



Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2015



CITY OF SAN ANGELO, TEXAS

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2015



Prepared by: Finance Department

Tina Carriger, Finance Director

CITY OF SAN ANGELO, TEXAS

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The City of
San Angelo, Texas
72 W College Ave.
San Angelo, TX 76902

March 21, 2016

The Honorable Mayor and City Council

We are submitting this comprehensive annual financial report of the City of San Angelo for the fiscal year ended September 30, 2015.

Management is fully responsible for the completeness and reliability of all the information included in this report. As a basis for making these representations, management of the City has established an internal control framework designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the benefits of internal control should be more than their cost, the City's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will not contain material misstatements. In our capacity as management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Texas Local Government Code Chapter 103 and the City Charter section 34 requires an annual audit of the City's financial statements. The City Council selected Armstrong Backus & Co., LLP, a firm of licensed certified public accountants to audit this year's financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2015, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2015, are fairly stated in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the City's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented under separate cover.

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

PROFILE OF THE CITY

The City of San Angelo is located 210 miles west northwest of Austin, Texas in Tom Green County. The City is empowered to levy property taxes on all real and personal property within its boundaries.

The City operates under the council-manager form of government. Policy making and legislative authority reside in a council comprised of a mayor and six council members. The City Council is responsible for, among other things, passing ordinances, adopting a budget, selecting a city manager and municipal court judges, and appointing citizens to City boards and commissions. Council members are selected on a non-partisan basis and serve two-year, staggered, terms. The six council members are selected by the voters in single-member districts. The Mayor is selected by city voters at large. The City Manager is responsible for implementation of the Council adopted policies and ordinances, oversight of the operations of the City, and for appointment of City department heads.

The City annually adopts an operating budget for the General, Special Revenue and Debt Service Funds. Budgets for the Proprietary Funds are adopted for internal management purposes. Budgetary control is maintained at the line item level by the encumbered, appropriated and expended balances within any fund; however, any revision that increases the total budgeted expenditures must be approved by the City Council after public hearings.

City budgets are prepared on a modified accrual basis and accounting records are maintained on that basis throughout the fiscal year. Applicable accounting records are then adjusted to the full or modified accrual basis for year-end reporting purposes.

FACTORS AFFECTING FINANCIAL CONDITION

The financial statement information can be better understood when it is considered from the broad perspective of the specific environment within which the City operates.

Local economy – West Texas cities tend to be widely dispersed. San Angelo is one of the largest cities in West Central Texas and serves as the center of commerce, government, medicine, and religion for an expansive area. San Angelo is served by three U. S. highways and one State highway. The San Angelo Regional Airport (Mathis Field) also provides flights that link up with national and international airlines.

San Angelo continues to have a well-diversified economic base with major sectors that include manufacturing, medical care, education, trade, business services and military. San Angelo is a regional service center for business and agriculture over a fourteen county area. The Ethicon division of Johnson and Johnson, Hirschfeld Steel, San Angelo Community Medical Center, Shannon Medical Center, Goodfellow Air Force Base, and many other local businesses provide the economic potential of San Angelo.

There are three institutions of higher education in San Angelo. Angelo State University offers baccalaureate programs in numerous arts, science, business, education, and medical fields. Graduate degrees are offered in seven fields of science, education, arts, and business. Howard Junior College

has an extension campus in San Angelo, which concentrates predominately in the technical and occupational fields of study. American Commercial College is a private college serving career education through associated programs.

Long-term financial planning – In 2006, the City of San Angelo adopted a resolution to reduce the property tax rate by \$.01 per year for ten years. The Council believes this resolution to be in the public interest since the property tax is an ever-increasing burden on the citizens.

The City of San Angelo has adopted a Capital Improvement Program. The Capital Improvement Program (C.I.P.) will serve as a multi-year plan for the acquisition, expansion, or renovation of infrastructure and capital assets.

The City of San Angelo has issued \$120 million in bonds for the development of an aquifer and for the construction of a pipeline to the City. The sixty mile project will help insure the City can provide adequate water service in future years. Implementation of this project began in 2011 and was approximately 90% complete as of September 30, 2015.

The City of San Angelo has formally adopted a Fund Balance Policy. The General Fund, Water Operating Fund, and Wastewater Operating Fund have a targeted seventy-five day fund balance of the following year's original budget expenditures. The fund balance for Capital, Capital Projects, Special Revenue and Grant Funds are targeted at zero. Other funds with expenditures of less than \$3 million in the ensuing year are targeted at zero while other funds with expenditures of more than \$3 million are target at seventy-five days of the following year's expenditures.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report (CAFR) that is easily readable and efficiently organized. To be awarded the Certificate of Achievement, a CAFR must satisfy both GAAP and applicable legal requirements. The City received the GFOA Certificate of Achievement for its CAFR for the fiscal year ended September 30, 2014. A Certificate of Achievement is valid for a period of one year only. We believe that the City's current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for the certificate.

The preparation of this report would not have been possible without the dedicated efforts of the staff of the Finance Department. I express my appreciation to all of the staff members who assisted and contributed to the preparation of this report.

Respectfully submitted,



Tina M. Carriger, CPA, CGFO
Director of Finance

CITY OF SAN ANGELO, TEXAS

List of Principal Officials

September 30, 2015

City Council

Dwain Morrison
Rodney Fleming
Marty Self
Johnny Silvas
Don Vardeman
Elizabeth Grindstaff
Charlotte Farmer

Mayor
Council Member
Council Member
Council Member
Council Member
Council Member
Council Member

City Staff

Daniel Valenzuela

City Manager

Michael Dane

Asst. City Manager/CFO

Rick Weise

Asst. City Manager

Tina Carriger

Director of Finance

David Knapp

Construction Manager

Allen Gilbert

Municipal Court Judge

Tim Vasquez

Police Chief

Brian Dunn

Fire Chief

Anthony Wilson

Public Information Officer

Luis Elguezabal

Airport Director

Ricky Dickson

Executive Director of Public Works

Shane Kelton

Director of Operations

Bill Riley

Director of Water Utilities

Lisa Marley

Director of Human Resources

Bryan Kendrick

City Clerk

Theresa James

City Attorney

Carl White

Director of Parks &
Recreation

Roland Pena

Economic Development Director

Jon James

Director of Planning & Development
Services

Robert Salas

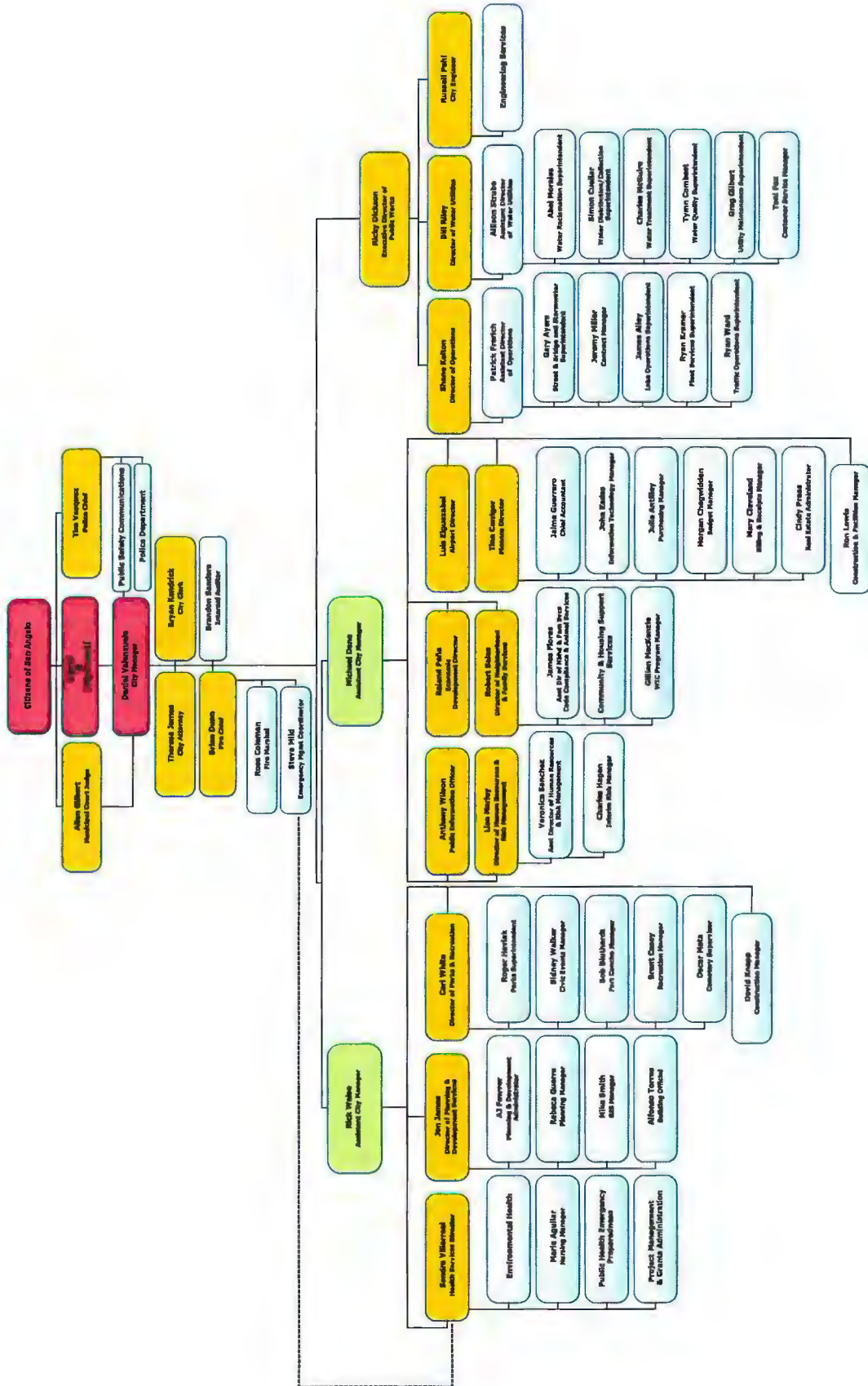
Director of Neighborhood and
Family Services

Sandra Villarreal

Health Services Director

Russell Pehl

City Engineer





Government Finance Officers Association

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

Presented to

**City of San Angelo
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO





ARMSTRONG, BACKUS & CO., LLP
Certified Public Accountants

American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council of the
City of San Angelo, Texas

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of San Angelo, Texas, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note IV.H. to the financial statements, in 2015, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other post-employment benefits schedule of funding progress, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of San Angelo, Texas' basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the Table of Contents, is the responsibility of management and was derived from and relates 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



information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections, as listed in the Table of Contents 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 21, 2016 on our consideration of the City of San Angelo, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of San Angelo, Texas' internal control over financial reporting and compliance.

Armstrong, Backus & Co., L.L.P.

San Angelo, Texas
March 21, 2016



City of San Angelo, Texas Management's Discussion and Analysis

In this section of the Comprehensive Annual Financial Report, we, the managers of the City of San Angelo, discuss and analyze the City's financial performance for the fiscal year ended September 30, 2015. Please read it in conjunction with our transmittal letter on pages 2-4, the independent auditors' report immediately preceding this analysis and the City's Basic Financial Statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (pages 25 and 26). These provide information about the activities of the City as a whole and present a longer-term view of the City's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (pages 27 through 32) report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the City were sold to departments within the City or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the City.

The notes to the financial statements (pages 36 through 80) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements. The combining and individual statements for nonmajor funds contain even more information about the City's individual funds.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

The analysis of the City's overall financial condition and operations begins with the Statement of Net Position on page 25. Its primary purpose is to show whether the City is better or worse off as a result of the year's activities. The Statement of Net Position includes all the City's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the City's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The City's revenues are divided into those provided by outside parties who share the costs of some programs, such as water and sewer and grants provided by the State and Federal government to assist with health and housing issues (program revenues), and revenues provided by the taxpayers in the form of sales and property taxes (general revenues). All the City's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the City's net position and changes in them. The City's net position (the difference between assets and liabilities) provide one measure of the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the City, however, you should consider nonfinancial factors as well, such as changes in the City's population or its property tax

base and the condition of the City's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including public safety, public works, health and human services, parks, recreation and economic development. Property taxes, sales taxes, franchise taxes and state and federal grants finance most of these activities.
- Business-type activities—The City charges a fee to “customers” to help it cover all or most of the cost of services it provides in these programs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin on page 27 and provide detailed information about the most significant funds. Laws and contracts require the City to establish some funds, such as grants and debt service. The City's administration establishes many other funds to help it control and manage money for particular purposes (like capital projects). The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the City's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds – The City reports the activities for which it charges users in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows. The internal service funds (the other category of proprietary funds) report activities that provide services to other City programs.

THE CITY AS TRUSTEE

Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for assets held and managed for others. The City's fiduciary activity is reported in a separate Statement of Changes in Assets and Liabilities. We exclude these resources from the City's other financial statements because the City cannot use these assets to finance its operations. The City is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

The City's governmental activities decreased \$40,202,399. This result is primarily due to a prior period adjustment for net pension liability that was retroactively restated as required by GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*. See Note IV.H for more information.

Business-Type Activities

In 2015, total net position of our business-type activities decreased by \$321,345. This is the result of the large construction projects in the water and wastewater systems which was offset by the prior period adjustment for net pension liability that was retroactively restated as required by GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*. See Note IV.H for more information.

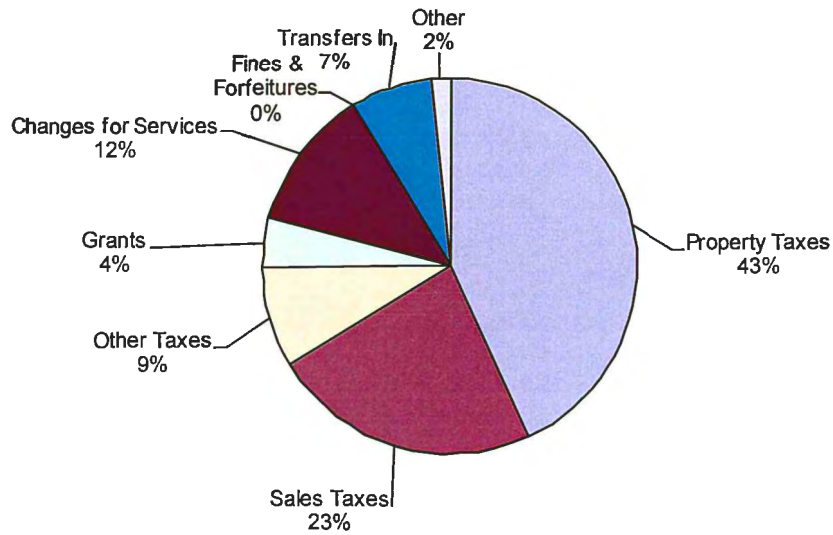
Table I - Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 80,036,057	\$ 60,951,135	\$ 55,647,222	\$ 73,671,933	\$ 135,683,279	\$ 134,623,068
Capital assets	79,957,771	80,262,415	295,838,401	284,921,823	375,796,172	365,184,238
Total assets	\$ 159,993,828	\$ 141,213,550	\$ 351,485,623	\$ 358,593,756	\$ 511,479,451	\$ 499,807,306
Deferred Outflows of Resources	8,159,255	476,686	2,161,612	-0-	10,320,867	476,686
Current liabilities	12,283,658	6,769,405	15,471,559	16,485,450	27,755,217	23,254,855
Long-term liabilities	131,957,463	72,331,491	145,401,401	149,906,901	277,358,864	222,238,392
Total liabilities	\$ 144,241,121	\$ 79,100,896	\$ 160,872,960	\$ 166,392,351	\$ 305,114,081	\$ 245,493,247
Deferred Inflows of Resources	1,525,021	-0-	371,876	120,351	1,896,897	120,351
Net assets:						
Net Investment in Capital Assets	\$ 22,683,705	\$ 32,536,687	\$ 161,562,185	\$ 139,510,164	\$ 184,245,890	\$ 172,046,851
Restricted	37,014,372	20,448,607	59,362,529	45,135,277	96,376,901	65,583,884
Unrestricted	(37,311,136)	9,604,046	(28,522,315)	7,435,613	(65,833,451)	17,039,659
Total net position	\$ 22,386,941	\$ 62,589,340	\$ 192,402,399	\$ 192,081,054	\$ 214,789,340	\$ 254,670,394

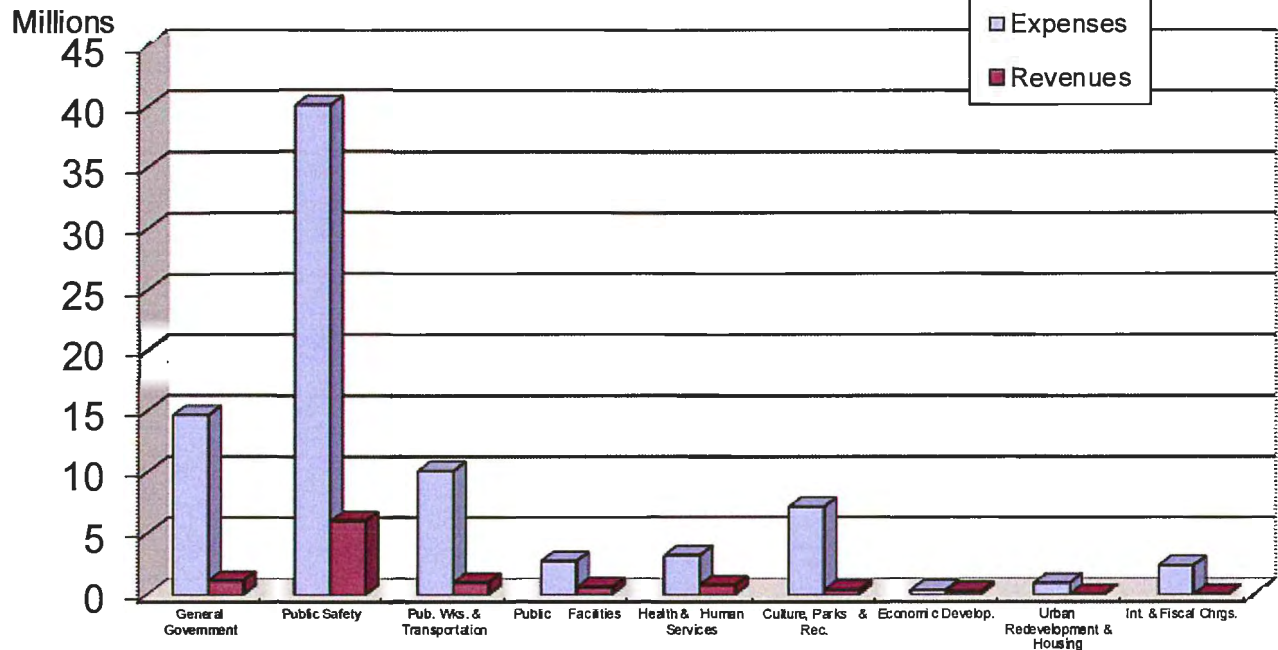
Table II - Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program Revenues:						
Charges for services	\$ 10,228,363	\$ 10,340,379	\$ 42,242,603	\$ 49,180,109	\$ 52,470,966	\$ 59,520,488
Operating grants and contributions	3,243,424	3,093,348	-0-	-0-	3,243,424	3,093,348
Capital grants and contributions	279,866	266,916	873,429	1,527,019	1,153,295	1,793,935
Grants and Contributions Not Restricted to Specific Programs	-0-	-0-	3,500	4,225	3,500	4,225
General Revenues:						
Property Taxes - General Levy	29,211,420	29,408,664	-0-	-0-	29,211,420	29,408,664
Property Taxes - Debt Service Levy	6,533,532	6,477,888	-0-	-0-	6,533,532	6,477,888
Sales Taxes	19,253,436	18,948,114	-0-	-0-	19,253,436	18,948,114
Franchise Taxes	4,472,891	4,362,554	-0-	-0-	4,472,891	4,362,554
Motel Taxes	2,373,746	3,215,315	-0-	-0-	2,373,746	3,215,315
Mixed Drink Taxes	367,194	342,489	-0-	-0-	367,194	342,489
Bingo Taxes	39,883	41,857	-0-	-0-	39,883	41,857
Penalty, Interest and Fees on Delinquent Taxes	295,222	336,332	-0-	-0-	-0-	-0-
Investment Income	446,208	222,538	411,913	147,684	858,121	370,222
Miscellaneous	975,710	1,299,586	-0-	-0-	975,710	1,299,586
Total Revenues	\$ 77,720,895	\$ 78,355,980	\$ 43,531,445	\$ 50,859,037	\$ 121,252,340	\$ 129,215,017
EXPENSES						
Governmental Activities:						
General Government	\$ 14,693,548	\$ 9,351,776	\$ -0-	\$ -0-	\$ 14,693,548	\$ 9,351,776
Public Safety	40,093,771	37,912,268	-0-	-0-	40,093,771	37,912,268
Public Works and Transportation	10,151,004	7,271,354	-0-	-0-	10,151,004	7,271,354
Public Facilities	2,742,085	2,574,982	-0-	-0-	2,742,085	2,574,982
Health and Human Services	3,222,433	2,989,869	-0-	-0-	3,222,433	2,989,869
Culture, Parks and Recreation	7,147,927	6,513,566	-0-	-0-	7,147,927	6,513,566
Economic Development	368,283	495,557	-0-	-0-	368,283	495,557
Urban Redevelopment and Housing	938,418	970,756	-0-	-0-	938,418	970,756
Interest and Fiscal Charges	2,350,993	2,539,485	-0-	-0-	2,350,993	2,539,485
Business-Type Activities:						
Water	-0-	-0-	16,419,239	16,064,612	16,419,239	16,064,612
Sewer	-0-	-0-	8,170,739	7,268,532	8,170,739	7,268,532
Airport	-0-	-0-	3,813,818	3,783,952	3,813,818	3,783,952
State Office Building	-0-	-0-	993,803	1,140,737	993,803	1,140,737
Solid Waste	-0-	-0-	491,075	1,876,321	491,075	1,876,321
Stormwater	-0-	-0-	1,952,448	2,069,601	1,952,448	2,069,601
Total Expenses	\$ 81,708,462	\$ 70,619,613	\$ 31,841,122	\$ 32,203,755	\$ 113,549,584	\$ 102,823,368
Excess or Deficiency before						
Transfers & Special Items	(\$ 3,987,567)	\$ 7,736,367	\$ 11,690,323	\$ 18,655,282	\$ 7,702,756	\$ 26,391,649
Transfers	5,825,678	3,775,844	(5,825,678)	(3,775,844)	-0-	-0-
Gain (Loss) on Sale of Capital Assets	-0-	519,315	24,947	157,227	24,947	676,542
Change in net assets	\$ 1,838,111	\$ 12,031,526	\$ 5,889,592	\$ 15,036,665	\$ 7,727,703	\$ 27,068,191
Net Position-Beginning	62,589,340	51,083,574	192,081,054	175,047,026	254,670,394	226,130,600
Restatement of Beginning Net Assets	(42,040,510)	4,329,021	(5,568,247)	(3,143,404)	(47,608,757)	1,185,617
Net position-Ending	\$ 22,386,941	\$ 67,444,121	\$ 192,402,399	\$ 186,940,287	\$ 214,789,340	\$ 254,384,408

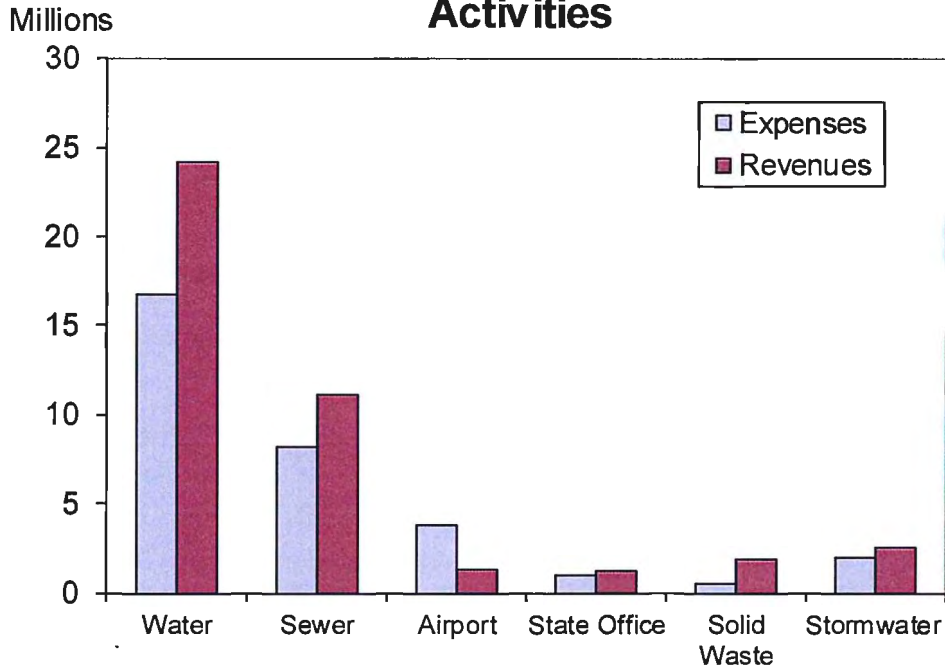
Revenues by Source - Governmental Activities



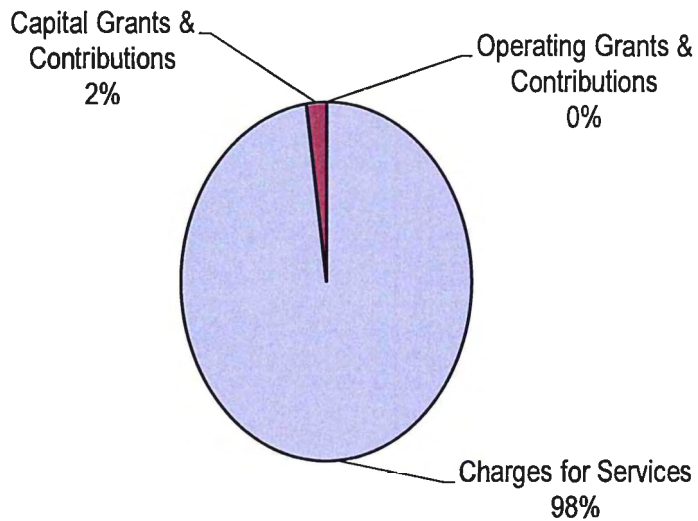
Expenses and Program Revenues - Governmental Activities



Expenses & Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As previously discussed, the City of San Angelo uses fund accounting to ensure compliance with finance related legal requirements.

Governmental funds

The focus of the City of San Angelo's governmental funds is to provide information on inflows, outflows and balances of spendable resources. This information is useful in assessing the City of San Angelo'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 the City completed the year, its governmental funds (as presented in the balance sheet on page 27) reported a combined fund balance of \$73,180,844, an increase of \$21,261,977 from the prior year. This result is primarily due to the receipt of bond proceeds of \$13,260,000 in addition to an increase in transfers due to support of the Auditorium renovations.

Approximately 50% of this total amount (\$35,932,736) is unassigned and rests in the general fund. The majority of the remainder is assigned for various capital projects.

The General Fund is the chief operating fund of the City of San Angelo. The unassigned fund balance represents 54% of total General Fund expenditures.

The total fund balance in the General Fund increased by \$6,023,595 during the current fiscal year.

The Debt Service Fund has a total fund balance of \$3,876,293, all of which is reserved for the payment of debt service. The increase in fund balance during the current year was \$1,823,523.

Proprietary funds

The City of San Angelo's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total net position in the Water Fund was \$110,517,116, an increase of \$8,007,343.

General Fund Budgetary Highlights

Differences between the original and final amended budget for revenue amounted to \$1,195,582. This is relatively insignificant to the operation and amounts to less than 2%.

The final amended expenditure budget increased \$10,167,751. This is primarily the result of rebudgeting funds from the previous year for expenditures that were not made in the previous year. The major increase was in capital projects and street maintenance.

Total General Fund expenditures were \$10,160,208 under the final amended budget. Most of this is for unfinished special or capital projects that will be rebudgeted in fiscal year 2016.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the City had \$376 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, improvements, equipment and infrastructure.

The following is a list of the major capital events for FY15:

- \$14.6 million in improvements to the water system
- \$2.2 million in improvements at the airport
- \$3.5 million in improvements to the radio system

The City put into service the following projects in FY15:

- City Hall project with a cost of \$10 million
- Sewer projects with a cost of \$ 10.5 million
- Water projects with a cost of \$7.3 million

City of San Angelo, Texas
Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2013
Land	\$ 4,500,105	\$ 4,835,370	\$ 7,803,872	\$ 7,355,642	\$ 12,303,977	\$ 12,191,012
Buildings	49,663,873	50,520,090	29,417,465	29,531,394	79,081,338	80,051,484
Improvements Other Than Buildings	42,304,692	30,845,839	31,863,900	21,711,612	74,168,592	52,557,451
Infrastructure	23,757,252	23,757,252	182,290,818	179,444,244	206,048,070	203,201,496
Machinery and Equipment	31,690,192	32,498,369	28,597,344	22,615,651	60,287,536	55,114,020
Construction in Progress	19,603,702	26,173,113	123,375,274	123,972,817	142,978,976	150,145,930
Water Rights	-0-	-0-	36,950,835	36,950,835	36,950,835	36,950,835
Accumulated Depreciation	(91,562,045)	(88,367,618)	(144,461,107)	(136,660,372)	(236,023,152)	(225,027,990)
Total	\$ 79,957,771	\$ 80,262,415	\$ 295,838,401	\$ 284,921,823	\$ 375,796,172	\$ 365,184,238

More detailed information about the City's capital assets is presented in Note IV.D. to the financial statements.

Debt

At year-end, the City had \$196,178,753 in outstanding debt versus \$194,507,262 last year.

On February 15, 2015, the City issued \$13,260,000 in certificates of obligation to fund various capital projects related to public safety. The interest rates on the notes ranges from 2.000% to 3.375%, and the maturity date is February 15, 2035.

City of San Angelo, Texas
Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$ 6,383,780	\$ 6,117,384	\$ 138,237,196	\$ 147,197,979	\$ 144,620,976	\$ 153,315,363
Advalorem Tax COs	25,790,000	26,485,000	-0-	645,000	25,790,000	27,130,000
Sales Tax COs	23,845,000	11,995,000	-0-	-0-	23,845,000	11,995,000
Promissory Notes	1,607,000	1,714,000	315,827	352,899	1,922,827	2,066,899
Total	\$57,625,780	\$46,311,384	\$138,553,023	\$148,195,878	\$196,178,803	\$194,507,262

Other obligations include accrued sick leave and tentative arbitrage rebate to the U. S. Treasury. More detailed information about the City's long-term liabilities is presented in Note IV.G.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

- The unemployment rate for the City of San Angelo at the end of the fiscal year was 4.0%. This compares favorably to the state rate of 4.5%.
- The cost of living index compares favorably to the national average.
- The City of San Angelo has not increased the property tax rate in 16 years.

All of these factors were considered in preparing the City of San Angelo's budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at City of San Angelo, Texas, 72 W. College Ave, San Angelo, Texas 76903.

