2014 - 2015

CEDAR PARK

CITY OF CEDAR PARK, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2015

CITY OF CEDAR PARK, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2015

PREPARED BY

FINANCE DEPARTMENT

CEDAR PARK

CITY OF CEDAR PARK, TEXAS

PRINCIPAL CITY OFFICIALS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

MATT POWELL – MAYOR

CORBIN VAN ARSDALE – MAYOR PRO-TEM

STEPHEN THOMAS – COUNCIL MEMBER

LYLE GRIMES – COUNCIL MEMBER

LOWELL MOORE – COUNCIL MEMBER

JOHN LUX – COUNCIL MEMBER

KRISTYNE BOLLIER – COUNCIL MEMBER

BRENDA EIVENS – CITY MANAGER

JP LECOMPTE– CITY ATTORNEY

LEANN QUINN – CITY SECRETARY

REPORT PREPARED BY

FINANCE DEPARTMENT

CITY OF CEDAR PARK, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2015

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CEDAR PARK

INTRODUCTORY SECTION

March 31, 2016

Honorable Mayor and Members of the City Council
City of Cedar Park, Texas

The Comprehensive Annual Financial Report (CAFR) for the City of Cedar Park (the "City") for the fiscal year ended September 30, 2015, including the independent auditors' report, is hereby submitted. This CAFR is published to provide the Mayor and City Council, City staff, our citizens, representatives of financial institutions, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City.

The full responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City established and maintains a system of internal accounting controls designed in part to provide a reasonable assurance that assets are safeguarded against loss, theft, or unauthorized use, and that financial records can be relied upon to produce financial statements in accordance with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

The City of Cedar Park's financial statements have been audited by Belt Harris Pechacek LLLP, a firm of licensed certified public accountants. The independent auditors issued an unmodified opinion on the City of Cedar Park's financial statements for the fiscal year ended September 30, 2015. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) can be found immediately following the auditors' report. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements.

CEDAR PARK GENERAL INFORMATION

Cedar Park is a central Texas city located primarily in southwestern Williamson County, one of the fastest growing counties in the nation. Situated only 20 miles from downtown Austin, the State Capitol of Texas, Cedar Park is on the leading edge of major growth in the Austin metropolitan region and provides commercial and residential facilities for numerous employees of the industries located in the area.

Prior to the 1970's, Cedar Park was a small, unincorporated rural community somewhat remote from Austin. Officially incorporated in 1973 and becoming a home-rule city in 1987, the City is now governed by a Mayor and six City Council members, with day-to-day activities being directed by a City Manager. The population of Cedar Park has more than doubled since the 2000 Census was conducted, growing from a population of 26,049 to a current population of 67,537, with an additional 17,473 residents in the City's Extra Territorial Jurisdiction (ETJ).

The City provides a full range of services, which includes police and fire protection, parks and library, construction and maintenance of infrastructure, planning and community development, and general administrative services. Additionally, the City owns and operates a water treatment and wastewater plant and provides solid waste services. In response to the rapid population growth Cedar Park has experienced, the City's infrastructure, streets, utility systems, and service delivery are rapidly developing to meet needs. Utility service, as well as streets and transportation improvements, will continue to be a priority in the future.

FACTORS AFFECTING FINANCIAL CONDITION

Retail development experienced in previous years has led to a robust sales tax and property tax base and the City's Economic Development Department continues to work with existing and prospective new businesses to encourage expansion of existing companies and relocation of new businesses to Cedar Park.

New Commercial Development:

- Since Costco's opening in November 2013, the Cedar Park Town Center development has added over 161,000 square feet of additional restaurant and retail space representing a capital investment of over $12.0 million. The overall capital investment in the Town Center retail development exceeds $40.0 million.

In addition to the Cedar Park Town Center development, Cedar Park has enjoyed the opening and expansions of the following developments/businesses:

- Dana Corporation had the official grand opening of their 43,000 square foot Cedar Park Technology Center located at Scottsdale Crossing in April 2015. Dana currently has 45 employees and will employ over 80 people in Cedar Park.

- Voltabox is a subsidiary of Paragon AG, which is a tier 1 automotive supplier in Europe. Voltabox moved into their new 22,000 square foot facility in June where they will design and produce high performance lithium battery packs for commercial and industrial uses. Voltabox will employ 50 people, and the Cedar Park facility will also serve as the company's North American headquarters.

- Firefly Space Systems moved into 30,000 square feet of space in La Jaita Business Park where they will design and manufacture missiles for the deployment of low orbit satellites. Firefly will employ over 150 people once they are fully operational.

- VUV Analytics located their operations in Discovery Business Park where they employ 15 people designing and manufacturing scientific measuring devices. VUV estimates they will employ over 75 people within five years.

- The Texas Museum of Science & Technology leased 30,000 square feet of temporary space on Toro Grande Drive last spring. They opened with the exhibit "Body Worlds" which attracted over 50,000 visitors while in Cedar Park. Since opening they have added a Planetarium and 30 educational exhibits from Exploratorium a museum in San Francisco. The latest addition to the museum is a donated collection of more than 200 dinosaur fossils and casts valued at over $3 million.

- Cedar Park Regional Medical Center continues to grow its campus and currently employs over 600 people in the City.

- The Shops at East Park, an office and retail project, was completed and has over 43,000 square feet of office, retail, and restaurants.

- The Shops at Lakeline, a 25,000 square foot retail development, is completed and currently leasing.

- Starwood Oaks is a 13,000 square foot multi-tenant retail project completed in 2015 and has leased space to Denver Mattress, Five Guys Burgers & Fries, Masala Wok, and Panera Bread.

In addition, the following retail/commercial development projects are currently planned or under construction:

- The Parke is the latest major retail project coming to Cedar Park. Endeavor Real Estate is planning to build a 380,000 square foot retail center just north of Costco on the west side of 183A. The project will be anchored by Whole Foods new 365 Store. Other tenants include DSW Shoes, Nordstrom Rack, Dick's Sporting Goods, Old Navy, and other nationally recognized retailers.

- LiveOPs, a cloud based software development company, announced they were relocating their corporate headquarters and operations from California to Cedar Park creating over 150 jobs. Construction on their facility will commence in the first quarter of 2016.

- Pediatric Subspecialty broke ground on a 75,000 square foot Pediatric Center on the Cedar Park Regional Medical Center's campus that will be completed in the first quarter of 2016. The project will employ over 150 medical/healthcare professionals when fully operational.

- Construction is underway on a 120 room Springhill Suites that will be located in the Cedar Park Town Center development, just west of Costco.

- La Jaita Business Park completed a 65,000 square foot multi-tenant building which is the second of three buildings to be constructed in the development. Building three in the development will be under construction by the summer of 2016. At completion, the development will have over 175,000 square feet of space.

- Discussions are underway for the development of two speculative office buildings at Scottsdale Crossing totaling 55,000 square feet.

All of this recent commercial development activity has led to marked increases in the City's sales tax revenue over the past several years and, with a number of exciting developments under construction or currently in planning, we expect this trend to continue. Sales tax is received by the City at a rate of one percent of taxable sales to the general fund and one half percent each to the 4A and 4B Corporations.

Financial Planning:

The City has a long history of conservative fiscal planning. By monitoring the economy and the City's own revenue and expenditure streams continuously, the City has been able to adjust quickly to shifts and changes. The City also believes that long-term planning contributes to financial resiliency, and the City is dedicated to monitoring revenues and expenditures on a five-year horizon.

In October 2011, the City of Cedar Park approved a set of seven Financial Performance Goals for the City to maintain its strong financial position. These goals discuss such issues as the appropriate level for the fund balance of the General Fund and Water and Sewer Utility Fund, Utility Fund transfer to the General Fund, sales tax budget level, and Utility Fund coverage ratio. These performance goals have aided the City in maintaining its strong financial position.

Budgeting Controls:

Each year, on or before September 30, the City Council adopts an annual operating budget for the ensuing fiscal year. The budget includes projected revenues and expenditures for the General Fund, Debt Service Fund, special revenue funds, proprietary funds, and capital improvement funds. The budget is a

planning device that defines the type, quality, and quantity of goods and services that will be provided to our citizens. In addition to the annual budget, staff creates a five-year outlook of the General Fund and construction budgets to show the expenditure cost over time allowing the City to prepare for future funding challenges.

The budget process begins in April with a budget kick-off event with the department directors. City Council goals are reviewed, and directors receive departmental financial history and current financial status, budget preparation forms, and general guidelines. General guidelines include being conservative with new requests, tying requests to Council goals, and identifying future needs and significant expenditures beyond the current budget process. Throughout the process, the City Manager, the Director of Finance, and the Assistant Director of Finance work closely with the directors to review program requests and analyze line-item expenditures. Funds are reallocated as deemed appropriate to maximize the quality of service our citizens receive. Requests not funded in the current year may be added to the five-year outlook in order to better align the expenditure need with a funding opportunity.

The budget is also a control device that serves as a system of "checks and balances" between levels of City government. The budgetary system ensures that departments contain their expenditures within limitations adopted by the City Council and monitored / managed by the City management. Finance reviews all expenditure purchases and verifies that they are required to meet the intended goods and services levels of the adopted budget. The budgeted Departmental and Fund totals may be modified only after a public hearing and adoption of a resolution by the Council. Departmental line-items may be modified with Finance and/or City Manager approval.

As stated above, the City also began a more formal process of long-range forecasting in order to plan for future needs. City management's analysis of known and projected impacts to future revenues and expenditures was presented to the Council during a budget workshop. As the City grows to build-out, the City must be prepared for not only the expenditure cost of the current budget but also how the ongoing expenditures will affect future years. The forecast is especially useful in providing an outlook on how current and future debt service will impact the ad valorem rate, which is the City's largest source of governmental revenues. This process will continue during future budget workshops.

Major Initiatives:

Future Bonds

In Fiscal Year 2014-2015, City Council formed the Bond Advisory Task Force, a committee made up of board members and interested citizens who were charged with recommending a bond package to the Cedar Park City Council for consideration. In November 2015, a $96.7 million bond package was approved by voters. This approved bond package contains funding for a variety of future projects in four categories: Streets and Roads, Public Safety, Public Library, and Parks and Recreation.

The Streets and Roads bond includes funding for a number of transportation projects, such as the construction of New Hope Road between Cottonwood Creek Trail and Ronald Regan Boulevard and Phase 2 of the Anderson Mill Road project, which will widen sections of that road to improve traffic flow and driver safety. This bond proposal also includes funding for design and right-of-way acquisition costs related to future Whitestone Boulevard improvements and a number of other potential road projects including the overlay of existing arterial roadways and a variety of turn lane improvements throughout the city. One of the most talked about items that will appear in the bond package is the redevelopment of Bell Boulevard, which is also included in the Streets and Roads category. This project plans to realign Bell Boulevard to make better use of the land in this area with plans to support redevelopment of the section of Bell Boulevard between Cypress Creek Road and Park Street into a vibrant mixed-use destination with retail establishments, residential units, and office spaces.

The Public Safety bond category includes funding for the construction of a fifth fire station on the North side of the City, as well as expansion to the Police Department. The Library bond category includes funding for construction, renovation, or other costs relating to the Public Library, and the Parks and Recreation bond category includes funding for a variety of projects, which could include the development

of the new Lakeline Park, and the construction of additional trails and bike facilities, and other park amenities.

RM 1431 Pass-Through-Toll Financing

The City and the Texas Department of Transportation (TX-DoT) have created a joint project for the expansion of RM 1431 from Sam Bass to Market Street. Construction began in late FY14. This project is considered to be one of the largest transportation projects in the City's history. The City funded the design and upfront costs for the project and will be reimbursed for construction costs by TX-DoT based upon the number of drivers that "pass-through" the road once it is complete. Approximately $21 million of bonds were issued to fund the significant project. Upon completion of the roadway widening, the City will recoup 80% of all construction related expenses from TX-DoT. This project is expected to be completed in summer 2016.

Quarry Purchase

In August 2015, Cedar Park purchased the rock quarry located along Anderson Mill Road from the City of Austin. As part of the purchase agreement, quarrying activities will begin to taper off and will be ceased entirely by 2019. Future planning efforts will determine the land use for the 215 acres purchased by the City.

Cash Management:

Cash temporarily idle during the year was invested in certificates of deposit, federal government securities, federal agencies, TexPool, and TexSTAR. TexPool and TexSTAR are Local Government Investment Pools (LGIPs) authorized by the State Comptroller's Office. The City earned net interest revenue of $360,425 from all investments during this reporting period.

In the wake of the recent economic downturn, market interest rates remain extremely low. Accordingly, the City has reduced the level of its funds held in LGIP's and increased deposits held at various banks within the State of Texas in order to maximize interest earnings while keeping liquidity levels very high. This strategy is designed to protect City funds in the event market rates begin to rise, inversely causing market prices of securities to fall.

The City's investment policies stress minimization of credit and market risks while maintaining a competitive yield. Accordingly, bank deposits held throughout the period were either insured by federal depository insurance or collateralized. All collateral for deposits was held either by the City, its agent, or a bona fide third-party custodian in an account in the City's name. All of the deposits held by the City during the year and at September 30, 2015 are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board.

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cedar Park for its CAFR for the fiscal year ended September 30, 2014. This was the 23rd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

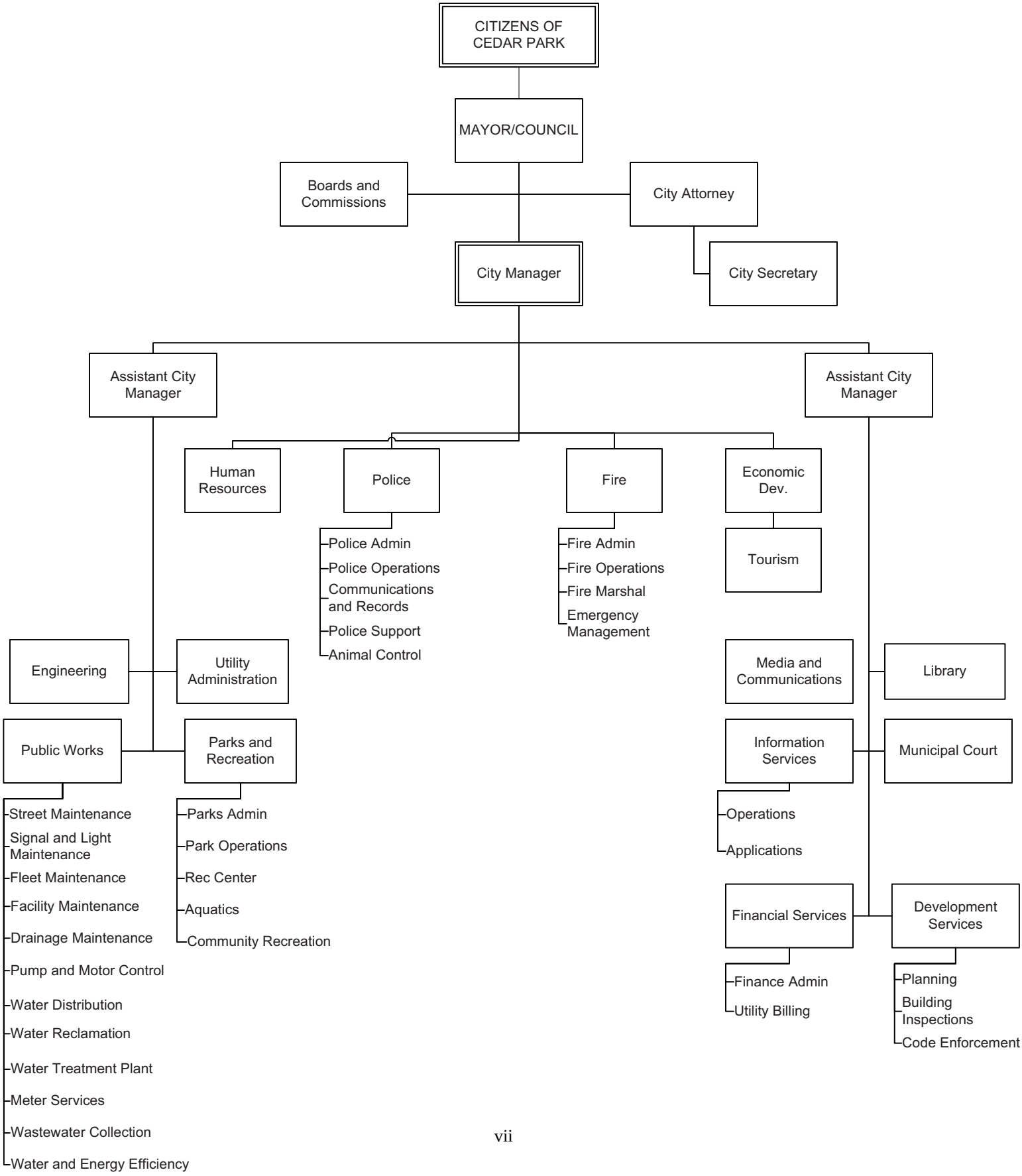
The preparation of the CAFR would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of the CAFR. Credit also must be given to

the Mayor, the City Council, and the City Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Cedar Park's finances.

Respectfully submitted,

Kent Meredith, CPA
Director of Finance

City of Cedar Park



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cedar Park
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

CEDAR PARK

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
City Council Members of the
City of Cedar Park, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Park, Texas (the "City") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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. 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 auditors' 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 City'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 City'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.

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AICPA

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 discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

In 2015, the City adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and schedule of funding progress, identified as Required Supplementary Information on the table of contents, 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 statements and schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The combining 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 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.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 31, 2016

CEDAR PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) section of the City of Cedar Park's (the "City") Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2015.

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – vi of this report.

FINANCIAL HIGHLIGHTS

Government-wide Financial Statements

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the end of the fiscal year 2015, resulting in $418,898,330 of net position. Net position for governmental activities totaled $193,834,909, while net position for business-type activities is $225,063,421. The largest portion of net position consists of net investment in capital assets, which is $318,003,229.

The City's unrestricted net position, which may be used to meet the City's ongoing obligations, is $48,479,047. A deficit of $1,398,954 is reported as unrestricted for governmental activities, and $32,496,007 is reported as unrestricted for business-type activities. Outstanding debt associated with governmental activities in the amount of $17,381,994 is for capital assets associated with business-type activities.

The City's total net position increased $25,786,192 or 6.6% during fiscal year 2015, before a special item related to the receipt of net position from annexation (see footnote 3-L, page 62) and prior period adjustments (see footnote 1-C, page 29). The City's total increase in net position consists of an increase in governmental net position of $1,708,898 or 0.9% and an increase in business-type activities $25,623,760 or 12.9%.

Total revenues for the City increased $5,552,623. The increase is comprised of a $5,715,716 increase in revenues for governmental activities and a decrease of $163,093 in revenues for business-type activities. Total expenses for the City increased $6,095,978. Expenses for governmental activities increased $5,120,624 while expenses for business-type activities increased $975,354.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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 supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements, which begin on page 16 of this report, are designed to provide readers with a broad overview of the City of Cedar Park's finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as uncollected taxes and earned but unused compensated absences.

OVERVIEW OF THE FINANCIAL STATEMENTS, continued

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

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Community Development Corporation and a legally separate Economic Development Corporation for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

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

Governmental Funds

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

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

Beginning on page 18 of this report, 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 Streets and Lighting Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the water and sewer and solid waste activities. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for maintenance and replacement costs of vehicles, computers and heavy equipment. These services predominantly benefit governmental rather than business-type functions, and have been included within governmental activities in the government-wide financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS, continued

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Solid Waste Fund which are reported as major funds. The Solid Waste Fund does not meet the criteria of a major fund, as established in GASB Statement No. 34, but is reported as a major fund because it is the City's only other enterprise fund. Also, separate information is provided for the Internal Service Fund on the proprietary fund financial statements.

The basic proprietary fund financial statements can be found beginning on page 22 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 28 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) immediately following the basic financial statements and related notes section of this report. The City adopts an annual appropriated budget for the General Fund. RSI provides a comparison of revenues, expenditures and other financing sources and uses to budget and demonstrates budgetary compliance for General Fund departments. In addition, trend information related to the City's retirement and other post-employment benefits plans is presented in RSI. Following RSI are other combining fund statements and schedules that further support the information in the financial statements. The combining fund statements and schedules for non-major funds are presented beginning on page 74 of this report.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

Net Position

The following table reflects a summary of net position compared to prior year:

Condensed Statement of Net Position
as of September 30

	Governmental Activities		Business-type Activities		Reconciliation	Totals	
	2015	2014	2015	2014	2015	2015	2014
Current and other assets	$ 72,341,106	59,731,418	56,596,781	50,279,143	-	128,937,887	110,010,561
Capital assets	316,633,565	306,716,633	225,783,808	206,015,274	-	542,417,373	512,731,907
Total Assets	388,974,671	366,448,051	282,380,589	256,294,417	-	671,355,260	622,742,468
Deferred outflows of resources	12,075,521	3,838,991	3,910,836	1,453,306	-	15,986,357	5,292,297
Current liabilities	7,102,321	6,987,437	4,265,911	3,999,063	-	11,368,232	10,986,500
Noncurrent liabilities	200,112,962	171,173,594	56,962,093	54,308,999	-	257,075,055	225,482,593
Total Liabilities	207,215,283	178,161,031	61,228,004	58,308,062	-	268,443,287	236,469,093
Net position:							
Net investment in capital assets	161,430,832	158,217,615	173,954,391	154,335,666	(17,381,994)	318,003,229	312,553,281
Restricted	33,803,031	21,333,625	18,613,023	18,658,128	-	52,416,054	39,991,753
Unrestricted	(1,398,954)	12,574,771	32,496,007	26,445,867	17,381,994	48,479,047	39,020,638
Total Net Position	$193,834,909	192,126,011	225,063,421	199,439,661	-	418,898,330	391,565,672

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

As noted earlier, net position may serve over time as a useful indicator of government's financial position. As of September 30, 2015, the City's assets and deferred outflows of resources exceeded liabilities by $418,898,330. Total assets increased by $48,612,792, while total liabilities increased by $31,974,194. Governmental assets increased $22,526,620 and business-type assets increased $26,086,172. Governmental liabilities increased $29,054,252 and business-type liabilities increased $2,919,942.

The increase in governmental total assets of $22,526,620 was primarily attributable to the annexation of three improvement districts, and growth in net position generated by governmental activities. Governmental noncurrent liabilities increased $28,939,368 primarily due to an increase in bonds payable.

The increase in business-type total assets of $26,086,172 primarily reflects investment in utility infrastructure primarily funded by the increase in net position provided by utility activities, as well as a transfer of governmental assets acquired by annexation. The increase in business-type liabilities of $2,919,942 is primarily attributable to an increase in bonds payable.

The largest portion of the City's net position is invested in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any outstanding debt used to acquire those assets, which is $318,003,229 or 75.9% of the City's total net position. The City uses these capital assets to provide service 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.

A portion of the City's net position, $52,416,054, represents resources that are subject to restriction on how they may be used. The remaining balance of unrestricted net position, $48,479,047, may be used to meet the City's ongoing obligation to citizens and creditors.

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

Changes in Net Position

Total net position of the City increased $25,786,192 before a special item related to the receipt of net position from annexation (see footnote 3-L, page 62) and prior period adjustments (see footnote 1-C, page 29) during the current fiscal year. Governmental net position increased by $1,708,898. Governmental revenues exceeded expenses by $14,327,087, before net transfers of $14,164,655 to Business-Type activities, and special items of $1,546,466. Business-type activities net position increased $25,623,760 due to revenues of $39,449,954 exceeding expenses of $27,990,849 by $11,459,105 before net transfers from governmental activities of $14,164,655.

