

AGENDA
CITY OF GRAPEVINE, TEXAS
REGULAR JOINT CITY COUNCIL
&
PLANNING & ZONING COMMISSION MEETING*
TUESDAY, MARCH 17, 2015
GRAPEVINE CITY HALL, SECOND FLOOR
200 SOUTH MAIN STREET
GRAPEVINE, TEXAS 76051

6:15 p.m.	Dinner - City Council Conference Room
6:45 p.m.	Call to Order - City Council Chambers
6:45 p.m.	Executive Session - City Council Conference Room
7:30 p.m.	Regular Meeting - City Council Chambers

CALL TO ORDER: 6:45 p.m. - City Council Chambers

EXECUTIVE SESSION:

1. City Council to recess to the City Council Conference Room to conduct a closed session relative to:
 - A. Conference with City Manager and Staff to discuss and deliberate commercial and financial information received from business prospects the City seeks to have locate, stay, or expand in the City; deliberate the offer of a financial or other incentive; with which businesses the City is conducting economic development negotiations pursuant to Section 551.087, Texas Government Code.

City Council to reconvene in open session in the City Council Chambers and take any necessary action relative to items discussed in Executive Session.

REGULAR MEETING: 7:30 p.m. - City Council Chambers

INVOCATION AND PLEDGE OF ALLEGIANCE: Commissioner Jim Fechter

Following the Pledge of Allegiance, the Planning and Zoning Commission will recess to the Planning and Zoning Commission Conference Room to consider published business. Due to a publication error there will not be any public hearings at this meeting.

City Council to remain in session in the Council Chambers to consider published business.

CITIZEN COMMENTS

2. Any person who is not scheduled on the agenda may address the City Council under Citizen Comments by completing a Citizen Appearance Request form with the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action during Citizen Comments.

PRESENTATIONS

3. Mayor Tate to present proclamation for March for Meals to Meals on Wheels of Tarrant County.
4. Northgate Constructors to present design and construction information for highway ramps for State Highway 360 and State Highway 121.
5. Pattillo, Brown & Hill, LLC, the City's auditing firm, to present to the City Council filing the annual audit report in compliance with the City Charter, Article 3, Section 3.14.
6. Monthly Financial Update.

NEW BUSINESS

7. Consider award of the construction contract for the Denton Creek Lift Station renovation and coatings to Red River Co. and take any necessary action.

CONSENT AGENDA

Consent items are deemed to need little Council deliberation and will be acted upon as one business item. Any member of the City Council or member of the audience may request that an item be withdrawn from the consent agenda and placed before the City Council for full discussion. Approval of the consent agenda authorizes the City Manager, or his designee, to implement each item in accordance with Staff recommendations.

8. Consider declaring certain items as surplus property and authorize for the sale of said items through public auction. Chief Financial Officer recommends approval.
9. Consider award of an annual contract with McGriff, Seibels & Williams Insurance Services for insurance consultant services for group health benefits. Chief Financial Officer recommends approval.
10. Consider renewal of an annual contract with Bound Tree Medical, LLC for emergency medical supplies through an Interlocal Cooperative Agreement with the City of Cedar Hill, Texas. Fire Chief recommends approval.

11. Consider renewal of an annual contract for swimming pool sanitation chemicals from DCC, Inc. through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard). Parks and Recreation Director recommends approval.
12. Consider a **resolution** authorizing the purchase of a volumetric concrete mixer from Cemen Tech, Inc. through an Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC). Public Works Director recommends approval.
13. Consider a **resolution** authorizing the purchase of HVAC preventive maintenance services from The Brandt Companies, LLC through an established Cooperative Agreement with the State of Texas CO-OP Purchasing Program. Public Works Director recommends approval.
14. Consider renewal of an annual contract with Manning Concrete Sawing for concrete curb, gutter and flatwork services. Public Works Director recommends approval.
15. Consider renewal of an annual contract with DFW Materials for hauling of debris and aggregates. Public Works Director recommends approval.
16. Consider renewal of an annual contract with Vulcan Inc. for traffic signs, blanks and sheeting hardware. Public Works Director recommends approval.
17. Consider renewal of an annual contract with HD Supply Waterworks for water meters and registers. Public Works Director recommends approval.
18. Consider renewal of annual contracts with HD Supply Waterworks and Fortiline Waterworks for waterworks products. Public Works Director recommends approval.
19. Consider the minutes of the March 3, 2015 City Council meeting as published. City Secretary recommends approval.

Pursuant to the Texas Open Meetings Act, Texas Government Code, Chapter 551.001 et seq, one or more of the above items may be considered in Executive Session closed to the public. Any decision held on such matter will be taken or conducted in open session following conclusion of the executive session.

PLANNING AND ZONING COMMISSION RECOMMENDATIONS

20. Conditional Use Permit **CU15-04** (Faith Christian School) for property located at 730 East Worth Street and proposed to be platted as Lot 1R, Block 2 Faith Christian School Addition. The applicant is requesting a conditional use permit to amend the previously approved site plan CU14-34 (Ordinance No. 2014-51),

specifically for the field house, field light standards and outdoor speakers. Consider the recommendation of the Planning and Zoning Commission and subsequent **ordinance**, if applicable. **Item was tabled at the February 17, 2015 meeting.**

21. Planned Development Overlay **PD15-01** (Faith Christian School) for property located at 730 East Worth Street and proposed to be platted as Lot 1R, Block 2 Faith Christian School Addition. The applicant is requesting a planned development overlay to increase the height of the field light standards for the new athletic facility. The property is zoned "R-7.5" Single Family District. Consider the recommendation of the Planning and Zoning Commission and subsequent **ordinance**, if applicable. **Item was tabled at the February 17, 2015 meeting.**

ADJOURNMENT

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary's Office at 817.410.3182 at least 24 hours in advance of the meeting. Reasonable accommodations will be made to assist your needs.

In accordance with the Open Meetings Law, Texas Government Code, Chapter 551, I hereby certify that the above agenda was posted on the official bulletin boards at Grapevine City Hall, 200 South Main Street and on the City's website on March 13, 2015 by 5:00 p.m.

Tara Brooks
Tara Brooks, City Secretary



AGENDA
CITY OF GRAPEVINE, TEXAS
REGULAR PLANNING & ZONING COMMISSION MEETING
TUESDAY, MARCH 17, 2015
GRAPEVINE CITY HALL, SECOND FLOOR
200 SOUTH MAIN STREET
GRAPEVINE, TEXAS 76051

6:00 p.m. Dinner – Planning and Zoning Commission Conference Room
6:00 p.m. Workshop – Planning and Zoning Commission Conference Room
7:00 p.m. Briefing Session – Planning and Zoning Commission Conference Room
7:30 p.m. Regular Session – Planning and Zoning Commission Conference Room

CALL TO ORDER: 6:00 p.m. - Planning and Zoning Commission Conference Room

WORKSHOP: 6:00 p.m. – Planning and Zoning Commission Conference Room

1. Discuss strategy for commuter rail station area planning.

BRIEFING SESSION

2. Planning & Zoning Commission to conduct a briefing session to discuss all items scheduled on tonight's agenda; No action will be taken. Each item will be considered during the Regular Session which immediately follows the Joint Public Hearings.

REGULAR SESSION: 7:30 p.m. – Council Chambers

INVOCATION AND PLEDGE OF ALLEGIANCE: Commissioner Jim Fechter

Following the Invocation and Pledge of Allegiance, the Planning and Zoning Commission will reconvene to the Planning and Zoning Commission Conference Room.

OLD BUSINESS

3. Conditional Use Permit **CU15-04** (Faith Christian School) for property located at 730 East Worth Street and proposed to be platted as Lot 1R, Block 2 Faith Christian School Addition. The applicant is requesting a conditional use permit to amend the previously approved site plan CU14-34 (Ordinance No. 2014-51), specifically for the field house, field light standards and outdoor speakers. **Item was tabled at the February 17, 2015 meeting.**
4. Planned Development Overlay **PD15-01** (Faith Christian School) for property located at 730 East Worth Street and proposed to be platted as Lot 1R, Block 2 Faith Christian School Addition. The applicant is requesting a planned development overlay to increase the height of the field light standards for the new

athletic facility. The property is zoned "R-7.5" Single Family District. **Item was tabled at the February 17, 2015 meeting.**

NEW BUSINESS

5. Consider the minutes of the February 17, 2015 Planning & Zoning Commission meeting and take any necessary action.

NOTE: Following the adjournment of the Planning & Zoning Commission meeting, a representative will present the recommendations of the Planning & Zoning Commission to the City Council for consideration in the City Council Chambers.

ADJOURNMENT

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary's Office at 817.410.3182 at least 24 hours in advance of the meeting. Reasonable accommodations will be made to assist your needs.

In accordance with the Open Meetings Law, Texas Government Code, Chapter 551, I hereby certify that the above agenda was posted on the official bulletin boards at Grapevine City Hall, 200 South Main Street and on the City's website on March 13, 2015 by 5:00 p.m.

Tara Brooks

Tara Brooks, City Secretary



MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER BR
MEETING DATE: MARCH 17, 2015
SUBJECT: PRESENTATION – STATE HIGHWAY 360 AND STATE HIGHWAY
121 RAMP DESIGN AND CONSTRUCTION INFORMATION

Brian Barth with TxDOT and Kristen Stieg with NorthGate Constructors will be present to provide Council with an update on the design and construction of the State Highway 360/121 ramps. As you recall, this project is being built as a reliever to the lone ramp south of Stone-Myers Parkway that was left at the conclusion of the Connector project.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER BR
MEETING DATE: MARCH 17, 2015
SUBJECT: PRESENTATION - FILING OF ANNUAL CITY AUDIT

A representative from Pattillo, Brown & Hill, LLC, the City's auditing firm, will make a presentation to the City Council filing the annual audit report in compliance with the City Charter, Article 3, Section 3.14.

The firm of Pattillo, Brown & Hill, LLC completed the audit of the City's FY 2014 financial statements in compliance with the requirements of the City Charter, Article 3, Section 3.14. The auditor's opinion letter states that the financial statements of the City of Grapevine present fairly the financial position of the City. The opinion rendered is an "unqualified opinion", meaning there are no material exceptions found to the fairness criteria under which the records were audited.

The management letter did note some recommendations relative to City procedures and staff has either addressed them or is working to correct them.

The report also includes an audit of Tax Increment Financing Districts One and Two.

The auditor is filing his report with the City Council. No formal action on the part of the Council is required.



PATILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

March 10, 2015

To the Honorable Mayor and
Members of the City Council
City of Grapevine, Texas

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas (the “City”) for the year ended September 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and *Uniform Grant Management Standards*, issued by the Governor’s Office of Budget and Planning, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 29, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As discussed in Note 1 to the financial statements, in 2014 the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the *Government-wide Statement of Activities* and the *Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds*. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Uncollectible accounts receivable
- Accumulated depreciation on capital assets and useful lives of capital assets
- Health claims payable
- Annual OPEB cost and net OPEB obligation.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Material misstatements related to the manual interface of the Convention and Visitor's Bureau financial information with the City's financial information were detected as a result of our audit procedures and were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March __, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In planning and performing our audit of the financial statements of the City as of and for the year ended September 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, in connection with our audit, we became aware of certain matters that, while not involving material weaknesses in internal control, are opportunities for strengthening internal controls and operating efficiency. These matters are discussed below.

Convention and Visitor's Bureau ("CVB")

The financial information of the CVB is accounted for in a separate financial software system from the rest of the City. At the time of audit fieldwork, numerous accounts were not reconciled between the City's financial software and the CVB's financial software. Considerable amounts of time and effort of City staff were required in order to reconcile the two systems. We recommend the City put procedures in place to ensure these accounts are reconciled in a timely manner if the CVB is going to continue to utilize a separate accounting system.

Information Technology Internal Controls

During our assessment of information technology controls, we noted opportunities to strengthen segregation of duties within both the City and the CVB. Specifically, certain personnel have access to the vendor and employee master files that is incompatible with other job responsibilities. In information systems, proper segregation of duties helps reduce the potential damage from the actions of one person. Additionally, the CVB uses a financial software package that has very limited internal controls. We recommend the City reevaluate the current control structure and organize duties in a way to achieve adequate separation. When incompatible duties cannot be separated, compensating controls should be put in place.

Convention Center

Activities of the convention center are accounted for manually without the use of financial accounting software. Additionally, one individual is primarily responsible for collecting, processing, record keeping, and authorizing transactions at the convention center. Furthermore, deposits are only made every other week and, in her absence, many of these duties are not performed. We recommend the City consider integrating these activities into the financial accounting software of the City. Additionally, we recommend the City reevaluate the current control structure and organize duties in a way to achieve

adequate separation. When incompatible duties cannot be separated, compensating controls should be put in place.

Municipal Court

In municipal court, one employee's duties include collecting payments, processing transactions, and reconciling and authorizing transactions. Additionally, all clerks of the court can void entries in the system and modify fee amounts on tickets without proper authorization or review. We also noted that the signature stamps for both the Municipal Court Judge and City Prosecutor were both unsecured and accessible to the court clerks. Court collections are only being reconciled and deposited two to three times per week. With the level of collections being processed through the court currently, we recommend performing reconciliations and making deposits daily.

We recommend the City reevaluate the current control structure of this department and organize duties in a way to achieve adequate separation. When incompatible duties cannot be separated, compensating controls should be put in place.

Development Services

Only one cash drawer is used in this department for all cash collections for all clerks. In addition, the cash drawer is in plain sight of the public and the key is kept in the drawer at all times. Furthermore, the software used by this department does not track the transactions processed by individual clerks, and all clerks can make adjustments to permits and fees without obtaining the appropriate level of review or authorization. Under the current system, it would be very difficult for the City to determine who is responsible if an error or fraud occurred in this department. We recommend the City consider using individual cash drawers for all clerks or implementing mitigating controls to compensate. Also, appropriate controls should be in place to monitor the approval of all changes to permits and fees collected in the department.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, the Budgetary Comparison Schedule – General Fund, the Budgetary Comparison Schedule – Hotel Occupancy Tax Fund, the Budgetary Comparison Schedule – Crime District Fund, the Budgetary Comparison Schedule – 4B – Economic Development Fund, the Schedule of Funding Progress for Participation in Texas Municipal Retirement System and the Schedule of Funding Progress – Post-Retirement Health Care Benefit Plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial

statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Significant Forthcoming Accounting Standards

Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27

Governmental Accounting Standards Board Statement No. 68 (“GASB 68”), *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, is effective for periods beginning after June 15, 2014. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. The new standards are intended to provide more comparable and visible information within the annual financial statements of governments that provide defined benefit pensions.

Notably, GASB 68 requires employers to report the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets as the net pension liability on the statement of net position. Previously, a liability was only recorded if the actual contributions made to the plan were less than the actuarial calculated contributions for the year.

These new standards relate only to the accounting and reporting of defined benefit pensions within the GAAP based financial statements of governmental entities. They do not establish requirements as to the actual funding of these benefits. These decisions are left to management and the governing body.

This Statement may have a material impact on recorded pension liabilities compared to application of current standards. Your processes should be updated to incorporate the new information requirements and gather information now to determine the future impacts on financial reporting.

Restriction on Use

This information is intended solely for the use of the Audit Committee, City Council and management of the City of Grapevine, Texas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015



CC ITEM #5



**CITY OF GRAPEVINE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2014**





CITY OF GRAPEVINE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2014

**Prepared by: Department of Administrative Services
Finance Division**

CITY OF GRAPEVINE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

HOME RULE, COUNCIL-MANAGER FORM OF GOVERNMENT

William D. Tate
MAYOR

CITY COUNCIL

Chris Coy

Darlene Freed

Shane Wilbanks

Mike Lease

Sharron Spencer

Duff O'Dell

Bruno Rumbelow
CITY MANAGER

Jennifer Hibbs
ASSISTANT CITY MANAGER

Greg Jordan
CHIEF FINANCIAL OFFICER

CITY OF GRAPEVINE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

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March 10, 2015

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

The Finance Division is pleased to submit the Comprehensive Annual Financial Report for the City of Grapevine. The City's Management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, based upon a comprehensive framework of internal control that it has established for the purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City government. To enable the reader to gain an understanding of the City's financial activities, all necessary disclosures have been included.

This report fulfills the requirement of state law which requires the City file to the State an annual financial statement and audit opinion within 180 days after the last day of the municipality's fiscal year (FY).

Pattillo, Brown & Hill, LLP have issued an unmodified ("clean") opinion on the City of Grapevine's financial statements for the year ended September 30, 2014. The independent auditors' report is located at the front of the financial section of this report.

The Management and Discussion Analysis (MD&A) is a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A can be found immediately following the independent auditors' report. The letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The City is required to undergo an annual single audit in conformity with the provisions of the *State of Texas Uniform Grant Management Standards*. Information related to this state single audit can be found in the Internal Control and Compliance Section of this report.

Profile of the City of Grapevine

Incorporated in February 1907, Grapevine is a home rule City operating under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a Mayor and a six-member Council. The City Manager is appointed by the City Council and is responsible for carrying out policies and for the daily management of the City. Council members serve three-year staggered terms, with two Council members elected each year. The Mayor is elected to serve a three-year term.

The City provides a full range of services, including police and fire protection, emergency ambulance service, sanitation, planning and zoning, public improvements, water and sewer services, culture and recreation and general administrative services.



Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The City has included financial statements for five blended component units due to their fiscal dependency on the primary government. The Tax Reinvestment Zones Numbers One and Two (the “TIFS”), The Crime Control and Protection District (CCPD) “Crime District,” The Grapevine 4B Economic Development Corporation, and the 4B Transit Fund, which accounts for local sales tax used to fund Grapevine’s participation in the commuter rail development project with the Fort Worth Transit Authority (The “T”). The 4B Economic Development Fund accounts for the local sales tax used to stimulate the local economy, development, redevelopment and design and construction of the Main Street Rail Station.

The Heritage Foundation is a legally separate organization that is a discretely presented component unit of the City. The Foundation was organized to promote the preservation, protection and economic development of Grapevine's physical and cultural heritage. Additional information on all six component units can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for the City of Grapevine’s financial planning and control. The budget is prepared by fund, and department (e.g. police, fire). Department Directors may transfer resources within their department as they see fit, but transfers between departments and funds require approval from the governing Council.

The City is located in the center of the Dallas/Fort Worth metropolitan complex, 21 miles northwest of downtown Dallas and 19 miles northeast of downtown Fort Worth. Three major freeways, State Hwy 114, State Hwy 121, and Interstate Hwy 635, intersect in the heart of Grapevine, providing excellent access to Dallas, Fort Worth and the area shopping, entertainment and employment centers. The City is located in Northeast Tarrant County and is home to the Dallas/Fort Worth International Airport. Two-thirds of the airport, including all terminal buildings, is located within Grapevine city limits. The City is approximately 35 square miles and based on the 2010 Census serves a population of 47,000.

Local Economy

During FY 2014, Grapevine continued to experience economic growth with advantages that include superior access to major highways, its proximity to DFW International Airport, a large existing tourist industry and a stable political climate. DFW International Airport is the largest employer in Grapevine with more than half of the total employment base. Other local economic indicators for Grapevine included an unemployment rate of 4.6%; personal income per capita slightly increased over the past several fiscal years; and 425 certificates of occupancy were issued compared to 379 in FY 2013.

The overall sales tax receipts for FY 2014 were \$52,019,784 which equated to a modest 6.1% increase, while collections for FY 2013 were \$49,046,598 representing a 4.5% increase, thus reflecting steady growth. The City’s hotel and occupancy tax receipts for FY 2014 were \$14,025,119 which equated to a modest 9.8% increase, while collections for FY 2013 were \$12,772,218 representing a 3.6% increase. These results indicate that the overall local economy has improved and we continue to recover from the recession.

The City has overcome road construction challenges during the past several fiscal years. Work continues on the SH 121 “Section 13” project and the FM 2499 project in Northeast Grapevine with a combined cost of \$184 million. The Section 13 project doubles the current capacity of SH 121 in NE Grapevine and provides an improved connection between the DFW Connector project and the Sam Rayburn Toll Road. The FM 2499 project constructs new depressed main lanes from SH 121 to Denton Creek. These main lanes will no longer pass through the “at grade” signalized intersections with Stars and Stripes Way and Grapevine Mills Boulevard North. New service roads will be constructed to provide access to abutting properties and to connect with the two signalized intersections with anticipated completion dates of Fall 2016 for the FM 2499 project and Spring 2017 for SH 121.

Long-term Financial Planning

The City Council establishes their long term financial goals each year as a part of the budgeting process. The long-range financial forecasting is not intended to be a budget, or a proposed plan. Instead, it sets the stage for the budget process, assisting both the Council and staff in establishing priorities and allocating resources appropriately. For FY 2014, the Council continued with the following goals:

- (1) Maintain financial stability and strong fiscal management
- (2) Sustain existing programs at high service levels
- (3) Provide a safe and secure community
- (4) Address future transportation needs
- (5) Continue to enhance tourism development
- (6) Invest in “Quality of Life” capital projects

The established goals of the Council for the long-term are a continuation of the goals set in fiscal year 2007. The three goals established by the Council were: 1) long-range financial health of the General Fund, 2) improve the employee compensation plan, and 3) stabilize the City’s economic base. The long-range financial forecast is based on assumptions regarding the regional and state economy over the next several years. In meeting the goal to provide a safe and secure community, the Police responded to 44,266 calls for service while Fire responded to 5,101 calls for service and 3,614 ambulance runs.

Grapevine continued to maintain financial stability and strong fiscal management for FY 2014. The General, Debt Service, Utility Enterprise, and Stormwater Drainage Funds ended the fiscal year with fund balances that meet or exceed their requirement. The City also maintained existing services and transferred from the General Fund \$3,000,000 to the Quality of Life CIP Fund; \$1,000,000 to the Special Revenue – Crime District; \$2,809,000 to Permanent Capital Maintenance Fund; \$1,676,000 to the Capital Equipment Fund; and finally \$1,000,000 to the 4B Economic Development Fund. The City also transferred \$2,000,000 from the 4B Capital Improvement Fund and \$1,000,000 from the TIF Capital Projects Fund into the 4B Economic Development Fund.

Major Economic Initiatives and Community Development

Grapevine continues to experience strong construction growth. In FY 2014, construction values exceeded \$154 million, compared to \$133 million in FY 2013 and significantly above the previous 5 year average of \$117 million. The largest category in this fiscal year was new construction for Single Family Residential, which accounted for approximately 80% of the construction value. There are 5 major subdivisions with over 270 single family lots currently approved for development with many of these subdivisions and lots already having homes under construction and/or completed. The following are some of the other major community development projects and economic initiatives that occurred or continued during FY 2014.

Several major commercial community projects completed in FY 2014 included the Marriott Courtyard/Town Place Suites Hotel with 301 guest rooms including a full service restaurant and 17,000 square feet of meeting space which opened in December 2013. There were several completed multi-family residential properties that include The Enclave Apartments, which is a 243 unit complex located just west of Grapevine Mills Mall and the Grapevine Station Lofts, a 274 unit complex located on Texan Trail. Several entertainment/attraction venues were completed in FY 2014 which included the Great Wolf Lodge Ropes Course and the Merlin LegoLand Splash Park.

Other commercial community development continues with The Gallery on Main, a 45,948 square foot commercial building that is located at the southeast corner of Main Street and East Northwest Highway. Cotton Patch restaurant will be located on the first floor along with additional retail and office uses for the second floor. The Gallery on Main is scheduled to open or at least partially open between December 2014 and February 2015. Another construction project is the Gatehouse Shelter, a 28 building residential project located at Stone Myers and Westport Parkway.

Two new wineries and a brewery were also under construction in FY 2014. Sloan and Williams opened in August 2014 and are located one block east on Texas Street. Messina Hof is completing their construction and remodeling within the historic building located at 415 S. Main Street and was partially opened in December 2014. Finally, the Grapevine Craft Brewery broke ground on a 10,000 sq ft craft brewery located at the corner of Jean Street and Dallas Road.

Another major renovation phased project is the Grapevine Mills Mall which is under construction and the first phase of renovation is expected to be completed by November 2015. Grapevine Mills Mall remains a strong economic engine for Grapevine, continuing to average close to 15 million visitors per year while representing nearly 60% of the city's retail footprint. Retail store upgrades continue as the mall began work on the first phase \$11 million of an eventual \$40 million interior remodel of the facility. A new and more powerful tenant mix strategy continued during 2014 to deliver new tenants that included Vera Bradley, Steve Madden, Van Husen, The Buckle, Adidas, Express, Torrid, O'Neill, Francesca's and other fashion and power tenants. A previous mix of new tenants included Michael Kors, Kenneth Cole, Puma, Coach Nike, Under Armor and others. The mall also continued to gain positive benefits as Legoland completed their second expansion project in August of 2014 by adding a pirate themed splash and play park on the exterior north end of the mall building.

In FY 2014, the City purchased approximately 185 acres of prime development land in northeast Grapevine. The City hired HRA, a Los Angeles planning firm to complete a market feasibility study/master plan as a next step in getting the land ready for development. The first study began in October and by the end of December 2014, the City had completed two of the four critical workshops that focused on visioning and market conditions as part of the planning process. The planning process is expected to wrap up in spring 2015 with an approved go to market strategy for the property. Interest in the area remains high and the City has already been approached by several private companies who may be possible tenants for the project.

Staff continues to work on the two new General Obligation (GO) bond projects that were approved by citizens in November 2012. The first project is the multigenerational Community Activities Center (CAC) facility expansion that adds an additional 16,000sq ft. to the existing building. The Park & Recreation staff continues to work with the architect and construction firm on the renovation and expansion project that includes an indoor track, workout and classrooms, lounge area, aquatics and a senior center and is expected to be completed in spring FY 2015. Land was acquired on Dallas Road for the new Public Safety Building and staff continues to work on the design phase of the new facility that will house Police, Court, IT and Fire Administration and will replace their existing facility. The facility planning continues and construction is expected to begin in late spring of FY 2015.

Convention Visitors Bureau (CVB) continues to promote and market destination Grapevine and all the community events. Grapevine is recognized nationally as a tourism and recreation destination. The Grapevine Shuttle provides local transportation of visitors from DFW Airport and Grapevine hotels to the historic downtown area, restaurants, and retail establishments. The Ice House construction was completed November 2014 and contains the Grapevine Historical Society's museum. The Wallis Building Remodeling began for the Messina Hof Winery in August 2014 and will house the largest wine producer in Texas. The Messina Hof Winery is located at the northeast corner of Main Street and Texas Street and funding for the remodel was provided by the CVB.

Awards and Acknowledgements

The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City. The City Charter specifies that independent accountants selected by the City Council conduct such audits. Pattillo, Brown & Hill, LLP was selected by the City Council to conduct this year's audit. The independent auditor's report on the basic financial statements is included in the financial section of this report.

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 for its comprehensive annual financial report ("CAFR") for the fiscal year ended September 30, 2013. This was the 27th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire finance and utility division staff. We would also like to express our appreciation to other City department staff that provided information and contributed to the preparation of this report.

We would like to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner.

Respectfully submitted,

Karen L Walker

Karen L. Walker
Managing Director of Financial Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Grapevine
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

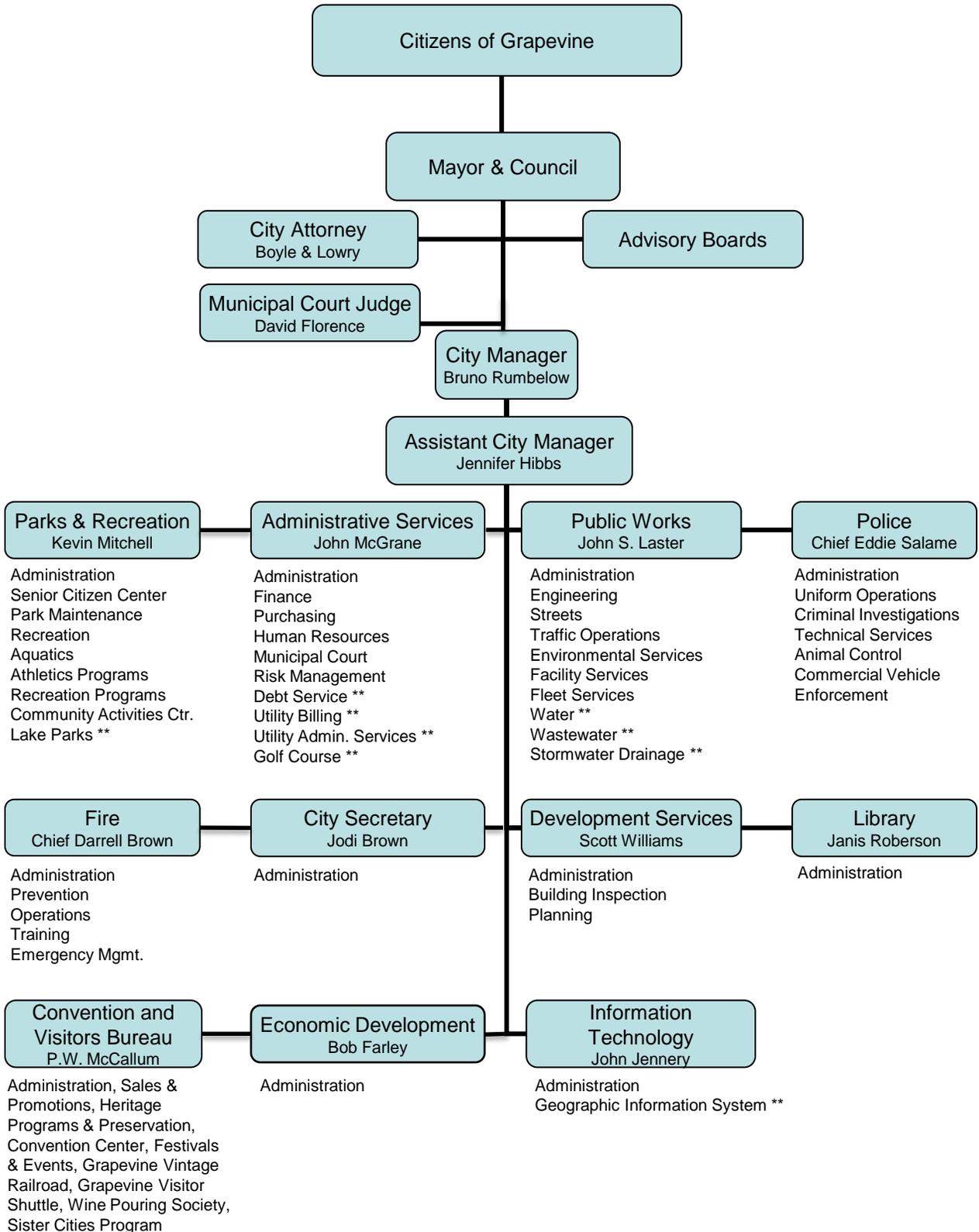
September 30, 2013

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive.

Executive Director/CEO

City of Grapevine Organization Chart

CC ITEM #5



CITY OF GRAPEVINE, TEXAS

ADMINISTRATIVE OFFICIALS

Bruno Rumbelow
City Manager

Jennifer Hibbs
Assistant City Manager

Jodi Brown
City Secretary

John F. Boyle, Jr.
City Attorney

David Florence
Municipal Court Judge

Greg Jordan
Chief Financial Officer

Stan Laster
Director of Public Works

Scott Williams
Director of Development Services

Darrell Brown
Fire Chief

Edward Salame
Chief of Police

Janis Roberson
Library Director

Kevin Mitchell
Director of Parks and Recreation

Russell E. Pulley
Director of Golf

P. W. McCallum
Executive Director, Convention & Visitors Bureau

Carolyn Van Duzee
Human Resources Director

Karen L. Walker
Managing Director of Financial Services

Robert Smeby
Purchasing Agent

Gary W. Livingston
Management Services Director

FINANCIAL SECTION

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PATTILLO, BROWN & HILL, L.L.P.
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
 Members of the City Council
 City of Grapevine, 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 unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2014 the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. 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, the Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund, the Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Hotel Occupancy Tax Fund, the Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual— Crime District Fund, the Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual— 4B-Economic Development Fund, the Schedule of Funding Progress for Participation in the Texas Municipal Retirement System, and the Schedule of Funding Progress – Post-Retirement Health Care Plan 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 of Grapevine, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of state awards is presented for purposes of additional analysis as required by the *State of Texas Uniform Grant Management Standards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2015, on our consideration of the City of Grapevine, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Grapevine, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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Management's Discussion and Analysis

As management of the City of Grapevine (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2014.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities at the close of the most recent fiscal year by \$295,630,804 (net position). Of this amount, \$1,442,971 of (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$12,317,916 or 28% of total General Fund expenditures.
- The City transferred \$3,000,000 to the Quality of Life CIP Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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 are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

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

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

The government-wide financial statements include not only the City itself (known as the primary government), but also include the Heritage Foundation, the Tax Reinvestment Zones Numbers One and Two, the Crime Control and Protection District (Crime District), and the Grapevine 4B Economic Development Corporation, which are legally separate entities. A blended presentation has been used to report the financial information for all of the component units except for the Heritage Foundation. The Crime District was established to account for the accumulation and use of sales tax proceeds designated for crime reduction programs. The Grapevine 4B Economic Development Corporation consists of two funds. The 4B Transit Fund accounts for local sales tax used to fund Grapevine's participation in the commuter rail development project with the Fort Worth Transit Authority (The "T"). The 4B Economic Development Fund accounts for the local sales tax used to stimulate the local economy, development, and redevelopment. The Heritage Foundation is a discretely presented component unit and is presented as a separate column in the government-wide financial statements.

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

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, the reader may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue Fund—Hotel Occupancy Tax, Special Revenue Fund—Crime District, Special Revenue Fund—4B – Economic Development Fund, Debt Service Fund, Debt Service Fund—Tax Reinvestment Zone Number One (TIF #1), Capital Projects Fund – Parks Open Space and Recreation, Capital Projects Fund – Streets, and Capital Projects Fund – General Facilities and Equipment, all of which are considered to be major funds. Data from the other 11 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds — There are two types of Proprietary funds, Enterprise Funds and Internal Service Funds. The City maintains one type of proprietary fund, enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, and Lake Enterprise. The City has no Internal Service Funds.

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 Lake Enterprise Fund (golf course), which are both major funds.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for fiduciary funds is similar to the accounting used for proprietary funds. Agency Funds are one of the City’s fiduciary fund types. The agency funds account for funds held in an agency capacity for the Industrial Development Corporation, the Police Department entitled “Police Department Case Settlement” and the W.D. Tate Scholarship. The second type of fiduciary fund is the Grapevine Health Reimbursement Account (HRA), a trust fund. See Note 1 for additional information pertaining to fiduciary funds.

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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of the City’s Financial Position —

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. As of September 30, 2014, the City’s assets and deferred outflows of resources exceeded liabilities by \$295,630,804.

The largest portion of the City’s net position (\$217,264,020) reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire capital assets still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in 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.

An additional portion of the City’s net position represents resources that are subject to external restrictions on how they may be used. Restricted net position are for (1) use of impact fees for construction purposes \$2,612,102, (2) debt service \$20,985,426, (3) capital projects \$4,849,592, (4) public safety \$1,288,317, (5) economic development \$40,136,694, (6) transportation \$459,260, (7) culture and recreation \$48,034, and (8) tourism \$6,544,388. Unrestricted net position of \$1,442,971 may be used to meet the City’s ongoing obligations to citizens and creditors.

For fiscal year-end 2014, the City is able to report positive balances in all three categories of net position for the City as a whole. The same situation held true for the prior fiscal year.

Condensed Schedule of Net Position

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 191,870,267	\$ 210,642,273	\$ 21,314,845	\$ 23,434,972	\$ 213,185,112	\$ 234,077,245
Capital assets	217,856,048	173,615,291	87,042,438	83,302,218	304,898,486	256,917,509
Total assets	409,726,315	384,257,564	108,357,283	106,737,190	518,083,598	490,994,754
Deferred outflows of resources	2,504,740	2,870,991	362,059	449,122	2,866,799	3,320,113
Long-term liabilities	190,873,273	181,515,053	12,185,370	13,674,480	203,058,643	195,189,533
Other liabilities	17,801,392	16,595,350	4,459,558	3,818,832	22,260,950	20,414,182
Total liabilities	208,674,665	198,110,403	16,644,928	17,493,312	225,319,593	215,603,715
Net position:						
Net investment in capital assets	139,391,718	114,211,529	77,872,302	74,749,622	217,264,020	188,961,151
Restricted	74,311,711	78,376,838	2,612,102	8,031,864	76,923,813	86,408,702
Unrestricted	(10,147,039)	(3,570,215)	11,590,010	6,911,514	1,442,971	3,341,299
Total net position	\$ 203,556,390	\$ 189,018,152	\$ 92,074,414	\$ 89,693,000	\$ 295,630,804	\$ 278,711,152

Analysis of the City's operations—

Governmental activities – Governmental activities increased the City's net position by \$15,658,159. Significant reasons for this increase are as follows:

Overall total revenues for fiscal year 2014 were 5.5% higher than the previous fiscal year and the City experienced increases in several categories of revenue. The largest of the revenue increases came from sales and hotel occupancy taxes. The City's operating expenses for 2014 increased by \$5,311,058 or 5.1% and those increased expenses were primarily attributed to public safety, cultural and recreation, public works and transportation. The City also experienced a significant change in both our total assets and long-term liabilities which were primarily due to the issuance of \$19,500,000 of 4B Economic Development Corporation Sales Tax Revenue Bonds and the continued spending of the 2012 GO bond proceeds for the Community Activities Center's Renovation (The REC) and the design and engineering of the new Public Safety Building.

Business-type activities – Business-type activities increased the City's net position by \$2,517,498. The increase is primarily due to the increase in charges for services and several capital projects that were completed during the year. The Utilities Fund had several capital projects either started or completed during the fiscal year and they included the Wastewater Treatment Plant Filters, the Head Works project, the Dove Water Tower's repairs, the SH 121 water and sewer relocations and other waterline improvements. The Lake Enterprise Fund (Golf) completed their lighted driving range capital project.

The following table provides a summary of the City's operations for the year ended September 30, 2014, and 2013.

CITY OF GRAPEVINE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 18,136,682	\$ 17,481,667	\$ 26,684,826	\$ 23,304,719	\$ 44,821,508	\$ 40,786,386
Operating grants and contributions	275,370	525,816	-	-	275,370	525,816
Capital grants and contributions	203,010	108,225	-	-	203,010	108,225
General revenues:						
Property taxes	30,916,843	29,978,735	-	-	30,916,843	29,978,735
Hotel occupancy taxes	14,025,119	12,772,218	-	-	14,025,119	12,772,218
Sales taxes	52,019,784	49,046,598	-	-	52,019,784	49,046,598
Mixed beverage taxes	1,566,664	1,158,625	-	-	1,566,664	1,158,625
Franchise taxes	6,785,150	6,618,333	-	-	6,785,150	6,618,333
Investment earnings	119,696	159,146	20,223	151,639	139,919	310,785
Miscellaneous	22,504	6,000	-	-	22,504	6,000
Gain on sale of capital assets	262,068	-	-	-	262,068	-
Total revenues	124,332,890	117,855,363	26,705,049	23,456,358	151,037,939	141,311,721
Expenses:						
General government	16,347,850	18,601,720	-	-	16,347,850	18,601,720
Public safety	30,039,062	28,309,203	-	-	30,039,062	28,309,203
Culture and recreation	31,549,305	29,578,167	-	-	31,549,305	29,578,167
Public works	13,689,454	12,216,082	-	-	13,689,454	12,216,082
Transportation	11,275,274	8,619,843	-	-	11,275,274	8,619,843
Economic development	1,405,250	3,608,828	-	-	1,405,250	3,608,828
Interest on long-term debt	6,029,291	4,094,640	-	-	6,029,291	4,094,640
Water and sewer	-	-	19,762,999	18,806,917	19,762,999	18,806,917
Lake enterprise	-	-	2,763,797	3,155,905	2,763,797	3,155,905
Total expenses	110,335,486	105,028,483	22,526,796	21,962,822	132,862,282	126,991,305
Increases in net position before transfers	13,997,404	12,826,880	4,178,253	1,493,536	18,175,657	14,320,416
Transfers	1,660,755	1,470,620	(1,660,755)	(1,470,620)	-	-
Change in net position	15,658,159	14,297,500	2,517,498	22,916	18,175,657	14,320,416
Net position, beginning	189,018,152	174,720,652	89,693,000	89,670,084	278,711,152	264,390,736
Change in accounting principles	(1,119,921)	-	(136,084)	-	(1,256,005)	-
Net position, beginning, as restated	187,898,231	174,720,652	89,556,916	89,670,084	277,455,147	264,390,736
Net position, ending	\$ 203,556,390	\$ 189,018,152	\$ 92,074,414	\$ 89,693,000	\$ 295,630,804	\$ 278,711,152

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds – As of the end of the current fiscal year, the City of Grapevine's governmental funds reported combined ending fund balances of \$174,335,973, a decrease of \$16,044,638 compared with the prior year. Unassigned fund balance is \$11,195,178 (6%), which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it has already been (1) classified as nonspendable \$638,526 (2) restricted for debt service, capital projects, public safety, economic development, transportation, tourism, and culture and recreation programs \$144,840,853 (3) committed for stormwater drainage and public arts \$1,830,781 (4) or assigned for economic development, capital projects and culture and recreation programs \$15,830,635.

Significant changes in fund balances of major funds are as follows:

General Fund – The fund balance increased \$956,550 for FY 2014. Every year the General Fund makes transfers to other and this year some of those transfers included \$3,000,000 to the Quality of Life (non-major fund) for capital projects designated by the City Council; \$1,000,000 to the Crime District (CCPD); and \$2,809,000 to the Street Maintenance and Capital Replacement Fund. The changes in the general fund balance were also impacted by the increase in revenues and increased operating costs. This fiscal year the City experienced an increase in sales, franchise and mixed beverage taxes which attributed to the majority of the total General Fund revenue increase of \$2,218,850. Overall operating expenditures increased from the previous year by \$2,869,949 as the City continues to provide quality programs, public safety and other services for the City's residents and visitors.

Special Revenue – Hotel Occupancy Tax Fund – Fund balance increased in the Hotel Occupancy Tax Fund by \$1,297,038, which was primarily due to an increase in revenues of \$1,678,125.

Special Revenue – Crime District Fund – The Crime District Fund experienced an increase in sales tax revenues of \$672,114; however, operating expenditures also increased by \$171,525 with the final fund balance increasing by \$198,805 from the previous fiscal year. The General Fund transferred a net \$1,000,000 to the Crime District Fund in FY 2014 and the ending fund balance for FY 2014 was \$612,969.

Special Revenue – 4B – Economic Development – The 4B fund balance decreased by \$5,408,863 over last fiscal year. This decrease was primarily attributed to the purchase of a large parcel of land for economic development in northeast Grapevine.

Debt Service Fund – This fund has a total fund balance of \$16,920,164 which is restricted for the payment of debt service. The \$800,749 increase in fund balance was attributed to property tax revenue collections and the restructuring and refunding of previously issued debt.

Debt Service Fund – TIF #1 – The Debt Service had a total fund balance of \$36,316,346. The \$3,691,781 increase in fund balance was primarily attributed to the increase in property tax collections for 2014.

Capital Projects – Parks Open Space and Recreation – The Parks Open Space and Recreation capital projects fund had an ending fund balance of \$17,278,790. This is a decrease of \$11,250,078 compared to the prior year. The decrease in fund balance is primarily due to the City spending the 2012 GO bonds on the CAC expansion project (The REC) as well as work on the retaining wall and water play features at Pleasant Glade Pool.

Capital Projects – Streets – The Streets capital projects fund had an ending fund balance of \$6,543,357. This is a decrease of \$1,556,982 over the prior year. The decrease in fund balance is due to funds being spent on several street capital outlay projects. Several of these projects included work on Kimball, Hudgins, SH 121 and the DFW Connector project.

Capital Projects – General Facilities and Equipment – The General Facilities and Equipment capital projects fund had an ending fund balance of \$37,688,959. This is a decrease of \$3,705,021 compared to the prior year. The decrease in fund balance was primarily due to the City spending the previously issued 2012 GO bond proceeds on the land purchase and design of the new public safety facility.

Proprietary Funds –

The City of Grapevine’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City of Grapevine’s business-type activities.

General Fund Budgetary Highlights

Significant amendment changes:

The General Fund transferred out \$9,513,014 to several funds including the Capital Equipment Fund, the General Facilities Fund, the Quality of Life Fund, the 4B Economic Development Fund and the Special Revenue Fund – Crime District (CCPD). Overall, the operating expenditures for the General Fund increased from the previous year primarily due to the adopted salary increases, professional services, apparatus and tools, and utilities. The Cultural and Recreation expenditure budget increased this year primarily due to the increased participant demand in athletic and recreation programs, aquatics and grounds maintenance.

Significant budget variances:

For the year ended September 30, 2014, revenues did exceed the final budget in the General Fund due to tax receipts being greater than anticipated and overall expenditures were less than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Major capital asset events during the current fiscal year included the following amounts:

During fiscal year 2014, the City incurred \$11,698,400 in capital expenses related to the design and construction of the CAC expansion project (The REC). These expenses included approximately \$1,196,000 in design effort, \$10,402,000 during the construction phase which included work on the indoor playground of about \$100,000. The REC facility is expected to open in late spring of 2015 and will be a multigenerational facility.

The City continues with the design phase of the new Public Safety Building, incurring \$890,000 in costs to develop this technologically advanced building that will house the City’s police, fire administration, municipal court, detention facilities and the IT department staff.

The City also completed several Quality of Life projects this year. Some of these projects included Oak Grove Park lighting upgrades to several of the softball and soccer fields; the installation of the Meadowmere Park Soccer Complex restroom facility; installation of playground equipment at both the Lakeview Park and the GRACE facility, two areas which did not have facilities to serve area residents. Finally, the completion of the Phase III Emergency Vehicle Signal Preemption project that utilizes GPS tracking and short-range radio communications to allow an emergency vehicle to automatically request preemption of one or more downstream traffic signals.

Capital assets—The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounted to \$304,898,486 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, intangible assets and construction in progress. The total net increase in the City’s investment in capital assets for the current fiscal year was \$47,980,977.

CITY OF GRAPEVINE’S CAPITAL ASSETS AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land and improvements	\$ 81,146,195	\$ 47,821,876	\$ 1,643,545	\$ 1,643,545	\$ 82,789,740	\$ 49,465,421
Construction in progress	20,858,378	6,027,159	403,861	219,754	21,262,239	6,246,913
Buildings	32,561,731	32,639,182	755,836	797,805	33,317,567	33,436,987
Improvements other than buildings	21,233,130	21,141,304	1,642,198	1,879,385	22,875,328	23,020,689
Machinery and equipment	14,319,565	13,893,188	1,529,869	1,239,773	15,849,434	15,132,961
Water storage rights	-	-	112,505	129,594	112,505	129,594
Infrastructure	47,737,049	52,092,582	80,954,624	77,392,362	128,691,673	129,484,944
Total	\$ 217,856,048	\$ 173,615,291	\$ 87,042,438	\$ 83,302,218	\$ 304,898,486	\$ 256,917,509

Additional information on the City’s capital assets can be found in Note 5 in the notes to the financial statements.

Long-term debt—At the end of the current fiscal year, the City had total bonded debt outstanding of \$176,975,856. Of this amount, \$157,475,856 comprises debt backed by the full faith and credit of the City.

CITY OF GRAPEVINE’S OUTSTANDING BONDS AND NOTES PAYABLE AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 96,655,000	\$ 102,692,840	\$ 9,095,000	\$ 10,845,000	\$ 105,750,000	\$ 113,537,840
Certificates of obligation	41,032,182	45,658,918	-	-	41,032,182	45,658,918
Revenue bonds	19,500,000	-	-	-	19,500,000	-
Notes payable	4,471,049	6,296,518	-	-	4,471,049	6,296,518
Premium on bonds issued	5,762,011	6,399,166	460,614	566,348	6,222,625	6,965,514
	\$ 167,420,242	\$ 161,047,442	\$ 9,555,614	\$ 11,411,348	\$ 176,975,856	\$ 172,458,790

Additional information on the City’s long-term debt can be found in Note 8 of the notes to the financial statements.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

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 additional information, contact the Finance Division, City of Grapevine, 200 S. Main Street, Grapevine, Texas 76051.