CITY OF SAN ANGELO, TEXAS

Statement of Net Position

As of September 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Development Corporation
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 27,788,617	\$ 6,918,489	\$ 34,707,106	\$ 16,189,559
Investments	19,649,493	4,976,478	24,625,971	-0-
Receivables:				
Accrued Interest	81,414	107,163	188,577	-0-
Property Taxes	4,642,683	-0-	4,642,683	-0-
Accounts, Net	1,588,394	6,504,550	8,092,944	39,988
Internal Balances	5,114,376	(5,114,376)	-0-	-0-
Due from Other Governments	3,358,501	-0-	3,358,501	1,466,393
Advanced to Other Funds	-0-	-0-	-0-	275,839
Inventories	62,752	443,769	506,521	-0-
Prepays	6,018	-0-	6,018	29,633
Restricted Assets:				
Cash & Cash Equivalents	6,638,213	4,417,986	11,056,199	-0-
Investments	11,105,596	32,658,163	43,763,759	-0-
Closure and Post-Closure Trust Fund	-0-	4,735,000	4,735,000	-0-
Total Current Assets	\$ 80,036,057	\$ 55,647,222	\$ 135,683,279	\$ 18,001,412
Noncurrent Assets:				
Capital Assets:				
Land, Construction in Progress, and Water Rights	\$ 24,103,807	\$ 168,129,981	\$ 192,233,788	\$ 107,627
Buildings, Improvements, Infrastructure, and Machinery & Equipment, Net	55,853,964	127,708,420	183,562,384	2,631,371
Net Capital Assets	\$ 79,957,771	\$ 295,838,401	\$ 375,796,172	\$ 2,738,998
Total Noncurrent Assets	\$ 79,957,771	\$ 295,838,401	\$ 375,796,172	\$ 2,738,998
Total Assets	\$ 159,993,828	\$ 351,485,623	\$ 511,479,451	\$ 20,740,410
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	\$ 351,713	\$ 968,074	\$ 1,319,787	\$ -0-
Deferred Amounts Related to Pensions	7,807,542	1,193,538	9,001,080	-0-
Total Deferred Outflows of Resources	\$ 8,159,255	\$ 2,161,612	\$ 10,320,867	\$ -0-
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 4,234,920	\$ 1,676,500	\$ 5,911,420	\$ 187,808
Accrued Interest Payable	307,618	390,600	698,218	-0-
Due to Other Governments	63,344	-0-	63,344	-0-
Unearned Revenue	245,523	-0-	245,523	-0-
Deposits	116,926	1,028,564	1,145,490	-0-
Arbitrage Rebate Payable	42,778	-0-	42,778	-0-
Noncurrent Liabilities Due Within One Year	7,272,549	12,375,895	19,648,444	-0-
Total Current Liabilities	\$ 12,283,658	\$ 15,471,559	\$ 27,755,217	\$ 187,808
Noncurrent Liabilities:				
Noncurrent Liabilities Due After One Year	\$ 64,448,795	\$ 136,550,548	\$ 200,999,343	\$ -0-
Net Pension Liability	53,855,725	6,663,891	60,519,616	-0-
Net OPEB Obligation	13,652,943	2,186,962	15,839,905	-0-
Total Noncurrent Liabilities	131,957,463	145,401,401	277,358,864	-0-
Total Liabilities	\$ 144,241,121	\$ 160,872,960	\$ 305,114,081	\$ 187,808
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	\$ -0-	\$ 146,289	\$ 146,289	\$ -0-
Deferred Amounts Related to Pensions	1,525,021	225,587	1,750,608	-0-
Total Deferred Inflows of Resources	\$ 1,525,021	\$ 371,876	\$ 1,896,897	\$ -0-
NET POSITION				
Net Investment in Capital Assets	\$ 22,683,705	\$ 161,562,185	\$ 184,245,890	\$ 2,738,998
Restricted For:				
Debt Service	3,876,293	15,580,823	19,457,116	-0-
Asset Construction and Acquisition	16,889,602	35,894,378	52,783,980	-0-
Passenger Facility Charges	-0-	1,359,564	1,359,564	-0-
Landfill Closure and Post-Closure	-0-	4,735,000	4,735,000	-0-
Contract Obligations	-0-	1,792,764	1,792,764	-0-
Economic Development	870,778	-0-	870,778	17,813,604
Grant expenditures	705,739	-0-	705,739	-0-
Public Improvements	1,274,519	-0-	1,274,519	-0-
Permanent Fund Purposes:				
Permanent Fund - Nonexpendable	12,747,748	-0-	12,747,748	-0-
Permanent Fund - Expendable	649,693	-0-	649,693	-0-
Unrestricted	(37,311,136)	(28,522,315)	(65,833,451)	-0-
Total Net Position	\$ 22,386,941	\$ 192,402,399	\$ 214,789,340	\$ 20,552,602

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Activities

For the Year Ended September 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units Development Corporation
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
PRIMARY GOVERNMENT								
Government Activities:								
General Government	\$ 14,693,548	\$ 1,175,801	\$ -0-	\$ -0-	(\$ 13,517,747)	\$ -0-	(\$ 13,517,747)	
Public Safety	40,093,771	6,027,415	105,280	-0-	(33,961,076)	-0-	(33,961,076)	
Public Works & Transportation	10,151,004	1,011,878	283,621	-0-	(8,855,505)	-0-	(8,855,505)	
Public Facilities	2,742,085	591,151	-0-	279,866	(1,871,068)	-0-	(1,871,068)	
Health & Human Services	3,222,433	793,706	2,723,971	-0-	295,244	-0-	295,244	
Culture, Parks & Recreation	7,147,927	372,065	125,256	-0-	(6,650,606)	-0-	(6,650,606)	
Economic Development	368,283	238,744	-0-	-0-	(129,539)	-0-	(129,539)	
Urban Redevelopment & Housing	938,418	17,603	5,296	-0-	(915,519)	-0-	(915,519)	
Interest and Fiscal Charges	2,350,993	-0-	-0-	-0-	(2,350,993)	-0-	(2,350,993)	
Total Government Activities	\$ 81,708,462	\$ 10,228,363	\$ 3,243,424	\$ 279,866	(\$ 67,956,809)	\$ -0-	(\$ 67,956,809)	
Business-Type Activities:								
Water	\$ 16,419,239	\$ 24,155,233	\$ -0-	\$ 650	\$ -0-	\$ 7,736,644	\$ 7,736,644	
Sewer	8,170,739	11,062,765	-0-	2,850	-0-	2,894,876	2,894,876	
Airport	3,813,818	1,330,236	-0-	873,429	-0-	(1,610,153)	(1,610,153)	
State Office Building	993,803	1,220,429	-0-	-0-	-0-	226,626	226,626	
Solid Waste	491,075	1,928,017	-0-	-0-	-0-	1,436,942	1,436,942	
Stormwater	1,952,448	2,545,923	-0-	-0-	-0-	593,475	593,475	
Total Business-Type Activities	\$ 31,841,122	\$ 42,242,603	\$ -0-	\$ 876,929	\$ -0-	\$ 11,278,410	\$ 11,278,410	
Total Primary Government	\$ 113,549,584	\$ 52,470,966	\$ 3,243,424	\$ 1,156,795	(\$ 67,956,809)	\$ 11,278,410	(\$ 56,678,399)	
COMPONENT UNIT								
Development Corporation	\$ 2,166,918	\$ 503,212	\$ -0-	\$ -0-				(\$ 1,663,706)
Total Component Unit	\$ 2,166,918	\$ 503,212	\$ -0-	\$ -0-				(\$ 1,663,706)
General Revenue								
Taxes								
		Property Taxes - General Levy			\$ 29,211,420	\$ -0-	\$ 29,211,420	\$ -0-
		Property Taxes - Debt Service Levy			6,533,532	-0-	6,533,532	-0-
		Sales Taxes			19,253,436	-0-	19,253,436	9,290,721
		Franchise Taxes			4,472,891	-0-	4,472,891	-0-
		Motel Taxes			2,373,746	-0-	2,373,746	-0-
		Mixed Drink Taxes			367,194	-0-	367,194	-0-
		Bingo Taxes			39,883	-0-	39,883	-0-
		Payment to City of San Angelo			-0-	-0-	-0-	(4,909,980)
		Grants and Contributions Not Restricted to Specific Programs			-0-	-0-	-0-	285
		Penalty, Interest and Fees, & Delinquent Taxes			295,222	-0-	295,222	-0-
		Unrestricted Investment Earnings			446,208	411,913	858,121	8,645
		Miscellaneous			975,710	-0-	975,710	-0-
		Contractual Revenue from Service Management Agreement			-0-	-0-	-0-	-0-
		Gain on Sale of Capital Assets			-0-	24,947	24,947	722,055
		Transfers			5,825,678	(5,825,678)	-0-	-0-
		Total General Revenue and Transfers			\$ 69,794,920	(\$ 5,388,818)	\$ 64,406,102	\$ 5,111,726
		Change in Net Position			\$ 1,838,111	\$ 5,889,592	\$ 7,727,703	\$ 3,448,020
		Net Position - Beginning			62,589,340	192,081,054	254,670,394	17,104,582
		Restatement of Beginning Net Position (See Note IV.H)			(42,040,510)	(5,568,247)	(47,608,757)	-0-
		Net Position - Ending			\$ 22,386,941	\$ 192,402,399	\$ 214,789,340	\$ 20,552,602

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2015

	General	Sales Tax Capital Project	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	\$ 10,412,931	\$ 1,436,046	\$ 13,071,838	\$ 640,895	\$ 25,561,710
Investments	13,601,400	2,342,354	237,147	448,525	16,629,426
Receivables:					
Accrued Interest	23,384	5,531	7,652	39,354	75,921
Property Taxes	4,069,128	-0-	-0-	573,555	4,642,683
Accounts	11,291,472	-0-	-0-	706,664	11,998,136
Less: Allowance for Uncollectible	(10,518,316)	-0-	-0-	(11,886)	(10,530,202)
Due from Other Funds	6,477,385	-0-	-0-	-0-	6,477,385
Due from Other Governments	2,919,664	-0-	-0-	438,838	3,358,502
Inventories	17,389	-0-	-0-	-0-	17,389
Prepays	6,018	-0-	-0-	-0-	6,018
Restricted Assets:					
Cash & Cash Equivalents	-0-	-0-	-0-	6,638,213	6,638,213
Investments	-0-	-0-	-0-	11,105,596	11,105,596
Total Assets	\$ 38,300,455	\$ 3,783,931	\$ 13,316,637	\$ 20,579,754	\$ 75,980,777
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges on Refunding	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 842,121	\$ 164,190	\$ 3,998	\$ 104,449	\$ 1,114,758
Due to Other Funds	-0-	-0-	-0-	6,126	6,126
Due to Other Governments	63,344	-0-	-0-	-0-	63,344
Unearned Revenue	245,523	-0-	-0-	-0-	245,523
Deposits	115,223	-0-	-0-	1,700	116,923
Arbitrage Rebate Payable	-0-	42,778	-0-	-0-	42,778
Total Liabilities	\$ 1,266,211	\$ 206,968	\$ 3,998	\$ 112,275	\$ 1,589,452
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	\$ 1,022,130	\$ -0-	\$ -0-	\$ 132,380	\$ 1,154,510
Unavailable Revenue - Street Pavement	55,971	-0-	-0-	-0-	55,971
Total Deferred Inflows of Resources	\$ 1,078,101	\$ -0-	\$ -0-	\$ 132,380	\$ 1,210,481
FUND BALANCES					
Nonspendable	\$ 23,407	\$ -0-	\$ -0-	\$ 12,747,748	\$ 12,771,155
Restricted	-0-	-0-	-0-	3,500,930	3,500,930
Committed	-0-	3,576,963	13,312,639	4,086,421	20,976,023
Assigned	-0-	-0-	-0-	-0-	-0-
Unassigned	35,932,736	-0-	-0-	-0-	35,932,736
Total Fund Balances	\$ 35,956,143	\$ 3,576,963	\$ 13,312,639	\$ 20,335,099	\$ 73,180,844

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2015

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO
THE STATEMENT OF NET POSITION**

Total Fund Balance, Governmental Funds	\$	73,180,844
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$85,561,603 and less internal service fund net position of \$3,478,727		73,565,019
Certain other deferred outflows are not available in the current period, and therefore, are deferred in the funds		1,210,481
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds		
Accrued interest payable	(	307,618)
Revenue bonds payable	(	55,375,000)
Notes payable	(	1,607,000)
Unamortized debt discount (premium)	(	643,779)
Deferred charge on refunding		351,713
Accrued compensated absences	(	11,033,419)
Unfunded OPEB obligation	(	13,023,102)
Net pension liability (and related deferrals)	(	46,695,358)
Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance vehicle maintenance, and other such costs, to individual funds. The assets and liabilities of certain of these internal service funds are reported in governmental activities in the Statement of Net Position:		
Internal service funds' net position		<u>2,764,160</u>
Net Position of Governmental Activities	\$	<u><u>22,386,941</u></u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

For the Year Ended September 30, 2015

	General	Sales Tax Capital Project	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	\$ 29,468,894	\$ -0-	\$ -0-	\$ 6,533,532	\$ 36,002,426
Sales	19,253,436	-0-	-0-	-0-	19,253,436
Franchise	4,472,891	-0-	-0-	-0-	4,472,891
Motel	2,373,746	-0-	-0-	-0-	2,373,746
Mixed Drink	367,194	-0-	-0-	-0-	367,194
Bingo	39,883	-0-	-0-	-0-	39,883
Licenses & Permits	765,603	-0-	-0-	60,879	826,482
Intergovernmental	-0-	-0-	-0-	2,484,974	2,484,974
Charges for Services	6,213,115	-0-	-0-	396,702	6,609,817
Fines & Forfeits	2,995,256	-0-	-0-	-0-	2,995,256
Investment Income:					
Interest	139,267	15,236	33,278	186,827	374,608
Change in Fair Value of Investments	22,380	5,448	1,058	20,556	49,442
Miscellaneous:					
Gifts & Contributions	116,087	-0-	-0-	756,748	872,835
Program Income	-0-	-0-	-0-	31,500	31,500
Other Miscellaneous	759,228	77,856	-0-	143,577	980,661
Total Revenues	\$ 66,986,980	\$ 98,540	\$ 34,336	\$ 10,615,295	\$ 77,735,151
EXPENDITURES					
Current:					
General Government	\$ 10,011,264	\$ -0-	\$ -0-	\$ -0-	\$ 10,011,264
Public Safety	36,144,746	-0-	-0-	206,172	36,350,918
Public Works & Transportation	9,335,212	-0-	-0-	204,972	9,540,184
Public Facilities	914,595	-0-	-0-	-0-	914,595
Health & Human Services	1,429,209	-0-	-0-	1,580,407	3,009,616
Culture, Parks & Recreation	5,402,451	-0-	-0-	12,467	5,414,918
Economic Development	-0-	-0-	-0-	368,283	368,283
Urban Redevelopment & Housing	-0-	-0-	-0-	913,145	913,145
Total Current Expenditures	\$ 63,237,477	\$ -0-	\$ -0-	\$ 3,285,446	\$ 66,522,923
Capital Outlay	3,663,455	324,689	765,164	985,174	5,738,482
Debt Service:					
Principal	-0-	-0-	-0-	2,292,000	2,292,000
Interest & Fiscal Charges	-0-	-0-	141,008	1,997,530	2,138,538
Total Expenditures	\$ 66,900,932	\$ 324,689	\$ 906,172	\$ 8,560,150	\$ 76,691,943
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 86,048	(\$ 226,149)	(\$ 871,836)	\$ 2,055,145	\$ 1,043,208
OTHER FINANCING SOURCES (USES)					
Transfers In	\$ 6,272,853	\$ -0-	\$ -0-	\$ 365,910	\$ 6,638,763
Sale of Capital Assets	131,494	-0-	-0-	620,589	752,083
Proceeds from Long-Term Debt	-0-	-0-	13,641,008	-0-	13,641,008
Transfers Out	(466,800)	-0-	(115,000)	(231,285)	(813,085)
Total Other Sources (Uses)	\$ 5,937,547	\$ -0-	\$ 13,526,008	\$ 755,214	\$ 20,218,769
Net Change in Fund Balances	\$ 6,023,595	(\$ 226,149)	\$ 12,654,172	\$ 2,810,359	\$ 21,261,977
Fund Balances - Beginning					
	30,366,582	3,818,930	494,015	18,001,425	52,680,952
Restatement of Beginning Fund Balance (See Note IV.H)	(434,034)	(15,818)	164,452	(476,685)	(762,085)
Fund Balances - Ending	\$ 35,956,143	\$ 3,576,963	\$ 13,312,639	\$ 20,335,099	\$ 73,180,844

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

For the Year Ended September 30, 2015

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

Net Change in Fund Balances - Total Governmental Funds	\$	21,261,977
Amounts reported for governmental activities in the Statement of Net Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases		3,393,599
Depreciation expense	(	5,671,391)
Capital assets disposals	(	824,895)
Capital assets donated to business-type activities		-
Governmental funds report bond issuance costs as expenditures and bond premiums as revenue while governmental activities report amortization and interest expense to allocate those expenditures over the term of the bonds:		
Amortization expense	(	90,359)
Interest expense	(	466,229)
Governmental funds report revenue not collected within the availability period as Unavailable Revenue, but on the Statement of Activities these revenues are recognized and the deferred inflow of resources is eliminated:		
Property taxes		37,749
Other revenue	(	4,950)
Bond proceeds and bond premiums provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Revenue bond principal payment		2,185,000
Note payable principal payment		107,000
Revenue bond proceeds	(	13,260,000)
Revenue bond premium	(	381,008)
Some expenses reported in the statement of activities do not require the use of current financial resources, and these are not reported as expenditures in governmental funds:		
Compensated absences	(	683,116)
OPEB obligation change	(	1,714,620)
Net pension liabilities and deferrals	(	168,693)
The internal service funds are used by management to charge the costs of fleet management and risk management to individual funds. The net revenue of certain activities of internal service funds is reported in the governmental activities.		
	(	1,881,953)
Change in Net Position of Governmental Activities	\$	<u>1,838,111</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Net Position - Proprietary Funds

As of September 30, 2015

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Airport	Other Enterprise Funds		
ASSETS						
Assets:						
Current Assets:						
Cash & Cash Equivalents	\$ -0-	\$ -0-	\$ -0-	\$ 6,918,489	\$ 6,918,489	\$ 2,226,907
Investments	1,921,228	1,796,620	129,983	1,128,647	4,976,478	3,020,067
Receivables:						
Accrued Interest	65,785	21,420	1,908	18,090	107,163	5,492
Accounts Receivable	5,834,741	1,956,385	117,331	793,027	8,701,484	245,254
Less: Allowance for Uncollectibles	(1,645,897)	(470,973)	-0-	(80,064)	(2,196,934)	(124,794)
Inventories	413,821	29,948	-0-	-0-	443,769	45,363
Restricted Assets:						
Cash & Cash Equivalents	-0-	4,417,986	-0-	-0-	4,417,986	-0-
Investments	23,346,040	9,039,254	272,869	-0-	32,658,163	-0-
Closure and Post-Closure Trust Fund	-0-	-0-	-0-	4,735,000	4,735,000	-0-
Total Current Assets	\$ 29,935,718	\$ 16,790,640	\$ 522,091	\$ 13,513,149	\$ 60,761,598	\$ 5,418,289
Noncurrent Assets:						
Capital Assets:						
Land	\$ 1,719,765	\$ 3,759,793	\$ 1,568,591	\$ 755,723	\$ 7,803,872	\$ -0-
Buildings	7,433,104	240,039	15,692,780	6,051,542	29,417,465	390,269
Improvements Other Than Buildings	3,748,367	10,089,039	17,307,536	718,958	31,863,900	5,305,405
Infrastructure	93,501,564	69,562,076	19,207,178	-0-	182,270,818	-0-
Machinery & Equipment	11,695,863	12,166,646	1,402,606	3,331,229	28,597,344	642,165
Water Rights	36,950,835	-0-	-0-	-0-	36,950,835	-0-
Construction in Progress	114,246,367	335,571	8,793,336	-0-	123,375,274	3,440,215
Less: Accumulated Depreciation	(85,937,604)	(37,922,328)	(35,355,965)	(5,245,210)	(144,461,107)	(3,385,301)
Net Capital Assets	\$ 203,359,261	\$ 58,250,836	\$ 28,616,062	\$ 5,612,242	\$ 295,838,401	\$ 6,392,753
Total Noncurrent Assets	\$ 203,359,261	\$ 58,250,836	\$ 28,616,062	\$ 5,612,242	\$ 295,838,401	\$ 6,392,753
Total Assets	\$ 233,294,979	\$ 75,041,476	\$ 29,138,153	\$ 19,125,391	\$ 356,599,999	\$ 11,811,042
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges	\$ -0-	\$ 968,974	\$ -0-	\$ -0-	\$ 968,974	\$ -0-
Deferred Amounts Related to Pensions	711,854	232,045	83,123	166,516	1,193,538	183,945
Total Deferred Outflows of Resources	\$ 711,854	\$ 1,201,019	\$ 83,123	\$ 166,516	\$ 2,161,612	\$ 183,945
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 414,041	\$ 105,606	\$ 29,862	\$ 1,126,991	\$ 1,676,500	\$ 3,120,165
Accrued Interest Payable	162,731	220,020	-0-	7,849	390,600	-0-
Due to Other Funds	3,412,344	-0-	1,228,803	473,229	5,114,376	1,356,883
Due to Other Governments	-0-	-0-	-0-	-0-	-0-	-0-
Deposits	1,024,999	3,565	-0-	-0-	1,028,564	-0-
Noncurrent Liabilities Due Within One Year	8,435,736	3,100,372	48,390	791,397	12,375,895	1,210,473
Total Current Liabilities	\$ 13,449,851	\$ 3,429,563	\$ 1,307,055	\$ 2,399,466	\$ 20,585,935	\$ 5,687,521
Noncurrent Liabilities:						
Net Pension Liability	\$ 3,974,502	\$ 1,295,576	\$ 464,106	\$ 929,706	\$ 6,663,890	\$ 1,027,023
Noncurrent Liabilities Due After One Year	105,784,529	27,148,474	551,147	5,253,361	138,737,511	2,481,515
Total Noncurrent Liabilities	\$ 109,759,031	\$ 28,444,050	\$ 1,015,253	\$ 6,183,067	\$ 145,401,401	\$ 3,508,538
Total Liabilities	\$ 123,208,882	\$ 31,873,613	\$ 2,322,308	\$ 8,582,533	\$ 165,987,336	\$ 9,196,059
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenue	\$ 146,289	\$ -0-	\$ -0-	\$ -0-	\$ 146,289	\$ -0-
Deferred Amounts Related to Pensions	134,546	43,858	15,711	31,472	225,587	34,768
Total Deferred Inflows of Resources	\$ 280,835	\$ 43,858	\$ 15,711	\$ 31,472	\$ 371,876	\$ 34,768
NET POSITION						
Net Investment in Capital Assets	\$ 98,313,515	\$ 30,641,210	\$ 28,616,062	\$ 3,991,398	\$ 161,562,185	\$ 6,392,753
Restricted for:						
Debt Service	7,687,230	7,893,593	-0-	-0-	15,580,823	-0-
Asset Construction & Acquisition	17,194,238	12,993,787	5,706,353	-0-	35,894,378	-0-
Passenger Facility Charges	-0-	-0-	1,359,564	-0-	1,359,564	-0-
Landfill Closure and Post-Closure	-0-	-0-	-0-	4,735,000	4,735,000	-0-
Contract Obligations	1,792,764	-0-	-0-	-0-	1,792,764	-0-
Unrestricted	(14,470,631)	(7,204,466)	(8,798,722)	(1,951,504)	(28,522,315)	(3,628,393)
Total Net Position	\$ 110,517,116	\$ 44,324,124	\$ 26,883,257	\$ 10,677,902	\$ 192,402,399	\$ 2,764,160

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

**Statement of Revenues, Expenses, and Changes in Fund Net Position
- Proprietary Funds**

For the Year Ended September 30, 2015

	Business-Type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Airport	Other Enterprise Funds		
OPERATING REVENUES						
Charges for Sales & Services:						
Pledged for Payment of Revenue Bonds:						
Water Sales	\$ 21,806,462	\$ -0-	\$ -0-	\$ -0-	\$ 21,806,462	\$ -0-
Sewer Service	-0-	10,758,609	-0-	-0-	10,758,609	-0-
Stormwater Fee	-0-	-0-	-0-	2,545,795	2,545,795	-0-
Solid Waste Service	-0-	-0-	-0-	1,907,150	1,907,150	-0-
Rents, Leases, & Fees	257,598	198,202	-0-	1,211,371	1,667,171	-0-
Billing & Collection	1,660,207	-0-	-0-	-0-	1,660,207	-0-
Paving Cuts, Taps, & Connections	335,280	104,683	-0-	-0-	439,963	-0-
Other	95,686	1,271	1,276	-0-	98,233	-0-
Unpledged:						
Rents, Leases, & Fees	-0-	-0-	1,313,280	-0-	1,313,280	-0-
Sales & Service	-0-	-0-	-0-	-0-	-0-	13,189,361
Other	-0-	-0-	15,680	30,053	45,733	558,963
Total Operating Revenues	\$ 24,155,233	\$ 11,062,765	\$ 1,330,236	\$ 5,694,369	\$ 42,242,603	\$ 13,748,324
OPERATING EXPENSES						
Cost of Sales & Services	\$ 5,975,932	\$ 4,276,990	\$ 1,187,825	\$ 2,630,540	\$ 14,071,287	\$ 15,084,451
Administrative	5,923,893	205,328	5,000	58,206	6,192,427	-0-
Depreciation	2,902,890	2,311,854	2,620,993	593,516	8,429,253	571,584
Total Operating Expenses	\$ 14,802,715	\$ 6,794,172	\$ 3,813,818	\$ 3,282,262	\$ 28,692,967	\$ 15,656,035
Operating Income (Loss)	\$ 9,352,518	\$ 4,268,593	(\$ 2,483,582)	\$ 2,412,107	\$ 13,549,636	(\$ 1,907,711)
NONOPERATING REVENUES (EXPENSES)						
Investment Income:						
Interest	\$ 232,824	\$ 71,924	\$ 3,746	\$ 33,651	\$ 342,145	\$ 16,294
Change in Fair Value of Investments	46,229	20,624	767	2,148	69,768	5,854
Interest Expense & Fiscal Agent Fees	(1,504,718)	(1,376,567)	-0-	(74,516)	(2,955,801)	-0-
Gain (Loss) on Sale of Capital Assets	(111,806)	21,162	3,785	(80,548)	(167,407)	3,600
Total Nonoperating Revenues (Expenses)	(\$ 1,337,471)	(\$ 1,262,857)	\$ 8,298	(\$ 119,265)	\$ 2,711,295	\$ 25,758
Income (Loss) Before Contributions and Transfers	\$ 8,015,047	\$ 3,005,736	(\$ 2,475,284)	\$ 2,292,842	\$ 10,838,341	(\$ 1,881,953)
CONTRIBUTIONS AND TRANSFERS						
Contributions:						
Federal Grants	\$ 650	\$ 2,850	\$ 873,429	\$ -0-	\$ 876,929	\$ -0-
Capital	-0-	-0-	-0-	-0-	-0-	-0-
Total Contributions	\$ 650	\$ 2,850	\$ 873,429	\$ -0-	\$ 876,929	\$ -0-
Transfers In	2,498,436	-0-	-0-	95,000	2,593,436	-0-
Transfers Out	(2,506,790)	(2,264,013)	(83,053)	(3,565,258)	(8,419,114)	-0-
Total Contributions and Transfers	(\$ 7,704)	(\$ 2,261,163)	\$ 790,376	(\$ 3,470,258)	(\$ 4,948,749)	\$ -0-
Change in Net Position	\$ 8,007,343	\$ 744,573	(\$ 1,684,908)	(\$ 1,177,416)	\$ 5,889,592	(\$ 1,881,953)
Net Position - Beginning	105,537,730	44,920,793	28,948,216	12,674,315	192,081,054	5,428,892
Restatement of Beginning Net Position (See Note IV.H)	(3,027,957)	(1,341,242)	(380,051)	(818,997)	(5,568,247)	(782,779)
Net Position - Ending	\$ 110,517,116	\$ 44,324,124	\$ 26,883,257	\$ 10,677,902	\$ 192,402,399	\$ 2,764,160

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Cash Flows - Proprietary Funds

For the Year Ended September 30, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Sewer	Airport	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received From Customers	\$ 24,458,945	\$ 11,079,872	\$ 1,329,067	\$ 5,594,568	\$ 42,462,452	\$ 11,065,463
Cash Received From Other Funds for Interfund Services Provided	-0-	-0-	-0-	-0-	-0-	836,252
Cash Received From Reinsurance	-0-	-0-	-0-	-0-	-0-	1,934,345
Cash Paid to Suppliers for Goods and Services	(6,672,052)	(2,645,432)	(569,304)	(810,568)	(10,697,356)	(3,348,134)
Cash Paid for Insurance Claims and Premiums	-0-	-0-	-0-	-0-	-0-	(7,281,932)
Cash Paid for Employees' Services and Benefits	(5,559,211)	(1,826,929)	(625,589)	(1,300,812)	(9,312,541)	(1,329,889)
Net Cash Provided (Used) by Operating Activities	\$ 12,227,682	\$ 6,607,511	\$ 134,174	\$ 3,483,188	\$ 22,452,555	\$ 1,876,105
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers In	\$ 2,498,438	\$ -0-	\$ -0-	\$ -0-	\$ 2,498,438	\$ -0-
Transfers Out	(2,506,790)	(2,264,014)	(83,053)	(3,470,258)	(8,324,115)	(-0-
Short-Term Interfund Loans Received	3,412,344	-0-	-0-	103,033	3,515,377	900,825
Short-Term Interfund Loans Paid	-0-	(3,292,843)	(810,822)	-0-	(4,103,665)	(-0-
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 3,403,992	\$ 5,556,857	\$ 893,875	\$ 3,367,225	\$ 6,413,965	\$ 900,825
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(\$ 14,823,048)	(\$ 1,275,474)	(\$ 2,203,079)	(\$ 1,257,874)	(\$ 19,559,475)	(\$ 3,482,010)
Principal Paid on Debt	(6,886,615)	(3,085,350)	(37,071)	(762,963)	(10,771,999)	(-0-
Interest Paid on Debt	(1,524,901)	(1,318,222)	(-0-	(94,959)	(2,938,082)	(-0-
Payment to Escrow Account	-0-	(8,222,210)	-0-	-0-	(8,222,210)	(-0-
Debt Proceeds Received	-0-	7,650,000	-0-	-0-	7,650,000	(-0-
Debt Premiums Received	-0-	755,712	-0-	-0-	755,712	(-0-
Cash Paid for Water Rights Obligation	(1,825,451)	-0-	-0-	-0-	(1,825,451)	(-0-
Capital Grants Received	650	2,850	1,041,982	-0-	1,045,482	(-0-
Proceeds from Sale of Assets	88,555	69,882	3,785	-0-	162,222	(-0-
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 24,970,810)	(\$ 5,422,812)	(\$ 1,194,383)	(\$ 2,115,796)	(\$ 33,703,801)	(\$ 3,482,010)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(\$ 907,252)	\$ 55,705	\$ 2,070	\$ 5,802	(\$ 843,675)	\$ 77,446
Interest Received on Investments	256,881	74,922	3,466	25,224	360,493	18,424
Net Cash Provided (Used) by Investing Activities	(\$ 650,371)	\$ 130,627	\$ 5,536	\$ 31,026	(\$ 483,182)	\$ 95,870
Net Increase (Decrease) in Cash	(\$ 9,989,507)	(\$ 4,241,531)	(\$ 1,948,548)	(\$ 1,968,807)	(\$ 18,148,393)	(\$ 609,210)
Cash - Beginning	9,989,507	8,659,517	1,948,548	8,887,296	29,484,868	2,836,117
Cash - Ending	\$ -0-	\$ 4,417,986	\$ -0-	\$ 6,918,489	\$ 11,336,475	\$ 2,226,907
CASH ON STATEMENT OF NET ASSETS						
Current Assets	\$ -0-	\$ 4,417,986	\$ -0-	\$ 6,918,489	\$ 11,336,475	\$ 2,226,907
Restricted Assets	-0-	-0-	-0-	-0-	-0-	(-0-
Total	\$ -0-	\$ 4,417,986	\$ -0-	\$ 6,918,489	\$ 11,336,475	\$ 2,226,907

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Cash Flows - Proprietary Funds

For the Year Ended September 30, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Sewer	Airport	Other Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 9,352,518	\$ 4,268,593	(\$ 2,483,582)	\$ 2,412,107	\$ 13,549,636	(\$ 1,907,711)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation	2,902,890	2,311,854	2,620,993	593,516	8,429,253	571,584
(Increase) Decrease in:						
Accounts Receivable	310,890	56,587	(1,167)	(99,798)	266,512	87,736
Due From Other Governments	-0-	-0-	-0-	-0-	-0-	-0-
Inventories	509,324	15,311	-0-	-0-	524,635	172,848
Deferred Charges	-0-	-0-	-0-	-0-	-0-	-0-
Increase (Decrease) in:						
Accounts Payable	(808,492)	(44,436)	1,724	332,895	(518,309)	2,822,927
Insurance Claims Payable	-0-	-0-	-0-	-0-	-0-	97,903
OPEB Obligation	191,352	61,685	21,192	22,447	296,676	86,865
Pension Liability	(154,221)	(50,273)	(18,007)	(36,078)	(258,579)	(39,851)
Compensated Absences	(69,401)	27,670	6,979	154,325	105,615	(16,196)
Landfill Postclosure Liability	-0-	-0-	-0-	103,774	103,774	-0-
Customer Deposits	(33,116)	39,480	-0-	-0-	72,596	-0-
Unearned Revenue	25,938	-0-	-0-	-0-	25,938	-0-
Net Cash Provided (Used) by Operating Activities	\$ 12,227,682	\$ 6,607,511	\$ 134,174	\$ 3,483,188	\$ 22,452,555	\$ 1,876,105
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Loss on Disposal of Capital Assets	(\$ 200,361)	(\$ 48,720)	\$ -0-	(\$ 80,548)	(\$ 329,629)	(\$ 3,600)
Amortization of Premiums and Discounts	\$ -0-	(\$ 122,469)	\$ -0-	(\$ 16,422)	(\$ 138,891)	\$ -0-
Change in Fair Value of Investments	\$ 46,229	\$ 20,624	\$ 767	\$ 2,148	\$ 69,768	\$ 3,992
Refunding of Debt Issue	\$ -0-	(\$ 808,367)	\$ -0-	(\$ -0-	(\$ 808,367)	\$ -0-
Amortization of Gain or Loss on Refunding	\$ -0-	\$ 131,088	\$ -0-	\$ -0-	\$ 131,088	\$ -0-

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Net Position - Fiduciary Funds

As of September 30, 2015

	<u>Agency</u>	
	<u>CJC</u>	
ASSETS		
Cash and Cash Equivalents	\$	332,326
Total Assets	\$	<u>332,326</u>
LIABILITIES		
Accounts Payable	\$	-0-
Due to Other Governments		332,326
Total Liabilities	\$	<u>332,326</u>

The accompanying notes are an integral part of this financial statement.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of San Angelo, Texas (City) is a municipal corporation governed by an elected mayor and six-member council. The City provides services as authorized in its charter: public safety (police and fire), streets and bridges, sanitation, health and human services, water and sewer utilities, recreation, education, public improvements, planning and zoning, and general administrative services. The accompanying financial statements present the government and its component units, entities for which the government is financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

The City's financial statements have been prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsections of this note.

I.A. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government:	City of San Angelo, Texas
Discretely Presented Component Unit:	City of San Angelo Development Corporation

In determining the financial reporting entity, the City complies with the provisions of Governmental Accounting Standards Board Statement 14, *The Financial Reporting Entity*, as amended by Statement No. 61 and includes all component units of which the City is fiscally accountable.

Blended Component Units

Blended component units are separate legal entities that meet the GASB Statement No. 14 (as amended by Statement No. 61) component unit criteria and whose governing body is the same or substantially the same as the City Council, or the component unit provides services entirely, or almost entirely, to the City. The City had no blended component units for the year ended September 30, 2015.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the GASB Statement No. 14 (as amended by Statement No. 61) component unit criteria but do not meet the criteria for blending. The City has one component unit that is discretely presented in the City's report as presented below. The component unit's rows and columns in the government-wide financial statements include the financial data of the City's component unit. It is reported in separate rows and columns to emphasize that it is legally separate from the City. The mayor and the City Council appoint the governing board of directors.

The City of San Angelo, Texas Development Corporation (Corporation) is a non-profit development corporation organized under the Texas Development Corporation Act of 1979, Article 5190.6, Vernon's Texas Revised Civil Statutes Annotated as amended (the Act), and is governed by Section 4B of the Act. The Corporation is governed by a seven-member board appointed by the City Council. Its purpose is to administer the type B Section 4B economic development sales tax approved by the City's voters. As stated in its Articles of Incorporation, the purpose of the Corporation is to promote community development within the City and the State of Texas in order to improve the quality of life and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing the projects allowed under Section 4B of the Act. The San Angelo City Council must approve all actions of the Corporation's board of directors. Subject to the limitations provided by the Texas Constitution, the laws of the state and the articles of incorporation, the City Council may, in its sole discretion, and at any time, alter or change the structure, organization, programs, or activities of the Corporation, and may terminate or dissolve the Corporation. If the Corporation should be dissolved, all interests it has, or is entitled to, in any funds or property of any kind shall be transferred and delivered to the City after satisfaction of all debts, claims, and contractual obligations. The Corporation does not publish any separately issued financial statements.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Related Organizations

The City Council is responsible for appointing the members of the boards of various organizations, but the City's accountability for those organizations does not extend beyond making the appointments. The City provides some funding to the Convention and Visitors Bureau.

