

City of Corsicana, Texas



*Comprehensive Annual Financial Report
for the Fiscal Year Ended
September 30, 2014*

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

Issued By

Connie Standridge, City Manager
Virginia (Ginger) Richardson, CPA, CGFO, Director of Finance

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

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Introductory Section

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March 27, 2015

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

State and Federal regulations require that local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This Comprehensive Annual Financial Report (CAFR) for the City of Corsicana (City) is published to fulfill those requirements for the fiscal year ended September 30, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this 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.

Rutledge Crain & Company, PC, Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Corsicana’s financial statements for the year ended September 30, 2014. The independent auditor’s report is located at the front of the financial section of this report.

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

Profile of the City of Corsicana

The City of Corsicana, incorporated in 1848, is located in north central Texas, 50 miles southeast of Dallas. It currently occupies 23.28 square miles and serves an estimated population of 23,850. The City of Corsicana is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Corsicana is a Home Rule City that has operated under the City Manager/City Council form of government since the Charter was adopted 1917. The Charter was last amended by election in 2007. Policy-making and legislative authority are vested in the City Council (Council) consisting of the Mayor, who is elected at –large, and four other members, all of whom are elected by Precinct. Council members serve two-year terms, with two members

elected every year. The Mayor is also elected for a two-year term. The Council appoints the City of Corsicana's manager, who in turn appoints its department heads.

The City of Corsicana provides a full range of services, including public safety (police and fire protection); water and wastewater services; sanitation services; emergency medical services, planning and zoning; inspection services; licenses and permits; the construction and maintenance of streets and other infrastructure; municipal court services; library services; and recreational and cultural activities.

The Council is required to adopt an initial budget for the fiscal year during September of each year for the new budget year, beginning on October 1. This annual budget serves as the foundation for the City of Corsicana's financial planning and control. The budget is prepared by fund and department. The City Manager is authorized by ordinance to make intra-departmental and inter-departmental fund transfers within a fund as becomes necessary in order to avoid over-expenditure of a particular account or department.

Local economy

The City of Corsicana is close enough to the Dallas-Fort Worth Metroplex to take advantage of its extensive resources, while being just far enough away to also enjoy lower business operating and living costs. Corsicana is a community where you can grow a business, pursue a meaningful career, and raise a family all at the same time. Corsicana is home to a world renowned bakery, known best for its fruitcake. Corsicana is also the birthplace of the Texas oil industry and a world famous chili company. Corsicana is home to over 60 industries, including information technology, manufacturers, processors, and distribution centers. Our industrial partners include a Global Top 60 Company and several Fortune 500 Companies call Corsicana their home. These manufacturing facilities produce and distribute glass, consumer and food service packaging, bedding and furniture, roofing products, plastics, rubber, chemicals, iron castings, pecans, candies, baked goods and other foods. Also located within the government's boundaries or in close proximity include a college, a hospital and cancer treatment center, numerous retail stores and restaurants, and several financial institutions and insurance companies. The college, school district, and City of Corsicana also have a significant economic presence, employing in total more than 1,600 teachers, professionals, and support staff.

Prior to the recession in 2008, unemployment had been relatively stable in Corsicana. During the past ten years, the unemployment rate rose from 5.9 percent (2005) to a decade high of 8.5 percent (2011). The current unemployment rate of 5.3 percent (2014) is consistent with the overall improvement to local, state and national economy. Based on economic forecasts, this improvement in the local unemployment rate is anticipated to continue in calendar year 2015.

Due to its strong and healthy local economy, the City of Corsicana has a tax bond credit rating of A1 from Moody's Investor Service and A+ from Standard & Poor's. Revenue bond ratings for the City are A2 from Moody's Investor Service and A from Standard & Poor's.

The City of Corsicana is experiencing a period of significant economic growth and investment. Phase 1 of a new water and adventure park is expected to be completed and open for business in the spring of 2016. This economic development project will be facilitated, in part, by a Texas Capital Fund grant. New development and re-development throughout the downtown and surrounding areas, has allowed Corsicana to become a hub for the dining, entertainment, and medical needs of the north central Texas region. This development, combined with the presence of retail and service industries, the presence of recreational, educational and health facilities has even further strengthened the City of Corsicana's already strong economic base. Thanks to the diversity of its commercial base, the City of Corsicana expects a full recovery in all sectors of its local economy as the national economy improves.

Long-term financial planning and major initiatives

By charter, the City of Corsicana maintains a Capital Improvement Plan which serves to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. This plan is prepared and budgeted in conjunction with the operating budget, and gives the City of Corsicana the ability to plan for its capital needs and allocate short- and long-term resources appropriately. As part of this process, the government identifies and quantifies the operational costs associated with its capital projects and budgets resources accordingly. Major capital improvements will normally be funded through the issuance of long-term debt, as opposed to being funded via appropriations in the operating budget.

Relevant financial policies

The City of Corsicana has adopted a comprehensive financial policy, which was revised during fiscal year 2013 and reviewed during fiscal year 2014. One of these policies remains particularly relevant. Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 32.4 percent of total general fund operating budget for fiscal year 2014 and was an increase over the same percentage from fiscal year 2013, which was 27.6 percent. This amount was above the minimum fund balance policy guideline set by the Council for budgetary and planning purposes (i.e., 25 percent of general fund operating budget). This is particularly impressive, because in 2003 the City began aggressively pursuing this goal, after the general fund's fund balance had reached an all-time low of just over \$50,000.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corsicana for its comprehensive annual financial report for the fiscal year ended September 30, 2013. This was the first year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently

organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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 skill, effort, and dedication of the entire staff of the Finance and Administration departments. We wish to thank all City departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Corsicana's finances. In addition, cover photo credits go to local photographer, Kevin Painter.

Respectfully submitted,



Connie Standridge
City Manager



Virginia (Ginger) Richardson, CPA, CGFO
Director of Finance

City of Corsicana
Principal City Officials

March 27, 2015

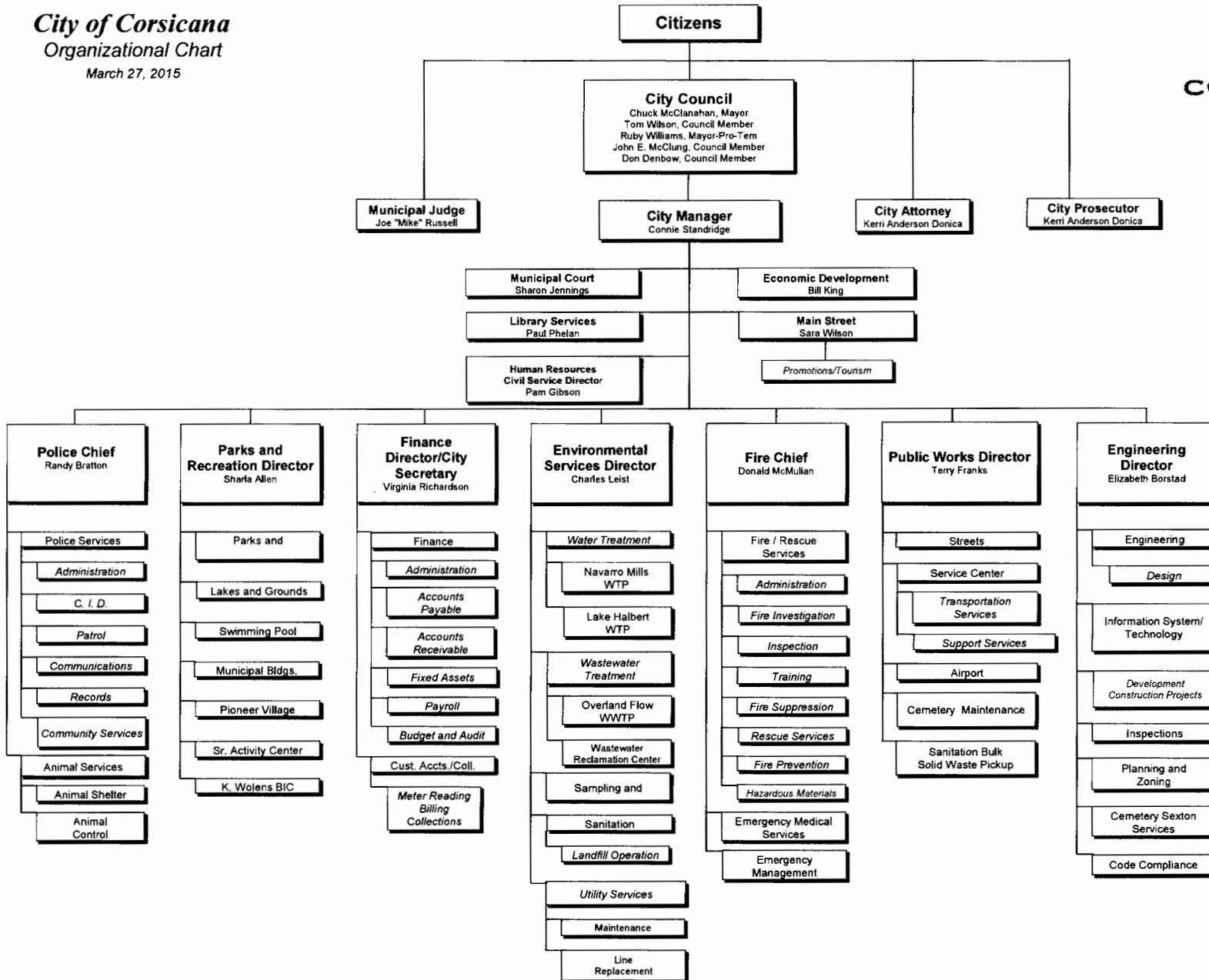
Elected Officials

Mayor <i>*term expires May 2015</i>	Chuck McClanahan
Council Member, Precinct 1 <i>*term expires May 2016</i>	Tom Wilson
Mayor Pro Tem, Precinct 2 <i>*term expires May 2016</i>	Ruby Williams
Council Member, Precinct 3 <i>*term expires May 2015</i>	John E. McClung
Council Member, Precinct 4 <i>*term expires May 2015</i>	Don Denbow
City Attorney <i>*term expires May 2015</i>	Kerri Anderson Donica
Municipal Court Judge <i>*term expires May 2015</i>	Joe "Mike" Russell

City Staff

City Manager	Connie Standridge
Director of Finance/City Secretary	Virginia (Ginger) Richardson
Economic Development Director	Bill King
Police Chief	Randy Bratton
Fire Chief	Donald McMullan
Public Works Director	Terry Franks
Director of Environmental Services	Charles Leist
Engineering Director	Elizabeth Borstad
Parks and Recreation Director	Sharla Allen
Library Director	Paul Phelan
Human Resources Director	Pam Gibson
Main Street Manager	Sara Elizabeth Wilson

City of Corsicana
 Organizational Chart
 March 27, 2015





Government Finance Officers Association

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

Presented to

**City of Corsicana
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

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Financial Section

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corsicana, Texas 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, each major fund, and the aggregate remaining fund information of the City of Corsicana, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5–11 and 53 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 Corsicana, 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 combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2015, on our consideration of the City of Corsicana, 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 the City of Corsicana, Texas' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Rutledge Owen & Company, PC". The signature is written in black ink and is positioned above the date.

March 27, 2015

Management's Discussion and Analysis

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CITY OF CORSICANA, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Corsicana, 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 \$77,608,014 (net position). Of this amount, \$5,979,752 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$3,508,000.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,815,550. Over 61% of this total amount, \$6,001,512 is unassigned and available for use within the City's designation and policies.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,486,647 or 39% of the total current year general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements 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 between the three 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 most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will 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 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, judicial, public safety, community support services, public works, cultural and recreational and building and vehicle maintenance. The business-type activities of the City include utility operations, sanitation and emergency medical services.

The government-wide financial statements can be found on pages 15-16 of this report.

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

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 fund 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 City maintains forty-three 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 Fund which is considered to be a major fund. Data from the other forty-two funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-21 of this report.

Proprietary Funds. The City maintains one type of proprietary fund, the Enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses three enterprise funds to account for its utility operations, sanitation and emergency medical services.

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 utility operations, sanitation and emergency medical services, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 19-21 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-49 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents combining statements and schedules referred to earlier in connection with non-major governmental funds. Combining and individual statements and schedules can be found on pages 60-77 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities by \$77,608,014 as of September 30, 2014.

A large portion of the City's net position (85%) reflects its investments in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	CITY OF CORSICANA'S NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 13,066,162	\$ 13,902,385	\$ 8,942,923	\$ 10,083,697	\$ 22,009,085	\$ 23,986,082
Capital assets	58,988,520	56,192,521	60,397,500	60,336,935	119,386,020	116,529,456
Total assets	72,054,682	70,094,906	69,340,423	70,420,632	141,395,105	140,515,538
Deferred outflows of resources	18,573	21,690	247,501	672,090	266,074	693,780
Long term liabilities	21,107,852	21,826,257	38,335,388	41,854,446	59,443,240	63,680,703
Other liabilities	2,015,843	1,451,759	2,594,082	1,976,277	4,609,925	3,428,036
Total liabilities	23,123,695	23,278,016	40,929,470	43,830,723	64,053,165	67,108,739
Net position:						
Net investment in capital assets	41,570,801	40,990,194	24,274,258	23,022,166	65,845,059	64,012,360
Restricted	4,123,119	6,187,752	1,660,084	1,646,643	5,783,203	7,834,395
Unrestricted	3,255,640	(339,366)	2,724,112	2,593,190	5,979,752	2,253,824
Total net position	\$ 48,949,560	\$ 46,838,580	\$ 28,658,454	\$ 27,261,999	\$ 77,608,014	\$ 74,100,579

Certain reclassifications have been made to the prior year data to conform with the current year presentation.

An additional portion of the City's net position (7.7%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position \$5,979,752 may be used to meet the government's ongoing obligation to citizens and creditors.

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

Analysis of the City's Operations. The following table provides a summary of the City's operations for the year ended September 30, 2014. Governmental activities increased the City's net position by \$2,110,980. Business-type activities increased the City's net position by \$1,396,456.

CITY OF CORSICANA'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 1,437,481	\$ 1,496,774	\$ 22,980,682	\$ 20,124,867	\$ 24,418,163	\$ 21,621,641
Operating grants and contributions	1,953,146	1,770,791	-	11,083	1,953,146	1,781,874
Capital grants and contributions	317,777	749,503	131,146	35,531	448,923	785,034
General revenues:						
Property tax	7,463,669	8,173,945	-	-	7,463,669	8,173,945
Sales tax	6,019,571	5,789,582	-	-	6,019,571	5,789,582
Franchise tax	2,021,723	1,971,939	-	-	2,021,723	1,971,939
Hotel occupancy tax	455,671	399,656	-	-	455,671	399,656
Alcoholic beverage tax	43,850	33,885	-	-	43,850	33,885
Investment earnings	12,655	18,019	3,868	12,336	16,523	30,355
Gain (loss) on sale of capital assets	41,436	(113,028)	50,761	-	92,197	(113,028)
Miscellaneous	123,535	229,050	87,570	6,073	211,105	235,123
Total revenues	19,890,514	20,520,116	23,254,027	20,189,890	43,144,541	40,710,006
Expenses:						
General government	4,292,718	3,428,726	-	-	4,292,718	3,428,726
Judicial	415,245	439,868	-	-	415,245	439,868
Public safety	8,108,969	8,137,238	-	-	8,108,969	8,137,238
Community support services	534,337	1,679,358	-	-	534,337	1,679,358
Public works	3,037,206	3,201,281	-	-	3,037,206	3,201,281
Cultural and recreational	2,039,772	1,953,716	-	-	2,039,772	1,953,716
Building and vehicle maintenance	608,363	574,845	-	-	608,363	574,845
Interest on long-term debt	673,765	776,903	-	-	673,765	776,903
Utility operations	-	-	11,503,228	10,949,139	11,503,228	10,949,139
Sanitation	-	-	2,637,125	2,610,537	2,637,125	2,610,537
Emergency medical services	-	-	5,786,377	2,335,385	5,786,377	2,335,385
Total expenses	19,710,375	20,191,935	19,926,730	15,895,061	39,637,105	36,086,996
Change in net position before transfers	180,139	328,181	3,327,297	4,294,829	3,507,436	4,623,010
Transfers	1,930,841	1,260,277	(1,930,841)	(1,260,277)	-	-
Change in net position	2,110,980	1,588,458	1,396,456	3,034,552	3,507,436	4,623,010
Net position - beginning, as restated	46,838,580	45,250,122	27,261,998	24,227,447	74,100,578	69,477,568
Net position - ending	\$ 48,949,560	\$ 46,838,580	\$ 28,658,454	\$ 27,261,998	\$ 77,608,014	\$ 74,100,578

Certain reclassifications have been made to the prior year data to conform with the current year presentation.

- Property taxes decreased by \$710,276 (8.69%) during the year. The majority of this decrease is due to a decline in taxable value of several entities and the relocation of two companies to other cities.
- Sales taxes increased \$229,989 (3.97%) over the prior year, resulting from the continuance of an upswing in the economy.
- Decreases in expenses primarily resulted from Home Program grant expenditures, which provided affordable housing to low income families, during the prior year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,815,550. Within this total \$99,092 is in nonspendable form and \$3,714,946 is restricted by specific legal requirements. \$206,222 has been assigned by the City for use on specific projects and activities. The remaining \$6,001,512 is unassigned fund balance and can be used for any lawful purpose.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6,486,647, while total fund balance reached \$6,625,571. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total current year fund expenditures. Unassigned fund balance represents 38.82% of total general fund expenditures (including transfers out), while total fund balance represents 39.65% of that same amount.

In the General fund, fund balance increased \$699,742 during the current fiscal year. Actual revenues were slightly higher than budgeted, with Sales Taxes continuing to rise. Expenditures were well under budget due to personnel vacancies and concern about anticipated decreases in property tax values.

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

Unrestricted net position (deficit) of the Utility Operations, Sanitation and Emergency Medical Services funds at the end of the year amounted to \$4,352,538, \$(1,470,736) and \$(152,810), respectively. Net position increased (decreased) in 2014 by \$1,249,926, \$271,867 and \$(125,338), respectively. The City sells water to most surrounding towns in Navarro County and the majority of the City's water is used by wholesale customers. The Sanitation Fund showed an improvement in the net position, but still shows a negative unrestricted fund balance. The Emergency Medical Services fund's increase is due to an increase in the contributions from both the City and Navarro County.

General Fund Budgetary Highlights. General fund actual revenues of \$14,660,205 exceeded budgeted revenues of \$14,504,323 by \$155,882. Following are the main components that experienced an increase or decrease of actual revenue compared to budgeted revenue:

- Lower than expected property tax revenues were under budgeted revenues by \$50,343.
- Higher than expected sales tax revenues exceeded budgeted revenues by \$191,571.

Budgeted general fund budgeted expenditures (before transfers) of \$16,446,473 exceeded actual expenditures of \$15,059,843. This \$1,386,630 positive variance in expenditures was achieved through small incremental savings within each department and vacant positions.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2014 amounts to \$119,086,020 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment and infrastructure.

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

- Construction in Progress additions of approximately \$3,678,000.
- Infrastructure and Improvements additions of approximately \$1,590,000.
- Machinery and equipment additions of approximately \$790,000.

CITY OF CORSICANA'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 39,642,209	\$ 39,325,686	\$ 3,628,702	\$ 3,628,703	\$ 43,270,911	\$ 42,954,389
Construction in progress	3,941,526	1,107,173	1,882,508	2,694,786	5,824,034	3,801,959
Buildings	2,481,256	2,716,310	1,216,769	1,257,909	3,698,025	3,974,219
Improvements	-	-	42,027,000	40,734,166	42,027,000	40,734,166
Machinery and equipment	2,519,303	2,594,073	11,342,521	12,021,371	13,861,824	14,615,444
Infrastructure	10,404,226	10,449,279	-	-	10,404,226	10,449,279
Total	\$ 58,988,520	\$ 56,192,521	\$ 60,097,500	\$ 60,336,935	\$ 119,086,020	\$ 116,529,456

Additional information on the City of Corsicana's capital assets can be found in note IV. C. on pages 33-34 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City of Corsicana had a total bonded debt outstanding of \$54,580,000. Of this amount, \$42,940,000 comprises bonded debt backed by the full faith and credit of the government.

CITY OF CORSICANA'S OUTSTANDING DEBT Certificates of Obligation, General Obligation and Revenue Bonds

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Certificates of obligation	\$ 4,195,340	\$ 4,344,715	\$ 18,639,660	\$ 19,645,285	\$ 22,835,000	\$ 23,990,000
General obligation	11,695,000	12,445,000	5,520,000	6,505,000	17,215,000	18,950,000
Revenue bonds	-	-	10,530,000	11,640,000	10,530,000	11,640,000
Total	\$ 15,890,340	\$ 16,789,715	\$ 34,689,660	\$ 37,790,285	\$ 50,580,000	\$ 54,580,000

The City's general obligation debt and revenue bond ratings are listed below.

	<u>Moody's</u>	<u>Standard & Poor's</u>
Tax Bonds	A1	A+
Revenue bonds	A2	A

Additional information on the City of Corsicana's long-term debt can be found in note IV. F. on pages 37-41 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the 2015 Budget, General Fund revenues and transfers in are budgeted to increase 0.52% from the 2014 budget year with general property taxes making up about 33.84% of general fund budgeted revenues. Certified assessed taxable valuations increased from the preceding year and property tax revenues were budgeted to be approximately \$300,000 more than the prior year's budget. While the loss of the property tax revenues was felt during the 2014 budget year, several new businesses have opened, expanded, or are under construction. These new businesses have already helped the City's tax base to recover quite a bit of the lost valuation from the prior year. The City's budgets for all funds continue to be impacted positively by growth in the economy. Knowing that, the City's revenue budget for 2015 is less conservative than those from the past couple of years. Statewide sales tax receipts, including the City's, continue to show improvement over prior years. The sales tax revenue source is the most volatile City revenue and is subject to decline if the local economy fails to maintain growth. The 2015 budget also includes a \$1,500/year across-the-board raise for all full-time employees.

As the economy continues to improve, the City again became able to replace aging equipment and vehicles, using capital lease/purchase financing. The 2015 budget continues with this strategy for equipment and vehicle replacement, but also includes purchase for some of these items with cash.

Water revenues decreased and wastewater revenues increased in budget year 2014. Water revenues primarily decreased, as drought conditions caused a decrease in water usage. A shift in the rate structure was implemented in Fiscal Year 2013, to ensure that wastewater revenues cover wastewater expenses. This shift enabled wastewater sales to increase over the prior year. A \$0.45 rate increase for each tier in the water rate structure and \$1.00 per gallon of wastewater treated were implemented beginning December 1 in budget year 2015. The Fund continues to improve, and several improvement projects that would have been delayed or financed were able to be funded with cash.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 200 N. 12th Street, Corsicana, Texas 75110.

