,175	21,405,848
<u>12,635,091</u>	<u>10,841,888</u>	<u>10,259,783</u>	<u>9,715,824</u>	<u>9,025,740</u>	<u>8,488,435</u>
<u>262,141,225</u>	<u>252,475,571</u>	<u>201,883,337</u>	<u>243,195,520</u>	<u>216,192,499</u>	<u>231,805,456</u>
<u>(69,848,574)</u>	<u>(53,016,797)</u>	<u>(341,110)</u>	<u>(42,391,788)</u>	<u>(6,551,952)</u>	<u>(13,708,483)</u>
63,865,188	60,024,949	34,365,960	45,615,427	26,611,384	35,849,365
(64,214,176)	(61,757,480)	(28,708,944)	(42,447,534)	(22,220,553)	(31,582,088)
500,660	505,123	559,843	718,718	583,943	838,163
146,319	36,940	253,855	2,664,794	1,627,265	486,234
35,645,000	7,425,000	7,000,000	7,960,000	15,285,000	14,165,000
-	13,390,000	14,235,000	28,415,000	27,295,000	-
-	(13,301,147)	(14,305,695)	(30,743,403)	(28,156,039)	-
-	(188,881)	-	-	-	-
<u>35,942,991</u>	<u>6,134,505</u>	<u>13,400,018</u>	<u>12,183,002</u>	<u>21,026,000</u>	<u>19,756,674</u>
<u>\$ (33,905,583)</u>	<u>\$ (46,882,292)</u>	<u>\$ 13,058,908</u>	<u>\$ (30,208,786)</u>	<u>\$ 14,474,048</u>	<u>\$ 6,048,191</u>
16.5%	21.5%	21.4%	21.2%	15.0%	15.4%

**CITY OF GRAND PRAIRIE, TEXAS
 ASSESSED AND ESTIMATED ACTUAL
 VALUES OF TAXABLE PROPERTY (UNAUDITED)
 LAST TEN FISCAL YEARS**

Fiscal Year	Residential Property	Commercial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value
2005	\$ 4,031,666,200	\$ 4,092,614,293	\$ 1,024,567,945	\$ 7,099,712,548
2006	4,361,834,090	4,320,530,688	1,105,005,542	7,577,359,236
2007	4,906,586,580	4,449,710,692	1,073,650,128	8,282,647,144
2008	5,469,305,770	5,178,753,981	1,438,990,381	9,209,069,370
2009	5,767,998,141	5,526,633,389	1,537,051,835	9,757,579,695
2010	5,603,083,057	5,828,420,792	1,853,784,284	9,577,719,565
2011	5,532,077,367	5,610,293,457	1,854,115,295	9,288,255,529
2012	5,579,393,002	5,842,463,648	1,978,915,099	9,442,941,551
2013	5,595,104,146	5,820,246,325	2,041,527,294	9,373,823,177
2014	5,727,082,026	6,270,916,334	2,155,635,830	9,842,362,530

Taxable assessed values include values under protest as claimed by property owners or estimated by Appraisal District in event property owner's claim is upheld.

Direct Tax Rate	Actual Taxable Value	Percentage of Actual Taxable Value
0.669998	\$ 7,099,712,548	100.0%
0.669998	7,577,359,236	100.0%
0.669998	8,282,647,144	100.0%
0.669998	9,209,069,370	100.0%
0.669998	9,757,579,695	100.0%
0.669998	9,577,719,565	100.0%
0.669998	9,288,255,529	100.0%
0.669998	9,442,941,551	100.0%
0.669998	9,373,823,177	100.0%
0.669998	9,842,362,530	100.0%

