

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

Fiscal Year Ended September 30, 2015



In May 2014 Grand Prairie residents voted to approve a 1/4 cent sales tax to begin The Epic project. This legacy development will bring numerous additions to Central Park, including a major recreation/life changing center, indoor water park, amphitheater, library, trails, all-inclusive playground, and lake based recreation amenities.

Grand Prairie
— T E X A S —

CITY OF GRAND PRAIRIE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2015

PREPARED BY THE FINANCE DEPARTMENT



Ron Jensen
Mayor

Diana G. Ortiz, RTA, CGFO
Chief Financial Officer

Tom Hart
City Manager

Cheryl Estes, CPA, CGFO
Controller



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CITY OF GRAND PRAIRIE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

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INTRODUCTORY SECTION



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March 22, 2016

To the Honorable Mayor,

Members of the City Council, and

Citizens of the City of Grand Prairie, Texas

The Comprehensive Annual Financial Report of the City of Grand Prairie (the City), for the fiscal year ended September 30, 2015, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and for the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City Council selected the firm of Weaver and Tidwell, L.L.P., Certified Public Accountants to audit these financial statements. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2015, and the auditor's report is located at the front of the financial section of this report.

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

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, and Audits of State and Local Governments and Non-profit Organizations. These audits (Single Audits) are conducted simultaneously with the City's annual financial statement audit. Information related to the Single Audits, including the auditors' 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 auditors' findings and recommendations, is not included in this report but may be obtained by contacting the City's Finance Department.

Profile of the Government

The City is located in North Central Texas and was originally incorporated in 1909 with the first Charter being adopted in 1948. The City currently has a land area of 80 square miles with an estimated population of 182,610 within the Dallas, Tarrant and Ellis counties. The City is readily accessible by an expanded thoroughfare system including the newly constructed State Highway 161 for traffic relief on 360 (north/south) and Interstate Highways 20 and 30 (east/west) through the City.

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 City provides to its citizens a full range of services including police and fire protection, emergency ambulance service, water and sewer service, solid waste disposal, libraries' programs, and, parks, arts and recreation activities. In addition, the city provides planning for future land use, traffic control, building inspection, construction and maintenance of streets, and, operates two, eighteen-hole golf courses.

All activities, organizations and functions for which the City is financially accountable are included in the City's financial statements. The City's legal entity includes general government activities, enterprise and internal service fund activities. Enterprise and internal service fund activities include water, wastewater and storm water utility services; airport; 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 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

Early settlers were enticed to Grand Prairie's 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. The railroad renamed Dechman to Grand Prairie in 1877 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 system and regulations to force residents to keep their property and outhouses clean. Therefore, on March 20, 1909, 110 of the town's 1,000 citizens turned out to vote, with sixty-nine voting for and forty-one against incorporation, establishing what is now the City of Grand Prairie, Texas.

Major Initiatives

Grand Prairie continues to open and plan for new roadways, increasing mobility through the City. Among the roadway improvement projects are design and construction of Interstates-20 and 30 frontage roads; MacArthur widening north of I-30; completion of Freetown Road reconstruction; and design of widening roads, specifically, Camp Wisdom and Oakdale.

After voters approved a ¼ cent sales tax (May 2014 election) to build The Epic, a team is working on final designs for construction and plans for a Grand Opening in Summer, 2017.

Fire Station #10 broke ground in 2015 and its construction completion is anticipated by the area at South Grand Peninsula and Balboa.

Main Street façade renovations and sidewalk improvements continue downtown in pursuit of destination restaurants.

Plans are underway to increase kennel capacity at Prairie Paws achieved by an expanded facility with on-site, contracted veterinarian services.

Local Economy

Another positive year is outlined with the following indicators:

- Commercial permitting reached a new high mark in 2015 totaling \$108 million value and consistent growth in square feet over two million since mid 2011;
- Industrial vacancy remains low and construction projects hit high marks in 2015 including General Motors' move into Grand Prairie among the largest occupancies in DFW, and, the largest lease signing occurred in early 2015 with a renewal by Farley's & Sathers with a 1,060,075 square-foot lease;
- Residential permitting remains healthy with increased average values of \$280,251 compared to \$224,298 four years ago—a 25% increase;
- Home sales up by 93% that is a steady increase from its low in 2011, and, foreclosures have stabilized around 50 per quarter--down from a high of 195 in 2008.
- Unemployment rate continues to decline;
- Sales tax collections continue to trend positively;
- Unemployment rate at a low point of 3.8% from a high of 9.2% in 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 funds and completes various capital projects thus avoiding additional debt expenditures.

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 expenditures 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 formed 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. Accordingly, this

programmatic manner reinforces healthy conditions with positive bond ratings, and to weather economic downturns. In October 2015, the City's general obligation (GO) and revenue bond ratings were reaffirmed AAA, the highest rating given by Standards & Poor's. In the state of Texas, there are only 28 cities with an AAA GO bond rating and eight cities with an AAA revenue bond rating.

Awards and Acknowledgements

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Prairie for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014. This was the 29th 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.

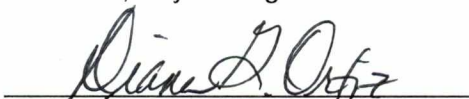
The preparation of this report on a timely basis was made possible by the dedicated services and hard work of a highly qualified staff such as one in the Finance Department. Although much time and effort in preparation for this report lies in the Accounting Division, we sincerely appreciate the invaluable support of the Cash & Debt division, as well as, the Budget and the Economic Development Departments.

Special thanks are extended to the members of the Finance and Government Committee for their leadership and support of sound fiscal management; and, to all members of the Council for their unfailing support 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



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

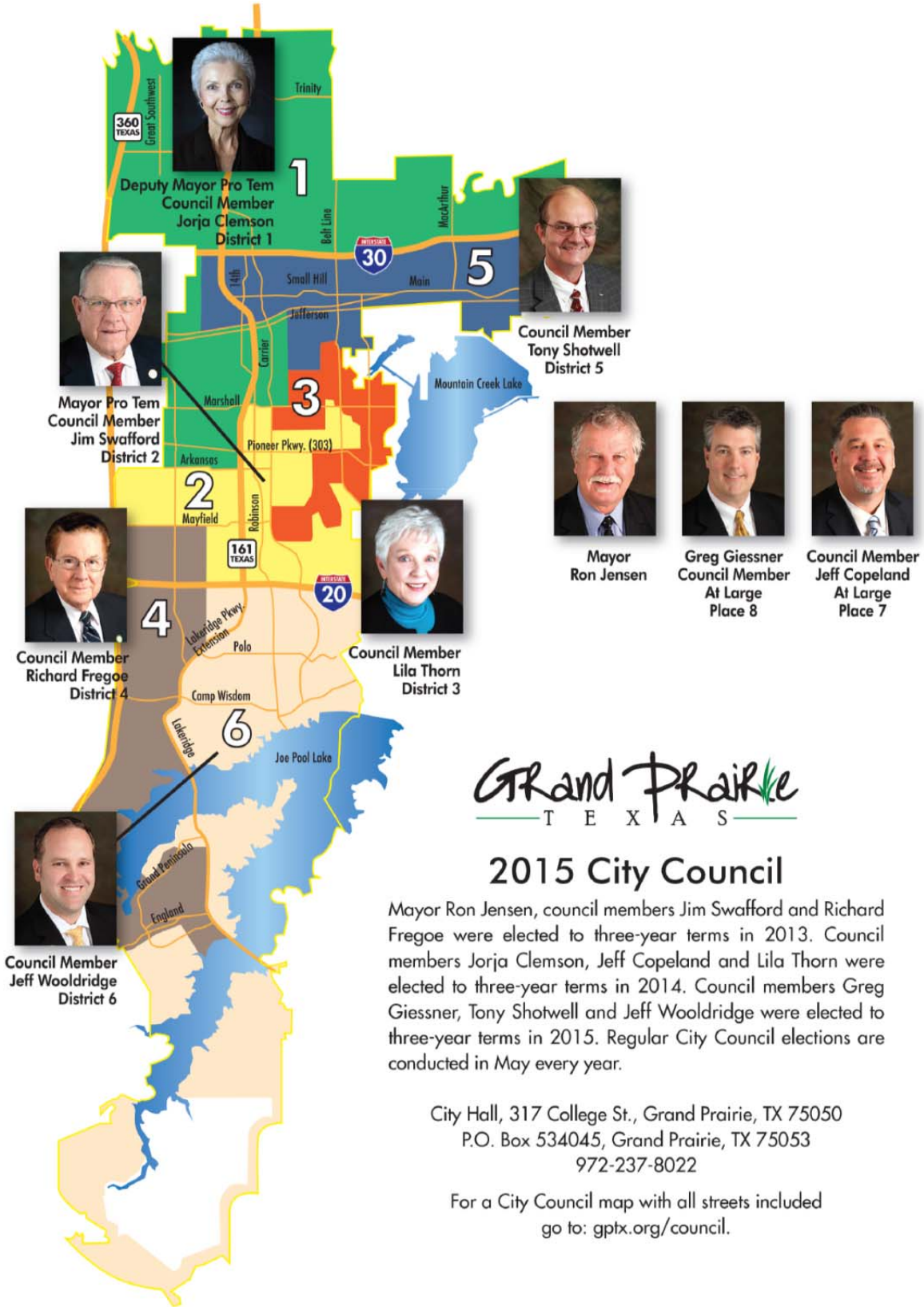
Presented to

**City of Grand Prairie
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO



Grand Prairie TEXAS

2015 City Council

Mayor Ron Jensen, council members Jim Swafford and Richard Fregoe were elected to three-year terms in 2013. Council members Jorja Clemson, Jeff Copeland and Lila Thorn were elected to three-year terms in 2014. Council members Greg Giessner, Tony Shotwell and Jeff Wooldridge were elected to three-year terms in 2015. 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

For a City Council map with all streets included
 go to: gptx.org/council.

**CITY OF GRAND PRAIRIE, TEXAS
 DIRECTORY OF CITY OFFICIALS
 MAYOR AND CITY COUNCIL**

Ron Jensen
 Jorja Clemson
 Jim Swafford
 Lila Thorn
 Richard Fregoe
 Tony Shotwell
 Jeff Wooldridge
 Jeff Copeland
 Greg Giessner

Mayor At Large
 Deputy Mayor Pro Tem - District 1
 Mayor Pro Tem - District 2
 District 3
 District 4
 District 5
 District 6
 At Large – Place 7
 At Large – Place 8

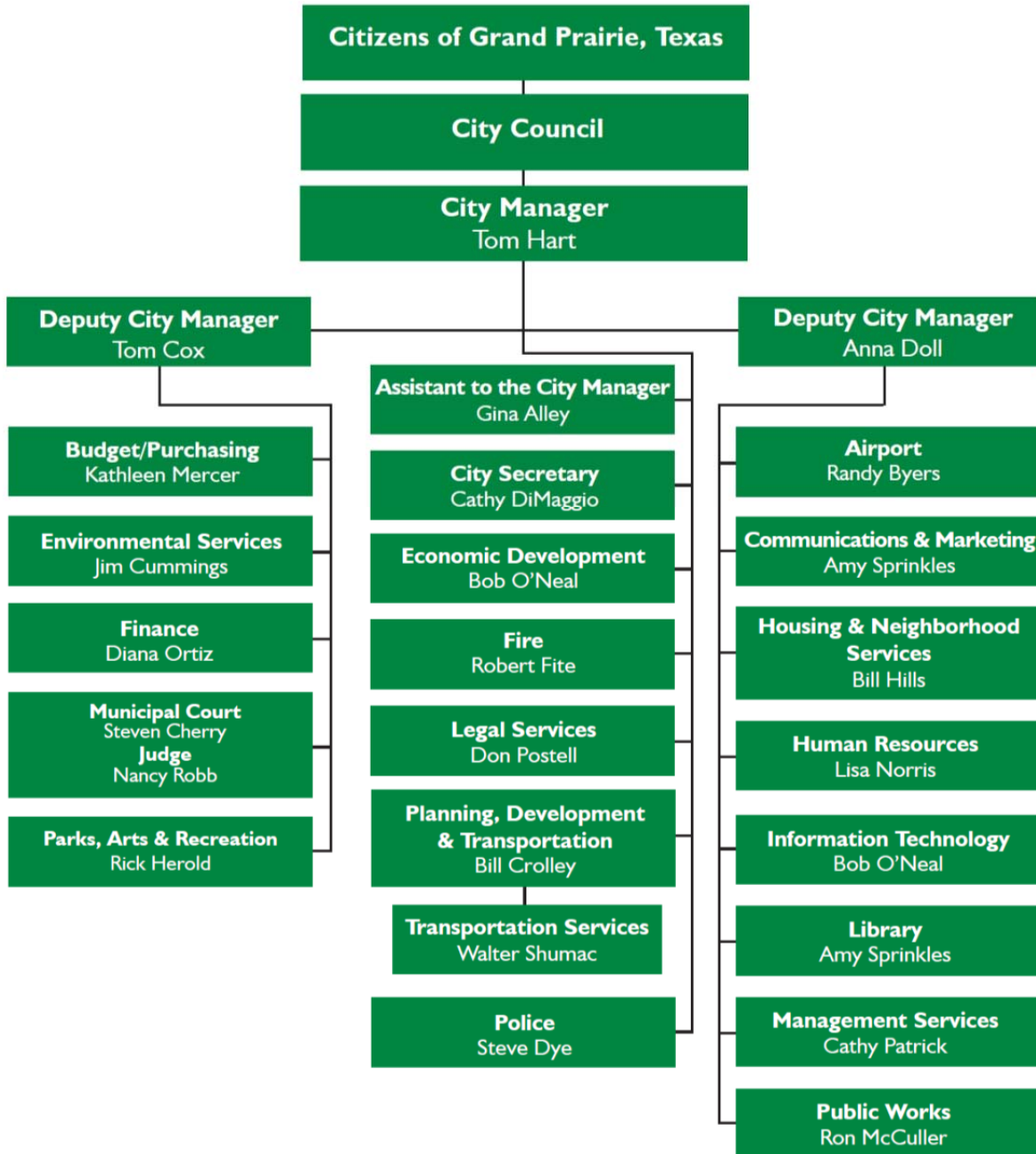
EXECUTIVE MANAGERS

Tom Hart
 Tom Cox
 Anna Doll
 Gina Alley
 Randy Byers
 Steven Cherry
 Kathleen Mercer
 Bill Crolley
 Jim Cummings
 Cathy DiMaggio
 Rick Herold
 Steve Dye
 Bill Hills
 Ron McCuller
 Robert Fite
 Lisa Norris
 Diana Ortiz
 Bob O'Neal
 Don Postell
 Amy Sprinkles
 Nancy Robb
 Walter Shumac
 Amy Sprinkles
 Cathy Patrick

City Manager
 Deputy City Manager
 Deputy City Manager
 Assistant to City Manager
 Airport Director
 Court Services Director
 Budget Director
 Director of Planning & Development
 Environmental Services Director
 City Secretary
 Parks, Arts & Recreation Director
 Police Chief
 Housing & Neighborhood Services Director
 Public Works Director
 Fire Chief
 Human Resources Director
 Chief Financial Officer
 Economic Development & Information Technology Director
 City Attorney
 Library Director
 Municipal Court Judge
 Transportation Director
 Communications & Marketing Director
 Management Services Director

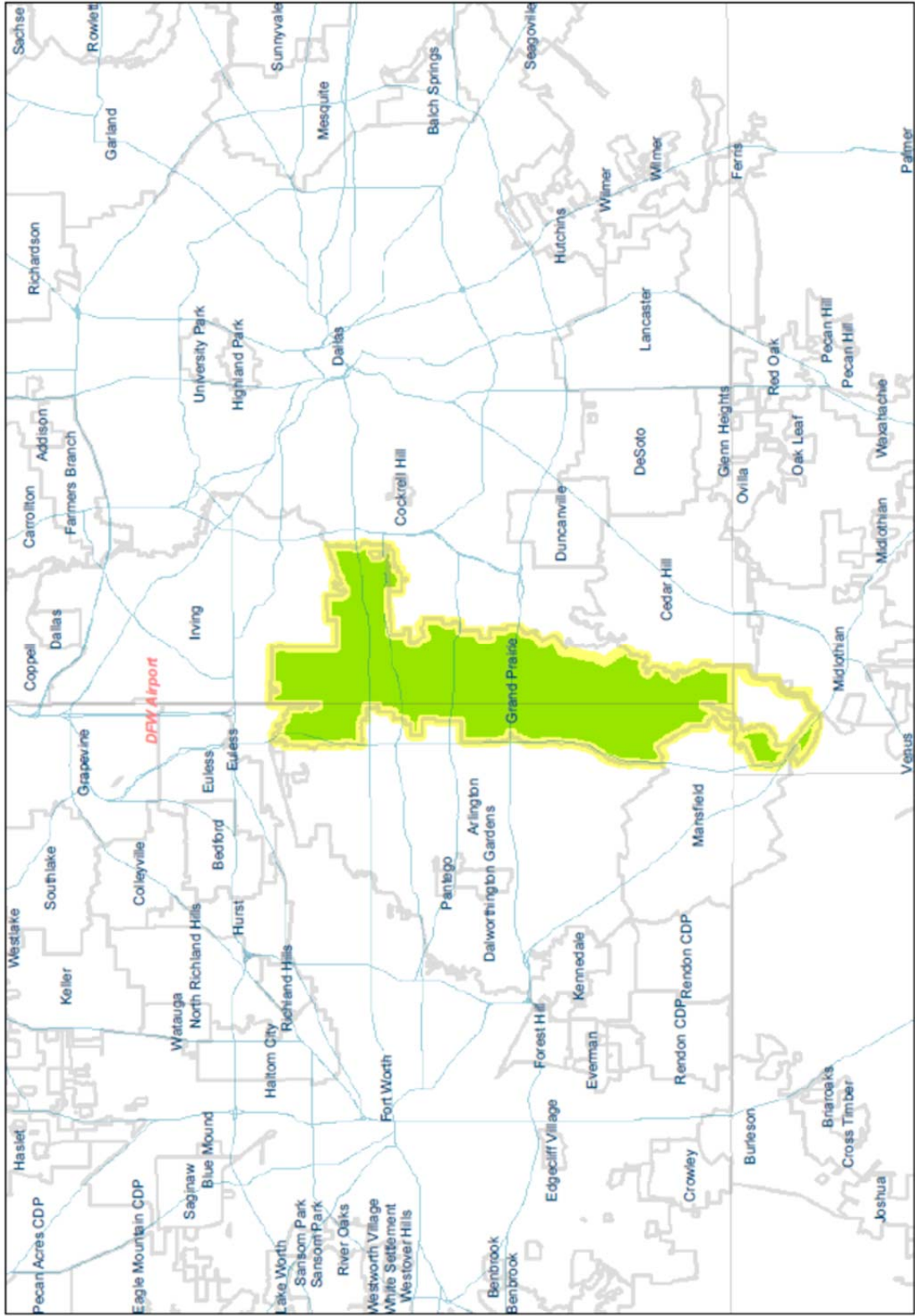


ORGANIZATIONAL CHART



City of Grand Prairie, Texas

Located in the middle of the Dallas-Fort Worth Metroplex





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FINANCIAL SECTION



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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, 2015, 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, 2015, 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 O to the financial statements, in 2015 the City adopted new accounting guidance, GASB Statement No. 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date." Additionally, the City reclassified certain activities from one governmental fund to another to more closely align activity with the activity of the fund. Our opinion is not modified with respect to these matters.

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 21-30, budget to actual schedules for the General Fund and Section 8 Fund on pages 106 and 107 respectively, Schedule of Postemployment Healthcare Benefits Funding Progress on page 108, Schedule of Contributions-Texas Municipal Retirement System on page 109, and Schedule of Changes in Net Pension Liability and Related Ratios- Texas Municipal Retirement System on page 110 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.

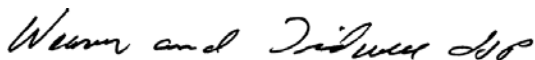
Other Information

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, 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 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 March 15, 2016, 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
March 15, 2016



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MANAGEMENT'S DISCUSSION & ANALYSIS



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CITY OF GRAND PRAIRIE, TEXAS
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015
(Unaudited)

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Grand Prairie, Texas (the City) for the fiscal year ended September 30, 2015. It is offered here by the management of the City to the readers of its financial statements. Readers are encouraged to consider the information presented here in conjunction with the information furnished in our letter of transmittal and introductory section of the City's financial statement and accompanying notes.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2015 by \$625,425,717 (net position).
- The City's total net position increased \$8,836,441, for the fiscal year ended September 30, 2015, primarily due to increased water and wastewater sales, and a decrease in interest expense on debt.
- At September 30, 2015, the City's governmental funds reported combined ending fund balances of \$152,379,825. The \$26,212,186 unassigned fund balance in the General Fund represents 25.4% of total General Fund expenditures and transfers.
- The City's total long-term liabilities of \$380,598,143 increased by \$38,014,596 (11.1%) during the current fiscal year. In fiscal year 2015, the City issued certificates of obligation in the amount of \$26,125,000. See Table 5 in this report for further information regarding the City's long-term liabilities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The reporting focus is on the City as a whole and on individual major funds. It is intended to present a more comprehensive view of the City's financial activities.

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide financial statements - The government-wide financial statements include the Statement of Net Position and Statement of Activities. These 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. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, including capital assets and long-term liabilities, and deferred inflows of resources. The differences between these items are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the city's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and Statement of Activities divide the City's activities into two types:

Governmental Activities - Most of the City's basic services are reported here, including general government, public safety, planning, public works, transportation, housing, community development, cultural events, and library. Property taxes, sales taxes, and franchise fees provide the majority of financing for these activities.

Business-Type Activities - Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include a water and wastewater system, a solid waste sanitary landfill, a storm water utility system, 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.

Fund financial statements - The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements,

governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of the governmental funds financial statements is narrower than that of the government-wide financial statements. Therefore, 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 funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliations explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds financial statements.

The City reports thirty individual governmental funds. Information is presented separately in the governmental fund's Balance Sheet and in the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances for the City's six major funds - General Fund, Section 8 Fund, Streets CIP Fund, Grants Fund, Debt Service Fund, and the Epic CIP Fund. Data for other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in 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 water and wastewater system, solid waste sanitary landfill, storm water utility, municipal airport, and municipal golf courses. 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 two are major enterprise funds – the Water Wastewater Fund and the Solid Waste Fund. Data from other nonmajor 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.

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. 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.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information - 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.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2015 were \$1,034,322,692, deferred outflows of resources were \$14,855,302, total liabilities were \$422,075,597, and deferred inflows of resources were \$1,951,111 resulting in a net position balance of \$625,425,717.

The largest portion of the City's net position, \$484,325,989 (77.44%), reflects its investment in capital assets (land and improvements, buildings, infrastructure, vehicles, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens; consequently these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt 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	
	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015
Cash and investments	\$ 167,410,029	\$ 175,488,544	\$ 84,161,738	\$ 81,917,758	\$ 251,571,767	\$ 257,406,302
Other assets	17,874,015	16,893,963	7,933,355	17,880,902	25,807,370	34,774,865
Capital assets, net	555,054,138	541,648,138	205,155,984	200,767,818	760,210,122	742,415,956
Total assets	<u>740,338,182</u>	<u>734,030,645</u>	<u>297,251,077</u>	<u>300,566,478</u>	<u>1,037,589,259</u>	<u>1,034,597,123</u>
Deferred outflows of resources	<u>1,178,270</u>	<u>13,353,371</u>	<u>134,029</u>	<u>1,501,931</u>	<u>1,312,299</u>	<u>14,855,302</u>
Current liabilities	29,447,798	30,439,455	8,711,184	11,037,999	38,158,982	41,477,454
Long-term bonded debt	246,871,707	240,541,533	64,749,524	58,166,319	311,621,231	298,707,852
Other noncurrent liabilities	24,179,834	69,689,941	6,782,482	12,200,350	30,962,316	81,890,291
Total liabilities	<u>300,499,339</u>	<u>340,670,929</u>	<u>80,243,190</u>	<u>81,404,668</u>	<u>380,742,529</u>	<u>422,075,597</u>
Deferred inflows of resources	<u>-</u>	<u>1,753,433</u>	<u>-</u>	<u>197,678</u>	<u>-</u>	<u>1,951,111</u>
Net position:						
Net investment in capital assets	319,412,513	333,061,190	143,297,680	151,264,799	462,710,193	484,325,989
Restricted	108,444,110	53,392,543	5,444,619	8,904,795	113,888,729	62,297,338
Unrestricted	13,160,490	18,505,921	68,399,617	60,296,469	81,560,107	78,802,390
Total net position	<u>\$ 441,017,113</u>	<u>\$ 404,959,654</u>	<u>\$ 217,141,916</u>	<u>\$ 220,466,063</u>	<u>\$ 658,159,029</u>	<u>\$ 625,425,717</u>

A portion of the City's net position totaling \$62,297,338, or 9.96%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted

net position \$78,802,390 may be used to meet the government's ongoing obligations to citizen's and creditors.

The City's net position increased by \$8,836,441 from the prior fiscal year primarily due to improved water wastewater operations resulting in increased revenues and lower interest expense for debt. In addition, the City made a one-time payment to the City of Cedar Hill in 2014.

The fiscal year 2015 compared to fiscal 2014 changes in the City's net position were as follows:

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015
Revenues:						
Program revenues:						
Charges for services	\$ 37,100,503	\$ 34,849,122	\$ 81,242,152	\$ 84,487,779	\$ 118,342,655	\$ 119,336,901
Operating grants and contributions	34,980,362	33,329,097	42,697	43,714	35,023,059	33,372,811
Capital grants and contributions	4,020,110	1,232,805	4,402,822	4,082,082	8,422,932	5,314,887
General revenues:						
Property tax	77,334,662	73,070,467	-	-	77,334,662	73,070,467
Sales tax	50,846,972	53,494,773	-	-	50,846,972	53,494,773
Other tax	1,550,172	1,713,865	-	-	1,550,172	1,713,865
Franchise fees	13,315,452	14,089,158	-	-	13,315,452	14,089,158
Investment income	652,067	1,609,156	1,021	1,750	653,088	1,610,906
Total revenues	<u>219,800,300</u>	<u>213,388,443</u>	<u>85,688,692</u>	<u>88,615,325</u>	<u>305,488,992</u>	<u>302,003,768</u>
Expenses:						
Support services	20,400,867	22,102,591	-	-	20,400,867	22,102,591
Public safety services	80,333,290	80,359,190	-	-	80,333,290	80,359,190
Recreation and leisure services	25,255,982	26,746,861	-	-	25,255,982	26,746,861
Development services	75,473,059	77,263,159	-	-	75,473,059	77,263,159
Interest on long-term debt	7,922,519	8,019,147	-	-	7,922,519	8,019,147
Water and wastewater	-	-	58,454,761	61,381,944	58,454,761	61,381,944
Municipal airport	-	-	3,484,297	2,226,108	3,484,297	2,226,108
Municipal golf course	-	-	3,314,435	3,230,377	3,314,435	3,230,377
Storm water	-	-	1,635,198	1,694,556	1,635,198	1,694,556
Solid waste	-	-	9,712,711	10,143,394	9,712,711	10,143,394
Total expenses	<u>209,385,717</u>	<u>214,490,948</u>	<u>76,601,402</u>	<u>78,676,379</u>	<u>285,987,119</u>	<u>293,167,327</u>
Increase (decrease) in net position before special items and transfers						
	10,414,583	(1,102,505)	9,087,290	9,938,946	19,501,873	8,836,441
Special items	-	-	(3,013,446)	-	(3,013,446)	-
Transfers	4,267,277	2,428,935	(4,267,277)	(2,428,935)	-	-
Capital asset reassignments	19,096	(25,800)	(19,096)	25,800	-	-
Change in net position	14,700,956	1,300,630	1,787,471	7,535,811	16,488,427	8,836,441
Net position - beginning of year (restated - See Note P)	<u>426,316,157</u>	<u>403,659,024</u>	<u>215,354,445</u>	<u>212,930,252</u>	<u>641,670,602</u>	<u>616,589,276</u>
Net position - end of year	<u>\$ 441,017,113</u>	<u>\$ 404,959,654</u>	<u>\$ 217,141,916</u>	<u>\$ 220,466,063</u>	<u>\$ 658,159,029</u>	<u>\$ 625,425,717</u>

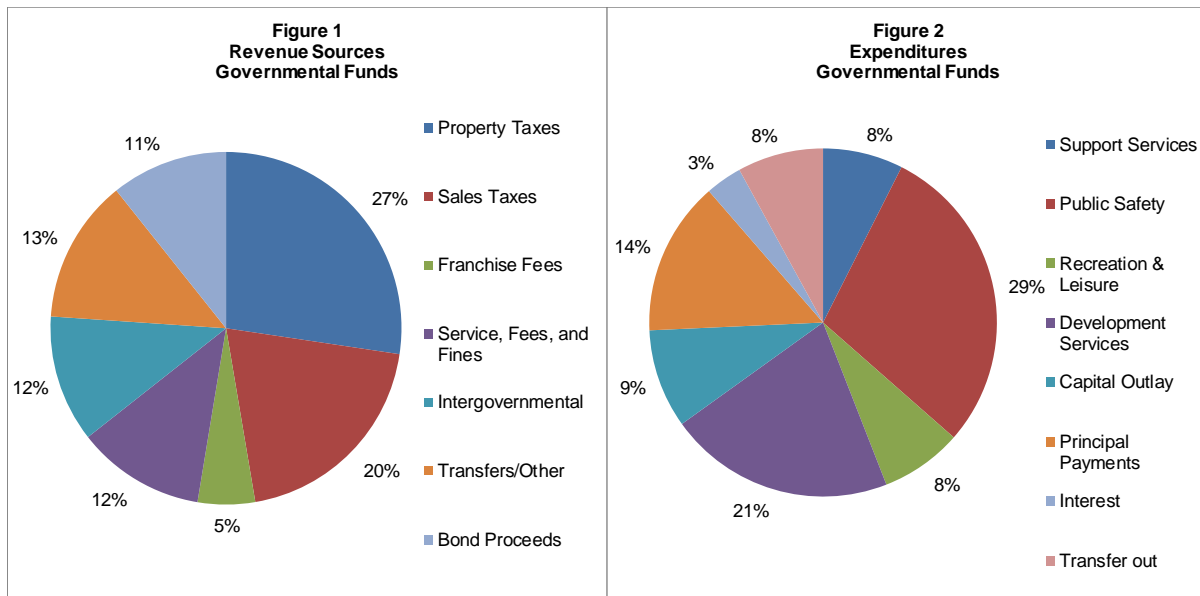
Governmental activities - Governmental activities decreased the City's net position by \$36,057,459 in comparison with beginning net position, primarily due to implementation of GASB 68 as required by generally accepted accounting principles. Net position of governmental operations accounts for 64.75% of total net position.