I.B. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double reporting of transactions involving internal activities. Individual funds are not displayed in these statements. Instead, the statements distinguish between governmental and business-type activities. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange revenues, are reported separately from *business-type activities*, which rely mostly on fees and charges for support. In addition, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities reports the direct expenses of a given function offset by program revenues directly related to the function program. A function is an aggregation of similar activities and may include portions of a fund or summarize more than one fund to capture expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: (a) charges to customers such as fines and forfeitures, fees for licenses, permits, and other user charges; (b) operating grants and contributions that are restricted to meeting the annual operating requirements of a particular function or segment; and (c) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are not included in the government-wide financial statements. An emphasis of the fund financial statements is placed on major governmental and enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements with composite columns for the aggregated remaining non-major funds. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c) A fund not meeting the criteria of (a) and (b), however management has elected to report the fund as a major fund due to its significance to users of the financial statements.

All remaining governmental and enterprise funds not meeting the above criteria are aggregated and reported as nonmajor funds.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 trust fund financial statements. Agency funds do not have a measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred regardless of the timing of the 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.

The 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Because different measurement focuses and bases of accounting are used in the government-wide statement of net position and in governmental fund statements, amounts reported as *restricted fund balances* in governmental funds may be different from amounts reported as *restricted net position* in the statement of net position.

Property taxes, sales 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 government.

The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

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. It is *always* a major fund.

The *sales tax projects* capital project fund accounts for certificate of obligation proceeds to accomplish projects specified on the ballots in the elections adopting the type B economic development sales tax and projects allowed by Section 4B of the Development Corporation Act of 1979, as amended. The certificates are being retired with funds from the collection of the type B sales tax approved for the projects.

The *capital improvement fund* accounts for the authorized expenditure of the proceeds of certificates of obligation.

The City also reports the following nonmajor governmental fund types and funds:

Special revenue funds account for specific revenues that are legally restricted, or designated by management, to expenditures for particular purposes. The City's nonmajor special revenue funds include:

- Community development fund accounts for the expenditure of funds received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant program.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

- Intergovernmental fund accounts for the expenditure of various federal and state funds.
- HOME program fund accounts for funds received from the U.S. Department of Housing and Urban Development under the HOME Investment Partnership program.
- Designated revenue fund accounts for expenditure of funds contributed by San Angelo citizens for special purposes.
- Tax Increment Reinvestment Zone fund accounts for expenditure of funds received from ad valorem taxes derived from increments of growth in real property values in the Zone.

The *debt service fund* accounts for the accumulation of resources and payment of general obligation bonds and certificates of obligation principal and interest. Resources are provided by an annual ad valorem tax levy and transfer of type B sales tax proceeds from the Development Corporation.

Capital projects funds are used to account for the acquisition and construction of major capital assets other than those financed by proprietary funds and trust funds. The City's major capital projects fund is:

- *Debt service fund* accounts for the accumulation of resources and payment of principal and interest on general obligation bonds, certificates of obligation, and sales tax supported certificates of obligations. Resources are provided by an ad valorem tax levy and transfer of type B sales tax proceeds from the City of San Angelo Development Corporation.

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The City's nonmajor permanent funds are as follows:

- *Santa Fe Park Trust fund* accounts for trust principal and related investment income. Net earnings up to 7% can be paid to the City to be used for the upkeep and beautification of the park. Earnings in excess of 7% become part of principal.
- *Lake Nasworthy Trust fund* accounts for the trust principal and related investment income. Twenty percent of all lake lot lease income, the proceeds from the sale of lake lots, and 10% of the annual interest income are additions to principal. No portion of the principal shall be expended for any purpose unless authorized by a majority vote of the qualified voters of the City at an election held for that purpose. Ninety percent of the annual interest income may be used by the City to pay for lake and river improvements, services to enhance water recreation, and the elimination of related litter and pollution. A public hearing must be held on the proposed uses of interest income during the budget and budget amendment process.

Proprietary funds include both enterprise funds and internal service funds. *Enterprise funds* account for business-like activities provided to the general public. *Internal service funds* are used to account for business-like activities provided and charged to other funds or entities within the reporting entity.

The City reports three major enterprise funds:

- The *water fund* accounts for the operations of the water utility service. In addition, the operation of lake recreation facilities are accounted for in this fund, and billing and collection services are provided to other enterprise funds.
- The *sewer fund* accounts for the operation of the sewage collection and treatment system and leasing of the sewer farm.
- The *airport fund* accounts for the operations of the municipal airport.

The City reports the following three non-major enterprise funds:

- The *state office building fund* accounts for the operation of a building, acquired and renovated, primarily to provide a facility for lease to the State of Texas in order for all state offices in San Angelo to be in one location.
- The *solid waste fund* accounts for the City's portion of operating the landfill.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

- The *stormwater fund* accounts for the operation of stormwater treatment and management.

Internal service funds account for fuel, oil, and the maintenance and upkeep on City and San Angelo Independent School District vehicles (vehicle maintenance fund); health claims services and medical costs for City employees and their dependents (employee/retiree health fund); insurance coverage for general and automobile liability and property damage for city property and vehicles (property and casualty insurance fund); workers compensation coverage for City employees (workers compensation insurance fund), and a city-wide radio communication system (communications fund), basically on a cost reimbursement basis, and provision of reserves for catastrophic claims in the insurance funds.

Fiduciary funds are used to account for assets held in a trust or agency capacity for others and, therefore, cannot be used to support the City's own programs. Fiduciary fund reporting focuses on net position and changes in net position. All fiduciary activities are reported only in the fund financial statements. The City reports the following fiduciary fund:

- *CJC Agency fund* is used to report resources held by the City in a purely custodial capacity (assets equal liabilities). The CJC fund accounts for the accumulation of fines and fees collected on behalf of the State of Texas.

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 where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water, sewer, and stormwater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds report *operating* revenues and expenses and *non-operating* revenues and expenses separately. Operating revenues and expenses generally result from sales and services in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are reported as non-operating. Principal operating revenues include charges to customers for sales, services, and rentals. Other operating revenues include charges for paving cuts, taps, and connections intended to recover the cost of connecting new customers to the water and sewer systems. Operating expenses for enterprise funds and internal service funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for specified expenditures, the City's policy is to use restricted resources first, then unrestricted resources as needed. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

I.D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Cash and Cash Equivalents

For the purposes of financial reporting, "cash and cash equivalents" include all demand deposits, state-managed local government investment pools, and short-term investments with original maturities of three months or less when acquired.

Investments

Investments are reported at fair value. U.S. Treasury obligations are valued at the last reported sales price on a national exchange. State-managed local government investment pools (which are reported as "cash" due to their liquidity) operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 and use amortized cost instead of market value to report net position to compute share prices. Accordingly, the fair value of the position in the pools is the same as the value of the shares. The State Comptroller of Public Accounts exercises oversight responsibility over the pools. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both pool participants and other persons who do not have a business relationship with the pools. The advisory board members review the investment policy and management fee structure. Year to year changes in the fair value of investments are shown as an adjustment to investment income.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

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). Temporary fund overdrafts in the pooled cash account and certain year-end adjustments give rise to current interfund loans reported in the fund financial statements. Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

All accounts receivables are shown net of an allowance for uncollectibles.

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.

The City’s property taxes are due October 1 and become delinquent after January 31. No split payments or discounts are allowed. Penalties and Interest: (a) a delinquent tax incurs a penalty of 6% of the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax on July 1st incurs a total penalty of 12% of the amount of the delinquent tax without regard to the number of months the tax has been delinquent; (b) a delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid; and an additional penalty up to a maximum of 15% of taxes, penalty, and interest may be imposed to defray costs of collection for taxes delinquent after July 1st.

Inventories

Inventories of the governmental funds are valued on the basis of weighted average cost. Inventories are recorded as expenditures when consumed rather than when purchased.

Prepaid Items

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.

Restricted Assets

Certain governmental fund assets are classified as restricted on the balance sheets and statement of net position because their use is limited by legal or contractual requirements and terms of trust agreements. These include funds restricted for debt service, park upkeep, and river and lake improvements.

Also, certain proceeds of enterprise funds’ revenue bonds, as well as certain other resources set aside for their repayment and other purposes, are classified as restricted assets on the statements of net position because their use is limited by applicable bond covenants and contract agreements. These include assets for revenue bond debt service, water purchase contract obligations, construction with revenue bond proceeds, asset renewals and replacements, and water supply development.

Capital Assets

The accounting treatment of property, plant, and equipment (capital assets) and water rights (intangible assets) depends on whether the assets are used in governmental fund type or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, property, plant, and equipment and intangible assets are accounted for as capital assets. The City’s policy is to capitalize and depreciate all capital assets with an initial, individual cost of \$1,000 or more and an estimated life in excess of three years. Assets not meeting the capitalization policy are controlled by division or department heads. Normal maintenance and repair costs that do not add to the asset values or materially extend the useful lives are not capitalized. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Infrastructure capital assets, consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, water system, sewer system, and airport paving are capitalized and depreciated. Interest costs, net of interest earned on any invested capital debt proceeds, are capitalized when incurred by proprietary funds.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Depreciation of all exhaustible capital assets is recorded as an operating expense in proprietary fund financial statements and as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation in the government-wide statements and the proprietary funds statements is provided using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	10 – 50 years
Improvement Other Than Buildings	8 – 20 years
Infrastructure	15 – 50 years
Machinery and Equipment	3 – 20 years

When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

In the governmental fund financial statements, capital assets are accounted for as capital outlay expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditures) until then. The government currently recognizes amounts from pension and amounts related to refunding of debt. The deferred charge on refunding reported in the government-wide statement of net position and the proprietary fund statement. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

Compensated Absences

City employees earn vacation and sick leave, each at the rate of 1-1/4 working days per month (3 weeks per year). Employees hired on or after October 1, 2001 earn vacation at the rate of 5/6 of a working day per month (2 weeks per year) for the first 5 years, and thereafter at the same rate as pre-October 1, 2001 hires. Accumulation of vacation is limited to 30 working days, and accumulation of sick leave is unlimited. Employees vest in accumulated sick leave after three years of employment. Terminal benefit payoffs are limited to 30 working days for unused vacation and 90 working days for unused vested sick leave. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Liabilities related to proprietary funds are recognized within each of those funds' financial statements and the government-wide statement of net position.

Long-term Obligations

In the government-wide financial statements and the proprietary 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 statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount and deferred amounts on refundings. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses in the period incurred.

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

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the San Angelo Firemen's Relief and Retirement Fund (SFRRF) and the Texas Municipal Retirement System (TMRS) and additions to/deductions from SFRRF and TMRS fiduciary net position have been determined on the same basis as they are reported by SFRRF and TMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Arbitrage Rebate to the U.S. Treasury

Under U.S. Treasury Department Regulations, all governmental tax-exempt debt issued after August 31, 1986, is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds, which exceed related interest expenditures on the bonds, must be remitted to the Federal government on every fifth anniversary of each bond issue.

Since the rules governing arbitrage on tax-exempt debt and the calculation of the rebate are complex, the City has retained a professional consultant to calculate any tentative arbitrage rebate due to the U.S. Treasury Department which was \$42,778 on September 30, 2015. Unless the City is likely to meet any of the exceptions enumerated in the tax law, a liability is reported in the financial statements for the tentative rebate. The liability is reported in the government-wide statement of net position for invested proceeds of capital projects funds. The liability is reported in the applicable proprietary fund financial statement and the government-wide statement of net position for invested proceeds of that fund. Changes in the liability from year to year are reflected as an adjustment to investment income.

Net Position Flow Assumption

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

Fund Equity

In the government-wide and proprietary fund financial statements, equity is classified as net position and is displayed in three components:

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and is reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the government-wide financial statements and the proprietary funds financial statements, restrictions of net position are reported for amounts legally or contractually segregated for specific future uses. Net position restricted for Passenger Facility Charges and Economic Development are restricted by enabling legislation.

In the fund financial statements, governmental funds report fund balance into classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purpose for which amount in those funds can be spent. The classifications of fund balance are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable fund balances include amounts that cannot be spent because it is not in a spendable form, such as inventory or prepaid items or because resources legally or contractually must remain intact.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Restricted fund balances are the portion of fund balance that have externally enforceable limitations on their usage through legislation or limitations imposed by creditors, grantors, laws and regulations of other governments, or enabling legislation.

Committed fund balances are self-imposed limitations by the highest level of decision-making authority, namely, the Mayor and City Council prior to the end of the reporting period through ordinance. The Mayor and City Council approval is required to commit resources or to rescind the commitment.

Assigned fund balances are limitations imposed by management based on the intended use of the funds. Assignments of fund balance may be made by City Council action or management decision when the City Council has delegated that authority. The City Manager is the official who is granted this authority by a vote of the City Council. Assignments for transfers and interest income for governmental funds are made through the budgetary process. Modifications or rescissions of the constraints can also be removed by the same action that limited the funds.

Unassigned fund balances represent the residual net resources in excess of the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance and any governmental fund can report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for specified expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

I.E. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds are not eliminated in the statement of activities.
- Primary government and component unit activity and balances – Resource flows between the primary government and the discretely presented component units are reported as if they were external transactions.

Fund Financial Statements

Interfund activity, if any, within and among the governmental, proprietary fund, and fiduciary categories is reported as follows in the fund financial statements:

- Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

- Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

I.F. Revenues, Expenditures, and Expenses

Charges to Other Funds

Charges for services provided and used between funds are accounted for as revenues and expenditures or expenses. These include charges to other funds by the general fund for administration and investment management; charges by self-insurance internal service funds to other funds for health, general and auto liability, and workers compensation; and charges by the vehicle maintenance internal service fund to other funds.

Property Tax Revenues

Property tax revenues are recognized in governmental fund financial statements when they become available. Available means collected within the current period and the amount expected to be collected soon after year-end to pay liabilities of the current period not to exceed 60 days. The balance of uncollected taxes, in excess of that recognized as revenues, is recorded as deferred revenue. In the government-wide financial statements, property tax revenues are recognized in the fiscal year for which they are levied.

The City's property tax is levied and becomes a lien each October 1 on 100 percent of assessed value listed for all real and personal property located in the City as of the prior January 1. Taxes become delinquent on January 31 following the October 1 levy date.

Collections on the current levy normally average about 95% to 99%. The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. Assessed values are established by the Tom Green County Appraisal District and certified by the Appraisal Review Board. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District based on 100 percent of its value and is prohibited from applying any assessment ratios. The value of property within the Appraisal District must be reviewed every four years; however, the City may at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals, and if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8 percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8 percent above the calculated tax rate of the previous year levy and the current year valuation.

Sales Tax

The City levies a one and one half cent sales tax on taxable sales within the City. The sales tax is collected by the Texas State Comptroller and remitted to the City in the month following receipt by the State Comptroller. The sales tax is recorded as follows:

- 1 cent recorded as revenue within the General Fund then transferred throughout various funds to account for operations and facility improvements as recommended by the City Council.
- ½ cent recorded as revenue within the Development Corporation Fund that is transferred to various funds to account for improvements to park and building facilities; housing assistance programs; recreation funding; and civic events as recommended to the City Council by the Capital Improvement Plan.

Expenditures and Expenses

In the government-wide statement of activities, expenses, including depreciation of capital assets, are reported by function or activity. In the governmental fund financial statements, expenditures are reported by class as current (further reported by function), capital outlay and debt service. In the proprietary fund financial statements, expenses are reported by object or activity. Fiduciary funds report additions and deductions to net position.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

I.G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds' balance sheet includes a reconciliation between *total fund balances – governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. The governmental funds' statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *total net change in fund balances – governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of both reconciliations explains, "various reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting." The details of these differences are sufficiently described in the reconciliations; therefore, no additional disclosure is required.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local governmental unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations.

III.A. Deficit Fund Balances or Net Position

The Fairmount Cemetery Fund, a general fund, had a deficit fund balance of \$185,854 as of September 30, 2015. The Workers' Compensation Insurance Fund, an internal service fund, had a deficit fund balance of \$771,585 as of September 30, 2015. The Employee/Retiree Health Fund, an internal service fund, had a deficit fund balance of \$708,514 as of September 30, 2015.

III.B. Deposits and Investments Requirements

Custodial Credit Risk for Deposits

State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity of its agent.

Since the City complies with this law, it has no substantial custodial credit risk for deposits.

Compliance with the Public Funds Investment Act

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for CDs.

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. The City of San Angelo, Texas is in substantial compliance with the requirements of the Act and with local policies.

The City's investment policy authorizes investment in fully insured or collateralized certificates of deposit; obligations of the United States, its agencies, and instrumentalities; fully collateralized repurchase agreements; constant dollar local government investment pools (LGIPs); and SEC registered money market mutual funds, as allowed by state law (Texas Government Code 2256, Public Funds Investment Act).

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV. DETAIL NOTES – TRANSACTIONS CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, deferred outflows, liabilities, deferred inflows, equity, revenues, and expenditures/expenses.

IV.A. Deposit and Investment Risks

As of September 30, 2015, the City of San Angelo held the following investments. The carrying and fair value amounts are the same.

Primary Government

Reported in Investments:	Credit Rating	Fair Value	Maturities in Years		
			< than 1 Year	1 to 2 Years	3 to 5 Years
MM Collateralized Demand	N/A	\$ 46,491,732	\$ 46,491,732	\$ -0-	\$ -0-
FDIC Insured/Collateralized CDs	N/A	247,000	247,000	-0-	-0-
Municipal Obligations	N/A	12,102,137	9,093,257	3,008,880	-0-
U.S. Agencies	AAA	56,062,173	6,998,551	34,547,561	14,516,061
Total Reported in Investments		<u>\$ 114,903,042</u>	<u>\$ 62,830,540</u>	<u>\$ 37,556,441</u>	<u>\$ 14,516,061</u>

Investments on Statement of Net Position	Governmental		Business-type	Total
	Activities	Activities	Activities	
Current Investments	\$ 19,649,493	\$ 4,976,478	\$ 24,625,971	
Restricted Investments	11,105,596	32,658,163	43,763,759	
Total Investments	<u>\$ 30,755,089</u>	<u>\$ 37,634,641</u>	<u>\$ 68,389,730</u>	

Additional policies and contractual provisions governing deposits and investments for the City of San Angelo, Texas are specified below:

Credit Risk

The primary stated objective of the City of San Angelo's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City's portfolio among the authorized investments approved by the City's adopted Investment Policy is represented only in time and demand deposits, repurchase agreements, local government pools, municipal debt, and money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the U.S. Government, its agencies, or instrumentalities. State law and the City's adopted Investment Policies for the City and Lake Nasworthy requires a procedure to monitor and react to credit ratings and a requirement to verify FDIC insurance weekly.

State law and the City of San Angelo's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit, to those banks doing business in the State of Texas and further requires full insurance and/or collateralization from these bank depositories. Depository certificates of deposit are limited to a stated maturity of one year. Collateral, with a 102% margin, is required, and collateral is limited to obligations of the U.S. Government, its agencies, or instrumentalities (with CMOs passing the bank test), or direct obligations of states, its subdivisions or agencies dual-rated at least A, or equivalent, as to investment quality by two nationally recognized securities rating organizations. Independent safekeeping of collateral is required outside the bank holding company with monthly reporting. Securities are priced at market on a daily basis as a contractual responsibility of the bank.

Brokered certificate of deposit securities must be from banks in the U.S. and fully insured by the FDIC. These are restricted to one year to stated maturity, and the City must verify FDIC status weekly.

Municipal Obligations must be dual-rated A or better by at least two national recognized securities rating organizations and may not exceed two years to stated maturity.

By policy and state law, repurchase agreements are limited to those with defined termination dates executed with a Texas bank or primary dealer (as defined by the Federal Reserve). The agreements require an industry standard, written master repurchase agreement, and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

six months to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The City's adopted Investment Policy restricts investment in SEC registered mutual funds to money market mutual funds that are rated AAA and striving to maintain a \$1 net asset value (excluding prime funds specifically).

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized rating agency. The City Policy is restricted to AAA-rated, constant dollar local government investment pools striving to maintain a \$1 net asset value. Participation is by City Council resolution only.

As of September 30, 2015 in the Total Overall Portfolio:

- FDIC insured or collateralized bank accounts represented 43.22% of the City portfolio,
- Investment in municipal obligations dual-rated A or better represented 10.92% of the total City portfolio, and
- U.S. Government securities represented 45.84%, of the total City portfolio.

Concentration of Credit Risk

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

Diversification limits are established as:

- | | |
|--------------------------------------|------|
| • U.S. Obligations | 80% |
| • U.S. Agencies/Instrumentalities | 80% |
| • Certificates of Deposit (total) | 40% |
| - Certificates of Deposit (per bank) | 10% |
| • Repurchase Agreements | 50% |
| • Flex Repurchase Agreements | 100% |
| • LGIP (total) | 80% |
| - LGIP (ownership of pool) | 10% |
| • Money Market Mutual Funds | 75% |
| • Municipal & State Obligations | 40% |
| - Issuer Limitation | 5% |
| • Brokered Certificates of Deposit | 20% |

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the City of San Angelo's adopted Investment Policies set maximum maturity dates and maximum weighted average maturity limits by fund type. The weighted average maturity (WAM) of the total City portfolio is restricted to a maximum weighted average maturity of one year and a maximum WAM of three years for Lake Nasworthy. Maximum maturity limit for the City is three years and ten years for Lake Nasworthy.

As of September 30, 2015, in the Total Overall Portfolio:

- no holding had a stated maturity date beyond 07/30/18 or 1,034 days for General Revenue Portfolio and, 02/28/2019 or 1,247 days for Lake Nasworthy Portfolio,
- the dollar-weighted average of the total portfolio was 292 and 364 days for General Revenue and Lake Nasworthy, respectively.

Custodial Credit Risk

To control custody and safekeeping risk, state law and the City of San Angelo's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the City and held in the City of San Angelo's name. The collateral custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value for both type transactions. All repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of U.S. Financial Institutions Resource

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

and Recovery Enforcement Act (FIRREA). The counter-party of each type of transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

As of September 30, 2015, of the Total Overall Portfolio:

- the portfolio contained no repurchase agreements,
- all bank time and demand deposits were fully insured or collateralized to 102%, and
- all collateral was held by an independent institutions outside the holding company of the pledging bank.

Component Units

Total bank deposits of the discretely presented component unit were insured with Federal Deposit Insurance Corporation Insurance and were not subject to the custodial credit risk as defined above.

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV.B. Accounts Receivable

Governmental Activities

Receivables as of September 30, 2015 for the government's individual major governmental funds and aggregated nonmajor governmental funds, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Sales Tax Capital Project	Capital Improvement Fund	Other Governmental Funds	Total Governmental Activities
Accounts Receivables					
Ambulance	\$ 9,920,113	\$ -0-	\$ -0-	\$ -0-	\$ 9,920,113
Code Enforce.	635,487	-0-	-0-	-0-	635,487
Demolition	483,215	-0-	-0-	-0-	483,215
Parks & Recreation	22,609	-0-	-0-	-0-	22,609
Permits	50,337	-0-	-0-	-0-	50,337
Program Loans	-0-	-0-	-0-	342,480	342,480
Misc.	179,711	-0-	-0-	364,184	543,607
Gross Accounts Receivable	\$11,291,472	\$ -0-	\$ -0-	\$ 706,664	\$ 11,998,136
Less: Allowance for Uncollectible	(10,518,316)	-0-	-0-	(11,886)	(10,530,202)
Net Accounts Receivable	\$ 773,156	\$ -0-	\$ -0-	\$ 694,778	\$ 1,467,934
Miscellaneous Internal Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 245,254
Less: Allowance for Uncollectible	-0-	-0-	-0-	-0-	(124,794)
Net Internal Service Accounts Receivable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 120,460
Total	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,588,394

Business-Type Activities

Receivables as of September 30, 2015 for the government's individual major enterprise funds and nonmajor enterprise funds, including allowances for uncollectible accounts, are as follows:

	Water Fund	Sewer Fund	Airport Fund	Other Enterprise Funds	Total Enterprise Funds
Utilities Receivable	\$5,825,372	\$1,798,392	\$ -0-	\$ 442,657	\$ 8,066,421
Meter Deposits	1,985	-0-	-0-	-0-	1,985
Miscellaneous	7,384	157,993	117,331	350,370	633,078
Net Accounts Receivable	\$5,834,741	\$1,956,385	\$ 117,331	\$ 793,027	\$ 8,701,484
Less: Allowance for Uncollectibles	(1,645,897)	(470,973)	-0-	(80,064)	(2,196,934)
Net Total Receivable	\$4,188,844	\$1,485,412	\$ 117,331	\$ 712,963	\$ 6,504,550

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV.C. Restricted Assets

The amounts reported as restricted assets of the governmental activities and business-type activities are comprised of assets held by trustee and depository banks for the following restricted purposes:

	Cash and Cash Equivalents	Investments	Closure and Post- Closure Trust Fund
<u>Primary Government</u>			
Governmental Activities			
Deposits held for debt service	\$ 3,194,309	\$ 238,211	\$ -0-
Deposits held for business development	733,536	-0-	-0-
Deposits held for purposes specified by donors	100,841	112,840	-0-
Deposits held for park improvements	13,925	-0-	-0-
Deposits held for Lake Nasworthy improvements	2,595,602	10,754,545	-0-
Total Governmental Activities	<u>\$ 6,638,213</u>	<u>\$ 11,105,596</u>	<u>\$ -0-</u>
Business-type Activities			
Deposits held for debt service	\$ 1,184	\$ 1,900	\$ -0-
Deposits held for capital projects	4,416,802	11,875,762	-0-
Deposits held for water rights	-0-	20,507,632	-0-
Deposits held for construction	-0-	272,869	-0-
Deposits held for landfill closure and post-closure	-0-	-0-	4,735,000
Total Business-type Activities	<u>\$ 4,417,986</u>	<u>\$ 32,658,163</u>	<u>\$ 4,735,000</u>

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV.D. Capital Assets

Current year changes in capital assets are summarized below:

Governmental Activities

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 4,835,370	\$ 145,045	\$ -0-	(\$ 480,310)	\$ 4,500,105
Construction in Progress	26,173,113	4,888,004	(11,457,415)	-0-	19,603,702
Total Non-Depreciable	<u>\$ 31,008,483</u>	<u>\$ 5,033,049</u>	<u>(\$11,457,415)</u>	<u>(\$ 480,310)</u>	<u>\$ 24,103,807</u>
<u>Assets Being Depreciated:</u>					
Buildings	\$ 50,520,090	\$ -0-	(\$ 856,217)	\$ -0-	\$ 49,663,873
Improvements Other Than Buildings	30,845,839	11,458,853	-0-	-0-	42,304,692
Infrastructure	23,757,252	-0-	-0-	-0-	23,757,252
Machinery and Equipment	32,498,369	2,638,090	(2,433,070)	(1,013,197)	31,690,192
Total Depreciable	<u>\$ 137,621,550</u>	<u>\$ 14,096,943</u>	<u>(\$ 3,289,287)</u>	<u>(\$ 1,013,197)</u>	<u>\$147,416,009</u>
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 30,078,901	\$ 1,857,239	(\$ 270,328)	\$ -0-	\$ 31,655,812
Improvements Other Than Buildings	11,204,338	2,304,926	-0-	-0-	13,509,264
Infrastructure	19,419,533	31,741	-0-	-0-	19,451,274
Machinery and Equipment	27,780,830	2,049,068	(2,194,063)	(700,140)	26,935,695
Total Accumulated Depreciation	<u>\$ 88,483,602</u>	<u>\$ 6,242,974</u>	<u>(\$ 2,464,391)</u>	<u>(\$ 700,140)</u>	<u>\$ 91,562,045</u>
Assets Being Depreciated – Net	<u>\$ 49,137,948</u>	<u>\$ 7,853,969</u>	<u>(\$ 824,896)</u>	<u>(\$ 313,057)</u>	<u>\$ 55,853,964</u>
Governmental Activities Capital Assets - Net	<u>\$ 80,146,431</u>	<u>\$ 12,887,018</u>	<u>(\$12,282,311)</u>	<u>(\$ 793,367)</u>	<u>\$ 79,957,771</u>

Business-type Activities

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 7,355,642	\$ -0-	(\$ 32,080)	\$ 480,310	\$ 7,803,872
Construction in Progress	123,972,817	17,293,547	(17,891,090)	-0-	123,375,274
Water Rights	36,950,835	-0-	-0-	-0-	36,950,835
Total Non- Depreciable	<u>\$ 168,279,294</u>	<u>\$ 17,293,547</u>	<u>(\$17,923,170)</u>	<u>\$ 480,310</u>	<u>\$168,129,981</u>
<u>Assets Being Depreciated:</u>					
Buildings	\$ 29,531,394	\$ -0-	(\$ 113,929)	\$ -0-	\$ 29,417,465
Improvements Other Than Buildings	21,711,612	10,152,288	-0-	-0-	31,863,900
Infrastructure	179,444,244	2,846,574	-0-	-0-	182,290,818
Machinery and Equipment	22,615,651	6,339,556	(1,371,060)	1,013,197	28,597,344
Total Depreciable	<u>\$ 253,302,901</u>	<u>\$ 19,338,418</u>	<u>(\$ 1,484,989)</u>	<u>\$ 1,013,197</u>	<u>\$272,169,527</u>
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 18,601,147	\$ 604,795	(\$ 113,929)	\$ -0-	\$ 19,092,013
Improvements Other Than Buildings	11,005,615	2,040,762	-0-	-0-	13,046,377
Infrastructure	91,228,488	4,415,024	-0-	-0-	95,643,512
Machinery and Equipment	15,709,138	1,368,672	(1,098,745)	700,140	16,679,205
Total Accumulated Depreciation	<u>\$ 136,544,388</u>	<u>\$ 8,429,253</u>	<u>(\$ 1,212,674)</u>	<u>\$ 700,140</u>	<u>\$144,461,107</u>
Assets Being Depreciated – Net	<u>\$ 116,758,513</u>	<u>\$ 10,909,165</u>	<u>(\$ 272,315)</u>	<u>\$ 313,057</u>	<u>\$127,708,420</u>
Business-type Activities Capital Assets - Net	<u>\$ 285,037,807</u>	<u>\$ 28,202,712</u>	<u>(\$18,195,485)</u>	<u>\$ 793,367</u>	<u>\$295,838,401</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Discretely Presented Component Unit – Development Corporation

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 111,902	\$ -0-	(\$ 4,275)	\$ -0-	\$ 107,627
Total Non-Depreciable	\$ 111,902	\$ -0-	(\$ 4,275)	\$ -0-	\$ 107,627
<u>Assets Being Depreciated:</u>					
Buildings	\$ 2,281,509	\$ -0-	(\$ 276,542)	\$ -0-	\$ 2,004,967
Improvements Other Than Buildings	1,085,874	-0-	-0-	-0-	1,085,874
Total Depreciable	\$ 3,367,383	\$ -0-	(\$ 276,542)	\$ -0-	\$ 3,090,841
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 397,248	\$ 100,247	(\$ 38,025)	\$ -0-	\$ 459,470
Improvements Other Than Buildings	-0-	-0-	-0-	-0-	-0-
Total Accumulated Depreciation	\$ 397,248	\$ 100,247	(\$ 38,025)	\$ -0-	\$ 459,470
Assets Being Depreciated – Net	\$ 2,970,135	(\$ 100,247)	(\$ 238,517)	\$ -0-	\$ 2,631,371
Governmental Activities Capital Assets - Net	\$ 3,082,037	(\$ 100,247)	(\$ 242,792)	\$ -0-	\$ 2,738,998

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Depreciation expense was charged to functions in the statement of activities as follows:

Governmental Activities:		
General Government		\$ 184,235
Public Safety		1,649,942
Public Works and Transportation		351,531
Public Facilities		1,785,376
Health and Human Services		145,018
Culture, Parks, and Recreation		1,523,143
Urban Redevelopment and Housing		32,145
Capital Assets Held by the City's Internal Service Funds are Charged to the Various Functions on Their Usage of the Assets		571,584
Total Depreciation Expense – Governmental Activities		<u>\$ 6,242,974</u>
Business-type Activities:		
Water		\$ 2,902,890
Sewer		2,311,854
Stormwater		238,725
Solid Waste		120,210
Airport		2,620,993
State Office Building		234,581
Total Depreciation Expense – Business-type Activities		<u>\$ 8,429,253</u>
Discretely Presented Component Unit:		
Development Corporation		<u>\$ 100,247</u>

IV.E. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2015 consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Intergovernmental Fund	\$ 6,126
General Fund	Communications Fund	118,542
General Fund	Employee/Retiree Health Fund	1,238,341
General Fund	State Office Building Fund	473,229
General Fund	Water Fund	3,412,344
General Fund	Airport Fund	1,228,803
Total		<u>\$ 6,477,385</u>

Reconciliation to Fund Financial Statements:	Due From Other Funds	Due To Other Funds
Governmental Funds	\$ 6,477,385	\$ 6,126
Internal Service Funds	-0-	1,356,883
Enterprise Funds	-0-	5,114,376
Total	<u>\$ 6,477,385</u>	<u>\$ 6,477,385</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Interfund Transfers

Interfund Transfers for the year ended September 30, 2015 were as follows:

Transfer From	Transfer To	Amount	Nature of Interfund Balance
General Fund	Debt Service Fund	\$ 41,000	To Fund Fire Training Center
General Fund	Water Fund	5,890	Postage and Supplies
Sewer Fund	General Fund	547,158	Sewer Franchise Fees
Water Fund	General Fund	1,045,973	Water Franchise Fees
Solid Waste	General Fund	280,599	Solid Waste Franchise Fees
Sewer Fund	General Fund	700,000	Wastewater transfer
Water Fund	General Fund	1,400	Interfund Billing from Construction
Capital Improvement Fund	General Fund	113,000	Management for Project Oversight
Water Fund	General Fund	1,459,417	Indirect Cost Allocation Per Plan
Sewer Fund	General Fund	485,566	Indirect Cost Allocation Per Plan
Sewer Fund	Water Fund	326,432	To Fund Billing Fees
Sewer Fund	Water Fund	204,857	Reimburse for Maintenance and Engineering
General Fund	Stormwater Fund	95,000	Mowing
General Fund	Intergovernmental Fund	324,910	Local Match for Grants
Lake Nasworthy Trust Fund	Water Fund	138,308	Investment Income Allocated To Improvements
Solid Waste Fund	General Fund	1,250,000	To Fund City Auditorium
Solid Waste Fund	Water Fund	1,822,949	To Fund City Auditorium
Capital Improvement Fund	General Fund	2,000	Indirect Cost Allocation Per Plan
Intergovernmental Fund	General Fund	92,977	Indirect Cost Allocation Per Plan
Airport Fund	General Fund	83,053	Indirect Cost Allocation Per Plan
Stormwater Fund	General Fund	211,710	Indirect Cost Allocation Per Plan
		<u>\$ 9,232,199</u>	

Reconciliation to Fund Financial Statements:	Transfers to Other Funds	Transfers from Other Funds
Governmental Funds:		
General Fund	\$ 466,800	\$ 6,272,853
Capital Improvement Fund	115,000	-0-
Sales Tax Projects Fund	-0-	-0-
Other Governmental Funds	231,285	365,910
Total Governmental Funds	\$ 813,085	\$ 6,638,763
Proprietary Funds:		
Enterprise Funds:		
Water Enterprise Fund	\$ 2,506,790	\$ 2,498,436
Sewer Enterprise Fund	2,264,013	-0-
Airport Enterprise Fund	83,053	-0-
Other Enterprise Funds	3,565,258	95,000
Total Enterprise Funds	\$ 8,419,114	\$ 2,593,436
Total Proprietary Funds	\$ 8,419,114	\$ 2,593,436
Totals	\$ 9,232,199	\$ 9,232,199

Reconciliation to Statement of Activities:	Transfers to Other Funds	Transfers From Other Funds	Transfer of Capital Assets	Net Transfers
Net Transfers for Governmental Activities:				
Governmental Funds	(\$ 813,085)	\$ 6,638,763	\$ -0-	\$ 5,825,678
Total Net Transfers for Governmental Activities	(\$ 813,085)	\$ 6,638,763	\$ -0-	\$ 5,825,678
Net Transfers for Business-Type Activities:				
Enterprise Funds	(\$ 8,419,114)	\$ 2,593,436	\$ -0-	(\$ 5,825,678)
Total Net Transfers for Business-Type Activities	(\$ 8,419,114)	\$ 2,593,436	\$ -0-	(\$ 5,825,678)

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

The City subsidizes the annual operations of the one discretely presented component unit. Transfers between the primary government and the component unit for the year ended September 30, 2015 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Nature of Interfund Balance</u>
Development Corporation	General Fund	\$ 99,339	Administrative Staff Services
Development Corporation	General Fund	321,919	Staff Services Contract
Development Corporation	General Fund	268,895	Parks Maintenance
Development Corporation	Debt Service Fund	2,559,450	Debt Service Payment for Long-Term Debt
Development Corporation	Water Fund	1,500,000	Debt Service Payment for Long-Term Debt
Development Corporation	Water Fund	160,377	West Texas Water Partnership
		<u>\$ 4,909,980</u>	

IV.F Leases

Operating Leases - City as a Lessor

The City leases out most of the space in the State Office Building, land around Lake Nasworthy, the sewer treatment plant, and certain facilities at the airport. None of the lease agreements are non-cancelable. The land cost is \$3,125,499. The depreciable facilities have total cost of \$13,995,773 with accumulated depreciation of \$8,495,088 leaving the carrying amount at \$5,500,685. Total rent received during the year was \$2,740,016.