**CITY OF GRAND PRAIRIE, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES (UNAUDITED)
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
OVERLAPPING RATES				
City of Grand Prairie	0.669998	0.669998	0.669998	0.669998
Grand Prairie School District	1.758600	1.629700	1.465000	1.465000
Arlington School District	1.745460	1.610000	1.278000	1.272000
Cedar Hill School District	1.848430	1.743300	1.400000	1.500000
Irving School District	1.814000	1.644000	1.348500	1.391000
Mansfield School District	1.772000	1.687500	1.450000	1.750000
Midlothian School District	1.787500	1.697500	1.367500	1.407500
Dallas County	0.213900	0.213900	0.228100	0.228100
Dallas County Community College District	0.081600	0.081000	0.080400	0.089400
Dallas County Hospital District	0.254000	0.254000	0.254000	0.254000
Dallas County Flood Control District	2.060000	2.835540	2.835540	2.835540
Grand Prairie Met Utl & Reclam Dist.	2.550000	2.050000	2.050000	2.140000
Ellis County	0.273090	0.349500	0.364598	0.360091
Johnson County	0.382088	0.369004	0.356962	0.306708
Tarrant County	0.272500	0.271500	0.266500	0.264000
Tarrant County Hospital District	0.235397	0.235397	0.230397	0.227897
Tarrant County Junior College District	0.139380	0.139380	0.139380	0.137960
CITY DIRECT RATES				
Operations & Maintenance	0.474711	0.474711	0.481500	0.484892
Interest & Sinking	0.195287	0.195287	0.188498	0.185106
Total Direct Rates	0.669998	0.669998	0.669998	0.669998

Source of Information: Dallas Central Appraisal District, Dallas County Tax Office, Tarrant Appraisal District, Johnson County Tax Office, Ellis County Appraisal District.

Totals are not provided for columns since they would be meaningless.
Some of the jurisdictions are mutually exclusive.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998
1.465000	1.465000	1.465000	1.465000	1.465000	1.465000
1.272000	1.335000	1.305500	1.301000	1.292170	1.348110
1.400000	1.440000	1.440000	1.440000	1.525000	1.525000
1.425000	1.465000	1.465000	1.465000	1.465000	1.435000
1.450000	1.496000	1.496000	1.540000	1.540000	1.527100
1.397500	1.397500	1.540000	1.540000	1.540000	1.540000
0.228100	0.243100	0.243100	0.243100	0.243100	0.243100
0.094900	0.099230	0.099670	0.119375	0.124700	0.124775
0.274000	0.271000	0.271000	0.271000	0.278000	0.286000
2.835540	2.835540	2.900000	3.050000	2.750000	2.750000
2.180000	2.120000	2.065000	0.600000	0.600000	0.600000
0.360091	0.360091	0.380091	0.380091	0.380091	0.380091
0.300590	0.327500	0.330500	0.333229	0.365000	0.405400
0.264000	0.264000	0.264000	0.264000	0.264000	0.264000
0.227897	0.227897	0.227897	0.227897	0.227897	0.227897
0.137670	0.137640	0.148970	0.148970	0.149500	0.149500
0.484892	0.484892	0.484892	0.484892	0.484892	0.484892
0.185106	0.185106	0.185106	0.185106	0.185106	0.185106
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998

**CITY OF GRAND PRAIRIE, TEXAS
 PRINCIPAL PROPERTY TAX PAYERS (UNAUDITED)
 CURRENT YEAR AND TEN YEARS AGO**

<u>Taxpayer</u>	<u>2014</u>			<u>2004</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Grand Prairie Outlets	\$135,000,000	1	1.37%			
Bell Helicopter-Textron	111,120,250	2	1.13%	\$75,756,680	2	1.07%
Republic Beverage	84,622,573	3	0.86%	46,627,725	5	0.66%
Oncor Electric Delivery Co.	81,797,636	4	0.83%			
Poly America LP	69,181,150	5	0.70%			
Lockheed Martin	64,750,104	6	0.66%	90,257,637	1	1.27%
Duke Realty LTD PS	60,237,930	7	0.61%			
Prologis	57,825,940	8	0.59%	42,627,725	6	0.60%
Mars Partners LTD	41,885,993	9	0.43%			
Catellus Dev/Comm Group LLC	41,391,760	10	0.42%	35,241,698	7	0.50%
Texas Utilities Electric Co.	-		-	64,308,270	3	0.91%
Southwestern Bell	-		-	63,708,730	4	0.90%
Towns of Riverside Apt LP	-		-	29,618,630	8	0.42%
Walmart Stores	-		-	28,529,570	9	0.40%
OTR	-		-	26,424,820	10	0.37%
Total	\$ 747,813,336		7.60%	\$ 503,101,485		7.10%

