

# CITY OF GRAND PRAIRIE, TEXAS

# Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2018



*EpicCentral is the City of Grand Prairie's 172-acre park site located off State Highway 161. Reflecting innovation and community investment, EpicCentral is home to Epic Waters Indoor Waterpark (pictured center), The Summit recreation center for adults ages 50+, Grand Prairie Public Safety Building, The Epic "reimagined recreation center" for all ages (under construction, pictured right), and future home of Playgrand Adventures all-inclusive playground. Amenities include five lakes, a grand lawn, boardwalk, and pad sites for future retail opportunities.*

**Grand Prairie**  
— T E X A S —



# City Of Grand Prairie, Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended

September 30, 2018

Prepared By the Finance Department



Ron Jensen  
Mayor

Tom Hart  
City Manager

Diana G. Ortiz, RTA, CGFO  
Chief Financial Officer



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended September 30, 2018  
 Table of Contents

	Page
<b>I. Introductory Section (Unaudited)</b>	
Letter of Transmittal	vii
Certificate of Achievement	xiii
Mayor and City Council Members	xiv
Directory of City Officials	xv
Organizational Chart	xvi
City of Grand Prairie Area Map	xvii
<b>II. Financial Section</b>	
Independent Auditor's Report	3
<b>A. Management's Discussion and Analysis (Unaudited)</b>	9
<b>B. Basic Financial Statements</b>	21
Government-Wide Financial Statements	
Statement of Net Position	23
Statement of Activities	24
Governmental Funds Financial Statements	
Balance Sheet	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	38
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Proprietary Funds Financial Statements	
Statement of Net Position - Proprietary Funds	33
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	34
Statement of Cash Flows - Proprietary Funds	35
Notes to the Basic Financial Statements	39

**City of Grand Prairie, Texas**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended September 30, 2018  
 Table of Contents – Continued

<b>C. Required Supplementary Information</b>	91
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget to Actual - General Fund	92
Budget to Actual - Section 8 Fund	93
Schedule of Changes In Postemployment Benefits -	
Retiree Health Plan	94
Schedule of Changes In Postemployment Benefits -	
Texas Municipal Retirement System	95
Schedule of Contributions – Texas Municipal Retirement System	96
Schedule of Changes in Net Pension Liability and Related Ratios -	
Texas Municipal Retirement System	97
Notes to the Required Supplementary Information	98
<b>D. Other Supplementary Information</b>	99
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget to Actual - Debt Service Fund	101
<b>Combining Financial Statements - Nonmajor Governmental Funds</b>	
Combining Balance Sheets - Nonmajor Governmental Funds	103
Combining Statements of Revenues, Expenditures, and	
Changes in Fund Balances - Nonmajor Governmental Funds	110
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget to Actual - Park Venue Sales Tax Fund	112
Budget to Actual - Streets Sales Tax Fund	113
Budget to Actual - Crime Sales Tax Fund	114
Budget to Actual - Epic Center Sales Tax Fund	115
Budget to Actual - Hotel/Motel Sales Tax Fund	116
Budget to Actual - Municipal Court Funds	117
Budget to Actual - Cable Operations Fund	118
Budget to Actual - Red Light Safety Fund	119
Budget to Actual - Lake Parks Fund	120
Budget to Actual - Cemetery Fund	121
Budget to Actual - Juvenile Case Manager Fund	122
Budget to Actual - Truancy Prevention and Diversion Fund	123
Budget to Actual - Judicial Efficiency Fund	124
<b>Combining Financial Statements - Nonmajor Enterprise Funds</b>	126
Combining Statements of Net Position - Nonmajor Enterprise Funds	127
Combining Statements of Revenues, Expenses, and Changes in Net Position -	
Nonmajor Enterprise Funds	128
Combining Statements of Cash Flows - Nonmajor Enterprise Funds	129
<b>Combining Financial Statements - Internal Service Funds</b>	130
Combining Statements of Net Position - Internal Service Funds	131
Combining Statements of Revenues, Expenses, and Changes in Net Position -	
Internal Service Funds	132
Combining Statements of Cash Flows - Internal Service Funds	133

**City of Grand Prairie, Texas**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended September 30, 2018  
Table of Contents – Continued