The City leases the landfill to Republic Waste Services of Texas, Ltd. for an annual lease payment of \$573,000, which is payable in monthly payments of \$47,750. Beginning in October 2015, the annual lease payments may increase by \$3,230 per year. The term of the lease ends when the landfill has reached its capacity.

Operating Leases - City as a Lessee

The City rents copiers on a month-to-month basis. Total rental cost for the year was \$138,792.

IV.G. Long-Term Debt

The City's long-term debt is segregated by the amounts involving governmental activities, business-type activities, and component units.

Governmental Activities Long-Term Debt

As of September 30, 2015, the governmental activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 795,076
Noncurrent Portion	10,442,053
Total Accrued Compensated Absences	<u>\$ 11,237,129</u>

Revenue Bonds Payable:

2012 Series General Obligation Refunding Bond, dated December 12, 2012, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$6,095,000, interest rate is 2.00%-2.50%, final maturity February 15, 2020, used for capital improvements. The bond's debt service is currently paid with ad valorem tax. \$ 5,740,000

2009 Series Certificate of Obligation, dated July 21, 2009, issued by the City of San Angelo, secured by combination tax and surplus revenue, original issue amount of \$14,600,000, interest rates from 2.00%-5.00%, final maturity February 15, 2029,

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

used for capital improvements and acquisition of assets . The bond's debt service is currently paid with ad valorem tax and surplus revenue. 12,530,000

2011-A Series Certificate of Obligation, dated July 6, 2011, issued by the City of San Angelo, secured by combination tax and surplus revenue, original issue amount of \$13,780,000, interest rates from 2.00%-5.00%, final maturity February 15, 2036, used for capital improvements. The bond's debt service is currently paid with type B sales tax and surplus revenue. 13,150,000

2005 Series Certificate of Obligation, dated November 8, 2005, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$19,750,000, interest rates from 3.25%-5.00%, final maturity February 15, 2020, used for capital improvements. The bond's debt service is currently paid with restricted sales tax. 1,250,000

2008 Series Certificate of Obligation, dated September 11, 2008, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$10,145,000, interest rates from 3.50%-5.00%, final maturity February 15, 2025, used for capital improvements. The bond's debt service is currently paid with restricted sales tax. 9,445,000

2015 Series Certificate of Obligation, dated March 18, 2015, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$13,260,000, interest rates from 2.00%-3.5%, final maturity February 15, 2035, used to promote state or local economic development. The bond's debt service is currently paid with property tax. 13,260,000

Total Revenue Bonds Payable	\$ 55,375,000
Add: Unamortized Bond Premium	643,780
Total Revenue Bonds Payable, Net	\$ 56,018,780

Current Portion, Net	\$ 5,160,000
Non-current Portion, Net	50,858,780
Total Revenue Bonds Payable, Net	\$ 56,018,780

Note Payable:

Section 108 HUD Guaranteed Promissory Note to U.S. Department of Housing and Urban Development, original issue amount of \$2,035,000, interest rate of 2.00%-5.00%, final maturity August 1, 2030. \$ 1,607,000

Current portion	\$ 107,000
Non-current portion	1,500,000
Total Note Payable	\$ 1,607,000

Changes in Long-Term Debt:

	Balance September 30, 2013	Additions	Deductions	Balance September 30, 2015	Amount Due in One Year
<u>Governmental Activities</u>					
Compensated Absences	\$ 10,570,224	\$ 1,101,869	\$ 434,964	\$ 11,237,129	\$ 795,076
Insurance Claims Payable	2,760,530	904,930	807,025	2,858,435	1,210,473
Revenue Bonds Payable	44,300,000	13,260,000	2,185,000	55,375,000	5,160,000
Unamortized Bond Premium	297,384	381,009	34,613	643,780	-
Note Payable	1,714,000	-	107,000	1,607,000	107,000
	\$ 59,642,138	\$ 15,647,808	\$ 3,568,602	\$ 71,721,344	\$ 7,272,549

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2016	\$ 5,267,000	\$ 2,089,439
2017	3,442,000	1,973,890
2018	3,527,000	1,882,067
2019	3,582,000	1,781,348
2020	3,682,000	1,673,789
2021-2025	17,965,000	6,211,711
2026-2030	9,702,000	3,023,064
2031-2035	7,345,000	1,129,367
2036-2040	2,470,000	60,150
Total	<u>\$ 56,982,000</u>	<u>\$ 19,824,825</u>

For governmental activities, compensated absences and claims and judgments payable are liquidated by the general fund.

Business-Type Activities Long-Term Debt

As of September 30, 2015, the business-type activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 95,979
Non-current Portion	1,335,000
Total Accrued Compensated Absences	<u>\$ 1,430,979</u>

Landfill Postclosure Care Liability:

Landfill Postclosure Care Liability	<u>\$ 3,757,169</u>
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Revenue Bonds Payable:

2007 Series General Obligation Refunding Bond, dated August 21, 2007, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$9,420,000, interest rates from 4.00%-4.50%, final maturity February 15, 2021, used for water and sewer improvements.	\$ 5,725,000
2007-A Series Certificate of Obligation, dated August 21, 2007, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$19,030,000, interest rates from 4.00-5.25%, final maturity February 15, 2027, used for water and sewer improvements.	6,040,000
2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$13,174,100, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements.	9,357,700
2011-B Series General Obligation Refunding Bond, dated May 3, 2011, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$28,030,000, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements.	9,616,530
2009 Series General Obligation Refunding Bond, dated August 16, 2009, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$2,532,750, interest rates from 2.00%-4.00%, final maturity February 15, 2017, used for water and sewer improvements.	685,000
2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$392,420, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements.	278,500

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$924,990, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements. 657,270

2006 Series Certificate of Obligation, dated October 24, 2006, issued by the City of San Angelo, secured by combination tax and surplus revenue, original issue amount of \$2,500,000, interest rates from 4.75%-5.00%, final maturity February 15, 2016, used for construction of gas flare facilities for the landfill. The bond's debt service is currently paid by the Solid Waste fund. 330,000

2014 Series General Obligation Refunding Bond, dated December 1, 2014, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$7,650,000, interest rates from 2.00%-4.00%, final maturity February 15, 2026, used for water and sewer improvements. 7,455,000

Total Revenue Bonds Payable	\$	40,145,000
Add: Unamortized Bond Premium		1,017,195
Total Revenue Bonds Payable, Net	\$	<u>41,162,146</u>

Current Portion, Net	\$	5,050,000
Non-current Portion, Net		36,112,146
Total Revenue Bonds Payable, Net	\$	<u>41,162,146</u>

Note Payable:

2011-B Series Drinking Water SRF Promissory Note to Texas Water Development Board, original issue amount of \$120,000,000, secured by utility revenues, interest rates of 0.00%-2.07%, final maturity September 15, 2031, used to increase water supply; remaining funds left to draw are \$1,643,341. \$ 97,075,000

Promissory Note to City of San Angelo Development Corp. 315,827

Current Portion	\$	97,390,827
Non-current Portion, Net	\$	5,759,988
Total Note Payable	\$	<u>91,630,839</u>
	\$	<u>97,390,827</u>

Changes in Long-Term Debt:

	Balance September 30, 2014	Additions	Deductions	Balance September 30, 2015	Amount Due in One Year
<u>Business-type Activities</u>					
Compensated Absences	\$ 1,325,291	\$ 248,189	\$ 142,501	\$ 1,430,979	\$ 95,979
Water Rights Obligation	7,010,723	0-	1,825,451	5,185,272	1,469,928
Landfill Postclosure	3,653,395	103,774	0-	3,757,169	0-
Revenue Bonds Payable	44,900,000	7,650,000	12,405,000	40,145,000	5,050,000
Unamortized Bond Premium	433,774	755,712	172,290	1,017,196	0-
Note Payable	102,800,000	0-	5,725,000	97,075,000	5,720,000
Promissory Note to COSADC	352,899	0-	37,072	315,827	39,988
	<u>\$160,476,082</u>	<u>\$8,757,675</u>	<u>\$20,307,314</u>	<u>\$ 148,926,443</u>	<u>\$12,375,895</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2016	\$ 10,770,000	\$ 3,000,493
2017	10,655,000	2,796,105
2018	10,685,000	2,603,463
2019	10,475,000	2,412,262
2020	10,710,000	2,190,073
2021-2025	42,470,000	7,170,296
2026-2030	34,675,000	2,418,679
2031-2035	6,780,000	70,173
Total	<u>\$ 137,220,000</u>	<u>\$ 22,661,544</u>

Advanced Refunding

On November 1, 2014, the City issued \$7.65 million Series 2014 General Obligation Refunding Bonds with interest rates ranging from 2.0% to 4.0%. The proceeds were used to advance refund \$7,395,000 of outstanding 2007A Series Certificate of Obligation with interest rates ranging from 4.0% to 5.25%. The net proceeds of \$8,222,210 (including a \$755,712 premium and after payment of \$183,462 in underwriting fees and other issuance cost) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2007A Series bonds are considered defeased and the liability on the government-wide statement of net position has decreased by \$7,395,000.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$808,367. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2026 using the effective interest method. The City completed the advance refunding to reduce its total debt service payments over the next ten years by \$810,707 and to obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$676,258.

Defeased Bonds Outstanding

The City, through its various public trusts, has in substance defeased a number of outstanding bond issues by placing deposits in irrevocable trusts (escrow accounts) for the purchase of U.S. government securities to pay the principal and interest on the refunded bonds as they become due and payable. For financial reporting purposes, both the defeased bonds outstanding and the escrowed securities have been excluded from the financial statements. As of September 30, 2015, the balance of defeased bonds outstanding is \$7,395,000.

Landfill Closure and Post-Closure

The City accounts for its landfill closure and post-closure care costs in accordance with GASB No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs."

Federal and state laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 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, the City reports a portion of the closure and post-closure care costs as a liability on the Statement of Net Position in each period based on landfill capacity used as of each balance sheet date. This liability is offset by an asset recorded for a trust account established for the purpose of paying the closure and post-closure costs as more fully described below.

The landfill post-closure care liability at year-end of \$3,757,169 represents the cumulative amount to date based on the use of approximately 73.49% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of post-closure care of \$5,112,747 as the remaining estimated capacity is filled. These amounts are based on expected future costs to perform all post-closure activities based upon the current cost of those activities. Based upon current usage and capacity estimates, the landfill could continue accepting solid waste for approximately 20 more years. Actual costs may differ from the estimated amounts due to inflation and changes in technology and/or applicable laws and regulations between now and the actual date of closure.

On August 1, 2014, the City entered into a contract with Republic Waste Services of Texas, Ltd. (Republic) for an operating lease of the landfill that ends when the landfill reaches capacity. The City received an initial payment of \$4,735,000 into the trust. Republic is responsible for the funding of monthly contributions to a

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

trust account that will pay closure and post-closure costs as required by state and federal laws and regulations. Republic is in compliance with these requirements, and at September 30, 2015, investments are held for these purposes.

Long-term Water Purchase Contracts

The City is obligated to make specific annual payments to the contractors under three unconditional water purchase contracts, whether the City actually receives water or not. These rights are being treated as intangible assets with indefinite useful lives. The contractors obtained permits to impound water from the State of Texas and constructed three dams and reservoirs with financing obtained using water purchase contracts as a basis for obtaining credit and as a means for the payment and security of all bonds issued by the Colorado River Municipal Water District projects. The City is also obligated under these three contracts for annual operating expenses of the projects. Further details of each contract follow:

San Angelo Water Supply Corporation

Project Name: Twin Buttes Dam and Reservoir (Twin Buttes) – Annual Payments of \$450,000 to \$470,000 are required through the year 2015 for the retirement of the contractor’s debt. Total estimated payments are \$16,327,293. The City is contractually obligated to operate and maintain the project storage works and the basic recreational facilities for the useful life of the project.

Colorado River Municipal Water District (CRMWD)

Project Name: Spence Dam and Reservoir (Spence) – By contract dated August 19, 1997; the City exercised its option to continue receiving water for the entire useful life of the dam and reservoir. Monthly payments of \$6,370 from January 1, 1996 through September 30, 2021 are required under the new contract. Payments under the prior contract and the current one will total \$3,866,330.

Project Name: Freese Dam and Ivie Reservoir (Ivie Reservoir) – Annual payments of \$685,255 to \$866,852 are required through the year 2016 for the retirement of the contractor’s debt. Total estimated payments are \$25,544,780. The City is obligated under the contract for 16.54% of annual operating expenses for the entire useful life of the project.

Project Name: Ivie Pipeline – Annual payments of \$741,463 to \$847,529 are required through the year 2021 for the retirement of the contractor’s debt. Total estimated payments are approximately \$22,322,669. The City is responsible for the operation and maintenance of the pipeline system to its juncture point just north of the city limits for the entire life of the system as follows:

Central Station and System	27.78%
Minimum Electric Power Charges	31.25%
Other Electric	pro-rata for water received

The City’s present value of future annual commitments under the contracts are as follows:

Fiscal Year	Twin Buttes	Spence	Ivie Reservoir	Ivie Pipeline	Total
2016	\$ -0-	\$ 76,440	\$ 829,481	\$ 564,007	\$ 1,469,928
2017	-0-	76,440	-0-	598,296	674,736
2018	-0-	76,440	-0-	636,101	712,541
2019	-0-	76,440	-0-	676,984	753,424
2020	-0-	76,597	-0-	717,867	794,464
2021	-0-	-0-	-0-	761,827	761,827
Total Commitments	\$ -0-	\$ 382,357	\$ 829,481	\$ 3,955,082	\$ 5,166,920

The City paid \$1,825,451 under all of these water purchase contracts in the current year.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV.H. Fund Balances and Net Position

Fund Balances

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*:

	General Fund	Sales Tax Capital Project	Capital Improvement Plan	Other Governmental Funds
Nonspendable for:				
Inventories	\$ 17,389			
Prepays	6,018			
Lake Nasworthy				\$ 12,737,748
Sante Fe Park				10,000
Total Nonspendable	<u>\$ 23,407</u>			<u>\$ 12,747,748</u>
Restricted for:				
Economic Development				\$ 870,778
Grant Expenditures				705,738
Public Improvements				1,274,521
Santa Fe Park				3,925
Lake Nasworthy				645,968
Total Restricted				<u>\$ 3,500,930</u>
Committed for:				
Designated Purposes				\$ 210,128
Debt Service				3,876,293
Capital Improvements		\$ 3,576,963	\$ 13,312,639	
Total Committed		<u>\$ 3,576,963</u>	<u>\$ 13,312,639</u>	<u>\$ 4,086,421</u>

The amounts Committed for Designated Purposes include citizen donations for specific items related to Public Safety, Culture, Parks, and Recreation, and Capital Outlay.

Restatements

The City restated beginning net position and fund balances as shown below:

	Funds Level	Government- Wide
Governmental Activities:		
Beginning Balance as previously reported	\$ 52,680,952	\$ 62,589,340
Add: Correct budget transfers	\$ 400,000	400,000
Add: To record transfer of funds	5,439	5,439
Less: Correct deferred property tax	(669,582)	-0-
Add: Correct deferred property tax	-0-	219,880
Less: Reclassify Hickory expenditures	(21,257)	(21,257)
Move deferred charges on refunding to government-wide	(476,685)	-0-
Less: correct accumulated depreciation	-0-	(115,982)
Add: Removal of net pension obligation	-0-	4,780,854
Less: Net pension liability and related deferrals	-0-	(46,526,665)
Add: Internal service funds' removal of net pension obligation	-0-	134,922
Less: Internal service funds' net pension liability and related deferrals	-0-	(917,701)
Total changes to beginning balance as previously reported	<u>(\$ 762,085)</u>	<u>(\$ 42,040,510)</u>
Beginning Balance as restated	<u>\$ 51,918,867</u>	<u>\$ 20,548,830</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Business-type Activities:

Beginning Balance as previously reported	\$ 192,081,054	\$ 192,081,054
Less: Correct budget transfers	(\$ 400,000)	(\$ 400,000)
Add: Reclassify Hickory expenditures	21,257	21,257
Less: To record transfer of funds	(5,439)	(5,439)
Add: Correction of other current liabilities	187,739	187,739
Add: correct accumulated depreciation	115,982	115,982
Add: Removal of net pension obligation	466,734	466,734
Less: Net pension liability and related deferrals	(5,954,520)	(5,954,520)
Total changes to beginning balance as previously reported	<u>(\$ 5,568,247)</u>	<u>(\$ 5,568,247)</u>
Beginning Balance as restated	<u>\$ 186,512,807</u>	<u>\$ 186,512,807</u>

Change in Accounting Principle

Effective October 1, 2014, the City implemented GASB statement number 68, Accounting and Financial Reporting for Pensions as amended by GASB statement number 71, Pension Transition for Contributions Made Subsequent to the Measurement Date and GASB statement number 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This statement, as amended, establishes standards for measuring and recognizing assets/liabilities, deferred outflows of resources, deferred inflows of resources, and expense for employers providing pension plans. It also includes note disclosure and require supplementary information requirements. The implementation of this statement resulted in recording previously unrecorded net pension assets and liabilities, as well as, deferrals of employer contributions. This resulted in a restatement of previously reported net pensions.

	<u>Governmental Activities</u>	<u>Business-Type Activity</u>
Restatement related to net pension liability and related deferrals	(\$ 46,526,665)	(\$ 5,954,520)

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

IV.I Segment Information

The City issued revenue bonds and certificates of obligation to finance additions and improvements to its Water and Sewer facilities and construction costs and improvements to its State Office Building. Investors in the bonds and certificates rely solely on the revenue generated by the individual activities for repayment. Financial information for the Water and Sewer funds (major funds) is reported separately in the proprietary funds statement of net position, statement of activities, and statement of cash flows. Summary financial information for the State Office Building fund is presented below:

Condensed Statement of Net Position

Assets	
Current Assets	\$ 67,053
Capital Assets	3,452,295
Other Non-Current Assets	-0-
Total Assets	\$ 3,519,348
Deferred Outflows of Resources	
Deferred Amounts Related to Pensions	\$ 15,415
Liabilities	
Current Liabilities	\$ 481,800
Noncurrent Liabilities Due Within One Year	447,735
Noncurrent Liabilities Due After One Year	1,334,897
Total Liabilities	\$ 2,264,432
Deferred Inflows of Resources	
Deferred Amounts Related to Pensions	\$ 2,913
Net Position	
Net Investment in Capital Assets	\$ 1,831,453
Unrestricted	(564,035)
Total Net position	\$ 1,267,418
Total Liabilities and Net position	\$ 3,534,763

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

Revenues Pledged for Payment of Bonds and COs	\$ 1,220,429
Cost of Sales and Services and Administrative	(704,107)
Depreciation and Amortization	(234,581)
Operating Income	\$ 281,741
Non-Operating Revenues (Expenses)	
Investment Income	75
Change in Fair Value of Investments	61
Interest Expense	(55,115)
Change in Net position	\$ 226,762
Net Position – Beginning	1,117,561
Restatement of Beginning Net Position	(76,905)
Net Position – Ending	\$ 1,267,418

Condensed Statement of Cash Flows

Net Cash Provided (Used) by:	
Operating Activities	\$ 482,829
Non-Capital Financing Activities	103,033
Capital and Related Financing Activities	(586,186)
Investing Activities	324
Net Increase (Decrease) in Cash	\$ -0-
Cash and Cash Equivalents – Beginning	-0-
Cash and Cash Equivalents – Ending	\$ -0-

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

V. OTHER INFORMATION

V.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; and natural disasters for which the government carries commercial insurance. The City manages these various risks of loss as follows:

Risk Category	Retained Risk	Commercial Insurance Purchased
General/Professional Liability	Deductibles up to \$500,000	Up to \$10,000,000 Less Deductible
Workers' Compensation	\$500,000/Occurrence/Person	\$1,000,000/Occur/Yr. Less Retained Risk
Property Damage	\$10,000 to \$25,000	Up to \$143,503,324 Less Deductibles
Employee/Retiree Health	100% of Risk	None
Pollution Liability	\$10,000	\$1,000,000

The amount of settlements for each of the past three fiscal years has not exceeded insurance coverage. Coverages have not changed from the prior year.

All of the City's funds participate in the employee/retiree health, property and casualty, and workers' compensation programs and make payments to the internal service funds based on actuarial estimates for liability and workers' compensation in amounts needed to pay prior and current year claims and to establish "reserves" for catastrophic losses. The payments for employee/retiree health were the amounts previously paid for commercial insurance coverage. The estimate calculation includes costs such as legal fees and expert witnesses but excludes general administrative and risk management services as well as costs of excess coverages and actuarial fees. The reserves (reported as unrestricted net position) at year-end were (\$708,514), \$1,127,989, and (\$771,585) for employee/retiree health, property and casualty, and workers compensation, respectively.

The claims liabilities reported in the funds are based on an actuarial estimate for property and casualty, workers compensation, and claims payments after year-end for employee/retiree health. The actuarial liabilities are discounted to present value using a 3% annual investment return on assets held in support of the liabilities and are based on industry payments modified by the City's actual experience.

Changes in the funds' liabilities for the past two fiscal years were as follows:

	Employee/ Retired Health	Property & Casualty	Workers' Compensation	Total
September 30, 2013	\$ 332,113	\$ 660,750	\$ 1,680,544	\$ 2,673,407
FY13 Incurred	-0-	197,546	497,899	695,445
FY13 Paid	(51,042)	(121,006)	(436,274)	(608,322)
September 30, 2014	\$ 281,071	\$ 737,290	\$ 1,742,169	\$ 2,760,530
FY14 Incurred	-0-	153,035	751,894	904,929
FY14 Paid	(43,610)	(223,881)	(539,534)	(807,025)
September 30, 2015	\$ 237,461	\$ 666,444	\$ 1,954,529	\$ 2,858,434

V.B. Commitments and Contingencies

Construction Commitments

At year-end, the City had the following major projects in progress:

Project Descriptions	Funding Source	Original Contract	Spent to Date	Balance
Hickory Booster Pump Station	Type B Sales Tax/Water Fees	12,853,000	12,831,038	21,962
Hickory 30" Transmission Main	Type B Sales Tax/Water Fees	39,110,000	38,681,022	428,978
Concho River Improvements	Type B Sales Tax	8,817,512	14,081,634	797,553
Airport Terminal Renovations	FAA Grants, PFC & Type B Sales Tax	5,925,715	6,316,917	672,584
Direct Portable Reuse Pilot	Type B Sales Tax	1,200,000	366,113	833,887
Hickory Groundwater Treatment				

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Plant	Type B Sales Tax/Water Fees	27,132,193	26,589,540	542,653
2015 Water Treatment Plant Improvements	Water Capital Funds	2,685,250	1,058,166	1,627,084
Hickory Well Field Expansion #1	Type B Sales Tax/Water Fees	7,571,565	5,899,174	1,672,391
Hickory Well Field Expansion #2	Type B Sales Tax/Water Fees	9,764,300	8,335,694	1,428,606
2015 Waterline Improvement Project #1	Water Capital Funds	1,320,964	714,774	606,190
Auditorium Renovation	Type B Sales Tax, SAAF Funds & General Funds	3,750,000	1,951,119	7,100,000
Coliseum Roof Replacement	Hotel Occupancy Tax Funds	728,167	616,178	111,989
Fairmount Cemetery Columbaria Construction	General Funds & Friends of Fairmount	370,554	368,940	1,614
Bradford School/Park Renovation	Type B Sales Tax Funds	175,000	113,383	61,617
Fort Concho Visitor Center Improvements	Type B Sales Tax Funds	1,000,000	10,000	990,000
City Hall Plaza Landscaping	General Capital Funds	140,000	132,055	7,945
Remediation of Drainage Ave. P	Stormwater Capital & General Funds	2,440,000	21,551	2,418,449
Transportation Enhancement Project	Grant/General Capital Funds	1,300,000	-0-	1,300,000
Police Station	General Fund Debt/Property Tax	1,627,699	42,756	1,584,943
Police Communications Upgrade	General Fund Debt/Property Tax	1,500,000	510,687	689,313
Public Safety Radio	General Fund Debt/Property Tax	6,000,000	577,472	5,422,528
Fire Training Center	General Fund Debt/Property Tax	4,400,000	172,922	4,277,078
Fire Station #4	General Fund Debt/Property Tax	3,200,000	4,000	3,196,000

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

V.C. Federal Assistance Programs

Amounts received or receivable from grantor agencies are subject to adjustments by the grantor agencies, principally the federal government, upon review of audit reports on those programs. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time.

V.D. Litigation

The City is a defendant in several lawsuits. Lawsuits pending on September 30, 2015 represented no material adverse financial impact to the City. Any potential judgments or awards related to these lawsuits are included in the loss reserves and estimated claims payable from the City's Self-Insurance Funds.

VI. EMPLOYEE RETIREMENT BENEFITS

The City contributes to a single-employer defined benefit pension plan (San Angelo Firemen's Relief and Retirement Fund), which covers fire department employees. The City also provides a non-traditional hybrid defined benefit plan through the statewide municipal retirement system (Texas Municipal Retirement System) for the remainder of the City's employees. Additionally, the City provides an alternative to Social Security for part-time, seasonal, and temporary employees and a post-employment health benefit plan.

VI.A. Defined Benefit Plan

Plan description

The Board of Trustees of the San Angelo Firemen's Relief and Retirement Fund is the administrator of the single-employer defined benefit pension plan. This pension fund is a trust fund. The Board acts independently of the governing body of the City. The plan is established under the authority of the Texas Local Firefighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan covers current and former firefighters of the City of San Angelo, as well as certain beneficiaries of former firefighters.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan have been determined on the same basis as they are reported by the plan. Detailed information about the plan's net position is available in the separately issued by the San Angelo Firemen's Relief and Retirement Fund financial report.

Annual reports including required supplementary information can be obtained from the Board of Trustees of the San Angelo Firemen's Relief and Retirement Fund, 72 W. College, San Angelo, Texas 76903.

Benefits provided

The Plan provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service. A partially vested deferred benefit is available for firefighters who terminate employment with at least 10 but less than 20 years of service. Employees may retire at age 50 with 20 years of credited service. A reduced early service retirement benefit is available for employees who terminate employment with 20 or more years of service regardless of age. The Plan, effective November 1, 1999, and amended September 1, 2007, provides a monthly normal service retirement benefit, payable in a Joint and 72% to Spouse form of annuity. For firefighters hired before May 1, 1986, the monthly benefit equals 67.5% of the Highest 48-Month Average Salary plus \$230 per month for each whole year of service in excess of 20 years with partial credit given based on the number of months completed in excess of whole years. For firefighters hired on or after May 1, 1986, the monthly benefit equals 66% of the Highest 48-Month Average Salary plus \$230 per month for each whole year of service in excess of 20 years with partial credit given based on the number of months completed in excess of whole years.

CITY OF SAN ANGELO, TEXAS

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For the Year Ended September 30, 2015

A firefighter has the option to participate in the Optional Retirement Program (ORP) or the Retroactive Deferred Retirement Plan (RETRO DROP) which will provide a lump sum benefit and a monthly retirement benefit upon termination of employment. A Joint and 100% to Surviving Spouse option is also available for normal service retirement, early service retirement, ORP, and RETRO DROP plans instead of the standard Joint and 72% to Surviving Spouse form. Effective January 1, 1997, the Plan was amended to provide automatic post-retirement benefit increases of 1.2% per year deferred to begin at age 61 for firefighters retiring after January 1, 1997. In addition, the Plan has the authority to provide, and has periodically in the past provided for, ad hoc postretirement benefit increases. An ad hoc postretirement benefit increase to certain retirees as of January 1, 2002, was granted. The benefit provisions of this Plan are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). The TLFFRA provides the authority and procedure to amend benefit provisions.

Employees Covered by Benefit Terms

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	136
Current Employees:	
Fully Vested	33
Partially Vested	61
Non-Vested	73
Total	<u>303</u>

Contributions

The contribution provisions of the Plan are authorized by the Texas Local Fire Fighters Retirement Act (TLFFRA). The TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City of San Angelo ("City").

While the contribution requirements are not actuarially determined, state law requires that each plan of benefits adopted by the Plan be approved by an eligible actuary. The actuary certifies that the contribution commitment by the firefighters and the City provides an adequate financing arrangement. Using the entry age actuarial cost method, the Plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contribution rate is used to amortize the Plan's unfunded actuarial accrued liability, and the number of years needed to amortize the Plan's unfunded actuarial accrued liability is determined using an open, level percentage of payroll method.

The funding policy of the San Angelo Firemen's Relief and Retirement Fund requires contributions equal to 14.2% of pay by the firefighters and contributions by the City based on a formula, which causes the City's contribution rate to fluctuate from year to year. The December 31, 2013 actuarial valuation assumes that the City's contribution rate will average 20.20% of payroll in the future for firefighters hired on or after May 1, 1986, and average 21.65% of payroll in the future for firefighters hired before May 1, 1986. Contributions to the pension plan from the City were \$2,075,551.

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

The City reported \$3,233,154 in pension expense for the year ended September 30, 2015. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 302,623	\$ -0-
Changes of assumptions	161,603	-0-
Net difference between projected and actual earnings on pension plan investments	1,050,766	627,492
Changes in proportion and differences between City contributions and proportionate share of contributions	-0-	-0-
City contributions subsequent to the measurement date	1,543,923	-0-
Total	<u>\$ 3,058,915</u>	<u>\$ 627,492</u>

\$1,543,923 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:

2016	\$ 134,970
2017	134,970
2018	134,970
2019	344,134
2020	81,443
Thereafter	57,013
Total	<u>\$ 887,500</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2013, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	3.5%
Salary increases:	4.5%, average, including inflation
Investment rate of return:	7.75% net of pension plan investment expense, including inflation

Mortality rates were based on the RP2000 mortality with Blue Collar adjustment with mortality improvements projected using Scale AA.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study as of December 31, 2009. The experience study covered the following periods:

- Historical Census data from 2000-2009
- Investment return experience 2005-2009

CITY OF SAN ANGELO, TEXAS

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- Salary increase experience 2005-2009
- Covered payroll growth experience 1994-2009

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity:		6.0%
Domestic equity	54%	
International equity	6%	
Real estate	6%	4.0%
Fixed Income	32%	
Cash	2%	0.0%

Discount Rate

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Changes in Net Pension Liability

The total pension liability was determined based on an actuarial valuation performed as of December 31, 2013 with roll forward procedures performed, with a measurement date of December 31, 2014. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of December 31, 2014 and the City's report ending date of September 30, 2015, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

	SCHEDULE OF CHANGES IN NET PENSION LIABILITY		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	<u>\$ 83,416,973</u>	<u>\$ 58,441,691</u>	<u>\$ 24,975,282</u>
Changes for the Year:			
Service cost	\$ 2,438,145.00	\$ -0-	2,438,145
Interest expense	6,609,094	-0-	6,609,094
Contributions--City	-0-	2,044,568	(2,044,568)
Contributions--Members	-0-	1,432,875	(1,432,875)
Net investment income	-0-	3,264,867	(3,264,867)
Benefits paid	(4,391,400)	(4,391,400)	-0-
Plan administrative expenses	-0-	(62,491)	62,491
Net Changes	<u>4,655,839</u>	<u>2,288,419</u>	<u>2,367,420</u>
Balances End of Year	<u>\$ 88,072,812</u>	<u>\$ 60,730,110</u>	<u>\$ 27,342,702</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employers calculated using the discount rate of 7.9%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.9%) or 1-percentage-point higher (8.9%) than the current rate:

	1% Decrease (6.9%)	Current Discount Rate (7.9%)	1% Increase (8.9%)
Employers' net pension liability	<u>\$ 37,814,957</u>	<u>\$ 27,342,702</u>	<u>\$ 18,456,324</u>

VI.B. Hybrid Defined Benefit Plan

Plan Description

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

All full-time employees, except fire department employees, participate in TMRS.