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Basic Financial Statements

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CITY OF CORSICANA, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS:			
<i>Cash and cash equivalents</i>	\$ 7,979,050	\$ 3,067,734	\$ 11,046,784
<i>Receivables (net of allowances for uncollectibles)</i>	2,327,389	4,226,214	6,553,603
<i>Due from other governments</i>	1,164,184	404,253	1,568,437
<i>Internal balances</i>	1,495,277	(1,495,277)	--
<i>Inventories</i>	65,758	5,518	71,276
<i>Prepaid items</i>	34,504	111,167	145,671
Restricted Assets:			
<i>Cash and cash equivalents</i>	--	2,923,314	2,923,314
Capital Assets (not being depreciated):			
<i>Land</i>	39,642,209	3,628,702	43,270,911
<i>Construction in progress</i>	3,941,526	1,882,508	5,824,034
Capital Assets (net of accumulated depreciation):			
<i>Buildings</i>	2,481,256	1,216,769	3,698,025
<i>Machinery and equipment</i>	2,519,303	11,342,521	13,861,824
<i>Infrastructure</i>	10,404,226	42,027,000	52,431,226
Total Assets	<u>72,054,682</u>	<u>69,340,423</u>	<u>141,395,105</u>
DEFERRED OUTFLOWS OF RESOURCES:			
<i>Deferred amount on refunding</i>	18,573	599,953	618,526
Total Deferred Outflows of Resources	<u>18,573</u>	<u>599,953</u>	<u>618,526</u>
LIABILITIES:			
<i>Accounts payable and other current liabilities</i>	1,527,177	1,488,402	3,015,579
<i>Accrued payroll payable</i>	414,677	354,225	768,902
<i>Accrued interest payable</i>	73,989	168,742	242,731
<i>Customer deposits payable</i>	--	582,713	582,713
Noncurrent Liabilities:			
<i>Due within one year</i>	1,918,704	3,724,517	5,643,221
<i>Due in more than one year</i>	19,189,148	34,610,871	53,800,019
Total Liabilities	<u>23,123,695</u>	<u>40,929,470</u>	<u>64,053,165</u>
DEFERRED INFLOWS OF RESOURCES:			
<i>Unearned revenue</i>	--	352,452	352,452
Total Deferred Inflows of Resources	<u>--</u>	<u>352,452</u>	<u>352,452</u>
NET POSITION:			
Net Investment in Capital Assets	41,570,801	24,274,258	65,845,059
Restricted For:			
<i>Debt Service</i>	172,956	1,660,084	1,833,040
<i>Capital Projects</i>	3,950,163	--	3,950,163
Unrestricted	3,255,640	2,724,112	5,979,752
Total Net Position	<u>\$ 48,949,560</u>	<u>\$ 28,658,454</u>	<u>\$ 77,608,014</u>

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental Activities:				
<i>General government</i>	\$ 4,292,718	\$ 195,053	\$ 899,350	\$ --
<i>Judicial</i>	415,245	4,029	--	--
<i>Public safety</i>	8,108,969	626,745	83,071	--
<i>Community support services</i>	534,337	208,632	419,329	265,098
<i>Public works</i>	3,037,206	366,670	129,365	5,000
<i>Cultural and recreational</i>	2,039,772	36,352	422,031	47,679
<i>Building and vehicle maintenance</i>	608,363	--	--	--
<i>Interest on long-term debt</i>	673,765	--	--	--
Total Governmental Activities	<u>19,710,375</u>	<u>1,437,481</u>	<u>1,953,146</u>	<u>317,777</u>
Business-type Activities:				
Utility Operations	11,503,228	14,038,278	--	120,169
Sanitation	2,637,125	3,533,135	--	--
Emergency Medical Services	5,786,377	5,409,269	--	10,977
Total Business-type Activities	<u>19,926,730</u>	<u>22,980,682</u>	<u>--</u>	<u>131,146</u>
Total Primary Government	<u>\$ 39,637,105</u>	<u>\$ 24,418,163</u>	<u>\$ 1,953,146</u>	<u>\$ 448,923</u>

General Revenues:
Property taxes
Sales taxes
Franchise taxes
Hotel occupancy taxes
Alcoholic beverage taxes
Miscellaneous income
Unrestricted investment earnings
Gain (loss) on sale of capital assets
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - Beginning
Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (3,198,315)		\$ (3,198,315)
(411,216)		(411,216)
(7,399,153)		(7,399,153)
358,722		358,722
(2,536,171)		(2,536,171)
(1,533,710)		(1,533,710)
(608,363)		(608,363)
(673,765)		(673,765)
<u>(16,001,971)</u>		<u>(16,001,971)</u>
--	\$ 2,655,219	2,655,219
--	896,010	896,010
--	(366,131)	(366,131)
--	<u>3,185,098</u>	<u>3,185,098</u>
<u>(16,001,971)</u>	<u>3,185,098</u>	<u>(12,816,873)</u>
7,463,669	--	7,463,669
6,019,571	--	6,019,571
2,021,723	--	2,021,723
455,671	--	455,671
43,850	--	43,850
123,535	87,570	211,105
12,655	3,868	16,523
41,436	50,761	92,197
1,930,841	(1,930,841)	--
<u>18,112,951</u>	<u>(1,788,642)</u>	<u>16,324,309</u>
2,110,980	1,396,456	3,507,436
46,838,580	27,261,998	74,100,578
<u>\$ 48,949,560</u>	<u>\$ 28,658,454</u>	<u>\$ 77,608,014</u>

CITY OF CORSICANA, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:			
Assets:			
<i>Cash and cash equivalents</i>	\$ 3,827,282	\$ 4,151,768	\$ 7,979,050
<i>Receivables (net of allowances for uncollectibles)</i>	1,792,756	534,633	2,327,389
<i>Due from other governments</i>	1,046,375	117,809	1,164,184
<i>Due from other funds</i>	1,954,964	--	1,954,964
<i>Inventories</i>	25,590	40,168	65,758
<i>Prepaid items</i>	33,334	1,170	34,504
Total Assets	\$ 8,680,301	\$ 4,845,548	\$ 13,525,849
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:			
Liabilities:			
<i>Accounts payable and other current liabilities</i>	\$ 808,252	\$ 718,925	\$ 1,527,177
<i>Accrued payroll payable</i>	406,728	7,949	414,677
<i>Due to other funds</i>	--	459,687	459,687
Total Liabilities	1,214,980	1,186,561	2,401,541
Deferred Inflows of Resources:			
<i>Deferred revenue - property tax</i>	274,685	68,137	342,822
<i>Deferred revenue - hotel occupancy tax</i>	--	42,160	42,160
<i>Deferred revenue - court fines</i>	565,065	--	565,065
<i>Deferred revenue - grants</i>	--	110,128	110,128
<i>Deferred revenue - other</i>	--	248,583	248,583
Total Deferred Inflows of Resources	839,750	469,008	1,308,758
Fund Balances:			
Nonspendable			
<i>Inventory</i>	25,590	40,168	65,758
<i>Prepaid items</i>	33,334	--	33,334
Restricted			
<i>General government</i>	--	342,420	342,420
<i>Public safety</i>	--	291,825	291,825
<i>Community support services</i>	--	57,857	57,857
<i>Public works</i>	--	373,672	373,672
<i>Cultural and recreational</i>	--	297,204	297,204
<i>Debt service</i>	--	104,819	104,819
<i>Capital projects</i>	--	2,040,927	2,040,927
Assigned			
<i>General government</i>	80,000	114,716	194,716
<i>Cultural and recreational</i>	--	11,506	11,506
Unassigned	6,486,647	(485,135)	6,001,512
Total fund balances	6,625,571	3,189,979	9,815,550
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,680,301	\$ 4,845,548	\$ 13,525,849

The accompanying notes are an integral part of this statement.

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

Total fund balances - governmental funds balance sheet \$ 9,815,550

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.	58,988,520
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	342,821
Payables for bond principal which are not due in the current period are not reported in the funds.	(16,005,583)
Payables for capital leases which are not due in the current period are not reported in the funds.	(2,069,783)
Payables for bond interest which are not due in the current period are not reported in the funds.	(73,989)
Payables for notes which are not due in the current period are not reported in the funds.	(898,880)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(1,658,719)
Other long-term liabilities which are not due and payable in the current period are not reported in the funds.	(474,887)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	18,573
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	565,065
Hotel motel tax unavailable to pay for current period expenditures are deferred in the funds.	42,160
Grants receivable unavailable to pay for current period expenditures are deferred in the funds.	119,128
Electric billboard receivable unavailable to pay for current period expenditures are deferred in the funds.	<u>239,583</u>

Net position of governmental activities - Statement of Net Position \$ 48,949,560

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, TEXASSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenue:			
Taxes:			
Property	\$ 5,555,245	\$ 1,924,629	\$ 7,479,874
Sales	6,019,571	--	6,019,571
Franchise	2,021,723	--	2,021,723
Hotel occupancy	--	466,590	466,590
Alcoholic beverage	43,850	--	43,850
Licenses and permits	189,217	--	189,217
Fines and forfeitures	367,547	135,004	502,551
Charges for services	160,360	356,168	516,528
Intergovernmental	107,441	1,458,040	1,565,481
Investment earnings	5,391	7,264	12,655
Other revenue	182,571	78,264	260,835
Contributions and donations	7,289	437,201	444,490
Total revenues	<u>14,660,205</u>	<u>4,863,160</u>	<u>19,523,365</u>
Expenditures:			
Current:			
General government	1,413,646	2,667,518	4,081,164
Judicial	411,591	436	412,027
Public safety	7,813,648	50,214	7,863,862
Community support services	213,956	316,374	530,330
Public works	2,746,261	287,122	3,033,383
Cultural and recreational	1,744,203	589,979	2,334,182
Building and vehicle maintenance	436,589	33,120	469,709
Capital Outlay:			
General government	--	428,089	428,089
Public safety	--	172,876	172,876
Community support services	--	149	149
Public works	--	2,033,010	2,033,010
Cultural and recreational	48,900	396,957	445,857
Building and vehicle maintenance	66,326	2,039	68,365
Debt Service:			
Principal	160,930	1,363,156	1,524,086
Interest and fiscal charges	3,793	711,465	715,258
Total Expenditures	<u>15,059,843</u>	<u>9,052,504</u>	<u>24,112,347</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(399,638)</u>	<u>(4,189,344)</u>	<u>(4,588,982)</u>
Other Financing Sources (Uses):			
Capital leases	--	878,750	878,750
Sale of capital assets	43,023	--	43,023
Transfers in	2,705,835	1,483,209	4,189,044
Transfers out	(1,649,478)	(608,725)	(2,258,203)
Total Other Financing Sources (Uses)	<u>1,099,380</u>	<u>1,753,234</u>	<u>2,852,614</u>
Net Change in Fund Balances	699,742	(2,436,110)	(1,736,368)
Fund Balances - Beginning	5,925,829	5,626,089	11,551,918
Fund Balances - Ending	<u>\$ 6,625,571</u>	<u>\$ 3,189,979</u>	<u>\$ 9,815,550</u>

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, 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	\$ (1,736,368)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	4,077,096
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,279,509)
The gain or loss on the sale of capital assets is not reported in the funds.	(1,587)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(16,206)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	899,374
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	563,195
Repayment of loan principal is an expenditure in the funds but is not an expense in the SOA.	103,812
Bond insurance costs and similar items are amortized in the SOA but not in the funds.	(3,117)
Pension expense is reported as the amount earned in the SOA but as the amount paid in the funds.	(3,370)
(Increase) decrease in accrued interest from beginning of period to end of period.	46,167
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(1,755)
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	102,301
Certain hotel motel tax receivables are deferred in the funds. This is the change in these amounts this year.	(10,920)
Certain grant revenues are deferred in the funds. This is the change in these amounts this year.	10,952
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(878,750)
Revenues in the SOA for electric billboard not providing current resources are not reported in the funds.	<u>239,665</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 2,110,980</u>

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, TEXAS

STATEMENT OF NET POSITION

ENTERPRISE FUNDS

SEPTEMBER 30, 2014

	Enterprise Fund	Enterprise Fund	Enterprise Fund	
	Utility Operations	Sanitation	Emergency Medical Services	Total Enterprise Funds
ASSETS:				
Current Assets:				
<i>Cash and cash equivalents</i>	\$ 2,049,732	\$ 948,227	\$ 69,775	\$ 3,067,734
<i>Receivables (net of allowances for uncollectibles):</i>	2,467,601	176,743	1,581,870	4,226,214
<i>Intergovernmental receivables</i>	176,882	--	227,371	404,253
<i>Inventories</i>	--	5,518	--	5,518
<i>Prepaid items</i>	111,167	--	--	111,167
Total Current Assets	<u>4,805,382</u>	<u>1,130,488</u>	<u>1,879,016</u>	<u>7,814,886</u>
Noncurrent Assets:				
Restricted Cash, Cash Equivalents and Investments-				
<i>Cash</i>	2,732,517	190,797	--	2,923,314
Capital Assets (net of accumulated depreciation):				
<i>Land</i>	3,371,797	256,905	--	3,628,702
<i>Infrastructure</i>	38,195,801	3,831,199	--	42,027,000
<i>Buildings</i>	1,062,030	154,739	--	1,216,769
<i>Machinery and equipment</i>	10,105,502	815,786	421,233	11,342,521
<i>Construction in progress</i>	1,882,508	--	--	1,882,508
Total Noncurrent Assets	<u>57,350,155</u>	<u>5,249,426</u>	<u>421,233</u>	<u>63,020,814</u>
Total Assets	<u>62,155,537</u>	<u>6,379,914</u>	<u>2,300,249</u>	<u>70,835,700</u>
DEFERRED OUTFLOWS OF RESOURCES:				
<i>Deferred charges</i>	599,953	--	--	599,953
Total Outflows of Resources	<u>\$ 599,953</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 599,953</u>
LIABILITIES:				
Current Liabilities:				
<i>Accounts payable and other current liabilities</i>	\$ 689,753	\$ 716,144	\$ 82,505	\$ 1,488,402
<i>Accrued payroll payable</i>	221,163	48,551	84,511	354,225
<i>Due to other funds</i>	--	--	1,495,277	1,495,277
<i>Compensated absences payable</i>	73,537	13,780	23,223	110,540
<i>Customer deposits</i>	582,713	--	--	582,713
<i>Bonds payable</i>	3,210,000	22,100	--	3,232,100
<i>Capital leases payable</i>	238,937	142,716	224	381,877
<i>Accrued interest payable</i>	167,133	1,609	--	168,742
Total Current Liabilities	<u>5,183,236</u>	<u>944,900</u>	<u>1,685,740</u>	<u>7,813,876</u>
Liabilities Payable from Restricted Assets-				
Noncurrent Liabilities:				
<i>Compensated absences payable</i>	294,150	55,118	92,890	442,158
<i>Bonds payable</i>	31,497,594	272,561	--	31,770,155
<i>Capital leases payable</i>	189,581	249,358	171	439,110
<i>Landfill closure liability</i>	--	1,719,611	--	1,719,611
<i>Net pension obligation</i>	192,743	46,411	683	239,837
Total Noncurrent Liabilities	<u>32,174,068</u>	<u>2,343,059</u>	<u>93,744</u>	<u>34,610,871</u>
Total Liabilities	<u>37,357,304</u>	<u>3,287,959</u>	<u>1,779,484</u>	<u>42,424,747</u>
DEFERRED INFLOWS OF RESOURCES:				
<i>Unearned revenue</i>	99,715	--	252,737	352,452
Total Deferred Inflows of Resources	<u>99,715</u>	<u>--</u>	<u>252,737</u>	<u>352,452</u>
NET POSITION:				
<i>Net investment in capital assets</i>	19,481,526	4,371,894	420,838	24,274,258
<i>Restricted for debt service</i>	1,464,407	190,797	--	1,655,204
<i>Unrestricted</i>	4,352,538	(1,470,736)	(152,810)	2,728,992
Total Net Position	<u>\$ 25,298,471</u>	<u>\$ 3,091,955</u>	<u>\$ 268,028</u>	<u>\$ 28,658,454</u>

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, TEXASSTATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Enterprise Fund	Enterprise Fund	Enterprise Fund	
	Utility Operations	Sanitation	Emergency Medical Services	Total Enterprise Funds
OPERATING REVENUES:				
<i>Water revenue</i>	\$ 9,026,905	\$ --	\$ --	\$ 9,026,905
<i>Sewer revenue</i>	4,570,219	--	--	4,570,219
<i>Tap fees</i>	66,519	--	--	66,519
<i>Other charges</i>	374,633	11,466	49,413	435,512
<i>Garbage collection fees</i>	--	1,132,503	--	1,132,503
<i>Landfill</i>	--	2,389,165	--	2,389,165
<i>Emergency medical services</i>	--	--	5,359,857	5,359,857
Total Operating Revenues	<u>14,038,276</u>	<u>3,533,134</u>	<u>5,409,270</u>	<u>22,980,680</u>
OPERATING EXPENSES:				
<i>Costs of sales and services</i>	7,742,649	2,305,707	5,646,081	15,694,437
<i>Administration</i>	571,374	15,726	9,657	596,757
<i>Depreciation and amortization</i>	1,785,419	287,772	130,171	2,203,362
Total Operating Expenses	<u>10,099,442</u>	<u>2,609,205</u>	<u>5,785,909</u>	<u>18,494,556</u>
Operating Income (loss)	<u>3,938,834</u>	<u>923,929</u>	<u>(376,639)</u>	<u>4,486,124</u>
NON-OPERATING REVENUES (EXPENSES):				
<i>Investment earnings</i>	3,224	533	113	3,870
<i>Miscellaneous income</i>	57,853	1,752	27,964	87,569
<i>Intergovernmental</i>	102,969	--	10,977	113,946
<i>Gain (loss) on disposal of assets</i>	2,286	--	48,475	50,761
<i>Interest expense and fiscal charges</i>	(1,403,786)	(27,920)	(468)	(1,432,174)
Total Non-operating Revenues (Expenses)	<u>(1,237,454)</u>	<u>(25,635)</u>	<u>87,061</u>	<u>(1,176,028)</u>
Income before transfers and contributions	2,701,380	898,294	(289,578)	3,310,096
<i>Capital contributions</i>	17,200	--	--	17,200
<i>Transfers in</i>	182,375	--	280,000	462,375
<i>Transfers out</i>	(1,651,029)	(626,427)	(115,760)	(2,393,216)
Change in Net Position	1,249,926	271,867	(125,338)	1,396,455
Total Net Position - Beginning	24,048,545	2,820,088	393,366	27,261,999
Total Net Position - Ending	<u>\$ 25,298,471</u>	<u>\$ 3,091,955</u>	<u>\$ 268,028</u>	<u>\$ 28,658,454</u>

The accompanying notes are an integral part of this statement.

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

	Enterprise Funds			Totals
	Utility Operations	Sanitation	Emergency Medical Services	
Cash Flows from Operating Activities:				
<i>Cash Received from Customers</i>	\$ 14,197,545	\$ 3,504,964	\$ 5,301,738	\$ 23,004,247
<i>Cash Payments to Employees for Services</i>	(3,089,793)	(767,594)	(2,033,822)	(5,891,209)
<i>Cash Payments to Other Suppliers for Goods and Services</i>	(5,176,062)	(1,001,853)	(3,749,884)	(9,927,799)
Net Cash Provided (Used) by Operating Activities	<u>5,931,690</u>	<u>1,735,517</u>	<u>(481,968)</u>	<u>7,185,239</u>
Cash Flows from Non-capital Financing Activities:				
<i>Proceeds (payments) from (for) borrowings other funds</i>	--	--	366,676	366,676
<i>Transfers from other funds</i>	182,375	--	280,000	462,375
<i>Transfers to other funds</i>	(1,651,029)	(626,427)	(115,760)	(2,393,216)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(1,468,654)</u>	<u>(626,427)</u>	<u>530,916</u>	<u>(1,564,165)</u>
Cash Flows from Capital and Related Financing Activities:				
<i>Proceeds from Issuance of Long-term Debt</i>	37,380	--	--	37,380
<i>Principal and Interest Paid</i>	(4,577,705)	(143,951)	(1,155)	(4,722,811)
<i>Acquisition or Construction of Capital Assets</i>	(1,131,783)	(605,667)	(193,592)	(1,931,042)
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>(5,672,108)</u>	<u>(749,618)</u>	<u>(194,747)</u>	<u>(6,616,473)</u>
Cash Flows from Investing Activities:				
<i>Interest and Dividends on Investments</i>	3,224	533	113	3,870
Net Cash Provided (Used) for Investing Activities	<u>3,224</u>	<u>533</u>	<u>113</u>	<u>3,870</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,205,848)	360,005	(145,686)	(991,529)
Cash and Cash Equivalents at Beginning of Year	5,988,097	779,019	215,461	6,982,577
Cash and Cash Equivalents at End of Year	<u>\$ 4,782,249</u>	<u>\$ 1,139,024</u>	<u>\$ 69,775</u>	<u>\$ 5,991,048</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 3,938,834	\$ 923,929	\$ (376,639)	\$ 4,486,124
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
<i>Depreciation</i>	1,785,419	287,772	130,171	2,203,362
Change in Assets and Liabilities:				
<i>Decrease (Increase) in Receivables</i>	(122,857)	(29,922)	(422,389)	(575,168)
<i>Decrease (Increase) in Inventories</i>	--	2,392	--	2,392
<i>Decrease (Increase) in Prepaid Expenses</i>	60,129	--	--	60,129
<i>Increase (Decrease) in Accounts Payable</i>	174,716	526,151	(69,308)	631,559
<i>Increase (Decrease) in Accrued Wages Payable</i>	68,085	13,886	11,351	93,322
<i>Increase (Decrease) in Restricted Accounts Payable</i>	(81,271)	--	--	(81,271)
<i>Increase (Decrease) in Customer Deposits</i>	19,303	--	14,002	33,305
<i>Increase (Decrease) in Other</i>	4,302	11,413	3,403	19,118
<i>Increase (Decrease) in Accrued Expenses</i>	(14,708)	(104)	--	(14,812)
<i>Increase (Decrease) in Unearned Revenue</i>	99,738	--	227,441	327,179
Total Adjustments	<u>1,992,856</u>	<u>811,588</u>	<u>(105,329)</u>	<u>2,699,115</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,931,690</u>	<u>\$ 1,735,517</u>	<u>\$ (481,968)</u>	<u>\$ 7,185,239</u>
Non-Cash Activities:				
<i>Capital Contributions</i>	<u>\$ 17,200</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 17,200</u>

The accompanying notes are an integral part of this statement.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Corsicana, Texas, was incorporated July 11, 1848, while the City's Home Rule Charter was adopted in 1917 and last updated by election in 2007. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highway and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, general and administrative, water and wastewater services.

The City applies the criteria set forth in GASB Statement No. 61, The Financial Reporting Entity, to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected official's accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will and the primary recipient of services. The City presently has no component units included within its reporting entity.

B. Government-wide and Fund Financial Statements

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

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

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

The *Utility Operations Fund* accounts for the activities of the water and wastewater operations that are intended to be self-supporting through user charges.

The *Sanitation Fund* accounts for the sanitation operations that are intended to be self-supporting through user charges.

The *Emergency Medical Services Fund* accounts for the emergency medical service operations that are intended to be self-supporting through user charges.

Additionally, the City reports the following fund types:

Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The *Debt Service Fund* accounts for the accumulation of resources for the payment of general debt principal, interest and related costs. The revenue source is principally ad valorem taxes levied by the City.

The *Capital Projects Fund* was established to account for resources to be used for the acquisition or construction of general major capital facilities. Financing is provided primarily by the sale of general obligation bonds and developer contributions.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's Enterprise Funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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 Water and Sewer enterprise fund are charges to customers for sales and services. The enterprise utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for 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 nonoperating revenues and expenses.

D. Assets, liabilities, and net assets or equity

1. Cash and Cash Equivalents

The City maintains various accounts for each fund at its depository. The City also has cash maintained by agents for debt payments and reserves, construction reserves and worker compensation claims. For purposes of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

The City investment policy authorizes the Investment Officer to invest in the following types of investments:

- a. Obligations of the United States Government, its agencies and instrumentality's, and government sponsoring enterprises, excluding collateralized mortgage obligations (CMOs), not to exceed two year to stated maturity;
- b. Fully insured or collateralized depository certificates of deposit from a bank doing business, in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to the stated maturity;
- c. Repurchase agreement and reverse repurchase agreements as defined by the Public Funds Investment Act, not to exceed 180 days to stated maturity, collateralized with Section VIII.A. above, provided an executed PSA Master Repurchase Agreement is on file with the City and the counter party bank or primary dealer, or flexible repurchase agreement longer than 180 days if matched to expenditure plan of the bond funds; and
- d. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act.
- e. FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the City's safekeeping depository, not to exceed two years to maturity. Before purchase, the Investment Officer or advisor must verify the FDIC status of the bank.
- f. General obligation bonds of states, agencies, counties, cities and other political subdivisions of any state rated A or better or its equivalent by two nationally recognized rating agencies and with a stated maturity not to exceed two (2) years.
- g. Fully insured or collateralized interest bearing accounts of any bank doing business in Texas.
- h. AAA-rated, SEC registered money market funds striving to maintain a \$1 net asset value.
- i. A1/PI commercial paper with a stated maturity not to exceed 180 days.

Investments having a maturity of 1 year or more, when purchased, are stated at fair value. Short term investments are stated at cost or amortized cost. All other investments are stated at fair value, which is based on quoted market prices.

2. 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 inter fund 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 "due 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."

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

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the City based on the January 1 property values as assessed by the Corsicana County Central Appraisal District. Taxes are due without penalty until January 31, of the next calendar year. After January 31 the City has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the City.

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

4. Restricted assets

Certain proceeds of enterprise fund revenue bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense of the incurred by the Utility Operations Fund during the current fiscal year was \$1,443,657. Of this amount, \$39,871 was included as part of the cost of capital assets under construction.

