# CITY OF LEWISVILLE, TEXAS

151 W. Church Street
Lewisville, Texas 75029
972-219-3400

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the period ending September 30, 2013

LEWISVILLE
Deep Roots. Broad Wings. Bright Future.

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

# CITY OF LEWISVILLE, TEXAS

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

*for the fiscal year ended September 30, 2013*

Prepared by the
FINANCE DEPARTMENT

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

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# INTRODUCTORY SECTION

LEWISVILLE

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March 14, 2014

To the Honorable Mayor,
Members of the City Council,
and Citizens of the City of Lewisville, Texas:

The Comprehensive Annual Financial Report (CAFR) of the City of Lewisville, Texas, for the year ended September 30, 2013, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner to fairly represent the financial position and results of operations of the City and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. The CAFR for the year ended September 30, 2013, is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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

City of Lewisville • Finance Department
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# GENERAL INFORMATION – CITY OF LEWISVILLE

The City of Lewisville is geographically located north of the hub of the ten-county metropolitan area containing Dallas and Fort Worth, Texas. The City is characterized as a predominantly suburban residential community situated in the growth corridor linking the Dallas/Fort Worth International Airport (Tarrant County) through Lewisville (Denton County) to cities in east Collin County. Lewisville shares the metroplex economy based primarily on commerce, tourism, manufacturing, and finance.

The City of Lewisville was incorporated in 1925. The current charter was adopted in 1963 and amended as recently as September 2004. Lewisville is a home-rule city and operates under the Council-Manager form of government. The City Council is comprised of the Mayor and five members and is responsible for enacting ordinances, resolutions and regulations governing the City. In addition, the City Council appoints the members of various boards and commissions, the City Manager, City Attorney, City Judge, and City Secretary. As chief administrative officer, the City Manager is responsible for implementing Council policies, overseeing municipal operations, and appointing and supervising the various department directors.

The City provides the full range of municipal services as authorized by statute or charter. This includes public safety (police and fire), streets, water and sewer utilities, sanitation, health and social services, parks and leisure services, public improvements, community development with planning and zoning, tourism and general administrative services.

In addition, the City of Lewisville has organizations called component units. Component units are legally separate organizations for which the elected officials of the City of Lewisville are financially accountable. At September 30, 2013, the component units for the City of Lewisville are:

- Lewisville Housing Finance Corporation
- Lewisville Industrial Development Authority, Inc.
- Lewisville Parks and Library Development Corporation
- Tax Increment Reinvestment Zone Number 1, City of Lewisville, Texas (also known as Old Town TIF)
- Tax Increment Reinvestment Zone Number 2, City of Lewisville, Texas
- City of Lewisville Health Benefit Trust
- Lewisville Local Government Corporation
- Lewisville Crime Control and Prevention District
- Lewisville Fire Control, Prevention, and Medical Services District

ECONOMIC CONDITIONS AND OUTLOOK

The City of Lewisville continues to experience positive annual population growth. Since 2000, Lewisville's population has increased 27.9% from 77,737 to an estimated 99,453 in 2013. Estimates are for residential population to be approximately 111,000 at the time of build-out around 2030.

With Lewisville's continued pro-business policies, the City maintains its economic prosperity. Highlights include:

- Majestic Airport Center is a 160-acre, master-planned business park that will total more than 3 million square feet of Class A warehouse and distribution facilities in seven buildings. Phase I is complete, which includes DFW's first 1 million square foot speculative industrial building. Kellogg relocated their southwest regional distribution facility to Majestic Airport Center, occupying 1 million square feet and creating 300 new jobs. Jafra Cosmetics and Cabin Innovations currently occupy the development, taking advantage of the Foreign Trade Zones and Triple Freeport exemption in place. Hagemeyer North America Inc, Sonexus Health, and Ranger Air Aviation are the newest additions to the Majestic Airport Center. Planning is underway for a fifth building on approximately 60 acres and a new 1 million square foot warehouse/flex space facility is currently under construction.

- Valley Parkway Distribution Center, a 500,000 square foot warehouse and distribution facility, located at the corner of Valley Parkway and Ace Lane was completed in 2013.

- At Lewisville West shopping center, Birmingham Management began their five million dollar revitalization of the center.

- Prime Controls expanded their operations to a new 85,000 square foot facility in Waters Ridge, moving 150 employees.

- A#1 Air located their new headquarters in the 64,000 square foot facility formerly known as McKesson.

- IPeople expanded to a 15,000 square foot building, growing to 75 employees.

- The City of Lewisville continues to revitalize Old Town Lewisville. The Old Town Tax Increment Reinvestment Zone was created in December 2001, with participation between the City and Denton County. Tax increment revenues from the Zone will be used to finance infrastructure improvements and public facilities to stimulate revitalization of Old Town. Projects to date include parking improvements, wayfinding, infrastructure needs studies, sidewalk enhancements, beautification projects, and the Medical Center of Lewisville Grand Theater (MCL Grand Theater). Uptown Village, a new townhome project, broke ground in Old Town in 2013. The project will have 68 new townhome units and an amenity center with price ranges from $160,000 to $180,000.

  New mixed use projects, including residential units, are anticipated to be constructed in the zone in the next few years. The Zone will expire in 2028. Additionally, the below items are worth noting:

  - Immediately east of the MCL Grand Theater and across from City Hall, a public park is under construction. The park space will include a great lawn for events, projection water wall, pop-up water fountains, playground, and a history walk. The project is estimated to be complete in July 2014.

- Streetscape improvements along the Main and Mill Streets corridors were approved for regional grant funding. This project will create pedestrian and bike amenities to encourage walking and biking to the DCTA rail station in Old Town Lewisville. The design contract has been awarded and construction is anticipated to begin in 8 months.

# MAJOR INITIATIVES

**Tax Increment Reinvestment Zone Number 2**—This zone was created in October 2008, with participation between the City and Denton County. Tax increment revenues from the Zone will be used to finance infrastructure improvements for a 427 acre mixed-use development. The development, also known as Hebron 121 Station, is at the northeast corner of I-35E and SH-121 Tollway. The project will consist of urban residential, retail, recreation, and entertainment uses. The Denton County Transit Authority (DCTA) A-Train Station was completed in June 2011. The first phase of Hebron 121 Station, a multifamily project, has 150 fully leased units. An additional 452 units and a large amenity center are under construction. The City has started the design for a bridge over Timber Creek to connect the project to the I-35E frontage road. The Zone will expire in 2038.

**Metropolitan Transit System**— DCTA has worked since its formation in 2001 to connect Lewisville to the DFW commuter rail network. Lewisville was one of three cities in which voters approved funding the DCTA through a half-cent sales tax in September of 2003. The DCTA network, called the A-train, has been operational since June of 2011. Lewisville has completed master plans for the areas surrounding each of these three stations. The most notable plan, the Lake Lewisville Master Plan, was recognized by the Urban Land Institute in 2009, due in large part to its unique combination of lake frontage, commuter rail, and adjacency to an interstate highway. Wynne Jackson has completed a consolidated plan for the property and has exercised their right to be retained as the master developer for the six month period ending April 2014.

**Other Major Roadway Projects**—Interstate Highway 35E is scheduled to be widened from 10 to 16 lanes between I-635 and US Highway 380. The expansion will include free lanes, managed/tolled lanes, and additional new frontage lanes. The State of Texas continues to identify funding and has begun purchasing right-of-way for the expansion. The City is completing a two year project for a Corridor Redevelopment Plan to guide public improvements, private developments, business retention, and new business recruitment along the corridor. An extension of the plan, the I-35E Branding Plan, was developed to create aesthetic treatments and non-vehicular travel options at highly visible overpasses and underpasses.

**Brownfield Development**— Lewisville has implemented a Brownfield Assessment Program, funded by a $400,000 grant from the U.S. Environmental Protection Agency, to help plan for and initiate redevelopment. Revitalizing older areas with existing hazardous or petroleum related uses typically involves overcoming environmental challenges. The program is designed to address these issues, and has been integrated with the redevelopment planning initiatives in Old Town and along the I-35E corridor.

To date, eleven Phase I and ten Phase II environmental site assessments have been funded through the grant in addition to cleanup planning for three sites. Investigation efforts have facilitated the redevelopment of the Old Orchard Shopping Center and accelerated evaluation of the K & W Auto Supply property, which was found to have leaking underground petroleum storage tanks. The program has also funded evaluation of the Lewisville Shopping Center and the Feed Mill, both of which are considered catalysts for the revitalization of Old Town. The grant for this program expires in early 2014, and the city has applied for a subsequent grant to continue Brownfield assessments.

**Residential Growth**— During the year, 190 building permits were issued for single-family residences and 36 for multi-family buildings totaling 936 units. Of particular interest:

- Aura in Castle Hills provides for 316 apartment units at the northeast corner of State Highway 121 and FM 544. The Castle Hills Golf Course Villas propose 44 single family units.

- Settler's Village Phase II is a development by Ashton Woods Homes and will consist of over 230 upscale two and three story townhomes. The development is located south of FM 3040 between Rockbrook Drive and MacArthur Boulevard.

- Brookside is a development located on the west side of SH 121 along Southwest Parkway. When completed, Brookside will have 40 new single family detached homes.

- The final units of the Brownstones at Vista Ridge, a 105 unit townhome development, are being completed along Rockbrook Drive.

- Construction has begun on the Manors at Vista Ridge for a 75 unit townhome development on the southeast corner of MacArthur Boulevard and Vista Ridge Mall Drive.

- The Preserve at Vista Ridge broke ground recently on a 27 unit townhome development on Old Denton Road near Highland Drive.

# FINANCIAL INFORMATION

**Financial Policies**—The City of Lewisville has adopted (with City Council approval) formal written financial policies and administrative directives. These include, among others, policies and directives for Audit, Revenue Management, Expenditure Control, Financial Reserve/Fund Balance Levels, Debt Management, Post Issuance Compliance for Tax-Exempt Obligations, Investments, and Budget Transfers. Policies are reviewed and amended regularly.

**Accounting Procedures and Budgetary Controls**—The City's accounting records for general governmental funds are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's water and sewer utility and other proprietary activities are maintained on the accrual basis.

The legal level of budgetary control is at the fund level. Budgetary control is maintained at the fund level with encumbrances entered at the time a purchase requisition is approved. Open encumbrances are recorded as assignments of fund balance as of September 30 of each year, and the subsequent year's budget is increased in December or January of each year to reflect these carried-forward encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year.

The budgetary process begins each year with the preparation of both current and proposed year revenue and expenditure estimates by the City's financial management staff with input from each City department. Budgets are reviewed by the City Manager who then makes final decisions and submits a recommended budget to the City Council. The proposed budget is reviewed extensively by the City Council, a process that includes a Charter-mandated public hearing, in addition to a work session, which is open to the public. The City Charter requires adoption of the City budget prior to the beginning of the fiscal year.

While the budget is developed and controlled at the departmental level, appropriations are made at the fund level. An ordinance establishes the budget for operating expenditures, debt service payments and use of reserves, while a separate ordinance establishes the property tax rate.

As part of each year's budget development process, departments are required to update revenue and expenditure estimates for the current fiscal year. These estimates are reviewed by the Budget and Research Director, the City Manager, and the City Council concurrent with review of the proposed budget. This re-estimated budget may require a supplemental appropriation and, if so, such supplemental appropriation is approved by ordinance adopted by the City Council prior to the end of the current fiscal year.

During the course of the fiscal year, expenditure controls are maintained by each department director with overall review exercised by the Budget and Research Director and the City Manager. Monthly revenue and departmental expenditure reports are generated by an automated management accounting system and provide expenditure totals and encumbrances at the line-item level for the most recently completed month, as well as a year-to-date total, and an actual versus planned rate of expenditure. Major expenditure requests are reviewed by the Budget and Research Director prior to the encumbrance of funds.

Constant review of revenue and expenditure trends is maintained with specific responsibility assigned to the Budget and Research Director. Recommendations for corrective action are made to the City Manager (and to the City Council, if appropriate) as needed to ensure the integrity of the adopted budget.

**Tax Rates**—All eligible property within the City is subject to assessment, levy, and collection by the City of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under State law and provisions of the City Charter, the City is limited to a maximum tax rate of $2.50 per $100 assessed valuation. As shown below, the tax rate adopted by the City Council has historically been substantially lower than the maximum provided by law.

The allocation of the property tax levy by purpose (General Fund operations and Debt Service) for fiscal year 2013-14 and the preceding five fiscal years is reflected in the following table:

| Purpose | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 | 2008-09 |
|---|---|---|---|---|---|---|
| General Fund | 0.32289 | 0.32289 | 0.32289 | 0.32289 | 0.32156 | 0.32156 |
| Debt Service Fund | 0.11732 | 0.11732 | 0.11732 | 0.11732 | 0.11865 | 0.11865 |
| Total Tax Rate | 0.44021 | 0.44021 | 0.44021 | 0.44021 | 0.44021 | 0.44021 |

**Tax Appraisal/Collection Responsibilities**—Under Texas law enacted in 1979 and subsequent revisions to the State Property Tax Code, the appraised value of taxable property in Lewisville is established by the Central Appraisal District of the county in which the property exists. The City of Lewisville's jurisdiction is predominately in Denton County, but also extends into Dallas County. Therefore, both the Denton Central Appraisal District and the Dallas Central Appraisal District provide values based upon county lines. The City of Lewisville and other taxing jurisdictions in the counties provide a pro rata share of the budgeted expenditures incurred by the respective appraisal district based upon individual levy. In fiscal year 2012-13, the City's payments to the districts for appraisal services were $237,586, a decrease of $1,615, or 0.7%, from the amount paid by the City in 2011-12. Since October 1997, the City has contracted with Denton County for tax collection services. The 2012-13 cost was $19,972.

**Long-Term Financial Planning**—The City prepares a series of multi-year financial plans and forecasts that enable the City to reasonably predict future impacts on the government's financial position. For its two largest funds, the General Fund and the Water and Sewer Utility Fund, a five-year financial plan is prepared in addition to a five-year street and drainage program and a five-year water and sewer capital improvement project plan. In the age of rapid technological advances, a five-year strategic technology plan is prepared as well.

**Debt Administration**—Two ratios traditionally used to analyze the debt structure of municipalities are presented below. Revenue debt has been excluded since service and user charges made by utility system customers are used to retire such debt and no ad valorem tax proceeds are used for utility revenue bond debt service.

| | |
|---|---|
| Outstanding General Obligation and Certificate of Obligation Debt at 9-30-13 (Net of Debt Service) | $101,852,114 |
| Estimated Population | 99,453 |
| General Debt per Capita | $1,024 |
| Net General Debt per Assessed Value | 1.57% |

The City's underlying bond ratings at September 30, 2013 were as follows:

| | General Obligation | Revenue |
|---|---|---|
| Standard & Poor's | AAA | AAA |
| Fitch Ratings | AAA | AAA |

# OTHER INFORMATION

**Independent Audit**—According to Section 34 of the City Charter of the City of Lewisville, an annual independent audit is required to be made of the financial records of the City by a Public Accountant or Certified Public Accountant selected by the City Council. The City of Lewisville has engaged the firm of Weaver, L.L.P. and the opinion is included in this report.

It should be noted that the auditors included all funds in their audit, performed their audit in accordance with generally accepted auditing standards, and stated that, in their opinion, the statements herein present fairly, in all material respects, the financial position of the City at September 30, 2013, and the changes in financial position and cash flows, where applicable, for the year then ended in conformity with generally accepted accounting principles.

**Certificate of Achievement**—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 Lewisville for its Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Lewisville has received a Certificate of Achievement for the last 24 consecutive years (fiscal years ended 1989-2012). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgements**—The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Special appreciation is given to these staff members whose effort was instrumental in the publication of this comprehensive report.

Respectfully submitted,

Claude E. King
City Manager

Brenda Martin, CPA
Director of Finance

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Lewisville**

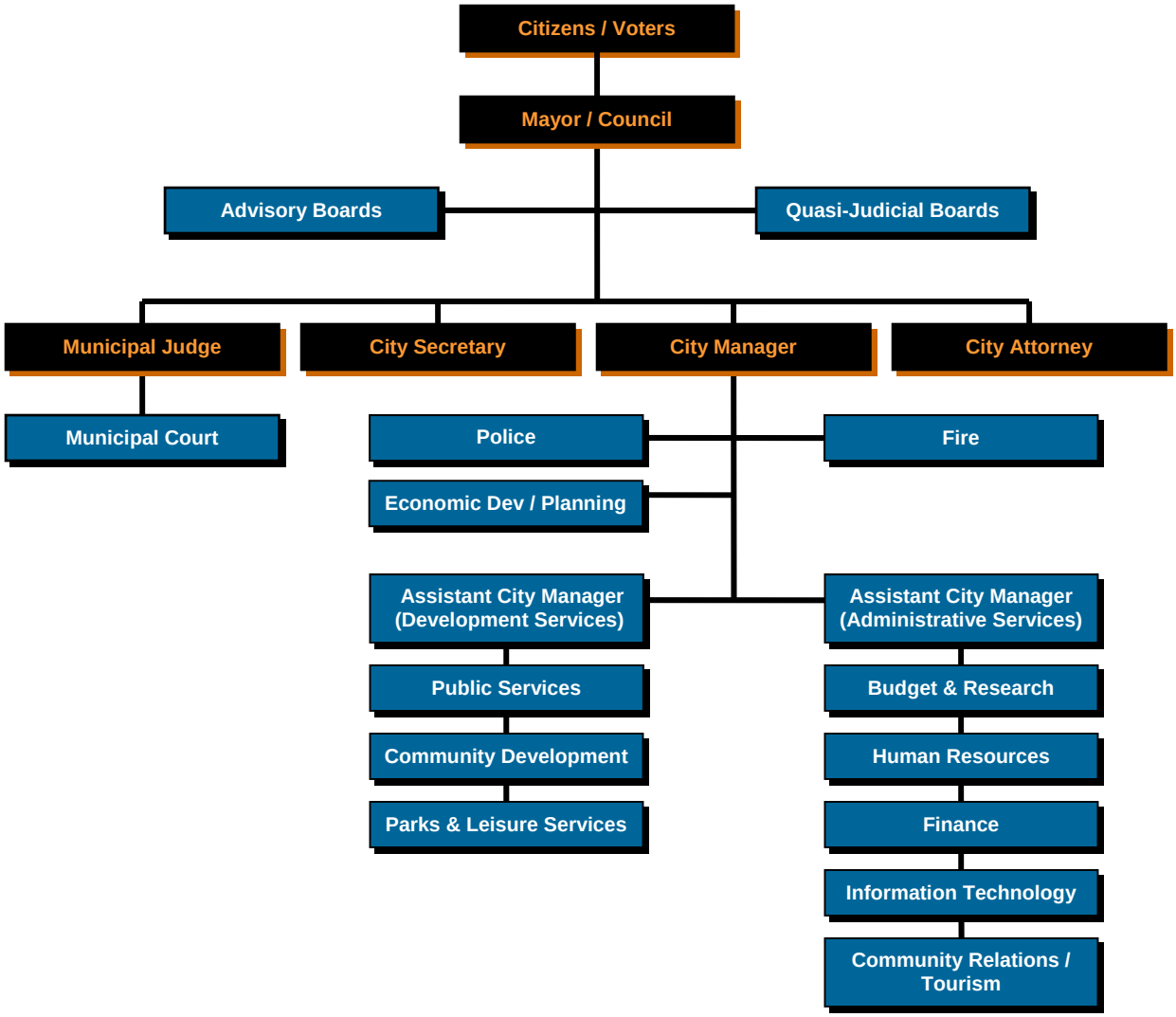
**Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**September 30, 2012**

Executive Director/CEO

# CITY OF LEWISVILLE, TEXAS – ORGANIZATIONAL CHART



**– Elected Officials –**

Mayor ..... Dean Ueckert
Mayor Pro Tem ..... Leroy Vaughn
Deputy Mayor Pro Tem ..... TJ Gilmore
Councilman ..... Rudy Durham
Councilman ..... Neil Ferguson
Councilman ..... Greg Tierney

**– Appointed Officials –**

City Manager ..... Claude E. King
City Secretary ..... Julie Heinze
City Attorney ..... Lizbeth Plaster
Municipal Judge ..... Brian S. Holman

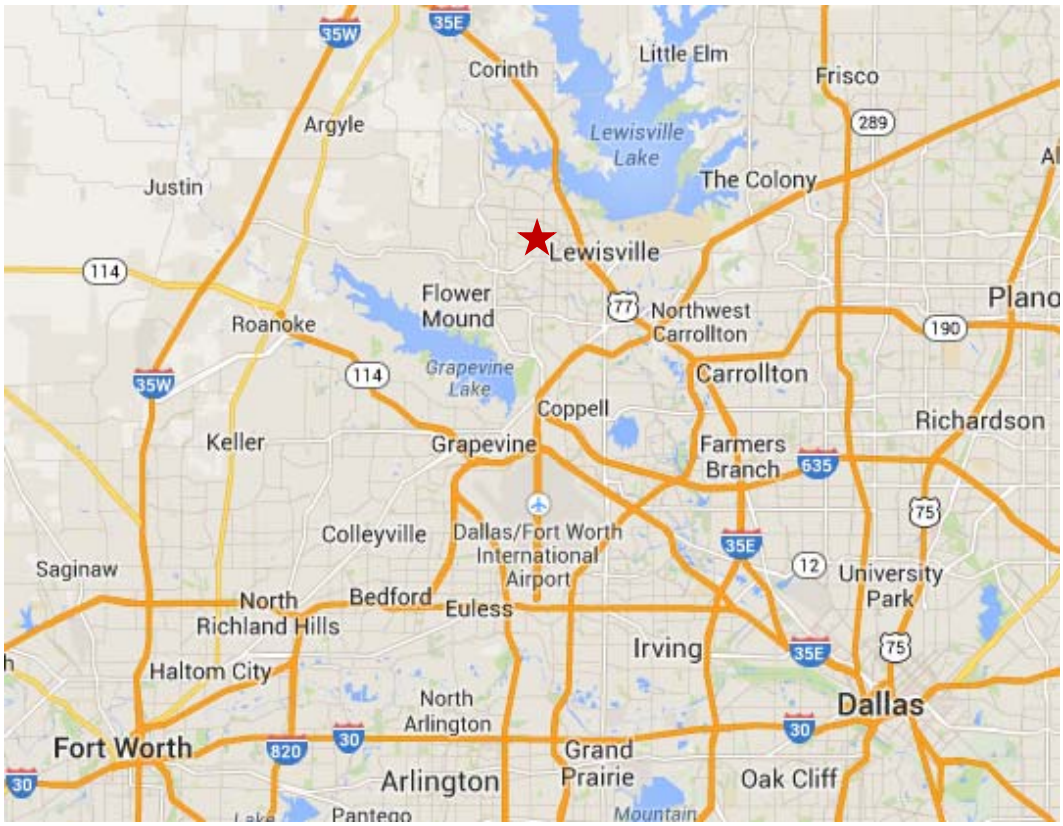
**– Assistant City Managers –**

Development Services ..... Steven L. Bacchus
Administrative Services ..... Donna Barron

**– Department Directors –**

Budget and Research ..... Gina Thompson
Community Development ..... Eric Ferris
Community Relations and Tourism ..... James Kunke
Economic Development ..... Nika Reinecke
Finance ..... Brenda Martin
Fire ..... Tim Tittle
Human Resources ..... Melinda Galler
Information Technology Services ..... Chris Lee
Parks and Recreation ..... Robert Monaghan
Police ..... Russell Kerbow
Public Services ..... Carole Bassinger

# AREA MAP


35W
35E
Corinth
Little Elm
Frisco
Argyle
Lewisville Lake
289
The Colony
Justin
Lewisville
114
Flower Mound
77
Northwest Carrollton
Plano
Roanoke
190
Grapevine Lake
Carrollton
35W
114
Coppell
Richardson
Keller
Grapevine
Farmers Branch
635
75
Colleyville
Dallas/Fort Worth International Airport
35E
12
University Park
Saginaw
North Richland Hills
Bedford
Euless
Irving
35E
75
Haltom City
North Arlington
Dallas
Fort Worth
820
30
30
Grand Prairie
30
Arlington
Oak Cliff
30
Pantego
Mountain

# FINANCIAL SECTION

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
City Council, and City Manager
City of Lewisville, TX

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lewisville (the City), as of and for the year ended September 30, 2013, 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 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, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2013, 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.

### *Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 16-27 and 81-82 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*

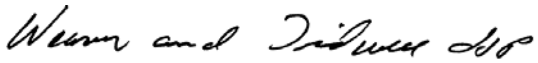
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section, are presented for purposes of 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 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 12, 2014, 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 12, 2014

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

This discussion and analysis of the City of Lewisville's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2013. Please read it in conjunction with the accompanying transmittal letter and the basic financial statements.

## FINANCIAL HIGHLIGHTS

- The assets of the City of Lewisville exceeded its liabilities at the close of the fiscal year ending September 30, 2013 by $583,277,351 (net position). Of this amount, $69,232,104 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The City of Lewisville's total net position increased by $5,883,965 for the year ended September 30, 2013.

- As of September 30, 2013, the City of Lewisville's governmental funds reported combined ending fund balances of $90,999,881, an increase of $12,164,156 in comparison with the prior fiscal year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $30,571,006 or approximately 51% percent of total general fund expenditures.

- The City's total outstanding bonds increased by $5,325,000 during the current fiscal year. In 2013, the City issued $12,455,000 of General Obligation Bonds and $5,205,000 of Waterworks and Sewer System Revenue bonds. The increase in additional debt was partially offset by amortization payments on existing debt.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the City of Lewisville's basic financial statements. The City of Lewisville'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 other supplemental information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City of Lewisville's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the City of Lewisville's assets and liabilities, with the difference between the two 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 of Lewisville is improving or deteriorating. The statement of net position combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, bridges, drainage improvements, alleys, etc.), to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods; for example, uncollected taxes and earned but not used vacation leave. Both the statement of net assets and the statement of activities are prepared utilizing the accrual basis of accounting.

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- *Governmental activities* – Most of the City's basic services are reported here, including the police, fire, library, community development, public services, information technology services, parks and leisure services, municipal court, tourism, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.

- *Business-type activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system is reported here.

- *Component units* – The City includes nine separate legal entities in its report –Lewisville Housing Finance Corporation, Lewisville Industrial Development Authority, Inc., Lewisville Parks and Library Development Corporation, Tax Increment Reinvestment Zone Number 1 (Lewisville Old Town), Tax Increment Reinvestment Zone Number 2, Lewisville Local Government Corporation, Health Benefit Trust, Lewisville Crime Control and Prevention District, and Lewisville Fire Control, Prevention, and Emergency Medical Services District. Although legally separate, these component units are important because the City is financially accountable for them.

**Reporting the City's Most Significant Funds**

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, or other money. The City's two types of funds – Governmental and Proprietary – utilize different accounting approaches.

*Governmental funds* – The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The City of Lewisville maintains twenty-one individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and the General Capital Projects Fund, all of which are considered to be major funds. Data from the other eighteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

*Proprietary funds* – The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business-type activities that are reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The internal service funds (the other component of proprietary funds) are utilized to report activities that provide supplies and services for the City's other programs and activities. Because these services benefit both governmental as well as business type functions, they have been included in both the governmental and business-type activities in the government-wide financial statements.

The City of Lewisville maintains one enterprise fund to account for water and sewer services provided to the City's retail and wholesale customers. All activities associated with providing such services are accounted for in this fund, including administration, operation, maintenance, debt service, capital improvements, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis are financed through user charges in a manner similar to a private business enterprise.

The City of Lewisville maintains three internal service funds to account for funds accumulated to self-insure for health, liability, property and casualty losses, worker compensation claims, life insurance, long-term disability, vehicle and equipment replacement and fleet maintenance. Individual fund data for each of these non-major business-type funds is provided in the form of combining statements elsewhere in this report.

**The City as Trustee**

Reporting the City's Fiduciary Responsibilities

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. The activities of these funds are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for its intended purpose.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information and a statistical section that is intended to assist users in assessing the economic condition of the City.

## THE CITY AS A WHOLE – Government-Wide Financial Analysis

The City's combined net position was $583,277,351 as of September 30, 2013. Analyzing the net position and net expenses of governmental and business-type activities separately, the business type activities net position is $223,682,558. This analysis focuses on the net position (Table 1) and changes in general revenues (Table 2) and significant expenses of the City's governmental and business-type activities.