CITY OF SAN ANGELO, TEXAS

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For the Year Ended September 30, 2015

Benefits Provided

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit, which is a theoretical amount. This amount, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be equal to the total monetary credits and employee contributions (accumulated with interest). This is assuming the current employee contribution rate and City matching percent have always been in existence and the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

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

Active Employees	561
Deferred Vested Former Employees	293
Retirees or Retiree Beneficiaries	<u>665</u>
Total	<u>1,519</u>

Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the City was 18.93% and 17.70% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015 were \$5,688,038, and were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions:

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

Inflation -	3.0% per year
Overall payroll growth -	3.0% per year
Investment Rate of Return -	7.0%, net of pension plan investment expense, including inflation

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

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For the Year Ended September 30, 2015

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

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

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

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

Discount Rate

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

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Changes in the Net Pension Liability

	SCHEDULE OF CHANGES IN NET PENSION LIABILITY		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	\$ 199,953,259	\$ 166,140,957	\$ 33,812,302
Changes for the Year:			
Service cost	\$ 4,231,932.00	\$ -0-	4,231,932
Interest expense	13,765,927	-0-	13,765,927
Difference between expected and actual experience	(1,528,383)	-0-	(1,528,383)
Contributions--City	-0-	5,576,688	(5,576,688)
Contributions--members	-0-	2,132,065	(2,132,065)
Net investment income	-0-	9,503,498	(9,503,498)
Benefits paid	(10,826,257)	(10,826,257)	-0-
Plan administrative expenses	-0-	(99,229)	99,229
Other Charges	-0-	(8,158)	8,158
Net Changes	5,643,219	6,278,607	(635,388)
Balances End of Year	\$ 205,596,478	\$ 172,419,564	\$ 33,176,914

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.0%) or 1 percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$ 60,897,621	\$ 33,176,914	\$ 10,369,134

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2015, the City recognized pension expense of \$4,363,321. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF SAN ANGELO, TEXAS

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For the Year Ended September 30, 2015

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -0-	\$ 1,123,116
Net difference between projected and actual earnings on pension plan investments	1,701,095	-0-
City contributions subsequent to the measurement date	4,241,061	-0-
Total	<u>\$ 5,942,156</u>	<u>\$ 1,123,116</u>

The \$4,241,061 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:

2016	\$ 20,007
2017	20,007
2018	112,692
2019	425,273
	<u>\$ 577,979</u>

VI.C. Other Post-Retirement Benefits

Plan Description

In addition to the pension benefits discussed above, the City of San Angelo offers its retirees and their dependents medical and prescription drug coverage for life. The pre-65 retirees can choose from among the three actives plans – the high, medium, or low plan. The post-65 retirees are offered a fully insured Medicare supplement plan with Hartford. The plan was frozen as of January 1, 2000 and only employees hired before then are allowed to participate in the plan and receive the City’s subsidy. Thus, the group is closed at this time, and the liability will eventually decrease to zero. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate financial report.

For the pre-65 retirees, in theory, contributions are such that the City subsidizes the same amount toward coverage regardless of the tier or plan the retiree has chosen. In practice, however, the dependents are actuarially more costly than assumed. Consequently, though the intent of the City is that the dependents pay their full cost, in reality, some of that cost is subsidized by the City and thus generates a liability. This is not true with the post-65 retirees. Their cost is priced appropriately so the dependents do pay full cost, are not subsidized and therefore, there is no GASB liability for them.

Funding Policy

The plan premium rates are determined annually in collaboration with an outside employee benefits actuarial and consulting firm, and are approved by the San Angelo City Council. By providing retirees with access to the City’s healthcare plans, based on the same rates it charges to active employees, the City is in effect providing a subsidy to retirees. This implied subsidy exists because on average, retiree health care costs are higher than active employee healthcare costs. By the City not contributing anything toward this

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plan in advance, the City employs a pay-as-you-go method through paying the higher rate for active employees each year.

Beginning with the fiscal year ending September 30, 2009, the City of San Angelo is required to account for their retiree medical plan using the Governmental Standards Accounting Board Statement Number 45 (GASB 45). Whereas before, these benefits were accounted for on a “pay-as-you-go” basis, now they must be accrued not when they are paid but when they are earned, i.e. during active service. Thus, during each year of active service, a piece of the present value of the future retirement benefit must be accrued so that when the employee reaches retirement age, the benefit is fully accrued.

The key actuarial results are as follows:

Actuarial Present Value of Benefits	\$	89,871,575
Actuarial Accrued Liability		88,835,475
Annual Required Contribution		5,208,545
Net OPEB Obligation		15,839,905

The actuarial present value of benefits is the total cost of the program in today’s dollars. The accrued liability is the piece of the present value of benefits that is allocated to prior service. It is the liability that would have been recognized had the City been accounting on a GASB 45 basis all along. That amount is being amortized over time. The annual required contribution (ARC) is the amount the City needs to accrue for the year to cover both the following year of benefit accrual (the normal cost) and the amortization of the accrued liability. The expected net benefits are the projection of medical claims and expenses net of retiree contributions expected during the year. Finally, the net OPEB obligation is the difference between the ARC and the expected benefits. It is the piece of the cumulative ARCs that has gone unfunded.

The following table shows the three components of the annual required contribution. The first component is the normal cost. This represents the accrual for the benefits that will be earned by the employees in the coming year.

The supplemental cost or unrecognized liability has two components: the initial liability when GASB 45 was first implemented and the gain/loss. The initial liability is the amount that should have been accrued to date by the City when GASB 45 was first adopted. Instead of requiring immediate recognition of this liability, GASB 45 allowed a “catch-up” amortization of this amount over several years.

A gain/loss occurs when the actual experience differs from the expected experience either from a change in the experience or a change in the assumptions, method, or plan provisions. In this case, the actual experience produced a liability that was greater than the expected liability thus producing an actuarial loss.

The third component of the ARC is the amortization of the net obligation. If the employer does not fully fund the ARC, there is an outstanding obligation at the end of the year. That obligation gets amortized over time, and the amortization then becomes a component of the ARC in the following year.

	Year Ended September 30, 2015
<u>Normal Cost Component</u>	
Normal Cost	\$ 406,952
<u>Amortization of Net OPEB Obligation</u>	
Amortization	4,801,593
<u>Annual Required Contribution</u>	\$ 5,208,545

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Annual OPEB Costs and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following tables shows the components of the City's annual OPEB cost, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended September 30, 2015:

<u>Net OPEB Obligation</u>	Year Ended September 30, 2015
Annual Required Contribution	\$ 5,208,545
Interest on Net OPEB Obligation	618,378
Adjustment to ARC	(560,495)
Annual OPEB Cost	\$ 5,266,428
Employer Contribution	(3,168,267)
Increase in Net OPEB Obligation	\$ 2,098,161
Net Obligation (Beginning of Year)	13,741,744
Net Obligation (Ending of Year)	<u>\$ 15,839,905</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net unfunded OPEB obligation were as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
September 30, 2013	\$5,255,296	\$2,923,801	55.6%	\$11,160,946
September 30, 2014	\$5,431,659	\$2,850,861	52.5%	\$13,741,743
September 30, 2015	\$5,266,428	\$3,168,267	60.2%	\$15,839,905

Funded Status

The following table shows what percent of the liability is funded and what percent of the covered payroll the unfunded liability represents. Since there is no additional funding required, there are no assets, and consequently, the funded ratio is 0%.

	September 30, 2015
Actuarial Valuation Date	
Actuarial Accrued Liability (AAL)	\$ 88,835,475
Actuarial Value of Assets	-0-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 88,835,475
Funded Ratio	0%
Estimated Covered Payroll	\$ 42,793,514
UAAL as a Percentage of Payroll	207.6%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan understood by the employer and plan members) and include the type of benefits in force at the valuation date and the pattern of sharing benefits between the City and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce the short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions used for this fiscal year's valuation are as follows:

Actuarial Methods:

Actuarial Valuation Date	September 30, 2015
Amortization Method	Level Percentage of Payroll
Amortization Period	30 Years (Open)
Asset Valuation Method	N/A

Actuarial Assumptions:

Discount rate	4.5%
Projected Salary Increases	3%
Healthcare Cost Trend Rate	10.0%
No inflation rate provided by actuary.	

VI.D. Part-Time, Seasonal, and Temporary Employees Alternatives to Social Security

Starting May 1, 2007, employees not eligible to participate in TMRS began participating in an alternative to Social Security. Under the Part-Time Alternative Retirement System (PARS), City part-time staff no longer contribute 6.2% of their salary to Social Security. Rather, they contribute 6.2% of their salary into PARS. The City contributes 1.3% of the employee's salary to that same PARS. The employee's PARS deduction is pre-tax and the contributions are kept in a trust that can either be paid out (with tax penalty) when the employee's employment with the City ends, or rolled into an individual retirement account (IRA). The City's contributions to the PARS accounts in the current year were \$8,390.

VII. NEW PRONOUNCEMENTS

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the City's consideration of the impact of these pronouncements are described below:

Statement No. 72, Fair Value Measurement and Application – GASB No. 72 was issued in February 2015, and addresses issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Statement is effective for financial statements for period beginning after June 15, 2015. At this time the impact to the city is unknown.

Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68 – GASB No. 73 was issued in June 2015 and establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. At this time the impact to the city is unknown.

Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans - GASB No. 74 was issued in June 2015, and replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. The City has not yet determined the impact that implementation of GASB 74 will have on its net position.

Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions - GASB No. 75 was issued in June 2015, and addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For a defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for fiscal years beginning after June 15, 2017. The City has not yet determined the impact that implementation of GASB 75 will have on its net position, although it may be material.

GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments - GASB No. 76 was issued in June 2015, and was issued to identify the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. At this time the impact to the city is unknown.

GASB Statement No. 77, Tax Abatement Disclosures - GASB 77 was issued in August 2015, and establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. At this time the impact to the city is unknown.

GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans - GASB 78 was issued in December 2015 and amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2015

requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. At this time the impact to the city is unknown.

GASB Statement No. 79, Certain External Investment Pools and Pool Participants – GASB 79 was issued December 2015 and addresses the accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. This statement also establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. At this time the impact to the city is unknown.

GASB Statement No. 80, Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14 – GASB 80 was issued January 2016 and amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. At this time the impact to the city is unknown.

VIII. SUBSEQUENT EVENTS

The following events occurred after the fiscal year end and are disclosed for reporting purposes:

- On March 1, 2016, Council voted on the 2016 debt issue. A Notice of Intent has been issued and the debt is expected to be issued for \$16,000,000 on or about April 7, 2016.
- Council approved a refunding issue that will affect a general debt issue and a type B sales tax issue.
- New water rates went into effect on January 1, 2016.
- City Council approved moving forward with a Comprehensive Financial Plan for funding the Auditorium Project.
- City of San Angelo Development Corporation allocated \$1,500,000 to assist with the Auditorium project.
- City Council approved a contract with MVBA Law Firm for collections services for water billing.
- On March 1, 2016, the City made an amendment to the Investment Policy, which will allow the City to invest up to 15% of the City's holdings in commercial paper.



CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
REVENUES						
Taxes:						
Property	\$ 29,252,956	\$ 29,252,956	\$ 29,468,894	\$ 173,111	\$ 29,642,005	\$ 389,049
Sales	18,505,338	19,105,338	19,253,436	353,085	19,606,521	501,183
Franchise	4,349,490	4,349,490	4,472,891	-0-	4,472,891	123,401
Motel	2,500,000	2,537,500	2,373,746	-0-	2,373,746	(163,754)
Mixed Drink	321,066	321,066	367,194	-0-	367,194	46,128
Bingo	43,789	43,789	39,883	-0-	39,883	(3,906)
Licenses & Permits	808,016	808,016	765,603	-0-	765,603	(42,413)
Charges for Services	5,633,434	5,705,829	6,213,115	51,179	6,264,294	558,465
Fines & Forfeitures	2,608,647	2,610,215	2,995,256	-0-	2,995,256	385,041
Investment Income:						
Interest	60,353	60,353	139,267	-0-	139,267	78,914
Change in Fair Value of Investments	-0-	-0-	22,380	-0-	22,380	22,380
Miscellaneous:						
Gifts & Contributions	52,550	52,550	116,087	-0-	116,087	63,537
Other Miscellaneous	293,750	777,869	759,228	-0-	759,228	(18,641)
Total Revenues	\$ 64,429,389	\$ 65,624,971	\$ 66,986,980	\$ 577,375	\$ 67,564,355	\$ 1,939,384
EXPENDITURES						
Current:						
General Government:						
City Council	\$ 121,543	\$ 131,936	\$ 131,022	\$ -0-	\$ 131,022	\$ 914
City Manager	650,456	694,435	662,303	-0-	662,303	32,132
Legal	1,021,235	1,072,703	973,490	-0-	973,490	99,213
Public Information	190,941	197,113	187,683	-0-	187,683	9,430
Construction Management	430,593	449,822	466,137	-0-	466,137	(16,315)
Finance	2,156,381	2,187,477	2,080,275	-0-	2,080,275	107,202
Information Services	509,177	494,381	479,845	-0-	479,845	14,536
Purchasing	148,324	184,221	177,217	-0-	177,217	7,004
Personnel	389,419	391,909	371,065	-0-	371,065	20,844
Non-Departmental	6,262,799	4,861,520	4,482,227	-0-	4,482,227	379,293
Total General Government	\$ 11,880,868	\$ 10,665,517	\$ 10,011,264	\$ -0-	\$ 10,011,264	\$ 654,253
Public Safety:						
Municipal Court	\$ 2,331,477	\$ 3,103,388	\$ 2,136,968	\$ -0-	\$ 2,136,968	\$ 966,420
Police	16,554,667	17,172,097	17,176,307	-0-	17,176,307	(4,210)
Fire	15,202,280	15,542,149	15,437,925	-0-	15,437,925	104,224
Communications	1,387,504	1,402,154	1,286,646	-0-	1,286,646	115,508
School Crossing Guards	122,124	145,901	106,900	-0-	106,900	39,001
Total Public Safety	\$ 35,598,052	\$ 37,365,689	\$ 36,144,746	\$ -0-	\$ 36,144,746	\$ 1,220,943
Public Works & Transportation:						
Public Works	\$ 325,531	\$ 356,979	\$ 344,500	\$ -0-	\$ 344,500	\$ 12,479
Signal Control	804,570	801,546	782,239	-0-	782,239	19,307
Streets & Bridges	6,851,743	8,632,792	6,101,184	-0-	6,101,184	2,531,608
Planning & Zoning	1,295,471	1,495,091	1,313,822	-0-	1,313,822	181,269
Permits & Inspections	767,462	806,322	793,467	-0-	793,467	12,855
Total Public Works & Transportation	\$ 10,044,777	\$ 12,092,730	\$ 9,335,212	\$ -0-	\$ 9,335,212	\$ 2,757,518

CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
Public Facilities:						
City Hall	\$ 581,472	\$ 609,300	\$ 543,945	\$ -0-	\$ 543,945	\$ 65,355
Fairmount Cemetery	409,294	412,810	370,650	-0-	370,650	42,160
Total Public Facilities	\$ 990,766	\$ 1,022,110	\$ 914,595	\$ -0-	\$ 914,595	\$ 107,515
Health & Human Services:						
Health Department	\$ 154,466	\$ 154,994	\$ 154,121	\$ -0-	\$ 154,121	\$ 873
Animal Control	810,747	843,064	741,136	-0-	741,136	101,928
Code Compliance	425,069	505,103	478,528	-0-	478,528	26,575
Social Services	55,423	55,423	55,424	-0-	55,424	(1)
Total Health & Human Services	\$ 1,445,705	\$ 1,558,584	\$ 1,429,209	\$ -0-	\$ 1,429,209	\$ 129,375
Culture, Parks & Recreation:						
Parks	\$ 3,975,840	\$ 3,832,315	\$ 3,515,607	\$ -0-	\$ 3,515,607	\$ 316,708
Recreation	892,155	901,964	858,088	-0-	858,088	43,876
Golf Course	-0-	-0-	-0-	-0-	-0-	-0-
Swimming Pool	162,497	312,580	140,440	-0-	140,440	172,140
Fort Concho Museum	933,185	950,378	888,316	-0-	888,316	62,062
Total Culture, Parks & Recreation	\$ 5,963,677	\$ 5,997,237	\$ 5,402,451	\$ -0-	\$ 5,402,451	\$ 594,786
Total Current Expenditures	\$ 65,923,845	\$ 68,701,867	\$ 63,237,477	\$ -0-	\$ 63,237,477	\$ 5,464,390
Capital Outlay	\$ 969,544	\$ 8,359,273	\$ 3,663,455	\$ -0-	\$ 3,663,455	\$ 4,695,818
Total Expenditures	\$ 66,893,389	\$ 77,061,140	\$ 66,900,932	\$ -0-	\$ 66,900,932	\$ 10,160,208
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(\$ 2,464,000)	(\$ 11,436,169)	\$ 86,048	\$ 577,375	\$ 663,423	\$ 12,099,592
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ 4,994,837	\$ 5,016,837	\$ 6,272,853	\$ -0-	\$ 6,272,853	\$ 1,256,016
Sale of Capital Assets	58,000	58,000	131,494	-0-	131,494	73,494
Transfers Out	(466,406)	(466,800)	(466,800)	-0-	(466,800)	-0-
Total Other Financing Sources (Uses)	\$ 4,586,431	\$ 4,608,037	\$ 5,937,547	\$ -0-	\$ 5,937,547	\$ 1,329,510
Net Change in Fund Balance	\$ 2,122,431	(\$ 6,828,132)	\$ 6,023,595	\$ 577,375	\$ 6,600,970	\$ 13,429,102
Fund Balance - Beginning	7,869,464	(7,593,583)	30,366,582	(8,082,632)	2,719,600	10,313,183
Restatement of Beginning Fund Balance	-0-	-0-	(434,034)	-0-	(434,034)	(434,034)
Fund Balance - Ending	\$ 9,991,895	(\$ 14,421,715)	\$ 35,956,143	(\$ 7,505,257)	\$ 8,886,536	\$ 23,308,251

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2015

Required Supplementary Information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes budgetary comparison schedules for the General Fund, each major Special Revenue Fund, and the Capital Project Fund with an annual appropriated budget.

Budgetary Accounting and Control

Prior to the beginning of each fiscal year, the City Manager submits a proposed annual budget to the City Council for the general, special revenue, debt service, permanent, enterprise, and internal service funds. The budgets for the enterprise and internal service funds are for internal management purposes. Public hearings are held to obtain citizen's comments on the proposed budget. The budget is legally enacted prior to October 1 of each year by the adoption of a general appropriations ordinance. Expenditures cannot exceed the total appropriations at the fund total level. Changes in the total budget for a fund can only be made by amendments approved by City Council. Management, without City Council approval, can make changes within and between departments in a fund which does not change the total budget for that fund. Budget amounts shown in the budgetary comparison schedules represent the budget as amended.

Project-length financial plans are adopted for expenditure of grants, contributions, and/or long-term debt proceeds in the Community Development and Home Program special revenue funds and the capital projects funds. The Santa Fe Park Trust permanent fund is not budgeted.

The City utilizes encumbrances accounting under which purchase orders, contracts and other commitments for the expenditure funds are recorded in order to reserve a portion of the applicable appropriation. Encumbered appropriations at year-end are lapsed, and encumbrances to be honored are reappropriated in the following budget year.

Budgetary basis for some funds differs from GAAP in several ways. Governmental funds' budgets do not include certain revenue and expenditure accruals and deferrals. Budgets for the proprietary funds are substantially on a governmental funds modified accrual basis, which differs from the accrual basis required by GAAP. A column for adjustments from GAAP basis to the budgetary basis, where applicable, is provided for the budgetary comparisons.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2015

Texas Municipal Retirement Fund	Last Fiscal Year
Schedule of Changes in Net Pension Liability and Related Ratios	
	*2015
Total pension liability	
Service cost	\$ 4,231,932
Interest	13,765,927
Difference between expected and actual experience	(1,528,383)
Benefit payments, including refunds of member contributions	(10,826,257)
Net change in total pension liability	<u>5,643,219</u>
Total pension liability - beginning	<u>199,953,259</u>
Total pension liability - ending (a)	<u>\$ 205,596,478</u>
 Plan fiduciary net position	
Contributions - employer	\$ 5,576,688
Contributions - member	2,132,065
Net investment income	9,503,498
Benefit payments, including refunds of member contributions	(10,826,257)
Administrative expense	(99,229)
Other	(8,158)
Net change in plan fiduciary net position	<u>6,278,607</u>
Plan fiduciary net position - beginning	<u>166,140,957</u>
Plan fiduciary net position - ending (b)	<u>\$ 172,419,564</u>
 Net pension liability - ending (a) - (b)	<u>\$ 33,176,914</u>
 Plan fiduciary net position as a percentage of the total pension liability	83.86%
 Covered employee payroll	\$ 30,458,079
 Net pension liability as a percentage of covered-employee payroll	108.93%

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.
 *The information presented for fiscal year 2015 is based on a measurement date of 12/31/2014

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2015

**Texas Municipal Retirement Fund
Schedule of Employer Contributions**

Last Fiscal Year

	2015
Actuarially determined contribution	\$ 5,688,038
Contributions in relation to the actuarially determined contribution	5,688,038
Contribution deficiency (excess)	\$ -0-
Covered employee payroll	\$ 31,613,792
Contributions as a percentage of covered-employee payroll	17.99%

Notes to Schedule:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years
Contributions	18.93% for Calender Year 2014 17.70% for Calender Year 2015
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	3.0%
Salary Increases	3.50% to 12.00% including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2015

**San Angelo Firemen's Relief and Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios**

Last Fiscal Year

	*2015
Total pension liability	
Service cost	\$ 2,438,145
Interest	6,609,094
Difference between expected and actual experience	-0-
Benefit payments, including refunds of member contributions	(4,391,400)
Net change in total pension liability	<u>4,655,839</u>
Total pension liability - beginning	<u>83,416,973</u>
Total pension liability - ending (a)	<u>\$ 88,072,812</u>
 Plan fiduciary net position	
Contributions - employer	\$ 2,044,568
Contributions - member	1,432,875
Net investment income	3,264,867
Benefit payments, including refunds of member contributions	(4,391,400)
Administrative expense	(62,491)
Other	-0-
Net change in plan fiduciary net position	<u>2,288,419</u>
 Plan fiduciary net position - beginning	<u>58,441,691</u>
Plan fiduciary net position - ending (b)	<u>\$ 60,730,110</u>
 Net pension liability - ending (a) - (b)	<u>\$ 27,342,702</u>
 Plan fiduciary net position as a percentage of the total pension liability	68.95%
 Covered employee payroll	\$ 10,090,669
 Net pension liability as a percentage of covered- employee payroll	270.97%

Notes to Schedule:

Only the current fiscal year is presented because 10-year data is not yet available.

*The information presented for fiscal year 2015 are based on a measurement date of 12/31/2014.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2015

**San Angelo Firemen's Relief and Retirement Fund
Schedule of Employer Contributions**

Last Fiscal Year

	2015
Actuarially determined contribution	\$ 2,075,551
Contributions in relation to the actuarially determined contribution	2,075,551
Contribution deficiency (excess)	\$ -0-
Covered employee payroll	\$ 10,246,197
Contributions as a percentage of covered-employee payroll	20.26%

Notes to Schedule:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Projected Payroll
Amortization Period	30 Years: Open Period
Contributions	20.20% -Firefighters hired on or after May 1, 1986 21.65% -Firefighters hired before May 1, 1986
Asset Valuation Method	5 Year smoothed market
Inflation	4.0%
Salary Increases	Graduated scale based on firefighter age
Investment Rate of Return	7.9%
Projected Payroll Growth	4.0%
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with mortality improvements projected using Scale AA.

CITY OF SAN ANGELO, TEXAS

Schedule of Funding Progress

For the Year Ended September 30, 2015

OTHER POST EMPLOYMENT BENEFITS

Schedule of Funding Progress (Unaudited)

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
	1	2	3	4	5	6
			1 / 2	2 - 1		4 / 5
09/30/2015	\$-0-	\$88,835,475	0%	\$88,835,475	\$42,793,514	207.6%
09/30/2014	\$-0-	\$97,770,560	0%	\$97,770,560	\$40,694,912	240.30%
09/30/2013	\$-0-	\$95,683,246	0%	\$95,683,246	\$39,509,623	242.20%
09/30/2012	\$-0-	\$89,823,421	0%	\$89,823,421	\$38,358,857	234.20%

CITY OF SAN ANGELO, TEXAS

General Fund Descriptions

For the Year Ended September 30, 2015

GENERAL FUND

To account for all financial resources not legally or administratively required to be reported in another fund. It is always a major governmental fund.

Under GASB Statement 54, certain funds no longer meet the definition to be presented as special revenue funds. Those funds became accounts of the general fund for reporting purposes.

The General Fund contains the following subfund accounts:

Golf Course Subfund – To account for the revenue and expenses associated with the City golf course.

Texas Sports Complex Subfund – To account for the revenue and expenses associated with the City's sports complex.

Civic Events Subfund – To account for the expenditure of a designated portion of the motel tax and rental and concessions generated by the coliseum and fairgrounds, city auditorium, and convention center.

Equipment Replacement Subfund – To account for the purchase of capital equipment for the general fund.

General Capital Project Subfund – To account for large capital projects in the general fund.

Fort Concho Museum Subfund – To account for the operation of old Fort Concho as a museum.

Fairmount Cemetery Subfund – To account for funds received from cemetery lot sales and care and for contributions from a trust.

Payroll Subfund – To process payroll and benefits for the entire City.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet - General Fund Accounts

For the Year Ended September 30, 2015

	General	Texas Sports Complex	Civic Events	Equipment Replacement	Street Capital Project	Fort Concho	Fairmount Cemetery	Payroll	Total General Fund
ASSETS									
Assets:									
Cash & Cash Equivalents	\$ 2,490,752	\$ 254,009	\$ 1,430,732	\$ 321,106	\$ 5,336,499	\$ 233,295	\$ -0-	\$ 346,538	\$ 10,412,931
Investments	11,511,486	-0-	1,179,056	43,811	866,960	87	-0-	-0-	13,601,400
Receivables:									
Accrued Interest	13,682	133	4,109	489	4,598	373	-0-	-0-	23,384
Property Taxes	4,069,128	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,069,128
Accounts	11,162,598	25,541	5,036	1,382	58,653	854	37,135	273	11,291,472
Less: Allowance for Uncollectibles	(10,518,316)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(10,518,316)
Due from Other Governments	2,919,664	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,919,664
Due from Other Funds (Interfund)	495,190	-0-	-0-	-0-	-0-	-0-	-0-	-0-	495,190
Due from Other Funds	6,477,385	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,477,385
Inventories	-0-	-0-	-0-	-0-	-0-	17,389	-0-	-0-	17,389
Prepays	6,018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,018
Total Assets	\$ 28,627,587	\$ 279,683	\$ 2,618,933	\$ 366,788	\$ 6,266,710	\$ 251,998	\$ 37,135	\$ 346,811	\$ 38,795,645
DEFERRED OUTFLOWS OF RESOURCES									
Deferred Charges	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
LIABILITIES									
Current Liabilities:									
Accounts Payable	\$ 645,349	\$ -0-	\$ 78,846	\$ 2,795	\$ 250	\$ 47,221	\$ 62,554	\$ 5,106	\$ 842,121
Deposits	77,218	-0-	-0-	-0-	-0-	38,005	-0-	-0-	115,223
Due to Other Funds (Interfund)	-0-	-0-	-0-	-0-	-0-	-0-	153,485	341,705	495,190
Due to Other Governments	63,344	-0-	-0-	-0-	-0-	-0-	-0-	-0-	63,344
Unearned Revenue	-0-	146,250	92,323	-0-	-0-	-0-	6,950	-0-	245,523
Arbitrage Rebates Payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Liabilities	\$ 785,911	\$ 146,250	\$ 171,169	\$ 2,795	\$ 250	\$ 85,226	\$ 222,989	\$ 346,811	\$ 1,761,401
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Property Taxes	\$ 1,022,130	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,022,130
Deferred Revenues	-0-	-0-	-0-	-0-	55,971	-0-	-0-	-0-	55,971
Total Deferred Inflows of Resources	\$ 1,022,130	\$ -0-	\$ -0-	\$ -0-	\$ 55,971	\$ -0-	\$ -0-	\$ -0-	\$ 1,078,101
FUND BALANCES									
Nonspendable	\$ 6,018	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 17,389	\$ -0-	\$ -0-	\$ 23,407
Unassigned	26,813,528	133,433	2,447,764	363,993	6,210,489	149,383	(185,854)	-0-	35,932,736
Total Fund Balances	\$ 26,819,546	\$ 133,433	\$ 2,447,764	\$ 363,993	\$ 6,210,489	\$ 166,772	(\$ 185,854)	\$ -0-	\$ 35,956,143

CITY OF SAN ANGELO, TEXAS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund Accounts

For the Year Ended September 30, 2015

	General	Texas Sports Complex	Civic Events	Equipment Replacement	Street Capital Project	Fort Concho Museum	Fairmount Cemetery	Payroll	Total General Fund
REVENUES									
Taxes:									
Property	\$ 29,468,894	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 29,468,894
Sales	19,253,436	-0-	-0-	-0-	-0-	-0-	-0-	-0-	19,253,436
Franchise	4,472,891	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,472,891
Motel	-0-	-0-	2,373,746	-0-	-0-	-0-	-0-	-0-	2,373,746
Mixed Drink	367,194	-0-	-0-	-0-	-0-	-0-	-0-	-0-	367,194
Bingo	39,883	-0-	-0-	-0-	-0-	-0-	-0-	-0-	39,883
Licenses & Permits	765,603	-0-	-0-	-0-	-0-	-0-	-0-	-0-	765,603
Charges for Services	4,684,935	146,946	533,098	37,384	-0-	615,988	194,764	-0-	6,213,115
Fines & Forfeits	2,995,256	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,995,256
Investment Income:									
Interest	109,478	270	11,297	1,008	13,485	496	3,233	-0-	139,267
Change in Fair Value of Investments	18,403	-0-	2,244	83	1,650	-0-	-0-	-0-	22,380
Miscellaneous:									
Gifts & Contributions	63,997	-0-	-0-	-0-	-0-	8,239	43,851	-0-	116,087
Other Miscellaneous	415,580	-0-	24,090	-0-	304,119	10,489	4,950	-0-	759,228
Total Revenues	\$ 62,655,550	\$ 147,216	\$ 2,944,475	\$ 38,475	\$ 319,254	\$ 635,212	\$ 246,798	\$ -0-	\$ 66,986,980
EXPENDITURES									
Current:									
General Government	\$ 7,878,702	\$ -0-	\$ 2,132,562	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,011,264
Public Safety	36,144,746	-0-	-0-	-0-	-0-	-0-	-0-	-0-	36,144,746
Public Works & Transportation	9,334,913	-0-	32	-0-	267	-0-	-0-	-0-	9,335,212
Public Facilities	543,930	-0-	-0-	-0-	-0-	-0-	370,665	-0-	914,595
Health & Human Services	1,429,209	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,429,209
Culture, Parks, & Recreation	3,864,166	649,970	-0-	-0-	-0-	888,315	-0-	-0-	5,402,451
Total Current Expenditures	\$ 59,195,666	\$ 649,970	\$ 2,132,594	\$ -0-	\$ 267	\$ 888,315	\$ 370,665	\$ -0-	\$ 63,237,477
Capital Outlay	1,106,387	6,468	330,579	1,259,391	960,630	-0-	-0-	-0-	3,663,455
Total Expenditures	\$ 60,302,053	\$ 656,438	\$ 2,463,173	\$ 1,259,391	\$ 960,897	\$ 888,315	\$ 370,665	\$ -0-	\$ 66,900,932
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,353,497	(\$ 509,222)	\$ 481,302	(\$ 1,220,916)	(\$ 641,643)	(\$ 253,103)	(\$ 123,867)	\$ -0-	\$ 86,048
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 5,022,853	\$ -0-	\$ -0-	\$ -0-	\$ 1,250,000	\$ -0-	\$ -0-	\$ -0-	\$ 6,272,853
Transfer In (Interfund)	99,232	708,658	-0-	1,201,373	1,512,379	355,286	62,135	-0-	3,939,063
Sale of Capital Assets	844	-0-	1,462	129,188	-0-	-0-	-0-	-0-	131,494
Transfers Out	(466,800)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(466,800)
Transfer Out (Interfund)	(2,489,831)	-0-	(1,449,232)	-0-	-0-	-0-	-0-	-0-	(3,939,063)
Total Other Financing Sources (Uses)	\$ 2,166,298	\$ 708,658	(\$ 1,447,770)	\$ 1,330,561	\$ 2,762,379	\$ 355,286	\$ 62,135	\$ -0-	\$ 5,937,547
Net Change in Fund Balances	\$ 4,519,795	\$ 199,436	(\$ 966,468)	\$ 109,645	\$ 2,120,736	\$ 102,183	(\$ 61,732)	\$ -0-	\$ 6,023,595
Fund Balances - Beginning	22,733,785	(66,003)	3,414,232	254,348	4,089,753	64,589	(124,122)	-0-	30,366,582
Restatement of Beginning Fund Balance (See Note IV.H)	(434,034)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(434,034)
Fund Balances - Ending	\$ 26,819,546	\$ 133,433	\$ 2,447,764	\$ 363,993	\$ 6,210,489	\$ 166,772	(\$ 185,854)	\$ -0-	\$ 35,956,143