Capital assets of the government are depreciated using the straight line method over the following estimated useful lives:

Buildings	20 - 50 years
Improvements	10 - 40 years
Infrastructure	20 - 50 years
Machinery and equipment	3 - 20 years

6. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave pay benefits up to specified limits. All vacation pay is accrued when incurred in the government-wide, and proprietary fund type statement of net assets. Compensated absences are reported in governmental funds only if they have matured for example, as a result of employee's resignation and retirement.

7. Long-term obligations

In the government-wide financial statements, and proprietary fund type 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 assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

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 received, are reported as debt service expenditures.

8. Estimates

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

9. Fund equity

Nonspendable Fund Balance Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through legislation, resolution or ordinance, unless the City Council removes or changes the specified use by taking the same type of action used to commit the amounts.

Assigned Fund Balance - Amounts that are constrained by the City Council, or the City Manager or Director of Finance, based upon delegation of this authority by the City Council, that are to be used for specific purposes but are neither restricted nor committed.

Unassigned Fund Balance - Amounts that are available for any purpose; these amounts can be reported only in the City's General Fund.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The City fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the City incurs an expenditure and both restricted and unrestricted amounts are available, the City considers restricted amounts to have been spent first. When the City incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

Net position represents the difference between assets, deferred outflow of resources, liabilities, and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Deferred resource outflows not available to pay for current-period expenditures and are deferred in the funds.” The details of this \$18,573 difference are as follows:

Bonds insurance costs:	
City	<u>\$18,573</u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

Budgets are adopted on a basis consistent with generally accepted accounting principles for governmental funds. Annual appropriated budgets are adopted for all governmental funds, however, Capital Project funds are not presented since project length financial plans usually extend into two or more fiscal years. All annual appropriations lapse at the end of each fiscal year. Budgets are adopted for the proprietary funds annually only as a management tool.

In May of each year, budget preparation packages are distributed to all City agencies. The agencies of the City submit requests for appropriation to the City Manager before June 15 so that a budget may be prepared. The budget is prepared by department and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. During August, the proposed budget is presented to the City Council for review. The City Council holds one public hearing before August 31 and may add to, subtract from, or change appropriations. Any changes in the budget must be within the revenue and reserves estimated as available by the City Manager, or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

The appropriated budget is prepared by fund, function, and departments. The City Manager is authorized to make intradepartmental and inter-departmental fund transfers within a fund during the fiscal year as becomes necessary in order to avoid the over-expenditure of a particular object code or department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council made several supplemental budgetary appropriations throughout the year.

B. Deficit Fund Equity

The Tax Increment Financing District special revenue fund had a deficit fund balance of \$416,498 as of September 30, 2014. The deficit fund balance will be covered with the collection of the special assessment within the District.

The TP&W Grant Athletic Complex special revenue fund had a fund balance deficit of \$60,028 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

The Home Preservation Program special revenue fund had a fund balance deficit of \$9,000 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

The 2013 Home Grant special revenue fund had a fund balance deficit of \$1,200 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

The Pactiv Expansion Texas Capital Fund Grant special revenue fund had a fund balance deficit of \$13,871 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

The Corsicana Water Park Fund special revenue fund had a fund balance deficit of \$14,931 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

The Pactiv Expansion Texas Capital Fund Grant special revenue fund had a fund balance deficit of \$13,871 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

The Corsicana Water Park Fund special revenue fund had a fund balance deficit of \$14,931 as of September 30, 2014. The deficit fund balance will be covered by future revenue.

C. Compliance With Finance Related Legal and Contractual Provisions

The City has no material violations of finance related legal or contractual provisions, including the Texas Public Funds Investment Act.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. At September 30, 2014, the City's deposits were entirely insured or collateralized with securities held by the pledging financial institution's trust department or agent in the City's name; as a result, the City's deposits were not exposed to custodial credit risk.

Investments

At September 30, 2014, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Days)
Prime Investment Money Market Fund	\$268,681	N/A
TexStar	<u>33,109</u>	50
	301,790	
Cash	<u>13,668,308</u>	
	<u><u>\$13,970,098</u></u>	

Cash and cash equivalents are reported in the

Statement of net assets as follows:

Governmental activities unrestricted	\$7,979,050
Business-type activities unrestricted	3,067,734
Business-type activities restricted	<u>2,923,314</u>
Cash and cash equivalents	<u><u>\$13,970,098</u></u>

TexStar and Prime Investment Money Market is considered a cash equivalent on the Government-wide Statement of Net Assets and on the Balance sheets of the Fund Financial Statements.

The City's investment pools are 2a7-like pools. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

CITY OF CORSICANA, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended September 30, 2014

TexSTAR is a local government investment pool created under the Interlocal Cooperation Act. The fund is rated AAAM by Standard & Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for any individual security. The fund fulfills all requirements of the Texas Public Funds Investment Act for local government investment pools. TexSTAR is administered by First Southwest Asset Management, Inc. and JP Morgan Chase.

Prime Investment Money Market Fund ("Fund") is a no-load, SEC registered money market fund, rated Aaa at year end. The Fund seeks current income while preserving capital and liquidity. The Fund's advisor is Wells Fargo Funds Management, LLC.

The fair value of the City's position in these pools is the same as the value of the pool shares.

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair market values by limiting the weighted average maturity of its investment portfolios to a maximum of 180 days.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2014, the City's entire deposit balance was collateralized with securities held by the pledging financial institution or covered by FDIC insurance.

Credit Risk. It is the City's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization.

B. Receivables

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

	General	Nonmajor and Other	Utility Operations	Sanitation	Emergency Medical Services
Taxes receivable - delinquent	\$344,739	\$87,728	\$ --	\$ --	\$ --
Allowance for uncollectibles	(51,711)	(13,159)	--	--	--
	<u>\$293,028</u>	<u>\$74,569</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Fines receivable	\$1,614,471	\$ --	\$ --	\$ --	\$ --
Allowance for uncollectibles	(565,065)	--	--	--	--
	<u>\$1,049,406</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Accounts receivable	\$ --	--	\$2,478,398	\$242,277	\$3,143,104
Allowance for uncollectibles	--	--	(210,830)	(65,534)	(1,561,234)
	<u>--</u>	<u>\$ --</u>	<u>\$2,267,568</u>	<u>\$176,743</u>	<u>\$1,581,870</u>
Other receivables	\$1,424,677	\$460,064	\$200,033	\$ --	\$ --
	(974,355)	--	--	--	--
Net other receivables	<u>\$450,322</u>	<u>\$460,064</u>	<u>\$200,033</u>	<u>\$ --</u>	<u>\$ --</u>

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

Deferred/Unearned Revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Deferred Revenue</u>	
	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (General Fund)	\$274,685	\$ --
Fines receivable (General Fund)	565,065	--
Hotel Motel Tax	42,160	--
Deferred Grants	110,128	--
Delinquent property taxes receivable (Debt Service Fund)	68,137	--
Other	248,583	--
Utility Operations	99,715	99,715
Emergency Medical Services	<u>252,737</u>	<u>252,737</u>
Total deferred/unearned revenue	<u>\$1,661,210</u>	<u>\$352,452</u>

C. Capital assets

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

	<u>Balance 9/30/13</u>	<u>Additions</u>	<u>Retirements</u>	<u>Completed Construction Transfers</u>	<u>Balance 9/30/14</u>
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$39,325,685	\$ --	\$ --	\$316,524	\$39,642,209
Construction in progress	1,107,174	3,152,876	--	(318,524)	3,941,526
Total capital assets not being depreciated	<u>40,432,859</u>	<u>3,152,876</u>	<u>--</u>	<u>(2,000)</u>	<u>43,583,735</u>
Capital assets, being depreciated:					
Buildings and improvements	17,372,309	--	--	--	17,372,309
Machinery and equipment	7,628,719	325,074	(201,526)	(7,000)	7,745,267
Infrastructure	25,379,523	599,144	--	2,000	25,980,667
Total capital assets being depreciated	<u>50,380,551</u>	<u>924,218</u>	<u>(201,526)</u>	<u>(5,000)</u>	<u>51,098,243</u>
Less accumulated depreciation for:					
Buildings and improvements	(14,655,999)	(235,054)	--	--	(14,891,053)
Machinery and equipment	(5,034,646)	(398,258)	199,940	7,000	(5,225,964)
Infrastructure	(14,930,244)	(646,197)	--	--	(15,576,441)
Total accumulated depreciation	<u>(34,620,889)</u>	<u>(1,279,509)</u>	<u>199,940</u>	<u>7,000</u>	<u>(35,693,458)</u>
Total capital assets being depreciated, net	<u>15,759,662</u>	<u>(355,291)</u>	<u>(1,586)</u>	<u>2,000</u>	<u>15,404,785</u>
Governmental activities capital assets, net	<u>\$56,192,521</u>	<u>\$2,797,585</u>	<u>(\$1,586)</u>	<u>\$ --</u>	<u>\$58,988,520</u>

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

	Balance 9/30/13	Additions	Retirements	Completed Construction	Balance 9/30/14
BUSINESS-TYPE ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$3,628,702	\$ --	\$ --	\$ --	\$3,628,702
Construction in progress	2,694,786	525,461	--	(1,337,739)	1,882,508
Total capital assets not being depreciated	6,323,488	525,461	--	(1,337,739)	5,511,210
Capital assets, being depreciated:					
Buildings and improvements	4,382,007	10,539	--	--	4,392,546
Machinery and equipment	25,585,151	465,249	(210,684)	20,325	25,860,041
Improvements	55,279,360	991,289	--	1,324,414	57,595,063
Total capital assets being depreciated	85,246,518	1,467,077	(210,684)	1,344,739	87,847,650
Less accumulated depreciation for:					
Buildings and improvements	(3,124,097)	(51,680)	--	--	(3,175,777)
Machinery and equipment	(13,563,780)	(1,128,814)	182,074	(7,000)	(14,517,520)
Improvements	(14,545,195)	(1,022,868)	--	--	(15,568,063)
Total accumulated depreciation	(31,233,072)	(2,203,362)	182,074	(7,000)	(33,261,360)
Capital assets being depreciated, net	54,013,446	(736,285)	(28,610)	1,337,739	54,586,290
Business type activities capital assets, net	\$60,336,934	(\$210,824)	(\$28,610)	\$ --	\$60,097,500

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

Governmental activities:

General government	\$215,595
Public safety	236,258
Community support services	4,143
Public works	621,345
Cultural and recreational	131,952
Building and vehicle maintenance	70,216
Total depreciation expense - governmental activities	<u>\$1,279,509</u>

Business-type activities:

Utility operations	\$1,785,419
Sanitation	287,772
Emergency Medical Service	130,171
Total depreciation expense - business-type activities	<u>\$2,203,362</u>

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

Construction commitments

The City has construction projects outstanding as of September 30, 2014. These projects are evidenced by contractual commitments with contractors and include:

Project	Spent to Date	Remaining Commitment
Infrastructure improvements	\$3,941,526	\$2,026,784
Utility system improvements	1,882,508	176,005
	<u>\$5,824,034</u>	<u>\$2,202,789</u>

The infrastructure improvements projects are commitments of the City's special revenue and capital project funds. These projects are being funded by certificates of obligation, special revenues, and a grant. The utility system improvements projects are commitments of the City's utility operations enterprise fund. These projects are being funded by certificates of obligation.

D. Interfund receivables, payables, and transfers

The composition of interfund due from and due to accounts for the year ended September 30, 2014, is as follows:

Fund	Due From	Due To
Major Governmental Fund		
General Fund	\$1,954,964	\$ --
Nonmajor Governmental Funds		
Tax Increment Financing District	--	429,135
Home Preservation Project	--	9,000
Pactiv Expansion Project	--	21,552
Total Nonmajor Funds	<u>--</u>	<u>459,687</u>
Enterprise Funds		
Emergency Medical Service	--	1,495,277
Totals	<u>\$1,954,964</u>	<u>\$1,954,964</u>

Due to and due from accounts arise from temporary cash overdrafts in pooled cash.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

The composition of interfund transfers for the year ended September 30, 2014, is as follows:

Fund	Transfer In	Transfer Out
General Fund	\$2,705,835	\$1,649,478
Nonmajor Governmental Funds	1,483,209	608,725
Utility Operations	182,375	1,651,029
Sanitation	--	626,427
Emergency Medical Services	280,000	115,760
Total Special Revenue Funds	\$4,651,419	\$4,651,419

Transfers consisted of:

- General Fund to Nonmajor Governmental Funds for subsidy for other programs in the City.
- Utility Operations Fund to General Fund for subsidy for administrative expenditures and payment in lieu of franchise taxes.
- Sanitation Fund to General Fund for subsidy for administrative expenditures and payment in lieu of franchise taxes.
- Transfer from Nonmajor Governmental Donations Fund to Athletic Complex Grant Fund to account for related expenditures in one fund and for Enterprise Fund assets constructed with general obligations bonds.

E. Capital Leases

The City purchases equipment under lease purchase agreements. The interest on the leases range from 1.29% to 5.75%.

The assets acquired through capital leases are as follows:

<u>Asset</u>	Governmental Activities	Business-type Activities
Machinery and equipment	\$1,359,708	\$1,204,213
Less: accumulated depreciation	(121,803)	(180,115)
Total	\$1,237,905	\$1,024,098

CITY OF CORSICANA, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended September 30, 2014

Annual debt service to requirements to maturity are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$591,110	\$37,167	\$381,877	\$13,133
2016	480,639	42,729	240,735	6,695
2017	358,758	18,984	102,076	3,415
2018	190,389	13,447	33,850	2,151
2019	124,818	9,837	27,274	1,390
2020-2024	324,069	15,711	35,175	655
	<u>\$2,069,783</u>	<u>\$137,875</u>	<u>\$820,987</u>	<u>\$27,439</u>

F. Long-term debt

Certificates of Obligation

The City issues certificates of obligation to provide fund for the acquisition and construction of major capital facilities. Certificates of obligation have been issued for both governmental and business-type activities. Certificates of obligation are direct obligations and pledge the full faith and credit of the government and are further secured by and payable from a pledge of the surplus net revenues derived from the operation of the City's utility operations.

Certificates of obligation currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	3.25-4.5%	\$4,195,340
Business-type activities	0.148-4.25%	18,639,660
		<u>\$22,835,000</u>

Annual debt service requirements to maturity for certificates of obligation bonds are as follows:

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2015	\$242,901	\$169,632	\$1,052,100	\$698,418	\$2,163,051
2016	252,901	159,716	1,092,100	656,345	2,161,062
2017	254,374	149,497	930,626	621,874	1,956,371
2018	264,374	138,974	1,165,626	585,418	2,154,392
2019	277,900	127,975	1,207,099	542,900	2,155,874
2020-2024	1,558,295	457,118	6,756,704	1,980,260	10,752,377
2025-2029	1,344,595	97,323	5,735,405	586,050	7,763,373
2030-2033	--	--	700,000	23,540	723,540
Total	<u>\$4,195,340</u>	<u>\$1,300,235</u>	<u>\$18,639,660</u>	<u>\$5,694,805</u>	<u>\$29,830,040</u>

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities - refunding	2.00 - 4.00%	\$11,695,000
Business-type activities - refunding	2.25 - 4.00%	5,520,000
		<u>\$17,215,000</u>

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

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2015	\$690,000	\$411,204	\$1,030,000	\$181,050	\$2,312,254
2016	715,000	388,623	1,055,000	150,150	2,308,773
2017	745,000	364,816	1,080,000	118,500	2,308,316
2018	685,000	340,233	1,110,000	94,200	2,229,433
2019	710,000	314,110	610,000	49,800	1,683,910
2020-2024	3,590,000	1,162,063	635,000	25,400	5,412,463
2025-2029	3,250,000	484,626	0	0	3,734,626
2030-2031	1,310,000	123,890	0	0	1,433,890
	<u>\$11,695,000</u>	<u>\$3,589,565</u>	<u>\$5,520,000</u>	<u>\$619,100</u>	<u>\$21,423,665</u>

Revenue Bonds

The City also issued bonds where the government pledges income derived from the acquired or constructed assets to pay debt service.

Revenue bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Business-type activities - refunding	3.25 - 4.5%	<u>\$10,530,000</u>

CITY OF CORSICANA, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended September 30, 2014

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2015	\$1,150,000	\$436,198	\$1,586,198
2016	1,190,000	390,628	1,580,628
2017	1,235,000	343,473	1,578,473
2018	1,045,000	293,608	1,338,608
2019	1,085,000	251,138	1,336,138
2020-2024	4,380,000	571,254	4,951,254
2025	445,000	20,025	465,025
Total	\$10,530,000	\$2,306,324	\$12,836,324

Note Payable

Note payable currently outstanding and reported as a liability of the City's governmental activities is:

In fiscal year 2008, the City executed a contract and agreement relating to an economic development program with the Texas Department of Agriculture's Rural Economic Development Division. Under the terms of the contract and agreement the City agreed to repay to the Texas Department of Agriculture an amount up to \$703,700 for the purchase of land and an existing building to help create jobs in an economic development area. The note is non interest bearing. However, to reflect the time value of money, the liability recorded in the financial statements reflects future payments discounted at an imputed interest rate of 5.00%. Payments will be made in two hundred forty equal monthly installments up to a maximum of \$2,932 each beginning June 2008 and ending May 2028. Payments are suspended while the property is vacant, and resume upon occupancy of the property.

Future note payments are as follows:

Year Ending September 30	
2015	\$35,185
2016	35,185
2017	35,185
2018	35,185
2019	35,185
2020-2024	175,925
2025-2028	134,876
Total note payments	486,726
Unamortized discount	(135,904)
Present value of note payments	\$350,822

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

Line of Credit

The City has a line of credit from a local bank with a total authorized balance of \$1,158,000, of which \$515,966 was outstanding as of September 30, 2014. The line of credit matures May 19, 2018 with an interest rate of 5.00%.

Year Ending	Principal	Interest	Total
September 30			
2015	\$104,412	\$25,798	\$130,210
2016	104,590	20,588	125,178
2017	105,862	15,368	121,230
2018	97,900	10,138	108,038
	<u>\$412,764</u>	<u>\$71,892</u>	<u>\$484,656</u>

CHANGES IN LONG-TERM LIABILITIES

During the year ended September 30, 2014, the following changes occurred in liabilities reported in the capital long-term debt:

	Balance 9/30/13	Additions	Retirements	Balance 9/30/14	Due Within One Year
Governmental activities:					
Certificates of obligation	\$4,344,715	\$ --	(\$149,375)	\$4,195,340	\$242,901
General obligation bonds	12,445,000	--	(750,000)	11,695,000	690,000
Deferred amounts:					
Unamortized Premium	269,900	--	(18,754)	251,146	--
Total bonds payable	17,059,615	--	(918,129)	16,141,486	932,901
Note payable	516,047	--	(29,321)	486,726	35,187
Less discount on note payable	(150,853)	--	14,949	(135,904)	(17,131)
Line of credit	515,966	--	(103,812)	412,154	104,339
Capital leases	1,754,185	878,750	(563,152)	2,069,783	591,116
Compensated absences	1,656,965	1,755	--	1,658,720	272,292
Net pension obligation	474,332	555	--	474,887	--
Governmental activity Long-Term Liabilities	<u>\$21,826,257</u>	<u>\$881,060</u>	<u>(\$1,599,465)</u>	<u>\$21,107,852</u>	<u>\$1,918,704</u>

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

	Balance 9/30/13	Additions	Retirements	Balance 9/30/14	Due Within One Year
Business-type activities:					
Bonds payable:					
Certificates of obligation	\$19,935,286	\$ --	(\$1,295,626)	\$18,639,660	\$1,552,100
General obligation bonds	6,505,000	--	(985,000)	5,520,000	1,030,000
Revenue bonds	11,350,000	--	(820,000)	10,530,000	650,000
Deferred amounts:					
Unamortized premium	442,504	--	(63,088)	379,416	--
Unamortized (discount)	(73,935)	--	7,114	(66,821)	--
Total bonds payable	38,158,855	-	(3,156,600)	35,002,255	3,232,100
Landfill closure	1,673,152	46,459	--	1,719,611	--
Capital lease	1,186,736	37,380	(403,129)	820,987	381,877
Compensated absences	597,526	--	(44,828)	552,698	110,540
Net pension obligation	238,178	44,711	(43,052)	239,837	--
Business-type activities	<u>\$41,854,447</u>	<u>\$128,550</u>	<u>(\$3,647,609)</u>	<u>\$38,335,388</u>	<u>\$3,724,517</u>

Certificates of obligation, general obligation bonds, note payable, line of credit and capital leases issued for governmental activity purposes are liquidated by the debt service fund. Certificates of obligations, general obligation bonds, revenue bonds, landfill closure, capital leases, compensated absences and net pension obligation issued for business-type activities are repaid from those activities.

Governmental compensated absences and net pension obligations will be liquidated by the General Fund.

Authorized and Unissued Debt

At September 30, 2014 the City had the following authorized but unissued debt:

Purpose	Date Authorized	Amount	Issued	Unissued
Streets and drainage	November 7, 2007	\$17,103,240	\$8,558,549	\$8,554,691
Public safety improvements	November 7, 2007	6,610,830	1,383,871	5,226,959
City parks	November 7, 2007	242,580	62,580	180,000

Contingent Arbitrage Liabilities

The City has invested a portion of revenue bond proceeds as a reserve for the retirement of the bonds. Any excess of interest revenue earned on invested proceeds over interest paid on the bonds must be rebated to the federal government every five years.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

V. OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The City participates in the Texas Municipal League Intergovernmental Risk Pool. As an insured, the City is not obligated to reimburse the pool for losses. The City has not had any significant reductions in insurance coverage, nor have insurance settlements for the last three fiscal years exceeded insurance coverage. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the City's financial statements. The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures.

B. Commitments

Tax Increment Financing ("TIF") Reinvestment Zone Number 1 - As set forth in Ordinance No. 2289, dated August 21, 2001, the City created Tax Increment Financing ("TIF") Reinvestment Zone Number 1 (the "Zone") to fund a series of infrastructure improvements, which are needed to incentivize and accelerate the rate of development in the Zone. Pursuant to Resolution No. 1028, approved on December 18, 2001, the City authorized the execution of a development agreement with Corsicana-Navarro County Developers, L.L.C. ("Company"). Under the agreement the Company was to design and construct public improvements including the extension of water and fire protection services, the extension of sanitary sewer services, earthwork and street construction in the Zone. Following completion of the public improvements with funding provided by the Company, the City shall acquire the public improvements and reimburse the acquisition funding by the use of TIF increment funds.

Subject to the terms of the agreement, the City agrees to reimburse the Company in the amount of \$250,000 in any fiscal year, not to exceed 75% of the total funds deposited into the TIF fund in any one fiscal year unless authorized by the TIF District Board of Directors. As of September 30, 2014 the unreimbursed costs due the Company totaled \$2,225,857.

Retail Center Development Agreement – On February 3, 2004, the City, along with Navarro County, executed a retail center development agreement with The Corsicana Industrial Foundation, Inc. ("Foundation"). Under the agreement the City and County agrees to grant to the Foundation 50% to 100% of the sales tax generated by businesses located in a retail center. The Foundation agrees to use all of the moneys from the grant solely for the purpose of repayment of debt associated with the funding incentives offered to a business located in the center. This agreement shall terminate upon repayment of the debt associated with the incentive package. Grants paid to the Foundation under the agreement for the year ended September 30, 2014 totaled \$508,827 by the City and \$169,609 by the County. As of September 30, 2014 the unpaid debt of the City and County associated with the incentive package totaled \$3,924,244.

Water Contract - On June 30, 1959, as amended July 16, 1965, the City contracted with the Trinity River Authority for 90% of the yield from the water conservation space in Navarro Mills Reservoir, on an entitlement of 17.460 acre feet of the 19,400 acre feet of water available to the authority. The Trinity River Authority (TRA) is a governmental agency, which is controlled by directors appointed by the governor.

The City's annual payments for maintenance and operation to the Authority, constituting an operating expense on the City's utility operating fund, are estimated to be \$500,000 annually, subject to adjustment as required by the Authority to cover actual cost incurred. Actual payments for the year ended September 30, 2014 were \$425,770.

Letter of Credit - The Texas Department of Agriculture requires the City to provide a \$1,250,000 letter of credit to be eligible to participate in the Texas Capital Fund Grant Program. On August 6, 2013 the City Council approved a resolution that authorized the City to enter into a letter of credit for \$1,250,000. As of year-end, there have been no draws against the letter of credit.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

C. Contingent Liabilities and Commitments

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

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

D. Related Party

During the year, businesses owned by City employees provided services for the City in the amount of \$253,068.