The City's Governmental unrestricted net position decreased by $13,973,725 primarily due to the assumption of annexed district debt for Business-Type capital assets that were paid by Governmental rather than Business-Type activities. Business-Type unrestricted net position increased by $6,050,140 primarily due to the Governmental transfer of capital assets where the related debt was retained by Governmental activities. The City's Governmental activities reflect debt of $17,381,994 associated with Business-Type capital assets.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

The following table provides a summary of the City's operations for the year ended September 30, 2015:

Changes in Net Position
September 30

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 6,389,567	6,733,256	33,778,291	31,839,254	40,167,858	38,572,510
Operating grants and contributions	3,560,990	3,573,283	-	-	3,560,990	3,573,283
Capital grants and contributions	11,210,475	11,848,983	5,325,824	7,578,976	16,536,299	19,427,959
General revenues:						
Property taxes	31,029,749	25,839,567	-	-	31,029,749	25,839,567
Sales taxes	11,186,774	10,165,545	-	-	11,186,774	10,165,545
Franchise taxes	4,453,374	4,251,703	-	-	4,453,374	4,251,703
Other taxes	845,835	720,549	-	-	845,835	720,549
Interest and other	1,649,516	1,477,678	345,839	194,817	1,995,355	1,672,495
Total revenues	70,326,280	64,610,564	39,449,954	39,613,047	109,776,234	104,223,611
Expenses:						
General government	17,985,786	16,662,877	-	-	17,985,786	16,662,877
Public safety	21,735,785	19,104,639	-	-	21,735,785	19,104,639
Culture and recreation	5,591,839	5,028,527	-	-	5,591,839	5,028,527
Streets and lighting	4,361,144	3,728,641	-	-	4,361,144	3,728,641
Interest on long-term debt	6,324,639	6,353,885	-	-	6,324,639	6,353,885
Water and sewer	-	-	24,303,635	23,412,821	24,303,635	23,412,821
Solid waste	-	-	3,687,214	3,602,674	3,687,214	3,602,674
Total expenses	55,999,193	50,878,569	27,990,849	27,015,495	83,990,042	77,894,064
Excess before transfers	14,327,087	13,731,995	11,459,105	12,597,552	25,786,192	26,329,547
Transfers	(14,164,655)	3,116,641	14,164,655	(3,116,641)	-	-
Increase (decrease) in net position before special item	162,432	16,848,636	25,623,760	9,480,911	25,786,192	26,329,547
Special item-annexed net position	1,546,466	-	-	-	1,546,466	-
Net position, beginning as restated	192,126,011	175,277,375	199,439,661	189,958,750	391,565,672	365,236,125
Net position, ending	$193,834,909	192,126,011	225,063,421	199,439,661	418,898,330	391,565,672

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

Program Revenues and Expenses – Governmental Activities

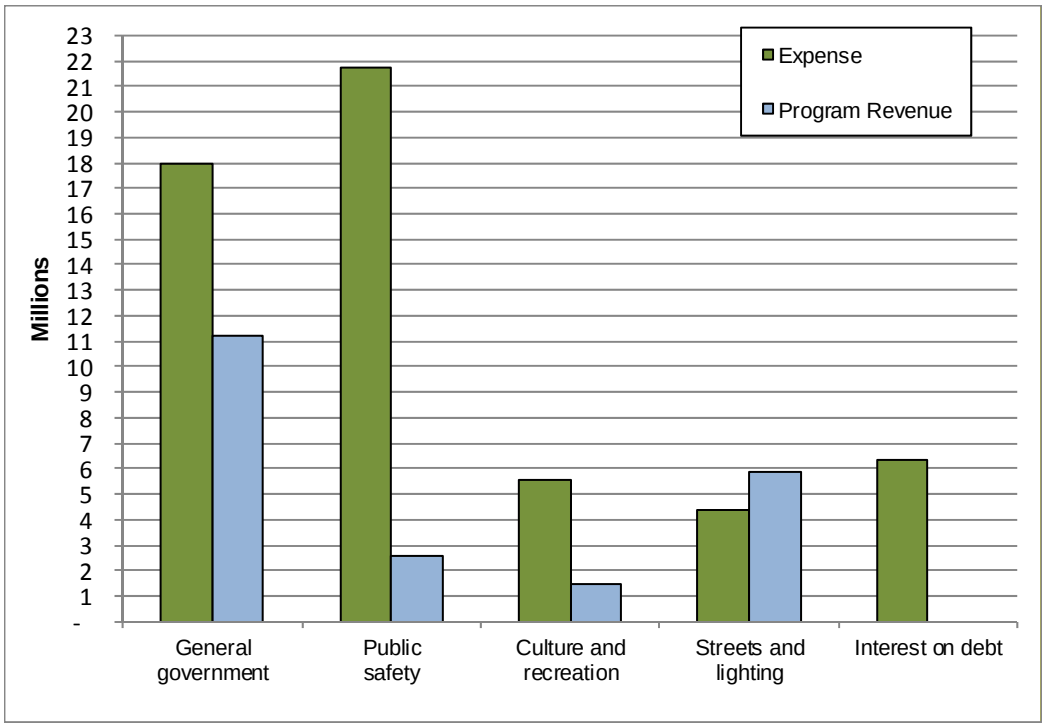
Governmental activities increased the City's net position by $1,708,898 or 0.9% during fiscal year 2015. The increase was attributable to a number of factors, including governmental activities, transfers, annexation and a prior period adjustment. Key factors for the increase in net position are as follows:

- Though property tax rates were reduced slightly, property tax revenues increased $5,190,182, primarily due to an increase in assessed property values for fiscal year 2015, the annexation in fiscal year 2015 and increases in the tax base due to residential and commercial development.
- The City's sales tax revenues increased $1,021,229 from the prior year due to continued economic development.
- Program revenues decreased by $994,490, primarily attributable to a decrease in capital grants and contributions related to cost sharing agreements for local road projects constructed during the year and charges for services.
- Governmental expenses increased $5,120,624. General government expenses increased $1,322,909 due to increased personnel expenditures. Public safety expenses increased by $2,631,146 due to an increase in public safety personnel expenditures and lower employee turnover rate from the prior year.
- The improvement districts annexed by the City had a combined net position of $1,546,466.
- Subsequent to the annexation of the improvement districts, the City transferred assets and debt to business-type activities, and retained $965,550 in assets and $18,347,544 in debt in governmental activities.
- A pension liability associated with prior year activity was established, which required a prior period adjustment, and decrease in net position of $3,545,965.

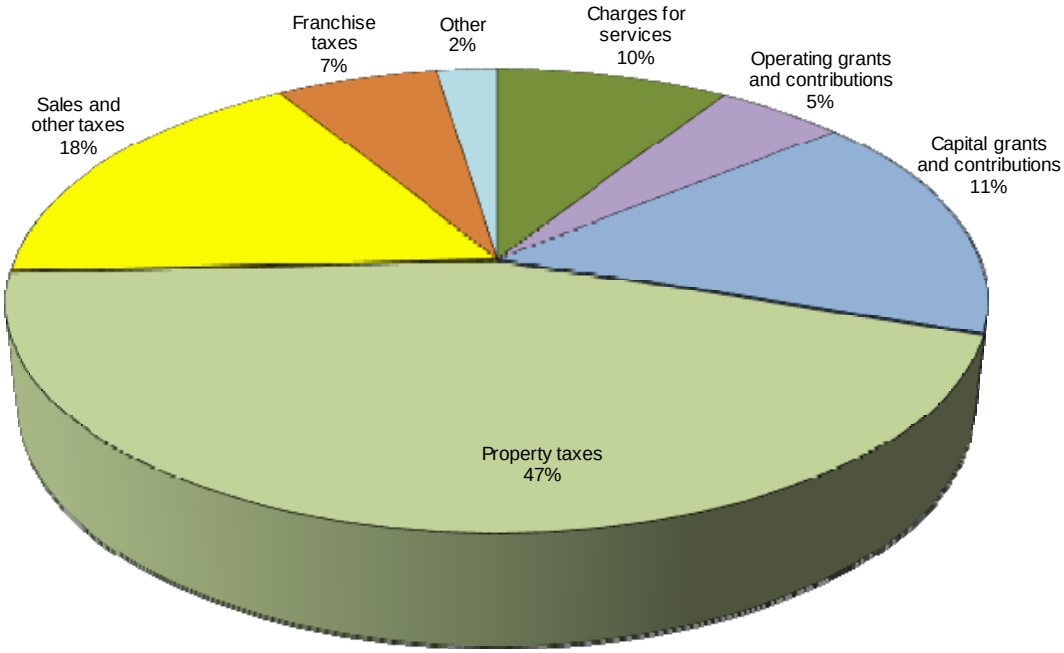
FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

The chart below illustrates the City's governmental expenses and revenues by function: general government, public safety, culture and recreation, streets and lighting and interest on debt.

Government-wide Program Expenses and Revenues – Governmental Activities



General revenues such as property taxes, sales taxes, and franchise fees are not shown by program, but are used to support all governmental activities. Property taxes are the largest source of governmental revenues, followed by sales and other taxes and capital grants and contributions.



FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

Program Revenues and Expenses – Business-type Activities

Business-type activities increased the City's net position by $25,623,760 or 12.9% during fiscal year 2015. Significant factors include:

- Water and sewer net position increased $24,921,471 for the year. Water and sewer revenues increased $1,752,166 for the year. Operating expenses increased $758,579 largely due to the growth in customer base. Solid waste revenues increased $186,871 while expenses were $87,540 higher than the prior year as the solid waste customer base continued to grow.
- A pension liability associated with prior year activity was established, which required a prior period adjustment, and decreased net position by $588,786.

Governmental Funds

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

At the end of the current fiscal year, the City of Cedar Park's governmental funds reported combined ending fund balances of $60,969,877. Approximately 30.9% of this total amount, $18,846,558, represents unassigned fund balance. The remainder of the fund balance, $42,123,319, is nonspendable, committed, or restricted to indicate that it is not available for new spending because it is restricted to pay for debt service or to provide for other items.

The General Fund is the chief operating account of the City. Unassigned fund balance for the General Fund was $18,846,558 at the end of the current fiscal year, while total fund balance was $19,382,756. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance and total fund balance are approximately 46.9% and 48.3%, respectively, of total General Fund expenditures of $40,158,357.

The General Fund fund balance increased $1,357,894 during fiscal year 2015. Significant aspects of the increase include:

- Increase in property tax revenues of $5,190,182 due to higher assessed values;
- Increase in sales tax revenues of $1,021,229 due to continued economic development;
- Increase of $1,172,646 due to the annexation in fiscal year 2015;
- Increases in expenditures of $1,322,909 in general government and $2,631,146 in public safety;
- Net transfers of $2,156,126 from other funds.

Fund balance in the Debt Service Fund increased $2,984,301 for the fiscal year ended September 30, 2015. Significant factors contributing to the increase include an increase in property tax collections of $2,934,237, an increase of $2,040,076 due to the annexation in fiscal year 2015, an increase in interest and issuance expenses of $600,823, offset by an increase in principal payments of $1,505,000.

Fund balance for the Streets and Lighting Fund increased $12,059,845 in the current year. Significant factors contributing to this increase include a decrease in intergovernmental revenues of $1,437,990, a decrease in contributions of $1,135,599, and an increase in transfers in of $2,838,429, which was offset by decreased capital outlay of $9,205,200.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND LEVEL STATEMENTS, (continued)

Proprietary Funds

The City's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail. Overall, net position of the City's enterprise funds, including consolidation of the internal service fund activities, increased $25,623,760.

Factors that contributed to the increase in net position are discussed in the business-type activities section of the government-wide financial statement analysis.

OTHER INFORMATION

General Fund Budgetary Highlights

During fiscal year 2015, the General Fund revenue budget was amended to increase ad valorem taxes, sales tax revenues, construction inspection fees, and franchise fees. The General Fund expenditure budget was amended to increase the departmental budget for Information Technology Department, Police Department, Engineering Department, Fire Department, Parks and Recreation, Library Services, and Streets Department.

The sales tax budget was increased by $512,280 related to retail sales growth, ad valorem was increased by $344,281 related to the annexation of Twin Creeks and Bella Vista, construction inspection fees were increased by $65,000 related to increased construction activities, and franchise fees were increased by $117,174 related to increased franchise fee collection. The Information Technology Department budget was increased by $30,000 for phone replacements and increased telecommunications expenditures. The Police Department budget was increased by $423,616 for radio replacements and additional personnel. The Library budget was increased $45,000 for library furniture. The Fire Department budget was increased by $147,328 for radio replacements and fire training. The Parks and Recreation budget was increased $126,546 to refurbish park equipment, for fitness equipment, and for a core aerator. The Engineering budget was increased by $283,315 related to construction inspections and CAPMETRO improvements. In addition, the General Fund transfer budget was amended to increase transfers for transportation, developer agreement and contract services, community redevelopment study, facilities and parks and recreation capital improvement projects by $479,764.

Revenues for fiscal year 2015 were $1,870,930 or 5.2% more than budgeted. Property tax collections totaled $2.2 million more than last year, as a significant portion of the increase is related to the annexation of Twin Creeks and Bella Vista. Franchise tax revenues and mixed beverage taxes amounts exceeded budgeted amounts by $319,246 and $58,738, respectively, due to continued growth in the local economy. Similarly, building permit revenues exceeded the budget by $114,532, while parks and recreation fees exceeded budget by $89,322, and fire protection fees were $85,556 higher than budgeted.

Actual expenditures were $1,347,962 or 3.3% less than budgeted for the fiscal year. The reduced expenditures were largely attributable to an across-the-board savings in services and charges and personnel services.

OTHER INFORMATION, continued

Capital Assets

The City's capital assets for governmental and business-type activities as of September 30, 2015, totaled $542,417,373 (net of accumulated depreciation). Capital assets include land and other non-depreciable assets, buildings and improvements, machinery and equipment, infrastructure, intangible assets and construction in progress.

Capital Assets, Net of Accumulated Depreciation
September 30

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land and other non-depreciable assets	20,655,235	16,235,876	3,774,354	3,772,354	24,429,589	20,008,230
Construction in progress	22,693,025	20,534,820	11,630,011	14,843,799	34,323,036	35,378,619
Intangible assets	18,448	30,813	74,230	99,681	92,678	130,494
Building and improvements	72,915,293	74,765,832	20,565,472	20,600,098	93,480,765	95,365,930
Machinery and equipment	11,305,553	9,335,459	2,500,036	2,787,694	13,805,589	12,123,153
Infrastructure	189,046,011	185,813,833	187,239,705	163,911,648	376,285,716	349,725,481
Total net capital assets	$316,633,565	306,716,633	225,783,808	206,015,274	542,417,373	512,731,907

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

- Governmental capital assets increased $9,916,932 primarily due to ongoing construction, acquisition of land, and completion of several streets projects during the year.
- Business-type capital assets increased $19,768,535 due to the completion of various water and sewer infrastructure projects.

Additional information on the City's capital assets can be found in note 3-D (page 44) of this report.

Debt Administration

At the end of the current fiscal year, the City of Cedar Park reported $243,853,643 in outstanding debt. The table below reflects the outstanding debt at September 30.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
Primary Government Debt	2015	2014	2015	2014	2015	2014
General obligation bonds	$111,820,000	105,940,000	5,360,000	5,600,000	117,180,000	111,540,000
Revenue bonds	-	-	43,995,000	44,935,000	43,995,000	44,935,000
Certificates of obligation	24,985,000	13,015,000	-	-	24,985,000	13,015,000
Economic development bonds	42,755,000	38,440,000	-	-	42,755,000	38,440,000
Premium on issuance of bonds	9,037,209	4,535,912	5,153,084	1,422,194	14,190,293	5,958,106
Discount on issuance of bonds	(143,833)	(9,113)	-	-	(143,833)	(9,113)
State Comptroller note	892,183	1,046,964	-	-	892,183	1,046,964
Total primary government	$189,345,559	162,968,763	54,508,084	51,957,194	243,853,643	214,925,957

OTHER INFORMATION, continued

The City's bond ratings were unchanged from the prior year. Ratings at September 30, 2015 of the City's general obligation and revenue bonds are as follows:

	Moody's Investors Service, Inc.		Standard & Poor's	
Debt	2015	2014	2015	2014
General obligation bonds	Aa2	Aa2	AA	AA
Utility system revenue bonds	Aa3	Aa3	AA+	AA+
Community Dev Corp	-	-	AA	AA

Additional information on the City of Cedar Park's long term-debt can be found in note 3-G (page 49) of this report.

Economic Factors and Next Year's Budgets and Rates

The fiscal year 2015-2016 (FY16) budget focused on "Preparing for Continued Success" with the continued residential and commercial growth experienced by the City over the last five years. Sales tax collections for FY16 are budgeted the same as prior year's budget, however, if the year-to-date trend for FY15 collections continues, we project that the actual receipts will be approximately 3% above budget for the year. The consistency and growth of sales tax revenue has been largely due to the City's proactive economic development approach which is discussed in detail in the transmittal letter of this document.

Total assessed property values for FY15 increased approximately 21.2%. As a result of increased assessed values, the ad valorem tax rate decreased from 48.50 cents per $100 valuation to 47.95 cents per $100 valuation for FY16. The outlook for FY17 is that new retail growth combined with an increase in existing property values will result in an increase of approximately 5% in total assessed property values.

In February 2015, the City Council created a bond task force to consider projects for a bond election in November 2015. The voters ultimately approved the $96.7 million bond package, creating funding for future projects in four categories: Streets and Roads, Public Safety, Public Library and Parks and Recreation. As a result of the November 2015 bond election, $63,000,000 will provide funding for Streets and Roads, $7,550,000 will provide funding for Public Safety, $20,500,000 will provide funding for Public Library and $5,650,000 will provide funding for Parks and Recreation. In August 2013, the City implemented a temporary water rate increase to offset decreased water consumption as the City moved to Stage 3 water restrictions. Regular water rates were reinstated effective December 2015, returning the water restrictions to Stage 2. The move effectively removes the temporary rate increase.

Requests for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Kent Meredith, Director of Finance, at 450 Cypress Creek, Bldg. 1, Cedar Park, Texas 78613; or call (512) 401-5156.

CEDAR PARK

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CEDAR PARK

BASIC FINANCIAL STATEMENTS

Statement of Net Position **City of Cedar Park, Texas**
September 30, 2015

	Primary Government				
	Governmental Activities	Business-type Activities	Reconciliation	Total	Component Units
ASSETS					
Cash and investments	$ 29,147,006	16,285,245	-	45,432,251	17,356,787
Receivables, net of allowances for uncollectibles:					
Taxes	448,987	-	-	448,987	1,942,247
Accounts	-	4,917,957	-	4,917,957	-
Other	3,141,770	-	-	3,141,770	-
Internal balances	(2,871,139)	2,871,139	-	-	-
Inventories and prepaid items	52,528	33,224	-	85,752	-
Cash and investments-restricted	42,421,954	24,035,284	-	66,457,238	-
Notes receivable	-	4,377,325	-	4,377,325	-
Investment in joint venture	-	4,076,607	-	4,076,607	-
Capital assets:					
Land and other nondepreciable assets	20,655,235	3,774,354	-	24,429,589	-
Buildings and improvements	89,178,200	29,325,164	-	118,503,364	-
Machinery and equipment	34,182,908	6,216,470	-	40,399,378	-
Infrastructure	230,591,140	249,860,603	-	480,451,743	-
Intangible assets	592,042	127,253	-	719,295	-
Construction in progress	22,693,025	11,630,011	-	34,323,036	-
Less: accumulated depreciation	(81,258,985)	(75,150,047)	-	(156,409,032)	-
Total capital assets	316,633,565	225,783,808	-	542,417,373	-
Total assets	388,974,671	282,380,589	-	671,355,260	19,299,034
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges from bond issuance	9,683,572	3,513,667	-	13,197,239	8,267
Deferred outflow - pension	2,391,949	397,169	-	2,789,118	-
Total Deferred Outflow of Resources	12,075,521	3,910,836	-	15,986,357	8,267
LIABILITIES					
Accounts payable	2,914,221	1,334,155	-	4,248,376	106
Accrued interest payable	943,281	240,086	-	1,183,367	12,506
Accrued liabilities	1,301,245	340,383	-	1,641,628	-
Customer deposits	-	2,243,553	-	2,243,553	-
Other liabilities	1,943,574	107,734	-	2,051,308	-
Noncurrent liabilities:					
Due within one year					
Compensated absences	215,333	23,693	-	239,026	-
Notes payable	154,781	-	-	154,781	154,781
Bonds payable	11,205,000	5,740,000	-	16,945,000	650,000
Due in more than one year					
Compensated absences	3,825,871	550,240	-	4,376,111	-
Notes payable	737,402	-	-	737,402	737,402
Bonds payable	177,248,376	49,603,084	-	226,851,460	2,823,262
Other post employment benefits	799,150	60,925	-	860,075	-
Net pension liability	5,927,049	984,151	-	6,911,200	-
Total liabilities	207,215,283	61,228,004	-	268,443,287	4,378,057
NET POSITION					
Net investment in capital assets	161,430,832	173,954,391	(17,381,994)	318,003,229	-
Restricted for:					
Debt service	8,233,157	5,312,096	-	13,545,253	-
Construction	23,533,611	13,300,927	-	36,834,538	-
Other purposes	2,036,263	-	-	2,036,263	14,929,244
Unrestricted	(1,398,954)	32,496,007	17,381,994	48,479,047	-
Total net position	$ 193,834,909	225,063,421	-	418,898,330	14,929,244

The notes to the financial statements are an integral part of this statement.

Statement of Activities
For the Year Ended September 30, 2015

City of Cedar Park Texas

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Primary Government:								
Government activities:								
General government	$17,985,786	2,444,119	3,460,134	5,343,611	(6,737,922)	-	(6,737,922)	-
Public safety	21,735,785	2,506,208	100,856	-	(19,128,721)	-	(19,128,721)	-
Culture and recreation	5,591,839	1,439,240	-	-	(4,152,599)	-	(4,152,599)	-
Streets and lighting	4,361,144	-	-	5,866,864	1,505,720	-	1,505,720	-
Interest on long-term debt	6,324,639	-	-	-	(6,324,639)	-	(6,324,639)	-
Total governmental activities	55,999,193	6,389,567	3,560,990	11,210,475	(34,838,161)	-	(34,838,161)	-
Business-type Activities:								
Water and sewer	24,303,635	29,968,170	-	5,325,824	-	10,990,359	10,990,359	-
Solid waste	3,687,214	3,810,121	-	-	-	122,907	122,907	-
Total business-type activities	27,990,849	33,778,291	-	5,325,824	-	11,113,266	11,113,266	-
Total Primary Government	83,990,042	40,167,858	3,560,990	16,536,299	(34,838,161)	11,113,266	(23,724,895)	-
Component units:								
Community development	6,897,779	-	-	-	-	-	-	(6,897,779)
Economic development	5,032,649	-	-	-	-	-	-	(5,032,649)
Total component units	$11,930,428	-	-	-	-	-	-	(11,930,428)
	General revenues:							
	Taxes:							
	Property				31,029,749	-	31,029,749	-
	Sales				11,186,774	-	11,186,774	11,180,530
	Franchise				4,453,374	-	4,453,374	-
	Other taxes				845,835	-	845,835	-
	Interest and other				1,649,516	345,839	1,995,355	96,483
	Transfers				(14,164,655)	14,164,655	-	-
	Total general revenues and transfers				35,000,593	14,510,494	49,511,087	11,277,013
	Change in net position				162,432	25,623,760	25,786,192	(653,415)
	Special item, net position received from annexation				1,546,466	-	1,546,466	-
	Net position, beginning				195,671,976	200,028,447	395,700,423	15,582,659
	Prior period adjustment				(3,545,965)	(588,786)	(4,134,751)	-
	Net position, beginning-as restated				192,126,011	199,439,661	391,565,672	15,582,659
	Net position, ending				$ 193,834,909	225,063,421	418,898,330	14,929,244

The notes to the financial statements are an integral part of this statement.

Governmental Funds **City of Cedar Park, Texas**

Balance Sheet

September 30, 2015

	General	Debt Service	Streets & Lighting	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 21,561,391	8,208,369	17,452,858	16,764,235	63,986,853
Receivables (net of allowances)					
Property taxes	179,935	178,699	-	-	358,634
Sales taxes	27,492	-	-	-	27,492
Franchise taxes	62,861	-	-	-	62,861
Other	2,944,631	-	-	197,145	3,141,776
Due from other funds	172,736	-	-	-	172,736
Inventory and prepaid items	52,528	-	-	-	52,528
Total assets	25,001,574	8,387,068	17,452,858	16,961,380	67,802,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	1,982,480	175	413,718	372,070	2,768,443
Accrued liabilities	1,229,217	-	63,229	8,800	1,301,246
Due to other funds	399,920	153,736	-	19,000	572,656
Other liabilities	1,884,319	-	8,295	50,960	1,943,574
Total liabilities	5,495,936	153,911	485,242	450,830	6,585,919
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	122,882	124,202	-	-	247,084
Fund balances:					
Nonspendable:					
Inventory and prepaid items	52,528	-	-	-	52,528
Restricted					
Debt service	-	8,108,955	-	-	8,108,955
Occupancy tax	-	-	-	1,421,360	1,421,360
Cable				224,095	224,095
General government	-	-	-	1,723,215	1,723,215
Public safety	-	-	-	390,808	390,808
Capital projects	-	-	16,967,616	12,751,072	29,718,688
Committed					
Operating projects	328,889				328,889
Assigned					
State Comptroller note	154,781	-	-	-	154,781
Unassigned	18,846,558	-	-	-	18,846,558
Total fund balances	19,382,756	8,108,955	16,967,616	16,510,550	60,969,877
Total liabilities, deferred inflows of resources, and fund balances	$ 25,001,574	8,387,068	17,452,858	16,961,380	67,802,880

The notes to the financial statements are an integral part of this statement.