By far the largest portion of the City's net position (86.0 percent) reflects its investment in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1: Net Position**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Current and other assets | $ 187,904,483 | $ 156,769,991 | $ 79,185,775 | $ 72,115,442 | $ 267,090,258 | $ 228,885,433 |
| Capital assets | 333,359,679 | 336,486,504 | 201,065,742 | 197,534,583 | 534,425,421 | 534,021,087 |
| Total assets | 521,264,162 | 493,256,495 | 280,251,517 | 269,650,025 | 801,515,679 | 762,906,520 |
| Noncurrent liabilities | 115,183,853 | 87,467,367 | 52,571,018 | 47,383,217 | 167,754,871 | 134,850,584 |
| Other liabilities | 46,485,516 | 47,078,779 | 3,997,941 | 3,583,771 | 50,483,457 | 50,662,550 |
| Total liabilities | 161,669,369 | 134,546,146 | 56,568,959 | 50,966,988 | 218,238,328 | 185,513,134 |
| Net position: | | | | | | |
| Net investment in capital assets | 314,990,028 | 298,329,672 | 186,611,050 | 181,437,600 | 501,601,078 | 479,767,272 |
| Restricted | 10,755,866 | 1,012,020 | 1,688,303 | 1,975,308 | 12,444,169 | 2,987,328 |
| Unestricted | 33,848,899 | 59,368,657 | 35,383,205 | 35,270,129 | 69,232,104 | 94,638,786 |
| Total net position | $ 359,594,793 | $ 358,710,349 | $ 223,682,558 | $ 218,683,037 | $ 583,277,351 | $ 577,393,386 |

## Governmental Activities

The City's general revenues increased when compared to the prior year by 10.6% or $6,858,058. The primary reasons for this increase were sales tax and property tax revenues. Sales tax revenue increased $4,784,189 (21.1%) from the prior year. Of this increase, $2,946,717 (61.6%) can be attributed to the voter approved Lewisville Crime Control and Prevention District and the Lewisville Fire Control, Prevention, and Emergency Medical Services District. Both districts began collecting one-eighth cent sales tax in April of 2012. Fiscal year 2013 was the first full year of tax collections for both districts. Assessed valuation of properties in the City increased by $199.7 million or 3.2% as compared to the prior year while the tax rate remained the same as 2012 at $0.44021 per $100 assessed valuation. Intergovernmental revenues in 2013 represent interest payments from the City's component unit for a long term note receivable. The changes in the City's general revenues are as follows (Table 2):

**Table 2: General Revenues and Transfers**

| | 2013 | 2012 | Increase (decrease) |
|---|---|---|---|
| Property taxes | $ 29,734,268 | $ 28,968,709 | $ 765,559 |
| Sales taxes | 27,451,139 | 22,666,950 | 4,784,189 |
| Hotel/motel taxes | 2,065,363 | 1,960,910 | 104,453 |
| Other taxes | 1,200,502 | 1,011,328 | 189,174 |
| Franchise taxes | 5,814,797 | 5,436,197 | 378,600 |
| Investment earnings | 210,934 | 365,045 | (154,111) |
| Intergovernmental | 624,125 | - | 624,125 |
| Gain on disposal of assets | 3,477 | 8,525 | (5,048) |
| Miscellaneous | 817,291 | 396,641 | 420,650 |
| Transfers | 3,735,515 | 3,985,048 | (249,533) |
| Total general revenues | $ 71,657,411 | $ 64,799,353 | $ 6,858,058 |

Governmental activities increased the City's net position by $884,444. The key elements of this increase are as follows:

**Table 3: Changes in Net Position**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 13,124,152 | $ 11,965,843 | $ 27,797,951 | $ 28,375,842 | $ 40,922,103 | $ 40,341,685 |
| Operating grants and contributions | 2,415,909 | 2,497,973 | - | - | 2,415,909 | 2,497,973 |
| Capital grants and contributions | 4,745,018 | 15,109,861 | 2,851,893 | 4,254,018 | 7,596,911 | 19,363,879 |
| General revenues: | | | | | | |
| Property taxes | 29,734,268 | 28,968,709 | - | - | 29,734,268 | 28,968,709 |
| Other taxes | 36,531,801 | 31,075,385 | - | - | 36,531,801 | 31,075,385 |
| Other | 1,655,827 | 770,211 | 324,102 | 312,851 | 1,979,929 | 1,083,062 |
| Total revenues | 88,206,975 | 90,387,982 | 30,973,946 | 32,942,711 | 119,180,921 | 123,330,693 |
| Expenses: | | | | | | |
| General government | 13,005,019 | 11,987,014 | - | - | 13,005,019 | 11,987,014 |
| Culture, parks, and recreation | 9,377,831 | 9,487,780 | - | - | 9,377,831 | 9,487,780 |
| Public safety | 40,983,264 | 39,275,855 | - | - | 40,983,264 | 39,275,855 |
| Public services | 25,089,041 | 25,527,286 | 22,238,910 | 22,170,962 | 47,327,951 | 47,698,248 |
| Interest on long term debt | 2,602,891 | 2,666,807 | - | - | 2,602,891 | 2,666,807 |
| Total expenses | 91,058,046 | 88,944,742 | 22,238,910 | 22,170,962 | 113,296,956 | 111,115,704 |
| Increase in net position before transfers | (2,851,071) | 1,443,240 | 8,735,036 | 10,771,749 | 5,883,965 | 12,214,989 |
| Transfers | 3,735,515 | 3,985,048 | (3,735,515) | (3,985,048) | - | - |
| Increase in net position | 884,444 | 5,428,288 | 4,999,521 | 6,786,701 | 5,883,965 | 12,214,989 |
| Net position—beginning | 358,710,349 | 353,282,061 | 218,683,037 | 211,896,336 | 577,393,386 | 565,178,397 |
| Net position—ending | $ 359,594,793 | $ 358,710,349 | $ 223,682,558 | $ 218,683,037 | $ 583,277,351 | $ 577,393,386 |

The decrease in capital grants and contributions revenue in 2013 was primarily due to two items. In 2012, there was a bond sale that provided funding for infrastructure improvements in the Castle Hills Public Improvement Districts located in the City's extraterritorial jurisdiction ($8.3 million). In 2013, there were fewer commercially developed projects dedicating infrastructure and right-of-way to the City. These revenues decreased $2.8 million from 2012.

The most significant governmental expense for the City is personnel cost. For the year, payroll costs were $52,568,082 or 57.7% of total expenses. Payroll costs were closely monitored and came in $1,644,401 less than budgeted.

For activities, public safety incurred expenses of $40,983,264. These expenses were offset by revenues of $6,021,116, which were collected from a variety of sources, with the largest being from fines and forfeitures. The largest portion of public safety is the cost of personnel which is $34,923,007. Other significant governmental expenses for the City include public services which incurred $25,089,041 in expenses, of which $7,309,171 represents personnel charges and the general government activity which incurred $13,005,019 in expenses, of which $5,976,254 represents personnel charges. General government encompasses mayor and council, administration, legal, finance, human resources, information technology services, tourism, economic development and general government departments. The Parks and Leisure Services Department incurred $9,377,831 in expenses, of which $4,359,650 represents personnel charges.

### Business-type Activities

Business-type activities increased the City's net position by $4,999,521. The increase in net revenues is the result of several factors, including the following:

- The City's water and sewer system recorded charges for services of $27,797,951. Non-cash capital contributions from developers and cash receipts in the form of development impact fees amounted to $2,851,893. Developer contributions are public improvement infrastructure projects that are completed by the developer. Prior to transfers, the charges for services exceeded expenses by $5.559 million.

## CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2013, the City had $534.4 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines.

### Table 4: Capital Assets at Year End

| | Capital Assets at Year-end Net of Depreciation | | | | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Improvements | $ 211,839,564 | $ 211,952,153 | $ 454,604 | $ 500,377 | $ 212,294,168 | $ 212,452,530 |
| Land | 49,219,037 | 48,557,117 | 2,368,892 | 2,368,892 | 51,587,929 | 50,926,009 |
| Buildings | 47,040,088 | 49,208,722 | 716,967 | 745,813 | 47,757,055 | 49,954,535 |
| Machinery and equipment | 11,280,058 | 11,619,750 | 976,299 | 965,193 | 12,256,357 | 12,584,943 |
| Construction in progress | 13,980,932 | 15,148,762 | 12,904,268 | 25,903,371 | 26,885,200 | 41,052,133 |
| Water system | - | - | 115,801,687 | 99,391,326 | 115,801,687 | 99,391,326 |
| Sewer system | - | - | 67,843,025 | 67,659,611 | 67,843,025 | 67,659,611 |
| Total | $ 333,359,679 | $ 336,486,504 | $ 201,065,742 | $ 197,534,583 | $ 534,425,421 | $ 534,021,087 |

Major capital asset projects completed during 2012-2013 include:

| | | |
|---|---|---|
| Midway Pump Station | $ | 16,728,625 |
| Purnell Street | | 4,960,619 |
| paving, drainage, and water line improvements | | |
| Railroad Street | | 4,234,903 |
| paving and drainage improvements | | |
| Bellaire Heights | | 2,481,737 |
| paving, drainage, and sidewalk improvements | | |
| Corporate Drive Extension | | 2,307,740 |
| Waters Ridge to DGNO railroad | | |
| Midway Ground Storage Reservoir | | 1,399,940 |
| (2) 2012 F-450 Type 1 Horton Ambulance | | 407,689 |
| Walters Street Land Purchase (for parking lot) | | 274,233 |
| Audio/Visual Equipment Upgrades | | 218,111 |
| Council conference room and chambers | | |
| Palisades Lift Station | | 215,606 |
| City Wide Fiber Optic Extension Project | | 178,736 |
| Fire Station # 7 | | |
| ADA Inclusive Playground Equipment for Memorial Park | | 150,000 |
| Diamond Hill Estates screening wall | | 144,544 |
| | $ | 33,702,483 |

The City's fiscal year 2013 capital improvement program authorizes it to spend $151 million for capital projects. These improvements are in the following categories: water and sewer, street, drainage, park, municipal/technology and public safety. The aforementioned amount of $151 million is made up of both current year appropriations, as well as carryover amounts appropriated but not yet expended.

To support the capital improvement program, funds are obtained from the issuance of bonds, interest earnings, transfers from operating funds, developer contributions, or a combination of these sources. To illustrate, water and sewer system improvements for 2013-2014 consist of $4.902 million in transfers from water and sewer operating funds for water lines, sewer lines, painting the elevated storage tanks, a corrosion control and odor abatement program, and inflow and infiltration repairs. General Fund transfers for 2013-2014 include $3.413 million to fund concrete, asphalt, and sidewalk repairs. Municipal/technology improvements for 2013-2014 include $1.198 million for fiber expansions, network upgrades, and miscellaneous printer, phone, and computer replacements.

Additional information on the City of Lewisville's capital assets can be found in Note 5 of the Notes to Financial Statements included in this report.

## Debt

At year end, the City had $149.5 million in general obligation bonds, certificates of obligation, and revenue bonds outstanding as compared to $144.2 million at the end of the prior fiscal year, an increase of 3.7% percent as shown in Table 5.

**Table 5: Outstanding Debt at Year End**
**(In Thousands)**

| | Governmental Activities | | Business-type Activities | | Totals | |
|---|---|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| General obligation bonds and certificates of obligation (backed by the City) | $ 99,520 | $ 94,085 | $ - | $ - | $ 99,520 | $ 94,085 |
| General obligation and revenue bonds (backed by fee revenues) | - | - | 50,005 | 50,115 | 50,005 | 50,115 |
| Totals | $ 99,520 | $ 94,085 | $ 50,005 | $ 50,115 | $149,525 | $144,200 |

During the current fiscal year, the City issued General Obligation Bonds in the amount of $12.455 million and Waterworks and Sewer System Revenue Bonds in the amount of $5.205 million. The General Obligation debt provided funds for constructing improvements to the City's streets, sidewalks and related drainage improvements. The Waterworks and Sewer System Revenue debt provided funds for constructing, acquiring and installing improvements, additions and extensions to the City's waterworks and sewer system. For more detailed information on long-term debt activity, refer to Note 11 in the Notes to Financial Statements.

The City's General Obligation Bonds and Water and Sewer – Revenue Bonds carry an AAA rating from Standard and Poor's and Fitch Ratings. Both of these entities are national rating agencies. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to assessed value of all taxable property is 1.57%.

## THE CITY'S FUNDS

At the close of the City's fiscal year on September 30, 2013 the governmental funds of the City reported a combined fund balance of $91.0 million, a $12.2 million increase over the previous year.

The City's General Fund balance was $31.5 million which was $418,431 more than the prior year fund balance mainly due to an increase in sales tax collections. Current year's activity resulted in a positive variance of $6.7 million when compared to the estimated ending fund balance of $24.8 million per the final amended budget. Significant budgetary variances between the final amended budget and the actual results can be summarized as follows:

- Tax revenue was $2,907,142 more than estimated. The primary reason was sales tax revenue, which was $2,023,124 more than estimated and $1,906,143 more than prior year receipts of which the conservative budget is based. Property tax revenues were favorable to budget by146,326.
- Licenses and Permits revenue was $747,586 higher than budgeted primarily due to increased building-related permit revenue. This category of revenue is susceptible to current economic conditions and changes in planned construction.
- Charges for services was $352,347 higher than budgeted primarily due to land host fee receipts being higher than anticipated.
- When combined, Police, Fire, Public Services, Community Development and Parks and Leisure Services departments had lower than expected expenditures resulting in a favorable variance of $1,436,287. This variance is primarily due to salary savings.
- General government expenditures were $420,431 lower than budget. Legal expenditures ($140,176) and contractual obligations ($122,496) were both favorable to budgeted expenditures this year.

The City's Water and Sewer Fund net position of $223.6 million increased by $5.0 million over the prior year net position balance. The increase is primarily due to operating revenues and dedicated infrastructure continuing to remain well above operating expenses.

The City's Internal Service Funds net position of $17.8 million decreased by $50,290 from the prior year net position balance. This is primarily due to the Maintenance and Replacement Fund's $275,453 decrease in net position from planned capital replacement costs exceeding one year's lease payments.

**General Fund Budgetary Highlights**

During fiscal year 2012-13, the City Council amended the budget for the General Fund on five separate occasions, in May for the Old Town Park Plaza, in August for the Timber Creek Stream Bank Stabilization Improvements, in November for FEMA Assistance to Firefighters grant program City match, and in December for the purchase of New World Financial and Human Resources software and for the routine supplement completed each year for prior year encumbrances (purchases) that overlap into the next fiscal year.

Staff reviewed the supplemental appropriations and determined that reserves were sufficient to recommend approval. The net decrease to the General Fund for the year was $2,811,802.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2014 budget, tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. The population growth experienced by the City has stimulated local business and development activity. Lewisville's current population is estimated at 99,453 with a population at build-out at approximately 111,000. The economic climate in Lewisville is stable with low unemployment and as a result Lewisville enjoys an above-average income level per household. This in combination with the City's proximity to two major highways, the Dallas Fort Worth International Airport, and an active economic development program have made Lewisville a leader in the regional retail market. The City continues to attract new and existing companies due to the strategy of working diligently with businesses on relocation incentives.

These factors are taken into consideration when adopting the General Fund budget for fiscal year 2014. The combined budget appropriation for fiscal year 2013-14 totals $117.5 million for twenty-one operating funds. Another $14.9 million is appropriated in the City's three internal service funds.

Ad valorem tax revenue is determined by two major factors: the total assessed value established by the Denton County Central Appraisal District and the tax rate established by the Lewisville City Council. The Lewisville City Council chose to hold the tax rate steady for the current fiscal year at .44021 cents per $100 assessed valuation. This tax rate brings in more tax revenue ($1.358 million) for the 2013-14 fiscal year due to the new tax rate being applied to an increased tax base. Property values increased $403 million or 6.24%. This brings the property tax revenue budgeted for FY 2013-14 to $22.880 million making it the single largest General Fund revenue source.

The General Fund's second largest revenue source in fiscal year 2013-2014 is sales tax receipts. Due to the volatility of the sales tax revenue source, the City has been very conservative in projecting sales tax revenue. This conservative philosophy was formalized in the City's written Revenue Policy adopted by the City Council. Under this policy sales tax revenue budget for subsequent fiscal years is limited to the estimated receipts for the current fiscal year. This practice effectively mitigates to a large degree the volatile nature of the sales tax revenue source. The City's budgeted sales tax revenue is $21.063 million.

Budgeted operating expenditures in the General Fund are expected to increase $3.2 million from the 2012-2013 fiscal year re-estimated budget. These expenditures are offset by increases in revenue. The only change in fund balance is the $3.082 million in transfers out for one time expenditures.

As for the City's business type activities, the City budgeted a decrease of $4.185 million for the Water and Sewer Fund's net assets. The primary item contributing to this is the increase in the amount of the transfers to capital improvement projects for water lines, sewer lines, and inflow and infiltration repairs.

Water and sewer rates were reviewed by the City Council for fiscal year 2013-2014. There was a 1.5% increase in water rates and no change to sewer rates.

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and reflect the City's accountability for the resources it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, City of Lewisville, 151 West Church Street, Lewisville, Texas 75057.

# BASIC FINANCIAL STATEMENTS

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

CITY OF LEWISVILLE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

EXHIBIT 1

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Component Units |
| **ASSETS** | | | | |
| Cash | $ 20,884,709 | $ 4,022,495 | $ 24,907,204 | $ 1,624,976 |
| Investments | 116,823,385 | 24,704,267 | 141,527,652 | 9,239,232 |
| Receivables (net of allowances for uncollectibles) | 10,325,670 | 4,573,424 | 14,899,094 | 1,019,719 |
| Internal balances | (45,525) | 45,525 | - | - |
| Note receivable from component units | 36,455,000 | - | 36,455,000 | - |
| Inventory of supplies | 105,708 | - | 105,708 | - |
| Prepaid items | 2,727,501 | 3,810 | 2,731,311 | 892 |
| Restricted assets: | | | | |
| Cash | - | 7,095,940 | 7,095,940 | - |
| Investments | - | 38,138,068 | 38,138,068 | - |
| Interest receivable | - | 27,956 | 27,956 | - |
| Deferred charges | 628,035 | 574,290 | 1,202,325 | 228,715 |
| Capital assets: | | | - | |
| Non-depreciable | 63,199,969 | 15,273,160 | 78,473,129 | 125,908 |
| Depreciable (net of accumulated depreciation) | 270,159,710 | 185,792,582 | 455,952,292 | 7,538,514 |
| Total assets | $ 521,264,162 | $ 280,251,517 | $ 801,515,679 | $ 19,777,956 |
| **LIABILITIES AND NET POSITION** | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 2,753,305 | $ 1,277,674 | $ 4,030,979 | $ 59,779 |
| Incurred but not reported claim reserve | 1,318,794 | - | 1,318,794 | - |
| Retainage payable | 277,475 | - | 277,475 | - |
| Accrued liabilities | 1,755,866 | 204,828 | 1,960,694 | 20,503 |
| Accrued interest payable | 454,252 | 261,641 | 715,893 | 136,720 |
| Contracts and retainage payable | - | 733,297 | 733,297 | - |
| Deposits payable | 14,685 | 1,489,877 | 1,504,562 | - |
| Unearned revenue | 38,800,555 | - | 38,800,555 | - |
| Escrow payable | 1,110,584 | 30,624 | 1,141,208 | - |
| Noncurrent liabilities: | | | | |
| Due within one year | 12,060,061 | 5,573,595 | 17,633,656 | 1,748,319 |
| Due in more than one year | 103,123,792 | 46,997,423 | 150,121,215 | 35,500,520 |
| Total liabilities | 161,669,369 | 56,568,959 | 218,238,328 | 37,465,841 |
| Net Position: | | | | |
| Net investment in capital assets | 314,990,028 | 186,611,050 | 501,601,078 | 74,796 |
| Restricted for debt service | 1,216,415 | 1,688,303 | 2,904,718 | - |
| Restricted for other purposes | 9,539,451 | - | 9,539,451 | - |
| Restricted for tax increment reinvestment zone | - | - | - | 1,344,538 |
| Unrestricted | 33,848,899 | 35,383,205 | 69,232,104 | (19,107,219) |
| Total net position | 359,594,793 | 223,682,558 | 583,277,351 | (17,687,885) |
| Total liabilities and net position | $ 521,264,162 | $ 280,251,517 | $ 801,515,679 | $ 19,777,956 |

The Notes to Financial Statements are
an integral part of these statements.

# CITY OF LEWISVILLE, TEXAS
# STATEMENT OF ACTIVITIES
# FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | | Program Revenues | | |
|---|---|---|---|---|
| **Functions/Programs** | **Expenses** | **Charges for Services** | **Operating Grants and Contributions** | **Capital Grants and Contributions** |
| **Primary government:** | | | | |
| Governmental activities: | | | | |
| General government | $ 13,005,019 | $ 3,383,721 | $ 321,365 | $ - |
| Culture, parks and recreation | 9,377,831 | 1,558,232 | 83,620 | 767,867 |
| Public safety | 40,983,264 | 6,021,116 | 1,053,375 | - |
| Public services | 25,089,041 | 2,161,083 | 957,549 | 3,977,151 |
| Interest on long-term debt | 2,602,891 | - | - | - |
| Total governmental activities | 91,058,046 | 13,124,152 | 2,415,909 | 4,745,018 |
| Business-type activities: | | | | |
| Water & sewer | 22,238,910 | 27,797,951 | - | 2,851,893 |
| Total business-type activities | 22,238,910 | 27,797,951 | - | 2,851,893 |
| Total primary government | 113,296,956 | 40,922,103 | 2,415,909 | 7,596,911 |
| **Component units** | | | | |
| Lewisville Parks and Library Development Corporation | 3,850,517 | 235,759 | - | - |
| Tax increment reinvestment zone (Old Town) | 726,823 | - | - | - |
| Total component units | $ 4,577,340 | $ 235,759 | $ - | $ - |

GENERAL REVENUES AND TRANSFERS:
- Taxes:
  - Property taxes, levied for general purposes
  - Sales taxes
  - Other taxes
  - Franchise taxes
  - Hotel motel taxes
  - Penalties and interest
- Intergovernmental
- Investment earnings
- Gain on sale of assets
- Miscellaneous
- Transfers

Total general revenues and transfers

Change in Net Position

NET POSITION, beginning of year

NET POSITION, end of year

The Notes to Financial Statements are an integral part of these statements.

| Net (Expenses) Revenue and Changes in Net Position | | | |
|---|---|---|---|
| Primary Government | | | |
| Governmental Activities | Business - Type Activities | Total | Component Units |
| $ (9,299,933) | $ - | $ (9,299,933) | $ - |
| (6,968,112) | - | (6,968,112) | - |
| (33,908,773) | - | (33,908,773) | - |
| (17,993,258) | - | (17,993,258) | - |
| (2,602,891) | - | (2,602,891) | - |
| (70,772,967) | - | (70,772,967) | - |
| - | 8,410,934 | 8,410,934 | - |
| - | 8,410,934 | 8,410,934 | - |
| (70,772,967) | 8,410,934 | (62,362,033) | - |
| - | - | - | (3,614,758) |
| - | - | - | (726,823) |
| $ - | - | $ - | $ (4,341,581) |
| $ 29,579,363 | $ - | $ 29,579,363 | $ 581,198 |
| 27,451,139 | - | 27,451,139 | 5,685,240 |
| 1,200,502 | - | 1,200,502 | - |
| 5,814,797 | - | 5,814,797 | - |
| 2,065,363 | - | 2,065,363 | - |
| 154,905 | - | 154,905 | - |
| 624,125 | - | 624,125 | - |
| 210,934 | 120,530 | 331,464 | 19,499 |
| 3,477 | - | 3,477 | - |
| 817,291 | 203,572 | 1,020,863 | 1,500 |
| 3,735,515 | (3,735,515) | - | - |
| 71,657,411 | (3,411,413) | 68,245,998 | 6,287,437 |
| 884,444 | 4,999,521 | 5,883,965 | 1,945,856 |
| 358,710,349 | 218,683,037 | 577,393,386 | (19,633,741) |
| $ 359,594,793 | $ 223,682,558 | $ 583,277,351 | $ (17,687,885) |

CITY OF LEWISVILLE, TEXAS
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2013

EXHIBIT 3

| | General | Debt Service | Capital Projects | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash | $ 3,996,021 | $ 200,741 | $ 12,956,590 | $ 1,519,624 | $ 18,672,976 |
| Investments | 22,694,424 | 1,425,957 | 73,683,794 | 7,679,456 | 105,483,631 |
| Receivables (net of allowances for uncollectibles) | | | | | |
| Taxes | 6,065,578 | 47,781 | - | 924,955 | 7,038,314 |
| Accounts | 1,906,351 | - | - | 699,158 | 2,605,509 |
| Unbilled accounts | 269,311 | - | - | - | 269,311 |
| Interest | 19,012 | 741 | 60,716 | 6,315 | 86,784 |
| Court | 298,558 | - | - | - | 298,558 |
| Due from other funds | 238,910 | - | - | - | 238,910 |
| Note receivable from component units | - | 36,455,000 | - | - | 36,455,000 |
| Prepaid items | 381,982 | - | - | 2,265,652 | 2,647,634 |
| Total assets | $ 35,870,147 | $ 38,130,220 | $ 86,701,100 | $ 13,095,160 | $ 173,796,627 |
| **LIABILITIES AND FUND BALANCES** | | | | | |
| Liabilities | | | | | |
| Accounts and contracts payable | 1,269,494 | - | 1,226,684 | 221,081 | 2,717,259 |
| Accrued liabilities | 1,589,353 | - | - | 84,615 | 1,673,968 |
| Accrued interest payable | - | 4,553 | - | - | 4,553 |
| Deposits payable | 9,200 | - | - | 5,485 | 14,685 |
| Deferred revenue | 1,427,315 | 36,502,781 | 38,800,554 | 28,662 | 76,759,312 |
| Money held in escrow | 83,507 | - | 1,027,077 | - | 1,110,584 |
| Retainage | - | - | 277,475 | - | 277,475 |
| Due to other funds | - | - | - | 238,910 | 238,910 |
| Total liabilities | 4,378,869 | 36,507,334 | 41,331,790 | 578,753 | 82,796,746 |
| Fund Balances: | | | | | |
| Nonspendable | 381,982 | - | - | 2,265,652 | 2,647,634 |
| Restricted for: | | | | | |
| Debt service | - | 1,622,886 | - | - | 1,622,886 |
| Capital projects | - | - | 31,849,522 | 50,541 | 31,900,063 |
| Other purposes | - | - | - | 9,488,910 | 9,488,910 |
| Committed to: | | | | | |
| Capital projects | - | - | 6,380,350 | - | 6,380,350 |
| Other purposes | - | - | - | 684,724 | 684,724 |
| Assigned to: | | | | | |
| Capital projects | - | - | 7,139,438 | - | 7,139,438 |
| Other purposes | 538,290 | - | - | 26,580 | 564,870 |
| Unassigned | 30,571,006 | - | - | - | 30,571,006 |
| Total fund balances | 31,491,278 | 1,622,886 | 45,369,310 | 12,516,407 | 90,999,881 |
| Total liabilities and fund balances | $ 35,870,147 | $ 38,130,220 | $ 86,701,100 | $ 13,095,160 | $ 173,796,627 |

The Notes to Financial Statements are an integral part of these statements.

CITY OF LEWISVILLE, TEXAS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

EXHIBIT 4

| | |
|---|---|
| Total fund balances -- governmental funds | $ 90,999,881 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Costs associated with the issuance of governmental long term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide statements. | 628,035 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. | 327,912,188 |
| Interest payable on long term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet. | (449,699) |
| Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements. | 37,958,757 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements. | (115,183,853) |
| An internal service fund is used by management to charge the costs of certain activities, including insurance and vehicle fleet management, to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the government-wide statement of net position, net of amounts charged to enterprise funds of $45,525. | 17,729,484 |
| Total net position--governmental activities | $ 359,594,793 |

The Notes to Financial Statements are an integral part of these statements.

CITY OF LEWISVILLE, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT 5

| | General | Debt Service | General Capital Projects | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property and other taxes | $ 50,753,584 | $ 7,923,410 | $ - | $ 7,602,737 | $ 66,279,731 |
| Licenses and permits | 2,375,771 | - | - | - | 2,375,771 |
| Intergovernmental | - | 624,125 | 1,147,163 | - | 1,771,288 |
| Charges for services | 6,051,283 | - | - | - | 6,051,283 |
| Recreation | 1,093,266 | - | - | 287,645 | 1,380,911 |
| Fines | 2,954,961 | - | - | - | 2,954,961 |
| Investment earnings | 48,905 | 5,425 | 141,568 | 15,036 | 210,934 |
| Grants | | | | | |
| Public safety | - | - | - | 515,834 | 515,834 |
| Public services | - | - | - | 945,453 | 945,453 |
| Contributions and donations | - | - | 851,500 | 583,019 | 1,434,519 |
| Miscellaneous | 882,124 | 15,457 | - | 1,360,957 | 2,258,538 |
| Total revenues | 64,159,894 | 8,568,417 | 2,140,231 | 11,310,681 | 86,179,223 |
| **EXPENDITURES:** | | | | | |
| Current | | | | | |
| General government | 7,908,960 | - | - | 2,441,098 | 10,350,058 |
| Culture, parks recreation | 5,971,888 | - | - | 317,100 | 6,288,988 |
| Public safety | 36,449,811 | - | - | 3,037,992 | 39,487,803 |
| Public services | 9,435,481 | - | - | 1,161,152 | 10,596,633 |
| Debt service | | | | | |
| Principal | - | 5,410,000 | - | - | 5,410,000 |
| Interest and fiscal charges | - | 2,942,234 | - | - | 2,942,234 |
| Bond issuance costs | - | - | 201,220 | - | 201,220 |
| Capital outlay | 631,755 | - | 14,239,974 | 1,336,614 | 16,208,343 |
| Total expenditures | 60,397,895 | 8,352,234 | 14,441,194 | 8,293,956 | 91,485,279 |
| Excess (deficiency) of revenues over (under) expenditures | 3,761,999 | 216,183 | (12,300,963) | 3,016,725 | (5,306,056) |
| **OTHER FINANCING SOURCES (USES):** | | | | | |
| Transfers in | 3,936,467 | - | 7,255,678 | 131,102 | 11,323,247 |
| Transfers out | (7,280,035) | (50,000) | - | (257,697) | (7,587,732) |
| Issuance of general obligation bonds | - | - | 12,455,000 | - | 12,455,000 |
| Premium (discount) on issuance of general obligation bonds | - | - | 1,276,220 | - | 1,276,220 |
| Proceeds from sale of assets | - | - | - | 3,477 | 3,477 |
| Net other financing sources (uses) | (3,343,568) | (50,000) | 20,986,898 | (123,118) | 17,470,212 |
| Net change in fund balances | 418,431 | 166,183 | 8,685,935 | 2,893,607 | 12,164,156 |
| **FUND BALANCES, beginning of year** | 31,072,847 | 1,456,703 | 36,683,375 | 9,622,800 | 78,835,725 |
| **FUND BALANCES, end of year** | $ 31,491,278 | $ 1,622,886 | $ 45,369,310 | $ 12,516,407 | $ 90,999,881 |

The Notes to Financial Statements are
an integral part of these statements.

CITY OF LEWISVILLE, TEXAS

EXHIBIT 6

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | |
|---|---|
| Net changes in fund balances, total governmental funds | $ 12,164,156 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Dispositions of capital assets decrease net position. This amount is the net of capital outlay of $12,537,926, less dispositions of $142,075. | 12,395,851 |
| Governmental funds do not recognize assets contributed by developers. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense. | 2,163,336 |
| Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. | (17,194,352) |
| The issuance of long term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas the the amounts are deferred and amortized in the statement of activities. This amount (bond principal payments of $5,410,000, $210,720 of issuance costs and $231,545 of amortization of premium less bond proceeds of $12,455,000, premium paid of $1,276,220, and the amortization of deferred loss on refunding of $82,465 and of issuance costs of $67,360) is the net effect of these differences in the treatment of long term debt and related items. | (8,028,780) |
| Current year changes in the long term liability for compensated absences do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. | (342,195) |
| Current year changes in the long term liability for net pension benefit obligations do not require the use of current financial resources; therefore, are not reported as expenditures in the governmental funds. | (132,151) |
| Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. | 46,903 |
| Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. | (139,061) |
| Internal service funds are used by management to charge the costs of certain activities, such as the purchase of equipment and insurance, to individual funds. The change in net position of certain internal service funds is reported with governmental activities. This is the amount of the change in net position allocated to governmental activities. | (49,263) |
| Change in net position of governmental activities | $ 884,444 |

The Notes to Financial Statements are an integral part of these statements.