E. Employee retirement systems and pension plans

1. Plan Description

The City provides pension benefits for all of its full-time employees through a nontraditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 827 currently administered by TMRS, an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the city are within the options available within the options available in the governing state statutes of TMRS.

TMRS issues a publically available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the system. This report may be obtained by writing to TMRS, P.O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on 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:

	Plan Year 2012	Plan Year 2013	Plan Year 2014
Employee deposit rate	7.0%	7.0%	7.0%
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	50% repeating, transfers	50% repeating, transfers	50% repeating, transfers
Annuity increase (to retiree)	50% of CPI repeating	50% of CPI repeating	50% of CPI repeating

Contributions

Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

member's projected benefit allocated annually; 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. The annual pension cost and net pension obligation/(asset) are as follows:

Annual Required Contribution (ARC)	
Interest on Net Pension Obligation	
Adjustment to the ARC	<u>\$1,214,784</u>
Annual Pension Cost (APC)	46,255
Contributions Made	<u>(44,041)</u>
Increase (decrease) in net pension obligation	2,214
Net Pension Obligation/(Asset) beginning of year	<u>712,510</u>
Net Pension Obligation/(Asset) end of year	<u><u>\$714,724</u></u>

Accounting Year Ending	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation
9/30/09	\$1,675,508	\$1,039,203	84%	\$265,326
9/30/10	1,770,061	1,433,503	81%	601,884
9/30/11	1,523,582	1,425,796	94%	699,670
9/30/12	1,264,194	1,257,343	99%	706,521
9/30/13	1,244,897	1,238,908	100%	712,510
9/30/14	1,219,721	1,214,784	100%	714,724

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

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

Actuarial Valuation Date	12/31/11	12/31/12	12/31/13
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll
GASB 25 equivalent single amortization period	26.1 years; closed period	25 years; closed period	25 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*	7.0%	7.0%	7.0%
Projected salary increases*	Varies by age and service	Varies by age and service	Varies by age and service
*Includes inflation at	3.0%	3.0%	3.0%
Cost of living adjustments	1.5%	1.5%	1.5%

Funded Status and Funding Progress

The schedule of funding progress, presenting 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, is as follows.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/08	\$16,946,545	\$29,893,778	56.7%	\$12,947,233	\$8,847,450	146.3%
12/31/09	17,274,408	27,076,625	63.8%	9,802,217	9,354,262	104.8%
12/31/10	30,180,484	37,527,268	80.4%	7,346,784	8,560,354	85.8%
12/31/11	32,387,528	39,522,821	81.9%	7,135,293	8,436,911	84.6%
12/31/12	34,904,904	41,640,050	83.8%	6,735,146	8,704,058	77.4%
12/31/13	37,376,498	46,062,363	81.1%	8,685,865	8,623,949	100.7%

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.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

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.

F. Corsicana Firefighter's Relief and Retirement Fund

Plan Description

The Board of Trustees of the Corsicana Firefighter's Relief and Retirement Fund is the administrator of a single-employer defined benefit pension plan. Firefighters in the Corsicana Fire Department are covered by the Corsicana Fireman's Relief and Retirement Plan. The current plan was adopted as amended on August 1, 2007. The Plan is a local governmental plan and therefore is not subject to the Employee Retirement Income Security Act of 1974. The Corsicana Firefighter's Relief and Retirement Fund is established under the authority of the Texas Local Fire Fighter's Retirement Act (TLFFRA). The Board is made up of three members elected from and by the Plan members, two representatives of the City of Corsicana, Texas, and two citizen members.

The Corsicana Firefighter's Relief and Retirement Fund issues an annual financial report. This report may be obtained from the Director of Finance, 200 N. 12th Street, Corsicana, Texas 75110.

The Corsicana Firemen's Relief and Retirement Fund provides service retirement, death, disability and withdrawal benefits. These benefits fully vest after 20 years of credited service with partial vesting after 15 years of service. Firefighters may retire at age 50 with 20 years of service. A reduced deferred service retirement benefit is provided for employees who terminate employment with 15 to 19 years of service. A RETRO DROP option is available for retiring firefighters which will provide them with a lump sum benefit and a reduced monthly benefit upon termination of employment. The Plan Effective August 1, 2007 provides a monthly service retirement benefit, payable in a Joint and 75% to surviving spouse form of annuity. The monthly benefit equals 53.0% of highest 60-month average salary plus \$90.00 per month for each year of service in excess of 20 years.

There is no provision for automatic postretirement benefit increases. The fund has the authority to provide, and has periodically in the past provided for, ad hoc postretirement benefit increases. The benefit provisions of this plan are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions.

Membership of the plan consisted of the following at December 31, 2012, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	36
Active plan members	54
Total	90

Contributions

The costs of administering the plan are financed from the fund.

The current funding policy of the Corsicana Firefighter's Relief and Retirement Fund requires contributions of 14% of payroll by the firefighters and contributions by the city of 14% of payroll. The 29-year amortization period in the December 31, 2012 actuarial valuation was based on the assumption that the current funding policy will continue in the future. The annual pension cost and net pension obligation/(asset) are as follows:

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

Annual Required Contribution (ARC)	\$510,251
Interest on Net Pension Obligation	--
Adjustment to the ARC	--
Annual Pension Cost (APC)	510,251
Contributions Made	(510,251)
Increase (decrease) in net pension obligation	--
Net Pension Obligation (Asset), beginning of year	--
Net Pension Obligation (Asset), end of year	--

Six year trend information is as follows:

Year Ended	Annual Pension Cost	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation/ (Asset)
9/30/2009	\$417,769	\$417,769	100.00%	\$ --
9/30/2010	432,092	432,092	100.00%	--
9/30/2011	444,252	444,252	100.00%	--
9/30/2012	458,875	458,875	100.00%	--
9/30/2013	454,905	454,905	100.00%	--
9/30/2014	510,251	510,251	100.00%	--

For the fiscal year ending September 30, 2014, the City of Corsicana's Annual Pension Cost (APC) for the Corsicana Firefighter's Relief and Retirement Fund is \$510,251, an amount equal to the annual required contributions (ARC). Based on the results of the December 31, 2012 actuarial valuation of the Plan Effective August 1, 2007, the most recent actuarial valuation, the board's actuary found that the fund has an adequate contribution arrangement based on the current level of the firefighter and the assumed City of Corsicana contribution rates. The current funding policy of the fund requires the firefighters to contribute 14% of payroll, and the city contributes 14% of payroll.

G. Other Postemployment Benefits

Supplemental Death Benefits Fund (SDBF)

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

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 TMRS. This report may be obtained from TMRS' website at www.TMRS.com. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of

CITY OF CORSICANA, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended September 30, 2014

death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

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

Schedule of Contribution Rates
 (Retiree-only portion of the rate)

Plan/ Calendar Year	City's Contribution		Schedule of Contribution Rates As a Percentage of Covered Payroll		
	Annual/ Required Contribution	Actual Contribution Made	Annual Required Contribution	Actual Contribution Made	Percentage of ARC Contributed
2009	\$24,735	\$24,735	0.09%	0.09%	100%
2010	25,648	25,648	0.28%	0.28%	100%
2011	22,783	22,783	0.25%	0.25%	100%
2012	23,113	23,113	0.27%	0.27%	100%
2013	18,562	18,562	0.22%	0.22%	100%
2014	19,149	19,149	0.22%	0.22%	100%

H. Municipal Solid Waste Landfill Closure and Post Closure Costs

State and federal laws and regulations require the City to place a final cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for a period of thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, in compliance with GASB 18, the City will report a portion of these closure and post closure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,719,611 reported to date is based on the use of 24.05% percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$7,148,780 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2014. The landfill has an estimated remaining life of 102 years, with an expected closure date of 2116. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The City's current financial policy requires 10% of its estimated landfill closure costs be contributed and maintained in a separate cash or investment account. The Landfill Closure reserve fund is adequately funded with a balance of \$173,446 at September 30, 2014. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

CITY OF CORSICANA, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended September 30, 2014

I. Investment in Water Park

The City entered into a Memorandum of Agreement with Corsicana Water & Adventure Park, L.P. (CWAP) for purposes of formalizing an understanding between the two entities relating to the City's involvement in the CWAP. In exchange for the City's support of the Park, CWAP proposed the following terms:

1. A five percent (5%) limited partnership interest in CWAP to the City, upon approval of the partners, as required under the limited partnership agreement of CWAP.
2. City to designate a cash reserve to be placed in a designated reserve account to be maintained by the City with the City depository in an amount not to exceed \$300,000 for a period of up to two years from the date of the opening of the park, in order to provide assurance for the operations of the park. The reserve account will be for the purpose of payment of the debt service owed by CWAP only upon default by CWAP. Such default requires written notice by the project Lender(s) with a twenty-one (21) day period in which to cure the default. Default shall be defined as a payment that is over 30 days delinquent. The use of the reserve account shall constitute a debt of CWAP which will be repaid to the City at an interest rate not to exceed 7 percent (7%) based upon a similar amortization of CWAP's SBA obligation. CWAP will also grant the City a ten (10) year option for first right of refusal, with a reasonable time to choose to acquire the Park from CWAP before any other offer to sell may be made. Any acquisition of the Park from CWAP by the City will be at a market value, which shall be determined by an agreed upon third party appraiser, taking into account those certain returns as described in the limited partnership agreement to all participants in the project. If the Park is purchased, the City will have the option to retain CWAP to operate the Park for a period of five years with the City having options to renew said agreement for subsequent five-year periods. If the City acquires the Park, CWAP will agree to operate the park in a manner commensurate with facilities that allow public access without discrimination and to make the Park open and available to all City residents and City visitors. If CWAP chooses not to operate the Park, the City will have full authority to do so upon acquisition.

The City ratified the terms of this memorandum with a resolution passed by the City Council on July 14, 2014.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

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CITY OF CORSICANA, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue:				
Taxes:				
Property	\$ 5,605,588	\$ 5,605,588	\$ 5,555,245	\$ (50,343)
Sales	5,828,000	5,828,000	6,019,571	191,571
Franchise	1,969,000	1,969,000	2,021,723	52,723
Alcoholic beverage	33,500	33,500	43,850	10,350
Licenses and permits	199,300	199,300	189,217	(10,083)
Fines and forfeitures	473,500	473,500	367,547	(105,953)
Charges for services	150,945	150,945	160,360	9,415
Intergovernmental	107,700	107,700	107,441	(259)
Investment Earnings	9,140	9,140	5,391	(3,749)
Other revenue	127,650	127,650	182,571	54,921
Contributions and Donations	--	--	7,289	7,289
Total revenues	<u>14,504,323</u>	<u>14,504,323</u>	<u>14,660,205</u>	<u>155,882</u>
Expenditures:				
Current:				
General government	1,355,461	1,452,905	1,413,646	39,259
Judicial	380,890	380,890	411,591	(30,701)
Public safety	8,169,333	8,169,333	7,813,648	355,685
Community support services	231,818	231,818	213,956	17,862
Public works	3,558,394	3,638,394	2,746,261	892,133
Cultural and recreational	1,772,238	1,772,238	1,744,203	28,035
Building and vehicle maintenance	482,130	482,130	436,589	45,541
Capital Outlay:				
Cultural and recreational	57,500	57,500	48,900	8,600
Building and vehicle maintenance	45,000	100,000	66,326	33,674
Debt Service:				
Principal	157,576	157,576	160,930	(3,354)
Interest and Fiscal Charges	3,689	3,689	3,793	(104)
Total Expenditures	<u>16,214,029</u>	<u>16,446,473</u>	<u>15,059,843</u>	<u>1,386,630</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,709,706)</u>	<u>(1,942,150)</u>	<u>(399,638)</u>	<u>1,542,512</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	15,000	15,000	43,023	28,023
Transfers In	2,722,971	2,722,971	2,705,835	(17,136)
Transfers Out	(1,239,000)	(1,239,000)	(1,649,478)	(410,478)
Total Other Financing Sources (Uses)	<u>1,498,971</u>	<u>1,498,971</u>	<u>1,099,380</u>	<u>(399,591)</u>
Net Change in Fund Balances	(210,735)	(443,179)	699,742	1,142,921
Fund Balances - Beginning	5,925,829	5,925,829	5,925,829	--
Fund Balances - Ending	<u>\$ 5,715,094</u>	<u>\$ 5,482,650</u>	<u>\$ 6,625,571</u>	<u>\$ 1,142,921</u>

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*Combining Statements and Budget Comparisons
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

The *Hotel/Motel Occupancy Fees* fund was established to account for financial resources to be used to promote tourism. A tax is levied upon the occupancy of any room or space furnished by any hotel. Revenue from this tax is used by the City to promote tourism. A large portion is allocated to the Chamber of Commerce/Corsicana Convention and Visitors' Bureau (CCVB) for promoting and advertising tourism within the City.

The *Airport Operating* fund was established to account for the construction and operation of the airport. Revenue consists of hangar rentals, gas sales, and grants.

The *Cemetery* fund accounts for the maintenance and operation of City-owned cemeteries. This is funded by the sale of cemetery lots and transfers from the general fund.

The *Forfeitures* fund accounts for police funds that were seized and subsequently awarded to the City through court action.

The *Parks and Recreation* fund was created to account for projects sponsored by the City. It is funded by donations and other contributions.

The *Parks Special Events* fund was created to account for special events sponsored by the City. It is funded through donations and transfers from the Hotel/Motel fund.

The *Library* fund was created to account for special projects sponsored by the City. It is funded through donations and small grants.

The *Corsicana/Navarro County Economic Development* fund supports an employee for economic development through interactions with the business community within the City of Corsicana and Navarro County. The county reimburses the city for half of the director's salary. All other funding is by transfer from the general fund.

The *Police* fund accounts for various projects supported by the police department. It is funded through donations.

The *Community Support Services* fund was created to account for Community Support Services projects sponsored by the City. Included are benevolent services and cemetery projects. It is funded by donations.

The *Fire* fund was created to account for special projects and funds from the state. Special projects are funded through donations, and expenditures are funded by the state for training.

The *Palace Theater* fund accounts for and tracks the payment of electric service for the downtown Palace Theater. The City makes a budget approved donation to the account and the balance is reimbursed to the City by the theater.

The *Police LEOSE* fund accounts for expenditures that are funded by the state for law enforcement officer education.

The *Senior Activity Center* fund accounts for the maintenance and capital purchases for the Sr. Activity Center. It was originally funded by a grant.

The *Tax Increment Financing District #1* fund is funded by tax dollars from the City of Corsicana, Navarro County and Navarro College. The TIF is being utilized to fund a series of infrastructure improvements, including frontage road improvements along IH-45, water and sewer line installation, and the purchase of one parcel of property in the business park.

The *Court Technology* fund accounts for the collection of a municipal court technology fee. The funds may be used only to finance the purchase of technological enhancements for the municipal court including: computer systems; computer networks; computer hardware; computer software; imaging systems; electronic kiosks; electronic ticket writers; and docket management systems.

The *Court Building Security* fund accounts for the collection of a municipal court building security fee. The funds may be used only to provide security services for buildings housing the municipal court, including: purchase or repair of Xray machines and conveying systems; handheld metal detectors; walkthrough metal detectors; identification cards and systems; electronic locking and surveillance equipment; bailiffs, deputy sheriffs, deputy constables, or contract security personnel during times when they are providing appropriate security services; signage; confiscated weapon inventory and tracking systems; locks, chains, alarms, or similar security devices; purchase or repair of bullet-proof glass; and continuing education on security issues for court personnel and security personnel.

The *Corsicana Crossing* fund was created to account for funds received for Corsicana Crossing retail center projects.

The *Court Rules of the Road* fund accounts for the collection of a municipal court rules of the road fee. The funds may be used only to finance the: construction and maintenance of roads, bridges, and culverts; enforcement of laws regulating the use of highways by motor vehicles; and defray the expense of traffic officers.

The *Court Judicial Efficiency* fund accounts for the collection of a municipal court judicial efficiency fee. The funds are used to promote the efficient operation of the municipal court and the investigation, prosecution, and enforcement of offenses that are within the jurisdiction of the municipal court.

The *Court Child Safety* fund accounts for the collection of a municipal court child safety fee. The funds may be used to finance: a school crossing guard program; programs designed to enhance child safety, health, or nutrition, including child abuse prevention and intervention and drug and alcohol abuse prevention.

The *GIS Project* fund is used to account for an agreement between NCTCOG and Navarro County, City of Corsicana and Corsicana Independent School District. The purpose is for the conversion by NCTCOG of all Navarro County parcel data from AutoCAD to Geographic Information System format (GIS). Expenses to be shared by all three entities.

The *Animal Shelter Building Donations* fund was created to account for donated funds to construct a new Animal Shelter.

The *TP&W Grant Athletic Complex* fund was created to account for grants funds received to construct a new Athletic Complex.

The *Home Preservation Program* fund was created to account for grant money from the Texas Department of Housing and Community Affairs Home Program. The funds are primarily used to provide affordable housing to low income families.

The *2013 Home Program* fund was created to account for grant money from the Texas Department of Housing and Community Affairs Home Program. The funds are primarily used to provide affordable housing to low income families.

The *Athletic Complex Donations* fund was created to account for donated funds to construct a new Athletic Complex.

The *Pactiv Expansion Grant* fund was created to account for pass-through grant funds for electricity and road improvements to expand the Pactiv facility and bring 250 jobs to the Corsicana community.

The *Water Park Project* fund was created to account for grant funds for water, sewer, and road activities to develop a water park in the Corsicana community.

The *2014 Combined Lease Purchases* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a three or five year period.

The *2014 10 Year Billboard Lease Purchase* fund was created to separately account for debt proceeds to be used for the purchase of a billboard to be financed over a ten year period

The *Police Seizures* fund accounts for police funds that were seized and pending court action.

DEBT SERVICE FUND

The *Debt Service* fund accounts for the accumulation of resources for the payment of general debt principal, interest and related costs. The revenue source is principally ad valorem taxes levied by the City.

CAPITAL PROJECTS FUNDS

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

The *2011 5-Year Capital Lease/Purchase* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a five year period.

The *2012 3-Year Capital Lease/Purchase* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a three year period.

The *2012 5-Year Capital Lease/Purchase* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a five year period.

The *2013 3-Year Capital Lease/Purchase* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a three year period.

The *2013 5-Year Capital Lease/Purchase* fund was created to separately account for debt proceeds to be used for the purchase of new equipment and to fund various projects to be financed over a five year period.

The *2005 Certificates of Obligation Construction* fund is used to account for resources designated for the following general related projects: finance equipment, street projects, facility renovations, and the interurban project; and to assemble costs related to these improvements. Sources for funds are proceeds from the sale of Certificates of Obligation.

The *2006 Certificates of Obligation Construction* fund is used to account for resources designated for the following general related projects: construction and improvement of City streets, City parks and renovation of City Hall. Sources for funds are proceeds from the sale of Certificates of Obligation.

The *2008 General Obligation* fund is used to account for resources designated for the following general related projects: street and drainage improvements, public safety equipment and park improvements. Sources for funds are proceeds from the sale of General Obligation bonds.

The *2011 General Obligation* fund is used to account for resources designated for the following general related projects: street and drainage improvements, public safety equipment and park improvements. Sources for funds are proceeds from the sale of General Obligation bonds.

The *2013 General Obligation* fund is used to account for resources designated for the following general related projects: street and drainage improvements, public safety equipment and park improvements. Sources for funds are proceeds from the sale of General Obligation bonds.

CITY OF CORSICANA, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds	Debt Service Fund Interest and Redemption	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS:				
Assets:				
<i>Cash and cash equivalents</i>	\$ 1,734,523	\$ 98,387	\$ 2,318,858	\$ 4,151,768
<i>Receivables (net of allowances for uncollectibles):</i>	460,064	74,569	--	534,633
<i>Due from other governments</i>	117,809	--	--	117,809
<i>Inventories</i>	40,168	--	--	40,168
<i>Prepaid items</i>	1,170	--	--	1,170
Total Assets	\$ 2,353,734	\$ 172,956	\$ 2,318,858	\$ 4,845,548
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
<i>Accounts payable and other current liabilities</i>	\$ 440,994	\$ --	\$ 277,931	\$ 718,925
<i>Accrued payroll payable</i>	7,949	--	--	7,949
<i>Due to other funds</i>	459,687	--	--	459,687
Total Liabilities	908,630	--	277,931	1,186,561
Deferred Inflows of Resources:				
<i>Deferred revenue - property tax</i>	--	68,137	--	68,137
<i>Deferred revenue - hotel occupancy tax</i>	42,160	--	--	42,160
<i>Deferred revenue - grants</i>	110,128	--	--	110,128
<i>Deferred revenue - other</i>	248,583	--	--	248,583
Total Deferred Inflows of Resources	400,871	68,137	--	469,008
Fund Balances:				
Nonspendable				
<i>Inventory</i>	40,168	--	--	40,168
Restricted				
<i>General government</i>	342,420	--	--	342,420
<i>Public safety</i>	291,825	--	--	291,825
<i>Community support services</i>	57,857	--	--	57,857
<i>Public works</i>	373,672	--	--	373,672
<i>Cultural and recreational</i>	297,204	--	--	297,204
<i>Debt service</i>	--	104,819	--	104,819
<i>Capital projects</i>	--	--	2,040,927	2,040,927
Assigned				
<i>General government</i>	114,716	--	--	114,716
<i>Cultural and recreational</i>	11,506	--	--	11,506
Unassigned				
Unassigned	(485,135)	--	--	(485,135)
Total fund balances	1,044,233	104,819	2,040,927	3,189,979
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,353,734	\$ 172,956	\$ 2,318,858	\$ 4,845,548

CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds	Debt Service Fund Interest and Redemption	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
Property	\$ --	\$ 1,924,629	\$ --	\$ 1,924,629
Hotel occupancy	466,590	--	--	466,590
Fines and forfeitures	135,004	--	--	135,004
Charges for services	356,168	--	--	356,168
Intergovernmental	1,458,040	--	--	1,458,040
Investment earnings	3,269	233	3,762	7,264
Other revenue	78,264	--	--	78,264
Contributions and donations	437,201	--	--	437,201
Total revenues	<u>2,934,536</u>	<u>1,924,862</u>	<u>3,762</u>	<u>4,863,160</u>
Expenditures:				
Current:				
General government	2,641,197	--	26,321	2,667,518
Judicial	173	--	263	436
Public safety	47,584	--	2,630	50,214
Community support services	316,374	--	--	316,374
Public works	358	--	286,764	287,122
Cultural and recreational	589,979	--	--	589,979
Building and vehicle maintenance	--	--	33,120	33,120
Capital Outlay:				
General government	375,261	--	52,828	428,089
Public safety	172,876	--	--	172,876
Community support services	--	--	149	149
Public works	407,825	--	1,625,185	2,033,010
Cultural and recreational	396,957	--	--	396,957
Building and vehicle maintenance	--	--	2,039	2,039
Debt Service:				
Principal	111,665	1,251,491	--	1,363,156
Interest and fiscal charges	29,928	675,778	--	705,706
Paying agent fees	--	5,759	--	5,759
Total Expenditures	<u>5,090,177</u>	<u>1,933,028</u>	<u>2,029,299</u>	<u>9,052,504</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,155,641)</u>	<u>(8,166)</u>	<u>(2,025,537)</u>	<u>(4,189,344)</u>
Other Financing Sources (Uses):				
Capital leases	878,750	--	--	878,750
Transfers in	1,483,209	--	--	1,483,209
Transfers out	(408,150)	--	(200,575)	(608,725)
Total Other Financing Sources (Uses)	<u>1,953,809</u>	<u>--</u>	<u>(200,575)</u>	<u>1,753,234</u>
Net Change in Fund Balances	(201,832)	(8,166)	(2,226,112)	(2,436,110)
Fund Balances - Beginning	1,246,065	112,985	4,267,039	5,626,089
Fund Balances - Ending	<u>\$ 1,044,233</u>	<u>\$ 104,819</u>	<u>\$ 2,040,927</u>	<u>\$ 3,189,979</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2014