Governmental Funds **City of Cedar Park, Texas**

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

September 30, 2015

Total fund balances - governmental funds		$ 60,969,877
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	385,673,524	
Less: accumulated depreciation	(74,083,301)	
		311,590,223
Other long-term assets and deferred outflows of resources are not available as current period resources and are not reported in the funds.		
Deferred revenue - property taxes	247,084	
Deferred outflows from pension activity	2,391,949	
Deferred charges from bond issuance	9,683,578	
		12,322,611
Long-term liabilities and deferred inflows of resources are not payable in the current period and are not reported in the funds.		
Bonds payable	(188,453,376)	
Net pension liability	(5,927,049)	
Notes payable	(892,183)	
Interest payable	(943,293)	
Compensated absences	(4,041,204)	
Other post employment benefits payable	(799,150)	
		(201,056,255)
Internal service funds are used by management to charge the costs of certain capital assets to individual funds. The assets and liabilities of the internal service funds are included in the governmental funds in the statement of net position.		10,008,453
Total net position - governmental activities		$ 193,834,909

The accompanying notes are an integral part of the financial statements.

Governmental Funds **City of Cedar Park, Texas**

Statment of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended September 30, 2015

	General	Debt Service	Streets & Lighting	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 30,888,435	15,252,906	-	1,398,384	47,539,725
Permits, licenses, and fees	1,849,264	-	-	-	1,849,264
Fines and forfeitures	719,717	-	-	-	719,717
Charges for services	3,820,587	-	-	-	3,820,587
Intergovernmental	-	-	1,356,005	72,293	1,428,298
Interest earnings	228,186	43,096	19,434	86,914	377,630
Contributions	-	3,482,799	1,563,996	1,257,713	6,304,508
Other	680,897	-	-	604,858	1,285,755
Total revenues	38,187,086	18,778,801	2,939,435	3,420,162	63,325,484
EXPENDITURES					
Current					
General government	10,949,180	-	-	116,444	11,065,624
Public safety	21,245,444	-	-	252,323	21,497,767
Culture and recreation	5,089,128	-	-	27,547	5,116,675
Streets and lighting	2,874,605	-	-	-	2,874,605
Economic development	-	-	-	948,233	948,233
Capital outlay	-	-	9,369,789	1,259,466	10,629,255
Debt service					
Principal	-	9,950,000	-	-	9,950,000
Interest and fiscal charges	-	6,303,471	-	-	6,303,471
Bond issuance costs	-	636,689	-	117,029	753,718
Total expenditures	40,158,357	16,890,160	9,369,789	2,721,042	69,139,348
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(1,971,271)	1,888,641	(6,430,354)	699,120	(5,813,864)
Other Financing Sources (Uses)					
Issuance of refunding debt	-	62,920,000	-	10,750,000	73,670,000
Premium from issuance of debt	-	4,028,134	-	1,014,029	5,042,163
Payment to bond escrow agent	-	(67,892,550)	-	-	(67,892,550)
Transfers in	2,758,539	-	18,490,199	598,413	21,847,151
Transfers out	(602,020)	-	-	(18,486,592)	(19,088,612)
Total other financing sources (uses)	2,156,519	(944,416)	18,490,199	(6,124,150)	13,578,152
Net Change In Fund Balances	185,248	944,225	12,059,845	(5,425,030)	7,764,288
Special Item-Annexation	1,172,646	2,040,076	-	-	3,212,722
Fund Balances, Beginning	18,024,862	5,124,654	4,907,771	21,935,580	49,992,867
Fund Balances, Ending	$ 19,382,756	8,108,955	16,967,616	16,510,550	60,969,877

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the Year Ended September 30, 2015

Net change in fund balances - governmental funds		$ 10,977,010
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. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	12,305,522	
Depreciation	(9,314,284)	
Asset transfers	(22,403,755)	
Capital assets from annexation	22,161,861	
		2,749,344
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(23,995)	
Capital asset contributions	7,032,761	
		7,008,766
The issuance of long-term debt (i.e., bonds, leases) 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Transfer of debt	5,478,615	
Issuance of long-term debt	(73,670,000)	
Principal payments	9,950,000	
Debt transferred from annexation	(23,826,159)	
Payment to refunding bond escrow	67,892,550	
Bond premium and bond refunding difference	(5,042,163)	
Loan/capital lease payments	154,781	
		(19,062,376)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(1,258,855)	
Change in net pension liability	(1,214,405)	
Deferred outflow - pensions	1,225,270	
Other post employment benefits	(89,311)	
Interest and other	(324,335)	
		(1,661,636)
Internal service funds are used by management to charge the costs of certain capital assets to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		1,697,790
Change in net position of governmental activities		$ 1,708,898

The notes to the financial statements are an integral part of this statement.

Proprietary Funds **City of Cedar Park, Texas**

Statement of Net Position

September 30, 2015

	Business-type Activities			Governmental Activities- Internal Service Funds
ASSETS	Water and Sewer	Solid Waste	Total	
Current assets:				
Cash and investments	$ 40,017,143	303,386	40,320,529	7,582,106
Service receivables, net of allowance for doubtful accounts	4,509,588	408,369	4,917,957	-
Due from other funds	399,920	-	399,920	-
Inventories and prepaid expenses	33,222	-	33,222	-
Total current assets	44,959,873	711,755	45,671,628	7,582,106
Noncurrent assets:				
Notes receivable	4,377,325	-	4,377,325	-
Investment in joint venture	4,076,607	-	4,076,607	-
Capital assets:				
Nondepreciable	15,404,365	-	15,404,365	-
Depreciable, net	209,741,510	637,933	210,379,443	5,043,343
Total capital assets	225,145,875	637,933	225,783,808	5,043,343
Total noncurrent assets	233,599,807	637,933	234,237,740	5,043,343
Total assets	278,559,680	1,349,688	279,909,368	12,625,449
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of resources - pension	397,169	-	397,169	-
Deferred charges from bond issuance	3,513,667	-	3,513,667	-
Total deferred outflow of resources	3,910,836	-	3,910,836	-
LIABILITIES				
Current liabilities:				
Accounts payable	1,050,722	283,431	1,334,153	145,777
Accrued interest payable	237,182	2,904	240,086	-
Accrued liabilities	340,383	-	340,383	-
Customer deposits	2,243,553	-	2,243,553	-
Other liabilities	107,734	-	107,734	-
Compensated absences	23,693	-	23,693	-
Bonds payable	5,585,000	155,000	5,740,000	-
Total current liabilities	9,588,267	441,335	10,029,602	145,777
Noncurrent liabilities:				
Compensated absences	550,240	-	550,240	-
Other post employment benefits	60,925	-	60,925	-
Net pension liability	984,151	-	984,151	-
Revenue bonds payable	43,770,000	680,000	44,450,000	-
Deferred premiums on bond issuance	5,153,084	-	5,153,084	-
Total noncurrent liabilities	50,518,400	680,000	51,198,400	-
Total liabilities	60,106,667	1,121,335	61,228,002	145,777
NET POSITION				
Net investment in capital assets	174,151,458	(197,067)	173,954,391	5,043,343
Restricted for debt service	5,312,096	-	5,312,096	-
Restricted for construction	13,300,927	-	13,300,927	-
Unrestricted	29,599,368	425,420	30,024,788	7,436,329
Total net position	$ 222,363,849	228,353	222,592,202	12,479,672
Reconciliation to government-wide statement of net position				
Adjustment to reflect the income of the internal service funds that was allocated to enterprise fund functions.	2,471,219	-	2,471,219	
Net position of business type activities	$ 224,835,068	228,353	225,063,421	

The notes to the financial statements are an integral part of this statement.

Proprietary Funds **City of Cedar Park, Texas**

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended September 30, 2015

	Business-type Activities			Governmental Activities- Internal Service Fund
	Water and Sewer	Solid Waste	Total	
OPERATING REVENUES				
Charges for services	$ 29,968,170	3,810,121	33,778,291	6,567,114
Total operating revenues	29,968,170	3,810,121	33,778,291	6,567,114
OPERATING EXPENSES				
Distribution services and charges	10,112,472	3,457,164	13,569,636	2,767,579
Personnel services	4,590,308	-	4,590,308	-
Maintenance and repair	719,040	-	719,040	-
Supplies and materials	843,870	59,306	903,176	133,144
Depreciation	6,636,995	146,384	6,783,379	1,417,202
Total operating expenses	22,902,685	3,662,854	26,565,539	4,317,925
OPERATING INCOME	7,065,485	147,267	7,212,752	2,249,189
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	344,329	1,511	345,840	26,472
Interest and fiscal charges	(1,978,820)	(24,360)	(2,003,180)	-
Total nonoperating revenues (expenses)	(1,634,491)	(22,849)	(1,657,340)	26,472
Income before contributions and transfers	5,430,994	124,418	5,555,412	2,275,661
CONTRIBUTIONS AND TRANSFERS				
Contributions	18,599,266	-	18,599,266	-
Community impact fees	3,649,750	-	3,649,750	-
Net transfers out	(2,758,539)	-	(2,758,539)	-
Total contributions and transfers	19,490,477	-	19,490,477	-
CHANGE IN NET POSITION	24,921,471	124,418	25,045,889	2,275,661
Total net position, beginning-as previously reported	198,031,164	103,935	198,135,099	10,204,011
PRIOR PERIOD ADJUSTMENT	(588,786)	-	(588,786)	-
Total net position, beginning-as restated	197,442,378	103,935	197,546,313	10,204,011
Total net position, ending	$ 222,363,849	228,353	222,592,202	12,479,672
Reconciliation to government-wide statement of activities				
Change in net position	24,921,471	124,418	25,045,889	
Adjustment to consolidate internal service activities	577,871	-	577,871	
Change in net position - business-type activities	$ 25,499,342	124,418	25,623,760	

The notes to the financial statements are an integral part of this statement.

Proprietary Funds **City of Cedar Park, Texas**

Statement of Cash Flows

For the Year Ended September 30, 2015

	Business-type Activities			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 28,692,265	3,728,664	32,420,929	6,567,114
Cash paid to suppliers for goods and services	(11,463,614)	(3,519,029)	(14,982,643)	(3,104,678)
Cash paid to employees for services	(4,544,553)	-	(4,544,553)	-
Net cash provided by operating activities	12,684,098	209,635	12,893,733	3,462,436
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Net transfers out	(2,758,539)	-	(2,758,539)	-
Net cash (used) by noncapital financing activities	(2,758,539)	-	(2,758,539)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash received for nonoperating activities	3,815,854	-	3,815,854	-
Acquisition of capital assets	(2,474,032)	-	(2,474,032)	(1,552,031)
Principal paid on debt	(5,390,000)	(150,000)	(5,540,000)	-
Interest and fiscal charges paid on debt	(2,009,644)	(24,735)	(2,034,379)	-
Proceeds from issuance of debt	19,760,000	-	19,760,000	-
Payment to refunded bond escrow agent	(23,527,262)	-	(23,527,262)	-
Bond Premiums	4,015,344	-	4,015,344	-
Net cash (used) by capital and related financing activities	(5,809,740)	(174,735)	(5,984,475)	(1,552,031)
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	344,329	1,511	345,840	26,472
Net cash provided by investing activities	344,329	1,511	345,840	26,472
Net increase (decrease) in cash and cash equivalents	4,460,148	36,411	4,496,559	1,936,877
Cash and cash equivalents, October 1 (including $23,649,325 for the Water and Sewer Fund in restricted accounts)	35,556,995	266,975	35,823,970	5,645,229
Cash and cash equivalents, September 30 (including $24,035,284 for the Water and Sewer Fund in restricted accounts)	$ 40,017,143	303,386	40,320,529	7,582,106

The notes to the financial statements are an integral part of this statement.

(Continued)

	Business-type Activities			Governmental Activities Internal Service Fund
	Water and Sewer	Solid Waste	Total	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 7,065,485	147,267	7,212,752	2,249,189
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	6,636,995	146,384	6,783,379	1,417,202
Changes in assets and liabilities:				
Decrease (increase) in assets:				
Accounts receivable	(1,391,028)	(81,457)	(1,472,485)	-
Interfund receivable	60,000	-	60,000	-
Inventories/prepaid expenses	3,175	-	3,175	-
Increase (decrease) in liabilities:				
Accounts payable	283,826	(2,559)	281,267	(203,955)
Accrued liabilities	39,364	-	39,364	-
Compensated absences payable	44,782	-	44,782	-
Other post-employment benefits	2,777	-	2,777	-
Changes in pension activity	(1,804)	-	(1,804)	-
Customer deposits	55,123	-	55,123	-
Other liabilities	(114,597)	-	(114,597)	-
Net cash provided by operating activities	$ 12,684,098	209,635	12,893,733	3,462,436
Noncash capital activities				
Contribution/transfer of capital assets and annexation debt	$ 18,599,266	-	18,599,266	-

The notes to the financial statements are an integral part of this statement.

Component Units **City of Cedar Park, Texas**

Statement of Net Position

September 30, 2015

	Community Development	Economic Development	Total
ASSETS			
Cash and investments	$ 11,210,154	6,146,633	17,356,787
Receivables, net of allowances for uncollectibles:			
Taxes	971,124	971,123	1,942,247
Total assets	12,181,278	7,117,756	19,299,034
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges from bond issuance	8,267	-	8,267
LIABILITIES			
Accounts payable	106	-	106
Accrued interest payable	12,506	-	12,506
Noncurrent liabilities:			
Due within one year			
Notes payable	77,391	77,390	154,781
Bonds payable	650,000	-	650,000
Due in more than one year			
Notes payable	368,701	368,701	737,402
Bonds payable	2,823,262	-	2,823,262
Total liabilities	3,931,966	446,091	4,378,057
NET POSITION			
Restricted	8,257,579	6,671,665	14,929,244
Total net position	$ 8,257,579	6,671,665	14,929,244

The notes to the financial statements are an integral part of this statement.

Component Units **City of Cedar Park, Texas**

Statement of Activities

For the Year Ended September 30, 2015

Functions/Programs		Net (Expense) Revenue and Changes in Net Position		
		Community Development Corporation	Economic Development Corporation	Total
Community development	$ 6,897,779	(6,897,779)	-	(6,897,779)
Economic development	5,032,649	-	(5,032,649)	(5,032,649)
Total component units	$ 11,930,428	(6,897,779)	(5,032,649)	(11,930,428)
General revenues:				
Taxes:				
Sales		5,590,265	5,590,265	11,180,530
Interest and other		66,651	29,832	96,483
Total general revenues and transfers		5,656,916	5,620,097	11,277,013
Change in net position		(1,240,863)	587,448	(653,415)
Net position, beginning		9,498,442	6,084,217	15,582,659
Net position, ending		$ 8,257,579	6,671,665	14,929,244

The notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cedar Park, Texas (the "City"), a Home-Rule Municipal Corporation, organized and existing under the Provisions of the constitution of the State of Texas, adopted its present Charter on May 8, 2010. The City operates under the Council-Manager form of government and provides the following services as authorized by its Charter: Public Safety (e.g., Police and Fire), Planning and Zoning, Streets and Lighting, Water, Sewer, Solid Waste, Cultural and Recreational (e.g., Library and Parks), Maintenance, and General Administrative.

A. Reporting Entity

As required by generally accepted accounting principles, these basic financial statements present the City and its component units, entities for which the City is considered financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Discretely presented component units -- In May 1999, the citizens of Cedar Park approved the formation of an Economic Development Corporation (4A) and a Community Development Corporation (4B), effective October 1, 1999, by the authority of the Development Corporation Act of 1979. The Corporations each collect a one-half cent sales tax to support their activities and the City. Separate financial statements are not prepared for either Corporation.

The 4A Corporation's purpose is the promotion and development of new and expanded business enterprises in Cedar Park. The 4B Corporation's purpose is to promote economic development within the City, to promote and encourage employment and the public welfare of, for, and on behalf of the City, and for transportation system improvements. These Corporations are both governed by separate Boards, which are appointed by the City Council. While City management has operational responsibility for, and can impose its will on, these component units, they are discretely presented to emphasize that they are legally separate from the primary government.

Blended component units -- In December 2001, the Tax Increment Reinvestment Zone No. One (TIRZ #1) was created to facilitate a program of public improvements to allow and encourage the development of a mixed-use downtown district merging retail, office, entertainment, and civic uses with a wide variety of high quality, high value, high density single and multi-family housing to create a close-knit, pedestrian friendly urban core. However, after nearly ten years of development, the only portion of the district that had developed was the residential portion. As a result, the City took actions to disallow new reimbursable expenditures and to remove any undeveloped land from the TIRZ such that any new development could be completed using more flexible development standards. The Cedar Park City Council makes up the entirety of the TIRZ #1 Board. The TIRZ #1 allows the developer to create the infrastructure for the master planned community. Although TIRZ #1 is a legally separate entity, it is, in substance, part of the City's operation; therefore, it is reported as a special revenue fund in the City's financial statements.

In July 2013, the Tax Increment Reinvestment Zone No. Two (TIRZ #2) was created to facilitate a program of public improvements to allow and encourage the development of an entertainment district on 16.638 acres adjacent to the Cedar Park Center. Eighty percent of sales tax and property tax revenues generated from new development within the TIRZ #2 will be returned to TIRZ #2 to fund development incentives on the land. The Cedar Park City Council makes up the entirety of the TIRZ #2 Board. Although the TIRZ #2 is a legally separate entity, it is, in substance, part of the City's operation; therefore it is reported as a special revenue fund in the City's financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Government-wide and Fund Financial Statements

The basic financial statements include both 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 governmental and business-type activities of the primary government and its component units. Internal service fund asset and liability balances that are not eliminated in the statement of net position are reported in the governmental activities column on the government-wide statements. The effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenue, 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 government is financially accountable.

The City's statement of net position includes both non-current assets and non-current liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* includes 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 properly not included among program revenue are reported instead as *general revenue.*

The fund financial statements provide a separate set of statements for each governmental and proprietary fund. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Major funds are determined by criteria specified by GASB Statement No. 34; the City has elected to present the Solid Waste Fund as a major fund even though it does not meet the minimum criteria. Information on non-major governmental funds is aggregated in a column labeled "Other Governmental Funds."

C. Restatement

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. As a result, the City has restated beginning net position to account for a net pension liability as of the measurement date, December 31, 2013. In addition, the City has restated beginning net position to record a deferred outflow for contributions made to the pension plan between the initial measurement date and the end of the prior fiscal year, September 30, 2014.

The beginning net position was restated as follows:

	Governmental Activities	Business-Type Activities
Prior year ending net position/fund balance as reported	$ 195,671,976	200,028,447
Restatement - net pension liability	(4,712,644)	(782,506)
Restatement - deferred outflows	1,166,679	193,720
	$ 192,126,011	$ 199,439,661

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)
D. 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 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 revenue 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue available if 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 claims and judgments, are recorded only when payment is due.

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

Governmental Funds: Consist of the general fund, special revenue funds, debt service fund, and capital projects funds.

The City reports the following major governmental funds:

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 – is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest, and related costs.

Streets & Lighting Fund – is a capital projects construction fund used to account for expenditures relating to construction or improvement of City streets and lighting.

In addition, the City reports the following non-major governmental funds:

Special Revenue Funds – to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, including grant funds.

Capital Projects Funds – to account for financial resources for the acquisition or construction of major capital facilities (other than those reported within proprietary funds). They are funded primarily by general obligation debt, other tax supported debt, interest income, and other intergovernmental revenues.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting these definitions are reported as non-operating revenue 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 needed.

Proprietary Funds: Consist of enterprise funds and internal service funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)
D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, (continued)

Enterprise Funds: In accordance with GASB Statement No. 20, private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with, or contradict, guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.
The City reports the following major enterprise funds:

Water and Sewer Fund **–** to account for the activities necessary for the provision of water and sewer services.

Solid Waste Fund **–** to account for solid waste collection services. The Solid Waste Fund was established during fiscal year 2010 to disaggregate solid waste activities that were combined with the Water and Sewer Fund in prior years. Although it does not meet the criteria of a major fund as defined in GASB Statement No. 34, the Solid Waste Fund is presented as a major proprietary fund because it is the City's only remaining enterprise fund.

In addition, the City reports the following other proprietary funds:

Internal Service Funds **–** to account for the financing of goods or services provided by one department to other City departments or to other governmental units on a cost-reimbursement basis.

Employee Benefits Fund **–** to account for activities related to the health, dental, and life insurance costs of City employees and their beneficiaries.

Vehicle & Equipment Services Fund **–** to account for maintenance and replacement costs of City-owned vehicles and heavy equipment.

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 wastewater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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

E. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualifies for reporting in this category: deferred charge on bond issuance and the deferred outflow of resources associated with the City's pension program, both reported in the government-wide statement of net position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Deferred Outflows/Inflows of Resources, (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from uncollected property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

F. Net Position Flow Assumption

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

G. Fund Balance Flow Assumption

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

H. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments (investments with original maturities less than 90 days, including restricted assets) to be cash equivalents.

The following table details the cash balances purpose restrictions as of September 30, 2015:

	Governmental Activities	Business-type Activities
Debt service fund	$ 8,208,369	10,734,357
Construction	30,533,024	13,300,927
Hotel tax	1,316,820	-
Tax Increment Reinvestment Zone 1	531,462	-
Tax Increment Reinvestment Zone 2	451	-
Other	1,831,830	-
	$ 42,421,956	24,035,284

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

I. Investments

Credit Risk

A primary stated objective of the City of Cedar Park's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City's portfolio among the authorized investments approved by the City's adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements, "AAA" rated SEC-registered money market mutual funds, and commercial paper. All other investments are rated "AAA", or equivalent, by at least one nationally recognized securities rating organization (NRSRO). Investments are primarily in obligations of the US Government, its agencies, or instrumentalities. State law and the City's adopted Investment Policy require inclusion of a procedure to monitor and act as necessary to changes in credit rating on any investment requiring a rating.

State law and the City of Cedar Park's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CDs) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). CDs are limited to a stated maturity of one year. Brokered CDs must be FDIC insured and delivered versus payment to the City's depository with a maximum maturity of one year. FDIC insurance is verified before the purchase. In addition, a procedure to monitor continued FDIC insurance weekly is required by the adopted Investment Policy. For all time and demand depository deposits, collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies, or instrumentalities or direct obligations of any state, its subdivisions, or agencies rated at least "A", or equivalent, as to investment quality by two NRSROs. Independent safekeeping is required outside the bank holding company with monthly reporting. State and municipal obligations must be rated "A" or better by at least two NRSROs.

Municipal obligations must be rated "A" or better by at least two NRSROs.

Repurchase agreements are limited to those with defined termination dates with primary dealers (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral, as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed six months to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The City's adopted Investment Policy restricts investment in funds to "AAA" rated, SEC-registered money market mutual funds striving to maintain a $1 net asset value.

Local government investment pools in Texas are required to be rated "AAA" or equivalent by at least one NRSRO. The City Policy is restricted to "AAA"-rated, "2a-7 like" (constant dollar) local government investment pools.