Source of Information: Dallas County Tax Collection Office

**CITY OF GRAND PRAIRIE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED)
LAST TEN FISCAL YEARS**

Fiscal Year Ended 9/30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections from Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 47,526,939	\$ 46,083,028	96.96%	\$ 556,050	\$ 46,639,078	98.13%
2006	50,768,155	48,635,892	95.80%	1,167,668	49,803,560	98.10%
2007	55,193,470	54,491,806	97.50%	1,182,047	54,889,906	99.45%
2008	60,505,696	58,990,868	97.69%	1,088,164	60,079,032	99.29%
2009	65,518,513	64,007,684	94.52%	1,201,266	65,208,950	99.53%
2010	64,170,530	60,656,679	99.94%	635,288	63,182,304	98.46%
2011	62,231,126	62,191,972	95.76%	741,036	61,914,233	99.49%
2012	63,267,520	60,584,977	95.76%	807,375	61,392,352	97.04%
2013	62,804,428	62,220,347	99.07%	550,540	62,770,887	99.95%
2014	65,943,632	65,402,894	99.18%	-	65,402,894	99.18%

Above amounts exclude property tax revenue.

Tax Lien and Assessment Date: January 1 each year
Taxes due: October 1 of the same year
Taxes delinquent: February 1 of the following year

**CITY OF GRAND PRAIRIE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE (UNAUDITED)
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-type Activities			
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Obligation	Issuance Premium/ Discounts Net	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Issuance Premium/ Discounts Net
2005	\$ 73,234,687	\$ 31,285,000	\$ 65,728,928	\$ 127,567	\$ 46,116,347	\$ 4,998,030	\$ 6,021,072	\$ 68,284
2006	71,436,114	30,430,000	72,251,106	195,385	48,300,000	4,758,886	5,958,894	77,525
2007	70,284,620	29,540,000	86,119,781	247,442	52,315,000	4,303,600	5,735,219	105,005
2008	89,329,630	65,305,000	147,674,703	260,797	64,490,000	5,587,000	4,035,227	16,051
2009	93,109,470	62,010,000	167,503,622	351,344	65,800,000	5,407,000	3,796,378	4,578
2010	92,907,260	54,510,000	153,892,541	330,754	66,875,000	5,227,000	3,537,459	2,976
2011	91,693,399	46,690,000	140,877,457	536,595	62,375,000	4,936,601	3,402,540	98,871
2012	92,070,458	40,195,000	120,775,000	2,980,920	61,925,000	2,334,543	1,940,000	636,366
2013	94,188,283	36,030,000	118,470,000	4,278,492	59,780,000	2,261,718	1,700,000	1,372,785
2014	88,822,435	31,990,000	121,635,000	4,424,272	59,880,000	2,022,566	1,575,000	1,271,958

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

(1) Household Effective Buying Income used until 2005.
FY 2014 average household income figure provided by City of
Grand Prairie Department of Economic Development

Total Primary Government	Percentage of Average Household Income¹	Per Capita
\$ 227,579,915	0.02%	\$ 1,562
233,407,910	0.03%	1,494
248,650,667	0.02%	1,539
376,698,408	0.01%	2,260
397,982,392	0.02%	2,362
377,282,990	0.02%	2,151
350,610,463	0.02%	1,993
322,857,287	0.02%	1,799
318,081,278	0.02%	1,754
311,621,231	0.02%	1,719

**CITY OF GRAND PRAIRIE, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING (UNAUDITED)
LAST TEN FISCAL YEARS**

Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total		
2005	\$ 78,232,717	\$ 71,750,000	\$ 1,768,257	\$ 148,214,460	2.09%	\$ 1,018
2006	76,195,000	78,210,000	3,339,608	151,065,392	1.99%	968
2007	74,588,220	91,855,000	5,086,643	161,356,577	1.95%	999
2008	94,916,630	151,709,930	5,333,711	241,292,849	2.62%	1,448
2009	98,516,470	171,300,000	7,250,736	262,565,734	2.69%	1,558
2010	98,134,260	157,430,000	7,573,519	247,990,741	2.59%	1,414
2011	96,630,000	144,279,997	6,815,530	234,094,467	2.52%	1,330
2012	94,405,001	122,715,000	7,578,472	209,541,529	2.22%	1,168
2013	96,450,001	120,170,000	9,051,355	207,568,646	2.21%	1,145
2014	90,845,001	123,210,000	10,501,572	203,553,429	2.07%	1,123