<b>III. STATISTICAL SECTION (Unaudited)</b>	135
<b>Tables</b>	
1. Net Position by Component – Last Ten Fiscal Years	138
2. Changes in Net Position – Last Ten Fiscal Years	140
3. Fund Balances, Governmental Funds – Last Ten Fiscal Years	144
4. Change in Fund Balances, Governmental Funds – Last Ten Fiscal Years	146
5. Assessed and Estimated Actual Values of Taxable Property	148
6. Direct and Overlapping Property Tax Rates	150
7. Principal Property Tax Payers	152
8. Property Tax Levies and Collections	153
9. Ratios of Outstanding Debt by Type	154
10. Ratios of General Bonded Debt Outstanding	156
11. Direct and Overlapping Governmental Activities of Debt	157
12. Legal Debt Margin Information	158
13. Pledged Revenue Coverage	160
14. Demographic and Economic Statistics	161
15. Principal Employers	162
16. Full-Time-Equivalent City Government Employees by Function/Program	163
17. Capital Assets Statistics by Function/Program	164
18. Water and Wastewater Contracts - Components of Payments Made Under Selected Contracts	166
19. Operating Indicators by Function	168



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Introductory Section



**THIS PAGE IS INTENTIONALLY LEFT BLANK**



March 19, 2019

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

The Comprehensive Annual Financial Report of the City of Grand Prairie (the City), for the fiscal year ended September 30, 2018, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and for the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City Council selected the firm of Weaver and Tidwell, L.L.P., Certified Public Accountants to audit these financial statements in accordance with auditing standards generally accepted in the United States of America. The independent auditor has issued an unmodified (clean) opinion on the City's financial statements for the year ended September 30, 2018, and the auditor's report is located at the front of the financial section of this report.

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

The City is also required to undergo audits in accordance with the auditing standards issued by the Comptroller General of the United States; and, the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These audits are conducted simultaneously with the City's annual financial statement audit. Information related to these audits, including the auditors' reports on the internal control structure; the City's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters; and the schedules of federal and state financial assistance and the auditors' findings and recommendations is not included in this report but may be obtained by contacting the City's Finance Department.

## **Early History of the City**

Early settlers were enticed to the area through a series of Republic of Texas land grants offered by investors in 1841. In 1861, Alexander MacRae Dechman lived in Birdville until he discovered that he could trade his wagon and oxen for land in Dallas County and did so for 239.5 acres (now downtown). In 1863, he filed for title on his prairie land with the county and granted right-of-way through this property to the railroad. People began to settle close to the railroad, a post office was opened, and Dechman filed a town plat. He gave every other lot to the Texas and Pacific Railroad in exchange for operating a depot there. The railroad tracks were extended through Dechman to Fort Worth, and service began on July 19, 1876. Because of its location on the eastern edge of the vast prairie that stretched into West Texas, the railroad renamed Dechman in 1877 to Grand Prairie.

The Village of Grand Prairie grew; and, on March 20, 1909, 110 of the town's 1,000 citizens held an election. Sixty-nine voted "for" and forty-one voted "against" incorporation to establish the City of Grand Prairie, Texas. The City adopted its first Charter in 1948.

## **Today's Profile of the Government**

Grand Prairie is located in North Central Texas and within Dallas, Tarrant, and Ellis counties. The City has a land area of 81 square miles, an estimated population of 189,430, and is readily accessible by an expanded thoroughfare system including State Highway 161 for traffic relief on 360 (north/south) and Interstate Highways 20 and 30 (east/west) through the City.

The City is a Home Rule city and operates under a Council/Manager form of government. The Council is comprised of the Mayor and eight Council members who are elected for staggered, three-year terms. The Mayor is elected at-large, and the City Council consists of two at-large members and six single-member districts. Duties of the Council include enacting local legislation, adopting annual budgets, setting policies and appointing the Municipal Court Judge and City Manager. The City Manager is the chief administrative officer responsible for carrying out policies and for the daily management of the City.

The City provides to its citizens a full range of services including police and fire protection, emergency ambulance service, water and sewer service, solid waste disposal, libraries and parks, art, and recreation programs. Parks won its second coveted Gold Medal for best parks in the nation from National Recreation and Parks Association. There are two eighteen-hole golf courses, eight community centers, four swimming pools, cemetery and over 45 ball fields. In addition, the city provides planning for future land use, traffic control, building inspections and construction and maintenance of City roads and streets.