Business-type activities - Business-type activities increased the City's net position by \$7,535,811 in comparison with beginning net position. Total revenue for the business-type activities increased from the previous year by \$2,926,633 due to sound fiscal management and increased user rates. This increase provided for a healthy, positive change in net position before transfers. Net position for business-type activities represents 35.25% of total primary government net position.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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 2015, the City's governmental funds (excluding internal service funds) reported combined ending fund balances of \$152,379,825, an increase of \$7,216,886 in comparison with the prior year. The unassigned fund balance portion is 15.1% 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 (\$36,593); amounts restricted by statutes, bond covenants or granting agencies (\$85,084,781) either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$43,461,952) require formal action by City Council. Finally, funds may be assigned (\$862,870) by City Manager with the City Council's delegated authority. Figures 1 and 2 that follow show the distribution of governmental funds' sources of revenues and expenditures, \$266,913,273 and \$259,696,387, respectively, for fiscal year 2015.



The General Fund is the chief operating fund of the City. At fiscal year-end, unassigned fund balance of the General Fund was \$26,212,186, while total fund balance was \$27,748,646. 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 25.4% of total general fund operating expenditures, while total fund balance represents 26.9% of that same amount. General Fund's fund balance increased in the amount of \$2,996,227 from the prior fiscal year.

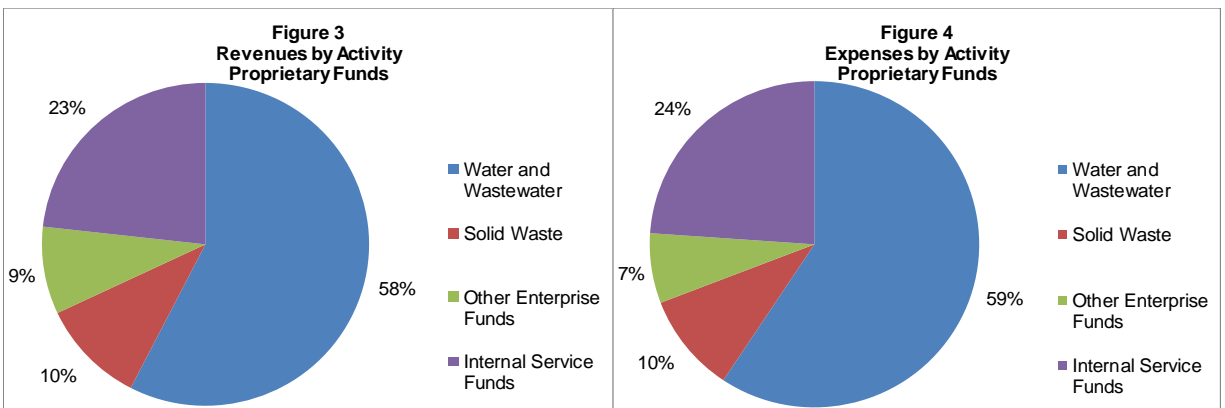
Fund balances of several other governmental funds changed significantly. Fund balance of the Debt Service Fund increased by \$252,323 primarily due to an increase in property tax revenue. Total fund balance for nonmajor governmental funds increased by \$5,142,880. This increase to fund balance is comprised of \$11,230,971 decrease in special revenue funds and \$16,373,851 increase in capital project funds.

Special revenue funds with the most significant changes to fund balance were the Senior Center (Summit) Sales Tax Fund and Tax Increment Financing Districts (TIF) Funds. The bond debt related to the Summit was paid off this fiscal year due to the sales tax revenue source being redirected by citizen vote to the Epic project beginning in fiscal year 2016. One of the City's three TIFs was closed in fiscal year 2015 with fund balance for this TIF being eliminated by paying back unspent contributions to other governmental entities.

The City issued \$26,125,000 in certificates of obligation of which \$20,900,036 was allocated to nonmajor capital project funds. Increased capital spending related to the bond issue accounts for the remaining \$4,526,185 of the fund balance change.

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 \$218,808,536 and \$10,075,283, respectively, at September 30, 2015. The enterprise funds' net investment in capital assets represented 69.2% of total enterprise fund's net position. The internal service funds' net investment in capital assets represented 9.5% of total internal service funds' net position. The enterprise funds' unrestricted net position was 26.8% of their total net position, and internal service funds' unrestricted net position was 90.5% of their total funds' net position. The City's enterprise funds reported income before contributions and transfers of \$5,791,686 while the internal service funds reported income of \$847,764. 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 \$110,149,514 and expenses of \$101,552,299 (excluding non-operating revenues and expenses, and contributions and transfers) by activity.



General Fund Budgetary Highlights

Actual General Fund revenues were \$4,556,339 or 4% higher than final budgeted revenues for fiscal year 2015. Property taxes, sales taxes, hotel/motel taxes, and franchise fees were 80% of General Fund budgeted revenues. Actual General Fund expenditures were \$3,270,654 or 3% lower than final budgeted expenditures for fiscal year 2015. Budgeted excess of revenues over expenditures before other financing sources and uses was \$3,286,946 compared to actual or \$11,113,939 resulting in a net positive budget variance of \$7,826,993. The City traditionally budgets revenue conservatively and this practice frequently results in positive budgetary variances.

Net change in fund balances of the General Fund, including other financing sources and uses such as transfers, resulted in a net positive budget variance of \$7,145,430.

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 \$742,415,956. This investment includes land, buildings, improvements other than buildings (includes infrastructure), machinery and equipment, and construction in progress. The City's capital assets decreased from prior year by \$17,794,166.

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

- Broke ground on extension of SH 360 from Camp Wisdom to SH 287
- Began construction on Fire Station #10 at South Grand Peninsula and Balboa
- Completed construction of a new Fire Station #1
- Completed a major renovation of the Dalworth Recreation Center
- Opened the Lodge and Loyd Cabin at Loyd Park
- Continued façade improvements and redevelopment on Main Street
- Broke ground on The Epic life center, water park, and all-access playground.

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

**Table 3
Capital Assets**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015
Land	\$ 39,870,355	\$ 44,780,245	\$ 4,171,796	\$ 4,197,596	\$ 44,042,151	\$ 48,977,841
Construction in progress	67,419,236	45,232,534	21,546,699	20,658,300	88,965,935	65,890,834
Depreciable capital assets	819,480,721	856,446,163	375,635,852	386,592,409	1,195,116,573	1,243,038,572
Accumulated depreciation	(371,716,174)	(404,810,804)	(196,198,363)	(210,680,487)	(567,914,537)	(615,491,291)
Total capital assets, net	<u>\$ 555,054,138</u>	<u>\$ 541,648,138</u>	<u>\$ 205,155,984</u>	<u>\$ 200,767,818</u>	<u>\$ 760,210,122</u>	<u>\$ 742,415,956</u>

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

Long-term debt - At September 30, 2015, the City had the following long-term liabilities:

**Table 4
Long-Term Debt**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015
Bonded debt	\$246,871,707	\$240,541,533	\$ 64,749,524	\$ 58,166,319	\$311,621,231	\$298,707,852
Compensated absences	14,504,712	15,246,671	426,238	414,156	14,930,950	15,660,827
Other post employment benefits	4,691,875	4,960,922	-	-	4,691,875	4,960,922
Net pension liability	-	45,568,993	-	5,137,343	-	50,706,336
Pollution liability	40,000	130,884	-	-	40,000	130,884
Closure and post closure liability	-	-	6,356,244	6,648,851	6,356,244	6,648,851
Other liabilities	4,943,247	3,782,471	-	-	4,943,247	3,782,471
Total long-term debt	\$271,051,541	\$310,231,474	\$ 71,532,006	\$ 70,366,669	\$342,583,547	\$380,598,143
Long-term debt to net position percentage	61%	77%	33%	32%	52%	61%

Of the total bonded debt, \$240,541,533, or 81%, is backed by the full faith and credit of the government with a property tax pledge.

During this fiscal year, the City issued \$26,125,000 in new bonded debt, and retired principal on bond debt totaling \$40,350,001. In addition, the City's interest expense for its bonded debt was \$10,711,071.

Additional information is detailed in the Notes to Basic Financial Statements, pages 71 - 82.

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

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

Economic Factors and Next Year's Budget and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2016 budget, tax rates, and fees that will be charged for 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 areas along Joe Pool Lake. The City population as of March 2015 was 182,610 which is a 0.76% 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.

The following indicators were taken into account when adopting the budget for fiscal year 2016:

- An increase over prior year of 5.09% in assessed values resulting in more property tax revenues. This revenue was reflected in the budgeted revenues with an increase of \$2,500,000, or 5.09%, in the General Fund and \$974,000, or 5.09%, in the General Obligation Debt Service Fund as compared to the prior fiscal year budget. The City maintained the same property tax rate of 0.669998 per \$100 valuation for fiscal year 2016.
- A 1.92% increase in budgeted sales tax collections as compared to prior fiscal year collections. There was no change in the City's sales tax rate.
- The City's very strong financial position, favorable bond ratings, and continued low interest 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 2016 was \$279,101,560, an increase of \$4,331,191, or 1.6%, as compared to prior fiscal year projected expenditures. The General Fund approved appropriations for fiscal year 2016 is \$118,881,296, an increase of \$4,619,045, or 4%, from prior year. Much of the change in total budgeted operating appropriations includes increases of:

- \$3,270,223 in the Water/Wastewater Fund
- \$984,408 in the Solid Waste Fund
- \$2,357,457 in the Epic Operating Fund, a new fund added this year
- \$2,185,037 in the Crime Tax Fund
- \$394,859 in the Lake Parks Fund

The City's total approved capital projects for fiscal year 2016 includes \$131,851,271 in appropriation requests of which \$102,845,000 will be funded with new certificates of obligations and sales tax revenue bonds. The fiscal year 2016 planned capital projects include:

- \$20,737,808 in street and signal projects
- \$7,740,795 in municipal facilities and infrastructure projects
- \$7,379,000 in water and wastewater requests
- \$3,761,820 in fire equipment and infrastructure
- \$83,359,375 in park projects
- \$2,518,842 in library projects
- \$2,425,000 in storm drainage projects

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



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**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015**

	Primary Government			Grand Prairie	Grand Prairie
	Governmental Activities	Business-Type Activities	Total	Sports Facilities Development	Housing Finance Corporation
ASSETS					
Cash and cash equivalents	\$ 64,521,908	\$ 25,749,037	\$ 90,270,945	\$ 6,347,073	\$ 542,669
Investments	14,107,596	43,234,101	57,341,697	7,012,259	148,249
Receivables, net	16,744,554	6,575,458	23,320,012	568,819	-
Due from other governments	1,261,466	9,149,680	10,411,146	-	-
Inventories and supplies	156,049	498,237	654,286	-	-
Prepays	389,421	-	389,421	-	21,129
Restricted assets:					
Cash and cash equivalents	27,667,943	2,228,482	29,896,425	-	1,364,072
Investments	69,191,097	10,706,138	79,897,235	-	-
Internal balances	(1,657,527)	1,657,527	-	-	-
Lease payments receivable	-	-	-	13,069,474	-
Estimated unguaranteed residual value	-	-	-	42,377,228	-
Capital assets:					
Nondepreciable	90,012,779	24,855,896	114,868,675	-	1,612,851
Depreciable, net	451,635,359	175,911,922	627,547,281	-	12,766,899
Total assets	734,030,645	300,566,478	1,034,597,123	69,374,853	16,455,869
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refundings	1,092,256	119,642	1,211,898	-	-
Pension contributions and investment experience	12,261,115	1,382,289	13,643,404	-	-
Total deferred outflows of resources	13,353,371	1,501,931	14,855,302	-	-
LIABILITIES					
Accounts payable	6,811,307	5,695,327	12,506,634	45,145	129,781
Retainage payable	291,061	267,211	558,272	-	-
Accrued interest	-	8,770	8,770	-	-
Accrued liabilities	9,744,098	583,171	10,327,269	-	484,425
Unearned revenue	12,534,999	453,695	12,988,694	-	38,595
Current liabilities payable from restricted assets:					
Customer deposits	45,300	3,638,256	3,683,556	-	78,864
Accrued interest	1,012,690	391,569	1,404,259	-	-
Noncurrent liabilities:					
Due within one year:					
Compensated absences	6,446,916	411,534	6,858,450	-	-
Environmental remediation obligation	130,884	-	130,884	-	-
Other liabilities	1,160,776	-	1,160,776	-	-
Current portion of long-term debt	20,600,000	4,510,000	25,110,000	-	310,083
Due in more than one year:					
Compensated absences	8,799,755	2,622	8,802,377	-	-
Other postemployment benefits	4,960,922	-	4,960,922	-	-
Net pension liability	45,568,993	5,137,343	50,706,336	-	-
Closure and postclosure liability	-	6,648,851	6,648,851	-	-
Other liabilities	2,621,695	-	2,621,695	-	-
Long-term debt	219,941,533	53,656,319	273,597,852	-	15,753,171
Total liabilities	340,670,929	81,404,668	422,075,597	45,145	16,794,919
DEFERRED INFLOWS OF RESOURCES					
Pension actuarial experience	1,753,433	197,678	1,951,111	-	-
NET POSITION					
Net investment in capital assets	333,061,190	151,539,230	484,600,420	-	(423,104)
Restricted for:					
Debt service	10,215,047	6,270,545	16,485,592	-	-
Capital projects	11,331,878	2,634,250	13,966,128	-	-
Public safety	11,700,428	-	11,700,428	-	-
Recreation and leisure	10,664,006	-	10,664,006	-	-
Development services	9,075,126	-	9,075,126	-	-
Other specific purposes	406,058	-	406,058	-	-
Facility lease	-	-	-	55,988,357	-
Unrestricted	18,505,921	60,022,038	78,527,959	13,341,351	84,054
Total net position	\$ 404,959,654	\$ 220,466,063	\$ 625,425,717	\$ 69,329,708	\$ (339,050)

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

FUNCTIONS/ACTIVITY	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 22,102,591	\$ 4,809,384	\$ 231,128	\$ -
Public safety services	80,359,190	13,623,499	3,609,326	-
Recreation and leisure services	26,746,861	9,772,737	497,452	-
Development services and other	77,263,159	6,643,502	28,991,191	1,232,805
Interest on long-term debt	8,019,147	-	-	-
Total governmental activities	<u>214,490,948</u>	<u>34,849,122</u>	<u>33,329,097</u>	<u>1,232,805</u>
Business-type activities:				
Water and wastewater	61,381,944	63,421,631	-	2,228,449
Solid waste	10,143,394	11,470,007	-	-
Municipal airport	2,226,108	2,001,854	43,714	1,853,633
Municipal golf course	3,230,377	2,021,800	-	-
Storm water	1,694,556	5,572,487	-	-
Total business-type activities	<u>78,676,379</u>	<u>84,487,779</u>	<u>43,714</u>	<u>4,082,082</u>
Total primary government	<u>\$ 293,167,327</u>	<u>\$ 119,336,901</u>	<u>\$ 33,372,811</u>	<u>\$ 5,314,887</u>
Component units:				
Grand Prairie Sports Facilities Development	\$ 5,878,863	\$ 1,373,066	\$ -	\$ 187,248
Grand Prairie Housing Finance Corporation	5,874,257	5,801,797	-	-
Total component units	<u>\$ 11,753,120</u>	<u>\$ 7,174,863</u>	<u>\$ -</u>	<u>\$ 187,248</u>

General revenues:

Taxes
 Property taxes
 Sales taxes
 Hotel/motel and other taxes
Franchise fees
Investment income
Transfers
Capital asset reassignments
Total general revenues and transfers

Change in net position

Net position - beginning of year (restated - See Note P)

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	Grand Prairie Housing Finance Corporation
Governmental Activities	Business-Type Activities	Total		
\$ (17,062,079)	\$ -	\$ (17,062,079)	\$ -	\$ -
(63,126,365)	-	(63,126,365)	-	-
(16,476,672)	-	(16,476,672)	-	-
(40,395,661)	-	(40,395,661)	-	-
(8,019,147)	-	(8,019,147)	-	-
<u>(145,079,924)</u>	<u>-</u>	<u>(145,079,924)</u>	<u>-</u>	<u>-</u>
-	4,268,136	4,268,136	-	-
-	1,326,613	1,326,613	-	-
-	1,673,093	1,673,093	-	-
-	(1,208,577)	(1,208,577)	-	-
-	3,877,931	3,877,931	-	-
<u>-</u>	<u>9,937,196</u>	<u>9,937,196</u>	<u>-</u>	<u>-</u>
<u>(145,079,924)</u>	<u>9,937,196</u>	<u>(135,142,728)</u>	<u>-</u>	<u>-</u>
			(4,318,549)	-
			-	(72,460)
			<u>(4,318,549)</u>	<u>(72,460)</u>
73,070,467	-	73,070,467	-	-
53,494,773	-	53,494,773	-	-
1,713,865	-	1,713,865	-	-
14,089,158	-	14,089,158	-	-
1,609,156	1,750	1,610,906	90,213	1,190
2,428,935	(2,428,935)	-	-	-
(25,800)	25,800	-	-	-
<u>146,380,554</u>	<u>(2,401,385)</u>	<u>143,979,169</u>	<u>90,213</u>	<u>1,190</u>
1,300,630	7,535,811	8,836,441	(4,228,336)	(71,270)
<u>403,659,024</u>	<u>212,930,252</u>	<u>616,589,276</u>	<u>73,558,044</u>	<u>(267,780)</u>
<u>\$ 404,959,654</u>	<u>\$ 220,466,063</u>	<u>\$ 625,425,717</u>	<u>\$ 69,329,708</u>	<u>\$ (339,050)</u>

**CITY OF GRAND PRAIRIE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015**

	<u>General</u>	<u>Section 8</u>	<u>Streets CIP</u>
ASSETS			
Cash and cash equivalents	\$ 25,093,691	\$ 707,106	\$ 2,821,238
Investments	2,107,596	1,033,109	22,901,210
Property tax receivable, net	1,264,738	-	-
Sales tax receivable	4,727,613	-	-
Franchise fees receivable	2,667,386	-	-
Other receivables, net	1,829,347	13,904	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
Prepays	4,938	-	-
Total assets	<u>\$ 37,695,309</u>	<u>\$ 1,754,119</u>	<u>\$ 25,722,448</u>
LIABILITIES			
Accounts payable	\$ 2,968,283	\$ 39,207	\$ 314,713
Retainage payable	-	-	103,106
Accrued liabilities	3,997,797	57,887	-
Due to other funds	-	-	-
Customer deposits	-	-	-
Unearned revenue	847,648	-	-
Total liabilities	<u>7,813,728</u>	<u>97,094</u>	<u>417,819</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	2,132,935	-	-
Total deferred inflows of resources	<u>2,132,935</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	4,938	-	-
Restricted	426,948	1,657,025	23,472,247
Committed	241,704	-	1,832,382
Assigned	862,870	-	-
Unassigned	26,212,186	-	-
Total fund balances	<u>27,748,646</u>	<u>1,657,025</u>	<u>25,304,629</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,695,309</u>	<u>\$ 1,754,119</u>	<u>\$ 25,722,448</u>

See accompanying notes to basic financial statements.

<u>Grants</u>	<u>Debt Service</u>	<u>Epic CIP</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 14,248,919	\$ 10,742,977	\$ 5,197,837	\$ 30,894,531	\$ 89,706,299
1,900,000	-	-	43,356,778	71,298,693
-	482,809	-	-	1,747,547
-	-	-	4,714,296	9,441,909
-	-	-	88,677	2,756,063
-	2,030	-	942,616	2,787,897
1,261,466	-	-	-	1,261,466
-	-	-	7,842,587	7,842,587
-	-	-	26,255	26,255
-	-	-	5,400	10,338
<u>\$ 17,410,385</u>	<u>\$ 11,227,816</u>	<u>\$ 5,197,837</u>	<u>\$ 87,871,140</u>	<u>\$ 186,879,054</u>
\$ 246,284	\$ 79	\$ 633,807	\$ 2,314,380	\$ 6,516,753
-	-	-	181,254	284,360
46,920	-	-	565,849	4,668,453
-	-	7,842,587	-	7,842,587
-	-	-	45,300	45,300
10,008,724	-	-	1,678,627	12,534,999
<u>10,301,928</u>	<u>79</u>	<u>8,476,394</u>	<u>4,785,410</u>	<u>31,892,452</u>
-	473,842	-	-	2,606,777
-	473,842	-	-	2,606,777
-	-	-	31,655	36,593
7,030,853	10,753,895	-	41,743,813	85,084,781
77,604	-	-	41,310,262	43,461,952
-	-	-	-	862,870
-	-	(3,278,557)	-	22,933,629
<u>7,108,457</u>	<u>10,753,895</u>	<u>(3,278,557)</u>	<u>83,085,730</u>	<u>152,379,825</u>
<u>\$ 17,410,385</u>	<u>\$ 11,227,816</u>	<u>\$ 5,197,837</u>	<u>\$ 87,871,140</u>	<u>\$ 186,879,054</u>

**CITY OF GRAND PRAIRIE, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2015**

Total fund balance - total governmental funds \$ 152,379,825

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 funds (excluding internal service funds' capital assets of \$961,417). 540,686,721

Certain revenues are not available to pay for current-period expenditures; therefore, these revenues are deferred in the funds. 2,606,777

Certain assets and liabilities do not provide or require the use of current financial resources; therefore, these assets and liabilities are not reported in the governmental funds.

Accrued interest on long-term debt	(1,012,690)	
Unamortized loss of bond refundings	1,092,256	
Deferred pension contributions, and investment and actuarial experience (excluding internal service fund totals of \$140,247).	10,367,435	10,447,001

Internal service funds are used by management to charge cost of certain activities, such as employee health insurance, risk management insurance, and fleet services, 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 \$1,657,527). 8,417,756

Noncurrent liabilities are not due and payable in the current period; therefore, they are not reported in the governmental fund balance sheet. These noncurrent liabilities are as follows:

Long-term debt	(234,620,000)	
Unamortized bond premium/discount, net	(5,921,533)	
Compensated absences (excluding internal service fund totals of \$44,836)	(15,201,835)	
Other post employment benefits	(4,960,922)	
Net pension liability (excluding internal service fund totals of \$608,212)	(44,960,781)	
Environmental remediation obligation	(130,884)	
Other liabilities	(3,782,471)	(309,578,426)

Net position of governmental activities \$ 404,959,654

See accompanying notes to basic financial statements.



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**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	General	Section 8	Streets CIP
REVENUES			
Property taxes	\$ 50,336,919	\$ -	\$ -
Sales taxes	26,407,761	-	-
Other taxes	261,108	-	-
Franchise fees	14,089,158	-	-
Charges for goods and services	5,335,832	168,233	73,791
Licenses and permits	2,813,341	277,193	-
Fines and forfeitures	7,279,318	-	-
Intergovernmental	1,119,444	25,843,689	-
General and administrative	4,145,786	-	-
Rents and royalties	65,392	-	-
Investment income	1,600,927	-	-
Contributions	181,631	-	-
Other	478,796	101,518	26
Total revenues	<u>114,115,413</u>	<u>26,390,633</u>	<u>73,817</u>
EXPENDITURES			
Current operations:			
Support services	16,574,203	-	-
Public safety services	70,907,083	-	-
Recreation and leisure services	1,958,463	-	-
Development services and other	12,273,830	25,856,618	1,625,078
Capital outlay	1,287,895	74,820	3,565,413
Debt service:			
Principal retirement	-	-	-
Interest and other charges	-	-	79,748
Total expenditures	<u>103,001,474</u>	<u>25,931,438</u>	<u>5,270,239</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,113,939</u>	<u>459,195</u>	<u>(5,196,422)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	158,001	17,500	2,369,520
Transfers out	(8,832,409)	(50,000)	(6,532,585)
Insurance recovery	-	-	-
Issuance of certificates of obligation	-	-	5,224,964
Premium on bonds issued	-	-	510,307
Proceeds from sale of capital assets	556,696	21,000	-
Total other financing sources (uses)	<u>(8,117,712)</u>	<u>(11,500)</u>	<u>1,572,206</u>
Net change in fund balances	2,996,227	447,695	(3,624,216)
Fund balances - beginning of year (restated - See Note P)	24,752,419	1,209,330	28,928,845
Fund balances - end of year	<u>\$ 27,748,646</u>	<u>\$ 1,657,025</u>	<u>\$ 25,304,629</u>

See accompanying notes to basic financial statements.

<u>Grants</u>	<u>Debt Service</u>	<u>Epic CIP</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 19,216,331	\$ -	\$ 3,445,705	\$ 72,998,955
-	-	-	26,926,236	53,333,997
-	-	-	1,452,757	1,713,865
-	-	-	-	14,089,158
2,198	-	-	8,707,632	14,287,686
-	-	-	172,337	3,262,871
-	-	-	2,519,106	9,798,424
4,027,891	-	-	120,880	31,111,904
-	-	-	-	4,145,786
-	-	-	3,093,427	3,158,819
5,393	242	-	2,594	1,609,156
134,148	-	-	2,377,361	2,693,140
-	-	-	392,891	973,231
<u>4,169,630</u>	<u>19,216,573</u>	<u>-</u>	<u>49,210,926</u>	<u>213,176,992</u>
-	-	-	2,941,855	19,516,058
1,486,134	-	-	3,684,874	76,078,091
178,467	-	-	17,808,427	19,945,357
2,656,820	-	-	12,722,674	55,135,020
1,366,449	-	3,278,557	14,525,337	24,098,471
-	10,798,435	-	24,154,000	34,952,435
-	6,346,700	-	2,578,864	9,005,312
<u>5,687,870</u>	<u>17,145,135</u>	<u>3,278,557</u>	<u>78,416,031</u>	<u>238,730,744</u>
<u>(1,518,240)</u>	<u>2,071,438</u>	<u>(3,278,557)</u>	<u>(29,205,105)</u>	<u>(25,553,752)</u>
7,152,189	165,000	-	13,603,622	23,465,832
(353,415)	(1,984,115)	-	(3,213,119)	(20,965,643)
-	-	-	988,199	988,199
-	-	-	20,900,036	26,125,000
-	-	-	2,041,247	2,551,554
-	-	-	28,000	605,696
<u>6,798,774</u>	<u>(1,819,115)</u>	<u>-</u>	<u>34,347,985</u>	<u>32,770,638</u>
5,280,534	252,323	(3,278,557)	5,142,880	7,216,886
1,827,923	10,501,572	-	77,942,850	145,162,939
<u>\$ 7,108,457</u>	<u>\$ 10,753,895</u>	<u>\$ (3,278,557)</u>	<u>\$ 83,085,730</u>	<u>\$ 152,379,825</u>

**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, 2015**

Net change in fund balances - total governmental funds \$ 7,216,886

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, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 24,098,471

Depreciation on capital assets is reported in the government-wide statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds (except for internal service fund depreciation of \$39,805). (37,171,572)

Governmental funds do not report capital contributions. 756,858

The net effect of various transactions involving capital assets (i.e., disposals, sales, and reassignments) are not reported in the governmental funds. (1,110,338)

The issuance of long-term debt (i.e., bonds) provides current financial resources to the governmental funds, while repayment of the principal on 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 issuance costs, 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	(26,125,000)	
Bond principal retirement	33,952,435	
Amortization of bond premiums/discounts and loss on refundings	<u>(1,583,275)</u>	6,244,160

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

Accrued interest	(37,281)	
Compensated absences	(743,420)	
Pollution remediation obligation	(90,884)	
Postemployment benefit obligation	(269,047)	
Change in pension liability	2,266,123	
Other liabilities	<u>1,160,776</u>	2,286,267

Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (1,694,382)

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 operating income of the internal service funds is reported with governmental activities net of the amount allocated to business-type activities of \$66,438. This amount also includes internal service transfers of \$71,254. 674,280