CITY OF LEWISVILLE, TEXAS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

| | Business-Type Activities - Enterprise Fund | Governmental Activities - Internal Service Funds |
|---|---|---|
| **ASSETS** | | |
| Current Assets | | |
| Cash | $ 4,022,495 | $ 2,211,733 |
| Investments | 24,704,267 | 11,339,754 |
| Receivables (net of allowance for uncollectibles of $354,961) | | |
| Accounts | 1,409,207 | - |
| Unbilled trade accounts | 3,140,895 | - |
| Interest receivable | 23,322 | 9,457 |
| Other | - | 17,737 |
| Inventory of supplies, at cost | - | 105,708 |
| Prepaid items | 3,810 | 79,867 |
| Restricted assets | | |
| Cash | 7,095,940 | - |
| Investments | 38,138,068 | - |
| Interest receivable | 27,956 | - |
| Total current assets | 78,565,960 | 13,764,256 |
| Noncurrent Assets | | |
| Deferred bond issuance costs, net of amortization | 574,290 | - |
| Capital assets | | |
| Land | 2,368,892 | - |
| Land improvements | 106,700 | - |
| Buildings | 1,131,504 | - |
| Other improvements | 658,008 | 274,272 |
| Water system | 159,796,481 | - |
| Sewer system | 103,029,886 | - |
| Machinery and equipment | 4,561,671 | 5,492,375 |
| Motor vehicles | - | 20,040,167 |
| Construction in progress | 12,904,268 | - |
| Total capital assets | 284,557,410 | 25,806,814 |
| Less accumulated depreciation | (83,491,668) | (20,359,323) |
| Capital assets, net of accumulated depreciation | 201,065,742 | 5,447,491 |
| Total noncurrent assets | 201,640,032 | 5,447,491 |
| Total assets | $ 280,205,992 | $ 19,211,747 |

The Notes to Financial Statements are an integral part of these statements.

| | | |
|---|---|---|
| **LIABILITIES AND NET POSITION** | | |
| Current Liabilities | | |
| Current liabilities payable from restricted assets | | |
| Deposits payable | $ 1,489,877 | $ - |
| Accrued interest payable | 261,641 | - |
| Contracts and retainage payable | 733,297 | - |
| Escrow payable | 30,624 | - |
| Current maturities of bonds payable | 5,140,000 | - |
| Total current liabilities payable from restricted | 7,655,439 | - |
| Accounts payable | 1,277,674 | 36,046 |
| Incurred but not reported claim reserve | - | 1,318,794 |
| Accrued liabilities | 204,828 | 81,898 |
| Compensated absences | 433,595 | - |
| Total current liabilities | 1,916,097 | 1,436,738 |
| Noncurrent Liabilities | | |
| Bonds payable | 46,313,497 | - |
| Deferred loss on refunding | (347,267) | - |
| Compensated absences | 343,274 | |
| Net pension obligation | 687,919 | - |
| Total noncurrent liabilities | 46,997,423 | - |
| Total liabilities | 56,568,959 | 1,436,738 |
| **NET POSITION:** | | |
| Net investment in capital assets | 186,611,050 | 5,447,491 |
| Restricted for bond requirements | 1,688,303 | - |
| Unrestricted | 35,337,680 | 12,327,518 |
| Total net position | $ 223,637,033 | $ 17,775,009 |

CITY OF LEWISVILLE, TEXAS

EXHIBIT 8

RECONCILIATION OF ENTERPRISE FUND STATEMENT OF NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

| | |
|---|---|
| Total net position -- enterprise fund | $ 223,637,033 |
| Amounts reported for business-type activities in the statement of net position are different because: | |
| An internal service fund is used by management to charge the costs of certain activities, including insurance and vehicle fleet management, to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the government-wide statement of net position. The amount shown as the accumulated amount is allocated to business type activities since the adoption of GASB 34. | 45,525 |
| Total net position--business-type activities | $ 223,682,558 |

The Notes to Financial Statements are
an integral part of these statements.

CITY OF LEWISVILLE, TEXAS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT 9

| | Business-Type Activities - Enterprise Fund | Governmental Activities - Internal Service Funds |
|---|---|---|
| **OPERATING REVENUES:** | | |
| Charges for sales and services | $ 27,797,951 | $ 11,706,983 |
| Miscellaneous | 203,572 | 5,536 |
| Total operating revenues | 28,001,523 | 11,712,519 |
| **OPERATING EXPENSES:** | | |
| Cost of sales and services, net of reimbursements | 7,690,196 | 8,460,902 |
| Administrative | 7,563,584 | 1,698,574 |
| Depreciation | 5,674,577 | 1,886,989 |
| Total operating expenses | 20,928,357 | 12,046,465 |
| Total operating income (loss) | 7,073,166 | (333,946) |
| **NONOPERATING REVENUES (EXPENSES):** | | |
| Investment earnings | 120,530 | 22,128 |
| Interest expense | (1,344,808) | - |
| Amortization | 35,282 | - |
| Gain on disposal of capital assets | - | 79,509 |
| Total nonoperating revenues (expenses) | (1,188,996) | 101,637 |
| **INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS** | 5,884,170 | (232,309) |
| **TRANSFERS AND CAPITAL CONTRIBUTIONS:** | | |
| Transfers in | 50,000 | 1,000,000 |
| Transfers out | (3,785,515) | (1,000,000) |
| Contributions from other funds | - | 182,019 |
| Contributions from developers | 976,952 | - |
| Contributions - impact fees | 1,874,941 | - |
| Total transfers and capital contributions | (883,622) | 182,019 |
| **CHANGE IN NET POSITION** | 5,000,548 | (50,290) |
| **NET POSITION, beginning of year** | 218,636,485 | 17,825,299 |
| **NET POSITION, end of year** | $ 223,637,033 | $ 17,775,009 |

The Notes to Financial Statements are
an integral part of these statements.

CITY OF LEWISVILLE, TEXAS

EXHIBIT 10

RECONCILIATION OF THE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | |
|---|---|
| Net changes in fund net position-proprietary funds | $ 5,000,548 |
| Amounts reported for business-type activities in the statement of activities are different because: | |
| Internal service funds are used by management to charge the costs of certain activities, such as the purchase of equipment and insurance, to individual funds. The change in net position of certain internal service funds is reported with governmental activities. The amount shown represents the change in net position allocated to business-type activities. | (1,027) |
| Change in net position of business-type activities | $ 4,999,521 |

The Notes to Financial Statements are an integral part of these statements.

LEWISVILLE

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CITY OF LEWISVILLE, TEXAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Business-Type Activities - Enterprise Fund | Governmental Activities - Internal Service Funds |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Cash received from customers | $ 28,388,323 | $ - |
| Cash received (paid) from transactions with other funds | (166,372) | 13,208,960 |
| Cash paid to employees for services | (7,581,421) | (384,956) |
| Cash paid for goods and services | (7,319,274) | (2,541,841) |
| Cash paid for claims | - | (7,145,071) |
| Cash received from miscellaneous items | - | 5,536 |
| Net cash provided by operating activities | 13,321,256 | 3,142,628 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | |
| Transfers from other funds | 50,000 | 1,000,000 |
| Transfers to other funds | (3,785,515) | (1,000,000) |
| Net cash used in noncapital financing activities | (3,735,515) | - |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | | |
| Acquisition and construction of capital assets | (8,228,782) | (1,213,309) |
| Proceeds from the sale of revenue bonds | 5,205,000 | - |
| Proceeds from sale of equipment | - | 79,509 |
| Principal paid on revenue bond maturities | (5,315,000) | - |
| Impact fees | 1,874,941 | - |
| Interest paid | (1,289,765) | - |
| Premium on issuance of bonds | 481,262 | - |
| Bond issuance costs | (135,441) | - |
| Net cash used in capital and related financing activities | (7,407,785) | (1,133,800) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Purchase of investments | (14,926,376) | (8,529,681) |
| Proceeds from sale and maturities of investments | 22,072,869 | 5,833,603 |
| Interest received | 127,433 | 23,852 |
| Net cash provided by investing activities | 7,273,926 | (2,672,226) |
| **NET INCREASE IN CASH** | 9,451,882 | (663,398) |
| **CASH, beginning of year** | 1,666,553 | 2,875,131 |
| **CASH, end of year** | 11,118,435 | 2,211,733 |
| Classified as: | | |
| Unrestricted cash and cash equivalents at end of year | $ 4,022,495 | $ 2,211,733 |
| Restricted cash and cash equivalents at end of year | 7,095,940 | - |
| **TOTAL CASH AT END OF YEAR** | $ 11,118,435 | $ 2,211,733 |

(Continued)

The Notes to Financial Statements are an integral part of these statements.

| | Business-Type Activities - Enterprise Fund | Governmental Activities - Internal Service Funds |
|---|---|---|
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:** | | |
| Operating income (loss) | $ 7,073,166 | $ (333,946) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | 5,674,577 | 1,886,989 |
| Change in assets and liabilities- | | |
| (Increase) decrease in receivables | 386,800 | 1,979 |
| (Increase) decrease in inventory | - | (1,036) |
| (Increase) decrease in prepaid expenses | (3,056) | (18,635) |
| Increase (decrease) in accounts and contracts payable | 305,029 | 99,305 |
| Increase (decrease) in accrued liabilities | 18,624 | 7,972 |
| Increase (decrease) in deposits payable | 50,325 | - |
| Increase (decrease) in compensated absences | (17,837) | - |
| Increase (decrease) in due to other funds | (166,372) | 1,500,000 |
| Total adjustments | 6,248,090 | 3,476,574 |
| Net cash provided by operating activities | $ 13,321,256 | $ 3,142,628 |
| **NON CASH INVESTING AND FINANCING ACTIVITIES:** | | |
| From developer contributions of capital assets | $ 976,952 | $ - |
| Intragovernmental contributions | - | 182,019 |
| Increase (decrease) in fair value of investments | 63,287 | (7,984) |

CITY OF LEWISVILLE, TEXAS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2013

EXHIBIT 12

| | Castle Hills PID Debt Service Agency Fund | Lewisville OPEB Liability Trust Fund |
|---|---|---|
| **ASSETS** | | |
| **ASSETS** | | |
| Cash | $ 11,030,057 | $ 9,299 |
| Investments | | |
| Mutual funds - equity | - | 2,587,841 |
| Mutual funds - fixed income | - | 1,145,380 |
| Interest receivable | 22 | - |
| Total assets | 11,030,079 | 3,742,520 |
| **LIABILITIES** | | |
| **LIABILITIES** | | |
| Accounts payable | - | 2,535 |
| Due to debt holders | 11,030,079 | - |
| Total liabilities | 11,030,079 | 2,535 |
| **NET POSITION** | | |
| Held in trust for retiree health benefits | $ - | $ 3,739,985 |

The Notes to Financial Statements are an integral part of these statements.

CITY OF LEWISVILLE, TEXAS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT 13

| | Lewisville OPEB Liability Trust Fund |
|---|---|
| **ADDITIONS** | |
| Employer contributions | $ 366,600 |
| Investment earnings | 66,781 |
| Unrealized/realized gain(loss), net | 342,221 |
| Total additions | 775,602 |
| **DEDUCTIONS** | |
| Benefits | 368,800 |
| Total deductions | 368,800 |
| **CHANGE IN NET POSITION** | 406,802 |
| **NET POSITION, beginning** | 3,333,183 |
| **NET POSITION, ending** | $ 3,739,985 |

The Notes to Financial Statements are
an integral part of these statements.

# CITY OF LEWISVILLE, TEXAS
# DISCRETELY PRESENTED COMPONENT UNITS
# STATEMENT OF NET POSITION
# SEPTEMBER 30, 2013

EXHIBIT 14

| | Governmental Activities | | | | | |
|---|---|---|---|---|---|---|
| | Lewisville Housing Finance Corporation | Lewisville Industrial Development Authority, Inc. | Lewisville Parks and Library Development Corporation | Tax Increment Reinvestment Zone (Old Town) | Increment Reinvestment Zone #2 | Total Component Units |
| **ASSETS** | | | | | | |
| Cash | $ 881 | $ 1,020 | $ 1,422,870 | $ 185,972 | $ 14,233 | $ 1,624,976 |
| Investments | 5,007 | 5,799 | 8,089,848 | 1,057,633 | 80,945 | 9,239,232 |
| Receivables | | | | | | |
| Accounts | - | - | 103 | - | - | 103 |
| Taxes | - | - | 1,011,524 | - | - | 1,011,524 |
| Interest | 4 | 5 | 7,140 | 876 | 67 | 8,092 |
| Deferred charges | - | - | 181,459 | 47,256 | - | 228,715 |
| Prepaid items | - | - | 892 | - | - | 892 |
| Capital assets | | | | | | |
| Non-depreciable | - | - | - | 125,908 | - | 125,908 |
| Depreciable (net of accum depr) | - | - | - | 7,538,514 | - | 7,538,514 |
| Total assets | $ 5,892 | $ 6,824 | $ 10,713,836 | $ 8,956,159 | $ 95,245 | $ 19,777,956 |
| **LIABILITIES** | | | | | | |
| Current | | | | | | |
| Accounts and contracts payable | - | - | 59,779 | - | - | 59,779 |
| Accrued liabilities | - | - | 20,503 | - | - | 20,503 |
| Accrued interest payable | - | - | 94,276 | 42,444 | - | 136,720 |
| Noncurrent Liabilities | | | | | | |
| Due within one year | - | - | 1,543,319 | 205,000 | - | 1,748,319 |
| Due within more than one year | - | - | 28,115,894 | 7,384,626 | - | 35,500,520 |
| Total liabilities | - | - | 29,833,771 | 7,632,070 | - | 37,465,841 |
| **NET POSITION (DEFICIT):** | | | | | | |
| Net investment in capital assets | - | - | - | 74,796 | - | 74,796 |
| Restricted for tax increment reinvestment zone | - | - | - | 1,249,293 | 95,245 | 1,344,538 |
| Unrestricted | 5,892 | 6,824 | (19,119,935) | - | - | (19,107,219) |
| Total net position (deficit) | 5,892 | 6,824 | (19,119,935) | 1,324,089 | 95,245 | (17,687,885) |
| Total liabilities and net position (deficit) | $ 5,892 | $ 6,824 | $ 10,713,836 | $ 8,956,159 | $ 95,245 | $ 19,777,956 |

The Notes to Financial Statements are an integral part of these statements.

# CITY OF LEWISVILLE, TEXAS
# DISCRETELY PRESENTED COMPONENT UNITS
# STATEMENT OF ACTIVITIES
# FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT 15

| | Governmental Activities | | | | | |
|---|---|---|---|---|---|---|
| | Lewisville Housing Finance Corporation | Lewisville Industrial Development Authority, Inc. | Lewisville Parks and Library Development Corporation | Tax Increment Reinvestment Zone (Old Town) | Increment Reinvestment Zone #2 | Total Component Units |
| **EXPENSES** | | | | | | |
| General government | $ - | $ - | $ - | $ 5,631 | $ - | $ 5,631 |
| Culture, parks and recreation | - | - | 2,498,300 | - | - | 2,498,300 |
| Interest on long term debt | - | - | 1,352,217 | 345,216 | - | 1,697,433 |
| Depreciation | - | - | - | 375,976 | - | 375,976 |
| Total expenses | - | - | 3,850,517 | 726,823 | - | 4,577,340 |
| **PROGRAM REVENUES** | | | | | | |
| Charges for services | | | | | | |
| Culture, parks and recreation | - | - | 235,759 | - | - | 235,759 |
| Total program revenues | - | - | 235,759 | - | - | 235,759 |
| **GENERAL REVENUES** | | | | | | |
| Property taxes | - | - | - | 508,140 | 73,058 | 581,198 |
| Sales taxes | - | - | 5,685,240 | - | - | 5,685,240 |
| Investment earnings | 11 | 12 | 17,055 | 2,294 | 127 | 19,499 |
| Miscellaneous | 1,500 | - | - | - | - | 1,500 |
| Total general revenues | 1,511 | 12 | 5,702,295 | 510,434 | 73,185 | 6,287,437 |
| **CHANGE IN NET POSITION (DEFICIT)** | 1,511 | 12 | 2,087,537 | (216,389) | 73,185 | 1,945,856 |
| Net position (deficit), beginning | 4,381 | 6,812 | (21,207,472) | 1,540,478 | 22,060 | (19,633,741) |
| Net position (deficit), ending | $ 5,892 | $ 6,824 | $ (19,119,935) | $ 1,324,089 | $ 95,245 | $ (17,687,885) |

The Notes to Financial Statements are an integral part of these statements.

LEWISVILLE

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## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

### A. Reporting Entity

The City of Lewisville is a municipal corporation governed by an elected mayor and a five-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the government.

Blended Component Units

- The Lewisville Health Benefit Trust was established by the City under the Texas Political Subdivision Employees Uniform Group Benefits Act (Chapter 172 Texas Local Government Code) to account for health insurance of employees, retirees and dependents. The City Council appoints a board and board members are removable by the City Council. The City Council approves the trust's annual budget. The activities of the Lewisville Health Benefit Trust are accounted for as a blended component unit and included with the internal service funds as the Health Insurance Risk Pool Fund. The Health Benefit Trust is reported as a blended component unit since it provides services exclusively for the City of Lewisville.

- The Local Government Corporation was established July 2006 to assist in economic development initiatives. Allowable under Chapter 431 of the Texas Transportation Code, this corporation cannot incur any debt without City Council approval. The City Council appoints a board and board members are removable by the City Council. The existing four person board is comprised of current City Council members. The City Council approves the corporation's annual budget. In the event of dissolution, title to all assets transfer to the City. The activities of the Lewisville Local Government Corporation are accounted for as a blended component unit and included with the non-major governmental funds. The Local Government Corporation is reported as a blended component unit since its governing body is substantially the same as the City's.

- In November 2011, the City of Lewisville voters approved, in special election, the creation of the Lewisville Crime Control and Prevention District. The District was formed for the purpose of providing crime control and prevention programs derived from one-eighth cent sales tax within the City of Lewisville. Allowable under Chapter 363 of the Texas Local Government Code, the City Council appointed their own membership as the board of directors of the District. The City Council approves the district's annual budget. In the event of dissolution, title to all assets transfer to the City. The activities of the Lewisville Crime Control and Prevention District are accounted for as a blended component unit and included with the non-major governmental funds. The District is reported as a blended component unit since its governing body is the same as the City's.

- In November 2011, the City of Lewisville voters approved, in special election, the creation of the Lewisville Fire Control, Prevention, and Emergency Medical Services District. The District was formed for the purpose of providing fire safety and emergency medical service programs derived from one-eighth cent sales tax within the City of Lewisville. Allowable under Chapter 344 of the Texas Local Government Code, the City Council appointed their own membership as the board of directors of the District. The City Council approves the district's annual budget. In the event of dissolution, title to all assets transfer to the City. The activities of the Lewisville Fire Control, Prevention, and Emergency Medical Services District are accounted for as a blended component unit and included with the non-major governmental funds. The District is reported as a blended component unit since its governing body is the same as the City's.

Discretely Presented Component Units

The following entities are accounted for as discretely presented component units since the services provided are not entirely or exclusively for the City.

- The Lewisville Housing Finance Corporation has been established to assist in evaluating housing needs within the City. The City Council appoints a board and board members are removable by City Council. The City Council approves the corporation's annual budget. In the event of dissolution, title to all assets transfer to the City. Financial statement information can be obtained by contacting the Lewisville Housing Finance Corporation, P.O. Box 299002, Lewisville, Texas 75029.

- The Lewisville Industrial Development Authority, Inc. has been established to assist in evaluating and considering approval of applications for financial participation by the Authority in commercial development projects. The City Council appoints a board and board members are removable by City Council. The City Council approves the authority's annual budget. In the event of dissolution, title to all assets transfer to the City. Financial statement information can be obtained by contacting the Lewisville Industrial Development Authority, P.O. Box 299002, Lewisville, Texas 75029.

- The City of Lewisville, in conjunction with Denton County, created the Tax Increment Reinvestment Zone Number 1, City of Lewisville, Texas, to provide additional financing resources to further enhance the redevelopment of the Old Town area of the City. The City Council appoints a board, and board members are removable by the City Council. The City Council approves the zone's annual budget. In the event of dissolution, title of all assets transfer to the City. Financial statement information can be obtained by contacting the Lewisville Tax Increment Reinvestment Zone Number 1, P. O. Box 299002, Lewisville, Texas 75029.

- The City of Lewisville, in conjunction with Denton County, created the Tax Increment Reinvestment Zone Number 2, City of Lewisville, Texas, to provide additional financing resources to pay for infrastructure costs to facilitate a mixed-use development project on approximately 427 acres at the intersection of I-35 and SH121. The City Council appoints five members of the board and an additional two positions are reserved for appointment by other taxing units levying taxes within the Zone. The City Council may remove board members and approves the zone's annual budget. Financial statement information can be obtained by contacting the Lewisville Tax Increment Reinvestment Zone Number 2, P. O. Box 299002, Lewisville, Texas 75029.

- In September 2002 the City of Lewisville voters approved, in a special election, the creation of the Lewisville Parks and Library Development Corporation. The Corporation was formed for the purpose of funding public parks, recreation projects, and library projects from revenues derived from a one-quarter cent sales tax within the City of Lewisville. The City Council appoints a board and board members are removable by the City Council. The City Council approves the corporation's annual budget. In the event of dissolution, title of all assets transfer to the City. Financial statement information can be obtained by contacting the Lewisville Parks and Library Development Corporation, P. O. Box 299002, Lewisville, Texas 75029.

## B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

*General Fund* – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

*Debt Service Fund* – The City's Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

*General Capital Projects Fund* – The General Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The City reports the following non-major governmental funds:

*Special Revenue Funds* – The City's Special Revenue Funds are used to account for revenue sources that are legally restricted to expenditures for specified purposes. They include the Hotel/Motel Tax Fund, Recreation Activity Fund, Grant Fund, Public Improvement District Tax Fund, Municipal Court Security Fund, Municipal Court Technology Fund, Police Asset Forfeiture Fund, Employee Benevolent Fund, Fire and Police Training Fund, Law Enforcement Officer Standard Education Fund (LEOSE), Donations Fund, Police Federal Forfeiture Fund, Juvenile Case Manager Fund, Lewisville Local Government Corporation, Public, Education and Government (PEG) Programming Fund, Lewisville Crime Control and Prevention District, and Lewisville Fire Control, Prevention, and Emergency Medical Services District.

*Castle Hills PID Capital Projects Fund* – The City's Castle Hills PID Capital Projects Fund accounts for the acquisition and construction of major capital facilities financed by the Castle Hills Public Improvement District.

The City reports the following major proprietary fund:

*Water and Sewer Utility Enterprise Fund* – The City's Enterprise Fund is used to account for operations of the City's sale of treated water and the disposal of sewage and solid waste for its citizens.

Additionally, the government reports the following fund types:

*Internal Service Funds* – The City's Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City.

- *Self-Insurance Risk Fund* – The City's Self-Insurance Risk Fund accounts for revenues from premium charges to the departments. Expenses include claim payments, administrative costs, and reinsurance premiums for workers' compensation, unemployment, and liability/property casualty programs.

- *Health Insurance Risk Pool Fund* – The City's Health Insurance Risk Pool Fund accounts for revenues from premium charges to the departments, employee and retirees for insurance coverage. Expenses include claims payments, administrative costs, and reinsurance premiums for health and dental programs.

- *Maintenance and Replacement Fund* – The City's Maintenance and Replacement Fund provides fleet maintenance services for City departments and accounts for the purchase of all vehicles and major equipment operated by the City. Departments pay monthly charges to provide funds for future replacement of capital outlay as well as to reimburse the fund for current fleet repairs and maintenance.

*Agency and Trust Funds* – The City's agency fund is custodial in nature and does not involve measurement of results of operations. The City's trust fund is used to account for assets held by the City in a trustee capacity.

- *Castle Hills Public Improvement District Debt Service Agency Fund* – The City's Castle Hills Public Improvement District Debt Service Agency Fund accounts for bond proceeds and related debt associated with the issuance of bonds held by the City as an agent for the Public Improvement District.

- *Lewisville OPEB Liability Trust Fund* – The City's OPEB Liability Trust Fund accounts for the funding of post-employment healthcare benefits for retirees of the City and their dependents.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Fund and of the City's Internal Service Funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

## D. Cash, Investments, and Deposits

The government's cash is considered to be cash on hand and demand deposits. The City pools idle cash from all funds for the purpose of increasing income through coordinated investment activities. The City follows GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Investments held by the City are reported at fair value. Interest earnings are allocated to the respective funds based upon each fund's relative balance in the pool.

## E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "interfund receivable/payable."

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds indicating that they are not available for appropriation and are not expendable, available financial resources.

## F. Property Taxes

Property taxes attach as an enforceable lien on property located in the City as of January 1. Taxes are levied on October 1 and are due and payable on or before January 31 of the following year. The Denton County Tax Assessor/Collector's office bills and collects the City's property taxes. City property tax revenues are deferred when levied and are recognized as revenue when collected.

The statutes of the State of Texas do not prescribe a legal limit. However, Article XI, Section 5 of the Texas Constitution, applicable to cities of more than 5,000 population that have adopted a Home Rule charter, limits the ad valorem tax rate to $2.50 per $100 assessed valuation. For the fiscal year ended September 30, 2013, the City had a tax margin of $2.05979 per $100 assessed valuation based upon the maximum rates described above.

## G. Inventories of Supplies

Inventories of supplies are valued at weighted average cost and consist of warehouse supplies, postage and gasoline purchased by the City to use in its vehicles. The cost of the inventories is recorded as an expense when consumed rather than when purchased.

## H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid in the government-wide and fund financial statements, as the City utilizes the consumption method of accounting. These items consist primarily of software support, training registration, subscriptions, and prepaid insurance.

## I. Restricted Assets

Certain proceeds of Enterprise Fund Revenue Bonds and other amounts designated for capital improvements as well as certain resources set aside for their repayment are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants.

## J. Property, Plant, and Equipment

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense capitalized by the City during the current fiscal year was $500,521.

The City has established the Maintenance and Replacement Internal Service Fund to account for all City-owned vehicles. Charges for use of the vehicle in the form of lease payments are made by the City departments to the Maintenance and Replacement Internal Service Fund to provide for future acquisitions and replacement of City-owned vehicles.

Property, plant, and equipment of the City, is depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|---|---|
| Water and sewer system | 50 |
| Infrastructure | 30 |
| Buildings | 33 |
| Other improvements | 4-50 |
| Machinery and equipment | 3-50 |
| Vehicles | 2-20 |
| Servers | 3 |

## K. Compensated Absences

It is the City's policy to permit employees to accumulate certain earned but unused vacation, comp time, and sick pay benefits. Sick leave can be accrued up to 200 days but the City will compensate only for hours in excess of 30 days up to a maximum of 90 days upon termination. All vacation pay is accrued when incurred in the government-wide, proprietary, and component unit fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. Typically, the General Fund has been used in prior years to liquidate such amounts in governmental funds.

## L. Long-Term Obligations

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method, which approximates the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## M. Fund Equity

In the fund financial statements, governmental funds establish fund balance classifications that are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported.

Fund balances classified as non-spendable represent amounts that are not in a spendable form (such as inventory). Fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance. Assigned fund balances are constrained by the intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by City management based on council direction. Unassigned fund balance is available for any purpose but is only reported in the General Fund.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive first when more than one classification is available.

For further details of the various fund balance classifications refer to Note 13.

**N. Budgets**

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Hotel/Motel Tax Special Revenue, Recreation Activity Special Revenue, Grant Special Revenue, Public Improvement District Tax Special Revenue, Municipal Court Security Special Revenue, Municipal Court Technology Special Revenue, Police Asset Forfeiture Special Revenue (State and Federal), Fire and Police Training Special Revenue, Law Enforcement Officer Standards and Education Special Revenue, Donations Special Revenue, Juvenile Case Manager Special Revenue, PEG Programming Special Revenue, Lewisville Crime Control and Prevention District, Lewisville Fire Control, Prevention, and Emergency Medical Services District, Debt Service, Water and Sewer Utility Enterprise, Self-Insurance Risk Internal Service, Health Insurance Risk Pool Internal Service, Maintenance and Replacement Internal Service, Lewisville Parks and Library Development Corporation (4B Sales Tax), OPEB Liability Trust, Old Town Tax Increment Reinvestment Zone, and Tax Increment Reinvestment Zone #2 Funds.

All annual appropriations lapse at fiscal year-end. Long range financial plans are adopted for all capital project funds with all capital project appropriation balances to roll forward.

**O. Deficit Net Position**

The Lewisville Parks and Library Development Corporation has an agreement with the City of Lewisville regarding the construction, maintenance and operation of improvements for public park and library projects that states all capital assets shall be owned and operated by the City. Therefore, all of the Corporation's capital assets are transferred to the City annually and recorded as contribution expense. The cumulative effects of these annual transfers along with results of operations have resulted in a deficit net position balance of $19,119,935 at September 30, 2013.

## 2. CASH, INVESTMENTS, AND DEPOSITS

At year end, the government's carrying amount of deposits was $32,003,144 and the bank balance was $33,724,298. All bank balances, including the bank balance of the discretely presented component units, were covered by Federal Depository Insurance or by collateral held by a third-party custodian. The custodian serves contractually as the City's agent.

Additionally, the City has an account under a safekeeping agreement with J.P. Morgan Chase Bank, NA. The U.S. Government Treasury and Agency investments clear via the Federal Reserve System through this account upon purchase, sale, or maturity. All assets in the account are held in the City's name.

The City is authorized to make direct investments in the following:

1. U.S. Treasury securities maturing in less than three years;
2. Short-term obligations of U.S. Government agencies which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
3. Fully insured or collateralized certificates of deposits at commercial banks;
4. Repurchase agreements collateralized by U.S. Treasury or U.S. Government agency securities in accordance with a master repurchase agreement approved by the Investment Committee;
5. Direct or unconditionally guaranteed obligations of the State of Texas; and
6. Common trusts administered by Texas banks with assets consisting of all of the above except certificates of deposit.

Investments at September 30, 2013 consisted of U.S. Government securities held by the City's agent in the City's name. The carrying amount of these investments at September 30, 2013 was $127,884,691. At September 30, 2013, the City also had $51,781,029 invested with TexPool, an investment pool for state and local governments in Texas. The City's portfolio average yield, including TexPool, was 0.32290% in 2013.

The State Comptroller of Public Accounts exercises oversight responsibilities 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 weekly rating portfolio, information must be submitted to Standard & Poors, as well as the office of the Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market 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.

At year end, the City's investment balances were as follows:

| | Carrying Amount | Fair Value | Weighted Average Maturity (Days) |
|---|---|---|---|
| U.S. Government Agency securities | $ 127,884,691 | $ 127,884,691 | 617 |
| Investment in TexPool | 51,781,029 | 51,781,029 | 1 |
| Total investments | $ 179,665,720 | $ 179,665,720 | 375 |

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or a deposit. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investments with TexPool have maturities of less than one year or in U.S. government securities that are not highly sensitive to changes in interest rates. In accordance with its investment policy, the City further manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one and one-half years.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSROs). All investment pools policies require a rating of AA or better from a nationally recognized rating agency. While State law allows investments in commercial paper and corporate bonds that meet rating guidelines issued by NRSROs, the City's policy further restricts investments purchases, aside from those managed by pools, to obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; and other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by, the full faith and credit of the State of Texas or the United States or its agencies and instrumentalities. The City's investments in U.S. Government Agency securities (Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Federal Farm Credit Bank) are rated AA+ by Standard & Poors, and AAA and Aaa by Fitch and Moody's, respectively. The investment in Texas Local Government Pools (TexPool) carried a credit rating of AAAm by Standard and Poor's as of September 30, 2013.