## **Reporting Entity**

All activities, organizations and functions for which the City is financially accountable are included in the City's financial statements. The City's legal entity includes general government activities, enterprise activities, and internal service fund activities. Enterprise activities include water, wastewater, solid waste, and storm water utility services, a City-operated airport, and two golf courses. Internal service activities include fleet and equipment services and risk management. Sixteen Public Improvement Districts and two Tax Increment Financing Districts, none of which are legally separate entities, are also included in the City's reporting entity.

Component units are legally separate entities required to be included in the City's reporting entity based on certain criteria set forth in the Codification of Governmental Accounting Standards, Section 2100, *Defining the Financial Reporting Entity*. Based on the criteria, the following entities are reported as *discretely* presented component unites of the City. Discretely presented component units are reported in a column separate from the primary government within the financial statements.

- The Grand Prairie Sports Facilities Development Corporation which owns Lone Star Park at Grand Prairie, a horse track facility.
- Grand Prairie Housing Finance Corporation which issues tax-exempt mortgage revenue bonds to provide affordable housing to low-to-moderate income citizens.

Although the Grand Prairie Crime Control and Prevention District (District) is considered a legal separate entity, it is included in the City's reporting entity as a *blended* component unit, since the District's Board of Directors are all members of the City Council. The District is reported as a special revenue fund in the general government activities and is used to account for the accumulation and use of quarter-cent sales tax proceeds dedicated to fund the District program.

### **Major Initiatives**

- Grand Prairie continues to open and plan for new roadways, increasing mobility through the City. Roadway improvement projects continue along Interstates 20 and 30 with the design and construction of frontage roads, including MacArthur Boulevard that was widened north of I-30 and opened in March, 2018.
- Widened Great Southwest Parkway from Sara Jane to Mayfield Road.
- Opened the extension of SH 360 to 287 in Spring, 2018.
- Opened Epic Recreation Life Center in late, 2018.
- Began expansions and remodels for several City facilities to meet the growing demands for City services. These facilities include Charley Taylor Recreation Center, Prairie Paws, City Hall, Ruth Jackson Center, Warmack Library and Shotwell Library.
- Design and construction plans continue for Phase II at the Service Center which houses the City's Fleet Services, Streets, Signs and Transportation Departments.

### **Local Economy**

Another positive year with momentum continues in Grand Prairie as shown in the following indicators:

#### **Residential**

- Building permits continue to increase overall and indicates healthy permit activity.
- Unemployment remained low year over year at 3.8% in August 2018, slightly below state and national averages.
- Home sales and average selling price s continued to increase.

## **Commercial**

- IKEA Grand Prairie opened in December, 2017 at SH 161 and Mayfield. The 290,000 square-foot store employs 300 workers, includes 1,100 parking spaces and a 450-seat restaurant. IKEA Grand Prairie is the Metroplex's second store with only four stores located in Texas.
- Major developments around the IKEA site, along toll road 161, have opened recently or are under construction for retail and restaurants. More than 50 restaurants and retail stores are planned for the toll road 161 corridor including Courtyard by Marriott, Burkes and Home Goods.
- And there's even more property available south, north and west of IKEA that is generating lots of attention, including the property in Grand Central Park that voters authorized the city to sell for retail, hotel and restaurant development.

Not only do people want to live and work in Grand Prairie, they want to play here, too!

## **Long-Term Financial Planning**

The City of Grand Prairie adopts and utilizes a comprehensive capital improvements plan. This plan documents both the planning and funding of major capital projects and purchases in a systematic manner with full consideration of the impact to the operating budget and tax requirements. By utilizing a disciplined practice of annually budgeting for capital reserves, many of these projects are completed on a pay-as-you-go basis thus avoiding additional debt.

The City's financial operations are guided by comprehensive financial management policies. The overriding goal of these policies is to enable the City to achieve a long-term, stable, and positive financial condition while conducting its operations consistent with the council-manager form of government established by the City Charter.