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CITY OF SAN ANGELO, TEXAS

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund**

For the Year Ended September 30, 2015

	General			Texas Sports Complex			Civic Events		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ 29,252,956	\$ 29,468,894	\$ 215,938	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	19,105,338	19,253,436	148,098	-0-	-0-	-0-	-0-	-0-	-0-
Franchise	4,349,490	4,472,891	123,401	-0-	-0-	-0-	-0-	-0-	-0-
Motel	-0-	-0-	-0-	-0-	-0-	-0-	2,537,500	2,373,746	(163,754)
Mixed Drink	321,066	367,194	46,128	-0-	-0-	-0-	-0-	-0-	-0-
Bingo	43,789	39,883	(3,906)	-0-	-0-	-0-	-0-	-0-	-0-
Licenses & Permits	808,016	765,603	(42,413)	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	4,126,134	4,684,935	558,801	140,000	146,946	6,946	516,750	533,098	16,348
Fines & Forfeits	2,610,215	2,995,256	385,041	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	48,617	109,478	60,861	-0-	270	270	3,081	11,297	8,216
Change in Fair Value of Investments	-0-	18,403	18,403	-0-	-0-	-0-	-0-	2,244	2,244
Miscellaneous:									
Gifts & Contributions	-0-	63,997	63,997	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	428,350	415,580	(12,770)	-0-	-0-	-0-	27,400	24,090	(3,310)
Total Revenues	\$ 61,093,971	\$ 62,655,550	\$ 1,561,579	\$ 140,000	\$ 147,216	\$ 7,216	\$ 3,084,731	\$ 2,944,475	(\$ 140,256)
EXPENDITURES									
Current:									
General Government	\$ 8,472,050	\$ 7,878,702	\$ 593,348	\$ -0-	\$ -0-	\$ -0-	\$ 2,191,507	\$ 2,132,562	\$ 58,945
Public Safety	37,370,689	36,144,746	1,225,943	-0-	-0-	-0-	-0-	-0-	-0-
Public Works & Transportation	11,898,850	9,334,913	2,563,937	-0-	-0-	-0-	100	32	68
Public Facilities	609,275	543,930	65,345	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	1,558,584	1,429,209	129,375	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks & Recreation	4,198,201	3,864,166	334,035	848,658	649,970	198,688	-0-	-0-	-0-
Total Current Expenditures	\$ 64,107,649	\$ 59,195,666	\$ 4,911,983	\$ 848,658	\$ 649,970	\$ 198,688	\$ 2,191,607	\$ 2,132,594	\$ 59,013
Capital Outlay	2,013,802	1,106,387	907,415	84,799	6,468	78,331	458,598	330,579	128,019
Total Expenditures	\$ 66,121,451	\$ 60,302,053	\$ 5,819,398	\$ 933,457	\$ 656,438	\$ 277,019	\$ 2,650,205	\$ 2,463,173	\$ 187,032
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 5,027,480)	\$ 2,353,497	(\$ 7,380,977)	(\$ 793,457)	(\$ 509,222)	(\$ 284,235)	\$ 434,526	\$ 481,302	(\$ 46,776)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 5,016,837	\$ 5,022,853	(\$ 6,016)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfer In (Interfund)	-0-	99,232	99,232	708,658	708,658	-0-	-0-	-0-	-0-
Sale of Capital Assets	3,000	844	2,156	-0-	-0-	-0-	-0-	1,462	(1,462)
Transfers Out	(466,800)	(466,800)	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out (Interfund)	(2,489,831)	(2,489,831)	-0-	-0-	-0-	-0-	(199,232)	(1,449,232)	1,250,000
Total Other Financing Sources (Uses)	\$ 2,063,206	\$ 2,166,298	\$ 95,372	\$ 708,658	\$ 708,658	\$ -0-	(\$ 199,232)	(\$ 1,447,770)	\$ 1,248,538
Net Change in Fund Balance	(\$ 2,964,274)	\$ 4,519,795	7,484,069	(\$ 84,799)	\$ 199,436	284,235	\$ 235,294	(\$ 966,468)	(\$ 731,174)
Fund Balance - Beginning	-0-	22,733,785	22,733,785	-0-	(66,003)	(66,003)	-0-	3,414,232	3,414,232
Restatement of Beginning Fund Balance	-0-	(434,034)	(434,034)	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 2,964,274)	\$ 26,819,546	\$ 29,783,820	(\$ 84,799)	\$ 133,433	\$ 218,232	\$ 235,294	\$ 2,447,764	\$ 2,683,058

(Continued)

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund

For the Year Ended September 30, 2015

	Equipment Replacement			Street Capital Project			Fort Concho Museum		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Franchise	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Motel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Mixed Drink	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Bingo	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Licenses & Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	50,000	37,384	(12,616)	-0-	-0-	-0-	580,245	615,988	35,743
Fines & Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	653	1,008	355	5,705	13,485	7,780	297	496	199
Change in Fair Value of Investments	-0-	83	83	-0-	1,650	1,650	-0-	-0-	-0-
Miscellaneous:									
Gifts & Contributions	-0-	-0-	-0-	-0-	-0-	-0-	2,550	8,239	5,689
Other Miscellaneous	-0-	-0-	-0-	304,119	304,119	-0-	12,000	10,489	(1,511)
Total Revenues	\$ 50,653	\$ 38,475	(\$ 12,178)	\$ 309,824	\$ 319,254	\$ 9,430	\$ 595,092	\$ 635,212	\$ 40,120
EXPENDITURES									
Current:									
General Government	\$ 143,504	\$ -0-	\$ 143,504	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Safety	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Works & Transportation	-0-	-0-	-0-	193,780	267	193,513	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks & Recreation	-0-	-0-	-0-	-0-	-0-	-0-	950,378	888,315	62,063
Total Current Expenditures	\$ 143,504	\$ -0-	\$ 143,504	\$ 193,780	\$ 267	\$ 193,513	\$ 950,378	\$ 888,315	\$ 62,063
Capital Outlay	1,381,372	1,259,391	121,981	4,420,702	960,630	3,460,072	-0-	-0-	-0-
Total Expenditures	\$ 1,524,876	\$ 1,259,391	\$ 265,485	\$ 4,614,482	\$ 960,897	\$ 3,653,585	\$ 950,378	\$ 888,315	\$ 62,063
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 1,474,223)	(\$ 1,220,916)	(\$ 253,307)	(\$ 4,304,658)	(\$ 641,643)	(\$ 3,663,015)	(\$ 355,286)	(\$ 253,103)	(\$ 102,183)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ 12,000	\$ 1,250,000	(\$ 1,238,000)	\$ -0-	\$ -0-	\$ -0-
Transfer In (Interfund)	1,201,373	1,201,373	-0-	262,379.00	1,512,379	1,250,000	355,286	355,286	-0-
Sale of Capital Assets	55,000	129,188	(74,188)	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out (Interfund)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ 1,256,373	\$ 1,330,561	(\$ 74,188)	\$ 274,379	\$ 2,762,379	\$ 12,000	\$ 355,286	\$ 355,286	\$ -0-
Net Change in Fund Balance	(\$ 217,850)	\$ 109,645	(\$ 108,205)	(\$ 4,030,279)	\$ 2,120,736	(\$ 1,909,543)	\$ -0-	\$ 102,183	\$ 102,183
Fund Balance - Beginning	-0-	254,348	254,348	-0-	4,089,753	4,089,753	-0-	64,589	64,589
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 217,850)	\$ 363,993	\$ 146,143	(\$ 4,030,279)	\$ 6,210,489	\$ 2,180,210	\$ -0-	\$ 166,772	\$ 166,772

(Continued)

CITY OF SAN ANGELO, TEXAS

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund**

For the Year Ended September 30, 2015

	Fairmount Cemetery		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Taxes:			
Property	\$ -0-	\$ -0-	\$ -0-
Sales	-0-	-0-	-0-
Franchise	-0-	-0-	-0-
Motel	-0-	-0-	-0-
Mixed Drink	-0-	-0-	-0-
Bingo	-0-	-0-	-0-
Licenses & Permits	-0-	-0-	-0-
Charges for Services	292,700	194,764	(97,936)
Fines & Forfeits	-0-	-0-	-0-
Investment Income:			
Interest	2,000	3,233	1,233
Change in Fair Value of Investments	-0-	-0-	-0-
Miscellaneous:			
Gifts & Contributions	50,000	43,851	(6,149)
Other Miscellaneous	6,000	4,950	(1,050)
Total Revenues	\$ 350,700	\$ 246,798	(\$ 103,902)
EXPENDITURES			
Current:			
General Government	\$ -0-	\$ -0-	\$ -0-
Public Safety	-0-	-0-	-0-
Public Works & Transportation	-0-	-0-	-0-
Public Facilities	412,835	370,665	42,170
Health & Human Services	-0-	-0-	-0-
Culture, Parks & Recreation	-0-	-0-	-0-
Total Current Expenditures	\$ 412,835	\$ 370,665	\$ 42,170
Capital Outlay	-0-	-0-	-0-
Total Expenditures	\$ 412,835	\$ 370,665	\$ 42,170
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 62,135)	(\$ 123,867)	\$ 61,732
OTHER FINANCING SOURCES (USES)			
Transfers In	\$ -0-	\$ -0-	\$ -0-
Transfer In (Interfund)	62,135	62,135	-0-
Sale of Capital Assets	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-
Transfers Out (Interfund)	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ 62,135	\$ 62,135	\$ -0-
Net Change in Fund Balance	\$ -0-	(\$ 61,732)	(\$ 61,732)
Fund Balance - Beginning	-0-	(124,122)	(124,122)
Restatement of Beginning Fund Balance	-0-	-0-	-0-
Fund Balance - Ending	\$ -0-	(\$ 185,854)	(\$ 185,854)

(Continued)

CITY OF SAN ANGELO, TEXAS

Nonmajor Governmental Fund Descriptions

For the Year Ended September 30, 2015

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources that are normally restricted or committed to expenditures for specified purposes.

Community Development Fund – To account for the expenditure of funds received from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant program.

Intergovernmental Fund – To account for funds received from the various federal and state grants.

HOME Program Fund – To account for funds received from HUD under the housing rehabilitation and assistance program.

Designated Revenue Fund – To account for the expenditure of funds contributed by San Angelo citizens for special purposes.

Tax Increment Reinvestment Zone Fund – To account for expenditure of property taxes on the increments in real property values over the base values established on January 1, 2006, for public improvements in the Zone or payment of debt service on bonds issued for public improvements.

DEBT SERVICE FUND

To record the accumulation of resources for, and the payment of, long-term debt principal and interest not serviced by the proprietary funds.

Debt Service Fund – To account for the accumulation of resources and payment of principal and interest on general obligation bonds and certificates of obligation and sales tax supported certificates of obligations. Resources are provided by an ad valorem tax levy and transfer of type B sales tax proceeds from the Development Corporation.

PERMANENT FUNDS

To report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Santa Fe Park Trust Fund – To account for trust principal and related investment income. Net earnings up to 7% can be paid to the City to be used for the upkeep and beautification of the park. Earnings in excess of 7% become part of principal.

Lake Nasworthy Trust Fund – To account for trust principal, consisting of 20% of all lake lot lease income and the proceeds from the sale of lake lots plus 10% of the annual interest income. None of the principal can be expended without the approval of a majority of the voters in an election for such purpose.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet - Non-Major Governmental Funds

As of September 30, 2015

	Special Revenue Funds						Debt Service	Permanent Funds			Total Non-Major Governmental Funds
	Community Development	Intergovernmental	HOME Program	Designated Revenue	Tax Increment Reinv. Zone	Total		Santa Fe Park Trust	Lake Nasworthy Trust	Total	
ASSETS											
Assets:											
Cash & Cash Equivalents	\$ 143,784	\$ 340,629	\$ 156,482	\$ -0-	\$ -0-	\$ 640,895	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 640,895
Investments	40	201	-0-	-0-	448,284	448,525	-0-	-0-	-0-	-0-	448,525
Receivables:											
Accrued Interest	865	711	-0-	279	1,332	3,187	2,598	-0-	33,569	33,569	39,354
Property Taxes	-0-	-0-	-0-	-0-	-0-	-0-	573,555	-0-	-0-	-0-	573,555
Accounts	314,521	6,187	245,224	-0-	140,732	706,664	-0-	-0-	-0-	-0-	706,664
Less: Allowance for Uncollectibles	(11,886)	-0-	-0-	-0-	-0-	(11,886)	-0-	-0-	-0-	-0-	(11,886)
Due from Other Governments	36,976	401,862	-0-	-0-	-0-	438,838	-0-	-0-	-0-	-0-	438,838
Restricted Assets:											
Cash & Cash Equivalents	-0-	-0-	-0-	100,841	733,536	834,377	3,194,309	13,925	2,595,602	2,609,527	6,638,213
Investments	-0-	-0-	-0-	112,840	-0-	112,840	238,211	-0-	10,754,545	10,754,545	11,105,596
Total Assets	\$ 484,300	\$ 749,590	\$ 401,706	\$ 213,960	\$ 1,323,884	\$ 3,173,440	\$ 4,008,673	\$ 13,925	\$ 13,383,716	\$ 13,397,641	\$ 20,579,754
DEFERRED OUTFLOWS OF RESOURCES											
Deferred Charges on Refunding	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
LIABILITIES											
Liabilities:											
Accounts Payable	\$ 6,606	\$ 37,726	\$ 6,922	\$ 3,832	\$ 49,363	\$ 104,449	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 104,449
Due to Other Funds	-0-	6,126	-0-	-0-	-0-	6,126	-0-	-0-	-0-	-0-	6,126
Deposits	-0-	-0-	1,700	-0-	-0-	1,700	-0-	-0-	-0-	-0-	1,700
Total Liabilities	\$ 6,606	\$ 43,852	\$ 8,622	\$ 3,832	\$ 49,363	\$ 112,275	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 112,275
DEFERRED INFLOWS OF RESOURCES											
Unavailable Revenue - Property Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 132,380	\$ -0-	\$ -0-	\$ -0-	\$ 132,380
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 132,380	\$ -0-	\$ -0-	\$ -0-	\$ 132,380
FUND BALANCES											
Nonspendable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,000	\$ 12,737,748	\$ 12,747,748	\$ 12,747,748
Restricted	477,694	705,738	393,084	-0-	1,274,521	2,851,037	-0-	3,925	645,968	649,893	3,500,930
Committed	-0-	-0-	-0-	210,128	-0-	210,128	3,876,293	-0-	-0-	-0-	4,086,421
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Fund Balances	\$ 477,694	\$ 705,738	\$ 393,084	\$ 210,128	\$ 1,274,521	\$ 3,061,165	\$ 3,876,293	\$ 13,925	\$ 13,383,716	\$ 13,397,641	\$ 20,335,099

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CITY OF SAN ANGELO, TEXAS

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Non-Major Governmental Funds**

For the Year Ended September 30, 2015

	Special Revenue Funds						Debt Service	Permanent Funds			Total Non-Major Governmental Funds
	Community Development	Intergovernmental	HOME Program	Designated Revenue	Tax Incremental Reinv. Zone	Total		Santa Fe Park Trust	Lake Nasworthy Trust	Total	
REVENUES											
Taxes:											
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 621,038	\$ 621,038	\$ 5,912,493	\$ -0-	\$ -0-	\$ -0-	\$ 6,533,531
Licenses & Permits	-0-	60,879	-0-	-0-	-0-	60,879	-0-	-0-	-0-	-0-	60,879
Intergovernmental	747,213	1,696,270	41,491	-0-	-0-	2,484,974	-0-	-0-	-0-	-0-	2,484,974
Charges for Services	-0-	170,651	199,555	-0-	-0-	370,206	-0-	-0-	26,497	26,497	396,703
Investment Income:											
Interest	796	958	-0-	965	3,565	6,284	9,111	-0-	171,432	171,432	186,827
Change in Fair Value of Investments	-0-	-0-	-0-	215	853	1,068	453	-0-	19,035	19,035	20,556
Miscellaneous:											
Gifts & Contributions	-0-	180,497	-0-	69,668	506,583	756,748	-0-	-0-	-0-	-0-	756,748
Program Income	25,560	-0-	5,940	-0-	-0-	31,500	-0-	-0-	-0-	-0-	31,500
Other Miscellaneous	-0-	100,024	43,553	-0-	-0-	143,577	-0-	-0-	-0-	-0-	143,577
Total Revenues	\$ 773,569	\$ 2,209,279	\$ 290,539	\$ 70,848	\$ 1,132,039	\$ 4,476,274	\$ 5,922,057	\$ -0-	\$ 216,964	\$ 216,964	\$ 10,615,295
EXPENDITURES											
Current:											
Public Safety	\$ -0-	\$ 178,375	\$ -0-	\$ 27,797	\$ -0-	\$ 206,172	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 206,172
Public Works & Transportation	-0-	204,972	-0-	-0-	-0-	204,972	-0-	-0-	-0-	-0-	204,972
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	38,000	1,542,407	-0-	-0-	-0-	1,580,407	-0-	-0-	-0-	-0-	1,580,407
Culture, Parks, & Recreation	-0-	-0-	-0-	12,467	-0-	12,467	-0-	-0-	-0-	-0-	12,467
Economic Development	-0-	-0-	-0-	-0-	368,283	368,283	-0-	-0-	-0-	-0-	368,283
Urban Redevelopment & Housing	610,795	-0-	302,350	-0-	-0-	913,145	-0-	-0-	-0-	-0-	913,145
Total Current Expenditures	\$ 646,795	\$ 1,925,754	\$ 302,350	\$ 40,264	\$ 368,283	\$ 3,285,446	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 3,285,446
Capital Outlay	-0-	443,591	-0-	35,000	506,583	985,174	-0-	-0-	-0-	-0-	985,174
Debt Service:											
Principal	107,000	-0-	-0-	-0-	-0-	107,000	2,185,000	-0-	-0-	-0-	2,292,000
Interest & Fiscal Charges	42,996	-0-	-0-	-0-	-0-	42,996	1,954,534	-0-	-0-	-0-	1,997,530
Total Expenditures	\$ 798,791	\$ 2,369,345	\$ 302,350	\$ 75,264	\$ 874,866	\$ 4,420,616	\$ 4,139,534	\$ -0-	\$ -0-	\$ -0-	\$ 8,560,150
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 25,222)	(\$ 160,066)	(\$ 11,811)	(\$ 4,416)	\$ 257,173	\$ 55,658	\$ 1,782,523	\$ -0-	\$ 216,964	\$ 216,964	\$ 2,055,145
OTHER FINANCING SOURCES (USES)											
Transfers In	\$ -0-	\$ 324,910	\$ -0-	\$ -0-	\$ -0-	\$ 324,910	\$ 41,000	\$ -0-	\$ -0-	\$ -0-	\$ 365,910
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	620,589	620,589	620,589
Transfers Out	-0-	(92,977)	-0-	-0-	-0-	(92,977)	-0-	-0-	(138,308)	(138,308)	(231,285)
Total Other Financing Sources (Uses)	\$ -0-	\$ 231,933	\$ -0-	\$ -0-	\$ -0-	\$ 231,933	\$ 41,000	\$ -0-	\$ 482,281	\$ 482,281	\$ 755,214
Net Change in Fund Balances	(\$ 25,222)	\$ 71,867	(\$ 11,811)	(\$ 4,416)	\$ 257,173	\$ 287,591	\$ 1,823,523	\$ -0-	\$ 699,245	\$ 699,245	\$ 2,810,359
Fund Balances - Beginning	502,916	633,871	404,895	214,544	1,017,348	2,773,574	2,529,455	13,925	12,684,471	12,698,396	18,001,425
Restatement of Beginning Fund Balance (See Note IV.H)	-0-	-0-	-0-	-0-	-0-	-0-	(476,685)	-0-	-0-	-0-	(476,685)
Fund Balances - Ending	\$ 477,694	\$ 705,738	\$ 393,084	\$ 210,128	\$ 1,274,521	\$ 3,061,165	\$ 3,876,293	\$ 13,925	\$ 13,383,716	\$ 13,397,641	\$ 20,335,099

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CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
(Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds

For the Year Ended September 30, 2015

	Community Development			Intergovernmental Special Revenue Fund			HOME Program		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Licenses & Permits	-0-	-0-	-0-	60,024	60,879	855	-0-	-0-	-0-
Intergovernmental	895,766	747,213	(148,553)	3,088,928	1,696,270	(1,392,658)	215,676	41,491	(174,185)
Charges for Services	-0-	-0-	-0-	184,923	170,651	(14,272)	297,956	199,555	(98,401)
Investment Income:									
Interest	-0-	796	796	-0-	958	958	-0-	-0-	-0-
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Miscellaneous:									
Gifts & Contributions	-0-	-0-	-0-	330,695	180,497	(150,198)	-0-	-0-	-0-
Program Income	40,000	25,560	(14,440)	-0-	-0-	-0-	73,687	5,940	(67,747)
Other Miscellaneous	-0-	-0-	-0-	100,058	100,024	(34)	30,000	43,553	13,553
Total Revenues	\$ 935,766	\$ 773,569	(\$ 162,197)	\$ 3,764,628	\$ 2,209,279	(\$ 1,555,349)	\$ 617,319	\$ 290,539	(\$ 326,780)
EXPENDITURES									
Current:									
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ 194,115	\$ 178,375	\$ 15,740	\$ -0-	\$ -0-	\$ -0-
Public Works & Transportation	-0-	-0-	-0-	226,867	204,972	21,895	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	38,000	38,000	-0-	2,337,840	1,542,407	795,433	-0-	-0-	-0-
Culture, Parks, & Recreation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment & Housing	777,690	610,795	166,895	-0-	-0-	-0-	577,817	302,350	275,467
Total Current Expenditures	\$ 815,690	\$ 648,795	\$ 166,895	\$ 2,758,822	\$ 1,925,754	\$ 833,068	\$ 577,817	\$ 302,350	\$ 275,467
Capital Outlay	-0-	-0-	-0-	1,616,101	443,591	1,172,510	-0-	-0-	-0-
Debt Service:									
Principal	150,713	107,000	43,713	-0-	-0-	-0-	-0-	-0-	-0-
Interest & Fiscal Charges	-0-	42,996	(42,996)	-0-	-0-	-0-	-0-	-0-	-0-
Total Debt Service	\$ 150,713	\$ 149,996	\$ 717	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ 966,403	\$ 798,791	\$ 167,612	\$ 4,374,923	\$ 2,369,345	\$ 2,005,578	\$ 577,817	\$ 302,350	\$ 275,467
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 30,637)	(\$ 25,222)	(\$ 5,415)	(\$ 610,295)	(\$ 160,066)	(\$ 450,229)	\$ 39,502	(\$ 11,811)	\$ 51,313
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ 324,910	\$ 324,910	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	(92,557)	(92,977)	420	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-	\$ 232,353	\$ 231,933	\$ 420	\$ -0-	\$ -0-	\$ -0-
Net Change in Fund Balance	(\$ 30,637)	(\$ 25,222)	(\$ 5,415)	(\$ 377,942)	\$ 71,867	(\$ 449,809)	\$ 39,502	(\$ 11,811)	\$ 51,313
Fund Balance - Beginning	-0-	502,916	(502,916)	-0-	633,871	(633,871)	-0-	404,895	(404,895)
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 30,637)	\$ 477,694	(\$ 508,331)	(\$ 377,942)	\$ 705,738	(\$ 1,083,680)	39,502	\$ 393,084	(\$ 353,582)

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CITY OF SAN ANGELO, TEXAS

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
(Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds**

For the Year Ended September 30, 2015

	Designated Revenue Special Revenue Fund			Tax Increment Reinvestment Zone Special Revenue Fund (TIRZ)			Debt Service Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Positive (Negative)			Positive (Negative)			Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ 652,287	\$ 621,038	(\$ 31,249)	\$ 5,853,645	\$ 5,912,493	\$ 58,848
Licenses & Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	68,250	965	(67,285)	-0-	3,565	3,565	445	9,111	8,666
Change in Fair Value of Investments	-0-	215	215	-0-	853	853	-0-	453	453
Miscellaneous:									
Gifts & Contributions	13,750	69,668	55,918	506,583	506,583	-0-	-0-	-0-	-0-
Program Income	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	\$ 82,000	\$ 70,848	(\$ 11,152)	\$ 1,158,870	\$ 1,132,039	(\$ 26,831)	\$ 5,854,090	\$ 5,922,057	\$ 67,967
EXPENDITURES									
Current:									
Public Safety	\$ 52,359	\$ 27,797	\$ 24,562	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Works & Transportation	11,301	-0-	11,301	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	22,972	-0-	22,972	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks, & Recreation	78,930	12,467	66,463	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	-0-	-0-	-0-	1,345,154	368,283	976,871	-0-	-0-	-0-
Urban Redevelopment & Housing	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	\$ 165,562	\$ 40,264	\$ 125,298	\$ 1,345,154	\$ 368,283	\$ 976,871	\$ -0-	\$ -0-	\$ -0-
Capital Outlay	67,098	35,000	32,098	506,583	506,583	-0-	-0-	-0-	-0-
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	4,542,102	2,185,000	2,357,102
Interest & Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	2,852,990	1,954,534	898,456
Total Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 7,395,092	\$ 4,139,534	\$ 3,255,558
Total Expenditures	\$ 232,660	\$ 75,264	\$ 157,396	\$ 1,851,737	\$ 874,866	\$ 976,871	\$ 7,395,092	\$ 4,139,534	\$ 3,255,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 150,660)	(\$ 4,416)	(\$ 146,244)	(\$ 692,867)	\$ 257,173	(\$ 950,040)	(\$ 1,541,002)	\$ 1,782,523	(\$ 3,323,525)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 41,000	\$ 41,000	\$ -0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 41,000	\$ 41,000	\$ -0-
Net Change in Fund Balance	(\$ 150,660)	(\$ 4,416)	(\$ 146,244)	(\$ 692,867)	\$ 257,173	(\$ 950,040)	(\$ 1,500,002)	\$ 1,823,523	(\$ 3,323,525)
Fund Balance - Beginning	-0-	214,544	(214,544)	-0-	1,017,348	(1,017,348)	-0-	2,529,455	(2,529,455)
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(476,685)	476,685
Fund Balance - Ending	(\$ 150,660)	\$ 210,128	(\$ 360,788)	(\$ 692,867)	\$ 1,274,521	(\$ 1,967,388)	(\$ 1,500,002)	\$ 3,876,293	(\$ 5,376,295)

(Continued)

CITY OF SAN ANGELO, TEXAS

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
(Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds**

For the Year Ended September 30, 2015

	Sante Fe Park Trust			Lake Nasworthy Trust Permanent Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes:						
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Licenses & Permits	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	-0-	-0-	-0-	84,000	26,497	(57,503)
Investment Income:						
Interest	-0-	-0-	-0-	126,620	171,432	44,812
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	19,035	19,035
Miscellaneous:						
Gifts & Contributions	-0-	-0-	-0-	-0-	-0-	-0-
Program Income	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	\$ -0-	\$ -0-	\$ -0-	\$ 210,620	\$ 216,964	\$ 6,344
EXPENDITURES						
Current:						
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Works & Transportation	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-
Health & Human Services	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks, & Recreation	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment & Housing	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Outlay	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service:						
Principal	-0-	-0-	-0-	-0-	-0-	-0-
Interest & Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-
Total Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 210,620	\$ 216,964	(\$ 6,344)
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sale of Capital Assets	-0-	-0-	-0-	649,999	620,589	29,410
Transfers Out	-0-	-0-	-0-	(270,758)	(138,308)	(132,450)
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-	\$ 379,241	\$ 482,281	(\$ 103,040)
Net Change in Fund Balance	\$ -0-	\$ -0-	\$ -0-	\$ 589,861	\$ 699,245	(\$ 109,384)
Fund Balance - Beginning	-0-	13,925	(13,925)	-0-	12,684,471	(12,684,471)
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	\$ -0-	\$ 13,925	(\$ 13,925)	\$ 589,861	\$ 13,383,716	(\$ 12,793,855)

(Continued)

CITY OF SAN ANGELO, TEXAS

Major Governmental Capital Project Fund Description

For the Year Ended September 30, 2015

CAPTITAL PROJECTS FUND

To account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Sales Tax Project - To account for certificate of obligation proceeds to accomplish projects specified on the ballots in the elections adopting the type B economic development sales tax.

Capital Improvement Fund - To account for the authorized expenditure of the proceeds of certificates of obligation.

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual
(Non-GAAP Budgetary Basis) - Major Governmental Funds

For the Year Ended September 30, 2015

	Sales Tax Projects Fund			Capital Improvement Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Investment Income:						
Interest	\$ -0-	\$ 15,236	\$ 15,236	\$ 17,947	\$ 33,278	\$ 15,331
Change in Fair Value of Investments	-0-	5,448	5,448	-0-	1,058	1,058
Other Miscellaneous	77,856	77,856	-0-	-0-	-0-	-0-
Total Revenues	\$ 77,856	\$ 98,540	\$ 20,684	\$ 17,947	\$ 34,336	\$ 16,389
EXPENDITURES						
Current:						
Culture, Parks & Recreation	\$ 186,258	\$ -0-	\$ 186,258	\$ -0-	\$ -0-	\$ -0-
Total Current Expenditures	\$ 186,258	\$ -0-	\$ 186,258	\$ -0-	\$ -0-	\$ -0-
Capital Outlay	4,162,835	324,689	3,838,146	15,409,862	765,164	14,644,698
Debt Service:						
Interest & Fiscal Charges	-0-	-0-	-0-	-0-	141,008	(141,008)
Total Expenditures	\$ 4,349,093	\$ 324,689	\$ 4,024,404	\$ 15,409,862	\$ 906,172	\$ 14,503,690
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 4,271,237)	(\$ 226,149)	\$ 4,045,088	(\$ 15,391,915)	(\$ 871,836)	\$ 14,520,079
OTHER FINANCING SOURCES (USES)						
Proceeds from Long-Term Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 13,641,008	(\$ 13,641,008)
Transfer Out	-0-	-0-	-0-	-0-	(115,000)	115,000
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 13,526,008	\$ 115,000
Net Change in Fund Balance	(\$ 4,271,237)	(\$ 226,149)	\$ 4,045,088	(\$ 15,391,915)	\$ 12,654,172	\$ 28,046,087
Fund Balance - Beginning	-0-	3,818,930	3,818,930	-0-	494,015	494,015
Replacement of Beginning Fund Balance	-0-	(15,818)	(15,818)	-0-	164,452	164,452
Fund Balance - Ending	(\$ 4,271,237)	\$ 3,576,963	\$ 7,848,200	(\$ 15,391,915)	\$ 13,312,639	\$ 28,704,554

CITY OF SAN ANGELO, TEXAS

Nonmajor Enterprise Fund Description

For the Year Ended September 30, 2015

ENTERPRISE FUNDS

To account for any activity for which a fee is charged to external users for goods or services.

The City operates six enterprise funds. The Water, Sewer, and Airport enterprise funds are reported as major funds. The remaining enterprise funds are reported as nonmajor and include the following:

State Office Building Fund – To account for the operation of a building, acquired and renovated, primarily to provide a facility for lease to the State of Texas in order for all state offices to be in one location.

Solid Waste Fund – To account for the City's portion of operating the landfill.

Stormwater Fund – To account for the operation of stormwater treatment and management.