**BASIC
FINANCIAL STATEMENTS**

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CITY OF GRAPEVINE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Heritage Foundation
ASSETS				
Cash and investments	\$ 177,668,455	\$ 14,288,006	\$ 191,956,461	\$ 522,382
Receivables, net				
Taxes	10,581,052	-	10,581,052	-
Accounts	2,144,042	3,002,797	5,146,839	-
Pledges	-	-	-	50,047
Internal balances	799,462	(799,462)	-	-
Due from primary government	-	-	-	526
Due from other governments	31,056	1,127,974	1,159,030	-
Inventory	481,699	40,527	522,226	-
Accrued interest	7,674	1,377	9,051	31
Prepaid expenses	156,827	20,724	177,551	-
Restricted assets:				
Cash and investments	-	3,632,902	3,632,902	-
Capital assets (net of accumulated depreciation)				
Non-depreciable	102,004,573	2,047,406	104,051,979	450,067
Depreciable	115,851,475	84,995,032	200,846,507	1,025,663
Total assets	<u>409,726,315</u>	<u>108,357,283</u>	<u>518,083,598</u>	<u>2,048,716</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	2,504,740	362,059	2,866,799	-
Total deferred outflows of resources	<u>2,504,740</u>	<u>362,059</u>	<u>2,866,799</u>	<u>-</u>
LIABILITIES				
Accounts payable	10,059,040	2,641,109	12,700,149	20,839
Contracts and retainage payable	615,087	302,402	917,489	-
Accrued and other liabilities	1,976,595	242,637	2,219,232	-
Developer deposits	2,014,488	-	2,014,488	-
Interest payable	853,180	46,691	899,871	-
Due to component unit	526	-	526	-
Unearned revenue	2,282,476	297,902	2,580,378	-
Customer deposits	-	928,817	928,817	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	756,916	55,737	812,653	-
Notes payable	1,400,342	-	1,400,342	-
Bonds payable	12,708,386	1,830,000	14,538,386	-
Sales tax obligation	173,556	-	173,556	-
Due in more than one year:				
Compensated absences	2,270,749	157,584	2,428,333	-
Notes payable	3,070,707	-	3,070,707	-
Bonds payable	150,240,807	7,725,614	157,966,421	-
Sales tax obligation	598,691	-	598,691	-
Net OPEB obligation	14,339,463	1,840,201	16,179,664	-
Net pension obligation	5,313,656	576,234	5,889,890	-
Total liabilities	<u>208,674,665</u>	<u>16,644,928</u>	<u>225,319,593</u>	<u>20,839</u>
NET POSITION				
Net investment in capital assets	139,391,718	77,872,302	217,264,020	1,475,730
Restricted for:				
Use of impact fees	-	2,612,102	2,612,102	-
Debt service	20,985,426	-	20,985,426	-
Capital projects	4,849,592	-	4,849,592	-
Public safety	1,288,317	-	1,288,317	-
Economic development	40,136,694	-	40,136,694	-
Transportation	459,260	-	459,260	-
Culture and recreation	48,034	-	48,034	-
Tourism	6,544,388	-	6,544,388	-
Unrestricted	(10,147,039)	11,590,010	1,442,971	552,147
Total net position	<u>\$ 203,556,390</u>	<u>\$ 92,074,414</u>	<u>\$ 295,630,804</u>	<u>\$ 2,027,877</u>

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

CITY OF GRAPEVINE, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 16,347,850	\$ 1,991,906	\$ 40,686	\$ -
Public safety	30,039,062	4,109,435	227,827	-
Culture and recreation	31,549,305	10,531,189	6,857	46,112
Public works	13,689,454	1,504,152	-	156,898
Transportation	11,275,274	-	-	-
Economic development	1,405,250	-	-	-
Interest on long-term debt	6,029,291	-	-	-
Total governmental activities	<u>110,335,486</u>	<u>18,136,682</u>	<u>275,370</u>	<u>203,010</u>
Business-type activities:				
Water and sewer	19,762,999	23,667,335	-	-
Lake Enterprise	2,763,797	3,017,491	-	-
Total business-type activities	<u>22,526,796</u>	<u>26,684,826</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 132,862,282</u>	<u>\$ 44,821,508</u>	<u>\$ 275,370</u>	<u>\$ 203,010</u>
Component unit:				
Heritage Foundation	<u>\$ 153,285</u>	<u>\$ 6,414</u>	<u>\$ 42,773</u>	<u>\$ 24,442</u>

General revenues:

Taxes:

Property
Franchise
Hotel occupancy
Sales
Mixed beverage
Investment income
Gain on sale of capital assets
Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Change in accounting principles

Net assets - beginning, as restated

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position			Component
Primary Government			Unit
Governmental Activities	Business-type Activities	Total	Heritage Foundation
\$(14,315,258)	\$ -	\$(14,315,258)	\$ -
(25,701,800)	-	(25,701,800)	-
(20,965,147)	-	(20,965,147)	-
(12,028,404)	-	(12,028,404)	-
(11,275,274)	-	(11,275,274)	-
(1,405,250)	-	(1,405,250)	-
(6,029,291)	-	(6,029,291)	-
<u>(91,720,424)</u>	<u>-</u>	<u>(91,720,424)</u>	<u>-</u>
-	3,904,336	3,904,336	-
-	253,694	253,694	-
<u>-</u>	<u>4,158,030</u>	<u>4,158,030</u>	<u>-</u>
(91,720,424)	4,158,030	(87,562,394)	-
			<u>(79,656)</u>
30,916,843	-	30,916,843	-
6,785,150	-	6,785,150	-
14,025,119	-	14,025,119	-
52,019,784	-	52,019,784	-
1,566,664	-	1,566,664	-
119,696	20,223	139,919	230
262,068	-	262,068	-
22,504	-	22,504	7,587
<u>1,660,755</u>	<u>(1,660,755)</u>	<u>-</u>	<u>-</u>
<u>107,378,583</u>	<u>(1,640,532)</u>	<u>105,738,051</u>	<u>7,817</u>
15,658,159	2,517,498	18,175,657	(71,839)
<u>189,018,152</u>	<u>89,693,000</u>	<u>278,711,152</u>	<u>2,099,716</u>
<u>(1,119,921)</u>	<u>(136,084)</u>	<u>(1,256,005)</u>	<u>-</u>
187,898,231	89,556,916	277,455,147	2,099,716
<u>\$ 203,556,390</u>	<u>\$ 92,074,414</u>	<u>\$ 295,630,804</u>	<u>\$ 2,027,877</u>

CITY OF GRAPEVINE, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue				
	General	Hotel Occupancy Tax	Crime District	4B-Economic Development	Debt Service
ASSETS					
Cash and investments	\$ 9,861,386	\$ 8,043,266	\$ 6,001	\$ 9,692,325	\$ 16,916,592
Receivables (net of allowances for uncollectibles)					
Accounts	1,887,321	70,998	3,150	4,000	-
Taxes	4,978,627	1,109,481	2,148,365	651,488	124,367
Accrued interest	674	1,123	-	592	1,022
Inventory	466,263	1,074	-	-	-
Due from other funds	2,424,510	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	134,051	22,776	-	-	-
Total assets	<u>\$ 19,752,832</u>	<u>\$ 9,248,718</u>	<u>\$ 2,157,516</u>	<u>\$ 10,348,405</u>	<u>\$ 17,041,981</u>
LIABILITIES					
Accounts payable	\$ 2,595,961	\$ 2,284,945	\$ 273,275	\$ 6,195	\$ -
Accrued liabilities	1,459,398	139,163	344,956	8,687	-
Due to other funds	874	-	926,316	-	-
Due to component unit	-	526	-	-	-
Unearned revenue	1,724,742	255,846	-	-	-
Developer deposits	-	-	-	-	-
Total liabilities	<u>5,780,975</u>	<u>2,680,480</u>	<u>1,544,547</u>	<u>14,882</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,053,627	-	-	-	121,817
Total deferred inflows of resources	<u>1,053,627</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,817</u>
FUND BALANCES (DEFICITS)					
Nonspendable:					
Inventory	466,263	1,074	-	-	-
Prepaid items	134,051	22,776	-	-	-
Restricted for:					
Debt service	-	-	-	-	16,920,164
Capital projects	-	-	-	-	-
Public safety	-	-	612,969	-	-
Economic development	-	-	-	8,616,973	-
Transportation	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Tourism	-	6,544,388	-	-	-
Committed for:					
Stormwater drainage operations	-	-	-	-	-
Public arts	-	-	-	-	-
Assigned for:					
Economic development	-	-	-	1,716,550	-
Capital projects	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Unassigned	12,317,916	-	-	-	-
Total fund balances	<u>12,918,230</u>	<u>6,568,238</u>	<u>612,969</u>	<u>10,333,523</u>	<u>16,920,164</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,752,832</u>	<u>\$ 9,248,718</u>	<u>\$ 2,157,516</u>	<u>\$ 10,348,405</u>	<u>\$ 17,041,981</u>

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

Debt Service	Capital Projects				Nonmajor Governmental Funds	Total Governmental Funds
	TIF #1	Parks Open Space and Recreation	Streets	General Facilities and Equipment		
\$ 36,313,584	\$ 19,637,003	\$ 9,037,206	\$ 37,712,747	\$ 30,448,345	\$ 177,668,455	
-	-	-	-	178,573	2,144,042	
567	-	-	-	1,568,157	10,581,052	
2,195	17	345	137	1,569	7,674	
-	-	-	-	14,362	481,699	
-	-	-	865	-	2,425,375	
-	-	4,400	-	26,656	31,056	
-	-	-	-	-	156,827	
<u>\$ 36,316,346</u>	<u>\$ 19,637,020</u>	<u>\$ 9,041,951</u>	<u>\$ 37,713,749</u>	<u>\$ 32,237,662</u>	<u>\$ 193,496,180</u>	
\$ -	\$ 2,066,924	\$ 771,012	\$ 24,790	\$ 2,035,938	\$ 10,059,040	
-	-	-	-	24,391	1,976,595	
-	-	-	-	698,723	1,625,913	
-	-	-	-	-	526	
-	-	-	-	301,888	2,282,476	
-	291,306	1,723,182	-	-	2,014,488	
-	2,358,230	2,494,194	24,790	3,060,940	17,959,038	
-	-	4,400	-	21,325	1,201,169	
-	-	4,400	-	21,325	1,201,169	
-	-	-	-	14,362	481,699	
-	-	-	-	-	156,827	
4,796,625	-	-	-	6,517,044	28,233,833	
-	17,278,790	6,543,357	37,688,959	6,619,221	68,130,327	
-	-	-	-	675,348	1,288,317	
31,519,721	-	-	-	-	40,136,694	
-	-	-	-	459,260	459,260	
-	-	-	-	48,034	48,034	
-	-	-	-	-	6,544,388	
-	-	-	-	989,729	989,729	
-	-	-	-	841,052	841,052	
-	-	-	-	-	1,716,550	
-	-	-	-	13,382,475	13,382,475	
-	-	-	-	731,610	731,610	
-	-	-	-	(1,122,738)	11,195,178	
<u>36,316,346</u>	<u>17,278,790</u>	<u>6,543,357</u>	<u>37,688,959</u>	<u>29,155,397</u>	<u>174,335,973</u>	
<u>\$ 36,316,346</u>	<u>\$ 19,637,020</u>	<u>\$ 9,041,951</u>	<u>\$ 37,713,749</u>	<u>\$ 32,237,662</u>	<u>\$ 193,496,180</u>	

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

Total fund balances - governmental funds balance sheet \$ 174,335,973

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not reported in the funds. 217,240,961

Certain receivables will not be collected soon enough to pay for the current period's expenditures and are, therefore, deferred in the funds. 1,201,169

Accrued bond interest is not due and payable in the current period and therefore is not reported in the funds. (853,180)

Long-term liabilities and deferred losses on bond refundings reported as deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. A summary of these items are as follows:

Long-term liabilities:

Bonds payable (162,949,193)

Notes payable (4,471,049)

Compensated absences (3,027,665)

Sales tax obligation (772,247)

Net OPEB obligation (14,339,463)

Net pension obligation (5,313,656)

Deferred outflows of resources:

Deferred losses on bond refundings 2,504,740

(188,368,533)

Net position of governmental activities \$ 203,556,390

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

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

	Special Revenue				
	General	Hotel Occupancy Tax	Crime District	4B-Economic Development	Debt Service
REVENUES					
Property tax	\$ 8,458,735	\$ -	\$ -	\$ -	\$ 11,775,218
Hotel occupancy tax	-	14,025,119	-	-	-
Sales tax	26,376,697	-	12,630,599	3,771,644	-
Mixed beverage tax	1,566,664	-	-	-	-
Franchise tax	6,785,150	-	-	-	-
Licenses and permits	1,337,367	-	-	-	-
Intergovernmental	78,982	-	-	-	-
Charges for services	3,504,683	6,435,935	-	-	-
Fines and forfeitures	2,362,434	-	-	-	-
Investment income	8,760	11,052	760	6,961	9,723
Contributions	-	-	-	-	-
Miscellaneous	394,009	125,143	1,642	-	-
Total revenues	<u>50,873,481</u>	<u>20,597,249</u>	<u>12,633,001</u>	<u>3,778,605</u>	<u>11,784,941</u>
EXPENDITURES					
Current:					
General government	15,081,043	-	-	91,819	-
Public safety	13,401,973	-	13,416,116	-	-
Culture and recreation	9,725,575	15,470,020	-	-	-
Public works	5,383,091	-	-	-	-
Economic development	-	-	-	117,919	-
Transportation	-	-	-	-	-
Capital outlay	106,780	37,400	18,080	29,498,663	-
Debt service:					
Principal	173,556	-	-	-	8,980,045
Interest and fiscal charges	-	-	-	442,689	4,708,525
Other	-	-	-	252,928	1,538
Total expenditures	<u>43,872,018</u>	<u>15,507,420</u>	<u>13,434,196</u>	<u>30,404,018</u>	<u>13,690,108</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,001,463</u>	<u>5,089,829</u>	<u>(801,195)</u>	<u>(26,625,413)</u>	<u>(1,905,167)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,460,225	393,193	1,000,000	2,000,000	2,705,916
Transfers out	(9,513,014)	(4,185,984)	-	(283,450)	-
Sale of capital assets	7,876	-	-	-	-
Issuance of debt	-	-	-	19,500,000	-
Total other financing sources and uses	<u>(6,044,913)</u>	<u>(3,792,791)</u>	<u>1,000,000</u>	<u>21,216,550</u>	<u>2,705,916</u>
NET CHANGE IN FUND BALANCES	956,550	1,297,038	198,805	(5,408,863)	800,749
FUND BALANCES, BEGINNING	<u>11,961,680</u>	<u>5,271,200</u>	<u>414,164</u>	<u>15,742,386</u>	<u>16,119,415</u>
FUND BALANCES, ENDING	<u>\$ 12,918,230</u>	<u>\$ 6,568,238</u>	<u>\$ 612,969</u>	<u>\$ 10,333,523</u>	<u>\$ 16,920,164</u>

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

Debt Service		Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
TIF #1	Parks Open Space and Recreation	Streets	General Facilities and Equipment			
\$ 7,357,448	\$ -	\$ -	\$ -	\$ 5,878,139	\$ 33,469,540	
-	-	-	-	-	14,025,119	
-	-	-	-	9,240,844	52,019,784	
-	-	-	-	-	1,566,664	
-	-	-	-	-	6,785,150	
-	-	-	-	-	1,337,367	
-	-	225,131	-	125,660	429,773	
-	-	-	-	3,814,198	13,754,816	
-	-	-	-	50,088	2,412,522	
17,523	18,521	4,779	25,407	16,210	119,696	
-	-	-	-	168,568	168,568	
-	-	-	-	230,899	751,693	
<u>7,374,971</u>	<u>18,521</u>	<u>229,910</u>	<u>25,407</u>	<u>19,524,606</u>	<u>126,840,692</u>	
-	-	-	-	438,086	15,610,948	
-	-	-	-	396,570	27,214,659	
-	-	-	-	2,511,062	27,706,657	
-	-	-	-	2,951,882	8,334,973	
1,287,331	-	-	-	-	1,405,250	
-	-	-	-	11,275,274	11,275,274	
-	11,268,599	1,956,361	4,727,840	5,506,879	53,120,602	
2,110,000	-	-	-	1,400,000	12,663,601	
262,538	-	-	-	1,280,786	6,694,538	
750	-	1,805	1,720	10,510	269,251	
<u>3,660,619</u>	<u>11,268,599</u>	<u>1,958,166</u>	<u>4,729,560</u>	<u>25,771,049</u>	<u>164,295,753</u>	
<u>3,714,352</u>	<u>(11,250,078)</u>	<u>(1,728,256)</u>	<u>(4,704,153)</u>	<u>(6,246,443)</u>	<u>(37,455,061)</u>	
-	-	200,000	999,132	7,748,268	18,506,734	
(22,571)	-	(28,726)	-	(2,812,234)	(16,845,979)	
-	-	-	-	241,792	249,668	
-	-	-	-	-	19,500,000	
<u>(22,571)</u>	<u>-</u>	<u>171,274</u>	<u>999,132</u>	<u>5,177,826</u>	<u>21,410,423</u>	
3,691,781	(11,250,078)	(1,556,982)	(3,705,021)	(1,068,617)	(16,044,638)	
<u>32,624,565</u>	<u>28,528,868</u>	<u>8,100,339</u>	<u>41,393,980</u>	<u>30,224,014</u>	<u>190,380,611</u>	
<u>\$ 36,316,346</u>	<u>\$ 17,278,790</u>	<u>\$ 6,543,357</u>	<u>\$ 37,688,959</u>	<u>\$ 29,155,397</u>	<u>\$ 174,335,973</u>	

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CITY OF GRAPEVINE, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Net change in fund balances - total governmental funds	\$(16,044,638)
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. This is the amount of capital assets recorded in the current period.	53,815,870
Governmental funds do not recognize assets contributed by granting agencies. However, in the statement of activities, the fair value of those assets are recognized as revenue, then depreciated over their estimated useful lives.	46,112
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(10,025,475)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of debt	(19,500,000)
Repayment of principal of long-term debt	12,663,601
Amortization of:	
Premium on bond issuance	637,155
Loss on refunding	(366,251)
The net effect of various miscellaneous transactions involving capital assets (i.e., the sales, trade-ins, and donations) is to increase net position.	12,400
Interest is accrued in the government-wide financial statements but not at the fund level. This represents the change in the accrual during the period.	394,343
Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated balances liability	(80,295)
Net OPEB obligation	(2,792,967)
Net pension obligation	(285,714)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	<u>2,815,982</u>
Change in net position of governmental activities	<u>\$ 15,658,159</u>

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

CITY OF GRAPEVINE, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 14,221,974	\$ 66,032	\$ 14,288,006
Receivables, net	2,969,589	33,208	3,002,797
Due from other funds	9	-	9
Due from other governments	1,127,974	-	1,127,974
Accrued interest	1,370	7	1,377
Prepaid items	19,274	1,450	20,724
Inventory	-	40,527	40,527
Total current assets	<u>18,340,190</u>	<u>141,224</u>	<u>18,481,414</u>
Noncurrent assets:			
Restricted cash and investments:			
Customer deposits	929,117	-	929,117
Revenue bond construction	-	91,683	91,683
Impact fees	<u>2,612,102</u>	<u>-</u>	<u>2,612,102</u>
Total restricted cash and investments	<u>3,541,219</u>	<u>91,683</u>	<u>3,632,902</u>
Capital assets:			
Land	550,882	1,092,663	1,643,545
Buildings, structure and improvements	124,183,601	8,979,775	133,163,376
Vehicles, machinery and equipment	2,245,404	228,507	2,473,911
Construction in progress	403,861	-	403,861
Water storage rights	112,505	-	112,505
Less accumulated depreciation	<u>(43,934,175)</u>	<u>(6,820,585)</u>	<u>(50,754,760)</u>
Net capital assets	<u>83,562,078</u>	<u>3,480,360</u>	<u>87,042,438</u>
Total noncurrent assets	<u>87,103,297</u>	<u>3,572,043</u>	<u>90,675,340</u>
Total assets	<u>105,443,487</u>	<u>3,713,267</u>	<u>109,156,754</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	<u>325,533</u>	<u>36,526</u>	<u>362,059</u>
Total deferred outflows of resources	<u>325,533</u>	<u>36,526</u>	<u>362,059</u>

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

CITY OF GRAPEVINE, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

(Continued)

SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 2,513,827	\$ 127,282	\$ 2,641,109
Accrued liabilities	211,016	31,621	242,637
Due to other funds	-	799,471	799,471
Unearned revenue	297,902	-	297,902
Compensated absences	37,917	17,820	55,737
Retainage payable	302,402	-	302,402
Accrued bond interest payable	36,281	10,410	46,691
General obligation bonds payable	1,480,000	350,000	1,830,000
Customer deposits	928,817	-	928,817
Total current liabilities	<u>5,808,162</u>	<u>1,336,604</u>	<u>7,144,766</u>
Noncurrent liabilities:			
General obligation bonds payable	5,929,931	1,795,683	7,725,614
Net OPEB obligation	1,243,688	596,513	1,840,201
Net pension obligation	396,874	179,360	576,234
Compensated absences	104,123	53,461	157,584
Total noncurrent liabilities	<u>7,674,616</u>	<u>2,625,017</u>	<u>10,299,633</u>
Total liabilities	<u>13,482,778</u>	<u>3,961,621</u>	<u>17,444,399</u>
NET POSITION			
Net investment in capital assets	76,468,192	1,404,110	77,872,302
Restricted for:			
Impact fees	2,612,102	-	2,612,102
Unrestricted	<u>13,205,948</u>	<u>(1,615,938)</u>	<u>11,590,010</u>
Total net position	<u>\$ 92,286,242</u>	<u>\$ (211,828)</u>	<u>\$ 92,074,414</u>

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CITY OF GRAPEVINE, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Fund		
	Water and Sewer	Lake Enterprise	Total
OPERATING REVENUES			
Charges for services	\$ 21,576,202	\$ 2,994,279	\$ 24,570,481
Miscellaneous	2,091,133	23,212	2,114,345
Total operating revenues	<u>23,667,335</u>	<u>3,017,491</u>	<u>26,684,826</u>
OPERATING EXPENSES			
Salaries and benefits	3,064,917	1,121,856	4,186,773
Maintenance, repairs, and supplies	10,596,496	303,539	10,900,035
Depreciation	2,828,841	407,722	3,236,563
General and administrative	2,949,145	860,458	3,809,603
Total operating expenses	<u>19,439,399</u>	<u>2,693,575</u>	<u>22,132,974</u>
OPERATING INCOME	<u>4,227,936</u>	<u>323,916</u>	<u>4,551,852</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	20,091	132	20,223
Interest and fiscal agent charges	(323,600)	(70,222)	(393,822)
Total nonoperating revenues (expenses)	<u>(303,509)</u>	<u>(70,090)</u>	<u>(373,599)</u>
INCOME BEFORE TRANSFERS	<u>3,924,427</u>	<u>253,826</u>	<u>4,178,253</u>
TRANSFERS			
Transfers in	45,350	-	45,350
Transfers out	(1,595,765)	(110,340)	(1,706,105)
Total transfers	<u>(1,550,415)</u>	<u>(110,340)</u>	<u>(1,660,755)</u>
CHANGE IN NET POSITION	2,374,012	143,486	2,517,498
TOTAL NET POSITION, BEGINNING	90,029,226	(336,226)	89,693,000
CHANGE IN ACCOUNTING PRINCIPLES	(116,996)	(19,088)	(136,084)
NET POSITION, BEGINNING, AS RESTATED	<u>89,912,230</u>	<u>(355,314)</u>	<u>89,556,916</u>
TOTAL NET POSITION, ENDING	<u>\$ 92,286,242</u>	<u>\$ (211,828)</u>	<u>\$ 92,074,414</u>

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

CITY OF GRAPEVINE, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 22,357,749	\$ 3,016,722	\$ 25,374,471
Cash paid to employees	(2,702,551)	(1,042,473)	(3,745,024)
Cash paid to suppliers for goods and services	(13,101,968)	(1,298,085)	(14,400,053)
Net cash provided by operating activities	<u>6,553,230</u>	<u>676,164</u>	<u>7,229,394</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal repayment on bonds	(1,420,000)	(330,000)	(1,750,000)
Interest and related fees paid on long-term debt	(321,163)	(100,150)	(421,313)
Acquisition and construction of capital assets	(6,557,598)	(264,673)	(6,822,271)
Net cash used by capital and related financing activities	<u>(8,298,761)</u>	<u>(694,823)</u>	<u>(8,993,584)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments and cash equivalents	<u>21,469</u>	<u>140</u>	<u>21,609</u>
Net cash provided by investing activities	<u>21,469</u>	<u>140</u>	<u>21,609</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer in	45,350	-	45,350
Transfer out	(1,595,765)	(110,340)	(1,706,105)
Net cash used by noncapital financing activities	<u>(1,550,415)</u>	<u>(110,340)</u>	<u>(1,660,755)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS			
	(3,274,477)	(128,859)	(3,403,336)
CASH AND CASH EQUIVALENTS, BEGINNING			
	<u>21,037,672</u>	<u>286,574</u>	<u>21,324,246</u>
CASH AND CASH EQUIVALENTS, ENDING			
	<u>\$ 17,763,195</u>	<u>\$ 157,715</u>	<u>\$ 17,920,910</u>
(Including \$3,541,219 of restricted cash and investments in the Water and Sewer Fund and \$91,683 of restricted cash and investments in the Lake Enterprise Fund)			

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

CITY OF GRAPEVINE, TEXAS

STATEMENT OF CASHFLOWS
PROPRIETARY FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 4,227,936	\$ 323,916	\$ 4,551,852
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	2,828,841	407,722	3,236,563
(Increase) decrease in assets:			
Customer receivable	(234,216)	(769)	(234,985)
Other receivable	(1,035,927)	-	(1,035,927)
Other assets	(19,283)	(1,450)	(20,733)
Inventories	-	7,429	7,429
Increase (decrease) in liabilities:			
Accounts payable	410,041	(12,888)	397,153
Accrued liabilities	68,850	6,275	75,125
Other liabilities	(9,286)	(127,179)	(136,465)
Unearned revenue	(20,160)	-	(20,160)
Customer deposits	42,918	-	42,918
Net OPEB obligation	256,386	92,735	349,121
Net pension obligation	21,668	7,559	29,227
Compensated absences	15,462	(27,186)	(11,724)
Total adjustments	<u>2,325,294</u>	<u>352,248</u>	<u>2,677,542</u>
Net cash provided by operating activities	<u>\$ 6,553,230</u>	<u>\$ 676,164</u>	<u>\$ 7,229,394</u>

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CITY OF GRAPEVINE, TEXAS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

SEPTEMBER 30, 2014

	<u>Agency</u>	<u>Grapevine Health Care Reimbursement Trust</u>
ASSETS		
Cash and cash equivalents	\$ 159,952	\$ 2,442,933
Accrued interest receivable	-	1,385
Total assets	<u>159,952</u>	<u>2,444,318</u>
LIABILITIES		
Accounts payable	-	739
Due to beneficiary	<u>159,952</u>	<u>-</u>
Total liabilities	<u>159,952</u>	<u>739</u>
NET POSITION		
Held in trust for Grapevine Health Care Reimbursement		<u>\$ 2,443,579</u>

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

CITY OF GRAPEVINE, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Grapevine Health Care Reimbursement Trust
ADDITIONS	
Employer contributions	\$ 337,600
Investment income	9,059
Total additions	346,659
DEDUCTIONS	
Distributions	7,396
Change in net position	339,263
NET POSITION, BEGINNING	2,104,316
NET POSITION, ENDING	\$ 2,443,579

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

CITY OF GRAPEVINE, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Grapevine (“City”) is a municipal corporation incorporated under Article XI of the Texas Constitution (Home Rule Amendment). The City operates under a Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, safety and convenience of its citizens.

The accounting and reporting policies of the City relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. The following represents the more significant accounting and reporting policies and practices used by the City.

A. Reporting Entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operations and are appropriately presented as funds of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City.

Based on these criteria, the financial information of the following entities have been blended or discretely presented within the financial statements.

Blended Component Units

Grapevine Tax Increment Financing District Reinvestment Zone Number One and Two (the “TIF’s”) were formed to finance and make public improvements serving only the City, under the authority of the Tax Increment Financing Act. The TIF’s are governed by two separate boards of directors that are substantively the same as the City Council. The chairman of the board is also designated by the City Council.

The Grapevine Crime Control and Prevention District (Crime District) was established to account for the accumulation and use of sales tax proceeds designated for crime reduction programs. One-half (1/2) cent of local sales and use tax within the district funds the Crime District. The Board of Directors of the Crime Control and Prevention District is substantively the same as the City Council.

The Grapevine 4B Economic Development Corporation consists of two funds. The 4B Transit Fund accounts for funds designated for Grapevine's participation in the commuter rail development project with the Fort Worth Transit Authority (the "T"). The Economic Development Fund accounts for funds used to stimulate the local economy, development, and redevelopment. One-half (1/2) cent local sales and use tax within the district fund these two blended component units. Three eighths (3/8th) of one-half cent of the local sales tax is used to fund the 4B Transit Fund. One eighth (1/8th) of one-half cent of the local sales tax is used to fund the Economic Development Fund. The Boards of Directors of these blended component units include citizens as members, but are substantively the same as the City Council.

Discretely Presented Component Unit

Grapevine Heritage Foundation (the "Foundation") is a Texas nonprofit corporation governed by a 15-member board of directors appointed by City Council, which includes a City Council member and the Director of the City's Convention and Visitor's Bureau. The Foundation's operating budget is subject to the approval of the City Council. The City is able to impose its will on the Foundation. The boards are not substantively the same. The Foundation does not provide services to the City.

Complete financial statements for the TIFS may be obtained from the City of Grapevine, Finance Department, 200 South Main St., Grapevine Texas 76051. Separate financial statements for the Heritage Foundation, the Crime Control and Protection District, The 4B Transit Fund, and the 4B Economic Development Fund are not prepared.

B. Government-wide Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a separate column in the fund financial statements. The nonmajor funds are detailed in the combining section of the statements.

The City's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, individuals, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category) and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund 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 level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. Generally, monies must be expended on a specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. Ad valorem taxes are recognized as revenues in the year for which they are levied. Sales taxes, franchise taxes, hotel occupancy taxes, charges for services and fines are recognized as revenue as earned, when measurable and available. Licenses, permits, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Business-type activities and all proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer and municipal golf course are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

The City reports the following major governmental funds:

The **General Fund** accounts for several of the City's primary services (Police Administration, Fire, Public Works, Libraries, Parks and Recreation, etc.) and is the primary operating unit of the City.

The **Special Revenue Fund (Hotel Occupancy Tax Fund)** accounts for all hotel occupancy tax revenues which are restricted by state statute and can only be used on expenditures related to culture and recreation. Additional local revenues generated through tourism activities are accumulated in this fund and are assigned for use on expenditures related to culture and recreation. Per Ordinance No. 2014-37 the City Council passed a 1% increase in the Hotel Occupancy Tax Rate effective 10/1/2014.

The **Special Revenue Fund (Crime District Fund)** accounts for the accumulation and use of sales tax proceeds restricted for crime reduction programs.

The **Special Revenue Fund (4B-Economic Development Fund)** is used to account for the accumulation of sales tax restricted for economic development projects and local funds assigned by the City to stimulate the local economy, development, and redevelopment.

The **Debt Service Fund** is used to account for the accumulation of restricted property tax resources levied for the payment of general long-term debt principal, interest and related costs.

The **Tax Increment Financing Number One (TIF #1) Debt Service Fund** TIF #1 account was established by ordinances authorizing the issuance of Combination Tax and Tax Increment Reinvestment Zone Certificate of Obligations Series 1996. A property tax is levied for the payment of the debt as it becomes due and is currently payable in annual installments as it becomes due.

The **Capital Projects Fund (Parks Open Space and Recreation Fund)** is used to account for the financing, acquisition, construction and improvement of parks and public recreation facilities.

The **Capital Projects Fund (Streets Fund)** is used to account for the construction of improvements to various streets, drainage and sidewalk projects.

The **Capital Projects Fund (General Facilities and Equipment Fund)** is used to account for general financing, acquisition, construction and improvements of the City's buildings and capital equipment.

Proprietary funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major proprietary funds of the City:

The Water and Sewer Fund accounts for the operation of the City's water and sewer utility activities including administration, operation and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

The Lake Enterprise Fund includes the operations of a municipal golf course.

There are no nonmajor proprietary funds for the fiscal year end September 30, 2014.

Fiduciary Funds. There are four fiduciary funds: three agency funds and the Grapevine Health Reimbursement Trust Fund (HRA). Agency Funds represent funds held in an agency capacity for the Industrial Development Corporation, funds held for the Police Department entitled "Police Department Case Settlement" and funds held for the W.D. Tate Scholarship. These funds do not belong to the City. The Industrial Development Corporation is organized solely for the purposes of promoting and developing commercial, industrial, manufacturing and medical research enterprises to promote and encourage employment, public health and welfare. The HRA is an employee benefit trust account organized solely for the purpose of holding resources required to be held in trust for the members and beneficiaries of the defined employee medical plans. Trust funds use the economic resources measurement focus. Agency funds do not have a measurement focus.

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 governmental and business-type activities. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

D. Assets, Liabilities, and Net Position

1. Cash and Investments

Cash consists of demand deposits (principally interest-bearing accounts).

Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers quoted market prices at September 30, 2014, to be the fair value of investments.

For purposes of the statement of cash flows, proprietary funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

2. Interfund Transactions, Receivables and Payables

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

3. Property Taxes and Other Receivables

The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1 for all real property located in the City. The appraisal of property within the City is the responsibility of the Central Appraisal Districts of Dallas, Denton, and Tarrant Counties as required by legislation passed by the Texas Legislature. The Appraisal Districts are required under such legislation to assess all property within their Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The assessed value upon which the completed tax year 2013 levy was based was approximately \$6,347,070,579. The value of property within the Appraisal District must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action.

General property taxes are limited by the Texas Constitution to \$2.50 per \$100 of assessed valuation. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2014, was \$0.34250 per \$100 of assessed valuation.

Property taxes attach as an enforceable lien on property as of January 1 following the levy date. Taxes are due by January 31 following the levy date. Property taxes levied for 2014 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during 2014 and those considered “available” at year-end are recognized as revenues in 2014. The City considers property taxes available if they are collected within 60 days after year-end. Prior year levies were recorded using these same principles. The remaining receivables are reflected as deferred inflows of resources in the fund financial statements.

All trade and property tax receivables are shown net of an allowance for uncollectibles. All other allowances for uncollectible accounts are based on accounts outstanding in excess of 360 days of the invoice date. The property tax receivable allowance is based on the average collection rate of delinquent taxes over the last 20 years.

Property taxes are imposed nonexchange revenues. Assets from imposed nonexchange transactions are recorded when the entity has enforceable legal claim to the asset, or when the entity receives resources, whichever comes first. The enforceable legal claim date for property taxes is the assessment date. The assessment date has been designated in the enabling legislation as October 1.

The allowance for uncollectible accounts for utility billing is estimated based on a percentage of sales.

4. Inventories and Prepaid Items

Inventories are valued at average cost on a first-in, first-out basis.

Inventories in the General Fund are recorded using the consumption method (i.e., recorded as an expenditure when used). Prepaid items are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year. A corresponding portion of fund balance is shown as nonexpendable in governmental funds for prepaid items to indicate it is not available for other subsequent expenditures. Prepaid items are defined as payments of greater than \$5,000 that benefit future periods.

5. Restricted Assets

Certain proceeds of the City’s general obligation, certificates of obligation and revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or they are maintained in separate investment accounts. The “revenue bond construction” accounts are used to report those proceeds of revenue bond issuances that are restricted for use in construction of assets. Also included in restricted assets are impact fees (see Note 13) and customer deposits.

6. Capital Assets

Capital assets, which include land improvements, construction-in-progress, buildings and improvements, equipment, intangible assets and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Infrastructure assets are defined by the City as assets costing in excess of \$50,000 that have an estimated useful life in excess of two years. Such assets are recorded at 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.

Depreciation has been provided on a straight-line basis over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Assets	Years
Buildings - wood framed	20
Buildings - metal storage	7
Buildings - steel framed	40
Water and sewer system	30-50
General infrastructure	20-30
Improvements other than buildings	10-20
Machinery and equipment	3-10
Motor vehicles	3-10

7. Deferred Inflows and Outflows 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 is reporting balances for deferred losses on bond refundings in both the government-wide Statement of Net Position and the Statement of Net Position – Proprietary Funds. A deferred loss on a bond refunding results when the reacquisition price of the refunded debt exceeds the carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has 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. Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Streets</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Property taxes	\$ 42,801	\$ 69,317	\$ -	\$ -	\$ 112,118
Property tax penalties and interest	31,646	52,500	-	-	84,146
Court fines and fees	311,849	-	-	-	311,849
Ambulance	667,331	-	-	-	667,331
Grant revenue	<u>-</u>	<u>-</u>	<u>4,400</u>	<u>21,325</u>	<u>25,725</u>
Total	<u>\$ 1,053,627</u>	<u>\$ 121,817</u>	<u>\$ 4,400</u>	<u>\$ 21,325</u>	<u>\$ 1,201,169</u>

8. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Employees are reimbursed upon termination for accumulated vacation and only non-exempt employees are reimbursed for compensatory time. The liabilities for these amounts are accrued as they are incurred in the government-wide and proprietary fund financial statements. Employees are not reimbursed upon termination for accumulated sick leave.

9. Long-term Debt

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

10. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has, by resolution, authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover the gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

11. New Accounting Principles

Significant new accounting standards not yet implemented by the City include the following:

Statement No. 68 ("GASB 68"), *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*, is effective for periods beginning after June 15, 2014. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

12. Change in Accounting Principles

As the result of implementing GASB Statement No. 65, the City has restated the beginning net position, effectively decreasing net position as of October 1, 2013 by \$1,119,921 for the governmental activities, by \$136,084 for the business-type activities and proprietary funds. These decreases result from no longer deferring and amortizing bond issuance costs.

Further, the City has restated its long-term liabilities to reflect that components of those liabilities as of October 1, 2013, deferred losses on bond refundings, are now reported as deferred outflows of resources in the government-wide and proprietary fund financial statements. The effect of this change increased the long-term liabilities of the governmental activities by \$2,870,991 and increased long-term liabilities of the business-type activities by \$404,247. These increases in long-term liabilities correspond to an increase in deferred outflows of resources.

2. DEFICIT EQUITY BALANCES

The Lake Parks Fund (Special Revenue – Nonmajor Fund) had a deficit fund balance of (\$1,100,605). This deficit will either be resolved with increased revenues or a transfer from other funds in the future.

The Grant Fund (Special Revenue – Nonmajor Fund) had a deficit fund balance of (\$7,771) at year-end. This deficit can be attributed to the timing of grant payments from granting agencies. The deficit will be funded in the subsequent period with the receipt of grant funding.

The Lake Enterprise Fund had a deficit net position of (\$211,828). The City anticipates the deficit equity balance in this fund will decline in the future. If this deficit continues it will either be resolved with an increase in revenues or a transfer from other funds.

3. CASH AND INVESTMENTS

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

Total City cash deposits	\$ 27,276,561
Total investments	<u>171,438,069</u>
Total City cash and investments	<u>\$ 198,714,630</u>
Cash and investments composition:	
Primary government	\$ 195,589,363
Component unit	522,382
Trust and agency funds	<u>2,602,885</u>
Total cash and investments	<u>\$ 198,714,630</u>

Investment Type	Fair Value	Weighted Average Maturity (Days)
TexPool	\$ 96,324,869	51
LOGIC	73,836,092	57
U. S. Treasury Bonds	277,539	593
Federal Farm Credit Bonds	499,624	1,085
Federal Home Loan Bank Bonds	<u>499,945</u>	912
 Total portfolio	 <u>\$ 171,438,069</u>	
 Portfolio weighted average maturity (days)		 60

Investment pools are not categorized as to investment risk since specific securities relating to the City cannot be identified. Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Lehman Brothers, Inc. and Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accountants. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. Under the LOGIC Participation Agreement, administrative and investment services to LOGIC are provided by First Southwest Asset Management, Inc. and JP Morgan Asset Management, Inc. as co administrators. The administrators settle all trades for LOGIC and secure and value its assets every day. The fair value of the City's position in these pools is the same as the value of the pool shares. As of September 30, 2014, the City's investments in LOGIC and TexPool were both rated AAAM by Standard & Poor's.

Interest Rate Risk. In accordance with its investment policy, the City minimizes the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:

- a. Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- b. Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
- c. Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Credit Risk. In accordance with its investment policy, the City minimizes credit risk, the risk of loss due to the failure of the issuer or backer of the investment by:

- a. Limiting investments to the safest types of investments.
- b. Pre-qualifying the financial institutions and broker/dealers with which the City will do business.

- c. Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Concentration of Credit Risk. The City's investment policy allows up to 100% to be invested in U. S. Treasury Bills/Notes/Bonds, and U. S. Agencies and Instrumentalities. The City's investment in the securities of U. S. agencies are rated AAA by Standard & Poor's. TexPool and LOGIC are public funds investment pools operating as a 2a-7 like pool and in full compliance with the Public Funds Investment Act.

Custodial Credit Risk. State statutes require that all City deposits in financial institutions be fully collateralized by U. S. Government obligations or obligations of the State of Texas or its agencies. The City's deposits were fully collateralized by government securities, or had a letter of credit issued by the Federal Home Loan Bank as required by State statutes at September 30, 2014.

4. RECEIVABLES

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

	Accrued			Gross	Less	
	Interest	Taxes	Accounts	Receivables	Allowance for	Total
					Uncollectibles	
General	\$ 674	5,235,654	4,803,149	\$ 10,039,477	(3,172,855)	\$ 6,866,622
Hotel Occupancy	1,123	1,109,481	85,986	1,196,590	(14,988)	1,181,602
Crime District	-	2,148,365	3,150	2,151,515	-	2,151,515
4B - Economic Development	592	651,488	4,000	656,080	-	656,080
Debt Service	1,022	562,731	-	563,753	(438,364)	125,389
Debt Service TIF #1	2,195	567	-	2,762	-	2,762
Parks Open Space and Recreation	17	-	-	17	-	17
Streets	345	-	-	345	-	345
General Facilities and Equipment	137	-	-	137	-	137
Water and Sewer	1,370	-	3,095,158	3,096,528	(125,569)	2,970,959
Lake Enterprise	7	-	33,208	33,215	-	33,215
Nonmajor funds	<u>1,569</u>	<u>1,568,157</u>	<u>178,573</u>	<u>1,748,299</u>	<u>-</u>	<u>1,748,299</u>
Total	<u>\$ 9,051</u>	<u>\$ 11,276,443</u>	<u>\$ 8,203,224</u>	<u>\$ 19,488,718</u>	<u>\$(3,751,776)</u>	<u>\$ 15,736,942</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2014, was as follows:

Primary Government

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 47,821,876	\$ 33,324,319	\$ -	\$ 81,146,195
Construction in progress	6,027,159	15,070,350	(239,131)	20,858,378
Total assets not being depreciated	<u>53,849,035</u>	<u>48,394,669</u>	<u>(239,131)</u>	<u>102,004,573</u>
Capital assets, being depreciated:				
Buildings	50,688,997	1,445,476	-	52,134,473
Improvement other than buildings	30,737,099	1,795,857	(173,222)	32,359,734
Equipment and vehicles	36,500,711	3,111,667	(1,424,832)	38,187,546
Infrastructure	121,489,243	8,495	-	121,497,738
Total capital assets being depreciated	<u>239,416,050</u>	<u>6,361,495</u>	<u>(1,598,054)</u>	<u>244,179,491</u>
Less accumulated depreciation:				
Buildings	(18,049,815)	(1,522,927)	-	(19,572,742)
Improvement other than buildings	(9,595,795)	(1,533,265)	2,456	(11,126,604)
Equipment and vehicles	(22,607,523)	(2,605,255)	1,344,797	(23,867,981)
Infrastructure	(69,396,661)	(4,364,028)	-	(73,760,689)
Total accumulated depreciation	<u>(119,649,794)</u>	<u>(10,025,475)</u>	<u>1,347,253</u>	<u>(128,328,016)</u>
Total capital assets being depreciated, net	<u>119,766,256</u>	<u>(3,663,980)</u>	<u>(250,801)</u>	<u>115,851,475</u>
Governmental activities capital assets, net	<u>\$ 173,615,291</u>	<u>\$ 44,730,689</u>	<u>\$ (489,932)</u>	<u>\$ 217,856,048</u>

	Beginning Balance	Transfers and Additions	Transfers and Retirements	CC ITEM #5 Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,643,545	\$ -	\$ -	\$ 1,643,545
Construction in progress	<u>219,754</u>	<u>6,323,108</u>	<u>(6,139,001)</u>	<u>403,861</u>
Total assets not being depreciated	<u>1,863,299</u>	<u>6,323,108</u>	<u>(6,139,001)</u>	<u>2,047,406</u>
Capital assets, being depreciated:				
Buildings	2,432,585	-	-	2,432,585
Improvement other than buildings	6,867,585	129,000	-	6,996,585
Equipment and vehicles	1,949,236	524,675	-	2,473,911
Water storage rights	683,547	-	-	683,547
Infrastructure	<u>117,595,205</u>	<u>-</u>	<u>6,139,001</u>	<u>123,734,206</u>
Total capital assets being depreciated	<u>129,528,158</u>	<u>653,675</u>	<u>6,139,001</u>	<u>136,320,834</u>
Less accumulated depreciation:				
Buildings	(1,634,780)	(41,969)	-	(1,676,749)
Improvement other than buildings	(4,988,200)	(366,187)	-	(5,354,387)
Equipment and vehicles	(709,463)	(234,579)	-	(944,042)
Water storage rights	(553,953)	(17,089)	-	(571,042)
Infrastructure	<u>(40,202,843)</u>	<u>(2,576,739)</u>	<u>-</u>	<u>(42,779,582)</u>
Total accumulated depreciation	<u>(48,089,239)</u>	<u>(3,236,563)</u>	<u>-</u>	<u>(51,325,802)</u>
Total capital assets being depreciated, net	<u>81,438,919</u>	<u>(2,582,888)</u>	<u>6,139,001</u>	<u>84,995,032</u>
Business-type activities capital assets, net	<u>\$ 83,302,218</u>	<u>\$ 3,740,220</u>	<u>\$ -</u>	<u>\$ 87,042,438</u>

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

Governmental activities:	
General government	\$ 671,772
Public safety	1,332,603
Public works	4,909,813
Culture and recreation	<u>3,111,287</u>
Total depreciation expense - governmental activities	<u>\$ 10,025,475</u>
Business-type activities:	
Water and sewer	\$ 2,828,841
Lake Enterprise	<u>407,722</u>
Total depreciation expense - business-type activities	<u>\$ 3,236,563</u>

	Beginning Balance	Transfers and Additions	Transfers and Retirements	CC ITEM #5 Ending Balance
Discretely Presented Component Unit:				
Capital assets, not being depreciated:				
Land	\$ 450,067	\$ -	\$ -	\$ 450,067
Total assets not being depreciated	<u>450,067</u>	<u>-</u>	<u>-</u>	<u>450,067</u>
Capital assets, being depreciated:				
Building	1,031,174	-	-	1,031,174
Improvements other than building	945,651	-	-	945,651
Vehicles and equipment	31,275	-	-	31,275
Total capital assets being depreciated	<u>2,008,100</u>	<u>-</u>	<u>-</u>	<u>2,008,100</u>
Less accumulated depreciation:				
Building	(183,847)	(27,576)	-	(211,423)
Improvements other than building	(691,939)	(47,800)	-	(739,739)
Vehicles and equipment	(31,275)	-	-	(31,275)
Total accumulated depreciation	<u>(907,061)</u>	<u>(75,376)</u>	<u>-</u>	<u>(982,437)</u>
Total capital assets being depreciated, net	<u>1,101,039</u>	<u>(75,376)</u>	<u>-</u>	<u>1,025,663</u>
Discretely presented component unit capital assets, net	<u>\$ 1,551,106</u>	<u>\$(75,376)</u>	<u>\$ -</u>	<u>\$ 1,475,730</u>

Construction Commitments

The City has active construction projects as of September 30, 2014. The projects include building projects, street construction and improvements of existing streets, and repair and maintenance of existing water and sewer systems. As of September 30, 2014, the City had outstanding construction commitments totaling \$18,033,118.

Project	Commitment
Streets and drainage projects	\$ 488,394
Water and wastewater projects	81,218
Public safety building	1,393,683
Community activity center renovation	<u>16,069,823</u>
Total	<u>\$ 18,033,118</u>

The commitment for building, street and drainage construction is funded from unexpended general obligation, certificates of obligation, and revenue bond proceeds. Water and wastewater projects are funded from unexpended revenue bond proceeds and operations.

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Crime District	\$ 926,316
	Grants (nonmajor fund)	17,233
	Lake Parks (nonmajor fund)	681,490
	Lake Enterprise	<u>799,471</u>
Total General		2,424,510
General Facilities and Equipment	General	865
Water and Sewer	General	<u>9</u>
Total		<u>\$ 2,425,384</u>

Interfund balances for all of the funds are created by short-term deficiencies in cash position in the individual fund. It is anticipated that the balances will be repaid in one year or less. Similar transaction such as this also exist between the primary government and the City’s discretely presented component unit. The balances due to and due from component unit and primary government at September 30, 2014 consisted of the following:

<u>Receivable</u>	<u>Payable</u>	
Component unit - Heritage Foundation	Primary Government - Hotel Occupancy Fund	\$ <u>526</u>

Interfund Transfers

Various non-major funds received transfers from the General Fund during fiscal year 2014. The General Fund transferred \$3,000,000 to the Quality of Life Fund for capital projects. The General Fund transferred \$1,000,000 (net) to the Crime District Fund to supplement the difference in operating expenses from the anticipated sales tax revenue collection for the fiscal year. In addition, the Street Maintenance and Capital Replacement Fund received a \$2,809,000 transfer for capital projects related to streets and general facilities, and \$1,676,000 was transferred to the Capital Acquisition Fund for fleet, capital and technology equipment purchases. There were transfers to the Debt Service Fund of \$2,038,900 for payment of debt obligations for the Hotel Occupancy Tax Fund, \$319,436 for the Storm Drainage Fund, and \$323,973 for the Lake Parks Fund, \$23,607 for the Municipal Court Technology Fund. Transfers to the General Fund for \$3,460,225 were for payments from other funds for insurance, claims, fleet and IT costs administered by the General Fund. There were also inter-fund transfers for \$2,000,000 (net) to establish the new Economic Development Fund.

The primary purpose of interfund transfers is the transfer of funds from one fund to support expenditures of another fund in accordance with the authority established for the individual fund. A summary of interfund transfers by fund type is as follows:

Transfers in	Transfers out	Amount	Total
General	Hotel Occupancy Tax	\$ 1,147,952	
	4-B Economic Development	283,450	
	Water and Sewer	1,595,765	
	Lake Enterprise	110,340	
	Nonmajor governmental	<u>322,718</u>	
Total General			\$ 3,460,225
Hotel Occupancy Tax	General	28,014	
	Nonmajor governmental	<u>365,179</u>	
Total Hotel Occupancy Tax			393,193
Crime District	General		1,000,000
4-B Economic Development	General	1,000,000	
	Nonmajor governmental	<u>1,000,000</u>	
Total Hotel Occupancy Tax			2,000,000
Debt Service	Hotel Occupancy Tax	2,038,900	
	Nonmajor governmental	<u>667,016</u>	
Total Debt Service			2,705,916
Streets	Nonmajor governmental		200,000
General Facilities and Equipment	Hotel Occupancy Tax		999,132
Water and Sewer	Nonmajor governmental		45,350
Nonmajor governmental	General	7,485,000	
	TIF #1	22,571	
	Streets	28,726	
	Nonmajor governmental	<u>211,971</u>	
Total nonmajor governmental			<u>7,748,268</u>
Total			<u>\$ 18,552,084</u>

7. LEASES

Operating Leases

Lake Parks:

The City entered into a 25-year lease agreement with the United States Corps of Engineers to operate and maintain approximately 770 acres of property at Lake Grapevine. The City is

required to pay the cost to maintain and operate the property. Revenues generated from the operations on the property will be used to maintain the property. The term of the operating lease is from October 2004 through September 2029. The agreement covers the park areas of Meadowmere Park, Oak Grove Park and Silver Lake Park.

Gaylord Texan Resort and Convention Center:

The City leased property from the United States Corps of Engineers as referred to above (Lake Parks). The City entered into a sublease agreement with the Gaylord Texan Resort and Convention Center on March 18, 1994, for a portion of the land leased from the United States Corps of Engineers. The contract is for 49 years and the rent payment is \$1 per year. Gaylord Texan Resort and Convention Center has a sublease hold deed of trust and security agreement. The City agreed to sublease property to Gaylord Texan Resort and Convention Center so they could secure financing.

The City and Gaylord Texan Resort and Convention Center entered into an amended agreement in fiscal year 2008 pertaining to the United States Corps of Engineers leased property referred to as the "Lease Property." This amendment does not become effective until the issuance of a building permit for the expansion on this property. The "Lease Property" terms provide for annual rents during the construction of the expansion of \$54,360 with periodic fee increases due upon substantial completion of the expansion of the Gaylord Texan Resort and Convention Center. The annual rent will be adjusted every five years based on the terms of the contract. The Land Lease shall commence upon the issuance of a building permit for the expansion and shall have a primary term of 25 years with Gaylord Texan Resort and Convention Center having the right to extend the term for one additional period of 25 years.

In the amended agreement between the City and Gaylord Texan Resort and Convention Center, the City also granted to Gaylord Texan Resort and Convention Center an option for the right to lease the "Western Amenity Parcel." For a period of one year from the date of the Option Election, Gaylord Texan Resort and Convention Center has the right to lease the "Western Amenity Parcel," and to keep the option in effect, Gaylord Texan Resort and Convention Center must continue paying annual rent at an amount based upon the contract terms. Gaylord Texan Resort and Convention Center elected to pick up the option for the "Western Amenity Parcel" on June 5, 2008, and paid the City of Grapevine \$54,000 in accordance with the terms of the agreement.

In May 2009, the City and Gaylord Texan Resort and Convention Center entered into a third agreement and agreed to extend the required commencement date of the expansion from September 12, 2009 until September 12, 2012 and extended the renewal dates for parcels 5 and 7 as defined in the agreement, until September 12, 2012. The City then entered into several additional extensions and recently approved the sixth addendum or extension with the Gaylord Texan Resort on April 1, 2014 extending the agreement to September 12, 2016.

Cowboys Golf Course:

The City entered into a 25-year lease agreement with the Cowboys Golf Course in 1994. The rent fee is 3% of Cowboys' gross revenues from operations.

8. LONG-TERM LIABILITIES

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 20-year serial bonds with principal maturing each year.

A summary of the terms of general obligation bonds, combination tax and revenue bonds, and certificates of obligation outstanding and their corresponding allocations to the governmental and business-type activities at September 30, 2014, follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	2.5% - 5.25%	\$ 71,435,000
Governmental activities, refunding	2.5% - 5.25%	<u>25,220,000</u>
Total governmental		96,655,000
Business-type activities, refunding	2.0% - 5.25%	<u>9,095,000</u>
Total general obligation debt		<u>\$ 105,750,000</u>

Annual debt service requirements for general obligation bonds are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>General Obligation</u>	<u>G. O. Interest</u>	<u>General Obligation</u>	<u>G. O. Interest</u>
2015	\$ 7,300,000	\$ 3,747,889	\$ 1,830,000	\$ 347,525
2016	7,595,000	3,507,634	1,925,000	268,125
2017	6,580,000	3,274,306	1,855,000	195,038
2018	6,045,000	3,060,587	1,270,000	119,000
2019	6,310,000	2,840,558	1,320,000	68,899
2020-2024	22,855,000	10,815,320	895,000	36,099
2025-2029	20,575,000	6,476,685	-	-
2030-2034	<u>19,395,000</u>	<u>1,914,205</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 96,655,000</u>	<u>\$ 35,637,184</u>	<u>\$ 9,095,000</u>	<u>\$ 1,034,686</u>

Certificates of Obligation

The City also issues certificates of obligation (“COs”) to finance the acquisition and construction of capital assets including certain capital improvement projects, municipal facilities, and machinery and equipment. Interest rates on the outstanding COs range from 3.00% – 7.00%. Annual debt service requirements to maturity for certificates of obligation of the primary government are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Certificates of Obligation</u>	<u>C. O. Interest</u>
2015	\$ 4,748,386	\$ 1,844,056
2016	4,810,095	1,615,121
2017	2,486,864	1,447,480
2018	2,603,694	1,334,576
2019	2,735,590	1,215,867
2020-2024	14,562,553	4,157,589
2025-2029	8,960,000	824,595
2030-2034	<u>125,000</u>	<u>2,812</u>
Total	<u>\$ 41,032,182</u>	<u>\$ 12,442,096</u>

Notes Payable

The City issues tax notes to finance the construction of capital improvement projects, municipal facilities, and machinery and equipment. The interest rates on the outstanding tax notes range from 3.00% – 4.25%.

Tax, Land and Other Notes debt service requirements to maturity are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Tax, Land and Other Notes</u>	<u>Tax, Land and Other Interest</u>
2015	\$ 1,400,342	\$ 97,856
2016	571,533	69,285
2017	587,816	56,751
2018	580,000	34,200
2019	590,000	21,763
2020-2024	717,103	39,796
2025-2029	<u>24,255</u>	<u>960</u>
Total	<u>\$ 4,471,049</u>	<u>\$ 320,611</u>

The following is a summary of long-term liability transactions of the City for the year ended September 30, 2014, (amounts expressed in thousands):

	Balance 9/30/2013	Increases	Reductions	Balance 9/30/2014	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 102,692,840	\$ -	\$(6,037,840)	\$ 96,655,000	\$ 7,300,000
Certificates of obligation	45,658,918	-	(4,626,736)	41,032,182	4,748,386
Sales tax revenue bonds	-	19,500,000	-	19,500,000	660,000
Total bonds payable	<u>148,351,758</u>	<u>19,500,000</u>	<u>(10,664,576)</u>	<u>157,187,182</u>	<u>12,708,386</u>
Notes payable - taxes	6,095,000	-	(1,810,000)	4,285,000	1,385,000
Notes payable	201,518	-	(15,469)	186,049	15,342
Total notes payable	<u>6,296,518</u>	<u>-</u>	<u>(1,825,469)</u>	<u>4,471,049</u>	<u>1,400,342</u>
Total bonds and notes	<u>154,648,276</u>	<u>19,500,000</u>	<u>(12,490,045)</u>	<u>161,658,231</u>	<u>14,108,728</u>
Premium on bond issues	6,399,166	-	(637,155)	5,762,011	-
Net governmental bonds and notes outstanding	<u>161,047,442</u>	<u>19,500,000</u>	<u>(13,127,200)</u>	<u>167,420,242</u>	<u>14,108,728</u>
Sales tax obligation	945,803	-	(173,556)	772,247	173,556
Net OPEB obligation	11,546,496	2,792,967	-	14,339,463	-
Net pension obligation	5,027,942	6,556,079	(6,270,365)	5,313,656	-
Compensated absences	2,947,370	2,215,216	(2,134,921)	3,027,665	756,916
Total governmental long-term liabilities	<u>\$ 181,515,053</u>	<u>\$ 31,064,262</u>	<u>\$(21,706,042)</u>	<u>\$ 190,873,273</u>	<u>\$ 15,039,200</u>

For the governmental activities, compensated absences and other long-term liabilities are generally liquidated by the General Fund.