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

**CITY OF GRAND PRAIRIE, TEXAS
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES OF DEBT (UNAUDITED)
AS OF SEPTEMBER 30, 2014**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable **</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Arlington Independent School District	\$ 579,644,720	18.57%	\$ 107,640,024
Cedar Hill Independent School District	129,194,737	3.32%	4,289,265
Dallas County	111,350,000	2.77%	3,084,395
Dallas County Community College District	339,035,000	2.77%	9,391,270
Dallas County Flood Control District #1	28,565,000	2.77%	791,251
Dallas County Hospital District	736,235,000	2.77%	20,393,710
Dallas County Schools	67,265,000	2.77%	1,863,241
Ellis County	49,516,262	0.16%	79,226
Grand Prairie Independent School District	462,964,392	90.34%	418,242,032
Irving Independent School District	516,550,635	0.78%	4,029,095
Mansfield Independent School District	719,518,374	10.21%	73,462,826
Midlothian Independent School District	243,304,663	1.04%	2,530,368
Tarrant County	317,820,000	3.94%	12,522,108
Tarrant County Community College District	7,935,000	3.94%	312,639
Tarrant County Hospital District	24,425,000	3.94%	962,345
Subtotal, overlapping debt			659,593,795
City direct debt*	246,871,707	100.00%	246,871,707
Total direct and overlapping debt			<u>\$ 906,465,502</u>

* All outstanding long-term debt instruments related to governmental activities, includes self-supporting debt.

** Estimated Percentage is based on a formula using assessed property values.

Source of Information: Municipal Advisory Council of Texas
City of Grand Prairie Finance Department

**CITY OF GRAND PRAIRIE, TEXAS
LEGAL DEBT MARGIN INFORMATION (UNAUDITED)
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Debt limit	\$ 177,492,814	\$ 189,433,981	\$ 207,066,179	\$ 230,226,734
Total net debt applicable to limit	<u>119,206,430</u>	<u>118,410,646</u>	<u>124,781,713</u>	<u>140,806,849</u>
Legal debt margin	<u>\$ 58,286,384</u>	<u>\$ 71,023,335</u>	<u>\$ 82,284,466</u>	<u>\$ 89,419,885</u>
Total net debt applicable to the limit as a percentage of debt limit	67.16%	62.51%	60.26%	61.16%

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

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 243,939,492	\$ 239,442,989	\$ 232,206,388	\$ 236,073,539	\$ 234,345,579	\$ 246,059,063
154,308,664	150,792,741	148,895,469	134,681,529	135,582,645	138,051,429
<u>\$ 89,630,828</u>	<u>\$ 88,650,248</u>	<u>\$ 83,310,919</u>	<u>\$ 101,392,010</u>	<u>\$ 98,762,934</u>	<u>\$ 108,007,634</u>
63.26%	62.98%	64.12%	57.05%	57.86%	56.10%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	\$ 9,842,362,530
Debt limit (2.5% of assessed value)	246,059,063
Debt applicable to limit:	
General obligation bonds	148,553,001
Less: Amount set aside for repayment of general obligation debt	(10,501,572)
Total net debt applicable to limit	<u>138,051,429</u>
Legal debt margin	<u>\$ 108,007,634</u>

**CITY OF GRAND PRAIRIE, TEXAS
 PLEDGED REVENUE COVERAGE (UNAUDITED)
 LAST TEN FISCAL YEARS**

Fiscal Year	Water Revenue Bonds						Coverage ³
	Utility Service Charges ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service			
				Principal	Interest		
2005	\$ 35,760,835	\$ 26,859,732	\$ 8,901,103	\$ 2,609,596	\$ 1,462,684	2.19	
2006	45,853,437	30,419,541	15,433,896	2,540,000	1,718,216	3.62	
2007	46,946,426	29,316,250	17,630,176	2,610,000	2,208,853	3.66	
2008	47,636,804	31,954,392	15,682,412	3,670,000	2,534,846	2.53	
2009	48,534,900	33,756,808	14,778,092	3,630,000	2,630,012	2.36	
2010	47,944,122	36,040,449	11,903,673	3,920,000	2,737,505	1.79	
2011	55,785,237	39,151,252	16,633,985	3,940,000	2,591,812	2.55	
2012	58,701,075	40,367,949	18,333,126	4,080,000	2,538,028	2.77	
2013	59,031,386	40,660,224	18,371,162	4,445,000	2,346,060	2.71	
2014	61,910,609	43,852,520	18,058,089	3,900,000	2,072,826	3.02	

(1) Revenues include operating revenues plus impact fees and investment income.