As of September 30, 2015:

- State and municipal obligations represented 1.87% of the total portfolio,
- fully insured or collateralized CDs represented 8.17% of the total portfolio,
- money market/demand deposit accounts represented 29.10% of the total portfolio,
- investment in the State Treasurer's local government investment pool (Texpool) represented 32.41% of the total portfolio,
- investment in a "AAA"-rated local government investment pool (TexSTAR) represented 6.73% of the total portfolio, and
- the remainder of the portfolio, 21.72%, was in U.S. Government Agency securities rated "AAA" by two NRSROs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)
I. Investments, (continued)

Concentration of Credit Risk

The City of Cedar Park recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The City's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are set by Policy as:

- U.S. Obligations	80%
- US Agencies/Instrumentalities	80%
- State & Local Obligations	30%
- CDs	40%
In any one bank	20%
- Repurchase Agreements	50%
- FlexRepo with CIP Funds	100%
- LGIP	100%
- Money Market Mutual Funds	100%
- Commercial Paper	25%
Any one issuer	5%

As of September 30, 2015:

- Municipal obligations represented 1.87% of the total portfolio,
- Fully insured or collateralized certificates of deposits represented 8.17% of the total portfolio,
- Money market and demand deposit bank accounts represented 29.10% of the total portfolio,
- Investment in the State Treasurer's local government investment pool (Texpool) represented 32.40% of the total portfolio,
- Investment in a AAA-rated local government investment pool (TexSTAR) represented 6.73% of the total portfolio,
- U.S. Government agency securities represented 21.72% of the total portfolio.

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the City of Cedar Park's adopted Investment Policy sets a maximum stated maturity limit of three years. The weighted average maturity (WAM) of the total City portfolio is restricted to a maximum of 12 months and compared to the one year Treasury Bill. As of September 30, 2015, the portfolio contained no holding in the portfolio with a stated maturity date beyond 1,063 days, and the dollar weighted average maturity of the total portfolio was 148 days.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)
I. Investments, (continued)

Interest Rate Risk, (continued)

As of September 30, 2015, the portfolio held the following investments:

			Investment Maturities in Years			
Investment Type	Fair Value	% of Portfolio	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years
US Agencies*						
FHLMC	$ 18,091,588	13.99%	-	8,083,993	10,007,595	-
FHLB	9,996,475	7.73%	4,995,205	5,001,270	-	-
Bank deposits	32,084,635	24.81%	-	-	-	-
2a-7 like Local Government Pools	50,606,720	39.13%	-	-	-	-
Money Market Mutual Funds	5,551,227	4.29%	5,551,227	-	-	-
Certificates of Deposit	10,567,397	8.17%	10,567,397	-	-	-
Municipal Obligations	2,419,183	1.87%	1,240,471	1,178,712	-	-
Total Value	129,317,225		$22,354,300	14,263,975	10,007,595	-
% of Total Portfolio		99.99%	17.29%	11.03%	7.74%	0.00%
Less pool participants excluded from primary government:						
Community Development	(11,210,154)					
Economic Development	(6,146,633)					
Total Primary Government	$ 111,960,438					

* Includes investments that are not impacted by interest rate risk

As of September 30, 2015, the portfolio contained five structured (callable) US and municipal notes which would have been impacted by interest rate risk:

Security	Par	Coupon	Purchase Date	Maturity Date	Call Date	Structure	Book Value	Market Value
FHLB	$ 5,000,000	0.500%	04/28/15	10/28/16	10/28/15	Callable quarterly	5,000,000	5,001,270
FHLMC	5,000,000	0.650%	07/23/15	01/23/17	10/23/15	Callable quarterly	5,000,000	5,000,285
FHLMC	3,080,000	1.000%	09/29/15	09/29/17	12/29/15	One time call	3,080,602	3,083,708
FHLMC	5,000,000	1.000%	05/20/15	11/20/17	11/20/15	Callable quarterly	5,000,000	5,004,175
FHLMC	5,000,000	0.750%	08/20/15	08/20/18	11/20/15	Callable quarterly	5,000,000	5,003,420
	$ 23,080,000						23,080,602	23,092,858

Custodial Credit Risk

To control custody and safekeeping risk, state law and the City of Cedar Park's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the City and held in the City's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and all deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA1). The counter party of each type of transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)
I. Investments, (continued)

Custodial Credit Risk, (continued)

Portfolio disclosure as of September 30, 2015:

- the portfolio contained 8.17% in fully collateralized or FDIC insured certificates of deposits,
- the portfolio contained 24.81% in demand deposit accounts that are fully collateralized or fully insured by the FDIC, and
- all pledged collateral was held by an independent institution outside the bank's holding company.

J. Receivables and Payables

Activity between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to or due from other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statement of net position as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 1% of outstanding property taxes at September 30, 2015.

Property taxes are levied on October 1 and attached as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

K. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method). Inventories in the utility fund are also recorded in the same manner, however, inventory balances are recorded on the balance sheet at cost.

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items, using the purchase method, in both the government-wide and the fund financial statements.

L. Joint Venture

Investment in joint venture represents an equity interest in the Brushy Creek Regional Utility Authority (BCRUA). The investment account balance represents Cedar Park's share in the joint venture's net position at September 30, 2015.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with a cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 – 40
Vehicles	3 – 5
Equipment	5 – 10
Infrastructure (streets and drainage)	40 – 50
Water and sewer plants and lines	40 – 50

N. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused sick and vacation benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. The City shall buy back unused sick leave accumulated since July 1, 2005 (up to 720 hours) at the time such employee terminates employment from the City, including retiring from City service under TMRS. Civil service employees must have one year of continuous service at separation while non-civil service employees must have ten years of continuous service at separation to be eligible for sick leave buyback. A liability for these amounts is reported in governmental funds only if they have matured and the employee is eligible to receive this benefit.

O. Fund Balance

Fund balances for governmental funds are reported in classifications that demonstrate the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The governmental fund type classifications are as follows:

Nonspendable: The portion of fund balance that cannot be spent because it is either (a) not in spendable form, such as inventories and prepaid items, or (b) legally or contractually required to be maintained intact.

Restricted: The portion of fund balance that is restricted to specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitution provisions or enabling legislation.

Committed: The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of a majority vote by City Council. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance (including the adopted budget and budget amendments) prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance or resolution) to remove or revise the limitation. During the year, the City Council approved multi-year projects in the Operating Projects fund, the fund balance of which is reported as committed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

O. Fund Balance, (continued)

Assigned: The portion of fund balance that is constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. In September 2013, the City Council adopted a policy to grant the City Manager or Finance Director authority to assign fund balances. During the year, a portion of General Fund fund balance was assigned by the City's Finance Director for the repayment of a long-term note payable to the State Comptroller. Additional information related to the State Comptroller note can be found in Note 3-G (page 45).

Unassigned: The portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes. Deficit fund balances in special revenue or capital project funds are considered unassigned in accordance with GASB Statement No. 54.

P. Estimates

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

Q. Pensions

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The City Council follows these procedures in establishing budgetary data reflected in the basic financial statements:

(1) Prior to August 31, the City Manager submits a proposed operating budget to the City Council for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

(2) On or before September 30, the City Council holds public hearings and adopts the budget.

(3) Any revisions that alter the total expenditures of any fund must be adopted by the City Council after formal public budget hearings.

(4) Formal budgetary integration is employed as a management control device during the year for the General Fund, Debt Service Fund, Economic and Community Development Funds, and the Enterprise Fund at the fund and department level. Formal budgetary integration is not employed for the Special Revenue Funds because the amount of revenue and expenditures vary depending on unpredictable availability of resources. Capital Project Funds budgetary control is provided by project length budgets.

(5) Budgets for the General and the Debt Service Funds are adopted on the modified accrual basis of accounting. The budget for the Enterprise Fund is prepared on an accrual basis of accounting.

(6) Budget appropriations lapse at year-end and do not carry forward to future periods, except as authorized by City Council action for capital and operating projects that typically have a life span beyond the end of the fiscal year.

(7) The legal level of budgetary control (level at which the governing body must approve any excess of expenditures over appropriations or transfers of appropriated amounts) is established by the City Charter. Management cannot amend the budget without the approval of the City Council.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, (continued)
Budgetary Information, (continued)

(8) The budget to actual is presented for the general and debt service funds. The City's budget for these funds is presented in accordance with GAAP except for the exclusion of the perspective differences within the general fund. The perspective differences are related to operating project expenditures which are budgeted according to project life cycle rather than an annual basis.

During fiscal year 2015, the General Fund expenditure budget was amended to increase departmental budgets for Administration, Information Technology, Public Works, Police, Fire, Parks and Recreation, Library, and Streets and Lighting. The increases were related to contract services of $1,903,855, equipment acquisition of $177,029, personnel services of $50,277, capital improvement amendments of $80,000, and maintenance of $2,000. This $2,213,161 increase in the expenditure budget was offset by an increase in the revenue budget of $1,041,735 and a fund balance transfer from the annexations of $1,167,276.

Departmental expenditures exceeded appropriations for the General Fund General Administration department. The General Administration department was over budget, in part, because personnel vacancy savings of $172,092 for the General Fund are budgeted in General Administration, but reported at the department level. The General Fund experienced a favorable labor variance of $808,097, primary attributable to vacancy savings for the year, which were partially offset by increased contract service costs.

3. DETAILED NOTES ON ALL FUNDS
A. Deposits

The City maintains bank accounts with its contracted depository institution and two Texas Local Government Investment Pools. For financial statement purposes, both the bank accounts and pool investments are combined and considered cash and cash equivalents. Each fund's share of the pool balances is reported in the financial statements. Earnings from the pooled accounts are allocated monthly to each participating fund based on the ratio of each fund's month-end balance to the combined balances.

The City's bank deposits were fully collateralized at September 30, 2015, and throughout the year, by Federal Depository Insurance Corporation coverage and securities held by the City's agent bank in the City's name. A difference of $73,146 exists between bank balance and book balance, primarily due to outstanding checks offset by deposits in transit.

Investments in United States government agency securities are considered short-term and all such investment activity is conducted through a depository bank. Investments are valued at their fair market value based upon quoted market prices. During the fiscal year ended September 30, 2015, the City did not invest through any security brokers or dealers.

3. DETAILED NOTES ON ALL FUNDS, (continued)

A. Deposits, (continued)

A summary of the City's cash and investments follows:

Primary Government	Carrying Amount	Fair Value
Petty Cash	$ 9,628	9,628
Cash in Bank (1)	32,084,635	32,084,635
TexPool	41,901,689	41,901,689
TexSTAR	8,705,031	8,705,031
Certificates of Deposit	10,567,397	10,567,397
Municipal Obligations	2,419,183	2,420,343
U. S. Government Securities	28,088,063	28,081,859
Primary Government Cash and Investments	123,775,626	123,770,582
Component Units		
Texpool		
Community Development Corporation	11,209,574	11,210,154
Economic Development Corporation	6,146,376	6,146,633
	$ 17,355,950	17,356,787

(1) Cash in bank includes bank deposits and money market mutual fund balances.

B. Receivables

Receivables as of year-end for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			Enterprise Funds		
Primary Government	General	Debt Service	Other Funds	Water and Sewer	Solid Waste	Total
Property taxes	$ 181,177	179,264	-	-	-	360,441
Sales taxes	27,492	-	-	-	-	27,492
Franchise taxes	62,861	-	-	-	-	62,861
Charges for services	-	-	-	5,102,871	455,188	5,558,059
Other	2,944,631	690	197,145	-	-	3,142,466
Notes receivable	-	-	-	4,377,325	-	4,377,325
Allowance for doubtful accounts	(1,242)	(1,255)	-	(593,283)	(46,819)	(642,599)
Net Receivables	$ 3,214,919	178,699	197,145	8,886,913	408,369	12,886,045

The Water and Sewer Fund receivable balance includes a note receivable of $4,377,325 from the City of Leander for Leander's share of the buy-in cost for the Brushy Creek Regional Waste Water System. Leander paid $195,290 toward the note receivable during the fiscal year, and is scheduled to make annual principal and interest payments of $332,469 through January 2032.

Governmental funds report deferred inflows for deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

3. DETAILED NOTES ON ALL FUNDS, (continued)
B. Receivables, (continued)

At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

Deferred inflows	Delinquent property taxes
General fund	$ (122,882)
Debt service fund	(124,202)
Total governmental funds	$ (247,084)

The City's property tax is levied each October 1 on the assessed value listed as of the previous January 1, at which time a lien is attached by operation of State law for all real and personal property located in the City. Taxes are due by January 31, following the October 1 levy date. The majority of taxes are collected between October 1 and January 31 of each year. Delinquent property taxes estimated to be collectible within 60 days after the fiscal year are recognized as revenue. Other delinquent property taxes are deferred.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature, which affects the method of property assessment and tax collection in the City. This legislation created a "Property Tax Code" and provides, among other things, for the establishment of countywide appraisal districts and for a State Property Tax Board, which commenced operations in January 1980.

Since 1982, the appraisal of property within the City has been the responsibility of the Williamson County Appraisal District. The Texas Legislature passed HB1010, requiring that property be appraised by the County appraisal district in which it is located. Therefore, a portion of the property appraisals were performed by Travis County Appraisal District. The appraisal districts are required, under the Property Tax Code, to assess all property within the appraisal on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property must be reviewed at least every five years. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. The City continues to set tax rates on property within the City limits.

However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements and revaluation, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate increase to no more than 8%.

The tax rate to finance general governmental services, other than the payment of principal and interest on general obligation long-term debt, for the year ended September 30, 2015, was $0.24225 per $100 of assessed valuation. The tax rate for servicing the payment of principal and interest on general obligation long-term debt for the fiscal year ended September 30, 2015 was $0.24275 per $100 of assessed valuation. The City levied taxes based on a combined tax rate of $0.4850 per $100 of assessed valuation for general governmental services and debt service.

3. DETAILED NOTES ON ALL FUNDS, (continued)
C. Investment in Joint Venture

In September 2009, the cities of Cedar Park, Round Rock, and Leander agreed to jointly pursue a regional water supply system that will ultimately provide treatment capacity for an additional 105.8 million gallons per day of potable water supply needed to meet future water demands of the three cities. In accordance with State law, the City Councils of the three cities authorized and approved the creation of the Brushy Creek Regional Utility Authority (BCRUA). The BCRUA intends to own, design, finance, construct, acquire, maintain, and operate the System in a manner that will allow the BCRUA to deliver potable water to the cities on a regional basis. Construction of Phase 1 of the project began during fiscal year 2010 and the plant opened in July 2012. Operation of the plant was halted temporarily in August 2013, due to low lake levels resulting from an ongoing drought. Mandatory decreased water withdrawals ordered by the Lower Colorado River Authority, and conservation efforts undertaken by the three partner cities have reduced system demand, which allowed the BCRUA facilities to remain off-line throughout 2015 (plant operations resumed in October 2015, the first period of the next fiscal year). The City accounts for this partnership as a joint venture.

Condensed financial statements for the BCRUA are presented below:

STATEMENT OF NET POSITION
As of September 30, 2015

ASSETS		LIABILITIES	
Current assets:		Current liabilities:	
Cash and cash equivalents	$ 11,498,844	Accounts payable	$ 991,742
Accounts receivable, net	110,768	Retainage payable	1,582,268
Accrued interest receivable	4,392	Due to partner cities	133,407
Due from other funds	56,325	Due to other funds	56,325
Total current assets	11,670,329	Total current liabilities	2,763,742
Noncurrent assets:		Current liabilities payable from	
Restricted cash and cash equivalents		restricted assets:	
and investments:		Current portion of revenue bond payable	3,580,000
Debt service	4,655	Accrued interest	1,341,828
Escrow	19,075,248	Total current liabilities payable from	
Reserve	6,247,335	restricted assets	4,921,828
Land, easements, and construction		Noncurrent liabilities:	
in progress	19,355,451	Revenue bonds payable	169,305,000
Capital assets, net of accumulated depreciation:		Total noncurrent liabilities	169,305,000
Buildings, infrastructure, and equipment	141,391,424	Total liabilities	176,990,570
Total noncurrent assets	186,074,113	NET POSITION	
Total assets	$197,744,442	Net position	$20,753,872
		Cedar Park share of net position:	**$ 4,076,608**

3. DETAILED NOTES ON ALL FUNDS, (continued)
C. Investment in Joint Venture, (continued)

STATEMENT OF ACTIVITIES
AND CHANGES IN NET POSITION
For the Year ended September 30, 2015

	BCRUA	Cedar Park Share
Operating revenues	$ 821,883	184,562
Operating expenses	8,940,700	1,409,705
Change in net position	(8,118,817)	(1,225,143)
Other income	192,985	23,381
Net position, October, 2014	17,408,439	4,047,421
Net contribution of capital	11,271,265	1,230,949
Net position, September, 2015	$ 20,753,872	4,076,608

Complete financial statements may be obtained at the BCRUA, 450 Cypress Creek Bldg #1, Cedar Park, TX 78613.

3. DETAILED NOTES ON ALL FUNDS, (continued)
D. Capital Assets

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

GOVERNMENTAL ACTIVITIES:	Beginning Balance	Increases	Decreases/ (Reclass)	Ending Balance
Capital assets, not depreciated:				
Land and other non-depreciable assets	$ 16,235,876	4,419,359	-	20,655,235
Construction in progress	20,534,820	10,492,037	8,333,831	22,693,025
Total assets not being depreciated	36,770,696	14,911,396	8,333,831	43,348,260
Capital assets being depreciated:				
Intangible assets	592,042	-	-	592,042
Building and improvements	88,758,705	419,495	-	89,178,200
Machinery and equipment	30,102,468	4,756,837	676,397	34,182,908
Infrastructure	221,693,972	8,897,168	-	230,591,140
Total capital assets being depreciated	341,147,187	14,073,500	676,397	354,544,290
Less accumulated depreciation:				
Intangible assets	561,229	12,365	-	573,594
Building and improvements	13,992,873	2,270,034	-	16,262,907
Machinery and equipment	20,767,009	2,784,096	673,750	22,877,355
Infrastructure	35,880,138	5,664,991	-	41,545,129
Total accumulated depreciation	71,201,249	10,731,486	673,750	81,258,985
Total capital assets being depreciated, net	269,945,938	3,342,014	2,647	273,285,305
Total capital assets, net	$ 306,716,634	18,253,410	8,336,478	316,633,565

Related debt	(171,071,382)
Deferred changes	9,683,572
Unspent bond proceeds	6,185,077
Net investment in capital assets	161,430,832

Depreciation expense was charged to governmental activities as follows:

Governmental activities:	
General government	$ 6,559,699
Public safety	251,332
Culture and recreation	797,056
Streets and lighting	1,706,197
Internal service	1,417,202
Total depreciation expense - governmental activities	$ 10,731,486

3. DETAILED NOTES ON ALL FUNDS, (continued)
D. Capital Assets, (continued)

Business-type Activities
Capital asset activity for the year ended September 30, 2015, was as follows:

	Beginning Balance	Increases	Decreases/ (Reclass)	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Capital assets, not being depreciated:				
Land and other non-depreciable assets	$ 3,772,355	1,999	-	3,774,354
Construction in progress	14,843,799	2,381,061	5,594,847	11,630,011
Total assets not being depreciated	18,616,154	2,383,060	5,594,847	15,404,365
Capital assets, being depreciated				
Intangible assets	127,253	-	-	127,253
Building and improvements	28,598,174	726,990	-	29,325,164
Machinery and equipment	6,123,497	92,973	-	6,216,470
Infrastructure	220,916,864	28,943,739	-	249,860,603
Total capital assets being depreciated	255,765,788	29,763,702	-	285,529,490
Less accumulated depreciation:				
Intangible assets	27,572	25,451	-	53,023
Building and improvements	7,998,076	761,615	-	8,759,691
Machinery and equipment	3,335,803	380,631	-	3,716,434
Infrastructure	57,005,216	5,615,683	-	62,620,899
Total accumulated depreciation	68,366,667	6,783,380	-	75,150,047
Total capital assets being depreciated, net	187,399,121	22,980,322	-	210,379,443
Total capital assets, net	$ 206,015,275	25,363,382	5,594,847	225,783,808
		Related debt		(72,725,087)
		Deferred charges		3,513,676
		Net investment in capital assets		156,572,397

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

Business-type activities:	
Water and sewer	$ 6,629,596
Solid waste	146,384
Hidden Valley	7,400
Total depreciation expense - business-type activities	$ 6,783,380

3. DETAILED NOTES ON ALL FUNDS, (continued)
D. Capital Assets, (continued)

Commitments

Construction in progress and remaining commitments under related construction contracts for governmental activities at September 30, 2015 are as follows:

	Governmental Activities:		
Project Description	Authorized Project Amount	Project Expenditures To Date	Remaining Project Balance
ILSN Upgrade - Ph II	$ 350,000	186,738	163,262
Bagdad Road	4,633,802	4,626,265	7,537
ROW Acquisition	750,000	172,679	577,321
183 Walton Way	33,894	33,894	-
Cypress Creek/Lakeline Intersect	3,067,790	1,239,824	1,827,966
US 183/Cypress Creek Intersect	1,050,000	695,424	354,576
Brushy Creek West Rt Turn Lane	350,000	44,278	305,722
Brushy Creek East Overlay	371,515	186	371,329
CR 272 Overlay	270,000	2,636	267,364
RM 1431 Pedestrian Walkway	378,000	70,814	307,186
Anderson Mill Road	8,694,600	732,096	7,962,504
Little Elm Trail	7,118,394	485,976	6,632,417
Lakeline and Little Elm Signal Replacement	99,650	76,215	23,435
Lakeline and Old Mill Signal	210,350	184,442	25,908
ILSN Sign Replacements and Upgrades	140,000	59,095	80,906
RM 1431 / Parmer to Sam Bass	23,325,000	17,532,793	5,792,207
Parks Maintenance Facility	2,000,000	210,487	1,789,513
Park Warning System	50,000	32,048	17,952
Playground Shade Project Ph. II	175,000	145,076	29,924
Electricity at Sculpture Garden	80,713	52,929	27,785
Fire Station 5	4,870,000	12,508	4,857,492
Public Safety Technology Project	855,000	827,498	27,502
Library Access Control	9,517	5,609	3,908
Library Master Plan	60,000	47,717	12,283
Microwave Radio Replacement	404,000	394,439	9,561
Fire Lane Tower	95,707	50,886	44,821
Public Works Tower	246,000	32,555	213,445
CPC Marquee Sign	292,000	225,577	66,423
	$ 59,980,932	28,180,683	31,800,249

3. DETAILED NOTES ON ALL FUNDS, (continued)
D. Capital Assets, (continued)

Commitments, (continued)
Construction in progress and remaining commitments under related construction contracts for business-type activities at September 30, 2015 are as follows:

	Business-Type Activities:		
Project Description	Authorized Project Amount	Project Expenditures To Date	Remaining Project Balance
Water Meter Program Update	$ 3,170,551	2,716,173	454,377.52
Reg Water Plant Phase II	20,243,228	126,714	20,116,514
Floating Raw Water Interceptor	9,986,000	9,768,124	217,876
SCADA Upgrades	1,150,000	372,053	777,947
Purchase Leander 12" Waterline	325,000	252,660	72,340
AWS/Trinity Test Well	650,000	50,100	599,900
2015 Water Tank Rehab	400,000	183,040	216,960
BCRWWS West Plant Improvements	800,000	726,511	73,490
Spanish Oaks Interceptor PH II	2,000,000	606,450	1,393,550
BCRWWS East Plant Re-Rate Improvements	600,000	950	599,050
	$ 39,324,779	14,802,775	24,522,004

E. Interfund Receivables, Payables, and Transfers

Interfund receivables, payables, and advances at September 30, 2015 are as follows:

Receivable Fund	Payable Fund	Amount
Governmental funds:		
General Fund	Nonmajor Governmental Funds	$ 19,000
	Debt Service Fund	153,736
Business-type funds:		
Water and Sewer Fund	General Fund	399,920
		$ 572,656

Interfund receivables, payables, and advances reflect loans between funds. Of the above amount, $399,920 represents a loan from the Water and Sewer Fund for construction costs related to the City Hall facility.

Interfund transfers for the year ended September 30, 2015 consisted of the following:

Transfers In	Transfers Out	Amount
General	Water and Sewer	$ 2,758,539
Street	Nonmajor governmental	18,486,592
Street	General	3,607
Nonmajor governmental funds	General	598,413
Total transfers in		$ 21,847,151

Interfund transfers are authorized through City Council approval. Significant transfers include the Water and Sewer transfer to the General Fund for administrative and contract services provided by the General Fund and transfers from bond funds to capital project funds for capital activities.

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Interfund Receivables, Payables, and Transfers, (continued)

The governmental activities also contributed capital assets of $22,403,755 and debt of $5,478,615 to the Water and Sewer fund.

F. Leases

The City had no lease activity for the year ended September 30, 2015.