Concentration of Credit Risk

In accordance with the City's investment policy, investments are issued or explicitly guaranteed by the U.S. Government or in external investment pools which are not considered to provide a concentration of credit risk.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act of Texas and the City's investment policy requires that a financial institution secure deposits made by state or local government entities by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least the bank balances less FDIC insurance at all times. The City's investment policy further limits exposure to custodial risk on investments through the use of third party safekeeping agreements, delivery versus payment, and limiting types of investments listed earlier in this note.

## 3. RECEIVABLES

Government-wide receivables as of year end, including the applicable allowances for uncollectable accounts, are as follows:

| | General | Debt Service | General Capital Projects | Non-Major and Other Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| Receivables | | | | | |
| Property taxes | $ 430,750 | $ 168,148 | $ - | $ - | $ 598,898 |
| Franchise taxes | 1,774,502 | - | - | - | 1,774,502 |
| Sales taxes | 4,046,096 | - | - | 924,955 | 4,971,051 |
| Mixed drink taxes | 122,579 | - | - | - | 122,579 |
| Accounts | 1,430,571 | - | - | 409,462 | 1,840,033 |
| Unbilled trade accounts | 269,311 | - | - | - | 269,311 |
| Interest | 19,012 | 741 | 60,716 | 6,315 | 86,784 |
| Court | 1,378,578 | - | - | - | 1,378,578 |
| Grants | - | - | - | 303,547 | 303,547 |
| Ambulance | 1,450,051 | - | - | - | 1,450,051 |
| Gross total receivables | 10,921,450 | 168,889 | 60,716 | 1,644,279 | 12,795,334 |
| Less: allowance | (2,362,640) | (120,367) | - | (13,851) | (2,496,858) |
| Net total receivables | $ 8,558,810 | $ 48,522 | $ 60,716 | $ 1,630,428 | $ 10,298,476 |

| | Water and Sewer | Internal Service | Total Proprietary Funds | Total All Funds |
|---|---|---|---|---|
| Receivables | | | | |
| Property taxes | $ - | $ - | $ - | $ 598,898 |
| Franchise taxes | - | - | - | 1,774,502 |
| Sales taxes | - | - | - | 4,971,051 |
| Mixed drink taxes | - | - | - | 122,579 |
| Accounts | 1,764,168 | 17,737 | 1,781,905 | 3,621,938 |
| Unbilled trade accounts | 3,140,895 | - | 3,140,895 | 3,410,206 |
| Interest | 51,278 | 9,457 | 60,735 | 147,519 |
| Court | - | - | - | 1,378,578 |
| Grants | - | - | - | 303,547 |
| Ambulance | - | - | - | 1,450,051 |
| Gross total receivables | 4,956,341 | 27,194 | 4,983,535 | 17,778,869 |
| Less: allowance | (354,961) | - | (354,961) | (2,851,819) |
| Net total receivables | $ 4,601,380 | $ 27,194 | $ 4,628,574 | $ 14,927,050 |

## 4. INTERFUND TRANSACTIONS

Interfund transactions and balances for the fiscal year 2013 were as follows:

**Due to/from other funds**

| Receivable Fund | Payable Fund | Amount | Purpose |
|---|---|---|---|
| General Fund | Non-major Governmental | $ 238,910 | Short-term funding of deficit cash |

**Interfund Transfers**

| Transfers In | Transfers Out | Amount | Purpose |
|---|---|---|---|
| General | Water and Sewer Utility | $ 3,785,515 | Payments in lieu of taxes, franchise fee, and indirect cost reimbursement |
| General | Nonmajor Governmental | 150,952 | Indirect cost reimbursement and excess funds transfer |
| Water and Sewer Utility | Debt Service | 50,000 | Reimburse debt service |
| General Capital Projects | General | 7,157,216 | Financing of capital improvements |
| General Capital Projects | Nonmajor Governmental | 98,462 | Financing of capital improvements |
| Nonmajor Governmental | Nonmajor Governmental | 8,283 | Excess fund consolidation |
| Nonmajor Governmental | General | 122,819 | Matching funds |
| Internal Service | Internal Service | 1,000,000 | Excess funds transfer |
| | | $ 12,373,247 | |

## 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2013 was as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Governmental Funds | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | $ 48,557,117 | 439,675 | - | 222,245 | $ 49,219,037 |
| Construction in progress | 15,148,762 | 11,270,740 | (142,075) | (12,296,495) | 13,980,932 |
| Total capital assets, not being depreciated | 63,705,879 | 11,710,415 | (142,075) | (12,074,250) | 63,199,969 |
| Capital assets, being depreciated: | | | | | |
| Land improvements | 335,232,709 | 2,117,514 | - | 11,145,502 | 348,495,725 |
| Buildings | 72,104,908 | - | - | (29,651) | 72,075,257 |
| Other improvements | 24,206,426 | - | - | 291,220 | 24,497,646 |
| Machinery and equipment | 25,724,148 | 873,333 | (9,725) | 667,179 | 27,254,935 |
| Total capital assets being depreciated | 457,268,191 | 2,990,847 | (9,725) | 12,074,250 | 472,323,563 |
| Accumulated depreciation: | | | | | |
| Land improvements | (139,143,478) | (11,621,695) | - | - | (150,765,173) |
| Buildings | (22,896,186) | (2,138,983) | - | - | (25,035,169) |
| Other improvements | (8,518,393) | (2,025,005) | - | - | (10,543,398) |
| Machinery and equipment | (19,868,660) | (1,408,669) | 9,725 | - | (21,267,604) |
| Total accumulated depreciation | (190,426,717) | (17,194,352) | 9,725 | - | (207,611,344) |
| Total capital assets being depreciated, net | 266,841,474 | (14,203,505) | - | 12,074,250 | 264,712,219 |
| Total governmental funds capital assets, net | 330,547,353 | (2,493,090) | (142,075) | - | 327,912,188 |
| Internal service funds | | | | | |
| Capital assets, being depreciated: | | | | | |
| Other improvements | 274,272 | - | - | - | 274,272 |
| Machinery and equipment | 24,706,564 | 1,414,907 | (588,929) | - | 25,532,542 |
| Total internal service assets being depreciated | 24,980,836 | 1,414,907 | (588,929) | - | 25,806,814 |
| Accumulated depreciation: | | | | | |
| Other improvements | (99,383) | (20,125) | - | - | (119,508) |
| Machinery and equipment | (18,942,302) | (1,866,864) | 569,351 | - | (20,239,815) |
| Total accumulated depreciation | (19,041,685) | (1,886,989) | 569,351 | - | (20,359,323) |
| Total internal services funds capital assets, net | 5,939,151 | (472,082) | (19,578) | - | 5,447,491 |
| Governmental activities capital assets, net | $ 336,486,504 | $ (2,965,172) | $ (161,653) | $ - | $ 333,359,679 |

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Business-type activities:** | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | $ 2,368,892 | $ - | $ - | $ - | $ 2,368,892 |
| Construction in progress | 25,903,371 | 8,317,323 | - | (21,316,426) | 12,904,268 |
| Total capital assets, not being depreciated | 28,272,263 | 8,317,323 | - | (21,316,426) | 15,273,160 |
| Capital assets, being depreciated: | | | | | |
| Land improvements | 106,700 | - | - | - | 106,700 |
| Buildings | 1,131,504 | - | - | - | 1,131,504 |
| Other improvements | 658,008 | - | - | - | 658,008 |
| Water system | 140,191,934 | 505,604 | - | 19,098,943 | 159,796,481 |
| Sewer system | 100,766,762 | 158,333 | - | 2,104,791 | 103,029,886 |
| Machinery and equipment | 4,224,505 | 224,474 | - | 112,692 | 4,561,671 |
| Total capital assets being depreciated | 247,079,413 | 888,411 | - | 21,316,426 | 269,284,250 |
| Accumulated depreciation: | | | | | |
| Land improvements | (78,352) | (2,379) | - | - | (80,731) |
| Buildings | (385,691) | (28,846) | - | - | (414,537) |
| Other improvements | (185,979) | (43,394) | - | - | (229,373) |
| Water system | (40,800,608) | (3,194,186) | - | - | (43,994,794) |
| Sewer system | (33,107,151) | (2,079,710) | - | - | (35,186,861) |
| Machinery and equipment | (3,259,312) | (326,060) | - | - | (3,585,372) |
| Total accumulated depreciation | (77,817,093) | (5,674,575) | - | - | (83,491,668) |
| Business-type activities capital assets, net | | | | | |
| Total capital assets being depreciated, net | 169,262,320 | (4,786,164) | - | 21,316,426 | 185,792,582 |
| Total capital assets, net | $ 197,534,583 | $ 3,531,159 | $ - | $ - | $ 201,065,742 |

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

| | |
|---|---|
| Governmental activities: | |
| General government | $ 2,305,218 |
| Finance | 3,851 |
| Community relations/tourism | 120,572 |
| Human resources | 719 |
| Municipal court | 8,697 |
| Information technology | 194,631 |
| Police | 708,805 |
| Fire | 322,887 |
| Public works | 10,287,864 |
| Parks and leisure | 3,049,860 |
| Community development | 191,248 |
| Internal service funds | 1,886,989 |
| Total depreciation expense - governmental activities | $ 19,081,341 |
| Business-type activities: | |
| Water and sewer | $ 5,674,575 |

Outstanding commitments at September 30, 2013 under authorized construction contracts were approximately $7.0 million. These outstanding commitments are to be financed by available cash and investment balances, which include proceeds from previous bond issuances.

## 6. EMPLOYEE RETIREMENT PLAN

Plan Description

The City provides pension benefits for all its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statues of TMRS.

Upon retirement, benefits depend upon the sum of the employee's contributions, with interest, and the City-financed monetary credits, with interest. City-financed monetary credits are composed of three sources: prior service credits, current service credits, and updated service credits. At the inception of the City's plan, the City granted monetary credits for service rendered before the plan began (or prior service credits) of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest (3% annual), prior to establishment of the plan. Monetary credits for service since the plan began (or current service credits) are 200% of the employee's accumulated contributions. In addition, the City has granted on an annually repeating basis another type of monetary credit referred to as an updated service credit. The updated service credit is calculated by taking the difference between this hypothetical account balance and the actual reserve balance. It is then increased by 3% each year, not the actual interest credited to member accounts in previous years, and increased by the City 2 to 1 match currently in effect. The resulting sum is then multiplied by 75% and compared to the member's prior year updated service credit balance increased by the actual City match and actual interest credited. If the hypothetical calculation exceeds the actual calculation, the member is granted a monetary credit (or updated service credit) equal to the difference between the hypothetical calculation and the actual calculation. 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 payment options: retiree life only; one of three lifetime survivor options; or one of three guaranteed term options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum distribution (PLSD) in an amount equal to 12, 24, or 36 monthly payments under the retiree life only option, which cannot exceed 75% of the total member deposits and interest.

The City elected to increase the annuities (annuity increases) of its retirees, either annually or on an annually repeating basis, effective January 1 of a calendar year. The City has adopted annuity increases at the rate of 70% of the increase (if any) in the Consumer Price Index—all Urban Consumers (CPI-U) between the December preceding the member's retirement date and the December one year before the effective date of the increase, minus any previously granted increases.

A member is vested after five years and can retire at age 60 and above with five or more years of service or at any age with 20 years of service. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

Contributions

The contribution rate for employees is 7% of employee gross earnings and the City's matching ratio is currently 2 to 1, 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 Projected Unit Credit actuarial cost method (effective with the December 31, 2007 actuarial valuation). This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year.

The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for the City. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as updated service credits and annuity increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Contributions are made monthly by both the employees and the City. Since the City must know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect (i.e. December 31, 2012 valuation is effective for rates beginning January 2014).

The annual pension costs and net pension obligation is as follows:

Net Pension Obligation

| | FY 2012-13 | FY 2011-12 | FY 2010-11 |
|---|---|---|---|
| Annual required contribution (ARC) | $ 7,552,936 | $ 7,838,904 | $ 8,535,905 |
| Interest on net pension obligation | 433,870 | 382,287 | 249,810 |
| Adjustment to the ARC | (379,131) | (309,105) | (205,863) |
| Annual pension costs (APC) | 7,607,675 | 7,912,086 | 8,579,852 |
| Contributions made | (7,459,191) | (6,811,107) | (6,813,495) |
| Increase (decrease) in net pension obligation | 148,484 | 1,100,979 | 1,766,357 |
| Net pension obligation, beginning of year | 6,198,140 | 5,097,161 | 3,330,804 |
| Net pension obligation, end of year | $ 6,346,624 | $ 6,198,140 | $ 5,097,161 |

Three-Year Trend Information

| | FY 2012-13 | FY 2011-12 | FY 2010-11 |
|---|---|---|---|
| Actuarial valuation date | 12/31/2012 | 12/31/2011 | 12/31/2010 |
| Annual pension cost (APC) | $ 7,607,675 | $ 7,912,083 | $ 8,579,852 |
| Actual contributions made | 7,459,191 | 6,811,107 | 6,813,495 |
| Percentage of APC contributed | 98.0% | 86.1% | 79.4% |
| Net pension obligation | $ 6,346,624 | $ 6,198,140 | $ 5,097,161 |

The required contribution rates for fiscal year 2013 were determined as part of the December 31, 2010 and 2011 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

Schedule of Actuarial Assumptions and Valuations

| Valuation date | FY 2012-13<br>12/31/2012 | FY 2011-12<br>12/31/2011 | FY 2010-11<br>12/31/2010 |
|---|---|---|---|
| Actuarial cost method | Projected Unit Credit | Projected Unit Credit | Projected Unit Credit |
| Amortization method | Level Percent of Payroll | Level Percent of Payroll | Level Percent of Payroll |
| Remaining amortization period | 25.3 years; closed period | 26.2 years; closed period | 27.2 years; closed period |
| Amortization Period for new Gains/Losses | 30 years | 30 years | 30 years |
| Asset valuation method | 10-year Smoothed Market | 10-year Smoothed Market | 10-year Smoothed Market |
| Actuarial assumptions: | | | |
| Investment rate of return * | 7.00% | 7.00% | 7.00% |
| Projected salary increases * | Varies by age and service | Varies by age and service | Varies by age and service |
| Cost-of-living adjustments | 2.10% | 2.10% | 2.10% |
| * Includes inflation at | 3.00% | 3.00% | 3.00% |

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

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The schedule of funding progress below presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Schedule of Actuarial Liabilities and Funding Progress

| Actuarial valuation date | FY 2012-13 12/31/2012 | FY 2011-12 12/31/2011 | FY 2010-11 12/31/2010 |
|---|---|---|---|
| Actuarial value of assets | $ 172,168,275 | $ 157,296,848 | $ 144,080,655 |
| Actuarial accrued liability | 211,137,970 | 198,973,790 | 191,546,520 |
| Funded ratio | 81.5% | 79.1% | 75.2% |
| Unfunded actuarial accrued liability (UAAL) | 38,969,695 | 41,676,942 | 47,465,865 |
| Annual covered payroll | 40,454,089 | 39,830,706 | 39,819,534 |
| UAAL as a percentage of covered payroll | 96.3% | 104.6% | 119.2% |

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS. The report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained by writing to TMRS, P.O. Box 149153, Austin, TX 78714-9153 or by calling 800-924-8677. In addition, the report is available on TMRS' website at www.TMRS.com.

## 7. COMMITMENTS AND CONTINGENCIES

Water Contract

The City purchases all of its raw water from the City of Dallas. The raw water rate for this contract during the fiscal year was $0.4587 per 1,000 gallons. The City of Dallas reserves the right and power during the term of this contract to set reasonable revised rates from time to time.

Legal

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

Grant Audit

The City receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by the federal and state agencies for expenditures disallowed under the terms and conditions of the appropriate agreement. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial position.

## 8. OTHER POST EMPLOYMENT BENEFITS

The City provides a $15,000 fully paid life insurance policy upon retirement with ten years of service with the City of Lewisville. The City pays 100 percent of the premium cost for the life insurance policy. Expenditures for this benefit are recognized as employees retire and the insurance policy is purchased. The City recognized expenditures of $114,600 for the year ended September 30, 2013 to purchase life insurance policies for sixteen eligible retirees.

Lewisville OPEB Liability Trust Fund

The City established an irrevocable trust in 2008 for the systematic funding of post-employment health benefits as a single-employer, defined benefit plan. Plan assets may be used only for the payment or reimbursement of benefits provided to retirees, in accordance with the terms of the plan.

*Summary of Significant Accounting Policies*
Financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized when due. The City's contributions are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

*Plan Descriptions and Contribution Information*
The City provides comprehensive group medical benefits for employees at retirement who meet the eligibility requirements for postretirement benefits. Eligibility requirements are (1) age 60 and 5 years of service with the City, or (2) 20 years of service with Texas Municipal Retirement System, the City's pension provider. Election must be made at time of retirement to remain in the plan. Continuation of coverage is subject to the payment of required contributions by participating retirees and dependents. The City contributes a fixed amount toward each retiree's monthly premium, based on the tenure with the City. The City's substantive plan places a zero percent (0%) cap on future contribution increases. The employee remains on the plan until age 65 when they are moved to a fully insured Medicare supplement plan. The City contributes a flat $50 per month toward the retiree's fully insured premium.

Membership of the plan consists of the following at October 1, 2012, the date of the latest actuarial valuation:

| | |
|---|---|
| Number of retirees and beneficiaries receiving benefits | 79 |
| Active plan members | 631 |

*Funding Status and Funding Progress*

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Schedule of Funding Status and Funding Progress**

| Actuarial Valuation Date | 10/1/2012 | 10/1/2011 | 10/1/2010 |
|---|---|---|---|
| Actuarial Value of Assets | $ 3,333,200 | $ 2,738,100 | $ 2,637,000 |
| Actuarial Accrued Liability (AAL) | 4,787,900 | 5,118,100 | 4,732,000 |
| Unfunded AAL (UAAL) | 1,454,700 | 2,380,000 | 2,095,000 |
| Funded Ratio | 69.6% | 53.5% | 55.7% |
| Fiscal Year Covered Payroll | $ 40,159,835 | $ 41,107,984 | $ 39,581,047 |
| UAAL as a Percentage of Covered Payroll | 3.6% | 5.8% | 5.3% |

The schedule of employer contributions present trend information about the amounts contributed to the plan by the City in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**Schedule of Employer Contributions and Net OPEB Obligation**

| Contribution Year | 9/30/2013 | 9/30/2012 | 9/30/2011 |
|---|---|---|---|
| Annual Required Contribution | $ 366,600 | $ 359,300 | $ 494,600 |
| Interest on net OPEB obligation | - | - | - |
| Adjustment to annual required contribution | - | - | - |
| Annual OPEB cost | $ 366,600 | $ 359,300 | $ 494,600 |
| Contributions made | 366,600 | 359,300 | 494,600 |
| Change in OPEB obligation | $ - | $ - | $ - |
| Net OPEB obligation (asset), beginning of year | - | - | - |
| Net OPEB obligation (asset), end of year | $ - | $ - | $ - |
| Percentage of annual OPEB cost contributed | 100.0% | 100.0% | 100.0% |

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspectives of the calculations.

Schedule of Actuarial Assumptions and Valuations

| Valuation date | 10/1/2012 | 10/1/2011 | 10/1/2010 |
|---|---|---|---|
| Actuarial cost method | Projected Unit Credit | Projected Unit Credit | Projected Unit Credit |
| Amortization method | Level dollar, open | Level dollar, open | Level dollar, open |
| Amortization period | 30 years | 30 years | 30 years |
| Asset valuation method | Market | Market | Market |
| Actuarial assumptions: | | | |
| Investment rate of return | 7.50% | 7.50% | 7.50% |
| General inflation | 3.00% | 3.00% | 3.00% |

Healthcare cost trend rate is assumed to be greater than 3.0% annually, however is not applicable for purposes of this valuation, since the City's future costs are set at a fixed amount.

The Lewisville OPEB Liability Trust Fund does not issue a separate financial report. Additional information can be found in the Agency and Trust Funds section of this report.

## 9. COMPONENTS OF RESTRICTED ASSETS

Restricted assets reported in the Enterprise Funds statement of net position at September 30, 2013 are comprised of the following:

| | | |
|---|---|---|
| Deposits | $ | 1,489,877 |
| Money held in escrow | | 30,583 |
| Revenue bond current debt service accounts | | 3,430,343 |
| Revenue bond future debt service accounts | | 3,659,601 |
| Revenue bond construction accounts | | 36,651,560 |
| Total | $ | 45,261,964 |

The related liabilities payable from restricted assets at September 30, 2013 are as follows:

| | | |
|---|---|---|
| Deposits payable | $ | 1,489,877 |
| Escrow payable | | 30,624 |
| Accrued interest payable | | 261,641 |
| Contracts and retainage payable | | 733,297 |
| Current maturities of bonds payable | | 5,140,000 |
| Total | $ | 7,655,439 |

The ordinance authorizing the Waterworks and Sewer System Revenue Bonds requires that the City establish a sinking fund (recorded in the revenue bond current debt service accounts) in an amount not less than the amount required to fully pay principal and interest payments as they come due.

In addition, the ordinance requires that the City establish a reserve fund (recorded in the revenue bond future debt service accounts) to provide for payment of principal and interest in the event that other funds available for such purposes are insufficient. At September 30, 2013, the balances in both the sinking and reserve funds are sufficient to satisfy such bond ordinance requirements.

The ordinance further requires that the proceeds from the sale of the Revenue Bonds be expended for making improvements and extensions to the City's combined waterworks and sanitary sewer system. The proceeds are maintained in the revenue bond and capital projects construction accounts until such time as needed to fund the construction program.

The amount of net position restricted for revenue bond retirements is detailed as follows:

| | | |
|---|---|---|
| Revenue bond current debt service accounts | $ | 3,430,343 |
| Revenue bond future debt service accounts | | 3,659,601 |
| | $ | 7,089,944 |
| Less: | | |
| Accrued interest payable | $ | 261,641 |
| Current maturities of bonds payable | | 5,140,000 |
| | | 5,401,641 |
| Restricted for bond retirement | $ | 1,688,303 |

## 10. DEFERRED COMPENSATION PLAN

The City offers its employees a choice between two deferred compensation plans (the Plan) created in accordance with Internal Revenue Code Section 457. One Plan is administered and investments managed by Nationwide Retirement Solutions (NRS). The second Plan is administered by AIG Valic. The assets and liabilities amounted to $26,886,475 for Nationwide and $34,430,335 for AIG Valic at September 30, 2013. The plans include numerous types of investments as participants elect how their salary deferrals are invested. Investment options include the following: fixed annuities, variable annuities, and life insurance.

The Plans are available to all City employees and permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the City's management that the City has no liability for those losses under the Plan but does have the duty of due care that would be required of an ordinary prudent investor. The City provides limited administrative duties.

In accordance with GASB Statement No. 32, the deferred compensation plans are not included in the financial statements of the City.

## 11. LONG TERM LIABILITIES

General Obligation Bonds

General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. Bonds generally are issued as 16-year serial bonds, except for refunding issues, with level debt service requirements each year. General Obligation Bonds outstanding as of September 30, 2013 are as follows:

| Purpose | Interest Rates | Governmental Activities Amount | Business-Type Activities Amount |
|---|---|---|---|
| General Government | 1.50% - 5.00% | $ 75,555,000 | $ 3,955,000 |

Certificates of Obligation

Certificates of Obligation are direct obligations of the City, payable from a combination of ad valorem taxes and a limited pledge of surplus revenues of the City's waterworks and sewer system. Certificates of Obligation outstanding as of September 30, 2013 are as follows:

| Purpose | Interest Rates | Governmental Activities Amount |
|---|---|---|
| Park and Library Improvements | 4.00% - 5.00% | $ 16,390,000 |
| Arts Activity Center and Improvements | 4.00% - 5.00% | $ 7,575,000 |
| Total | | $ 23,965,000 |

Annual debt service requirements to maturity for Government Activities General Obligation Bonds and Certificates of Obligation, including interest of $30,173,150 are as follows:

| Year Ended | Governmental Activities | | |
|---|---|---|---|
| September 30 | Principal | Interest | Total |
| 2014 | $ 7,130,000 | $ 4,107,824 | $ 11,237,824 |
| 2015 | 7,425,000 | 3,736,773 | 11,161,773 |
| 2016 | 7,810,000 | 3,402,094 | 11,212,094 |
| 2017 | 7,645,000 | 3,070,783 | 10,715,783 |
| 2018 | 7,720,000 | 2,766,762 | 10,486,762 |
| 2019-2023 | 36,125,000 | 9,359,131 | 45,484,131 |
| 2024-2028 | 20,145,000 | 3,278,958 | 23,423,958 |
| 2029-2032 | 5,520,000 | 451,025 | 5,971,025 |
| | $ 99,520,000 | $ 30,173,350 | $ 129,693,350 |

During the year, the City issued $12,455,000 of General Obligation Bonds, Series 2013. Proceeds from the sale of the bonds will be used to provide funds for constructing improvements to the City's streets, sidewalks, and related drainage improvements.

Revenue Bonds

The City also issues bonds where the City pledges income derived from acquired or constructed assets to pay debt service. Revenue Bonds outstanding, at September 30, 2013, are as follows:

| Purpose | Interest Rates | Business-Type Activities Amount |
|---|---|---|
| Water supply and waste water treatment | 1.00% - 5.00% | $ 46,050,000 |
| Less-Current maturities payable from restricted assets | | 5,140,000 |
| | | $ 40,910,000 |

Annual debt service requirements to maturity, for Business-type Activities Revenue Bonds and General Obligation Bonds, including interest of $11,208,876 are as follows:

| Year Ended | Business-Type Activities | | |
|---|---|---|---|
| September 30 | Principal | Interest | Total |
| 2014 | $ 5,140,000 | $ 1,808,775 | $ 6,948,775 |
| 2015 | 4,970,000 | 1,594,938 | 6,564,938 |
| 2016 | 4,930,000 | 1,404,955 | 6,334,955 |
| 2017 | 4,460,000 | 1,230,945 | 5,690,945 |
| 2018 | 4,625,000 | 1,065,739 | 5,690,739 |
| 2019-2023 | 16,630,000 | 3,312,809 | 19,942,809 |
| 2024-2028 | 8,820,000 | 779,965 | 9,599,965 |
| 2029 | 430,000 | 10,750 | 440,750 |
| | $ 50,005,000 | $ 11,208,876 | $ 61,213,876 |

There are a number of limitations and restrictions contained in the various bond indentures. As of September 30, 2013, the City was in compliance with all limitations and restrictions.

During the year, the City issued $5,205,000 of Waterworks and Sewer System Revenue Bonds, Series 2013. Proceeds from the sale of the bonds will be used for the purpose of constructing, acquiring, and installing improvements, additions and extensions to the City's waterworks and sewer system.

In previous years, the City has defeased certain general obligation, certificates of obligation, and revenue bonds by placing funds into an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. At September 30, 2013, $3,160,000 of outstanding general obligation bonds and $13,085,000 of certificates of obligations are considered defeased.

## Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2013 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Bonds payable and Certificates of obligation | $ 94,085,000 | $ 12,455,000 | $ (7,020,000) | $ 99,520,000 | $ 7,130,000 |
| Less deferred amount on refunding | (726,214) | - | 82,465 | (643,749) | - |
| Premium | 2,161,421 | 1,276,220 | (231,545) | 3,206,096 | - |
| Compensated absences | 7,150,006 | 4,848,156 | (4,505,961) | 7,492,201 | 4,930,061 |
| Net pension obligation | 5,477,154 | 132,151 | - | 5,609,305 | - |
| Governmental activities long-term liabilities | $ 108,147,367 | $ 18,711,527 | $ (11,675,041) | $ 115,183,853 | $ 12,060,061 |
| Business type activities: | | | | | |
| Bonds payable | $ 50,115,000 | $ 5,205,000 | $ (5,315,000) | $ 50,005,000 | $ 5,140,000 |
| Less deferred amount on refunding | (392,802) | - | 45,535 | (347,267) | - |
| Premium | 1,156,801 | 481,262 | (127,275) | 1,510,788 | - |
| Discount | (68,559) | - | 6,268 | (62,291) | - |
| Compensated absences | 794,706 | 451,333 | (469,170) | 776,869 | 433,595 |
| Net pension obligation | 673,071 | 14,848 | - | 687,919 | - |
| Business type activities long-term liabilities | $ 52,278,217 | $ 6,152,443 | $ (5,859,642) | $ 52,571,018 | $ 5,573,595 |

In general, the General fund has been used in prior years to liquidate other long-term liabilities for the governmental activities of the City.

## Component Unit Bonded Indebtedness

On September 14, 2002 voters approved the imposition of an additional sales and use tax of one-quarter of one (0.25%) percent for parks and library purposes. The tax became effective on January 1, 2003 and collections began in March 2003. The sales tax is collected solely for the benefit of the Lewisville Parks and Library Development Corporation (a non-profit corporation) established by the City to administer sales tax collections and projects.

Proceeds of Certificates of Obligation issued by the City in 2004 were utilized to finance the construction of park facilities and library improvements. Certificates of Obligation issued by the City in 2007 for the Lewisville Parks and Library Development Corporation and the Tax Increment Reinvestment Zone Number 1 (TIRZ, also known as Old Town) component units were utilized for constructing an athletic complex, an arts activity center, parking lot and related improvements.

Note Payable to Primary Government / Note Receivable From Component Unit

The Lewisville Parks and Library Development Corporation ("LPLDC") has entered into an agreement with the City to reimburse the City for annual debt service costs associated with the Series 2004 and Series 2007A Combination Tax and Revenue Certificates of Obligation. In addition, the LPLDC entered into an additional agreement to repay $12,490,000 advanced to the LPLDC in 2012 to defease certain previously issued certificates of obligation. The Tax Increment Reinvestment Zone ("TIRZ") has entered into an agreement with the City to reimburse the City for annual debt service costs associated with the Series 2007B Combination Tax and Revenue Certificates of Obligation. The outstanding obligations as of September 30, 2013, $28,880,000 and $7,575,000, respectively, have been recorded as a non-current liability of the LPLDC and TIRZ and as a non-current asset of the governmental activities in the statement of net position.