	Hotel Motel Occupancy Fees	Airport Operating	Cemetery	Forfeitures
ASSETS:				
Assets:				
<i>Cash and cash equivalents</i>	\$ 95,175	\$ 668	\$ 177,142	\$ 18,866
<i>Receivables (net of allowances for uncollectibles):</i>	384,802	15,155	--	--
<i>Due from other governments</i>	--	--	--	--
<i>Inventories</i>	--	40,168	--	--
<i>Prepaid items</i>	--	--	--	--
Total Assets	\$ 479,977	\$ 55,991	\$ 177,142	\$ 18,866
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
<i>Accounts payable and other current liabilities</i>	\$ 62,720	\$ 3,891	\$ 3,504	\$ --
<i>Accrued payroll payable</i>	4,219	--	260	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	66,939	3,891	3,764	--
Deferred Inflows of Resources:				
<i>Deferred revenue - hotel occupancy tax</i>	42,160	--	--	--
<i>Deferred revenue - grants</i>	--	--	--	--
<i>Deferred revenue - other</i>	239,583	--	--	--
Total Deferred Inflows of Resources	281,743	--	--	--
Fund Balances (Deficits):				
Nonspendable				
<i>Inventory</i>	--	40,168	--	--
Restricted				
<i>General government</i>	131,295	--	173,378	--
<i>Public safety</i>	--	--	--	18,866
<i>Community support services</i>	--	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Assigned				
<i>General government</i>	--	11,932	--	--
<i>Cultural and recreational</i>	--	--	--	--
Unassigned				
<i>Unassigned</i>	--	--	--	--
Total fund balances (deficits)	131,295	52,100	173,378	18,866
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 479,977	\$ 55,991	\$ 177,142	\$ 18,866

<u>Parks and Recreation</u>	<u>Parks Special Events</u>	<u>Library</u>	<u>Corsicana Navarro County Economic Development</u>	<u>Police</u>
\$ 83,208	\$ 3,097	\$ 17,563	\$ 107,475	\$ 25,874
--	--	--	4,394	--
--	--	--	--	--
--	--	--	1,170	--
<u>\$ 83,208</u>	<u>\$ 3,097</u>	<u>\$ 17,563</u>	<u>\$ 113,039</u>	<u>\$ 25,874</u>
\$ 4,180	\$ --	\$ 2,651	\$ 79,182	\$ --
--	--	--	3,464	--
--	--	--	--	--
<u>4,180</u>	<u>--</u>	<u>2,651</u>	<u>82,646</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
79,028	3,097	14,912	--	25,874
--	--	--	--	--
--	--	--	--	--
--	--	--	30,393	--
<u>79,028</u>	<u>3,097</u>	<u>14,912</u>	<u>30,393</u>	<u>25,874</u>
<u>\$ 83,208</u>	<u>\$ 3,097</u>	<u>\$ 17,563</u>	<u>\$ 113,039</u>	<u>\$ 25,874</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2014

	<u>Community Support</u>	<u>Fire</u>	<u>Palace Theater</u>	<u>Police LEOSE</u>
ASSETS:				
Assets:				
<i>Cash and cash equivalents</i>	\$ 8,455	\$ 7,161	\$ 4,298	\$ 2,666
<i>Receivables (net of allowances for uncollectibles):</i>	--	--	731	--
<i>Due from other governments</i>	--	--	--	--
<i>Inventories</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
Total Assets	<u>\$ 8,455</u>	<u>\$ 7,161</u>	<u>\$ 5,029</u>	<u>\$ 2,666</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
<i>Accounts payable and other current liabilities</i>	\$ --	\$ --	\$ 684	\$ --
<i>Accrued payroll payable</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>684</u>	<u>--</u>
Deferred Inflows of Resources:				
<i>Deferred revenue - hotel occupancy tax</i>	--	--	--	--
<i>Deferred revenue - grants</i>	--	--	--	--
<i>Deferred revenue - other</i>	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances (Deficits):				
Nonspendable				
<i>Inventory</i>	--	--	--	--
Restricted				
<i>General government</i>	--	--	--	--
<i>Public safety</i>	--	--	--	2,666
<i>Community support services</i>	8,455	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Assigned				
<i>General government</i>	--	--	--	--
<i>Cultural and recreational</i>	--	7,161	4,345	--
Unassigned				
Total fund balances (deficits)	<u>8,455</u>	<u>7,161</u>	<u>4,345</u>	<u>2,666</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,455</u>	<u>\$ 7,161</u>	<u>\$ 5,029</u>	<u>\$ 2,666</u>

<u>Senior Activity Facility</u>	<u>Tax Increment Financing District</u>	<u>Court Technology</u>	<u>Court Building Security</u>	<u>Corsicana Crossing</u>
\$ 49,402	\$ 1,141	\$ 71,099	\$ 128,278	\$ 72,947
--	45,982	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 49,402</u>	<u>\$ 47,123</u>	<u>\$ 71,099</u>	<u>\$ 128,278</u>	<u>\$ 72,947</u>
\$ --	\$ 34,486	\$ --	\$ --	\$ --
--	--	--	6	--
--	429,135	--	--	--
<u>--</u>	<u>463,621</u>	<u>--</u>	<u>6</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--
--	--	71,099	128,272	--
49,402	--	--	--	--
--	--	--	--	72,947
--	--	--	--	--
--	--	--	--	--
--	(416,498)	--	--	--
<u>49,402</u>	<u>(416,498)</u>	<u>71,099</u>	<u>128,272</u>	<u>72,947</u>
<u>\$ 49,402</u>	<u>\$ 47,123</u>	<u>\$ 71,099</u>	<u>\$ 128,278</u>	<u>\$ 72,947</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2014

	<u>Court Rules of the Road</u>	<u>Court Judicial Efficiency</u>	<u>Court Child Safety</u>	<u>GIS Project</u>
ASSETS:				
Assets:				
<i>Cash and cash equivalents</i>	\$ 300,725	\$ 41,570	\$ 2,595	\$ 37,747
<i>Receivables (net of allowances for uncollectibles):</i>	--	--	--	--
<i>Due from other governments</i>	--	--	--	--
<i>Inventories</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
Total Assets	<u>\$ 300,725</u>	<u>\$ 41,570</u>	<u>\$ 2,595</u>	<u>\$ 37,747</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
<i>Accounts payable and other current liabilities</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued payroll payable</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources:				
<i>Deferred revenue - hotel occupancy tax</i>	--	--	--	--
<i>Deferred revenue - grants</i>	--	--	--	--
<i>Deferred revenue - other</i>	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances (Deficits):				
Nonspendable				
<i>Inventory</i>	--	--	--	--
Restricted				
<i>General government</i>	--	--	--	37,747
<i>Public safety</i>	--	41,570	2,595	--
<i>Community support services</i>	--	--	--	--
<i>Public works</i>	300,725	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Assigned				
<i>General government</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Unassigned				
Total fund balances (deficits)	<u>300,725</u>	<u>41,570</u>	<u>2,595</u>	<u>37,747</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 300,725</u>	<u>\$ 41,570</u>	<u>\$ 2,595</u>	<u>\$ 37,747</u>

<u>Animal Shelter Building Donation</u>	<u>TP&W Grant Athletic Complex</u>	<u>Home Preservation Prog #1001291</u>	<u>2013 Home Grant Program</u>	<u>Athletic Complex donation</u>
\$ 813	\$ 108,218	\$ --	\$ --	\$ 200,167
--	--	9,000	--	--
--	93,102	--	1,200	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 813</u>	<u>\$ 201,320</u>	<u>\$ 9,000</u>	<u>\$ 1,200</u>	<u>\$ 200,167</u>
\$ --	\$ 168,246	\$ --	\$ 1,200	\$ --
--	--	--	--	--
--	--	9,000	--	--
<u>--</u>	<u>168,246</u>	<u>9,000</u>	<u>1,200</u>	<u>--</u>
--	--	--	--	--
--	93,102	--	1,200	--
--	--	9,000	--	--
<u>--</u>	<u>93,102</u>	<u>9,000</u>	<u>1,200</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
813	--	--	--	--
--	--	--	--	--
--	--	--	--	200,167
--	--	--	--	--
--	--	--	--	--
--	(60,028)	(9,000)	(1,200)	--
<u>813</u>	<u>(60,028)</u>	<u>(9,000)</u>	<u>(1,200)</u>	<u>200,167</u>
<u>\$ 813</u>	<u>\$ 201,320</u>	<u>\$ 9,000</u>	<u>\$ 1,200</u>	<u>\$ 200,167</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2014

	<u>Pactiv Expansion Project</u>	<u>Water Park Project</u>
ASSETS:		
Assets:		
<i>Cash and cash equivalents</i>	\$ --	\$ 375
<i>Receivables (net of allowances for uncollectibles):</i>	--	--
<i>Due from other governments</i>	8,576	14,931
<i>Inventories</i>	--	--
<i>Prepaid items</i>	--	--
Total Assets	<u>\$ 8,576</u>	<u>\$ 15,306</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:		
Liabilities:		
<i>Accounts payable and other current liabilities</i>	\$ --	\$ 15,306
<i>Accrued payroll payable</i>	--	--
<i>Due to other funds</i>	21,552	--
Total Liabilities	<u>21,552</u>	<u>15,306</u>
Deferred Inflows of Resources:		
<i>Deferred revenue - hotel occupancy tax</i>	--	--
<i>Deferred revenue - grants</i>	895	14,931
<i>Deferred revenue - other</i>	--	--
Total Deferred Inflows of Resources	<u>895</u>	<u>14,931</u>
Fund Balances (Deficits):		
Nonspendable		
<i>Inventory</i>	--	--
Restricted		
<i>General government</i>	--	--
<i>Public safety</i>	--	--
<i>Community support services</i>	--	--
<i>Public works</i>	--	--
<i>Cultural and recreational</i>	--	--
Assigned		
<i>General government</i>	--	--
<i>Cultural and recreational</i>	--	--
Unassigned	(13,871)	(14,931)
Total fund balances (deficits)	<u>(13,871)</u>	<u>(14,931)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,576</u>	<u>\$ 15,306</u>

2014 Combined Lease Purchases	2014 10 Year Billboard Lease Purchase	Police Seizures	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 16,126	\$ 91,846	\$ 59,826	\$ 1,734,523
--	--	--	460,064
--	--	--	117,809
--	--	--	40,168
--	--	--	1,170
<u>\$ 16,126</u>	<u>\$ 91,846</u>	<u>\$ 59,826</u>	<u>\$ 2,353,734</u>
\$ 5,188	\$ --	\$ 59,756	\$ 440,994
--	--	--	7,949
--	--	--	459,687
<u>5,188</u>	<u>--</u>	<u>59,756</u>	<u>908,630</u>
--	--	--	42,160
--	--	--	110,128
--	--	--	248,583
<u>--</u>	<u>--</u>	<u>--</u>	<u>400,871</u>
--	--	--	40,168
--	--	--	342,420
--	--	70	291,825
--	--	--	57,857
--	--	--	373,672
--	--	--	297,204
10,938	91,846	--	114,716
--	--	--	11,506
--	--	--	(485,135)
<u>10,938</u>	<u>91,846</u>	<u>70</u>	<u>1,044,233</u>
<u>\$ 16,126</u>	<u>\$ 91,846</u>	<u>\$ 59,826</u>	<u>\$ 2,353,734</u>

CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Hotel Motel Occupancy Fees	Airport Operating	Cemetery	Forfeitures
Revenue:				
Taxes:				
<i>Hotel occupancy</i>	\$ 466,590	\$ --	\$ --	\$ --
<i>Fines and forfeitures</i>	--	--	--	13,090
<i>Charges for services</i>	--	352,787	3,381	--
<i>Intergovernmental</i>	--	129,365	--	--
<i>Investment earnings</i>	2,146	--	106	10
<i>Other revenue</i>	15,402	--	57,381	--
<i>Contributions and donations</i>	2,600	--	6,400	--
Total revenues	<u>486,738</u>	<u>482,152</u>	<u>67,268</u>	<u>13,100</u>
Expenditures:				
Current:				
<i>General government</i>	448,983	456,277	178,713	--
<i>Judicial</i>	--	--	--	--
<i>Public safety</i>	--	--	--	7,437
<i>Community support services</i>	--	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Capital Outlay:				
<i>General government</i>	--	70,924	--	--
<i>Public safety</i>	--	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Debt Service:				
<i>Principal</i>	--	--	--	--
<i>Interest and fiscal charges</i>	--	--	--	--
Total Expenditures	<u>448,983</u>	<u>527,201</u>	<u>178,713</u>	<u>7,437</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>37,755</u>	<u>(45,049)</u>	<u>(111,445)</u>	<u>5,663</u>
Other Financing Sources (Uses):				
<i>Capital leases</i>	--	--	--	--
<i>Transfers in</i>	--	35,000	129,996	--
<i>Transfers out</i>	(3,850)	--	--	--
Total Other Financing Sources (Uses)	<u>(3,850)</u>	<u>35,000</u>	<u>129,996</u>	<u>--</u>
Net Change in Fund Balances	33,905	(10,049)	18,551	5,663
Fund Balances - Beginning	97,390	62,149	154,827	13,203
Fund Balances - Ending	<u>\$ 131,295</u>	<u>\$ 52,100</u>	<u>\$ 173,378</u>	<u>\$ 18,866</u>

<u>Parks and Recreation</u>	<u>Parks Special Events</u>	<u>Library</u>	<u>Corsicana Navarro County Economic Development</u>	<u>Police</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
29	1	12	61	16
--	--	--	--	--
<u>117,899</u>	<u>7,175</u>	<u>8,318</u>	<u>77,394</u>	<u>9,304</u>
<u>117,928</u>	<u>7,176</u>	<u>8,330</u>	<u>77,455</u>	<u>9,320</u>
--	--	--	649,903	--
--	--	--	--	--
--	--	--	--	8,674
--	--	--	--	--
52,129	14,339	11,692	--	--
--	--	--	--	--
--	--	--	--	--
33,000	--	1,183	--	--
--	--	--	111,665	--
--	--	--	29,928	--
<u>85,129</u>	<u>14,339</u>	<u>12,875</u>	<u>791,496</u>	<u>8,674</u>
<u>32,799</u>	<u>(7,163)</u>	<u>(4,545)</u>	<u>(714,041)</u>	<u>646</u>
--	--	--	--	--
20,000	3,850	--	759,000	--
--	--	--	--	--
<u>20,000</u>	<u>3,850</u>	<u>--</u>	<u>759,000</u>	<u>--</u>
52,799	(3,313)	(4,545)	44,959	646
26,229	6,410	19,457	(14,566)	25,228
<u>\$ 79,028</u>	<u>\$ 3,097</u>	<u>\$ 14,912</u>	<u>\$ 30,393</u>	<u>\$ 25,874</u>

CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Community Support	Fire	Palace Theater	Police LEOSE
Revenue:				
<i>Taxes:</i>				
Hotel occupancy	\$ --	\$ --	\$ --	\$ --
Fines and forfeitures	--	--	--	--
Charges for services	--	--	--	--
Intergovernmental	--	650	--	3,611
Investment earnings	5	5	4	1
Other revenue	--	--	5,481	--
Contributions and donations	9	1,102	6,000	--
Total revenues	<u>14</u>	<u>1,757</u>	<u>11,485</u>	<u>3,612</u>
Expenditures:				
<i>Current:</i>				
General government	--	--	--	--
Judicial	--	--	--	--
Public safety	--	1,367	--	1,200
Community support services	210	--	--	--
Public works	--	--	--	--
Cultural and recreational	--	--	10,686	--
<i>Capital Outlay:</i>				
General government	--	--	--	--
Public safety	--	--	--	--
Public works	--	--	--	--
Cultural and recreational	--	--	--	--
<i>Debt Service:</i>				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total Expenditures	<u>210</u>	<u>1,367</u>	<u>10,686</u>	<u>1,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(196)</u>	<u>390</u>	<u>799</u>	<u>2,412</u>
Other Financing Sources (Uses):				
Capital leases	--	--	--	--
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(196)	390	799	2,412
Fund Balances - Beginning	8,651	6,771	3,546	254
Fund Balances - Ending	<u>\$ 8,455</u>	<u>\$ 7,161</u>	<u>\$ 4,345</u>	<u>\$ 2,666</u>

<u>Senior Activity Facility</u>	<u>Tax Increment Financing District</u>	<u>Court Technology</u>	<u>Court Building Security</u>	<u>Corsicana Crossing</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	12,152	9,128	--
--	--	--	--	--
--	419,320	--	--	--
29	--	41	74	43
--	--	--	--	--
--	--	--	--	--
<u>29</u>	<u>419,320</u>	<u>12,193</u>	<u>9,202</u>	<u>43</u>
--	--	--	--	--
--	--	135	691	--
--	314,489	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	8,049	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>314,489</u>	<u>8,184</u>	<u>691</u>	<u>--</u>
29	104,831	4,009	8,511	43
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
29	104,831	4,009	8,511	43
49,373	(521,329)	67,090	119,761	72,904
<u>\$ 49,402</u>	<u>\$ (416,498)</u>	<u>\$ 71,099</u>	<u>\$ 128,272</u>	<u>\$ 72,947</u>

CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Court Rules of the Road	Court Judicial Efficiency	Court Child Safety	GIS Project
Revenue:				
Taxes:				
<i>Hotel occupancy</i>	\$ --	\$ --	\$ --	\$ --
<i>Fines and forfeitures</i>	94,801	4,029	1,804	--
<i>Charges for services</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<i>Investment earnings</i>	168	23	1	22
<i>Other revenue</i>	--	--	--	--
<i>Contributions and donations</i>	--	--	--	--
Total revenues	<u>94,969</u>	<u>4,052</u>	<u>1,805</u>	<u>22</u>
Expenditures:				
Current:				
<i>General government</i>	--	--	--	--
<i>Judicial</i>	--	173	--	--
<i>Public safety</i>	26,880	--	1,200	--
<i>Community support services</i>	--	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Capital Outlay:				
<i>General government</i>	--	--	--	--
<i>Public safety</i>	107,998	--	--	--
<i>Public works</i>	--	--	--	--
<i>Cultural and recreational</i>	--	--	--	--
Debt Service:				
<i>Principal</i>	--	--	--	--
<i>Interest and fiscal charges</i>	--	--	--	--
Total Expenditures	<u>134,878</u>	<u>173</u>	<u>1,200</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(39,909)</u>	<u>3,879</u>	<u>605</u>	<u>22</u>
Other Financing Sources (Uses):				
<i>Capital leases</i>	--	--	--	--
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(39,909)	3,879	605	22
Fund Balances - Beginning	340,634	37,691	1,990	37,725
Fund Balances - Ending	<u>\$ 300,725</u>	<u>\$ 41,570</u>	<u>\$ 2,595</u>	<u>\$ 37,747</u>

TCDP 710032 Cinergy Cinema	Animal Shelter Building Donation	TP&W Grant Athletic Complex	Home Preservation Prog #1001291	2013 Home Grant Program
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
5,000	--	32,748	53,898	--
--	20	55	--	--
--	--	--	--	--
--	--	--	--	--
<u>5,000</u>	<u>20</u>	<u>32,803</u>	<u>53,898</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	276	1,399
--	--	458,456	--	--
--	--	--	--	--
--	56,829	--	--	--
--	--	--	--	--
--	--	362,774	--	--
--	--	--	--	--
<u>--</u>	<u>56,829</u>	<u>821,230</u>	<u>276</u>	<u>1,399</u>
<u>5,000</u>	<u>(56,809)</u>	<u>(788,427)</u>	<u>53,622</u>	<u>(1,399)</u>
--	--	--	--	--
--	--	467,104	42	855
--	18,200	--	--	--
<u>--</u>	<u>18,200</u>	<u>467,104</u>	<u>42</u>	<u>855</u>
5,000	(38,609)	(321,323)	53,664	(544)
(5,000)	39,422	261,295	(62,664)	(656)
<u>\$ --</u>	<u>\$ 813</u>	<u>\$ (60,028)</u>	<u>\$ (9,000)</u>	<u>\$ (1,200)</u>

CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Athletic Complex donation	Pactiv Expansion Project	Water Park Project
Revenue:			
Taxes:			
<i>Hotel occupancy</i>	\$ --	\$ --	\$ --
<i>Fines and forfeitures</i>	--	--	--
<i>Charges for services</i>	--	--	--
<i>Intergovernmental</i>	--	813,448	--
<i>Investment earnings</i>	283	--	--
<i>Other revenue</i>	--	--	--
<i>Contributions and donations</i>	201,000	--	--
Total revenues	<u>201,283</u>	<u>813,448</u>	<u>--</u>
Expenditures:			
Current:			
<i>General government</i>	--	804,295	--
<i>Judicial</i>	--	--	--
<i>Public safety</i>	--	--	--
<i>Community support services</i>	--	--	--
<i>Public works</i>	--	--	--
<i>Cultural and recreational</i>	--	--	42,677
Capital Outlay:			
<i>General government</i>	--	--	--
<i>Public safety</i>	--	--	--
<i>Public works</i>	--	--	--
<i>Cultural and recreational</i>	--	--	--
Debt Service:			
<i>Principal</i>	--	--	--
<i>Interest and fiscal charges</i>	--	--	--
Total Expenditures	<u>--</u>	<u>804,295</u>	<u>42,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>201,283</u>	<u>9,153</u>	<u>(42,677)</u>
Other Financing Sources (Uses):			
<i>Capital leases</i>	--	--	--
<i>Transfers in</i>	--	--	27,865
<i>Transfers out</i>	(422,500)	--	--
Total Other Financing Sources (Uses)	<u>(422,500)</u>	<u>--</u>	<u>27,865</u>
Net Change in Fund Balances	(221,217)	9,153	(14,812)
Fund Balances - Beginning	421,384	(23,024)	(119)
Fund Balances - Ending	<u>\$ 200,167</u>	<u>\$ (13,871)</u>	<u>\$ (14,931)</u>

2014 Combined Lease Purchases	2014 10 Year Billboard Lease Purchase	Police Seizures	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ --	\$ --	\$ --	\$ 466,590
--	--	--	135,004
--	--	--	356,168
--	--	--	1,458,040
54	29	31	3,269
--	--	--	78,264
--	--	--	437,201
54	29	31	2,934,536
103,026	--	--	2,641,197
--	--	--	173
--	--	--	47,584
--	--	--	316,374
--	358	--	358
--	--	--	589,979
304,337	--	--	375,261
--	--	--	172,876
--	407,825	--	407,825
--	--	--	396,957
--	--	--	111,665
--	--	--	29,928
407,363	408,183	--	5,090,177
(407,309)	(408,154)	31	(2,155,641)
378,750	500,000	--	878,750
39,497	--	--	1,483,209
--	--	--	(408,150)
418,247	500,000	--	1,953,809
10,938	91,846	31	(201,832)
--	--	39	1,246,065
\$ 10,938	\$ 91,846	\$ 70	\$ 1,044,233

CITY OF CORSICANA, TEXAS
HOTEL/MOTEL OCCUPANCY FEES
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-5

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
<i>Hotel occupancy</i>	\$ 402,000	\$ 466,590	\$ 64,590
<i>Investment Earnings</i>	1,350	2,146	796
<i>Other revenue</i>	4,500	15,402	10,902
<i>Contributions and Donations</i>	--	2,600	2,600
Total revenues	<u>407,850</u>	<u>486,738</u>	<u>78,888</u>
Expenditures:			
Current:			
<i>General government</i>	414,393	448,983	(34,590)
Total Expenditures	<u>414,393</u>	<u>448,983</u>	<u>(34,590)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,543)</u>	<u>37,755</u>	<u>44,298</u>
Other Financing Sources (Uses):			
<i>Transfers Out</i>	(3,850)	(3,850)	--
Total Other Financing Sources (Uses)	<u>(3,850)</u>	<u>(3,850)</u>	<u>--</u>
Net Change in Fund Balances	(10,393)	33,905	44,298
Fund Balances - Beginning	97,390	97,390	--
Fund Balances - Ending	<u>\$ 86,997</u>	<u>\$ 131,295</u>	<u>\$ 44,298</u>

CITY OF CORSICANA, TEXAS
AIRPORT OPERATING
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-6

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Charges for services</i>	\$ 340,000	\$ 352,787	\$ 12,787
<i>Intergovernmental</i>	555,000	129,365	(425,635)
<i>Investment Earnings</i>	25	--	(25)
Total revenues	<u>895,025</u>	<u>482,152</u>	<u>(412,873)</u>
Expenditures:			
Current:			
<i>General government</i>	469,612	456,277	13,335
Capital Outlay:			
<i>General government</i>	505,000	70,924	434,076
Debt Service:			
Total Expenditures	<u>974,612</u>	<u>527,201</u>	<u>447,411</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(79,587)</u>	<u>(45,049)</u>	<u>34,538</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	--	35,000	35,000
Total Other Financing Sources (Uses)	<u>--</u>	<u>35,000</u>	<u>(35,000)</u>
Net Change in Fund Balances	(79,587)	(10,049)	69,538
Fund Balances - Beginning	62,149	62,149	--
Fund Balances - Ending	<u>\$ (17,438)</u>	<u>\$ 52,100</u>	<u>\$ 69,538</u>