3. DETAILED NOTES ON ALL FUNDS (continued)
G. Long-term Liabilities

Long-term liability activity for the year ended September 30, 2015 was as follows:

	October 1, 2014	Increases	Decreases	September 30, 2015	Amounts Due Within One Year
Governmental Activities					
General obligation bonds	$105,940,000	36,260,000	30,380,000	111,820,000	7,755,000
Certificates of obligation	13,015,000	18,570,000	6,600,000	24,985,000	1,670,000
Economic development bonds	38,440,000	37,410,000	33,095,000	42,755,000	1,780,000
Premium on issuance of bonds	4,535,912	5,047,651	546,354	9,037,209	-
Discount on issuance of bonds	(9,113)	(183,066)	(48,346)	(143,833)	-
General obligation bonds and other tax supported debt total*	161,921,799	97,104,585	70,573,008	188,453,376	11,205,000
Other long-term liabilities					
Compensated absences	2,782,349	1,465,147	206,293	4,041,203	215,333
State Comptroller note	1,046,964	-	154,781	892,183	154,781
Net pension liability	4,712,644	1,214,405	-	5,927,049	-
Other post employment benefits	709,838	89,313	-	799,151	-
Other long-term liabilities total	9,251,795	2,768,865	361,074	11,659,586	370,114
Total governmental activities	$171,173,594	99,873,450	70,934,082	200,112,962	11,575,114
Business-type Activities					
Water and Sewer activities					
Revenue bonds	$ 44,935,000	25,310,000	26,250,000	43,995,000	4,600,000
General obligation bonds	5,600,000	-	240,000	5,360,000	985,000
Premium on issuance of bonds	1,422,194	4,018,559	287,669	5,153,084	-
General obligation bonds and other tax supported debt total	51,957,194	29,328,559	26,777,669	54,508,084	5,585,000
Compensated absences	529,151	89,919	45,137	573,933	23,693
Net pension liability	782,506	201,645	-	984,151	-
Other post employment benefits	58,148	2,776	-	60,924	-
Other long-term liabilities total	1,369,805	294,340	45,137	1,619,008	23,693
Water and sewer activities total	53,326,999	29,622,899	26,822,806	56,127,092	5,608,693
Solid Waste activities					
Revenue bonds	985,000	-	150,000	835,000	155,000
Solid waste activities total	985,000	-	150,000	835,000	155,000
Business-type activities total	$ 54,311,999	29,622,899	26,972,806	56,962,092	5,763,693
Component Unit					
Community development bonds	$ 4,070,000	-	625,000	3,445,000	650,000
Premium on issuance of bonds	33,911	-	5,649	28,262	-
State Comptroller note	1,046,965	-	154,782	892,183	154,781
Component unit total	$ 5,150,876	-	785,431	4,365,445	804,781

*There is currently $17,382,003 of governmental activity supported debt that is related to business-type activity capital assets.

3. DETAILED NOTES ON ALL FUNDS (continued)
G. Long-term Liabilities, (continued)

Employment-related liabilities attributable to the governmental activities will be liquidated primarily by the General Fund. Governmental liabilities include a note payable of $892,183 to repay sales tax revenues paid in error to the City in prior years. A summary of debt service requirements for the sales tax repayment note is shown on page 49.

3. DETAILED NOTES ON ALL FUNDS (continued)
G. Long-term Liabilities, (continued)

Governmental activities bonds payable at September 30, 2015, consisted of the following:

$19,600,000 Series 2006 General Obligation Refunding and Improvement Bonds due in annual installments of $270,000 to $1,605,000 through February 15, 2022; interest at 4.0% to 5.0%	$ 6,380,000
$1,535,000 Series 2006 Combination Tax and Revenue Certificates of Obligation due in annual installments of $80,000 to $175,000 through February 15, 2017; interest at 4.0%	255,000
$19,615,000 Series 2008 General Obligation Bonds due in annual installments of $985,000 to $1,110,000 through February 15, 2019; interest at 4.00%	4,185,000
$43,905,000 Series 2008 Combination Tax and Revenue Certificates of Obligation due in annual installments of $1,235,000 to $1,440,000 through February 15, 2019; interest at 5.10% to 5.40%	5,345,000
$1,360,000 Series 2009 General Obligation Refunding due in installments of $310,000 to $380,000 through February 15, 2019; interest at 3.50% to 4.00%	290,000
$11,985,000 Series 2009 General Obligation Bonds due in installments of $545,000 to $815,000 through February 15, 2024; interest at 3.00% to 5.0%	6,165,000
$7,755,000 Series 2011 General Obligation Refunding due in annual installments of $215,000 to $460,000 through February 15, 2031; interest at 3.0% to 4.0%	4,880,000
$3,645,000 Series 2011 General Obligation Bonds due in installments of $370,000 to $395,000 throught February 15, 2017; interest at 2.50% 3.00%	765,000
$3,215,000 Series 2012 General Obligation Refunding due in installments of $205,000 to $235,000 throught February 15, 2018; interest at 2.55% to 2.95%	670,000
$25,195,000 Series 2012 General Obligation Refunding Bonds due in installments of $245,000 to $3,635,000 through February 15, 2032; interest at 3.375% to 5.0%	24,100,000
$12,115,000 Series 2012 General Obligation Bonds due in installments of $345,000 to $770,000 throught February 15, 2030; interest at 2.0% to 3.75%	7,470,000
$15,865,000 Series 2013 General Obligation Refunding Bonds due in installments of $350,000 to $2,455,000 through February 15, 2027; interest at 0.812% to 3.19%	12,395,000
$9,055,000 Series 2013A General Obligation Refunding Bonds due in installments of $205,000 to $975,000 through February 15, 2030; interest at 2.7%	8,580,000
$4,175,000 Series 2013 Unlimited Tax Bonds due in installments $100,000 to $250,000 throught February 15, 2040; interest at 3.00% to 5.00%	4,025,000
$8,585,000 Series 2014 General Obligation Bonds due in installments of $100,000 to $670,000 through March 1, 2034; interest at 3.0% to 3.75%	8,585,000
$12,225,000 Series 2014 Pass-Through Toll Revenue and Limited Tax Bonds due in installments of $425,000 to $855,000 through March 1, 2034; interest at 3.0% to 4.0%	11,800,000
$36,260,000 Series 2015 General Obligation Refunding and Improvement Bonds due in installments of $70,000 to $3,535,000 through March 1, 2039; interest at 3.0% to 5.0%	36,260,000
$37,410,000 Series 2015 General Obligation Refunding Bonds due in installments of $545,000 to $3,095,000 through March 1, 2033; interest at 0.6% to 4.00%	37,410,000
Total governmental activities	$ 179,560,000

3. DETAILED NOTES ON ALL FUNDS, (continued)
G. Long-term Liabilities, (continued)

Business-type activities bonds payable at September 30, 2015, consisted of the following:

Water and Sewer activities	
$14,080,000 Series 2007 Utility System Revenue Refunding Bonds due in annual installments of $660,000 to $1,695,000 through February 15, 2022; interest at 4.0% to 5.0%	$ 7,295,000
$7,705,000 Series 2009 General Obligation Refunding bonds due in annual installments of $235,000 to $315,000 through February 15, 2019; interest at 3.0% to 4.0%	1,080,000
$23,195,000 Series 2009 Utility System Revenue Bonds due in installments of $505,000 to $1,355,000 through August 15, 2020; interest at 3.0% to 4.0%	5,610,000
$29,475,000 Series 2012 General Obligation Refunding and Improvement Bonds due in installments of $125,000 to $870,000 through February 15, 2025; interest at 4.0% to 5.0%	4,280,000
$14,915,000 Series 2013 Utility System Revenue Refunding Bonds due in installments of $305,000 to $2,245,000 through August 15, 2025; interest at 0.83% to 2.895%	11,500,000
$19,760,000 Series 2015 Utility System Revenue Refunding Bonds due in installments of $250,000 to $2,395,000 through August 15, 2030; interest at 2.0% to 5.0%	19,590,000
Total Water and Sewer activities	$ 49,355,000
Solid Waste activities	
$5,600,000 Series 2010 Combination Tax and Revenue Certificates of Obligation due in annual installments of $572,000 to $660,000 through February 15, 2020; interest at 2.0% to 3.0%	835,000
Total Business-type activities	$ 50,190,000

Discretely presented component unit bonds payable at September 30, 2015, consisted of the following:

Component Unit debt	
$5,600,000 Series 2010 Combination Tax and Revenue Certificates of Obligation due in annual installments of $405,000 to $480,000 through February 15, 2020; interest at 2.0% to 3.0%	$ 2,235,000
$2,425,000 Series 2010 Senior Lien Sales Tax Revenue Refunding Bonds due in annual installments of $230,000 to $260,000 through August 15, 2020; interest at 3.0% to 3.325%	1,210,000
Total Component Unit activities	$ 3,445,000

All bonded debt and certificates of obligation require semiannual payments of interest. The various bond ordinances provide the City with rights of redemption at par, plus accrued interest, at specified future dates.

3. DETAILED NOTES ON ALL FUNDS, (continued)
G. Long-term Liabilities, (continued)

Annual debt service requirements for bonds outstanding are as follows:

	Governmental Activities		Business-type activities		Component Unit	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 11,205,000	7,060,472	5,740,000	1,899,764	650,000	95,113
2017	12,135,000	6,167,102	5,335,000	1,737,535	660,000	77,580
2018	11,745,000	5,762,438	5,490,000	1,578,365	685,000	58,641
2019	11,830,000	5,335,470	5,670,000	1,394,533	710,000	38,200
2020	10,600,000	4,908,431	5,915,000	1,214,654	740,000	15,975
2021-2025	53,940,000	18,583,205	12,775,000	3,983,247	-	-
2026-2030	43,905,000	8,706,466	9,265,000	1,196,719	-	-
2031-2035	21,760,000	2,363,971	-	-	-	-
2036-2040	2,440,000	265,975	-	-	-	-
	$179,560,000	59,153,531	50,190,000	13,004,817	3,445,000	285,509

Annual debt service requirements for the sales tax repayment note payable are as follows:

	Governmental Activities	Component Unit	Total
September 30,	Principal	Principal	Principal
2016	$ 154,781	154,781	309,562
2017	154,781	154,781	309,562
2018	154,781	154,781	309,562
2019	154,781	154,781	309,562
2020-2021	273,059	273,059	546,118
	$ 892,183	892,183	1,784,366

During the fiscal year, the City defeased certain certificates of obligation and revenue and general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2015, defeased bonds remaining unredeemed or unmatured are provided below:

Refunded Bonds	Escrow Maturity	Balance (1)
Bella Vista MUD Unlimited Tax Refunding Bonds, Series 2012	09/01/18	$ 2,275,000
Combination Tax & Revenue Certificates of Obligation, Series 2006	02/15/16	100,000
Combination Tax & Revenue Certificates of Obligation, Series 2008	08/15/18	31,915,000
General Obligation Bonds, Series 2008	02/15/17	12,485,000
General Obligation Bonds, Series 2009	02/15/18	4,650,000
General Obligation Refunding & Improvement Bonds, Series 2006	02/15/16	9,625,000
Unlimited Tax Refunding Bonds, Series 2012	09/01/18	3,535,000
Utility System Revenue Bonds, Series 2009	08/15/18	15,550,000
WCID 1G Unlimited Tax Refunding Bonds, Series 2011	09/01/16	2,235,000
		$ 82,370,000

(1) The balances shown have been escrowed to their respective call dates.

3. DETAILED NOTES ON ALL FUNDS, (continued)
G. Long-term Liabilities, (continued)

In March 2015, the City issued $25,510,000 of general obligation refunding bonds for a refunding of $23,585,000 of general obligation bonds, $100,000 of certificate of obligation bonds, and $4,525,000 of revenue bonds, for a total of $28,210,000. The current refunding portion provided debt service payments of $535,000 to refund 2005 and 2007 series bonds. The advanced refunding portion provided resources to purchase direct obligations of the United States of America that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of $27,675,000 for outstanding 2006, 2008, 2009, 2011, and 2012 bond series. The reacquisition price exceeded the net carrying amount of the refunded debt by $2,072,550 with $1,768,694 attributable to the general obligation bonds, $6,599 to certificate of obligation bonds, and $297,257 to revenue bonds. The refunding difference will be amortized over the life of the refunding bonds. The refundings were undertaken to reduce total future general obligation debt service payments by $961,569 and resulted in an economic gain of $1,413,319.

In March 2015, the City issued $37,410,000 of taxable general obligation refunding bonds for a refunding of $31,915,000 of taxable certificate of obligation bonds. This advance refunding provided debt service payments of $37,610,000 to refund 2008 series bonds. The advanced refunding provided resources to purchase direct obligations of the United States of America that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of $31,915,000 for the outstanding 2008 bond series. The reacquisition price exceeded the net carrying amount of the refunded debt by $5,695,000, all attributable to the taxable certificate of obligation bonds. The refunding difference will be amortized over the life of the refunding bonds. The refundings were undertaken to reduce total future general obligation debt service payments by $4,730,865 and resulted in an economic gain of $3,503,349.

In March 2015, the City issued $19,760,000 of utility system revenue refunding bonds for a refunding of $21,100,000 of utility system revenue bonds. The advanced refunding portion provided resources to purchase direct obligations of the United States of America that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of $19,070,000 for the outstanding 2009, 2011, and 2012 bond series. The current refunding portion provided debt service payments of $2,030,000 to refund 2006 and 2007 series bonds. The reacquisition price exceeded the net carrying amount of the refunded debt by $2,447,262, all attributable to the utility system revenue bonds. The refunding difference will be amortized over the life of the refunding bonds. The refundings were undertaken to reduce total future general obligation debt service payments by $1,798,721 and resulted in an economic gain of $1,518,873.

Due to the requirements of the Tax Reform Act of 1986, the City contracts for the computations of arbitrage rebate requirements for the City's various bond issues. At September 30, 2015, there was no liability for arbitrage rebate.

General obligation bonds authorized and unissued amounted to $6,832,000 at September 30, 2015. The City is compliant with all bond ordinances. In addition, the City does not have any outstanding special assessment debt and is not obligated in any manner for special assessment debt.

Pledged Revenues
The net revenue of the Water and Sewer Fund and the Solid Waste Fund are pledged for the payment of interest and principal on the outstanding revenue bonds. Water and sewer bonds and solid waste bonds are payable through 2029 and 2020, respectively. The table below represents the pledged amounts at September 30, 2015:

	Gross Revenue (1)	Operating Expenses (2)	Net Revenue	Debt Service Requirement	Revenue Bond Coverage
Water and Sewer	$ 29,968,170	(843,870)	30,812,040	7,463,350	412.84%
Solid Waste	$ 3,810,121	(59,306)	3,869,427	176,414	2193.38%

(1) Gross revenue includes revenues from operations and interest income.
(2) Excludes depreciation.

3. DETAILED NOTES ON ALL FUNDS, (continued)
H. Employees' Retirement System

Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas.

TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.org. All eligible employees of the City are required to participate in TMRS.

Benefits Provided

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

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

	Plan Year 2014	Plan Year 2015
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	age 60 with 5 yrs svc, or any age with 20 yrs svc	age 60 with 5 yrs svc, or any age with 20 yrs svc
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	86
Inactive employees entitled to but not yet receiving benefits	178
Active employees	395
Total	659

3. DETAILED NOTES ON ALL FUNDS, (continued)
H. Employees' Retirement System, (continued)

Contributions

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

Employees for the City were required to contribute seven percent 0f their annual gross earnings during the fiscal year. The contribution rates tor the City were 8.45 percent and 9.25 percent in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2015 were $1,877,572, which were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions

The TPL in the December 31, 2014 actuarial valuation was detennined using the following actuarial assmnptions:

Inflation	3.0% per year
Overall payroll growth	3.5% to 12.00% including inflation
Investment rate of return	7.0%

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

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

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

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

3. DETAILED NOTES ON ALL FUNDS, (continued)
H. Employees' Retirement System, (continued)
Actuarial Assumptions, (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

Discount Rate
The discount rate used to measure the TPL was seven percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	$ 2,912,024	$ -	$ 2,912,024
Interest	3,589,114	-	3,589,114
Change of benefit terms	-	-	-
Difference between expected and actual experience	884,323	-	884,323
Changes of assumptions	-	-	-
Contributions - employer	-	1,877,572	(1,877,572)
Contributions - employee	-	1,555,387	(1,555,387)
Net investment income	-	2,565,431	(2,565,431)
Benefit payments, including refunds of employee contributions	(1,022,223)	(1,022,223)	-
Administrative expense	-	(26,777)	26,777
Other changes	-	(2,202)	2,202
Net changes	6,363,238	4,947,188	1,416,050
Balance at 12/31/2013	50,328,156	44,833,006	5,495,150
Balance at 12/31/2014	56,691,394	49,780,194	6,911,200

3. DETAILED NOTES ON ALL FUNDS, (continued)
H. Employees' Retirement System, (continued)

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the NPL of the City, calculated using the discount rate of seven percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or higher (8.0%):

	1% Decrease in Discount Rate	Discount Rate (7.0%)	1% Increase in Discount Rate
City's Net Pension Liability	$ 16,731,789	$ 6,911,200	$ (1,048,481)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.org.

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

For the fiscal year ended September 30, 2015, the City recognized net pension expense of $2,089,663

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

	Deferred Outflows of Resources
Differences between expected and actual economic experience	$ 745,656
Changes in actuarial assumptions	-
Difference between projected and actual investment earnings	458,303
Contributions subsequent to the measurement date	1,585,159
Total	$ 2,789,118

$1,585,159 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2016. Other amounts reported as deferred outflows related to pensions will be recognized in pension expense as follows:

Year Ended September 30	Pension Expense Amount
2015	$ 253,243
2016	253,243
2017	253,243
2018	253,242
2019	138,667
Thereafter	52,321
Total	$ 1,203,959

I. Other Post Employment Benefits

Plan Description

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

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7 ,500; this coverage is an "other post employment benefit," or OPEB. The obligations of this plan are payable only from the
SDBF and are not an obligation of, or a claim against, the pension trust fund. For the year ended September 30, 2015, the City offered the supplemental death benefit to both active and retired employees.

Contributions

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

The City's contributions on behalf of retirees to the TMRS SDBF for the years ended 2015, 2014 and 2013 were $2,326, $2,194, and $2,034 respectively, which equaled the required contributions for each year.

	2015	2014	2013
Annual required contribution rate	0.01%	0.01%	0.01%
Actual contribution rate	0.01%	0.01%	0.01%
Percentage of ARC contributed	100.00%	100.00%	100.00%

Post-Employment Healthcare Plan

The City's post-employment healthcare benefits plan is a single-employer defined-benefit plan. The benefits vary depending upon a retiree's years of service. On May 13, 2010, the City Council approved changes to the City's other post employment benefits (OPEB) plan. Benefits provided for employees who retired on or before September 30, 2010 or employees with 15 years of service, who were eligible for TMRS retirement on October 1, 2010, were unchanged. Benefits for these employees are as follows:

- The City pays 100% of premiums of health care coverage for employees who retired with 10 years of full-time service prior to April 1, 2004.
- For employees who retired after March 31, 2004 and employees with at least 15 years of service who were eligible for TMRS retirement as of October 1, 2010, the City pays the following percentages of scheduled insurance premiums:

Years of service	Percentage paid by the City
25+	75%
20-24	50%
15-19	25%
< 15	0%

Employees hired on or before June 1, 2010, who were not eligible to retire with at least 15 years of service as of October 1, 2010, will receive a subsidy of $250 towards the full cost of medical insurance premiums upon retirement with 30 years of service. The subsidy amount will increase by 3% every year beginning October 1, 2011. Employees hired after June 1, 2010 may purchase medical insurance coverage at full cost upon retirement.

3. DETAILED NOTES ON ALL FUNDS, (continued)
I. Other Post-Employment Benefits, (continued)

Upon reaching Medicare age, eligibility for medical insurance coverage will cease for all retiree groups. However, the City will provide access to Medicare supplemental coverage through the City's medical insurance provider.

Funding Policy

The contribution requirements of the employees/retirees and the City are established in the annual operating budget and may be amended in subsequent years. During 2015, the City contributed 100% of the premium for employees. Retiree premiums were funded as specified above. Employees and retirees contributed 100% of the premiums for dependents.

The employer contribution to the OPEB plan for 2015 totaled $85,373. Premiums contributed for the City's cost of existing retirees' coverage was approximately 0.37% of gross payroll. There is no retiree contribution to the OPEB plan other than the retiree share of insurance premiums paid monthly, which totaled $28,649 in fiscal year 2015.

As of September 30, 2015, there were 15 retired employees receiving benefits from the plan. The City finances the plan on a pay-as-you-go basis.

Annual OPEB Cost

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed 30 years.

The City's annual OPEB cost for the fiscal year ending September 30, 2015 is as follows:

	Governmental Activities	Business-type Activities	Total OPEB Plan
Annual required contribution (ARC)	$ 171,265	29,432	200,697
Interest on net OPEB obligation	31,942	2,617	34,559
Adjustment to ARC	(53,419)	(4,376)	(57,795)
Annual OPEB Cost	149,788	27,673	177,461
Contributions made	(60,477)	(24,896)	(85,373)
Change in net OPEB obligation	89,311	2,777	92,088
Net obligation-beginning of year	709,839	58,147	767,986
Net obligation-end of year	$ 799,150	60,924	860,074

A separate audited GAAP-basis OPEB plan report is not available.

The City's annual OPEB cost, the amount contributed by the employer, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2015 and the preceding two fiscal years were as follows:

Fiscal Year Ended September 30	Annual OPEB Cost	Annual Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	$ 177,461	85,373	48.11%	$ 860,074
2014	174,350	83,964	48.16%	767,987
2013	78,467	71,623	91.28%	677,601

3. DETAILED NOTES ON ALL FUNDS, (continued)
I. Other Post-Employment Benefits, (continued)

Funded Status and Funding Progress

As of December 31, 2013, the most recent actuarial valuation date, the Plan was 0.00 percent funded. The actuarial accrued liability for benefits was $1,954,023, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $1,954,023. The annual covered payroll for fiscal year 2015 was $23,257,262 and the UAAL as a percentage of covered payroll was 8.4 percent.

Actuarial Methods and Assumptions

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

Actuarial Assumptions:

Inflation rate	3.00% per annum
Investment rate of return	4.50% per annum, net of expenses
Actuarial cost method	Projected unit credit cost method
Amortization method	Level as percentage of employee payroll
Amortization period	15-year open amortization
Payroll growth	3.00% per annum
Medical trend	Initial rate of 7.50%, declining to an ultimate rate of 4.50% after 12 years

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

J. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and through the Texas Municipal League (TML) Intergovernmental Risk Pool, a public entity risk pool for the benefit of governmental units located within the state. TML Intergovernmental Risk Pool (the “Pool”) is considered a self-sustaining risk pool that provides coverage for its members. The City’s contributions to the Pool are limited to the amount of premiums as calculated at the beginning of each fund year. Premiums reflect the claims experience to date of the City. The Pool’s liability is limited to the coverage that the City elects as stated in the Pool’s Declarations of Coverage for that fund year. Any losses reported but unsettled or incurred and not reported are believed to be insignificant to the City’s financial statements. Settled claims have not exceeded insurance coverage limits for the past three years.