Change in net position of governmental activities \$ 1,300,630

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2015**

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 22,434,696	\$ 2,512,043	\$ 802,298	\$ 25,749,037	\$ 2,483,552
Investments	25,268,432	14,288,032	3,677,637	43,234,101	12,000,000
Accounts receivable, net	5,245,594	808,883	520,981	6,575,458	11,138
Due from other governments	9,148,718	-	962	9,149,680	-
Inventories and supplies	445,801	-	52,436	498,237	129,794
Prepays	-	-	-	-	379,083
Restricted assets:					
Cash and cash equivalents	2,228,482	-	-	2,228,482	-
Investments	10,637,956	-	68,182	10,706,138	-
Total current assets	<u>75,409,679</u>	<u>17,608,958</u>	<u>5,122,496</u>	<u>98,141,133</u>	<u>15,003,567</u>
Noncurrent assets:					
Capital assets:					
Land	1,689,511	1,748,378	759,707	4,197,596	737,566
Buildings	2,361,045	1,895,727	12,718,487	16,975,259	1,477,875
Equipment	22,445,599	7,746,282	2,003,285	32,195,166	1,697,609
Infrastructure	301,857,087	10,449,173	25,115,724	337,421,984	16,672
Construction in progress	19,859,905	76,740	721,655	20,658,300	-
Less: accumulated depreciation	(180,063,796)	(9,223,760)	(21,392,931)	(210,680,487)	(2,968,305)
Total noncurrent assets	<u>168,149,351</u>	<u>12,692,540</u>	<u>19,925,927</u>	<u>200,767,818</u>	<u>961,417</u>
Total assets	<u>243,559,030</u>	<u>30,301,498</u>	<u>25,048,423</u>	<u>298,908,951</u>	<u>15,964,984</u>
DEFERRED OUTFLOWS OF RESOURCES					
Debt refundings	119,642	-	-	119,642	-
Pension contributions and investment experience	853,107	274,328	254,854	1,382,289	163,650
Total deferred outflows of resources	<u>972,749</u>	<u>274,328</u>	<u>254,854</u>	<u>1,501,931</u>	<u>163,650</u>
LIABILITIES					
Current liabilities:					
Accounts payable	4,564,490	933,507	197,330	5,695,327	294,554
Retainage payable	233,592	-	33,619	267,211	-
Accrued interest	-	-	8,770	8,770	-
Accrued liabilities	397,877	118,701	66,593	583,171	5,082,346
Compensated absences	275,388	55,742	80,404	411,534	44,836
Current portion of long-term debt	4,380,000	-	130,000	4,510,000	-
Unearned revenue	274,431	-	179,264	453,695	-
Current liabilities payable from restricted assets:					
Accrued interest	391,569	-	-	391,569	-
Customer deposits	3,570,074	-	68,182	3,638,256	-
Total current liabilities	<u>14,087,421</u>	<u>1,107,950</u>	<u>764,162</u>	<u>15,959,533</u>	<u>5,421,736</u>
Noncurrent liabilities:					
Compensated absences	-	-	2,622	2,622	-
Closure and postclosure liability	-	6,648,851	-	6,648,851	-
Net pension liability	3,170,613	1,019,554	947,176	5,137,343	608,212
Long-term debt	52,336,319	-	1,320,000	53,656,319	-
Total noncurrent liabilities	<u>55,506,932</u>	<u>7,668,405</u>	<u>2,269,798</u>	<u>65,445,135</u>	<u>608,212</u>
Total liabilities	<u>69,594,353</u>	<u>8,776,355</u>	<u>3,033,960</u>	<u>81,404,668</u>	<u>6,029,948</u>
DEFERRED INFLOWS OF RESOURCES					
Pension actuarial experience	122,001	39,231	36,446	197,678	23,403
NET POSITION					
Net investment in capital assets	120,490,405	12,692,540	18,442,308	151,625,253	961,417
Restricted for:					
Debt Service	6,270,545	-	-	6,270,545	-
Capital projects	2,634,250	-	-	2,634,250	-
Unrestricted	45,420,225	9,067,700	3,790,563	58,278,488	9,113,866
Total net position	<u>\$ 174,815,425</u>	<u>\$ 21,760,240</u>	<u>\$ 22,232,871</u>	<u>\$ 218,808,536</u>	<u>\$ 10,075,283</u>
Reconciliation to government-wide Statement of Net Position:					
Adjustments to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds				1,657,527	
Net position of business-type activities				<u>\$ 220,466,063</u>	

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, 2015**

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
OPERATING REVENUES					
Water sales	\$ 35,847,333	\$ -	\$ -	\$ 35,847,333	\$ -
Wastewater services	23,500,825	-	-	23,500,825	-
Water and wastewater fees	2,106,123	-	-	2,106,123	-
Wastewater surcharges	698,342	-	-	698,342	-
Charges for services	-	-	8,610,800	8,610,800	4,487,456
Solid waste fees	-	11,436,312	-	11,436,312	-
Intergovernmental revenue	-	-	43,714	43,714	-
Insurance premiums	-	-	-	-	21,051,696
Miscellaneous	1,269,008	70,701	985,341	2,325,050	41,863
Total operating revenue	63,421,631	11,507,013	9,639,855	84,568,499	25,581,015
OPERATING EXPENSES					
Salaries and benefits	6,983,821	2,320,842	2,178,213	11,482,876	1,316,305
Supplies and miscellaneous purchases	776,118	402,813	1,005,142	2,184,073	2,635,810
Purchased services	5,573,076	5,034,759	1,824,529	12,432,364	1,231,590
Insurance costs	-	-	-	-	19,367,110
Water purchases	12,370,857	-	-	12,370,857	-
Wastewater treatment	14,726,953	-	-	14,726,953	-
Miscellaneous	582,498	593,915	160,110	1,336,523	178,423
Depreciation	12,798,446	1,140,530	1,491,994	15,430,970	39,805
Franchise fees	2,376,121	323,004	220,854	2,919,979	-
General and administrative costs	3,396,358	361,018	141,285	3,898,661	-
Total operating expenses	59,584,248	10,176,881	7,022,127	76,783,256	24,769,043
Operating income	3,837,383	1,330,132	2,617,728	7,785,243	811,972
NONOPERATING REVENUES (EXPENSES)					
Investment income	1,750	-	-	1,750	-
Gain (loss) on property disposition	2,313	(7,726)	2,547	(2,866)	35,792
Interest expense	(1,846,017)	-	(146,424)	(1,992,441)	-
Total nonoperating revenues (expenses)	(1,841,954)	(7,726)	(143,877)	(1,993,557)	35,792
Income before contributions and transfers	1,995,429	1,322,406	2,473,851	5,791,686	847,764
CONTRIBUTIONS AND TRANSFERS					
Capital contributions-impact fees	1,789,880	-	-	1,789,880	-
Capital contributions	438,569	-	1,853,633	2,292,202	-
Contributions to other governments	(1,260)	-	-	(1,260)	-
Transfers in - capital assets	25,800	-	-	25,800	-
Transfers out - capital assets	-	-	-	-	(36,453)
Transfers in - monetary	110,887	23,827	2,804,115	2,938,829	-
Transfers out - monetary	(1,319,862)	(383,577)	(3,664,325)	(5,367,764)	(71,254)
Total contributions and transfers	1,044,014	(359,750)	993,423	1,677,687	(107,707)
Change in net position	3,039,443	962,656	3,467,274	7,469,373	740,057
Net position - beginning of year (restated - See Note P)	171,775,982	20,797,584	18,765,597	211,339,163	9,335,226
Net position - end of year	\$ 174,815,425	\$ 21,760,240	\$ 22,232,871	\$ 218,808,536	\$ 10,075,283
Reconciliation to government-wide Statement of Activities:					
Total change in net position				\$ 7,469,373	
Adjustments to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds				66,438	
Change in net position of business-type activities				\$ 7,535,811	

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Solid	Other	Total	Activities
	Wastewater	Waste	Nonmajor		Internal Service Funds
Cash flows from operating activities:					
Cash receipts from customers	\$ 61,717,168	\$ 11,079,885	\$ 8,647,342	\$ 81,444,395	\$ -
Cash receipts from insurance proceeds	-	-	-	-	4,219,565
Cash receipts from city and employee contributions	-	-	-	-	16,820,993
Cash receipts from interfund services provided	-	-	-	-	4,505,626
Cash receipts from other governments	-	-	32,772	32,772	-
Other operating cash receipts	1,269,008	70,701	985,341	2,325,050	41,863
Cash payments to suppliers for goods and services	(31,559,229)	(6,245,619)	(2,905,475)	(40,710,323)	(3,927,511)
Cash payments to employees for services	(7,077,079)	(2,122,419)	(2,247,341)	(11,446,839)	(1,351,395)
Cash payments for interfund services used	(2,376,121)	(323,004)	(220,854)	(2,919,979)	(19,367,110)
Other operating cash payments	(3,396,358)	(361,018)	(141,285)	(3,898,661)	-
Net cash provided by operating activities	<u>18,577,389</u>	<u>2,098,526</u>	<u>4,150,500</u>	<u>24,826,415</u>	<u>942,031</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	110,887	23,827	2,804,115	2,938,829	-
Transfers to other funds	(1,319,862)	(383,577)	(3,664,325)	(5,367,764)	-
Due to from other funds	-	-	42,025	42,025	(71,254)
Contributions to other governments	(1,260)	-	-	(1,260)	-
Net cash used in noncapital financing activities	<u>(1,210,235)</u>	<u>(359,750)</u>	<u>(818,185)</u>	<u>(2,388,170)</u>	<u>(71,254)</u>
Cash flows from capital and related financing activities:					
Proceeds from Texas Water Development Board	446,350	-	-	446,350	-
Capital impact fees from developers	1,789,880	-	-	1,789,880	-
Proceeds from disposition of capital assets	2,313	70,483	2,547	75,343	35,983
Acquisition and construction of capital assets	(6,578,864)	(1,505,545)	(718,602)	(8,803,011)	(96,369)
Principal paid on debt	(4,250,000)	-	(2,147,566)	(6,397,566)	-
Interest paid on debt	(1,948,925)	-	(250,978)	(2,199,903)	-
Net cash used in capital and related financing activities	<u>(10,539,246)</u>	<u>(1,435,062)</u>	<u>(3,114,599)</u>	<u>(15,088,907)</u>	<u>(60,386)</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	31,999,781	13,662,382	2,123,394	47,785,557	1,160,624
Purchase of investment securities	(37,134,510)	(14,812,382)	(2,077,313)	(54,024,205)	(6,000,000)
Interest received on investments	1,750	-	-	1,750	-
Net cash (used in) provided by investing activities	<u>(5,132,979)</u>	<u>(1,150,000)</u>	<u>46,081</u>	<u>(6,236,898)</u>	<u>(4,839,376)</u>
Net increase (decrease) in cash and equivalents	1,694,929	(846,286)	263,797	1,112,440	(4,028,985)
Cash and cash equivalents - beginning of year	22,968,249	3,358,329	538,501	26,865,079	6,512,537
Cash and cash equivalents - end of year	<u>\$ 24,663,178</u>	<u>\$ 2,512,043</u>	<u>\$ 802,298</u>	<u>\$ 27,977,519</u>	<u>\$ 2,483,552</u>
Reconciliation of income from operations to net cash from operating activities:					
Operating income	\$ 3,837,383	\$ 1,330,132	\$ 2,617,728	\$ 7,785,243	\$ 811,972
Adjustments to operating income to net cash from operating activities:					
Depreciation	12,798,446	1,140,530	1,491,994	15,430,970	39,805
Provisions for uncollectible accounts	245,254	(70,214)	(51,148)	123,892	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(814,069)	(286,213)	137,461	(962,821)	7,032
Decrease in inventories and supplies	48,148	-	16,365	64,513	15,146
Increase in prepaids	-	-	-	-	(351,984)
Increase (decrease) in accounts payable	2,417,005	(214,132)	34,322	2,237,195	455,150
Increase in retainage payable	5,120	-	33,619	38,739	-
Increase (decrease) in accrued liabilities	63,209	263,103	(19,261)	307,051	(2,969)
Increase (decrease) in customer deposits	133,360	-	(49,771)	83,589	-
Decrease in unearned revenue	-	-	(10,942)	(10,942)	-
Increase (decrease) in compensated absences	3,338	(13,293)	(2,127)	(12,082)	(1,466)
Decrease in pension liability	(159,805)	(51,387)	(47,740)	(258,932)	(30,656)
Net cash provided by operating activities	<u>\$ 18,577,389</u>	<u>\$ 2,098,526</u>	<u>\$ 4,150,500</u>	<u>\$ 24,826,415</u>	<u>\$ 942,031</u>
Noncash investing, capital and financing activities:					
Capital contributions from developers/granting agencies	\$ 438,569	\$ -	\$ 1,853,633	\$ 2,292,202	\$ -
Capital asset transfers from (to) governmental activities	25,800	-	-	25,800	(36,453)
	<u>\$ 464,369</u>	<u>\$ -</u>	<u>\$ 1,853,633</u>	<u>\$ 2,318,002</u>	<u>\$ (36,453)</u>
Reconciliation of ending cash and cash equivalents to Statement of Net Position:					
Unrestricted cash and cash equivalents - end of year	\$ 22,434,696	\$ 2,512,043	\$ 802,298	\$ 25,749,037	\$ 2,483,552
Restricted cash and cash equivalents - end of year	2,228,482	-	-	2,228,482	-
Total cash and cash equivalents - end of year	<u>\$ 24,663,178</u>	<u>\$ 2,512,043</u>	<u>\$ 802,298</u>	<u>\$ 27,977,519</u>	<u>\$ 2,483,552</u>

See accompanying notes to basic financial statements.



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NOTES TO BASIC FINANCIAL STATEMENTS



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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, twelve miles west of downtown Dallas, eighteen miles east of downtown Fort Worth and six 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 to state and local governments (GAAP). Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants as published in *Audits of State and Local Governments*. 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 legally separate organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards. Based on these criteria, the City reports the following component units as part of the financial reporting entity:

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. Based on these criteria, the City has one blended 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.

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. The City has two discretely presented component units.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Grand Prairie Sports Facilities Development Corporation

The Grand Prairie Sports Facilities Development Corporation (Sports Corporation) is included as part of the City's reporting entity because 1) the City has the ability to impose its will upon the Corporation, 2) the City receives significant financial benefits from the Sports Corporation, 3) of the seven members of the Board of Directors, all of which are appointed by the City Council, four must be City Council members, 4) excess earnings of the Sports Corporation are paid to the City, and 5) upon dissolution, all assets of the Sports Corporation become the property of the City. Because the Sports Corporation is legally, financially and administratively autonomous, it is presented as a discretely presented component unit.

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.

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.

Audited financial statements for the Sports Corporation, for the fiscal year ended September 30, 2015, may be obtained writing the City of Grand Prairie, Attn: Finance Director, 326 W. Main Street, Grand Prairie, TX 75050.

Grand Prairie 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, 2014. Audited financial statements, for the year ended December 31, 2014 may be obtained by writing Grand Prairie Housing Finance Corporation, Attn: Executive Director, P. O. Box 532758, Grand Prairie, TX 75053-2758.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

The Grand Prairie Health Facilities Development Authority (Authority) was created to issue tax-exempt revenue bonds to finance medical facilities. The Authority's bonds were defeased, and the Authority continues to exist only to make decisions from time to time regarding the defeased bonds. The City exercises no control over the Authority or its budget.

Grand Prairie Industrial Development Authority

The Grand Prairie Industrial Development Authority was 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 Development Authority's management, budget or operations.

C. Implementation of New Accounting Standards

For fiscal year ended September 30, 2015, the City implemented the following new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB).

GASB No. 68 – Accounting and Financial Reporting for Pensions, an amendment to GASB No. 27.

GASB No. 68 establishes standards for pension accounting and financial reporting for governments ("employers") which sponsor pension benefits. Under GASB No. 68, the employer must report the net pension liability, pension expense, and related deferred inflows and outflows of resources associated with providing retirement benefits to their employees (and former employees) in their basic financial statements. In addition, extensive note disclosures and related Required Supplementary Information are also required.

GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB No. 68.

GASB No. 71 addresses paragraph 137 in GASB No. 68 concerning transition provisions related to certain pension contributions made to defined benefit plans prior to implementation of the Statement by employer and non-employer contributing entities. The requirements of the Statement apply to all state and local governments that are required to apply the provisions of GASB No. 68 for defined benefit pensions.

Implementation of the above statements required adjustments to the City's beginning net position as disclosed in Note P on page 102.

D. Basis of Presentation

Government-Wide Financial Statements

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all the activities of the City, including component units. Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities, which generally rely on fees and charges for support. Significant revenues generated from business-

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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. As a general rule, the effect of internal activity between governmental activities and business-type activities has been eliminated from the government-wide financial statements except that business-type activities include charges for administrative overhead services provided by the governmental activities.

The Statement of Activities reports the change in the City's net position from October 1, 2014 to September 30, 2015. This statement demonstrates the degree to which the direct expenses of a given function of the 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 and 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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as *general revenues* in the statement of activities.

Fund Financial Statements

In addition to the government-wide financial statements, the City also reports separate financial statements for major functions or activities of the government. These financial statements are organized on the basis of funds with governmental resources allocated to and accounted for based upon the purposes for which they are spent and the means by which spending activities are controlled. Separate statements are prescribed for governmental activities and proprietary activities.

Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenditures/expenses, and fund balances. The fund financial statements present each major fund as a separate column, while all nonmajor funds are aggregated and presented in a single column. Major funds are calculated using specific methods outlined in GASB Statement No. 34, or City management may also deem funds as major for presentation purposes.

At September 30, 2015, 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

This special revenue fund accounts for grants received from the federal government for providing housing assistance to low income families.

Street CIP Fund

This capital project fund accounts for the costs of street construction and improvements in the City financed through general obligation bond proceeds and other dedicated sources.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Grants Fund

This special revenue 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.

Epic CIP Fund

This capital project fund accounts for the proceeds from sales tax revenue bonds, current lending/borrowing arrangements, and other dedicated sources to be used in the construction of The Epic (see CAFR cover).

At September 30, 2015, major enterprise funds include 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. Treated water is currently being purchased from the Dallas Water Utilities ("DWU") and the City of Midlothian, and water is pumped from City-owned wells. Although the City owns the wastewater collection system, it has no treatment facilities. Wastewater treatment is provided by the Trinity River Authority (TRA). Contracts relating to purchased water and wastewater treatment are discussed elsewhere in the Notes.

Solid Waste Fund

This fund accounts for the City's landfill, garbage/recycling collection service, brush and litter collection, street sweeping, illegal dumping cleanup, Keep Grand Prairie Beautiful, and auto-related business programs, as well as a number of special purpose transfers related to reserves for landfill closure, post-closure costs and environmental remediation.

E. Measurement Focus and Basis of Accounting

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

Government-Wide Financial Statements

The government-wide financial statements and the fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position, and the operating statement presents increases (revenues) and decreases (expenses) in the net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. 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

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

amount to be received. *Available* means collectible within the current period or soon enough thereafter to pay current liabilities (generally sixty 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:

- 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 uncollectible amounts. Property tax revenues are recorded as the taxes are 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 for payment of obligations incurred during the current fiscal year are susceptible to accrual in accordance with General Accepted Accounting Principles; therefore, these amounts are accrued and recognized as revenue (amounts received within sixty days of year-end).
- Sales taxes – collected by the State and remitted monthly to the City sixty days in arrears. Using the modified accrual basis of accounting, additional amounts are estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year; therefore, amounts susceptible to accrual in accordance with General Accepted Accounting Principles are accrued and recognized as revenue. The City allocates its sales taxes revenues to the General Fund, Street Maintenance Fund, Baseball Stadium, Summit Venue, and Park Venue Funds 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 sixty days are recorded as revenue.
- 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.

The City also reports *unavailable* and *unearned* revenues in its governmental funds. *Unavailable* revenues arise when potential revenue does not meet both the *measurable* and *available* criteria for recognition in the current period. *Unearned* revenues arise when the City receives revenue resources before it has legal claim to it, as when grant money is received prior to the incidence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the City has a legal claim to the resource, the revenue is recognized.

Proprietary Funds

As mentioned earlier, proprietary funds use the economic resources measurement focus and the accrual basis of accounting. 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. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports two types of proprietary funds – enterprise funds and internal services funds.

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 1) 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 2) where the City Council has decided that periodic determination of revenues earned, expenses incurred and/or operating income generated is appropriate for the purposes of capital maintenance, public policy, management control, and/or accountability. The City maintains five enterprise funds – water and wastewater services, solid waste services, storm water services, airport operations, and golf course operations. These enterprise funds are classified as business-type activities in the government-wide 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, on a cost-reimbursement basis. The City has two internal service funds:

- 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.

F. Assets, Liabilities, Deferred Outflows/Inflows Resources, and Net Position/Fund Balances

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings are recorded in the General Fund unless it is required by regulations or agreements to allocate to certain funds. In fiscal year 2015, the funds receiving allocation of interest earnings were the Grants Fund and Police Seizure Funds. 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.

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Receivables and Payables

Major revenue sources susceptible to accrual are recorded as receivables when they become both measurable and available. Expenditures incurred during the current fiscal year but not yet paid are recorded as payables at fiscal year-end.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at fiscal year-end are referred to as due to/from other funds.

Inventories and Prepaid Items

Inventory consists primarily of supplies and material and is recorded at cost when purchased and expensed when consumed. For the General Fund, inventory is expensed on an actual specific-cost basis. Special Revenue and Enterprise Funds' inventory is charged out on a first-in, first-out basis, except for fuel inventory which is charged out 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. The cost of prepaid items is expensed when consumed rather than when purchased.

Accordingly, for both inventories and prepaid items, fund balance is classified as nonspendable for an amount equal to the cost to signify those funds are not available for spending.

Capital Assets and Depreciation

Capital assets (i.e. land, buildings, equipment, improvements other than buildings, 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

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 deferred outflows of resources are reported in the government-wide statement of net position for governmental and business-type activities and the fund level for the proprietary statement of net position. The City has three items that qualify for reporting in this category.

- Deferred charges on debt 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.

CITY OF GRAND PRAIRIE, TEXAS
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- Pension plan contributions – contributions made from the measurement date of the pension plan to the current fiscal year end are deferred and will be recognized in the subsequent fiscal year.
- Pension investment experience – the difference between projected and actual earnings of pension plan investments are deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68.

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. The City has two items that qualify for reporting in this category.

- Unavailable revenue – at the governmental fund level, property tax and ambulance receivables recorded but expected to be collected later than sixty days after the end of the fiscal year are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Pension actuarial experience – a deferred inflow of resources is recognized in the government-wide statement of net position for governmental and business-type activities and the fund level for proprietary statement of net position for the difference between the expected and actual experience in the actuarial measurement of the total pension liability not recognized in the current year. This amount is deferred and amortized over a period of years determined by the plan actuary. The amortization period is based on the estimated average remaining service lives of employees that are provided with a pension through the pension plan (active and inactive employees) for the City determined at the beginning of the measurement date.

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 ninety 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.

Postemployment Benefits

The City provides postemployment healthcare benefits to all employees who retire from the City. All employees are vested in the City's pension plan, Texas Municipal Retirement System (TMRS), are eligible for these benefits with twenty-five years or more of service, regardless of age, or five years or more of service at age sixty and above. Coverage is also available to dependents or surviving spouses of retirees. The City subsidizes medical, dental, and

**CITY OF GRAND PRAIRIE, TEXAS
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hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan. Complete details of the plan are listed in Note I on starting on page 91.

Net Pension Liability

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

Long-Term Debt

General obligation bonds and other debt issued for general government capital projects and acquisitions that are repaid from tax revenues are recorded in the governmental activities column in the government-wide Statement of Net Position. Debt issued to fund capital projects in the proprietary funds is recorded in both the business-type activities column in the government-wide Statement of Net Position and in the proprietary fund Statement of Net Position. Bond premiums and discounts, as well as deferred charges on refunded debt obligations, are deferred and amortized over the life of the bonds using the effective interest method in the government-wide financial statements and in the proprietary funds. Bonds payable are reported net of applicable bond premiums and discounts.

Nature and Purpose of Classifications of Fund Equity

Restricted fund balances in the governmental funds are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments for specific purposes.

Committed fund balances 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 balances. To remove or change the constraint, the City Council must take the same level of action.

Assigned fund balances are determined by City management based on City Council direction, in accordance with financial policies adopted by resolution. Assigned fund balances are constrained by the intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance represents the amount that does not meet the criteria for restricted, committed, or assigned.

Nonspendable fund balances represent inventories and prepaid items.

The City considers expenditures to be made from the most restrictive classification when more than one classification is available.

**CITY OF GRAND PRAIRIE, TEXAS
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Minimum Fund Balance Policy

It is the desire of the City to maintain adequate fund balance in the General Fund in order to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial policy to maintain a minimum unassigned fund balance of fifty to sixty days of budgeted General Fund expenditures.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Restricted net position represents the difference between restricted assets and liabilities payable from these assets that is externally imposed by enabling legislation.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, plus deferred outflows from bond refundings, reduced by retainage payable and the outstanding balance of any debt used for acquisition, construction, or improvements of those assets, plus any unspent bond proceeds.

Deficit Fund Balance

At September 30, 2015, the Epic CIP Fund carried a deficit fund balance of \$3,278,557. This deficit was related to an interfund lending/borrowing agreement between the Epic CIP Fund and the Capital Lending Reserve Fund in the amount of \$7,842, 587 to begin the planning phase of the capital project. In November 2015, sales tax revenue bonds were issued to fund the Epic Project, and this amount was paid back to the Capital Lending Reserve Fund.

G. Budgetary Control

As set forth by the City Charter, the City Manager submits annual budgets to the City Council in August for the upcoming fiscal year. In September, the City Council adopts budgets for all governmental funds except for the Grants Fund, Police Seizure Funds, Public Improvement District Funds (PIDs), Tax Increment Financing District Funds (TIFs), and the Verizon Theatre Fund. For each governmental fund, budgeted appropriations (expenditures) may not exceed budgeted revenues plus beginning fund balances.

Capital project funds are controlled on a project basis and budgeted appropriations are carried forward each year until the project is completed.

2. DETAILED NOTES

A. Deposits and Investments

Cash and Cash Equivalents

At September 30, 2015, the City reported cash and cash equivalents in the Statement of Net Position as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash	\$ 3,583,365	\$ -	\$ 3,583,365
Pooled investments	86,687,580	29,896,425	116,584,005
Total cash and cash equivalents	<u>\$ 90,270,945</u>	<u>\$ 29,896,425</u>	<u>\$ 120,167,370</u>

CITY OF GRAND PRAIRIE, TEXAS
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Of this amount, the City's cash carrying amount (book) and bank balances were as follows:

Financial Institution	Book Balance	Bank Balance
Wells Fargo	\$ 3,557,153	\$ 5,602,814
Petty Cash	26,212	-
Total cash	\$ 3,583,365	\$ 5,602,814

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 collateral value held at the Federal Reserve Bank in the City's name at year end was \$9,035,554.

Grand Prairie Sports Facilities Development

At September 30, 2015, the carrying amount of the Sports Corporation's deposits included in cash and cash equivalents was \$473,718 while the bank balance of the Sports Corporation's deposits was \$474,952. The bank balance was entirely covered by collateral held by the Sports Corporation's agent in the Sports Corporation's name.

Grand Prairie Housing Finance Corporation

The bank balance of HFC at December 31, 2014, including restricted cash, totaled \$623,059 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 \$542,669. Restricted cash of \$80,390 (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 \$148,249, reserves of \$107,094, and bonds held by a trustee of \$1,176,588 as a debt service reserve.

Investments

At September 30, 2015, the City's investments consisted of the following:

	Fair Value	Weighted Average Maturity (Days)	Credit Risk
Federal Farm Credit Bank	\$ 55,074,922	598	AAA
Federal Home Loan Bank	44,089,200	708	AAA
Federal Home Loan Mortgage Corp.	31,054,510	824	AAA
Federal National Mortgage Assoc.	5,006,020	493	AAA
Farmer MAC	2,014,280	831	AAA
TexPool	63,097,051	1	AAAm
TexStar	53,486,954	1	AAAm
Total investments	\$ 253,822,937	*366	

*Portfolio Weighted Average Maturity

The amounts for TexStar and TexPool (pooled investments) are reported as cash equivalents in the Statement of Net Position.

CITY OF GRAND PRAIRIE, TEXAS
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SEPTEMBER 30, 2015

Maturities of the City's investments at September 30, 2015 were as follows:

Cash equivalents	\$ 116,584,005
Under 30 days	3,000,690
30 days to 60 days	-
61 days to 90 days	7,003,530
91 days to 1 year	15,011,010
After 1 year	112,223,702
Total	<u>\$ 253,822,937</u>

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.

Investment Policy

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 1) investment diversification, yield, and maturity, and 2) the quality and capability of investment management; 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 policies.

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, 2015.

The City's investments are stated at fair value, using the following methods and assumptions as of September 30, 2015:

- 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:

CITY OF GRAND PRAIRIE, TEXAS
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- (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.
 - 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 \$63,097,051 in TexPool as of September 30, 2015. 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 AAAM 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 \$53,486,954 in TexSTAR as of September 30, 2015. 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.

Investment Risk

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.

CITY OF GRAND PRAIRIE, TEXAS
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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 did not invest in any securities different from the categories mentioned above during the 2014-2015 fiscal year.