(2) Expenses exclude depreciation expense.

(3) Bond covenants require coverage of no less than 1.25.
 The City financial policy coverage goal is 2.00.

(4) The City's initial Park Venue Sales Tax Revenue Bonds were issued in fiscal year 2000.

(5) Bond covenants require a coverage of no less than 1.25. The City
 financial policies require a coverage of no less than 1.50.

Sales Tax Revenue Bonds ⁴		
Sales Tax Increment	Maximum Annual Debt Service	Coverage ⁵
\$ 4,151,075	\$ 2,370,800	1.75
4,906,292	2,370,800	2.07
5,476,985	2,370,800	2.31
5,488,686	2,370,800	2.32
5,193,338	2,370,800	2.19
5,136,774	2,369,203	2.17
5,313,584	2,369,203	2.24
5,762,747	2,369,203	2.43
6,223,346	2,247,772	2.77
6,391,068	2,247,772	2.84

**CITY OF GRAND PRAIRIE, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)
 LAST TEN FISCAL YEARS**

Calendar Year	Population	Median (1) Household Income	Per Capita Income	Median Age	Public School Enrollment	Unemployment Rate
2005	145,600	\$ 43,616	19,823	31	23,733	5.4%
2006	156,050	53,006	19,682	32	24,396	5.1%
2007	161,550	52,176	19,647	32	25,182	4.4%
2008	166,650	50,919	22,317	32	26,025	5.0%
2009	168,500	58,765	19,904	32	26,212	8.1%
2010	175,396	64,148	24,667	32	26,594	8.9%
2011	175,960	56,290	23,744	32	26,019	8.7%
2012	179,476	52,733	22,259	31.5	26,927	7.0%
2013	179,630	53,267	22,370	31.7	27,780	6.5%
2014	181,230	55,080	23,164	31.3	27,740	5.4%

Sources of Information:

- Estimated Population:
 - City of Grand Prairie Department of Planning
 - North Texas Council of Governments
- Median Household Income
 - ESRI
- Per Capital Income
 - 2000 Census, ACS, ESRI, City Of GP Eco Dev Dept.
- Median Age
 - ESRI
- Public School Enrollment:
 - Grand Prairie Independent School District 2010
- Unemployment Rate:
 - Texas Workforce Commission

(1) Household Effective Buying Income used until 2005.
 Median Household Income provided by Claritas after 2005; ESRI After 2009
 * Not available.

**CITY OF GRAND PRAIRIE, TEXAS
 PRINCIPAL EMPLOYERS (UNAUDITED)
 CURRENT YEAR AND TEN YEARS AGO**

Employer	2014			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Grand Prairie Independent School District	3,700	1	4.17%	3,018	1	4.79%
Lockheed Martin Missiles and Fire Control	2,600	2	2.93%	2,700	2	4.29%
Poly-America Inc.	2,000	3	2.25%	1,400	3	2.22%
Bell Helicopter-Textron	1,200	4	1.35%	1,000	5	1.59%
City of Grand Prairie	1,200	5	1.35%			0.00%
Lone Star Park at Grand Prairie	950	6	1.07%	1,400	4	2.22%
Triumph Aero Structures - Vought	900	7	1.01%	400	9	0.64%
Republic National Distribution	700	8	0.79%			0.00%
Bureau of Prisons, U.S. Dept of Justice	650	9	0.73%			0.00%
Wal-Mart	600	10	0.68%	600	6	0.95%
SAIA Motor Freight Line Inc				500	7	0.79%
Pollock Paper Distributors				500	8	0.79%
Siemens Energy & Automation, Inc.				400	10	0.64%
Total	14,500		16.33%	11,918		18.93%