CITY OF SAN ANGELO, TEXAS

Combining Statement of Net Position - Nonmajor Enterprise Funds

As of September 30, 2015

	State Office Building	Solid Waste	Stormwater	Total
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ -0-	\$ 4,425,009	\$ 2,493,480	\$ 6,918,489
Investments	32,065	355,111	741,471	1,128,647
Receivables:				
Accrued Interest	142	13,247	4,661	18,050
Accounts	34,846	315,524	442,657	793,027
Less: Allowance for Uncollectibles	-0-	-0-	(80,064)	(80,064)
Closure and Post-Closure Trust Fund	-0-	4,735,000	-0-	4,735,000
Total Current Assets	\$ 67,053	\$ 9,843,891	\$ 3,602,205	\$ 13,513,149
Noncurrent Assets:				
Capital Assets:				
Land	\$ 275,412	\$ 480,311	\$ -0-	\$ 755,723
Buildings	6,051,542	-0-	-0-	6,051,542
Improvements Other Than Buildings	467,576	-0-	251,382	718,958
Machinery & Equipment	19,589	1,186,786	2,124,854	3,331,229
Less: Accumulated Depreciation	(3,361,824)	(941,770)	(941,616)	(5,245,210)
Net Capital Assets	\$ 3,452,295	\$ 725,327	\$ 1,434,620	\$ 5,612,242
Total Noncurrent Assets	\$ 3,452,295	\$ 725,327	\$ 1,434,620	\$ 5,612,242
Total Assets	\$ 3,519,348	\$ 10,569,218	\$ 5,036,825	\$ 19,125,391
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts Related to Pensions	\$ 15,415	\$ 12,684	\$ 138,417	\$ 166,516
Total Deferred Outflows of Resources	\$ 15,415	\$ 12,684	\$ 138,417	\$ 166,516
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 1,753	\$ 1,122,894	\$ 2,344	\$ 1,126,991
Accrued Interest Payable	6,818	1,031	-0-	7,849
Due to Other Funds	473,229	-0-	-0-	473,229
Non Current Liabilities Due Within One Year	447,735	330,000	13,662	791,397
Total Current Liabilities	\$ 929,535	\$ 1,453,925	16,006	\$ 2,399,466
Noncurrent Liabilities:				
Net Pension Liability	\$ 86,063	\$ 70,818	\$ 772,825	\$ 929,706
Non Current Liabilities Due After One Year	1,248,834	3,790,584	213,943	5,253,361
Total Noncurrent Liabilities	\$ 1,334,897	\$ 3,861,402	\$ 986,768	\$ 6,183,067
Total Liabilities	\$ 2,264,432	\$ 5,315,327	\$ 1,002,774	\$ 8,582,533
DEFERRED INFLOWS OF RESOURCES				
Deferred Amounts Related to Pensions	\$ 2,913	\$ 2,397	\$ 26,162	\$ 31,472
Total Deferred Inflows of Resources	\$ 2,913	\$ 2,397	\$ 26,162	\$ 31,472
NET POSITION				
Net Investment in Capital Assets	\$ 1,831,453	\$ 725,325	\$ 1,434,620	\$ 3,991,398
Restricted	-0-	4,735,000	-0-	4,735,000
Unrestricted	(564,035)	(196,147)	2,711,686	1,951,504
Total Net Position	\$ 1,267,418	\$ 5,264,178	\$ 4,146,306	\$ 10,677,902

CITY OF SAN ANGELO, TEXAS

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets -
Nonmajor Enterprise Funds**

For the Year Ended September 30, 2015

	State Office Building	Solid Waste	Stormwater	Total
OPERATING REVENUES				
Charges for Sales & Services:				
Pledged for Payment of Revenue Bonds:				
Stormwater Fee	\$ -0-	\$ -0-	\$ 2,545,795	\$ 2,545,795
Solid Waste Service	-0-	1,907,150	-0-	1,907,150
Rents, Leases & Fees	1,211,371	-0-	-0-	1,211,371
Other	9,058	20,867	128	30,053
Total Operating Revenues	\$ 1,220,429	\$ 1,928,017	\$ 2,545,923	\$ 5,694,369
OPERATING EXPENSES				
Cost of Sales & Services	\$ 704,107	\$ 293,258	\$ 1,633,175	\$ 2,630,540
Administrative	-0-	58,206	-0-	58,206
Depreciation	234,581	120,210	238,725	593,516
Total Operating Expenses	\$ 938,688	\$ 471,674	\$ 1,871,900	\$ 3,282,262
Operating Income (Loss)	\$ 281,741	\$ 1,456,343	\$ 674,023	\$ 2,412,107
NON-OPERATING REVENUES (EXPENSES)				
Investment Income:				
Interest	\$ 75	\$ 24,350	\$ 9,226	\$ 33,651
Gain (Loss) on Sale of Capital Assets	-0-	-0-	(80,548)	(80,548)
Change in Fair Value of Investments	61	676	1,411	2,148
Interest Expense and Fiscal Agent Fees	(55,115)	(19,401)	-0-	(74,516)
Total Non-Operating Revenues (Expenses)	(54,979)	\$ 5,625	(\$ 69,911)	(\$ 119,265)
Income (Loss) Before Contributions and Transfers	\$ 226,762	\$ 1,461,968	\$ 604,112	\$ 2,292,842
Transfers In (Out)	-0-	(3,353,548)	(116,710)	(3,470,258)
Total Contributions and Transfers	\$ -0-	(\$ 3,353,548)	(\$ 116,710)	(\$ 3,470,258)
Change in Net Position	\$ 226,762	(\$ 1,891,580)	\$ 487,402	(\$ 1,177,416)
Net Position - Beginning	1,117,561	7,219,038	4,337,716	12,674,315
Restatement of Beginning Net Position (See Note IV.H)	(76,905)	(63,280)	(678,812)	(818,997)
Net Position - Ending	\$ 1,267,418	\$ 5,264,178	\$ 4,146,306	\$ 10,677,902

CITY OF SAN ANGELO, TEXAS

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended September 30, 2015

	State Office Building	Solid Waste	Stormwater	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 1,211,994	\$ 1,856,153	\$ 2,526,421	\$ 5,594,568
Cash Paid to Suppliers for Goods and Services	(612,676)	289,620	(487,512)	(810,568)
Cash Paid for Employee Services and Benefits	(116,489)	(90,555)	(1,093,768)	(1,300,812)
Net Cash Provided (Used) by Operating Activities	\$ 482,829	\$ 2,055,218	\$ 945,141	\$ 3,483,188

CASH FLOWS FROM NONCAPITAL

FINANCING ACTIVITIES

Transfers from Other Funds	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfers to Other Funds	-0-	(3,353,548)	(116,710)	(3,470,258)
Short-Term Interfund Loans Received	103,033	-0-	-0-	103,033
Short-Term Interfund Loans Paid	-0-	-0-	-0-	-0-
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 103,033	(\$ 3,353,548)	(\$ 116,710)	(\$ 3,367,225)

CASH FLOWS FROM CAPITAL AND RELATED

FINANCING ACTIVITIES

Purchase of Capital Assets	(\$ 67,246)	(\$ 845,537)	(\$ 345,091)	(\$ 1,257,874)
Proceeds from Sale of Assets	-0-	-0-	-0-	-0-
Capital Contributions Received	-0-	-0-	-0-	-0-
Contractual Revenue	-0-	-0-	-0-	-0-
Principal Paid on Debt	(447,963)	(315,000)	-0-	(762,963)
Interest Paid on Debt	(70,977)	(23,982)	-0-	(94,959)
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 586,186)	(\$ 1,184,519)	(\$ 345,091)	(\$ 2,115,796)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Investments	\$ 165	\$ 1,826	\$ 3,811	\$ 5,802
Interest Received on Investments	159	16,996	8,069	25,224
Net Cash Provided (Used) by Investing Activities	\$ 324	\$ 18,822	\$ 11,880	\$ 31,026
Net Increase (Decrease) in Cash	\$ -0-	(\$ 2,464,027)	\$ 495,220	(\$ 1,968,807)
Cash - Beginning	-0-	6,889,036	1,998,260	8,887,296
Cash - Ending	\$ -0-	\$ 4,425,009	\$ 2,493,480	\$ 6,918,489

RECONCILIATION OF OPERATING INCOME

TO NET CASH PROVIDED (USED) BY

OPERATING ACTIVITIES

Operating Income (Loss)	\$ 281,741	\$ 1,456,343	\$ 674,023	\$ 2,412,107
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	234,581	120,210	238,725	593,516
(Increase) Decrease in:				
Accounts Receivable	(8,432)	(71,864)	(19,502)	(99,798)
Increase (Decrease) in:				
Accounts Payable	(22,112)	416,988	(61,981)	332,895
Intergovernmental Payables	-0-	-0-	-0-	-0-
Compensated Absences	392	32,516	121,417	154,325
Pension Liability	(3,341)	(2,749)	(29,988)	(36,078)
OPEB Obligation	-0-	-0-	22,447	22,447
Landfill Postclosure Liability	-0-	103,774	-0-	103,774
Net Cash Provided (Used) by Operating Activities	\$ 482,829	\$ 2,055,218	\$ 945,141	\$ 3,483,188

NONCASH INVESTING, CAPITAL AND

FINANCING ACTIVITIES

Loss on Disposal of Capital Assets	\$ -0-	\$ -0-	(\$ 80,548)	(\$ 80,548)
Amortization of Premiums and Discounts	(\$ 13,808)	(\$ 2,614)	\$ -0-	(\$ 16,422)
Change in Fair Value of Investments	\$ 61	\$ 676	\$ 1,411	\$ 2,148

CITY OF SAN ANGELO, TEXAS

Internal Service Fund Descriptions

For the Year Ended September 30, 2015

INTERNAL SERVICE FUNDS

To report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units on a cost-reimbursement basis.

Vehicle Maintenance Fund – To account for fuel, oil, and the maintenance and upkeep on city and school district vehicles.

Employee/Retiree Health Fund – To account for health insurance claims and the cost of medical treatment of employees, retirees, and their dependents.

Property and Casualty Insurance Fund – To account for general and automobile liability and property damage coverage for city property and vehicles.

Workers Compensation Insurance Fund – To account for workers compensation coverage for city employees.

Communications Fund – To account for the operations of the City's radio communications system.

CITY OF SAN ANGELO, TEXAS

Combining Statement of Net Position - Internal Service Funds

As of September 30, 2015

	Vehicle Maintenance	Employee/ Retiree Health	Property & Casualty Insurance	Workers' Compensation Insurance	Communications	Total
ASSETS AND DEFERRED OUTFLOWS						
Assets:						
Current Assets						
Cash & Cash Equivalents	\$ 841,472	\$ -0-	\$ 738,843	\$ 646,592	\$ -0-	\$ 2,226,907
Investments	66,133	924,350	1,106,863	922,587	134	3,020,067
Receivables:						
Accrued Interest	1,105	-0-	2,115	1,322	950	5,492
Accounts	86,415	158,839	-0-	-0-	-0-	245,254
Less: Allowance for Uncollectibles	-0-	(124,794)	-0-	-0-	-0-	(124,794)
Inventories	43,557	-0-	-0-	-0-	1,806	45,363
Total Current Assets	\$ 1,038,682	\$ 958,395	\$ 1,847,821	\$ 1,570,501	\$ 2,890	\$ 5,418,289
Noncurrent Assets						
Capital Assets:						
Buildings	\$ 390,269	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 390,269
Improvements Other Than Buildings	68,093	-0-	-0-	-0-	5,237,312	5,305,405
Machinery & Equipment	564,126	-0-	-0-	3,691	74,348	642,165
Construction in Progress	-0-	-0-	-0-	-0-	3,440,215	3,440,215
Less: Accumulated Depreciation	(930,640)	-0-	-0-	(3,691)	(2,450,970)	(3,385,301)
Total Noncurrent Assets	\$ 91,848	\$ -0-	\$ -0-	\$ -0-	\$ 6,300,905	\$ 6,392,753
Total Assets	\$ 1,130,530	\$ 958,395	\$ 1,847,821	\$ 1,570,501	\$ 6,303,795	\$ 11,811,042
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 95,648	\$ 14,620	\$ -0-	\$ 44,607	\$ 29,070	\$ 183,945
Total Deferred Outflows of Resources	\$ 95,648	\$ 14,620	\$ -0-	\$ 44,607	\$ 29,070	\$ 183,945
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 122,325	\$ 31,607	\$ 53,388	\$ 2,155	\$ 2,910,690	\$ 3,120,165
Due to Other Funds	-0-	1,238,341	-0-	-0-	118,542	1,356,883
Noncurrent Liabilities Due Within One Year	2,388	237,461	188,813	781,811	-0-	1,210,473
Total Current Liabilities	\$ 124,713	\$ 1,507,409	\$ 242,201	\$ 783,966	\$ 3,029,232	\$ 5,687,521
Noncurrent Liabilities Due After One Year	510,993	89,727	477,631	1,345,240	57,924	2,481,515
Net Pension Obligation	534,029	81,629	-0-	249,056	162,309	1,027,023
Total Liabilities	\$ 1,169,735	\$ 1,678,765	\$ 719,832	\$ 2,378,262	\$ 3,249,465	\$ 9,196,059
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 18,078	\$ 2,764	\$ -0-	\$ 8,431	\$ 5,495	\$ 34,768
Total Deferred Inflows of Resources	\$ 18,078	\$ 2,764	\$ -0-	\$ 8,431	\$ 5,495	\$ 34,768
NET ASSETS						
Net Investment in Capital Assets	\$ 91,848	\$ -0-	\$ -0-	\$ -0-	\$ 6,300,905	\$ 6,392,753
Unrestricted	(53,483)	(708,514)	1,127,989	(771,585)	(3,223,000)	(3,628,593)
Total Net Position	\$ 38,365	(\$ 708,514)	\$ 1,127,989	(\$ 771,585)	\$ 3,077,905	\$ 2,764,160

CITY OF SAN ANGELO, TEXAS

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position -
Internal Service Funds**

For the Year Ended September 30, 2015

	Vehicle Maintenance	Employee/ Retiree Health	Property & Casualty Insurance	Workers' Compensation Insurance	Communications	Total
OPERATING REVENUES						
Charges for Sales & Services:						
Sales & Service	\$ 3,802,767	\$ 6,789,634	\$ 801,459	\$ 1,132,886	\$ 662,615	\$ 13,189,361
Other	80,465	304,861	-0-	-0-	173,637	558,963
Total Operating Revenues	\$ 3,883,232	\$ 7,094,495	\$ 801,459	\$ 1,132,886	\$ 836,252	\$ 13,748,324
OPERATING EXPENSES						
Cost of Sales & Services:						
Administrative	\$ 3,880,577	\$ 7,789,604	\$ 1,253,510	\$ 1,327,909	\$ 832,851	\$ 15,084,451
Depreciation	36,115	-0-	-0-	568	534,901	571,584
Total Operating Expenses	\$ 3,916,692	\$ 7,789,604	\$ 1,253,510	\$ 1,328,477	\$ 1,367,752	\$ 15,656,035
Operating Income (Loss)	(\$ 33,460)	(\$ 695,109)	(\$ 452,051)	(\$ 195,591)	(\$ 531,500)	(\$ 1,907,711)
NONOPERATING REVENUES (EXPENSES)						
Investment Income:						
Interest	\$ 1,546	\$ 1,928	\$ 6,347	\$ 5,371	\$ 1,102	\$ 16,294
Change in Fair Value of Investments	126	1,759	2,107	1,872	-0-	5,864
Gain (Loss) on Sale of Capital Assets	3,600	-0-	-0-	-0-	-0-	3,600
Total Nonoperating Revenues (Expenses)	\$ 5,272	\$ 3,687	\$ 8,454	\$ 7,243	\$ 1,102	\$ 25,758
Income (Loss) Before Contributions, Special Items, and Transfers	(\$ 28,188)	(\$ 691,422)	(\$ 443,597)	(\$ 188,348)	(\$ 530,398)	(\$ 1,881,953)
CONTRIBUTIONS AND TRANSFERS						
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-
Total Contributions and Transfers	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Change in Net Assets	(\$ 28,188)	(\$ 691,422)	(\$ 443,597)	(\$ 188,348)	(\$ 530,398)	(\$ 1,881,953)
Net Position - Beginning	450,298	43,594	1,571,586	(389,923)	3,753,337	5,428,892
Restatement of Beginning Net Position (See Note IV.H)	(383,745)	(60,686)	-0-	(193,314)	(145,034)	(782,779)
Net Position - Ending	\$ 38,365	(\$ 708,514)	\$ 1,127,989	(\$ 771,585)	\$ 3,077,905	\$ 2,764,160

CITY OF SAN ANGELO, TEXAS

**Combining Statement of Cash Flows -
Internal Service Funds**

For the Year Ended September 30, 2015

	Vehicle Maintenance	Employee/ Retiree Health	Property & Casualty Insurance	Workers' Compensation Insurance	Communications	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Customers	\$ 3,989,081	\$ 7,076,382	\$ -0-	\$ -0-	\$ -0-	\$ 11,065,463
Cash Received from Other Funds for Interfund Services Provided	-0-	-0-	-0-	-0-	836,252	836,252
Cash Received from Reinsurance	-0-	-0-	801,459	1,132,886	-0-	1,934,345
Cash Paid to Suppliers for Goods and Services	(2,861,871)	(1,215,364)	(1,312,383)	(52,415)	2,093,899	(3,348,134)
Cash Paid for Insurance Claims and Premiums	-0-	(6,531,563)	-0-	(750,369)	-0-	(7,281,932)
Cash Paid for Employee Services and Benefits	(780,495)	(119,339)	-0-	(339,013)	(91,042)	(1,329,889)
Net Cash Provided (Used) by Operating Activities	\$ 346,715	(\$ 789,884)	(\$ 510,924)	(\$ 8,911)	\$ 2,839,109	\$ 1,876,105
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Short-Term Interfund Loans Received	-0-	782,283	-0-	-0-	118,542	900,825
Net Cash Provided (Used) by Non-Capital Financing Activities	\$ -0-	\$ 782,283	\$ -0-	\$ -0-	\$ 118,542	\$ 900,825
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(\$ 30,138)	\$ -0-	\$ -0-	\$ -0-	(\$ 3,451,872)	(\$ 3,482,010)
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 30,138)	\$ -0-	\$ -0-	\$ -0-	(\$ 3,451,872)	(\$ 3,482,010)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	\$ 340	\$ 4,752	\$ 5,691	\$ 66,663	\$ -0-	\$ 77,446
Interest Received on Investments	1,282	2,849	7,293	6,225	775	18,424
Net Cash Provided (Used) by Investing Activities	\$ 1,622	\$ 7,601	\$ 12,984	\$ 72,888	\$ 775	\$ 95,870
Net Increase (Decrease) in Cash	\$ 318,199	\$ -0-	(\$ 497,940)	\$ 63,977	(\$ 493,446)	(\$ 609,210)
Cash - Beginning	523,273	-0-	1,236,783	582,615	493,446	2,836,117
Cash - Ending	\$ 841,472	\$ -0-	\$ 738,843	\$ 646,592	\$ -0-	\$ 2,226,907
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	(\$ 33,460)	(\$ 695,109)	(\$ 452,051)	(\$ 195,591)	(\$ 531,500)	(\$ 1,907,711)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation	36,115	-0-	-0-	568	534,901	571,584
(Increase) Decrease in Accounts Receivable	105,849	(18,113)	-0-	-0-	-0-	87,736
(Increase) Decrease in Inventories	171,715	-0-	-0-	-0-	1,133	172,848
(Increase) Decrease in Deferred Charges	-0-	-0-	-0-	-0-	-0-	-0-
Increase (Decrease) in Accounts Payable	25,508	(49,523)	11,974	(3,228)	2,838,196	2,822,927
Increase (Decrease) in Insurance Claims Payable	-0-	(43,610)	(70,847)	212,360	-0-	97,903
Increase (Decrease) in OPEB Obligation	52,035	14,687	-0-	20,143	-0-	86,865
Increase (Decrease) in Pension Liability	(20,723)	(3,166)	-0-	(9,664)	(6,298)	(39,851)
Increase (Decrease) in Compensated Absences	9,676	4,950	-0-	(33,499)	2,677	(16,196)
Net Cash Provided (Used) by Operating Activities	\$ 346,715	(\$ 789,884)	(\$ 510,924)	(\$ 8,911)	\$ 2,839,109	\$ 1,876,105
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Loss on Disposal of Capital Assets	(\$ 3,600)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	(\$ 3,600)
Amortization of Premiums and Discounts	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Change in Fair Value of Investments	\$ 126	\$ 1,759	\$ 2,107	\$ -0-	\$ -0-	\$ 3,992

CITY OF SAN ANGELO, TEXAS

Agency Fund Description

For the Year Ended September 30, 2015

FIDUCIARY FUNDS

To report assets held in a trust or agency capacity for others and, therefore, cannot be used to support the government's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CJC Agency Fund – To account for fines and fees collected on behalf of the State of Texas.

CITY OF SAN ANGELO, TEXAS

Statement of Changes in Assets and Liabilities -
CJC Agency Fund

For the Year Ended September 30, 2015

	Beginning Balance	Additions	Deletions	Ending Balance
ASSETS				
Cash	\$ 361,719	\$ 1,496,817	\$ 1,526,210	\$ 332,326
Total Assets	<u>\$ 361,719</u>	<u>\$ 1,496,817</u>	<u>\$ 1,526,210</u>	<u>\$ 332,326</u>
LIABILITIES				
Accounts Payable	\$ -0-	\$ 435	\$ 435	\$ -0-
Due to Other Governments	361,719	1,474,966	1,504,359	332,326
Total Liabilities	<u>\$ 361,719</u>	<u>\$ 1,475,401</u>	<u>\$ 1,504,794</u>	<u>\$ 332,326</u>

CITY OF SAN ANGELO, TEXAS

Discretely Presented Component Unit Description

For the Year Ended September 30, 2015

DISCRETELY PRESENTED COMPONENT UNIT

Additional information for the discretely presented component units referred to in the notes to the financial statements is provided:

Development Corporation - To administer funds received under the type B city sales tax for economic development.

CITY OF SAN ANGELO, TEXAS

**Combining Balance Sheet -
Discretely Presented Component Unit**

As of September 30, 2015

	<u>Development Corporation</u>
ASSETS	
Assets:	
Cash & Cash Equivalents	\$ 16,189,559
Accounts Receivable	39,988
Due from Other Governments	1,466,393
Advances to Other Funds	275,839
Prepays	29,633
Total Assets	<u>\$ 18,001,412</u>
LIABILITIES	
Accounts Payable	\$ 187,808
Total Liabilities	<u>\$ 187,808</u>
FUND BALANCES	
Nonspendable	\$ 275,839
Restricted	17,537,765
Assigned	-0-
Unassigned	-0-
Total Fund Balances	<u>\$ 17,813,604</u>
Total Liabilities and Fund Balances	<u>\$ 18,001,412</u>

**RECONCILIATION OF THE COMPONENT UNITS BALANCE SHEETS TO THE
STATEMENT OF NET POSITION**

Fund Balances - Component Units	\$ 17,813,604
Capital assets used in component units are not financial resources, and therefore, are not reported in the balance sheets. The net effect - increases (decrease) in net assets - of including capital assets are:	
Beginning of the Year Cost	3,479,287
Beginning of the Year Accumulated Depreciation	(397,250)
Current Year Depreciation	(100,247)
Capital Asset Disposal	(242,792)
Net Position of Component Units	<u>\$ 20,552,602</u>

CITY OF SAN ANGELO, TEXAS

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Discretely Presented Component Units**

For the Year Ended September 30, 2015

	Development Corporation
REVENUES	
Taxes:	
Sales	\$ 9,290,721
Intergovernmental	285
Charges for Services	503,212
Investment Income - Interest	8,645
Total Revenues	\$ 9,802,863
EXPENDITURES	
Operating Expenditures	\$ 6,733,859
(Gain) or Loss on Sale of Capital Assets	(722,055)
Total Expenditures	\$ 6,011,804
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,791,059
Net Change in Fund Balances	\$ 3,791,059
Fund Balances - Beginning	14,022,545
Fund Balances - Ending	\$ 17,813,604

**EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF
ACTIVITIES**

Total Net Change in Fund Balances - Component Units	\$ 3,791,059
Depreciation does not require the use of current financial resources, and therefore, is not reported as an expenditure. The current year's depreciation decreases Net Position.	(100,247)
Capital Asset Disposal	(242,792)
Change in Net Position of Component Units	\$ 3,448,020

CITY OF SAN ANGELO, TEXAS

Statistical Section Narrative

For the Year Ended September 30, 2015

STATISTICAL SECTION

This part of the City of San Angelo'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.

Such statistical information includes:

Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue sources, gas, and sales tax revenues.

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

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

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

STATISTICAL SECTION
(UNAUDITED - for Analytical Purposes Only)

This part of City of San Angelo'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.

TABLE	CONTENTS
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Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Entity-wide information:

- 1 Net assets by component, last ten fiscal years
- 2 Changes in net assets, last ten fiscal years

Governmental Funds Information:

- 3 Fund balances, last ten fiscal years
- 4 Changes in fund balances, last ten fiscal years

Revenue Capacity

These tables contain information to help the reader assess the City's most significant local revenue source, the property tax. Also included is some additional information on sales tax revenue.

- 5 Assessed value and actual value of taxable property, last ten fiscal years
- 6 Direct and overlapping property tax rates, last ten fiscal years
- 7 Principal property taxpayers, current year and nine years ago
- 8 Property tax levies and collections, last ten fiscal years
- 9 Direct and overlapping sales tax rates, last ten fiscal years
- 10 Sales tax revenue by industry, current year and five years ago

Debt Capacity

These tables 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.

- 11 Ratios of outstanding debt by type, last ten fiscal years
- 12 Ratios of net general bonded debt outstanding, last ten fiscal years
- 13 Direct and overlapping governmental activities debt
- 14 Pledged revenue coverage, last ten fiscal years

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

- 15 Demographic and economic statistics, last ten calendar years
- 16 Principal employers, current year and five years ago

Operating Information

These tables 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

- 17 Full-time equivalent city employees by department, last ten fiscal years
- 18 Operating indicators, last ten fiscal years
- 19 Capital asset statistics, last ten fiscal years

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

CITY OF SAN ANGELO, TEXAS
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2014-16	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Governmental Activities:										
Net Investment in Capital Assets	\$ 22,683,705	\$ 36,872,153	\$ 37,922,031	\$ 27,779,895	\$ 33,286,143	\$ 28,137,141	\$ 29,944,984	\$ 30,724,967	\$ 26,507,028	\$ 28,330,227
Restricted	37,014,372	11,346,760	11,346,760	21,358,553	24,796,775	24,383,653	20,074,040	19,037,199	15,864,132	12,688,330
Unrestricted	(37,311,136)	18,705,893	1,809,832	11,860,302	12,762	(4,917,254)	8,244,853	6,957,095	7,202,670	5,593,038
Total Governmental Activities Net Assets	\$ 22,386,941	\$ 66,924,806	\$ 51,078,623	\$ 60,998,750	\$ 58,095,680	\$ 47,603,540	\$ 58,263,877	\$ 56,719,261	\$ 49,573,830	\$ 46,611,595
Business-Type Activities:										
Net Investment in Capital Assets	\$ 161,562,185	\$ 137,816,767	\$ 59,580,126	\$ 111,718,102	\$ 133,918,235	\$ 135,862,187	\$ 74,764,222	\$ 92,803,487	\$ 85,210,087	\$ 81,539,980
Restricted	59,362,529	23,471,674	23,485,718	57,337,080	9,934,203	7,845,711	10,566,326	13,865,935	12,379,385	12,985,298
Unrestricted	(28,522,315)	25,651,846	91,981,182	(4,216,773)	13,994,167	10,016,280	59,078,105	31,563,088	29,870,656	29,660,304
Total Business-Type Activities Net Assets	\$ 192,402,399	\$ 186,940,287	\$ 175,047,026	\$ 164,838,409	\$ 157,846,605	\$ 153,724,178	\$ 144,408,653	\$ 138,232,510	\$ 127,460,128	\$ 124,185,582
Primary Government:										
Net Investment in Capital Assets	\$ 184,245,890	\$ 174,688,920	\$ 97,502,157	\$ 139,497,997	\$ 167,204,378	\$ 163,999,328	\$ 104,709,206	\$ 123,528,454	\$ 111,717,115	\$ 109,870,207
Restricted	96,376,901	34,818,434	34,832,478	78,695,633	34,730,978	32,229,364	30,640,366	32,903,134	28,243,517	25,673,628
Unrestricted	(65,833,451)	44,357,739	93,791,014	7,643,529	14,006,929	5,099,026	67,322,958	38,520,183	37,073,326	35,253,342
Total Primary Government Net Assets	\$ 214,789,340	\$ 253,865,093	\$ 226,125,649	\$ 225,837,159	\$ 215,942,285	\$ 201,327,718	\$ 202,672,530	\$ 194,951,771	\$ 177,033,958	\$ 170,797,177

CITY OF SAN ANGELO, TEXAS
 CHANGES IN NET POSITION,
 LAST TEN FISCAL YEARS
 (UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Expenses										
Governmental Activities:										
General Government	\$ 14,693,548	\$ 9,351,776	\$ 12,180,551	\$ 10,863,197	\$ 10,965,462	\$ 7,619,436	\$ 6,646,545	\$ 7,373,754	\$ 7,436,815	\$ 5,601,721
Public Safety	40,093,771	37,912,268	36,925,673	36,379,803	33,867,601	37,296,403	33,647,466	30,224,043	28,997,960	28,139,612
Public Works and Transportation	10,151,004	7,271,354	9,379,877	8,123,640	7,863,396	10,034,118	11,465,247	10,379,312	9,201,056	8,490,750
Public Facilities	2,742,085	2,574,982	2,616,279	2,468,554	2,261,854	4,315,945	3,451,101	3,135,275	3,108,835	2,954,406
Health and Human Services	3,222,433	2,989,869	3,033,911	3,288,315	4,112,967	4,202,814	3,811,667	4,289,756	3,452,185	4,246,868
Culture Parks and Recreation	7,147,927	6,513,566	7,619,225	5,999,809	4,534,751	6,016,419	5,495,089	4,738,321	5,804,458	4,697,648
Economic Development	368,283	495,557	1,211,080	3,463,923	4,193,681	4,974,088	2,284,947	2,683,897	1,960,406	2,144,479
Urban Redevelopment and Housing	938,418	970,756	1,552,520	2,163,356	3,084,266	2,491,213	1,079,130	1,338,756	1,412,580	982,640
Interest and Fiscal Charges	2,350,993	2,539,485	840,512	1,878,828	1,371,616	2,110,568	1,650,181	1,202,158	1,043,647	968,699
Total Governmental Activities Expenses	\$ 81,708,462	\$ 70,619,613	\$ 75,359,628	\$ 74,629,425	\$ 72,255,594	\$ 79,061,004	\$ 69,531,373	\$ 65,365,272	\$ 62,417,942	\$ 58,226,823
Business-Type Activities:										
Water	\$ 16,419,239	\$ 16,064,612	\$ 15,711,368	\$ 18,985,682	\$ 15,680,907	\$ 17,863,109	\$ 16,841,412	\$ 15,429,289	\$ 14,502,556	\$ 15,234,350
Sewer	8,170,739	7,268,532	7,564,628	10,742,627	9,732,614	10,820,699	9,238,932	8,545,263	7,306,901	7,927,237
Transit	-0-	-0-	-0-	-0-	-0-	-0-	-0-	105	43,237	1,598,943
Airport	3,813,818	3,783,952	2,938,311	4,171,162	3,665,909	2,824,518	3,881,134	3,070,025	2,187,103	2,256,649
State Office Building	993,803	1,140,737	1,061,772	1,272,338	1,671,974	1,046,448	1,205,244	1,049,568	939,674	1,112,666
Solid Waste	491,075	1,876,321	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Stormwater	1,952,448	2,069,601	1,454,672	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Business-Type Activities Expenses	\$ 31,841,122	\$ 32,203,755	\$ 28,730,751	\$ 35,171,809	\$ 30,751,404	\$ 32,554,774	\$ 31,166,722	\$ 28,094,240	\$ 24,979,471	\$ 28,129,845
Total Primary Government Expenses	\$ 113,549,584	\$ 102,823,368	\$ 104,090,379	\$ 109,801,234	\$ 103,006,998	\$ 111,615,778	\$ 100,698,095	\$ 93,459,512	\$ 87,397,413	\$ 86,356,668
Program Revenues										
Governmental Activities:										
Charges for services:										
General Government	\$ 1,175,801	\$ 1,127,007	\$ 1,255,367	\$ 1,341,469	\$ 1,231,983	\$ 3,261,098	\$ 365,176	\$ 311,837	\$ 423,099	\$ 1,281,685
Public Safety	6,027,415	5,777,959	6,436,072	6,877,504	6,316,188	6,078,350	6,520,317	5,133,992	4,850,220	5,515,520
Public Works and Transportation	1,011,878	971,276	1,081,898	1,156,103	1,061,746	135,534	1,779,392	1,861,205	1,872,751	1,799,980
Public Facilities	591,151	567,979	632,669	676,062	620,884	410,061	673,038	480,933	480,933	658,943
Health and Human Services	793,706	773,866	862,005	921,127	845,948	426,735	363,074	322,506	305,963	381,891
Culture, Parks and Recreation	372,065	357,236	397,923	425,215	390,511	286,462	451,051	347,718	116,981	135,693
Economic Development	238,744	228,843	254,907	272,390	250,159	35,336	-0-	-0-	-0-	-0-
Urban Redevelopment and Housing	17,603	16,898	18,823	20,114	18,472	-0-	-0-	186,105	125,420	110,470
Operating grants and contributions	3,243,424	3,093,348	3,445,662	3,681,990	3,381,480	5,413,539	3,236,474	4,297,830	4,124,169	3,634,351
Capital grants and contributions	279,866	266,916	297,316	317,708	391,777	1,311,784	190,823	259,401	287,822	482,437
Total Governmental Activities Program Revenues	\$ 13,751,653	\$ 13,181,328	\$ 14,682,642	\$ 15,689,682	\$ 14,409,148	\$ 17,358,919	\$ 13,597,862	\$ 13,393,632	\$ 12,587,358	\$ 14,000,970
Business-Type Activities:										
Water	\$ 24,155,233	\$ 25,255,292	\$ 25,539,687	\$ 27,301,830	\$ 23,324,070	\$ 20,818,217	\$ 20,719,288	\$ 19,609,055	\$ 16,292,190	\$ 19,936,227
Sewer	11,062,765	11,169,732	11,282,467	13,435,701	15,033,265	13,585,101	11,721,899	11,555,165	8,880,868	8,309,329
Transit	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,813	145,141
Airport	1,330,236	1,246,710	2,287,792	1,437,400	1,418,125	1,455,673	1,777,390	1,965,685	1,356,901	1,152,339
State Office Building	1,220,429	1,201,085	1,191,289	1,161,119	1,157,281	1,160,080	1,409,987	1,121,358	1,109,857	1,113,215
Solid Waste	1,928,017	7,642,056	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Stormwater	2,545,923	2,665,234	2,588,676	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Operating grants and contributions	-0-	1,984	1,584	1,658	350	4,530	3,700,086	-0-	15,821	1,099,347
Capital grants and contributions	876,929	1,527,019	980,899	1,117,448	1,715,694	4,228,460	-0-	5,344,583	2,188,246	6,623,713
Total Business-Type Activities Program Revenues	\$ 43,119,532	\$ 50,707,128	\$ 43,872,754	\$ 44,455,156	\$ 42,648,785	\$ 41,252,061	\$ 39,328,650	\$ 39,595,846	\$ 29,846,696	\$ 38,379,311
Total Primary Government Program Revenues	\$ 56,871,185	\$ 63,888,456	\$ 58,555,406	\$ 60,144,838	\$ 57,057,933	\$ 58,610,980	\$ 52,926,512	\$ 52,989,478	\$ 42,434,054	\$ 52,380,281
Net (Expense) / Revenue										
Governmental Activities	(\$ 67,956,809)	(\$ 57,438,285)	(\$ 60,676,986)	(\$ 58,939,743)	(\$ 57,846,446)	(\$ 61,702,085)	(\$ 55,933,511)	(\$ 51,971,640)	(\$ 49,830,584)	(\$ 44,225,853)
Business-Type Activities	11,278,410	18,503,373	15,142,013	9,283,347	11,897,381	8,697,287	8,161,928	11,501,606	4,867,225	10,249,466
Total Primary Government Net Expense	(\$ 56,678,399)	(\$ 38,934,912)	(\$ 45,534,973)	(\$ 49,656,396)	(\$ 45,949,065)	(\$ 53,004,798)	(\$ 47,771,583)	(\$ 40,470,034)	(\$ 44,963,359)	(\$ 33,976,387)

(Continued)

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CITY OF SAN ANGELO, TEXAS
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

Table 2

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes	\$ 35,744,952	\$ 35,886,552	\$ 31,726,116	\$ 28,675,344	\$ 28,515,143	\$ 27,818,552	\$ 26,840,692	\$ 25,598,986	\$ 24,376,737	\$ 22,452,503
Sales Taxes	19,253,436	18,948,114	17,257,554	22,633,111	20,200,646	18,757,222	19,638,399	19,425,593	18,575,337	17,265,400
Franchise Taxes	4,472,891	4,362,554	3,934,338	3,885,969	3,841,056	4,947,607	4,988,087	3,769,280	3,821,051	4,611,838
Other Taxes	2,780,823	3,599,661	3,168,436	2,489,412	1,908,202	1,709,757	1,743,442	1,812,447	1,537,181	1,390,669
Penalty, Interest and Fees on Delinquent Taxes	295,222	336,332	372,288	223,844	342,355	321,794	281,677	253,465	277,283	288,251
Unrestricted Grants and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	157,600
Investment Income	446,208	222,538	149,045	264,080	589,133	382,714	1,146,836	1,834,249	2,509,201	2,330,304
Miscellaneous	975,710	1,299,586	1,983,470	677,892	239,334	3,252,130	1,900,396	3,475,404	309,039	158,623
Gain (Loss) on Sale of Capital Assets	-0-	519,315	(3,357)	694,080	(154,962)	162,906	704,084	588,859	713,515	636,209
Transfers	5,825,678	3,775,844	4,197,654	2,299,082	7,389,201	273,971	(1,663,614)	2,358,788	2,391,214	(190,305)
Total Governmental Activities	\$ 69,794,920	\$ 68,950,496	\$ 62,785,544	\$ 61,842,814	\$ 62,870,108	\$ 57,626,653	\$ 55,579,999	\$ 59,117,071	\$ 54,510,558	\$ 49,101,092
Business-Type Activities										
Investment Income	\$ 411,913	\$ 147,684	\$ 118,321	\$ 183,002	\$ 129,765	\$ 249,049	\$ 772,953	\$ 1,498,511	\$ 1,428,905	\$ 1,080,627
Unrestricted Grants and Contributions	-0-	4,225	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Gain (Loss) on Sale of Capital Assets	24,947	157,227	(30,138)	50,245	14,074	53,218	(8,736)	131,053	44,630	1,612
Special Item-Transfer Capital Assets to Concho Valley Transit District	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers	(5,825,678)	(3,775,844)	(4,197,654)	(2,299,082)	(7,389,201)	275,380	1,114,061	(2,358,788)	(2,391,214)	190,305
Total Business-Type Activities	(\$ 5,388,818)	(\$ 3,466,708)	(\$ 4,109,471)	(\$ 2,065,835)	(\$ 7,245,372)	\$ 577,647	\$ 1,878,278	(\$ 729,224)	(\$ 917,679)	\$ 249,543
Total Primary Government	\$ 64,406,102	\$ 65,483,788	\$ 58,676,073	\$ 59,776,979	\$ 55,624,736	\$ 58,204,300	\$ 57,458,277	\$ 58,387,847	\$ 53,592,879	\$ 49,350,635
Change in Net Position										
Governmental Activities	\$ 1,838,111	\$ 11,512,211	\$ 2,108,558	\$ 2,903,071	\$ 5,023,662	(\$ 4,075,432)	(\$ 353,512)	\$ 7,145,431	\$ 4,679,974	\$ 4,875,239
Business-Type Activities	5,889,592	15,036,665	11,032,542	7,217,512	4,652,009	9,274,934	10,040,206	10,772,382	3,949,546	10,499,009
Total Primary Government	\$ 7,727,703	\$ 26,548,876	\$ 13,141,100	\$ 10,120,583	\$ 9,675,671	\$ 5,199,502	\$ 9,686,694	\$ 17,917,813	\$ 8,629,520	\$ 15,374,248