Grand Prairie Sports Facilities Development

At September 30, 2015, the Sports Corporation's investments consisted of the following:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Risk</u>
TexPool	\$ 5,873,355	1	AAAm
U.S. Governmental Obligations	7,012,259	947	AAA
Total	<u>\$ 12,885,614</u>	<u>*515</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, 2015 was \$5,873,355 in the Public Funds Investment Pool (TexPool) and \$7,012,259 in U.S. agency instrumentalities.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

B. Receivables

At September 30, 2015, receivables, including applicable allowances for uncollectible accounts, consisted of the following:

Governmental Activities:	<u>General</u>	<u>Section 8</u>	<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total Governmental</u>
Receivables:						
Property taxes	\$ 2,239,755	\$ -	\$ 872,682	\$ -	\$ -	\$ 3,112,437
Sales taxes	4,727,613	-	-	4,714,296	-	9,441,909
Franchise fees	2,667,386	-	-	88,677	-	2,756,063
Other	21,079,826	13,904	2,030	942,616	11,138	22,049,514
Total receivables, gross	30,714,580	13,904	874,712	5,745,589	11,138	37,359,923
Less:						
Allowance for uncollectibles	(20,225,496)	-	(389,873)	-	-	(20,615,369)
Total receivables, net	<u>\$ 10,489,084</u>	<u>\$ 13,904</u>	<u>\$ 484,839</u>	<u>\$ 5,745,589</u>	<u>\$ 11,138</u>	<u>\$ 16,744,554</u>

Business-Type Activities:	<u>Water Wastewater</u>	<u>Solid Waste</u>	<u>Other Nonmajor</u>	<u>Total Business-Type</u>
Receivables:				
Trade accounts	\$ 8,957,494	1,753,038	560,489	\$ 11,271,021
Other	54,886	-	142,885	197,771
Total receivables, gross	9,012,380	1,753,038	703,374	11,468,792
Less:				
Allowance for uncollectibles	(3,766,786)	(944,155)	(182,393)	(4,893,334)
Total receivables, net	<u>\$ 5,245,594</u>	<u>\$ 808,883</u>	<u>\$ 520,981</u>	<u>\$ 6,575,458</u>

C. Restricted Assets

At September 30, 2015, restricted assets consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash and cash equivalents	\$27,667,943	\$ 2,228,482	\$ 29,896,425
Investments	69,191,097	10,706,138	79,897,235
	<u>\$96,859,040</u>	<u>\$12,934,620</u>	<u>\$ 109,793,660</u>

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
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Assets were restricted for the following purposes:

Purpose	Governmental Business-Type		Total
	Activities	Activities	
Customer deposits	\$ 45,300	\$ 3,638,256	\$ 3,683,556
Debt service	11,227,737	6,662,114	17,889,851
Capital projects	42,485,268	2,634,250	45,119,518
Unearned revenues	11,255,117	-	11,255,117
Public safety	11,700,428	-	11,700,428
Recreation and leisure	10,664,006	-	10,664,006
Development services	9,075,126	-	9,075,126
Other specific purposes	406,058	-	406,058
Total restricted assets	<u>\$96,859,040</u>	<u>\$12,934,620</u>	<u>\$ 109,793,660</u>

D. Capital Assets

Capital asset activity for the year ended September 30, 2015 was as follows:

	Balance October 1, 2014	Additions	Disposals/ Reclassification	Balance September 30, 2015
Governmental Activities:				
Non-depreciable capital assets:				
Land	\$ 39,870,355	\$ 376,705	\$ 4,533,185	\$ 44,780,245
Construction in progress	67,419,236	17,889,542	(40,076,244)	45,232,534
Total non-depreciable capital assets	<u>107,289,591</u>	<u>18,266,247</u>	<u>(35,543,059)</u>	<u>90,012,779</u>
Depreciable capital assets:				
Buildings	182,582,368	1,792,404	6,920,785	191,295,557
Equipment	89,005,004	3,781,041	(2,427,533)	90,358,512
Infrastructure	547,893,349	1,112,006	25,786,739	574,792,094
Total depreciable capital assets	<u>819,480,721</u>	<u>6,685,451</u>	<u>30,279,991</u>	<u>856,446,163</u>
Less accumulated depreciation for:				
Buildings	(53,433,839)	(6,063,908)	15,599	(59,482,148)
Equipment	(52,538,795)	(7,016,311)	3,979,665	(55,575,441)
Infrastructure	(265,743,540)	(24,131,158)	121,483	(289,753,215)
Total accumulated depreciation	<u>(371,716,174)</u>	<u>(37,211,377)</u>	<u>4,116,747</u>	<u>(404,810,804)</u>
Total depreciable capital assets, net	<u>447,764,547</u>	<u>(30,525,926)</u>	<u>34,396,738</u>	<u>451,635,359</u>
Total capital assets, net	<u>\$ 555,054,138</u>	<u>\$ (12,259,679)</u>	<u>\$ (1,146,321)</u>	<u>\$ 541,648,138</u>

Additions include developer contributions of \$756,858.

CITY OF GRAND PRAIRIE, TEXAS
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SEPTEMBER 30, 2015

	Balance October 1, 2014	Additions	Disposals/ Reclassification	Balance September 30, 2015
Business-Type Activities:				
Non-depreciable capital assets:				
Land	\$ 4,171,796	\$ 25,800	\$ -	\$ 4,197,596
Construction in progress	21,546,699	6,402,412	(7,290,811)	20,658,300
Total non-depreciable capital assets	<u>25,718,495</u>	<u>6,428,212</u>	<u>(7,290,811)</u>	<u>24,855,896</u>
Depreciable capital assets:				
Buildings	12,846,499	1,821,534	2,307,226	16,975,259
Equipment	30,795,824	2,442,747	(1,043,405)	32,195,166
Infrastructure	331,993,529	444,870	4,983,585	337,421,984
Total depreciable capital assets	<u>375,635,852</u>	<u>4,709,151</u>	<u>6,247,406</u>	<u>386,592,409</u>
Less accumulated depreciation for:				
Buildings	(6,640,122)	(510,698)	-	(7,150,820)
Equipment	(17,686,703)	(2,035,532)	948,846	(18,773,389)
Infrastructure	(171,871,538)	(12,884,740)	-	(184,756,278)
Total accumulated depreciation	<u>(196,198,363)</u>	<u>(15,430,970)</u>	<u>948,846</u>	<u>(210,680,487)</u>
Total depreciable capital assets, net	<u>179,437,489</u>	<u>(10,721,819)</u>	<u>7,196,252</u>	<u>175,911,922</u>
Total capital assets, net	<u>\$ 205,155,984</u>	<u>\$ (4,293,607)</u>	<u>\$ (94,559)</u>	<u>\$ 200,767,818</u>

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

Governmental Activities:		Business-type Activities:	
Support services	\$ 2,971,896	Water and wastewater	\$ 12,798,446
Public safety services	5,824,403	Solid Waste	1,140,530
Recreation and leisure services	7,013,012	Other business-type activities	1,491,994
Development services	21,362,261		
Internal services funds (see note below)	39,805		
Total governmental activities	<u>\$ 37,211,377</u>	Total business-type	<u>\$ 15,430,970</u>

Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets.

At September 30, 2015, a summary of changes in capital assets of the Sports Corporation was as follows:

	Balance October 1, 2014	Additions/ Completions	Disposals/ Reclasses	Balance September 30, 2015
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	(310,078)	-	-	(310,078)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GRAND PRAIRIE, TEXAS
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At September 30, 2015, a summary of changes in capital assets of the Housing Finance Corporation was as follows:

	Balance January 1, 2014	Additions/ Completions	Disposals/ Reclasses	Balance December 31, 2014
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	1,612,851	-	-	1,612,851
Depreciable capital assets:				
Buildings	19,858,438	709,055	(366,580)	20,200,913
Less accumulated depreciation	(6,889,749)	(910,845)	366,580	(7,434,014)
Total depreciable capital assets, net	12,968,689	(201,790)	-	12,766,899
Housing Finance Corporation assets, net	<u>\$ 14,581,540</u>	<u>\$ (201,790)</u>	<u>\$ -</u>	<u>\$ 14,379,750</u>

E. Interfund Transactions

Interfund Receivables and Payables

Interfund receivables and payables are reported in the City's financial statements as due to/from other funds. At September 30, 2015, interfund balances existed between the Capital Lending Reserve Fund and the Epic CIP Fund for \$7,842,587. In May 2014, citizens approved a quarter-cent sales tax to construct The Epic. Through an interfund borrowing agreement approved by the City Council, funds were loaned to the Epic CIP Fund to begin planning for this project. In November 2015, sales tax revenue bonds were issued, and these bond proceeds were used to pay back the loan.

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 transfers 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 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.

Cost reimbursements for general and administrative services (indirect costs) are recorded as general and administrative revenue in the City's General Fund. Indirect costs are recorded as general and administrative expenses in the funds receiving these services.

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

For the year ended September 30, 2015, cost reimbursements were as follows:

Fund	Amount
Water and Wastewater Funds	\$ 3,396,358
Solid Waste Funds	361,018
Grant Fund	133,138
Storm Water Funds	80,270
Airport Fund	61,015
Other Nonmajor Governmental Funds	<u>113,987</u>
Total to General Fund	<u><u>\$ 4,145,786</u></u>

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 transfers, and are reported as revenue (franchise fees) in the General Fund and expenses in the Enterprise Funds.

For the year ended September 30, 2015, franchise fees paid to the General Fund were as follows:

Fund	Amount
Water and Wastewater Funds	\$ 2,376,121
Solid Waste Funds	323,004
Storm Water Funds	<u>220,854</u>
Total	<u><u>\$ 2,919,979</u></u>

Interfund Transfers

Interfund transfers are made 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) make 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 "Nonmajor 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' capital assets. Since the calculation methodology is not the same as that applied to similar activities in the private sector in several respects, these payments are recorded as transfers in/out rather than as operating revenues/expenses.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

For the year ended September 30, 2015, interfund fund transfers were as follows:

	Transfers In				
	General Fund	Section 8 Fund	Streets CIP Fund	Grants Fund	Debt Service Fund
<u>Transfers out:</u>					
General Fund	\$ -	\$ -	\$ -	\$ 699,651	\$ -
Section 8 Fund	-	-	-	-	50,000
Streets CIP Fund	-	-	-	6,437,698	-
Grants Fund	158,001	-	139,520	-	-
Debt Service Fund	-	-	-	-	-
Nonmajor Governmental Funds	-	17,500	2,230,000	14,619	115,000
Internal Service Funds	-	-	-	-	-
Water & Wastewater Fund	-	-	-	-	-
Solid Waste Fund	-	-	-	221	-
Nonmajor Enterprise Funds	-	-	-	-	-
Total	\$ 158,001	\$ 17,500	\$ 2,369,520	\$ 7,152,189	\$ 165,000

	Transfers In				
	Nonmajor Governmental Funds	Water Wastewater Fund	Solid Waste Fund	Other Nonmajor Enterprise Funds	Total
<u>Transfers out:</u>					
General Fund	\$ 8,132,758	\$ -	\$ -	\$ -	\$ 8,832,409
Section 8 Fund	-	-	-	-	50,000
Streets CIP Fund	-	94,887	-	-	6,532,585
Grants Fund	32,067	-	23,827	-	353,415
Debt Service Fund	-	-	-	1,984,115	1,984,115
Nonmajor Governmental Funds	-	16,000	-	820,000	3,213,119
Internal Service Funds	71,254	-	-	-	71,254
Water & Wastewater Fund	1,319,862	-	-	-	1,319,862
Solid Waste Fund	383,356	-	-	-	383,577
Nonmajor Enterprise Funds	3,664,325	-	-	-	3,664,325
Total	\$ 13,603,622	\$ 110,887	\$ 23,827	\$ 2,804,115	\$ 26,404,661

At September 30, 2015, transfers between the City's governmental activities and the City's business-type activities consisted of the following:

From Governmental Activities to Business-Type Activities:

- \$134,714 from various funds to Water and Wastewater Fund for unspent resources previously transferred
- \$1,984,115 from Debt Service Fund to the Municipal Golf Fund for payment of debt
- \$820,000 from Park Venue Sales Tax Fund to Municipal Golf Fund for payment of debt

From Business-Type Activities to Governmental Activities:

- \$1,169,862 from Water and Wastewater Fund to Street Maintenance Fund for payments in lieu of property taxes

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

- \$150,000 from Water and Wastewater Fund to IT Acquisition Fund for technology acquisitions
- \$83,356 from Solid Waste Fund to Street Maintenance Fund for payments in lieu of property taxes
- \$200,000 from Solid Waste to Street Maintenance Fund for capital project funding
- \$100,000 from Solid Waste to IT Acquisition Fund for technology acquisitions
- \$3,600,000 from Storm Water Utility Fund to Storm Drainage CIP Fund for capital project funding
- \$48,000 from Airport Fund to Capital Lending Reserve for repayment of interfund loan
- \$16,325 from Golf CIP Fund to Park Venue CIP Fund for unspent resources previously transferred
- \$221 from Solid Waste Fund to Grant Fund to fund grant matching requirements

Other significant transfers made between governmental funds included the following:

- \$699,651 from General Fund to Grants Fund to fund matching requirements related to operating grants
- \$6,437,698 from Streets CIP Fund to Grants Fund to fund grant-related capital projects
- \$2,000,000 from TIF Fund to Street CIP Fund for capital project funding
- \$230,000 from Red Light Safety Fund to Streets CIP Fund for capital project funding
- \$5,261,360 from General Fund to Park Venue Fund to cover fiscal operations
- \$1,500,000 from General Fund to Capital Lending Reserve (annual appropriation)
- \$1,290,000 from General Fund to IT Acquisition Fund (annual appropriation)

F. Deferred Outflows/Inflows of Resources

Deferred Inflows of Resources - Unavailable Revenue

The governmental funds report unavailable revenues from the following sources:

	General Fund	Debt Service Fund	Total
Property taxes	\$ 1,176,812	\$ 473,842	\$ 1,650,654
Ambulance	956,123	-	956,123
Total	<u>\$ 2,132,935</u>	<u>\$ 473,842</u>	<u>\$ 2,606,777</u>

In the government-wide Statement of Activities, these amounts were reported as revenue in the period in which they were earned.

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**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

G. 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, 2015.

	Governmental Activities	Business-Type Activities	Total
Prepaid pipeline lease	\$ 1,279,882	\$ 179,264	\$ 1,459,146
Unspent grant funds - Texas Water Development Board	-	274,431	274,431
Advanced funding agreement for street project - TxDot	9,853,677	-	9,853,677
Unspent program revenue - CDBG Program	67,315	-	67,315
Unspent program revenue - Neighborhood Stabilization Program	87,732	-	87,732
Prepaid rental deposits - Parks	164,854	-	164,854
Prepaid arrangements - Cemetery Fund	1,081,139	-	1,081,139
Prepaid assessments - Whip Oaks PID #2	400	-	400
Total unearned revenue	<u>\$ 12,534,999</u>	<u>\$ 453,695</u>	<u>\$ 12,988,694</u>

H. Long-Term Obligations

Compensated Absences and Postemployment Benefits

Governmental activities record liabilities for compensated absences and retiree postemployment costs at the government-wide financial statement level. Generally, these liabilities are paid from the General Fund. Liabilities for the business-type activities are recorded and liquidated in the fund that incurs the liability.

Long-Term Debt

Governmental Activities

Long-term debt in the governmental activities column of the government-wide Statement of Net Position consists of general obligation bonds (including refunding), certificates of obligation bonds, sales tax revenue bonds, and unamortized bond premium/discounts. The certificates of obligation bonds include bonds issued in 2010 for Tax Increment Financing Zones No. 2 project.

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.

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Below is a summary of the changes in noncurrent liabilities of the City's primary government and component units:

	Balance October 1, 2014	Borrowings or Increase	Payments or Decrease	Balance September 30, 2015	Due Within One Year
Primary Government:					
Governmental activities:					
General obligation bonds	\$ 88,822,435	\$ -	\$ (8,107,435)	\$ 80,715,000	\$ 8,190,000
Combination tax and revenue certificates of obligation	57,708,000	26,125,000	(2,691,000)	81,142,000	4,436,000
Tax increment and public improvement district debt	28,522,000	-	(8,634,000)	19,888,000	2,924,000
Sales tax revenue debt - Baseball	2,565,000	-	(2,565,000)	-	-
Sales tax revenue debt - Crime Senior	7,290,000	-	(7,290,000)	-	-
Sales tax revenue debt - Crime Control	35,405,000	-	(3,200,000)	32,205,000	3,545,000
Sales tax revenue debt - Park Venue	22,135,000	-	(1,465,000)	20,670,000	1,505,000
Issuance premiums/discounts, net	4,424,272	2,551,554	(1,054,293)	5,921,533	-
Total long-term debt	246,871,707	28,676,554	(35,006,728)	240,541,533	20,600,000
Compensated absences	14,504,712	7,633,122	(6,891,163)	15,246,671	6,446,906
Other post employment benefits	4,691,875	269,047	-	4,960,922	-
Pension liability	-	37,358,089	8,210,904	45,568,993	-
Environmental remediation liability	40,000	130,884	(40,000)	130,884	130,884
Other liabilities	4,943,247	-	(1,160,776)	3,782,471	1,160,776
Total governmental activities	271,051,541	74,067,696	(34,887,763)	310,231,474	28,338,566
Business-type activities:					
General obligation bonds	2,022,566	-	(2,022,566)	-	-
Certificates of obligation	1,575,000	-	(125,000)	1,450,000	130,000
Water and wastewater revenue bonds	59,880,000	-	(4,250,000)	55,630,000	4,380,000
Issuance premiums/discounts, net	1,271,958	-	(185,639)	1,086,319	-
Total long-term debt	64,749,524	-	(6,583,205)	58,166,319	4,510,000
Compensated absences	426,238	588,368	(600,450)	414,156	411,534
Pension liability	-	4,211,664	925,679	5,137,343	-
Closure and post closure liability	6,356,244	292,607	-	6,648,851	-
Total business-type activities	71,532,006	5,092,639	(6,257,976)	70,366,669	4,921,534
Total primary government	\$ 342,583,547	\$ 79,160,335	\$ (41,145,739)	\$ 380,598,143	\$ 33,260,100
Component Unit Activities:					
Housing Finance Corporation:					
Notes payable	\$ 3,430,274	\$ 41,760	\$ (47,592)	\$ 3,424,442	\$ 36,271
Line of credit	98,812	-	(15,000)	83,812	83,812
Revenue bonds	8,180,000	-	(175,000)	8,005,000	190,000
Subordinate revenue bonds	4,550,000	-	-	4,550,000	-
Total component units	\$ 16,259,086	\$ 41,760	\$ (237,592)	\$ 16,063,254	\$ 310,083

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

At September 30, 2015, long-term debt for the City's governmental activities consisted of the following:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
General obligation bonds:					
Series 2006A	4.125-4.375	2006	2027	\$ 4,000,000	\$ 2,830,000
Series 2007	4.0-4.50	2007	2027	33,098,000	21,025,000
Series 2008	4.0-5.50	2009	2029	8,985,000	7,140,000
Series 2010	2.0-4.25	2010	2030	5,480,000	4,415,000
Series 2011	2.0-5.3	2011	2031	11,550,000	7,015,000
Series 2011A	2.0-5.0	2011	2025	27,145,000	21,050,000
Series 2012	1.0-2.0	2012	2026	7,740,000	7,110,000
Series 2013	1.5-3.25	2013	2033	10,975,000	7,990,000
Series 2013A	3.0-4.125	2014	2034	2,220,000	2,140,000
Total general obligation bonds					<u>80,715,000</u>
Combination tax and revenue certificates of obligation					
Series 2006A	4.125-4.375	2006	2027	11,947,500	8,742,000
Series 2007	4.0-4.50	2007	2027	6,610,000	4,570,000
Series 2008A	4.0-5.50	2009	2029	13,185,000	9,610,000
Series 2010	2.0-4.25	2010	2030	590,000	480,000
Series 2011	2.0-5.3	2011	2031	6,305,000	5,390,000
Series 2011A	2.0-4.0	2011	2031	7,430,000	6,495,000
Series 2013	2.0-3.25	2013	2033	8,830,000	8,205,000
Series 2013A	2.0-4.125	2014	2034	11,945,000	11,525,000
Series 2014	3.0-5.0	2015	2034	26,125,000	26,125,000
Total Combination tax and revenue certificates of obligation					<u>81,142,000</u>
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	3 month LIBOR +.31%	2000	2022	17,900,000	9,385,000
Series 2006A TIRZ 1	4.125-4.375	2006	2020	2,498,470	1,113,000
Series 2007 PID 15	4.0-4.50	2007	2017	1,235,000	285,000
Series 2008A TIRZ 1	4.0-5.50	2008	2021	10,550,000	5,980,000
Series 2008A PID 1	4.0-5.50	2008	2019	1,500,000	675,000
Series 2011 TIRZ 1	2.0-5.3	2011	2020	655,000	380,000
Series 2013 TIRZ 1	2.0-3.25	2013	2020	2,820,000	2,070,000
Total tax increment and public improvement district debt					<u>19,888,000</u>
Sales tax revenue debt					
Series 2007A Crime Control	12mo LIBOR*62.075+.75	2007	2017	5,000,000	1,570,000
Series 2008 Crime Control	6mo LIBOR*62.075+1.07	2008	2022	54,800,000	30,635,000
Total Crime Control					<u>32,205,000</u>
Series 2009 Park Venue subordinate	3.77	2009	2027	13,390,000	11,505,000
Series 2013 Park Venue	2.0-4.0	2013	2027	11,060,000	9,165,000
Total Park Venue					<u>20,670,000</u>
Total general obligation debt					234,620,000
Unamortized bond premiums/discounts					5,921,533
Total long-term debt - governmental activities					<u><u>\$ 240,541,533</u></u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

At September 30, 2015, changes in long-term debt for the City's governmental activities were as follows:

	Balance October 1, 2014	Borrowings or Increase	Payments or Decrease	Balance September 30, 2015	Due Within One Year
General obligation bonds:					
Series 2006-A	\$ 3,000,000	\$ -	\$ (170,000)	\$ 2,830,000	\$ 180,000
Series 2007	23,602,435	-	(2,577,435)	21,025,000	2,675,000
Series 2008	7,480,000	-	(340,000)	7,140,000	355,000
Series 2010	4,635,000	-	(220,000)	4,415,000	230,000
Series 2011	7,635,000	-	(620,000)	7,015,000	635,000
Series 2011A	23,025,000	-	(1,975,000)	21,050,000	1,855,000
Series 2012	7,675,000	-	(565,000)	7,110,000	575,000
Series 2013	9,550,000	-	(1,560,000)	7,990,000	1,605,000
Series 2013A	2,220,000	-	(80,000)	2,140,000	80,000
Total general obligation bonds	<u>88,822,435</u>	<u>-</u>	<u>(8,107,435)</u>	<u>80,715,000</u>	<u>8,190,000</u>
Combination tax and revenue certificates of obligation					
Series 2006-A	9,218,000	-	(476,000)	8,742,000	501,000
Series 2007	4,860,000	-	(290,000)	4,570,000	300,000
Series 2008A	10,180,000	-	(570,000)	9,610,000	590,000
Series 2010	505,000	-	(25,000)	480,000	25,000
Series 2011	5,625,000	-	(235,000)	5,390,000	245,000
Series 2011A	6,815,000	-	(320,000)	6,495,000	325,000
Series 2013	8,560,000	-	(355,000)	8,205,000	360,000
Series 2013A	11,945,000	-	(420,000)	11,525,000	430,000
Series 2014	-	26,125,000	-	26,125,000	1,660,000
certificates of obligation	<u>57,708,000</u>	<u>26,125,000</u>	<u>(2,691,000)</u>	<u>81,142,000</u>	<u>4,436,000</u>
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	10,395,000	-	(1,010,000)	9,385,000	1,080,000
Series 2006A TIRZ 1	1,312,000	-	(199,000)	1,113,000	204,000
Series 2006A TIRZ 2	795,000	-	(795,000)	-	-
Series 2007 PID 15	420,000	-	(135,000)	285,000	140,000
Series 2008A TIRZ 1	6,825,000	-	(845,000)	5,980,000	880,000
Series 2008A PID 1	825,000	-	(150,000)	675,000	155,000
Series 2010 TIRZ 2	855,000	-	(855,000)	-	-
Series 2011 TIRZ 1	450,000	-	(70,000)	380,000	70,000
Series 2011 TIRZ 2	1,875,000	-	(1,875,000)	-	-
Series 2011A TIRZ 2	1,210,000	-	(1,210,000)	-	-
Series 2012 TIRZ 2	880,000	-	(880,000)	-	-
Series 2013 TIRZ 2	220,000	-	(220,000)	-	-
Series 2013 TIRZ 1	2,460,000	-	(390,000)	2,070,000	395,000
improvement district debt	<u>28,522,000</u>	<u>-</u>	<u>(8,634,000)</u>	<u>19,888,000</u>	<u>2,924,000</u>
Sales tax revenue debt:					
Baseball					
Series 2007 Baseball	2,565,000	-	(2,565,000)	-	-
Total Baseball	<u>2,565,000</u>	<u>-</u>	<u>(2,565,000)</u>	<u>-</u>	<u>-</u>
Senior Center					
Series 2007	1,790,000	-	(1,790,000)	-	-
Series 2008 Senior Center	5,500,000	-	(5,500,000)	-	-
Total Senior Center	<u>7,290,000</u>	<u>-</u>	<u>(7,290,000)</u>	<u>-</u>	<u>-</u>
Crime Control					
Series 2007A	2,310,000	-	(740,000)	1,570,000	770,000
Series 2008	33,095,000	-	(2,460,000)	30,635,000	2,775,000
Total Crime Control	<u>35,405,000</u>	<u>-</u>	<u>(3,200,000)</u>	<u>32,205,000</u>	<u>3,545,000</u>
Park Venue					
Series 2009 subordinate	11,915,000	-	(410,000)	11,505,000	875,000
Series 2013	10,220,000	-	(1,055,000)	9,165,000	630,000
Total Park Venue	<u>22,135,000</u>	<u>-</u>	<u>(1,465,000)</u>	<u>20,670,000</u>	<u>1,505,000</u>
Total change in long term debt	242,447,435	26,125,000	(33,952,435)	234,620,000	20,600,000
Unamortized bond premiums/discounts	4,424,272	2,551,554	(1,054,293)	5,921,533	-
Total change in long-term debt - governmental activities	<u>\$ 246,871,707</u>	<u>\$ 28,676,554</u>	<u>\$ (35,006,728)</u>	<u>\$ 240,541,533</u>	<u>\$ 20,600,000</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

On November 4, 2014 the City issued \$26,125,000 in Combination Tax and Revenue Certificates, Series 2014. The proceeds were used to fund public safety, library, street, and other City structure improvements. The City used available funds of \$8,475,695 to facilitate a cash defeasance of Prairie Lakes Golf Course and TIRZ #2 debt.

Outstanding Bond Debt Defeasement

At September 30, 2015, certain outstanding debt of the city was 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	\$ 3,240,000
General Obligation Refunding Bonds	5,330,000
Total debt defeasement	<u>\$ 8,570,000</u>

At September 30, 2015, the aggregate debt service payments for long-term debt through the final year of maturity for the City's governmental activities were as follows:

Fiscal Year	General Obligation Bonds			Certificates of Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	8,190,000	2,968,115	11,158,115	4,436,000	3,245,158	7,681,158
2017	8,460,000	2,676,953	11,136,953	4,486,000	3,070,969	7,556,969
2018	8,400,000	2,352,465	10,752,465	4,681,000	2,889,179	7,570,179
2019	8,435,000	2,029,400	10,464,400	4,881,000	2,693,990	7,574,990
2020	7,480,000	1,716,800	9,196,800	5,093,000	2,477,736	7,570,736
2021	7,010,000	1,426,398	8,436,398	5,585,000	2,237,205	7,822,205
2022	6,550,000	1,173,294	7,723,294	5,855,000	1,977,326	7,832,326
2023	5,465,000	949,961	6,414,961	5,900,000	1,707,171	7,607,171
2024	5,045,000	747,599	5,792,599	6,150,000	1,459,193	7,609,193
2025	4,020,000	573,971	4,593,971	4,540,000	1,257,571	5,797,571
2026	3,575,000	426,026	4,001,026	4,735,000	1,070,191	5,805,191
2027	2,965,000	287,531	3,252,531	4,935,000	869,956	5,804,956
2028	1,585,000	183,230	1,768,230	3,700,000	691,611	4,391,611
2029	1,440,000	112,725	1,552,725	3,855,000	535,759	4,390,759
2030	775,000	63,753	838,753	3,025,000	398,403	3,423,403
2031	405,000	40,956	445,956	3,105,000	281,671	3,386,671
2032	375,000	26,856	401,856	2,175,000	183,979	2,358,979
2033	385,000	13,306	398,306	2,260,000	105,559	2,365,559
2034	155,000	3,197	158,197	1,745,000	32,634	1,777,634
	<u>\$ 80,715,000</u>	<u>\$ 17,772,536</u>	<u>\$ 98,487,536</u>	<u>\$ 81,142,000</u>	<u>\$ 27,185,261</u>	<u>\$ 108,327,261</u>

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Fiscal Year	Tax and Tax Increment Bonds (TIFs)			Sales Tax Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	2,924,000	1,733,224	4,657,224	3,545,000	1,044,805	4,589,805
2017	3,079,000	1,491,785	4,570,785	3,890,000	925,378	4,815,378
2018	3,099,000	1,235,731	4,334,731	4,240,000	799,013	5,039,013
2019	3,254,000	964,551	4,218,551	4,650,000	666,521	5,316,521
2020	3,247,000	677,893	3,924,893	5,085,000	523,818	5,608,818
2021	2,650,000	388,313	3,038,313	5,550,000	362,321	5,912,321
2022	1,635,000	122,625	1,757,625	5,245,000	188,894	5,433,894
	<u>\$ 19,888,000</u>	<u>\$ 6,614,122</u>	<u>\$ 26,502,122</u>	<u>\$ 32,205,000</u>	<u>\$ 4,510,750</u>	<u>\$ 36,715,750</u>

Fiscal Year	Park Venue Sales Tax Revenue Bonds			Total		
	Principal	Interest	Total	Principal	Interest	Total
2016	1,505,000	690,595	2,195,595	20,600,000	9,681,897	30,281,897
2017	1,565,000	644,053	2,209,053	21,480,000	8,809,138	30,289,138
2018	1,615,000	595,704	2,210,704	22,035,000	7,872,092	29,907,092
2019	1,665,000	545,691	2,210,691	22,885,000	6,900,153	29,785,153
2020	1,720,000	490,514	2,210,514	22,625,000	5,886,761	28,511,761
2021	1,785,000	432,067	2,217,067	22,580,000	4,846,304	27,426,304
2022	1,860,000	371,136	2,231,136	21,145,000	3,833,275	24,978,275
2023	1,930,000	305,412	2,235,412	13,295,000	2,962,544	16,257,544
2024	2,010,000	232,566	2,242,566	13,205,000	2,439,358	15,644,358
2025	2,095,000	152,772	2,247,772	10,655,000	1,984,314	12,639,314
2026	2,105,000	71,785	2,176,785	10,415,000	1,568,002	11,983,002
2027	815,000	15,610	830,610	8,715,000	1,173,097	9,888,097
2028	-	-	-	5,285,000	874,841	6,159,841
2029	-	-	-	5,295,000	648,484	5,943,484
2030	-	-	-	3,800,000	462,156	4,262,156
2031	-	-	-	3,510,000	322,627	3,832,627
2032	-	-	-	2,550,000	210,835	2,760,835
2033	-	-	-	2,645,000	118,865	2,763,865
2034	-	-	-	1,900,000	35,831	1,935,831
	<u>\$ 20,670,000</u>	<u>\$ 4,547,905</u>	<u>\$ 25,217,905</u>	<u>\$ 234,620,000</u>	<u>\$ 60,630,574</u>	<u>\$ 295,250,574</u>

Business-Type Activities

Long-term debt in the business-type activities column of the government-wide Statement of Net Position consists of general obligation refunding bonds, water and wastewater system revenue bonds, certificates of obligation bonds, and unamortized bond premiums/discounts. Bonds issued for business-type activities are secured by a pledge of the property tax levy of the City, but are self-supporting obligations which are paid from the respective net revenues of each activity. Bond proceeds are used to fund additions and improvements to the City's water and wastewater system, solid waste system, municipal golf courses, and municipal airport.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

At September 30, 2015, long-term debt for the City's business-type activities consisted of the following:

	<u>Interest Rate %</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Water Wastewater:					
Revenue bonds					
Series 2006A	4.25-4.375	2006	2027	\$6,625,000	\$ 4,690,000
Series 2007	4.0-4.50	2007	2027	15,845,000	10,910,000
Series 2008	3.5-5.50	2009	2029	4,940,000	3,915,000
Series 2010	0.0-2.587	2010	2030	4,995,000	4,010,000
Series 2011	2.0-4.25	2011	2031	8,940,000	5,180,000
Series 2011A	2.0-5.0	2011	2031	11,020,000	8,640,000
Series 2013	2.0-4.0	2013	2026	14,045,000	13,320,000
Series 2013A	0.0-0.31	2013	2019	1,805,000	1,205,000
Series 2014	0.0-1.990	2014	2030	4,000,000	<u>3,760,000</u>
Total bonds payable - water wastewater					55,630,000
Unamortized bond premiums/discounts					<u>1,086,319</u>
Total long-term debt - water wastewater					56,716,319
Municipal airport:					
Certificates of obligation bonds					
Series 2004A	2.25-5.0	2004	2024	2,120,000	<u>1,450,000</u>
Total long-term debt - business-type activities					<u><u>\$ 58,166,319</u></u>

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

At September 30, 2015, changes in long-term debt for the City's business-type activities were as follows:

	Balance October 1, 2014	Borrowings or Increase	Payments or Decrease	Balance September 30, 2015	Due Within One Year
Water and wastewater:					
Revenue bonds					
Series 2006A	\$ 4,975,000	\$ -	\$ (285,000)	\$ 4,690,000	\$ 295,000
Series 2007	11,595,000	-	(685,000)	10,910,000	715,000
Series 2008	4,105,000	-	(190,000)	3,915,000	200,000
Series 2010	4,220,000	-	(210,000)	4,010,000	215,000
Series 2011	5,925,000	-	(745,000)	5,180,000	765,000
Series 2011A	9,555,000	-	(915,000)	8,640,000	585,000
Series 2012	165,000	-	(165,000)	-	-
Series 2013	13,835,000	-	(515,000)	13,320,000	1,065,000
Series 2013A	1,505,000	-	(300,000)	1,205,000	300,000
Series 2014	4,000,000	-	(240,000)	3,760,000	240,000
Total revenue bonds	59,880,000	-	(4,250,000)	55,630,000	4,380,000
Bond premiums/discounts	1,178,762	-	(92,443)	1,086,319	-
Total water and wastewater	61,058,762	-	(4,342,443)	56,716,319	4,380,000
Municipal airport:					
Certificate of obligation					
Series 2004A	1,575,000	-	(125,000)	1,450,000	130,000
Total municipal airport	1,575,000	-	(125,000)	1,450,000	130,000
Municipal golf:					
General obligation bonds:					
Series 2007	957,566	-	(957,566)	-	-
Series 2011A	940,000	-	(940,000)	-	-
Series 2012	125,000	-	(125,000)	-	-
Total general obligation bonds	2,022,566	-	(2,022,566)	-	-
Bond premiums/discounts	93,196	-	(93,196)	-	-
Total municipal golf	2,115,762	-	(2,115,762)	-	-
Total change in long-term debt - business-type activities	\$ 64,749,524	\$ -	\$ (6,583,205)	\$ 58,166,319	\$ 4,510,000

Long-term Debt – Municipal Golf Courses

As noted above, all bond debt related to the City's municipal golf courses was paid off during the current fiscal year. Property tax revenues collected for debt service was used for this purpose.