CITY OF CORSICANA, TEXAS
CEMETERY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-7

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Charges for services	\$ 3,500	\$ 3,381	\$ (119)
Investment Earnings	150	106	(44)
Other revenue	56,200	57,381	1,181
Contributions and Donations	--	6,400	6,400
Total revenues	<u>59,850</u>	<u>67,268</u>	<u>7,418</u>
Expenditures:			
Current:			
General government	188,616	178,713	9,903
Capital Outlay:			
Debt Service:			
Total Expenditures	<u>188,616</u>	<u>178,713</u>	<u>9,903</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(128,766)</u>	<u>(111,445)</u>	<u>17,321</u>
Other Financing Sources (Uses):			
Transfers In	130,000	129,996	(4)
Total Other Financing Sources (Uses)	<u>130,000</u>	<u>129,996</u>	<u>(4)</u>
Net Change in Fund Balances	1,234	18,551	17,317
Fund Balances - Beginning	154,827	154,827	--
Fund Balances - Ending	<u>\$ 156,061</u>	<u>\$ 173,378</u>	<u>\$ 17,317</u>

CITY OF CORSICANA, TEXAS

EXHIBIT C-8

*FORFEITURES
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014*

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 55,000	\$ 13,090	\$ (41,910)
<i>Investment Earnings</i>	--	10	10
Total revenues	<u>55,000</u>	<u>13,100</u>	<u>(41,900)</u>
Expenditures:			
Current:			
<i>Public safety</i>	3,000	7,437	(4,437)
Total Expenditures	<u>3,000</u>	<u>7,437</u>	<u>(4,437)</u>
Net Change in Fund Balances	52,000	5,663	(46,337)
Fund Balances - Beginning	13,203	13,203	--
Fund Balances - Ending	<u>\$ 65,203</u>	<u>\$ 18,866</u>	<u>\$ (46,337)</u>

CITY OF CORSICANA, TEXAS
PARKS AND RECREATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-9

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ --	\$ 29	\$ 29
Contributions and Donations	31,700	117,899	86,199
Total revenues	<u>31,700</u>	<u>117,928</u>	<u>86,228</u>
Expenditures:			
Current:			
Cultural and recreational	8,500	52,129	(43,629)
Capital Outlay:			
Cultural and recreational	6,000	33,000	(27,000)
Debt Service:			
Total Expenditures	<u>14,500</u>	<u>85,129</u>	<u>(70,629)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,200</u>	<u>32,799</u>	<u>15,599</u>
Other Financing Sources (Uses):			
Transfers In	--	20,000	20,000
Total Other Financing Sources (Uses)	<u>--</u>	<u>20,000</u>	<u>20,000</u>
Net Change in Fund Balances	17,200	52,799	35,599
Fund Balances - Beginning	26,229	26,229	--
Fund Balances - Ending	<u>\$ 43,429</u>	<u>\$ 79,028</u>	<u>\$ 35,599</u>

CITY OF CORSICANA, TEXAS
PARKS SPECIAL EVENTS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-10

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Investment Earnings</i>	\$ --	\$ 1	\$ 1
<i>Contributions and Donations</i>	5,000	7,175	2,175
Total revenues	<u>5,000</u>	<u>7,176</u>	<u>2,176</u>
Expenditures:			
Current:			
<i>Cultural and recreational</i>	11,000	14,339	(3,339)
Total Expenditures	<u>11,000</u>	<u>14,339</u>	<u>(3,339)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,000)</u>	<u>(7,163)</u>	<u>(1,163)</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	3,850	3,850	--
Total Other Financing Sources (Uses)	<u>3,850</u>	<u>3,850</u>	<u>--</u>
Net Change in Fund Balances	(2,150)	(3,313)	(1,163)
Fund Balances - Beginning	6,410	6,410	--
Fund Balances - Ending	<u>\$ 4,260</u>	<u>\$ 3,097</u>	<u>\$ (1,163)</u>

CITY OF CORSICANA, TEXAS
LIBRARY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-11

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ --	\$ 12	\$ 12
Contributions and Donations	5,250	8,318	3,068
Total revenues	<u>5,250</u>	<u>8,330</u>	<u>3,080</u>
Expenditures:			
Current:			
Cultural and recreational	3,400	11,692	(8,292)
Capital Outlay:			
Cultural and recreational	--	1,183	(1,183)
Debt Service:			
Total Expenditures	<u>3,400</u>	<u>12,875</u>	<u>(9,475)</u>
Net Change in Fund Balances	1,850	(4,545)	(6,395)
Fund Balances - Beginning	19,457	19,457	--
Fund Balances - Ending	<u>\$ 21,307</u>	<u>\$ 14,912</u>	<u>\$ (6,395)</u>

CITY OF CORSICANA, TEXAS
 CORSICANA/NAVARRO COUNTY ECONOMIC DEVELOPMENT
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-12

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ 100	\$ 61	\$ (39)
Contributions and Donations	80,403	77,394	(3,009)
Total revenues	<u>80,503</u>	<u>77,455</u>	<u>(3,048)</u>
Expenditures:			
Current:			
General government	669,705	649,903	19,802
Debt Service:			
Principal	35,793	111,665	(75,872)
Interest and Fiscal Charges	--	29,928	(29,928)
Total Expenditures	<u>705,498</u>	<u>791,496</u>	<u>(85,998)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(624,995)</u>	<u>(714,041)</u>	<u>(89,046)</u>
Other Financing Sources (Uses):			
Transfers In	759,000	759,000	--
Total Other Financing Sources (Uses)	<u>759,000</u>	<u>759,000</u>	<u>--</u>
Net Change in Fund Balances	134,005	44,959	(89,046)
Fund Balances - Beginning	(14,566)	(14,566)	--
Fund Balances - Ending	<u>\$ 119,439</u>	<u>\$ 30,393</u>	<u>\$ (89,046)</u>

CITY OF CORSICANA, TEXAS
 POLICE
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ 50	\$ 16	\$ (34)
Contributions and Donations	3,300	9,304	6,004
Total revenues	<u>3,350</u>	<u>9,320</u>	<u>5,970</u>
Expenditures:			
Current:			
Public safety	2,000	8,674	(6,674)
Total Expenditures	<u>2,000</u>	<u>8,674</u>	<u>(6,674)</u>
Net Change in Fund Balances	1,350	646	(704)
Fund Balances - Beginning	25,228	25,228	--
Fund Balances - Ending	<u>\$ 26,578</u>	<u>\$ 25,874</u>	<u>\$ (704)</u>

CITY OF CORSICANA, TEXAS
 COMMUNITY SUPPORT
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ 10	\$ 5	\$ (5)
Contributions and Donations	--	9	9
Total revenues	<u>10</u>	<u>14</u>	<u>4</u>
Expenditures:			
Current:			
Community support services	<u>1,500</u>	<u>210</u>	<u>1,290</u>
Total Expenditures	<u>1,500</u>	<u>210</u>	<u>1,290</u>
Net Change in Fund Balances	(1,490)	(196)	1,294
Fund Balances - Beginning	8,651	8,651	--
Fund Balances - Ending	<u>\$ 7,161</u>	<u>\$ 8,455</u>	<u>\$ 1,294</u>

CITY OF CORSICANA, TEXAS

EXHIBIT C-15

*FIRE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014*

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Intergovernmental	\$ --	\$ 650	\$ 650
Investment Earnings	--	5	5
Contributions and Donations	--	1,102	1,102
Total revenues	<u>--</u>	<u>1,757</u>	<u>1,757</u>
Expenditures:			
Current:			
Public safety	750	1,367	(617)
Total Expenditures	<u>750</u>	<u>1,367</u>	<u>(617)</u>
Net Change in Fund Balances	(750)	390	1,140
Fund Balances - Beginning	6,771	6,771	--
Fund Balances - Ending	<u>\$ 6,021</u>	<u>\$ 7,161</u>	<u>\$ 1,140</u>

CITY OF CORSICANA, TEXAS
 PALACE THEATER
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-16

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
Investment Earnings	\$ --	\$ 4	\$ 4
Other revenue	5,500	5,481	(19)
Contributions and Donations	6,000	6,000	--
Total revenues	<u>11,500</u>	<u>11,485</u>	<u>(15)</u>
Expenditures:			
Current:			
Cultural and recreational	11,500	10,686	814
Total Expenditures	<u>11,500</u>	<u>10,686</u>	<u>814</u>
Net Change in Fund Balances	--	799	799
Fund Balances - Beginning	3,546	3,546	--
Fund Balances - Ending	<u>\$ 3,546</u>	<u>\$ 4,345</u>	<u>\$ 799</u>

CITY OF CORSICANA, TEXAS
SR. ACTIVITY FACILITY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-17

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Investment Earnings</i>	\$ 80	\$ 29	\$ (51)
Total revenues	<u>80</u>	<u>29</u>	<u>(51)</u>
 Net Change in Fund Balances	 80	 29	 (51)
 Fund Balances - Beginning	 49,373	 49,373	 --
Fund Balances - Ending	<u>\$ 49,453</u>	<u>\$ 49,402</u>	<u>\$ (51)</u>

CITY OF CORSICANA, TEXAS
TAX INCREMENT FINANCING DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-18

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Intergovernmental</i>	\$ 417,688	\$ 419,320	\$ 1,632
Total revenues	<u>417,688</u>	<u>419,320</u>	<u>1,632</u>
Expenditures:			
Current:			
<i>Community support services</i>	313,266	314,489	(1,223)
Total Expenditures	<u>313,266</u>	<u>314,489</u>	<u>(1,223)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>104,422</u>	<u>104,831</u>	<u>409</u>
Other Financing Sources (Uses):			
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	104,422	104,831	409
Fund Balances - Beginning	(521,329)	(521,329)	--
Fund Balances - Ending	<u>\$ (416,907)</u>	<u>\$ (416,498)</u>	<u>\$ 409</u>

CITY OF CORSICANA, TEXAS
COURT TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-19

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 16,500	\$ 12,152	\$ (4,348)
<i>Investment Earnings</i>	100	41	(59)
Total revenues	<u>16,600</u>	<u>12,193</u>	<u>(4,407)</u>
Expenditures:			
Current:			
<i>Public safety</i>	750	135	615
Capital Outlay:			
<i>Public safety</i>	8,050	8,049	1
Total Expenditures	<u>8,800</u>	<u>8,184</u>	<u>616</u>
Net Change in Fund Balances	7,800	4,009	(3,791)
Fund Balances - Beginning	67,090	67,090	--
Fund Balances - Ending	<u>\$ 74,890</u>	<u>\$ 71,099</u>	<u>\$ (3,791)</u>

CITY OF CORSICANA, TEXAS
COURT BUILDING SECURITY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-20

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 12,250	\$ 9,128	\$ (3,122)
<i>Investment Earnings</i>	190	74	(116)
Total revenues	<u>12,440</u>	<u>9,202</u>	<u>(3,238)</u>
Expenditures:			
Current:			
<i>Public safety</i>	<u>12,292</u>	<u>691</u>	<u>11,601</u>
Total Expenditures	<u>12,292</u>	<u>691</u>	<u>11,601</u>
Net Change in Fund Balances	148	8,511	8,363
Fund Balances - Beginning	119,761	119,761	--
Fund Balances - Ending	<u>\$ 119,909</u>	<u>\$ 128,272</u>	<u>\$ 8,363</u>

CITY OF CORSICANA, TEXAS
 CORSICANA CROSSING
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-21

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
<i>Taxes:</i>			
<i>Investment Earnings</i>	\$ 120	\$ 43	\$ (77)
Total revenues	<u>120</u>	<u>43</u>	<u>(77)</u>
Net Change in Fund Balances	120	43	(77)
Fund Balances - Beginning	72,904	72,904	--
Fund Balances - Ending	<u>\$ 73,024</u>	<u>\$ 72,947</u>	<u>\$ (77)</u>

CITY OF CORSICANA, TEXAS
COURT RULES OF THE ROAD
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-22

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 127,500	\$ 94,801	\$ (32,699)
<i>Investment Earnings</i>	100	168	68
Total revenues	<u>127,600</u>	<u>94,969</u>	<u>(32,631)</u>
Expenditures:			
Current:			
<i>Public safety</i>	42,000	26,880	15,120
Capital Outlay:			
<i>Public safety</i>	79,500	107,998	(28,498)
Total Expenditures	<u>121,500</u>	<u>134,878</u>	<u>(13,378)</u>
Excess (Deficiency) of Revenues			
Net Change in Fund Balances	6,100	(39,909)	(46,009)
Fund Balances - Beginning	340,634	340,634	--
Fund Balances - Ending	<u>\$ 346,734</u>	<u>\$ 300,725</u>	<u>\$ (46,009)</u>

CITY OF CORSICANA, TEXAS
 COURT JUDICIAL EFFICIENCY
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-23

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 5,000	\$ 4,029	\$ (971)
<i>Investment Earnings</i>	60	23	(37)
Total revenues	<u>5,060</u>	<u>4,052</u>	<u>(1,008)</u>
Expenditures:			
Current:			
<i>Judicial</i>	500	173	327
Total Expenditures	<u>500</u>	<u>173</u>	<u>327</u>
Net Change in Fund Balances	4,560	3,879	(681)
Fund Balances - Beginning	37,691	37,691	--
Fund Balances - Ending	<u>\$ 42,251</u>	<u>\$ 41,570</u>	<u>\$ (681)</u>

CITY OF CORSICANA, TEXAS
 COURT CHILD SAFETY
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-24

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Fines and forfeitures</i>	\$ 1,800	\$ 1,804	\$ 4
<i>Investment Earnings</i>	--	1	1
Total revenues	<u>1,800</u>	<u>1,805</u>	<u>5</u>
Expenditures:			
Current:			
<i>Public safety</i>	<u>1,200</u>	<u>1,200</u>	<u>--</u>
Total Expenditures	<u>1,200</u>	<u>1,200</u>	<u>--</u>
Net Change in Fund Balances	600	605	5
Fund Balances - Beginning	1,990	1,990	--
Fund Balances - Ending	<u>\$ 2,590</u>	<u>\$ 2,595</u>	<u>\$ 5</u>

CITY OF CORSICANA, TEXAS
ATHLETIC COMPLEX DONATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-25

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
<i>Taxes:</i>			
<i>Investment Earnings</i>	\$ 250	\$ 283	\$ 33
<i>Contributions and Donations</i>	5,000	201,000	196,000
Total revenues	<u>5,250</u>	<u>201,283</u>	<u>196,033</u>
Other Financing Sources (Uses):			
<i>Transfers Out</i>	--	(422,500)	422,500
Total Other Financing Sources (Uses)	<u>--</u>	<u>(422,500)</u>	<u>422,500</u>
Net Change in Fund Balances	5,250	(221,217)	(226,467)
Fund Balances - Beginning	421,384	421,384	--
Fund Balances - Ending	<u>\$ 426,634</u>	<u>\$ 200,167</u>	<u>\$ (226,467)</u>

CITY OF CORSICANA, TEXAS
INTEREST AND REDEMPTION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-26

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes:			
<i>Property</i>	\$ 1,866,299	\$ 1,924,629	\$ 58,330
<i>Investment Earnings</i>	750	233	(517)
Total revenues	<u>1,867,049</u>	<u>1,924,862</u>	<u>57,813</u>
Expenditures:			
Debt Service:			
<i>Principal</i>	1,251,139	1,251,491	(352)
<i>Interest and Fiscal Charges</i>	676,575	675,778	797
<i>Paying agent fees</i>	5,601	5,759	(158)
Total Expenditures	<u>1,933,315</u>	<u>1,933,028</u>	<u>287</u>
Net Change in Fund Balances	(66,266)	(8,166)	58,100
Fund Balances - Beginning	112,985	112,985	--
Fund Balances - Ending	<u>\$ 46,719</u>	<u>\$ 104,819</u>	<u>\$ 58,100</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2014

	<u>2011 5 Year Capital Lease Purchase</u>	<u>2012 3 Year Capital Lease Purchase</u>	<u>2012 5 Year Capital Lease Purchase</u>
ASSETS:			
Assets:			
<i>Cash and cash equivalents</i>	\$ 55,949	\$ 25,178	\$ 368,411
Total Assets	<u>\$ 55,949</u>	<u>\$ 25,178</u>	<u>\$ 368,411</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
<i>Accounts payable and other current liabilities</i>	\$ --	\$ 24,321	\$ 25,793
Total Liabilities	<u>\$ --</u>	<u>\$ 24,321</u>	<u>\$ 25,793</u>
Fund Balances:			
Restricted			
<i>Capital projects</i>	55,949	857	342,618
Total fund balances	<u>55,949</u>	<u>857</u>	<u>342,618</u>
Total Liabilities and Fund Balances	<u>\$ 55,949</u>	<u>\$ 25,178</u>	<u>\$ 368,411</u>

<u>2013 3 Year Capital Lease Purchase</u>	<u>2013 5 Year Capital Lease Purchase</u>	<u>2005 Certificates of Obligation Construction</u>	<u>2006 Certificates of Obligation Construction</u>	<u>2008 General Obligation</u>
\$ 58,112	\$ 34,953	\$ 10	\$ 14	\$ 86
<u>\$ 58,112</u>	<u>\$ 34,953</u>	<u>\$ 10</u>	<u>\$ 14</u>	<u>\$ 86</u>
\$ 8,120	\$ --	\$ --	\$ --	\$ --
<u>8,120</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
49,992	34,953	10	14	86
<u>49,992</u>	<u>34,953</u>	<u>10</u>	<u>14</u>	<u>86</u>
<u>\$ 58,112</u>	<u>\$ 34,953</u>	<u>\$ 10</u>	<u>\$ 14</u>	<u>\$ 86</u>

CITY OF CORSICANA, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2014

	<u>2011</u> General Obligation	<u>2013</u> General Obligation	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
ASSETS:			
Assets:			
<i>Cash and cash equivalents</i>	\$ 60,828	\$ 1,715,317	\$ 2,318,858
Total Assets	<u>\$ 60,828</u>	<u>\$ 1,715,317</u>	<u>\$ 2,318,858</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
<i>Accounts payable and other current liabilities</i>	\$ 59,027	\$ 160,670	\$ 277,931
Total Liabilities	<u>59,027</u>	<u>160,670</u>	<u>277,931</u>
Fund Balances:			
Restricted			
<i>Capital projects</i>	1,801	1,554,647	2,040,927
Total fund balances	<u>1,801</u>	<u>1,554,647</u>	<u>2,040,927</u>
Total Liabilities and Fund Balances	<u>\$ 60,828</u>	<u>\$ 1,715,317</u>	<u>\$ 2,318,858</u>

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CITY OF CORSICANA, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>2011 5 Year Capital Lease Purchase</u>	<u>2012 3 Year Capital Lease Purchase</u>	<u>2012 5 Year Capital Lease Purchase</u>
Revenue:			
<i>Taxes:</i>			
<i>Investment earnings</i>	\$ 29	\$ 17	\$ 217
Total revenues	<u>29</u>	<u>17</u>	<u>217</u>
Expenditures:			
Current:			
<i>General government</i>	--	24,321	--
<i>Judicial</i>	--	--	--
<i>Public safety</i>	--	2,630	--
<i>Public works</i>	--	--	--
<i>Building and vehicle maintenance</i>	--	--	25,000
Capital Outlay:			
<i>General government</i>	--	--	--
<i>Community support services</i>	--	--	--
<i>Public works</i>	--	--	--
<i>Building and vehicle maintenance</i>	--	--	793
Total Expenditures	<u>--</u>	<u>26,951</u>	<u>25,793</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>29</u>	<u>(26,934)</u>	<u>(25,576)</u>
Other Financing Sources (Uses):			
<i>Transfers out</i>	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	29	(26,934)	(25,576)
Fund Balances - Beginning	55,920	27,791	368,194
Fund Balances - Ending	<u>\$ 55,949</u>	<u>\$ 857</u>	<u>\$ 342,618</u>

<u>2013 3 Year Capital Lease Purchase</u>	<u>2013 5 Year Capital Lease Purchase</u>	<u>2005 Certificates of Obligation Construction</u>	<u>2006 Certificates of Obligation Construction</u>	<u>2008 General Obligation</u>
\$ <u>37</u>	\$ <u>9</u>	\$ <u>--</u>	\$ <u>73</u>	\$ <u>10</u>
<u>37</u>	<u>9</u>	<u>--</u>	<u>73</u>	<u>10</u>
2,000	--	--	--	--
263	--	--	--	--
--	--	--	--	--
--	--	--	--	--
8,120	--	--	--	--
--	52,828	--	--	--
149	--	--	--	--
2,539	--	--	249,704	--
--	1,246	--	--	--
<u>13,071</u>	<u>54,074</u>	<u>--</u>	<u>249,704</u>	<u>--</u>
<u>(13,034)</u>	<u>(54,065)</u>	<u>--</u>	<u>(249,631)</u>	<u>10</u>
--	--	--	--	--
--	--	--	--	--
<u>(13,034)</u>	<u>(54,065)</u>	<u>--</u>	<u>(249,631)</u>	<u>10</u>
63,026	89,018	10	249,645	76
\$ <u>49,992</u>	\$ <u>34,953</u>	\$ <u>10</u>	\$ <u>14</u>	\$ <u>86</u>

CITY OF CORSICANA, TEXAS
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	2011 General Obligation	2013 General Obligation	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:			
Taxes:			
Investment earnings	\$ 25	\$ 3,345	\$ 3,762
Total revenues	<u>25</u>	<u>3,345</u>	<u>3,762</u>
Expenditures:			
Current:			
General government	--	--	26,321
Judicial	--	--	263
Public safety	--	--	2,630
Public works	--	286,764	286,764
Building and vehicle maintenance	--	--	33,120
Capital Outlay:			
General government	--	--	52,828
Community support services	--	--	149
Public works	--	1,372,942	1,625,185
Building and vehicle maintenance	--	--	2,039
Total Expenditures	<u>--</u>	<u>1,659,706</u>	<u>2,029,299</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>25</u>	<u>(1,656,361)</u>	<u>(2,025,537)</u>
Other Financing Sources (Uses):			
Transfers out	(61)	(200,514)	(200,575)
Total Other Financing Sources (Uses)	<u>(61)</u>	<u>(200,514)</u>	<u>(200,575)</u>
Net Change in Fund Balances	(36)	(1,856,875)	(2,226,112)
Fund Balances - Beginning	1,837	3,411,522	4,267,039
Fund Balances - Ending	<u>\$ 1,801</u>	<u>\$ 1,554,647</u>	<u>\$ 2,040,927</u>

ENTERPRISE FUNDS

The Utility Operations fund was established to account for operations of the water and sewer system. It is operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including debt) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

The Sanitation fund was established to account for operations of the landfill system. It is operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including debt) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

The Emergency Medical Services fund was established to account for operations of the EMS (emergency medical services) system. It is operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including debt) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

CITY OF CORSICANA, TEXAS

UTILITY OPERATIONS
 ENTERPRISE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-29