K. Commitments / Contingent Liabilities

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

3. DETAILED NOTES ON ALL FUNDS, (continued)
K. Commitments / Contingent Liabilities, (continued)

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

L. Annexation

On December 22, 2014, the City annexed Williamson-Travis Counties Water Control Improvement Districts 1E (Bella Vista), 1F (WCID 1F) and 1G (WCID 1G) after the residents of these districts requested annexation into the City. The improvement districts ceased to exist on this date and their respective assets and liabilities transferred to the City. The follow table reflects the total assets and liabilities that were annexed from each district:

	Bella Vista	WCID 1F	WCID 1G	Total
Current assets	$ 880,540	727,926	1,678,670	3,287,136
Infrastructure	4,375,607	4,802,949	12,481,205	21,659,761
Land and easements	72,603	155,359	274,138	502,100
Total assets	5,328,750	5,686,234	14,434,013	25,448,997
Current liabilities	11,282	8,837	56,253	76,372
Long-term debt principal	5,260,000	4,100,000	14,760,000	24,120,000
Long-term debt def. chg.	(69,850)	(115,843)	(108,147)	(293,840)
Total liabilities	5,201,432	3,992,994	14,708,106	23,902,532
Annex net position	127,318	1,693,240	(274,093)	1,546,465

M. Subsequent Events

In November 2015, a $96.7 million bond package was approved by voters. This bond authorization contains funding for a variety of future projects in the categories of streets, public safety, public library, and parks and recreation. This updated the balance of authorized but unissued bonds is as follows:

	Streets	Public Safety	Library	Parks	Total
Prior authorizations	-	3,955,000	-	2,877,000	6,832,000
Subsequent authorizations	63,000,000	7,550,000	20,500,000	5,650,000	96,700,000
Total	63,000,000	11,505,000	20,500,000	8,527,000	103,532,000

3. DETAILED NOTES ON ALL FUNDS, (continued)
N. Component Units

Activity for the fiscal year ended September 30, 2015 for the Economic Development and Community Development Corporation's is summarized as follows:

	Community Development	Economic Development
Revenues		
Sales tax	$ 5,590,265	5,590,265
Interest earnings	66,652	29,832
Total Revenues	5,656,917	5,620,097
Expenditures		
Community development programs	6,845,266	-
Economic development programs	-	1,514,630
Payments for/to primary government		
City support services	52,514	35,220
City sponsored debt	-	3,482,799
Total Expenditures	6,897,780	5,032,649
Change in net position	$ (1,240,863)	587,448

Community Development Debt
Revenue bonds payable for the Community Development Corporation totaled $3,445,000 at year-end. The Community Development Corporation has pledged future sales tax revenues to service the debt. Bond ratings for the Community Development Corporation were "AA+" (Standard & Poor's) at September 30, 2015.

Economic Development Corporation Revenues Pledged
The Economic Development Corporation has pledged future sales tax revenues equal to the principal and interest due on certificates of obligation issued by the City, as they become due and payable. Proceeds from the bonds provided financing for the construction of the Cedar Park Center. The total principal and interest remaining at September 30, 2015 is $57,966,140, payable over the next 18 years.

Contingent Liabilities
The City's Economic Development and Community Development Corporations have signed agreements with various entities for payment of incentive amounts to enhance the City's property and sales tax bases. Payments are contingent upon the entities meeting construction and employment goals.

	Maximum Commitment 9/30/2015
Community Development Corporation	
Commercial Property Investments, LLC	$ 116,939
Dana Holding Corporation	652,614
Texas Museum of Science & Technology	200,000
VUV Analytics	351,374
Economic Development Corporation	
BMC West Corporation	613,139
HEB	500,000
Voltabox of Texas, Inc.	147,908
Firefly Space Systems	731,250
MOB	257,900
	$ 3,571,124

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CEDAR PARK

REQUIRED SUPPLEMENTARY INFORMATION

General Fund **City of Cedar Park, Texas**

Schedule Of Revenues, Expenditures, and Changes in Fund Balances - Budget And Actual

For the Year Ended September 30, 2015

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes and penalties				
Current ad valorem	$ 13,995,187	14,339,468	14,921,966	582,498
Delinquent ad valorem	137,029	137,029	294,838	157,809
Franchise	3,839,700	3,956,874	4,276,120	319,246
Sales	10,525,176	11,040,456	11,186,774	146,318
Beverage	150,000	150,000	208,738	58,738
Total taxes and penalties	28,647,092	29,623,827	30,888,436	1,264,609
Licenses and permits				
Building permits	1,198,911	1,198,911	1,313,443	114,532
Planning and zoning	130,634	130,634	189,132	58,498
Engineering review	37,712	37,712	26,897	(10,815)
Professional fee recovery	27,683	27,683	27,425	(258)
Construction inspection fees	209,016	274,016	292,367	18,351
Total licenses and permits	1,603,956	1,668,956	1,849,264	180,308
Fines and forfeitures				
Traffic violations	997,248	997,248	718,233	(279,015)
Municipal court security fees	3,793	3,793	1,484	(2,309)
Total fines and forfeitures	1,001,041	1,001,041	719,717	(281,324)
Charges for services				
Fire protection fees	1,307,547	1,307,547	1,393,103	85,556
Parks and recreation fees	1,242,296	1,242,296	1,331,618	89,322
Library fines	108,907	108,907	107,622	(1,285)
Animal control fees	9,513	9,513	6,488	(3,025)
Police services	386,499	386,499	386,900	401
Administrative fees	664,700	664,700	594,856	(69,844)
Total charges for services	3,719,462	3,719,462	3,820,587	101,125
Interest earnings	55,000	55,000	116,465	61,465
Miscellaneous				
Other	214,269	214,269	759,016	544,747
Total miscellaneous	214,269	214,269	759,016	544,747
Total Revenues	$ 35,240,820	36,282,555	38,153,485	1,870,930

(1) Variance is actual to final budget.

(Continued)

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
EXPENDITURES				
GENERAL GOVERNMENT				
General Administration				
Personnel services	$ (172,092)	(172,092)	5,538	(177,630)
Supplies and materials	21,060	21,060	29,065	(8,005)
Maintenance and repairs	1,500	1,500	30,279	(28,779)
Services and charges	932,625	2,004,625	950,348	1,054,277
Loan payments	154,782	154,782	154,781	1
Capital outlay	-	-	1,207,445	(1,207,445)
Total General Administration	937,875	2,009,875	2,377,456	(367,581)
Mayor and City Council				
Supplies and materials	3,500	3,500	4,760	(1,260)
Services and charges	64,162	64,162	51,416	12,746
Total Mayor and City Council	67,662	67,662	56,176	11,486
City Manager				
Personnel services	490,587	490,587	497,643	(7,056)
Supplies and materials	2,500	2,500	1,007	1,493
Services and charges	39,870	39,870	32,165	7,705
Total City Manager	532,957	532,957	530,815	2,142
City Attorney				
Personnel services	394,584	394,584	367,610	26,974
Supplies and materials	3,136	3,136	1,713	1,423
Services and charges	193,269	193,269	150,086	43,183
Total City Attorney	590,989	590,989	519,409	71,580
City Secretary				
Personnel services	81,937	81,937	82,397	(460)
Supplies and materials	500	500	496	4
Services and charges	72,946	72,946	55,527	17,419
Total City Secretary	155,383	155,383	138,420	16,963
Finance				
Personnel services	586,259	586,259	551,823	34,436
Supplies and materials	3,000	3,000	3,369	(369)
Services and charges	282,663	282,663	262,988	19,675
Total Finance	871,922	871,922	818,180	53,742
Information Technology				
Personnel services	539,787	539,787	476,404	63,383
Supplies and materials	12,400	12,400	19,317	(6,917)
Maintenance and repairs	23,675	23,675	32,047	(8,372)
Services and charges	685,811	715,811	633,981	81,830
Total Information Technology	$ 1,261,673	1,291,673	1,161,749	129,924

(1) Variance is actual to final budget.

(Continued)

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Human Resources				
Personnel services	$ 380,233	380,233	387,668	(7,435)
Supplies and materials	3,000	3,000	4,592	(1,592)
Services and charges	229,956	229,956	182,979	46,977
Total Human Resources	613,189	613,189	575,239	37,950
Public Information				
Personnel services	162,616	162,616	161,442	1,174
Supplies and materials	1,470	1,470	1,306	164
Services and charges	65,766	65,766	66,909	(1,143)
Total Public Information	229,852	229,852	229,657	195
Economic Development				
Personnel services	239,490	239,490	245,463	(5,973)
Supplies and materials	1,200	1,200	596	604
Services and charges	1,885,930	1,885,930	1,326,082	559,848
Total Economic Development	2,126,620	2,126,620	1,572,141	554,479
Public Works				
Personnel services	695,381	695,381	676,776	18,605
Supplies and materials	7,000	7,000	8,829	(1,829)
Maintenance and repairs	700	700	242	458
Services and charges	263,883	547,198	356,040	191,158
Total Public Works	966,964	1,250,279	1,041,887	208,392
Planning and Transportation				
Personnel services	682,889	682,889	628,050	54,839
Supplies and materials	14,110	14,110	10,176	3,934
Maintenance and repairs	1,000	1,000	-	1,000
Services and charges	103,135	103,135	97,616	5,519
Total Planning and Transportation	801,134	801,134	735,842	65,292
Maintenance				
Personnel services	476,655	476,655	479,914	(3,259)
Supplies and materials	28,148	28,148	22,723	5,425
Maintenance and repairs	73,025	73,025	87,120	(14,095)
Services and charges	55,289	55,289	50,934	4,355
Total Maintenance	633,117	633,117	640,691	(7,574)
Tourism				
Personnel services	87,732	87,732	83,608	4,124
Supplies and materials	1,000	1,000	810	190
Maintenance and repairs	1,207	1,207	353	854
Services and charges	8,017	8,017	6,121	1,896
Total Tourism	97,956	97,956	90,892	7,064
Total General Government	$ 9,887,293	11,272,608	10,488,554	784,054

(1) Variance is actual to final budget.

(Continued)

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (Continued)				
PUBLIC SAFETY				
Municipal Court				
Personnel services	$ 444,496	444,496	450,110	(5,614)
Supplies and materials	3,700	3,700	3,365	335
Maintenance and repairs	10,000	10,000	15,740	(5,740)
Services and charges	128,762	128,762	95,987	32,775
Total Municipal Court	586,958	586,958	565,202	21,756
Police				
Personnel services	8,766,341	8,816,618	8,573,310	243,308
Supplies and materials	496,130	535,840	470,246	65,594
Maintenance and repairs	120,150	122,150	209,863	(87,713)
Services and charges	1,705,188	1,985,818	2,005,664	(19,846)
Capital outlay	51,000	102,000	87,289	14,711
Total Police	11,138,809	11,562,426	11,346,372	216,054
Animal Control				
Personnel services	172,286	172,286	146,469	25,817
Supplies and materials	21,364	21,364	14,239	7,125
Maintenance and repairs	21,760	21,760	22,102	(342)
Services and charges	216,547	216,547	186,527	30,020
Total Animal Control	431,957	431,957	369,337	62,620
Building Inspection				
Personnel services	479,333	479,333	456,283	23,050
Supplies and materials	10,142	10,142	9,087	1,055
Maintenance and repairs	4,060	4,060	3,083	977
Services and charges	74,023	74,023	85,646	(11,623)
Total Building Inspection	567,558	567,558	554,099	13,459
Fire				
Personnel services	6,350,567	6,350,567	6,414,899	(64,332)
Supplies and materials	314,253	230,253	190,317	39,936
Maintenance and repairs	315,687	315,687	313,369	2,318
Services and charges	1,046,875	1,278,203	1,171,951	106,252
Capital outlay	30,000	30,000	55,643	(25,643)
Total Fire	8,057,382	8,204,710	8,146,179	58,531
Code Enforcement				
Personnel services	156,184	156,184	104,761	51,423
Supplies and materials	8,600	8,600	2,822	5,778
Maintenance and repairs	2,200	2,200	717	1,483
Services and charges	28,168	28,168	21,653	6,515
Total Code Enforcement	$ 195,152	195,152	129,953	65,199

(1) Variance is actual to final budget.

(Continued)

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (Continued)				
Emergency Management				
Personnel services	$ 89,772	89,772	82,148	7,624
Supplies and materials	7,500	7,500	5,419	2,081
Maintenance and repairs	500	500	838	(338)
Services and charges	50,738	50,738	45,897	4,841
Total Emergency Management	148,510	148,510	134,302	14,208
Total Public Safety	21,126,326	21,697,271	21,245,444	451,827
CULTURE AND RECREATION				
Parks and Recreation				
Personnel services	2,124,534	2,124,534	2,039,533	85,001
Supplies and materials	213,102	359,421	346,803	12,618
Maintenance and repairs	190,684	190,684	325,907	(135,223)
Services and charges	967,225	918,452	843,288	75,164
Capital outlay	256,000	285,000	282,246	2,754
Total Parks and Recreation	3,751,545	3,878,091	3,837,777	40,314
Library				
Personnel services	873,382	873,382	842,031	31,351
Supplies and materials	23,808	68,808	64,500	4,308
Maintenance and repairs	42,300	42,300	45,657	(3,357)
Services and charges	286,040	286,040	290,131	(4,091)
Capital outlay	9,651	9,651	9,031	620
Total Library	1,235,181	1,280,181	1,251,350	28,831
Total Culture and Recreation	$ 4,986,726	5,158,272	5,089,127	69,145

(1) Variance is actual to final budget.

(Continued)

	Budgeted Amounts			Variance (1) Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (Continued)				
STREETS AND LIGHTING				
Streets and Lighting				
Personnel services	$ 1,107,920	1,107,920	1,089,038	18,882
Supplies and materials	738,522	741,522	714,955	26,567
Maintenance and repairs	338,656	323,656	322,807	849
Services and charges	707,088	744,443	741,899	2,544
Capital outlay	-	-	5,906	(5,906)
Total Streets and Lighting	2,892,186	2,917,541	2,874,605	42,936
TOTAL EXPENDITURES	38,892,531	41,045,692	39,697,730	1,347,962
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(3,651,711)	(4,763,137)	(1,544,245)	3,218,892
OTHER FINANCING SOURCES				
Transfers in	2,876,409	2,876,409	2,768,909	(107,500)
Transfers out	(215,000)	(694,764)	(578,789)	115,975
Total other financing sources	2,661,409	2,181,645	2,190,120	8,475
Special items - annexed	-	-	1,172,646	1,172,646
Excess (Deficiency) Of Revenues and other sources over expenditures	(990,302)	(2,581,492)	1,818,521	4,400,013
Fund balance, beginning of year			18,024,862	
Reconciliation of fund balance (GAAP basis)				
Perspective differences				
Net effect on consolidated fund excluded from the annual budget			(460,627)	
Fund balance, end of year			19,382,756	

(1) Variance is actual to final budget.

Schedule of Changes in Net Pension Liability and Related Ratios
Texas Municipal Retirement System
For the Year Ended September 30, 2015

	Measurement Year 2014
Total Pension Liability	
Service cost	$ 2,912,024
Interest (on the Total Pension Liability)	3,589,114
Changes of benefit terms	-
Difference between expencted and actual experience	884,323
Change of assumptions	-
Benefit payments, including refunds of employee contributions	(1,022,223)
Net Change in Total Penison Liability	6,363,238
Beginning total pension liability	50,328,156
Ending Total Penison Liability	$ 56,691,394
Plan Fiduciary Net Position	
Contributions - employer	$ 1,877,572
Contributions - employee	1,555,387
Net investment income	2,565,431
Benefit payments, including refunds of employee contributions	(1,022,223)
Administrative expense	(26,777)
Other	(2,202)
Net Change in Plan Fiduciary Net Position	4,947,188
Beginning plan fiduciary net position	44,833,006
Ending Plan Fiduciary Net Position	$ 49,780,194
Net Pension Liability	$ 6,911,200
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	87.81%
Covered Employee Payroll	$ 22,219,816
Net Pension Liability as a Percentage of Covered Employee Payroll	31.10%

Notes to Schedule:

Only one year of information is currently available. The City will build this schedule over the next nine year period.

Schedule of Contributions **City of Ce**
Texas Municipal Retirement System
For the Year Ended September 30, 2015

	Fiscal Year		
	2013	**2014**	**2015**
Actuarially determined contribution	1,715,640	1,831,299	2,130,241
Contributions in relation to the actuarially determined contribution	1,715,640	1,831,299	2,130,241
Contribution deficiency (excess)	-	-	-
Covered employee payroll	20,340,592	21,938,845	23,257,262
Contributions as a percentage of covered employee payroll	8.43%	8.35%	9.16%

Notes to Schedule:

Only three years of information are currently available. The City will build this schedule over the next seven year period.

Notes to Required Supplementary Information:

Valueation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	10 Year smoothed market, 15% soft corridor
Inflation	3.0%
Salary Increases	3.50% to 12.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience=based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experienc study of the period 2005 - 2009.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with ma rate multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

There were no benefit changes during the year.

Other Post Employment Benefits–Trend Information

Under GAAP, the City is required to have an actuarial valuation of its other post employment benefits program every other year. The Schedule of Funding Progress for other post employment benefits is as follows:

Fiscal Year Ended September 30	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	UAAL	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
2015	December 31, 2013	$ -	$ 1,954,023	$ 1,954,023	0.0%	$ 23,257,262	8.40%
2014	December 31, 2013	-	1,954,023	1,954,023	0.0%	22,219,816	8.79%
2013	December 31, 2011	-	1,020,510	1,020,510	0.0%	20,992,042	4.86%

CEDAR PARK

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Occupancy Tax – to account for the receipt and expenditure of funds received by the City from the assessment of hotel and motel occupancy tax.

Capital Metro Transit – to account for the receipt and expenditure of funds received from the Capital Metropolitan Authority, which are to be used for improvements to facilities.

Law Enforcement – to account for the receipt and expenditure of seized and donated funds to be used exclusively for law enforcement purposes.

Texas Capital – to account for economic development grants through the Texas Department of Commerce Texas Capital Funds program and business contributions to build facilities or infrastructure for businesses located in the Cedar Park area.

Restricted Grant – to account for all grants awarded to the City, and to account for any other funds donated to the City for a restricted purpose.

Cable – to account for franchise fees restricted for Public, Educational, and Governmental (PEG) channel activities including broadcasting services, audio-visual improvements, and programming.

Tax Increment Reinvestment Zone No. 1 – to account for activities within the zone that was established by ordinance in 2001. Financing is provided by a portion of the City's ad valorem taxes constituting its tax increment.

Tax Increment Reinvestment Zone No. 2 – to account for activities within the zone that was established by ordinance in 2013. Financing is provided by a portion of the City's ad valorem taxes and sales taxes constituting its tax increment.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Parks and Recreation – to account for all activities necessary for the acquisition and development of land for public parks and facilities. Financing is provided by general government resources and bond proceeds.

Building and Facilities – to account for all activities necessary for the construction or improvement of City buildings. Financing is provided by general government resources and bond proceeds.

2008 General Obligation Bonds – to account for the bond proceeds restricted for improvements to and construction of City streets, bridges and intersections, City parks and recreational facilities, and for public safety facilities. As the projects progress in the construction fund, transfers from this fund will reimburse them.

2009 General Obligation Bonds – to account for the bond proceeds restricted for improvements to and construction of City streets, bridges and intersections, City parks and recreational facilities, and for public safety facilities. As the projects progress in the construction fund, transfers from this fund will reimburse them.

2011 General Obligation Bonds – to account for the bond proceeds restricted for improvement, construction and extension of City streets, bridges and intersections. As the projects progress in the construction fund, transfers from this fund will reimburse them.

2012 General Obligation Bonds – to account for the bond proceeds restricted for improvement, construction and extension of City streets, bridges and intersections. As the projects progress in the construction fund, transfers from this fund will reimburse them.

2014 Tax and Revenue Bonds – to account for the bond proceeds restricted for improvement, construction and extension of City streets, bridges and intersections. As the projects progress in the construction fund, transfers from this fund will reimburse them.

2015 General Obligation Bonds – to account for the bond proceeds restricted for improvement, construction and extension of City streets, bridges and intersections. As the projects progress in the construction fund, transfers from this fund will reimburse them.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other City departments or to other governmental units on a cost-reimbursement basis.

Employee Benefits Fund – to account for activities related to the health, dental, and life insurance costs of City employees and their beneficiaries.

Vehicle & Equipment Services Fund – to account for maintenance and replacement costs of City-owned vehicles and heavy equipment.

DISCRETELY PRESENTED COMPONENT UNITS

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

***Community Development Corporation* –** to account for the receipt and expenditure of funds received by the Corporation for community development.

***Economic Development Corporation* –** to account for the receipt and expenditure of funds received by the Corporation for economic development.

Nonmajor Governmental Funds **City of Cedar Park, Texas**

Combining Balance Sheet

September 30, 2015

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and investments	$ 3,684,071	13,080,164	16,764,235
Other receivable	197,145	-	197,145
Total assets	3,881,216	13,080,164	16,961,380
LIABILITIES			
Accounts payable	102,738	269,332	372,070
Accrued liabilities	-	8,800	8,800
Due to other funds	19,000	-	19,000
Other liabilities	-	50,960	50,960
Total liabilities	121,738	329,092	450,830
FUND BALANCES			
Nonspendable:			
Restricted			
Occupancy Tax	1,421,360	-	1,421,360
Cable	224,095	-	224,095
General government	1,723,215	-	1,723,215
Public safety	390,808	-	390,808
Capital projects	-	12,751,072	12,751,072
Total fund balances	3,759,478	12,751,072	16,510,550
Total liabilities and fund balance	$ 3,881,216	13,080,164	16,961,380

Nonmajor Governmental Funds **City of Cedar Park, Texas**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended September 30, 2015

	Special Revenue	Capital Projects	Totals
REVENUES			
Taxes	$ 1,398,384	-	1,398,384
Intergovernmental	72,293	-	72,293
Interest earnings	14,891	72,023	86,914
Contributions	-	1,257,713	1,257,713
Other	604,858	-	604,858
Total revenues	2,090,426	1,329,736	3,420,162
EXPENDITURES			
Current:			
General government	116,444	-	116,444
Public safety	252,323	-	252,323
Cultural and recreational	27,547	-	27,547
Economic development	948,233	-	948,233
Capital outlay	114,421	1,145,045	1,259,466
Debt Service:			
Bond issuance costs	-	117,029	117,029
Total expenditures	1,458,968	1,262,074	2,721,042
Excess (Deficiency) Of Revenues Over (Under) Expenditures	631,458	67,662	699,120
OTHER FINANCING SOURCES (USES)			
Issuance of refunding debt	-	10,750,000	10,750,000
Premium from issuance of debt	-	1,014,029	1,014,029
Transfers in	-	598,413	598,413
Transfers out	-	(18,486,592)	(18,486,592)
Total other financing sources (uses)	-	(6,124,150)	(6,124,150)
Net Change In Fund Balances	631,458	(6,056,488)	(5,425,030)
Fund Balances, Beginning	3,128,020	18,807,560	21,935,580
Fund Balances, End of Year	$ 3,759,478	12,751,072	16,510,550

Nonmajor Governmental Funds-Special Revenue Funds
Combining Balance Sheet
September 30, 2015

	Occupancy Tax	Capital Metro Transit	Law Enforcement	Texas Capital
ASSETS				
Cash and investments	$ 1,316,820	42,924	48,065	6
Other receivable	108,471	-	-	-
Total assets	1,425,291	42,924	48,065	6
LIABILITIES				
Accounts payable	3,931	-	6,624	-
Due to other funds	-	-	-	-
Total liabilities	3,931	-	6,624	-
FUND BALANCES				
Restricted				
Occupancy Tax	1,421,360	-	-	-
Cable				
General government	-	42,924	-	6
Public safety	-	-	41,441	-
Total fund balances	1,421,360	42,924	41,441	6
Total liabilities and fund balance	$ 1,425,291	42,924	48,065	6

	Restricted Grant	Cable	Tax Increment Reinvestment Zone 1	Tax Increment Reinvestment Zone 2	Totals
ASSETS					
Cash and investments	$ 1,496,201	248,142	531,462	451	3,684,071
Other receivable	45,720	42,954	-	-	197,145
Total assets	1,541,921	291,096	531,462	451	3,881,216
LIABILITIES					
Accounts payable	25,182	67,001	-	-	102,738
Due to other funds	19,000	-	-	-	19,000
Total liabilities	44,182	67,001	-	-	121,738
FUND BALANCES					
Restricted					
Occupancy Tax	-	-	-	-	1,421,360
Cable		224,095			224,095
General government	1,148,372	-	531,462	451	1,723,215
Public safety	349,367	-	-	-	390,808
Total fund balances	1,497,739	224,095	531,462	451	3,759,478
Total liabilities and fund balance	$ 1,541,921	291,096	531,462	451	3,881,216

Nonmajor Governmental Funds-Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended September 30, 2015

	Occupancy Tax	Capital Metro Transit	Law Enforcement	Texas Capital
REVENUES				
Taxes	$ 637,096	-	-	-
Intergovernmental	-	-	-	-
Interest earnings	5,500	211	391	-
Other	-	-	66,873	1,110
Total revenues	642,596	211	67,264	1,110
EXPENDITURES				
Current:				
General government	-	-	-	1,104
Public safety	-	-	82,074	-
Cultural and recreational	-	-	-	-
Economic development	437,841	-	-	-
Capital outlay	-	-	-	-
Total expenditures	437,841	-	82,074	1,104
Net Change In Fund Balances	204,755	211	(14,810)	6
Fund Balances, Beginning	1,216,605	42,713	56,251	-
Fund Balances, Ending	$ 1,421,360	42,924	41,441	6