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Long-term Debt – Municipal Airport

At September 30, 2015, long-term debt is being repaid solely from airport revenues. Aggregate debt service payments for long-term debt through the final year of maturity for the City's municipal airport were as follows:

Fiscal Year	Certificates of Obligation		
	Principal	Interest	Total
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>\$ 1,450,000</u>	<u>\$ 342,767</u>	<u>\$ 1,792,767</u>

At September 30, 2015, the aggregate debt service payments for long-term debt through the final year of maturity for the City's water and wastewater system were as follows:

Fiscal Year	Water and Wastewater System Revenue Bonds		
	Principal	Interest	Total
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>\$ 55,630,000</u>	<u>\$ 11,993,500</u>	<u>\$ 67,623,500</u>

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Water and Wastewater System Debt Service Coverage

The following covenants are included in 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 twelve consecutive months out of the fifteen 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, 2015, compliance with these covenants can be demonstrated as follows:

System revenue (1)	\$ 65,213,261
Operating expenses:	
Water purchased	12,370,857
Sewage disposal contract	14,726,953
Other operating expenses	19,687,992
Total expenses (2)	46,785,802
Net revenue (available for debt service)	\$ 18,427,459
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2015	
	\$ 4,226,469
Coverage of average annual requirements based on September 30, 2015 revenue available for debt service	
	4.36

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

(2) Excludes depreciation expense.

Grand Prairie Housing Finance Corporation

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.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

In April 2015, the above note was refinanced with \$80,381 of additional proceeds being received for rehabilitation of the Learning Center. Additionally, \$25,000 in closing costs was incurred. The interest rate of the note was renewed at 6.25% with the term extended to April of 2040.

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.

Willow Tree Apartments has a \$145,000 line of credit which was obtained to allow Willow Tree to renovate the parking lot of the apartments. At December 31, 2014, the line had a balance of \$83,812. The line of credit accrues interest at 2.55% and was due September 4, 2015. The line of credit is secured by a certificate of deposit of Grand Prairie Housing Finance Corporation.

A summary of long-term debt activity during the year ended December 31, 2014 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 2,213,540	\$ -	\$ (47,592)	\$ 2,165,948	\$ 36,271
Line of Credit	98,812	-	(15,000)	83,812	83,812
Revenue bonds	8,180,000	-	(175,000)	8,005,000	190,000
Subordinate bonds	4,550,000	-	-	4,550,000	-
Developer loan	1,216,734	41,760	-	1,258,494	-
Total	<u>\$ 16,259,086</u>	<u>\$ 41,760</u>	<u>\$ (237,592)</u>	<u>\$ 16,063,254</u>	<u>\$ 310,083</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:

Year Ending December 31	Note Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest
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	48,725	138,187	255,000	549,488
2020-2024	294,871	639,689	1,585,000	2,419,288
2025-2029	402,713	531,847	2,335,000	1,681,944
2030-2034	549,998	384,562	2,985,000	604,305
2035-2039	635,250	56,539	-	-
Total	<u>\$ 2,165,948</u>	<u>\$ 2,264,081</u>	<u>\$ 8,005,000</u>	<u>\$ 7,622,422</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
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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, 2014, 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	\$ 1,063,018

Leases

Grand Prairie Sports Facilities Development (Sports Corporation) – A Component Unit

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 Corporation, the parent company of MEC, 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 Sports Corporation.

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

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The future base rent payments under the lease are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 1,597,200
2017	1,716,990
2018	1,756,920
2019	1,756,920
2020	1,756,920
Thereafter	<u>12,567,832</u>
	21,152,782
Less interest	<u>7,541,653</u>
Net present value	13,611,129
Less current portion	<u>541,655</u>
 Non-current portion	 <u><u>\$ 13,069,474</u></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 (thirty years). Amortization for the year ended September 30, 2015 was \$3,707,900. Additional contingent rentals are recorded as revenue when received.

The capital lease is being amortized using the interest method over the thirty-year life of the lease. The Corporation has recorded lease rental and interest for the year ended September 30, 2015 as follows:

Nominal interest on the lease	\$ 1,599,601
Amortization of the lease	<u>(500,656)</u>
Net interest	1,098,945
Contingent rentals received (includes rent for simulcast facility prior to completion of project)	<u>224,121</u>
Total lease rental and interest	<u><u>\$ 1,323,066</u></u>

**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

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 \$6,648,851 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 41.94% of the estimated capacity of the landfill.

The City will recognize the remaining estimated cost of closure and post closure care of \$9,318,752 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.

Environmental Remediation Obligations

The City has recorded a liability and an asset related to environmental remediation in the amount of \$130,884, in the Statement of Net Position and 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 owns the building and is responsible for the asbestos abatement located at 317 College Street.
- Transportation Center at 1821 W. Freeway for a release determination report and soil disposal.
- The City owns the building and is responsible for the asbestos abatement of the Copeland home located at 125 SW Dallas Street.
- The City owns the building and is responsible for the asbestos abatement of the old Fire Annex building located at 317 W Main Street.
- The City owns the building and is responsible for the asbestos abatement located at 617 Royal Street.

Environmental remediation liability activity in fiscal year 2015 was as follows:

Property Description	Beginning Balance			Ending Balance		Current Portion
	09/30/2014	Additions	Reductions	09/30/2015		
Transportation Center - 1821 W Freeway	\$ -	\$ 30,128	\$ -	\$ 30,128	\$ 30,128	
Copeland Home Asbestos Abatement	-	24,250	2,740	21,510	21,510	
Old Fire Annex Asbestos Abatement	-	83,436	4,190	79,246	79,246	
City Hall Asbestos Abatement	40,000	-	40,000	-	-	
Police Storefront - 617 Royal Street	-	13,355	13,355	-	-	
Total	\$ 40,000	\$151,169	\$ 60,285	\$ 130,884	\$130,884	

**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

Other Liabilities

Outlet Mall Developer Agreement

Two payments are scheduled to be made from Tax Increment Financing District funds when the requirements of the agreement are met during the prior twelve month period.

Sales Tax Payback

During fiscal year 2008, the Texas Comptroller of Public Accounts notified the City of an error in sales tax payments made to the City. The error was the result of a local business reporting and paying taxes incorrectly to the State Comptroller over several years. The overpayment by the business resulted in an overpayment to the City for \$2,386,466. In 2012, a liability for this amount was recorded by the City and is repaid from future sales tax revenue over a period of thirteen years.

At September 30, 2015, amounts still owed were as follows:

Outlet Mall Developer	\$ 2,000,000
State Comptroller's Office	1,782,471
Total Other Liabilities	<u>\$ 3,782,471</u>

I. 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 as follows:

<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

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
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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, 2015 actuarial report, as of September 30, 2015, was \$3,666,083.

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, 2015 were \$1,339,643.

At September 30, 2015, the change in estimates of accrual liabilities for health coverage for the risk management fund:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2015	\$ 4,532,519	\$ 15,633,569	\$ 15,160,362	\$ 5,005,726
2014	\$ 4,296,416	\$ 14,561,923	\$ 14,325,820	\$ 4,532,519

J. Defined Benefit Pension Plan

Plan Description

The City of Grand Prairie participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

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Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	25 years at any age, 5 years at age 60 and above
Updated Service Credit	100% Repeating Transfers
Annuity Increase to retirees	70% of CPI Repeating

Additional information related to the TMRS Plan is located in the TMRS CAFR.

Employees Covered by Benefit Terms

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	629
Inactive employees entitled to but not yet receiving benefits	377
Active employees	<u>1,166</u>
Total	<u><u>2,172</u></u>

Contributions

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

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Employees for the City of Grand Prairie were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Grand Prairie were 17.56% and 16.61% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015, were \$12,624,823, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2014 and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0%
Salary Increases	3.0% per year
Investment Rate of Return	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each

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major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Sensitivity of Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

<u>Sensitivity of the Net Pension Liability to Changes in the Discount Rate</u>		
1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%
\$119,133,513	\$50,706,336	(\$5,333,970)

Pension Plan Fiduciary Net Position

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

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Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balance at 12/31/2013	\$ 450,523,220	\$ 399,226,484	\$ 51,296,736
Changes for the year:			
Service cost	11,158,122	-	11,158,122
Interest	31,213,003	-	31,213,003
Change of benefit terms	-	-	-
Difference between expected and actual experience	(2,414,327)	-	(2,414,327)
Changes in assumptions	-	-	-
Contributions - employer	-	12,810,193	(12,810,193)
Contributions - employee	-	5,156,977	(5,156,977)
Net investment income	-	22,838,073	(22,838,073)
Benefit payments*	(20,404,488)	(20,404,488)	-
Administrative expense	-	(238,441)	238,441
Other changes	-	(19,604)	19,604
Net changes	<u>19,552,310</u>	<u>20,142,710</u>	<u>(590,400)</u>
Balance at 12/31/2014	<u>\$ 470,075,530</u>	<u>\$ 419,369,194</u>	<u>\$ 50,706,336</u>

* Includes refunds of employee contributions

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Pension Expense and Deferred Inflows/Outflows of Resources

For the year ended September 30, 2015, the city recognized pension expense of \$10,084,679.

At September 30, 2015, the City reported deferred inflows/outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience [actuarial (gains) or losses]	\$ -	\$ (1,951,111)
Difference in projected and actual earnings on pension plan investments [actuarial (gains) or losses]	4,086,225	-
Employer's contributions to the pension plan subsequent to the measurement date	9,557,179	-
	<u>\$ 13,643,404</u>	<u>\$ (1,951,111)</u>

Employer's contributions made subsequent to the measurement date of \$9,557,179 will be recognized as a reduction to the net pension liability in fiscal year ending September 30, 2016. The remaining amount of net deferred inflows/outflows of \$2,135,114 will be amortized and recognized as a change in the net pension liability over the next five years as follows:

<u>Measurement Year Ended December 31</u>	<u>Net deferred outflows (inflows) of resources</u>
2015	\$ 558,340
2016	558,340
2017	558,340
2018	558,341
2019	(98,247)
Total	<u>\$ 2,135,114</u>

K. Other Postemployment Benefits (OPEB)

Supplemental Death 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.

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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 2014	Plan Year 2015
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 2015, 2014, and 2013, were \$22,732, \$21,562, and, \$20,363, 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
2012	0.03%	0.03%	100%
2013	0.03%	0.03%	100%
2014	0.03%	0.03%	100%

Retiree Health 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 monthly premiums 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

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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.

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.

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Retiree 2015 Monthly Health Care Premiums (Employee Pays Portion)

	<u>Monthly Health Care Premium</u>	
	Prior To	After
	12/01/2005 20-25 Years	11/30/2005 0-5 years
Gold (Under Age 65)		
Employee Only	299	577
Employee plus Spouse	616	1,175
Surviving Spouse	317	598
Employee plus Child(ren)	497	921
Family	916	1,686
Silver (Under Age 65)		
Employee Only	223	501
Employee plus Spouse	442	1,001
Surviving Spouse	223	501
Employee plus Child(ren)	361	785
Family	657	1,427
Bronze (Under Age 65)		
Employee Only	185	463
Employee plus Spouse	372	931
Surviving Spouse	187	468
Employee plus Child(ren)	283	707
Family	514	1,284

The Under Age 65 monthly premiums shown above are rates for after 11/30/05 and are based on 0-5 years of credited service. The Under Age 65 monthly premiums for before 12/1/05 are based on 20-25 years of service. Retiree premiums will reduce as years of service increase.

	<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

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

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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.

For the year ended September 30, 2015, the City's annual OPEB cost was as follows:

Annual required contribution	\$3,027,575
Interest on OPEB obligation	211,134
Adjustment to ARC	<u>(191,371)</u>
Annual OPEB cost (expense) end of year	3,047,338
Net estimated employer contributions	<u>2,778,291</u>
Increase/(decrease) in net OPEB obligation	269,047
Net OPEB obligation as of beginning of the year	<u>4,691,875</u>
Net OPEB obligation (asset) as of end of the year	<u><u>\$4,960,922</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for 2015 and the two preceding years were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$2,434,053	59.3%	\$ 4,701,004
2014	\$2,648,271	100.3%	\$ 4,691,875
2015	\$3,047,338	91.2%	\$ 4,960,922

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, 2015 was 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
12/31/2014	-	\$ 44,797,238	\$ 44,797,238	0%	\$70,039,140	63.96%

At September 30, 2015, under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$44,797,238.

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

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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:

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
09/30/15	\$ 3,027,575	\$ 2,778,291	\$ 211,134	\$ 191,371	24.5200	\$ 3,047,338	\$ 269,047	\$ 4,960,922

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L. Fund Balance

At September 30, 2015, fund balances were classified as follows:

	General	Section 8	Streets CIP	Grants	Debt Service	Epic CIP	Nonmajor Governmental Funds	Total
FUND BALANCES:								
Nonspendable:								
Inventory and prepaids	\$ 4,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,655	\$ 36,593
Spendable:								
Restricted for:								
Employee Welfare	54,341	-	-	-	-	-	-	54,341
Library Memorials	66,511	-	-	-	-	-	-	66,511
At Risk Youths	35,998	-	-	-	-	-	-	35,998
GPPD Boxing Program	17,591	-	-	-	-	-	-	17,591
Greg Hunter Scholarships	55,190	-	-	-	-	-	-	55,190
Prairie Paws Adoptions	173,210	-	-	-	-	-	-	173,210
Central Park Guardians	3,016	-	-	-	-	-	-	3,016
Section 8	-	1,657,025	-	-	-	-	-	1,657,025
Street Improvements	-	-	23,472,247	-	-	-	-	23,472,247
Grants	-	-	-	7,030,853	-	-	-	7,030,853
Debt Service	-	-	-	-	10,753,895	-	-	10,753,895
Park Venue	-	-	-	-	-	-	6,055,690	6,055,690
Senior Center	-	-	-	-	-	-	1,001,595	1,001,595
Baseball Stadium	-	-	-	-	-	-	3,275,955	3,275,955
Streets	20,890	-	-	-	-	-	3,704,256	3,725,146
Crime	-	-	-	-	-	-	9,929,527	9,929,527
Hotel Motel	-	-	-	-	-	-	1,196,308	1,196,308
Police seizure	-	-	-	-	-	-	523,988	523,988
Municipal Court	-	-	-	-	-	-	409,135	409,135
Red Light Safety	-	-	-	-	-	-	345,401	345,401
Lake Parks	-	-	-	-	-	-	1,875,229	1,875,229
Public Improvement Districts	-	-	-	-	-	-	1,630,725	1,630,725
Tax Increment Financing	-	-	-	-	-	-	2,083,120	2,083,120
Other special revenue	201	-	-	-	-	-	492,377	492,578
Fire Capital Projects	-	-	-	-	-	-	1,989,144	1,989,144
Municipal Facilities Capital Projects	-	-	-	-	-	-	3,103,927	3,103,927
Drainage Capital Projects	-	-	-	-	-	-	1,454,311	1,454,311
Police Capital Projects	-	-	-	-	-	-	2,260,817	2,260,817
Other Capital Projects	-	-	-	-	-	-	412,308	412,308
Total Restricted	426,948	1,657,025	23,472,247	7,030,853	10,753,895	-	41,743,813	85,084,781
Committed to:								
REO Program	241,704	-	-	-	-	-	-	241,704
Street Improvements	-	-	1,832,382	-	-	-	-	1,832,382
Cable Operations	-	-	-	-	-	-	674,457	674,457
Cemetery Operations	-	-	-	-	-	-	1,508,990	1,508,990
Verizon Theatre	-	-	-	-	-	-	2,394,398	2,394,398
Economic Development	-	-	-	-	-	-	141	141
Fire Capital Projects	-	-	-	-	-	-	5,543,508	5,543,508
Municipal Facilities Capital Projects	-	-	-	-	-	-	1,443,772	1,443,772
Capital Lending/Reserve	-	-	-	-	-	-	19,511,883	19,511,883
Drainage Capital Projects	-	-	-	-	-	-	9,115,399	9,115,399
Police Capital Projects	-	-	-	-	-	-	358,953	358,953
Other Capital Projects	-	-	-	77,604	-	-	758,761	836,365
Total Committed	241,704	-	1,832,382	77,604	-	-	41,310,262	43,461,952
Assigned to:								
Home Match Cash	110,058	-	-	-	-	-	-	110,058
Impact Grand Prairie	4,979	-	-	-	-	-	-	4,979
Section 8 Relief	328,957	-	-	-	-	-	-	328,957
Police Memorials	6,984	-	-	-	-	-	-	6,984
Shattered Dreams	430	-	-	-	-	-	-	430
Parks Education Foundation	7,505	-	-	-	-	-	-	7,505
Westchester Park	12,740	-	-	-	-	-	-	12,740
Uptown Trust	95,268	-	-	-	-	-	-	95,268
First Offender Program	4,324	-	-	-	-	-	-	4,324
Kirby Creek Accessibility Garden	36,428	-	-	-	-	-	-	36,428
Take a Load Off Facility	224,646	-	-	-	-	-	-	224,646
US Marshals Service Agreement	26,075	-	-	-	-	-	-	26,075
Other projects	4,476	-	-	-	-	-	-	4,476
Total Assigned	862,870	-	-	-	-	-	-	862,870
Unassigned	26,212,186	-	-	-	-	(3,278,557)	-	22,933,629
Total fund balances:	\$27,748,646	\$1,657,025	\$25,304,629	\$7,108,457	\$10,753,895	\$ (3,278,557)	\$ 83,085,730	\$152,379,825

M. Contracts, Commitments, and Contingent Liabilities

Federal and State 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.

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.

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.

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.

The City has a thirty-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 (MGD), 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 (\$243,453 per MGD) would extend for five years. The maximum may be increased in future years as needed. Grand Prairie has two intake points for 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 MGD.

A contract with the City of Fort Worth, effective until the year 2031, permits the City to purchase up to 2.5 MGD.

A contract with the City of Midlothian, executed in 2014 for a thirty-year term, permits the City to purchase up to an average of 4.5 MGD during the term of the contract. Beginning in January 2015, the City began purchasing water from the City of Midlothian at an average rate of 0.554 MGD.

A contract with the City of Arlington, executed in 2011 for a twenty-year term, allows the City to purchase up to 2.5 MGD maximum flow unless otherwise agreed to in writing. As of September 30, 2015, no water has been purchased through this contract.

**CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Wastewater Treatment Contracts

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 13.40% during fiscal year 2015. 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.

Mountain Creek Regional Wastewater System Contract (System)

The City entered into a contract in 2002 which is in effect for the entire useful life of the System. Although the City does not yet deliver flows to this System, the City is obligated to pay annual minimum fees equivalent to 21.9 million gallons of flow. For the fiscal year ended September 30, 2015, the City paid \$70,752 to the System.

Master and Other Agreements

The City and Texas NextStage, LP (NextStage) entered into agreements (development agreements, lease agreements and other ancillary agreements) on January 10, 2001, to design, develop and construct a performance hall (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 twenty one-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 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.

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

**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

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.

Construction Commitments

The City has several approved outstanding major capital projects as of September 30, 2015. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$49,145,529. Funding for these contracts will be received through various capital projects funds and enterprise funds.

N. Segment Information for Enterprise Funds

The City maintains five enterprise funds – water and wastewater, solid waste, golf, airport, and storm water utility activities. At September 30, 2015, the Municipal Airport Fund had outstanding revenue-backed certificates of obligations. Segment information for this Fund is as follows:

	<u>Municipal Airport</u>
<u>Condensed statement of net position:</u>	
Current assets	\$ 1,913,557
Capital assets	14,552,985
Deferred outflows of resources	<u>47,547</u>
Total assets and deferred outflows of resources	<u>16,514,089</u>
Current liabilities	515,874
Long-term liabilities	1,499,332
Deferred inflows of resources	<u>6,800</u>
Total liabilities and deferred inflows of resources	<u>2,022,006</u>
Net position: Net investment in capital assets	13,069,366
Net position: Unrestricted	<u>1,422,717</u>
Total net position	<u>\$ 14,492,083</u>

Continued on next page.

CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

<u>Condensed statement of revenues, expenses and changes in net position:</u>	
Sales to customers	\$ 1,016,877
Intergovernmental revenue	43,714
Miscellaneous	984,977
Total operating revenues	<u>2,045,568</u>
Depreciation	696,970
Other operating expenses	1,460,610
Total operating expenses	<u>2,157,580</u>
Gain on property disposition	925
Interest expense	(73,020)
Total nonoperating revenues (expenses)	<u>(72,095)</u>
Loss before transfers	(184,107)
Capital contributions	1,853,633
Transfers out	(48,000)
Change in net position	<u>1,621,526</u>
Net position at the beginning of the year (restated - See Note P)	<u>12,870,557</u>
Net position at the end of the year	<u><u>\$ 14,492,083</u></u>

<u>Condensed statement of cash flows:</u>	
Net cash provided (used) by:	
Operating activities	\$ 660,279
Noncapital financing activities	(5,975)
Capital and related financing activities	(876,943)
Investing activities	4,181
Beginning cash and cash equivalent balances	404,565
Ending cash and cash equivalent balances	<u><u>\$ 186,107</u></u>

O. Subsequent Events

On November 3, 2015, the City Council issued:

- \$11,165,000 in General Obligation Refunding Bonds, Series 2015. The proceeds will be used to refund a portion of certain general obligations.
- \$28,020,000 in Combination Tax and Revenue Certificates, Series 2015. The proceeds will be used to fund public safety, library, street, and other City structure improvements.
- \$74,825,000 in taxable Sales Tax Revenue Bonds, Series 2015. The proceeds will be used to fund the Epic to be constructed at Central Park
- \$4,155,000 in Water and Wastewater Revenue Refunding Bonds, Series 2015. The proceeds are to be used to refund a portion of certain Water Wastewater System obligations.

**CITY OF GRAND PRAIRIE, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

The City has evaluated all other events or transactions that occurred after September 30, 2015 up through March 22, 2016, the date the financial statements were available to be issued.

P. Prior Period Adjustments

GASB No. 68

During implementation of GASB No. 68, the City’s pension plan, Texas Municipal Retirement System (TMRS), did not provide member governments with beginning balances of deferred inflows or outflows of resources, which is permitted by GASB No. 68. At the beginning of the initial period of GASB No. 68, October 1, 2014, the City recorded the beginning net pension liability. Per the requirements of GASB No. 71, the City recorded a beginning deferred outflow of resources for contributions made between the start of the measurement period of the pension system and the City’s prior fiscal year end. These two items result in an adjustment to beginning net position of the governmental activities and the business-type activities in the Government-Wide Financial Statements and the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.

Retroactively applying these changes resulted in prior period adjustments at the government-wide level:

	Government-Wide Statement of Activities	
	Governmental Activities	Business-Type Activities
Net position - beginning of year (as previously stated)	\$ 441,017,113	\$ 217,141,916
Change in reporting for pension liability	(37,358,089)	(4,211,664)
Net position - beginning of year (restated)	\$ 403,659,024	\$ 212,930,252

Changes to business-type activities in the Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds were as follows:

	Major Funds	
	Water Wastewater	Solid Waste
Enterprise Funds: Net position - beginning of year (as previously stated)	\$ 174,375,294	\$ 21,633,428
Change in reporting for pension liability	(2,599,312)	(835,844)
Net position - beginning of year (restated)	\$ 171,775,982	\$ 20,797,584

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

	Nonmajor Funds			Total Major and Nonmajor Funds
	Municipal Airport	Municipal Golf	Storm Water Utility	
Enterprise Funds:				
Net position - beginning of year (as previously stated)	\$ 13,015,427	\$ 3,010,337	\$ 3,516,341	\$ 215,550,827
Change in reporting for pension liability	(144,870)	(440,546)	(191,092)	(4,211,664)
Net position - beginning of year (restated)	<u>\$ 12,870,557</u>	<u>\$ 2,569,791</u>	<u>\$ 3,325,249</u>	<u>\$ 211,339,163</u>

Changes to the City's Internal Service Funds in the Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds were as follows:

	Internal Service Funds		
	Fleet Services	Risk Management	Total Internal Service Funds
Internal Service Funds:			
Net position - beginning of year (as previously stated)	\$ 1,007,168	\$ 8,826,678	\$ 9,833,846
Change in reporting for pension liability	(384,953)	(113,667)	(498,620)
Net position - beginning of year (restated)	<u>\$ 622,215</u>	<u>\$ 8,713,011</u>	<u>\$ 9,335,226</u>

Reclassification of Fund Types

Per GASB Cod. Sec. 1300, the term proceeds of "specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, including those financed by general obligation bond proceeds (other than those financed by proprietary funds).

Based on these definitions, reclassifications of certain governmental funds were made to properly present in the City's financial statements. These reclassifications did not change the overall total fund balance at the fund level or government-wide level for the City, but merely moved fund balances between major funds, and/or nonmajor special revenue and capital project funds.

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CITY OF GRAND PRAIRIE, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Beginning fund balances were reclassified for the following governmental funds:

	Governmental Funds		
	Beginning of Year (as previously stated)	Reclassifications	Beginning of Year (restated)
Governmental Funds:			
Major Funds:			
General Fund	\$ 24,115,372	\$ 637,047	\$ 24,752,419
Section 8 Fund	1,846,377	(637,047)	1,209,330
Streets CIP Fund	27,465,119	1,463,726	28,928,845
Grants Fund	1,827,923	-	1,827,923
Debt Service Fund	10,501,572	-	10,501,572
Total major governmental funds	<u>65,756,363</u>	<u>1,463,726</u>	<u>67,220,089</u>
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Park Venue Sales Tax Fund	6,400,287	(3,290,792)	3,109,495
Senior Center Sales Tax Fund	5,467,540	-	5,467,540
Baseball Stadium Sales Tax Fund	2,502,650	-	2,502,650
Streets Sales Tax Fund	3,837,096	-	3,837,096
Crime Sales Tax Fund	7,909,311	-	7,909,311
Hotel/Motel Tax Fund	1,454,407	-	1,454,407
Police Seizure Fund	601,176	-	601,176
Municipal Court Funds	418,012	(50,116)	367,896
Cable Operations Fund	581,749	-	581,749
Red Light Safety Fund	372,191	-	372,191
Lake Parks Fund	2,746,885	(1,449,901)	1,296,984
Cemetery Fund	1,253,617	-	1,253,617
PID Fund	1,517,451	-	1,517,451
TIF Districts Fund	12,501,732	-	12,501,732
Verizon Theatre Fund	-	2,362,279	2,362,279
Other Special Revenue Funds	2,464,925	(1,977,352)	487,573
Juvenile Case Manager	334,811	(334,811)	-
Capital Project Funds:			
Park Venue CIP Funds	-	3,290,789	3,290,789
Fire CIP Fund	4,727,444	-	4,727,444
Municipal Facilities CIP Fund	2,953,333	-	2,953,333
Drainage CIP Fund	8,742,083	-	8,742,083
Police CIP Fund	4,940,878	-	4,940,878
Senior Center CIP Fund	64,485	(64,485)	-
Other CIP Funds	3,733,686	(1,751,333)	1,982,353
Capital Lending/Reserve	3,880,827	1,801,996	5,682,823
Total nonmajor governmental funds	<u>79,406,576</u>	<u>(1,463,726)</u>	<u>77,942,850</u>
Total Governmental Funds	<u>\$ 145,162,939</u>	<u>\$ -</u>	<u>\$ 145,162,939</u>

Beginning fund balance for the Solid Waste business-type activity was reclassified from a nonmajor enterprise fund to a major enterprise fund for fiscal year ended September 30, 2015.