Annual debt service requirements on the aforementioned Note Payable for the LPLDC are as follows:

| Year Ended | LPLDC - Note Payable | | |
|---|---|---|---|
| September 30 | Principal | Interest | Total |
| 2014 | $ 1,525,000 | $ 1,218,259 | $ 2,743,259 |
| 2015 | 1,590,000 | 1,149,834 | 2,739,834 |
| 2016 | 1,655,000 | 1,080,659 | 2,735,659 |
| 2017 | 1,725,000 | 1,010,159 | 2,735,159 |
| 2018 | 1,795,000 | 939,759 | 2,734,759 |
| 2019-2023 | 10,160,000 | 3,524,013 | 13,684,013 |
| 2024-2028 | 5,965,000 | 1,666,919 | 7,631,919 |
| 2029-2032 | 4,465,000 | 424,650 | 4,889,650 |
| | $ 28,880,000 | $ 11,014,252 | $ 39,894,252 |

Annual debt service requirements on the aforementioned Note Payable for the TIRZ are as follows:

| Year Ended | TIRZ - Note Payable | | |
|---|---|---|---|
| September 30 | Principal | Interest | Total |
| 2014 | $ 205,000 | $ 334,941 | $ 539,941 |
| 2015 | 245,000 | 324,816 | 569,816 |
| 2016 | 295,000 | 312,666 | 607,666 |
| 2017 | 330,000 | 298,604 | 628,604 |
| 2018 | 380,000 | 283,579 | 663,579 |
| 2019-2023 | 2,715,000 | 1,118,990 | 3,833,990 |
| 2024-2028 | 3,405,000 | 351,547 | 3,756,547 |
| | $ 7,575,000 | $ 3,025,143 | $ 10,600,143 |

A summary of changes in discretely presented component unit long-term debt follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| LPLDC activities: | | | | | |
| Notes payable: | | | | | |
| Notes payable to Primary Government | $ 30,325,000 | $ - | $ (1,445,000) | $ 28,880,000 | $ 1,525,000 |
| Premium | 1,747,044 | - | (148,744) | 1,598,300 | - |
| Less deferred amount on refunding | (980,042) | - | 83,715 | (896,327) | - |
| Compensated absences | 31,807 | 41,521 | (45,488) | 27,840 | 18,319 |
| Net pension obligation | 47,915 | 1,485 | - | 49,400 | - |
| LPLDC activites total: | 31,171,724 | 43,006 | (1,555,517) | 29,659,213 | 1,543,319 |
| TIRZ activities: | | | | | |
| Notes payable: | | | | | |
| Notes payable to Primary Government | 7,740,000 | - | (165,000) | 7,575,000 | 205,000 |
| Premium | 15,692 | - | (1,066) | 14,626 | - |
| TIRZ activities total: | 7,755,692 | - | (166,066) | 7,589,626 | 205,000 |
| Component unit long-term liabilities | $ 38,927,416 | $ 43,006 | $ (1,721,583) | $ 37,248,839 | $ 1,748,319 |

Bonded Indebtedness of Which the City Has No Liability

In addition to the outstanding General Obligation Bonds and Certificates of Obligation of the City and the Water and Sewer System Revenue Bonds, all of which are included in the financial statements of the City, the City is the Issuer of the following Public Improvement Bond issues:

$19,000,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 1998

$18,150,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2002

$25,000,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2004

$10,350,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005

$20,000,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2008

$2,840,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Utility System Bonds, Series 2011

$2,965,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Utility System Bonds, Series 2011

$5,355,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Road System Bonds, Series 2011

$14,330,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2013

These issues are not direct obligations of the City of Lewisville. They are Revenue Bonds issued for the Castle Hills Public Improvement District located in the City's extraterritorial jurisdiction.

For all issues except the 2008 bond issue, the principal and interest payment on the bonds is from ad valorem taxes (contract revenues, billed and collected by the Denton County Fresh Water District). For the 2008 bond issue, no more than 90% of the principal and interest payment on the bonds is from ad valorem taxes (contract revenues) and no less than 10% is payable from special assessment revenues and subject to special mandatory redemption prior to maturity.

In the event contract revenues were ever insufficient to pay principal and interest, the City would levy and collect special assessments from property owners in the public improvement district.

At September 30, 2013, City of Lewisville, Texas Contract Revenue and Special Assessment Improvement Bonds outstanding aggregated was $90,395,000.

## 12. RISK MANAGEMENT

The City established a limited risk management program for workers' compensation and healthcare coverage in 1988. Beginning September 1, 1990, liability and property and casualty risk funding was established within the Self-Insurance Internal Service Fund. Life, accidental death and dismemberment and long-term disability coverage are fully insured but accounted for within the fund. Premiums are transferred into the Self-Insurance Internal Service Fund from all other operating funds and are available to pay claims, claim reserves, reinsurance excess coverage premiums, and any other premiums or administrative costs associated with the programs. During FY 2012-13, a total of $1,124,841 was paid in life insurance and long-term disability premiums, reinsurance premiums, and administrative costs for workers' compensation, liability, and property/casualty claims. Workers' compensation liabilities include the reserve for unpaid claims and a calculated reserve for incurred but not reported claims. The workers' compensation reinsurance provided excess coverage of $500,000 per occurrence for all positions. Settled claims have not exceeded this commercial coverage in any of the past several years. In July 1999, the property and casualty and liability insurance coverages were moved to a deductible program. Each line of coverage has a deductible per occurrence ranging from $500-$50,000.

During FY 2001-02, the City established a Health Insurance Risk Pool under Chapter 172 of the Texas Local Government Code. Since the establishment of the Risk Pool, premiums for healthcare have been transferred into the Risk Pool from all other operating funds and are available to pay claims, claim reserves, reinsurance excess coverage premiums, and the administrative costs of the medical/dental plan. For the plan year beginning October 1, 2012, the healthcare reinsurance provided excess coverage (beyond $135,000 per occurrence) and an annual aggregate stop loss of approximately $5,937,988 per plan year limit. The healthcare liabilities include the reserve for unpaid claims and a calculated reserve for incurred but not reported claims. During FY 2012-13, total expenses for claims, reinsurance premiums, and administrative costs for healthcare amounted to $7,724,072 .

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated annually by an outside actuary who takes into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balances of claims liabilities for the years ended September 30, 2013 and 2012 are as follows:

| | 2013 | 2012 |
|---|---|---|
| Claims payable, beginning of year | $ 1,208,652 | $ 1,348,807 |
| Incurred claims | 7,255,213 | 7,205,588 |
| Claims payments | (7,145,071) | (7,345,743) |
| Claims payable, end of year | $ 1,318,794 | $ 1,208,652 |

## 13. FUND BALANCE CLASSIFICATIONS

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

• Non Spendable Fund Balance

This represents the portion of fund balance that is not in a spendable form (such as inventory or prepaid items) or is required to be maintained intact pursuant to legal or contractual requirements.

• Restricted Fund Balance

This represents the portion of fund balance that is subject to externally enforceable legal restrictions. These restrictions are typically imposed by parties outside the government such as grantors, creditors, or other government entities through laws and regulations.

• Committed Fund Balance

This represents the portion of fund balance that is constrained by limitations that the governing body imposed upon itself at the highest level of decision making (City Council) and remains binding unless removed in the same manner. Any changes must take place before the end of the reporting period.

• Assigned Fund Balance

This portion of fund balance reflects the government's intended use of resources. Such intent must presently be established at the highest level of decision making (Council vote), with the exception of the employee benevolent fund. The authority to assign benevolent fund balance has been granted to the employee committees via Administrative Directive 1.7.0. Amounts in excess of non-spendable, restricted, and committed fund balance in funds other than the General Fund would automatically be assigned here.

• Unassigned Fund Balance

Only the General Fund can have a positive "unassigned" fund balance. This balance represents any residual which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The following is a detailed schedule of Governmental Fund Balances as of September 30, 2013.

| | GOVERNMENTAL FUNDS | | | | |
|---|---|---|---|---|---|
| | General Fund | Debt Service Fund | General Capital Projects Fund | Other Governmental Funds | Total Governmental Funds |
| **FUND BALANCE:** | | | | | |
| **Non Spendable:** | | | | | |
| Prepaid expenses | $ 381,982 | $ - | $ - | $ 2,265,652 | $ 2,647,634 |
| **Spendable:** | | | | | |
| **Restricted for:** | | | | | |
| Debt service | - | 1,622,886 | | - | 1,622,886 |
| Capital projects - Streets | - | - | 18,134,430 | - | 18,134,430 |
| Capital projects - Drainage | - | - | 4,732,527 | - | 4,732,527 |
| Capital projects - Other | - | - | 8,982,565 | - | 8,982,565 |
| Hotel/Motel Tax Fund | - | - | - | 3,723,249 | 3,723,249 |
| Grant Funds | - | - | - | 65,257 | 65,257 |
| Public Improvement District Fund | - | - | - | 234,473 | 234,473 |
| Municipal Court Security Fund | - | - | - | 72,233 | 72,233 |
| Municipal Court Technology Fund | - | - | - | 183,734 | 183,734 |
| Police Forfeitures Fund (State) | - | - | - | 165,534 | 165,534 |
| Police Forfeitures Fund (Federal) | - | - | - | 677,802 | 677,802 |
| Juvenile Case Manager Fund | - | - | - | 95,000 | 95,000 |
| PEG Programming Fund | - | - | - | 229,197 | 229,197 |
| Crime Control & Prenvention District | - | - | - | 1,365,271 | 1,365,271 |
| Fire Control, Prevention, and Emergency Medical Services District | - | - | - | 2,677,160 | 2,677,160 |
| Castle Hills Capital Projects | - | - | - | 50,541 | 50,541 |
| Total Restricted | - | 1,622,886 | 31,849,522 | 9,539,451 * | 43,011,859 |
| **Committed to:** | | | | | |
| Capital projects - Streets | - | - | 2,916,568 | - | 2,916,568 |
| Capital projects - Parks | - | - | 395,724 | - | 395,724 |
| Capital projects - Other | - | - | 3,068,058 | - | 3,068,058 |
| Recreation Fund | - | - | - | 279,131 | 279,131 |
| Fire and Police Training Fund | - | - | - | 154,219 | 154,219 |
| Donations Fund | - | - | - | 246,308 | 246,308 |
| Lewisville Local Government Corporation | - | - | - | 5,066 | - 5,066 |
| Total Committed | - | - | 6,380,350 | 684,724 | 7,065,074 |
| **Assigned to:** | | | | | |
| Capital projects - Streets | - | - | 2,231,995 | - | 2,231,995 |
| Capital projects - Riverside Road & Bridge | - | - | 1,954,153 | - | 1,954,153 |
| Capital projects - Other | - | - | 2,953,290 | - | 2,953,290 |
| Other | 538,290 | - | - | - | 538,290 |
| Employee Benevolent Fund | - | - | - | 26,580 | 26,580 |
| Total Assigned | 538,290 | - | 7,139,438 | 26,580 | 7,704,308 |
| **Unassigned:** | 30,571,006 | - | - | - | 30,571,006 |
| **TOTAL FUND BALANCES:** | $ 31,491,278 | $ 1,622,886 | $ 45,369,310 | $ 12,516,407 | $ 90,999,881 |

*NOTE: These restrictions are also reflected as restrictions of net position on the Statement of Net Position.

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

# REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LEWISVILLE, TEXAS EXHIBIT A-1
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Taxes | $ 47,846,442 | $ 47,846,442 | $ 50,753,584 | $ 2,907,142 |
| Licenses and permits | 1,628,185 | 1,628,185 | 2,375,771 | 747,586 |
| Charges for services | 5,698,936 | 5,698,936 | 6,051,283 | 352,347 |
| Recreation | 1,089,760 | 1,089,760 | 1,093,266 | 3,506 |
| Fines and forfeitures | 2,922,488 | 2,922,488 | 2,954,961 | 32,473 |
| Interest | 140,743 | 140,743 | 48,905 | (91,838) |
| Miscellaneous | 725,612 | 725,612 | 882,124 | 156,512 |
| Total revenues | 60,052,166 | 60,052,166 | 64,159,894 | 4,107,728 |
| **EXPENDITURES:** | | | | |
| General government | 1,791,297 | 1,457,968 | 1,037,537 | 420,431 |
| Mayor and council | 66,850 | 66,850 | 58,749 | 8,101 |
| Administrative and legal | 2,154,792 | 2,169,360 | 2,137,540 | 31,820 |
| Community relations and tourism | 735,118 | 735,118 | 734,229 | 889 |
| Police | 19,995,157 | 19,998,957 | 19,461,171 | 537,786 |
| Fire | 16,381,725 | 16,393,414 | 16,110,146 | 283,268 |
| Public services | 4,478,677 | 4,495,433 | 4,311,378 | 184,055 |
| Parks and leisure | 6,154,664 | 6,157,664 | 5,971,888 | 185,776 |
| Community development | 5,379,870 | 5,369,505 | 5,124,103 | 245,402 |
| Finance | 1,306,469 | 1,306,469 | 1,274,041 | 32,428 |
| Human resources | 717,197 | 717,197 | 700,099 | 17,098 |
| Information technology services | 1,991,376 | 1,991,376 | 1,966,765 | 24,611 |
| Municipal court | 889,564 | 889,564 | 878,494 | 11,070 |
| Capital outlay | 307,593 | 868,213 | 631,755 | 236,458 |
| Total expenditures | 62,350,349 | 62,617,088 | 60,397,895 | 2,219,193 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (2,298,183) | (2,564,922) | 3,761,999 | 6,326,921 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | 3,879,107 | 3,879,107 | 3,936,467 | 57,360 |
| Transfers out | (5,041,145) | (7,586,208) | (7,280,035) | 306,173 |
| Total other financing sources (uses) | (1,162,038) | (3,707,101) | (3,343,568) | 363,533 |
| **EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES** | (3,460,221) | (6,272,023) | 418,431 | 6,690,454 |
| **FUND BALANCES, beginning** | 31,072,847 | 31,072,847 | 31,072,847 | - |
| **FUND BALANCES, ending** | $ 27,612,626 | $ $ 24,800,824 | $ 31,491,278 | $ 6,690,454 |

**BUDGET BASIS ACCOUNTING**

The City adopts its budget of the General Fund on the modified accrual basis of accounting by department

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general obligation and certificates of obligation principal, and interest indebtedness for general governmental resources.

CITY OF LEWISVILLE, TEXAS EXHIBIT B-1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Taxes | $ 7,648,012 | $ 7,648,012 | $ 7,923,410 | $ 275,398 |
| Intergovernmental | - | - | 624,125 | 624,125 |
| Investment earnings | 9,842 | 9,842 | 5,425 | (4,417) |
| Miscellaneous | 228,189 | 228,189 | 15,457 | (212,732) |
| Total revenues | 7,886,043 | 7,886,043 | 8,568,417 | 682,374 |
| **EXPENDITURES:** | | | | |
| Debt service- | | | | |
| Principal | 6,350,000 | 6,350,000 | 5,410,000 | 940,000 |
| Interest and fiscal charges | 3,134,038 | 3,134,038 | 2,942,234 | 191,804 |
| Total expenditures | 9,484,038 | 9,484,038 | 8,352,234 | 1,131,804 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (1,597,995) | (1,597,995) | 216,183 | 1,814,178 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfer in | 1,682,273 | 1,682,273 | - | (1,682,273) |
| Transfers out | - | - | (50,000) | (50,000) |
| Total other financing sources (uses) | 1,682,273 | 1,682,273 | (50,000) | (1,732,273) |
| **NET CHANGE IN FUND BALANCES** | 84,278 | 84,278 | 166,183 | 81,905 |
| **FUND BALANCES, beginning** | 1,456,703 | 1,456,703 | 1,456,703 | - |
| **FUND BALANCES, ending** | $ 1,540,981 | $ 1,540,981 | $ 1,622,886 | $ 81,905 |

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally or otherwise restricted to expenditures for particular purposes. The City has fourteen Special Revenue Funds as follows:

**HOTEL/MOTEL TAX FUND**
To account for tax revenue collected as a percentage of gross receipts for all temporary room rentals in all hotel and motel establishments within the City. Funds are expended to promote tourism and culture in the City.

**RECREATION ACTIVITY FUND**
To account for revenues collected from recreation users for specific events. Funds are expended on costs associated with the specific events' operations.

**GRANT FUND**
To account for revenues derived from federal and state granting agencies. The funds are expended for grant-related purposes.

**PUBLIC IMPROVEMENT DISTRICT TAX FUND**
To account for special revenue for an area-specific purpose. Funds are expended on costs associated with the specified improvements.

**MUNICIPAL COURT SECURITY FUND**
To account for Municipal Court fees assessed to provide for court security.

**MUNICIPAL COURT TECHNOLOGY FUND**
To account for Municipal Court fees assessed to finance the purchase of technological enhancements for Municipal Court.

**POLICE ASSET FORFEITURE FUND**
To account for funds received under the Controlled Substances Act of the State of Texas with expenditures restricted to use solely in the investigation of any alleged violations of the criminal laws of the state and donations for the same purpose.

**EMPLOYEE BENEVOLENT FUND**
To account for funds received from employee concessions with expenditures controlled by employee committee.

**FIRE AND POLICE TRAINING FUND**
To allocate revenue from training tower rentals to ongoing maintenance of the facility as well as police firearms simulator rentals and maintenance costs.

**LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION FUND (LEOSE)**
To account for grant revenue received from the Comptroller's Office exclusively for the training of police officers. Uses can include materials, classes, registration costs, etc.

**DONATIONS FUND**
To account for revenues derived from the solicitation and acceptance of donations. Funds are expended for donation-related purposes only.

**POLICE FEDERAL FORFEITURE FUND**
To account for federally forfeited cash, property, proceeds, and any interest earned thereon received as part of the Federal Equitable Sharing Agreement between local law enforcement agencies, the Department of Justice, and the Department of Treasury for cooperating in investigations with respect to asset forfeiture and money laundering investigations and prosecutions.

**JUVENILE CASE MANAGER FUND**
To account for Municipal Court fees used to fund a portion of the juvenile case manager position.

**PEG PROGRAMMING FUND**
To account for Public, Education and Government (PEG) programming fees received by cable franchise entities used for capital costs associated with PEG production.

Additionally, three blended component units and one capital project fund are included as a Non-Major Governmental Funds:

**LEWISVILLE LOCAL GOVERNMENT CORPORATION FUND**
To account for assistance efforts in economic development initiatives.

**LEWISVILLE CRIME CONTROL AND PREVENTION DISTRICT**
To account for one-eighth cent sales tax revenues to fund crime control and prevention programs.

**LEWISVILLE FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES DISTRICT**
To account for one-eighth cent sales tax revenues to fund fire safety and emergency medical service programs.

**CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT CAPITAL PROJECTS FUND**
To account for acquisition and construction of major capital facilities financed by the Castle Hills Public Improvement District.

# CITY OF LEWISVILLE, TEXAS
# NON MAJOR GOVERNMENTAL FUNDS
# COMBINING BALANCE SHEET
# SEPTEMBER 30, 2013

| | Special Revenues | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | **Hotel/Motel Tax** | **Recreation Activity** | **Grant** | **Public Improvement District** | **Municipal Court Security** | **Municipal Court Technology** | **Police Asset Forfeiture** | **Employee Benevolent** | **Fire and Police Training** |
| Cash | $ 523,891 | $ 44,373 | $ 2,688 | $ 35,787 | $ 10,891 | $ 29,784 | $ 67,700 | $ 3,979 | $ 23,256 |
| Investments | 2,979,350 | 252,353 | 15,273 | 203,517 | 61,935 | 153,804 | 136,320 | 22,635 | 132,245 |
| Receivables: | | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - | - |
| Accounts | 301,946 | 12,500 | 303,547 | - | - | - | 1,608 | - | - |
| Interest | 2,562 | 211 | 13 | 169 | 51 | 146 | 113 | 21 | 109 |
| Prepaid items | 2,259,047 | 1,088 | 1,155 | - | - | - | - | - | - |
| Total assets | $ 6,066,796 | $ 310,525 | $ 322,676 | $ 239,473 | $ 72,877 | $ 183,734 | $ 205,741 | $ 26,635 | $ 155,610 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | | | |
| **LIABILITIES:** | | | | | | | | | |
| Accounts and contracts payable | $ 70,638 | $ 17,555 | $ 2,751 | $ 5,000 | $ 644 | $ - | $ 40,207 | $ 55 | $ 1,391 |
| Accrued liabilities | 13,862 | 251 | 7,642 | - | - | - | - | - | - |
| Due to other funds | - | - | 238,910 | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - | - |
| Deferred revenue | - | 12,500 | 6,961 | - | - | - | - | - | - |
| **Total liabilities** | 84,500 | 30,306 | 256,264 | $ 5,000 | 644 | - | 40,207 | 55 | 1,391 |
| **FUND BALANCES** | | | | | | | | | |
| Nonspendable | 2,259,047 | 1,088 | 1,155 | - | - | - | - | - | - |
| Restricted | 3,723,249 | - | 65,257 | 234,473 | 72,233 | 183,734 | 165,534 | - | - |
| Committed | - | 279,131 | - | - | - | - | - | - | 154,219 |
| Assigned | - | - | - | - | - | - | - | 26,580 | - |
| Total fund balances | 5,982,296 | 280,219 | 66,412 | 234,473 | 72,233 | 183,734 | 165,534 | 26,580 | 154,219 |
| Total liabilities and fund balances | $ 6,066,796 | $ 310,525 | $ 322,676 | $ 239,473 | $ 72,877 | $ 183,734 | $ 205,741 | $ 26,635 | $ 155,610 |

| LEOSE | Donations | Police Federal Forfeiture | Juveline Case Manager | PEG Programming | Lewisville Local Government Corporation | Crime Control and Prevention District | Fire Control Prevention and Emergency Medical Services | Castle Hills (PID) Capital Projects | Total Non-Major Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|
| $ - | $ 37,520 | $ 101,290 | $ 14,408 | $ 24,213 | $ 757 | $ 143,086 | $ 333,206 | $ 122,795 | $ 1,519,624 |
| - | 213,390 | 576,035 | 81,939 | 137,698 | 4,305 | 813,726 | 1,894,931 | - | 7,679,456 |
| - | - | - | - | - | - | 460,708 | 464,247 | - | 924,955 |
| - | 11,031 | - | - | 68,526 | - | - | - | - | 699,158 |
| - | 156 | 477 | 68 | 115 | 4 | 674 | 1,426 | - | 6,315 |
| - | - | - | - | - | - | 471 | 3,891 | - | 2,265,652 |
| $ - | $ 262,097 | $ 677,802 | $ 96,415 | $ 230,552 | $ 5,066 | $ 1,418,665 | $ 2,697,701 | $ 122,795 | $ 13,095,160 |
| $ - | $ 390 | $ - | $ 44 | $ 1,355 | $ - | $ 4,518 | $ 4,279 | $ 72,254 | $ 221,081 |
| - | 713 | - | 1,371 | - | - | 48,405 | 12,371 | - | 84,615 |
| - | - | - | - | - | - | - | - | - | 238,910 |
| - | 5,485 | - | - | - | - | - | - | | 5,485 |
| - | 9,201 | - | - | - | - | - | - | - | 28,662 |
| - | 15,789 | - | 1,415 | 1,355 | - | 52,923 | 16,650 | 72,254 | 578,753 |
| - | - | - | - | - | - | 471 | 3,891 | - | 2,265,652 |
| - | - | 677,802 | 95,000 | 229,197 | - | 1,365,271 | 2,677,160 | 50,541 | 9,539,451 |
| - | 246,308 | - | - | - | 5,066 | - | - | - | 684,724 |
| - | - | - | - | - | - | - | - | - | 26,580 |
| - | 246,308 | 677,802 | 95,000 | 229,197 | 5,066 | 1,365,742 | 2,681,051 | 50,541 | 12,516,407 |
| $ - | $ 262,097 | $ 677,802 | $ 96,415 | $ 230,552 | $ 5,066 | $ 1,418,665 | $ 2,697,701 | $ 122,795 | $ 13,095,160 |

# CITY OF LEWISVILLE, TEXAS
# NON MAJOR GOVERNMENTAL FUNDS
# COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
# FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Special Revenues | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Hotel/Motel Tax | Recreation Activity | Grant | Public Improvement District | Municipal Court Security | Municipal Court Technology | Police Asset Forfeiture | Employee Benevolent | Fire and Police Training |
| **REVENUES:** | | | | | | | | | |
| Taxes | $ 2,065,363 | $ - | $ - | $ 15,173 | $ - | $ - | $ - | $ - | $ - |
| Recreation | - | 287,645 | - | - | - | - | - | - | - |
| Investment earnings | 6,195 | 605 | 387 | 426 | 108 | 325 | 249 | 41 | 253 |
| Grants | | | | | | | | | |
| Public safety | - | - | 515,834 | - | - | - | - | - | - |
| Public services | - | - | 945,453 | - | - | - | - | - | - |
| Contributions from property owners | - | - | - | - | - | - | - | - | - |
| Miscellaneous | 61,271 | 127,570 | - | - | 59,503 | 79,343 | 66,097 | 4,190 | 88,326 |
| Total revenues | 2,132,829 | 415,820 | 1,461,674 | 15,599 | 59,611 | 79,668 | 66,346 | 4,231 | 88,579 |
| **EXPENDITURES:** | | | | | | | | | |
| Current- | | | | | | | | | |
| General government | 1,558,434 | - | - | 6,685 | - | - | - | 2,808 | - |
| Culture, parks and recreation | - | 315,100 | - | - | - | - | - | - | - |
| Public safety | - | - | 473,950 | - | 20,359 | 34,308 | 7,465 | - | 61,103 |
| Public services | - | - | 970,322 | - | - | - | - | - | - |
| Capital outlay | - | - | 136,425 | - | - | - | - | - | - |
| Total expenditures | 1,558,434 | 315,100 | 1,580,697 | 6,685 | 20,359 | 34,308 | 7,465 | 2,808 | 61,103 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | 574,395 | 100,720 | (119,023) | 8,914 | 39,252 | 45,360 | 58,881 | 1,423 | 27,476 |
| **OTHER FINANCING SOURCES (USES):** | | | | | | | | | |
| Transfers in | - | 8,283 | 122,819 | - | - | - | - | - | - |
| Transfers out | - | (98,462) | - | - | (33,514) | (40,000) | - | - | - |
| Proceeds from sale of assets | - | - | - | - | - | - | 3,477 | - | - |
| Total other financing sources (uses) | - | (90,179) | 122,819 | - | (33,514) | (40,000) | 3,477 | - | - |
| **NET CHANGE IN FUND BALANCES** | 574,395 | 10,541 | 3,796 | 8,914 | 5,738 | 5,360 | 62,358 | 1,423 | 27,476 |
| **FUND BALANCES, beginning** | 5,407,901 | 269,678 | 62,616 | 225,559 | 66,495 | 178,374 | 103,176 | 25,157 | 126,743 |
| **FUND BALANCES, ending** | $ 5,982,296 | $ 280,219 | $ 66,412 | $ 234,473 | $ 72,233 | $ 183,734 | $ 165,534 | $ 26,580 | $ 154,219 |

| LEOSE | Donations | Police Federal Forfeiture | Juveline Case Manager | PEG Programming | Lewisville Local Government Corporation | Crime Control and Prevention District | Fire Control Prevention and Emergency Medical Services | Castle Hills (PID) Capital Projects | Total Non-Major Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|
| $ - | $ - | $ - | $ - | $ 271,395 | $ - | $ 2,614,154 | $ 2,636,652 | $ - | $ 7,602,737 |
| - | - | - | - | - | - | - | - | - | 287,645 |
| - | 518 | 1,053 | 127 | 552 | 8 | 1,428 | 2,749 | 12 | 15,036 |
| - | - | - | - | - | - | - | - | - | 515,834 |
| - | - | - | - | - | - | - | - | - | 945,453 |
| - | - | - | - | - | - | - | - | 583,019 | 583,019 |
| - | 419,768 | 371,222 | 78,917 | - | 3,910 | 840 | - | - | 1,360,957 |
| - | 420,286 | 372,275 | 79,044 | 271,947 | 3,918 | 2,616,422 | 2,639,401 | 583,031 | 11,310,681 |
| - | 357,222 | - | - | 17,774 | - | 63,716 | - | 434,459 | 2,441,098 |
| - | 2,000 | - | - | - | - | - | - | - | 317,100 |
| 2,636 | - | 301,541 | 52,679 | - | - | 1,364,459 | 719,492 | - | 3,037,992 |
| - | 10,032 | - | - | - | - | 180,798 | - | - | 1,161,152 |
| - | - | 55,165 | - | 218,111 | - | 149,768 | - | 777,145 | 1,336,614 |
| 2,636 | 369,254 | 356,706 | 52,679 | 235,885 | - | 1,758,741 | 719,492 | 1,211,604 | 8,293,956 |
| (2,636) | 51,032 | 15,569 | 26,365 | 36,062 | 3,918 | 857,681 | 1,919,909 | (628,573) | 3,016,725 |
| - | - | - | - | - | - | - | - | - | 131,102 |
| - | (8,283) | - | (17,438) | - | - | (30,000) | (30,000) | - | (257,697) |
| - | - | - | - | - | - | - | - | - | 3,477 |
| - | (8,283) | - | (17,438) | - | - | (30,000) | (30,000) | - | (123,118) |
| (2,636) | 42,749 | 15,569 | 8,927 | 36,062 | 3,918 | 827,681 | 1,889,909 | (628,573) | 2,893,607 |
| 2,636 | 203,559 | 662,233 | 86,073 | 193,135 | 1,148 | 538,061 | 791,142 | 679,114 | 9,622,800 |
| $ - | $ 246,308 | $ 677,802 | $ 95,000 | $ 229,197 | $ 5,066 | $ 1,365,742 | $ 2,681,051 | $ 50,541 | $ 12,516,407 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-3
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Taxes | $ 1,963,922 | $ 1,963,922 | $ 2,065,363 | $ 101,441 |
| Investment earnings | 10,529 | 10,529 | 6,195 | (4,334) |
| Miscellaneous | 1,450,000 | 1,450,000 | 61,271 | (1,388,729) |
| Total revenues | 3,424,451 | 3,424,451 | 2,132,829 | (1,291,622) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| General government | 1,323,324 | 1,414,848 | 1,558,434 | (143,586) |
| Total expenditures | 1,323,324 | 1,414,848 | 1,558,434 | (143,586) |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | 2,101,127 | 2,009,603 | 574,395 | (1,435,208) |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (1,500,000) | (1,500,000) | - | 1,500,000 |
| Total other financing uses | (1,500,000) | (1,500,000) | - | 1,500,000 |
| **NET CHANGE IN FUND BALANCES** | 601,127 | 509,603 | 574,395 | 64,792 |
| **FUND BALANCES, beginning** | 5,407,901 | 5,407,901 | 5,407,901 | - |
| **FUND BALANCES, ending** | $ 6,009,028 | $ 5,917,504 | $ 5,982,296 | $ 64,792 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-4
RECREATION ACTIVITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Recreation | $ 360,429 | $ 360,429 | $ 287,645 | $ (72,784) |
| Investment earnings | 1,077 | 1,077 | 605 | (472) |
| Miscellaneous | 131,795 | 131,795 | 127,570 | (4,225) |
| Total revenues | 493,301 | 493,301 | 415,820 | (77,481) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Culture, parks and recreation | 376,319 | 394,357 | 315,100 | 79,257 |
| Total expenditures | 376,319 | 394,357 | 315,100 | 79,257 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 116,982 | 98,944 | 100,720 | 1,776 |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | - | - | 8,283 | 8,283 |
| Transfers out | (116,500) | (98,462) | (98,462) | - |
| Total other financing sources (uses) | (116,500) | (98,462) | (90,179) | 8,283 |
| **NET CHANGES IN FUND BALANCES** | 482 | 482 | 10,541 | 10,059 |
| **FUND BALANCES, beginning** | 269,678 | 269,678 | 269,678 | - |
| **FUND BALANCES, ending** | $ 270,160 | $ 270,160 | $ 280,219 | $ 10,059 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-5
GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Investment earnings | $ 4,887 | $ 4,887 | $ 387 | $ (4,500) |
| Grants: | | | | |
| Public safety | 396,011 | 812,826 | 515,834 | (296,992) |
| Public services | 947,154 | 947,154 | 945,453 | (1,701) |
| Total revenues | 1,348,052 | 1,764,867 | 1,461,674 | (303,193) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 433,234 | 701,240 | 473,950 | 227,290 |
| Public services | 949,172 | 1,907,869 | 970,322 | 937,547 |
| Capital outlay | - | 174,738 | 136,425 | 38,313 |
| Total expenditures | 1,382,406 | 2,783,847 | 1,580,697 | 1,203,150 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (34,354) | (1,018,980) | (119,023) | 899,957 |
| **OTHER FINANCING SOURCES:** | | | | |
| Transfers in | 34,836 | 59,751 | 122,819 | 63,068 |
| Total other financing sources | 34,836 | 59,751 | 122,819 | 63,068 |
| **NET CHANGE IN FUND BALANCES** | 482 | (959,229) | 3,796 | 963,025 |
| **FUND BALANCES, beginning** | 62,616 | 62,616 | 62,616 | - |
| **FUND BALANCES, ending** | $ 63,098 | $ (896,613) | $ 66,412 | $ 963,025 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-6
PUBLIC IMPROVEMENT DISTRICT TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Taxes | $ 15,174 | $ 15,174 | $ 15,173 | $ (1) |
| Investment earnings | 938 | 938 | 426 | (512) |
| Total revenues | 16,112 | 16,112 | 15,599 | (513) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| General government | 15,000 | 15,000 | 6,685 | 8,315 |
| Total expenditures | 15,000 | 15,000 | 6,685 | 8,315 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 1,112 | 1,112 | 8,914 | 7,802 |
| **NET CHANGE IN FUND BALANCES** | 1,112 | 1,112 | 8,914 | 7,802 |
| **FUND BALANCES, beginning** | 225,559 | 225,559 | 225,559 | - |
| **FUND BALANCES, ending** | $ 226,671 | $ 226,671 | $ 234,473 | $ 7,802 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-7
MUNICIPAL COURT SECURITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Miscellaneous | $ 61,118 | $ 61,118 | $ 59,503 | $ (1,615) |
| Interest | 258 | 258 | 108 | (150) |
| Total revenues | 61,376 | 61,376 | 59,611 | (1,765) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 26,100 | 26,100 | 20,359 | 5,741 |
| Total expenditures | 26,100 | 26,100 | 20,359 | 5,741 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 35,276 | 35,276 | 39,252 | 3,976 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (33,513) | (33,513) | (33,514) | (1) |
| Total other financing uses | (33,513) | (33,513) | (33,514) | (1) |
| **NET CHANGE IN FUND BALANCES** | 1,763 | 1,763 | 5,738 | 3,975 |
| **FUND BALANCES, beginning** | 66,495 | 66,495 | 66,495 | - |
| **FUND BALANCES, ending** | $ 68,258 | $ 68,258 | $ 72,233 | $ 3,975 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-8
MUNICIPAL COURT TECHNOLOGY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Miscellaneous | $ 81,482 | $ 81,482 | $ 79,343 | $ (2,139) |
| Investment earnings | 838 | 838 | 325 | (513) |
| Total revenues | 82,320 | 82,320 | 79,668 | (2,652) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 42,320 | 44,633 | 34,308 | 10,325 |
| Total expenditures | 42,320 | 44,633 | 34,308 | 10,325 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 40,000 | 37,687 | 45,360 | 7,673 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (40,000) | (40,000) | (40,000) | - |
| Total other financing uses | (40,000) | (40,000) | (40,000) | - |
| **NET CHANGE IN FUND BALANCES** | - | (2,313) | 5,360 | 7,673 |
| **FUND BALANCES, beginning** | 178,374 | 178,374 | 178,374 | - |
| **FUND BALANCES, ending** | $ 178,374 | $ 176,061 | $ 183,734 | $ 7,673 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-9