The watchwords of financial management include integrity, prudent stewardship, planning, accountability, and full disclosure. The scope of these policies includes accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash management and expenditures control. The City also maintains comprehensive investment, debt management, and purchasing policies. These policies provide guidance to the City Council at the policy setting level, and to City management and staff in their daily financial decision-making. In addition to these policies, City Council formed a three-member Finance and Government Committee whose members provide guidance to City management in budgetary, audit, internal control, and other significant financial matters.

Due to strong management with strong financial policies, the City has achieved and maintained pertinent financial benchmarks and ratios including sufficient fund balances in all funds, compliance with debt coverage ratios, and fiscally sound investment practices. This healthy condition emphasizes the City's ability to weather any future economic downturns.

The City's financial condition is further supported with positive bond ratings. The City's water/wastewater revenue bonds' AAA ratings have been reaffirmed by two rating firms, Fitch and Standard and Poor's and represent the highest ratings assigned. Only five cities in Texas are so rated. At the same time, the City's general obligation bond ratings were reaffirmed by both Standard & Poor's and Fitch at AAA and AA+, respectively. In October 2016, sales tax revenue bonds (taxable and tax-exempt) were upgraded by Fitch to AA and AA+, respectively.

## Awards and Acknowledgements

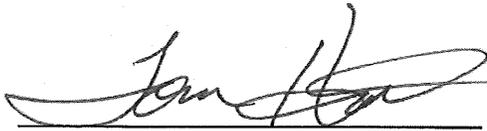
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Prairie for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2017. This was the 32<sup>nd</sup> consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report on a timely basis was made possible by the dedicated services and hard work of the highly qualified staff in the City's Finance Department. Although much time and effort in preparation for this report lies in the Accounting Division, we sincerely appreciate the invaluable support of the Treasury division, as well as, the Budget and Development Departments.

Special thanks are extended to the council members of the Finance and Government Committee for their leadership and support of sound fiscal management; and, to all members of the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Hart", written over a horizontal line.

Tom Hart, City Manager

A handwritten signature in black ink, appearing to read "Diana G. Ortiz", written over a horizontal line.

Diana G. Ortiz, Chief Financial Officer



**THIS PAGE IS INTENTIONALLY LEFT BLANK**



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Grand Prairie  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

**Council Member**  
 Jorja Clemson  
 District 1

**Council Member**  
 Cole Humphreys  
 District 5

**Council Member**  
 Jim Swafford  
 District 2

**Mayor**  
 Ron Jensen

**Council Member**  
 Mike Del Bosque  
 District 3

**Mayor Pro Tem**  
 Council Member  
 Jeff Copeland  
 At Large, Place 7

**Deputy Mayor Pro Tem**  
 Council Member  
 Greg Giessner  
 At Large, Place 8

**Council Member**  
 Richard Frogoe  
 District 4

**Mayor Pro Tem**  
 Council Member  
 Jeff Wooldridge  
 District 6

**Grand Prairie**  
 — T E X A S —

**2019 CITY COUNCIL**

Mayor Ron Jensen, council members Jim Swafford and Richard Frogoe were elected to three-year terms in 2016. Council members Jorja Clemson, Jeff Copeland and Mike Del Bosque were elected to three-year terms in 2017. Council members Greg Giessner, Cole Humphreys and Jeff Wooldridge were elected to three-year terms in 2018. Regular City Council elections are conducted in May every year.

City Hall, 317 College St., Grand Prairie, TX 75050  
 City Hall, 317 College St., Grand Prairie, TX 75050  
 P.O. Box 534045, Grand Prairie, TX 75053  
 972-237-8022 • gptx.org/council

Updated: February 2019  
 Updated: February 2019

# City of Grand Prairie, Texas

## Directory of City Officials

### Mayor and City Council

Ron Jensen	Mayor
Jorja Clemson	District 1
Jim Swafford	District 2
Mike Del Bosque	District 3
Richard Fregoe	District 4
Cole Humphreys	District 5
Jeff Wooldridge	District 6
Jeff Copeland	Deputy Mayor Pro Tem, At Large-Place 7
Greg Giessner	At Large-Place 8