	Balance 9/30/2013	Increases	Reductions	Balance 9/30/2014	Due Within One Year
Business-type activities:					
Water and sewer obligations					
General obligation bonds	\$ 8,545,000	\$ -	\$(1,420,000)	\$ 7,125,000	\$ 1,480,000
Premium on bond issues	355,529	-	(70,598)	284,931	-
Net water and sewer bonds payable	<u>8,900,529</u>	<u>-</u>	<u>(1,490,598)</u>	<u>7,409,931</u>	<u>1,480,000</u>
Lake enterprise obligations					
General obligation bonds	2,300,000	-	(330,000)	1,970,000	350,000
Premium on bond issues	210,819	-	(35,136)	175,683	-
Net Lake Enterprise bonds payable	<u>2,510,819</u>	<u>-</u>	<u>(365,136)</u>	<u>2,145,683</u>	<u>350,000</u>
Net business-type bonds payable	<u>11,411,348</u>	<u>-</u>	<u>(1,855,734)</u>	<u>9,555,614</u>	<u>1,830,000</u>
Net OPEB obligation	1,491,080	349,121	-	1,840,201	-
Net pension obligation	547,007	670,639	(641,412)	576,234	-
Compensated absences	225,045	154,011	(165,735)	213,321	55,737
Total business-type long-term liabilities	<u>\$ 13,674,480</u>	<u>\$ 1,173,771</u>	<u>\$(2,662,881)</u>	<u>\$ 12,185,370</u>	<u>\$ 1,885,737</u>

Defeased Debt

As of September 30, 2014 outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are \$1,035,000.

Other Long-term Liabilities – Texas Comptroller of Public Accounts

As of September 30, 2014, the City of Grapevine has three payout agreements with the Texas Comptroller of Public Accounts for overpayment of sales taxes that total \$772,247. These amounts will be withheld from sales tax receipts over a period not to exceed six years.

Pledged Revenues**Tax Increment Financing District #1**

The Board of Directors for the Tax Increment Financing District #1 approved amending the Financing and Project Plan to allow the creation of a 380 Category within the Financing and Plan whereas all City funds contributed to date and additional funds contributed up to 2016-2017 be placed in a 380 account in the TIF zone to incentivize further economic development in the zone. The action was passed by the Board on September 8, 2009.

Tax Increment Financing District #2

The City has entered into a local agreement with the Grapevine-Colleyville Independent School District where future ad valorem taxes collected for the zone will be used to contribute towards the School's middle school debt. The total contribution that the City is obligated to pay is \$32,490,606 as of September 30, 2014. The annual amount was negotiated with the school and the school bills the City for this annual debt payment. The City does not have title to the middle school improvements.

9. EMPLOYEES' RETIREMENT SYSTEM**Plan Description**

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

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

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:

	<u>Plan Year 2012</u>	<u>Plan Year 2013</u>	<u>Plan Year 2014</u>
Employee deposit rate	7.00%	7.00%	7.00%
Matching ratio (city to employee)	2 to 1	2 to 1	2 to 1
Years required for vesting	5	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20	60/5, 0/20
Updated service credit	100% repeating, transfers	100% repeating, transfers	100% repeating, transfers
Annuity increase (to retirees)	70% of CPI repeating	70% of CPI repeating	70% of CPI repeating

Contributions

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

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect (i.e., the December 31, 2013 valuation will determine the contribution rate beginning January 1, 2015). The annual pension cost and the net pension obligation (asset) are as follows:

Annual Required Contribution (ARC)	\$ 7,187,386
Interest on Net Pension Obligation	390,246
Adjustment to the ARC	(350,913)
Annual Pension Cost	7,226,719
Contributions Made	(6,911,777)
Increase (Decrease) in Net Pension Obligation	314,942
Net Pension Obligation/(Asset), beginning of year	<u>5,574,948</u>
Net Pension Obligation/(Asset), ending of year	<u>\$ 5,889,890</u>

Accounting Year Ending	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	CC ITEM #5 Net Pension Obligation
9/30/2012	6,890,012	6,157,566	89%	5,147,458
9/30/2013	6,988,788	6,561,297	94%	5,574,949
9/30/2014	7,226,719	6,911,777	96%	5,889,890

The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013, also follows:

Valuation Date	12/31/2011	12/31/2012	12/31/2013
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Entry Age Normal
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll
GASB 25 equivalent single amortization period	26.2 years; closed period	25.2 years; closed period	24.0 years; closed period
Amortization period for new gains/losses	30 years	30 years	30 years
Asset valuation method	10-year smoothed market	10-year smoothed market	10-year smoothed market
Actuarial Assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases *	varies by age and service	varies by age and service	varies by age and service
*Includes inflation at	3.00%	3.00%	3.00%
Cost-of-living adjustments	2.10%	2.10%	2.10%

Funded Status and Funding Progress

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

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
12/31/2013	170,915,653	219,925,733	77.7%	49,010,080	35,984,243	136.2%

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

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

10. COMMITMENTS AND CONTINGENCIES

The City is defendant in several pending lawsuits. City management estimates, based on the advice of legal counsel, that the potential claims against the City, in excess of insurance coverage, would not materially affect the basic financial statements of the City. The City participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability that may arise as the result of these audits is not believed to be estimable or probable.

Gaylord Texan Resort and Convention Center

The City of Grapevine, Texas has a Memorandum of Understanding with Opryland Hotel—Texas, Limited Partnership “Gaylord” whereas one cent (\$.01) of the Hotel Occupancy Tax [currently six cents (\$.06)] collected by the City from the Gaylord, for the immediately preceding fiscal-year, shall be remitted each year back to the Gaylord. Per the agreement dated March 24, 1999, these payments will continue for a period of 20 years. The initial term payment was made in 2005, and for fiscal year-end 2014 the payment was made for expenditures of \$738,384.

On April 1, 2014 the City entered into the sixth addendum with the Gaylord Texan Resort related to the expansion of the Gaylord Texan Resort and Convention Center. Gaylord Entertainment, Inc. will receive a payment from the City in the amount equal to one-half of the “City Property Taxes” paid by Gaylord Texan Resort and Convention Center to the City for a 10-year period. The term “City Property Taxes” means the amount determined by multiplying the City ad valorem tax rate for the years in question times the “Incremental Increase” in value with the base year being 2009. On October 1, 2012, the Opryland Hotel – Texas, Limited Partnership changed

its name to RHP Property, GT a Delaware Corporation and is now being reimbursed by the City as Marriott Gaylord.

The payment of Hotel Occupancy Taxes, as described in the preceding paragraph, will continue for a period of 20 years. If a building permit is issued for the expansion of the Gaylord Hotel prior to September 12, 2014, an additional one cent (\$.02 total) will then be remitted back to the Gaylord for the remainder of the 20 years.

Great Wolf Lodge

The City of Grapevine, Texas entered into an incentive agreement with Great Wolf Resorts, Inc. under Chapter 380 of the Texas Local Government Code. The Developer must complete the project to construct a family oriented resort hotel featuring an indoor water park to be known as the "Great Wolf Lodge." The Project is to be completed in two phases. In consideration of the Developer's completion of the Project, the City agrees to provide the following incentives. For a period of 10 years after the issuance of a Certificate of Occupancy for Phase I, the City shall annually grant an amount to developer equal to one cent (\$.01) of the Hotel Occupancy Tax rate [currently six cents (\$.06)] collected by the City from Phase I of the Project for the immediately preceding Fiscal Year. For a period of 10 years after the issuance of a Certificate of Occupancy for Phase I, the City shall annually grant an amount to Developer equal to one cent of the Hotel Occupancy Tax rate [currently six cents (\$.06)] collected by the City from Phase II of the Project for the immediately preceding Fiscal Year. The City shall annually provide a grant in an amount equal to one half of one cent of the municipal sales tax revenue collected on the "Property" for a period of 10 years following the opening of Phase II. The initial term payment was made in 2008, and for the fiscal year-end 2014 the incentives earned were \$560,448 and were remitted by the City in fiscal year 2015.

Henry Schein

The City of Grapevine, Texas entered into a rebate agreement with Henry Schein, Inc. on March 6, 2007, for the rebate of Sales Tax Receipts from the one percent (1%) sales and use tax under Chapter 321 of the Texas Tax Code. The amount of the rebate is eighty seven and one half percent (87.5%) of the sales tax receipts for the sale of taxable items at the Henry Schein facility in Grapevine, TX. The rebate does not apply to the one half of one percent (.5 %) sales and use tax imposed on behalf of the Grapevine 4B Economic Development Corporation and one half of one percent (.5 %) sales and use tax imposed on behalf of the Grapevine Crime Control and Prevention District. The initial term of the agreement began on April 1, 2007, and continues until the 10th anniversary date of the commencement date. Thereafter, the term of this agreement shall be automatically renewed for two (2) successive terms of ten (10) years each. The initial term payment was made in 2007, and for the fiscal year-end 2014 the rebate amounts earned by Henry Schein, Inc. totaled \$1,131,031.

Grapevine Mills Mall

In 2012, the Tax Increment Financing District Reinvestment Zone Number One (TIF#1) Board of Directors approved an Economic Development Agreement with Grapevine Mills LTD Partnership in an amount not to exceed \$14,000,000 for interior renovations (\$10,000,000) and future exterior improvements (\$4,000,000) at Grapevine Mills Mall.

11. RISK MANAGEMENT

The City of Grapevine is exposed to various risks of loss related to tort liability, theft of and damage to property and destruction of assets; public officials' errors and omissions; bodily injury and property damage; injury to employees and natural disasters. During fiscal year 1987, the City of Grapevine established a risk management program to account for and finance its risk of loss. In fiscal year 1991, the Risk Management program was expanded to include implementation of the SIR (Self Insured Retention) plan. Under this plan, the City provided insurance protection for all known exposures, including all third party liability, law enforcement liability, public officials' errors and omissions, and all bodily injury and property damage arising out of the City's operations on an insured basis with various retentions up to \$10,000 per occurrence. In addition, the City provides protection for all its real property on a blanket building basis, including contents with agreed values and replacement costs with \$5,000 retention per occurrence. The City provides statutory workers' compensation for all employees for bodily injury and indemnity loss of wages. The City provides liability protection for all its commercial auto vehicles (fleet) on an insured basis up to \$5,000 per occurrence. The City also provides \$10,000,000 excess umbrella liability over all liability exposures. The City's loss experience has been very favorable with the experience modifier of .32 in the City's workers' compensation plan and similar loss ratios in the City's property and casualty insurance fund. The City purchases commercial insurance for claims in excess of its retention provided by the fund and for all other risks of loss. Risk management subrogates against third parties that damage City property or create bodily injury to City staff. Settled claims have not exceeded this commercial coverage in any of the past twenty fiscal years, nor has the City experienced significant reductions in coverage. All funds of the City participate in the program and make payments to the general fund based on actuarial estimates of the amounts needed to pay prior and current year premiums and claims. All third party liability and property protection is provided by A rated insurance carriers as defined by Best Key Rating Guide, A.M. Best Company. All workers' compensation protection afforded the employees of the City of Grapevine is through the Texas Municipal League Risk Retention Pool (TML Intergovernmental Risk Pool – Texas Municipal League, 211 E. 7th Street, Austin, Texas 78701).

The City establishes the insurance claim liability based on estimates of the ultimate cost of claims reported but unsettled and of claims incurred but not reported. Any claims incurred and not reported are not believed to be significant to the City's financial statements. Activity for the last two years is as follows:

	<u>2014</u>	<u>2013</u>
Claims payable, beginning of year	\$ 560,808	\$ 602,218
Current year claims and changes in estimates	6,849,116	6,070,309
Payments on claims	<u>(7,069,783)</u>	<u>(6,111,719)</u>
Claims payable at end of year	<u>\$ 340,141</u>	<u>\$ 560,808</u>

12. WATER STORAGE RIGHTS

Water storage rights of \$683,547 net of accumulated amortization of \$571,042, represent rights in the Federal Reservoir at Lake Grapevine purchased through a long-term contract with the federal government and are recorded at cost, with amortization being recorded using the straight-line method over the initial term of the contract of 40 years. Approximately 6 years remains on the contract.

13. IMPACT FEES

The City records impact fees received in excess of the cost of physical connection to the Water and Sewer system as revenues. Corresponding cash is recorded as a restricted asset for future expansion of the Water and Sewer system.

14. WATER AND SEWER CONTRACTS

The City has separate contracts with the Trinity River Authority of Texas (“TRA”) for the purchase of treated water and for the transportation, treatment and disposal of wastewater. The contracts require the City to pay varying amounts based on the costs associated with water purchased and wastewater transported and/or treated and disposed. The costs include the City’s proportionate share of TRA’s operating and maintenance expenses, related debt service costs, plus certain other miscellaneous charges.

Payments during 2014 for the purchase of treated water were \$7,497,617 and payments made for the transportation, treatment, and disposal of wastewater by TRA were \$1,205,070. If the City were unable to fulfill its obligations under the contracts, the only liability for future payment would be its proportionate share of debt service requirements. In addition, the City does not retain an ongoing financial interest in TRA and has no representation on the TRA Board; therefore, the TRA contracts are not considered to be joint venture agreements.

15. OTHER POSTEMPLOYMENT BENEFITS**Post-retirement Health Care Benefits**

The City provides certain health care and life insurance benefits through a single-employer defined benefit OPEB plan, under City ordinance, for all full and part-time employees that meet eligibility requirements. Eligible individuals include retired employees who have satisfied the requirement as defined by the Texas Municipal Retirement System and their dependents that were covered prior to retirement. The requirement as defined by the Texas Municipal Retirement System is any age with 20 years of service or 5 years of service for age 60 and above. City Council members that serve three terms will be classified as retired employees when they leave office. Currently, the City has 576 active employees and 148 retirees and beneficiaries eligible to participate in the plan.

Retirees pay premiums for coverage in the OPEB programs. There is not a maximum employer paid premium amount (capped benefit). Active employees do not contribute to the retiree health care plan.

Retirees are eligible for medical, dental, vision, and prescription insurance until they become Medicare eligible. Retirees are also eligible for a \$20,000 life insurance policy. Once Medicare eligible, retirees are eligible for dental, vision, and life insurance only. At that time, the City medical plan will no longer be available. A supplement of \$250 will be made available to all retirees who either (1) retire after the age of 65 or (2) are covered pre-Medicare in the retiree medical program. Spouses of retirees will receive the \$250 supplement if they have been on the plan for one year prior to retirement.

Retirees are eligible for benefits immediately upon retirement. If the employee returns to work for an employer that offers health coverage, the retiree cannot rejoin the City’s health plan at a later date.

In the event that an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by the Texas Municipal Retirement System; and (2) the employee had dependent coverage at the time of death. Coverage will continue under the plan as long as monthly retiree premiums are paid by the specified due date, until dependents are no longer considered eligible dependents as defined by the plan, until the covered dependent becomes Medicare eligible, or until a surviving spouse remarries.

When the retiree or eligible dependent becomes Medicare eligible, the City medical plan will no longer be available. Upon reaching Medicare eligibility retirees and their spouses may enroll in the Senior Insurance Plan.

Annual OPEB Cost and Net OPEB Obligation

The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of accrual that is projected recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The annual OPEB cost for the fiscal year ending September 30, 2014, is as follows:

Annual Required Contribution (ARC)	\$ 4,227,071
Interest on Net OPEB Obligation	586,691
Adjustment to the ARC	<u>(543,563)</u>
Annual OPEB Cost	4,270,199
Employer Contributions	<u>(1,128,111)</u>
Increase (Decrease) in Net OPEB Obligation	3,142,088
Net OPEB Obligation/(Asset), beginning of year	<u>13,037,576</u>
 Net Pension Obligation/(Asset), ending of year	 <u>\$ 16,179,664</u>

Expenses for post-retirement health care benefits are recognized on a pay-as-you-go basis. In addition to the employer contribution, the retirees paid \$159,396 in the form of premiums which funded current medical claims.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2014 and the preceding two fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
9/30/2012	3,849,319	573,011	15%	10,030,428
9/30/2013	4,137,132	1,129,984	27%	13,037,576
9/30/2014	4,270,199	1,128,111	26%	16,179,664

Funding Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (AAL) (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2012	-	41,596,928	41,596,928	- %	35,493,723	117.20%

The projection of future payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

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

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its 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 Valuation Date	12/31/2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level as a percentage of payroll
Remaining Amortization Period	30 years; open
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Inflation rate	3% per annum
Investment Rate of Return	4.5%, net of expenses
Payroll Growth Rate	3% per annum
General Inflation Rate	3%
Health Care Trend	Initial rate of 7.5% declining to an ultimate rate of 5% after 8 years

There is no separately issued audited benefit plan report available for the City’s OPEB plan.

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 revisions 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.

16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended September 30, 2014, expenditures exceeded appropriations in the Hotel Occupancy Tax Fund (the legal level of budgetary control) by \$551,353. Expenditures exceeded appropriations in the 4B – Transit Fund (the legal level of budgetary control) by \$286,507.

17. SUBSEQUENT EVENT

On January 23, 2015, the City issued \$14,695,000 of General Obligation Refunding Bonds Series 2015, \$20,565,000 of Combination Tax and Tax Increment Reinvestment Zone Number Two Revenue Refunding Bonds, Series 2015, and \$11,720,000 of Combination Tax and Revenue Certificates of Obligation Series 2015. The proceeds of the General Obligation Refunding Bonds Series 2015 will be used to refund \$10,195,000 of previously issued general obligation bonds and certificates of obligation. The proceeds of the Combination Tax and Tax Increment Reinvestment Zone Number Two Revenue Refunding Bonds, Series 2015 will be used to refund \$22,670,000 of previously issued combination tax and tax increment reinvestment zone revenue refunding bonds. Proceeds from the sale of the Combination Tax and Revenue Certificates of Obligation Series 2015 will be used for the construction and improvements to the City’s waterworks and sewer system, acquiring equipment and vehicles for the public safety, fire, and public works departments, and constructing a public parking lot in downtown Grapevine.

**REQUIRED
SUPPLEMENTARY INFORMATION**

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CITY OF GRAPEVINE, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 41,558,150	\$ 41,558,150	\$ 43,187,246	\$ 1,629,096
Licenses and permits	1,271,049	1,271,049	1,337,367	66,318
Intergovernmental	78,982	78,982	78,982	-
Charges for services	3,526,942	3,526,942	3,504,683	(22,259)
Fines and forfeitures	2,251,030	2,251,030	2,362,434	111,404
Investment income	51,500	51,500	8,760	(42,740)
Miscellaneous	243,000	243,000	394,009	151,009
Total revenues	<u>48,980,653</u>	<u>48,980,653</u>	<u>50,873,481</u>	<u>1,892,828</u>
EXPENDITURES				
Current:				
General government	15,744,051	16,045,150	15,081,043	964,107
Public safety	13,496,714	13,536,202	13,401,973	134,229
Culture and recreation	9,359,719	9,559,629	9,725,575	(165,946)
Public works	5,630,317	5,621,572	5,383,091	238,481
Capital outlay	139,226	141,628	106,780	34,848
Debt service principal	-	-	173,556	(173,556)
Total expenditures	<u>44,370,027</u>	<u>44,904,181</u>	<u>43,872,018</u>	<u>1,032,163</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>4,610,626</u>	<u>4,076,472</u>	<u>7,001,463</u>	<u>2,924,991</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,436,235	3,436,235	3,460,225	23,990
Transfers out	(8,660,000)	(9,485,000)	(9,513,014)	(28,014)
Sale of capital assets	-	-	7,876	7,876
Total other financing sources (uses)	<u>(5,223,765)</u>	<u>(6,048,765)</u>	<u>(6,044,913)</u>	<u>3,852</u>
NET CHANGE IN FUND BALANCES	(613,139)	(1,972,293)	956,550	2,928,843
FUND BALANCES, BEGINNING	<u>11,961,680</u>	<u>11,961,680</u>	<u>11,961,680</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 11,348,541</u>	<u>\$ 9,989,387</u>	<u>\$ 12,918,230</u>	<u>\$ 2,928,843</u>

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CITY OF GRAPEVINE, TEXAS
HOTEL OCCUPANCY TAX
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 12,899,725	\$ 12,899,725	\$ 14,025,119	\$ 1,125,394
Charges for services	6,528,271	6,528,271	6,435,935	(92,336)
Investment income	9,000	9,000	11,052	2,052
Miscellaneous	<u>99,000</u>	<u>99,000</u>	<u>125,143</u>	<u>26,143</u>
Total revenues	<u>19,535,996</u>	<u>19,535,996</u>	<u>20,597,249</u>	<u>1,061,253</u>
EXPENDITURES				
Current:				
Culture and recreation	14,897,507	14,956,067	15,470,020	(513,953)
Capital outlay	<u>-</u>	<u>-</u>	<u>37,400</u>	<u>(37,400)</u>
Total expenditures	<u>14,897,507</u>	<u>14,956,067</u>	<u>15,507,420</u>	<u>(551,353)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>4,638,489</u>	<u>4,579,929</u>	<u>5,089,829</u>	<u>509,900</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	385,458	385,458	393,193	7,735
Transfers out	<u>(3,812,600)</u>	<u>(3,733,600)</u>	<u>(4,185,984)</u>	<u>(452,384)</u>
Total other financing sources (uses)	<u>(3,427,142)</u>	<u>(3,348,142)</u>	<u>(3,792,791)</u>	<u>(444,649)</u>
NET CHANGE IN FUND BALANCES	1,211,347	1,231,787	1,297,038	65,251
FUND BALANCES, BEGINNING	<u>5,271,200</u>	<u>5,271,200</u>	<u>5,271,200</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 6,482,547</u>	<u>\$ 6,502,987</u>	<u>\$ 6,568,238</u>	<u>\$ 65,251</u>

CITY OF GRAPEVINE, TEXAS
CRIME DISTRICT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 12,350,000	\$ 12,350,000	\$ 12,630,599	\$ 280,599
Investment income	5,075	5,075	760	(4,315)
Miscellaneous	-	-	1,642	1,642
Total revenues	<u>12,355,075</u>	<u>12,355,075</u>	<u>12,633,001</u>	<u>277,926</u>
EXPENDITURES				
Current:				
Public safety	13,876,713	13,872,675	13,416,116	456,559
Capital outlay	-	-	18,080	(18,080)
Total expenditures	<u>13,876,713</u>	<u>13,872,675</u>	<u>13,434,196</u>	<u>438,479</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,521,638)	(1,517,600)	(801,195)	716,405
OTHER FINANCING SOURCES (USES)				
Transfers in	1,175,000	1,000,000	1,000,000	-
Total other financing sources (uses)	<u>1,175,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(346,638)	(517,600)	198,805	716,405
FUND BALANCES, BEGINNING	<u>414,164</u>	<u>414,164</u>	<u>414,164</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 67,526</u>	<u>\$ (103,436)</u>	<u>\$ 612,969</u>	<u>\$ 716,405</u>

CITY OF GRAPEVINE, TEXAS

4B - ECONOMIC DEVELOPMENT

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,159,375	\$ 3,159,375	\$ 3,771,644	\$ 612,269
Investment income	35,000	35,000	6,961	(28,039)
Total revenues	<u>3,194,375</u>	<u>3,194,375</u>	<u>3,778,605</u>	<u>584,230</u>
EXPENDITURES				
Current:				
General government	-	272,927	91,819	181,108
Economic development	6,116	117,919	117,919	-
Capital outlay	-	29,498,663	29,498,663	-
Debt Service:				
Interest and fiscal charges	-	442,689	442,689	-
Other	-	252,928	252,928	-
Total expenditures	<u>6,116</u>	<u>30,585,126</u>	<u>30,404,018</u>	<u>181,108</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>3,188,259</u>	<u>(27,390,751)</u>	<u>(26,625,413)</u>	<u>765,338</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,000,000	2,000,000	-
Transfers out	(244,922)	(283,450)	(283,450)	-
Issuance of debt	-	-	19,500,000	19,500,000
Total other financing sources (uses)	<u>(244,922)</u>	<u>1,716,550</u>	<u>21,216,550</u>	<u>19,500,000</u>
NET CHANGE IN FUND BALANCES	2,943,337	(25,674,201)	(5,408,863)	20,265,338
FUND BALANCES, BEGINNING	<u>15,742,386</u>	<u>15,742,386</u>	<u>15,742,386</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 18,685,723</u>	<u>\$ (9,931,815)</u>	<u>\$ 10,333,523</u>	<u>\$ 20,265,338</u>

CITY OF GRAPEVINE, TEXAS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR PARTICIPATION
IN TEXAS MUNICIPAL RETIREMENT SYSTEM**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
12/31/2011	\$ 143,043,423	\$ 186,688,189	76.6%	\$ 43,644,766	\$ 34,504,224	126.5%
12/31/2012	156,289,479	198,037,309	78.9%	41,747,830	34,807,908	119.9%
12/31/2013	170,915,653	219,925,733	77.7%	49,010,080	35,984,243	136.2%

CITY OF GRAPEVINE, TEXAS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
POST-RETIREMENT HEALTH CARE BENEFIT PLAN**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
12/31/2008	\$ -	\$ 23,744,606	0.0%	\$ 23,744,606	\$ 34,375,838	69.1%
12/31/2010	-	36,241,223	0.0%	36,241,223	35,278,020	102.7%
12/31/2012	-	41,596,928	0.0%	41,596,928	35,493,723	117.2%

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CITY OF GRAPEVINE, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Budgets

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

- (1) Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to September 15, the budget is legally enacted through passage of an ordinance.
- (4) The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council, after public hearings. Total expenditures may not exceed appropriations at the individual fund level.
- (5) Budgets are legally adopted for the General Fund, Hotel Occupancy Tax Fund (a Special Revenue Fund), the Crime District Fund (a Special Revenue Fund), the 4B – Economic Development Fund (a Special Revenue Fund), the Debt Service Fund, the 4B – Transit Fund (a Special Revenue Fund) and Enterprise Funds. Budgetary control is maintained at the fund level.
- (6) Budgets for the General, Hotel Occupancy Tax Special Revenue, Crime District Special Revenue, 4B–Transit Fund, and Debt Service Fund are adopted in accordance with generally accepted accounting principles. Budget amounts are as amended by the City Council and adjusted for transfers of budgeted amounts between departments within any fund, authorized by the City Manager.
- (7) Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major special revenue fund. Capital Projects Funds have not been presented as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration of these funds is not employed and comparison of actual results of operations to budgetary data for such funds is not presented.
- (8) The budgetary comparison schedules included in the required supplementary information present a comparison of budgetary data to actual results of operations for the General Fund, Hotel Occupancy Tax Fund (Special Revenue Fund), Crime District Fund (Special Revenue Fund) and 4B–Economic Development Fund (Special Revenue Fund). A comparison of budgetary data to actual results of operations for the Debt Service Fund and 4B-Transit Fund are presented as supplementary information.

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**COMBINING AND INDIVIDUAL
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues that are restricted in nature for a special purpose limited by state law and management intentions for expenditures.

Special Revenue Fund– to account for revenues that are restricted in name for a special purpose limited by state law and management intentions for expenditures. These funds include monies for state and federal forfeitures, copier service and replacement, library and parks programs and policy in-service training.

Storm Drainage Fund – to account for the services in the management and acquisition of capital for storm water drainage utility projects in the City.

Lake Parks Fund – to account for revenues from the campgrounds at Lake Grapevine. Revenues are restricted in accordance with Army Corp. of Engineer requirements and for debt covenant requirements for bonds issued for campground construction.

4B Transit Fund – is used to account for the accumulation and expenditure of resources used to fund the City of Grapevine's participation in the commuter rail development project with the Fort Worth Transit Authority (the "T").

Grant Fund – is used to account for federal and state funded grants.

DEBT SERVICE FUND

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

The Tax Increment Financing (TIF) Number Two Debt Service Fund – established by ordinances authorizing the issuance of Combination Tax and Tax Increment Reinvestment Zone Certificate of Obligation Series 2000. A property tax is levied for the payment of the debt as it becomes due and is currently payable in annual installments as it becomes due.

CAPITAL PROJECTS FUNDS

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

The Tax Increment Financing (TIF) Number One Capital Projects Fund – established for the financing, acquisition and construction of the infrastructure surrounding the Grapevine Mills Mall.

The Tax Increment Financing (TIF) Number Two Capital Projects Fund – established for the financing, acquisition and construction of the infrastructure surrounding Gaylord Texas Resort and Convention Center.

Street Maintenance and Capital Replacement Fund – to account for resources provided and expended on street maintenance and capital replacements.

Capital Acquisition Fund – to account for financial resources for the replacement and acquisition of capital assets.

Quality of Life Fund – to account for capital projects as designated by the City Council.

CITY OF GRAPEVINE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue				
	Special Revenue	Storm Drainage	Lake Parks	4B-Transit Fund	Grant
ASSETS					
Cash	\$ 2,961,646	\$ 1,385,640	\$ 2,177	\$ 405,754	\$ 4,164
Receivables:					
Accounts, net	12,692	153,323	4,558	-	-
Taxes	-	-	-	1,568,157	-
Accrued interest	177	63	-	26	-
Inventory	-	-	14,362	-	-
Due from other governments	-	-	-	-	10,269
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,269</u>
Total assets	<u>\$ 2,974,515</u>	<u>\$ 1,539,026</u>	<u>\$ 21,097</u>	<u>\$ 1,973,937</u>	<u>\$ 14,433</u>
LIABILITIES					
Liabilities:					
Accounts payable	\$ 23,886	\$ 165,400	\$ 133,820	\$ 1,514,677	\$ 33
Accrued and other liabilities	5,810	12,335	4,504	-	-
Due to other funds	-	-	681,490	-	17,233
Unearned revenue	-	-	301,888	-	-
Total liabilities	<u>29,696</u>	<u>177,735</u>	<u>1,121,702</u>	<u>1,514,677</u>	<u>17,266</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	4,938
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,938</u>
FUND BALANCES (DEFICITS)					
Nonspendable:					
Inventory	-	-	14,362	-	-
Restricted:					
Debt service	-	-	-	-	-
Capital projects	-	371,562	-	-	-
Public safety	675,348	-	-	-	-
Transportation	-	-	-	459,260	-
Culture and recreation	48,034	-	-	-	-
Committed for:					
Stormwater drainage operations	-	989,729	-	-	-
Public arts	841,052	-	-	-	-
Assigned for:					
Capital projects	648,775	-	-	-	-
Culture and recreation	731,610	-	-	-	-
Unassigned	-	-	(1,114,967)	-	(7,771)
Total fund balances	<u>2,944,819</u>	<u>1,361,291</u>	<u>(1,100,605)</u>	<u>459,260</u>	<u>(7,771)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,974,515</u>	<u>\$ 1,539,026</u>	<u>\$ 21,097</u>	<u>\$ 1,973,937</u>	<u>\$ 14,433</u>

Debt Service		Capital Projects				Quality of Life	Total Other Governmental Funds
TIF #2	TIF #1	TIF #2	Street Maintenance and Capital Replacement	Capital Acquisition			
\$ 6,516,651	\$ 1,602,996	\$ 2,148,596	\$ 1,916,234	\$ 5,182,674	\$ 8,321,813	\$ 30,448,345	
-	-	-	-	-	8,000	178,573	
-	-	-	-	-	-	1,568,157	
393	96	-	114	199	501	1,569	
-	-	-	-	-	-	14,362	
-	-	-	16,387	-	-	26,656	
<u>\$ 6,517,044</u>	<u>\$ 1,603,092</u>	<u>\$ 2,148,596</u>	<u>\$ 1,932,735</u>	<u>\$ 5,182,873</u>	<u>\$ 8,330,314</u>	<u>\$ 32,237,662</u>	
\$ -	\$ -	\$ -	\$ 63,065	\$ 108,948	\$ 26,109	\$ 2,035,938	
-	-	-	-	1,742	-	24,391	
-	-	-	-	-	-	698,723	
-	-	-	-	-	-	301,888	
-	-	-	63,065	110,690	26,109	3,060,940	
-	-	-	16,387	-	-	21,325	
-	-	-	16,387	-	-	21,325	
-	-	-	-	-	-	14,362	
6,517,044	-	-	-	-	-	6,517,044	
-	1,603,092	2,148,596	-	2,495,971	-	6,619,221	
-	-	-	-	-	-	675,348	
-	-	-	-	-	-	459,260	
-	-	-	-	-	-	48,034	
-	-	-	-	-	-	989,729	
-	-	-	-	-	-	841,052	
-	-	-	1,853,283	2,576,212	8,304,205	13,382,475	
-	-	-	-	-	-	731,610	
-	-	-	-	-	-	(1,122,738)	
<u>6,517,044</u>	<u>1,603,092</u>	<u>2,148,596</u>	<u>1,853,283</u>	<u>5,072,183</u>	<u>8,304,205</u>	<u>29,155,397</u>	
<u>\$ 6,517,044</u>	<u>\$ 1,603,092</u>	<u>\$ 2,148,596</u>	<u>\$ 1,932,735</u>	<u>\$ 5,182,873</u>	<u>\$ 8,330,314</u>	<u>\$ 32,237,662</u>	

CITY OF GRAPEVINE, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue				
	Special Revenue	Storm Drainage	Lake Parks	4B-Transit Fund	Grant
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	9,240,844	-
Charges for services	270,922	1,383,959	2,159,317	-	-
Fines and forfeitures	50,088	-	-	-	-
Intergovernmental	4,106	-	-	-	121,554
Contributions	168,568	-	-	-	-
Investment income	1,867	795	-	375	-
Miscellaneous	6,420	-	50,355	-	2
Total revenues	<u>501,971</u>	<u>1,384,754</u>	<u>2,209,672</u>	<u>9,241,219</u>	<u>121,556</u>
EXPENDITURES					
Current:					
General government	200,708	-	-	-	-
Public safety	8,342	-	-	-	102,413
Culture and recreation	60,509	-	1,903,597	-	-
Public works	-	834,402	-	-	-
Transportation	-	-	-	8,829,174	-
Capital outlay	1,761	579,704	91,723	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	2,530	-	-
Total expenditures	<u>271,320</u>	<u>1,414,106</u>	<u>1,997,850</u>	<u>8,829,174</u>	<u>102,413</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>230,651</u>	<u>(29,352)</u>	<u>211,822</u>	<u>412,045</u>	<u>19,143</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	28,726
Transfers out	(23,607)	(633,444)	(491,497)	(365,179)	(53,157)
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>(23,607)</u>	<u>(633,444)</u>	<u>(491,497)</u>	<u>(365,179)</u>	<u>(24,431)</u>
NET CHANGE IN FUND BALANCES	207,044	(662,796)	(279,675)	46,866	(5,288)
FUND BALANCES, BEGINNING	<u>2,737,775</u>	<u>2,024,087</u>	<u>(820,930)</u>	<u>412,394</u>	<u>(2,483)</u>
FUND BALANCES, ENDING	<u>\$ 2,944,819</u>	<u>\$ 1,361,291</u>	<u>\$(1,100,605)</u>	<u>\$ 459,260</u>	<u>\$(7,771)</u>

Debt Service		Capital Projects					Total Other Governmental Funds
TIF #2	TIF #1	TIF #2	Street Maintenance and Capital Replacement	Capital Acquisition	Quality of Life		
\$ 5,878,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,878,139	
-	-	-	-	-	-	9,240,844	
-	-	-	-	-	-	3,814,198	
-	-	-	-	-	-	50,088	
-	-	-	-	-	-	125,660	
-	-	-	-	-	-	168,568	
3,813	1,314	723	855	2,734	3,734	16,210	
-	-	-	-	16,122	158,000	230,899	
<u>5,881,952</u>	<u>1,314</u>	<u>723</u>	<u>855</u>	<u>18,856</u>	<u>161,734</u>	<u>19,524,606</u>	
-	-	-	237,378	-	-	438,086	
-	-	-	94,739	180,958	10,118	396,570	
-	-	-	160,896	140,079	245,981	2,511,062	
-	-	-	1,878,937	-	238,543	2,951,882	
2,446,100	-	-	-	-	-	11,275,274	
-	1,975	-	372,886	2,702,013	1,756,817	5,506,879	
1,400,000	-	-	-	-	-	1,400,000	
1,280,786	-	-	-	-	-	1,280,786	
-	-	1,200	-	6,780	-	10,510	
<u>5,126,886</u>	<u>1,975</u>	<u>1,200</u>	<u>2,744,836</u>	<u>3,029,830</u>	<u>2,251,459</u>	<u>25,771,049</u>	
<u>755,066</u>	<u>(661)</u>	<u>(477)</u>	<u>(2,743,981)</u>	<u>(3,010,974)</u>	<u>(2,089,725)</u>	<u>(6,246,443)</u>	
-	22,571	-	2,809,000	1,887,971	3,000,000	7,748,268	
-	(1,000,000)	-	-	(245,350)	-	(2,812,234)	
-	-	-	-	241,792	-	241,792	
-	<u>(977,429)</u>	<u>-</u>	<u>2,809,000</u>	<u>1,884,413</u>	<u>3,000,000</u>	<u>5,177,826</u>	
755,066	(978,090)	(477)	65,019	(1,126,561)	910,275	(1,068,617)	
<u>5,761,978</u>	<u>2,581,182</u>	<u>2,149,073</u>	<u>1,788,264</u>	<u>6,198,744</u>	<u>7,393,930</u>	<u>30,224,014</u>	
<u>\$ 6,517,044</u>	<u>\$ 1,603,092</u>	<u>\$ 2,148,596</u>	<u>\$ 1,853,283</u>	<u>\$ 5,072,183</u>	<u>\$ 8,304,205</u>	<u>\$ 29,155,397</u>	

CITY OF GRAPEVINE, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 11,776,680	\$ 11,776,680	\$ 11,775,218	\$(1,462)
Investment income	<u>75,000</u>	<u>75,000</u>	<u>9,723</u>	<u>(65,277)</u>
Total revenues	<u>11,851,680</u>	<u>11,851,680</u>	<u>11,784,941</u>	<u>(66,739)</u>
EXPENDITURES				
Debt service:				
Principal	9,217,317	9,217,317	8,980,045	237,272
Interest and fiscal charges	5,119,279	5,119,279	4,708,525	410,754
Other	<u>7,000</u>	<u>7,000</u>	<u>1,538</u>	<u>5,462</u>
Total expenditures	<u>14,343,596</u>	<u>14,343,596</u>	<u>13,690,108</u>	<u>653,488</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(2,491,916)</u>	<u>(2,491,916)</u>	<u>(1,905,167)</u>	<u>586,749</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>2,754,916</u>	<u>2,754,916</u>	<u>2,705,916</u>	<u>(49,000)</u>
Total other financing sources (uses)	<u>2,754,916</u>	<u>2,754,916</u>	<u>2,705,916</u>	<u>(49,000)</u>
NET CHANGE IN FUND BALANCE	263,000	263,000	800,749	537,749
FUND BALANCE, BEGINNING	<u>16,119,415</u>	<u>16,119,415</u>	<u>16,119,415</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 16,382,415</u>	<u>\$ 16,382,415</u>	<u>\$ 16,920,164</u>	<u>\$ 537,749</u>

CITY OF GRAPEVINE, TEXAS

4B - TRANSIT

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Sales taxes	\$ 9,478,125	\$ 9,478,125	\$ 9,240,844	\$(237,281)
Investment income	<u>2,500</u>	<u>2,500</u>	<u>375</u>	<u>(2,125)</u>
Total revenues	<u>9,480,625</u>	<u>9,480,625</u>	<u>9,241,219</u>	<u>(239,406)</u>
EXPENDITURES				
Current:				
Transportation	<u>8,542,667</u>	<u>8,542,667</u>	<u>8,829,174</u>	<u>(286,507)</u>
Total expenditures	<u>8,542,667</u>	<u>8,542,667</u>	<u>8,829,174</u>	<u>(286,507)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>937,958</u>	<u>937,958</u>	<u>412,045</u>	<u>(525,913)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(385,458)</u>	<u>(385,458)</u>	<u>(365,179)</u>	<u>20,279</u>
Total other financing sources (uses)	<u>(385,458)</u>	<u>(385,458)</u>	<u>(365,179)</u>	<u>20,279</u>
NET CHANGE IN FUND BALANCE	552,500	552,500	46,866	(505,634)
FUND BALANCE, BEGINNING	<u>412,394</u>	<u>412,394</u>	<u>412,394</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 964,894</u>	<u>\$ 964,894</u>	<u>\$ 459,260</u>	<u>\$(505,634)</u>

CITY OF GRAPEVINE, TEXAS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED SEPTEMBER 30, 2014

	Police Department Case Settlement			Balance 9/30/2014
	Balance 10/1/2013	Additions	Deletions	
Cash and cash equivalents	\$ 12,854	\$ 5,422	\$ -	\$ 18,276
Total assets	<u>\$ 12,854</u>	<u>\$ 5,422</u>	<u>\$ -</u>	<u>\$ 18,276</u>
Due to beneficiary	\$ 12,854	\$ 5,422	\$ -	\$ 18,276
Total liabilities	<u>\$ 12,854</u>	<u>\$ 5,422</u>	<u>\$ -</u>	<u>\$ 18,276</u>

	Industrial Development Corporation			Balance 9/30/2014
	Balance 10/1/2013	Additions	Deletions	
Cash and cash equivalents	\$ 130,236	\$ 51	\$ -	\$ 130,287
Total assets	<u>\$ 130,236</u>	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ 130,287</u>
Due to beneficiary	\$ 130,236	\$ 51	\$ -	\$ 130,287
Total liabilities	<u>\$ 130,236</u>	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ 130,287</u>

	W.D. Tate Scholarship			Balance 9/30/2014
	Balance 10/1/2013	Additions	Deletions	
Cash and cash equivalents	\$ 11,381	\$ 8	\$ -	\$ 11,389
Total assets	<u>\$ 11,381</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 11,389</u>
Due to beneficiary	\$ 11,381	\$ 8	\$ -	\$ 11,389
Total liabilities	<u>\$ 11,381</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 11,389</u>

CITY OF GRAPEVINE, TEXAS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2014

	Total Agency Funds			Balance 9/30/2014
	Balance 10/1/2013	Additions	Deletions	
Cash and cash equivalents	\$ 154,471	\$ 5,481	\$ -	\$ 159,952
Total assets	<u>\$ 154,471</u>	<u>\$ 5,481</u>	<u>\$ -</u>	<u>\$ 159,952</u>
Due to beneficiary	\$ 154,471	\$ 5,481	\$ -	\$ 159,952
Total liabilities	<u>\$ 154,471</u>	<u>\$ 5,481</u>	<u>\$ -</u>	<u>\$ 159,952</u>

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STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City of Grapevine, Texas' 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

	Page
Financial Trends	75 – 86
<p>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	
Revenue Capacity	87 – 92
<p>These schedules contain information to help the reader assess the City's most significant local revenue sources. Sales tax became the most significant revenue source in FY 2007. Beginning in FY 2010, sales tax revenue information became available to the City and is in Tables 5 and 6. Information about principal sales tax revenue payers is confidential under Texas statutes and is not provided. Additionally, information about the City's second most significant local revenue source, the property tax, is provided.</p>	
Debt Capacity	93 – 98
<p>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.</p>	
Demographic and Economic Information	99 – 100
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
Operating Information	101 – 103
<p>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.</p>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF GRAPEVINE, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities:				
Net investment in capital assets	\$ 16,729	\$ 21,862	\$ 28,660	\$ 39,332
Restricted	14,625	21,049	32,626	34,200
Unrestricted	<u>12,957</u>	<u>16,653</u>	<u>18,198</u>	<u>29,360</u>
Total governmental activities net position	<u>\$ 44,311</u>	<u>\$ 59,564</u>	<u>\$ 79,484</u>	<u>\$ 102,892</u>
Business-type activities:				
Net investment in capital assets	\$ 60,931	\$ 63,936	\$ 65,750	\$ 68,641
Restricted	6,421	6,784	7,228	7,365
Unrestricted	<u>10,407</u>	<u>13,012</u>	<u>14,382</u>	<u>13,790</u>
Total business-type activities net position	<u>\$ 77,759</u>	<u>\$ 83,732</u>	<u>\$ 87,360</u>	<u>\$ 89,796</u>
Primary government:				
Net investment in capital assets	\$ 77,660	\$ 85,798	\$ 94,410	\$ 107,973
Restricted	21,046	27,833	39,854	41,565
Unrestricted	<u>23,364</u>	<u>29,665</u>	<u>32,580</u>	<u>43,150</u>
Total primary government net position	<u>\$ 122,070</u>	<u>\$ 143,296</u>	<u>\$ 166,844</u>	<u>\$ 192,688</u>

Source: Comprehensive Annual Financial Reports

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 57,264	\$ 73,702	\$ 84,069	\$ 88,342	\$ 114,212	\$ 139,392
40,419	55,622	61,712	71,909	78,377	74,312
<u>25,626</u>	<u>13,109</u>	<u>10,421</u>	<u>14,469</u>	<u>(3,570)</u>	<u>(10,147)</u>
<u>\$ 123,309</u>	<u>\$ 142,433</u>	<u>\$ 156,202</u>	<u>\$ 174,720</u>	<u>\$ 189,019</u>	<u>\$ 203,557</u>
\$ 68,785	\$ 70,055	\$ 70,771	\$ 70,171	\$ 74,750	\$ 77,872
7,097	6,732	7,133	8,969	8,032	2,612
<u>14,238</u>	<u>11,924</u>	<u>11,240</u>	<u>10,530</u>	<u>6,912</u>	<u>11,590</u>
<u>\$ 90,120</u>	<u>\$ 88,711</u>	<u>\$ 89,144</u>	<u>\$ 89,670</u>	<u>\$ 89,694</u>	<u>\$ 92,074</u>
\$ 126,049	\$ 143,757	\$ 154,840	\$ 158,513	\$ 172,921	\$ 217,264
47,516	62,354	68,845	80,878	86,409	76,924
<u>39,864</u>	<u>25,033</u>	<u>21,661</u>	<u>24,999</u>	<u>19,382</u>	<u>1,443</u>
<u>\$ 213,429</u>	<u>\$ 231,144</u>	<u>\$ 245,346</u>	<u>\$ 264,390</u>	<u>\$ 278,712</u>	<u>\$ 295,631</u>

CITY OF GRAPEVINE, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
EXPENSES				
Governmental activities:				
General government	\$ 14,564	\$ 13,964	\$ 19,150	\$ 17,898
Public safety	19,094	19,174	20,732	23,701
Culture and recreation	17,055	19,978	21,914	26,753
Public works	9,077	9,502	12,777	18,573
Transportation	-	-	-	-
Economic development	-	-	-	-
Interest on long-term debt	5,993	6,579	6,634	6,403
Total governmental activities expenses	<u>65,783</u>	<u>69,197</u>	<u>81,207</u>	<u>93,328</u>
Business-type activities:				
Water and sewer	14,975	15,944	15,494	17,415
Lake Enterprise	2,673	2,664	2,668	2,786
Total business-type activities expenses	<u>17,648</u>	<u>18,608</u>	<u>18,162</u>	<u>20,201</u>
Total primary government expenses	<u>\$ 83,431</u>	<u>\$ 87,805</u>	<u>\$ 99,369</u>	<u>\$ 113,529</u>
PROGRAM REVENUES				
Governmental activities:				
Fees, fines, and charges for services:				
General government	\$ 1,362	\$ 1,148	\$ 3,535	\$ 4,071
Public safety	2,029	3,282	3,280	3,597
Culture and recreation	5,369	6,306	6,908	7,479
Public works	2,877	2,782	3,085	1,372
Operating grants and contributions	1,944	805	2,310	1,629
Capital grants and contributions	2,732	3,759	785	1,891
Total governmental activities program revenues	<u>16,313</u>	<u>18,082</u>	<u>19,903</u>	<u>20,039</u>
Business-type activities:				
Charges for services:				
Water and sewer	17,929	20,348	17,689	18,893
Lake Enterprise	2,630	2,890	2,712	2,862
Capital grants and contributions	1,049	1,690	833	1,331
Total business-type activities program revenues	<u>21,608</u>	<u>24,928</u>	<u>21,234</u>	<u>23,086</u>
Total primary government program revenues	<u>\$ 37,921</u>	<u>\$ 43,010</u>	<u>\$ 41,137</u>	<u>\$ 43,125</u>

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 19,245	\$ 19,048	\$ 22,526	\$ 18,370	\$ 18,602	\$ 16,348
26,031	27,095	27,588	28,264	28,309	30,039
25,657	27,175	26,673	27,954	29,578	31,549
18,670	19,136	10,563	11,056	12,216	13,689
-	-	7,901	7,789	8,620	11,275
-	-	3,394	4,040	3,609	1,405
5,093	5,432	5,140	4,590	4,095	6,029
<u>94,696</u>	<u>97,886</u>	<u>103,785</u>	<u>102,063</u>	<u>105,029</u>	<u>110,335</u>
17,160	17,647	18,972	18,372	18,807	19,763
2,885	2,955	3,062	3,053	3,156	2,764
<u>20,045</u>	<u>20,602</u>	<u>22,034</u>	<u>21,425</u>	<u>21,963</u>	<u>22,527</u>
<u>\$ 114,741</u>	<u>\$ 118,488</u>	<u>\$ 125,819</u>	<u>\$ 123,488</u>	<u>\$ 126,992</u>	<u>\$ 132,862</u>
\$ 3,771	\$ 4,039	\$ 4,250	\$ 2,547	\$ 2,013	\$ 1,992
3,759	3,660	3,346	3,736	3,971	4,109
7,829	8,530	9,198	10,099	10,012	10,531
1,344	1,467	1,378	1,418	1,486	1,504
957	1,060	1,212	1,124	526	275
5,204	3,819	1,302	810	108	203
<u>22,864</u>	<u>22,575</u>	<u>20,686</u>	<u>19,734</u>	<u>18,116</u>	<u>18,614</u>
17,950	18,523	21,168	20,481	20,185	23,667
2,649	2,377	2,862	3,079	3,120	3,017
674	274	26,685	-	-	-
<u>21,273</u>	<u>21,174</u>	<u>50,715</u>	<u>23,560</u>	<u>23,305</u>	<u>26,684</u>
<u>\$ 44,137</u>	<u>\$ 43,749</u>	<u>\$ 71,401</u>	<u>\$ 43,294</u>	<u>\$ 41,421</u>	<u>\$ 45,298</u>

CITY OF GRAPEVINE, TEXAS

CHANGES IN NET POSITION
(Continued)
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
NET (EXPENSE) REVENUES				
Governmental activities	\$(49,470)	\$(51,115)	\$(61,304)	\$(73,289)
Business-type activities	3,960	6,320	3,072	2,885
Total primary government net expense	<u>(45,510)</u>	<u>(44,795)</u>	<u>(58,232)</u>	<u>(70,404)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	26,066	26,046	27,066	27,974
Franchise	5,369	5,945	6,191	6,295
Hotel occupancy	7,566	9,194	10,126	11,842
Sales	18,746	19,993	31,827	45,098
Mixed beverage	863	952	1,128	1,295
Investment earnings	1,099	2,187	3,257	2,520
Miscellaneous	101	310	124	-
Gain on sale of capital assets	-	-	-	-
Transfers	1,501	1,741	1,505	1,673
Total governmental activities	<u>61,311</u>	<u>66,368</u>	<u>81,224</u>	<u>96,697</u>
Business-type activities:				
Investment earnings	648	1,035	1,437	1,046
Miscellaneous	323	359	624	178
Transfers	<u>(1,501)</u>	<u>(1,741)</u>	<u>(1,505)</u>	<u>(1,673)</u>
Total business-type activities	<u>(530)</u>	<u>(347)</u>	<u>556</u>	<u>(449)</u>
Total primary government	<u>60,781</u>	<u>66,021</u>	<u>81,780</u>	<u>96,248</u>
CHANGE IN NET POSITION				
Governmental activities	11,841	15,253	19,920	23,408
Business-type activities	<u>3,430</u>	<u>5,973</u>	<u>3,628</u>	<u>2,436</u>
Total primary government	<u>\$ 15,271</u>	<u>\$ 21,226</u>	<u>\$ 23,548</u>	<u>\$ 25,844</u>

Notes:

In April 2007, the City increased sales tax local option from 1% to 2% resulting in additional sales tax revenues of \$10,614 in FY 2007.

For FY 2008, the City had \$11,561 in additional sales tax revenues due to the increase in the sales tax local option from 1% to 2%. This was the first year to have 12 months (annual) with this increase.