POLICE ASSET FORFEITURE SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Investment earnings | $ 708 | $ 708 | $ 249 | $ (459) |
| Miscellaneous | 18,500 | 18,500 | 66,097 | 47,597 |
| Total revenues | 19,208 | 19,208 | 66,346 | 47,138 |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 35,000 | 35,000 | 7,465 | 27,535 |
| Total expenditures | 35,000 | 35,000 | 7,465 | 27,535 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (15,792) | (15,792) | 58,881 | 74,673 |
| **OTHER FINANCING SOURCES:** | | | | |
| Proceeds from sale of assets | - | - | 3,477 | 3,477 |
| Total other financing sources | - | - | 3,477 | 3,477 |
| **NET CHANGE IN FUND BALANCES** | (15,792) | (15,792) | 62,358 | 78,150 |
| **FUND BALANCES, beginning** | 103,176 | 103,176 | 103,176 | - |
| **FUND BALANCES, ending** | $ 87,384 | $ 87,384 | $ 165,534 | $ 78,150 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-10

FIRE AND POLICE TRAINING SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 503 | $ 503 | $ 253 | $ (250) |
| Miscellaneous | 73,122 | 73,122 | 88,326 | 15,204 |
| Total revenues | 73,625 | 73,625 | 88,579 | 14,954 |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 83,573 | 83,573 | 61,103 | 22,470 |
| Total expenditures | 83,573 | 83,573 | 61,103 | 22,470 |
| **NET CHANGE IN FUND BALANCES** | (9,948) | (9,948) | 27,476 | 37,424 |
| **FUND BALANCES, beginning** | 126,743 | 126,743 | 126,743 | - |
| **FUND BALANCES, ending** | $ 116,795 | $ 116,795 | $ 154,219 | $ 37,424 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-11

LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 21 | $ 21 | $ - | $ (21) |
| Total revenues | 21 | 21 | - | (21) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 2,855 | 2,855 | 2,636 | 219 |
| Total expenditures | 2,855 | 2,855 | 2,636 | 219 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (2,834) | (2,834) | (2,636) | 198 |
| **FUND BALANCES, beginning** | 2,636 | 2,636 | 2,636 | - |
| **FUND BALANCES, ending** | $ (198) | $ (198) | $ - | $ 198 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-12
DONATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Investment earnings | $ 1,044 | $ 1,044 | $ 518 | $ (526) |
| Miscellaneous | 369,272 | 369,272 | 419,768 | 50,496 |
| Total revenues | 370,316 | 370,316 | 420,286 | 49,970 |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| General government | 359,907 | 359,907 | 357,222 | 2,685 |
| Culture, parks, and recreation | - | 4,000 | 2,000 | 2,000 |
| Public services | - | - | 10,032 | (10,032) |
| Total expenditures | 359,907 | 363,907 | 369,254 | (5,347) |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 10,409 | 6,409 | 51,032 | 44,623 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | - | - | (8,283) | (8,283) |
| Total other financing uses | - | - | (8,283) | (8,283) |
| **NET CHANGE IN FUND BALANCES** | 10,409 | 6,409 | 42,749 | 36,340 |
| **FUND BALANCES, beginning** | 203,559 | 203,559 | 203,559 | - |
| **FUND BALANCES, ending** | $ 213,968 | $ 209,968 | $ 246,308 | $ 36,340 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-13

POLICE FEDERAL FORFEITURE SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 1,272 | $ 1,272 | $ 1,053 | $ (219) |
| Miscellaneous | 112,000 | 112,000 | 371,222 | 259,222 |
| Total revenues | 113,272 | 113,272 | 372,275 | 259,003 |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 433,663 | 309,208 | 301,541 | 7,667 |
| Capital outlay | - | 133,874 | 55,165 | 78,709 |
| Total expenditures | 433,663 | 443,082 | 356,706 | 86,376 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES** | (320,391) | (329,810) | 15,569 | 345,379 |
| **FUND BALANCES, beginning** | 662,233 | 662,233 | 662,233 | - |
| **FUND BALANCES, ending** | $ 341,842 | $ 332,423 | $ 677,802 | $ 345,379 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-14

JUVENILE CASE MANAGER SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 309 | $ 309 | $ 127 | $ (182) |
| Miscellaneous | 80,903 | 80,903 | 78,917 | (1,986) |
| Total revenues | 81,212 | 81,212 | 79,044 | (2,168) |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| Public safety | 63,748 | 63,748 | 52,679 | 11,069 |
| Total expenditures | 63,748 | 63,748 | 52,679 | 11,069 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 17,464 | 17,464 | 26,365 | 8,901 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (17,438) | (17,438) | (17,438) | - |
| Total other financing uses | (17,438) | (17,438) | (17,438) | - |
| **NET CHANGE IN FUND BALANCES** | 26 | 26 | 8,927 | 8,901 |
| **FUND BALANCES, beginning** | 86,073 | 86,073 | 86,073 | - |
| **FUND BALANCES, ending** | $ 86,099 | $ 86,099 | $ 95,000 | $ 8,901 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-15
PEG PROGRAMMING
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 2,145 | $ 2,145 | $ 552 | $ (1,593) |
| Taxes | 214,527 | 214,527 | 271,395 | 56,868 |
| Total revenues | 216,672 | 216,672 | 271,947 | 55,275 |
| **EXPENDITURES:** | | | | |
| Current- | | | | |
| General government | 48,000 | 31,701 | 17,774 | 13,927 |
| Capital outlay | 130,000 | 206,493 | 218,111 | (11,618) |
| Total expenditures | 178,000 | 238,194 | 235,885 | 2,309 |
| **NET CHANGE IN FUND BALANCES** | 38,672 | (21,522) | 36,062 | 57,584 |
| **FUND BALANCES, beginning** | 193,135 | 193,135 | 193,135 | - |
| **FUND BALANCES, ending** | $ 231,807 | $ 171,613 | $ 229,197 | $ 57,584 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-16

CRIME CONTROL AND PREVENTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Actual | (Negative) |
| **REVENUES:** | | | | |
| Investment earnings | $ 26,106 | $ 26,106 | $ 1,428 | $ (24,678) |
| Taxes | 2,622,034 | 2,622,034 | 2,614,154 | (7,880) |
| Miscellaneous | - | - | 840 | 840 |
| Total revenues | 2,648,140 | 2,648,140 | 2,616,422 | (31,718) |
| **EXPENDITURES:** | | | | |
| General government | 72,181 | 72,181 | 63,716 | 8,465 |
| Public safety | 2,027,254 | 2,002,189 | 1,364,459 | 637,730 |
| Public services | 197,752 | 197,752 | 180,798 | 16,954 |
| Capital outlay | 64,648 | 149,768 | 149,768 | - |
| Total expenditures | 2,361,835 | 2,421,890 | 1,758,741 | 663,149 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 286,305 | 226,250 | 857,681 | 631,431 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (30,000) | (30,000) | (30,000) | - |
| Total other financing uses | (30,000) | (30,000) | (30,000) | - |
| **NET CHANGE IN FUND BALANCES** | 256,305 | 196,250 | 827,681 | 631,431 |
| **FUND BALANCES, beginning** | 538,061 | 538,061 | 538,061 | - |
| **FUND BALANCES, ending** | $ 794,366 | $ 734,311 | $ 1,365,742 | $ 631,431 |

CITY OF LEWISVILLE, TEXAS EXHIBIT C-17

FIRE CONTROL, PREVENTION AND EMERGENCY MEDICAL SERVICES DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| **REVENUES:** | | | | |
| Investment earnings | $ 26,106 | $ 26,106 | $ 2,749 | $ (23,357) |
| Taxes | 2,610,616 | 2,610,616 | 2,636,652 | 26,036 |
| Total revenues | 2,636,722 | 2,636,722 | 2,639,401 | 2,679 |
| **EXPENDITURES:** | | | | |
| Public safety | 879,532 | 892,662 | 719,492 | 173,170 |
| Capital outlay | 13,130 | 325 | - | 325 |
| Total expenditures | 892,662 | 892,987 | 719,492 | 173,495 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | 1,744,060 | 1,743,735 | 1,919,909 | 176,174 |
| **OTHER FINANCING USES:** | | | | |
| Transfers out | (30,000) | (30,000) | (30,000) | - |
| Total other financing uses | (30,000) | (30,000) | (30,000) | - |
| **NET CHANGE IN FUND BALANCES** | 1,714,060 | 1,713,735 | 1,889,909 | 176,174 |
| **FUND BALANCES, beginning** | 791,142 | 791,142 | 791,142 | - |
| **FUND BALANCES, ending** | $ 2,505,202 | $ 2,504,877 | $ 2,681,051 | $ 176,174 |

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 user charge basis.

**SELF-INSURANCE RISK FUND**
To account for the funds accumulated for defined risk of workers' compensation, unemployment, and liability/property casualty programs. Revenues are from premiums charged to department and funds are disbursed accordingly to program expenses such as claim payments, administrative cost and reinsurance premiums.

**HEALTH INSURANCE RISK POOL FUND**
To account for the funds accumulated from premium charges to department and employees for health and dental coverage programs. Expenses include claim payments, administrative costs, and reinsurance premiums.

**MAINTENANCE AND REPLACEMNT FUND**
To provide for fleet maintenance services for City departments and account for the purchase of all vehicles and major equipment operated by the City. Departments pay monthly charges to provide the funds for future replacement of capital assets as well as reimburse fund for current fleet repairs and maintenance.

CITY OF LEWISVILLE, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

EXHIBIT D-1

| | Self Insurance Risk | Health Insurance Risk Pool | Maintenance and Replacement | Total |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 881,365 | $ 479,637 | $ 850,731 | $ 2,211,733 |
| Investments | 4,870,136 | 1,631,520 | 4,838,098 | 11,339,754 |
| Receivables- | | | | |
| Interest | 4,218 | 1,250 | 3,989 | 9,457 |
| Other | - | 17,737 | - | 17,737 |
| Inventory of supplies, at cost | - | - | 105,708 | 105,708 |
| Prepaid items | 48,389 | 19,718 | 11,760 | 79,867 |
| Total current assets | 5,804,108 | 2,149,862 | 5,810,286 | 13,764,256 |
| Non current assets | | | | |
| Capital assets | | | | |
| Other improvements | 274,272 | - | - | 274,272 |
| Machinery and equipment | 635,926 | - | 4,856,449 | 5,492,375 |
| Vehicles | - | - | 20,040,167 | 20,040,167 |
| Accumulated depreciation | (618,760) | - | (19,740,563) | (20,359,323) |
| Capital assets, net of accumulated depreciation | 291,438 | - | 5,156,053 | 5,447,491 |
| Total assets | 6,095,546 | 2,149,862 | 10,966,339 | 19,211,747 |
| **LIABILITIES AND NET POSITION** | | | | |
| Current liabilities | | | | |
| Accounts payable | 12,832 | - | 23,214 | 36,046 |
| Incurred but not reported claim reserve | 516,364 | 802,430 | - | 1,318,794 |
| Accrued liabilities | - | - | 81,898 | 81,898 |
| Total liabilities | 529,196 | 802,430 | 105,112 | 1,436,738 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 291,438 | - | 5,156,053 | 5,447,491 |
| Unrestricted | 5,274,912 | 1,347,432 | 5,705,174 | 12,327,518 |
| Total net position | $ 5,566,350 | $ 1,347,432 | $ 10,861,227 | 17,775,009 |

CITY OF LEWISVILLE, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT D-2

| | Self Insurance Risk | Health Insurance Risk Pool | Maintenance and Replacement | Total |
|---|---|---|---|---|
| **OPERATING REVENUES:** | | | | |
| Charges for sales and services | $ 1,522,570 | $ 8,036,268 | $ 2,148,145 | $ 11,706,983 |
| Miscellaneous | - | 5,413 | 123 | 5,536 |
| Total operating revenues | 1,522,570 | 8,041,681 | 2,148,268 | 11,712,519 |
| **OPERATING EXPENSES:** | | | | |
| Cost of sales and services, net of reimbursements | 1,581,508 | 6,671,040 | 208,354 | 8,460,902 |
| Administrative | - | 1,053,032 | 645,542 | 1,698,574 |
| Depreciation | 44,826 | - | 1,842,163 | 1,886,989 |
| Total operating expenses | 1,626,334 | 7,724,072 | 2,696,059 | 12,046,465 |
| Operating income (loss) | (103,764) | 317,609 | (547,791) | (333,946) |
| **NONOPERATING REVENUES:** | | | | |
| Investment earnings | 9,304 | 2,014 | 10,810 | 22,128 |
| Gain (loss) on disposal of capital assets | - | - | 79,509 | 79,509 |
| Total nonoperating revenues | 9,304 | 2,014 | 90,319 | 101,637 |
| **INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS** | (94,460) | 319,623 | (457,472) | (232,309) |
| **TRANSFERS AND CAPITAL CONTRIBUTIONS:** | | | | |
| Transfers in | - | 1,000,000 | - | 1,000,000 |
| Transfers out | (1,000,000) | - | - | (1,000,000) |
| Contributions from other funds | - | - | 182,019 | 182,019 |
| Total transfers and capital contributions | (1,000,000) | 1,000,000 | 182,019 | 182,019 |
| **CHANGE IN NET POSITION** | (1,094,460) | 1,319,623 | (275,453) | (50,290) |
| **NET POSITION, beginning** | 6,660,810 | 27,809 | 11,136,680 | 17,825,299 |
| **NET POSITION, ending** | $ 5,566,350 | $ 1,347,432 | $ 10,861,227 | $ 17,775,009 |

# CITY OF LEWISVILLE, TEXAS
# INTERNAL SERVICE FUNDS
# COMBINING STATEMENT OF CASH FLOWS
# FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT D-3

| | Self Insurance Risk | Health Insurance Risk Pool | Maintenance and Replacement | Total |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | |
| Cash received from transactions with other funds | $ 1,525,544 | $ 8,035,544 | $ 3,647,872 | $ 13,208,960 |
| Cash paid to employees for services | - | - | (384,956) | (384,956) |
| Cash paid for goods and services | (1,057,120) | (1,038,227) | (446,494) | (2,541,841) |
| Cash paid for claims | (501,493) | (6,643,578) | - | (7,145,071) |
| Cash received from miscellaneous items | - | 5,413 | 123 | 5,536 |
| Net cash provided by (used in) operating activities | (33,069) | 359,152 | 2,816,545 | 3,142,628 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:** | | | | |
| Transfers in from other funds | - | 1,000,000 | - | 1,000,000 |
| Transfers out to other funds | (1,000,000) | - | - | (1,000,000) |
| Net cash provided by (used in) non-capital financing activities | (1,000,000) | 1,000,000 | - | - |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | | | | |
| Acquisition and construction of capital assets | - | - | (1,213,309) | (1,213,309) |
| Proceeds from sale of equipment | - | - | 79,509 | 79,509 |
| Net cash used in capital and related financing activities | - | - | (1,133,800) | (1,133,800) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | |
| Purchase of investments | (3,316,545) | (1,918,408) | (3,294,728) | (8,529,681) |
| Proceeds from sale and maturities of investments | 3,995,837 | 321,473 | 1,516,293 | 5,833,603 |
| Interest received | 12,278 | 764 | 10,810 | 23,852 |
| Net cash provided by (used in) investing activities | 691,570 | (1,596,171) | (1,767,625) | (2,672,226) |
| **NET DECREASE IN CASH** | (341,499) | (237,019) | (84,880) | (663,398) |
| **CASH AT BEGINNING OF YEAR** | 1,222,864 | 716,656 | 935,611 | 2,875,131 |
| **CASH AT END OF YEAR** | $ 881,365 | $ 479,637 | $ 850,731 | $ 2,211,733 |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:** | | | | |
| Net operating income (loss) | (103,764) | 317,609 | (547,791) | (333,946) |
| Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities- | | | | |
| Depreciation | 44,826 | - | 1,842,163 | 1,886,989 |
| Change in assets and liabilities: | | | | |
| (Increase) decrease in accounts receivable | 2,974 | (724) | (271) | 1,979 |
| (Increase) decrease in inventory | - | - | (1,036) | (1,036) |
| (Increase) decrease in prepaid expenses | (13,017) | 805 | (6,423) | (18,635) |
| Increase (decrease) in accounts and claims payable | 35,912 | 41,462 | 21,931 | 99,305 |
| Increase (decrease) in accrued liabilities | - | - | 7,972 | 7,972 |
| Increase (decrease) in due to other funds | - | - | 1,500,000 | 1,500,000 |
| Total adjustments | 70,695 | 41,543 | 3,364,336 | 3,476,574 |
| Net cash provided by (used in) operating activities | $ (33,069) | $ 359,152 | $ 2,816,545 | $ 3,142,628 |
| **NON CASH INVESTING AND FINANCING ACTIVITIES** | | | | |
| From intragovernmental contributions | $ - | $ - | $ 182,019 | $ 182,019 |
| Increase (decrease) in fair value of investments | (5,102) | 1,250 | (4,132) | (7,984) |

# DISCRETELY PRESENTED COMPONENT UNITS

CITY OF LEWISVILLE, TEXAS
LEWISVILLE PARKS AND LIBRARY DEVELOPMENT CORPORATION
BALANCE SHEET
SEPTEMBER 30, 2013

EXHIBIT E-1

| | | Lewisville Parks and Library Development Corporation |
|---|---|---|
| **ASSETS** | | |
| Cash | $ | 1,422,870 |
| Investments | | 8,089,848 |
| Receivables | | 1,018,767 |
| Prepaid items | | 892 |
| **Total assets** | $ | 10,532,377 |
| **LIABILITIES** | | |
| Accounts and contracts payable | $ | 59,779 |
| Accrued liabilities | | 20,503 |
| Accrued interest payable | | 94,276 |
| **Total liabilities** | | 174,558 |
| **FUND BALANCE** | | |
| Unassigned | | 10,357,819 |
| **Total fund balance** | | 10,357,819 |
| **Total liabilities and fund balance** | $ | 10,532,377 |

CITY OF LEWISVILLE, TEXAS
LEWISVILLE PARKS AND LIBRARY DEVELOPMENT CORPORATION
RECONCILIATION OF FUND BALANCE TO NET POSITION
SEPTEMBER 30, 2013

EXHIBIT E-2

| | |
|---|---|
| Total fund balance - governmental funds | $ 10,357,819 |
| Amounts reported in the Statement of Net Position are different because: | |
| Costs associated with the issuance of governmental long term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide statements. | 181,459 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements. | (29,659,213) |
| **NET POSITION OF LEWISVILLE PARKS AND LIBRARY DEVELOPMENT CORPORATION** | $ (19,119,935) |

CITY OF LEWISVILLE, TEXAS
LEWISVILLE PARKS AND LIBRARY DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT E-3

| | Lewisville Parks and Library Development Corporation |
|---|---|
| **Revenues:** | |
| Taxes | |
| General sales and use taxes | $ 5,685,240 |
| Charges for service | 235,759 |
| Interest | 17,055 |
| **Total revenues** | 5,938,054 |
| **Expenditures:** | |
| Current: | |
| Culture, parks and recreation | 2,500,782 |
| Debt service: | |
| Principal | 1,445,000 |
| Interest and other fiscal charges | 1,400,809 |
| **Total expenditures** | 5,346,591 |
| **Net changes in fund balance** | 591,463 |
| Fund balance, beginning of year | 9,766,356 |
| **Fund balance, end of year** | $ 10,357,819 |

CITY OF LEWISVILLE, TEXAS
RECONCILIATION OF CHANGES IN FUND BALANCE TO THE CHANGE IN NET POSITION IN THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT E-4

| | |
|---|---|
| Net change in fund balances - Lewisville Parks and Library Development Corporation | $ 591,463 |
| Amounts reported for component unit funds in the statement of activities are different because: | |
| The issuance of long term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current finanical 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 the amounts are deferred and amortized in the statement of activities. This amount (bond principal payments of $1,445,000 plus $148,744 amortization of premium, less $83,715 amortization of deferred refunding amount less $16,437 amortization of issuance costs is the net effect of these differences in the treatment of long term debt and related items. | 1,493,592 |
| Current year changes in the long term liability for compensated absences do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. | 3,967 |
| Current year changes in the long term liability for net pension benefit obligations do not require the use of current financial resources; therefore, are not reported as expenditures in the governmental funds. | (1,485) |
| **CHANGE IN NET POSITION OF LEWISVILLE PARKS AND LIBRARY DEVELOPMENT CORPORATION** | $ 2,087,537 |

CITY OF LEWISVILLE, TEXAS
TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)
BALANCE SHEET
SEPTEMBER 30, 2013

EXHIBIT E-5

| | Tax Increment Reinvestment Zone (Old Town) |
|---|---|
| **ASSETS** | |
| Cash | $ 185,972 |
| Investments | 1,057,633 |
| Receivables | 876 |
| **Total assets** | $ 1,244,481 |
| **LIABILITIES** | |
| Accrued interest payable | $ 42,444 |
| **Total liabilities** | 42,444 |
| **FUND BALANCE** | |
| Restricted | 1,202,037 |
| **Total fund balance** | 1,202,037 |
| **Total liabilities and fund balance** | $ 1,244,481 |

CITY OF LEWISVILLE, TEXAS
TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)
RECONCILIATION OF FUND BALANCE TO NET POSITION
YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT E-6

| | |
|---|---|
| Total fund balance - governmental funds | $ 1,202,037 |
| Amounts reported in the Statement of Net Position are different because: | |
| Costs associated with the issuance of governmental long term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide statements. | 47,256 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. | 7,664,422 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements. | (7,589,626) |
| **NET POSITION OF TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)** | $ 1,324,089 |

CITY OF LEWISVILLE, TEXAS EXHIBIT E-7
TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

| | Tax Increment Reinvestment Zone (Old Town) |
|---|---|
| **Revenues:** | |
| Taxes | |
| General sales and use taxes | $ 508,140 |
| Interest | 2,294 |
| **Total revenues** | 510,434 |
| **Expenditures:** | |
| Current: | |
| General government | 5,631 |
| Debt service: | |
| Principal | 165,000 |
| Interest and other fiscal charges | 343,766 |
| **Total expenditures** | 514,397 |
| **Net changes in fund balance** | (3,963) |
| Fund balance, beginning of year | 1,206,000 |
| **Fund balance, end of year** | $ 1,202,037 |

CITY OF LEWISVILLE, TEXAS
TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)
RECONCILIATION OF CHANGES IN FUND BALANCE TO THE CHANGE IN
NET POSITION IN THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2013

EXHIBIT E-8

| | | |
|---|---|---|
| Net change in fund balances - Tax Increment Reinvestment Zone (Old Town) | $ | (3,963) |
| Amounts reported for component unit funds in the statement of activities are different because: | | |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | $ | 165,000 |
| Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. | | (375,976) |
| 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 the amortization of issuance costs, ($3,444), and premium, $1,066. | | (2,378) |
| Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. | | 928 |
| **CHANGE IN NET POSITION OF TAX INCREMENT REINVESTMENT ZONE (OLD TOWN)** | $ | (216,389) |

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

# STATISTICAL SECTION

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

## STATISTICAL SECTION

This part of the City of Lewisville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

**Contents** **Table**


Financial Trends

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.* ..... 1-4

Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source, property and sales tax.* ..... 5-11

Debt Capacity

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.* ..... 12-16

Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.* ..... 17-18

Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.* ..... 19-21

CITY OF LEWISVILLE, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years (*accrual basis of accounting*)
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| Governmental activities | | | | |
| Net investment in capital assets | $ 188,596,925 | $ 215,782,928 | $ 239,332,939 | $ 256,515,336 |
| Restricted | 3,158,418 | 2,954,825 | 1,446,727 | 1,725,352 |
| Unrestricted | 34,498,004 | 41,578,455 | 46,779,350 | 44,731,063 |
| Total governmental activities net assets | $ 226,253,347 | $ 260,316,208 | $ 287,559,016 | $ 302,971,751 |
| Business-type activities | | | | |
| Net investment in capital assets | $ 117,454,232 | $ 130,190,472 | $ 137,038,948 | $ 145,843,454 |
| Restricted | 2,132,858 | 1,845,879 | 1,576,475 | 2,075,929 |
| Unrestricted | 34,124,375 | 33,789,667 | 37,687,853 | 36,677,712 |
| Total business-type activities | $ 153,711,465 | $ 165,826,018 | $ 176,303,276 | $ 184,597,095 |
| Primary government | | | | |
| Net investment in capital assets | $ 306,051,157 | $ 345,973,400 | $ 376,371,887 | $ 402,358,790 |
| Restricted | 5,291,276 | 4,800,704 | 3,023,202 | 3,801,281 |
| Unrestricted | 68,622,379 | 75,368,122 | 84,467,203 | 81,408,775 |
| Total primary government | $ 379,964,812 | $ 426,142,226 | $ 463,862,292 | $ 487,568,846 |

**Source:** Comprehensive Annual Financial Reports

TABLE-1

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| $ 287,096,412 | $ 308,190,669 | $ 311,014,889 | $ 305,260,721 | 298,329,672 | 314,990,028 |
| 1,756,591 | 1,867,844 | 1,324,264 | 1,016,096 | 1,012,020 | 10,755,866 |
| 50,443,168 | 49,358,449 | 48,721,698 | 47,005,244 | 59,368,657 | 33,848,899 |
| $ 339,296,171 | $ 359,416,962 | $ 361,060,851 | $ 353,282,061 | $ 358,710,349 | $ 359,594,793 |
| $ 159,684,492 | $ 166,895,435 | $ 172,162,748 | $ 181,476,154 | 181,437,600 | 186,611,050 |
| 2,024,478 | 1,914,446 | 2,147,527 | 1,939,786 | 1,975,308 | 1,688,303 |
| 38,090,009 | 35,940,547 | 33,568,393 | 28,480,396 | 35,270,129 | 35,383,205 |
| $ 199,798,979 | $ 204,750,428 | $ 207,878,668 | $ 211,896,336 | $ 218,683,037 | $ 223,682,558 |
| $ 446,780,904 | $ 475,086,104 | $ 483,177,637 | $ 486,736,875 | $ 479,767,272 | $ 501,601,078 |
| 3,781,069 | 3,782,290 | 3,471,791 | 2,955,882 | 2,987,328 | 12,444,169 |
| 88,533,177 | 85,298,996 | 82,290,091 | 75,485,640 | 94,638,786 | 69,232,104 |
| $ 539,095,150 | $ 564,167,390 | $ 568,939,519 | $ 565,178,397 | $ 577,393,386 | $ 583,277,351 |