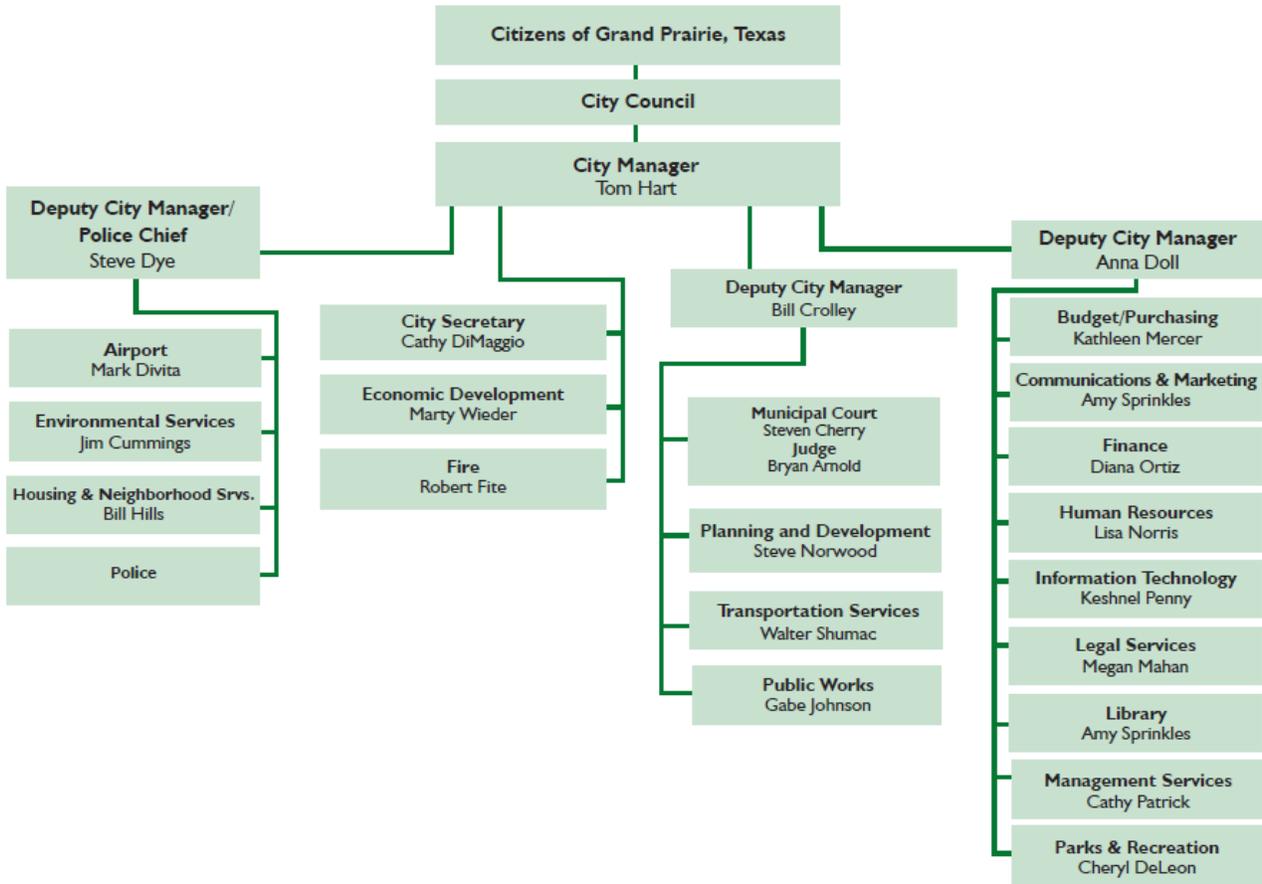
### Executive Managers

Tom Hart	City Manager
Anna Doll	Deputy City Manager
Bill Crolley	Deputy City Manager
Steve Dye	Deputy City Manager and Police Chief
Mark Divita	Airport Director
Steven Cherry	Court Services Director
Kathleen Mercer	Budget Director
Steve Norwood	Director of Planning and Development
Jim Cummings	Environmental Services Director
Cathy DiMaggio	City Secretary
Cheryl DeLeon	Parks, Arts & Recreation Director
Bill Hills	Housing & Neighborhood Services Director
Robert Fite	Fire Chief
Lisa Norris	Human Resources Director
Diana Ortiz	Chief Financial Officer
Marty Wieder	Economic Development Director
Keshnel Penny	Information Technology Director
Megan Mahan	City Attorney
Amy Sprinkles	Communications & Marketing and Library Director
Bryan Arnold	Municipal Court Judge
Walter Shumac	Transportation Director
Cathy Patrick	Management Services Director