Source: Comprehensive Annual Financial Reports

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$(71,832)	\$(75,311)	\$(83,099)	\$(82,329)	\$(86,913)	\$(91,720)
<u>1,228</u>	<u>572</u>	<u>1,996</u>	<u>2,135</u>	<u>1,342</u>	<u>4,158</u>
<u>(70,604)</u>	<u>(74,739)</u>	<u>(81,103)</u>	<u>(80,194)</u>	<u>(85,571)</u>	<u>(87,562)</u>
30,385	33,092	29,559	32,048	29,979	30,917
6,319	6,133	6,401	6,356	6,618	6,785
10,498	10,725	12,105	12,327	12,772	14,025
40,712	42,000	45,572	46,932	49,047	52,020
1,188	1,226	1,223	1,051	1,159	1,567
1,213	426	338	286	159	120
36	-	-	170	6	23
31	119	33	-	-	262
<u>1,867</u>	<u>2,064</u>	<u>1,638</u>	<u>1,677</u>	<u>1,471</u>	<u>1,661</u>
<u>92,249</u>	<u>95,785</u>	<u>96,869</u>	<u>100,847</u>	<u>101,211</u>	<u>107,380</u>
401	83	75	68	152	20
562	-	170	-	-	-
<u>(1,867)</u>	<u>(2,064)</u>	<u>(1,638)</u>	<u>(1,677)</u>	<u>(1,471)</u>	<u>(1,661)</u>
<u>(904)</u>	<u>(1,981)</u>	<u>(1,393)</u>	<u>(1,609)</u>	<u>(1,319)</u>	<u>(1,641)</u>
<u>91,345</u>	<u>93,804</u>	<u>95,476</u>	<u>99,238</u>	<u>99,892</u>	<u>105,739</u>
20,417	20,474	13,770	18,518	14,298	15,658
<u>324</u>	<u>(1,409)</u>	<u>432</u>	<u>526</u>	<u>23</u>	<u>2,517</u>
<u>\$ 20,741</u>	<u>\$ 19,065</u>	<u>\$ 14,202</u>	<u>\$ 19,044</u>	<u>\$ 14,321</u>	<u>\$ 18,175</u>

CITY OF GRAPEVINE, TEXAS

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
General fund				
Reserved**	\$ 1,290	\$ 691	\$ 667	\$ 727
Unreserved	3,981	5,904	7,562	8,190
Nonspendable*	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>\$ 5,271</u>	<u>\$ 6,595</u>	<u>\$ 8,229</u>	<u>\$ 8,917</u>
All other governmental funds				
Reserved for:				
Prepayments	\$ 392	\$ 64	\$ 76	\$ 91
Inventory	-	-	2	-
Debt service	15,478	21,906	26,778	29,863
Capital projects	14,810	20,983	284	6,249
Unreserved, reported in:				
Special revenue	1,724	4,071	7,289	10,002
Capital projects	4,391	4,484	28,753	24,982
Nonspendable:				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Restricted for:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Tourism	-	-	-	-
Committed for:				
Stormwater drainage operations	-	-	-	-
Public arts	-	-	-	-
Assigned for:				
Economic development	-	-	-	-
Capital projects	-	-	-	-
Culture and recreation	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 36,795</u>	<u>\$ 51,508</u>	<u>\$ 63,182</u>	<u>\$ 71,187</u>

Note:

* Includes inventory, advances to other funds, and prepaid items.

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

Source: Comprehensive Annual Financial Reports

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 632	\$ 714	\$ -	\$ -	\$ -	\$ -
8,105	7,468	-	-	-	-
-	-	657	653	659	600
-	-	8,938	11,742	11,303	12,318
<u>\$ 8,737</u>	<u>\$ 8,182</u>	<u>\$ 9,595</u>	<u>\$ 12,395</u>	<u>\$ 11,962</u>	<u>\$ 12,918</u>
\$ 583	\$ 118	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
31,784	40,700	-	-	-	-
20,566	16,861	-	-	-	-
9,238	11,347	-	-	-	-
18,631	20,426	-	-	-	-
-	-	15	18	18	15
-	-	42	14	4	23
-	-	26,713	28,858	29,051	28,234
-	-	19,863	17,655	90,741	68,131
-	-	836	1,078	1,088	1,288
-	-	28,985	35,493	41,198	40,137
-	-	345	369	412	459
-	-	264	152	41	48
-	-	4,605	5,954	5,268	6,544
-	-	3,005	3,179	2,024	990
-	-	453	600	697	841
-	-	-	-	-	1,717
-	-	9,322	10,627	8,043	13,382
-	-	841	635	677	732
-	-	(1,822)	(1,777)	(841)	(1,123)
<u>\$ 80,802</u>	<u>\$ 89,452</u>	<u>\$ 93,467</u>	<u>\$ 102,855</u>	<u>\$ 178,421</u>	<u>\$ 161,418</u>

CITY OF GRAPEVINE, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
REVENUES				
Taxes:				
Property	\$ 25,607	\$ 26,296	\$ 26,913	\$ 27,945
Hotel occupancy	7,566	9,194	10,126	11,842
Sales	18,746	19,993	31,826	45,098
Mixed beverage	863	952	1,128	1,295
Franchise	5,369	5,945	6,191	6,295
Licenses and permits	1,530	1,550	1,776	1,227
Intergovernmental	1,945	1,042	931	673
Charges for services	9,839	11,209	12,987	12,489
Fines and forfeitures	1,713	1,860	1,607	2,197
Contributions	418	423	393	391
Interest and miscellaneous	2,156	4,895	4,354	4,354
Total revenues	<u>75,752</u>	<u>83,359</u>	<u>98,232</u>	<u>113,806</u>
EXPENDITURES				
General government	14,379	14,355	15,345	15,024
Public safety	17,187	17,527	19,047	20,589
Culture and recreation	15,071	17,015	19,470	21,982
Public works	4,945	4,840	4,514	4,674
Operations	2,954	2,262	6,552	14,168
Transportation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	8,425	8,235	8,290	10,295
Debt service:				
Principal	8,698	8,165	9,667	11,492
Interest and fiscal charges	6,053	6,575	6,599	6,370
Other	2,918	1,451	2,557	2,527
Total expenditures	<u>80,630</u>	<u>80,425</u>	<u>92,041</u>	<u>107,121</u>

Fiscal Year						
2009	2010	2011	2012	2013	2014	
\$ 29,454	\$ 34,225	\$ 29,930	\$ 32,147	\$ 28,326	\$ 33,470	
10,498	10,725	12,105	12,326	12,772	14,025	
40,712	42,000	45,572	46,932	49,047	52,020	
1,188	1,226	1,223	1,051	1,159	1,567	
6,319	6,133	6,401	6,356	6,618	6,785	
1,087	1,117	1,044	1,542	1,248	1,337	
3,000	4,525	1,505	1,012	1,175	430	
12,893	13,296	14,582	13,572	13,286	13,755	
2,208	2,126	1,712	2,017	2,258	2,413	
556	8	73	194	162	169	
2,108	2,407	1,741	1,192	731	872	
<u>110,023</u>	<u>117,788</u>	<u>115,888</u>	<u>118,341</u>	<u>116,782</u>	<u>126,843</u>	
15,435	16,367	17,681	13,979	13,714	15,611	
21,582	22,275	24,297	25,539	25,674	27,215	
21,714	22,677	23,495	24,832	26,202	27,707	
4,922	5,049	5,821	6,061	7,037	8,335	
13,485	13,819	-	-	-	-	
-	-	7,901	7,789	8,620	11,275	
-	-	3,405	4,543	3,609	1,405	
18,695	15,051	13,076	9,446	17,011	53,121	
11,880	12,096	12,328	11,164	11,462	12,664	
5,304	5,547	5,029	4,564	3,864	6,695	
2,535	1,050	30	25	394	269	
<u>115,552</u>	<u>113,931</u>	<u>113,063</u>	<u>107,942</u>	<u>117,587</u>	<u>164,297</u>	

CITY OF GRAPEVINE, TEXAS

CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

(Continued)

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

	Fiscal Year			
	2005	2006	2007	2008
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (4,878)</u>	<u>\$ 2,934</u>	<u>\$ 6,191</u>	<u>\$ 6,685</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	46,245	-	5,610	260
Notes payable issued	-	11,385	-	-
Premium on issuance of debt	2,114	6	2	-
Bond discount	-	(29)	-	-
Payments to escrow agent	-	-	-	76
Sale of capital assets	(44,349)	-	-	-
Transfers in	7,037	4,084	7,757	16,531
Transfers out	<u>(5,536)</u>	<u>(2,343)</u>	<u>(6,252)</u>	<u>(14,859)</u>
Total other financing sources (uses)	<u>5,511</u>	<u>13,103</u>	<u>7,117</u>	<u>2,008</u>
NET CHANGE IN FUND BALANCES	<u>\$ 633</u>	<u>\$ 16,037</u>	<u>\$ 13,308</u>	<u>\$ 8,693</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>20.4%</u>	<u>20.4%</u>	<u>19.4%</u>	<u>18.4%</u>

Source: Comprehensive Annual Financial Reports

Fiscal Year					
<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>\$(5,529)</u>	<u>\$ 3,857</u>	<u>\$ 2,825</u>	<u>\$ 10,399</u>	<u>\$(805)</u>	<u>\$(37,454)</u>
45,825	8,565	500	-	78,640	19,500
-	-	309	-	-	-
2,184	344	-	-	3,455	-
-	-	-	-	-	-
(34,944)	(6,954)	-	-	(7,834)	-
32	219	155	112	204	250
17,415	14,510	17,593	15,244	19,768	18,507
<u>(15,548)</u>	<u>(12,446)</u>	<u>(15,955)</u>	<u>(13,568)</u>	<u>(18,297)</u>	<u>(16,846)</u>
<u>14,964</u>	<u>4,238</u>	<u>2,602</u>	<u>1,788</u>	<u>75,936</u>	<u>21,411</u>
<u>\$ 9,435</u>	<u>\$ 8,095</u>	<u>\$ 5,427</u>	<u>\$ 12,187</u>	<u>\$ 75,131</u>	<u>\$(16,043)</u>
<u>20.4%</u>	<u>17.8%</u>	<u>16.8%</u>	<u>15.7%</u>	<u>14.7%</u>	<u>17.5%</u>

CITY OF GRAPEVINE, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

(Amounts Expressed in Thousands)

Function/Program	2005	2006	2007 (1)	2008	2009	2010	2011	2012	2013	2014 (2)
Agriculture/forestry/fishing/hunting	\$ 132	\$ -	\$ -	\$ 113	\$ 107	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	28,216	36,231	36,212	33,550	27,636	19,347	23,201	32,162	38,720	33,378
Manufacturing	67,497	67,275	76,917	149,328	173,395	158,571	149,298	157,499	157,403	123,836
Wholesale trade	50,674	77,063	103,370	212,637	200,208	216,540	236,470	248,355	266,052	205,385
Retail trade	593,199	794,410	873,696	887,650	774,650	774,638	804,182	846,060	897,364	701,870
Transportation/warehousing	6,535	11,049	7,823	9,726	7,794	10,239	13,817	11,893	13,751	9,777
Information	29,796	33,492	22,968	22,836	28,136	29,311	36,209	42,137	49,559	44,293
Finance/insurance	8,812	5,532	4,711	4,641	1,379	964	1,049	993	804	617
Professional/scientific/technical	18,828	32,869	47,792	85,256	23,165	15,745	15,485	18,966	20,321	21,865
Real estate/rental/leasing	36,714	37,942	35,622	34,950	25,870	34,389	37,831	36,597	46,875	38,116
Management of companies/enterprises	1,686	-	1,324	1,644	938	15	1	-	-	-
Admin/support/waste management/ remediation services	38,494	37,372	34,942	35,281	35,470	37,065	54,218	47,264	47,117	47,490
Educational services	141	144	153	186	104	344	531	2,762	1,931	900
Health care/social assistance	756	1,240	2,243	3,594	1,903	1,930	2,465	2,999	2,961	1,278
Arts/entertainment/recreation	25,765	27,049	31,372	28,676	23,115	25,623	25,657	26,034	24,592	21,877
Accommodation/food service	341,330	372,951	402,040	421,867	402,661	413,133	453,507	477,362	472,830	380,334
Other services (except public administration)	14,495	15,587	15,815	20,877	21,970	24,736	24,868	24,250	33,721	28,736
Other	37	-	-	-	-	-	-	-	-	-
Unclassified	4,539	4,491	6,111	6,997	9,849	-	17,457	-	-	-
Total	1,267,646	1,554,697	1,703,111	1,959,809	1,758,350	1,762,590	1,896,246	1,975,333	2,074,001	1,659,752
City direct sales tax rate	1.0%	1.0%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Source: Texas Comptroller

(1) Sales tax rate changed from 1% to 2% on 4/1/2007

(2) Only information for three quarters is available for FY 2014

CITY OF GRAPEVINE, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>State of Texas</u>
2005	1.00%	6.25%
2006	1.00%	6.25%
10/01/06 - 03/31/07	1.00%	6.25%
04/01/07-9/30/07	2.00%	6.25%
2008	2.00%	6.25%
2009	2.00%	6.25%
2010	2.00%	6.25%
2011	2.00%	6.25%
2012	2.00%	6.25%
2013	2.00%	6.25%
2014	2.00%	6.25%

Source: City Budget Office and Texas Comptroller

CITY OF GRAPEVINE, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)

Fiscal Year	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property Property	Personal Property			
2005	\$ 6,461,000	\$ 2,391,000	\$ 3,625,000	\$ 5,227,000	\$ 0.3635
2006	6,647,000	2,224,000	3,514,000	5,357,000	0.3625
2007	7,026,000	2,068,000	3,684,740	5,409,260	0.3625
2008	7,316,619	2,294,141	3,753,870	5,856,890	0.3625
2009	7,011,568	2,257,318	3,314,798	5,954,088	0.3500
2010	7,339,403	2,446,105	3,588,781	6,196,727	0.3500
2011	7,320,478	2,309,223	3,765,059	5,864,642	0.3500
2012	7,111,827	2,005,549	3,205,119	5,912,257	0.3480
2013	7,373,725	2,169,614	3,311,568	6,231,771	0.3457
2014	7,744,617	2,141,161	3,421,500	6,464,278	0.3425

Source: Tarrant County Appraisal District, Dallas and Denton County Appraisal Districts

CITY OF GRAPEVINE, TEXAS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct and Overlapping Rates
	Operating/ General Rate	General Obligation Debt Service	Total Direct Rate	Junior College	School District	Hospital District	County	
2005	\$ 0.1416	\$ 0.2219	\$ 0.3635	\$ 0.1390	\$ 1.7000	\$ 0.2350	\$ 0.2730	\$ 2.7110
2006	0.1285	0.2340	0.3625	0.139	1.700	0.235	0.273	2.709
2007	0.1150	0.2475	0.3625	0.131	1.324	0.234	0.242	2.293
2008	0.1275	0.2350	0.3625	0.139	1.290	0.230	0.267	2.289
2009	0.1189	0.2311	0.3500	0.138	1.290	0.228	0.264	2.270
2010	0.1364	0.2136	0.3500	0.138	1.290	0.228	0.264	2.270
2011	0.1346	0.2154	0.3500	0.138	1.290	0.228	0.264	2.270
2012	0.1423	0.2057	0.3480	0.149	1.310	0.228	0.264	2.299
2013	0.1357	0.2100	0.3457	0.149	1.320	0.228	0.264	2.307
2014	0.1314	0.2111	0.3425	0.150	1.320	0.228	0.264	2.304

Source: Tarrant County Appraisal District

Note: Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of \$2.50 per \$100 valuation may be imposed in any one year. No provisions are made limiting the amount of this \$2.50 tax rate that can be used for debt service.

CITY OF GRAPEVINE, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO
(Unaudited) (Amounts Expressed in Thousands)

Taxpayer	2014		Taxpayer	2005	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Gaylord Texan Resort and Convention Center	\$ 278,139	4.30%	Gaylord Texan Resort and Convention Center	\$ 336,899	6.44%
American Airlines Inc/ Amr Eagle Holding Inc	255,238	3.95%	American Airlines	279,545	5.35%
Grapevine Mills, Ltd. Partnership	230,100	3.56%	CAE Simuflite	189,736	3.63%
Great Wolf Lodge	122,985	1.90%	Grapevine Mills, Ltd. Partnership	179,633	3.44%
CAE Simuflite/Simuflite Training Unit	97,078	1.50%	Delta Airlines	153,757	2.94%
Fund Riverwalk LLC	66,000	1.02%	Verizon Directory/GTE	144,648	2.77%
Rackspace US Inc	54,326	0.84%	Mrah II LP/Mrah III LP	57,894	1.11%
Silver Oaks LP	53,969	0.83%	TXU Electric Delivery	43,823	0.84%
Oncor Electric Delivery Co., LLC.	49,554	0.77%	John Q Hammons Hotel LP	35,000	0.67%
A & B Properties	49,320	0.76%	Industrial Prop Holding LP	34,559	0.66%
Total	\$ 1,256,709	19.43%	Total	\$ 1,455,494	27.85%

Source: Tarrant County Appraisal District (2014)
Grapevine CAFR (2005)

CITY OF GRAPEVINE, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands)

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Delinquent Taxes		Total Collections to Date	
		Amount	Percentage of Levy Collected		Amount	Percentage of Levy	Amount	Percentage of Levy
2005	\$ 19,223	\$ 18,764	97.61%	\$ 177	808	4.2%	\$ 18,941	98.5%
2006	19,182	18,945	98.76%	110	829	4.3%	19,055	99.3%
2007	19,572	19,368	98.96%	201	876	4.5%	19,569	99.9%
2008	21,113	20,964	99.29%	156	891	4.2%	21,120	99.9%
2009	22,250	21,936	98.59%	116	925	4.2%	22,052	99.1%
2010	22,208	21,958	98.87%	139	973	4.4%	22,097	99.5%
2011	21,114	20,954	99.24%	131	160	0.8%	21,085	99.9%
2012	21,321	21,211	99.48%	96	110	0.5%	21,307	99.9%
2013	21,468	21,364	99.52%	92	184	0.9%	21,456	99.9%
2014	21,847	21,790	99.74%	-	57	0.3%	21,790	99.7%

Source: Grapevine/Colleyville ISD Tax Assessor

CITY OF GRAPEVINE, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands, excluding Percentage of Personal Income and Per Capita)

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government Debt	Percentage of Personal Income	Per Capita*
	General Obligation Bonds	Certificates of Obligation	Sales Tax Revenue Bonds	Notes Payable	Water and Sewer Obligations	General Obligation Bonds	Certificates of Obligation	Other Obligations			
2005	\$ 71,775	\$ 67,055	\$ -	\$ 863	\$ 24,448	\$ -	\$ 4,715	\$ 415	\$ 169,271	9.53%	\$ 3,526
2006	71,755	70,600	-	521	22,545	-	4,485	282	170,188	9.39%	3,473
2007	66,275	68,905	-	3,611	13,300	6,820	4,240	144	163,295	9.26%	3,333
2008	60,690	63,675	-	3,195	11,570	6,685	3,980	-	149,795	8.32%	2,996
2009	54,315	65,960	-	6,945	6,780	12,540	-	-	146,540	8.14%	2,431
2010	51,290	59,870	-	5,835	1,585	15,305	-	-	130,690	6.88%	2,614
2011	45,335	55,473	-	4,852	1,035	14,042	-	-	120,795	7.14%	2,570
2012	40,355	50,794	-	3,605	790	9,923	-	-	105,467	6.16%	2,219
2013	102,690	45,659	-	6,296	-	10,962	-	-	165,607	8.89%	3,380
2014	96,655	41,032	19,500	4,472	-	9,095	-	-	170,754	8.94%	3,485

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

* See Table 17 for personal income and population data.

CITY OF GRAPEVINE, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands except
Percentage of Actual Taxable Value of Property and Per Capita)

Fiscal Year	Governmental Activities			Business-type Activities	Gross Bonded Debt	Percentage of Actual Taxable Value of Property ^a	Per Capita ^b
	(a) General Obligation Bonds	Certificates of Obligation	Total	General Obligation Bonds			
2005	\$ 71,775	\$ 67,055	\$ 138,830	\$ -	\$ 138,830	2.84%	\$ 2,892
2006	71,755	70,600	142,355	-	142,355	2.72%	2,905
2007	66,275	68,905	135,180	6,820	142,000	2.49%	2,898
2008	60,690	63,675	124,365	6,685	131,050	2.12%	2,621
2009	54,315	65,960	120,275	12,540	132,815	2.02%	2,656
2010	51,290	59,870	111,160	15,305	126,465	1.79%	2,529
2011	45,335	55,473	100,808	15,135	115,943	1.72%	2,467
2012	40,355	50,794	91,149	9,895	101,044	1.71%	2,109
2013	102,690	45,659	148,349	10,845	159,194	2.55%	3,249
2014	96,655	41,032	137,687	9,095	146,782	2.27%	2,996

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

^a See Table 7 for property value data.

^b See Table 17 for population data.

CITY OF GRAPEVINE, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2014

(Unaudited) (Amounts Expressed in Whole Numbers)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid with Property Taxes:			
Carroll Independent School District	\$ 226,024,791	6.07%	\$ 13,719,705
Coppell Independent School District	218,772,323	2.09%	4,572,342
Dallas County	111,350,000	0.11%	122,485
Dallas County Community College District	339,035,000	0.11%	372,939
Dallas County Hospital District	736,235,000	0.11%	809,859
Dallas County Schools	67,265,000	0.11%	73,992
Denton County	614,975,000	- % *	-
Grapevine-Colleyville Independent School District	338,573,481	61.81%	209,272,269
Northwest Independent School District	737,438,319	0.10%	737,438
Tarrant County	317,820,000	6.08%	19,323,456
Tarrant County College District	7,935,000	6.08%	482,448
Tarrant County Hospital District	24,425,000	6.08%	<u>1,485,040</u>
Subtotal overlapping debt			250,971,971
Total direct - City of Grapevine	151,067,182	100.00%	<u>151,067,182</u>
Direct and Overlapping Debt			<u>\$ 402,039,153</u>

* Less than .01%

The percentage of overlapping debt applicable is estimated using taxable assessed property values.

Source: Municipal Advisory Council of Texas

CITY OF GRAPEVINE, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of \$2.50 per \$100 valuation may be imposed in any one year.

CITY OF GRAPEVINE, TEXAS

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands, except for Coverage)

Fiscal Year	Tax Increment Financing District Reinvestment Zone Number One				
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Principal and Interest Payments	Coverage
2005	\$ 4,788	\$ 1	\$ 4,787	\$ 2,470	\$ 1.94
2006	4,960	1	4,959	2,470	2.01
2007	5,350	5	5,345	2,482	2.15
2008	5,076	1	5,075	2,498	2.03
2009	5,274	3,087	2,187	2,240	0.98
2010	7,991	1	7,990	2,313	3.45
2011	5,955	1,671	4,284	2,328	1.84
2012	6,696	2,440	4,256	2,344	1.82
2013	4,808	2,352	2,456	2,360	1.04
2014	7,297	1,287	6,010	2,373	2.53

Notes: ^a Includes tax revenues only

^b Includes transfers out.

Source: Grapevine Tax Increment Financing District Reinvestment Zone Number One Basic Financial Statements

CITY OF GRAPEVINE, TEXAS

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands, except for Coverage)

Fiscal Year	Tax Increment Financing District Reinvestment Zone Number Two				
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Principal and Interest Payments	Coverage
2005	\$ 3,401	\$ 1,560	\$ 1,841	\$ 1,719	\$ 1.07
2006	4,056	-	4,056	1,686	2.41
2007	3,574	1,539	2,035	1,686	1.21
2008	3,392	1,536	1,856	2,691	0.69
2009	3,638	1,591	2,047	2,686	0.76
2010	5,749	726	5,023	2,677	1.88
2011	4,291	731	3,560	2,664	1.34
2012	5,736	1,548	4,188	2,672	1.57
2013	3,637	2,283	1,354	2,679	0.51
2014	5,878	2,446	3,432	2,681	1.28

Notes: ^a Includes tax revenues only

^b Includes transfers out.

Source: Grapevine Tax Increment Financing District Reinvestment Zone Number Two Basic Financial Statements

CITY OF GRAPEVINE, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

(Unaudited) (Amounts Expressed in Thousands except for
Median Age and Unemployment Rate)

<u>Calendar Year</u>	<u>(1) Estimated Population</u>	<u>Personal Income</u>	<u>(1) Personal Income Per Capita</u>	<u>(1) Median Age</u>	<u>(2) School Enrollment</u>	<u>(3) Unemployment Rate</u>
2005	48	\$ 1,776	\$ 37	34	14	3.5%
2006	49	1,813	37	34	13	3.5%
2007	49	1,764	36	34	14	3.5%
2008	50	1,800	36	36	14	4.2%
2009	50	1,800	36	36	14	6.6%
2010	50	1,900	38	36	14	6.0%
2011	47	1,692	36	35	14	6.3%
2012	48	1,711	36	35	14	5.6%
2013	49	1,862	38	38	14	5.1%
2014	49	1,911	39	38	14	4.7%

Sources: (1) CLARITAS Report
(2) Grapevine/Colleyville ISD
(3) Texas Workforce Commission Website

CITY OF GRAPEVINE, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

(Unaudited) (Amounts Expressed in Thousands except for Percentage of Total City Employment)

2014			2005		
Employer	Employees	Percentage of Total City Employment (1)	Employer	Employees	Percentage of Total City Employment
DFW International Airport	60.0	65.25%	DFW International Airport	16.0	33.00%
Game Stop Corporation	2.4	2.61%	Grapevine/Colleyville ISD	2.0	4.00%
United Parcel Service	2.0	2.17%	United Parcel Service	2.0	4.00%
Grapevine Colleyville ISD	1.8	1.96%	GTE Directory Corporation	1.0	2.00%
Gaylord Texan Resort	1.8	1.96%	Baylor Medical Center	1.0	2.00%
Baylor Medical Center	1.1	1.20%	Gamestop	1.0	2.00%
Great Wolf Lodge	0.6	0.65%	City of Grapevine	0.5	0.50%
City of Grapevine	0.6	0.65%	DFW Hilton Hotel	0.5	0.50%
Pavestone Mfg.	0.4	0.43%	SimuFlite Training Int'l.	0.5	0.50%
Hilton DFW Lakes	<u>0.4</u>	<u>0.43%</u>	Apollo Paper	<u>0.5</u>	<u>0.50%</u>
	<u>71.1</u>	<u>77.32%</u>		<u>25.0</u>	<u>49.00%</u>

Sources: City of Grapevine, Neilsen/Claritas Business Facts, Info. USA

(1) Per Neilsen/Claritas there are 91,961 total employees in the City (including 60,000 at DFW Airport) as of 2014.

CITY OF GRAPEVINE, TEXAS
FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government and administration	80	78	78	59	60	59	59	57	58	61
Public safety	231	231	230	238	237	236	237	237	240	241
Development services	21	17	15	15	15	15	15	15	15	16
Culture and recreational	153	162	159	163	174	175	169	169	172	175
Water and sewer	48	50	51	51	51	60	59	59	59	60
Golf course	31	31	31	29	29	28	26	26	26	26
Public works	<u>59</u>	<u>58</u>	<u>54</u>	<u>75</u>	<u>67</u>	<u>67</u>	<u>65</u>	<u>65</u>	<u>66</u>	<u>66</u>
Total	<u>623</u>	<u>627</u>	<u>618</u>	<u>630</u>	<u>633</u>	<u>640</u>	<u>630</u>	<u>628</u>	<u>636</u>	<u>645</u>

Source: Annual Budget Report - City of Grapevine

CITY OF GRAPEVINE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public safety										
Police										
Calls for service	28,976	36,360	45,815	49,618	52,111	65,361	66,686	67,634	58,680	44,266
Traffic citations	13,603	13,406	17,367	27,363	26,068	25,533	18,995	23,817	21,447	24,441
Criminal offenses	2,714	1,157	3,764	3,905	3,796	3,552	3,346	1,366	3,219	5,318
Fire										
Fire runs	3,856	4,171	3,601	4,682	4,844	4,595	5,079	5,135	5,156	5,101
Ambulance runs	3,168	4,151	3,056	3,132	3,980	3,015	3,343	3,026	3,541	3,614
Development services										
Area in square miles	36	36	36	36	36	36	36	36	36	36
Cultural and recreational										
Picnic areas	35	35	35	35	49	49	49	49	49	49
Library										
Volumes	160,109	173,184	182,241	183,529	191,437	197,509	205,194	186,817	197,377	204,206
Annual circulation	579,497	568,431	531,229	320,267	347,215	341,726	330,975	316,236	303,622	293,434
Water and sewer										
Number of water connections	13,860	13,965	14,117	14,117	14,120	14,343	14,384	14,460	14,517	14,476
Average daily consumption MG (water)	9.62	11.37	8.61	10.75	10.37	10.23	11.98	10.74	10.40	9,348
System capacity - MG (Water)	24	24	24	26	26	27	27	27	27	27
Number of sewer connections	12,686	12,866	12,860	12,946	13,107	13,130	13,081	13,103	13,315	13,387
Number of refuse connections	11,673	12,180	11,279	11,279	11,955	11,865	11,895	11,911	11,964	12,110
Sewer system capacity (MGD)	6	6	8	8	8	8	8	8	8	8
Lake Enterprise										
Number of golfers, annually	77,282	74,000	66,874	70,200	62,882	56,053	65,052	67,555	71,706	68,368

Source: City departments

CITY OF GRAPEVINE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public safety										
Police stations	2	2	2	2	2	2	2	2	2	2
Patrol units	26	26	26	36	30	30	32	32	35	35
Fire stations	5	5	5	5	5	5	5	5	5	5
Public works										
Streets - paved (miles)	180	180	180	180	180	208	208	208	208	208
Parks and recreation										
Acreage*	1,692	1,772	1,522	1,522	1,522	1,522	1,522	1,522	1,522	1,522
Playgrounds	35	34	34	35	35	35	35	35	35	36
Swimming pools	2	2	2	2	2	2	2	2	2	2
Recreation centers	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Central Library	1	1	1	1	1	1	1	1	1	1
Number of golf courses	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	N/A	247	280	280	280	280	280	280	290	292
Wastewater										
Sanitary sewers (miles)	N/A	210	230	230	227	227	227	227	224	225

Note: N/A - data not available.

Source: City departments

*Golf course included and land leased from Corp. of Engineers

INTERNAL CONTROL AND COMPLIANCE SECTION

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PATTILLO, BROWN & HILL, L.L.P.
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
 FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
 AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and
 Members of the City Council
 City of Grapevine, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas (the "City") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 10, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015



PATTILLO, BROWN & HILL, L.L.P.
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
 EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
 OVER COMPLIANCE REQUIRED BY THE STATE OF TEXAS UNIFORM GRANT
 MANAGEMENT STANDARDS**

To the Honorable Mayor and
 Members of the City Council
 City of Grapevine, Texas

Report on Compliance for Each Major State Program

We have audited City of Grapevine, Texas' (the "City") compliance with the types of compliance requirements described in the *State of Texas Uniform Grant Management Standards* that could have a direct and material effect on each of the City's major state programs for the year ended September 30, 2014. The City's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Texas Uniform Grant Management Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major State Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of the City, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State of Texas Uniform Grant Management Standards*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Texas Uniform Grant Management Standards*. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015

CITY OF GRAPEVINE, TEXAS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Program Title	Grantor's Number	Expenditures
STATE AWARDS		
<u>Texas Department of Transportation</u>		
State Highway 121 Utility Relocation Project	U14218	\$ 1,006,332
Big Bear Creek Pedestrian Linkage Trail	CSJ# 0364-01-140	<u>46,112</u>
Total Texas Department of Transportation		<u>1,052,444</u>
<u>Texas A&M Forest Service</u>		
Texas Intrastate Fire Mutual Aid System	1031	<u>9,985</u>
Total Texas A&M Forest Service		<u>9,985</u>
Total Expenditures of State Awards		<u>\$ 1,062,429</u>

The accompanying notes are an integral part of this schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS

SEPTEMBER 30, 2014

Note 1 – General

The Schedule of Expenditures of State Awards presents the activity of all applicable state awards of the City of Grapevine, Texas (the “City”) for the year ended September 30, 2014. The City's reporting entity is defined in Note 1 of the basic financial statements.

Note 2 – Basis of Accounting

The Schedule of Expenditures of State Awards is prepared on the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of *the State of Texas Single Audit Circular*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

CITY OF GRAPEVINE, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Summary of Auditors' Results

Financial Statements:

Type of auditors' report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted?

None

State Awards:

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with State of Texas Uniform Grant Management Standards?

None

Identification of major programs:

State Highway 121 Utility Relocation Project - U14218

Dollar threshold used to distinguish between type A and type B programs

\$300,000

Auditee qualified as low-risk auditee?

No

Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for State Awards

None

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**GRAPEVINE TAX INCREMENT
FINANCING DISTRICT REINVESTMENT
ZONE NUMBER ONE
(A Blended Component Unit of
The City of Grapevine, Texas)**

BASIC FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
SEPTEMBER 30, 2014**

(With Independent Auditors' Report)

**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

BASIC FINANCIAL STATEMENTS

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SEPTEMBER 30, 2014

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PATTILLO, BROWN & HILL, L.L.P.
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
 Members of the City Council
 City of Grapevine, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of the Grapevine Tax Increment Financing District Reinvestment Zone Number One (the "TIF #1," a component unit of the City of Grapevine, Texas), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the TIF #1's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the TIF #1, as of September 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note I to the financial statements, in 2014 the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–6 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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the City of Grapevine, Texas (the “City”), we offer readers of the Grapevine Tax Increment Financing District Reinvestment Zone Number One’s (the “TIF”) financial statements this narrative overview and analysis of the financial activities of the TIF for the fiscal year ended September 30, 2014. The TIF was formed to finance and make public improvements in the area surrounding the Grapevine Mills Mall, under the Tax Increment Financing Act. The current TIF agreement is expected to end in 2016, after the last debt payment has been made.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the TIF exceeded its liabilities at the close of the fiscal year ended September 30, 2014, by \$33,046,729 (net position).
- At the end of the current fiscal year, the governmental funds reported an ending fund balance of \$37,919,438, an increase of 8% in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the TIF’s basic financial statements. The TIF’s basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide Financial Statements

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

The *Statement of Net Position* presents information on all of the TIF’s assets, deferred outflows of resources and liabilities, 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 TIF is improving or deteriorating.

The *Statement of Activities* presents information showing how the TIF’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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 TIF uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements include two funds: (1) the General Fund, which is used to account for principal and interest payments and economic development activities, and (2) the Capital Projects Fund, which is used to account for the cost of public improvements.

- **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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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 11 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2014, the TIF's net position was \$33,046,729.

The following table reflects the condensed Statement of Net Position:

CITY OF GRAPEVINE TAX INCREMENT FINANCING DISTRICT REINVESTMENT ZONE NUMBER ONE'S NET POSITION

	Governmental Activities	
	2014	2013
Current and other assets	\$ 37,919,438	\$ 36,941,202
Total assets	<u>37,919,438</u>	<u>36,941,202</u>
Deferred outflows of resources	56,651	97,852
Long-term liabilities	4,900,829	7,178,744
Other liabilities	28,531	624,126
Total liabilities	<u>4,929,360</u>	<u>7,802,870</u>
Net position:		
Unrestricted	<u>33,046,729</u>	<u>29,236,184</u>
Total net position	<u>\$ 33,046,729</u>	<u>\$ 29,236,184</u>

Analysis of the TIF's Operations

Governmental activities increased the TIF's net position by \$3,865,398. There were community distributions made from the TIF#1 fund, a transfer was made to the City's 4B Economic Development Fund, and designed work continued on the Links Trail project which extends from the Gaylord Trail to the Grapevine Mills Mall. Investment earnings have steadily declined over the past several years due to declining and relatively low interest rates.

CITY OF GRAPEVINE TAX INCREMENT FINANCING DISTRICT REINVESTMENT ZONE NUMBER ONE'S CHANGE IN NET POSITION

	Governmental Activities	
	2014	2013
Revenues:		
General revenues:		
Property taxes	\$ 6,263,869	\$ 5,841,075
Unrestricted investment earnings	18,837	39,519
Transfer to City's Economic Development Fund	(1,000,000)	-
Total revenues	<u>5,282,706</u>	<u>5,880,594</u>
Expenses:		
Economic development	1,289,306	1,631,843
Interest and fiscal charges	<u>128,002</u>	<u>221,472</u>
Total expenses	<u>1,417,308</u>	<u>1,853,315</u>
Change in net position	3,865,398	4,027,279
Net position, beginning	<u>29,236,184</u>	<u>25,208,905</u>
Change in accounting principle	(54,853)	-
Net position, ending	<u>\$ 33,046,729</u>	<u>\$ 29,236,184</u>

FINANCIAL ANALYSIS OF THE TIF'S FUNDS

Governmental Funds

The focus on the TIF's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the TIF's financing requirements.

At the end of the current fiscal year, the TIF's governmental funds reported ending fund balances of \$37,919,438, an increase of \$2,713,691 in comparison with the prior year.

DEBT ADMINISTRATION

Long-term Debt. At year-end, the TIF had total bonded debt outstanding of \$4,565,000, which is backed by the full faith and credit of the TIF. The debt is paid from real property taxes captured by the TIF District.

**CITY OF GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE'S OUTSTANDING DEBT**

	<u>2014</u>	<u>2013</u>
Certificates of obligation	\$ <u>4,565,000</u>	\$ <u>6,675,000</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, investors and creditors with a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the Finance Department, City of Grapevine, 200 S. Main Street, Grapevine, Texas 76051.

**BASIC
FINANCIAL STATEMENTS**

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

STATEMENT OF NET POSITION

SEPTEMBER 30, 2014

ASSETS

Cash and investments	\$ 37,916,580
Taxes receivable, net	567
Accrued interest	<u>2,291</u>
Total assets	<u>37,919,438</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred loss on bond refunding	<u>56,651</u>
Total deferred outflows of resources	<u>56,651</u>

LIABILITIES

Accrued interest payable	28,531
Bonds payable - due in less than one year	2,215,000
Bonds payable - due in more than one year	<u>2,685,829</u>
Total liabilities	<u>4,929,360</u>

NET POSITION

Unrestricted	<u>33,046,729</u>
Total net position	<u>\$ 33,046,729</u>

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenue	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental activities:			
Economic development	\$ 1,289,306	\$ -	\$(1,289,306)
Interest and fiscal charges	128,002	-	(128,002)
Total governmental activities	\$ 1,417,308	\$ -	\$(1,417,308)
General revenues:			
Property taxes			6,263,869
Investment earnings			18,837
Transfer to City's Economic Development Fund			(1,000,000)
Total general revenues			5,282,706
Change in net position			3,865,398
Net position - beginning			29,236,184
Change in accounting principle			(54,853)
Net position - beginning, restated			29,181,331
Net position - ending			\$ 33,046,729

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

**BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2014**

	General	Capital Projects	Total
ASSETS			
Cash and investments	\$ 36,313,584	\$ 1,602,996	\$ 37,916,580
Taxes receivable, net	567	-	567
Accrued interest	2,195	96	2,291
Total assets	\$ 36,316,346	\$ 1,603,092	\$ 37,919,438
LIABILITIES			
Total liabilities	\$ -	\$ -	\$ -
FUND BALANCES			
Restricted for debt service	4,796,625	-	4,796,625
Assigned for capital projects	-	1,603,092	1,603,092
Unassigned	31,519,721	-	31,519,721
Total fund balances	36,316,346	1,603,092	37,919,438
Total liabilities and fund balances	\$ 36,316,346	\$ 1,603,092	

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

Bond interest is not payable with available financial resources and is therefore not accrued at the fund level. (28,531)

Bonds payable are not due and payable in the current period and therefore are not reported in the funds:

Loss on refunding 56,651
Bonds payable (4,565,000)
Premium on issuance (335,829)

Net position of governmental activities \$ 33,046,729

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Capital Projects	Total
REVENUES			
Property taxes	\$ 7,357,448	\$ -	\$ 7,357,448
Investment income	17,523	1,314	18,837
Total revenues	7,374,971	1,314	7,376,285
EXPENDITURES			
Economic development	1,287,331	-	1,287,331
Capital outlay	-	1,975	1,975
Debt service:			
Principal	2,110,000	-	2,110,000
Interest and fiscal charges	263,288	-	263,288
Total expenditures	3,660,619	1,975	3,662,594
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	3,714,352	(661)	3,713,691
OTHER FINANCING SOURCES (USES)			
Transfers in	-	22,571	22,571
Transfers out	(22,571)	(1,000,000)	(1,022,571)
Total other financing sources and uses	(22,571)	(977,429)	(1,000,000)
NET CHANGE IN FUND BALANCE	3,691,781	(978,090)	2,713,691
FUND BALANCE, BEGINNING	32,624,565	2,581,182	35,205,747
FUND BALANCE, ENDING	\$ 36,316,346	\$ 1,603,092	\$ 37,919,438
Net change in fund balance			2,713,691
Amounts reported for governmental activities in the statement of activities are different because:			
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			(1,093,579)
Interest expense is accrued in the government-wide financial statements, but not at the fund level.			8,572
The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but reduces bond principal at the government-wide level.			2,110,000
Deferred charges - amortization of premium, loss, etc. are reported in the statement of activities but do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.			126,714
Change in net position of governmental activities			\$ 3,865,398

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER ONE
(A Blended Component Unit of the City of Grapevine, Texas)**

NOTES TO BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Grapevine Tax Increment Financing District Reinvestment Zone Number One (the “TIF”) was created on February 20, 1996. The TIF was formed to finance and make public improvements in the area surrounding the Grapevine Mills mall, under the authority of the Tax Increment Financing Act. The TIF is governed by a nine-member board of directors; five members are appointed by the Grapevine City Council, and the governing bodies of Tarrant County, Grapevine/Colleyville Independent School District, Tarrant County Junior College District and Tarrant County Hospital District appoint one member each. The termination of the TIF is set as either December 31, 2017, or the date when all project costs are paid and all debt is retired, whichever comes first. The boundaries of the TIF were reduced in accordance with Texas Code Section 311.007 by ordinance #97-132 on December 3, 1998. The reduction in the size of the zone was not material and was done for legal clarification. The TIF is a blended component unit of the City of Grapevine, Texas.

The accounting and reporting policies of the TIF conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant accounting and reporting policies.

The General Fund is used to account for the principal and interest payments of the debt and economic development activities. The Capital Projects Fund is used to account for the expenditures related to construction. All construction in progress and completed capital assets are transferred to the City.

A. 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 of the activities of the TIF.

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

Separate fund-based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

B. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are earned.

Government fund-level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the TIF considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes are recognized in the year in which they are levied. Investment earnings are recorded as earned since they are measurable and available.

C. Assets, Liabilities and Net Position or Equity

1. Cash and Investments

Cash consists of demand deposits (principally interest-bearing accounts) that are carried at cost. Investments are stated at fair value.

2. Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

3. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the TIF is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: This classification includes amounts that are constrained by the TIF's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board.
- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the TIF considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the TIF considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

4. Deferred Inflows/Outflows 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 TIF is reporting a balance for deferred loss on bond refunding in the government-wide Statement of Net Position. A deferred loss on a bond refunding results when the reacquisition price of the refunded debt exceeds the carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The TIF currently has not deferred inflows of resources to report.

5. Change in Accounting Principles

As the result of implementing GASB Statement No. 65, the TIF has restated the beginning net position, effectively decreasing net position as of October 1, 2013 by \$54,853 for the governmental activities. These decreases result from no longer deferring and amortizing bond issuance costs.

Further, the TIF has restated its long-term liabilities to reflect that components of those liabilities as of October 1, 2013, the deferred loss on bond refunding is now reported as deferred outflows of resources in the government-wide financial statements. The effect of this change increases the long-term liabilities of the governmental activities by \$97,852. This increase in long-term liabilities corresponds to an increase in deferred outflows of resources.

II. CASH AND INVESTMENTS

The cash and investment policies of the TIF mirror the City of Grapevine's policies. City policies governing bank deposits require depositories to be FDIC-insured institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Investment in City investment pool	\$ <u>37,916,580</u>
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Interest Rate Risk. In accordance with its investment policy, the City minimizes the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:

- a. Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- b. Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
- c. Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Credit Risk. In accordance with its investment policy, the City minimizes credit risk, the risk of loss due to the failure of the issuer or backer of the investment by:

- a. Limiting investments to the safest types of investments.
- b. Pre-qualifying the financial institutions and broker/dealers with which the City will do business.
- c. Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Concentration of Credit Risk. The City's investment policy allows up to 100% to be invested in U. S. Treasury Bills/Notes/Bonds and U. S. agencies and instrumentalities. The City's investment in the securities of U. S. agencies are rated AAA by Standard & Poor's. TexPool and LOGIC are public funds investment pools operating as a 2a-7 like pool and in full compliance with the Public Funds Investment Act. As of September 30, 2014, the City's investments in TexPool and LOGIC were rated AAAM.

Custodial Credit Risk. State statutes require that all City deposits in financial institutions be fully collateralized by U. S. Government obligations or obligations of the State of Texas or its agencies. The City’s deposits were fully collateralized, or have a letter of credit issued by the Federal Home Loan Bank as required by State statutes at September 30, 2014. The bank balances were fully collateralized by government securities.

III. LONG-TERM LIABILITIES

Long-term liabilities consist of Combination Tax and Tax Increment Reinvestment Zone Revenue Certificates of Obligation, Series 2009A, due in annual installments from August 15, 2009 through February 15, 2016, at interest rates from 2.5% to 5%, issued in the amount of \$14,290,000, with a remaining balance at September 30, 2014, of \$4,565,000.

	<u>Balance 9/30/2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/2014</u>	<u>Due Within One Year</u>
Bonds payable:					
Combination Tax and Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2009A	\$ 6,675,000	\$ -	\$(2,110,000)	\$ 4,565,000	\$ 2,215,000
Issuance premiums	<u>503,744</u>	<u>-</u>	<u>(167,915)</u>	<u>335,829</u>	<u>-</u>
	<u>\$ 7,178,744</u>	<u>\$ -</u>	<u>\$(2,277,915)</u>	<u>\$ 4,900,829</u>	<u>\$ 2,215,000</u>

The annual requirements to amortize the long-term debt as of September 30, 2014, are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	2,215,000	172,875
2016	<u>2,350,000</u>	<u>58,750</u>
Total	<u>\$ 4,565,000</u>	<u>\$ 231,625</u>

IV. APPRAISED VALUES

A summary of appraised values for the TIF is as follows:

	<u>Tax Year 2014 Appraised Value</u>	<u>1996 Base Year Appraised Value</u>	<u>Captured Appraised Value</u>
City of Grapevine	\$ 274,338,934	\$ 7,647,325	\$ 266,691,609
County Hospital District	274,338,934	7,631,345	266,707,589
County Junior College District	274,338,934	7,631,345	266,707,589
Tarrant County	274,338,934	7,631,345	266,707,589
Grapevine-Colleyville Independent School District	274,338,934	7,631,345	266,707,589

The captured appraised value of the TIF is the total appraised value of all real property taxable by the unit and located in the reinvestment zone less the base year appraised value of all real property taxable by the unit and located in the reinvestment zone at the time the TIF was established (1996).

V. PLEDGED REVENUES

The Board of Directors for the TIF approved amending the Financing and Project Plan to allow the creation of a 380 category within the Financing and Project Plan whereas all City funds contributed to date and additional funds contributed up to 2016-2017 be placed in a 380 account in the TIF zone to incentivize further economic development in the zone. The action was passed by the Board on September 8, 2009.

In fiscal year 2012, the TIF approved an economic development agreement with Grapevine Mills LTD Partnership in an amount not to exceed \$14,000,000 for interior renovations (\$10,000,000) and future exterior improvements (\$4,000,000) at Grapevine Mills Mall.

VI. BOARD OF DIRECTORS

Members of the Board of Directors can be obtained from the City Secretary's office – City of Grapevine, Texas.

**GRAPEVINE TAX INCREMENT
FINANCING DISTRICT REINVESTMENT
ZONE NUMBER TWO
(A Blended Component Unit of
The City of Grapevine, Texas)**

BASIC FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
SEPTEMBER 30, 2014**

(With Independent Auditors' Report)

**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO
(A Blended Component Unit of the City of Grapevine, Texas)**

BASIC FINANCIAL STATEMENTS

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SEPTEMBER 30, 2014

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PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Grapevine, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of the Grapevine Tax Increment Financing District Reinvestment Zone Number Two (the "TIF #2," a component unit of the City of Grapevine, Texas), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the TIF #2's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the TIF #2, as of September 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note I to the financial statements, in 2014 the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–7 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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 10, 2015

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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As management of the City of Grapevine, Texas (the “City”), we offer readers of the Grapevine Tax Increment Financing District Reinvestment Zone Number Two’s (the “TIF”) financial statements this narrative overview and analysis of the financial activities of the TIF for the fiscal year ended September 30, 2014. The TIF was formed to finance and make public improvements in the area surrounding the Gaylord Texan Resort and Convention Center, under the Tax Increment Financing Act. The current TIF agreement is expected to end in 2026, after the last debt payment has been made.

FINANCIAL HIGHLIGHTS

- The liabilities of the TIF exceeded its assets at the close of the most recent fiscal year by \$(15,270,522) (net position). This is primarily due to the debt that was previously issued in connection with the public improvement project in the Gaylord Texan Resort and Convention Center area.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the TIF’s basic financial statements. The TIF’s basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide Financial Statements

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

The *Statement of Net Position* presents information on all of the TIF’s assets, deferred outflows of resources and liabilities, 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 TIF is improving or deteriorating.

The *Statement of Activities* presents information showing how the TIF’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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 TIF uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

- **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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The fund financial statements include two funds: (1) the General Fund, which is used to account for principal and interest payments, and (2) the Capital Projects Fund, which is used to account for the cost of public improvements.

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 12 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2014, the TIF's liabilities exceeded assets by \$(15,270,522).

The following table reflects the condensed Statement of Net Position:

**CITY OF GRAPEVINE TAX INCREMENT FINANCING
DISTRICT REINVESTMENT ZONE NUMBER TWO'S NET POSITION**

	Governmental Activities	
	2014	2013
Current and other assets	\$ <u>8,665,640</u>	\$ <u>9,289,376</u>
Total assets	<u>8,665,640</u>	<u>9,289,376</u>
Deferred outflows of resources	<u>1,275,591</u>	<u>1,381,890</u>
Long-term liabilities outstanding	25,061,115	26,551,625
Other liabilities	<u>150,638</u>	<u>160,098</u>
Total liabilities	<u>25,211,753</u>	<u>26,711,723</u>
Net position:		
Unrestricted	<u>(15,270,522)</u>	<u>(16,040,457)</u>
Total net position	<u>\$ (15,270,522)</u>	<u>\$ (16,040,457)</u>

Analysis of the TIF's Operations

Governmental activities increased the TIF's net position by \$983,548 with the TIF's liabilities to assets and deferred outflows of resources ratio decreasing from 2.88 in FY 2013 to 2.91 in FY 2014. The TIF board entered into a local agreement with the Grapevine-Colleyville Independent School District and pledged future ad valorem taxes collected for the TIF to be contributed towards the School's middle school debt. The total amount that the TIF paid was \$2,680,786. The TIF's interest income from investments offset the arbitrage calculation expenses.

The following table provides a summary of the TIF's operations for the year ended September 30, 2014.

**CITY OF GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO'S CHANGE IN NET POSITION**

	Governmental Activities	
	2014	2013
Revenues:		
General revenues:		
Property taxes	\$ 4,713,427	\$ 4,801,246
Unrestricted investment earnings	4,536	9,914
Total revenues	<u>4,717,963</u>	<u>4,811,160</u>
Expenses:		
Economic development	2,446,100	2,282,948
Interest	<u>1,288,315</u>	<u>1,376,247</u>
Total expenses	<u>3,734,415</u>	<u>3,659,195</u>
Change in net position	983,548	1,151,965
Net position, beginning	(<u>16,040,457</u>)	(<u>17,192,422</u>)
Change in accounting principles	(<u>213,613</u>)	-
Net position, ending	<u><u>\$ (15,270,522)</u></u>	<u><u>\$ (16,040,457)</u></u>

FINANCIAL ANALYSIS OF THE TIF'S FUNDS

Governmental Funds

The focus on the TIF's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the TIF's financing requirements.

At the end of the current fiscal year, the TIF governmental funds reported combined ending fund balances of \$8,665,640, an increase of \$754,589 in comparison with the prior year. The fund balance consists of the following: (1) unassigned: \$6,517,044 and (2) assigned for capital projects: \$2,148,596.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. Capital assets of the TIF are recorded as expenditures in the Capital Projects Fund when constructed. Construction in progress and completed assets are transferred to the City.

Long-term Debt. At the end of the current fiscal year, the TIF had total bonded debt outstanding of \$23,975,000, which is backed by the full faith and credit of the TIF.

**CITY OF GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO'S OUTSTANDING DEBT**

	<u>2014</u>	<u>2013</u>
Combination Tax and Tax Increment Reinvestment Zone Revenue Certificates of Obligation, Series 2000 due in annual installments of \$730,000 to \$2,475,000 through August 15, 2026; interest at 5.5% to 7%.	\$ 1,305,000	\$ 2,535,000
Combination Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2005A due in annual installments of \$140,000 to \$2,595,000 through August 2026.	<u>22,670,000</u>	<u>22,840,000</u>
	<u>\$ 23,975,000</u>	<u>\$ 25,375,000</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, investors and creditors with a general overview of the TIF's finances. If you have questions about this report or need additional financial information, contact the Finance Department, City of Grapevine, 200 S. Main Street, Grapevine, Texas 76051.