REQUIRED SUPPLEMENTARY INFORMATION



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**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<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				
Property tax	\$ 49,591,447	\$ 49,591,447	\$ 50,336,919	\$ 745,472
Sales tax	24,801,305	24,801,305	26,407,761	1,606,456
Other taxes	258,773	258,773	261,108	2,335
Franchise fees	13,348,771	13,348,771	14,089,158	740,387
Charges for goods and services	5,170,226	5,170,226	5,335,832	165,606
Licenses and permits	2,653,355	2,653,355	2,813,341	159,986
Fines and forfeitures	7,119,648	7,119,648	7,279,318	159,670
Intergovernmental revenue	801,474	801,474	1,119,444	317,970
General and administrative	4,455,668	4,455,668	4,145,786	(309,882)
Investment income	803,535	803,535	1,600,927	797,392
Rents and royalties	257,834	257,834	65,392	(192,442)
Contributions	7,200	14,400	181,631	167,231
Other	289,838	282,638	478,796	196,158
Total revenues	<u>109,559,074</u>	<u>109,559,074</u>	<u>114,115,413</u>	<u>4,556,339</u>
EXPENDITURES				
Support services	20,631,229	18,974,164	16,574,203	2,399,961
Public safety services	68,828,568	71,324,705	70,907,083	417,622
Recreation and leisure services	1,934,290	2,002,962	1,958,463	44,499
Development and other services	13,603,635	12,638,664	12,273,830	364,834
Capital outlay	1,167,500	1,331,633	1,287,895	43,738
Total expenditures	<u>106,165,222</u>	<u>106,272,128</u>	<u>103,001,474</u>	<u>3,270,654</u>
Excess of revenues over expenditures	<u>3,393,852</u>	<u>3,286,946</u>	<u>11,113,939</u>	<u>7,826,993</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	158,001	158,001
Transfers out	(9,018,760)	(9,149,059)	(8,832,409)	316,650
Proceeds from sale of capital assets	545,455	545,455	556,696	11,241
Total other financing sources (uses)	<u>(8,473,305)</u>	<u>(8,603,604)</u>	<u>(8,117,712)</u>	<u>485,892</u>
Net change in fund balances	(5,079,453)	(5,316,658)	2,996,227	8,312,885
Fund balance - beginning of year (restated - See Note P)	<u>21,484,664</u>	<u>22,976,878</u>	<u>24,752,419</u>	<u>1,775,541</u>
Fund balances - end of year	<u>\$16,405,211</u>	<u>\$ 17,660,220</u>	<u>\$ 27,748,646</u>	<u>\$ 10,088,426</u>

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – SECTION 8 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<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>
REVENUES				
Charges for goods and service	\$ 189,822	\$ 168,233	\$ 168,233	\$ -
Licenses and permits	246,530	277,193	277,193	-
Intergovernmental revenue	26,846,543	25,843,689	25,843,689	-
Investment income	2,000	-	-	-
Other	65,288	101,518	101,518	-
Total revenues	<u>27,350,183</u>	<u>26,390,633</u>	<u>26,390,633</u>	<u>-</u>
EXPENDITURES				
Development services and other	27,225,819	25,856,618	25,856,618	-
Capital outlay	74,364	74,820	74,820	-
Total expenditures	<u>27,300,183</u>	<u>25,931,438</u>	<u>25,931,438</u>	<u>-</u>
Excess revenues over expenditures	<u>50,000</u>	<u>459,195</u>	<u>459,195</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	21,000	21,000	-
Transfers in	-	17,500	17,500	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>(11,500)</u>	<u>(11,500)</u>	<u>-</u>
Net change in fund balances	-	447,695	447,695	-
Fund balance - beginning of year (restated - See Note P)	<u>1,209,864</u>	<u>1,209,330</u>	<u>1,209,330</u>	<u>-</u>
Fund balances - end of year	<u>\$1,209,864</u>	<u>\$1,657,025</u>	<u>\$1,657,025</u>	<u>\$ -</u>

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS
FUNDING PROGRESS
LAST SEVEN FISCAL YEARS**

City Fiscal Year	Actuarial Valuation Date	(a)	(b)	(c)	(d)	(e)	UAAL as a % of Covered Payroll (c) / (e)
		Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (b) - (a)	Funded Percent (a) / (b)	Annual Covered Payroll	
2009	12/31/2008	-	\$ 15,782,172	\$ 15,782,172	0%	\$ 60,558,122	26.06%
2010	12/31/2009	-	25,220,971	25,220,971	0%	61,083,237	41.29%
2011	12/31/2010	-	28,244,542	28,244,542	0%	61,281,663	46.09%
2012	12/31/2011	-	29,395,343	29,395,343	0%	62,017,533	47.40%
2013	12/31/2012	-	32,048,413	32,048,413	0%	63,065,199	50.82%
2014	12/31/2013	-	33,019,361	33,019,361	0%	67,055,488	49.24%
2015	12/31/2014	-	44,797,238	44,797,238	0%	70,039,140	63.96%

Note: Information prior to fiscal year 2009 not available.

**CITY OF GRAND PRAIRIE, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS – TEXAS MUNICIPAL RETIREMENT SYSTEM
 LAST TWO YEARS**

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 12,564,308	\$ 12,624,823
Contributions in relation to the actuarially determined contribution	<u>(12,564,308)</u>	<u>(12,624,823)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 71,874,373	\$ 75,773,968
Contributions as a percentage of covered employee payroll	17.48%	16.66%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.

Methods and assumptions used to determine contribution rate for 2015:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	3%
Salary Increases	3.50% to 12.00% including inflation
Investment Rate of Return	7%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

OTHER INFORMATION

Notes There were no benefit changes during the year.

Note: The City implemented GASB 68 in FY 2015; therefore, the required information for this schedule will be built over the next nine years.

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST FISCAL YEAR**

	Measurement Year 2014
Total pension liability	
Service Cost	\$ 11,158,122
Interest (on the Total Pension Liability)	31,213,003
Changes of benefit terms	-
Difference between expected and actual experience	(2,414,327)
Changes of assumptions	-
Benefit payments ¹	<u>(20,404,488)</u>
Net change in total pension liability	19,552,310
Total pension liability - beginning	<u>450,523,220</u>
Total pension liability - ending (a)	<u>\$ 470,075,530</u>
 Plan fiduciary net position	
Contributions - employer	\$ 12,810,193
Contributions - employee	5,156,977
Net investment income	22,838,073
Benefit payments ¹	(20,404,488)
Administrative Expense	(238,441)
Other	<u>(19,604)</u>
Net change in plan fiduciary net position	20,142,710
Plan fiduciary net position - beginning	<u>399,226,484</u>
Plan fiduciary net position - ending (b)	<u>\$ 419,369,194</u>
 Net pension liability (a) - (b)	<u>\$ 50,706,336</u>
Plan fiduciary net position as a percentage of the total pension liability (b) / (a)	89.21%
 Covered employee payroll	\$ 73,471,045
Net pension liability as a percentage of covered employee payroll	69.02%

As of December 31

¹ Amounts reported includes refunds of employee contributions.

Note: The City implemented GASB 68 in FY 2015; therefore, the required information for this schedule will be built over the next nine years.

**CITY OF GRAND PRAIRIE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

A. Budget Law and Practice

Annual budgets are adopted on a basis that is consistent with accounting principles generally accepted in the United States. The City uses the modified accrual basis of accounting and the current financial resources measurement focus for all adopted budgets. 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 special revenue funds and capital project funds are controlled on a project basis and are carried forward each year until the project is completed or the grant receipts are expended.

The City's five-year capital projects plan is updated and approved annually during the budget process. The City Council approves annual appropriations and funding sources.

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

B. Budgetary Control

The legal level of budgetary control is at the fund level for all governmental and enterprise funds. The City Manager is authorized to amend budgeted appropriations between line items, categories, and departments within the same fund as long as total appropriations for the fund do not change. Any amendments that change total appropriations at the fund level must be approved by the City Council.

OTHER SUPPLEMENTARY INFORMATION



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**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Property tax	\$ 18,921,421	\$ 18,921,421	\$ 19,216,331	\$ 294,910
Investment income	300	300	242	(58)
Total revenues	<u>18,921,721</u>	<u>18,921,721</u>	<u>19,216,573</u>	<u>294,852</u>
EXPENDITURES				
Debt service:				
Principal retirement	10,634,800	10,634,800	10,798,435	(163,635)
Interest	7,960,601	7,960,601	6,346,700	1,613,901
Total expenditures	<u>18,595,401</u>	<u>18,595,401</u>	<u>17,145,135</u>	<u>1,450,266</u>
Excess revenue over expenditures	<u>326,320</u>	<u>326,320</u>	<u>2,071,438</u>	<u>1,745,118</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	165,000	165,000	165,000	-
Transfers out	<u>(2,219,057)</u>	<u>(2,219,057)</u>	<u>(1,984,115)</u>	<u>234,942</u>
Total other financing sources (uses)	<u>(2,054,057)</u>	<u>(2,054,057)</u>	<u>(1,819,115)</u>	<u>234,942</u>
Net change in fund balances	(1,727,737)	(1,727,737)	252,323	1,980,060
Fund balances - beginning of year	<u>10,074,611</u>	<u>10,074,611</u>	<u>10,501,572</u>	<u>426,961</u>
Fund balances - end of the year	<u>\$ 8,346,874</u>	<u>\$ 8,346,874</u>	<u>\$ 10,753,895</u>	<u>\$ 2,407,021</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
NONMAJOR 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 for specific purposes other than for debt service or capital projects.

- ◆ Park Venue Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of funding park and recreational services including the Senior Center, Uptown Theatre, Ruthe Jackson Center, and Bowles Life Center.
- ◆ Senior Center Sales Tax – funded by a one-eighth cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Summit Center.
- ◆ Baseball Stadium Sales Tax – funded by a one-eighth cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of a minor league baseball stadium.
- ◆ Street Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of maintaining and improving of the City's existing streets and alleys.
- ◆ Crime Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Public Safety Building and to fund salaries and benefits for twenty-four new police officers.
- ◆ Hotel/Motel Occupancy Tax – accounts for the receipts and allocation of the City's seven percent hotel-motel tax revenue in accordance with the requirements of state law.
- ◆ Police Seizures – accounts for police-seized assets pending court cases and for forfeitures awarded by County courts from assets seized by the Grand Prairie Police Department.
- ◆ Municipal Court – accounts for fees collected through municipal court fines for the specific use of maintaining security for municipal court buildings and for municipal court technology.
- ◆ Cable Operations – accounts for the revenue collected through cable companies for government access programming. This revenue is committed by the City Council for the operations and improvements to the City's cable channel.
- ◆ Red Light Safety – accounts for street light camera operations and is funded from red light citations. The purpose of this fund is to improve major street intersection safety.
- ◆ Lake Parks – accounts for the activity of the City's four major parks surrounding Joe Pool Lake. All revenues generated are restricted for the operation of these parks by the lease agreement with U. S. Corps of Engineers.
- ◆ Cemetery – accounts for operations of Grand Prairie Memorial Gardens and Mausoleum. Net proceeds from operations are committed by the City Council for the perpetual care of the cemetery.

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS**

- ◆ Public Improvement Districts (PIDs) – accounts for the activity of the City's sixteen PIDs.
- ◆ Tax Increment Financing Districts (TIFs) – accounts for the activity of the City's two TIFs and if supported primarily from revenues collected through inter-local property tax increment funding.
- ◆ Verizon Theatre - accounts for monthly lease payments used to pay debt service on the bonds issued by the City for the purchase of the performance hall.
- ◆ Other Special Revenue – accounts for various fees collected through municipal court fines restricted for operations relating to Commercial Vehicle Enforcement, Juvenile Case Manager, Truancy Prevention Diversion, and Municipal Court Judicial Efficiency.

Budget to Actual Comparisons

These schedules present budget to actual comparisons for special revenue funds with legally adopted budgets that have not been presented as part of Required Supplementary Information. Each comparison schedule shows the original budget amounts, the final adopted amounts, and the actual financial results as presented in the financial statements. In addition, the variance between the final adopted budget amounts and the actual amounts is presented.

Capital Projects Funds

Capital Projects Funds are used to account for capital improvements which are financed by general obligation bond issues, certificate obligation bond issues, and other revenue sources restricted or committed specifically for capital projects.

- ◆ Park Venue – accounts for construction, improvements, and other capital expenditures related to the City's park system and is financed partly from funds transferred from the Park Venue Special Revenue Fund.
- ◆ Fire – accounts for construction, improvements, and other capital expenditures related to the City's Fire Department.
- ◆ Municipal Facilities (MFAC) – accounts for construction, improvements, and other capital expenditures related to City departments that do not utilize a separate capital project fund.
- ◆ Drainage – accounts for construction, improvements, and other capital expenditures related to City's drainage system.
- ◆ Police – accounts for construction, improvements, and other capital expenditures related to City's Police Department.
- ◆ Other Capital Projects – accounts for construction, improvements, and other capital expenditures related to other City departments including the Senior Center, Lake Parks (other than Park Venue), Crime Tax, Library, and one-time equipment acquisition funds.
- ◆ Capital Lending and Reserve – established for short-term financing of capital projects and for one-time, non-recurring capital expenditures not budgeted in other capital project funds.

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING BALANCE SHEETS
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015**

	Special Revenue				
	Park Venue Sales Tax	Senior Center Sales Tax	Baseball Stadium Sales Tax	Streets Sales Tax	Crime Sales Tax
ASSETS					
Cash and cash equivalents	\$ 261,386	\$ 424,742	\$ 885,003	\$ 302,631	\$ 2,101,002
Investments	2,638,165	-	1,800,000	2,500,000	6,700,000
Sales tax receivable	1,181,903	590,952	590,952	1,181,903	1,168,586
Franchise fees receivable	-	-	-	-	-
Other receivables	72,467	-	-	-	-
Due from other funds	-	-	-	-	-
Inventory	18,653	-	-	-	-
Prepays	-	-	-	-	-
Total assets	4,172,574	1,015,694	3,275,955	3,984,534	9,969,588
LIABILITIES					
Accounts payable	463,537	7,398	-	280,278	-
Retainage payable	-	-	-	-	-
Accrued liabilities	183,311	6,701	-	-	40,061
Customer deposits	45,300	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	146,854	-	-	-	-
Total liabilities	839,002	14,099	-	280,278	40,061
FUND BALANCES					
Nonspendable	18,653	-	-	-	-
Restricted	3,314,919	1,001,595	3,275,955	3,704,256	9,929,527
Committed	-	-	-	-	-
Total fund balances	3,333,572	1,001,595	3,275,955	3,704,256	9,929,527
Total liabilities, deferred inflows of resources and fund balances	\$ 4,172,574	\$ 1,015,694	\$ 3,275,955	\$ 3,984,534	\$ 9,969,588

Special Revenue

Hotel Motel Tax	Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Lake Parks	Cemetery	PID
\$ 88,714	\$ 440,509	\$ 247,916	\$ 170,550	\$ 89,814	\$ 947,375	\$ 1,786,109	\$ 1,866,366
991,634	146,678	163,864	420,803	400,000	910,523	550,000	-
-	-	-	-	-	-	-	-
-	-	-	88,677	-	-	-	-
155,874	-	-	-	173,313	117,634	270,606	3,327
-	-	-	-	-	-	-	-
-	-	-	-	-	7,602	-	-
-	-	-	-	-	5,400	-	-
<u>1,236,222</u>	<u>587,187</u>	<u>411,780</u>	<u>680,030</u>	<u>663,127</u>	<u>1,988,534</u>	<u>2,606,715</u>	<u>1,869,693</u>
28,544	6,430	165	3,115	111,744	39,322	6,689	238,568
-	-	-	-	-	-	-	-
11,370	56,769	2,480	2,458	205,982	42,981	9,897	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	18,000	1,081,139	400
<u>39,914</u>	<u>63,199</u>	<u>2,645</u>	<u>5,573</u>	<u>317,726</u>	<u>100,303</u>	<u>1,097,725</u>	<u>238,968</u>
-	-	-	-	-	13,002	-	-
1,196,308	523,988	409,135	-	345,401	1,875,229	-	1,630,725
-	-	-	674,457	-	-	1,508,990	-
<u>1,196,308</u>	<u>523,988</u>	<u>409,135</u>	<u>674,457</u>	<u>345,401</u>	<u>1,888,231</u>	<u>1,508,990</u>	<u>1,630,725</u>
<u>\$ 1,236,222</u>	<u>\$ 587,187</u>	<u>\$ 411,780</u>	<u>\$ 680,030</u>	<u>\$ 663,127</u>	<u>\$ 1,988,534</u>	<u>\$ 2,606,715</u>	<u>\$ 1,869,693</u>

Continued

**CITY OF GRAND PRAIRIE, TEXAS
 COMBINING BALANCE SHEETS
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2015**

	Special Revenue			Capital Projects	
	Tax Increment Financing Districts	Verizon Theatre	Other Special Revenue Funds	Park Venue CIP	Fire CIP
ASSETS					
Cash and cash equivalents	\$ 2,083,120	\$ 89,398	\$ 508,299	\$ 803,922	\$ 3,146,045
Investments	-	2,305,000	-	2,000,000	4,958,927
Sales tax receivable	-	-	-	-	-
Franchise fees receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Total assets	2,083,120	2,394,398	508,299	2,803,922	8,104,972
LIABILITIES					
Accounts payable	-	-	11,942	63,151	548,157
Retainage payable	-	-	-	-	24,163
Accrued liabilities	-	-	3,839	-	-
Customer deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	-	15,781	63,151	572,320
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	2,083,120	-	492,377	2,740,771	1,989,144
Committed	-	2,394,398	141	-	5,543,508
Total fund balances	2,083,120	2,394,398	492,518	2,740,771	7,532,652
Total liabilities, deferred inflows of resources and fund balances	\$ 2,083,120	\$ 2,394,398	\$ 508,299	\$ 2,803,922	\$ 8,104,972

Capital Projects

Municipal Facilities CIP	Drainage CIP	Police CIP	Senior Center CIP	Other CIP	Capital Lending/ Reserve	Total Nonmajor Governmental Funds
\$ 2,007,636	\$ 2,063,453	\$ 2,619,770	\$ -	\$ 831,777	\$ 7,128,994	\$ 30,894,531
2,800,000	8,671,184	-	-	500,000	4,900,000	43,356,778
-	-	-	-	-	-	4,714,296
-	-	-	-	-	-	88,677
-	-	-	-	-	149,395	942,616
-	-	-	-	-	-	-
-	-	-	-	-	7,842,587	7,842,587
-	-	-	-	-	-	26,255
-	-	-	-	-	-	5,400
<u>4,807,636</u>	<u>10,734,637</u>	<u>2,619,770</u>	<u>-</u>	<u>1,331,777</u>	<u>20,020,976</u>	<u>87,871,140</u>
173,535	94,238	-	-	160,708	76,859	2,314,380
86,402	70,689	-	-	-	-	181,254
-	-	-	-	-	-	565,849
-	-	-	-	-	-	45,300
-	-	-	-	-	-	-
-	-	-	-	-	432,234	1,678,627
<u>259,937</u>	<u>164,927</u>	<u>-</u>	<u>-</u>	<u>160,708</u>	<u>509,093</u>	<u>4,785,410</u>
-	-	-	-	-	-	31,655
3,103,927	1,454,311	2,260,817	-	412,308	-	41,743,813
1,443,772	9,115,399	358,953	-	758,761	19,511,883	41,310,262
<u>4,547,699</u>	<u>10,569,710</u>	<u>2,619,770</u>	<u>-</u>	<u>1,171,069</u>	<u>19,511,883</u>	<u>83,085,730</u>
<u>\$ 4,807,636</u>	<u>\$ 10,734,637</u>	<u>\$ 2,619,770</u>	<u>\$ -</u>	<u>\$ 1,331,777</u>	<u>\$ 20,020,976</u>	<u>\$ 87,871,140</u>

Concluded

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Special Revenue				
	Park Venue Sales Tax	Senior Center Sales Tax	Baseball Stadium Sales Tax	Streets Sales Tax	Crime Sales Tax
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	6,752,015	3,376,007	3,376,007	6,752,014	6,670,193
Other taxes	-	-	-	-	-
Charges for goods and services	2,902,629	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Rents and royalties	684,788	-	-	-	-
Investment income	-	-	-	-	-
Contributions	234,822	-	-	-	-
Other	3,862	-	-	-	-
Total revenues	<u>10,578,116</u>	<u>3,376,007</u>	<u>3,376,007</u>	<u>6,752,014</u>	<u>6,670,193</u>
EXPENDITURES					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	-	-	-	997,720
Recreation and leisure services	11,550,900	-	7,397	-	-
Development services and other	-	-	-	8,338,072	-
Capital outlay	93,429	448,472	-	-	-
Debt service:					
Principal retirement	1,465,000	7,290,000	2,565,000	-	3,200,000
Interest charges	732,917	103,480	30,305	-	458,296
Total expenditures	<u>13,842,246</u>	<u>7,841,952</u>	<u>2,602,702</u>	<u>8,338,072</u>	<u>4,656,016</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,264,130)</u>	<u>(4,465,945)</u>	<u>773,305</u>	<u>(1,586,058)</u>	<u>2,014,177</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,457,015	-	-	1,453,218	6,039
Transfers out	(1,968,808)	-	-	-	-
Insurance recovery	-	-	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>3,488,207</u>	<u>-</u>	<u>-</u>	<u>1,453,218</u>	<u>6,039</u>
Net change in fund balances	224,077	(4,465,945)	773,305	(132,840)	2,020,216
Fund balances - beginning of year (restated) - See Note P	<u>3,109,495</u>	<u>5,467,540</u>	<u>2,502,650</u>	<u>3,837,096</u>	<u>7,909,311</u>
Fund balances - end of year	<u>\$ 3,333,572</u>	<u>\$ 1,001,595</u>	<u>\$ 3,275,955</u>	<u>\$ 3,704,256</u>	<u>\$ 9,929,527</u>

Special Revenue

Hotel Motel Tax	Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Lake Parks	Cemetery	PID
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
1,452,757	-	-	-	-	-	-	-
9,919	-	-	-	-	2,002,258	1,059,545	2,733,281
-	-	-	-	-	141,566	-	-
-	-	296,549	-	1,835,998	-	-	-
-	120,880	-	-	-	-	-	-
-	-	-	-	-	782,697	-	-
-	2,553	-	-	-	-	-	41
-	-	-	-	-	38,551	-	13,989
1,763	1,511	-	351,087	-	33,653	1,015	-
<u>1,464,439</u>	<u>124,944</u>	<u>296,549</u>	<u>351,087</u>	<u>1,835,998</u>	<u>2,998,725</u>	<u>1,060,560</u>	<u>2,747,311</u>
-	-	-	246,367	-	-	-	-
-	192,090	220,564	-	1,632,788	-	-	-
1,485,234	-	-	-	-	3,143,677	677,891	-
-	-	-	-	-	-	-	1,957,197
145,804	10,042	34,746	12,012	-	236,000	12,296	543,133
-	-	-	-	-	-	-	285,000
-	-	-	-	-	-	-	49,770
<u>1,631,038</u>	<u>202,132</u>	<u>255,310</u>	<u>258,379</u>	<u>1,632,788</u>	<u>3,379,677</u>	<u>690,187</u>	<u>2,835,100</u>
(166,599)	(77,188)	41,239	92,708	203,210	(380,952)	370,373	(87,789)
-	-	-	-	-	9,000	-	217,063
(91,500)	-	-	-	(230,000)	(25,000)	(115,000)	(16,000)
-	-	-	-	-	988,199	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(91,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(230,000)</u>	<u>972,199</u>	<u>(115,000)</u>	<u>201,063</u>
(258,099)	(77,188)	41,239	92,708	(26,790)	591,247	255,373	113,274
1,454,407	601,176	367,896	581,749	372,191	1,296,984	1,253,617	1,517,451
<u>\$ 1,196,308</u>	<u>\$ 523,988</u>	<u>\$ 409,135</u>	<u>\$ 674,457</u>	<u>\$ 345,401</u>	<u>\$ 1,888,231</u>	<u>\$ 1,508,990</u>	<u>\$ 1,630,725</u>

Continued

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Special Revenue			Capital Projects	
	Tax Increment Financing Districts	Verizon Theatre	Other Special Revenue Funds	Park Venue CIP	Fire CIP
REVENUES					
Property taxes	\$ 3,445,705	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Licenses and permits	-	-	-	-	6,758
Fines and forfeitures	-	-	386,559	-	-
Intergovernmental	-	-	-	-	-
Rents and royalties	-	1,097,392	-	-	-
Investment income	-	-	-	-	-
Contributions	-	-	-	-	1,500,000
Other	-	-	-	-	-
Total revenues	<u>3,445,705</u>	<u>1,097,392</u>	<u>386,559</u>	<u>-</u>	<u>1,506,758</u>
EXPENDITURES					
Current operations:					
Support services	2,695,488	-	-	-	-
Public safety services	-	-	329,043	-	103,003
Recreation and leisure services	-	-	-	555,328	-
Development services and other	-	-	25,951	-	-
Capital outlay	-	-	7,500	1,001,015	4,337,058
Debt service:					
Principal retirement	8,339,000	1,010,000	-	-	-
Interest charges	829,829	55,273	-	-	80,523
Total expenditures	<u>11,864,317</u>	<u>1,065,273</u>	<u>362,494</u>	<u>1,556,343</u>	<u>4,520,584</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,418,612)</u>	<u>32,119</u>	<u>24,065</u>	<u>(1,556,343)</u>	<u>(3,013,826)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	1,040,019	-
Transfers out	(2,000,000)	-	(19,120)	(33,694)	-
Insurance recovery	-	-	-	-	-
Bonds issued	-	-	-	-	5,275,765
Premium on bonds issued	-	-	-	-	515,269
Proceeds from sale of capital assets	-	-	-	-	28,000
Total other financing sources (uses)	<u>(2,000,000)</u>	<u>-</u>	<u>(19,120)</u>	<u>1,006,325</u>	<u>5,819,034</u>
Net change in fund balances	(10,418,612)	32,119	4,945	(550,018)	2,805,208
Fund balances - beginning of year (restated) - See Note P	<u>12,501,732</u>	<u>2,362,279</u>	<u>487,573</u>	<u>3,290,789</u>	<u>4,727,444</u>
Fund balances - end of year	<u>\$ 2,083,120</u>	<u>\$ 2,394,398</u>	<u>\$ 492,518</u>	<u>\$ 2,740,771</u>	<u>\$ 7,532,652</u>

Capital Projects						Total Nonmajor Governmental Funds
Municipal Facilities CIP	Drainage CIP	Police CIP	Other CIP	Capital Lending/ Reserve	Elimination	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,445,705
-	-	-	-	-	-	26,926,236
-	-	-	-	-	-	1,452,757
-	-	-	-	-	-	8,707,632
-	-	-	-	24,013	-	172,337
-	-	-	-	-	-	2,519,106
-	-	-	-	-	-	120,880
-	-	-	-	528,550	-	3,093,427
-	-	-	-	-	-	2,594
589,999	-	-	-	-	-	2,377,361
-	-	-	-	-	-	392,891
589,999	-	-	-	552,563	-	49,210,926
-	-	-	-	-	-	2,941,855
-	-	209,666	-	-	-	3,684,874
-	-	-	388,000	-	-	17,808,427
1,198,540	205,972	-	458,011	538,931	-	12,722,674
755,233	1,566,401	2,322,482	2,548,843	450,871	-	14,525,337
-	-	-	-	-	-	24,154,000
41,601	-	183,467	13,403	-	-	2,578,864
1,995,374	1,772,373	2,715,615	3,408,257	989,802	-	78,416,031
(1,405,375)	(1,772,373)	(2,715,615)	(3,408,257)	(437,239)	-	(29,205,105)
7,909	3,600,000	200,000	1,639,102	14,548,000	(14,573,743)	13,603,622
-	-	(13,000,000)	(6,039)	(281,701)	14,573,743	(3,213,119)
-	-	-	-	-	-	988,199
2,725,628	-	12,020,499	878,144	-	-	20,900,036
266,204	-	1,174,008	85,766	-	-	2,041,247
-	-	-	-	-	-	28,000
2,999,741	3,600,000	394,507	2,596,973	14,266,299	-	34,347,985
1,594,366	1,827,627	(2,321,108)	(811,284)	13,829,060	-	5,142,880
2,953,333	8,742,083	4,940,878	1,982,353	5,682,823	-	77,942,850
\$ 4,547,699	\$ 10,569,710	\$ 2,619,770	\$ 1,171,069	\$ 19,511,883	\$ -	\$ 83,085,730