**City of Grand Prairie, Texas**  
Organizational Chart



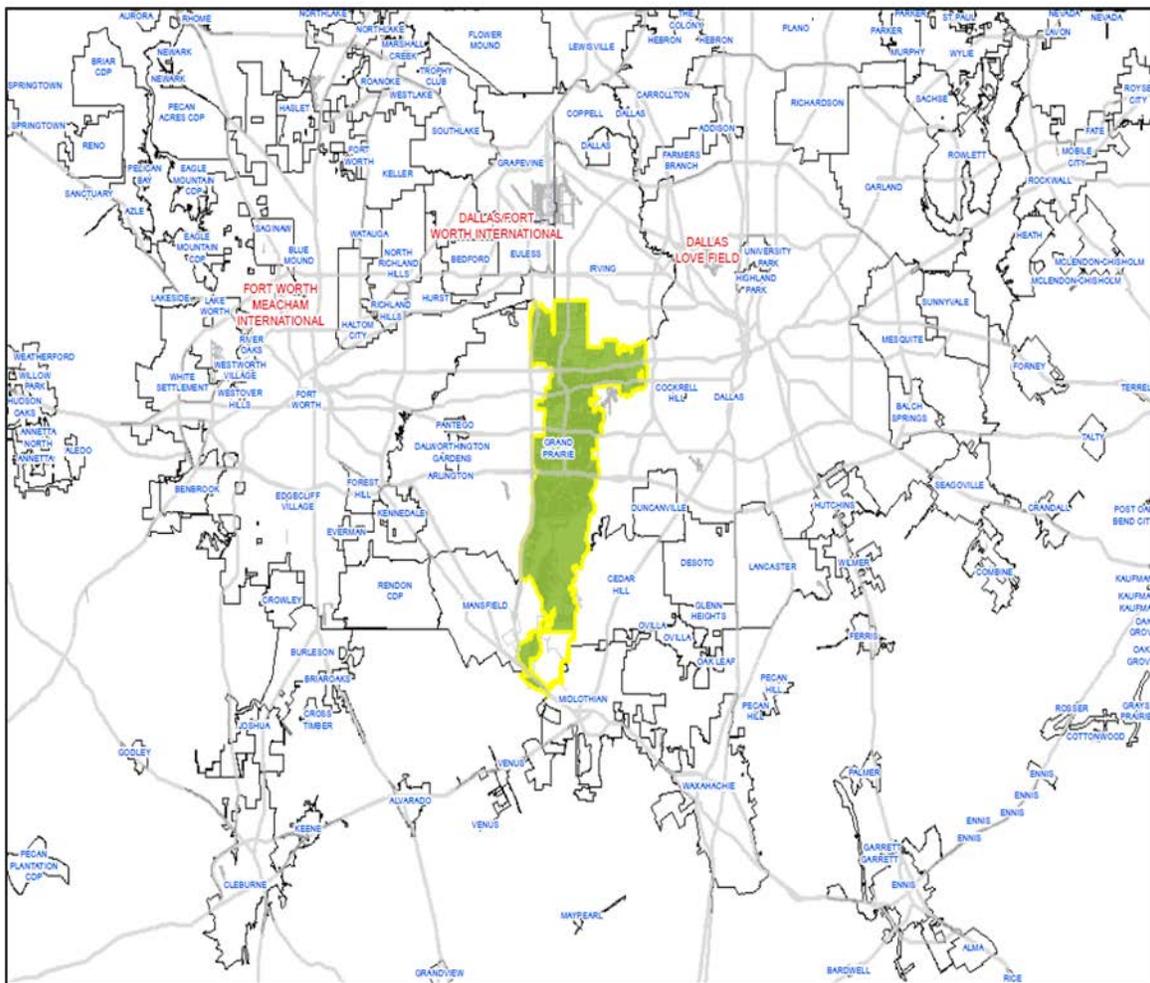
ORGANIZATIONAL CHART



# City of Grand Prairie, Texas Map

## City of Grand Prairie, Texas

Located in the middle of the Dallas-Fort Worth Metroplex





**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Financial Section



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## Independent Auditor's Report