	Restricted Grant	Cable	Tax Increment Reinvestment Zone 1	Tax Increment Reinvestment Zone 2	Totals
REVENUES					
Taxes	$ -	177,254	584,034	-	1,398,384
Intergovernmental	72,293	-	-	-	72,293
Interest earnings	6,098	992	1,638	61	14,891
Other	536,875	-	-	-	604,858
Total revenues	615,266	178,246	585,672	61	2,090,426
EXPENDITURES					
Current:					
General government	19,679	95,661	-	-	116,444
Public safety	170,249	-	-	-	252,323
Cultural and recreational	27,547	-	-	-	27,547
Economic development	23,879	-	486,513	-	948,233
Capital outlay	-	114,421	-	-	114,421
Total expenditures	241,354	210,082	486,513	-	1,458,968
Net Change In Fund Balances	373,912	(31,836)	99,159	61	631,458
Fund Balances, Beginning	1,123,827	255,931	432,303	390	3,128,020
Fund Balances, Ending	$ 1,497,739	224,095	531,462	451	3,759,478

Nonmajor Governmental Funds-Capital Projects Funds
Combining Balance Sheet
September 30, 2015

	Parks and Recreation	Building & Facilities	2008 General Obligation Bonds	2009 General Obligation Bonds	2011 General Obligation Bonds	2012 General Obligation Bonds
ASSETS						
Cash and investments	$ 5,142,045	1,753,064	-	2,535,776	183,351	259,770
Total assets	5,142,045	1,753,064	-	2,535,776	183,351	259,770
LIABILITIES						
Accounts payable	-	269,332	-	-	-	-
Accrued liabilities	-	8,800	-	-	-	-
Other liabilities	50,960	-	-	-	-	-
Total liabilities	50,960	278,132	-	-	-	-
FUND BALANCES						
Restricted	5,091,085	1,474,932	-	2,535,776	183,351	259,770
Total fund balances	5,091,085	1,474,932	-	2,535,776	183,351	259,770
Total liabilities and fund balance	$ 5,142,045	1,753,064	-	2,535,776	183,351	259,770

	2014 Tax & Revenue Bonds	2015 General Obligation Bonds	Totals
ASSETS			
Cash and investments	$ 2,552,341	653,817	13,080,164
Total assets	2,552,341	653,817	13,080,164
LIABILITIES			
Accounts payable	-	-	269,332
Accrued liabilities	-	-	8,800
Other liabilities	-	-	50,960
Total liabilities	-	-	329,092
FUND BALANCES			
Restricted	2,552,341	653,817	12,751,072
Total fund balances	2,552,341	653,817	12,751,072
Total liabilities and fund balance	$ 2,552,341	653,817	13,080,164

Nonmajor Governmental Funds-Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended September 30, 2015

	Parks and Recreation	Buildings & Facilities	2008 General Obligation Bonds	2009 General Obligation Bonds	2011 General Obligation Bonds	2012 General Obligation Bonds
REVENUES						
Interest earnings	$ 14,873	7,891	6,452	14,635	2,166	6,180
Contributions	965,713	292,000	-	-	-	-
Total revenues	980,586	299,891	6,452	14,635	2,166	6,180
EXPENDITURES						
Current:						
Capital outlay	400,038	745,007	-	-	-	-
Debt Service:						
Bond issuance costs	-	-	-	-	-	-
Total expenditures	400,038	745,007	-	-	-	-
Excess (Deficiency) Of Revenues Over (Under) Expenditures	580,548	(445,116)	6,452	14,635	2,166	6,180
OTHER FINANCING SOURCES (USES)						
Issuance of refunding debt	-	-	-	-	-	-
Premium from issuance of debt	-	-	-	-	-	-
Transfers in	576,393	22,020	-	-	-	-
Transfers out	-	-	(406,393)	(84,726)	-	(1,230,000)
Total other financing sources (uses)	576,393	22,020	(406,393)	(84,726)	-	(1,230,000)
Net Change In Fund Balances	1,156,941	(423,096)	(399,941)	(70,091)	2,166	(1,223,820)
Fund Balances, Beginning	3,934,144	1,898,028	399,941	2,605,867	181,185	1,483,590
Fund Balances, Ending	$ 5,091,085	1,474,932	-	2,535,776	183,351	259,770

	2014 Tax & Revenue Bonds	2015 General Obligation Bonds	Totals
REVENUES			
Interest earnings	$ 13,009	6,817	72,023
Contributions	-	-	1,257,713
Total revenues	13,009	6,817	1,329,736
EXPENDITURES			
Current:			
Capital outlay	-	-	1,145,045
Debt Service:			
Bond issuance costs	-	117,029	117,029
Total expenditures	-	117,029	1,262,074
Excess (Deficiency) Of Revenues Over (Under) Expenditures	13,009	(110,212)	67,662
OTHER FINANCING SOURCES (USES)			
Issuance of refunding debt	-	10,750,000	10,750,000
Premium from issuance of debt	-	1,014,029	1,014,029
Transfers in	-	-	598,413
Transfers out	(5,765,473)	(11,000,000)	(18,486,592)
Total other financing sources (uses)	(5,765,473)	764,029	(6,124,150)
Net Change In Fund Balances	(5,752,464)	653,817	(6,056,488)
Fund Balances, Beginning	8,304,805	-	18,807,560
Fund Balances, Ending	$ 2,552,341	653,817	12,751,072

Debt Service Fund **City of Cedar Park, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2015

	Budgeted Amounts			
	Original	Final	Actual	Variance (1) Positive (Negative)
REVENUES				
Taxes and penalties	$ 14,079,217	15,711,820	15,252,906	(458,914)
Interest earnings	12,500	12,500	43,096	30,596
Contributions	3,746,299	3,746,299	3,482,799	(263,500)
Total revenues	17,838,016	19,470,619	18,778,801	(691,818)
EXPENDITURES				
Debt service:				
Principal	8,730,000	10,572,005	9,950,000	622,005
Interest and fiscal charges	6,538,929	6,538,929	6,303,471	235,458
Bond issuance costs	2,305,863	2,305,863	636,689	1,669,174
Total expenditures	17,574,792	19,416,797	16,890,160	2,526,637
Excess Of Revenues Over Expenditures	263,224	53,822	1,888,641	1,834,819
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	-	-	62,920,000	62,920,000
Premium from issuance of bonds	-	-	4,028,134	4,028,134
Payment to refunded bond escrow agent	-	-	(67,892,550)	(67,892,550)
Total other financing sources (uses)	-	-	(944,416)	(944,416)
Net Change In Fund Balance	263,224	53,822	944,225	890,403
Special item-Annexation	-	-	2,040,076	2,040,076
Fund Balance, Beginning	4,487,971	4,039,840	5,124,654	1,084,814
Fund Balance, Ending	$ 4,751,195	4,093,662	8,108,955	4,015,293

(1) Variance is actual to final budget.

Internal Service Funds **City of Cedar Park, Texas**

Combining Statement of Net Position

September 30, 2015

	Employee Benefits	Vehicle & Equipment Services	Total
ASSETS			
Current assets:			
Cash and investments	$ 1,107,223	6,474,883	7,582,106
Total current assets	1,107,223	6,474,883	7,582,106
Noncurrent assets:			
Machinery and equipment	-	12,178,681	12,178,681
Intangible assets	-	40,346	40,346
Less: Accumulated depreciation	-	(7,175,684)	(7,175,684)
Total capital assets	-	5,043,343	5,043,343
Total noncurrent assets	-	5,043,343	5,043,343
Total assets	1,107,223	11,518,226	12,625,449
LIABILITIES			
Current liabilities:			
Accounts payable	1,612	144,165	145,777
Total current liabilities	1,612	144,165	145,777
Total liabilities	1,612	144,165	145,777
NET POSITION			
Net investment in capital assets	-	5,043,343	5,043,343
Unrestricted	1,105,611	6,330,718	7,436,329
Total net position	$ 1,105,611	11,374,061	12,479,672

Internal Service Funds **City of Cedar Park, Texas**

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended September 30, 2015

	Employee Benefits	Vehicle & Equipment Services	Total
OPERATING REVENUES			
Charges for services	$ 3,288,361	3,278,753	6,567,114
Total operating revenues	3,288,361	3,278,753	6,567,114
OPERATING EXPENSES			
Distribution services and charges	2,767,579	-	2,767,579
Supplies and materials	-	133,144	133,144
Depreciation	-	1,417,202	1,417,202
Total operating expenses	2,767,579	1,550,346	4,317,925
OPERATING INCOME (LOSS)	520,782	1,728,407	2,249,189
NONOPERATING REVENUES (EXPENSES)			
Interest earnings	1,986	24,486	26,472
Total nonoperating revenues (expenses)	1,986	24,486	26,472
CHANGE IN NET POSITION	522,768	1,752,893	2,275,661
Total net position, beginning	582,843	9,621,168	10,204,011
Total net position, ending	$ 1,105,611	11,374,061	12,479,672

Combining Statement of Cash Flows
For the Year Ended September 30, 2015

	Employee Benefits	Vehicle & Equipment Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 3,288,361	3,278,753	6,567,114
Cash paid to suppliers for goods and services	(3,069,757)	(34,921)	(3,104,678)
Net cash provided by operating activities	218,604	3,243,832	3,462,436
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(1,552,031)	(1,552,031)
Net cash (used) for capital and related financing activities	-	(1,552,031)	(1,552,031)
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	1,986	24,486	26,472
Net cash provided by investing activities	1,986	24,486	26,472
Net increase (decrease) in cash and cash equivalents	220,590	1,716,287	1,936,877
Cash and cash equivalents, October 1	886,633	4,758,596	5,645,229
Cash and cash equivalents, September 30	$ 1,107,223	6,474,883	7,582,106
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ 520,782	1,728,407	2,249,189
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	-	1,417,202	1,417,202
Changes in assets and liabilities:			
Increase (decrease) in liabilities:			
Accounts payable	(302,178)	98,223	(203,955)
Net cash provided by operating activities	$ 218,604	3,243,832	3,462,436

CEDAR PARK

STATISTICAL SECTION
(Unaudited)

CITY OF CEDAR PARK, TEXAS

STATISTICAL SECTION
(Unaudited)

This part of the City of Cedar Park'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 City's overall financial health.

Contents:

Financial Trends

These schedules contain information to assist the reader in obtaining a better understanding of how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to assist the reader in obtaining a better understanding of the City's significant revenue source, the property tax.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting basic financial information include information beginning in that year.

Net Position by Component
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Cedar Park, Texas
Table I

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
Governmental activities										
Net investment in capital assets	161,431	158,218	154,520	136,368	142,762	125,090	117,722	103,639	78,705	44,224
Restricted	33,803	21,333	11,372	10,656	5,961	8,169	4,816	19,553	18,364	30,026
Unrestricted	(1,399)	16,121	12,931	18,273	17,338	18,492	16,779	12,969	16,556	12,532
Total governmental activities net position	193,835	195,672	165,297	166,061	166,061	151,751	139,317	136,161	113,625	86,782
Business-type activities										
Net investment in capital assets	156,572	154,336	145,121	133,655	111,952	108,617	113,913	114,551	101,228	82,484
Restricted	18,613	18,658	16,193	14,811	13,449	12,967	13,348	18,966	11,538	22,107
Unrestricted	49,878	27,034	29,234	34,494	38,443	31,903	22,836	10,111	16,946	7,464
Total business-type activities net position	225,063	200,028	182,960	163,844	163,844	153,487	150,097	143,628	129,712	112,055
Primary government										
Net investment in capital assets	318,003	312,554	299,641	270,023	254,714	233,707	231,635	218,190	179,933	126,708
Restricted	52,416	39,991	27,565	25,467	19,410	21,136	18,164	38,519	29,902	52,133
Unrestricted	48,479	43,155	42,165	52,767	55,781	50,395	39,615	23,080	33,502	19,996
Total primary government net position	418,898	395,700	348,257	329,905	329,905	305,238	289,414	279,789	243,337	198,837

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Cedar Park, Texas
Table II

	2015	2014	2013	2012	2011	2010 (1)	2009 (2)	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
Expenses										
Governmental activities										
General government	17,986	16,663	15,616	12,955	13,262	11,618	7,986	8,575	10,180	6,515
Public safety	21,736	19,105	18,278	16,463	15,759	14,996	15,347	13,736	11,635	10,185
Culture and recreation	5,592	5,029	4,773	4,732	4,670	4,136	4,437	2,769	3,148	2,884
Streets and lighting	4,361	3,729	3,439	4,805	4,554	4,066	3,634	4,700	3,735	3,354
Interest on long-term debt	6,324	6,353	6,792	6,987	6,983	7,212	6,995	5,298	3,493	3,501
Total governmental activities	55,999	50,879	45,942	45,228	45,228	42,028	38,399	35,078	32,191	26,439
Business-type activities										
Water and sewer	24,304	23,413	24,623	21,774	23,744	21,456	24,250	23,358	19,867	19,150
Solid waste	3,686	3,602	3,436	3,188	2,746	2,411	-	-	-	-
Total business-type activities	27,990	27,015	24,962	26,490	26,490	21,456	24,250	23,358	19,867	19,150
Total primary government expenses	83,989	77,894	70,904	71,718	71,718	63,484	62,649	58,436	52,058	45,589
Program Revenues										
Governmental activities										
Charges for services										
General government	2,444	2,428	2,458	2,253	1,371	1,298	1,287	2,208	2,879	3,046
Public safety	2,506	2,949	2,737	2,556	2,932	2,650	2,563	2,683	2,409	1,844
Culture and recreation	1,439	1,356	1,318	1,215	1,129	1,023	759	618	540	515
Operating grants and contributions	3,561	3,573	3,640	3,604	734	997	4,133	768	293	369
Capital grants and contributions	11,210	11,849	9,956	8,201	18,250	13,708	13,376	11,941	15,511	17,670
Total governmental activities	21,160	22,155	17,829	24,416	24,416	19,676	22,118	18,218	21,632	23,444
Business-type activities										
Charges for services										
Water and sewer	29,968	28,216	28,197	29,055	31,038	25,297	28,404	26,689	20,257	21,290
Solid waste	3,810	3,623	3,339	3,111	2,773	2,463	-	-	-	-
Capital grants and contributions	5,326	7,579	7,610	4,905	5,701	3,438	4,255	11,872	17,282	16,351
Total business-type activities	39,104	39,418	37,071	39,512	39,512	31,198	32,659	38,561	37,539	37,641
Total primary government program revenues	60,264	61,573	54,900	63,928	63,928	50,874	54,777	56,779	59,171	61,085
Net (expense)/revenue										
Governmental activities	(34,838)	(28,724)	(28,113)	(20,812)	(20,812)	(22,352)	(16,281)	(16,860)	(10,559)	(2,995)
Business-type activities	11,113	12,403	12,109	13,022	13,022	9,742	8,409	15,203	17,672	18,491
Total primary government net revenue (expense)	(23,725)	(16,321)	(16,004)	(7,790)	(7,790)	(12,610)	(7,872)	(1,657)	7,113	15,496

Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual basis of accounting)

City of Cedar Park, Texas
Table II

	2015	2014	2013	2012	2011	2010 (1)	2009 (2)	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes	31,030	25,839	23,802	21,222	20,103	20,036	19,626	17,097	14,085	12,354
Sales taxes	11,186	10,165	8,699	7,884	7,003	6,538	6,415	13,629	11,389	9,600
Franchise fees	4,453	4,252	3,940	3,843	3,637	3,249	3,193	2,919	2,583	2,518
Other taxes	846	721	643	504	481	351	289	308	296	243
Interest and other	1,649	1,477	1,953	1,104	922	880	2,387	3,101	6,756	2,392
Transfers	(14,164)	3,117	3,277	(6,941)	2,976	3,733	2,406	2,341	2,170	1,970
Total governmental activities	35,000	45,571	27,616	35,122	35,122	34,787	34,316	39,395	37,279	29,077
Business-type activities										
Interest and other	346	195	(222)	562	310	(209)	467	1,055	1,851	1,753
Transfers	14,164	(3,117)	(3,277)	6,941	(2,976)	(3,733)	(2,406)	(2,341)	(2,170)	(1,970)
Total business-type activities	14,510	(2,922)	7,503	(2,666)	(2,666)	(3,942)	(1,939)	(1,286)	(319)	(217)
Total primary government	49,510	42,649	35,119	32,456	32,456	30,845	32,377	38,109	36,960	28,860
Changes in Net Position										
Governmental activities	162	16,847	(497)	14,310	14,310	12,435	18,035	22,535	26,720	26,082
Business-type activities	25,624	9,481	19,612	10,356	10,356	5,800	6,470	13,917	17,353	18,274
Total primary government	25,786	26,328	19,115	24,666	24,666	18,235	24,505	36,452	44,073	44,356

(1) Beginning in fiscal year 2010, solid waste activities are reported as a separate activity. Prior to 2010, these activities were combined with water and sewer activities.

(2) Beginning in fiscal year 2009, the Community Development and Economic Development Corporation activities were reported as discretely presented component units. In fiscal year 2009, the City implemented an accounting change to present those corporations discretely.

Taxable Sales by Category
Last Ten Fiscal Years (In thousands)

City of Cedar Park, Texas
Table III

	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
Agriculture, forestry, fishing	20	39	29	8	7	3	9	-	-	-
Construction	465	266	207	204	179	137	217	604	500	394
Finance, insurance, real estate	40	29	30	79	58	52	74	204	268	242
Manufacturing	201	626	276	117	100	80	69	244	190	262
Other	476	481	142	362	263	191	198	338	352	232
Retail trade	6,623	5,116	5,164	4,485	4,043	2,981	2,972	5,242	4,396	4,178
Services	2,821	2,506	2,377	2,156	2,002	1,446	1,337	2,866	2,030	1,756
Transportation, communications, utilities	4	637	19	3	4	5	3	4	4	-
Wholesale trade	184	308	340	299	219	181	86	326	298	242
Arts, entertainment, recreation	353	159	115	170	127	108	31	28	20	20
Total	11,187	10,167	8,699	7,883	7,002	5,184	4,996	9,856	8,058	7,326
City sales tax rate (primary government)	1%	1%	1%	1%	1%	1%	2%	2%	2%	2%

(1) Beginning in fiscal year 2009, primary government sales tax revenues do not include the Community Development Corporation and Economic Development Corporation sales tax data. In fiscal year 2009, the City implemented an accounting change to present those corporations discretely.

Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Cedar Park, Texas
Table IV

	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
General fund										
Reserved	N/A	N/A	N/A	N/A	N/A	24	531	58	39	1
Unreserved	N/A	N/A	N/A	N/A	N/A	16,999	14,665	14,436	13,293	9,727
Nonspendable	53	24	32	30	26	N/A	N/A	N/A	N/A	N/A
Restricted	-	-	-	1,334	-	N/A	N/A	N/A	N/A	N/A
Committed	329	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Assigned	155	1,047	1,202	-	-	N/A	N/A	N/A	N/A	N/A
Unassigned	18,846	16,954	14,432	13,615	11,935	N/A	N/A	N/A	N/A	N/A
Total general fund	19,383	18,025	15,666	14,979	11,961	17,023	15,196	14,494	13,332	9,728
All other governmental funds										
Reserved	N/A	N/A	N/A	N/A	N/A	4,194	4,098	2,765	1,990	1,278
Unreserved, reported in:										
Special revenue funds	N/A	N/A	N/A	N/A	N/A	2,585	2,007	18,072	16,236	13,847
Capital projects funds	N/A	N/A	N/A	N/A	N/A	21,395	16,026	63,764	29,408	14,936
Nonspendable	-	-	1	12	-	N/A	N/A	N/A	N/A	N/A
Restricted	41,587	31,968	22,007	24,097	17,724	N/A	N/A	N/A	N/A	N/A
Committed	29,719	-	-	-	540	N/A	N/A	N/A	N/A	N/A
Assigned	-	-	-	-	4,954	N/A	N/A	N/A	N/A	N/A
Unassigned	-	-	(1)	-	N/A	N/A	N/A	N/A	N/A	N/A
Total all other governmental funds	41,587	31,968	22,007	24,109	23,218	28,174	22,131	84,601	47,634	30,061
Total all governmental funds	60,970	49,993	37,673	39,088	35,179	45,197	37,327	99,095	60,966	39,789

Note: The City implemented GASB Statement No. 54, which changed the reporting requirements for fund balances, in fiscal year 2011.

(1) In FY2009, an accounting change was implemented to discretely present the Community Development Corporation and the Economic Development Corporation. These funds were previously classified as Unreserved Fund Balance reported in Special Revenue funds.

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Cedar Park, Texas
Table V

	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007	2006
	$	$	$	$	$	$	$	$	$	$
REVENUES										
Taxes	47,540	40,933	37,112	33,445	31,342	30,132	29,532	33,986	28,300	24,617
Permits, licenses and fees	1,849	1,826	1,913	1,739	1,346	1,273	1,163	2,087	2,767	2,949
Fines and forfeitures	720	1,209	933	963	976	677	753	1,001	1,155	939
Charges for services	3,821	3,697	3,666	3,323	3,436	3,350	2,832	2,429	1,863	1,412
Intergovernmental	1,428	2,885	403	4,768	5,473	852	553	420	203	426
Interest earnings	378	172	129	178	148	235	995	2,435	2,938	1,609
Contributions	6,305	6,356	4,880	4,730	4,487	7,988	14,461	996	-	-
Other	1,286	1,916	1,835	800	837	537	684	981	1,616	866
Total revenues	63,327	58,994	49,946	48,045	48,045	45,044	50,973	44,335	38,842	32,818
EXPENDITURES										
General government	11,066	8,619	8,047	7,236	6,827	6,944	6,095	6,728	5,542	4,904
Public safety	21,498	19,793	18,388	16,834	15,383	14,795	14,273	13,206	11,198	9,837
Culture and recreation	5,117	4,379	4,061	3,878	3,715	3,459	3,960	3,522	2,864	2,656
Streets and lighting	2,875	2,567	2,597	2,110	1,996	1,859	1,638	2,610	1,455	1,577
Economic development	948	859	901	753	1,709	351	301	739	1,244	659
Capital outlay	10,629	20,115	7,044	17,153	18,600	11,654	58,998	35,670	11,684	8,512
Debt service:										
Principal	9,950	8,445	7,300	7,575	5,610	5,573	4,631	4,460	3,259	2,839
Interest and fiscal charges	6,303	6,258	6,863	7,253	7,068	7,156	7,822	3,924	3,328	3,380
Bond issuance costs	754	468	198	-	-	-	-	1,258	427	72
Total expenditures	69,140	71,503	62,792	60,908	60,908	51,791	97,718	72,117	41,001	34,436
Deficiency of revenues over expenditures	(5,813)	(12,509)	(12,846)	(12,863)	(12,863)	(6,747)	(46,745)	(27,782)	(2,159)	(1,618)
Other financing sources (uses)										
Issuance of debt	73,670	29,865	15,865	25,195	(65)	13,345	-	63,520	29,850	2,770
Bond premiums (discounts)	5,042	820	-	3,942	(23)	102	-	49	653	(16)
Payment to bond escrow agent	(67,893)	(8,974)	(15,667)	(26,616)	3,929	(1,362)	-	-	(9,335)	-
Transfers in	21,847	23,259	7,801	14,388	16,195	9,524	51,224	34,959	12,968	10,423
Transfers out	(19,089)	(20,142)	(4,886)	(9,922)	(13,219)	(6,991)	(48,818)	(32,617)	(10,800)	(8,443)
Other	3,213	-	-	1,589	-	-	-	-	-	-
Total other financing sources	16,790	24,828	8,576	6,817	6,817	14,618	2,406	65,911	23,336	4,734
Net change in fund balances	10,977	12,319	(4,270)	(6,046)	(6,046)	7,871	(44,339)	38,129	21,177	3,116
Debt service as a percentage of noncapital expenditures	28.60%	24.84%	25.41%	29.97%	29.97%	31.71%	32.16%	23.00%	22.47%	23.99%

(1) In FY2009, an accounting change was implemented to discretely present the Community Development Corporation and the Economic Development Corporation.