Concluded

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – PARK VENUE SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$6,200,326	\$6,515,972	\$6,752,015	\$ 236,043
Charges for goods and services	2,797,900	2,881,368	2,902,629	21,261
Rents and royalties	627,520	701,817	684,788	(17,029)
Contributions	53,000	59,000	234,822	175,822
Other	-	-	3,862	3,862
Total revenues	<u>9,678,746</u>	<u>10,158,157</u>	<u>10,578,116</u>	<u>419,959</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	11,593,294	11,645,235	11,550,900	94,335
Capital outlay	115,000	112,449	93,429	19,020
Debt service:				
Principal retirement	1,465,000	1,465,000	1,465,000	-
Interest expense	733,667	733,667	732,917	750
Total expenditures	<u>13,906,961</u>	<u>13,956,351</u>	<u>13,842,246</u>	<u>114,105</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,228,215)</u>	<u>(3,798,194)</u>	<u>(3,264,130)</u>	<u>534,064</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,414,885	5,389,461	5,457,015	67,554
Transfers out	(1,723,993)	(1,992,503)	(1,968,808)	23,695
Total other financing sources (uses)	<u>3,690,892</u>	<u>3,396,958</u>	<u>3,488,207</u>	<u>91,249</u>
Net change in fund balances	(537,323)	(401,236)	224,077	625,313
Fund balances - beginning of year (restated) See Note P	<u>3,109,495</u>	<u>3,109,495</u>	<u>3,109,495</u>	<u>-</u>
Fund balances - end of year	<u>\$2,572,172</u>	<u>\$2,708,259</u>	<u>\$3,333,572</u>	<u>\$ 625,313</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – SENIOR CENTER SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Positive (Negative)
REVENUES				
Sales tax	\$ 3,100,163	\$ 3,100,163	\$ 3,376,007	\$ 275,844
Total revenues	3,100,163	3,100,163	3,376,007	275,844
EXPENDITURES				
Capital Outlay	-	525,873	448,472	77,401
Debt service:				
Principal retirement	7,290,000	7,290,000	7,290,000	-
Interest expense	130,132	130,132	103,480	26,652
Total expenditures	7,420,132	7,946,005	7,841,952	104,053
Excess (deficiency) of revenues over (under) expenditures	(4,319,969)	(4,845,842)	(4,465,945)	379,897
Fund balances - beginning of year	5,467,540	5,467,540	5,467,540	-
Fund balances - end of year	\$ 1,147,571	\$ 621,698	\$ 1,001,595	\$ 379,897

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – BASEBALL STADIUM SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Positive (Negative)
REVENUES				
Sales tax	\$ 3,100,163	\$ 3,100,163	\$ 3,376,007	\$ 275,844
Total revenues	3,100,163	3,100,163	3,376,007	275,844
EXPENDITURES				
Current operations:				
Recreation and leisure	-	25,000	7,397	17,603
Debt service:				
Principal retirement	2,565,000	2,565,000	2,565,000	-
Interest expense	142,819	142,819	30,305	112,514
Total expenditures	2,707,819	2,732,819	2,602,702	130,117
Excess (deficiency) of revenues over (under) expenditures	392,344	367,344	773,305	405,961
Fund balances - beginning of year	2,502,650	2,502,650	2,502,650	-
Fund balances - end of year	\$ 2,894,994	\$ 2,869,994	\$ 3,275,955	\$ 405,961

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – STREETS SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Positive (Negative)
REVENUES				
Sales tax	\$ 6,200,326	\$ 6,626,057	\$ 6,752,014	\$ 125,957
Total revenues	6,200,326	6,626,057	6,752,014	125,957
EXPENDITURES				
Current operations:				
Development services and other	10,436,165	10,436,165	8,338,072	2,098,093
Debt service:				
Principal retirement	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	10,436,165	10,436,165	8,338,072	2,098,093
Excess (deficiency) of revenues over (under) expenditures	(4,235,839)	(3,810,108)	(1,586,058)	2,224,050
OTHER FINANCING SOURCES (USES)				
Transfers in	1,253,218	1,253,218	1,453,218	200,000
Total other financing sources (uses)	1,253,218	1,253,218	1,453,218	200,000
Net change in fund balances	(2,982,621)	(2,556,890)	(132,840)	2,424,050
Fund balances - beginning of year	3,837,096	3,837,096	3,837,096	-
Fund balances - end of year	\$ 854,475	\$ 1,280,206	\$ 3,704,256	\$ 2,424,050

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – CRIME SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$ 6,200,326	\$ 6,200,326	\$ 6,670,193	\$ 469,867
Total revenues	6,200,326	6,200,326	6,670,193	469,867
EXPENDITURES				
Current operations:				
Public safety services	1,500,877	1,500,877	997,720	503,157
Debt service:				
Principal retirement	3,200,000	3,200,000	3,200,000	-
Interest expense	1,145,224	1,145,224	458,296	686,928
Total expenditures	5,846,101	5,846,101	4,656,016	1,190,085
Excess (deficiency) of revenues over (under) expenditures	354,225	354,225	2,014,177	1,659,952
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	6,039	6,039
Total other financing sources (uses)	-	-	6,039	6,039
Net change in fund balances	354,225	354,225	2,020,216	1,665,991
Fund balances - beginning of year	7,909,311	7,909,311	7,909,311	-
Fund balances - end of year	\$ 8,263,536	\$ 8,263,536	\$ 9,929,527	\$ 1,665,991

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – HOTEL MOTEL TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 1,303,517	\$ 1,303,517	\$ 1,452,757	\$ 149,240
Charges for goods and services	8,000	8,000	9,919	1,919
Other	3,500	3,500	1,763	(1,737)
Total revenues	<u>1,315,017</u>	<u>1,315,017</u>	<u>1,464,439</u>	<u>149,422</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	1,533,288	1,541,043	1,485,234	55,809
Capital outlay	-	177,573	145,804	31,769
Total expenditures	<u>1,533,288</u>	<u>1,718,616</u>	<u>1,631,038</u>	<u>87,578</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(218,271)</u>	<u>(403,599)</u>	<u>(166,599)</u>	<u>237,000</u>
OTHER FINANCING USES				
Transfers out	(91,500)	(91,500)	(91,500)	-
Total other financing uses	<u>(91,500)</u>	<u>(91,500)</u>	<u>(91,500)</u>	<u>-</u>
Net change in fund balances	(309,771)	(495,099)	(258,099)	237,000
Fund balances - beginning of year	<u>1,454,407</u>	<u>1,454,407</u>	<u>1,454,407</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,144,636</u>	<u>\$ 959,308</u>	<u>\$ 1,196,308</u>	<u>\$ 237,000</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – MUNICIPAL COURT FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 304,112	\$ 304,112	\$ 296,549	\$ (7,563)
Total revenues	304,112	304,112	296,549	(7,563)
EXPENDITURES				
Current operations:				
Public safety	204,849	311,368	220,564	90,804
Capital outlay	150,000	83,200	34,746	48,454
Total expenditures	354,849	394,568	255,310	139,258
Excess (deficiency) of revenues over (under) expenditures	(50,737)	(90,456)	41,239	131,695
Fund balances - beginning of year (restated) See Note P	367,896	367,896	367,896	-
Fund balances - end of year	\$ 317,159	\$ 277,440	\$ 409,135	\$ 131,695

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – CABLE OPERATIONS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Other	\$ 297,306	\$ 297,306	\$ 351,087	\$ 53,781
Total revenues	297,306	297,306	351,087	53,781
EXPENDITURES				
Current operations:				
Support services	382,099	386,884	246,367	140,517
Capital outlay	200,000	196,240	12,012	184,228
Total expenditures	582,099	583,124	258,379	324,745
Excess (deficiency) of revenues over (under) expenditures	(284,793)	(285,818)	92,708	378,526
Fund balances - beginning of year	581,749	581,749	581,749	-
Fund balances - end of year	\$ 296,956	\$ 295,931	\$ 674,457	\$ 378,526

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – RED LIGHT SAFETY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 2,486,045	\$ 2,486,045	\$ 1,835,998	\$ (650,047)
Total revenues	2,486,045	2,486,045	1,835,998	(650,047)
EXPENDITURES				
Current operations:				
Public safety	2,092,929	2,142,929	1,632,788	510,141
Total expenditures	2,092,929	2,142,929	1,632,788	510,141
Excess (deficiency) of revenues over (under) expenditures	393,116	343,116	203,210	(139,906)
OTHER FINANCING USES				
Transfers out	(230,000)	(230,000)	(230,000)	-
Total other financing uses	(230,000)	(230,000)	(230,000)	-
Net change in fund balances	163,116	113,116	(26,790)	(139,906)
Fund balances - beginning of year	372,191	372,191	372,191	-
Fund balances - end of year	\$ 535,307	\$ 485,307	\$ 345,401	\$ (139,906)

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – LAKE PARKS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for goods and services	\$ 2,307,500	\$ 2,649,139	\$ 2,002,258	\$ (646,881)
Licenses and permits	180,000	180,000	141,566	(38,434)
Rents and royalties	863,100	863,100	782,697	(80,403)
Contributions	90,000	37,051	38,551	1,500
Other	218,228	219,772	33,653	(186,119)
Total revenue	<u>3,658,828</u>	<u>3,949,062</u>	<u>2,998,725</u>	<u>(950,337)</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	3,428,358	3,621,710	3,143,677	478,033
Capital outlay	200,000	236,000	236,000	-
Total expenditures	<u>3,628,358</u>	<u>3,857,710</u>	<u>3,379,677</u>	<u>478,033</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,470</u>	<u>91,352</u>	<u>(380,952)</u>	<u>(472,304)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	9,000	9,000	9,000	-
Transfers out	(100,000)	(100,000)	(25,000)	75,000
Insurance recoveries	-	-	988,199	988,199
Total other financing sources (uses)	<u>(91,000)</u>	<u>(91,000)</u>	<u>972,199</u>	<u>1,063,199</u>
Net change in fund balances	(60,530)	352	591,247	590,895
Fund balances - beginning of year (restated) See Note P	<u>1,296,984</u>	<u>1,296,984</u>	<u>1,296,984</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,236,454</u>	<u>\$ 1,297,336</u>	<u>\$ 1,888,231</u>	<u>\$ 590,895</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – CEMETERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for goods and services	\$ 843,900	\$ 1,030,485	\$ 1,059,545	\$ 29,060
Other	3,500	1,312	1,015	(297)
Total revenues	<u>847,400</u>	<u>1,031,797</u>	<u>1,060,560</u>	<u>28,763</u>
EXPENDITURES				
Current operations:				
Recreation and leisure services	601,586	687,314	677,891	9,423
Capital outlay	13,000	12,296	12,296	-
Total expenditures	<u>614,586</u>	<u>699,610</u>	<u>690,187</u>	<u>9,423</u>
Excess (deficiency) of revenues over (under) expenditures	<u>232,814</u>	<u>332,187</u>	<u>370,373</u>	<u>38,186</u>
OTHER FINANCING USES				
Transfers out	(115,000)	(115,000)	(115,000)	-
Total other financing uses	<u>(115,000)</u>	<u>(115,000)</u>	<u>(115,000)</u>	<u>-</u>
Net change in fund balances	117,814	217,187	255,373	38,186
Fund balances - beginning of year	<u>1,253,617</u>	<u>1,253,617</u>	<u>1,253,617</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,371,431</u>	<u>\$ 1,470,804</u>	<u>\$ 1,508,990</u>	<u>\$ 38,186</u>

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – JUVENILE CASE MANAGER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 212,228	\$ 212,228	\$ 211,153	\$ (1,075)
Total revenues	212,228	212,228	211,153	(1,075)
EXPENDITURES				
Current operations:				
Public safety	278,221	278,221	271,879	6,342
Total expenditures	278,221	278,221	271,879	6,342
Excess (deficiency) of revenues over (under) expenditures	(65,993)	(65,993)	(60,726)	5,267
Fund balances - beginning of year (restated) See Note P	334,811	334,811	334,811	-
Fund balances - end of year	\$ 268,818	\$ 268,818	\$ 274,085	\$ 5,267

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – TRUANCY PREVENTION AND DIVERSION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 36,837	\$ 11,837
Total revenues	25,000	25,000	36,837	11,837
EXPENDITURES				
Current operations:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	25,000	25,000	36,837	11,837
Fund balances - beginning of year	21,456	21,456	21,456	-
Fund balances - end of year	\$ 46,456	\$ 46,456	\$ 58,293	\$ 11,837

**CITY OF GRAND PRAIRIE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – JUDICIAL EFFICIENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 16,368	\$ 16,368	\$ 19,926	\$ 3,558
Total revenues	16,368	16,368	19,926	3,558
EXPENDITURES				
Current operations:				
Public safety	15,994	15,994	13,938	2,056
Total expenditures	15,994	15,994	13,938	2,056
Excess (deficiency) of revenues over (under) expenditures	374	374	5,988	5,614
Fund balances - beginning of year	50,116	50,116	50,116	-
Fund balances - end of year	\$ 50,490	\$ 50,490	\$ 56,104	\$ 5,614



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**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2015**

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 three nonmajor 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.

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2015**

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 186,107	\$ 43,348	\$ 572,843	\$ 802,298
Investments	1,527,637	400,000	1,750,000	3,677,637
Accounts receivable, net	106,825	36,060	378,096	520,981
Due from other governments	962	-	-	962
Inventories and supplies	23,844	28,592	-	52,436
Restricted assets:				
Investments	68,182	-	-	68,182
Total current assets	<u>1,913,557</u>	<u>508,000</u>	<u>2,700,939</u>	<u>5,122,496</u>
Noncurrent assets:				
Capital assets:				
Land	183,923	568,284	7,500	759,707
Buildings	10,863,652	1,854,835	-	12,718,487
Equipment	825,620	1,125,781	51,884	2,003,285
Infrastructure	10,472,120	9,931,537	4,712,067	25,115,724
Construction in progress	633,504	68,172	19,979	721,655
Less: accumulated depreciation	(8,425,834)	(9,358,008)	(3,609,089)	(21,392,931)
Total noncurrent assets	<u>14,552,985</u>	<u>4,190,601</u>	<u>1,182,341</u>	<u>19,925,927</u>
Total assets	<u>16,466,542</u>	<u>4,698,601</u>	<u>3,883,280</u>	<u>25,048,423</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension contributions and investment experience	<u>47,547</u>	<u>144,589</u>	<u>62,718</u>	<u>254,854</u>
LIABILITIES				
Current liabilities:				
Accounts payable	60,339	54,802	82,189	197,330
Retainage payable	33,619	-	-	33,619
Accrued interest	8,770	-	-	8,770
Accrued liabilities	11,111	41,145	14,337	66,593
Compensated absences	24,589	47,778	8,037	80,404
Current portion of long-term debt	130,000	-	-	130,000
Unearned revenue	179,264	-	-	179,264
Current liabilities payable from restricted assets:				
Customer deposits	68,182	-	-	68,182
Total current liabilities	<u>515,874</u>	<u>143,725</u>	<u>104,563</u>	<u>764,162</u>
Noncurrent liabilities:				
Compensated absences	2,622	-	-	2,622
Net pension liability	176,710	537,373	233,093	947,176
Long-term debt	1,320,000	-	-	1,320,000
Total noncurrent liabilities	<u>1,499,332</u>	<u>537,373</u>	<u>233,093</u>	<u>2,269,798</u>
Total liabilities	<u>2,015,206</u>	<u>681,098</u>	<u>337,656</u>	<u>3,033,960</u>
DEFERRED INFLOWS OF RESOURCES				
Pension actuarial experience	<u>6,800</u>	<u>20,677</u>	<u>8,969</u>	<u>36,446</u>
NET POSITION				
Net investment in capital assets	13,069,366	4,190,601	1,182,341	18,442,308
Unrestricted	<u>1,422,717</u>	<u>(49,186)</u>	<u>2,417,032</u>	<u>3,790,563</u>
Total net position	<u>\$ 14,492,083</u>	<u>\$ 4,141,415</u>	<u>\$ 3,599,373</u>	<u>\$ 22,232,871</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Municipal Airport</u>	<u>Municipal Golf</u>	<u>Storm Water Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES				
Charge for services	\$ 1,016,877	\$ 2,021,436	\$ 5,572,487	\$ 8,610,800
Intergovernmental revenue	43,714	-	-	43,714
Miscellaneous	984,977	364	-	985,341
Total operating revenues	<u>2,045,568</u>	<u>2,021,800</u>	<u>5,572,487</u>	<u>9,639,855</u>
OPERATING EXPENSES				
Salaries and benefits	376,538	1,307,301	494,374	2,178,213
Supplies and miscellaneous purchases	725,536	252,358	27,248	1,005,142
Purchased services	253,765	1,005,437	565,327	1,824,529
Miscellaneous	43,756	47,170	69,184	160,110
Depreciation	696,970	553,918	241,106	1,491,994
Franchise fees	-	-	220,854	220,854
General and administrative costs	61,015	-	80,270	141,285
Total operating expenses	<u>2,157,580</u>	<u>3,166,184</u>	<u>1,698,363</u>	<u>7,022,127</u>
Operating income (loss)	<u>(112,012)</u>	<u>(1,144,384)</u>	<u>3,874,124</u>	<u>2,617,728</u>
NONOPERATING REVENUES (EXPENSES)				
Gain on disposition of capital assets	925	1,622	-	2,547
Interest expense	(73,020)	(73,404)	-	(146,424)
Total nonoperating revenues (expenses)	<u>(72,095)</u>	<u>(71,782)</u>	<u>-</u>	<u>(143,877)</u>
Income (loss) before contributions and transfers	<u>(184,107)</u>	<u>(1,216,166)</u>	<u>3,874,124</u>	<u>2,473,851</u>
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	1,853,633	-	-	1,853,633
Transfers in - monetary	-	2,804,115	-	2,804,115
Transfers out - monetary	(48,000)	(16,325)	(3,600,000)	(3,664,325)
Change in net position	<u>1,621,526</u>	<u>1,571,624</u>	<u>274,124</u>	<u>3,467,274</u>
Net position - beginning of the year (restated - See Note P)	<u>12,870,557</u>	<u>2,569,791</u>	<u>3,325,249</u>	<u>18,765,597</u>
Net position - end of year	<u>\$ 14,492,083</u>	<u>\$ 4,141,415</u>	<u>\$ 3,599,373</u>	<u>\$ 22,232,871</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF CASH FLOW
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Cash receipts from customers	\$ 1,088,610	\$ 2,019,931	\$ 5,538,801	\$ 8,647,342
Cash receipts from other governments	32,772	-	-	32,772
Other operating cash receipts	984,977	364	-	985,341
Cash payments to suppliers for goods and services	(967,831)	(1,327,289)	(610,355)	(2,905,475)
Cash payments to employees for services	(417,234)	(1,335,152)	(494,955)	(2,247,341)
Cash payments for interfund services used	-	-	(220,854)	(220,854)
Other operating cash payments	(61,015)	-	(80,270)	(141,285)
Net cash provided by (used in) operating activities	<u>660,279</u>	<u>(642,146)</u>	<u>4,132,367</u>	<u>4,150,500</u>
Cash flows from non-capital financing activities:				
Transfers from other funds	-	2,804,115	-	2,804,115
Transfers to other funds	(48,000)	(16,325)	(3,600,000)	(3,664,325)
Due from other funds	42,025	-	-	42,025
Net cash (used in) provided by non-capital financing activities	<u>(5,975)</u>	<u>2,787,790</u>	<u>(3,600,000)</u>	<u>(818,185)</u>
Cash flows from capital and related financing activities:				
Proceeds from disposition of capital assets	925	1,622	-	2,547
Acquisition and construction of capital assets	(679,145)	(13,290)	(26,167)	(718,602)
Principal paid on debt	(125,000)	(2,022,566)	-	(2,147,566)
Interest paid on debt	(73,723)	(177,255)	-	(250,978)
Net cash used in capital and related financing activities	<u>(876,943)</u>	<u>(2,211,489)</u>	<u>(26,167)</u>	<u>(3,114,599)</u>
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	1,663,857	459,537	-	2,123,394
Purchase of investment securities	(1,659,676)	(417,637)	-	(2,077,313)
Net cash provided by investing activities	<u>4,181</u>	<u>41,900</u>	<u>-</u>	<u>46,081</u>
Net (decrease) increase in cash and cash equivalents	(218,458)	(23,945)	506,200	263,797
Cash and cash equivalents - beginning of year	404,565	67,293	66,643	538,501
Cash and cash equivalents - end of year	<u>\$ 186,107</u>	<u>\$ 43,348</u>	<u>\$ 572,843</u>	<u>\$ 802,298</u>
Reconciliation of income (loss) from operations to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (112,012)	\$ (1,144,384)	\$ 3,874,124	\$ 2,617,728
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	696,970	553,918	241,106	1,491,994
Provisions for uncollectible accounts	-	-	(51,148)	(51,148)
Changes in assets and liabilities:				
(Increase) decrease in other accounts receivable	121,504	(1,505)	17,462	137,461
(Increase) decrease in inventories and supplies	17,462	(1,097)	-	16,365
Increase (decrease) in accounts payable	4,145	(21,227)	51,404	34,322
Increase in retainage payable	33,619	-	-	33,619
Increase (decrease) in accrued liabilities	(26,819)	4,428	3,130	(19,261)
Decrease in customer deposits	(49,771)	-	-	(49,771)
Decrease in unearned revenue	(10,942)	-	-	(10,942)
Increase (decrease) in compensated absences	(4,970)	(5,194)	8,037	(2,127)
Decrease in pension liability	(8,907)	(27,085)	(11,748)	(47,740)
Net cash provided by (used in) operating activities	<u>\$ 660,279</u>	<u>\$ (642,146)</u>	<u>\$ 4,132,367</u>	<u>\$ 4,150,500</u>
Noncash investing, capital, and financing activities:				
Capital contributions from developers/granting agencies	<u>\$ 1,853,633</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,853,633</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING FINANCIAL STATEMENTS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2015**

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. This 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 STATEMENTS OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2015**

	Fleet Services	Risk Management	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 412,094	\$ 2,071,458	\$ 2,483,552
Investments	-	12,000,000	12,000,000
Other receivables	-	11,138	11,138
Inventories and supplies	129,794	-	129,794
Prepays	-	379,083	379,083
Total current assets	<u>541,888</u>	<u>14,461,679</u>	<u>15,003,567</u>
Noncurrent assets:			
Capital assets:			
Land	737,566	-	737,566
Buildings	1,477,875	-	1,477,875
Equipment	1,477,270	220,339	1,697,609
Infrastructure	16,672	-	16,672
Less: accumulated depreciation	(2,905,171)	(63,134)	(2,968,305)
Total noncurrent assets	<u>804,212</u>	<u>157,205</u>	<u>961,417</u>
Total assets	<u>1,346,100</u>	<u>14,618,884</u>	<u>15,964,984</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions and investment experience	<u>126,344</u>	<u>37,306</u>	<u>163,650</u>
LIABILITIES			
Current liabilities:			
Accounts payable	166,208	128,346	294,554
Accrued liabilities	30,290	5,052,056	5,082,346
Compensated absences	33,922	10,914	44,836
Total current liabilities	<u>230,420</u>	<u>5,191,316</u>	<u>5,421,736</u>
Noncurrent liabilities:			
Net pension liability	<u>469,562</u>	<u>138,650</u>	<u>608,212</u>
Total noncurrent liabilities	<u>469,562</u>	<u>138,650</u>	<u>608,212</u>
Total liabilities	<u>699,982</u>	<u>5,329,966</u>	<u>6,029,948</u>
DEFERRED INFLOWS OF RESOURCES			
Pension actuarial experience	<u>18,068</u>	<u>5,335</u>	<u>23,403</u>
NET POSITION			
Net investment in capital assets	804,212	157,205	961,417
Unrestricted	(49,819)	9,163,684	9,113,866
Total net position	<u>\$ 754,393</u>	<u>\$ 9,320,889</u>	<u>\$ 10,075,283</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Fleet Services	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Charge for services	\$ 4,487,456	\$ -	\$ 4,487,456
Insurance premiums	-	21,051,696	21,051,696
Miscellaneous	4,949	36,914	41,863
Total operating revenues	<u>4,492,405</u>	<u>21,088,610</u>	<u>25,581,015</u>
OPERATING EXPENSES			
Salaries and benefits	1,023,716	292,589	1,316,305
Supplies and miscellaneous purchases	2,462,462	173,348	2,635,810
Purchased services	857,218	374,372	1,231,590
Insurance claims	-	19,367,110	19,367,110
Miscellaneous	35,482	142,941	178,423
Depreciation	16,947	22,858	39,805
Total operating expenses	<u>4,395,825</u>	<u>20,373,218</u>	<u>24,769,043</u>
Operating income	<u>96,580</u>	<u>715,392</u>	<u>811,972</u>
NONOPERATING REVENUES (EXPENSES)			
Gain on disposition of capital assets	35,792	-	35,792
Total nonoperating revenues (expenses)	<u>35,792</u>	<u>-</u>	<u>35,792</u>
Income before contributions and transfers	132,372	715,392	847,764
CONTRIBUTIONS AND TRANSFERS			
Capital asset transfers to government activities	(193)	(36,260)	(36,453)
Transfers out - monetary	-	(71,254)	(71,254)
Change in net position	132,179	607,878	740,057
Net position - beginning of year (restated - See Note P)	<u>622,214</u>	<u>8,713,011</u>	<u>9,335,226</u>
Net position - end of year	<u>\$ 754,393</u>	<u>\$ 9,320,889</u>	<u>\$ 10,075,283</u>

**CITY OF GRAND PRAIRIE, TEXAS
COMBINING STATEMENTS OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Fleet Services	Risk Management	Total Internal Service Funds
Cash flows from operating activities:			
Cash received from insurance proceeds	\$ -	\$ 4,219,565	\$ 4,219,565
Cash received from city and employee contributions	-	16,820,993	16,820,993
Cash received from interfund services provided	4,505,626	-	4,505,626
Other operating cash receipts	4,949	36,914	41,863
Cash payments to suppliers for goods and services	(3,215,178)	(712,333)	(3,927,511)
Cash payments to employees for services	(1,046,854)	(304,541)	(1,351,395)
Cash payments for interfund services used	-	(19,367,110)	(19,367,110)
Net cash provided by operating activities	<u>248,543</u>	<u>693,488</u>	<u>942,031</u>
Cash flows from non-capital financing activities:			
Transfers to other funds	-	(71,254)	(71,254)
Net cash used in non-capital financing activities	<u>-</u>	<u>(71,254)</u>	<u>(71,254)</u>
Cash flows from capital and related financing activities:			
Proceeds from capital assets disposals	35,983	-	35,983
Acquisition of capital assets	(17,005)	(79,364)	(96,369)
Net cash provided by (used in) capital and related financing activities	<u>18,978</u>	<u>(79,364)</u>	<u>(60,386)</u>
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	-	1,160,624	1,160,624
Purchase of investment securities	-	(6,000,000)	(6,000,000)
Net cash used in investing activities	<u>-</u>	<u>(4,839,376)</u>	<u>(4,839,376)</u>
Net increase (decrease) in cash and cash equivalents	267,521	(4,296,506)	(4,028,985)
Cash and cash equivalents - beginning of year	144,573	6,367,964	6,512,537
Cash and cash equivalents - end of year	<u>\$ 412,094</u>	<u>\$ 2,071,458</u>	<u>\$ 2,483,552</u>
Reconciliation of operating income from operations to net cash provided by operating activities:			
Operating income	\$ 96,580	\$ 715,392	\$ 811,972
Adjustments to operating income to net cash provided by operating activities:			
Depreciation	16,947	22,858	39,805
Changes in assets and liabilities:			
(Increase) decrease in other accounts receivable	18,170	(11,138)	7,032
Decrease in inventories and supplies	15,146	-	15,146
Increase in prepaids	-	(351,984)	(351,984)
Increase in accounts payable	124,838	330,312	455,150
Increase (decrease) in accrued liabilities	2,187	(5,156)	(2,969)
Increase (decrease) in compensated absences	(1,658)	192	(1,466)
Decrease in pension liability	(23,667)	(6,988)	(30,656)
Net cash provided by operating activities	<u>\$ 248,543</u>	<u>\$ 693,488</u>	<u>\$ 942,031</u>
Noncash investing, capital and financing activities:			
Capital asset transfer to governmental activities	\$ -	\$ (36,453)	\$ (36,453)

STATISTICAL SECTION



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**CITY OF GRAND PRAIRIE, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2015
 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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$255,230,188	\$250,427,112	\$265,961,757	\$271,217,903
Restricted	3,034,411	5,260,954	5,491,185	9,302,232
Unrestricted	<u>52,044,716</u>	<u>99,358,971</u>	<u>114,556,201</u>	<u>129,915,331</u>
Total governmental activities net position	<u>\$310,309,315</u>	<u>\$355,047,037</u>	<u>\$386,009,143</u>	<u>\$410,435,466</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$133,275,493	\$134,270,404	\$129,219,761	\$139,067,912
Restricted	3,671,913	3,748,093	6,089,188	3,673,504
Unrestricted	<u>37,114,582</u>	<u>46,861,049</u>	<u>56,978,613</u>	<u>60,527,614</u>
Total business-type activities net position	<u>\$174,061,988</u>	<u>\$184,879,546</u>	<u>\$192,287,562</u>	<u>\$203,269,030</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	\$388,505,681	\$384,697,516	\$395,181,518	\$410,285,815
Restricted	6,706,324	9,009,047	11,580,373	12,975,736
Unrestricted	<u>89,159,298</u>	<u>146,220,020</u>	<u>171,534,814</u>	<u>190,442,945</u>
Total primary government net position	<u>\$484,371,303</u>	<u>\$539,926,583</u>	<u>\$578,296,705</u>	<u>\$613,704,496</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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$286,120,135	\$279,371,594	\$311,048,653	\$316,856,535	\$319,412,513	\$333,061,190
9,792,214	83,793,231	63,267,418	69,081,215	108,444,110	53,392,543
129,649,766	62,743,136	47,893,511	40,378,407	13,160,490	18,505,921
<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>	<u>\$404,959,654</u>
\$134,524,036	\$137,253,007	\$139,042,561	\$141,678,428	\$143,297,680	\$151,264,799
4,228,742	3,988,491	4,601,419	4,695,502	5,444,619	8,904,795
68,647,313	68,859,665	71,929,058	66,726,233	68,399,617	60,296,469
<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>	<u>\$220,466,063</u>
\$420,644,171	\$416,624,601	\$450,091,214	\$458,534,963	\$462,710,193	\$484,325,989
14,020,956	87,781,722	67,868,837	73,776,717	113,888,729	62,297,338
198,297,079	131,602,801	119,822,569	107,104,640	81,560,107	78,802,390
<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>	<u>\$625,425,717</u>