To the Honorable Mayor and  
Members of City Council  
City of Grand Prairie, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of City of Grand Prairie, Texas (the City) as of and for the year ended September 30, 2018, and the related notes to basic 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

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the component unit financial statements for the Grand Prairie Housing Finance Corporation (a discretely presented component unit). Those financial statements were audited by other auditors in accordance with auditing standards generally accepted in the United States of America, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Grand Prairie Housing Finance Corporation is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

The Honorable Mayor and  
Members of City Council  
City of Grand Prairie, Texas

## **Opinions**

In our opinion based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2018, 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 1.C., in 2018 the City adopted Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension which supersedes GASB Statement No. 45. Our opinion is not modified with respect to these matters.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budget to actual schedules for the General Fund and Section 8 Fund, Schedule of Changes in Postemployment Benefits-Retiree Health Plan, Schedule of Changes in Postemployment Benefits-Texas Municipal Retirement System, Schedule of Contributions-Texas Municipal Retirement System, and Schedule of Changes in Net Pension Liability and Related Ratios- Texas Municipal Retirement System 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's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Honorable Mayor and  
Members of City Council  
City of Grand Prairie, Texas

The combining and individual fund statements and schedules, 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
March 14, 2019



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Management's Discussion and Analysis



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## City of Grand Prairie, Texas

Management's Discussion and Analysis  
For the Fiscal Year Ended September 30, 2018  
(Unaudited)

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Grand Prairie, Texas (the City) for the fiscal year ended September 30, 2018. It is offered here by the management of the City to the readers of its financial statements. Readers are encouraged to consider the information presented here in conjunction with the information furnished in our letter of transmittal, the introductory section of the City's financial statement, and the accompanying notes.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2018 by \$616,178,581 (net position).
- The City's total net position increased \$16,246,175, for the fiscal year ended September 30, 2018, primarily due to increased property tax assessments and increased charge for services.
- At September 30, 2018, the City's governmental funds reported combined ending fund balances of \$170,492,326. The \$30,344,160 unassigned fund balance in the General Fund represents 22.7% of total General Fund expenditures and transfers.
- The City's total long-term liabilities of \$559,842,968 decreased by \$20,246,332 (3.5%) during the current fiscal year. In fiscal year 2018, the City issued \$36,515,000 in Combination Tax and Revenue Certificates and \$2,755,000 in Water and Wastewater System Revenue Refunding Bonds. See Table 4 in this report for further information regarding the City's long-term liabilities.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The reporting focus is on the City as a whole and on individual major funds. It is intended to present a more comprehensive view of the City's financial activities.

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

**Government-wide financial statements** - The government-wide financial statements include the Statement of Net Position and Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, including capital assets and long-term liabilities, and deferred inflows of resources. The differences between these items are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the city's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2018  
(Unaudited)

The Statement of Net Position and Statement of Activities divide the City's activities into two types:

*Governmental Activities* - Most of the City's basic services are reported here, including general government, public safety, planning, public works, transportation, housing, community development, cultural events, and library. Property taxes, sales taxes, and franchise fees provide the majority of financing for these activities.

*Business-Type Activities* - Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include a water and wastewater system, a solid waste sanitary landfill, a storm water utility system, municipal airport, and municipal golf courses.

The government-wide financial statements include not only the City itself (known as the primary government), but also the Grand Prairie Sports Facilities Development Corporation, Inc. (the Sports Corporation) and the Grand Prairie Housing Finance Corporation (HFC) as component units. Both are legally, financially, and administratively autonomous separate corporations. HFC issues tax exempt revenue bonds to supply mortgage financing for low income home buyers and multi-family developments, and engages in other affordable housing activities. The Sports Corporation oversees Lone Star Park at Grand Prairie, a horse track facility.

The Crime Control and Prevention District (CCPD) is a legally separate entity that is financially accountable to the City. A blended presentation has been used to report the financial information of this component unit.