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
OPERATING REVENUES:						
<i>Water revenue</i>	\$ 9,835,000	\$ 9,835,000	\$ 9,026,905	\$ --	\$ 9,026,905	\$ (808,095)
<i>Sewer revenue</i>	4,787,500	4,787,500	4,570,219	--	4,570,219	(217,281)
<i>Tap fees</i>	41,700	41,700	66,519	--	66,519	24,819
<i>Other charges</i>	388,200	388,200	374,633	--	374,633	(13,567)
Total Operating Revenues	<u>15,052,400</u>	<u>15,052,400</u>	<u>14,038,276</u>	<u>--</u>	<u>14,038,276</u>	<u>(1,014,124)</u>
OPERATING EXPENSES:						
<i>Sampling and analysis</i>	417,181	417,181	450,244	(159)	450,085	(32,904)
<i>Overland Flow WWTP</i>	365,752	365,752	319,028	17,368	336,396	29,356
<i>Wastewater reclamation center</i>	1,738,257	1,738,257	1,455,537	126,127	1,581,664	156,593
<i>Navaarro Mills plant</i>	2,387,712	2,387,712	1,707,248	58,129	1,765,377	622,335
<i>Lake Halbert plant</i>	910,660	910,660	742,266	21,217	763,483	147,177
<i>Utility system maintenance</i>	2,279,657	2,279,657	2,326,021	545,516	2,871,537	(591,880)
<i>Utility line replacement</i>	758,866	758,866	742,301	(77,225)	665,076	93,790
<i>Utility billing</i>	456,021	456,021	422,336	--	422,336	33,685
<i>Non-departmental</i>	1,009,900	1,009,900	149,041	70,781	219,822	790,078
<i>Depreciation and amortization</i>	--	--	1,785,419	(1,785,419)	--	--
Total Operating Expenses	<u>10,324,006</u>	<u>10,324,006</u>	<u>10,099,441</u>	<u>(1,023,665)</u>	<u>9,075,776</u>	<u>1,248,230</u>
Operating Income (loss)	<u>4,728,394</u>	<u>4,728,394</u>	<u>3,938,835</u>	<u>1,023,665</u>	<u>4,962,500</u>	<u>234,106</u>
NON-OPERATING REVENUES (EXPENSES):						
<i>Investment earnings</i>	9,500	9,500	3,224	--	3,224	(6,276)
<i>Miscellaneous income</i>	35,000	35,000	57,853	--	57,853	22,853
<i>Intergovernmental</i>	--	--	102,969	--	102,969	102,969
<i>Gain (loss) on disposal of assets</i>	5,000	5,000	2,286	--	2,286	(2,714)
<i>Interest expense and fiscal charges</i>	(4,731,322)	(4,731,322)	(1,403,786)	(3,273,380)	(4,677,166)	54,156
Total Non-operating Revenues (Expenses)	<u>(4,681,822)</u>	<u>(4,681,822)</u>	<u>(1,237,454)</u>	<u>(3,273,380)</u>	<u>(4,510,834)</u>	<u>170,988</u>
Income before transfers and contributions	<u>46,572</u>	<u>46,572</u>	<u>2,701,381</u>	<u>(2,249,715)</u>	<u>451,666</u>	<u>405,094</u>
<i>Capital contributions</i>	--	--	17,200	--	17,200	17,200
<i>Transfers in</i>	4,729,322	4,729,322	182,375	--	182,375	(4,546,947)
<i>Transfers out</i>	(6,310,623)	(6,310,623)	(1,651,029)	37,380	(1,613,649)	4,696,974
Change in Net Position	<u>(1,534,729)</u>	<u>(1,534,729)</u>	<u>1,249,927</u>	<u>(2,212,335)</u>	<u>(962,408)</u>	<u>572,321</u>
Total Net Position - Beginning	<u>24,048,545</u>	<u>24,048,545</u>	<u>24,048,545</u>	<u>--</u>	<u>24,048,545</u>	<u>--</u>
Total Net Position - Ending	<u>\$ 22,513,816</u>	<u>\$ 22,513,816</u>	<u>\$ 25,298,471</u>	<u>\$ (2,212,335)</u>	<u>\$ 23,086,137</u>	<u>\$ 572,321</u>

CITY OF CORSICANA, TEXAS
SANITATION
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-30

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
OPERATING REVENUES:						
<i>Other charges</i>	\$ 18,500	\$ 18,500	\$ 11,466	\$ --	\$ 11,466	\$ (7,034)
<i>Garbage collection fees</i>	1,128,300	1,128,300	1,132,503	--	1,132,503	4,203
<i>Landfill</i>	2,211,500	2,211,500	2,389,165	--	2,389,165	177,665
Total Operating Revenues	<u>3,358,300</u>	<u>3,358,300</u>	<u>3,533,134</u>	<u>--</u>	<u>3,533,134</u>	<u>174,834</u>
OPERATING EXPENSES:						
<i>Landfill operations</i>	1,433,707	1,433,707	1,049,076	601,526	1,650,602	216,895
<i>Contract collections</i>	858,000	858,000	855,502	--	855,502	(2,498)
<i>Bulk solid waste</i>	522,480	522,480	401,127	13,490	414,617	(107,863)
<i>Non-departmental</i>	13,125	13,125	15,728	--	15,728	2,603
<i>Depreciation and amortization</i>	--	--	287,772	(287,772)	--	--
Total Operating Expenses	<u>2,827,312</u>	<u>2,827,312</u>	<u>2,609,205</u>	<u>327,244</u>	<u>2,936,449</u>	<u>109,137</u>
Operating Income (loss)	<u>530,988</u>	<u>530,988</u>	<u>923,929</u>	<u>(327,244)</u>	<u>596,685</u>	<u>65,697</u>
NON-OPERATING REVENUES (EXPENSES):						
<i>Investment earnings</i>	725	725	532	--	532	(193)
<i>Miscellaneous income</i>	430	430	1,753	--	1,753	1,323
<i>Gain on disposal of assets</i>	5,000	5,000	--	--	--	(5,000)
<i>Interest expense and fiscal charges</i>	(190,009)	(190,009)	(27,920)	(162,388)	(190,308)	(299)
Total Non-operating Revenues (Expenses)	<u>(183,854)</u>	<u>(183,854)</u>	<u>(25,635)</u>	<u>(162,388)</u>	<u>(188,023)</u>	<u>(4,169)</u>
Income before transfers and contributions	<u>347,134</u>	<u>347,134</u>	<u>898,294</u>	<u>(489,632)</u>	<u>408,662</u>	<u>61,528</u>
<i>Capital contributions</i>	--	--	--	--	--	--
<i>Transfers in</i>	--	--	--	--	--	--
<i>Transfers out</i>	(618,034)	(618,034)	(626,427)	--	(626,427)	(8,393)
Change in Net Position	<u>(270,900)</u>	<u>(270,900)</u>	<u>271,867</u>	<u>(489,632)</u>	<u>(217,765)</u>	<u>53,135</u>
Total Net Position - Beginning	<u>2,820,088</u>	<u>2,820,088</u>	<u>2,820,088</u>	<u>--</u>	<u>2,820,088</u>	<u>--</u>
Total Net Position - Ending	<u>\$ 2,549,188</u>	<u>\$ 2,549,188</u>	<u>\$ 3,091,955</u>	<u>\$ (489,632)</u>	<u>\$ 2,602,323</u>	<u>\$ 53,135</u>

CITY OF CORSICANA, TEXAS
EMERGENCY MEDICAL SERVICES
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

EXHIBIT C-31

	Budgeted Amounts		Actual GAAP Actual	Adjustments Budget Basis	Actual Budget Actual	Variance with Final Budget Positive (Negative)
	Original	Final				
OPERATING REVENUES:						
<i>Other charges</i>	\$ 48,025	\$ 48,025	\$ 49,414	\$ --	\$ 49,414	\$ 1,389
<i>Emergency medical services</i>	5,075,000	5,075,000	5,359,856	--	5,359,856	284,856
Total Operating Revenues	<u>5,123,025</u>	<u>5,123,025</u>	<u>5,409,270</u>	<u>--</u>	<u>5,409,270</u>	<u>286,245</u>
OPERATING EXPENSES:						
<i>Emergency Medical Services</i>	5,018,688	5,018,688	5,646,083	194,058	5,840,141	821,453
<i>Non-departmental</i>	8,000	8,000	9,656	--	9,656	1,656
<i>Depreciation and amortization</i>	135,000	135,000	130,171	--	130,171	(4,829)
Total Operating Expenses	<u>5,161,688</u>	<u>5,161,688</u>	<u>5,785,910</u>	<u>194,058</u>	<u>5,979,968</u>	<u>818,280</u>
Operating Income (loss)	<u>(38,663)</u>	<u>(38,663)</u>	<u>(376,640)</u>	<u>(194,058)</u>	<u>(570,698)</u>	<u>(532,035)</u>
NON-OPERATING REVENUES (EXPENSES):						
<i>Investment earnings</i>	300	300	113	--	113	(187)
<i>Miscellaneous income</i>	--	--	27,964	--	27,964	27,964
<i>Intergovernmental</i>	--	--	10,977	--	10,977	10,977
<i>Gain (loss) on disposal of assets</i>	5,000	5,000	48,475	--	48,475	43,475
<i>Interest expense and fiscal charges</i>	(600)	(600)	(468)	(220)	(688)	(88)
Total Non-operating Revenues (Expenses)	<u>4,700</u>	<u>4,700</u>	<u>87,061</u>	<u>(220)</u>	<u>86,841</u>	<u>82,141</u>
Income before transfers and contributions	<u>(33,963)</u>	<u>(33,963)</u>	<u>(289,579)</u>	<u>(194,278)</u>	<u>(483,857)</u>	<u>(449,894)</u>
<i>Capital contributions</i>	--	--	--	--	--	--
<i>Transfers in</i>	--	--	280,000	--	280,000	280,000
<i>Transfers out</i>	(173,636)	(173,636)	(115,760)	--	(115,760)	57,876
Change in Net Position	<u>(207,599)</u>	<u>(207,599)</u>	<u>(125,339)</u>	<u>(194,278)</u>	<u>(319,617)</u>	<u>(112,018)</u>
Total Net Position - Beginning	<u>393,367</u>	<u>393,367</u>	<u>393,367</u>	<u>--</u>	<u>393,367</u>	<u>--</u>
Total Net Position - Ending	<u>\$ 185,768</u>	<u>\$ 185,768</u>	<u>\$ 268,028</u>	<u>\$ (194,278)</u>	<u>\$ 73,750</u>	<u>\$ (112,018)</u>

STATISTICAL SECTION

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

Contents	Page
Financial Trends	112
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	117
<i>These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.</i>	
Debt Capacity	122
<i>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.</i>	
Demographic and Economic Information	127
<i>These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	130
<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	

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

CITY OF CORSICANA, TEXAS
NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2005	2006 [1]	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in										
Capital Assets	\$ 5,698,501	\$ 43,075,796	\$ 43,535,773	\$ 40,704,695	\$ 36,515,350	\$ 37,993,856	\$ 35,062,030	\$ 41,315,063	\$ 40,990,194	\$ 41,570,801
Restricted	295,483	171,784	65,981	6,805	476,945	464,482	6,161,057	3,538,602	6,187,752	4,123,119
Unrestricted	1,358,089	1,723,938	2,564,433	2,495,040	3,644,985	4,085,878	3,208,988	695,653	(339,366)	3,255,640
Total Governmental										
Activities Net Assets	\$ 7,352,073	\$ 44,971,518	\$ 46,166,187	\$ 43,206,540	\$ 40,637,280	\$ 42,544,216	\$ 44,432,075	\$ 45,549,318	\$ 46,838,580	\$ 48,949,560
Business-type Activities										
Net Investment in										
Capital Assets	\$ 26,165,177	\$ 12,347,749	\$ 13,591,302	\$ 15,973,129	\$ 16,790,974	\$ 15,020,985	\$ 19,227,378	\$ 19,585,921	\$ 23,022,166	\$ 24,274,258
Restricted	4,944,954	3,587,314	3,426,490	1,333,557	2,148,310	1,563,587	1,625,875	1,626,296	1,646,643	1,660,084
Unrestricted	(1,166,585)	1,515,772	506,052	872,990	1,525,421	7,900,782	5,515,563	3,986,963	2,593,190	2,724,112
Total Business-type										
Activities Net Assets	\$ 29,943,546	\$ 17,450,835	\$ 17,523,844	\$ 18,179,676	\$ 20,464,705	\$ 24,485,354	\$ 26,368,816	\$ 25,199,180	\$ 27,261,999	\$ 28,658,454
Primary Government										
Net Investment in										
Capital Assets	\$ 31,863,678	\$ 55,423,545	\$ 57,127,075	\$ 56,677,824	\$ 53,306,324	\$ 53,014,841	\$ 54,289,408	\$ 60,900,984	\$ 64,012,360	\$ 65,845,059
Restricted	5,240,437	3,759,098	3,492,471	1,340,362	2,625,255	2,028,069	7,786,932	5,164,898	7,834,395	5,783,203
Unrestricted	191,504	3,239,710	3,070,485	3,368,030	5,170,406	11,986,660	8,724,551	4,682,616	2,253,824	5,979,752
Total Primary										
Government Net Assets	\$ 37,295,619	\$ 62,422,353	\$ 63,690,031	\$ 61,386,216	\$ 61,101,985	\$ 67,029,570	\$ 70,800,891	\$ 70,748,498	\$ 74,100,579	\$ 77,608,014

Note:

[1] The City delayed the implementation of GASB 34 related to infrastructure assets acquired prior to October 1, 2002 until fiscal year 2006.

CITY OF CORSICANA, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE

LAST FIVE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General Government	\$ 3,485,656	\$ 3,323,134	\$ 3,716,908	\$ 4,222,680	\$ 3,429,018	\$ 3,271,011	\$ 3,241,304	\$ 3,492,349	\$ 3,428,726	\$ 4,292,718
Judicial	--	--	--	--	378,397	383,638	386,193	430,353	439,868	415,245
Public safety	6,260,915	6,851,979	7,203,500	8,010,253	8,073,287	8,209,523	8,201,461	8,123,848	8,137,238	8,108,969
Community support services	2,279,684	2,422,318	2,670,104	2,795,635	1,191,459	453,387	968,287	663,869	1,679,358	534,337
Public works	2,170,220	2,784,764	3,746,007	6,857,387	4,714,312	3,204,745	3,352,434	4,084,541	3,201,281	3,037,206
Cultural and recreational	--	--	--	--	2,176,559	1,768,084	2,007,750	2,067,844	1,953,716	2,039,772
Building and vehicle maintenance	--	--	--	--	673,726	591,613	792,991	638,517	574,845	608,363
Interest on Long-Term Debt	276,438	453,507	578,480	467,423	697,648	619,762	578,780	682,394	776,903	673,765
Total Governmental										
Activities Expenses	\$ 14,472,913	\$ 15,835,702	\$ 17,914,999	\$ 22,353,378	\$ 21,334,406	\$ 18,501,763	\$ 19,529,200	\$ 20,183,715	\$ 20,191,935	\$ 19,710,375
Business-type Activities										
Utility operations	10,218,684	10,939,204	11,227,697	11,574,461	10,430,444	10,545,545	10,634,345	13,585,948	10,949,139	11,503,228
Sanitation	2,344,646	2,039,657	2,541,502	2,670,527	2,555,538	2,474,798	2,727,912	3,101,112	2,610,537	2,637,125
Emergency medical services	2,703,775	4,328,036	4,064,683	3,717,276	1,784,212	1,903,164	2,023,114	2,188,651	2,335,385	5,786,377
Total Business-type Activities Expenses	15,267,105	17,306,897	17,833,882	17,962,264	14,770,194	14,923,507	15,385,371	18,875,711	15,895,061	19,926,730
Total Primary Government Expenses	\$ 29,740,018	\$ 33,142,599	\$ 35,748,881	\$ 40,315,642	\$ 36,104,600	\$ 33,425,270	\$ 34,914,571	\$ 39,059,426	\$ 36,086,996	\$ 39,637,105
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 530,469	\$ 453,419	\$ 443,617	\$ 861,361	\$ 250,875	\$ 190,281	\$ 178,740	\$ 204,762	\$ 193,017	\$ 195,053
Judicial	--	--	--	--	--	--	--	--	--	4,029
Public safety	210,766	191,642	167,625	146,731	736,490	719,602	583,310	602,704	620,291	626,745
Community support services	88,852	138,023	161,738	255,961	147,850	231,413	194,534	201,412	252,413	208,632
Public works	144,471	154,246	151,525	121,601	257,783	247,461	355,585	342,709	395,133	366,670
Cultural and recreational	--	--	--	--	40,671	31,984	33,199	32,454	35,920	36,352
Operating Grants and Contributions	446,849	232,566	841,099	719,494	860,023	1,136,614	1,085,095	820,299	1,770,791	1,953,146
Capital Grants and Contributions	--	63,527	525,399	136,137	933,426	754,742	1,049,889	528,122	749,503	317,777
Total Governmental										
Activities Program Revenues	\$ 1,421,407	\$ 1,233,423	\$ 2,291,003	\$ 2,241,285	\$ 3,227,118	\$ 3,312,097	\$ 3,480,352	\$ 2,732,462	\$ 4,017,068	\$ 3,708,404
Business-type Activities:										
Charges for Services:										
Utility operations	10,498,900	12,119,823	11,286,355	11,911,140	12,947,466	14,160,281	15,294,834	14,286,280	14,703,547	14,038,278
Sanitation	2,731,365	2,715,297	3,088,374	3,189,739	3,079,968	3,185,505	3,209,777	3,411,064	3,358,419	3,533,135
Emergency medical services	2,612,035	4,152,447	4,168,024	4,337,662	2,030,719	3,077,210	1,702,719	1,945,569	2,062,901	5,409,269
Operating Grants and Contributions	--	--	--	--	--	--	521	8,983	11,083	--
Capital Grants and Contributions	--	--	--	--	84,434	22,578	312,250	58,560	35,531	131,146
Total Business-type										
Activities Program Revenues	15,842,300	18,987,567	18,542,753	19,438,541	18,142,587	20,445,574	20,520,101	19,710,456	20,171,481	23,111,828
Total Primary Government										
Program Revenues	\$ 17,263,707	\$ 20,220,990	\$ 20,833,756	\$ 21,679,826	\$ 21,369,705	\$ 23,757,671	\$ 24,000,453	\$ 22,442,918	\$ 24,188,549	\$ 26,820,232
Net (Expense)/Revenue										
Governmental Activities	\$ (13,051,506)	\$ (14,602,279)	\$ (15,623,996)	\$ (20,112,093)	\$ (18,107,288)	\$ (15,189,666)	\$ (16,048,848)	\$ (17,451,253)	\$ (16,174,867)	\$ (16,001,971)
Business-type Activities	575,195	1,680,670	708,871	1,476,277	3,372,393	5,522,067	5,134,730	834,745	4,276,420	3,185,098
Total Primary Government Net Expense	\$ (12,476,311)	\$ (12,921,609)	\$ (14,915,125)	\$ (18,635,816)	\$ (14,734,895)	\$ (9,667,599)	\$ (10,914,118)	\$ (16,616,508)	\$ (11,898,447)	\$ (12,816,873)

CITY OF CORSICANA, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

TABLE D-3

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental Activities	\$ (13,051,506)\$	(14,602,279)\$	(15,623,996)\$	(20,112,093)\$	(18,107,288)\$	(15,189,666)\$	(16,048,848)\$	(17,451,253)\$	(16,174,867)\$	(16,001,971)
Business-type Activities	575,195	1,680,670	708,871	1,476,277	3,372,393	5,522,067	5,134,730	834,745	4,276,420	3,185,098
Total Primary Government Net Expense	\$ (12,476,311)\$	(12,921,609)\$	(14,915,125)\$	(18,635,816)\$	(14,734,895)\$	(9,667,599)\$	(10,914,118)\$	(16,616,508)\$	(11,898,447)\$	(12,816,873)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property	\$ 5,233,564 \$	5,499,625 \$	6,214,531 \$	6,819,390 \$	7,483,973 \$	7,514,547 \$	7,660,066 \$	7,828,414 \$	8,173,945 \$	7,463,669
Sales	4,506,522	4,910,743	5,025,853	5,306,960	5,034,621	4,996,997	5,195,660	5,522,784	5,789,582	6,019,571
Franchise	1,932,129	2,073,663	2,739,941	2,292,672	2,128,682	1,965,427	2,109,086	2,085,066	1,971,939	2,021,723
Hotel occupancy	237,642	324,691	623,595	646,998	374,282	348,217	361,052	396,481	399,656	455,671
Alcoholic beverage	20,693	24,819	31,327	29,791	33,497	32,355	30,631	31,811	33,885	43,850
Investment Earnings	83,393	287,884	451,178	317,278	51,104	14,755	36,850	21,873	18,019	12,655
Gain on sale of capital assets	--	--	--	--	--	97,730	(52,154)	17,632	(113,028)	41,436
Miscellaneous	271,730	670,163	360,569	195,822	188,131	191,176	393,800	310,857	229,050	123,535
Transfers	1,549,765	1,106,504	1,371,671	1,470,122	1,573,145	1,581,995	2,201,716	2,351,240	1,260,277	1,930,841
Total Governmental Activities	\$ 13,835,438 \$	14,898,092 \$	16,818,665 \$	17,079,033 \$	16,867,435 \$	16,743,199 \$	17,936,707 \$	18,566,158 \$	17,763,325 \$	18,112,951
Business-type Activities:										
Investment Earnings	179,360	195,101	735,809	649,677	25,027	17,891	31,468	19,339	12,336	3,868
Gain on sale of capital assets	--	--	--	--	--	--	52,718	40,784	6,073	50,761
Miscellaneous	--	--	--	--	--	--	--	--	--	87,570
Transfers	(1,549,765)	(1,106,504)	(1,371,671)	(1,470,122)	(1,573,145)	(1,581,995)	(2,201,716)	(2,351,240)	(1,260,277)	(1,930,841)
Total Business-type Activities	(1,370,405)	(911,403)	(635,862)	(820,445)	(1,548,118)	(1,564,104)	(2,117,530)	(2,291,117)	(1,241,868)	(1,788,642)
Total Primary Government	\$ 12,465,033 \$	13,986,689 \$	16,182,803 \$	16,258,588 \$	15,319,317 \$	15,179,095 \$	15,819,177 \$	16,275,041 \$	16,521,457 \$	16,324,309
Change in Net Assets										
Governmental Activities	\$ 783,932 \$	295,813 \$	1,194,669 \$	(3,033,060)\$	(1,239,853)\$	1,553,533 \$	1,887,859 \$	1,114,905 \$	1,588,458 \$	2,110,980
Business-type Activities	(795,210)	769,267	73,009	655,832	1,824,275	3,957,963	3,017,200	(1,456,372)	3,034,552	1,396,456
Total Primary Government	\$ (11,278)\$	1,065,080 \$	1,267,678 \$	(2,377,228)\$	584,422 \$	5,511,496 \$	4,905,059 \$	(341,467)\$	4,623,010 \$	3,507,436

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable	\$ 27,951	\$ 26,895	\$ 28,380	\$ 52,350	\$ 24,103	\$ 38,409	\$ 51,166	\$ 57,494	\$ 55,572	\$ 58,924
Assigned	--	--	--	--	--	--	1,140,271	743,888	1,178,248	80,000
Unassigned	1,053,258	1,617,411	1,899,140	1,897,060	1,820,851	3,074,774	3,423,887	3,873,916	4,692,009	6,486,647
Total General Fund	\$ 1,081,209	\$ 1,644,306	\$ 1,927,520	\$ 1,949,410	\$ 1,844,954	\$ 3,113,183	\$ 4,615,324	\$ 4,675,298	\$ 5,925,829	\$ 6,625,571
All Other Governmental Funds										
Nonspendable	\$ --	\$ --	\$ 24,485	\$ 30,704	\$ 31,366	\$ 30,454	\$ 30,454	\$ 42,197	\$ 43,877	\$ 40,168
Restricted	2,329,765	6,516,879	6,310,574	5,774,426	3,624,578	2,942,808	6,210,955	3,538,602	6,187,752	3,508,724
Assigned	--	--	--	--	--	--	--	28,815	21,818	126,222
Unassigned	(735,335)	(789,797)	(950,860)	(993,890)	(1,053,004)	(895,219)	(1,713,092)	(752,490)	(627,358)	(485,135)
Total All Other Governmental Funds	\$ 1,594,430	\$ 5,727,082	\$ 5,384,199	\$ 4,811,240	\$ 2,602,940	\$ 2,078,043	\$ 4,528,317	\$ 2,857,124	\$ 5,626,089	\$ 3,189,979