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

	FISCAL YEAR			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
EXPENSES				
Governmental activities:				
Support services	\$ 16,076,516	\$ 22,481,067	\$ 19,829,891	\$ 17,647,031
Public safety services	57,826,788	70,124,744	76,192,160	70,728,042
Recreation and leisure services	15,606,279	19,168,072	20,548,092	24,302,491
Development services	50,642,965	38,630,596	51,061,087	56,491,002
Interest on long-term debt	7,659,557	8,421,424	10,329,775	12,141,929
Total governmental activities expenses	<u>\$ 147,812,105</u>	<u>\$ 158,825,903</u>	<u>\$ 177,961,005</u>	<u>\$ 181,310,495</u>
Business-type activities:				
Water and wastewater	\$ 39,746,718	\$ 40,211,646	\$ 43,521,711	\$ 46,025,037
Municipal airport	2,156,251	2,010,376	2,274,829	1,758,664
Municipal golf course	3,390,562	3,295,065	3,388,253	3,336,554
Storm water	829,867	1,034,458	1,076,876	1,344,716
Solid waste	7,320,755	9,599,260	8,147,843	8,316,221
Total business-type activities expenses	<u>53,444,153</u>	<u>56,150,805</u>	<u>58,409,512</u>	<u>60,781,192</u>
Total primary government expenses	<u>\$ 201,256,258</u>	<u>\$ 214,976,708</u>	<u>\$ 236,370,517</u>	<u>\$ 242,091,687</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
Support services	\$ 9,856,362	\$ 11,369,944	\$ 12,976,068	\$ 13,272,240
Public safety services	8,982,681	5,453,931	5,827,320	11,030,095
Recreation and leisure services	3,502,325	4,843,898	6,894,465	5,815,486
Development services	6,108,583	3,731,729	2,947,454	5,087,515
Operating grants and contributions	33,141,279	48,052,791	36,873,575	28,333,421
Capital grants and contributions	8,409,834	14,027,960	11,432,768	5,795,714
Total governmental activities program revenues	<u>\$ 70,001,064</u>	<u>\$ 87,480,253</u>	<u>\$ 76,951,650</u>	<u>\$ 69,334,471</u>
Business-type activities:				
Charges for services:				
Water and wastewater	\$ 42,564,693	\$ 41,221,192	\$ 43,493,084	\$ 46,898,346
Municipal airport	1,496,579	1,492,202	2,330,000	1,703,398
Municipal golf course	2,587,757	2,637,807	2,232,189	2,409,475
Storm water	2,470,183	2,691,742	2,974,336	3,073,155
Solid waste	8,767,399	9,023,648	9,103,212	10,290,559
Operating grants and contributions	737,536	1,668,944	270,729	468,397
Capital grants and contributions	4,172,710	8,109,411	5,519,297	3,742,875
Total business-type activities	<u>62,796,857</u>	<u>66,844,946</u>	<u>65,922,847</u>	<u>68,586,205</u>
Total primary government	<u>\$ 132,797,921</u>	<u>\$ 154,325,199</u>	<u>\$ 142,874,497</u>	<u>\$ 137,920,676</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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 17,278,851	\$ 19,100,748	\$ 17,928,238	\$ 17,503,253	\$ 20,400,867	\$ 22,102,591
81,872,640	88,336,343	72,934,512	76,439,796	80,333,290	80,359,190
21,517,961	22,368,768	24,071,731	25,847,664	25,255,982	26,746,861
58,153,994	74,251,224	84,171,971	79,057,014	75,473,059	77,263,159
10,618,864	9,817,549	9,227,801	8,125,389	7,922,519	8,019,147
<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>	<u>\$ 214,490,948</u>
\$ 48,888,158	\$ 52,658,416	\$ 55,186,501	\$ 59,993,534	\$ 61,468,207	\$ 61,381,944
1,999,196	2,809,039	2,650,503	2,793,094	3,484,297	2,226,108
3,488,564	3,521,660	3,527,637	3,487,758	3,314,435	3,230,377
1,692,009	1,537,846	1,617,905	1,909,737	1,635,198	1,694,556
8,931,468	9,079,737	9,485,700	9,773,626	9,712,711	10,143,394
64,999,395	69,606,698	72,468,246	77,957,749	79,614,848	78,676,379
<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>	<u>\$ 293,167,327</u>
\$ 10,929,541	\$ 5,981,676	\$ 5,000,964	\$ 4,914,303	\$ 4,701,456	\$ 4,809,384
12,823,754	16,384,019	13,752,467	15,557,404	16,190,902	13,623,499
7,112,226	8,886,903	8,256,815	9,686,041	9,055,820	9,772,737
4,412,063	7,991,012	5,866,787	5,670,741	7,152,325	6,643,502
31,232,753	37,588,585	31,329,503	33,339,115	34,980,362	33,329,097
9,112,664	2,664,489	6,290,285	5,242,216	4,020,110	1,232,805
<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>	<u>\$ 69,411,024</u>
\$ 46,459,483	\$ 54,761,115	\$ 57,610,991	\$ 57,632,524	\$ 60,115,296	\$ 63,421,631
1,759,319	3,791,577	3,048,547	2,973,572	2,978,121	2,001,854
2,080,152	2,244,356	2,306,811	2,262,430	1,909,090	2,021,800
4,685,730	5,015,547	5,125,840	5,367,769	5,436,780	5,572,487
10,100,502	9,984,080	10,664,949	10,568,982	10,802,865	11,470,007
-	-	-	30,291	42,697	43,714
2,444,475	1,792,377	2,465,951	3,089,677	4,402,822	4,082,082
67,529,661	77,589,052	81,223,089	81,925,245	85,687,671	88,613,575
<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>	<u>\$ 158,024,599</u>

(continued)

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

	FISCAL YEAR			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
NET (EXPENSES)/REVENUE				
Governmental activities	\$ (77,811,041)	\$ (71,345,650)	\$ (101,009,355)	\$ (111,976,024)
Business-type activities	<u>9,352,704</u>	<u>10,694,141</u>	<u>7,513,335</u>	<u>7,805,013</u>
Total primary government net expense	<u>\$ (68,458,337)</u>	<u>\$ (60,651,509)</u>	<u>\$ (93,496,020)</u>	<u>\$ (104,171,011)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property taxes	\$ 54,462,317	\$ 61,443,459	\$ 69,813,294	\$ 76,687,029
Sales taxes	29,289,416	31,919,487	39,665,104	40,376,226
Hotel/motel tax and other taxes	1,299,365	1,344,762	1,414,822	1,231,899
Franchise fees	15,658,628	11,375,535	11,847,401	12,531,556
Investment income	4,735,009	7,573,850	7,444,199	6,688,474
Miscellaneous	71,784	-	-	-
Contributions	-	-	2,553,427	-
Transfers-monetary	2,128,239	2,426,279	-	(1,112,837)
Transfers-capital assets	-	-	-	-
Total governmental activities	<u>\$ 107,644,758</u>	<u>\$ 116,083,372</u>	<u>\$ 132,738,247</u>	<u>\$ 136,402,347</u>
Business-type activities:				
Franchise fees	\$ 305,907	\$ -	\$ -	\$ -
Investment income	1,685,867	2,549,696	2,448,108	2,063,618
Transfers-monetary	(2,128,239)	(2,426,279)	(2,553,427)	1,112,837
Transfers-capital assets	-	-	-	-
Total business-type activities	<u>(136,465)</u>	<u>123,417</u>	<u>(105,319)</u>	<u>3,176,455</u>
Total primary government	<u>\$ 107,508,293</u>	<u>\$ 116,206,789</u>	<u>\$ 132,632,928</u>	<u>\$ 139,578,802</u>
CHANGES IN NET POSITION				
Governmental activities	\$ 29,833,717	\$ 44,737,722	\$ 31,728,892	\$ 24,426,323
Business-type activities	<u>9,216,239</u>	<u>10,817,558</u>	<u>7,408,016</u>	<u>10,981,468</u>
Total primary government	<u>\$ 39,049,956</u>	<u>\$ 55,555,280</u>	<u>\$ 39,136,908</u>	<u>\$ 35,407,791</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ (113,819,309)	\$ (134,377,948)	\$ (137,837,432)	\$ (132,563,296)	\$ (133,284,742)	\$ (145,079,924)
2,530,266	7,982,354	8,754,843	3,967,496	6,072,823	9,937,196
<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>	<u>\$ (135,142,728)</u>
\$ 75,091,425	\$ 71,554,937	\$ 70,153,052	\$ 71,785,225	\$ 77,334,662	\$ 73,070,467
39,891,881	41,713,795	45,457,902	47,155,704	50,846,972	53,494,773
1,232,928	1,332,984	1,332,259	1,488,871	1,550,172	1,713,865
12,060,211	13,492,977	12,902,516	12,811,696	13,315,452	14,089,158
1,844,371	1,341,476	1,004,777	437,770	652,067	1,609,156
-	-	-	-	-	-
-	-	-	-	-	-
(1,542,012)	5,625,851	3,167,893	5,390,831	4,267,277	2,428,935
367,154	-	120,654	-	19,096	(25,800)
<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>	<u>\$ 146,380,554</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
425,937	6,343	5,579	4,242	1,021	1,750
1,542,012	(5,625,851)	(3,167,893)	(5,390,831)	(4,267,277)	(2,428,935)
(367,154)	-	(120,654)	-	(19,096)	25,800
<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>(2,401,385)</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>	<u>\$ 143,979,169</u>
\$ 15,126,649	\$ 684,072	\$ (3,698,379)	\$ 6,506,801	\$ 14,700,956	\$ 1,300,630
4,131,061	2,362,846	5,471,875	(1,419,093)	1,787,471	7,535,811
<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>	<u>\$ 8,836,441</u>

(concluded)

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

	FISCAL YEAR			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL FUND				
Reserved	\$ 1,202,824	\$ 978,032	\$ 769,535	\$ 576,286
Unreserved/Unassigned	23,797,074	24,474,441	23,517,200	29,769,771
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Total general fund	<u>\$ 24,999,898</u>	<u>\$ 25,452,473</u>	<u>\$ 24,286,735</u>	<u>\$ 30,346,057</u>
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 20,495,695	\$ 9,009,855	\$ 9,713,094	\$ 13,783,052
Unreserved, reported in:				
Special revenue funds	23,834,504	51,481,507	152,319,219	69,553,793
Capital projects funds	17,522,013	36,334,868	36,672,982	75,403,545
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Total all other governmental funds	<u>\$ 61,852,212</u>	<u>\$ 96,826,230</u>	<u>\$ 198,705,295</u>	<u>\$ 158,740,390</u>

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

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 306,798	\$ -	\$ -	\$ -	\$ -	\$ -
29,794,717	29,186,299	25,938,708	27,346,027	22,961,626	26,212,186
-	-	1,035	3,545	16,627	4,938
-	-	-	-	-	426,948
-	-	524,836	130,240	-	241,704
-	1,407,704	1,449,177	1,336,996	1,137,119	862,870
<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>	<u>\$ 27,748,646</u>
\$ 11,783,598	\$ -	\$ -	\$ -	\$ -	\$ -
39,727,431	-	-	-	-	-
60,591,611	-	-	-	-	(3,278,557)
-	265,296	98,473	41,103	30,775	31,655
-	89,928,651	70,226,080	81,264,054	96,095,975	84,657,833
-	34,061,536	26,402,391	28,992,783	24,920,817	43,220,248
<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>	<u>\$ 124,631,179</u>

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

	FISCAL YEAR			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES				
Taxes	\$ 85,051,098	\$ 94,529,349	\$ 109,658,169	\$ 116,142,863
Licenses, fees, and permits	18,962,716	14,221,385	14,300,656	14,767,427
Fines and penalties	5,537,867	5,807,484	5,615,462	6,342,727
Charges for services	7,537,479	8,466,964	11,648,865	11,488,375
Special assessments	980,999	1,379,597	-	-
Intergovernmental	31,315,423	26,598,586	30,132,609	26,343,441
Investment income	4,620,911	7,391,922	7,239,258	6,472,181
Other revenues	9,195,418	25,059,295	15,655,620	10,735,637
Total revenues	<u>163,201,911</u>	<u>183,454,582</u>	<u>194,250,639</u>	<u>192,292,651</u>
EXPENDITURES				
Current operations:				
Support services	12,875,349	17,431,881	14,740,779	14,778,861
Public safety services	49,046,924	54,033,347	59,110,908	59,391,711
Recreation and leisure services	13,194,080	14,769,610	17,039,606	20,392,873
Development services	40,658,989	37,067,631	48,283,183	47,383,981
Capital outlay	43,035,692	29,577,246	62,450,315	92,227,467
Debt service:				
Principal retirement	9,079,928	9,632,819	13,268,068	15,331,241
Interest	7,333,210	8,350,646	10,693,686	12,635,091
Total expenditures	<u>175,224,172</u>	<u>170,863,180</u>	<u>225,586,545</u>	<u>262,141,225</u>
Excess of revenues over (under) expenditures	<u>(12,022,261)</u>	<u>12,591,402</u>	<u>(31,335,906)</u>	<u>(69,848,574)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in-monetary	21,651,931	29,302,328	51,850,485	63,865,188
Transfers out-monetary	(19,402,662)	(28,036,960)	(49,205,367)	(64,214,176)
Insurance recovery	-	-	-	-
Proceeds from sale of capital assets	71,784	12,410	-	500,660
Premium (discount) on debt issued	27,700	97,413	61,992	146,319
Bonds issued	13,166,250	21,460,000	129,440,000	35,645,000
Refunding bonds issued	-	-	17,278,000	-
Payment for refunded debt - escrow agent	-	-	(17,161,031)	-
Sale of assets held for resale	-	-	-	-
Total other financing sources	<u>15,515,003</u>	<u>22,835,191</u>	<u>132,264,079</u>	<u>35,942,991</u>
Net change in fund balances	<u>\$ 3,492,742</u>	<u>\$ 35,426,593</u>	<u>\$ 100,928,173</u>	<u>\$ (33,905,583)</u>
Debt service as a percentage of noncapital expenditures	12.4%	12.7%	14.7%	16.5%

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 116,814,717	\$ 114,587,907	\$ 117,208,804	\$ 122,360,903	\$ 128,787,756	\$ 128,207,593
14,667,062	16,136,711	15,606,264	15,799,334	16,471,810	17,352,029
7,311,853	6,987,287	8,074,797	9,918,968	10,473,823	9,798,424
12,497,178	12,961,293	13,655,483	13,619,154	14,463,192	14,287,686
-	-	-	-	-	-
38,692,557	39,462,880	35,616,500	37,762,890	34,880,224	31,111,904
1,767,720	1,341,476	1,004,777	437,770	652,067	1,609,156
7,707,687	10,064,673	9,637,107	9,741,528	12,368,101	10,970,976
<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>	<u>213,337,768</u>
13,793,906	14,078,101	14,546,500	15,198,818	17,393,309	19,515,388
63,301,812	62,850,732	65,260,700	69,057,285	74,367,544	76,078,091
19,086,560	18,595,333	17,481,772	18,222,070	18,696,893	19,945,357
50,416,087	48,594,485	59,915,550	55,630,019	54,303,083	55,135,690
65,612,028	18,510,959	43,651,279	30,121,392	37,150,344	24,098,471
29,423,291	28,993,944	32,623,895	18,937,175	21,405,848	35,113,211
10,841,888	10,259,783	9,715,824	9,025,740	8,488,435	9,005,312
<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>238,891,520</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>	<u>(25,553,752)</u>
60,024,949	34,365,960	45,615,427	26,611,384	35,849,365	23,465,832
(61,757,480)	(28,708,944)	(42,447,534)	(22,220,553)	(31,582,088)	(20,965,643)
-	-	-	-	-	988,199
505,123	559,843	718,718	583,943	838,163	605,696
36,940	253,855	2,664,794	1,627,265	486,234	2,551,554
7,425,000	7,000,000	7,960,000	15,285,000	14,165,000	26,125,000
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>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>32,770,638</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>	<u>\$ 7,216,886</u>

21.5%

21.4%

21.2%

15.0%

15.4%

20.5%

**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
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
2015	6,201,569,638	6,694,589,531	2,337,701,387	10,558,457,782

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

Direct Tax Rate	Actual Taxable Value	Percentage of Actual Taxable Value
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%
0.669998	10,558,457,782	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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
OVERLAPPING RATES				
City of Grand Prairie	0.669998	0.669998	0.669998	0.669998
Grand Prairie School District	1.629700	1.465000	1.465000	1.465000
Arlington School District	1.610000	1.278000	1.272000	1.272000
Cedar Hill School District	1.743300	1.400000	1.500000	1.400000
Irving School District	1.644000	1.348500	1.391000	1.425000
Mansfield School District	1.687500	1.450000	1.750000	1.450000
Midlothian School District	1.697500	1.367500	1.407500	1.397500
Dallas County	0.213900	0.228100	0.228100	0.228100
Dallas County Community College District	0.081000	0.080400	0.089400	0.094900
Dallas County Hospital District	0.254000	0.254000	0.254000	0.274000
Dallas County Flood Control District	2.835540	2.835540	2.835540	2.835540
Grand Prairie Met Utl & Reclam Dist.	2.050000	2.050000	2.140000	2.180000
Ellis County	0.349500	0.364598	0.360091	0.360091
Johnson County	0.369004	0.356962	0.306708	0.300590
Tarrant County	0.271500	0.266500	0.264000	0.264000
Tarrant County Hospital District	0.235397	0.230397	0.227897	0.227897
Tarrant County Junior College District	0.139380	0.139380	0.137960	0.137670
CITY DIRECT RATES				
Operations & Maintenance	0.474711	0.481500	0.484892	0.484892
Interest & Sinking	0.195287	0.188498	0.185106	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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998
1.465000	1.465000	1.465000	1.465000	1.465000	1.595000
1.335000	1.305500	1.301000	1.292170	1.348110	1.412952
1.440000	1.440000	1.440000	1.525000	1.525000	1.525000
1.465000	1.465000	1.465000	1.465000	1.435000	1.445000
1.496000	1.496000	1.540000	1.540000	1.527100	1.510000
1.397500	1.540000	1.540000	1.540000	1.540000	1.540000
0.243100	0.243100	0.243100	0.243100	0.243100	0.243100
0.099230	0.099670	0.119375	0.124700	0.124775	0.123650
0.271000	0.271000	0.271000	0.278000	0.286000	0.286000
2.835540	2.900000	3.050000	2.750000	2.750000	2.650000
2.120000	2.065000	0.600000	0.600000	0.600000	0.600000
0.360091	0.380091	0.380091	0.380091	0.380091	0.380091
0.327500	0.330500	0.333229	0.365000	0.405400	0.407700
0.264000	0.264000	0.264000	0.264000	0.264000	0.264000
0.227897	0.227897	0.227897	0.227897	0.227897	0.227897
0.137640	0.148970	0.148970	0.149500	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 NINE YEARS AGO**

<u>Taxpayer</u>	<u>2015</u>			<u>2006</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	\$ 135,238,467	1	1.22%	\$ -	-	-
Poly America LP	129,187,240	2	1.16%	-	-	-
Bell Helicopter-Textron	119,469,350	3	1.08%	78,797,670	2	0.95%
Duke Realty LTD PS	74,059,502	4	0.67%	-	-	-
Lockheed Martin	74,037,288	5	0.67%	104,696,099	1	1.26%
Prologis	61,683,685	6	0.56%	42,526,198	7	0.51%
Catellus Dev/Comm Group LLC	48,180,584	7	0.43%	42,797,384	6	0.52%
Mars Partners LTD	46,511,681	8	0.42%	-	-	-
Oncor Electric Delivery Co.	46,381,426	9	0.42%	-	-	-
Towns of Riverside TIC 27 ETAL	42,700,000	10	0.38%	28,400,000	9	0.34%
Vought Aircraft Industries	-	-	-	-	-	-
Texas Utilities Electric Co.	-	-	-	63,566,910	3	0.77%
Southwestern Bell/Cingular	-	-	-	48,384,800	4	0.58%
Republic Beverage	-	-	-	45,561,150	5	0.55%
Hanson Pipe & Products	-	-	-	28,293,260	10	0.34%
Walmart Stores	-	-	-	32,108,950	8	0.39%
Alpha-Barnes	-	-	-	-	-	-
Total	<u>\$ 777,449,223</u>		<u>7.01%</u>	<u>\$515,132,421</u>		<u>6.21%</u>

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
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%	503,950	65,906,844	99.94%
2015	70,741,456	70,642,418	99.86%	-	70,642,418	99.86%

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	Sales Tax Revenue	Certificates of Obligation	Issuance Premium/ Discounts Net	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Issuance Premium/ Discounts Net
	Bonds	Bonds	Obligation	Net	Bonds	Bonds	Obligation	Net
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
2015	80,715,000	20,670,000	133,235,000	5,921,533	55,630,000	-	1,450,000	1,086,319

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
\$ 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%	1,771
311,621,231	0.02%	1,719
298,707,852	0.02%	1,636

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

Year	General Bonded Debt Outstanding			Total	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund			
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%	1,156
2014	90,845,001	123,210,000	10,501,572	203,553,429	2.07%	1,123
2015	80,715,000	134,685,000	10,753,895	204,646,105	1.94%	1,121

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, 2015**

<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	\$ 759,612,485	17.75%	\$ 134,831,216
Cedar Hill Independent School District	125,306,121	3.32%	4,160,163
Dallas County	84,725,000	2.76%	2,338,410
Dallas County Community College District	321,510,000	2.76%	8,873,676
Dallas County Flood Control District #1	27,750,000	1.63%	452,325
Dallas County Hospital District	728,005,000	2.76%	20,092,938
Dallas County Schools	60,215,000	2.76%	1,661,934
Ellis County	45,821,262	0.16%	73,314
Grand Prairie Independent School District	441,586,279	91.05%	402,064,307
Irving Independent School District	494,412,809	0.78%	3,856,420
Mansfield Independent School District	788,320,000	10.21%	80,487,472
Midlothian Independent School District	238,328,978	1.04%	2,478,621
Tarrant County	333,795,000	3.99%	13,318,421
Tarrant County Hospital District	23,440,000	3.99%	935,256
Subtotal, overlapping debt			<u>675,624,473</u>
City direct debt*	216,410,000	100.00%	<u>216,410,000</u>
Total direct and overlapping debt			<u><u>\$ 892,034,473</u></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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 189,433,981	\$ 207,066,179	\$ 230,226,734	\$ 243,939,492
Total net debt applicable to limit	<u>118,410,646</u>	<u>124,781,713</u>	<u>140,806,849</u>	<u>154,308,664</u>
Legal debt margin	<u>\$ 71,023,335</u>	<u>\$ 82,284,466</u>	<u>\$ 89,419,885</u>	<u>\$ 89,630,828</u>
Total net debt applicable to the limit as a percentage of debt limit	62.51%	60.26%	61.16%	63.26%

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

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 239,442,989	\$ 232,206,388	\$ 236,073,539	\$ 234,345,579	\$ 246,059,063	\$ 263,961,445
150,792,741	148,895,469	134,681,529	135,582,645	138,051,429	151,103,105
<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>	<u>\$ 112,858,340</u>
62.98%	64.12%	57.05%	57.86%	56.10%	57.24%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	10,558,457,782
Debt limit (2.5% of assessed value)	263,961,445
Debt applicable to limit:	
General obligation bonds	161,857,000
Less: Amount set aside for repayment of general obligation debt	(10,753,895)
Total net debt applicable to limit	<u>151,103,105</u>
Legal debt margin	<u>\$ 112,858,340</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		
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	
2015	65,213,261	45,664,940	19,548,321	4,250,000	1,846,017	3.21	

- (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
\$ 4,906,292	\$ 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
6,752,015	2,247,772	3.00

**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%
2015	182,610	56,028	23,286	31.3	29,427	4.0%

Sources of Information: Estimated Population:
 City of Grand Prairie Department of Planning
 North Central 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 NINE YEARS AGO**

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Grand Prairie Independent School District	3,650	1	4.22%	2,900	1	3.33%
Lockheed Martin Missiles and Fire Control	2,500	2	2.89%	2,700	2	3.10%
Poly-America Inc.	2,000	3	2.31%	1,350	4	1.55%
City of Grand Prairie	1,250	4	1.44%	1,200	5	1.26%
Bell Helicopter-Textron	1,150	5	1.33%	1,100	6	1.25%
Lone Star Park at Grand Prairie	950	6	1.10%	1,400	3	1.61%
Triumph Aero Structures - Vought	950	7	1.10%			
Hanson Pipe & Products	950	8	1.10%	500	9	0.59%
Airbus Helicopters	850	9	0.98%			
Republic National Distributing	700	10	0.81%	500	10	0.57%
Vought Aircraft Industries, Inc.				500	8	0.61%
Siemens Energy And Automation, Inc.				600	7	0.69%
Total	<u>14,950</u>		<u>17.27%</u>	<u>12,750</u>		<u>14.56%</u>

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**

<u>Function/Program</u>	<u>Full-Time-Equivalent Employees as of September 30</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government and Administration										
City Manager's Office	8	8	10	10	9	8	8	8	8	7
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	6	7	10	7	8	7	8	8	8
Economic Development	-	-	-	-	-	-	-	-	-	-
Legal Services	4	4	5	5	5	5	6	6	7	8
Municipal Court	28	28	29	27	25	25	24	24	26	26
Judiciary	4	4	5	5	5	5	5	5	5	5
Human Resources	9	9	11	11	10	10	10	10	10	10
Finance	17	17	19	19	17	17	18	18	18	31
Information Technology	26	26	26	26	24	24	24	24	28	30
Planning and Development	61	61	60	59	52	46	46	45	45	38
Public Works	66	66	67	66	61	61	61	61	61	61
Transportation	8	8	8	9	8	8	8	8	8	9
Fire	198	209	209	215	203	208	209	210	209	228
Police	302	316	327	352	343	352	368	380	379	408
Building and Construction Management	1	1	1	1	1	1	1	1	1	2
Environmental Services	18	19	21	21	20	20	20	21	22	29
Library	31	31	32	38	36	32	31	29	29	28
Parks and Recreation	121	121	123	174	164	156	157	154	194	180
Grants	48	44	42	46	45	48	58	59	61	53
Enterprise Operations and Administrations										
Water/Wastewater	94	96	100	101	104	104	110	110	112	113
Solid Waste	28	30	32	34	33	34	34	34	34	44
Airport	5	5	5	5	5	5	5	5	6	6
Golf	20	20	20	25	21	19	18	19	29	28
Storm Water	2	6	6	6	6	6	6	7	7	7
Internal Service Operations										
Equipment Services	17	17	17	17	15	15	15	16	16	17
Risk Management	2	2	1	1	1	1	1	1	1	1
Total	<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>	<u>1,383</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</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)	589	589	600	600
Acreage	52,096	52,096	52,096	51,108
Public parks	54	57	57	57
Baseball/softball diamonds	24	25	25	25
Soccer/football fields	18	21	21	21
Community/recreation centers	5	5	5	5
Public golf courses	2	2	2	2
Public swimming pools	5	4	4	4
Libraries	3	3	3	3
Cemetery	1	1	1	1
Water				
Water connections	58,286	60,187	61,365	62,190
Daily consumption (millions of gallons)	27.00	24.30	25.60	25.50
Wastewater				
Daily flow (millions of gallons)	15.40	15.80	14.10	14.40
Airports	1	1	1	1
Transit—minibuses	12	15	12	12

Source of Information: Various City departments.

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
1	1	2	1.5	1.5	1.5
1	1	1	1	1	1
3	2	3	4	3	3
9	10	9.5	9.5	9.5	9.5
622	588	594	594	641	642
51,105	51,108	51,108	51,954	51,954	51,954
57	57	57	57	57	57
25	25	25	25	25	25
21	21	21	21	21	21
8	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
62,077	63,289	63,250	64,154	64,696	65,808
22.90	27.90	23.90	23.50	23.02	23.17
15.50	16.30	16.20	14.23	14.11	19.58
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	DALLAS WATER UTILITIES WATER PURCHASES			TRINITY RIVER AUTHORITY WASTEWATER TREATMENT		
	VOLUME	DEMAND	TOTAL	O&M	DEBT SERVICE	TOTAL
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
2015	2,561,969	7,547,810	10,109,779	5,774,796	8,060,760	13,835,556

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
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
6,750	387,511

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

<u>Function</u>	<u>FISCAL YEAR</u>			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Police				
911 calls received *	152,348	148,089	156,822	151,981
Non-emergency calls *	160,846	149,361	157,132	138,225
Calls for service *	133,232	136,435	130,532	127,776
Jail Arrests *	6,493	6,611	7,059	10,204
Fire				
Total Fire and EMS calls *	15,060	15,904	15,678	15,589
Fire response calls for structure fires *	384	263	249	217
Street				
Number of miles of overlay streets	26	17	8	5
Number of street defects repaired	6,802	22,513	14,502	24,112
Number of linear ft of sidewalk repaired	17,706	9,645	40,499	12,135
Solid Waste				
Landfill refuse collected (tons)	177,929	187,349	180,855	168,387
Recyclables collected (tons)	6,058	6,228	6,081	6,288
Water				
Average Daily consumption (thousands of gallons)	27,042	24,265	25,434	25,732
Wastewater				
Average daily sewage treatment (thousands of gallons)	15,418	15,787	14,303	14,501

Source of Information: Various City departments.

* In calendar year

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
142,342	144,189	141,924	142,641	145,571	129,159
141,120	114,055	105,123	99,831	101,626	116,685
144,256	150,244	235,947	233,997	243,443	245,844
7,152	10,869	10,637	10,403	12,201	9,016
15,589	16,817	16,540	16,999	16,912	17,827
217	237	190	197	180	192
6	5	9	6	6	5
31,973	25,181	25,628	16,436	13,061	27,537
25,158	21,113	31,962	20,440	14,712	12,061
163,080	162,358	164,031	162,755	165,586	182,287
5,145	4,881	4,853	5,012	5,172	4,948
22,893	27,884	23,928	23,500	23,023	23,170
15,518	16,347	16,164	14,234	14,109	19,859



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