Source of Information: Municipal Advisory Council of Texas
 Texas Workforce Commission

**CITY OF GRAND PRAIRIE, TEXAS
 FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS**

Function/Program	Full-time-Equivalent Employees as of September 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government and Administration										
City Manager's Office	8	8	8	10	10	9	8	8	8	8
Budget and Research	3	3	3	3	3	3	3	3	3	3
Management Services	3	3	3	3	3	3	3	3	3	3
Marketing	4	4	6	7	10	7	8	7	8	8
Economic Development	3	-	-	-	-	-	-	-	-	-
Legal Services	4	4	4	5	5	5	5	6	6	7
Municipal Court	27	28	28	29	27	25	25	24	24	26
Judiciary	3	4	4	5	5	5	5	5	5	5
Human Resources	9	9	9	11	11	10	10	10	10	10
Finance	17	17	17	19	19	17	17	18	18	18
Information Technology	23	26	26	26	26	24	24	24	24	28
Planning and Development	61	61	61	60	59	52	46	46	45	45
Public Works	66	66	66	67	66	61	61	61	61	61
Transportation	8	8	8	8	9	8	8	8	8	8
Fire	194	198	209	209	215	203	208	209	210	209
Police	296	302	316	327	352	343	352	368	380	379
Building and Construction Management	1	1	1	1	1	1	1	1	1	1
Environmental Services	18	18	19	21	21	20	20	20	21	22
Library	28	31	31	32	38	36	32	31	29	29
Parks and Recreation	116	121	121	123	174	164	156	157	154	194
Grants	55	48	44	42	46	45	48	58	59	61
Enterprise Operations and Administrations										
Water/Wastewater	92	94	96	100	101	104	104	110	110	112
Solid Waste	25	28	30	32	34	33	34	34	34	34
Airport	5	5	5	5	5	5	5	5	5	6
Golf	20	20	20	20	25	21	19	18	19	29
Storm Water	-	2	6	6	6	6	6	6	7	7
Internal Service Operations										
Equipment Services	17	17	17	17	17	15	15	15	16	16
Risk Management	2	2	2	1	1	1	1	1	1	1
Total	<u>1,108</u>	<u>1,128</u>	<u>1,160</u>	<u>1,189</u>	<u>1,289</u>	<u>1,226</u>	<u>1,224</u>	<u>1,256</u>	<u>1,269</u>	<u>1,330</u>

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

Source of Information: City Budget Office



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**CITY OF GRAND PRAIRIE, TEXAS
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>FISCAL YEAR</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Police				
Stations	1	1	1	1
Public safety training complex	1	1	1	1
Storefronts	3	3	3	3
Fire stations	9	9	9	9
Other public works				
Streets (miles)	555	589	589	600
Acreage	52,096	52,096	52,096	52,096
Public parks	53	54	57	57
Baseball/softball diamonds	24	24	25	25
Soccer/football fields	18	18	21	21
Community/recreation centers	5	5	5	5
Public golf courses	2	2	2	2
Public swimming pools	5	5	4	4
Libraries	3	3	3	3
Cemetery	1	1	1	1
Water				
Water connections	55,375	58,286	60,187	61,365
Daily consumption (millions of gallons)	25.10	27.00	24.30	25.60
Wastewater				
Daily flow (millions of gallons)	17.10	15.40	15.80	14.10
Airports	1	1	1	1
Transit—minibuses	11	12	15	12

Source of Information: various departments.



<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1	1	1	2	1.5	1.5
1	1	1	1	1	1
3	3	2	3	4	3
9	9	10	9.5	9.5	9.5
600	622	588	594	594	641
51,108	51,105	51,108	51,108	51,954	51,954
57	57	57	57	57	57
25	25	25	25	25	25
21	21	21	21	21	21
5	8	8	8	8	8
2	2	2	2	2	2
4	4	4	4	4	4
3	3	3	3	3	3
1	1	1	1	1	1
62,190	62,077	63,289	63,250	64,154	64,696
25.50	22.90	27.90	23.90	23.50	23.02
14.40	15.50	16.30	16.20	14.23	14.11
1	1	1	1	1	1
12	12	12	12	12	12