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**BASIC
FINANCIAL STATEMENTS**

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO
(A Blended Component Unit of the City of Grapevine, Texas)**

STATEMENT OF NET POSITION

SEPTEMBER 30, 2014

ASSETS

Cash and investments	\$ 8,665,247
Accrued interest	<u>393</u>
Total assets	<u>8,665,640</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred loss on bond refunding	<u>1,275,591</u>
Total deferred outflows of resources	<u>1,275,591</u>

LIABILITIES

Accrued interest payable	150,638
Bonds payable - due in one year	1,485,000
Bonds payable - due in more than one year	<u>23,576,115</u>
Total liabilities	<u>25,211,753</u>

NET POSITION

Unrestricted	(<u>15,270,522</u>)
Total net position	<u>\$ (15,270,522)</u>

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO
(A Blended Component Unit of the City of Grapevine, Texas)**

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	General	Capital Projects	Total
ASSETS			
Cash and investments	\$ 6,516,651	\$ 2,148,596	\$ 8,665,247
Accrued interest	393	-	393
Total assets	\$ 6,517,044	\$ 2,148,596	\$ 8,665,640
LIABILITIES AND FUND BALANCES			
Total liabilities	\$ -	\$ -	\$ -
Fund balances:			
Unassigned	6,517,044	-	6,517,044
Assigned for capital projects	-	2,148,596	2,148,596
Total fund balances	6,517,044	2,148,596	8,665,640
Total liabilities and fund balances	\$ 6,517,044	\$ 2,148,596	

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

Bond interest is not payable with available financial resources and is therefore not accrued at the fund level	\$(150,638)
Deferred loss on refunding	1,275,591
Bonds payable	(23,975,000)
Premium on issuance	(1,086,115)
Net position of governmental activities	\$(15,270,522)

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO
(A Blended Component Unit of the City of Grapevine, Texas)**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Capital Projects	Total
REVENUES			
Taxes			
Property taxes	\$ 5,878,139	-	\$ 5,878,139
Investment income	3,813	\$ 723	4,536
Total revenues	5,881,952	723	5,882,675
EXPENDITURES			
Economic development	2,446,100	-	2,446,100
Debt service:			
Principal	1,400,000	-	1,400,000
Interest and fiscal charges	1,280,786	1,200	1,281,986
Total expenditures	5,126,886	1,200	5,128,086
NET CHANGE IN FUND BALANCES	755,066	(477)	754,589
FUND BALANCE, BEGINNING	5,761,978	2,149,073	7,911,051
FUND BALANCE, ENDING	\$ 6,517,044	\$ 2,148,596	\$ 8,665,640
Net change in fund balances			\$ 754,589
Amounts reported for governmental activities in the statement of activities are different because:			
The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but reduces bond principal at the government-wide level.			1,400,000
Interest expense is accrued in the government-wide financial statements, but not at the fund level.			9,460
Deferred charges - amortization of premium, loss, etc. are reported in the statement of activities but do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.			(15,789)
Change in net position of governmental activities			\$ 983,548

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

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**GRAPEVINE TAX INCREMENT FINANCING DISTRICT
REINVESTMENT ZONE NUMBER TWO
(A Blended Component Unit of the City of Grapevine, Texas)**

NOTES TO BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Grapevine Tax Increment Financing District Reinvestment Zone Number Two (the “TIF”) was created on December 28, 1998. The TIF was formed to finance and make public improvements in the area surrounding the Gaylord Texan Resort and Convention Center, under the authority of the Tax Increment Financing Act. The TIF is governed by a six-member board of directors; five members are appointed by the Grapevine City Council, and the governing body of Grapevine/Colleyville Independent School District appoints one member. The termination of the TIF is set as either December 31, 2030, or the date when all project costs are paid and all debt is retired, whichever comes first. The TIF is a blended component unit of the City of Grapevine, Texas.

The accounting and reporting policies of the TIF conform to accounting principles generally accepted in the United States of America, as applicable to governmental units. The following is a summary of the more significant accounting and reporting policies:

A. 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 of the activities of the TIF.

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

Separate fund-based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, which is used to account for economic development and debt service payments, and the Capital Projects Fund, which is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The government-wide focus is more on the sustainability of the TIF as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

B. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are earned.

Government fund-level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes are recognized in the year in which they are levied. Investment earnings are recorded as earned since they are measurable and available.

C. Budgets and Budgetary Accounting

An overall project budget was included in the plan to create the TIF and approved by all parties involved. Annual budgets are not adopted.

D. Assets, Liabilities and Net Position or Equity

1. Cash and Investments

Cash consists of demand deposits (principally interest-bearing accounts) that are carried at cost. Investments are stated at fair value.

2. Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

3. *Fund Balance Classification*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the TIF is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the TIF's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the TIF considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the TIF considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

4. *Deferred Inflows/Outflows 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 TIF is reporting a balance for deferred loss on bond refunding in the government-wide Statement of Net Position. A deferred loss on a bond refunding results when the reacquisition price of the refunded debt exceeds the carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The TIF currently has no deferred inflows of resources to report.

5. *Change in Accounting Principles*

As the result of implementing GASB Statement No. 65, the TIF has restated the beginning net position, effectively decreasing net position as of October 1, 2013 by \$213,613 for the governmental activities. These decreases result from no longer deferring and amortizing bond issuance costs.

Further, the TIF has restated its long-term liabilities to reflect that components of those liabilities as of October 1, 2013, the deferred loss on bond refunding is now reported as deferred outflows of resources in the government-wide financial statements. The effect of this change increases the long-term liabilities of the governmental activities by \$1,381,890. This increase in long-term liabilities corresponds to an increase in deferred outflows of resources.

II. CASH AND INVESTMENTS

The cash and investment policies of the TIF mirror the City of Grapevine's policies. City policies governing bank deposits require depositories to be FDIC-insured institutions, and depositories must fully collateralize all time deposits in excess of FDIC insurance limits.

The City invests in State investment pools (TexPool and LOGIC). These approved pooled investments are carried at fair value and may be liquidated as needed. TexPool and LOGIC are public funds investment pools operating as a 2a-7 like pool and in full compliance with the Public Funds Investment Act.

The components of the TIF's cash and investments (at fair value) at September 30, 2014, were as follows:

Investment in City investment pool	\$ <u>8,665,247</u>
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Interest Rate Risk. In accordance with its investment policy, the City minimizes the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:

- a. Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- b. Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
- c. Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Credit Risk. In accordance with its investment policy, the City minimizes credit risk, the risk of loss due to the failure of the issuer or backer of the investment by:

- a. Limiting investments to the safest types of investments.
- b. Pre-qualifying the financial institutions and broker/dealers with which the City will do business.
- c. Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Concentration of Credit Risk. The City's investment policy allows up to 100% to be invested in U. S. Treasury Bills/Notes/Bonds, and U. S. Agencies and Instrumentalities. The City's investment in the securities of U. S. agencies are rated AAA by Standard & Poor's. TexPool and LOGIC are public funds investment pools operating as a 2a-7 like pool and in full compliance with the Public Funds Investment Act. As of September 30, 2014, the City's investments in TexPool and Logic were rated AAAM.

Custodial Credit Risk. State statutes require that all City deposits in financial institutions be fully collateralized by U. S. Government obligations or obligations of the State of Texas or its agencies. The City's deposits were fully collateralized, or have a letter of credit issued by the Federal Home Loan Bank as required by State statutes at September 30, 2014. The bank balances were fully collateralized by government securities.

III. LONG-TERM LIABILITIES

Long-term liabilities are as follows:

	<u>Balance 9/30/2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/2014</u>	<u>Due Within One Year</u>
Combination Tax and Tax Increment Reinvestment Zone Revenue Certificates of Obligation, Series 2000 due in annual installments of \$730,000 to \$2,475,000 through August 15, 2026; interest at 5.5% to 7%	\$ 2,535,000	-	\$ 1,230,000	\$ 3,765,000	\$ 1,305,000
Combination Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2005A due in annual installments of \$140,000 to \$2,595,000 through August 2026; 3.25% to 5%	<u>22,840,000</u>	<u>-</u>	<u>170,000</u>	<u>22,670,000</u>	<u>180,000</u>
Total debt outstanding	<u>\$ 25,375,000</u>	<u>-</u>	<u>\$ 1,400,000</u>	23,975,000	<u>\$ 1,485,000</u>
Unamortized premium				<u>1,086,115</u>	
Total debt outstanding				<u>\$ 25,061,115</u>	

The annual requirements to amortize the long-term debt as of September 30, 2014, are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	1,485,000	1,205,106
2016	1,565,000	1,124,500
2017	1,650,000	1,046,250
2018	1,735,000	963,750
2019	1,825,000	877,000
2020-2024	10,650,000	2,916,000
2025-2026	<u>5,065,000</u>	<u>383,000</u>
Total	<u>\$ 23,975,000</u>	<u>\$ 8,515,606</u>

IV. APPRAISED VALUES AND TAX RATES

A summary of appraised values for the TIF is as follows:

	Tax Year 2014 Appraised Value	1998 Base Year Appraised Value	Captured Appraised Value
City of Grapevine	\$ 249,979,538	\$ 744,886	\$ 249,234,652
Grapevine-Colleyville Independent School District	249,979,538	744,886	249,234,652

The captured appraised value of the TIF is the total appraised value of all real property taxable by the unit and located in the reinvestment zone less the base year appraised value of all real property taxable by the unit and located in the reinvestment zone at the time the TIF was established (1999).

Tax rates for the TIF are as follows (per \$100 valuation):

	Rate
City of Grapevine	0.34250
Grapevine-Colleyville Independent School District	1.32050

V. PLEDGED REVENUES

The TIF has entered into a local agreement with the Grapevine-Colleyville Independent School District where future ad valorem taxes collected for the zone are pledged to contribute towards the School’s middle school debt. The total amount that the TIF has pledged to pay is \$32,490,606 as of September 30, 2014. The amount of the annual payment is negotiated each year with the school and the school bills the City. The City does not have title to the middle school improvements.

VI. BOARD OF DIRECTORS

Members of the Board of Directors can be obtained from the City Secretary’s office – City of Grapevine.

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
MEETING DATE: MARCH 17, 2015
SUBJECT: AWARD OF CONSTRUCTION CONTRACT – DENTON CREEK LIFT STATION RENOVATION AND COATINGS

RECOMMENDATION

City Council consider awarding the construction contract for the Denton Creek Lift Station renovation and coatings to Red River Construction Co. in the amount of \$352,060.00, authorize staff to execute said contract, and take any necessary action.

FUNDING:

Funds are programmed in the Wastewater Permanent Capital Maintenance Fund (PCMF) 201-48940-534-9-0001SW.

BACKGROUND:

An inspection was performed on the Denton Creek Wastewater Lift Station on May 20, 2013. The inspection revealed that the facility was in need of a rehabilitation project.

The existing coating in the wet well is exhibiting localized failures and needs to be removed and replaced. Associated with this lining replacement is the need for repairs to the concrete walls where the wastewater gases have caused damage. Existing ductile iron pipe will be replaced with corrosion resistant PVC pipe and the rails, fittings and hardware will be replaced with materials less susceptible to corrosion damage. Valves that do not function properly are also to be replaced.

Bids were opened on February 10, 2015 with six bids received as follows:

Red River Construction Co.	\$ 352,060.00
Felix Construction Co.	\$ 354,855.00
Kodiak Trenching & Boring	\$ 366,800.00
Associated Construction Partners, Ltd.	\$ 368,800.00
Fryer Construction Co.	\$ 394,800.00
A&M Construction & Utilities	\$ 431,000.00

CC ITEM #7

Red River failed to correctly tabulate their bid and left Item # 11 with a \$4,300.00 cost out of their tabulation of their total bid of \$352,060.00. Red River has acknowledged their error and have committed to stand by their bid price for the entire project including the overlooked item. In the bidding documents, the City reserves the right to adopt the most advantageous interpretation of the bids and to waive formalities.

Deltatek Engineering has reviewed the bids and has recommended that the City award the contract to Red River Construction Co. Red River Construction Co. recently installed the City of Grapevine's wastewater treatment plant filters with excellent results.

The contract schedule for the project establishes a construction time of 180 calendar days.

Staff recommends approval.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL FOR THE SALE OF CITY SURPLUS PROPERTY

RECOMMENDATION:

City Council to consider approval for the sale of property listed in Exhibit "A" as surplus property and authorizes their sale through public auction.

BACKGROUND:

This request is approval for the sale of surplus property as listed in Exhibit "A". The City currently has a 1998 Freightliner bus model CT260 ready for auction due to equipment age or condition. Staff has considered age, cost of operation and/or life to date maintenance costs when classifying property as surplus.

Staff recommends approval.

LW

Exhibit "A"
February 3, 2015

CC ITEM #8

1. 1x-1998 Freightliner Bus, Model CT260.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER BR
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL FOR THE AWARD OF RFP 424-2015 FOR
INSURANCE CONSULTANT SERVICES FOR GROUP HEALTH
BENEFITS

RECOMMENDATION:

City Council to consider award of an annual contract with McGriff, Seibels & Williams Insurance Services for insurance consultant services for group health benefits.

FUNDING SOURCE:

Funds are available in account 100-44540-109-1 (Professional Services) in the estimated budgeted annual amount of \$50,000.

BACKGROUND:

Request for proposals were taken in accordance with Texas Local Government Code Chapter 252.022. RFP 424-2015, Insurance Consultant Services for Group Health Benefits, was issued and opened publicly on February 11, 2015.

The RFP public notice was placed in the Fort Worth Star Telegram on January 8 and 15, 2015. There were 468 invitations sent out through the eBid Procurement system with 19 agencies downloading and viewing the RFP.

Eight agencies submitted proposals:

IMA Inc.
Benefit Seminars Plus
Lifetime Benefits Insurance
Wellspring Insurance Agency, Inc.
Arthur J. Gallagher & Co.
IPS Advisors
McGriff, Seibels and Williams Ins. Services
Wells Fargo Insurance Services

An evaluation team reviewed and evaluated all proposals based on the City's

requirements and the services offered and ranked them accordingly. Of the eight agencies, the two top ranked agencies were interviewed; they were Lifetime Benefits Insurance and McGriff, Seibels and Williams Ins. Services.

After the two agencies were interviewed and services re-evaluated, the evaluation team re-ranked them. The evaluation team chose McGriff, Seibels and Williams Ins. Services as providing the best value proposal. This change will save the City approximately \$100,000 annually.

The contract will be for one year with three optional one year renewals.

Staff recommends approval.

MH/BS

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER ^{BR}
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR
EMERGENCY MEDICAL SUPPLIES

RECOMMENDATION:

City Council to consider approval to renew an annual contract with Bound Tree Medical, LLC. for emergency medical supplies through an Interlocal Cooperative Agreement with the City of Cedar Hill, Texas.

FUNDING SOURCE:

Funds are budgeted in account 100-42225-210-3 (EMS Expenses & Supplies) in an annual estimated amount of \$110,000.00.

BACKGROUND:

Purchases will be made in accordance with an existing Interlocal Cooperative Agreement with the City of Cedar Hill, Texas as allowed by Texas Local Government Code, Section 271.101 and 271.102, Cooperative Purchasing Program. A resolution considering the initial contract for emergency medical supplies was approved by Council in 2013. The contract was for an initial one-year period with three optional, one-year renewals. If approved, this will be the second renewal available.

Bids were received by The City of Cedar Hill, Texas for emergency medical supplies with Bound Tree Medical, LLC. and Henry Schein Inc. being awarded primary and secondary contracts. Henry Schein Inc. declined to renew their contract with The City of Cedar Hill, Texas and the City awarded Bound Tree Medical, LLC. as the primary contractor. The Fire Department staff and Purchasing reviewed the contract for specification compliance and determined that this annual contract would provide the best product, service and pricing for meeting the needs of the City.

The purpose of this contract is to establish fixed annual pricing for emergency medical supplies on an as-needed basis for the Fire Department to equip five mobile intensive care units. Bound Tree Medical, LLC. has agreed to renew with an increase of 4% to 5% due to increases in materials and transportation used in the manufacturing of the products they were awarded.

Staff recommends approval.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR SWIMMING POOL SANITATION CHEMICALS

RECOMMENDATION:

City Council to consider approval to renew an annual contract for swimming pool sanitation chemicals from DCC, Inc. for the Parks and Recreation Department through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard).

FUNDING SOURCE:

Funding for this purchase is currently available in account 100-42205-312-5 (General Fund/Grounds Maintenance/Parks and Recreation Aquatics) in the estimated annual amount of \$35,000.00.

BACKGROUND:

This purchase will be made in accordance with an existing Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard) as allowed by Texas Local Government Code, Section 271.102, Cooperative Purchasing Program. This contract was for an initial one-year period with two, one-year renewal options. If approved, this will be the first renewal available.

Bids were taken by the Cooperative and a contract was awarded to DCC, Inc. Parks and Recreation staff and Purchasing reviewed the contract for specification compliance and pricing and determined that the contract would provide the best product and pricing for meeting the needs of the City.

The purpose of this contract is to establish fixed annual pricing for liquid chlorine, muriatic acid and other chemicals used to sanitize and balance water chemistry required for the City of Grapevine's Dove Waterpark and Pleasant Glade Pool and The Rec aquatic facilities on an as-needed basis. DCC, Inc. has agreed to renew with no increase in pricing.

Staff recommends approval.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL OF A RESOLUTION FOR THE PURCHASE OF A
CONCRETE MIXER

RECOMMENDATION:

City Council to consider approval of a resolution for the purchase of a volumetric concrete mixer from Cemen Tech, Inc. through an Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC).

FUNDING SOURCE:

Funding for this purchase is currently available in account 116-48860-535-1 and 200-48860-530-1 (Machinery, Equipment and Implement Fund) for the amount not to exceed \$91,620.79.

BACKGROUND:

This purchase will be made in accordance with an existing Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC) as allowed by Texas Local Government Code, Section 271.102, Cooperative Purchasing Program.

Bids were taken by the Cooperative and a contract was awarded to Cemen Tech, Inc. The Fleet Services and Purchasing staff reviewed the contract for departmental specification compliance and pricing and determined that the contract would provide the best product and pricing for meeting the needs of the City.

This purchase is for a six-yard volumetric concrete mixer Model MCD6-100 for use between Public Works Streets, Storm Drain and Water Utilities Departments to produce cement treated base and small yardage concrete in emergency or expedited repairs and for after hour repairs. This unit will be mounted on an existing chassis which will give mobility and on demand product as needed. Equipment was approved in the FY 2015 budget.

Staff recommends approval.

PH/BS

RESOLUTION NO. _____

CONCRETE
MIXER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE A VOLUMETRIC CONCRETE MIXER THROUGH AN ESTABLISHED INTERLOCAL AGREEMENT FOR COOPERATIVE PURCHASING AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine, Texas is a local government in the State of Texas and as such is empowered by the Texas Local Government Code, Section 271.102 to enter into a cooperative purchasing program agreement with other qualified entities in the State of Texas; and

WHEREAS, the Houston-Galveston Area Council (H-GAC), a regional planning commission, is a qualified purchasing cooperative program as authorized by Section 271.102 of the Texas Local Government Code; and

WHEREAS, the City of Grapevine, Texas has established an Interlocal Agreement for Cooperative Purchasing with H-GAC and wishes to utilize established contracts meeting all State of Texas bidding requirements; and

WHEREAS, H-GAC has established a contract with Cemen Tech, Inc. under contract #SM10-14 for Street Maintenance Equipment; and

WHEREAS, the City of Grapevine, Texas has a need for a new concrete mixer for the Public Works Department; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code and the Open Meetings Act; and

WHEREAS, the City Council hereby declares that the approval of this resolution is in the best interests of the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the above preamble are true and correct and are incorporated herein as if copied in their entirety.

Section 2. That the City Council of the City of Grapevine authorizes the purchase a volumetric concrete mixer from Cemen Tech, Inc. through an Interlocal Agreement for Cooperative Purchasing with H-GAC for an amount not to exceed \$91,620.79.

Section 3. That the City Manager or his designee is authorized to take all steps necessary to consummate the purchase of said concrete mixer.

Section 4. That this resolution shall take effect from and after the date of its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 17th day of March, 2015.

APPROVED:

ATTEST:

APPROVED AS TO FORM:

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: BRUNO RUMBELOW, CITY MANAGER *BR*

MEETING DATE: MARCH 17, 2015

SUBJECT: APPROVAL OF A RESOLUTION FOR THE PURCHASE OF HVAC PREVENTIVE MAINTENANCE SERVICES

RECOMMENDATION:

City Council to consider approval of a resolution for the purchase of HVAC preventive maintenance services from The Brandt Companies, LLC. through an established Cooperative Agreement with the State of Texas CO-OP Purchasing Program.

FUNDING SOURCE:

Funding for this purchase is currently available in accounts 115-43350-350-03 (CVB Building Maintenance) for \$11,106.00 and 100-43350-118-2 (General Fund Building Maintenance) for \$10,995.00 for a total amount not to exceed \$22,101.00.

BACKGROUND:

This purchase will be made in accordance with an existing Cooperative Agreement with the State of Texas CO-OP Purchasing Program as allowed by Texas Local Government Code, Section 271.081, 082 and 083.

Bids were taken by the cooperative and a contract was awarded to The Brandt Companies, LLC. The Facility Services staff and Purchasing reviewed the contract for specification compliance and pricing and determined that the contract would provide the best service and pricing for meeting the needs of the City.

This purchase will provide a full service maintenance agreement and repairs to extend the life of the HVAC equipment located at the Palace Theatre and City Hall. Scheduled HVAC preventive maintenance will be performed bimonthly (6 times per year). The preventative maintenance program will include inspection and evaluation to identify maintenance or repair requirements. If repairs are needed, the contractor will perform repairs at no additional cost.

Staff recommends approval.

CH/LW

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE HVAC PREVENTIVE MAINTENANCE SERVICES THROUGH AN ESTABLISHED COOPERATIVE AGREEMENT AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine, Texas is a local government in the State of Texas and as such is empowered by the Texas Local Government Code, Sections 271.081, 271.082 and 271.083 to purchase an item under state contract therefore satisfying any state law requiring local governments to seek competitive bids; and

WHEREAS, the State of Texas term contracts are a qualified purchasing cooperative program as authorized under the Texas Local Government Code; and

WHEREAS, the City of Grapevine, Texas has established a Cooperative Agreement with the State of Texas, Contract #M2201, and wishes to utilize a contract meeting all State of Texas requirements; and

WHEREAS, the State of Texas has an established term contract #TXMAS-10-03FAC070 for Mechanical, Electrical and Plumbing Services with The Brandt Companies, LLC; and

WHEREAS, the City of Grapevine, Texas has a need for HVAC preventive maintenance services; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code and the Open Meetings Act; and

WHEREAS, the City Council hereby declares that the approval of this resolution is in the best interests of the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the above preamble are true and correct and are incorporated herein as if copied in their entirety.

Section 2. That the City Council of the City of Grapevine authorizes the purchase of HVAC preventive maintenance services for the Palace Theatre for \$11,106.00 and City Hall for \$10,995.00 from The Brandt Companies, LLC for a total amount not to exceed \$22,101.00.

Section 3. That the City Manager or his designee is authorized to take all steps necessary to consummate the purchase of said HVAC preventive maintenance services for the Palace Theatre and City Hall.

Section 4. That this resolution shall take effect from and after the date of its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 17th day of March, 2015.

APPROVED:

ATTEST:

APPROVED AS TO FORM:

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR
CONCRETE CURB, GUTTER AND FLATWORK SERVICES

RECOMMENDATION:

City Council to consider approval to renew an annual contract with Manning Concrete Sawing for concrete curb, gutter and flatwork services.

FUNDING SOURCE:

Funding for the renewal is limited to the budgeted amount by various departments in an annual estimated budgeted amount of \$400,000.00.

BACKGROUND:

Bids were taken in accordance with Local Government Code Chapter 252, Subchapter B, Section 252.021 (a) and Section 252.041 (a). The bid was advertised in the Fort Worth Star Telegram on February 16 and 23, 2012. The contract was for an initial one-year period with four, one-year renewal options. If approved, this would be the third renewal available.

The purpose of this contract is to establish fixed annual pricing for construction and repair services for new concrete flat work, retaining walls, curbs and gutters on an as-needed basis used by various departments. Additionally this contract includes construction for handicap accessible ramps and brick paver installation including any repairs needed.

Based on the evaluation of the Public Works Department and Purchasing it was determined the award be made to Manning Concrete Sawing who was the overall lowest responsive and responsible bidder and has agreed to renew with no increase in pricing.

Staff recommends approval.

KH/LW

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: BRUNO RUMBELOW, CITY MANAGER *BR*

MEETING DATE: MARCH 17, 2015

SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR
HAULING OF DEBRIS AND AGGREGATES

RECOMMENDATION:

City Council to consider approval to renew an annual contract with DFW Materials for hauling of debris and aggregates.

FUNDING SOURCE:

Funding for the renewal is limited to the budgeted amount by various departments in an annual estimated budgeted amount of \$155,000.00.

BACKGROUND:

Bids were taken in accordance with Local Government Code Chapter 252, Subchapter B, Section 252.021 (a) and Section 252.041 (a). The bid was advertised in the Fort Worth Star Telegram on February 21 and 28, 2013. The contract was for an initial one-year period with four, one-year renewal options. If approved, this would be the second renewal available.

The purpose of this contract is to establish fixed annual pricing for hauling of various types of debris and aggregates which will be removed from construction or maintenance projects performed by City crews. DFW Materials submitted the lowest responsive and responsible bid for these services and has agreed to renew the contract with 5% increase due to design build construction projects in the metroplex causing a shortage of hauling trucks.

Staff recommends approval.

KH/LW

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: BRUNO RUMBELOW, CITY MANAGER *BR*

MEETING DATE: MARCH 17, 2015

SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR TRAFFIC SIGNS, BLANKS AND SHEETING HARDWARE

RECOMMENDATION:

City Council to consider approval to renew an annual contract with Vulcan Inc. for traffic signs, blanks and sheeting hardware.

FUNDING SOURCE:

Funds are available in account 174-43301-415-093 (Street Maintenance/Capital Replacement/Transportation Infrastructure Maintenance) in the estimated annual amount of \$31,000.00.

BACKGROUND:

Bids were taken in accordance with Local Government Code Chapter 252, Subchapter B, Section 252.021 (a) and Section 252.041 (a). The bid advertisement was posted in the Fort Worth Star Telegram on February 24 and March 3, 2011. The contract was for an initial one-year period with four, one-year optional renewals. If approved, this will be for the final renewal option.

The purpose of this bid is to establish fixed annual pricing for traffic signs, blanks and materials to be purchased on an as-needed basis for the Traffic Operations Division.

Based on the evaluation of the bid by the Traffic Operations Division and Purchasing it was determined the award be made to Vulcan Inc. who provided the lowest responsive and responsible bid meeting specifications. Vulcan Inc. has agreed to renew with no increase in pricing.

Staff recommends approval.

FB/LW

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER BR
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR
WATER METERS AND REGISTERS

RECOMMENDATION:

City Council to consider approval to renew an annual contract with HD Supply Waterworks for water meters and registers.

FUNDING SOURCE:

Funds for this purchase are available in account 100-14111-0000 (General Fund/Warehouse Inventory) in an estimated annual amount of \$98,000.00.

BACKGROUND:

Bids were taken in accordance with Local Government Code Chapter 252, Subchapter B, Section 252.021 (a) and Section 252.041 (a). The bid advertisement was posted in the Fort Worth Star Telegram on January 3 and 10, 2013. The contract was for an initial one-year period with four, one-year renewal options. If approved, this would be the second renewal available.

The purpose of this bid is to establish fixed annual pricing for the purchase of various sizes of water meters and registers maintained in warehouse inventory and issued primarily to the Public Works Department on an as-needed basis.

Based on the evaluation of the bid by Public Works Department and Purchasing, it was determined the award be made to HD Supply Waterworks. HD Supply Waterworks has agreed to renew the contract with no increase in pricing.

Staff recommends approval.

LW

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: BRUNO RUMBELOW, CITY MANAGER ^{BR}
MEETING DATE: MARCH 17, 2015
SUBJECT: APPROVAL TO RENEW ANNUAL CONTRACTS FOR
WATERWORKS PRODUCTS

RECOMMENDATION:

City Council to consider approval to renew annual contracts with HD Supply Waterworks and Fortiline Waterworks for waterworks products.

FUNDING SOURCE:

Funds for this purchase are available in account 100-14111-0000 (General Fund/Warehouse Inventory) in an estimated annual amount of \$182,000.00.

BACKGROUND:

Bids were taken in accordance with Local Government Code Chapter 252, Subchapter B, Section 252.021 (a) and Section 252.041 (a). The bid advertisement was posted in the Fort Worth Star Telegram on February 7 and 14, 2013. The contract was for an initial one-year period with four, one-year renewal options. If approved, this will be the second renewal available.

The purpose of this bid is to establish fixed annual pricing for waterworks products to be purchased on an as-needed basis and stocked in the warehouse. Waterworks products include brass, various size pipe, fire hydrant parts, fittings and many other items. These items are primarily used by the Public Works Department and may be used by other departments as needed.

Based on the evaluation of the bid by the Public Works Department and Purchasing it was determined the award be made to each vendor for items they submitted low bids on. HD Supply Waterworks has agreed to renew with no increase in pricing for the items awarded. Fortiline Waterworks has agreed to renew with an overall increase of 2% to 4% due to increases in raw materials and transportation used in the manufacturing of the products they were awarded.

Staff recommends approval.

LW

STATE OF TEXAS
COUNTY OF TARRANT
CITY OF GRAPEVINE

The City Council of the City of Grapevine, Texas met in Regular Session on this the 3rd day of March, 2015 in the City Council Chambers, Second Floor, 200 South Main Street, with the following members present to-wit:

William D. Tate	Mayor
C. Shane Wilbanks	Mayor Pro Tem
Sharron Spencer	Council Member
Darlene Freed	Council Member
Mike Lease	Council Member
Chris Coy	Council Member
Duff O'Dell	Council Member

constituting a quorum, with the following members of the City Staff:

Bruno Rumbelow	City Manager
Jennifer Hibbs	Assistant City Manager
John F. Boyle, Jr.	City Attorney
Matthew Boyle	Assistant City Attorney
Tara Brooks	City Secretary

Call to Order

Mayor Tate called the meeting to order at 7:01 p.m.

EXECUTIVE SESSION

Mayor Tate announced the City Council would recess to the City Council Conference Room to conduct a closed session regarding:

Item 1. Executive Session

A. Seek advice of the City Attorney regarding contemplated litigation (Villalpando) pursuant to Section 551.071, Texas Government Code.

B. Conference with City Manager and Staff to discuss and deliberate commercial and financial information received from business prospects the City seeks to have locate, stay, or expand in the City; deliberate the offer of a financial or other incentive; with which businesses the City is conducting economic development negotiations pursuant to Section 551.087, Texas Government Code.

The City Council recessed to the City Council Conference Room and began the closed session at 7:05 p.m. The closed session ended at 7:26 p.m.

Upon reconvening in open session in the Council Chambers, Mayor Tate asked if there was any action necessary relative to the closed session. City Manager Bruno Rumbelow stated there was no action necessary relative to conference with City Manager and Staff under Section 551.071 and Section 551.087, Texas Government Code.

NOTE: City Council continued with the Regular portion of the Agenda in open session in the City Council Chambers.

REGULAR MEETING

Call to Order

Mayor Tate called the meeting to order at 7:30 p.m. in the City Council Chambers.

Invocation

Council Member Sharron Spencer delivered the Invocation.

Pledge of Allegiance

Boy Scout Troop 928 posted the colors and led the Pledge of Allegiance.

Mayor Tate announced the Citizen Comments would be moved to after the consent agenda.

Item 3. Consider a resolution authorizing the purchase of a synthetic grass field and installation services from Synthetic Grass Pros through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard) and take any necessary action.

Parks and Recreation Director Kevin Mitchell presented this item and answered Council's questions. The synthetic grass field will be the new multipurpose sports field at The REC of Grapevine. The purchase will be funded through the Quality of Life fund.

Motion was made to approve the resolution as presented.

Motion: Freed
Second: Wilbanks
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

RESOLUTION NO. 2015-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE A SYNTHETIC GRASS FIELD AND

INSTALLATION SERVICES THROUGH AN ESTABLISHED
INTERLOCAL PARTICIPATION AGREEMENT AND
PROVIDING AN EFFECTIVE DATE

Consent Agenda

Consent items are deemed to need little Council deliberation and will be acted upon as one business item. Any member of the City Council or member of the audience may request that an item be withdrawn from the consent agenda and placed before the City Council for full discussion. There were no requests. Approval of the consent agenda authorizes the City Manager, or his designee, to implement each item in accordance with Staff recommendations.

Item 4. Consider a **resolution** authorizing the purchase of a Toro HDX-D utility vehicle and a 5040 sand pro rake from Professional Turf Products, L.P. through a Cooperative Purchasing Agreement with the National Intergovernmental Purchasing Alliance.

Golf Director Russell Pulley recommended approval of this item for the purchase of a Toro HDX-D utility vehicle and a 5040 sand pro rake for the golf course from Professional Turf Products, L.P for an amount not to exceed \$41,969.30.

RESOLUTION NO. 2015-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE A TORO HDX-D UTILITY VEHICLE AND A 5040 SAND PRO RAKE THROUGH AN ESTABLISHED COOPERATIVE PURCHASING AGREEMENT AND PROVIDING AN EFFECTIVE DATE

Motion was made to approve the consent agenda as presented.

Motion: Lease

Second: Spencer

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell

Nays: None

Approved: 7-0

Item 5. Consider a **resolution** authorizing an annual contract, with renewals, for pool equipment maintenance with Sunbelt Pools through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard).

Parks and Recreation Director Mitchell recommended approval of the contract for year-round maintenance at both Dove Waterpark and Pleasant Glade Pool. The contract provides a wide assortment of aquatic equipment services and maintenance that will

help reduce repair costs and create more efficient operating systems. The contract is for an estimated annual amount of \$55,000.00.

RESOLUTION NO. 2015-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO CONTRACT FOR ANNUAL POOL EQUIPMENT MAINTENANCE SERVICES THROUGH AN ESTABLISHED COOPERATIVE AGREEMENT AND PROVIDING AN EFFECTIVE DATE

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 6. Consider a resolution authorizing the replacement of pool plaster from Sunbelt Pools through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard).

Parks and Recreation Director Mitchell recommended approval of the replacement of all plaster at the Pleasant Glade children's pool for an amount not to exceed \$37,000.00.

RESOLUTION NO. 2015-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE POOL PLASTER THROUGH AN ESTABLISHED INTERLOCAL PARTICIPATION AGREEMENT AND PROVIDING AN EFFECTIVE DATE

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 7. Consider renewal of an annual contract for janitorial services and litter control with Regent Services.

Public Works Director Stan Laster recommended approval of the contract for janitorial and litter control services to be performed at various parks, medians, right-of-ways,

facilities, open spaces and athletic complexes. The contract is for an annual estimated budgeted amount of \$300,000.00.

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 8. Consider renewal of an annual contract with Centerline Supply, Inc. for traffic pavement marking materials.

Public Works Director Laster recommended approval of a contract to purchase traffic pavement marking materials on an as-needed basis by the Traffic Operations Division for an annual estimated budgeted amount of \$43,000.00.

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 9. Consider renewal of annual contracts with Consolidated Traffic Controls, Inc. and McCain Inc. for traffic signal equipment and materials.

Public Works Director Laster recommended approval of a contract to purchase traffic signal equipment materials on an as-needed basis by the Traffic Operations Division for an annual estimated budgeted amount of \$49,000.00.

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 10. Consider a **resolution** authorizing the purchase of carpet and installation services from Retail Commercial Flooring Services through an Interlocal Participation Agreement with The Local Government Purchasing Cooperative (Buyboard).

Public Works Director Laster recommended approval of a replacement of carpet for the reference and public areas in the Library. This area requires books and shelves to be moved for carpet to be replaced. The purchase is for an amount not to exceed \$124,600.00.

RESOLUTION NO. 2015-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE CARPET AND INSTALLATION SERVICES THROUGH AN ESTABLISHED INTERLOCAL PARTICIPATION AGREEMENT AND PROVIDING AN EFFECTIVE DATE

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 11. Consider the minutes of the February 17, 2015 Regular City Council meeting and February 19, 2015 Special City Council meeting.

City Secretary Tara Brooks recommended approval of the minutes, as presented.

Motion was made to approve the consent agenda as presented.

Motion: Lease
Second: Spencer
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

Item 2. Citizen Comments

The following citizens spoke regarding the police officer involved shooting that took place on February 20, 2014:

Domingo Garcia, 400 South Zang, Suite 600 (no city provided) requested the release of the dashcam video, termination of officer Robert Clark, the City send the case to the grand jury, and have a third party investigate.

Dominque R. Alexander (no address provided) with Next Generation Action Network, spoke about reforming police culture. He also requested the City fire Officer Clark, send case to grand jury, and bring justice to the family of Ruben Garcia Villalpando.

Sara Mokuria, 8918 Bretshire Drive (no city provided) with Mothers Against Police Brutality requested justice for the family, an open investigation of Officer Clark, the release of the tapes.

Lico Reyes, Box 150001, Arlington, Texas denounced the cursing and swearing of the police officer. He requested the City provide for the Garcia family and fire Officer Clark.

Kory Watkins, 108 Magnolia Street, Mansfield, Texas, spoke in support of family.

Tara Cowan, 13701 Pinnacle Circle West #1303 (no city provided) requested transparency in the investigation and the firing and indictment of Officer Clark.

Lee Saldivar, 1505 Circle Park Boulevard (no city provided) represented LULAC and spoke about Civil rights and requested the City let the District Attorney's office investigate.

Fernando Romero, 4804 Colorado Boulevard, North Richland Hills, Texas spoke for the Garcia family and requested release of the video.

Mary Hernandez, 1106 Woodridge Circle, Euless, Texas represented LULAC and spoke in support of the family.

Jose Esparza, 4023 East Side Avenue, Dallas, Texas requested release of the video and a grand jury investigation.

Kenneth Lovett, 109 Olive Street, Lone Oak, Texas spoke about justice.

Jacob Cordova, 1908 Margaret Drive (no city provided) with Tarrant County Peace Watch requested release of the video and the arrest of Officer Clark.

Mallory Rouse, 1611 Ferguson (no city provided) requested release of the video and stated that Officer Clark should not get paid during the investigation.

Rasheedah McClenon, 12484 Abrahms Road (no city provided) requested justice.

Alex Lee, 1103 Neff Street (no city provided) requested indictment of Officer Clark and justice for the family.

Nhan Nguyen, 6721 Barred Owl Road, Arlington, Texas stated police should protect people, not kill.

Jeff Hurst, 222 South Montclair, Dallas, Texas requested release of the video and indictment of Officer Clark.

Juan Angelo, 2721 Timbercrest Lane, Highland Village, Texas stated the system is broken.

Teresa Taru (no address given) stated the people will stand up.

Hector Flores, 1030 Tracy, Duncanville, Texas represented LULAC, and stated he has contacted the Department of Justice and requested a third party investigation.

ADJOURNMENT

Motion was made to adjourn the meeting at 8:36 p.m.

Motion: Wilbanks
Second: Coy
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell
Nays: None
Approved: 7-0

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE,
TEXAS on this the 17th day of March, 2015.

APPROVED:

William D. Tate
Mayor



ATTEST:

Tara Brooks
City Secretary

TO: HONORABLE MAYOR, CITY COUNCIL MEMBERS, AND THE
PLANNING AND ZONING COMMISSION

FROM: BRUNO RUMBELOW, CITY MANAGER *BR*
SCOTT WILLIAMS, DEVELOPMENT SERVICES DIRECTOR *Plus for 03/17*

MEETING DATE: MARCH 17, 2015

SUBJECT: DEVELOPMENT SERVICES TECHNICAL REPORT OF
CONDITIONAL USE APPLICATION CU15-04 AND PLANNED
DEVELOPMENT OVERLAY PD15-01, FAITH CHRISTIAN
SCHOOL



APPLICANT: Dr. Ed Smith

PROPERTY LOCATION AND SIZE:

The subject property is addressed as 730 East Worth Street and is proposed to be platted as Lot 1R, Block 2, Faith Christian School Addition. The property contains approximately 16.75 acres and has multiple street frontages along East Worth Street, Austin Street, Cannon Street and Ruth Street.

REQUESTED CONDITIONAL USE, PLANNED DEVELOPMENT OVERLAY AND COMMENTS:

The applicant is requesting a conditional use permit to amend the previously approved site plan of CU14-34 (Ord. 2014-51) for a non-profit educational institution, specifically to allow the field house to remain and to allow for sports field light standards and outdoor speakers. The applicant is also requesting a planned development overlay PD15-01 to include but not be limited to deviation from the height requirement for sports field light standards.

At an August 19, 2014 meeting the City Council approved a conditional use request on the Faith Christian School site that altered the layout of the campus significantly which included removing the existing football field and running track and constructing a new football field, comprised of artificial turf and synthetic track surface that is intended to be shifted to the east and elongated to the north of the original location. Also included as part of that

request is the construction of new stadium seating for both home and visitors, a new concessions structure and new bathrooms. A new 125 space parking lot which is nearing completion was also approved at the southeast corner of Austin and Worth Streets to add more parking to the site and to accommodate spaces lost due to the construction of the new football field/track complex. A below-grade access tunnel, underneath the DART right-of-way has been completed which will allow students to move freely between the main campus on Worth Street and the secondary campus along Dallas Road. Parking for stadium events is intended to occur on the Dallas Road campus with spectators utilizing the below-grade access tunnel to walk to the stadium to minimize traffic within the College Heights neighborhood.

A public hearing was held on February 17, 2015 relative to the applicant's request and after significant public testimony was subsequently tabled during the Planning and Zoning Commission's deliberations in order to give the applicant time to address concerns raised during the public hearing relative to lighting, sound, landscaping, screening and the use or rental of the athletic fields by outside users other than the school itself.

On Friday, March 6, city staff met with representatives of Faith Christian School and a group representing the area neighborhood to discuss all the major issues associated with Faith Christian School's proposed lighting and sound design and lighting/use policy for the athletic fields. Agreement was reached by the School and the neighborhood group on all issues. The specific areas discussed and endorsed are as follows:

- **Lights:** Faith Christian School agreed to the use of LED lights on the light standards. There will be four standards, 63 feet in height. This style of lighting element requires no shielding and the lighting element will not be visible from the property line. Lighting levels at the common property line will be 0.0 footcandles *without the use of a screening wall and landscaping to reach this level*. There will be a need for some up-lighting so that players can see the football in the air during punts and kickoffs. This small array will be mounted at the 20 foot level of the light standard and aimed directly into the air with no visibility of any lighting elements.
- **Sound:** No changes were proposed to the original sound design as presented at the February 17 public hearing. The basic design consisted of nine total speakers with six of those being located on the home bleachers, elevated approximately eight feet above the top bleacher with the speakers being downward focused. Three speakers will be located in a similar fashion on the visitor's bleachers.
- **Screening and Landscaping:** Faith Christian School agreed to the installation and maintenance of a cedar wood screen, ten feet in height, that would run the entire length (approximately 420 feet) of the common property line with the Austin Street neighbors. The School also obligated to the installation of 35 Eastern Red Cedars, a minimum of 20 feet in height, to provide additional visual and sound screening.
- **Bleachers:** The School proposed revising the bleacher design to include the

relocation of the press box to the opposite side of the field on the visitors bleachers. The home bleachers, which are approximately 51 feet to the east of the Austin Street common property line will be 19 feet, 4 inches in height which includes a six foot parapet wall behind the top row of bleacher seats which will prevent someone from standing up and looking over into the Austin Street neighbor's property and will aid in directing/controlling sound away from the Austin Street neighbors.

- **Stadium Facility Use:** The School and the neighborhood group agreed to the following terms relative to the use of the football/track facilities:
 - There will be no "outside" or non-school rental of the facilities that require light and sound other than civic events.
 - There will be no activities on Sunday at all.
 - Lights will be turned off no later than 7:00 p.m. for any outdoor practices.
 - Lights will be turned off no later than 9:30 p.m. for all games other than varsity football games.
 - Lights will be turned off no later than 11:00 p.m. for any varsity football game or 30 minutes after completion of any overtime games.
 - No more than 15 times per year a special exception will be granted to allow practices to occur with lighting beyond 7:00 p.m. but no later than 9:30 p.m. This is to account for special circumstances that may be beyond the school's control such as weather, transportation, scheduling conflicts etc.
 - No more than five times per year non-athletic events will be allowed that may require lights and/or sound.

As a result of the successful cooperation between both Faith Christian School and the Austin Street neighbors culminating in the items listed above, two letters of support from the Austin Street neighbors are attached.

Relative to the applicant's actual request, the conditional use request specifically addresses the amendments to the previously approved plan approved at the August 19, 2014 meeting which includes the installation of the light standards and sound equipment/speakers, the relocation of the press box and the decision to keep the field house rather than demolishing it as previously planned. The planned development overlay addresses specifically the height of the light standards which are 63 feet in height. By ordinance, they would be allowed to be no taller than the highest structure on the property not to exceed 30 feet in height. Also the provision to eliminate all up-lighting would also be addressed as part of the planned development overlay.

Staff conducted a small survey of area schools and other selected sites throughout the country relative to lights, sound, and usage policies. Most area school districts have no specific light and/or sound policies but do have some guidelines relative to outside usage/rental. See the attached survey.

PRESENT ZONING AND USE:

The property is zoned "R-7.5" Single Family District and is currently home to the Faith Christian School.

HISTORY OF TRACT AND SURROUNDING AREA:

The subject property and the properties to the north and west were zoned "R-1" Single Family District prior to the 1984 City Rezoning. The property to the east was zoned "R-1" Single Family District, "R-3" Multiple Family District and "SP" Specific Use Permit. The property to the south across the DART right-of-way was zoned "I-2" Heavy Industrial District. This property to the south of the subject site received a conditional use permit at Council's April 18, 2006 meeting to allow for a non-profit educational institution in the "LI" Light Industrial District. The site also received a planned development overlay at that same meeting to allow the height of the light standards for the ball field to exceed the 30-foot height maximum within the district. At a July 18, 2006 meeting a zone change request (Z06-07) and a conditional use permit (CU06-27) were both approved by the City Council rezoning 16.75 acres from "GU" Governmental Use District to "R-7.5" Single Family District and allowing for a non-profit educational institution in the "R-7.5" Single Family District for the Faith Christian School. During the July 15, 2014 meeting, the City Council approved a conditional use request (CU14-29) on the subject property to allow for 4,944 square foot expansion to the existing gymnasium. At the August 19, 2014 meeting, Council approved a conditional use request (CU14-34) on the subject property to allow re-development of the athletic facilities to include a new football field and running track, concessions, stadium seating, restrooms and parking along with the abandonment of Cannon Street.

SURROUNDING ZONING AND EXISTING LAND USE:

- NORTH: "R-7.5" Single Family District, "R-MF-2" Multifamily District and "R-12.5" Single Family District—single family residential development
- SOUTH: DART right-of-way
- EAST: "R-12.5" Single Family District and "R-MF-2" Multifamily District—single family development, apartment complex
- WEST: "R-7.5" Single Family District—single family development

AIRPORT IMPACT:

The subject tract is located within "Zone A" zone of minimal effect as defined on the "Aircraft Sound Exposure: Dallas/Fort Worth Regional Airport Environs" map. Few activities will be affected by aircraft sounds in Zone A, except for sound sensitive activities such as auditoriums, churches, schools, hospitals, and theaters. The applicant's proposal is an appropriate use in this noise zone only if appropriate noise attenuation measures are considered and applied during any new construction process.

MASTER PLAN APPLICATION:

The Master Plan designates the subject property as a Governmental Use land use. The applicant's proposal is not in compliance with the Master Plan.

/rs

March 12, 2015

The Honorable Mayor Tate
Members of City Council
Planning and Zoning Commission Chairman Oliver
Members of the Planning and Zoning Commission

200 S. Main Street
Grapevine, TX 76051

RE: Grapevine Faith Christian - Proposed Football Stadium

Dear Sirs and Madams,

We are very pleased with the efforts that have been made to resolve the neighborhood's concerns with the planned development for Grapevine Faith Christian's proposed football stadium.

The past two weeks' meetings with city officials and school representatives have produced substantial results. We are very happy to share that all concerns that we previously had regarding the school's plans have been resolved. Furthermore, we would like to express our support for the conditional use permit Faith Christian has requested, as the specifications now included in the permit will benefit the Historic District of Grapevine and improve our quality of life.

Please do not hesitate to reach out to us if more information is needed regarding the benefits of having Grapevine Faith Christian's proposed stadium in our community.

Sincerely,

Brian and Kim Rentsch
605 Austin Street
(682) 216-6614

March 12, 2015

The Honorable Mayor Tate
Members of City Council
Planning and Zoning Commission Chairman Oliver
Members of the Planning and Zoning Commission

200 S. Main Street
Grapevine, TX 76051

RE: Grapevine Faith Christian - Proposed Football Stadium

Dear Sirs and Madams,

My wife and I are exceedingly pleased with the strides that have been made in recent weeks regarding the planned development for Grapevine Faith Christian's proposed football stadium.

Productive joint meetings with city officials and school representatives have produced substantial results. We are pleased to state that all concerns we previously had regarding the school's plans have been resolved. Furthermore, we fully endorse the conditional use permit Faith Christian has requested, as the specifications encompassed within the permit will benefit the Historic District of Grapevine and improve the residents' quality of life.

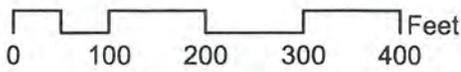
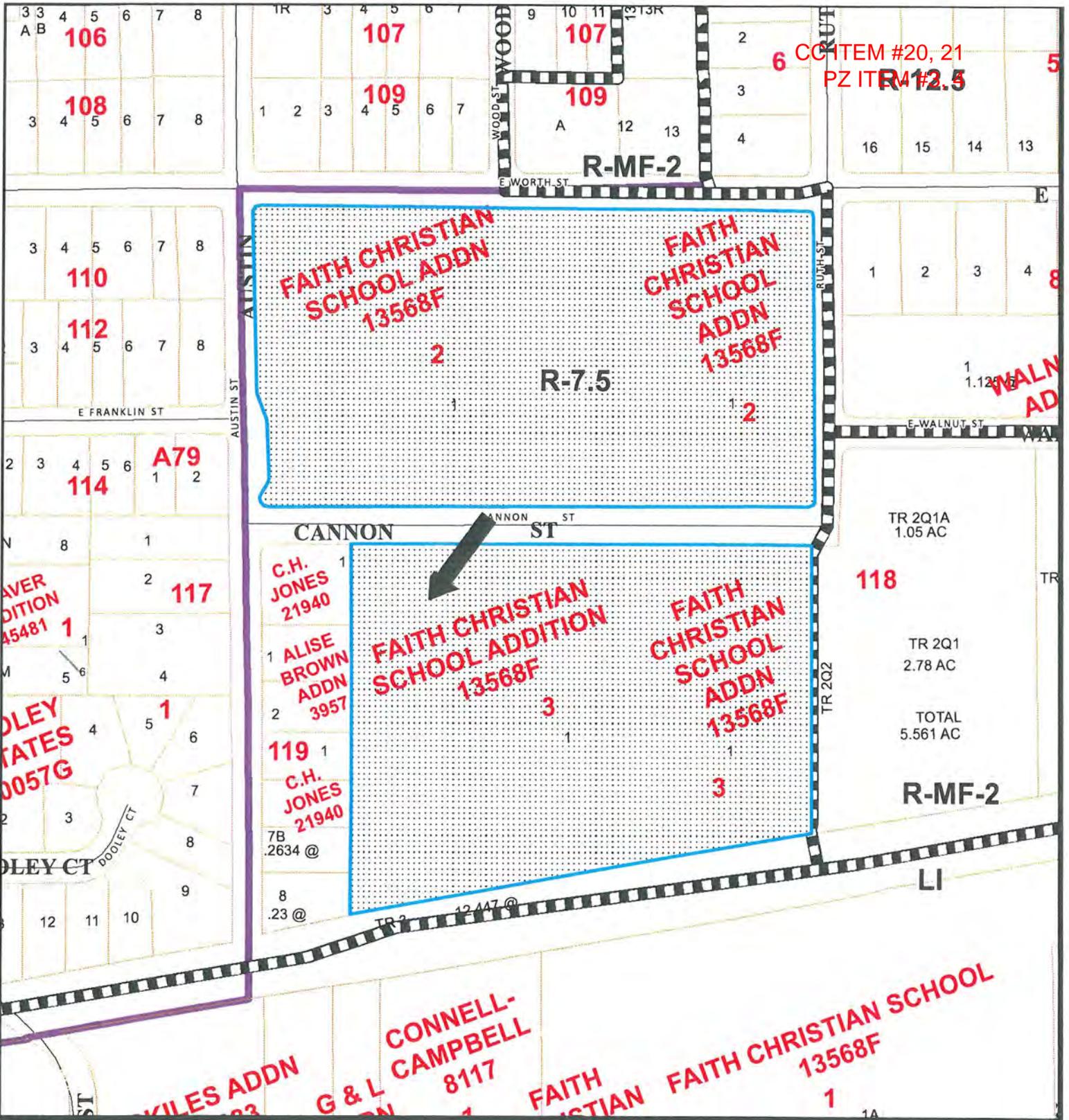
We worked diligently to educate our fellow neighbors on the progress that has resulted from our continued communication with the city and the school. We only received positive feedback from our surrounding neighbors, as they are mutually pleased with the new measures the school will be implementing on their project.

Please do not hesitate to reach out to us if we can provide further insight into the benefits of having Grapevine Faith Christian's proposed stadium in our community.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Comparin".

Mckenzie and Joe Comparin
531 Austin Street
214-908-9390



CU15-04/PD15-01 Faith Christian School

Date Prepared: 2/5/2015

This data has been compiled by the City of Grapevine IT/GIS department. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.