(Continued)

CITY OF SAN ANGELO, TEXAS
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
General Fund:										
Nonspendable	\$ 23,407	\$ 18,724	\$ 18,724	\$ -0-	\$ -0-	\$ -0-	\$ 483,839	\$ 370,128	\$ 516,000	\$ 94,868
Restricted	-0-	-0-	-0-	-0-	554,938	-0-	-0-	-0-	-0-	-0-
Committed	-0-	-0-	375,219	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned	35,932,736	30,347,858	21,450,995	15,552,359	12,055,562	5,936,110	6,773,819	9,387,096	9,681,083	11,542,429
Total General Fund	\$ 35,956,143	\$ 30,366,582	\$ 21,844,938	\$ 15,552,359	\$ 12,610,500	\$ 5,936,110	\$ 7,257,658	\$ 9,757,224	\$ 10,197,083	\$ 11,637,297
Other Governmental Funds:										
Nonspendable	\$ 12,747,748	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,845,080	\$ 10,362,082	\$ 9,888,063	\$ 9,290,055	\$ 13,668,562
Restricted	3,500,930	14,754,510	13,112,031	12,580,265	11,967,745	-0-	-0-	-0-	-0-	-0-
Committed	20,976,023	214,544	195,544	195,409	274,426	-0-	-0-	-0-	-0-	-0-
Assigned	-0-	2,174,422	1,383,199	701,355	501,489	-0-	-0-	-0-	-0-	-0-
Unassigned, reported in:										
Special revenue funds	-0-	857,949	(386,968)	(102,430)	-0-	757,627	432,407	172,308	(334,867)	19,423
Capital projects funds	-0-	4,312,945	5,953,205	9,690,599	19,926,627	19,140,068	24,851,206	19,199,055	21,678,764	18,882,629
Permanent Funds	-0-	-0-	-0-	-0-	-0-	8,030	629,266	844,703	677,989	407,026
Total Other Governmental Funds	\$ 37,224,701	\$ 22,314,370	\$ 20,257,011	\$ 23,065,198	\$ 32,670,287	\$ 30,750,805	\$ 36,274,961	\$ 30,104,129	\$ 31,311,941	\$ 32,977,640
Total All Governmental Funds	\$ 73,180,844	\$ 52,680,952	\$ 42,101,949	\$ 38,617,557	\$ 45,280,787	\$ 36,686,915	\$ 43,532,619	\$ 39,861,353	\$ 41,509,024	\$ 44,614,937

CITY OF SAN ANGELO, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Revenues										
Taxes	\$ 62,509,576	\$ 63,784,662	\$ 56,905,030	\$ 58,034,537	\$ 54,701,851	\$ 53,360,648	\$ 53,174,028	\$ 50,739,596	\$ 48,540,214	\$ 46,006,542
Licenses and Permits	826,482	916,819	806,257	787,612	788,344	749,994	956,430	824,044	837,712	854,997
Intergovernmental	2,484,974	2,247,654	3,015,193	3,495,356	4,935,935	5,802,593	2,879,754	3,745,158	3,312,779	3,363,906
Charges for Services	6,609,817	6,233,192	7,522,933	7,964,663	6,587,116	6,507,228	6,259,958	4,795,470	4,109,843	5,952,894
Fines and Forfeits	2,995,256	3,209,901	2,813,772	2,994,371	3,360,423	3,376,374	2,795,338	2,963,407	3,037,725	2,913,149
Investment Income	424,050	211,041	135,729	247,146	571,502	355,807	1,082,591	1,704,198	2,264,004	2,099,118
Other Revenues	1,884,996	1,873,348	2,989,974	1,321,283	1,064,749	3,761,586	2,654,253	2,333,272	1,501,820	1,141,105
Total revenues	\$ 77,735,151	\$ 78,476,617	\$ 74,188,888	\$ 74,844,968	\$ 72,009,920	\$ 73,914,230	\$ 69,802,352	\$ 67,105,145	\$ 63,604,097	\$ 62,331,711
Expenditures										
General Government	\$ 10,011,264	\$ 9,477,008	\$ 9,366,929	\$ 9,870,672	\$ 9,213,186	\$ 6,980,931	\$ 7,262,219	\$ 7,281,505	\$ 5,831,349	\$ 5,553,170
Public Safety	36,350,918	35,320,291	34,062,079	33,814,811	32,602,167	32,343,040	31,163,741	28,830,029	27,409,244	26,321,618
Public Works and Transportation	9,540,184	6,913,690	8,767,928	7,610,698	7,424,858	9,401,330	10,743,236	9,002,408	8,366,998	7,607,085
Public Facilities	914,595	1,013,884	889,044	674,273	676,047	2,294,330	2,357,480	2,150,597	2,009,509	2,011,007
Health and Human Services	3,009,616	2,848,160	2,842,001	3,120,047	3,931,698	3,815,320	3,659,902	4,211,926	3,318,347	4,134,531
Culture, Parks and Recreation	5,414,918	5,311,249	6,292,490	4,748,136	3,902,147	4,737,786	4,699,118	4,387,184	4,978,438	4,086,890
Economic Development	368,283	495,557	747,629	3,417,503	4,158,511	4,936,385	2,269,164	2,683,061	1,514,009	3,782,835
Urban Redevelopment and Housing	913,145	932,510	1,498,100	2,249,530	3,003,707	2,462,664	1,025,893	1,479,027	1,398,735	997,952
Capital Outlay	5,738,482	4,217,544	5,795,660	17,642,496	15,097,659	9,112,226	9,180,567	14,770,926	8,238,495	8,161,995
Debt service:										
Principal	2,292,000	2,862,000	9,401,601	3,370,218	2,679,000	3,616,500	5,655,000	3,340,000	4,545,000	4,654,000
Interest and fees	2,138,538	2,159,487	2,133,148	2,314,013	2,211,093	2,155,932	1,876,287	1,491,273	1,217,998	1,099,944
Total expenditures	\$ 76,691,943	\$ 71,551,380	\$ 81,796,609	\$ 88,832,397	\$ 84,900,073	\$ 81,856,444	\$ 79,892,607	\$ 79,627,936	\$ 68,828,122	\$ 68,411,027
Excess revenues over (under) expenditures	\$ 1,043,208	\$ 6,925,237	\$ 7,607,721	\$ 13,987,429	\$ 12,890,153	\$ 7,942,214	\$ 10,090,255	\$ 12,522,791	\$ 5,224,025	\$ 6,079,316
Other financing sources (uses)										
Transfers In	\$ 6,638,763	\$ 4,488,533	\$ 4,703,287	\$ 12,269,292	\$ 11,474,122	\$ 3,657,344	\$ 2,774,951	\$ 4,736,320	\$ 6,954,595	\$ 6,079,617
Debt Issue Proceeds	13,641,008	-0-	6,472,462	-0-	13,780,000	-0-	16,705,000	10,122,204	9,699,820	20,177,444
Capitalized Leases	-0-	-0-	-0-	-0-	-0-	(184,620)	-0-	563,110	-0-	-0-
Sale of Capital Assets	752,083	552,491	754,582	845,727	870,727	226,361	704,084	717,043	769,836	690,884
Transfers Out	(813,085)	(896,391)	(505,633)	(9,270,210)	(4,084,921)	(3,218,086)	(4,710,195)	(3,048,240)	(5,212,196)	(4,976,902)
Total other financing sources (uses)	\$ 20,218,769	\$ 4,144,633	\$ 11,424,698	\$ 3,144,809	\$ 22,039,928	\$ 480,999	\$ 15,473,840	\$ 13,190,437	\$ 12,212,055	\$ 21,971,043
Restatement of beginning fund balance	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Net change in fund balances	\$ 21,261,977	\$ 11,069,870	\$ 3,816,977	\$ 10,842,620	\$ 9,149,775	\$ 7,461,215	\$ 5,383,585	\$ 667,646	\$ 6,988,030	\$ 15,891,727
Debt service as a percentage of noncapital expenditures	6.4%	7.9%	15.2%	8.1%	7.1%	7.8%	10.8%	7.3%	9.4%	9.6%

CITY OF SAN ANGELO, TEXAS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS;
 (UNAUDITED)

Table 5

Fiscal Year	Tax Year	Actual Value					Less: Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate
		Residential Property	Commercial Property	Industrial Property	Personal Property	Total			
2005-06	2005	1,928,569,190	598,462,199	34,610,000	532,588,016	3,094,229,405	468,965,229	2,625,264,176	0.85500
2006-07	2006	2,153,077,096	637,153,512	34,613,450	557,811,547	3,382,655,605	517,486,090	2,865,169,515	0.85000
2007-08	2007	2,286,082,615	694,262,321	34,930,650	549,218,014	3,564,493,600	534,674,610	3,029,818,990	0.84000
2008-09	2008	2,502,263,186	708,020,201	30,210,850	585,056,734	3,825,550,971	490,009,599	3,335,541,372	0.82750
2009-10	2009	2,759,315,091	724,790,790	29,811,000	589,244,647	4,103,161,528	582,142,000	3,521,019,528	0.81750
2010-11	2010	2,843,511,067	704,939,433	30,058,400	584,247,824	4,162,756,724	561,216,519	3,601,540,205	0.81750
2011-12	2011	2,982,354,709	710,198,077	29,633,750	623,792,545	4,345,979,081	584,870,033	3,761,109,048	0.78600
2012-13	2012	3,126,836,948	635,385,879	33,506,700	642,047,015	4,437,776,542	692,309,826	3,745,466,716	0.78100
2013-14	2013	3,157,788,596	662,174,170	31,250,910	704,088,330	4,555,302,006	678,705,787	3,876,596,219	0.77600
2014-15	2014	3,557,375,484	724,622,860	32,217,560	762,652,660	5,076,868,564	844,657,199	4,232,211,365	0.77600

Source: Tom Green County Appraisal District

Table 6

CITY OF SAN ANGELO, TEXAS
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	City's Direct Tax Rates (Per \$100 of Assessed Value)			Overlapping Rates *	
	General Fund	Debt Service Fund	Total	Tom Green County	San Angelo School District
2005-06	0.76300	0.09200	0.85500	0.52285	1.57200
2006-07	0.75000	0.10000	0.85000	0.52285	1.44000
2007-08	0.74000	0.10000	0.84000	0.52582	1.11000
2008-09	0.73000	0.09750	0.82750	0.52582	1.11000
2009-10	0.72000	0.09750	0.81750	0.52500	1.35250
2010-11	0.73750	0.08000	0.81750	0.52500	1.31250
2011-12	0.70600	0.08000	0.78600	0.52500	1.28000
2012-13	0.70100	0.08000	0.78100	0.52500	1.26000
2013-14	0.69600	0.08000	0.77600	0.52500	1.26000
2014-15	0.69600	0.08000	0.77600	0.51500	1.24000

* Includes rates for maintenance & operations and debt service.

Source: Tom Green County Appraisal District.

Table 7

CITY OF SAN ANGELO, TEXAS
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)

Taxpayer	Type of Business	Fiscal Year 2014-15			Fiscal Year 2005-06		
		Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value
Ethicon, Inc.	Manufacturing	\$ 62,744,599	1	1.48%	\$ 43,016,550	1	1.64%
Walmart, Inc.	Retail	51,476,330	2	1.22%	26,301,629	5	1.00%
Hirshfeld Steel Company Inc.	Manufacturing	41,644,780	3	0.98%			
AEP Texas North	Utility	35,939,320	4	0.85%	38,263,500	3	1.46%
Nabors Well Service	Petroleum	34,650,400	5	0.82%			
San Angelo Community Medical Center	Medical	31,329,360	6	0.74%	37,749,360	4	1.44%
Verizon Southwest	Communications	22,138,070	7	0.52%	40,831,876	2	1.56%
Sunset Mall SPE LP	Real Estate	19,596,040	8	0.46%	16,584,580	6	0.63%
C T Cube	Communications	17,821,000	9	0.42%			
Alexander Costruction	Real Estate	16,546,220	10	0.39%			
Shannon Medical Center	Hospital				14,208,794	7	0.54%
Lowes	Retail				13,013,178	8	0.50%
Cox Communications	Cable TV				13,070,214	9	0.50%
Town & Country	Convenience Stores				11,705,061	10	0.45%
		<u>\$ 333,886,119</u>		<u>7.88%</u>	<u>\$ 254,744,742</u>		<u>9.72%</u>
	Total Assessed Value	<u>\$ 4,232,211,365</u>			<u>\$ 2,625,264,176</u>		

Table 8

CITY OF SAN ANGELO, 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 Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2005-06	22,446,045	21,963,206	97.85%	357,651	22,320,857	99.44%
2006-07	24,353,960	23,872,659	98.02%	363,576	24,236,235	99.52%
2007-08	25,450,480	24,896,126	97.82%	392,691	25,288,817	99.36%
2008-09	26,714,703	25,928,360	97.06%	555,708	26,484,068	99.14%
2009-10	27,789,598	26,871,734	96.70%	502,131	27,373,865	98.50%
2010-11	28,319,334	27,606,888	97.48%	411,298	28,018,186	98.94%
2011-12	28,356,670	27,881,820	98.33%	211,413	28,093,233	99.07%
2012-13	29,278,418	28,570,061	97.58%	515,007	29,085,068	99.34%
2013-14	30,082,389	29,583,219	98.34%	504,512	30,087,731	100.02% **
2014-15	32,771,396	32,290,409	98.53%	415,937	32,706,346	99.80% **

Source: Tom Green County Appraisal District.

** Penalty & Interest Not Included

Table 9

CITY OF SAN ANGELO, TEXAS
 DIRECT and OVERLAPPING SALES TAX RATES
 LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City Direct Rate	Tom Green County	State of Texas
2005-06	1.50%	0.50%	6.25%
2006-07	1.50%	0.50%	6.25%
2007-08	1.50%	0.50%	6.25%
2008-09	1.50%	0.50%	6.25%
2009-10	1.50%	0.50%	6.25%
2010-11	1.50%	0.50%	6.25%
2011-12	1.50%	0.50%	6.25%
2012-13	1.50%	0.50%	6.25%
2013-14	1.50%	0.50%	6.25%
2014-15	1.50%	0.50%	6.25%

Source: State of Texas Comptroller

Table 10

CITY OF SAN ANGELO, TEXAS
SALES TAX REVENUE BY INDUSTRY
CURRENT YEAR AND FIVE YEARS AGO

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Agriculture, Forestry, Fishing, and Hunting	\$ 46,385	\$ 37,568	\$ 36,839	\$ 19,527	\$ 12,334	\$ 12,470	\$ 12,772	\$ 12,016	\$ 10,278	\$ 11,358
Mining, Oil, and Gas	767,728	429,088	402,265	280,351	233,512	136,976	337,716	224,846	158,033	64,920
Utilities	87,880	53,777	41,687	35,275	25,453	27,833	6,164	21,356	0	0
Construction	522,345	450,768	436,994	386,899	347,833	425,429	623,753	449,448	411,212	340,492
Manufacturing	1,333,468	944,269	710,688	455,474	410,242	377,766	455,053	515,534	531,954	305,994
Wholesale Trade	1,735,430	1,219,857	1,075,020	855,832	710,629	689,171	852,549	779,932	902,534	726,514
Retail Trade	12,253,082	11,640,218	10,869,678	9,905,872	9,427,001	9,360,450	9,865,920	9,417,233	8,594,013	7,931,805
Transportation and Warehousing	102,107	91,993	83,802	71,069	45,011	7,083	9,104	7,635	7,935	6,057
Information	1,167,114	1,035,657	949,969	878,883	851,731	808,930	812,000	725,070	738,449	766,685
Finance and Insurance	41,043	35,754	34,687	35,805	31,064	29,879	32,023	25,338	25,877	22,620
Real Estate, Rental, and Leasing	528,890	392,044	422,161	273,286	188,169	161,881	209,195	221,773	187,237	185,078
Professional, Scientific, and Technical	300,996	190,827	181,968	142,006	231,099	149,079	193,466	161,776	181,196	200,206
Admin. Support and Waste Management	517,954	456,665	397,017	403,471	377,877	404,636	419,696	422,147	387,224	322,305
Educational Services	3,838	3,704	4,567	3,820	3,671	4,230	6,032	6,844	6,960	6,218
Health Care Social Assistance	77,685	83,371	79,529	71,754	78,101	62,061	64,850	92,038	78,460	71,559
Arts, Entertainment, and Recreation	170,099	162,358	157,981	139,611	134,153	139,107	142,694	132,267	120,400	115,436
Accommodation and Food Service	3,195,109	2,911,178	2,708,992	2,446,771	2,280,349	2,209,333	2,212,483	2,075,792	1,927,279	1,783,410
Other Services	899,882	784,784	708,350	631,693	535,614	533,677	560,704	481,069	460,940	476,631
TAX LIABILITY	\$ 23,751,035	\$ 20,923,880	\$ 19,302,193	\$ 17,037,398	\$ 15,923,844	\$ 15,539,990	\$ 16,816,173	\$ 15,772,114	\$ 14,729,981	\$ 13,337,288

Source: State of Texas Comptroller

Note: Calendar year 2014 is the most current year available.

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

Table 11

Fiscal Year	Governmental Activities					Business-type Activities				Total Primary Government	Percent of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Obligation		Notes Payable	Capital Leases	Water and Sewer Revenue Bonds	General Obligation Debt	Notes Payable	Capital Leases			
		Ad Valorem Tax Supported	Sales Tax Supported									
2005-06	3,390,000	4,505,000	17,355,000	-0-	-0-	32,820,000	23,360,000	-0-	-0-	81,430,000	3.09%	925
2006-07	2,965,000	12,215,000	14,995,000	-0-	-0-	19,605,000	50,830,000	-0-	-0-	100,610,000	3.59%	1,139
2007-08	2,520,000	10,170,000	24,290,000	-0-	663,110	18,110,000	49,260,000	-0-	-0-	105,013,110	3.50%	1,161
2008-09	2,080,329	22,615,000	23,310,000	-0-	507,996	16,545,000	47,524,671	-0-	-0-	112,582,996	3.68%	1,225
2009-10	1,595,592	20,355,000	22,300,000	-0-	345,980	14,915,000	45,649,408	-0-	-0-	105,160,980	3.06%	1,141
2010-11	1,085,608	17,310,000	29,375,000	2,035,000	-0-	-0-	50,945,000	120,496,936	-0-	231,660,000	6.58%	2,486
2011-12	555,428	15,930,000	28,065,000	1,928,000	-0-	-0-	47,125,000	114,647,114	-0-	218,425,001	4.79%	2,330
2012-13	5,895,000	14,450,000	26,710,000	1,821,000	-0-	-0-	48,565,000	108,877,820	-0-	210,755,000	4.62%	2,198
2013-14	5,820,000	13,175,000	25,305,000	1,714,000	-0-	-0-	44,900,000	103,152,899	-0-	192,000,000	3.97%	1,969
2014-15	19,000,000	12,530,000	23,845,000	1,607,000	-0-	-0-	40,145,000	97,390,827	-0-	194,517,827	3.89%	1,965

Notes: Details of the City's outstanding debt are in the notes to the financial statements.

a. See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

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

Table 12

Fiscal Year	Ad Valorem Tax Supported		Other General Obligation Debt					
	Net General Bonded Debt	Percent of Actual Value of Taxable Property	Per Capita	Sales Tax Supported	Business-type Activities Revenue Supported	Total General Obligation Debt	Percent of Actual Value of Taxable Property	Per Capita
2005-06	7,895,000	0.26%	89.70	17,355,000	23,360,000	48,610,000	1.57%	552.30
2006-07	15,180,000	0.45%	171.91	14,995,000	50,830,000	81,005,000	2.39%	917.38
2007-08	12,690,000	0.36%	140.25	24,290,000	49,260,000	86,240,000	2.42%	953.11
2008-09	24,695,329	0.65%	268.78	23,310,000	47,524,671	95,530,000	2.50%	1,039.73
2009-10	21,950,592	0.53%	238.21	22,300,000	45,649,408	89,900,000	2.19%	975.59
2010-11	18,395,608	0.48%	213.63	29,375,000	50,945,000	98,715,608	5.57%	1,059.18
2011-12	16,485,428	0.41%	189.05	28,065,000	47,125,000	91,675,428	5.03%	977.78
2012-13	20,345,000	0.48%	222.08	26,710,000	48,565,000	95,620,000	4.75%	997.22
2013-14	18,995,000	0.42%	194.84	25,305,000	44,900,000	89,200,000	1.96%	914.95
2014-15	31,530,000	0.62%	318.57	23,845,000	40,145,000	95,520,000	1.88%	965.09

CITY OF SAN ANGELO, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2015
(UNAUDITED)

Governmental Unit	Debt Outstanding	As of	Estimated Percentage Applicable a	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes				
San Angelo Independent School District	\$ 115,129,982	9/30/2015	100.00%	\$ 115,129,982
Tom Green County	2,780,000	9/30/2015	82.02%	2,280,156
Grape Creek Independent School District	3,500,000	9/30/2015	0.24%	8,400
Subtotal Overlapping Debt				\$ 117,418,538
City of San Angelo Direct Debt				b 55,375,000
Total Direct & Overlapping Debt				\$ 172,793,538

Sources: Taxable value used to estimate applicable percentages provided by Tom Green County Appraisal District. Outstanding debt data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This table estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City'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.

a The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each unit's taxable value.

b See Table 11 for details of the City's direct governmental activities debt.

Table 14

CITY OF SAN ANGELO, TEXAS
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS,
 (UNAUDITED)

Fiscal Year	Water and Sewer Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2005-06	29,657,408	17,636,758	12,020,650	1,490,000	1,735,362	3.73
2006-07	27,442,047	18,341,620	9,100,427	1,565,000	1,359,424	3.11
2007-08	33,679,319	19,516,252	14,163,067	1,495,000	982,416	5.72
2008-09	34,524,952	17,440,985	17,083,967	1,565,000	910,617	6.90
2009-10	37,806,196	23,878,347	13,927,849	1,630,000	835,431	5.65
2010-11	n/a	n/a	n/a	n/a	n/a	n/a
2011-12	n/a	n/a	n/a	n/a	n/a	n/a
2012-13	n/a	n/a	n/a	n/a	n/a	n/a
2013-14	n/a	n/a	n/a	n/a	n/a	n/a
2014-15	n/a	n/a	n/a	n/a	n/a	n/a

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

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
	a	b	b	c
2005	88,014	2,532,778,878	28,777	4.3%
2006	88,300	2,639,198,700	29,889	4.2%
2007	90,483	2,803,434,789	30,983	3.7%
2008	91,880	2,997,768,760	32,627	4.0%
2009	92,149	3,062,019,121	33,229	6.2%
2010	93,200	3,432,742,400	36,832	6.5%
2011	93,759	3,518,962,788	37,532	6.4%
2012	95,887	4,560,951,000	39,711	5.3%
2013	97,492	4,839,215,000	41,515	5.1%
2014	98,975	5,006,724,000	42,365	4.2%

Sources: a U.S. Census Bureau.

b U.S. Department of Commerce, Bureau of Economic Analysis for the San Angelo Metropolitan Statistical Area

c San Angelo Chamber of Commerce.

Table 16

CITY OF SAN ANGELO, TEXAS
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND FIVE YEARS AGO
(UNAUDITED)

Employer	Fiscal Year 2014-15			Fiscal Year 2005-06		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Goodfellow Air Force Base	5,127	1	11.74%	5,835	1	13.86%
Shannon Health System	2,712	2	6.21%	2,142	2	5.09%
San Angelo Independent School District	1,973	3	4.52%	2,013	3	4.78%
Angelo State University	1,625	4	3.72%	1,350	5	3.21%
City of San Angelo	936	5	2.14%	927	8	2.20%
San Angelo State Supported Living Center	950	6	2.18%			0.00%
San Angelo Community Medical Center	720	7	1.65%	715	9	1.70%
SITEL, Inc.	602	8	1.38%	1,200	6	2.85%
Tom Green County	514	9	1.18%	674	10	1.60%
Ethicon (Johnson & Johnson)	510	10	1.17%	1,015	7	2.41%
Verizon			0.00%	1,400	4	3.33%
	<u>15,669</u>		<u>35.89%</u>	<u>17,271</u>		<u>41.03%</u>
Total San Angelo Employment	<u>43,668</u>			<u>42,104</u>		

Sources: San Angelo Chamber of Commerce
Texas Workforce Commission

CITY OF SAN ANGELO, TEXAS
 FULL-TIME EQUIVALENT CITY EMPLOYEES by DEPARTMENT
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Full-time-Equivalent Employees										
General Government										
City Manager	5.0	5.0	4.0	4.0	4.0	7.0	7.0	6.0	5.0	4.0
Legal, City Clerk	7.0	9.0	9.0	8.0	8.0	9.0	10.0	10.0	9.3	9.3
Real Estate	2.0	-	-	-	-	-	-	-	-	-
Public Information	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Development Corporation	3.0	3.0	2.0	2.0	2.0	-	-	-	-	-
Human Resources	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
Building Maintenance	7.0	7.0	6.0	6.0	3.0	2.0	2.0	2.0	2.0	2.0
Construction Management	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Emergency Management	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
City Health Insurance	1.0	1.0	1.0	1.0	6.0	10.0	10.0	11.0	9.0	3.0
Risk Management	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	5.0	6.0
Administration										
Finance, Accounting	12.0	12.0	13.0	13.0	12.0	14.0	13.0	12.0	12.0	12.0
Information Services	5.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Communications	3.0	3.0	3.0	3.0	3.0	3.0	2.0	-	-	-
Purchasing	2.0	2.0	2.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0
Municipal Court	34.0	33.0	33.0	34.0	32.0	36.0	35.5	35.5	34.0	33.0
Water Billing and Receipts	8.0	8.0	8.0	8.0	8.0	20.5	20.5	20.5	21.5	20.5
Vehicle Maintenance	18.0	17.0	17.0	19.0	19.0	19.0	19.0	20.0	21.0	21.0
Public Safety										
Police	199.0	199.0	197.0	199.0	191.0	196.0	195.0	194.0	193.0	201.0
Public Safety Communications	25.0	25.0	25.0	25.0	25.0	26.0	26.0	26.0	26.0	26.0
Fire / Ambulance	169.0	169.0	169.0	169.0	169.0	169.0	169.0	168.0	159.0	154.0
Fire Prevention	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.5	6.5	6.5
Community Development / Planning										
Planning	11.0	13.0	12.0	12.0	12.0	13.0	13.0	11.0	10.0	10.0
Engineering	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	-	-
Permits and Inspection	13.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Code Compliance	7.0	9.0	7.0	7.0	7.0	7.0	7.0	5.0	5.0	-
911 Addressing	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Transit	-	-	-	-	-	-	-	-	-	30.0
Neighborhood & Family Services	4.0	5.0	6.0	6.0	6.0	6.0	6.0	8.0	9.0	8.0
Public Works										
Operations	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	11.0	10.0
Traffic / Signal	11.0	11.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	13.0
Street and Bridge	27.0	27.0	27.0	27.0	27.0	46.0	46.0	42.0	42.0	42.0
Airport	13.0	14.0	14.0	14.5	14.5	13.0	13.0	14.0	13.0	14.0
Water	113.0	112.0	113.0	114.0	116.0	108.0	105.0	103.0	98.3	94.3
Sewer	38.0	38.0	38.0	38.0	38.0	38.0	38.0	37.0	33.0	33.0
Storm Water	22.0	21.0	24.0	24.0	21.0	-	-	-	-	-
Health and Social Services										
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
Animal Control	12.0	12.0	12.0	12.0	16.0	16.0	16.0	14.0	12.0	12.0
Nursing/Immunization	3.0	3.0	4.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
Environmental Health	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	10.0	10.0
BRLHO	-	-	-	-	-	-	-	-	7.5	7.5
Bioterrorism	-	-	-	1.0	1.0	1.0	1.0	1.0	1.2	1.2
Pharmacy	-	-	-	-	-	-	-	-	-	2.0
WIC	15.0	17.0	14.0	18.0	18.0	18.0	18.0	20.5	13.3	14.5
Social Services	-	-	-	-	-	6.0	6.0	6.0	7.0	6.0
Parks and Recreation										
Parks	46.0	46.0	47.0	47.0	52.0	53.7	57.7	49.8	44.0	36.0
Texas Bank Sports Complex	9.0	9.0	10.0	9.0	7.0	-	-	-	-	-
Recreation	7.0	7.0	7.0	10.0	9.0	13.0	12.0	13.0	23.3	18.5
Nutrition	5.0	5.0	4.0	4.7	4.7	4.7	4.7	4.7	7.0	7.0
Golf Course	-	-	-	-	-	3.5	3.5	3.5	3.5	3.5
Civic Events	12.0	12.0	12.0	12.0	13.0	13.0	13.0	13.0	13.0	10.0
Fort Concho	14.0	14.0	13.0	13.0	13.0	14.0	14.0	14.7	13.3	13.3
Fairmount Cemetery	6.0	6.0	6.0	6.0	7.0	7.0	9.5	9.5	10.0	8.3
State Office Building	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total Full-time-Equivalents	926.5	930.5	928.5	943.7	941.7	969.9	968.9	952.7	941.2	939.9

Source: City of San Angelo Operating Budget

*Real Estate was previously reported under the Legal, City Clerk

CITY OF SAN ANGELO, TEXAS
OPERATING INDICATORS by FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION / PROGRAM	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
General Government										
Building Permits Issued	7,256	8,219	8,036	8,129	8,430	7,800	8,524	9,022	7,908	7,778
Health and Human Services										
Animals Registered	9,552	9,581 *	1,352	600	992	1,494	1,067	1,100	1,077	1,070
Police										
Number of Arrests	5,755	6,458	6,367	6,213	6,741	8,127	7,725	9,327	9,863	7,037
Calls for Service	97,233	102,966	98,076	89,198	89,876	101,003	106,004	98,472	100,931	75,041
Fire / Ambulance										
Fire responses	7,454	8,694	6,766	6,280	6,494	6,632	6,228	6,177	6,073	6,544
Ambulance Responses	12,224	12,543	12,070	11,658	11,325	10,571	10,135	9,791	9,784	9,156
Fire Marshall Inspections	2,759	3,110	2,807	3,750	4,142	3,730	3,110	2,775	2,175	2,275
Municipal Court										
Parking Violations	1,630	1,782	1,859	1,800	2,377	2,371	2,133	4,264	3,665	2,716
Traffic Cases	20,078	23,688	20,731	22,872	22,319	23,548	21,947	24,274	26,557	28,884
Criminal Cases	4,803	6,124	7,485	7,961	10,321	9,206	11,893	13,095	14,228	17,586
Water										
Number of Customers	36,269	35,373	34,175	32,845	31,885	31,721	31,618	31,381	31,449	31,361
Average Daily Consumption (millions of gallons)	8.81	9.15	9.84	11.28	14.00	13.93	13.47	11.22	12.89	12.98
Sewer										
Average Daily Treatment (millions of gallons)	8.55	8.20	7.94	8.46	8.35	8.22	9.08	8.44	9.04	9.24
Number of connections	33,656	31,113	30,880	30,342	29,473	28,920	28,883	30,910	30,812	30,501
Parks, Recreation and Nutrition										
Number of Acres Maintained	695	695	695	695	723	616	595	560	560	560
Number of Meals Served	30,696	33,709	36,945	38,873	43,061	47,316	44,478	45,631	45,137	44,500
Coliseum, Auditorium, Convention Center										
Number of Events-Coliseum	128	141	124	134	132	84	84	90	77	75
Number of Events-Auditorium	0	0	0	0	0	0	68	43	37	37
Number of Events-Convention Center	602	449	546	448	476	590	351	381	260	261

Source: City of San Angelo Operating Budget

*Began reporting City Wide registrations in 2014 vs Animal Shelter only registrations

Table 19

CITY OF SAN ANGELO, TEXAS
CAPITAL ASSET STATISTICS by FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION / PROGRAM	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
<u>Number of Fire Stations</u>	8	8	8	8	8	8	8	8	8	8
<u>Public Works</u>										
Miles of Streets	1160	1149 *	707	539	533	530	526	525	523	521
Miles of Alleys	288	287	283	205	205	203	203	202	202	191
Number of Street Lights	5446 **	7212	7194	7214	7119	6882	n/a	n/a	n/a	n/a
<u>Water</u>										
Miles of Water Mains	756	754	750	672	656	655	653	651	643	638
Number of Fire Hydrants	3036	3030	2965	2933	2713	2703	2698	2651	2633	2617
<u>Sewer</u>										
Miles of Storm Sewers	15.91	13.02	13.02	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Miles of Sanitary Sewers	484	484	481	471	457	456	456	454	451	451
<u>Parks</u>										
Number of Acres	695	695	695	695	723	616	595	560	560	560
Number of Playgrounds	30	30	30	26	37	29	29	27	27	27
Number of Tennis Courts	18	18	18	20	20	20	20	20	20	20
Number of Recreation Centers	5	5	5	5	5	5	5	5	5	5
Number of Sports Complexes	5	5	5	5	5	5	5	5	5	5

*Began reporting lane miles in 2014 vs standard miles

** Began reporting only street lights that are owned by the City in 2015