**CITY OF GRAND PRAIRIE, TEXAS
WATER AND WASTEWATER CONTRACTS
COMPONENTS OF PAYMENTS MADE UNDER SELECTED CONTRACTS
(UNAUDITED)
LAST TEN FISCAL YEARS**

FISCAL YEAR	DALLAS WATER UTILITIES WATER PURCHASES			TRINITY RIVER AUTHORITY WASTEWATER TREATMENT		
	VOLUME	DEMAND	TOTAL	O&M	DEBT SERVICE	TOTAL
2005	2,563,201	4,223,143	6,786,344	3,737,732	3,961,277	7,699,009
2006	2,840,265	5,173,555	8,013,820	3,221,410	4,177,739	7,399,149
2007	2,407,021	5,681,405	8,088,426	3,150,985	4,214,287	7,365,272
2008	2,785,551	5,458,801	8,244,352	3,628,734	4,009,898	7,638,632
2009	3,119,852	5,893,558	9,013,410	3,687,602	4,849,504	8,537,106
2010	2,883,426	6,083,691	8,967,117	3,803,188	5,678,184	9,481,372
2011	3,342,225	6,329,489	9,671,714	4,146,626	6,660,202	10,806,828
2012	2,780,668	6,758,580	9,539,248	4,316,782	6,383,008	10,699,790
2013	2,901,935	6,854,133	9,756,068	4,360,828	6,546,256	10,907,084
2014	2,770,446	7,062,206	9,832,652	4,234,724	7,602,156	11,836,880

The City has contracted with City of Dallas for water purchases and the Trinity River Authority for wastewater treatment. The City's obligation for Dallas Water Utilities demand charges continues even if the City does not purchase water. Similarly, the obligation to TRA for Debt Service continues whether the City contributes to the wastewater flow or not. These contracts are explained in the Notes to Financial Statements under Contracts, Commitments, and Contingent Liabilities.

TRINITY RIVER AUTHORITY	
JOE POOL LAKE INTAKE	JOE POOL LAKE CORP OF ENGINEERS
185,136	416,034
44,249	380,806
13,782	271,575
6,810	366,430
6,450	370,440
24,000	395,860
11,010	383,062
7,660	306,680
7,390	381,637
7,190	397,690

**CITY OF GRAND PRAIRIE, TEXAS
OPERATING INDICATORS BY FUNCTION (UNAUDITED)
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR			
	2005	2006	2007	2008
Police				
911 calls received *	146,265	152,348	148,089	156,822
Non-emergency calls *	166,840	160,846	149,361	157,132
Calls for service *	135,623	133,232	136,435	130,532
Jail Arrests *	6,624	6,493	6,611	7,059
Fire				
Total Fire and EMS calls *	17,749	15,060	15,904	15,678
Fire response calls for structure fires *	379	384	263	249
Street				
Number of miles of overlay streets	9	26	17	8
Number of street defects repaired	6,312	6,802	22,513	14,502
Number of linear ft of sidewalk repaired	28,164	17,706	9,645	40,499
Solid Waste				
Landfill refuse collected (tons)	161,597	177,929	187,349	180,855
Recyclables collected (tons)	5,230	6,058	6,228	6,081
Water				
Average Daily consumption (thousands of gallons)	25,048	27,042	24,265	25,434
Wastewater				
Average daily sewage treatment (thousands of gallons)	17,056	15,418	15,787	14,303

Source of Information: City Departments

* In calendar year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
151,981	142,342	144,189	141,924	142,641	145,571
138,225	141,120	114,055	105,123	99,831	101,626
127,776	144,256	150,244	235,947	233,997	243,443
10,204	7,152	10,869	10,637	10,403	12,201
15,589	15,589	16,817	16,540	16,999	16,912
217	217	237	190	197	180
5	6	5	9	6	6
24,112	31,973	25,181	25,628	16,436	13,061
12,135	25,158	21,113	31,962	20,440	14,712
168,387	163,080	162,358	164,031	162,755	165,586
6,288	5,145	4,881	4,853	5,012	5,172
25,732	22,893	27,884	23,928	23,500	23,023
14,501	15,518	16,347	16,164	14,234	14,109



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