CITY OF GRAPEVINE

CONDITIONAL USE APPLICATION

Form "A"

PART 1. APPLICANT INFORMATION

Name of applicant / agent/company/contact

GRAPEVINE FAITH CHRISTIAN SCHOOL, JUSTIN JORDAN

Street address of applicant / agent:

730 E. WORTH STREET

City / State / Zip Code of applicant / agent:

GRAPEVINE, TX 76051

Telephone number of applicant / agent:

817-442-9144

Fax number of applicant/agent

N/A

Email address of applicant/agent

JUSTIN.JORDAN@GRAPEVINEFAITH.COM

Mobile phone number of applicant/agent

972-814-3719

PART 2. PROPERTY INFORMATION

Street address of subject property

730 E. WORTH STREET

Legal description of subject property (metes & bounds must be described on 8 1/2" x 11" sheet)

Lot LR Block 2 Addition FAITH CHRISTIAN SCHOOL ADDITION

Size of subject property

18.095

Acres

Square footage

Present zoning classification:

R-7.5

Proposed use of the property:

EXISTING PUBLIC, NON-PROFIT INSTITUTION OF EDUCATIONAL, RELIGIOUS, OR CULTURAL TYPE

Circle yes or no, if applies to this application

Outdoor speakers Yes No

Minimum / maximum district size for conditional use request:

N/A

Zoning ordinance provision requiring a conditional use:

SECTION 4B / SECTION 15.C.1

PART 3. PROPERTY OWNER INFORMATION

Name of current property owner:

GRAPEVINE FAITH CHRISTIAN SCHOOL

Street address of property owner:

730 E. WORTH STREET

City / State / Zip Code of property owner:

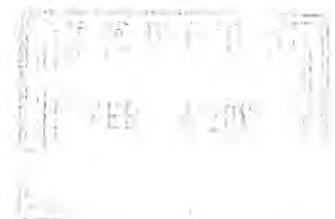
GRAPEVINE, TX 76051

Telephone number of property owner:

817-442-9144

Fax number of property owner:

N/A



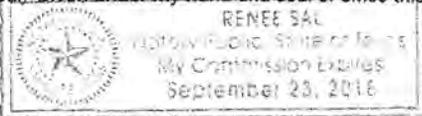
- Submit a letter describing the proposed conditional use and note the request on the site plan document
- In the same letter, describe or show on the site plan, and conditional requirements or conditions imposed upon the particular conditional use by applicable district regulations (example: buffer yards, distance between users)
- In the same letter, describe whether the proposed conditional use will, or will not cause substantial harm to the value, use, or enjoyment of other property in the neighborhood. Also, describe how the proposed conditional use will add to the value, use or enjoyment of other property in the neighborhood.
- Application of site plan approval (Section 47, see attached Form "B").
- The site plan submission shall meet the requirements of Section 47, Site Plan Requirements.
- All conditional use and conditional use applications are assumed to be complete when filed and will be placed on the agenda for public hearing at the discretion of the staff. Based on the size of the agenda, your application may be scheduled to a later date.
- All public hearings will be opened and testimony given by applicants and interested citizenry. Public hearings may be continued to the next public hearing. Public hearings will not be tabled.
- Any changes to a site plan (no matter how minor or major) approved with a conditional use or conditional use permit can only be approved by city council through the public hearing process.
- I have read and understand all the requirements as set forth by the application for conditional use or conditional use permit and acknowledge that all requirements of this application have been met at the time of submittal.

PART 4. SIGNATURE TO AUTHORIZE CONDITIONAL USE REQUEST AND PLACE A CONDITIONAL USE REQUEST SIGN ON THE SUBJECT PROPERTY

Justin Jordan
 Print Applicant's Name: _____ Applicant's Signature: _____

The State of Texas
 County Of Tarrant
 Before Me Reneesa on this day personally appeared Justin Jordan
 (notary) (applicant)

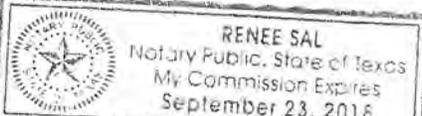
known to me (or proved to me on the oath of card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

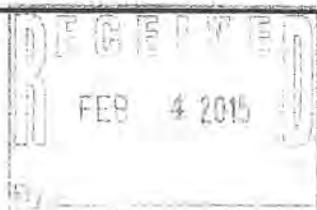
(Seal) Given under my hand and seal of office this 3rd day of February, A.D. 2015

Reneesa
 Notary In And For State Of Texas

Justin Jordan
 Print Property Owners Name: _____ Property Owner's Signature: _____

The State Of Texas
 County Of Tarrant
 Before Me Reneesa on this day personally appeared Justin Jordan
 (notary) (property owner)

known to me (or proved to me on the oath of card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal) Given under my hand and seal of office this 3rd day of February, A.D. 2015

Renee Sal
 Notary In And For State Of Texas



ACKNOWLEDGEMENT

All Conditional Use and Special Use Applications are assumed to be complete when filed and will be placed on the agenda for public hearing at the discretion of the staff. Based on the size of the agenda, your application may be scheduled to a later date.

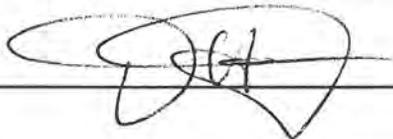
All public hearings will be opened and testimony given by applicants and interested citizenry. Public hearings may be continued to the next public hearing. Public hearings will not be tabled.

Any changes to a site plan (no matter how minor or major) approved with a conditional use or a special use permit can only be approved by city council through the public hearing process.

Any application for a change in zoning or for an amendment to the zoning ordinance shall have, from the date of submittal, a period of four months to request and be scheduled on an agenda before the Planning and Zoning Commission and City Council. If after said period of four months an application has not been scheduled before the Commission and Council said application shall be considered withdrawn, with forfeiture of all filing fees. The application, along with the required filing fee may be resubmitted any time thereafter for reconsideration. Delays in scheduling applications before the Planning and Zoning Commission and City Council created by city staff shall not be considered a part of the four month period.

I have read and understand all of the requirements as set forth by the application for conditional use or special use permit and acknowledge that all requirements of this application have been met at the time of submittal.

Signature of Applicant _____



Date: 2-3-15

Signature of Owner _____



Date: 2-3-15



CITY OF GRAPEVINE PLANNED DEVELOPMENT OVERLAY APPLICATION

PART 1. APPLICANT INFORMATION

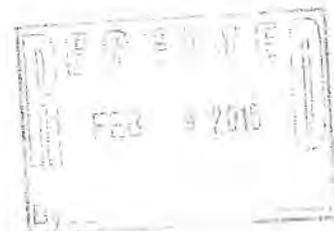
Name of applicant / agent/company/contact GRAPEVINE FAITH CHRISTIAN SCHOOL , JUSTIN JORDAN	
Street address of applicant / agent: 730 E. WORTH STREET	
City / State / Zip Code of applicant / agent: GRAPEVINE, TX 76051	
Telephone number of applicant / agent: 817-442-9144	Fax number of applicant / agent: N/A
Email address of applicant / agent JUSTIN.JORDAN@GRAPEVINEFAITH.COM	Mobile phone number of applicant / agent 972-814-3719
Applicant's interest in subject property:	

PART 2. PROPERTY INFORMATION

Street address of subject property 730 E. WORTH STREET		
Legal description of subject property (metes & bounds must be described on 8 1/2" x 11" sheet)		
Lot 1R	Block 2	Addition FAITH CHRISTIAN SCHOOL ADDITION
Size of subject property 18.095 Acres Square footage		
Present zoning classification: R-7.5	Proposed use of the property: PUBLIC; NON-PROFIT INSTITUTION OF EDUCATIONAL, RELIGIOUS OR CULTURAL TYPE	
Minimum / maximum district size for request: N/A		
Zoning ordinance provision requesting deviation from: SECTION 55.A.5.a MAXIMUM LIGHT POLE HEIGHT OF 30 FEET (65 FEET REQUESTED)		

PART 3. PROPERTY OWNER INFORMATION

Name of current property owner: GRAPEVINE FAITH CHRISTIAN SCHOOL	
Street address of property owner: 730 E. WORTH STREET	
City / State / Zip Code of property owner: GRAPEVINE, TX 76051	
Telephone number of property owner: 817-442-9144	Fax number of property owner: N/A



- Submit a letter describing the proposed Planned Development and note the request on the site plan document.
 - Describe any special requirements or conditions that require deviation of the zoning district regulations.
 - Describe whether the proposed overlay will, or will not cause substantial harm to the value, use or enjoyment of other property in the neighborhood.
 - Describe how the proposed planned development will add to the value, use or enjoyment of other property in the neighborhood.
 - The site plan submission shall meet the requirements of Section 47, Site Plan Requirements.
- All planned development overlay applications are assumed to be complete when filed and will be placed on the agenda for public hearing at the discretion of the staff. Based on the size of the agenda, your application may be scheduled to a later date.
 - All public hearings will be opened and testimony given by applicants and interested citizenry. Public hearings may be continued to the next public hearing. Public hearings will not be tabled.
 - Any changes to a site plan (no matter how minor or major) approved with a planned development overlay can only be approved by city council through the public hearing process.
 - I have read and understand all the requirements as set forth by the application for planned development overlay and acknowledge that all requirements of this application have been met at the time of submittal.

PART 4. SIGNATURE TO AUTHORIZE PLANNED DEVELOPMENT OVERLAY REQUEST AND PLACE A PLANNED DEVELOPMENT OVERLAY REQUEST SIGN ON THE SUBJECT PROPERTY

Justin Jordan

Print Applicant's Name:

[Signature]

Applicant's Signature:

The State Of Texas

County Of Tarrant

Before Me Renee Sal
(notary)

on this day personally appeared Justin Jordan
(applicant)

known to me (or proved to me on the oath of card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal) Given under my hand and seal of office this 3rd day of February, A.D. 2015



Renee Sal
Notary In And For State Of Texas

Justin Jordan

Print Property Owners Name:

[Signature]

Property Owner's Signature:

The State Of Texas

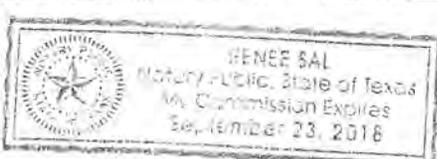
County Of Tarrant

Before Me Renee Sal
(notary)

on this day personally appeared Justin Jordan
(property owner)

known to me (or proved to me on the oath of card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal) Given under my hand and seal of office this 3rd day of February, A.D. 2015



Renee Sal
Notary In And For State Of Texas



ACKNOWLEDGEMENT

All Planned Development Overlay Applications are assumed to be complete when filed and will be placed on the agenda for public hearing at the discretion of the staff. Based on the size of the agenda, your application may be scheduled to a later date.

All public hearings will be opened and testimony given by applicants and interested citizenry. Public hearings may be continued to the next public hearing. Public hearings will not be tabled.

Any changes to a site plan (no matter how minor or major) approved with a planned development overlay can only be approved by city council through the public hearing process.

Any application for a change in zoning or for an amendment to the zoning ordinance shall have, from the date of submittal, a period of four months to request and be scheduled on an agenda before the Planning and Zoning Commission and City Council. If after said period of four months an application has not been scheduled before the Commission and Council said application shall be considered withdrawn, with forfeiture of all filing fees. The application, along with the required filing fee may be resubmitted any time thereafter for reconsideration. Delays in scheduling applications before the Planning and Zoning Commission and City Council created by city staff shall not be considered a part of the four month period.

I have read and understand all of the requirements as set forth by the application for planned development overlay and acknowledge that all requirements of this application have been met at the time of submittal.

Signature of Applicant _____


Date: 2-3-15

Signature of Owner _____


Date: 2-3-15



March 11, 2015

Mayor William D. Tate
Grapevine City Staff
Grapevine Planning and Zoning
Grapevine City Council
200 S. Main Street
Grapevine, TX 76051

Dear Mayor Tate, City Staff, Planning and Zoning Commission and City Council Members,

A meeting was held at City Hall on March 6, 2015 between Faith Christian School and the Austin Street neighbors, acting on behalf of the area neighborhood, to discuss items in preparation for the March 17, 2015 joint City Council meeting with Planning and Zoning. Bruno Rumbelow moderated this meeting. Jennifer Hibbs, Ron Stombaugh, Scott Williams and Kevin Mitchell also attended the meeting.

LIGHTS: Faith Christian School agreed to upgrade to LED lights on four 63-foot poles. This style of light requires no shielding and the lighting element will not be visible at the property line. Light levels at the western property line between Faith and the Austin Street neighbors will be 0.0 ft.-candles. The Austin Street neighbors fully endorsed this design. The LED lighting plan is included.

SOUND: No changes were proposed to the original sound design as presented at the February 17 public hearing. The design consists of nine total speakers with six of those being located on the home bleachers, elevated approximately eight feet above the top bleacher with the speakers being downward focused. Three speakers will be located in a similar fashion on the visitor's bleachers. The neighborhood group endorsed the sound study/design. The sound study is included.

LANDSCAPING: Faith Christian School has committed to the installation of 35 Eastern Red Cedars at a minimum of 20 feet in height, planted staggered to provide additional visual and sound screening. The landscape plan is attached and has been accepted by the Austin Street neighbors.

Mayor William D. Tate
Grapevine City Staff
Grapevine Planning and Zoning
Grapevine City Council
March 11, 2015
Page 2

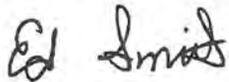
FENCING: Faith Christian School will install and maintain a cedar wood screen 10 feet in height the entire length (approximately 420 feet) of the common property line with the Austin Street neighbors. The Austin Street neighbors have accepted the fence design included with the landscape plan.

BLEACHERS: Faith Christian School proposed revising the relocation of the press box to the visitor's bleachers. The home bleachers are depicted in an attached diagram. A six-foot parapet wall behind the top row of home bleachers has been added to address sight line concerns and aid in directing sound away from adjacent property owners. The Austin Street neighbors endorsed this design.

STADIUM USAGE: A revised Stadium Usage Policy agreed upon by both Faith Christian School and the Austin Street neighbors is included.

Thank you for allowing us the opportunity to return to Planning and Zoning and City Council on March 17, 2015.

Respectfully submitted,



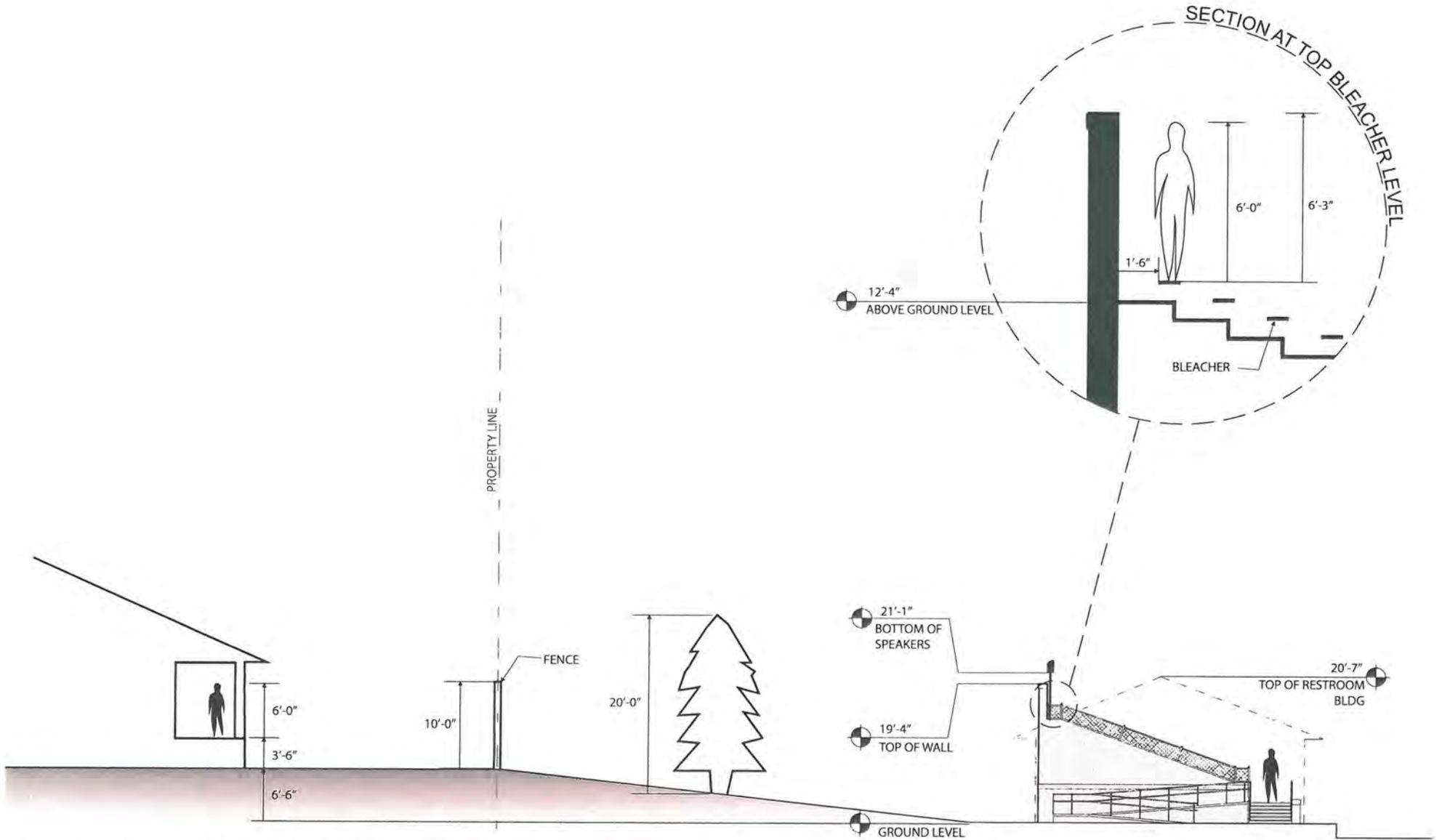
Ed Smith, Ed. D.
President



Grapevine Faith Christian School Stadium Usage

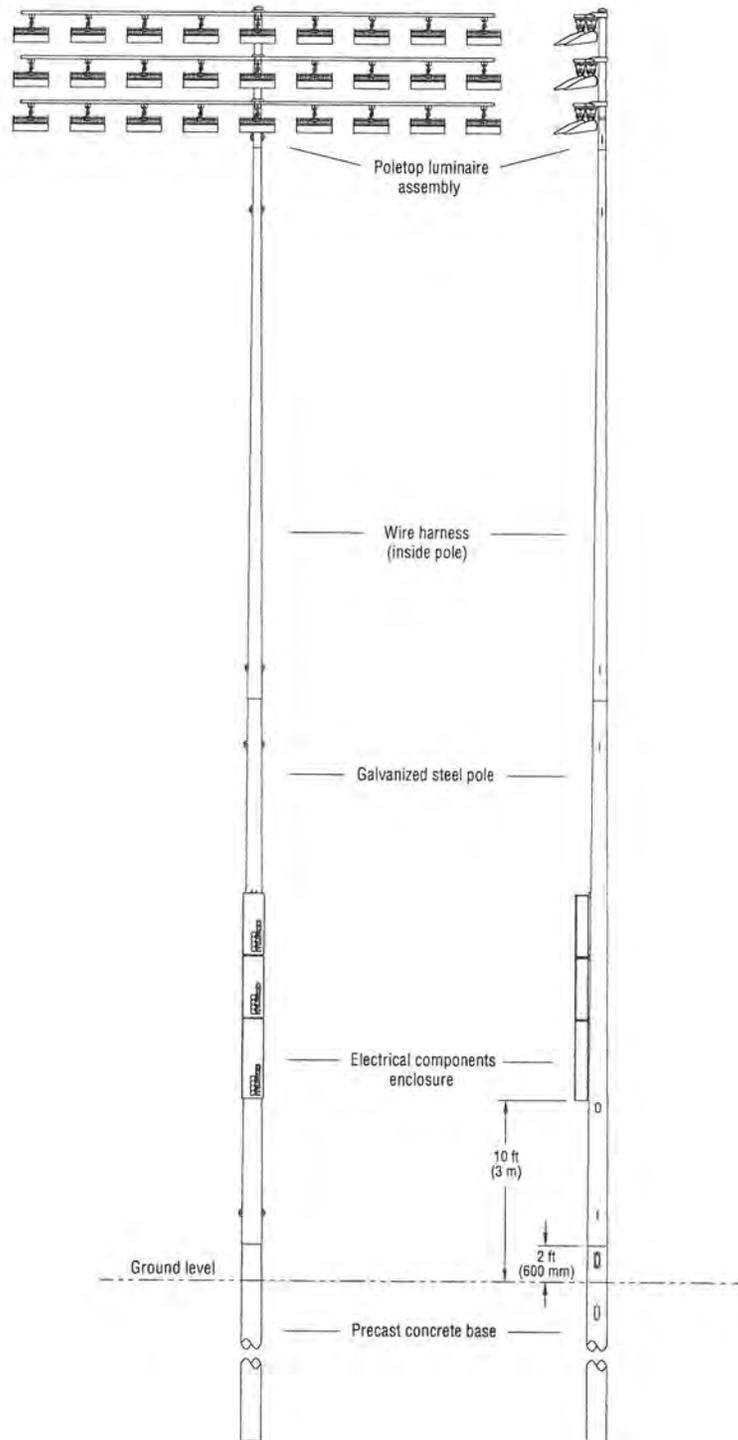
- No outside stadium usage/rentals requiring lights and sound speakers, excluding civic events
- No stadium usage on Sundays
- Faith stadium athletic games, lights out by 9:30PM; Varsity football games, lights out by 11:00PM (or 30 minutes after completion of an OT game)
- Faith stadium athletic practices, lights out by 7:00PM
 - Exception of 15 practices that may be later than 7:00PM but still out by 9:30PM
- 5 non-athletic Faith stadium events that require lights and/or sounds speakers

CC ITEM #20, 21
PZ ITEM #3, 4



ELEVATION VIEW OF STADIUM FROM AUSTIN STREET HOMES

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PRELIMINARY

CONTRACTOR	96 LED-27
OWNER	RWS
DATE	06/09/14
SCALE	Not to scale
PROJECT NUMBER	M-1716-RWS-1

LED lighting system
 (27) 96 LED luminaires
 Typical configuration



CORPORATE OFFICE:
 P.O. Box 908
 100 1st Avenue West
 Oskaloosa, Iowa 52577
 • 1-800-825-6020
 • 1-641-673-0411



Design Summary for file 173377L2

Design 173377L2 utilizes the Musco Lineup LED fixture technology to light the football field to 50 fc average with a 2:1 max to min uniformity ratio. The poles are 63' tall with 27 fixtures at the top of each pole and 3 fixtures mounted at 20' on each pole. The upright fixtures mounted at 20' are aimed into the air to provide light on the ball for kickoff and punts.

The adjustable visor on this LED fixture allows the light to be cutoff in a manner that will allow for .2 fc or less horizontal light at the property line, with no visible portion of the lighting element at 5' above grade at the property line. The upright fixtures are necessary to allow players to see the ball when it is in the air. These fixtures are aimed with the visors set so that the lighting element is not visible and they are not contributing any spill light to neighboring properties.

Thank you,

Cory Kitzman
Application Engineer
Musco Lighting

EQUIPMENT LIST FOR AREAS SHOWN

Pole		Luminaires						
QTY	LOCATION	SIZE	GRADE ELEVATION	MOUNTING HEIGHT	LAMP TYPE	QTY/ POLE	THIS GRID	OTHER GRIDS
2	F1-F2	63'	-	63'	LED 5700K - 65 CRI	27	27	0
				20'	LED 5700K - 65 CRI	3	3	0
2	F3-F4	63'	-	20'	LED 5700K - 65 CRI	3	3	0
				63'	LED 5700K - 65 CRI	27	27	0
4	TOTALS					120	120	0



MY PROJECT	
Name:	Grapevine Faith Christian School Football
Location:	Grapevine, TX

GRID SUMMARY	
Name:	Football
Size:	360' x 160'
Spacing:	30.0' x 30.0'
Height:	3.0' above grade

CONSTANT ILLUMINATION	
SUMMARY	HORIZONTAL FOOTCANDLES
Entire Grid	
Guaranteed Average:	50
Scan Average:	50.11
Maximum:	61
Minimum:	37
Avg / Min:	1.36
Guaranteed Max / Min:	2
Max / Min:	1.64
UG (adjacent pts):	1.38
No. of Points:	72
LUMINAIRE INFORMATION	
Luminaire Type:	LED-96
Design Usage Hours:	10,000 hours
Design Lumens:	38,600
Avg Lamp Tilt Factor:	1.000
No. of Luminaires:	120
Avg KW:	47.28 (47.28 max)

Guaranteed Performance: The Guaranteed Average CONSTANT ILLUMINATION described above is guaranteed for the design usage hours of the system.

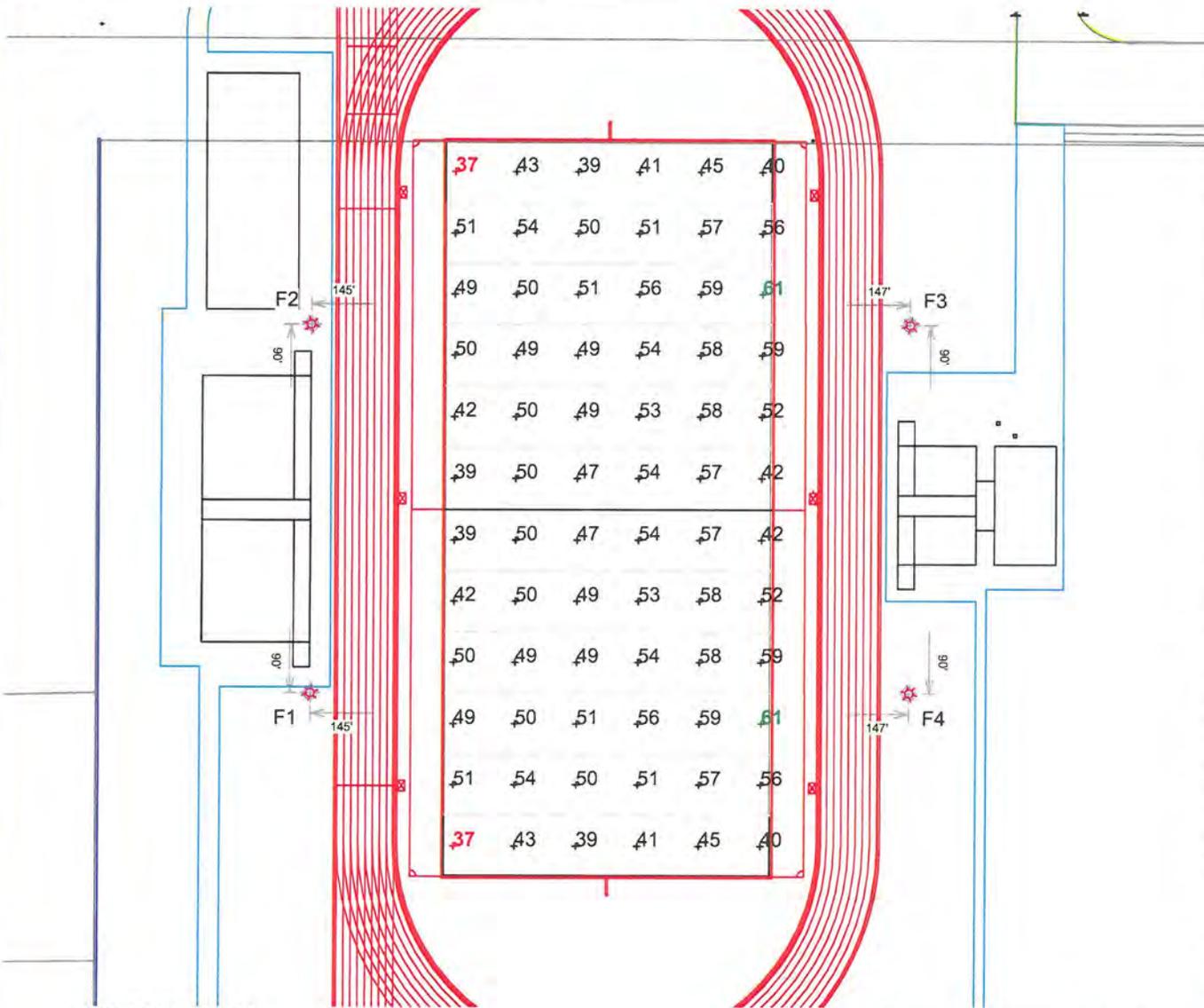
Field Measurements: Illumination measured in accordance with IESNA LM-5-04 and CIBSE LG4. Individual values may vary. See the Warranty document for details.

Electrical System Requirements: Refer to Amperage Draw Chart and/or the "Musco Control System Summary" for electrical sizing.

Installation Requirements: Results assume +/- 3% nominal voltage at line side of the ballast and structures located within 3 feet (1m) of design locations.

ENGINEERED DESIGN		
By:	Cory Kitzman	
File # / Date:	173377L2	12-Mar-15

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SCALE IN FEET 1 : 80



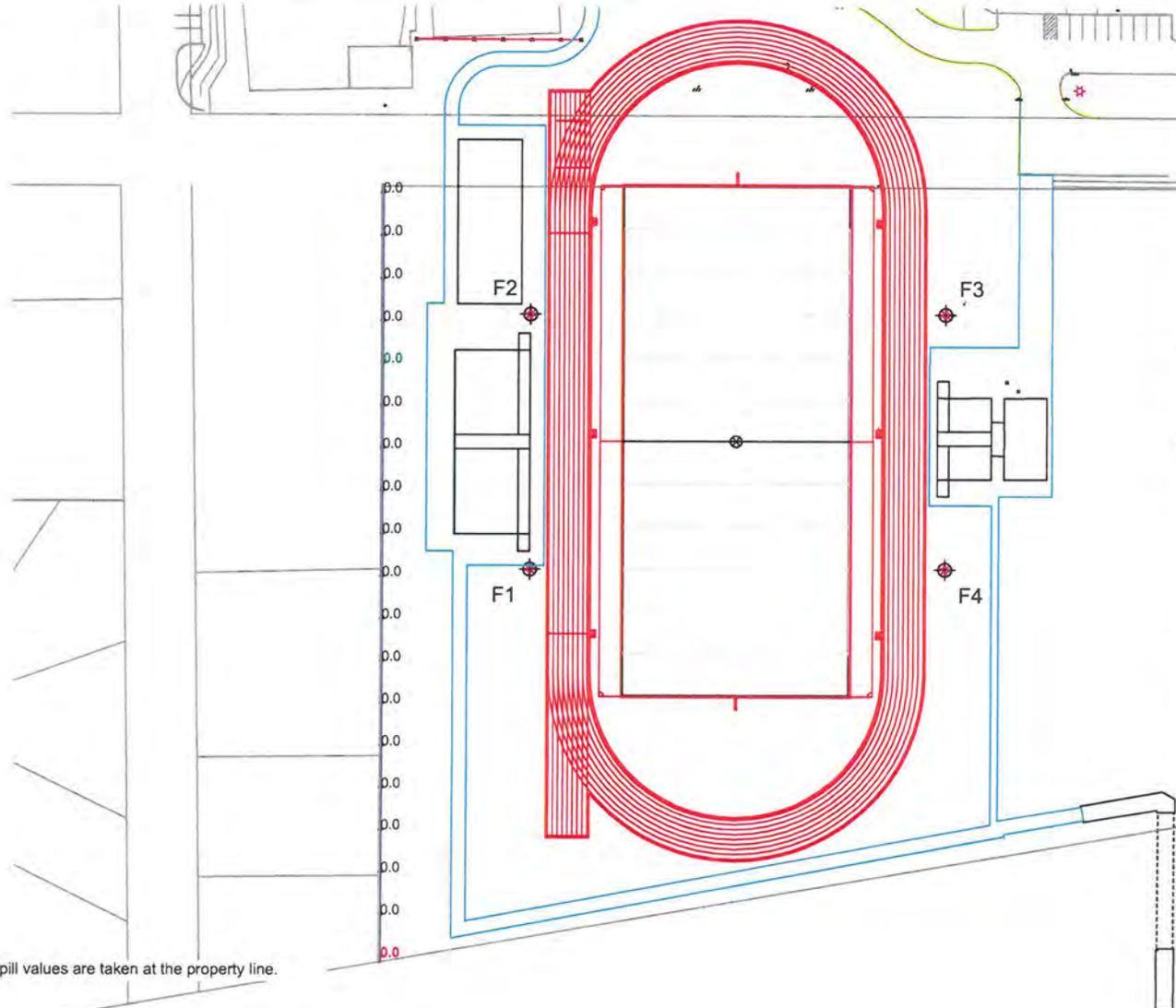
Pole location(s) ⚡ dimensions are relative to 0,0 reference point(s) ⊗

ILLUMINATION SUMMARY



EQUIPMENT LIST FOR AREAS SHOWN

QTY	LOCATION	Pole		MOUNTING HEIGHT	Luminaires			
		SIZE	GRADE ELEVATION		LAMP TYPE	QTY/ POLE	THIS GRID	OTHER GRIDS
2	F1-F2	63'	-	63'	LED 5700K - 65 CRI	27	27	0
				20'	LED 5700K - 65 CRI	3	3	0
2	F3-F4	63'	-	20'	LED 5700K - 65 CRI	3	3	0
				63'	LED 5700K - 65 CRI	27	27	0
4	TOTALS					120	120	0



NOTES: Spill values are taken at the property line.

SCALE IN FEET 1 : 120



Pole location(s) ⊕ dimensions are relative to 0,0 reference point(s) ⊗

MY PROJECT

Name: Grapevine Faith Christian School Football
Location: Grapevine, TX

GRID SUMMARY

Name: West Property Line Spill
Spacing: 30.0'
Height: 6.0' above grade

CONSTANT ILLUMINATION

SUMMARY	HORIZONTAL FOOTCANDLES
	Entire Grid
Scan Average:	0.0001
Maximum:	0.00
Minimum:	0.00
No. of Points:	19
LUMINAIRE INFORMATION	
Luminaire Type:	LED-96
Design Usage Hours:	10,000 hours
Design Lumens:	38,600
Avg Lamp Tilt Factor:	1.000
No. of Luminaires:	120
Avg KW:	47.28 (47.28 max)

Guaranteed Performance: The CONSTANT ILLUMINATION described above is guaranteed for the design usage hours of the system.

Field Measurements: Illumination measured in accordance with IESNA LM-5-04 and CIBSE LG4. Individual values may vary. See the Warranty document for details.

Electrical System Requirements: Refer to Amperage Draw Chart and/or the "Musco Control System Summary" for electrical sizing.

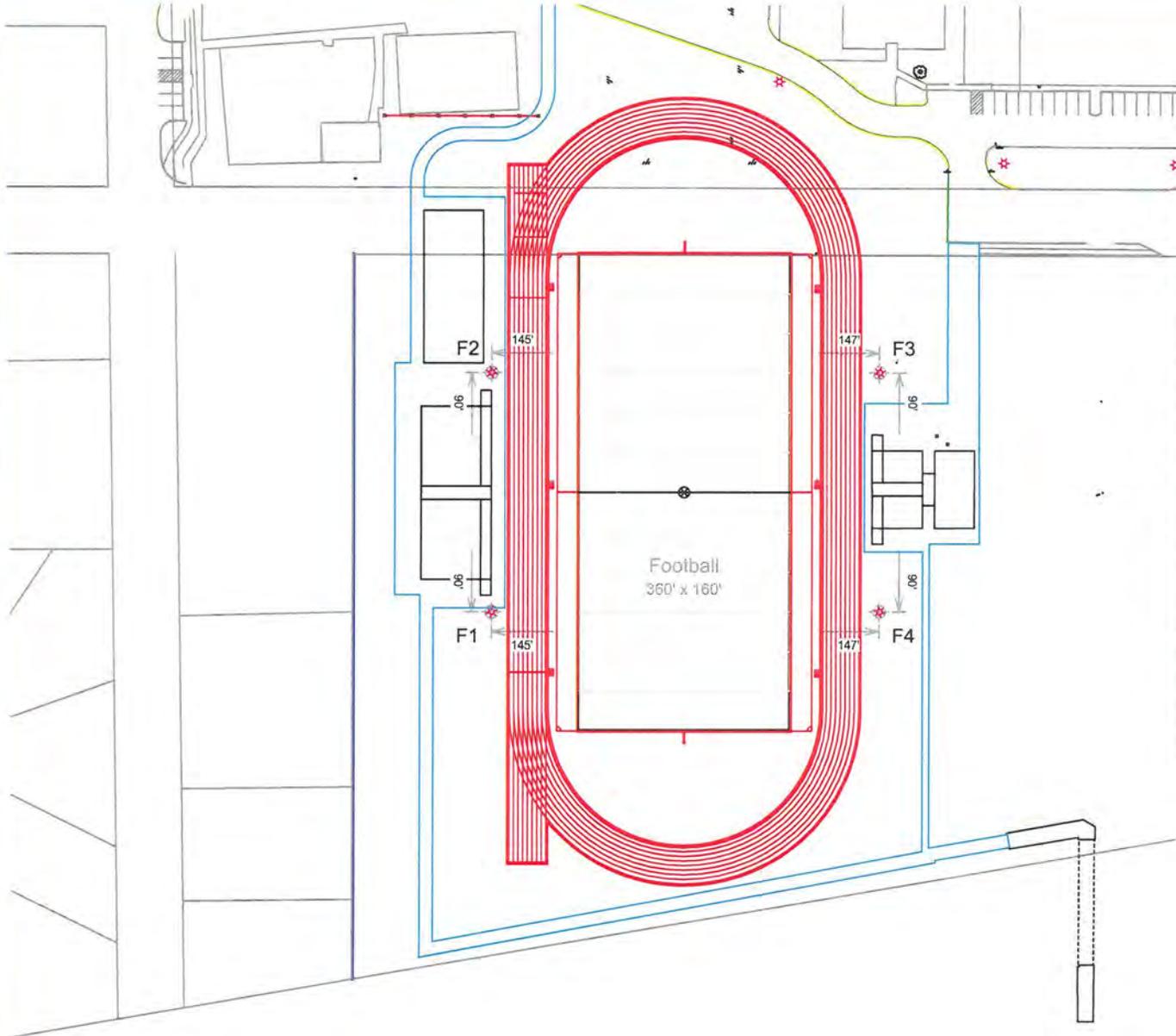
Installation Requirements: Results assume +/- 3% nominal voltage at line side of the ballast and structures located within 3 feet (1m) of design locations.

ENGINEERED DESIGN

By: Cory Kitzman
File # / Date: 173377L2 12-Mar-15

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ILLUMINATION SUMMARY



MY PROJECT
Name: Grapevine Faith Christian School Football
Location: Grapevine, TX

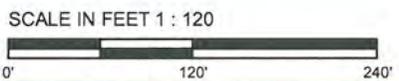
EQUIPMENT LAYOUT
INCLUDES:
 · Football
Electrical System Requirements: Refer to Amperage Draw Chart and/or the "Musco Control System Summary" for electrical sizing.
Installation Requirements: Results assume +/- 3% nominal voltage at line side of the ballast and structures located within 3 feet (1m) of design locations.

EQUIPMENT LIST FOR AREAS SHOWN

QTY	LOCATION	Pole		Luminaires		QTY / POLE
		SIZE	GRADE ELEVATION	MOUNTING HEIGHT	LAMP TYPE	
2	F1-F2	63'	-	63'	LED 5700K - 65 CRI	27
				20'	LED 5700K - 65 CRI	3
2	F3-F4	63'	-	20'	LED 5700K - 65 CRI	3
				63'	LED 5700K - 65 CRI	27
TOTALS						120

SINGLE LUMINAIRE AMPERAGE DRAW CHART

Ballast Specifications (.90 min power factor)	Line Amperage Per Luminaire (max draw)					
	208 (60)	220 (60)	240 (60)	277 (60)	347 (60)	480 (60)
Single Phase Voltage						
Other	-	-	-	-	-	-



Pole location(s) ⊕ dimensions are relative to 0,0 reference point(s) ⊗

ENGINEERED DESIGN
By: Cory Kitzman
File # / Date: 173377L2 12-Mar-15

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February 13, 2015

Mr. Justin Jordan
Grapevine Faith Christian School
729 East Dallas Road
Grapevine, TX 76051

Subject: Faith Christian School Football Field - Environmental Noise Assessment
Project No. 15F10801

Dear Mr. Jordan:

Epicenter Productions was contracted to perform measurements at the above referenced property. The purpose of these measurements was to determine the impact of the sound generated by the facility on the adjacent properties.

The stadium bleachers and the field have been developed to be relocated to a location on the west side of the property, closer to the adjacent residential properties. The impact of this relocation on the sound generated in the stadium was to be reviewed with recommendations to reduce the impact of the relocation on the adjacent properties.

Mr. Christopher Sowden and Mr. Jeff McRae on behalf of Epicenter Productions, met with representatives of the school to observe the sound levels generated by the existing system in the stadium..

Observations

The Faith Christian School Field (FCSF) is constructed of metal bleachers on the north and south sides of the field. The field is configured as an east-west field with goals on the east and west sides of the field. Refer to Figure 1 for a view of the existing field. The loudspeaker system is located on the north side of the field adjacent to the bleachers, and directs sound towards the north home team bleachers, and also towards the south side visitor bleachers across the field from the speakers. The bleachers will be relocated adjacent to the west track, with the field redirected to a north-south configuration and bleachers and loudspeakers directed east, away from the west property line and residences.

We were informed that the usual attendance at the games is approximately 1250 persons, except during playoffs, or during special events.

We were provided with a City of Grapevine Noise Ordinance when we arrived. After study of the ordinance, we used this as a criterion for the new facility and refer to it in this report.

The existing sound system was designed with two loudspeakers mounted on two light poles. One loudspeaker on each light pole was directing sound toward the north home bleachers, and two loudspeakers directing sound toward the south visitor bleachers.

Distances were measured at the field. The estimated distance between the loudspeakers and the nearest north bleacher seat was 30 feet. The estimated distance between the loudspeakers and the nearest south bleacher seat was 265 feet. The estimated distance between the north loudspeakers and the school property line adjacent to the nearest residence was 422 feet. A measurement location 90 feet behind the

Faith Christian School Football Field - Environmental Noise Assessment

loudspeaker was performed. This position is similar in distance and orientation to the proposed new loudspeaker location at the new bleacher configuration.

Measurements were made using a sound level meter complying with ANSI S1.4-1983 and S1.11-1986. The meter was configured to measure dBA levels and octave-band levels compliant with the above standards, and similar to measurement methods listed in ANSI S12.9-1988, 1992, 1993 and 1996. The meter was set to allow observation of time averaged maximum levels at all locations. The meter was calibrated by a source compliant with ANSI S1.10-1966 traceable to the National Bureau of Standards. Measurements were made between 11:30 AM and 12:20 pm on January 21, 2015.

Measurements were performed at each location until ambient noise events from traffic, aircraft, train and students did not affect the measurement. Ambient noise levels were measured at low loudness positions to confirm that the noise events did not affect the measurements.

Measurements were made using an audio recording of a music program and a test signal consisting of constant-power-per-octave (pink) noise. The music program was used to determine the average loudness of the program in the bleachers. The pink noise was used to measure the resulting levels of the sound system at the various locations listed above.

Measurements were made at FCSF. The sound level measured at the nearest north bleacher seat was 83 dBA. The sound level measured at the nearest south bleacher seat was 66 dBA. The sound level measured at the school property line adjacent to the nearest residence was 55 dBA. The sound level measured at the new loudspeaker configuration was 61 dBA.

The measurements indicated that the sound level of the relocated loudspeakers will be an estimated 6 dBA higher than the FCSF existing configuration.

Upon review of the proposed landscape plan, an additional reduction of 0.5dBA or less is possible at the property line. This additional reduction is contingent on the type and size of vegetation used, and the time of year (seasonal loss of foliage).

A proposed 8 foot fence will provide an additional 0.5dBA or less of noise reduction. Wooden fences with cracks between boards will provide less attenuation, solid fences of 10 to 12 feet will provide more reduction.

Discussion

The goal of this study is to provide design modifications to the project that will mitigate the impact of the noise levels generated by the facility on the adjacent properties. From measurements, the existing loudspeakers configured to redirect sound away from the property line would provide sound levels 6 dBA higher than the existing FCSF configuration due to the reduced distance to the property line.

The sound levels generated near a football field and bleachers vary based on the operation of the sound system and the excitement of the game. The operator needs to know what operating level is proper for compliance with noise regulations. Use of a sound level meter complying with the noise ordinance measurement standards will provide this information and allow local monitoring by the school to confirm compliance.

The sound levels generated by the patrons vary based on the excitement of the game, and provide levels above the noise ordinance for a short time. These levels cannot be estimated without the measurement of a game, which cannot be performed until August of 2015. We estimate that the noise generated by 1250 patrons would be in compliance with noise regulations if air horns or compressed air noise sources

were not allowed, and patrons were instructed to refrain from "bleacher stomping".

The configuration of the existing loudspeaker system provides a known distance from the loudspeaker to the patron. The reduction of distance to half its original distance can reduce the operating sound level by 4 to 6 dB.

Sound systems must operate at higher levels to achieve levels across the bleachers if located in only one or two positions. If the distance of the loudspeaker to all patrons is reduced, the closer loudspeaker will provide reduced sound levels to achieve the same quality to the seats. This reduction in operating level can be as much as 3 to 4 dB.

Foliage can be an effective tool for minimizing sound reflections from hard surfaces, but offers minimal sound absorption benefits. In addition, care must be taken to plant foliage that would offer full benefit during the fall and winter months when many plants experience a reduction in foliage.

Fences also offer minimal sound absorption but can alter the ability of sound waves to propagate. For maximum benefit the fence will need to be of solid construction free from cracks, and should be tall enough to prevent wave propagation back into the yards of adjacent properties.

Recommendations

We recommend the following procedures to reduce the perception of music programs outside the facility:

1. Do not allow any air horns or compressed air noise sources in the bleachers for use during a game.
2. Design the sound system to have loudspeakers similar to the existing speakers pole mounted on the home bleachers behind the top bleacher row approximately 8' above the top bleacher. Locate six (6) of these devices, mounted on four poles, spaced equidistant apart from each other and from the end points of the bleachers, and direct the sound down towards the front row handrail. This design will direct the sound directly towards patrons and into the field where most of the sound energy will be absorbed. The recommended speaker type shall be an FBT Shadow 112CT. Each speaker shall employ a dedicated cable to a dedicated amplifier channel so that the individual volume of each speaker may be tuned to the most effective volume level. A loudspeaker management system shall provide digital equalization to compensate for structure interaction, digital delay for time alignment and coherency, and automatic feedback reduction. Hard limiting will be set to prevent the sound system from operating at unauthorized levels. All parameters shall be secured to prevent tampering by unauthorized persons.
3. Design the sound system to have loudspeakers similar to the existing speakers pole mounted on the visitor bleachers behind the top bleacher row approximately 8' above the top bleacher. Locate three (3) loudspeakers, one per pole, spaced equidistant apart from each other and from the end points of the bleachers, and direct the sound toward the front row 5'-0" above the front row bleacher floor. The recommended speaker type shall be an FBT Shadow 112CT. Each speaker shall employ a dedicated cable to a dedicated amplifier channel so that the individual volume of each speaker may be tuned to the most effective volume level. A loudspeaker management system shall provide digital equalization to compensate for structure interaction, digital delay for time alignment and coherency, and automatic feedback reduction. Hard limiting will be set to prevent the sound system from operating at unauthorized levels. All parameters shall be secured to prevent tampering by unauthorized persons.
4. Provide measurements using a sound level meter at the beginning of a game to provide the operator with a level that complies with the noise regulations. Sound level meter shall be similar to Casella CEL-244.

5. Chose vegetation that will offer dense foliage year round. Consider climbing vines and trellis structures to acoustically "hide" flat reflective surfaces in and around the stadium, that are prone to direct reflection of the original speaker source.
6. Consider raising the height of the fence to 10-12 feet and build the fence of solid construction free from any cracks. Even the smallest cracks, in large numbers, can allow significant noise to pass through the fence. Ideally, a solid fence covered with climbing vegetation would offer the most benefit.
7. Enclose the Home bleachers so that the natural "horn" design of the bleachers do not funnel the acoustic energy outwards. Such enclosure should be solid and should extend in height from the ground to a point at least 6 feet higher than the top bleacher seat surface. The sides of the bleachers should also be enclosed.

Conclusion

With the implementation of recommendations 1 through 5, we believe that the facility in the proposed new configuration will be in compliance with the City of Grapevine Noise Ordinance.

We recommend that the school consider implementation of the above listed recommendations in the order in which they are listed. The recommendations are provided in priority order, and will provide the greatest impact on the facility with the application of more of the recommendations.

Please review this report and contact us if you have any questions regarding the measurements, testing methods or recommendations. Feel free to contact me if you need additional information regarding the recommendations, or need additional information regarding the proposed materials. We will be glad to assist you in reviewing any additional modifications not described in this report.

Respectfully Submitted,

Jeff Krebs
Managing Partner

Christopher Sowden, P.E.
Principal Consultant

Epicenter Productions, LLC
1612 Hart Street, Suite 201
Southlake, Texas 76092
682-999-8687



SHADOW 112CT

APPLICATIONS

- Convention centers
- Athletic fields
- Stadiums
- Theme parks
- Swimming pools
- Cruise ships
- Malls
- Ballrooms
- Outdoor background music

KEY FEATURES

- 2-way multipurpose 12" coax
- Sturdy molded polyethylene curved enclosure
- 12" coaxial woofer with 2.5" coil
- 1" HF driver with 1.7" coil
- Line transformer
- 4 wires cable to select the power tapping
- IP55 weather resistant
- Standard grey finish
- Completely manufactured in Italy

ALL WEATHER LOUDSPEAKERS



Designed, Engineered
and Manufactured in ITALY

PRODUCT DESCRIPTION

The SHADOW 112CT is a weatherproof coaxial two way loudspeaker system offering substantial power and efficiency for a variety of professional indoor or outdoor applications. The low frequency transducer is a 12" woofer with a 2.5" voice coil. The high frequency section is a 1" driver with 1.7" voice coil on conical 90° horn. The SHADOW 112CT features a line transformer for 70-100V applications. The cabinet is a single piece rotational moulded in polyethylene, fully UV protected. The cabinet is equipped with a stainless steel U-bracket. The grille is in custom perforated aluminium with 3 layers of protection. The SHADOW 112CT meets the requirements of IP55 code (International Protection Rating).

ELECTRONIC SPECIFICATIONS

System Type	2 Way
Recommended Amplifier	600W RMS
System Long Term Power	300W
System Short Term Power (IEC 268-5)	1200W
Transformer (optional)	100V / 200W/100W
Nominal Impedance	8 Ohm
Frequency Response	70Hz - 20kHz (@-6dB)
Sensitivity	98dB (@1W, 1m)
Max SPL (cont/peak) (bi-amp)*	124dB / 128dB
Dispersion	90° conical
Crossover Frequency	1.6kHz
Recommended HP Filter	50Hz - 24dB oct.