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

City of Cedar Park, Texas
Table VI

Fiscal Year	Real Property Assessed Value	Real Property Estimated Actual Value	Personal Property Assessed Value	Personal Property Estimated Actual Value	Total Assessed Value	Total Estimated Actual Value	Direct Tax Rate	Ratio of Total Assessed to Total Estimated Actual Value
	$	$	$	$	$	$	$	
2006	2,158,882,934	2,158,882,934	176,003,548	176,003,548	2,334,886,482	2,334,886,482	0.518070	100%
2007	2,473,349,254	2,473,349,254	200,799,156	200,799,156	2,674,148,410	2,674,148,410	0.518070	100%
2008	3,034,100,645	3,034,100,645	236,137,255	236,137,255	3,270,237,900	3,270,237,900	0.508070	100%
2009	3,688,102,645	3,688,102,645	292,200,548	292,200,548	3,980,303,193	3,980,303,193	0.489001	100%
2010	3,748,717,862	3,748,717,862	314,529,746	314,529,746	4,063,247,608	4,063,247,608	0.489001	100%
2011	3,967,805,242	3,967,805,242	277,609,702	277,609,702	4,245,414,944	4,245,414,944	0.493501	100%
2012	4,139,882,394	4,139,882,394	295,446,592	295,446,592	4,435,328,986	4,435,328,986	0.493501	100%
2013	4,431,117,106	4,431,117,106	324,906,758	324,906,758	4,756,023,864	4,756,023,864	0.493501	100%
2014	4,557,237,308	4,557,237,308	346,454,226	346,454,226	4,903,691,534	4,903,691,534	0.492500	100%
2015	4,658,071,476	4,658,071,476	392,935,063	392,935,063	5,051,006,539	5,051,006,539	0.485000	100%

Source: Williamson Central Appraisal District
Travis Central Appraisal District

Property Tax Rates – Direct and Overlapping Governments **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table VII**

Fiscal Year	City of Cedar Park General Fund	City of Cedar Park Debt Service Fund	City of Cedar Park Total City	Leander Independent School District	Round Rock Independent School District	Travis County	Williamson County
	$	$	$	$	$	$	$
2006	0.258160	0.259910	0.518070	1.7500	1.8334	0.4993	0.4997
2007	0.260000	0.258070	0.518070	1.6438	1.6406	0.4216	0.4997
2008	0.244870	0.263200	0.508070	1.3334	1.3238	0.4216	0.4891
2009	0.243140	0.245861	0.489001	1.3792	1.3324	0.4122	0.4683
2010	0.248783	0.240218	0.489001	1.4223	1.3800	0.4215	0.4900
2011	0.251408	0.242093	0.493501	1.4548	1.3800	0.4658	0.4900
2012	0.261739	0.231762	0.493501	1.4998	1.3350	0.4855	0.4877
2013	0.258464	0.235037	0.493501	1.5119	1.3800	0.5001	0.4890
2014	0.252839	0.239661	0.492500	1.5119	1.3674	0.4563	0.4890
2015	0.242250	0.242750	0.485000	1.5119	1.3643	0.4169	0.4815

Source: Tax office of the respective entities

*Note: Tax rates are set as an amount per $100 assessed value.
The boundaries of the City of Cedar Park fall within two Counties and two School Districts.
Property taxes are assessed according to each taxing authority's jurisdiction.

Principal Property Taxpayers
Current year and Nine Years Ago

City of Cedar Park, Texas
Table VIII

Name of Taxpayer	Type of Property	2015 Taxable Value	2015 Rank	2015 Percentage of Total Taxable Value	2006 Taxable Value	2006 Rank	2006 Percentage of Total Taxable Value
		$		%	$		%
Inland Western Cedar Park 1890 Ranch LP	Commercial	92,900,096	1	1.84			
Cedar Park Health System LP	Commercial	76,854,617	2	1.52			
Muir Lake LTD	Real estate	40,174,025	3	0.80			
Ranger Excavating	Commercial	40,376,976	4	0.80			
Allure Acquisition LLC	Real estate	38,295,727	5	0.76			
Northland Lakeline II LLC	Real estate	37,684,986	6	0.75			
UDR Red Stone Ranch LLC	Industrial	33,649,217	7	0.67			
AMFP I Altea LLC	Real estate	33,633,131	8	0.67			
Mid-America Apartments LP	Real estate	31,841,676	9	0.63			
National Oilwell Varco LP	Industrial	37,256,945	10	0.74			
Northland Lakeline LP	Real estate				$ 25,769,938	1	1.10
Heritage-1440 Montfort LP	Real estate				22,535,001	2	0.97
Silverado Holdings	Real estate				20,997,647	3	0.90
UDR Lakeline LP	Real estate				17,725,512	4	0.76
AB Middle Brook LP	Real estate				17,393,870	5	0.74
Wal-Mart Stores Texas LP	Retail				14,222,611	6	0.61
Whitestone Market, Inc.	Real estate				13,726,618	7	0.59
HEB Grocery Company	Retail				9,527,043	8	0.41
Continental Homes of Texas L.P.	Real estate				8,839,956	9	0.38
HD Development Properties L.P.	Real estate				8,822,022	10	0.38
	Subtotal	462,667,396		9.18	159,560,218		6.84
All Other		4,588,339,143		90.85	2,175,326,264		93.18
	Total	5,051,006,539		100.03	2,334,886,482		100.02

Source: Williamson Central Appraisal District

Property Tax Levies and Collections **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table IX**

Fiscal Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy: Current Tax Collections	Collected Within the Fiscal Year of the Levy: Percentage of Levy Collected	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
	$	$		$	$	
2007	13,853,961	13,745,716	99.22%	94,595	13,840,311	99.901%
2008	16,615,098	16,491,985	99.26%	112,882	16,604,867	99.938%
2009	19,478,993	19,252,453	98.84%	209,010	19,461,463	99.910%
2010	19,867,593	19,668,121	99.00%	180,404	19,848,525	99.904%
2011	19,956,358	19,802,782	99.23%	131,741	19,934,523	99.891%
2012*	21,810,370	21,705,277	99.52%	79,673	21,784,950	99.883%
2013	23,359,105	23,326,490	99.86%	-	23,326,490	99.860%
2014	24,150,681	24,067,234	99.65%	N/A	24,067,234	99.654%
2015	24,497,382	24,430,816	99.73%	N/A	24,430,816	99.728%

Source: Williamson County Tax Assessor
Travis County Tax Office

* Includes annexed area of WCID 1D.

Ratios of Outstanding Debt by Type **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table X**

	Governmental Activities							
Fiscal Year	General Obligation Bonds	Certificates of Obligations	Community Development Bonds (1)	Economic Development Bonds (1)	Deferred Charges	Capital Lease Payable	State Comptroller Note	Total Governmental Activities
	$	$	$	$	$	$	$	$
2006	60,300,151	6,675,000	2,840,000	-	807,316	328,976	92,848	71,044,291
2007	77,107,828	7,571,250	2,700,000	-	833,093	143,730	81,206	88,437,107
2008	93,727,690	6,256,250	2,550,000	43,905,000	829,524	110,970	66,909	147,446,343
2009	89,940,002	5,712,500	-	43,605,000	775,310	90,019	42,818	140,165,649
2010	97,900,000	5,130,000	-	42,655,000	765,659	61,329	43,105	146,555,093
2011	99,325,000	2,765,000	-	41,670,000	833,637	31,342	29,926	144,654,905
2012	108,110,000	1,955,000	-	40,640,000	4,889,408	-	1,350,313	156,944,721
2013	103,245,000	1,680,000	-	39,565,000	3,975,134	-	1,204,158	149,669,292
2014	105,940,000	13,015,000	-	38,440,000	4,526,799	-	1,046,964	162,968,763
2015	111,820,000	24,985,000	-	42,755,000	8,893,376	-	892,183	189,345,559

	Business-Type Activities							
Fiscal Year	General Obligation Bonds	Certificates of Obligations	Revenue Bonds	Tax and Revenue Bonds	Deferred Charges	Capital Lease Payable	State Comptroller Note	Total Business-type Activities
	$	$	$	$	$	$	$	$
2006	9,569,849	-	47,495,000	-	233,822	-	-	57,298,671
2007	7,897,174	-	46,363,750	-	49,253	-	-	54,310,177
2008	7,127,312	-	43,878,750	-	72,542	-	-	51,078,604
2009	6,230,000	-	41,397,500	-	94,817	-	-	47,722,317
2010	11,395,000	-	55,830,000	-	913,222	-	-	68,138,222
2011	5,660,000	-	57,855,000	-	897,006	-	-	64,412,006
2012	8,535,000	-	50,525,000	-	2,238,969	-	-	61,298,969
2013	7,095,000	-	48,480,000	-	1,706,089	-	-	57,281,089
2014	5,600,000	-	45,920,000	-	1,422,194	-	-	52,942,194
2015	43,995,000	-	43,995,000	-	10,513,084	-	-	98,503,084

Fiscal Year	Total Primary Government	Personal Income	Percentage of Personal Income	Population	Debt per Capita
	$	$			$
2005	71,189,648	1,200,890,004	5.93%	42,618	1,670
2006	71,044,291	1,369,142,226	5.19%	45,594	1,558
2007	88,437,107	1,449,449,640	6.10%	50,220	1,761
2008	147,446,343	1,666,510,524	8.85%	52,731	2,796
2009	140,165,649	1,924,716,495	7.28%	54,015	2,595
2010	146,555,093	1,561,324,840	9.39%	56,072	2,614
2011	144,654,905	2,325,288,345	6.22%	58,035	2,493
2012	218,243,690	2,325,288,345	9.39%	58,450	3,734
2013	206,950,381	2,586,242,556	8.00%	60,446	3,424
2014	215,910,957	2,586,242,556	8.35%	61,163	3,530
2015	287,848,643	2,674,061,651	10.76%	67,537	4,262

(1) In FY2009, an accounting change was implemented to discretely present the Community Development Corporation and Economic Development Corporation. Community Development Corporation debt was issued in its name and is not considered debt of the primary government. Economic Development bonds are issued in the City's name and are considered debt of the primary government.

Source: Income per Capita - City of Cedar Park Economic Development Department
Personal income is the factor of population and income per capita.

Computation of Direct and Estimated Overlapping Bonded Debt **City of Cedar Park, Texas**
As of September 30, 2015 **Table XI**

Name of Governmental Unit	Net General Obligation Debt Outstanding as of September 30, 2015		Estimated Percent Applicable to the City of Cedar Park	City's Overlapping Tax Supported Debt
	$			$
Governmental Activities				
General obligation bonds	117,358,301			
Certificates of obligations	26,222,475			
Economic Development bonds	44,872,600			
Note Payable	892,183			
Total governmental activities debt	189,345,559	(1)	100.00%	189,345,559
Other Taxing Jurisdictions				
Austin Community College District	245,488,659		4.59%	11,267,929
Leander ISD	1,072,980,342		31.46%	337,559,616
Round Rock ISD	806,725,000		2.32%	18,716,020
Travis County	695,034,987		0.24%	1,668,084
Travis County Healthcare District	12,305,000		0.24%	29,532
Williamson County	965,104,942		12.60%	121,603,223
Williamson-Travis MUD #1	4,350,000		4.35%	189,225
Total other taxing jurisdictions	3,801,988,930			491,033,629
Total Direct and Overlapping Tax Supported Debt				680,379,188
Ratio of Direct and Overlapping Tax Supported Debt to Assessed Valuation (2)			13.47%	
Per Capita Overlapping Tax Supported Debt (3)				11,124

Source: Taxing jurisdictions, Williamson Central Appraisal District, Travis Central Appraisal District, and Municipal Advisory Council of Texas

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the City residents and businesses. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore, responsible for repaying the debt of each overlapping government.

(1) Excludes general obligation debt reported in proprietary funds.
(2) Based on assessed valuation of $4,903,691,534 provided by the Williamson Central Appraisal District and Travis Central Appraisal District.
(3) Based on estimated population of 65,890.

Legal Debt Margin Information **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table XII**

Fiscal Year	Assessed Taxable Value	Debt Limit (1)	Amount Expended for General Obligation Debt Service	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
	$	$	$	$	
2006	2,334,886,482	35,023,297	6,058,656	28,964,641	17.30%
2007	2,674,148,410	40,112,226	6,433,654	33,678,572	16.04%
2008	3,270,237,900	49,053,569	8,238,728	40,814,841	16.80%
2009	3,980,303,193	59,704,548	12,453,668	47,250,880	20.86%
2010	4,063,247,608	60,948,714	12,728,201	48,220,513	20.88%
2011	4,245,414,944	63,681,224	14,703,102	48,978,122	23.09%
2012	4,435,328,986	66,529,935	15,114,421	51,415,514	22.72%
2013	4,756,023,864	71,340,358	14,360,571	56,979,787	20.13%
2014	4,903,691,534	73,555,373	14,784,337	58,771,036	20.10%
2015	5,051,006,539	75,765,098	16,253,471	59,511,627	21.45%

Note: The City Charter limits general obligation debt of the City of Cedar Park to 10% of the net taxable value of property on the tax rolls of the City. The general obligation debt is further limited by the State of Texas. The State limit is established by Article VI, Section 5 of the Texas Constitution. Article XI, Section 5 limits the maximum ad valorem tax rate to $2.50 per $100 per assessed valuation (for all City purposes). Administratively, the Attorney General of the State of Texas will permit allocation of $1.50 of the maximum tax rate for general obligation debt service.

(1) Debt limit of $1.50 per $100 of assessed valuation as established by State Statute.

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

City of Cedar Park, Texas
Table XIII

	General Bonded Debt Outstanding							
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Deferred Charges	Net General Bonded Debt	Population	Assessed Value	Ratio of General Bonded Debt to Assessed Value	General Bonded Debt per Capita
	$	$	$	$		$		$
2006	69,870,000	6,675,000	813,688	77,358,688	45,594	2,334,886,482	3.3%	1,697
2007	85,005,002	7,571,250	814,519	93,390,771	50,220	2,674,148,410	3.5%	1,860
2008	100,855,002	6,256,250	576,510	107,687,762	52,731	3,270,237,900	3.3%	2,042
2009	96,170,002	5,712,500	544,944	102,427,446	54,015	3,980,303,193	2.6%	1,896
2010	109,295,000	5,130,000	696,278	115,121,278	56,072	4,063,247,608	2.8%	2,053
2011	104,985,000	2,765,000	671,935	108,421,935	58,035	4,245,414,944	2.6%	1,868
2012	113,770,000	1,955,000	3,650,836	119,375,836	58,450	4,435,328,986	2.7%	2,042
2013	110,340,000	1,680,000	3,104,450	115,124,450	60,446	4,756,023,864	2.4%	1,905
2014	111,540,000	13,015,000	3,575,822	122,530,822	61,163	4,903,691,534	2.5%	2,003
2015	117,180,000	24,985,000	6,930,362	149,095,362	67,537	5,051,006,539	3.0%	2,208

Source: Population from Planning Department, City of Cedar Park, Texas
Assessed Valuation from Williamson Central Appraisal District
and Travis Central Appraisal District

	Water and Sewer Bonds				
Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements-Principal and Interest	Revenue Bond Coverage
	$	$	$	$	
2006	23,038,386	12,404,424	10,633,962	5,687,848	1.870
2007	22,119,760	13,303,900	8,815,860	5,801,453	1.520
2008	27,743,576	16,166,582	11,576,994	5,769,894	2.006
2009	28,791,190	17,254,766	11,536,424	5,766,902	2.000
2010	25,365,706	13,278,417	12,087,289	5,466,750	2.211
2011	31,038,423	15,318,995	15,719,428	5,624,413	2.795
2012	29,055,461	13,537,541	15,517,920	7,167,738	2.165
2013	28,196,601	16,349,924	11,846,677	7,048,161	1.681
2014	28,216,004	15,890,533	12,325,471	7,065,336	1.744
2015	29,968,170	16,265,690	13,702,480	7,463,350	1.836

	Solid Waste Bonds (3)				
Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements-Principal and Interest	Revenue Bond Coverage
	$	$	$	$	
2011	2,772,596	2,563,116	209,480	168,654	1.242
2012	3,110,633	2,973,965	136,668	175,685	0.778
2013	3,338,590	3,259,261	79,329	177,735	0.446
2014	3,623,250	3,428,930	194,320	174,735	1.112
2015	3,810,121	3,516,470	293,651	176,414	1.665

(1) Gross revenue includes revenues from operations and interest income.
(2) Operating expenses, excluding depreciation
(3) The Solid Waste Fund was created in fiscal year 2010.

Principal Employers
Current Year and Nine Years Ago

City of Cedar Park, Texas
Table XV

	2015			2006	
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Leander Independent School District	4,823	1	18%	1,076	16%
HEB Grocery	575	2	2%	560	8%
National Oilwell Varco (MD Totco)	275	3	1%	230	3%
City of Cedar Park	415	4	2%	305	4%
Cedar Park Regional Medical Center	375	5	1%	N/A	N/A
BMC Corporation	275	6	1%	N/A	N/A
ETS Lindgren	270	7	1%	100	1%
CoreSlab	250	8	1%	200	3%
Wal-Mart	300	9	1%	379	5%
Texas Quarries	150	10	1%	130	2%

Source: Economic Development Department, City of Cedar Park

Demographic Statistics **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table XVI**

Fiscal Year	Population	Personal Income	Income Per Capita	School Enrollment	Unemployment Rate
		$	$		
2006	45,594	1,549,740,060	33,990	22,114	4.0%
2007	50,220	1,813,996,620	36,121	24,230	3.3%
2008	52,731	1,989,751,554	37,734	26,443	4.0%
2009	54,015	1,976,462,865	36,591	28,364	5.8%
2010	56,072	2,118,007,656	37,773	30,321	5.7%
2011	58,035	2,325,288,345	40,067	32,034	6.4%
2012	58,450	2,427,194,700	41,526	34,122	5.6%
2013	60,446	2,586,242,556	42,786	34,381	4.8%
2014	61,163	2,674,061,651	43,720	36,192	3.8%
2015	67,537	3,022,582,790	44,754	37,042	3.0%

Sources: Unemployment Rate from Texas Workforce Commission
Population - City of Cedar Park Planning Department
Personal income is the factor of population and income per capita.
Income per Capita - City of Cedar Park Economic Development Department
School Enrollment from Population & Survey Analysts

Full-Time Equivalent Employees by Function **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table XVII**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Function										
Governmental Activities										
General Government										
City Manager	4	4	4	4	4	4	4	4	4	6
City Secretary	1	1	1	1	1	1	1	1	1	1
Finance	7	7	7	7	7	7	7	7	5	4
Information Technology	7	6	6	5	5	5	5	4	4	3
Human Resources	5	5	5	4	4	4	4	4	4	4
Public Information	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	-
Economic Development	2	2	2	2	3	2	2	2	2	1
Public Works/Engineering	8	8	8	8	9	8	8	8	8	7
Planning and Transportation	7	7	7	5	7	8	8	8	8	8
Maintenance	7	7	7	7	6	6	5	5	4	4
Legal Services	4	4	4	4	4	3	3	3	3	2
Public Safety										
Municipal Court	9.5	9.5	9.5	9.5	9.5	9.5	9.5	8.5	7.5	7.5
Police	120	112	107	101	100	101	101	94	84	74
Animal Control	4	4	4	3	3	3	3	3	3	3
Building Inspection	12	12	11	10	11	11	11	11	11	10
Fire	72	70	70	72	71	74	74	73.5	66.5	61.5
Code Enforcement	3	3	3	3	3	-	-	-	-	-
Emergency Management	1	1	1	1	1	-	-	-	-	-
Cultural and Recreational										
Parks and Recreation	35	33	33	30.5	30.5	30.5	30.5	22	21	20
Library	19	18.25	18.25	17.75	17.75	17.75	18.75	18.25	17.75	17.75
Tourism	1.5	1.5	1.5	1.5	-	-	-	-	-	-
Streets and Lighting										
Streets	13	13	13	13	13	12	12	12	12	12
Signal and Light Maintenance	5	5	5	4	2	-	-	-	-	-
Total governmental employees	349.5	335.75	329.75	315.75	314.25	309.25	309.25	290.75	268.25	245.75
Business-type activities										
Water and Sewer	78	78	78	78	74	70	69	68	67	69
Total business-type employees	78	78	78	78	74	70	69	68	67	69
Total full-time equivalent employees	427.5	413.75	407.75	393.75	388.25	379.25	378.25	358.75	335.25	314.75

Source: Budget document of the City of Cedar Park

Operating Indicators by Function **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table XVIII**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government										
Ordinances/resolutions enrolled	226	248	219	256	246	251	320	322	275	299
Accounts payable checks issued	5,009	5,996	6,703	7,151	7,571	7,640	7,569	10,929	7,500	7,176
Technology assistance calls	4,141	3,568	3,162	1,038	3,780	2,500	2,400	1,900	1,873	1,370
Budgeted positions	425.75	427.50	413.75	407.75	393.75	388.25	379.25	378	359	335
Site development plans reviewed	46	51	48	28	23	21	31	25	31	27
Vehicles maintained	227	227	217	207	203	181	158	151	189	176
Public Safety										
Citations filed	6,426	8,718	12,470	13,635	13,788	10,112	12,558	11,631	17,329	12,734
Fire Department emergency calls	5,347	4,822	4,537	4,384	4,433	4,283	4,070	4,040	3,857	3,417
Cases filed	9,134	10,097	13,600	14,754	14,763	13,341	12,664	11,680	17,369	12,775
Residential building permits	4,499	648	618	678	626	611	556	702	1,022	1,363
Nonresidential building permits	1,082	124	102	103	122	90	114	182	208	145
Culture and Recreation										
Park acres maintained (1)	722	734	722	722	525	495	487	487	452	452
Recreation programs offered	59	54	54	45	40	40	34	29	28	27
Circulation of volumes	460,759	678,832	689,237	687,669	725,151	781,663	795,325	678,843	573,685	560,000
Catalogued items in library	120,248	120,313	120,302	116,419	112,859	108,354	95,273	94,000	96,407	93,475
Library visits	293,419	283,901	286,546	292,623	278,358	302,479	327,962	300,000	336,000	318,024
Streets										
Miles of paved streets (excluding ETJ)	291	281	281	281	261	222	217	213	200	195
Miles of drainage ways	172	172	172	172	172	172	172	172	163	149
Water and Sewer										
Treated gallons of water (in millions)	4,256	4,038	4,461	4,642	5,770	4,524	4,560	4,700	4,000	4,250
Gallons wastewater treated (in millions)-Cedar Park	808	798	806	803	801	803	814	814	814	780
Gallons wastewater treated (in millions)-Regional Plant	1,072	944	909	1,071	1,070	1,100	811	788	751	550
Retail water accounts	21,841	21,459	21,005	20,275	19,612	18,981	18,434	18,017	17,524	16,340
Retail wastewater accounts	20,588	20,361	19,908	19,042	18,430	17,811	17,276	16,870	16,420	15,254

Source: City of Cedar Park

(1) Beginning in 2012, data includes Detention Pond Parks (44 acres) and Cave Preserves (153 acres)

Capital Asset Statistics by Function **City of Cedar Park, Texas**
Last Ten Fiscal Years **Table XIX**

Function	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public Safety										
Number of Police stations	1	1	1	1	1	1	1	1	1	1
Number of Fire stations	4	4	4	4	4	4	4	4	3	3
Streets										
Area in square miles	24.09	24.09	24.09	23.05	23.05	23.05	23.21	23.16	23.15	23.05
Paved streets in miles (excluding ETJ)	291	281	281	223	223	223	217	213	200.36	190
Culture and Recreation										
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Number of swimming pools	4	4	4	4	4	4	4	4	3	3
Water										
Number of water treatment plants	2	2	2	1	1	1	1	1	1	1
Number of miles of water main	350	374	348	348	348	348	313	300	300	300
Number of booster pumps	14	14	14	14	14	14	14	14	14	14
Rated peak capacity (millions of gallons/day)	31	31	31	26	26	26	26	26	26	23
Wastewater										
Number of wastewater treatment plants	3	3	3	2	2	2	2	2	2	2
Number of miles of sewer main	287	294	292	285	285	285	250	240	240	230
Number of lift stations	18	18	18	18	18	18	18	18	18	20
Treatment capacity (millions of gallons/day)	6	6	6	6	6	6	6	6	5	5

Source: The City of Cedar Park

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