CITY OF LEWISVILLE, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years (*accrual basis of accounting*)
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| **Expenses** | | | | |
| Governmental activities | | | | |
| General government | $ 8,320,410 | $ 9,767,189 | $ 13,392,249 | $ 9,848,489 |
| Culture, parks and recreation | 6,266,618 | 6,309,552 | 6,199,881 | 7,139,298 |
| Public safety | 25,824,358 | 27,664,557 | 28,182,352 | 30,491,917 |
| Public services | 15,564,147 | 15,182,968 | 13,667,907 | 18,569,013 |
| Interest on long-term debt | 2,738,681 | 3,300,061 | 2,202,454 | 2,257,685 |
| Total governmental activities expenses | 58,714,214 | 62,224,327 | 63,644,843 | 68,306,402 |
| Business-type activites | | | | |
| Water and sewer | 16,708,528 | 17,108,879 | 19,556,158 | 19,676,760 |
| Total business-type activites expenses | 16,708,528 | 17,108,879 | 19,556,158 | 19,676,760 |
| Total primary government expenses | 75,422,742 | 79,333,206 | 83,201,001 | 87,983,162 |
| **Program Revenues** | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| General government | 2,379,433 | 2,769,731 | 3,309,296 | 3,622,179 |
| Culture, parks & recreation | 1,489,037 | 1,511,722 | 1,612,039 | 1,537,244 |
| Public safety | 3,666,332 | 4,500,082 | 4,695,193 | 4,560,499 |
| Public services | 1,542,101 | 1,524,658 | 1,816,495 | 2,118,574 |
| Operating grants and contributions | 8,440,210 | 13,842,626 | 1,281,838 | 2,109,623 |
| Capital grants and contributions | 7,643,587 | 23,363,428 | 17,673,122 | 12,977,908 |
| Total governmental activites program revenues | 25,160,700 | 47,512,247 | 30,387,983 | 26,926,027 |
| Business-type activities | | | | |
| Charges for services | | | | |
| Water and sewer | 21,677,904 | 22,653,761 | 26,184,466 | 23,449,079 |
| Capital grants and contributions | 2,243,826 | 5,006,041 | 4,495,510 | 4,608,716 |
| Total business-type activities program revenues | 23,921,730 | 27,659,802 | 30,679,976 | 28,057,795 |
| Total primary government program revenues | 49,082,430 | 75,172,049 | 61,067,959 | 54,983,822 |
| **Net (Expense)/Revenue** | | | | |
| Governmental activities | (33,553,514) | (14,712,080) | (33,256,860) | (41,380,375) |
| Business-type activities | 7,213,202 | 10,550,923 | 11,123,818 | 8,381,035 |
| Total primary government net expense | $ (26,340,312) | $ (4,161,157) | $ (22,133,042) | $ (32,999,340) |

**Source:** Comprehensive Annual Financial Reports

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| $ 10,697,346 | $ 10,746,552 | $ 10,760,138 | $ 10,997,464 | $ 11,987,014 | $ 13,005,019 |
| 7,927,455 | 8,667,117 | 9,299,504 | 9,585,769 | 9,487,780 | 9,377,831 |
| 33,721,041 | 35,349,800 | 37,628,477 | 38,558,345 | 39,275,855 | 40,983,264 |
| 19,409,072 | 20,313,784 | 22,404,173 | 24,634,802 | 25,527,286 | 25,089,041 |
| 3,581,167 | 2,673,325 | 2,753,817 | 2,603,426 | 2,666,807 | 2,602,891 |
| 75,336,081 | 77,750,578 | 82,846,109 | 86,379,806 | 88,944,742 | 91,058,046 |
| 20,378,432 | 20,822,278 | 21,521,566 | 23,055,596 | 22,170,962 | 22,238,910 |
| 20,378,432 | 20,822,278 | 21,521,566 | 23,055,596 | 22,170,962 | 22,238,910 |
| 95,714,513 | 98,572,856 | 104,367,675 | 109,435,402 | 111,115,704 | 113,296,956 |
| 3,995,292 | 3,386,580 | 3,306,827 | 3,348,523 | 3,447,957 | 3,383,721 |
| 1,794,574 | 1,741,591 | 1,696,101 | 1,631,629 | 1,615,228 | 1,558,232 |
| 5,422,367 | 5,929,457 | 5,000,197 | 5,665,379 | 5,390,583 | 6,021,116 |
| 2,067,879 | 1,516,232 | 1,656,995 | 1,947,382 | 1,512,075 | 2,161,083 |
| 1,136,855 | 1,202,143 | 2,228,626 | 2,190,754 | 2,517,289 | 2,415,909 |
| 35,595,714 | 23,865,801 | 11,183,861 | 3,579,450 | 15,090,545 | 4,745,018 |
| 50,012,681 | 37,641,804 | 25,072,607 | 18,363,117 | 29,573,677 | 20,285,079 |
| 25,340,886 | 25,657,454 | 26,146,670 | 28,072,610 | 28,375,842 | 27,797,951 |
| 11,228,765 | 1,823,269 | 1,470,699 | 2,643,208 | 4,254,018 | 2,851,893 |
| 36,569,651 | 27,480,723 | 27,617,369 | 30,715,818 | 32,629,860 | 30,649,844 |
| 86,582,332 | 65,122,527 | 52,689,976 | 49,078,935 | 62,203,537 | 50,934,923 |
| (25,323,400) | (40,108,774) | (57,773,502) | (68,016,689) | (59,371,065) | (70,772,967) |
| 16,191,219 | 6,658,445 | 6,095,803 | 7,660,222 | 10,458,898 | 8,410,934 |
| $ (9,132,181) | $ (33,450,329) | $ (51,677,699) | $ (60,356,467) | $ (48,912,167) | $ (62,362,033) |

*(Continued)*

CITY OF LEWISVILLE, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years (*accrual basis of accounting*)
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| **General Revenues and Other Changes in Net Position** | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Property taxes | $ 22,737,306 | $ 23,305,174 | $ 25,125,486 | $ 26,257,705 |
| Sales taxes | 16,970,465 | 17,284,149 | 18,113,568 | 19,216,744 |
| Other taxes | 179,804 | 201,297 | 1,074,299 | 1,043,749 |
| Franchise taxes | 4,276,869 | 4,485,406 | 4,599,447 | 4,435,578 |
| Occupancy taxes | 1,178,478 | 1,348,761 | 1,480,548 | 1,606,115 |
| Penalties and interest | 202,683 | 252,204 | 231,016 | 209,514 |
| Intergovernmental | - | - | - | - |
| Investment earnings | 699,017 | 1,518,114 | 2,350,326 | 3,614,454 |
| Gain (loss) on disposal of assets | 43,925 | 77,563 | 470 | (2,424,552) |
| Miscellaneous | 336,007 | 589,133 | 4,558,898 | 243,839 |
| Transfers | 2,617,820 | (286,860) | 2,965,612 | 2,943,135 |
| Total governmental activities | 49,242,374 | 48,774,941 | 60,499,670 | 57,146,281 |
| Business-type activities | | | | |
| Investment earnings | 626,967 | 1,225,226 | 2,313,351 | 2,775,365 |
| Intergovernmental contributions | 300,467 | - | - | - |
| Gain (loss) on disposal of assets | - | - | - | 33,103 |
| Miscellaneous | 529,186 | 51,544 | 5,701 | 47,451 |
| Transfers | (2,617,820) | 286,860 | (2,965,612) | (2,943,135) |
| Total business-type activities | (1,161,200) | 1,563,630 | (646,560) | (87,216) |
| Total primary government | 48,081,174 | 50,338,571 | 59,853,110 | 57,059,065 |
| **Change in Net Position** | | | | |
| Governmental activities | 15,688,860 | 34,062,861 | 27,242,810 | 15,765,906 |
| Business-type activities | 6,052,002 | 12,114,553 | 10,477,258 | 8,293,819 |
| Total primary government | $ 21,740,862 | $ 46,177,414 | $ 37,720,068 | $ 24,059,725 |

**Source:** Comprehensive Annual Financial Reports

TABLE-2
(Continued)

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| $ 27,936,176 | $ 29,580,192 | $ 28,898,185 | $ 27,774,848 | $ 28,739,963 | $ 29,579,363 |
| 18,932,595 | 17,686,496 | 18,605,874 | 18,677,965 | 22,666,950 | 27,451,139 |
| 1,119,792 | 1,095,822 | 1,046,346 | 1,038,923 | 1,011,328 | 1,200,502 |
| 4,803,626 | 4,635,238 | 5,055,711 | 5,272,499 | 5,436,197 | 5,814,797 |
| 1,830,230 | 1,554,826 | 1,551,355 | 1,862,191 | 1,960,910 | 2,065,363 |
| 238,428 | 219,250 | 186,231 | 146,689 | 228,746 | 154,905 |
| - | - | - | - | - | 624,125 |
| 3,287,167 | 2,051,754 | 526,984 | 459,600 | 365,045 | 210,934 |
| 9,682 | 5,560 | 13,118 | 3,075 | 8,525 | 3,477 |
| 416,282 | 291,772 | 272,693 | 1,077,579 | 396,641 | 817,291 |
| 3,073,842 | 3,108,655 | 3,260,894 | 3,924,530 | 3,985,048 | 3,735,515 |
| 61,647,820 | 60,229,565 | 59,417,391 | 60,237,899 | 64,799,353 | 71,657,411 |
| 2,015,797 | 1,344,073 | 211,973 | 269,639 | 286,958 | 120,530 |
| - | - | - | - | - | - |
| 4,385 | - | - | - | - | - |
| 64,325 | 57,586 | 81,358 | 12,337 | 25,893 | 203,572 |
| (3,073,842) | (3,108,655) | (3,260,894) | (3,924,530) | (3,985,048) | (3,735,515) |
| (989,335) | (1,706,996) | (2,967,563) | (3,642,554) | (3,672,197) | (3,411,413) |
| 60,658,485 | 58,522,569 | 56,449,828 | 56,595,345 | 61,127,156 | 68,245,998 |
| 36,324,420 | 20,120,791 | 1,643,889 | (7,778,790) | 5,428,288 | 884,444 |
| 15,201,884 | 4,951,449 | 3,128,240 | 4,017,668 | 6,786,701 | 4,999,521 |
| $ 51,526,304 | $ 25,072,240 | $ 4,772,129 | $ (3,761,122) | $ 12,214,989 | $ 5,883,965 |

CITY OF LEWISVILLE, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (*accrual basis of accounting*)
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2004** | **2005** | **2006** | **2007** |
| General fund | | | | |
| Nonspendable | $ 132,518 | $ 262,563 | $ 252,581 | $ 271,000 |
| Assigned | 618,052 | 250,242 | 209,551 | 222,778 |
| Unassigned | 17,363,344 | 19,371,265 | 26,212,925 | 26,272,130 |
| Total general fund | $18,113,914 | $19,884,070 | $26,675,057 | $ 26,765,908 |
| All other governmental funds | | | | |
| Nonspendable | 10,379 | 3,764,412 | $ 3,774,672 | $ 3,736,550 |
| Restricted | 28,556,129 | 21,955,942 | 19,247,971 | 30,231,341 |
| Committed | 5,194,857 | 5,406,239 | 5,672,381 | 7,578,509 |
| Assigned | 5,767,714 | 4,874,817 | 7,289,482 | 11,025,342 |
| Total all other governmental funds | $39,529,079 | $36,001,410 | $35,984,506 | $ 52,571,742 |

**Source:** Comprehensive Annual Financial Reports

**TABLE-3**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| **2008** | **2009** | **2010** | **2011** | **2012** | **2013** |
| $ 196,935 | $ 228,411 | $ 201,588 | $ 230,316 | $ 234,127 | $ 381,982 |
| 156,790 | 121,575 | 136,854 | 100,680 | 222,738 | 538,290 |
| 31,175,630 | 31,658,380 | 26,429,898 | 28,989,043 | 30,615,982 | 30,571,006 |
| $ 31,529,355 | $32,008,366 | $ 26,768,340 | $ 29,320,039 | $ 31,072,847 | $ 31,491,278 |
| $ 3,489,874 | $ 3,244,870 | $ 3,245,372 | $ 2,758,852 | $ 2,518,104 | $ 2,265,652 |
| 35,273,808 | 31,570,851 | 26,443,792 | 22,563,101 | 31,447,210 | 43,011,859 |
| 8,365,004 | 8,589,094 | 7,687,555 | 7,705,016 | 6,812,474 | 7,065,074 |
| 12,433,089 | 7,827,143 | 14,681,969 | 10,335,218 | 6,985,090 | 7,166,018 |
| $ 59,561,775 | $51,231,958 | $ 52,058,688 | $ 43,362,187 | $ 47,762,878 | $ 59,508,603 |

# CITY OF LEWISVILLE, TEXAS
## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
## Last Ten Fiscal Years (*accrual basis of accounting*)
## *(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| **Revenues** | | | | |
| Property and other taxes | $ 45,587,753 | $ 47,035,823 | $ 50,547,358 | $ 52,886,457 |
| Licenses and permits | 1,632,628 | 1,578,864 | 2,070,156 | 2,393,345 |
| Charges for services | 4,048,211 | 4,140,027 | 4,858,787 | 5,212,302 |
| Recreation | 1,290,580 | 1,332,438 | 1,426,331 | 1,385,188 |
| Fines | 2,488,340 | 2,686,299 | 2,826,234 | 2,680,535 |
| Investment earnings | 538,541 | 1,154,775 | 2,350,327 | 3,614,458 |
| Intergovenrmental | - | - | - | - |
| Grants | | | | |
| Culture, parks and recreation | 9,749 | 9,741 | 10,512 | 10,305 |
| Public safety | 199,699 | 559,031 | 384,964 | 588,798 |
| Public services | 1,029,873 | 1,557,993 | 730,845 | 1,256,152 |
| Contributions and donations | 10,689,358 | 12,803,249 | 3,499,030 | 3,205,708 |
| Miscellaneous | 601,293 | 1,084,302 | 4,961,341 | 761,399 |
| Total revenues | 68,116,025 | 73,942,542 | 73,665,885 | 73,994,647 |
| **Expenditures** | | | | |
| General government | 6,958,931 | 8,181,298 | 7,543,722 | 8,505,159 |
| Culture, parks and recreation | 5,783,662 | 5,689,354 | 6,058,682 | 6,118,753 |
| Public safety | 25,422,485 | 26,960,074 | 28,400,718 | 30,221,744 |
| Public services | 8,525,945 | 9,101,845 | 9,049,144 | 9,696,518 |
| Capital outlay | 15,030,177 | 26,532,611 | 16,527,094 | 14,848,067 |
| Debit service: | | | | |
| Principal | 7,608,634 | 4,846,032 | 7,163,197 | 5,335,000 |
| Interest and fiscal charges | 2,413,005 | 2,376,104 | 2,674,752 | 2,294,160 |
| Total expenditures | 71,742,839 | 83,687,318 | 77,417,309 | 77,019,401 |
| Excess (deficiency) of revenues over (under) expenditures | (3,626,814) | (9,744,776) | (3,751,424) | (3,024,754) |
| **Other financing sources (uses)** | | | | |
| Transfers in | 6,523,247 | 6,192,216 | 7,780,970 | 16,364,425 |
| Transfers out | (3,801,884) | (3,210,986) | (4,815,817) | (10,308,842) |
| Proceeds from refunding bonds | - | 9,655,000 | - | 5,070,000 |
| Proceeds from general obligation bonds | 6,860,000 | 4,790,000 | 6,805,000 | 13,655,000 |
| Proceeds from certificates of obligation | 2,475,000 | - | - | - |
| Payments to refunding bond escrow agent | - | (10,201,721) | - | (5,398,353) |
| Premium (discount) on issuance of general obligation bonds | 27,941 | 762,754 | - | 658,892 |
| Proceeds from sale of assets | - | - | 755,354 | 14,890 |
| Contributions from other sources | - | - | - | - |
| Total other financing sources (uses) | 12,084,304 | 7,987,263 | 10,525,507 | 20,056,012 |
| Net change in fund balances | $ 8,457,490 | $ (1,757,513) | $ 6,774,083 | $ 17,031,258 |
| Debt service as a percentage of noncapital expenditures | 17.5% | 11.8% | 16.0% | 12.3% |

**Notes:** Debt service percentage is based on noncapital expenditures to the extent of capital outlay capitalized for the government-wide statement of net assets. See Exhibit 6 of CAFRs for further information.

**Source:** Comprehensive Annual Financial Reports

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| $ 54,828,308 | $ 54,752,225 | $ 55,411,805 | $ 54,800,940 | $ 60,070,877 | $ 66,279,731 |
| 2,328,846 | 1,767,049 | 1,894,107 | 2,210,218 | 1,741,153 | 2,375,771 |
| 5,603,449 | 5,702,288 | 5,522,540 | 5,543,470 | 5,680,893 | 6,051,283 |
| 1,591,676 | 1,536,596 | 1,502,618 | 1,432,238 | 1,448,853 | 1,380,911 |
| 2,916,566 | 2,950,843 | 2,946,204 | 2,752,316 | 2,874,525 | 2,954,961 |
| 3,287,167 | 2,051,749 | 526,987 | 459,604 | 365,043 | 210,934 |
| - | - | - | - | - | 1,771,288 |
| 1,061,894 | 312,057 | 29,634 | 24,424 | 25,936 | - |
| 220,857 | 238,649 | 1,247,926 | 538,837 | 580,182 | 515,834 |
| 708,082 | 686,616 | 1,038,782 | 934,516 | 875,473 | 945,453 |
| 27,641,031 | 5,072,965 | 4,018,465 | 1,922,304 | 10,100,624 | 1,434,519 |
| 975,687 | 1,026,729 | 1,080,387 | 2,109,044 | 1,880,771 | 2,258,538 |
| 101,163,563 | 76,097,766 | 75,219,455 | 72,727,911 | 85,644,330 | 86,179,223 |
| 8,956,950 | 9,334,801 | 9,115,750 | 9,404,791 | 9,933,848 | 10,350,058 |
| 6,640,069 | 6,458,408 | 6,207,016 | 6,300,265 | 6,318,868 | 6,288,988 |
| 32,450,887 | 33,755,435 | 35,016,553 | 35,209,021 | 36,816,688 | 39,487,803 |
| 9,724,646 | 9,998,112 | 9,492,466 | 9,591,553 | 9,687,620 | 10,596,633 |
| 36,317,662 | 24,862,380 | 14,505,465 | 14,330,533 | 23,658,611 | 16,208,343 |
| 4,995,000 | 5,205,000 | 5,695,000 | 6,590,000 | 6,325,000 | 5,410,000 |
| 3,494,604 | 2,869,614 | 2,849,017 | 2,604,989 | 2,405,624 | 3,143,454 |
| 102,579,818 | 92,483,750 | 82,881,267 | 84,031,152 | 95,146,259 | 91,485,279 |
| (1,416,255) | (16,385,984) | (7,661,812) | (11,303,241) | (9,501,929) | (5,306,056) |
| 12,103,060 | 7,478,048 | 13,622,782 | 8,015,843 | 8,778,083 | 11,323,247 |
| (7,652,635) | (4,369,393) | (10,397,384) | (4,099,531) | (4,072,035) | (7,587,732) |
| 8,715,000 | 5,430,000 | 2,565,000 | 1,605,000 | 16,490,000 | 12,455,000 |
| - | - | (2,555,000) | (1,610,846) | 9,260,000 | |
| - | - | - | - | - | - |
| - | - | - | - | (16,969,925) | - |
| (5,372) | (9,037.00) | - | 24,898 | 1,240,780 | 1,276,220 |
| 9,682 | 5,560 | 13,118 | 3,075 | 8,525 | 3,477 |
| - | - | - | 1,220,000 | 920,000 | - |
| 13,169,735 | 8,535,178 | 3,248,516 | 5,158,439 | 15,655,428 | 17,470,212 |
| $ 11,753,480 | $ (7,850,806) | $ (4,413,296) | $ (6,144,802) | $ 6,153,499 | $ 12,164,156 |
| 11.7% | 11.9% | 12.1% | 12.5% | 11.4% | 10.8% |

CITY OF LEWISVILLE, TEXAS

TABLE-5

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

*(Unaudited)*

| Fiscal Year | Estimated Market Value | | Less: Tax-Exempt Property | Less: Property Under Freeze | Less: TIRZ Zones Property | Total Taxable Assessed Value | Total Direct Tax Rate |
|---|---|---|---|---|---|---|---|
| | Real Property | Personal Property & Other | | | | | |
| 2004 | 4,707,742,831 | 848,715,965 | 522,296,755 | - | 29,866,358 | 5,004,295,683 | 0.45050 |
| 2005 | 4,821,098,766 | 978,286,841 | 573,637,347 | - | 35,297,446 | 5,190,450,814 | 0.45050 |
| 2006 | 5,111,584,596 | 988,050,320 | 635,339,154 | 109,383,097 | 50,036,866 | 5,304,875,799 | 0.45679 |
| 2007 | 5,303,672,869 | 1,017,510,806 | 677,304,019 | 131,762,437 | 65,376,309 | 5,446,740,910 | 0.45679 |
| 2008 | 6,040,730,857 | 1,129,555,348 | 774,550,122 | 150,432,444 | 88,496,443 | 6,156,807,196 | 0.44050 |
| 2009 | 6,446,207,177 | 1,191,217,048 | 839,703,836 | 164,430,210 | 107,112,885 | 6,526,177,294 | 0.44021 |
| 2010 | 6,375,044,714 | 1,255,326,502 | 1,007,324,631 | 178,908,241 | 79,708,452 | 6,364,429,892 | 0.44021 |
| 2011 | 6,149,759,302 | 1,187,121,672 | 988,851,847 | 190,869,769 | 78,909,810 | 6,078,249,548 | 0.44021 |
| 2012 | 6,314,259,228 | 1,355,266,675 | 1,121,735,174 | 205,892,126 | 70,665,418 | 6,271,233,185 | 0.44021 |
| 2013 | 6,484,331,621 | 1,469,479,781 | 1,187,401,591 | 209,556,944 | 85,932,250 | 6,470,920,617 | 0.44021 |

Source: Denton Central Appraisal District, Certified Valuations

CITY OF LEWISVILLE, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(per $100 of assessed value)
Last Ten Fiscal Years
*(Unaudited)*

TABLE-6

| | City Direct Rates | | | Overlapping Rates | | |
|---|---|---|---|---|---|---|
| Fiscal Year | Operating/ General Rate | General Obligation Debt Service | Total Direct | Lewisville Independent School District | Denton County | Total Direct & Overlapping Rates |
| 2004 | 0.31581 | 0.13469 | 0.45050 | 1.7700 | 0.24717 | 2.4677 |
| 2005 | 0.31641 | 0.13409 | 0.45050 | 1.7700 | 0.25480 | 2.4753 |
| 2006 | 0.32107 | 0.13572 | 0.45679 | 1.7700 | 0.24648 | 2.4733 |
| 2007 | 0.32184 | 0.13495 | 0.45679 | 1.6400 | 0.23192 | 2.3287 |
| 2008 | 0.32184 | 0.11866 | 0.44050 | 1.3700 | 0.23589 | 2.0464 |
| 2009 | 0.32156 | 0.11865 | 0.44021 | 1.3800 | 0.23577 | 2.0560 |
| 2010 | 0.32156 | 0.11865 | 0.44021 | 1.4087 | 0.24980 | 2.0987 |
| 2011 | 0.32289 | 0.11732 | 0.44021 | 1.4267 | 0.27390 | 2.1408 |
| 2012 | 0.32289 | 0.11732 | 0.44021 | 1.4260 | 0.27736 | 2.1436 |
| 2013 | 0.32289 | 0.11732 | 0.44021 | 1.4530 | 0.28287 | 2.1761 |

**Source:** City of Lewisville, Denton County Tax Assessor

CITY OF LEWISVILLE, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
*(Unaudited)*

TABLE-7

| 2013 | | | 2004 | | |
|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Valuation | Percentage of Total City Taxable Assessed Value | Taxpayer | Taxable Assessed Valuation | Percentage of Total City Taxable Assessed Value |
| Digital Lewisville LLC | $ 94,943,258 | 1.47% | Verizon Southwest | $ 72,878,226 | 1.46% |
| Vista Ridge Joint Venture | 66,948,339 | 1.04% | Southwest Prop LP P/S | 59,241,288 | 1.18% |
| Alcatel-Lucent USA Inc | 63,483,991 | 0.98% | Teachers Insurance Annuity Association | 52,121,567 | 1.04% |
| TIC Lago Vista LP etal | 51,699,375 | 0.80% | Vista Ridge Joint Venture | 44,873,885 | 0.90% |
| Bella Madera Apartments LLC | 44,027,483 | 0.68% | Columbia Medical Center Lewisville | 39,725,510 | 0.79% |
| Teachers Insurance Annuity Assoc | 43,347,722 | 0.67% | Texas New Mexico Power Company | 39,365,633 | 0.79% |
| Columbia Medical Center Lewisville | 39,572,557 | 0.61% | Vista Ridge OP&F Inc | 36,467,166 | 0.73% |
| Verizon Southwest | 38,550,790 | 0.60% | Kir Lewisville LP P/S | 34,749,158 | 0.69% |
| GRE Vista Ridge LP | 38,500,000 | 0.60% | DDR Lakepointe Crossing LLC | 26,408,433 | 0.53% |
| DFW Lewisville Partners Group | 37,453,194 | 0.58% | Realty Association Fund IV LP | 26,146,395 | 0.52% |
| TOTAL | $ 518,526,709 | 8.03% | TOTAL | $ 431,977,261 | 8.63% |

**Source:** Denton Central Appraisal District

CITY OF LEWISVILLE, TEXAS

TABLE-8

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

*(Unaudited)*

| Fiscal Year | Taxes Levied Within the Fiscal Year of the Levy | Adjustments to Levy in Subsequent Years | Adjusted Taxes Levied for the Fiscal Year | Collected Within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|---|---|
| | | | | Amount | Percentage of Fiscal Year Levy | | Amount | Percentage of Adjusted Levy |
| 2004 | 22,831,246 | 57,486 | 22,888,732 | 22,541,885 | 98.73% | 294,884 | 22,836,769 | 99.77% |
| 2005 | 23,542,373 | 42,500 | 23,584,873 | 23,292,813 | 98.94% | 249,040 | 23,541,853 | 99.82% |
| 2006 | 25,246,156 | (26,081) | 25,220,075 | 24,949,844 | 98.83% | 227,709 | 25,177,553 | 99.83% |
| 2007 | 26,677,093 | 30,356 | 26,707,449 | 26,470,497 | 99.23% | 199,327 | 26,669,824 | 99.86% |
| 2008 | 28,264,833 | (27,972) | 28,236,861 | 28,029,846 | 99.17% | 173,138 | 28,202,984 | 99.88% |
| 2009 | 29,966,864 | (58,630) | 29,908,234 | 29,762,422 | 99.32% | 94,127 | 29,856,549 | 99.83% |
| 2010 | 29,389,678 | (121,823) | 29,267,855 | 29,115,450 | 99.07% | 97,493 | 29,212,943 | 99.81% |
| 2011 | 28,228,960 | 7,401 | 28,236,361 | 28,084,210 | 99.49% | 107,571 | 28,191,781 | 99.84% |
| 2012 | 28,925,178 | (22,432) | 28,902,746 | 28,814,980 | 99.62% | 31,812 | 28,846,792 | 99.81% |
| 2013 | 29,949,696 | - | 29,949,696 | 29,838,761 | 99.63% | - | 29,838,761 | 99.63% |

**Source:** Denton County Appraisal District and Denton County Tax Office

# CITY OF LEWISVILLE, TEXAS
## GROSS SALES BY CATEGORY
## Last Ten Calendar Years
*(Unaudited)*

| | Calendar Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| Construction | $ 269,407,092 | $ 271,345,345 | $ 325,521,361 | $ 428,975,430 |
| Manufacturing | 577,502,805 | 651,749,063 | 891,564,228 | 829,222,026 |
| Transportation, Warehousing | 495,269,595 | 355,601,064 | 22,331,869 | 25,941,784 |
| Wholesale Trade | 334,301,142 | 374,468,902 | 492,483,851 | 546,277,231 |
| Retail Trade | 1,844,092,385 | 1,919,947,937 | 2,027,046,759 | 2,091,888,382 |
| Finance, Insurance and Information | 77,259,548 | 69,693,167 | 72,708,565 | 58,684,886 |
| Real Estate, Rental and Leasing | 32,156,100 | 54,857,322 | 39,287,358 | 55,201,502 |
| Professional, Scientific and Technical Services | 72,626,579 | 88,493,369 | 150,989,059 | 151,893,983 |
| Admin, Support, Waste Mgmt, Remediation Services | 97,175,211 | 200,665,461 | 292,811,541 | 158,959,087 |
| Educational Services | 1,221,464 | 1,300,212 | 3,510,020 | 7,222,172 |
| Health Care and Social Assistance | 4,280,367 | 5,698,121 | 5,586,377 | 5,232,521 |
| Arts, Entertainment and Recreation | 32,702,023 | 38,462,571 | 46,842,409 | 56,154,449 |
| Accommodation and Food Services | 165,856,056 | 178,596,005 | 199,071,846 | 203,938,455 |
| Other Services | 76,483,948 | 76,126,157 | 81,208,086 | 91,832,953 |
| Other, including industries with less than four entities | 78,305,983 | 76,944,820 | 79,133,007 | 55,438,461 |
| Total | $ 4,158,640,298 | $ 4,363,949,516 | $ 4,730,096,336 | $ 4,766,863,322 |
| City direct sales tax rate | 1.25% | 1.25% | 1.25% | 1.25% |

**Notes:**

The Comptrollers Office is prohibited from releasing information as to the amount of sales of particular taxpayers in the State of Texas. The Other category above represents those North American Industry Classification System (NAICS)categories with fewer than four (4) taxpayers in an industry and industries with small gross sales.
Among the industries included in the Other category are Agriculture, Forestry, Fishing, Hunting, Mining, Quarrying, Oil and Gas Extraction,Utilities, Management of Companies & Enterprises and Public Administration.