PHYSICAL SPECIFICATIONS

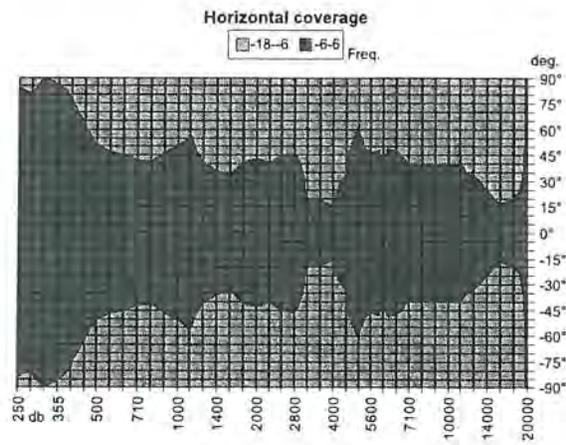
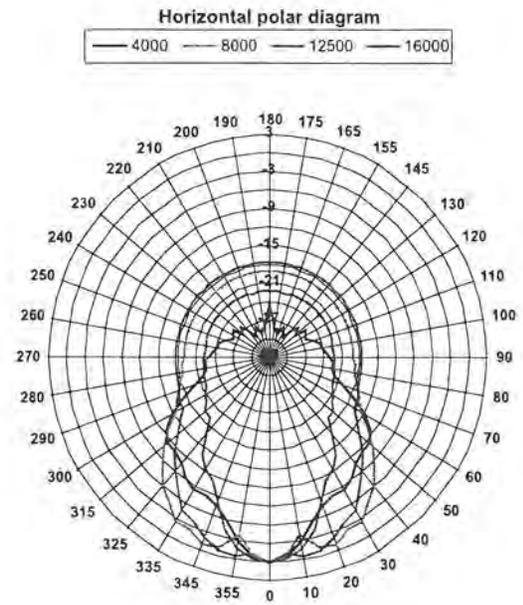
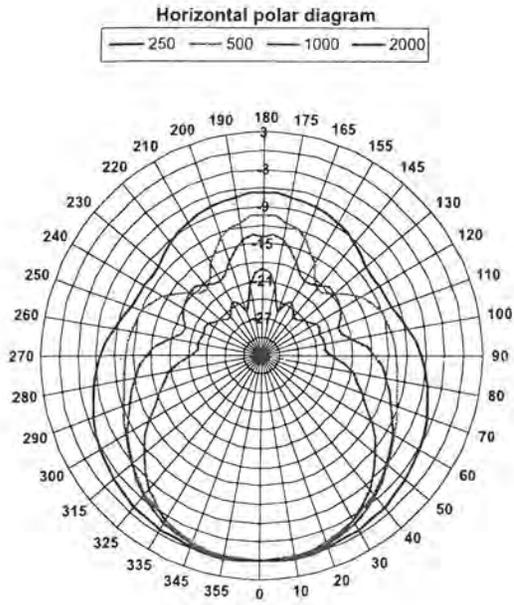
Low Frequency Woofer	12" / 2.5" coil
High Frequency Driver	1" / 1.7" coil
Input Connectors	4 wire cable
Net Dimensions (WxHxD) inch	16.92 x 16.92 x 15.74
Shipping Dimensions (WxHxD) inch	20.86 x 20.86 x 19.68
Net Weight	33 lbs
Shipping Weight	37 lbs
Enclosure Material	Polyethylene rotomoulded
Grille	Custom perforated aluminium

* CONT. SPL: free space, based on recommended amp rating and LF transducer average sensitivity data, 125mS time average
PEAK SPL: free space, based on short term applicable power rating and system peak sensitivity, 10mS time average



SHADOW
112CT

DIAGRAMS



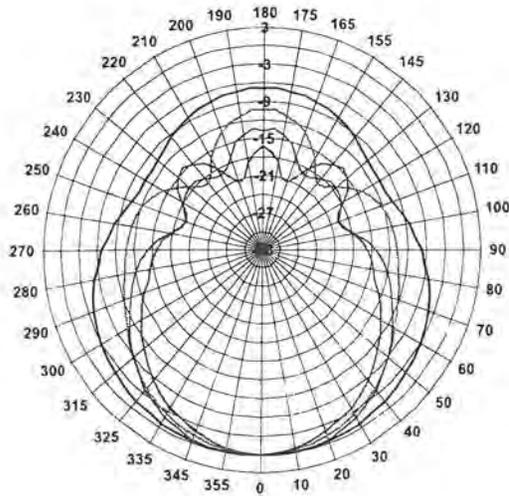


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DIAGRAMS

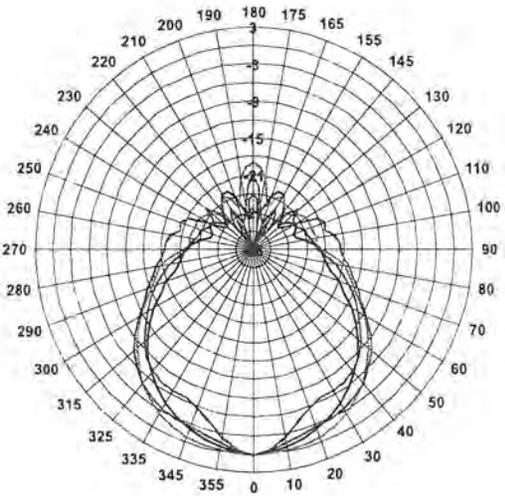
Vertical polar diagram

— 250 — 500 — 800 — 1000



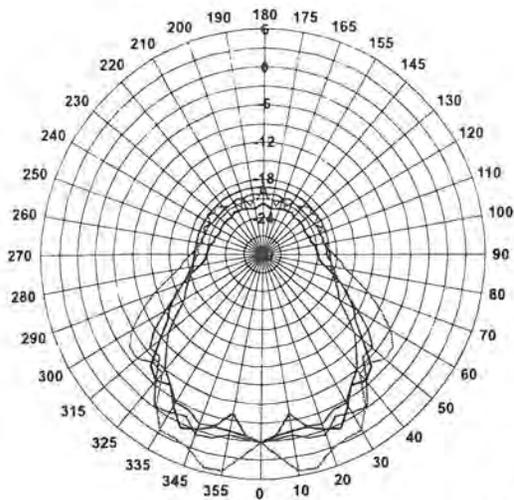
Vertical polar diagram

— 1400 — 2000 — 2500 — 3150



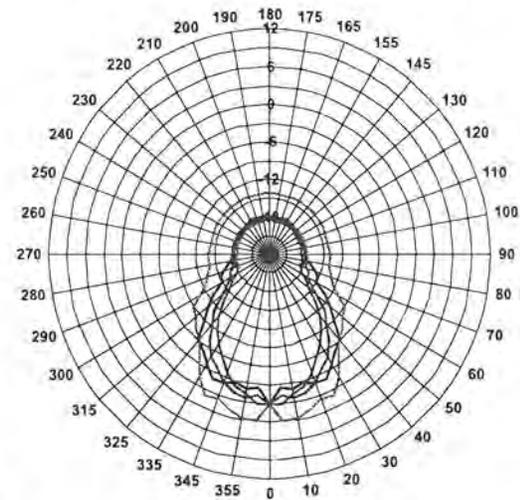
Vertical polar diagram

— 4000 — 5000 — 6300 — 8000



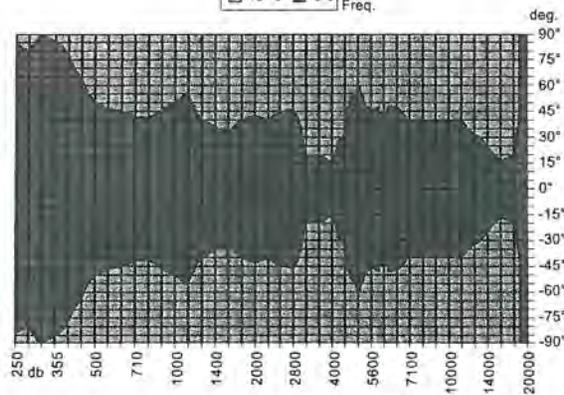
Vertical polar diagram

— 9000 — 10000 — 12500 — 14000



Vertical coverage

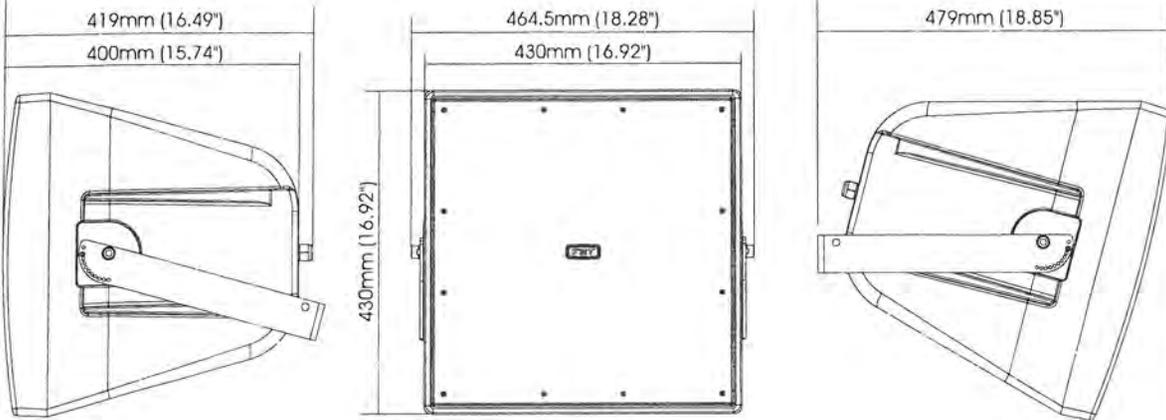
▨ -18-6 ■ -6-6 Freq.



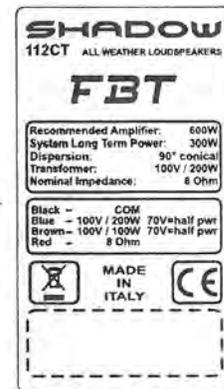
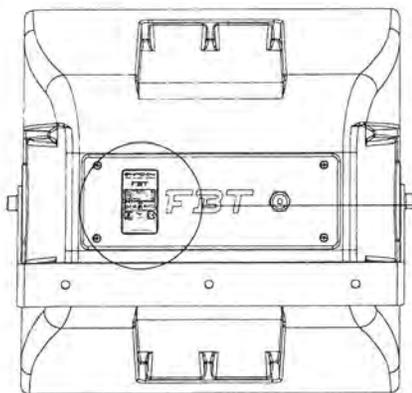


SHADOW 112CT

DIMENSIONAL DRAWINGS



TECHNICAL SPECIFICATIONS LABEL



SUPPLIED ACCESSORY

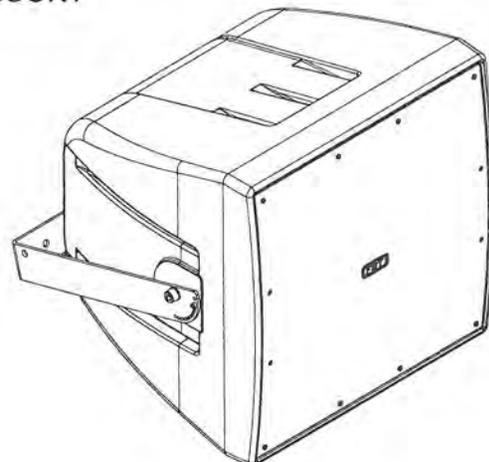
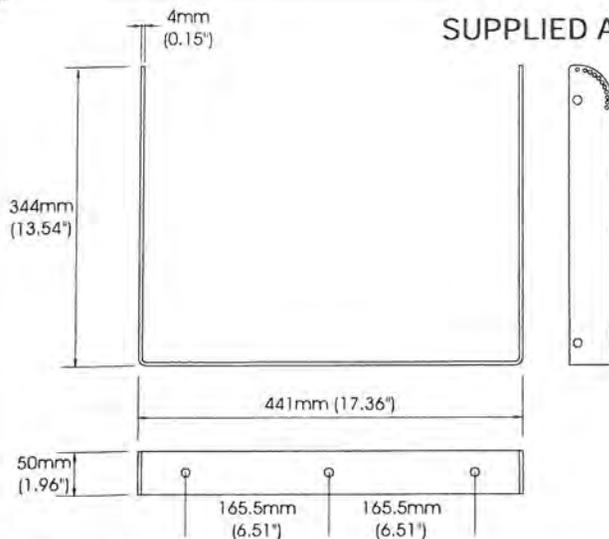


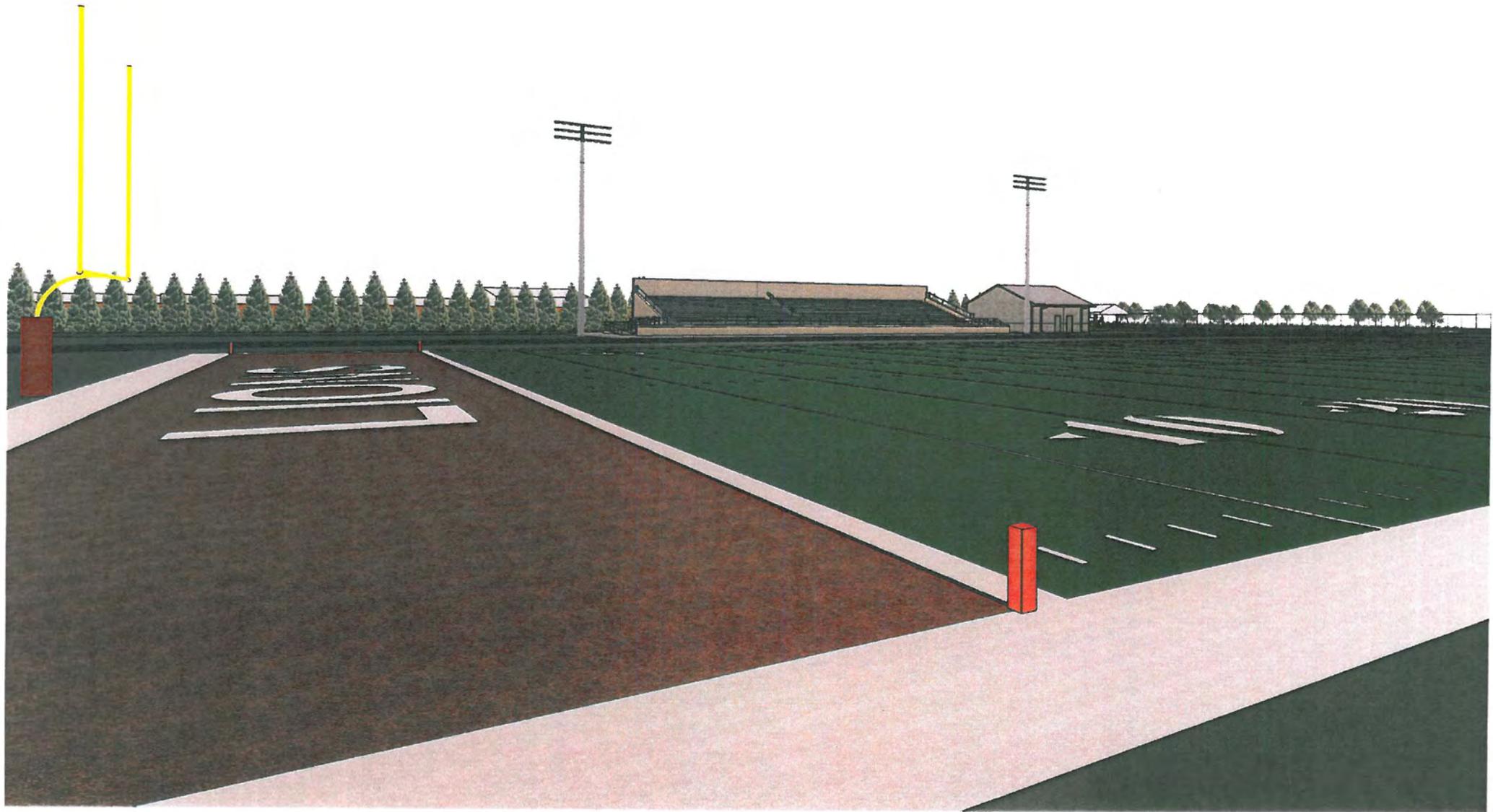


Figure 1 - View of Existing FCSC Field and Adjacent West Residences

CC ITEM #20, 21
PZ ITEM #3, 4



CC ITEM #20, 21
PZ ITEM #3, 4



CC ITEM #20, 21
PZ ITEM #3, 4



CC ITEM #20, 21
PZ ITEM #3, 4



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	Lighting Requirements	Sound Requirements	Usage
Coppell ISD	None	None	Activities during the week must end by 9:00 pm and by 10:00 pm on weekends for non-school sponsored activities.
Grand Prairie ISD	None	None	<p>Monday through Saturday activities. NO Sunday rentals will be allowed.</p> <ul style="list-style-type: none"> • NO rentals will be allowed on designated school holidays or holiday weekends. (A district calendar is available.) • ALL rentals must end by 9:00 PM Monday through Friday and must end by 10:00 PM on Saturday. • Rentals during the summer recess (June 1 to July 31) will be limited to facilities hosting district summer school programs and high schools. • Facilities may not be rented for continuous or long-term periods. • Instructional classrooms, libraries, resource areas and computer labs are NOT available.
Grapevine/Colleyville ISD	None	None	<p>Mustang Panther stadium: 325 days - football, soccer, summer strenght camps, fields are used for games and practice</p> <p>GHS and CHHS baseball field: 175 days on each field - baseball games and practice</p>
HEB	None	None	None

	Lighting Requirements	Sound Requirements	Usage
Nelson Moore			
Lewisville ISD	None	None	None
Southlake/Carroll ISD	None	None	Dragon stadium football is around 15-20 games, soccer around 15-20 that is our season and we host playoff games then could be more. Rentals about 20 events a year. Baseball/softball is around 15-20 combined and we do not rent out.
Community Use of Fairfax County Virginia	Community use hours on Fairfax County Park Authority fields shall be defined as from 4:30 pm to dark (11 pm on lighted fields) Monday through Friday and 8 am to dark (11 pm on lighted fields) Saturday and Sunday. Fairfax County government holidays may be scheduled for community use from 8 am to dark (11 pm on lighted fields) to accommodate tournaments or other special requests. The dates of availability of FCPA fields are defined by FCPA Park Rules.	Abide by established guidelines for concessions, sales, additional activities (e.g., amusements), and amplified sound, as defined by FCPA, Fairfax County, NVRPA, or FCPS, depending upon the facility where the concession is operated. Coordinate all refreshment stands and concessions with the appropriate FCPS, NVRPA, or Park Authority staff and comply with all Fairfax County Health Department requirements.	<p>III. Limitations on Facility Use</p> <p>A. Use of County Athletic Fields by organizations and individuals can only be permitted during those periods designated for community use and for those activities which NCS is responsible for scheduling, as outlined in Section VII.A. For users to be guaranteed access to field space, they must have a permit.</p> <p>1. Community use hours on Fairfax County Park Authority fields shall be defined as from 4:30 pm to dark (11 pm on lighted fields) Monday through Friday and 8 am to dark (11 pm on lighted fields) Saturday and Sunday. Fairfax County government holidays may be scheduled for community use from 8 am to dark (11 pm on lighted fields) to accommodate</p>

	Lighting Requirements	Sound Requirements	Usage
			<p>tournaments or other special requests. The dates of availability of FCPA fields are defined by FCPA Park Rules.</p> <p>2. Community use hours and dates of availability on Fairfax County Public School fields shall be determined by a memorandum of understanding between FCPS and Fairfax County.</p> <p>3. Community use hours and dates of availability on Northern Virginia Regional Park Authority (NVRPA) fields shall be determined by NVRPA policy.</p> <p>4. The actual hours and dates of availability of individual fields may be restricted by the FCPA, FCPS, NVRPA, or NCS to reflect earlier or later lights-out times; FCPS, FCPA, or NVRPA use; or other restrictions.</p> <p>B. A request for a particular athletic field does not guarantee availability or assignment to a specific organization or individual.</p> <p>C. Request for athletic facilities</p>

	Lighting Requirements	Sound Requirements	Usage
			<p>will not be considered by NCS from athletic for-profit organizations (for definition see IV.F.).</p> <p>D. Fee-based camps, clinics, and tryouts; fundraisers; and other revenue-based activities are not scheduled by NCS, but must be scheduled by FCPS, FCPA, or NVRPA and may be subject to use agreements and fees imposed by those agencies. Such programs, including paid coaches and third-party trainers, are acceptable use of NCS-allocated space if the services are available only to registered members of the organization and not for an additional fee (e.g., camp registration).</p> <p>E. Fields taken out of service for renovation or maintenance by the Park Authority, NVRPA, or FCPS will not be permitted for use.</p> <p>F. Assigned facilities shall only be used for the activities for which they were assigned by NCS.</p>
<p>Botetourt County, Virginia</p>	<p>Lights will be available between the hours of 5:00 p.m. – 10:00 p.m. Weather conditions may</p>	<p>None</p>	<p>None</p>

	Lighting Requirements	Sound Requirements	Usage
	require lights to be turned on prior to the designated start time. In this event, the field supervisor will have final authority to do so.		
<p>Jordan School District, West Jordan, UT</p>	None	None	<ol style="list-style-type: none"> 1. All community use will be scheduled through the District Facilities Scheduler. 2. Principals, athletic directors and coaches are not authorized to approve grounds use for any group other than school programs. 3. A deposit of 10% of the rental or \$200, whichever is greater, will be charged to the renting organization for field use. At the end of the rental if the facility is left clean and without damage all or a portion of the deposit will be returned, less cost to restore facility to acceptable condition. 4. The high school football, baseball, and softball fields are off limits to any group other than Jordan School District endorsed athletic programs. 5. Groups such as Ute Football, soccer, rugby, lacrosse, and any other high-wear field usage activity are not allowed to use high school

	Lighting Requirements	Sound Requirements	Usage
			<p>fields. Approved baseball, softball or track programs may use the facilities but are subject to field rental fees.</p> <p>6. No outside use of grounds will be allowed during school hours.</p> <p>7. Ongoing, organized groups will not be allowed to have unscheduled or uncharged activities.</p> <p>8. All groups will provide their own adult supervision to adequately monitor facilities used. Monitoring is to maintain order and prevent vandalism and destruction of school and adjoining properties. No unsupervised youth group or organization will be allowed to use the school facilities.</p> <p>9. No tampering, modifying or abusing of the field-watering equipment is allowed.</p> <p>10. No playing on wet fields, to prevent damage and a negative impact on school programs.</p> <p>11. Users must be respectful and considerate of private properties bordering school grounds.</p> <p>12. Field marking must be done in such a manner that there is no damage or destruction of the grass</p>

	Lighting Requirements	Sound Requirements	Usage
			<p>(with an approved field marking paint). No gasoline or other herbicide may be used.</p> <p>13. Portable goals must be set up and taken down and properly secured each day they are used. Permanent goal installation is not allowed.</p> <p>14. Driving of vehicles on playing fields or playground asphalt areas is prohibited. Parking must be in designated parking areas only. No double-parking, parking in emergency access lanes or along red curbs.</p> <p>15. No alcohol, tobacco or drugs are allowed on school grounds, as per UT State Code.</p> <p>16. No loud music or inappropriate conduct.</p> <p>17. No vandalism or destruction of school or adjoining properties or equipment is allowed. All trash must be picked-up at the conclusion of use.</p> <p>18. No climbing on fences or backstops.</p> <p>19. Rental groups must be willing to</p>

	Lighting Requirements	Sound Requirements	Usage
			sign a hold harmless agreement for field usage. 20. Public Yard sales and car washes are not allowed on school property.
City of Kirkland, Washington	Lights will be turned off at 11:00 p.m. NO EXCEPTIONS!	None	None

ORDINANCE NO. _____

CU15-04
FAITH CHRISTIAN

AN ORDINANCE ISSUING A CONDITIONAL USE PERMIT IN ACCORDANCE WITH SECTION 48 OF ORDINANCE NO. 82-73, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF GRAPEVINE, TEXAS, SAME BEING ALSO KNOWN AS APPENDIX "D" OF THE CITY CODE, BY GRANTING CONDITIONAL USE PERMIT CU15-04 AMENDING THE SITE PLAN APPROVED BY ORDINANCE 2014-51 FOR A NON-PROFIT EDUCATIONAL INSTITUTION SPECIFICALLY TO ALLOW THE FIELDHOUSE TO REMAIN, AND TO ALLOW FOR SPORTS FIELD LIGHT STANDARDS AND OUTDOOR SPEAKERS IN A DISTRICT ZONED "R-7.5" SINGLE FAMILY DISTRICT REGULATIONS ALL IN ACCORDANCE WITH A SITE PLAN APPROVED PURSUANT TO SECTION 47 OF ORDINANCE NO. 82-73 AND ALL OTHER CONDITIONS, RESTRICTIONS AND SAFEGUARDS IMPOSED HEREIN; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS, MORALS AND GENERAL WELFARE DEMAND THE ISSUANCE OF THIS CONDITIONAL USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

WHEREAS, an application was made requesting issuance of a conditional use permit by making applications for same with the Planning & Zoning Commission of the City of Grapevine, Texas, as required by State statutes and the zoning ordinance of the City of Grapevine, Texas, and all the legal requirements, conditions and prerequisites having been complied with, the case having come before the City Council of the City of Grapevine, Texas, after all legal notices requirements, conditions and prerequisites having been complied with; and

WHEREAS, the City Council of the City of Grapevine, Texas, at a public hearing called by the City Council did consider the following factors in making a determination as to whether this requested conditional use permit should be granted or denied: safety of the motoring public and the pedestrians using the facilities in the area immediately surrounding the site; safety from fire hazards and measures for fire control; protection of adjacent property from flood or water damages, noise producing elements, and glare of the vehicular and stationary lights and effect of such lights on established character of the neighborhood; location, lighting, and types of signs and relation of signs to traffic control and adjacent property; street size and adequacy of width for traffic reasonably expected to be generated by the proposed use around the site and in the immediate neighborhood;

adequacy of parking as determined by requirements of this ordinance for off-street parking facilities; location of ingress and egress points for parking and off-street locating spaces, and protection of public health by surfacing on all parking areas to control dust; effect on the promotion of health and the general welfare; effect on light and air; the effect on the overcrowding of the land; the effect on the concentration of population; the effect on the transportation, water, sewerage, schools, parks and other facilities; and

WHEREAS, the City Council of the City of Grapevine, Texas, at a public hearing called by the City Council of the City of Grapevine, Texas, did consider the following factors in making a determination as to whether this requested conditional use permit should be granted or denied; effect on the congestion of the streets, the fire hazards, panics and other dangers possibly present in the securing of safety from same, the effect on the promotion of health and the general welfare, effect on adequate light and air, the effect on the overcrowding of the land, the effect on the concentration of population, the effect on the transportation, water, sewerage, schools, parks and other public facilities; and

WHEREAS, all of the requirements of Section 48 of Ordinance No. 82-73 have been satisfied by the submission of evidence at a public hearing; and

WHEREAS, the City Council further considered among other things the character of the existing zoning district and its peculiar suitability for particular uses and with the view to conserve the value of buildings and encourage the most appropriate use of land throughout this City; and

WHEREAS, the City Council of the City of Grapevine, Texas, does find that there is a public necessity for the granting of this conditional use permit, that the public demands it, that the public interest clearly requires the amendment, that the zoning changes do not unreasonably invade the rights of those who bought or improved property with reference to the classification which existed at the time their original investment was made; and

WHEREAS, the City Council of the City of Grapevine, Texas, does find that the conditional use permit lessens the congestion in the streets, helps secure safety from fire, panic and other dangers, prevents the overcrowding of land, avoids undue concentration of population, facilitates the adequate provisions of transportation, water, sewerage, schools, parks and other public requirements; and

WHEREAS, the City Council of the City of Grapevine, Texas, has determined that there is a necessity and need for this conditional use permit and has also found and determined that there has been a change in the conditions of the property surrounding and in close proximity to the property requested for a change since this property was originally classified and, therefore, feels that the issuance of this conditional use permit for the particular piece of property is needed, is called for, and is in the best interest of the public at large, the citizens of the City of Grapevine, Texas, and helps promote the general health, safety and welfare of this community.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That the City does hereby issue a conditional use permit in accordance with Section 48 of Ordinance No. 82-73, the Comprehensive Zoning Ordinance of the City of Grapevine, Texas, same being also known as Appendix "D" of the City Code, by granting Conditional Use Permit CU15-04 amending the site plan approved by Ordinance No. 2014-51 for a non-profit educational institution specifically to allow the field house to remain, and to allow sports field light standards and outdoor speakers in a district zoned "R-7.5" Single Family District Regulations within the following described property: Proposed to be Lot 1R, Block 2, Faith Christian School (730 East Worth Street) all in accordance with a site plan approved pursuant to Section 47 of Ordinance No. 82-73, attached hereto and made a part hereof as Exhibit "A", and all other conditions, restrictions, and safeguards imposed herein, including but not limited to the following: None.

Section 2. That the City Manager is hereby directed to amend the official zoning map of the City of Grapevine, Texas, to reflect the herein conditional use permit.

Section 3. That in all other respects the use of the tract or tracts of land herein above described shall be subject to all the applicable regulations contained in said City of Grapevine zoning ordinance and all other applicable and pertinent ordinances of the City of Grapevine, Texas.

Section 4. That the zoning regulations and districts as herein established have been made in accordance with the comprehensive plan for the purpose of promoting health, safety, morals and the general welfare of the community. They have been designed with respect to both present conditions and the conditions reasonably anticipated to exist in the foreseeable future; to lessen congestion in the streets; to secure safety from fire, panic, flood and other dangers; provide adequate light and air; to prevent overcrowding of land, to avoid undue concentration of population; facilitate the adequate provisions of transportation, water, sewerage, drainage and surface water, parks and other public requirements, and to make adequate provisions for the normal business, commercial needs and development of the community. They have been made with reasonable consideration, among other things, of the character of the district, and its peculiar suitability for the particular uses and with a view of conserving the value of buildings and encouraging the most appropriate use of land throughout the community.

Section 5. That this ordinance shall be cumulative of all other ordinances of the City of Grapevine, Texas, affecting zoning and shall not repeal any of the provisions of said ordinances except in those instances where provisions of those ordinances which are in direct conflict with the provisions of this ordinance.

Section 6. That the terms and provisions of this ordinance shall be deemed to be severable and that if the validity of the zoning affecting any portion of the tract or tracts of

land described herein shall be declared to be invalid, the same shall not affect the validity of the zoning of the balance of the tract or tracts of land described herein.

Section 7. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in a sum not to exceed Two Thousand Dollars (\$2,000.00) and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

Section 8. That the fact that the present ordinances and regulations of the City of Grapevine, Texas, are inadequate to properly safeguard the health, safety, morals, peace and general welfare of the inhabitants of the City of Grapevine, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety and general welfare of the public which requires that this ordinance shall become effective from and after the date of its final passage, and it is accordingly so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 17th day of March, 2015.

APPROVED:

ATTEST:

APPROVED AS TO FORM:

ORDINANCE NO. _____

PD15-01
FAITH CHRISTIAN

AN ORDINANCE ISSUING A PLANNED DEVELOPMENT OVERLAY IN ACCORDANCE WITH SECTION 41 OF ORDINANCE NO. 82-73, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF GRAPEVINE, TEXAS, SAME BEING ALSO KNOWN AS APPENDIX "D" OF THE CITY CODE, BY GRANTING PLANNED DEVELOPMENT OVERLAY PD15-01 TO INCLUDE BUT NOT BE LIMITED TO DEVIATION FROM THE HEIGHT REQUIREMENT FOR SPORTS FIELD LIGHT STANDARDS IN THE "R-7.5" SINGLE FAMILY DISTRICT REGULATIONS, ALL IN ACCORDANCE WITH A SITE PLAN APPROVED PURSUANT TO SECTION 47 OF ORDINANCE NO. 82-73 AND ALL OTHER CONDITIONS, RESTRICTIONS AND SAFEGUARDS IMPOSED HEREIN; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS, MORALS AND GENERAL WELFARE DEMAND THE ISSUANCE OF THIS PLANNED DEVELOPMENT OVERLAY PERMIT; PROVIDING A PENALTY NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

WHEREAS, an application was made requesting issuance of a planned development overlay by making applications for same with the Planning & Zoning Commission of the City of Grapevine, Texas, as required by State statutes and the zoning ordinance of the City of Grapevine, Texas, and all the legal requirements, conditions and prerequisites having been complied with, the case having come before the City Council of the City of Grapevine, Texas, after all legal notices requirements, conditions and prerequisites having been complied with; and

WHEREAS, the City Council of the City of Grapevine, Texas, at a public hearing called by the City Council did consider the following factors in making a determination as to whether this requested planned development overlay should be granted or denied: safety of the motoring public and the pedestrians using the facilities in the area immediately surrounding the site; safety from fire hazards and measures for fire control; protection of adjacent property from flood or water damages, noise producing elements, and glare of the vehicular and stationary lights and effect of such lights on established character of the neighborhood; location, lighting, and types of signs and relation of signs to traffic control and adjacent property; street size and adequacy of width for traffic reasonably expected to be generated by the proposed use around the site and in the immediate neighborhood; adequacy of parking as determined by requirements of this ordinance for off-street parking

facilities; location of ingress and egress points for parking and off-street locating spaces, and protection of public health by surfacing on all parking areas to control dust; effect on the promotion of health and the general welfare; effect on light and air; the effect on the overcrowding of the land; the effect on the concentration of population; the effect on the transportation, water, sewerage, schools, parks and other facilities; and

WHEREAS, the City Council of the City of Grapevine, Texas, at a public hearing called by the City Council of the City of Grapevine, Texas, did consider the following factors in making a determination as to whether this requested planned development overlay should be granted or denied; effect on the congestion of the streets, the fire hazards, panics and other dangers possibly present in the securing of safety from same, the effect on the promotion of health and the general welfare, effect on adequate light and air, the effect on the overcrowding of the land, the effect on the concentration of population, the effect on the transportation, water, sewerage, schools, parks and other public facilities; and

WHEREAS, all of the requirements of Section 41 of Ordinance No. 82-73 have been satisfied by the submission of evidence at a public hearing; and

WHEREAS, the City Council further considered among other things the character of the existing zoning district and its peculiar suitability for particular uses and with the view to conserve the value of buildings and encourage the most appropriate use of land throughout this City; and

WHEREAS, the City Council of the City of Grapevine, Texas, does find that there is a public necessity for the granting of this planned development overlay, that the public demands it, that the public interest clearly requires the amendment, that the zoning changes do not unreasonably invade the rights of those who bought or improved property with reference to the classification which existed at the time their original investment was made; and

WHEREAS, the City Council of the City of Grapevine, Texas, does find that the planned development overlay lessens the congestion in the streets, helps secure safety from fire, panic and other dangers, prevents the overcrowding of land, avoids undue concentration of population, facilitates the adequate provisions of transportation, water, sewerage, schools, parks and other public requirements; and

WHEREAS, the City Council of the City of Grapevine, Texas, has determined that there is a necessity and need for this planned development overlay and has also found and determined that there has been a change in the conditions of the property surrounding and in close proximity to the property requested for a change since this property was originally classified and, therefore, feels that the issuance of this planned development overlay for the particular piece of property is needed, is called for, and is in the best interest of the public at large, the citizens of the City of Grapevine, Texas, and helps promote the general health, safety and welfare of this community.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That the City does hereby issue a planned development overlay in accordance with Section 41 of Ordinance No. 82-73, the Comprehensive Zoning Ordinance of the City of Grapevine, Texas, same being also known as Appendix "D" of the City Code, by granting Planned Development Overlay PD15-01 to include but not be limited to deviation from the height requirement for sports field light standards in the "R-7.5" Single Family District Regulations for the following described property: proposed to be platted as Lot 1R, Block 2, Faith Christian School (730 East Worth Street) all in accordance with a site plan approved pursuant to Section 47 of Ordinance No. 82-73, attached hereto and made a part hereof as Exhibit "A", and all other conditions, restrictions, and safeguards imposed herein, including but not limited to the following: None.

Section 2. That the City Manager is hereby directed to amend the official zoning map of the City of Grapevine, Texas, to reflect the herein conditional use permit.

Section 3. That in all other respects the use of the tract or tracts of land herein above described shall be subject to all the applicable regulations contained in said City of Grapevine zoning ordinance and all other applicable and pertinent ordinances of the City of Grapevine, Texas.

Section 4. That the zoning regulations and districts as herein established have been made in accordance with the comprehensive plan for the purpose of promoting health, safety, morals and the general welfare of the community. They have been designed with respect to both present conditions and the conditions reasonably anticipated to exist in the foreseeable future; to lessen congestion in the streets; to secure safety from fire, panic, flood and other dangers; provide adequate light and air; to prevent overcrowding of land, to avoid undue concentration of population; facilitate the adequate provisions of transportation, water, sewerage, drainage and surface water, parks and other public requirements, and to make adequate provisions for the normal business, commercial needs and development of the community. They have been made with reasonable consideration, among other things, of the character of the district, and its peculiar suitability for the particular uses and with a view of conserving the value of buildings and encouraging the most appropriate use of land throughout the community.

Section 5. That this ordinance shall be cumulative of all other ordinances of the City of Grapevine, Texas, affecting zoning and shall not repeal any of the provisions of said ordinances except in those instances where provisions of those ordinances which are in direct conflict with the provisions of this ordinance.

Section 6. That the terms and provisions of this ordinance shall be deemed to be severable and that if the validity of the zoning affecting any portion of the tract or tracts of land described herein shall be declared to be invalid, the same shall not affect the validity of the zoning of the balance of the tract or tracts of land described herein.

Section 7. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in a sum not to exceed Two Thousand Dollars (\$2,000.00) and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

Section 8. That the fact that the present ordinances and regulations of the City of Grapevine, Texas, are inadequate to properly safeguard the health, safety, morals, peace and general welfare of the inhabitants of the City of Grapevine, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety and general welfare of the public which requires that this ordinance shall become effective from and after the date of its final passage, and it is accordingly so ordained.

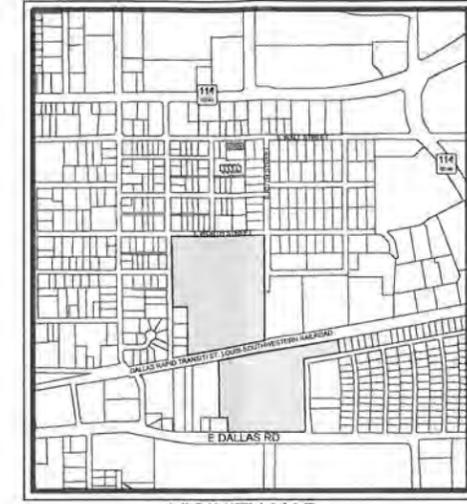
PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 17th day of March, 2015.

APPROVED:

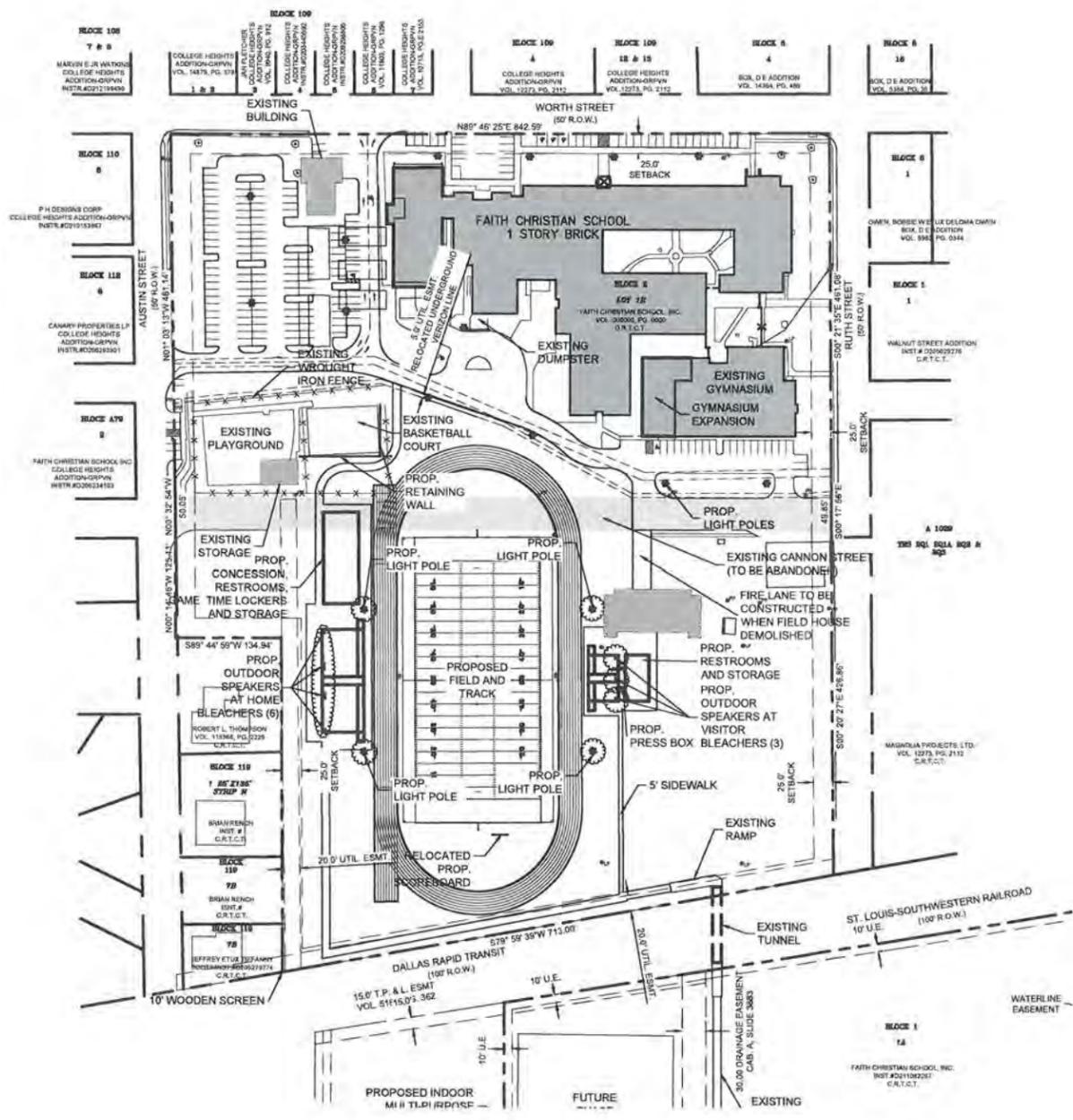
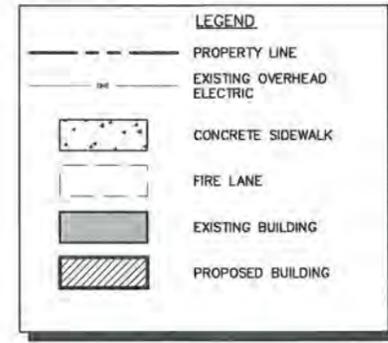
ATTEST:

APPROVED AS TO FORM:

CC ITEM #20, 21
PZ ITEM #3



VICINITY MAP
SCALE: N.T.S.



CASE NAME: FAITH CHRISTIAN SCHOOL
CASE NUMBER: CS 15-04
LOCATION: 130 EAST WORTH STREET
BLOCK 7, LOT 1R, FAITH CHRISTIAN SCHOOL ADDITION

MAYOR _____ SECRETARY _____

DATE: _____

PLANNING AND ZONING COMMISSION

CHAIRMAN _____

DATE: _____

SHEET 01

APPROVAL DOES NOT AUTHORIZE ANY WORK IN CONFLICT WITH ANY CODES OR ORDINANCES.

DEPARTMENT OF DEVELOPMENT SERVICES

NO.	DATE	REVISION

10875 JOHN W. ELLIS, JR.
SUITE 400
PROFESSIONAL OFFICE
PHONE: 817-251-5200
TX FIRM NO. 12207

PELTON
LAND SOLUTIONS

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KEY MAP
CONDITIONAL USE PERMIT

FAITH CHRISTIAN SCHOOL
700 EAST WORTH STREET
GRAPEVINE, TEXAS 76051
PHONE: 817-251-5265

DESIGNED BY:
DRAWN BY:
EIT / PROJ. MNGR:
PLS PROJECT #:
CITY PROJECT #:

SHEET
1
OF 4

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10875 JOHN W. ELLIOTT
SUITE 100
FRISCO, TX 75034
PHONE: 469-243-1800
TX FIRM NO. 12207

PELTON
LAND SOLUTIONS

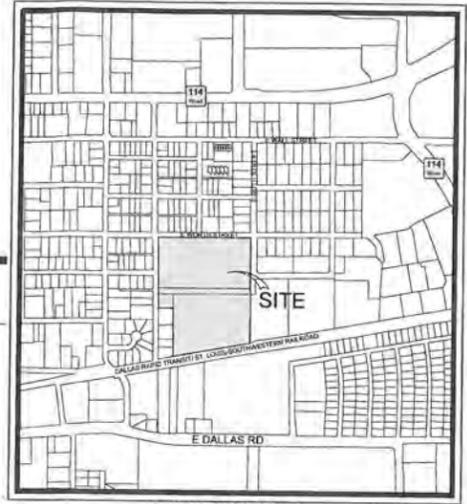
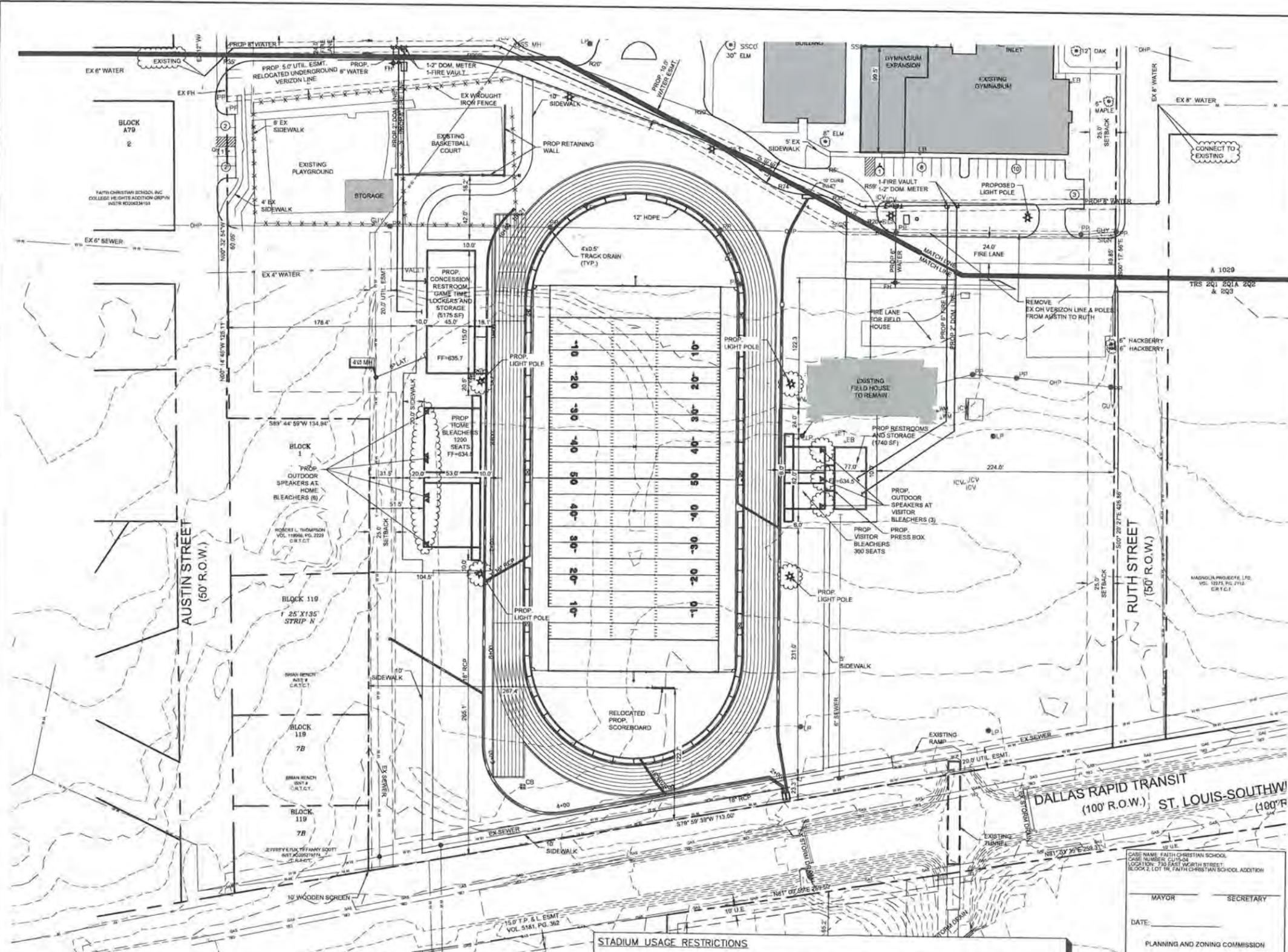
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SITE PLAN
CONDITIONAL USE PERMIT

FAITH CHRISTIAN SCHOOL
730 EAST WORTH STREET
GRAPEVINE, TEXAS 76051
PHONE: 817-251-5365

DESIGNED BY:
DRAWN BY:
EIT / PROJ. MGR:
PLS PROJECT #:
CITY PROJECT #:

SHEET
2
OF 4



LEGEND

---	PROPERTY LINE
---	WATER LINE
---	SANITARY SEWER LINE
---	GAS LINE
---	EXISTING CONTOURS
---	PROPOSED CONTOURS
---	CONCRETE SIDEWALK
---	FIRE LANE
---	PROPOSED PAVEMENT
⊙	EXISTING TREE TO REMAIN
22	PARKING COUNT
⊙	PROPOSED LIGHT POLE
⊙	PROPOSED LIGHT POLE W/OUDOOR SPEAKER
⊙	PROPOSED OUDOOR SPEAKER AT BLEACHERS

SITE DATA SUMMARY

EXISTING ZONING	R-7.5
GROSS ACREAGE	18.085 ac.
NUMBER OF LOTS	3
AREA OF OPEN SPACE	11,342 ac.
AREA OF IMPERVIOUS COVERAGE	6,753 ac.
PERCENTAGE OF OPEN SPACE	62.68 %
PERCENTAGE OF IMPERVIOUS COVERAGE	37.32%
EXISTING SCHOOL AREA (BUILDING FOOTPRINT)	92,959 s.f.
EXISTING GYM AND ADDITION	20,025 s.f.
EXISTING HISTORICAL SCHOOL AREA	2,899 s.f.
PROPOSED CONCESSION, RESTROOM, GAME TIME LOCKERS AND STORAGE AREA	5,175 s.f.
PROPOSED RESTROOM AND STORAGE AREA	1,740 s.f.
PROPOSED HOME BLEACHER SEATING	1200 SEATS
PROPOSED VISITOR BLEACHER SEATING	300 SEATS
NUMBER OF STORES (PROP.)	1
REQUIRED PARKING	125
PARKING SPACES PROVIDED (INCLUDING 5 HC)	197
REQUIRED HC SPACES	6
PROMOTED HC SPACES	6

STADIUM USAGE RESTRICTIONS

- No outside stadium usage/rentals requiring lights and sound speakers, excluding civic events
- No stadium usage on Sundays.
- Faith stadium athletic games, lights out by 9:30PM; Varsity football games, lights out by 11:00PM (or 30 minutes after completion of an OT game)
- Faith stadium athletic practices, lights out by 7:00PM
 - Exception of 15 practices that may be later than 7:00PM but still out by 9:30PM
- 5 non-athletic Faith stadium events that require lights and/or sound speakers

CASE NAME: FAITH CHRISTIAN SCHOOL
CASE NUMBER: CU14-34
LOCATION: 730 EAST WORTH STREET
BLOCK 2, LOT 1R, FAITH CHRISTIAN SCHOOL ADDITION

MAYOR _____ SECRETARY _____
DATE: _____
PLANNING AND ZONING COMMISSION
CHAIRMAN _____
DATE: _____
SHEET _____ OF _____

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DEPARTMENT OF DEVELOPMENT SERVICES

NOTES

- CONDITIONAL USE REQUEST CU15-04 IS A REQUEST TO AMEND THE PREVIOUSLY APPROVED PLAN OF CU14-34 (ORD. 14-51) FOR A NON-PROFIT EDUCATIONAL INSTITUTION, SPECIFICALLY TO ALLOW THE FIELD HOUSE TO REMAIN, AND TO ALLOW FOR SPORTS FIELD LIGHT STANDARDS AND OUDOOR SPEAKERS.
- PLANNED DEVELOPMENT OVERLAY PD15-01 IS TO ALLOW FOR LIGHT STANDARDS THAT WILL BE 63 FEET IN HEIGHT.
- ALL DIMENSIONS ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.
- ALL ON-SITE ELECTRICAL CONDUCTORS ASSOCIATED WITH NEW CONSTRUCTION SHALL BE LOCATED UNDERGROUND.
- ALL THE REQUIREMENTS OF THE GRAPEVINE SOIL EROSION CONTROL ORDINANCE SHALL BE MET DURING THE PERIOD OF CONSTRUCTION.

CONTRACTOR TO FIELD VERIFY ALL EXISTING UTILITIES VERTICALLY AND HORIZONTALLY PRIOR TO CONSTRUCTION.
ALL RESPONSIBILITY FOR THE ADEQUACY OF THESE PLANS REMAINS WITH THE ENGINEER WHO PREPARED THEM. IN REVIEWING THESE PLANS, THE CITY MUST RELY UPON THE ADEQUACY OF THE WORK OF THE DESIGN ENGINEER.