CITY OF CORSICANA, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes										
Property	\$ 5,277,893	\$ 5,791,167	\$ 6,461,526	\$ 7,038,652	\$ 7,446,802	\$ 7,449,054	\$ 7,682,862	\$ 7,832,086	\$ 8,222,550	\$ 7,479,874
Sales	4,506,522	4,910,743	5,025,853	5,306,960	5,034,621	4,996,997	5,195,660	5,522,784	5,789,582	6,019,571
Franchise	1,932,129	2,073,663	2,739,941	2,292,672	2,128,682	1,965,427	2,109,086	2,085,066	1,971,939	2,021,723
Hotel occupancy	237,642	324,691	386,523	417,964	374,282	348,217	319,459	379,678	404,973	466,590
Alcoholic beverage	20,693	24,819	31,327	29,791	33,497	32,355	30,631	31,811	33,885	43,850
Licenses, Fees and Permits	150,411	168,726	165,586	136,589	125,058	206,965	175,066	185,953	225,117	189,217
Fines and Penalties	513,630	546,559	530,387	536,588	624,717	701,340	600,098	555,896	630,167	502,551
Charges for Services	146,029	209,183	236,312	579,422	425,829	397,883	474,035	490,874	511,908	516,528
Investment Earnings	83,393	287,884	451,179	317,278	51,104	14,753	38,057	22,335	18,014	12,655
Other Revenues	197,329	280,758	360,569	345,186	330,118	333,850	528,596	451,467	400,243	260,835
Intergovernmental	264,203	90,172	1,108,910	649,509	1,321,857	1,467,302	1,009,559	1,413,897	1,981,557	1,565,481
Contributions and donations	197,897	365,352	257,588	206,026	490,648	425,015	241,350	788,921	523,046	444,490
Total Revenues	13,527,771	15,073,717	17,755,701	17,856,637	18,387,215	18,339,158	18,404,459	19,760,768	20,712,981	19,523,365
Expenditures										
General government	2,849,282	3,109,607	3,196,533	3,569,545	3,947,760	2,759,480	2,978,286	3,230,795	3,242,689	4,081,164
Judicial	--	--	--	--	371,350	374,899	385,241	431,614	422,985	412,027
Public safety	6,206,789	6,535,834	6,971,865	7,723,976	7,777,689	8,515,399	7,912,394	7,998,438	7,854,553	7,863,862
Community support services	1,985,862	2,218,340	2,543,332	2,630,030	721,616	748,585	1,081,217	949,136	1,683,762	530,330
Public works	2,434,470	2,335,806	3,541,456	6,879,504	3,004,149	2,625,393	3,901,088	4,140,675	3,017,473	3,033,383
Cultural and recreation	--	--	--	--	1,993,306	1,645,593	1,898,052	2,007,945	2,443,232	2,334,182
Building and vehicle maintenance	--	--	--	--	610,156	529,065	758,935	652,727	506,143	469,709
Capital Outlay	643,683	424,710	1,945,681	3,096,052	2,098,873	909,276	44,067	3,076,920	1,478,705	3,148,346
Debt Service										
Interest	1,156,584	1,043,467	767,038	997,499	1,078,094	986,916	821,888	1,053,512	1,321,533	1,524,086
Principal	280,411	584,244	560,642	515,616	651,680	681,747	544,343	649,896	600,085	715,258
Bond issuance cost	59,018	--	--	--	--	26,584	96,637	--	117,560	--
Total Expenditures	15,616,099	16,252,008	19,526,547	25,412,222	22,254,673	19,802,937	20,422,148	24,191,658	22,688,720	24,112,347
Excess of Revenues										
Over (Under) Expenditures	(2,088,328)	(1,178,291)	(1,770,846)	(7,555,585)	(3,867,458)	(1,463,779)	(2,017,689)	(4,430,890)	(1,975,739)	(4,588,982)
Other Financing Sources (Uses)										
Bonds Issued	1,319,018	6,735,000	--	3,400,000	--	1,290,000	3,205,000	--	3,400,000	--
Premiums on bonds issued	--	11,954	--	--	--	72,755	6,712	--	219,168	--
Payments to Escrow Agent	--	(2,511,008)	--	--	--	(1,305,000)	--	--	--	--
Capital leases	204,708	531,590	339,506	504,751	--	--	793,283	437,805	1,072,405	878,750
Loan proceeds	--	--	--	1,556,230	146,718	42,048	--	--	--	--
Sale of capital assets	--	--	--	--	--	262,872	25,186	35,919	43,385	43,023
Transfers in	1,970,765	2,016,373	2,991,019	2,605,466	2,173,811	2,742,970	3,529,270	3,835,111	3,779,759	4,189,044
Transfers Out	(421,000)	(909,869)	(1,619,348)	(1,135,344)	(600,666)	(1,160,975)	(1,465,694)	(1,491,502)	(2,519,482)	(2,258,203)
Total Other Financing										
Sources (Uses)	3,073,491	5,874,040	1,711,177	6,931,103	1,719,863	1,944,670	6,093,757	2,817,333	5,995,235	2,852,614
Net Change in Fund Balances	\$ 985,163	\$ 4,695,749	\$ (59,669)	\$ (624,482)	\$ (2,147,595)	\$ 480,891	\$ 4,076,068	\$ (1,613,557)	\$ 4,019,496	\$ (1,736,368)
Debt Service As A Percentage										
Of Noncapital Expenditures	10.0%	10.3%	7.6%	6.8%	8.6%	9.0%	7.2%	8.1%	9.6%	11.2%

CITY OF CORSICANA, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

Fiscal Year	Property Tax	Sales & Use Tax	Franchise Tax	Hotel Occupancy Tax	Alcohol Beverage Tax	Total
2005	\$ 5,277,893	4,506,522	1,932,129	237,642	20,693	\$ 11,974,879
2006	5,791,167	4,910,743	2,073,663	324,691	24,819	13,125,083
2007	6,461,526	5,025,853	2,739,941	386,523	31,327	14,645,170
2008	7,038,652	5,306,960	2,292,672	417,964	29,791	15,086,039
2009	7,446,802	5,034,621	2,128,682	374,282	348,217	15,332,604
2010	7,449,054	4,996,997	1,965,427	348,217	32,355	14,792,050
2011	7,682,862	5,195,660	2,109,086	319,459	30,631	15,337,698
2012	7,832,086	5,522,784	2,085,066	379,678	31,811	15,851,425
2013	8,222,550	5,789,582	1,971,939	404,973	33,885	16,422,929
2014	7,479,874	6,019,571	2,021,723	466,590	43,850	16,031,608
Percent Change 2005-2014	41.7%	33.6%	4.6%	96.3%	111.9%	33.9%

TABLE D-7

CITY OF CORSICANA, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>Estimated Actual Value</u>		<u>Less:</u>	<u>Total Taxable</u>	<u>Total</u>	<u>Estimated</u>	<u>Taxable Assessed</u>
	<u>Real</u>	<u>Personal</u>	<u>Tax-Exempt</u>	<u>Assessed</u>	<u>Direct</u>	<u>Actual</u>	<u>Value as a</u>
	<u>Property</u>	<u>Property</u>	<u>Property</u>	<u>Value</u>	<u>Tax</u>	<u>Taxable</u>	<u>Percentage of</u>
					<u>Rate</u>	<u>Value</u>	<u>Actual Taxable Value</u>
2005	\$ 569,662,197	\$ 347,034,881	\$ 85,544,435	\$ 831,152,643	\$ 0.62720	\$ 831,152,643	100%
2006	609,970,223	377,833,515	97,798,015	890,005,723	0.62720	890,005,723	100%
2007	636,638,568	460,861,909	100,372,858	997,127,619	0.62720	997,127,619	100%
2008	767,463,250	477,708,710	150,116,815	1,095,055,145	0.62720	1,095,055,145	100%
2009	814,596,190	526,040,140	157,213,077	1,183,423,253	0.62720	1,183,423,253	100%
2010	877,439,920	432,508,540	108,263,225	1,201,685,235	0.62720	1,201,685,235	100%
2011	867,995,410	434,532,820	80,289,150	1,222,239,080	0.62720	1,222,239,080	100%
2012	865,533,555	432,735,030	77,898,334	1,220,370,251	0.62720	1,220,370,251	100%
2013	881,569,127	423,714,980	55,434,726	1,249,849,381	0.62720	1,249,849,381	100%
2014	877,314,365	378,409,500	50,374,434	1,205,349,431	0.62720	1,205,349,431	100%

Source: City Finance Department.

TABLE D-8

CITY OF CORSICANA, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
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	Corsicana Independent School District	Navarro College	Navarro County	
2005	\$ 0.51900	\$ 0.10820	\$ 0.62720	\$ 1.67460	\$ 0.14050	\$ 0.62460	\$ 3.06690
2006	0.52280	0.10440	0.62720	1.67460	0.14050	0.62430	3.06660
2007	0.52270	0.10450	0.62720	1.50380	0.13500	0.59730	2.86330
2008	0.51380	0.11340	0.62720	1.28500	0.12000	0.57540	2.60760
2009	0.49060	0.13660	0.62720	1.28570	0.11900	0.58280	2.61470
2010	0.50964	0.11756	0.62720	1.28300	0.11900	0.62700	2.65620
2011	0.52079	0.10641	0.62720	1.28300	0.11900	0.62700	2.65620
2012	0.51980	0.10740	0.62720	1.28300	0.11900	0.62700	2.65620
2013	0.49790	0.12930	0.62720	1.28300	0.11900	0.62700	2.65620
2014	0.46900	0.15820	0.62720	1.28030	0.12020	0.62700	2.65470

Source: City Finance Department.

Overlapping rates are those of local and county governments that apply to property owners within the City of Corsicana, Texas.

CITY OF CORSICANA, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Guardian Industries	\$ 46,198,430	1	3.83%	\$ 30,321,450	1	3.65%
Corsicana Technologies Inc.	43,215,390	2	3.59%	--	--	--
Russell Stover Candies - Abated	40,755,175	3	3.38%	27,311,080	2	3.29%
True Value Co	29,969,010	4	2.49%	22,615,740	3	2.72%
NIP Owner, LLC	15,015,280	5	1.25%	--	--	--
Pactiv-Foam	12,784,615	6	1.06%	14,431,380	4	1.74%
Oil City Iron Works	12,564,320	7	1.04%	--	--	--
Oncor Electric Delivery Co LLC	11,843,590	8	0.98%	11,771,050	5	1.42%
Sunoco Pipeline LP	9,587,910	9	0.80%	--	--	--
Navarro Regional Hospital	8,550,000	10	0.71%	--	--	--
Kohl's Distribution Center - Abated	--	--	--	11,238,160	6	1.35%
Russell Stover Candies	--	--	--	10,292,550	7	1.24%
Corsicana Technologies, Inc.	--	--	--	9,241,290	8	1.11%
Guardian Industries - Abated	--	--	--	9,124,820	9	1.10%
Williamhouse of Texas, LLC	--	--	--	8,917,840	10	1.07%
Total	\$ 230,483,720		19.12%	\$ 155,265,360		18.68%
Total valuation of City net of exempt property	<u>\$ 1,205,349,431</u>			<u>\$ 831,152,643</u>		

Source: City Finance Department.

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 5,213,496	\$ 5,088,036	97.59%	\$ 138,162	\$ 5,226,198	100.24%
2006	5,582,116	5,426,460	97.21%	117,216	5,543,676	99.31%
2007	6,253,984	6,121,103	97.88%	145,971	6,267,074	100.21%
2008	6,868,186	6,702,475	97.59%	120,729	6,823,204	99.35%
2009	7,422,431	7,213,426	97.18%	149,308	7,362,734	99.20%
2010	7,536,970	7,225,383	95.87%	181,408	7,406,791	98.27%
2011	7,665,884	7,416,905	96.75%	272,779	7,689,684	100.31%
2012	7,654,162	7,482,118	97.75%	196,041	7,678,159	100.31%
2013	7,839,055	7,676,886	97.93%	89,528	7,766,414	99.07%
2014	7,559,951	7,421,489	98.17%	N/A	7,421,489	98.17%

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

Governmental Activities							
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Notes Payable	Line of Credit	Capital Leases		
2005	\$ 2,918,062	\$ 4,554,018	\$ 340,551	\$ --	\$ 300,203		
2006	4,191,404	6,784,018	240,551	--	579,984		
2007	3,968,922	6,618,025	140,551	--	640,927		
2008	7,072,871	6,412,585	691,972	893,081	787,763		
2009	6,760,174	6,118,590	653,855	94,124	453,166		
2010	7,530,000	4,633,903	621,602	833,399	261,837		
2011	10,260,000	4,542,209	586,417	724,335	923,901		
2012	9,680,000	4,446,988	551,232	619,887	1,126,934		
2013	12,445,000	4,344,715	516,047	515,966	1,754,185		
2014	11,695,000	4,195,340	486,726	412,154	2,069,783		
Business-type Activities							
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2005	\$ --	\$ 7,597,920	\$ 28,805,000	\$ 559,671	\$ 45,075,425	N/A	\$ 1,803
2006	--	6,879,578	26,945,000	662,665	46,283,200	N/A	1,815
2007	--	23,108,053	25,370,000	635,670	60,482,148	N/A	2,326
2008	597,129	21,717,415	24,025,000	752,693	62,950,509	N/A	2,381
2009	304,826	22,676,410	22,630,000	461,877	60,153,022	N/A	2,259
2010	11,035,000	19,101,097	12,910,000	301,673	57,228,511	N/A	2,081
2011	9,670,000	21,552,791	12,500,000	873,680	61,633,333	N/A	2,593
2012	8,120,000	20,628,012	12,080,000	1,230,065	58,483,118	12.80%	2,447
2013	6,505,000	19,645,285	11,640,000	1,186,736	58,552,934	N/A	2,390
2014	5,520,000	18,639,660	10,530,000	829,987	54,378,650	12.50%	2,279

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

1 Personal income data and population data can be found in the Schedule of Demographic and Economic Statistics on page 127.

N/A Not available

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

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value(1) of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less Amounts Available in Debt Service	Total		
2005	\$ 2,918,062	\$ 4,345,765	\$ 208,253	7,055,574	0.87%	291
2006	4,191,404	6,683,989	100,029	10,775,364	1.22%	426
2007	3,968,922	6,565,352	52,673	10,481,601	1.06%	405
2008	7,072,871	6,406,930	5,655	13,474,146	1.23%	510
2009	6,760,174	6,044,921	73,669	12,731,426	1.08%	474
2010	7,530,000	4,603,418	30,485	12,102,933	1.01%	441
2011	10,260,000	4,346,563	195,646	14,410,917	1.20%	614
2012	9,680,000	4,367,769	79,219	13,968,550	1.15%	588
2013	12,445,000	4,232,354	112,361	16,564,993	1.33%	681
2014	11,695,000	4,195,340	104,819	15,785,521	1.31%	662

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 118 for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics on page 127.

CITY OF CORSICANA, TEXAS
 DIRECT AND OVERLAPPING
 GOVERNMENTAL ACTIVITIES DEBT
 (UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable [1]</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt Repaid With Property Taxes			
Navarro County	\$ 8,030,000	42.620%	\$ 3,422,386
Corsicana ISD	55,865,550	77.710%	43,413,119
Mildred ISD	23,208,262	11.950%	2,773,387
Navarro College	--	42.620%	--
Subtotal, Overlapping Debt			49,608,892
City of Corsicana, Texas Direct Debt			18,859,003
Total Direct and Overlapping Debt			<u>\$ 68,467,895</u>

Sources: Texas Municipal Reports

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

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county and school district's taxable assessed value that is within the city's boundaries and dividing it by the county and school district's total taxable assessed value.

CITY OF CORSICANA, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 91,669,708	\$ 98,780,374	\$ 109,750,048	\$ 124,517,196	\$ 134,063,633	\$ 130,994,846	\$ 130,252,823	\$ 129,826,859	\$ 130,258,411	\$ 125,572,387
Total Net Debt Applicable to Limit	<u>7,266,254</u>	<u>10,870,150</u>	<u>10,528,355</u>	<u>13,450,496</u>	<u>12,656,746</u>	<u>12,138,267</u>	<u>14,610,921</u>	<u>14,052,195</u>	<u>16,677,354</u>	<u>17,110,181</u>
Legal Debt Margin	<u>84,403,454</u>	<u>87,910,224</u>	<u>99,221,693</u>	<u>111,066,700</u>	<u>121,406,887</u>	<u>118,856,579</u>	<u>115,641,902</u>	<u>115,774,664</u>	<u>113,581,057</u>	<u>108,462,206</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	7.93%	11.00%	9.59%	10.80%	9.44%	9.27%	11.22%	10.82%	12.80%	13.63%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 1,205,347,431
Add back: exempt property	50,374,434
Total assessed value	<u>1,255,723,865</u>
Debt Limit (10% of Assessed Value)	<u>125,572,387</u>
Debt Applicable to Limit:	
General Obligation Bonds	17,215,000
Less: Amount Set Aside for Repayment of General Obligation Debt	(104,819)
Total Net Debt Applicable to Limit	<u>17,110,181</u>
Legal Debt Margin	\$ <u>108,462,206</u>

Note: Under state finance law, the City of Corsicana, Texas' outstanding general obligation debt should not exceed 10 percent of total assessed property tax value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

TABLE D-15

CITY OF CORSICANA, TEXAS
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Water Revenue Bonds						Coverage
	Total Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service			
				Principal	Interest		
2005	\$ 10,654,819	\$ 6,246,549	\$ 4,408,270	\$ 1,405,000	\$ 1,434,461	1.55	
2006	12,292,777	7,863,271	4,429,506	1,505,000	1,291,549	1.58	
2007	12,000,294	7,947,935	4,052,359	1,330,000	1,218,686	1.59	
2008	12,547,326	7,806,331	4,740,995	1,345,000	1,076,353	1.96	
2009	12,969,339	7,757,346	5,211,993	1,395,000	1,016,953	2.16	
2010	14,176,298	7,342,951	6,833,347	1,455,000	954,208	2.84	
2011	15,322,836	7,534,268	7,788,568	410,000	527,314	8.31	
2012	14,331,549	10,264,571	4,066,978	420,000	512,483	4.36	
2013	14,714,761	7,694,325	7,020,436	440,000	495,583	7.50	
2014	14,204,608	8,314,023	5,890,585	615,000	475,214	5.40	

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

(1) Includes operating and nonoperating revenues.

(2) Includes operating expenses minus depreciation.

CITY OF CORSICANA, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS
 (UNAUDITED)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population (1)	25,000	25,000	26,000	26,442	27,000	27,500	23,770	23,899	23,820	23,850
Personal Income (2)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 457,464,000	\$ N/A	\$ 436,574,250
Per Capita Personal Income(2)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 19,142	\$ N/A	\$ 18,305
Median Age (2)	*	*	*	*	*	*	33.4	*	32.5	32.7
School Enrollment (3)	5,451	5,590	5,742	5,672	5,649	5,633	5,715	5,782	5,891	5,906
Unemployment (4)	5.9%	5700.0%	5.3%	6.0%	7.8%	8.0%	8.5%	8.0%	6.8%	5.3%

Sources: Population, median age, and education level information provided by the State Department of Planning.
 Personal income and unemployment data provided by the State Department of Commerce and Labor.
 School enrollment data provided by the Anfield Independent School District.

1 North Central Texas Council of Governments

2 US Census Data, American Fact Finder

3 Corsicana Independent School District

4 Texas Workforce Commission, Labor Market & Career Information (LMCI) Department

* Median age only available when released in census years.

N/A Not available

CITY OF CORSICANA, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Russel Stover Candies	850	1	6.01%	859	2	7.70%
Corsicana ISD	811	2	5.74%	879	1	7.88%
Navarro College	568	3	4.02%	827	3	7.41%
Navarro Regional Hospital	350	4	2.48%	377	5	3.38%
Wal-Mart	350	5	2.48%	367	6	3.29%
Guardian Industries	312	6	2.21%	335	10	3.00%
City of Corsicana	295	7	2.09%	335	8	3.00%
Navarro County	284	8	2.01%	--	--	--
Corsicana Bedding	257	9	1.82%	--	--	--
Oil City Iron Works	255	10	1.80%	--	--	--
Collin Street Bakery	--	--	--	700	4	6.27%
Texas Youth Commission	--	--	--	337	7	--
Medical Art Clinic	--	--	--	335	9	--
Total	4,332		30.64%	5,351		41.94%
Total City employment	14,137			11,156		

Source: City Economic Development Division

CITY OF CORSICANA, TEXAS
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Full-Time-Equivalent Employees as of Year End									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Administration	13.0	12.0	13.0	11.0	12.0	12.0	11.0	12.0	12.0	12.0
Public Safety										
Police	59.0	58.0	58.0	58.0	58.0	58.0	59.0	59.0	60.0	60.0
Judicial	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Fire	38.0	38.0	38.0	38.0	38.0	38.0	35.0	35.0	35.0	35.0
EMS	25.0	22.0	19.0	19.0	22.0	22.0	22.0	25.0	26.0	28.0
Animal Control/Shelter	7.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	4.0
Public Works										
Engineering/IT	6.5	6.5	7.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0
Streets	20.0	17.0	17.0	17.0	17.0	17.0	16.0	15.7	15.7	15.7
Community Support/P&Z	4.0	4.0	3.5	6.5	6.5	6.5	4.8	4.8	4.8	4.8
Cemetery Administration/Mtc	3.8	3.8	3.8	3.5	3.5	3.5	0.3	0.3	0.3	0.3
Building/Equipment Maintenance	7.0	6.0	6.0	6.0	7.0	7.0	5.0	4.0	4.0	4.0
Cultural and Recreational										
Parks and Recreation	20.0	15.0	15.0	17.0	17.0	17.0	14.0	13.0	14.0	14.0
Library	6.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0
Sanitation Services	16.8	14.8	14.8	15.0	15.0	15.6	15.6	15.8	15.8	15.8
Utility Operating										
Environmental Services/Analysis	8.0	8.0	8.0	8.0	8.0	6.0	6.0	5.3	5.3	5.3
Utility System Maintenance	25.0	23.0	23.0	23.0	22.0	16.0	16.0	20.8	20.8	20.8
Utility Billing/Collections	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Water	15.0	15.0	15.0	15.0	15.0	15.8	15.8	15.2	15.2	15.2
Wastewater	12.0	12.0	12.0	12.0	12.0	12.6	12.6	12.2	12.2	12.2
Total	297.1	278.1	276.1	280.0	284.0	276.0	261.1	266.1	269.1	270.0

Source: City Finance Office

CITY OF CORSICANA, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Reported Crimes (Calendar Year)	1,644	1,349	1,548	1,417	1,338	1,428	1,341	1,473	1,365	1,290
Number of Violations (Citations)	8,867	6,642	7,226	7,316	7,657	7,642	5,650	6,036	5,906	6,375
Judicial										
Municipal Court Fines - Cash	\$ 543,538	471,261	491,836	504,537	601,906	673,361	588,144	506,918	618,886	476,987
Fire										
Fire Calls (including City and County)	2,448	2,641	2,588	2,563	2,085	1,485	2,159	2,100	2,094	2,229
EMS										
EMS Calls (including City and County)	5,164	5,245	5,421	5,688	5,973	5,688	5,733	5,594	5,823	6,110
Planning and Zoning										
Building Permits Issued (Units)	261	261	238	276	208	204	191	431	196	250
Permit Value (in thousands)	\$ 31,057	31,057	18,614	9,585	4,806	34,028	9,459	13,632	17,814	5,091
Streets										
Miles of Streets Maintained	N/A	159	159	159	158	158	161	161	160	160
Health										
Animals Impounded (Calendar Year)	N/A	3,572	3,154	2,936	2,894	2,601	2,806	2,702	2,575	2,344
Cultural and Recreational										
Parks Maintained	12	12	12	12	12	13	13	13	13	13
Library										
Patrons	90,420	85,753	89,510	95,422	93,091	85,978	87,839	83,416	86,177	80,434
Water										
Number of Water Customers	8,715	9,100	8,846	8,857	8,808	881	8,891	8,847	8,885	9,020
Estimated Gallons Billed (in thousands)										
Sewer										
Number of Wastewater Customers	7,771	7,938	7,896	7,929	7,854	7,871	7,945	7,933	7,937	7,986

Sources: Various government departments
 N/A - Not Available

CITY OF CORSICANA, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations										
Number of Stations	4	4	4	4	4	4	4	4	4	4
Fire Hydrants	750	750	752	886	886	893	925	863	916	925
Streets										
Miles of Streets	N/A	159.00	159.00	159.00	157.82	158.00	161.00	161.00	160.00	160.00
Cultural and Recreational										
Parks Maintained	12	12	12	12	12	13	13	13	13	13
Library										
Number of Libraries	1	1	1	1	1	1	1	1	1	1
Water										
Water Plant Capacity (million gallons per day)	24.25	24.25	24.25	24.25	24.25	24.25	24.25	24.25	24.25	24.25
Water Storage Capacity (thousands of gallons)	13,015	13,015	13,015	13,015	13,015	13,015	13,015	13,015	13,015	13,015
Sewer										
Sewer Plant Capacity (thousands of gallons/day)	9.11	9.11	9.11	9.11	9.11	9.11	9.11	9.11	9.11	9.11

Sources: Various government departments

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