**Source:** Texas Comptroller of Public Accounts, quarterly historical reports of gross sales.

| Calendar Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| $ 389,267,507 | $ 426,073,490 | $ 315,604,945 | $ 508,276,308 | $ 521,804,800 | $ 583,295,010 |
| 891,125,270 | 751,857,471 | 753,995,737 | 761,594,169 | 876,625,971 | 914,284,411 |
| 650,786,731 | 710,880,556 | 691,150,901 | 747,819,849 | 818,329,058 | 511,874,252 |
| 623,518,433 | 745,420,584 | 801,433,783 | 998,636,961 | 1,041,654,476 | 975,236,076 |
| 2,075,807,503 | 1,927,414,046 | 1,878,956,373 | 1,931,419,742 | 2,111,473,213 | 2,183,666,702 |
| 53,044,625 | 53,996,484 | 57,425,359 | 70,840,042 | 69,075,343 | 66,652,294 |
| 49,024,728 | 34,973,325 | 19,078,930 | 22,216,520 | 35,585,520 | 41,154,276 |
| 159,409,613 | 194,403,930 | 211,806,495 | 275,395,584 | 288,679,219 | 412,722,141 |
| 166,466,814 | 163,933,681 | 166,933,359 | 166,911,144 | 178,166,862 | 178,468,571 |
| 6,159,101 | 5,983,619 | 7,033,934 | 6,969,123 | 7,194,735 | 6,649,409 |
| 9,610,245 | 6,350,766 | 5,141,407 | 8,672,569 | 35,890,987 | 35,015,715 |
| 30,144,139 | 41,445,461 | 25,715,214 | 26,861,732 | 30,244,591 | 34,052,488 |
| 207,232,660 | 209,960,645 | 209,744,109 | 215,936,485 | 242,533,721 | 258,035,281 |
| 100,185,148 | 93,452,124 | 126,406,332 | 130,789,356 | 195,709,795 | 149,266,942 |
| 62,016,500 | 56,823,976 | 51,936,646 | 55,951,821 | 64,611,945 | 64,288,526 |
| $ 5,473,799,017 | $ 5,422,970,158 | $ 5,322,363,524 | $ 5,928,291,405 | $ 6,517,580,236 | $ 6,414,662,094 |
| 1.25% | 1.25% | 1.25% | 1.25% | 1.50% | 1.50% |

**CITY OF LEWISVILLE, TEXAS** **TABLE-10**
**DIRECT AND OVERLAPPING SALES TAX RATES**
**Last Ten Fiscal Years**
***(Unaudited)***

| | City Direct Rates | | | | Overlapping Rates | |
|---|---|---|---|---|---|---|
| Fiscal Year | General Fund | Parks and Library Development Corporation | Crime Control and Prevention District | Fire Control, Prevention, and Emergency Medical Services District | Denton Co. Transit Authority | Total Direct & Overlapping Rates |
| 2004 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2005 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2006 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2007 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2008 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2009 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2010 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2011 | 1.00% | 0.25% | - | - | 0.50% | 1.75% |
| 2012 | 1.00% | 0.25% | 0.125% | 0.125% | 0.50% | 2.00% |
| 2013 | 1.00% | 0.25% | 0.125% | 0.125% | 0.50% | 2.00% |

**Source:** Texas Comptroller of Public Accounts

**Notes:**
The Lewisville Crime Control and Prevention District and the Lewisville Fire Control, Prevention, and Emergency Medical Services District were created by the voters in November 2011. Each district's levy of a 1/8% sales tax took effect on April 1, 2012.

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

CITY OF LEWISVILLE, TEXAS
PRINCIPAL SALES TAX PAYERS
Current Year and Nine Years Ago
*(Unaudited)*

**Calendar year 2013**

| Industry | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
|---|---|---|---|---|
| OTHER | 810 | 8.91% | $ 2,247,632 | 7.88% |
| Discount Department Stores | 9 | 0.10% | 1,759,722 | 6.17% |
| Full-Service Restaurants | 142 | 1.56% | 1,518,688 | 5.33% |
| Department Stores (except Discount Department Stores) | 17 | 0.19% | 1,113,890 | 3.91% |
| Wireless Telecommunications carriers (except satellite) | 59 | 0.65% | 886,871 | 3.11% |
| Electric Power Distribution | 50 | 0.55% | 858,629 | 3.01% |
| Limited-Service Restaurants | 102 | 1.12% | 845,333 | 2.96% |
| Radio, Television, and Other Electronics Stores | 33 | 0.36% | 573,367 | 2.01% |
| Home Centers | 4 | 0.04% | 522,344 | 1.83% |
| General Warehouse and Storage | 4 | 0.04% | 501,396 | 1.76% |
| Total | 1,230 | 13.52% | $ 10,827,872 | 37.97% |

**Notes:** The Comptrollers Office is prohibited from releasing information as to the amounts of sales or use tax paid by a particular taxpayer in the State of Texas. Therefore, the categories presented above are intended to provide alternative information regarding the sources of the City's sales tax revenue. The OTHER category above represents those NAICS classifications with fewer than four (4) taxpapers in a classification. In order to keep the identity of these taxpayers confidential, classifications with fewer than four (4) taxpayers are combined as "OTHER" and represented together as one classification.

**Source:** Texas Comptroller of Public Accounts

**Calendar Year 2004**

| Industry | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
|---|---|---|---|---|
| OTHER | 850 | 11.04% | $ 2,285,098 | 10.72% |
| Department Stores (except Discount Department Stores) | 11 | 0.14% | 1,206,787 | 5.66% |
| Department Stores | 4 | 0.05% | 1,063,299 | 4.99% |
| Full-Service Restaurants | 87 | 1.13% | 987,176 | 4.63% |
| Home Centers | 6 | 0.08% | 930,147 | 4.36% |
| Hydroelectric Power Generation | 5 | 0.06% | 812,460 | 3.81% |
| Household Appliance Stores | 30 | 0.39% | 601,861 | 2.82% |
| Miscellaneous Retail Stores, Not Elsewhere Classified | 434 | 5.64% | 538,875 | 2.53% |
| Limited-Service Restaurants | 60 | 0.78% | 522,122 | 2.45% |
| Discount Department Stores | 4 | 0.05% | 516,542 | 2.42% |
| Total | 1,491 | 19.36% | $ 9,464,367 | 44.39% |

# CITY OF LEWISVILLE, TEXAS
# COMBINED SCHEDULE OF BONDS
# September 30, 2013
*(Unaudited)*

| Issue | Interest Rates | Interest Payment Dates | Date Issued | Date Maturity | Annual Serial Payments | |
|---|---|---|---|---|---|---|
| General Obligation Bonds- | | | | | | |
| Series 2004 | 4.13 - 4.13 | 02/15 & 08/15 | 06/01/04 | 02/15/2014 | 450,000 | 450,000 |
| Series 2005 Refunding & Improvement | 4.00 - 5.00 | 02/15 & 08/15 | 04/15/05 | 02/15/2021 | 365,000 | 1,410,000 |
| Series 2006 | 4.00 - 5.00 | 02/15 & 08/15 | 05/15/06 | 02/15/2022 | 415,000 | 595,000 |
| Series 2007 Refunding & Improvement | 4.00 - 5.00 | 02/15 & 08/15 | 05/15/07 | 02/15/2023 | 980,000 | 2,235,000 |
| Series 2008 | 4.00 - 4.38 | 02/15 & 08/15 | 05/15/08 | 02/15/2024 | 405,000 | 830,000 |
| Series 2009 | 3.00 - 4.25 | 02/15 & 08/15 | 06/01/09 | 02/15/2025 | 265,000 | 405,000 |
| Series 2010 Refunding | 2.67 - 2.67 | 02/15 & 08/15 | 03/01/10 | 02/15/2019 | 600,000 | 895,000 |
| Series 2011 Refunding | 2.00 - 2.00 | 02/15 & 08/15 | 04/01/11 | 02/15/2014 | 545,000 | 545,000 |
| Series 2012 Refunding & Improvement | 2.00 - 4.00 | 02/15 & 08/15 | 05/15/12 | 02/15/2028 | 90,000 | 2,685,000 |
| Series 2013 | 1.50 - 5.00 | 02/15 & 08/15 | 05/15/13 | 02/15/2029 | 255,000 | 1,055,000 |
| Total General Obligation Bonds | | | | | | |
| Certificates of Obligation- | | | | | | |
| Series 2004 | 3.00 - 5.25 | 02/15 & 08/15 | 06/01/04 | 02/15/2024 | 980,000 | 980,000 |
| Series 2007A | 4.00 - 5.00 | 02/15 & 08/15 | 05/15/07 | 02/15/2032 | 530,000 | 1,195,000 |
| Series 2007B | 4.00 - 5.00 | 02/15 & 08/15 | 05/15/07 | 02/15/2027 | 205,000 | 980,000 |
| Total Certificates of Obligation | | | | | | |
| Revenue Bonds- | | | | | | |
| Series 2005 Refunding & Improvement | 4.00 - 5.00 | 02/15 & 08/15 | 04/15/05 | 02/15/2021 | 290,000 - | 1,235,000 |
| Series 2006 | 4.00 - 4.63 | 02/15 & 08/15 | 05/15/06 | 02/15/2022 | 240,000 - | 340,000 |
| Series 2008 | 3.88 - 4.25 | 02/15 & 08/15 | 05/15/08 | 02/15/2024 | 515,000 - | 775,000 |
| Series 2009 | 2.75 - 4.30 | 02/15 & 08/15 | 06/01/09 | 02/15/2025 | 645,000 - | 975,000 |
| Series 2011 Refunding & Improvement | 3.00 - 5.00 | 02/15 & 08/15 | 04/01/11 | 02/15/2027 | 565,000 - | 1,220,000 |
| Series 2012 Refunding & Improvement | 2.00 - 4.00 | 02/15 & 08/15 | 05/15/12 | 02/15/2028 | 245,000 - | 595,000 |
| Series 2013 | 1.00 - 5.00 | 02/15 & 08/15 | 05/15/13 | 02/15/2029 | 245,000 - | 430,000 |
| Total Revenue Bonds | | | | | | |
| Total Bonds Payable | | | | | | |

NC = Non-Callable
CC = Currently Callable

| Bonds | | | Requirements Fiscal Year Ended September 30, 2013 | | |
|---|---|---|---|---|---|
| Issued | Retired/ Defeased | Outstanding | Principal | Interest | Option Date |
| 6,860,000 | 6,410,000 | 450,000 | 450,000 | 9,281 | 02/15/14 |
| 14,445,000 | 8,730,000 | 5,715,000 | 1,410,000 | 234,728 | 02/15/15 |
| 6,805,000 | 2,320,000 | 4,485,000 | 415,000 | 195,986 | 02/15/16 |
| 18,725,000 | 3,965,000 | 14,760,000 | 1,375,000 | 671,050 | 02/15/17 |
| 8,715,000 | 1,430,000 | 7,285,000 | 455,000 | 293,006 | 02/15/18 |
| 5,430,000 | 1,475,000 | 3,955,000 | 265,000 | 145,100 | 02/15/19 |
| 9,600,000 | 5,490,000 | 4,110,000 | 895,000 | 97,789 | CC |
| 1,605,000 | 1,060,000 | 545,000 | 545,000 | 5,450 | NC |
| 25,750,000 | - | 25,750,000 | 90,000 | 998,850 | 02/15/22 |
| 12,455,000 | - | 12,455,000 | 255,000 | 498,253 | 02/15/23 |
| 110,390,000 | 30,880,000 | 79,510,000 | 6,155,000 | 3,149,493 | |
| 23,690,000 | 22,710,000 | 980,000 | 980,000 | 24,500 | 02/15/14 |
| 18,180,000 | 2,770,000 | 15,410,000 | 530,000 | 694,609 | 02/15/17 |
| 8,040,000 | 465,000 | 7,575,000 | 205,000 | 334,941 | 02/15/17 |
| 49,910,000 | 25,945,000 | 23,965,000 | 1,715,000 | 1,054,050 | |
| 11,475,000 | 6,855,000 | 4,620,000 | 1,235,000 | 183,013 | 02/15/15 |
| 4,000,000 | 1,430,000 | 2,570,000 | 240,000 | 108,123 | 02/15/16 |
| 10,300,000 | 3,305,000 | 6,995,000 | 515,000 | 275,144 | 02/15/18 |
| 11,900,000 | 2,430,000 | 9,470,000 | 645,000 | 350,673 | 02/15/19 |
| 13,465,000 | 2,000,000 | 11,465,000 | 1,020,000 | 429,675 | 02/15/21 |
| 5,925,000 | 200,000 | 5,725,000 | 500,000 | 171,831 | 02/15/22 |
| 5,205,000 | - | 5,205,000 | 245,000 | 194,598 | 02/15/23 |
| 62,270,000 | 16,220,000 | 46,050,000 | 4,400,000 | 1,713,057 | |
| $ 222,570,000 | $ 73,045,000 | $ 149,525,000 | $ 12,270,000 | $ 5,916,600 | |

CITY OF LEWISVILLE, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
*(Unaudited)*

TABLE-13

| | Governmental Activities | | Business-Type Activities | | | |
|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Certificates of Obligation | Water and Sewer Revenue Bonds | Total Primary Government | Percentage of Personal Income* | Per Capita* |
| 2004 | 49,216,146 | 23,690,000 | 54,340,000 | 127,246,146 | 6.40% | 1,480 |
| 2005 | 49,213,197 | 23,170,000 | 51,635,000 | 124,018,197 | 5.92% | 1,404 |
| 2006 | 51,330,000 | 19,955,000 | 49,300,000 | 120,585,000 | 4.95% | 1,353 |
| 2007 | 59,515,000 | 45,175,000 | 42,510,000 | 147,200,000 | 5.47% | 1,608 |
| 2008 | 63,235,000 | 43,975,000 | 46,190,000 | 153,400,000 | 6.14% | 1,652 |
| 2009 | 63,460,000 | 42,730,000 | 53,115,000 | 159,305,000 | 6.27% | 1,693 |
| 2010 | 64,810,000 | 41,445,000 | 40,740,000 | 146,995,000 | 5.23% | 1,543 |
| 2011 | 58,235,000 | 40,090,000 | 45,780,000 | 144,105,000 | 5.12% | 1,511 |
| 2012 | 73,405,000 | 25,575,000 | 45,220,000 | 144,200,000 | 5.79% | 1,502 |
| 2013 | 79,510,000 | 23,965,000 | 46,050,000 | 149,525,000 | 5.39% | 1,503 |

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements and on Table 12.
*See Table 17 for personal income and population data.

CITY OF LEWISVILLE, TEXAS

TABLE-14

RATIO OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

*(Unaudited)*

| | General Bonded Debt Outstanding | | | | | | |
|---|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Certificates of Obligation | Total | Less Available Debt Service Funds | Net General Bonded Debt | Percentage of Taxable Assessed Value of Property* | Per Capita** |
| 2004 | 49,216,146 | 23,690,000 | 72,906,146 | 3,574,856 | 69,331,290 | 1.39% | 807 |
| 2005 | 49,213,197 | 23,170,000 | 72,383,197 | 3,595,602 | 68,787,595 | 1.33% | 779 |
| 2006 | 51,330,000 | 19,955,000 | 71,285,000 | 1,654,816 | 69,630,184 | 1.31% | 781 |
| 2007 | 59,515,000 | 45,175,000 | 104,690,000 | 2,065,205 | 102,624,795 | 1.88% | 1,121 |
| 2008 | 63,235,000 | 43,975,000 | 107,210,000 | 2,063,119 | 105,146,881 | 1.71% | 1,132 |
| 2009 | 63,460,000 | 42,730,000 | 106,190,000 | 2,157,818 | 104,032,182 | 1.59% | 1,106 |
| 2010 | 64,810,000 | 41,445,000 | 106,255,000 | 1,575,726 | 104,679,274 | 1.64% | 1,099 |
| 2011 | 58,235,000 | 40,090,000 | 98,325,000 | 1,270,236 | 97,054,764 | 1.60% | 1,017 |
| 2012 | 73,405,000 | 25,575,000 | 98,980,000 | 1,456,703 | 97,523,297 | 1.56% | 1,016 |
| 2013 | 79,510,000 | 23,965,000 | 103,475,000 | 1,622,886 | 101,852,114 | 1.57% | 1,024 |

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.
No general obligation debt limitation is imposed on the City under current State law or the City's Home Rule Charter.
* See Table 5 for property value data.
** See Table 17 for population data.

CITY OF LEWISVILLE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2013
*(Unaudited)*

TABLE-15

| Government Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|---|---|---|
| **Debt repaid with property taxes** | | | |
| Lewisville Independent School District | $ 1,113,538,429 | 27.89% | $ 310,565,868 |
| Coppell Independent School District | 174,797,888 | 0.72% | 1,258,545 |
| Denton County | 596,245,000 | 12.06% | 71,907,147 |
| Dallas County | 136,430,000 | 0.03% | 40,929 |
| Dallas County Community College District | 355,880,000 | 0.03% | 106,764 |
| Dallas County Hospital District | 705,000,000 | 0.03% | 211,500 |
| Dallas County Schools | 67,675,000 | 0.03% | 20,303 |
| Denton County Levee Improvement District #1 | 9,780,000 | 69.21% | 6,768,738 |
| Denton County RUD #1 | - | 0.00% | - |
| Subtotal, overlapping debt | | | 390,879,793 |
| **City of Lewisville (direct debt)** | 103,475,000 | 100.00% | 103,475,000 |
| **Total direct and overlapping debt** | | | $ 494,354,793 |

**Source:** Non-City debt information provided by First Southwest Company and the Municipal Advisory Council of Texas (MAC)

**Notes:** MAC calculates the overlapping percentages by determining the estimated shared assessed valuations of the overlapping taxing bodies and the City and then by dividing that shared value by the total assessed value of the overlapping taxing body.

CITY OF LEWISVILLE, TEXAS
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
*(Unaudited)*

TABLE-16

| | Waterworks and Sewer System Revenue Bonds | | | | | | |
|---|---|---|---|---|---|---|---|
| **Fiscal Year** | **Total Revenues** | **Less: Operating Expenses** | **Net Available Revenue** | **Average Annual Requirement** | **Times Coverage** | **Maximum P & I Requirement** | **Times Coverage** |
| 2004 | 23,973,197 | 11,605,378 | 12,367,819 | 4,583,375 | 2.698 | 9,168,901 | 1.349 |
| 2005 | 25,215,347 | 12,002,786 | 13,212,561 | 4,041,010 | 3.270 | 8,520,251 | 1.551 |
| 2006 | 30,306,218 | 13,484,511 | 16,821,707 | 3,855,683 | 4.363 | 8,855,999 | 1.899 |
| 2007 | 28,553,142 | 13,205,679 | 15,347,463 | 3,522,329 | 4.357 | 7,424,561 | 2.067 |
| 2008 | 29,198,493 | 13,715,038 | 15,483,455 | 3,629,359 | 4.266 | 6,919,927 | 2.238 |
| 2009 | 27,978,220 | 14,157,311 | 13,820,909 | 4,191,171 | 3.298 | 7,498,648 | 1.843 |
| 2010 | 27,321,265 | 14,294,307 | 13,026,958 | 3,408,059 | 3.822 | 5,512,848 | 2.363 |
| 2011 | 29,627,081 | 16,082,970 | 13,544,111 | 3,584,741 | 3.778 | 6,189,089 | 2.188 |
| 2012 | 29,773,149 | 15,333,608 | 14,439,541 | 3,498,676 | 4.127 | 6,060,147 | 2.383 |
| 2013 | 29,996,994 | 15,253,780 | 14,743,214 | 3,559,577 | 4.142 | 6,113,056 | 2.412 |

**Source:** Comprehensive Annual Financial Reports and Fiscal Year Operating Budgets

CITY OF LEWISVILLE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
*(Unaudited)*

TABLE-17

| Year | Estimated Population | Personal Income (thousands of dollars) | Per Capita Personal Income | Median Age | School Enrollment | Unemployment Rate |
|---|---|---|---|---|---|---|
| 2004 | 85,950 | 1,989,405 | 23,146 | - | 13,272 | 3.7% |
| 2005 | 88,350 | 2,093,188 | 23,692 | 31.6 | 13,513 | 4.1% |
| 2006 | 89,100 | 2,437,241 | 27,354 | 32.3 | 13,676 | 4.0% |
| 2007 | 91,550 | 2,691,387 | 29,398 | 32.6 | 14,702 | 3.6% |
| 2008 | 92,850 | 2,497,665 | 26,900 | 30.6 | 15,233 | 4.0% |
| 2009 | 94,070 | 2,542,430 | 27,027 | 31.4 | 15,780 | 6.7% |
| 2010 | 95,290 | 2,811,055 | 29,500 | 32.5 | 15,678 | 6.4% |
| 2011 | 95,390 | 2,814,005 | 29,500 | 32.5 | 16,084 | 6.7% |
| 2012 | 96,000 | 2,491,392 | 25,952 | 32.5 | 17,238 | 5.1% |
| 2013 | 99,453 | 2,775,137 | 27,904 | 32.2 | 17,619 | 4.9% |

**Sources:** Estimated population provided by the North Central Texas Council of Governments; US Census population used in census years.
Personal income (total effective buying income) provided yearly from Sales and Marketing Management, "Survey of Buying Power."
Beginning in 2005, per capita income provided by the American Community Survey.
Current year personal income estimated from 2012 amount.
School enrollment (for schools located in Lewisville) provided by Lewisville Independent School District.
Unemployment rates provided on the Texas Workforce Commission website, annual rate, current year estimated as of September.
Median age, previously, only available in census years. Beginning 2005, provided by the American Community Survey.
Current year median age estimated from 2012 amount.

**CITY OF LEWISVILLE, TEXAS**
**PRINCIPAL EMPLOYERS**
**Current Year and Nine Years Ago**
***(Unaudited)***

**TABLE-18**

| 2013 | | | 2004 | | |
|---|---|---|---|---|---|
| **Employer** | **Employees** | **Percentage of Total City Employment** | **Employer** | **Employees** | **Percentage of Total City Employment** |
| JP Morgan Chase | 4,350 | 7.64% | Vista Ridge Mall (all outlets) | 2,288 | 4.47% |
| Lewisville Independent School District (Lewisville employment only) | 2,061 | 3.62% | Lewisville Independent School District (Lewisville employment only) | 1,803 | 3.52% |
| Vista Ridge Mall (all outlets) | 1,980 | 3.48% | Centex Home Equity | 1,400 | 2.74% |
| Nationstar Mortgage | 1,440 | 2.53% | Xerox Corporation | 1,318 | 2.58% |
| Wal-Mart (all City locations) | 845 | 1.48% | Medical Center of Lewisville | 800 | 1.56% |
| Xerox | 800 | 1.41% | SYSCO Foods | 750 | 1.47% |
| Medical Center of Lewisville | 750 | 1.32% | Household Automotive Finance | 700 | 1.37% |
| City of Lewisville | 725 | 1.27% | City of Lewisville | 631 | 1.23% |
| Ally | 700 | 1.23% | Wal-Mart | 430 | 0.84% |
| Orthofix | 596 | 1.05% | Huffines Auto Group | 375 | 0.73% |
| Total | 14,247 | 25.03% | Total | 10,495 | 20.51% |

**Source:** City of Lewisville Economic Development & Budget Departments, Texas Workforce Commission, North Central Texas Council of Governments

CITY OF LEWISVILLE, TEXAS

TABLE-19

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM

Last Ten Fiscal Years

*(Unaudited)*

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function/Program** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013** |
| Administration and Legal | 55.0 | 59.0 | 62.0 | 64.0 | 67.0 | 68.0 | 67.0 | 68.0 | 68.0 | 68.0 |
| Public Safety | 324.0 | 325.0 | 338.0 | 341.0 | 350.0 | 349.0 | 348.0 | 349.0 | 359.0 | 384.0 |
| Public Services | 123.0 | 123.0 | 124.0 | 123.0 | 124.0 | 126.0 | 123.0 | 123.0 | 123.0 | 123.0 |
| Community Development | 61.0 | 63.0 | 62.0 | 63.0 | 63.0 | 66.0 | 64.0 | 65.0 | 68.0 | 69.0 |
| Parks and Leisure | 68.0 | 67.0 | 71.0 | 71.0 | 72.0 | 72.0 | 78.0 | 81.0 | 81.0 | 81.0 |
| **Total** | 631.0 | 637.0 | 657.0 | 662.0 | 676.0 | 681.0 | 680.0 | 686.0 | 699.0 | 725.0 |

**Source:** City Budget Office, authorized positions

LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

CITY OF LEWISVILLE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| **General government** | | | | |
| Public Records | | | | |
| Number of telephone information requests | 8,743 | 11,747 | 17,879 | 12,953 |
| Birth and death certificates issued | 5,490 | 6,398 | 6,141 | 6,896 |
| **Culture, parks & recreation** | | | | |
| Parks and Leisure | | | | |
| Number registered for recreation programs | 3,912 | 2,723 | 2,749 | 3,752 |
| Public swim admissions | 21,292 | 55,329 | 63,915 | 59,422 |
| Library visits | 297,676 | 295,255 | 291,141 | 398,160 |
| Library volumes circulated | 495,406 | 463,666 | 447,449 | 719,620 |
| Lake Park day use area attendance | 110,572 | 171,007 | 160,113 | 119,781 |
| **Public safety** | | | | |
| Police | | | | |
| Calls for service | 62,597 | 63,570 | 63,813 | 61,949 |
| Part 1 crimes | 4,478 | 4,305 | 3,610 | 3,238 |
| Number of accidents | 2,870 | 2,838 | 2,863 | 2,695 |
| Fire | | | | |
| Number of fire incidents | 2,910 | 2,909 | 3,258 | 3,098 |
| Number of EMS incidents | 4,674 | 5,153 | 5,373 | 5,557 |
| **Public services** | | | | |
| Public Services | | | | |
| Concrete paving repair (cubic yards) | 1,475 | 1,279 | 1,225 | 1,211 |
| Concrete utility cut repair (cubic yards) | 319 | 420 | 709 | 457 |
| Asphalt pothole repair (tons) | 426 | 81 | 83 | 100 |
| Community Development | | | | |
| Building permits issued | 922 | 844 | 948 | 766 |
| Municipal Water System | | | | |
| Number of customers (meters) | 19,630 | 19,955 | 20,560 | 20,781 |
| Average daily water consumption (MGD) | 12.43 | 13.86 | 16.04 | 13.35 |
| System capacity (MGD) | 32 | 38 | 38 | 38 |
| Number of water main breaks | 73 | 93 | 212 | 106 |
| Sewer System | | | | |
| System treatment capacity (MGD) | 12 | 12 | 15 | 15 |
| Sanitation (residential) | | | | |
| Residential refuse collected (tons) | 31,846 | 27,523 | 27,691 | 28,765 |
| Commercial refuse collected (tons) | 120,535 | 112,205 | 104,929 | 108,242 |

**Source:** City Departments

**Notes:**

The decrease in tonnage for pothole repairs is due to the volume of asphalt street rehabilitation projects completed from 2003-2005. In the summer of 2005, the City's two existing pools were remodeled to water parks with pools and related amenities. For 2007, Lake Park attendance was down due to park being closed two summer months due to flooding. The Library was expanded during the 2006 and 2007 fiscal years. The System capacity of the municipal water system increased 15MGD with the Midway Pump Station in 2012.

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| 12,074 | 13,868 | 13,138 | 12,169 | 9,627 | 8,007 |
| 6,455 | 6,336 | 4,691 | 3,540 | 2,917 | 2,569 |
| 4,412 | 4,336 | 5,277 | 7,459 | 6,591 | 7,070 |
| 51,322 | 48,028 | 43,888 | 42,021 | 39,304 | 38,672 |
| 398,568 | 383,836 | 451,015 | 424,079 | 403,308 | 377,915 |
| 766,182 | 815,191 | 774,629 | 692,066 | 686,804 | 637,083 |
| 193,690 | 191,721 | 131,667 | 127,382 | 137,507 | 140,626 |
| 66,358 | 74,658 | 66,751 | 61,514 | 63,014 | 58,675 |
| 3,577 | 4,039 | 4,038 | 3,448 | 3,272 | 2,903 |
| 2,482 | 2,458 | 2,409 | 2,318 | 2,490 | 2,457 |
| 3,007 | 3,246 | 3,107 | 3,395 | 3,083 | 3,206 |
| 5,771 | 6,088 | 6,069 | 6,529 | 6,855 | 6,622 |
| 1,187 | 966 | 830 | 716 | 694 | 500 |
| 415 | 393 | 221 | 306 | 300 | 284 |
| 54 | 38 | 78 | 39 | 88 | 209 |
| 698 | 552 | 509 | 439 | 379 | 520 |
| 21,233 | 21,987 | 21,912 | 21,342 | 21,427 | 21,662 |
| 14.71 | 14.75 | 14.44 | 16.84 | 16.06 | 15.11 |
| 38 | 38.4 | 38.4 | 38.4 | 53.4 | 53.4 |
| 120 | 113 | 75 | 96 | 99 | 105 |
| 15 | 15 | 15 | 15 | 15 | 15 |
| 27,528 | 27,732 | 27,179 | 25,302 | 25,418 | 26,119 |
| 107,798 | 106,084 | 109,773 | 104,528 | 76,119 | 73,589 |

CITY OF LEWISVILLE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
*(Unaudited)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 |
| Function/Program | | | | |
| **Culture, parks & recreation** | | | | |
| Parks and Leisure | | | | |
| Number of Parks | 32 | 32 | 32 | 32 |
| Parks (acres) | 1,240 | 1,240 | 1,240 | 1,240 |
| Swimming Pools | 2 | 2 | 2 | 2 |
| Lighted Athletic Fields | 23 | 23 | 23 | 23 |
| Lighted Tennis Courts | 4 | 4 | 4 | 4 |
| Recreation Centers | 2 | 2 | 2 | 2 |
| Senior Citizens Center | 1 | 1 | 1 | 1 |
| **Public safety** | | | | |
| Police Stations | 1 | 1 | 1 | 1 |
| Police Vehicles | N/A | N/A | 85 | 95 |
| Fire Stations | 6 | 6 | 6 | 6 |
| **Public services** | | | | |
| Public Services | | | | |
| Streets - Paved (miles) | 538 | 565 | 573 | 573 |
| Alleys - Paved (miles) | 80 | 83 | 85 | 85 |
| Number of Street Lights | 2,600 | 2,600 | 2,600 | 2,600 |
| Water and Sewer | | | | |
| Water Mains (miles) | N/A | N/A | 385 | 387 |
| Fire Hydrants | N/A | N/A | 2,295 | 2,376 |
| Sanitary Sewer (miles) | N/A | N/A | 305 | 307 |

**Source:** City Departments
**Notes:**
N/A - Data not available.
In recent years, Public Services has been utilizing more accurate technology, such as GPS, for the statistics provided.

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| 32 | 33 | 33 | 33 | 33 | 33 |
| 1,240 | 1,240 | 1,240 | 1,240 | 1,240 | 1,240 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 23 | 37 | 37 | 37 | 37 | 37 |
| 4 | 4 | 4 | 4 | 4 | 4 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 94 | 96 | 94 | 95 | 93 | 96 |
| 6 | 7 | 7 | 7 | 7 | 7 |
| 571 | 571 | 573 | 573 | 573 | 650 |
| 85 | 85 | 85 | 85 | 91 | 97 |
| 2,600 | 2,773 | 2,983 | 2,911 | 2,894 | 2,898 |
| 390 | 393 | 397 | 381 | 381 | 381 |
| 3,096 | 3,188 | 3,261 | 3,110 | 3,105 | 3,079 |
| 310 | 312 | 315 | 318 | 318 | 318 |