DRAWN BY: JAMES C. BROWN, LAND DESIGNER
 CHECKED BY: JAMES C. BROWN, LAND DESIGNER
 DATE: 02/02/15 11:38 AM
 PLS PROJECT #:
 CITY PROJECT #:
 SHEET: 2 OF 4

CC ITEM #20-21
PZ ITEM #3

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1444
TX FRM NO 12207

PELOTON
LAND SOLUTIONS

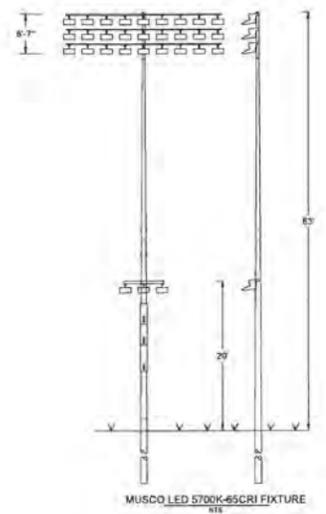
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SITE PLAN
CONDITIONAL USE PERMIT

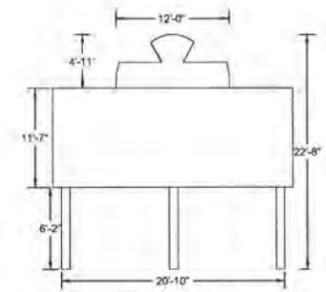
FAITH CHRISTIAN SCHOOL
730 EAST WORTH STREET
GRAND PRISON, TX 75045
PHONE: 517-251-5365

DESIGNED BY:
DRAWN BY:
EIT / PROJ. MGR:
PLS PROJECT #:
CITY PROJECT #:

SHEET
3
OF 4



POLE-MOUNTED SPEAKER AT BLEACHERS
NTS



SCOREBOARD
NTS

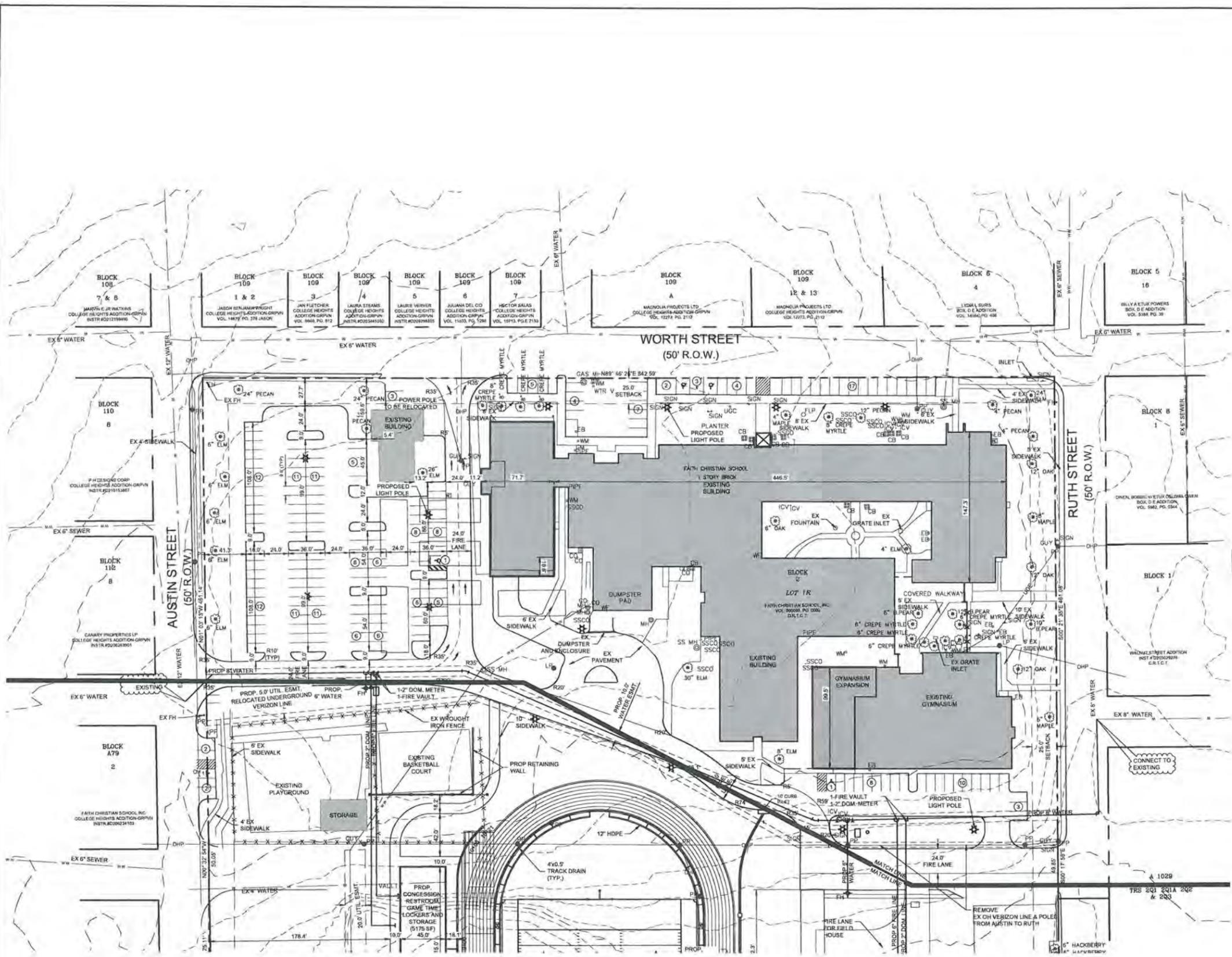
CASE NAME: FAITH CHRISTIAN SCHOOL
CASE NUMBER: CU-15-04
LOCATION: 730 EAST WORTH STREET SCHOOL ADDITION
BLOCK 2 LOT 1R FAITH CHRISTIAN SCHOOL ADDITION

MAYOR	SECRETARY
DATE	
PLANNING AND ZONING COMMISSION	
CHAIRMAN	
DATE	
SHEET	OF

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DEPARTMENT OF DEVELOPMENT SERVICES

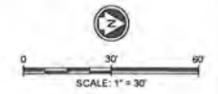
CONTRACTOR TO FIELD VERIFY ALL EXISTING UTILITIES VERTICALLY AND HORIZONTALLY PRIOR TO CONSTRUCTION.

ALL RESPONSIBILITY FOR THE ADEQUACY OF THESE PLANS REMAINS WITH THE ENGINEER WHO PREPARED THEM. IN REVIEWING THESE PLANS, THE CITY MUST RELY UPON THE ADEQUACY OF THE WORK OF THE DESIGN ENGINEER.



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LEGEND

- LIVE OAK
- CHINESE PISTACHE
- GRAPE MYRTLE
- CHASTE TREE
- EASTERN RED CEDAR
- MUHLY GRASS
- DWARFBURFORD HOLLY

NO.	DATE	REVISION

10875 JOHN W. ELLIOTT, JR.
SUITE 400
FRISCO, TX 75033
PHONE: 469.213.1444
TX PERM NO 12287

PELOTON
LAND SOLUTIONS

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HOME STAND SITE PLAN

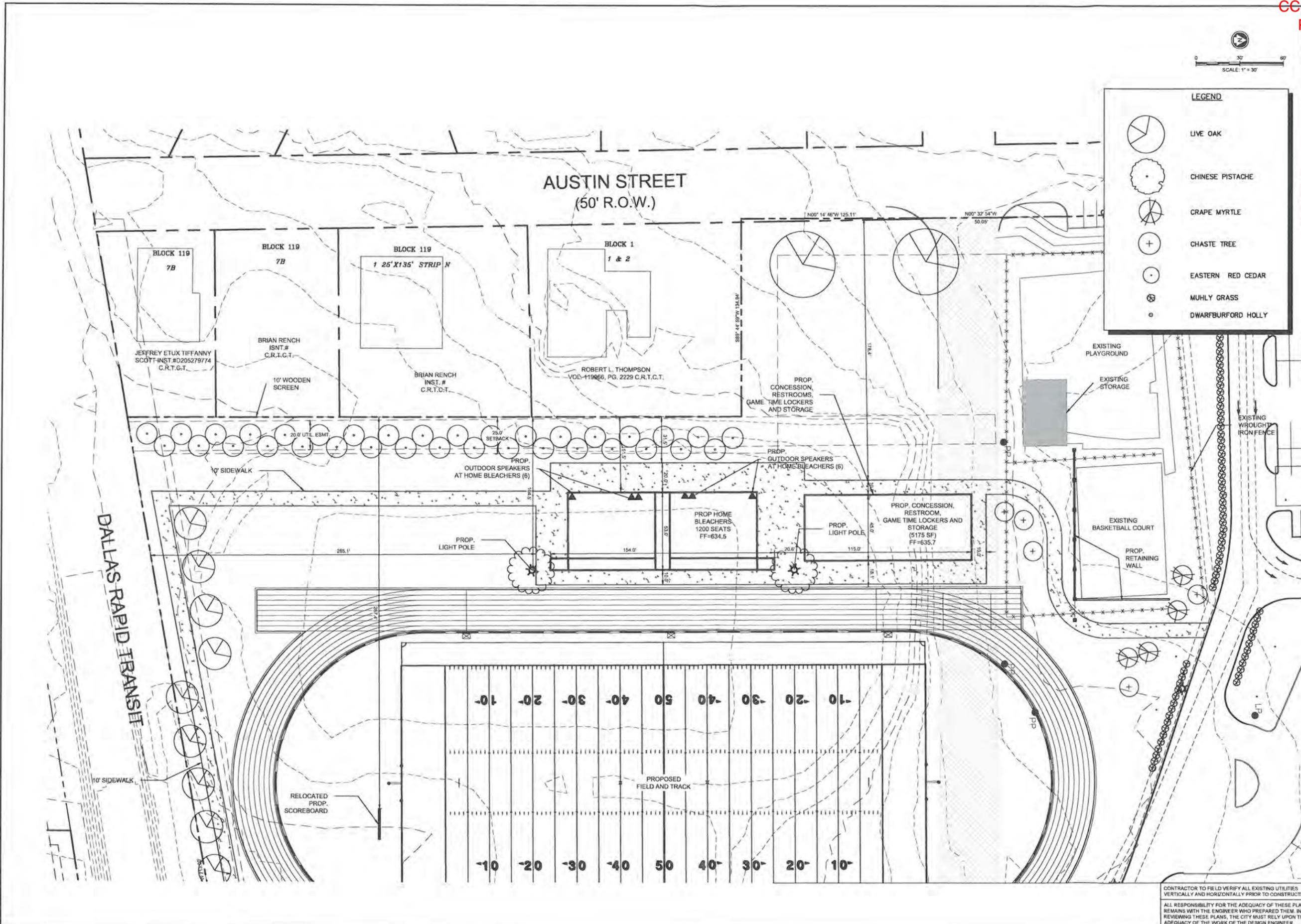
CONDITIONAL USE PERMIT

FAITH CHRISTIAN SCHOOL
730 EAST WORTH STREET
GRAPEVINE, TEXAS 76051
PHONE: 817-251-5365

DESIGNED BY:
DRAWN BY:
EIT / PROJ. MNGR:
PLS PROJECT #:
CITY PROJECT #:

SHEET
4
OF 4

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DRAWN: JAMES COOPER, LAND DESIGN, INC. DATE: 3/20/15 11:27 AM
 LIAISON: JAMES COOPER, LAND DESIGN, INC. DATE: 3/20/15 11:27 AM
 PLOT DATE: 3/20/15 11:27 AM

J:\007\02015\Faith Christian School\CDM\Plan\HomeStand\CDM_Plan\HomeStand_SitePlan.dwg

CASE NAME: FAITH CHRISTIAN SCHOOL
 CASE NUMBER: CU14-34
 LOCATION: 730 EAST WORTH STREET;
 BLOCK 2, LOT 1R, FAITH CHRISTIAN SCHOOL ADDITION

MAYOR _____ SECRETARY _____

DATE: _____

PLANNING AND ZONING COMMISSION

CHAIRMAN _____

DATE: _____

SHEET ____ OF ____

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 ORDINANCES.

DEPARTMENT OF DEVELOPMENT SERVICES

Revision / Date

Project:
 CAMPUS MASTER PLAN
 FOR
 GRAPEVINE FAITH CHRISTIAN SCHOOL
 GRAPEVINE, TEXAS

DRAFT COPY
 ONLY
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 OR CONSTRUCTION.
 Christopher M. Huckabee
 12.15.16

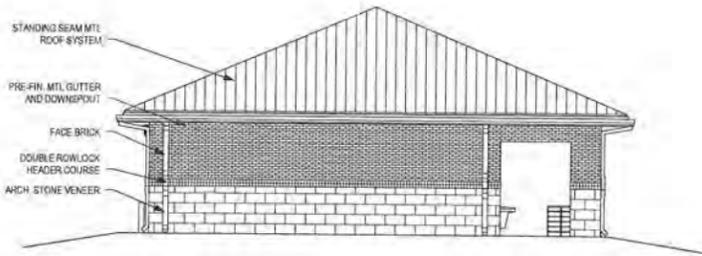


GRAPEVINE FAITH CHRISTIAN
 SCHOOL - MASTER PLAN
 STADIUM ELEVATIONS

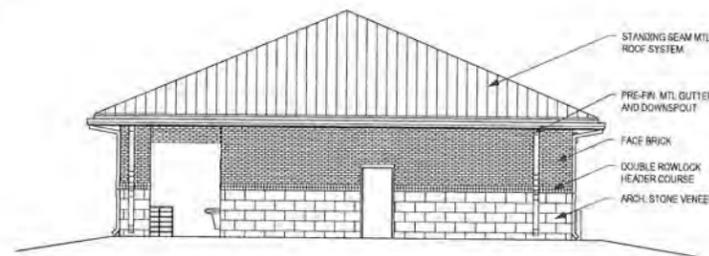
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 Drawn By: E.S.
 Date: MARCH 10, 2015

Sheet No. A1.01

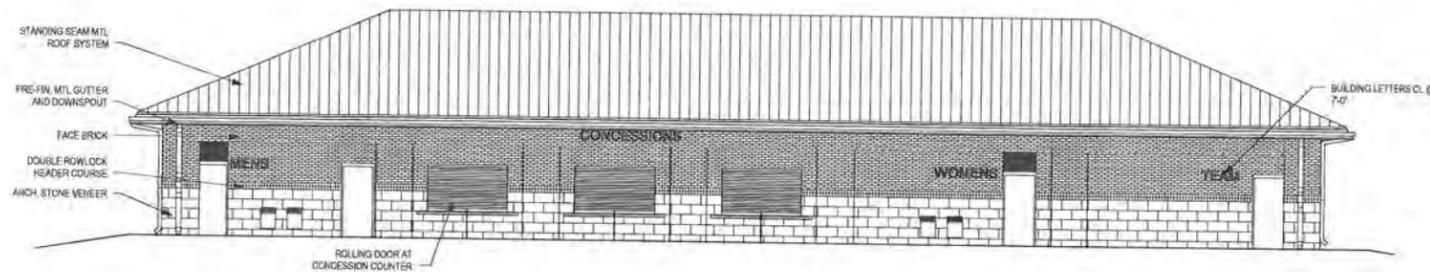
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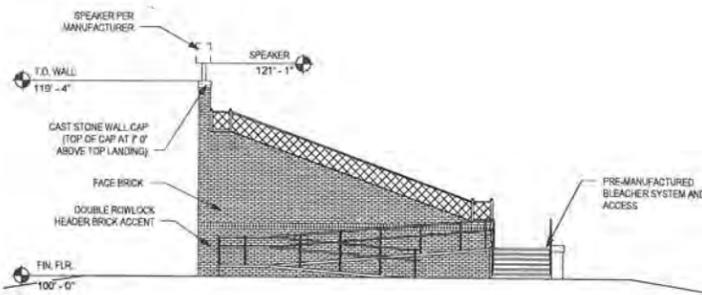
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 A1.01 1/8" = 1'-0"



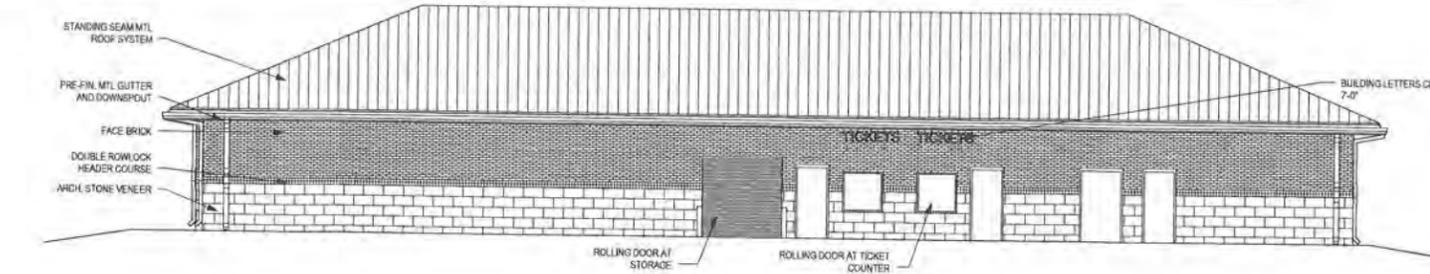
5 ELEVATION - CONCESSIONS NORTH
 A1.01 1/8" = 1'-0"



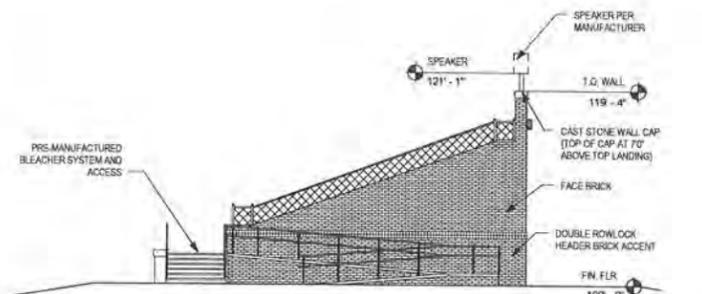
6 ELEVATION - CONCESSIONS EAST
 A1.01 1/8" = 1'-0"



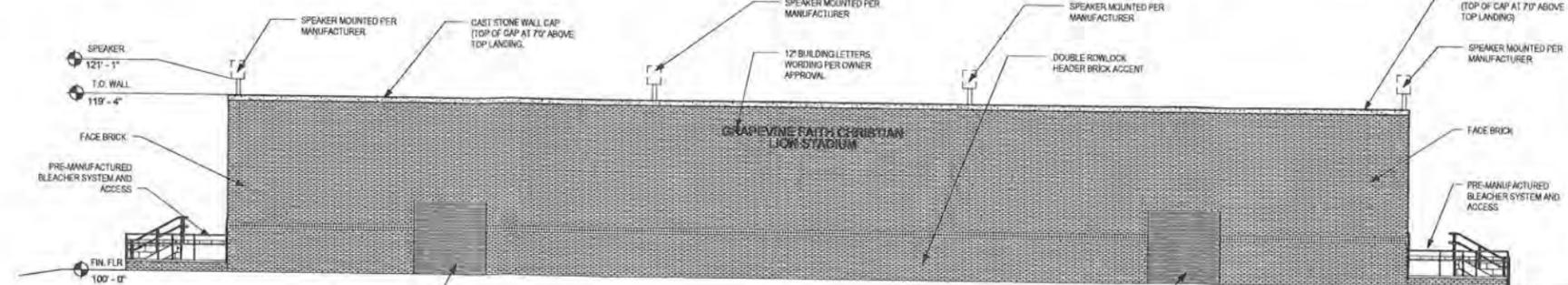
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 A1.01 1/8" = 1'-0"



4 ELEVATION - CONCESSIONS WEST
 A1.01 1/8" = 1'-0"



2 ELEVATION - HOME GRANDSTAND NORTH
 A1.01 1/8" = 1'-0"



1 ELEVATION - HOME GRANDSTAND WEST
 A1.01 1/8" = 1'-0"

CASE NAME: FAITH CHRISTIAN SCHOOL
 CASE NUMBER: CU14-34
 LOCATION: 730 EAST WORTH STREET,
 BLOCK 2, LOT 1R, FAITH CHRISTIAN SCHOOL ADDITION

MAYOR _____ SECRETARY _____

DATE: _____

PLANNING AND ZONING COMMISSION

CHAIRMAN _____

DATE: _____

SHEET: ____ OF ____

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 ORDINANCES.

DEPARTMENT OF DEVELOPMENT SERVICES

Revision / Date

Project:
**CAMPUS MASTER PLAN
 FOR
 GRAPEVINE FAITH CHRISTIAN SCHOOL
 GRAPEVINE, TEXAS**

DRAFT COPY
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NOT FOR REGULATORY
 APPROVAL, PERMITTING,
 OR CONSTRUCTION.

Christopher M. Huckabee
 TX 1116

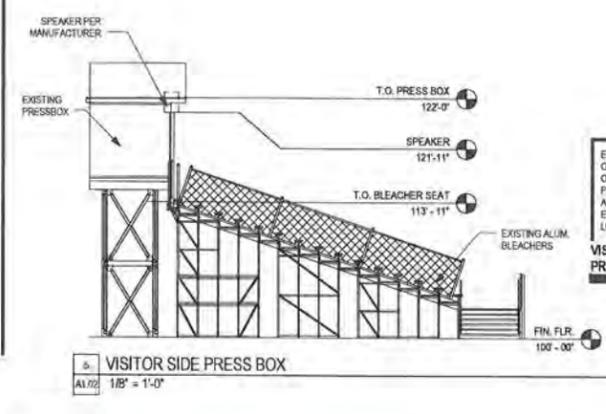
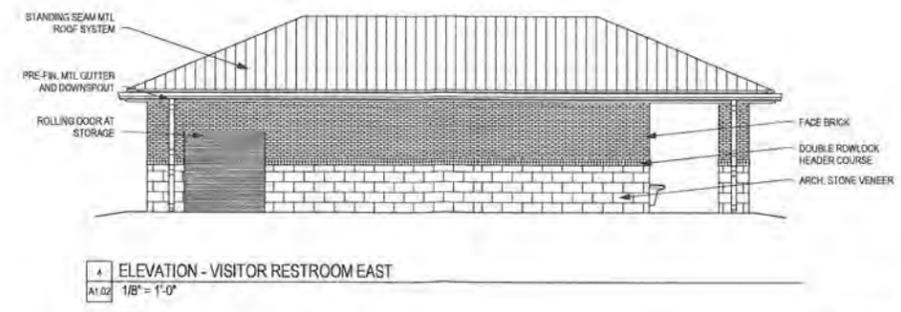
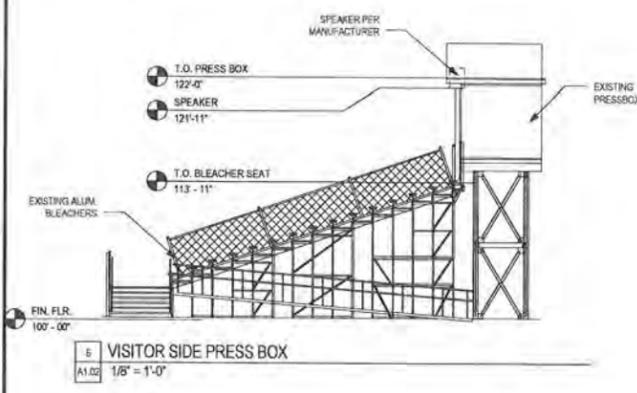
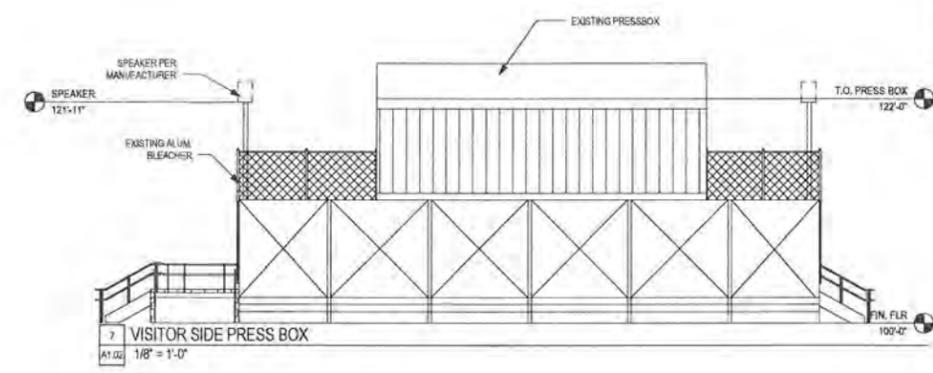
Huckabee

1111 W. 52nd Ave. Suite 1001 • Dallas, TX 75244
 www.huckabee.com
 800.687.1229

GRAPEVINE FAITH CHRISTIAN
 SCHOOL - MASTER PLAN
 STADIUM ELEVATIONS

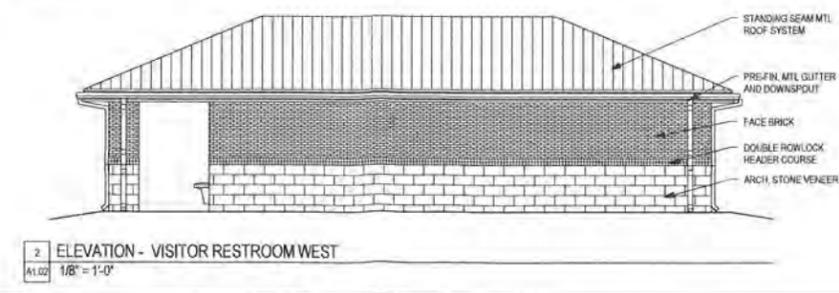
Job No.
 1881-01
 Drawn By:
 BJ
 Date:
 MARCH 10, 2015

Sheet No.
A1.02



ELEVATIONS HAVE BEEN DRAWN BASED ON THE ASSUMED RECONFIGURATION OF THE EXISTING BLEACHERS AND PRESS BOX MEASUREMENTS ARE APPROXIMATE AND BASED ON THE EXISTING BLEACHERS IN THE EXISTING LOCATIONS.

VISITOR BLEACHERS AND PRESS BOX



Revisions	
Date	Description
10-24-14	OWNER REVISIONS
11-21-14	SITEPLAN REVISIONS
01-15-15	PLANTING REVISIONS
03-02-15	CITY COMMENTS
03-09-15	CITY COMMENTS



ELECTRONICALLY SEALED 03/09/15

GRAPEVINE, TX

A Landscape Development Plan For

STADIUM PLAN

Date Completed: 03/02/15
 Designed by: J. DITTA
 Checked by: DMF
 Phase: Preliminary

LANDPATTERNS, INC.
 Landscape Architecture
 Landscape Construction
 1804 W. COMMERCE ST. SUITE 200 DALLAS, TX
 MAIL: P.O. BOX 172650 Arlington, TX 76003-2650
 T: (214) 299-3900 F: (214) 299-7025
 EMAIL: mlandpatterns.com

Sheet
LP-1
 LANDSCAPE PLAN

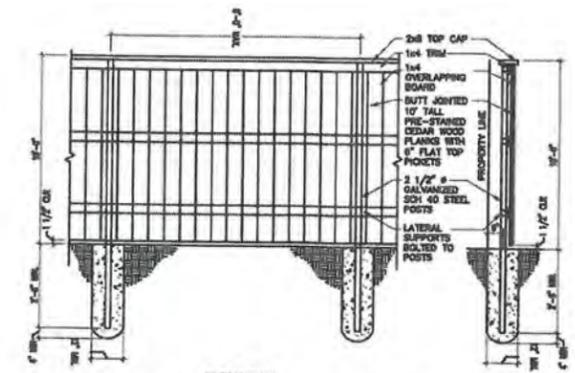
CASE NAME FAITH CHRISTIAN SCHOOL
 CASE NUMBER CU14-34
 LOCATION 730 EAST WORTH STREET
 BLOCK 2 LOT 1R FAITH CHRISTIAN SCHOOL ADDITION

DATE: _____
 MAYOR _____ SECRETARY _____
 PLANNING AND ZONING COMMISSION
 DATE: _____
 CHAIRMAN _____
 SHEET _____ OF _____

APPROVAL DOES NOT AUTHORIZE ANY
 WORK IN CONFLICT WITH ANY CODES OR
 ORDINANCES

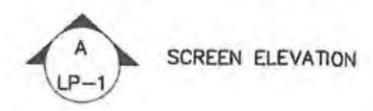
DEPARTMENT OF DEVELOPMENT SERVICES

- LIVE OAK
- CHINESE PISTACHE
- CRAPE MYRTLE
- CHASTE TREE
- EASTERN RED CEDAR
- MUHLY GRASS
- DWARF BURFORD HOLLY
- BIG BLUE LIRIOPE
- DECOMPOSED GRANITE

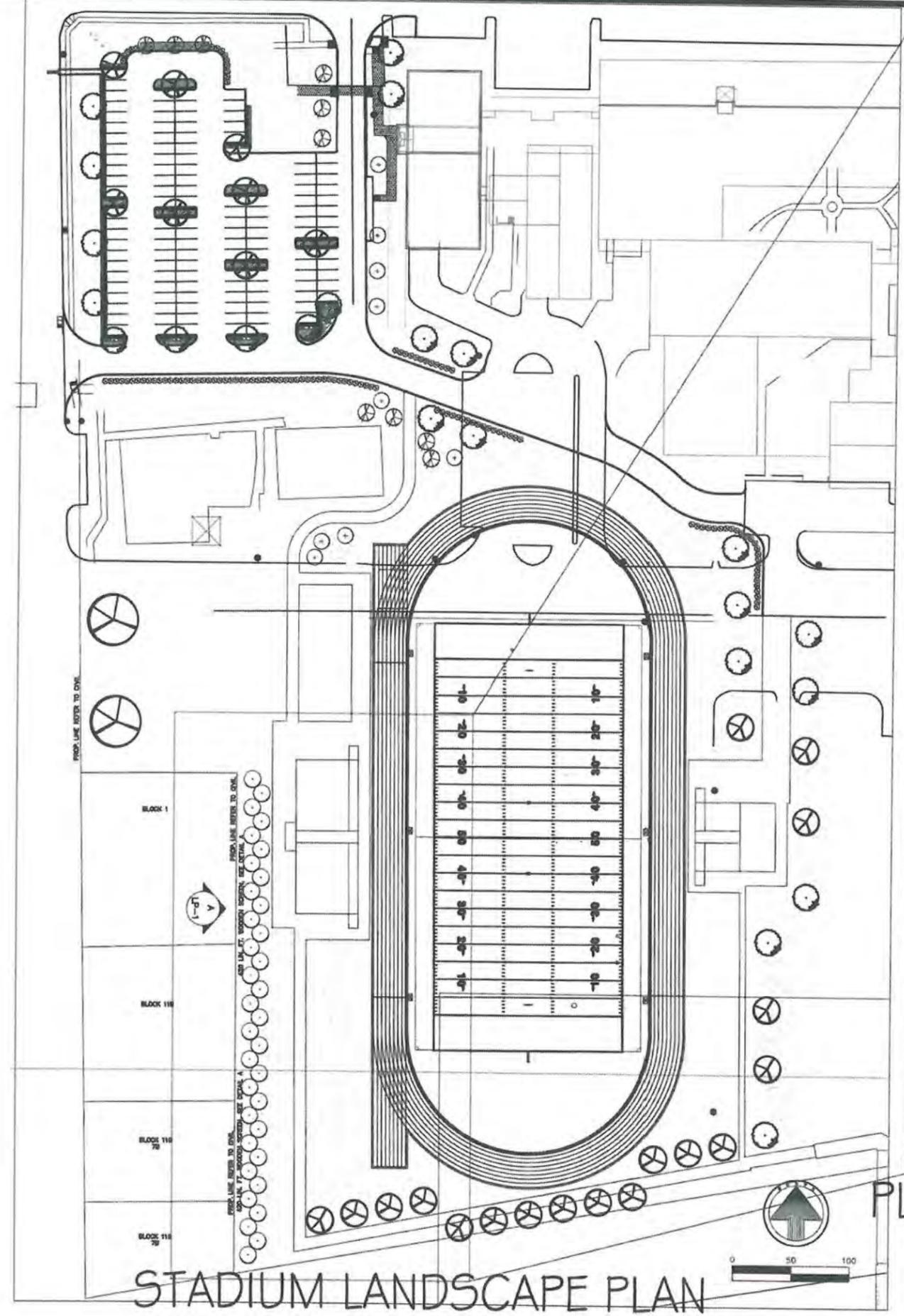
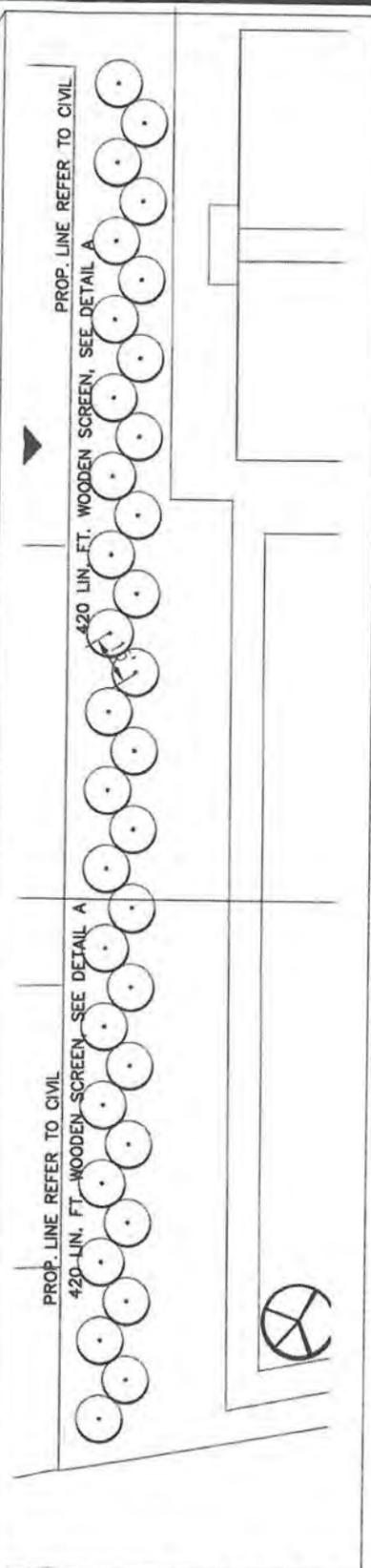


ELEVATION

NOTES:
 1. PROVIDE SHOP DRAWINGS PRIOR TO FABRICATION SHOWING LOCATIONS, CONNECTIONS AND PANEL SPACING.
 2. FIELD VERIFY ALL SITE CONDITIONS PRIOR TO SHOP DRAWING SUBMITTAL.
 3. ALL CONNECTIONS TO BE SCAWED, NOT GALV. WITH NON-CORROSIVE FASTENERS. FASTENER COLOR TO MATCH FENCE STAIN COLOR AS CLOSELY AS POSSIBLE.



PLANTING DETAIL



STADIUM LANDSCAPE PLAN

MEMO TO: PLANNING AND ZONING COMMISSION
FROM: BRUNO RUMBELOW, CITY MANAGER ^{BR}
SCOTT WILLIAMS, DEVELOPMENT SERVICES DIRECTOR 
MEETING DATE: MARCH 17, 2015
SUBJECT: WORKSHOP— COMMUTER RAIL STATION AREA PLANNING

RECOMMENDATION:

Planning and Zoning Commission to discuss strategy for commuter rail station area planning, and take any necessary action.

BACKGROUND INFORMATION:

In 2009, the City of Grapevine purchased the property owned by American Locker Group, located at the northeast corner of South Main Street and East Dallas Road, for the purpose of developing a station and parking for the upcoming TexRail commuter rail service.

In 2011, several workshops and a public input meeting were held regarding design elements that might be incorporated in this facility (meeting notes attached). However, due to delays in the Federal New Starts program, the project was delayed, and there was no more formal discussion regarding the rail station or station area planning.

The project has now been released for engineering design, and rail service is expected to begin in 2018. Council held a workshop on January 20, 2015, and agreed that the Planning and Zoning Commission would work on planning issues for the appropriate area around the station, while Council would focus initially on planning for the station itself.

Staff would like input and direction on the Planning and Zoning Commission's recommendations for the scope of the project, as well as any specific zoning/overlays/design guidelines, etc. We would hope that following this meeting, we would at least have a good idea about the possible boundaries for the station area planning project.

Maps will be provided showing some possible general boundaries you may wish to consider, as well as maps and aerials showing zoning, future land use, and larger scale views of specific sites.

Main Street Commuter Rail Depot Discussions City Council Workshop

May 16, 2011

These Notes are based upon memoranda from Tim Baldwin, AICP, Steer, Davies, Gleave and from Tony Sosebee, PE, Huitt Zollars, Inc.

Introduction

This memorandum summarizes the discussions during the initial downtown station design workshop with City Council on Monday, May 16, 2011. The discussions followed after reviewing a PowerPoint presentation by Tim Baldwin, AICP, with the firm of Steer, Davies, Gleaver in which he discussed key elements of station design and examples from other cities.

Summary of Comments

Building Scale and Integration

The station building should be proportional to the surrounding area, probably no more than two stories in height.

Building Design Themes

The building should include elements of the City's farming/agricultural heritage, including cast stone elements, similar to other buildings downtown.

The station should retain the historic flavor of downtown with heritage architecture.

Building Design Details

The station building should reflect the traditional Grapevine style of red brick, and possibly include columns in its design.

The canopy design for the Little Rock River Cities Transit Center is one that could fit in Grapevine.

A police substation would fit in well in a facility of this type and could serve the community well at this location.

The central park or plaza fronting on Main Street is especially important, primarily to provide good sight-lines for the Vintage Railroad depot on Main.

The central plaza could also be a community facility, possibly including elements such as a performance stage.

The station could include some type of food or restaurant facility (one suggestion: a snow cone stand). PZ WS ITEM # 1

The facility should include bicycle facilities (including good integration with nearby bicycle paths).

Public storage lockers were suggested to allow visitors to stow luggage after arriving on the train.

A clock tower (common at many other facilities around the country) may not be needed or advisable given the tower at the Convention and Visitors Bureau building.

Residential development in the station building is not desired. However, commercial/office development in the building would seem to be a good fit.

The facility could have a retail component of some type.

The station could include a museum of some type to promote local tourism and heritage.

Other Issues

Learn from the design of other depots and stations in other cities and survey books, photos, and the Internet to accumulate example designs. (Skagway, AK Station)

Before focusing on the details of the design, decide on the overall vision for the facility – with the major question being, should this facility be a 'destination' in addition to a transit facility?

The facility should add to the City's overall parking supply, providing parking for special events. A structured parking facility may ultimately be advisable (with one suggestion being an underground parking facility).

Any parking facility at the station should be designed with historic architecture themes to blend into the local community.

There should be a pro-active outreach program to the local citizens to get their input into the station design, such as a design workshop or charrette.

The City's 4(B) Economic Development Board members should be consulted about potential elements to include in the station's design.

Council saw the need for land planning for a Zoning District or overlay on / around the station site, but this needs to be discussed in a later meeting and that the public needs to be involved in that process.

Transit Oriented Development (TOD) discussion:

- Establish streets as places. They have to be human scale with landscaping, walks, patios, lighting, etc. so that they have "life".
- Manage parking on the station site and around the area, especially along streets.
- An analysis should be considered for Market Potential of surrounding land. There are many under-utilized tracts which developers will buy up and develop as the rail station becomes more of a reality. Having a unified plan in place to guide such development patterns is an important issue for consideration.
- Earlier analysis by URS provided a rough Framework Plan

500 additional DU (townhomes, condos, multi-family)
New retail
Infill uses (mixture)
Maximum sensitivity to external users.

- Develop a TOD Overlay or district with a regulatory framework and the adoption of form based codes and design standards. An example has been provided in the TOD guidebook
- Consider land banking for vacant and/or underdeveloped parcels.

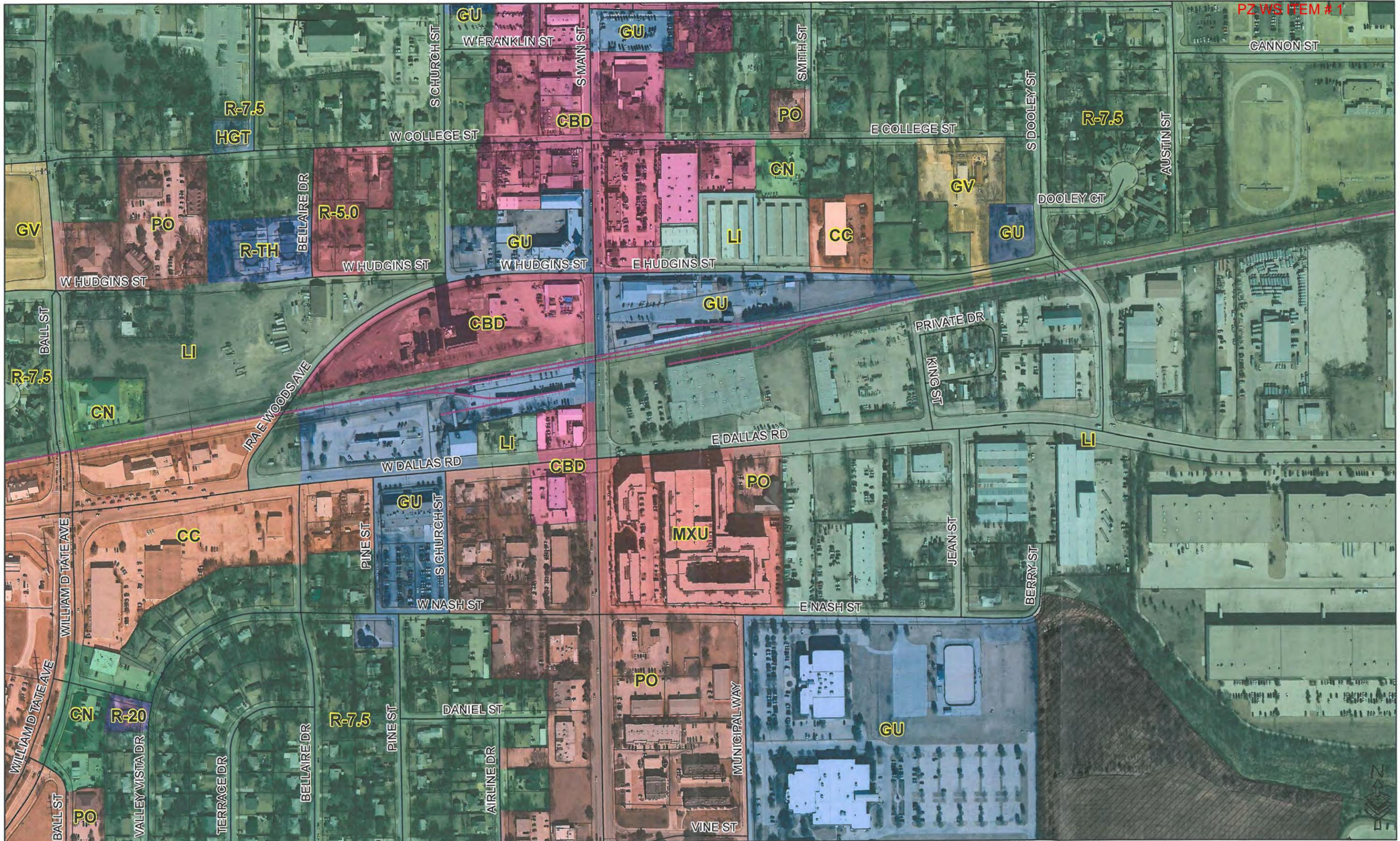
Next Steps

At the conclusion of the meeting, staff noted two specific actions to take as 'next steps':

Holding a public design workshop to solicit local citizens' views on the design of the station and its amenities; and

Holding a follow-up workshop with Council to explore transit-oriented development / station area planning ideas and issues for the area surrounding the station.

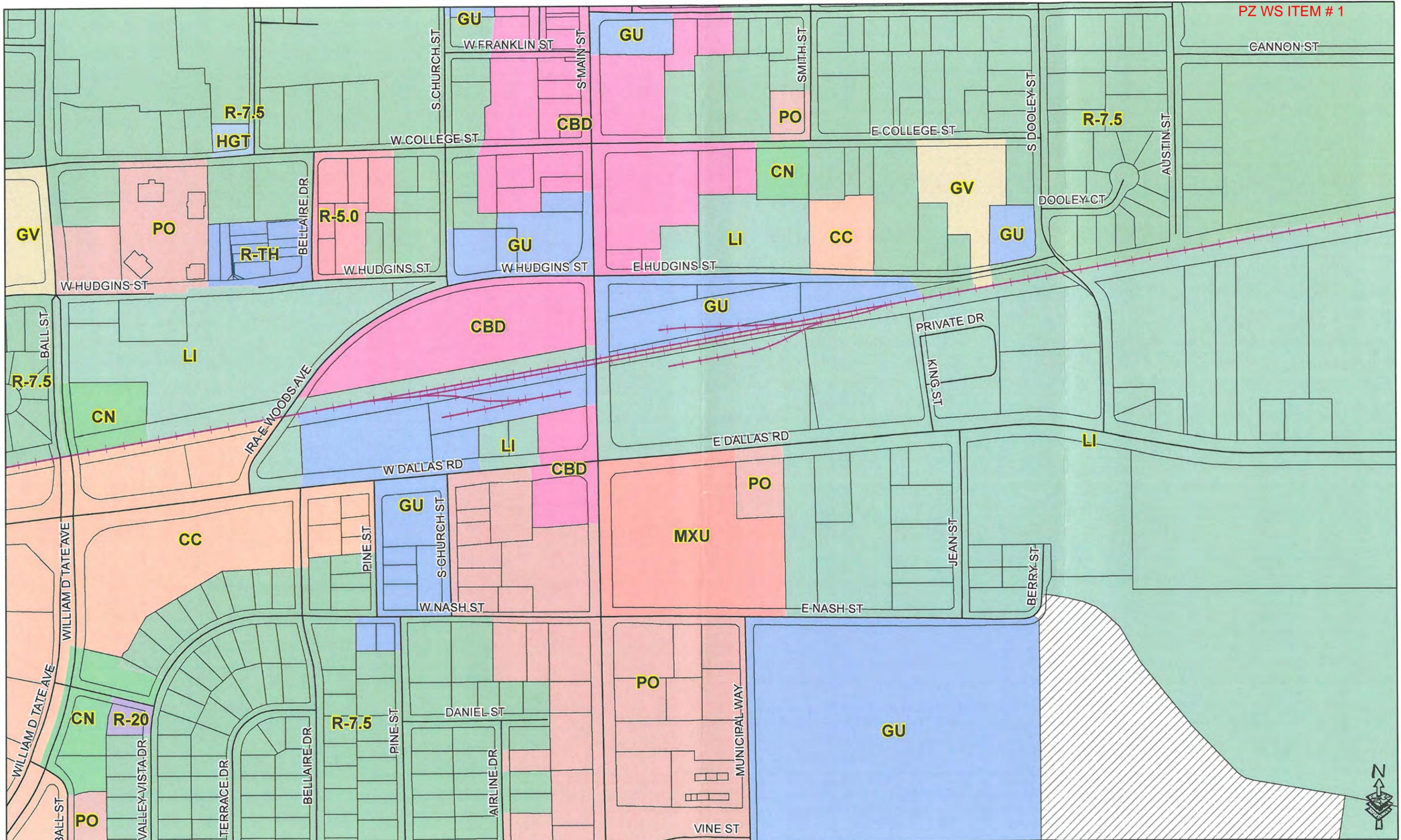
Rail Corridor Study - Zoning



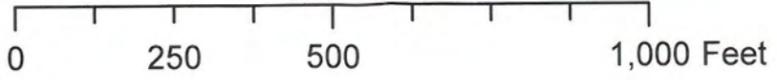
PZ WS ITEM # 1

0 250 500 1,000 Feet

Rail Corridor Study - Zoning



PZ WS ITEM # 1



STATE OF TEXAS
COUNTY OF TARRANT
CITY OF GRAPEVINE

The Planning and Zoning Commission of the City of Grapevine, Texas met in Regular Session on this the 17th day of February 2015 in the Planning and Zoning Conference Room, 200 South Main Street, 2nd Floor, Grapevine, Texas with the following members present-to-wit:

Larry Oliver	Chairman
Herb Fry	Vice Chairman
B J Wilson	Member
Monica Hotelling	Member
Jimmy Fechter	Member
Beth Tiggelaar	Member
Gary Martin	Member
Dennis Luers	Alternate
Theresa Mason	Alternate

constituting a quorum and the following City Staff:

Ron Stombaugh	Development Services Asst. Director
Albert Triplett, Jr.	Planner II
Susan Batte	Planning Technician

CALL TO ORDER

Chairman Oliver called the meeting to order at 6:03 p.m.

BRIEFING SESSION

ITEM 1.

Chairman Oliver announced the Planning and Zoning Commission would conduct a work session relative to the following cases:

CU14-45/PD14-03	THE GATEHOUSE IN GRAPEVINE
HL14-07	705 EAST TEXAS STREET
HL14-08	622 ESTILL STREET

JOINT CITY COUNCIL AND PLANNING & ZONING COMMISSION WORKSHOP

Mayor Tate called the meeting to order at 6:33 p.m. in the City Council Chambers. Item 2 of the Joint City Council and Planning & Zoning Commission Workshop was held the City Council Chambers.

JOINT PUBLIC HEARINGS

Mayor Tate called the meeting to order at 7:40 p.m. in the City Council Chambers. Items 3-5 of the Joint Public Hearings were held in the City Council Chambers. The Planning and Zoning Commission recessed to the Planning and Zoning Conference Room, Second Floor to consider published agenda items.

PLANNING AND ZONING COMMISSION REGULAR SESSION

CALL TO ORDER

Chairman Oliver called the Planning and Zoning Commission regular session to order at 9:55 p.m.

NEW BUSINESS

ITEM 6. CONDITIONAL USE APPLICATION CU15-01 BINGHAM FAMILY CELLARS

First for the Commission to consider and make recommendation to City Council was conditional use application CU15-01 submitted by Bingham Family Cellars for property located at 620 South Main Street and proposed to be platted as Lot 1, Block 1, Grapevine Museum District. The applicant was requesting a conditional use permit to allow the possession, storage, retail sale and on- and off-premise consumption of alcoholic beverages (wine only) in conjunction with a winery and wine tasting room.

The applicant intends is to utilize approximately 928 square feet of existing retail space to establish a winery and wine tasting room, which is located in the northeast corner of the first floor of the current home of the City's Convention and Visitors Bureau. Hours of operation are proposed as follows:

- Sunday through Thursday: 11:00 a.m. to 6:00 p.m.
- Friday and Saturday: 11:00 a.m. to 9:00 p.m.

No kitchen was proposed but the applicant proposed offering pre-packaged chocolate and cheese to complement the wine. No outside activities/uses were proposed.

In the Commission's regular session, Monica Hotelling moved to approve conditional use application CU15-01. B J Wilson seconded the motion, which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Fechter, Martin and Tiggelaar
Nays: None

ITEM 7. CONDITIONAL USE APPLICATION CU15-03 SLOAN AND WILLIAMS WINE TASTING ROOM

Next for the Commission to consider and make recommendation to City Council was conditional use application CU15-03 submitted by Sloan and Williams Winery for property located at 401 South Main Street and platted as Lots 9 & 10, Block 18, City of Grapevine. The applicant was requesting a conditional use permit to allow the possession, storage, retail sales and on- and off-premise consumption of alcoholic beverages (wine only) in conjunction with a wine tasting room and winery.

The applicant intends to occupy the first floor of the Masonic Temple located at the southeast corner of South Main Street and East Worth Street. Comprising a total of 4,224 square feet this proposed winery and wine tasting room will provide a tasting bar, lounge area, retail sales, art gallery, on-site facilities for private rental and special events, wine education and wine making. All food prepared on site will be primarily tapas/appetizers.

Hours of operation will be as follows:

- Monday through Thursday from 11:00 a.m. to 9:00 p.m.
- Friday and Saturday from 11:00 a.m. to Midnight (12:00 a.m.)
- Sunday 11:00 a.m. to 9:00 p.m.

In the Commission's regular session, B J Wilson moved to approve conditional use application CU15-03. Jimmy Fechter seconded the motion, which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Fechter, Martin and Tiggelaar
Nays: None

ITEMS 8 & 9. CONDITIONAL USE APPLICATION CU15-04 AND PLANNED DEVELOPMENT OVERLAY APPLICATION PD15-01 FAITH CHRISTIAN SCHOOL

Next for the Commission to consider and make recommendation to City Council was conditional use application CU15-04 submitted by Faith Christian School for property located at 730 East Worth Street and proposed to be platted as Lot 1R, Block 2, Faith Christian School. The applicant was requesting a conditional use permit to amend the previously approved site plan of CU14-34 (Ord. 2014-51) for a non-profit educational institution, specifically to allow the field house to remain and to allow for sports field light standards and outdoor speakers. The applicant is also requesting a planned development overlay application PD15-01 to include but not be limited to deviation from the height requirement for sports field light standards.

With this request the applicant intended to add light standards and speakers to the new football field/track. Specifically four light standards were proposed, 63 feet in height, measured to the mid-point of the bulb array located at the highest position on the

standard, with two standards located on the east and west side of the field.

Nine outdoor speakers in total were also proposed. The home bleachers would have six speakers placed behind the top bleacher and elevated approximately eight feet above the top bleacher and downward focused. The visitor bleachers will have three speakers placed behind the top bleacher and also elevated eight feet above the top bleacher and downward focused.

In an effort to address concerns of safety and security and to minimize the intrusion of light and sound on the single family properties adjacent to the football/track field along Austin Street, the applicant intended to erect an eight foot in height wooden screening fence along with installation of significant landscaped screening (26 Chinese Pistache, 36 Live Oak, and 28 Leyland Cyprus, all ten feet in height at the time of planting) to reduce lighting levels at the property line and to reduce sound intrusion. Specifically, lighting levels at the property line will be 0.1 footcandle.

In the Commission's regular session, discussion was held regarding the facility use, using the bleachers to block the sound from the speakers, additional screening using canopy trees and shielding the lighting. Herb Fry moved to table conditional use application CU15-04 and planned development overlay application PD15-01 to the March 17, 2015 meeting for the applicant to work with staff regarding facility use, sound, lighting and screening. Monica Hotelling seconded the motion, which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Fechter, Martin and Tiggelaar
Nays: None

ITEM 10. FINAL PLAT – LOT 2, BLOCK 1, J POWERS

Next for the Commission to consider and make recommendation to the City Council was the Statement of Findings and Final Plat Application of Lot 2, Block 1, J Powers on property located at 908 West Sunset Street. The applicant was final platting 0.2554 acres for a residential lot.

In the Commission's regular session B J Wilson moved to approve the Statement of Findings and Final Plat Application of Lot 2, Block 1, J Powers. Monica Hotelling seconded the motion, which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Fechter, Martin and Tiggelaar
Nays: None

ITEM 11. CONSIDERATION OF MINUTES

Next for the Commission to consider were the minutes of the January 20, 2015, Planning and Zoning Meeting.

PLANNING & ZONING COMMISSION
FEBRUARY 17, 2015

B J Wilson moved to approve the Planning and Zoning Commission minutes of January 20, 2015 Planning and Zoning Meeting. Monica Hotelling seconded the motion, which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Fechter, Martin and Tiggelaar
Nays: None

ADJOURNMENT

With no further business to discuss, Jimmy Fechter moved to adjourn the meeting at 10:18 p.m. Monica Hotelling seconded the motion which prevailed by the following vote:

Ayes: Oliver, Fry, Wilson, Hotelling, Martin, Tiggelaar and Mason
Nays: None

PASSED AND APPROVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF GRAPEVINE, TEXAS ON THIS THE 17TH DAY OF MARCH 2015.

APPROVED:

CHAIRMAN

ATTEST:

PLANNING TECHNICIAN