**Fund financial statements** - The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

The focus of the governmental funds financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliations explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds financial statements.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2018

(Unaudited)

The City reports thirty individual governmental funds. Information is presented separately in the governmental fund's Balance Sheet and in the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances for the City's six major funds - General Fund, Section 8 Fund, Streets CIP Fund, Grants Fund, Debt Service Fund, and the Epic CIP Fund. Data for other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

*Proprietary funds* - The City maintains two different types of proprietary funds – enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities of the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater system, solid waste sanitary landfill, storm water utility, municipal airport, and municipal golf courses. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has five enterprise funds of which two are major enterprise funds – the Water Wastewater Fund and the Solid Waste Fund. Data from other nonmajor enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for vehicle and equipment maintenance and the premiums, deductibles, and claims for all insurance programs (e.g. employee health, workers compensation, general liability, etc.). Because these services benefit both governmental and business-type functions, they have been allocated to both activities in the government-wide financial statements in proportion to services received. The City's two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the City's internal service funds is provided in the form of combining statements elsewhere in this report.

**Notes to the financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the required supplementary information.

# City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2018  
 (Unaudited)

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2018 were \$1,229,437,691, deferred outflows of resources were \$16,447,989, total liabilities were \$612,600,117, and deferred inflows of resources were \$17,106,982 resulting in a net position balance of \$616,159,296.

The largest portion of the City's net position, \$440,029,808 (71.4%), reflects its investment in capital assets (land, buildings and improvements, infrastructure, vehicles, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens; consequently these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 below is a summary of the City's net position at year end compared to the prior year.

**Table 1  
 Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2017		9/30/2017		9/30/2017	
	As Restated	9/30/2018	As Restated	9/30/2018	As Restated	9/30/2018
Cash and investments	\$ 217,491,944	\$ 197,992,931	\$ 94,485,761	\$ 109,842,234	\$ 311,977,705	\$ 307,835,165
Other assets	20,928,321	21,559,545	8,877,980	9,942,867	29,806,301	31,502,412
Capital assets, net	615,207,846	656,874,694	232,935,130	233,225,420	848,142,976	890,100,114
<b>Total assets</b>	<b>853,628,111</b>	<b>876,427,170</b>	<b>336,298,871</b>	<b>353,010,521</b>	<b>1,189,926,982</b>	<b>1,229,437,691</b>
Deferred outflows of resources	30,091,673	14,636,899	3,650,570	1,811,090	33,742,243	16,447,989
Current liabilities	31,462,465	36,806,297	12,215,936	15,950,852	43,678,401	52,757,149
Long-term bonded debt	347,946,293	361,651,245	62,131,416	59,814,562	410,077,709	421,465,807
Other noncurrent liabilities	147,941,733	119,396,393	22,056,976	18,980,768	169,998,709	138,377,161
<b>Total liabilities</b>	<b>527,350,491</b>	<b>517,853,935</b>	<b>96,404,328</b>	<b>94,746,182</b>	<b>623,754,819</b>	<b>612,600,117</b>
Deferred inflows of resources	-	15,467,402	-	1,639,580	-	17,106,982
<b>Net Position</b>						
Net Investment in capital assets	278,750,450	266,214,537	174,505,410	173,815,271	453,255,860	440,029,808
Restricted	80,454,171	81,030,788	34,704,441	45,622,261	115,158,612	126,653,049
Unrestricted	(2,835,328)	10,497,407	34,335,262	38,998,317	31,499,934	49,495,724
<b>Total net position</b>	<b>\$ 356,369,293</b>	<b>\$ 357,742,732</b>	<b>\$ 243,545,113</b>	<b>\$ 258,435,849</b>	<b>\$ 599,914,406</b>	<b>\$ 616,178,581</b>

A portion of the City's net position totaling \$126,653,049, or 20.6%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$49,495,724 may be used to meet the government's ongoing obligations to citizen's and creditors.

The City's net position increased by \$16,264,175 from the prior fiscal year due to an increase in charges for services. While overall operating revenues and expenditures increased proportionately, overall water and wastewater rates increased 4.5%.

**City of Grand Prairie, Texas**  
Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2018  
(Unaudited)

The fiscal year 2018 compared to fiscal 2017 changes in the City's net position were as follows:

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2017	9/30/2018	9/30/2017	9/30/2018	9/30/2017	9/30/2018
	As Restated		As Restated		As Restated	
Revenues:						
Program revenues:						
Charges for services	\$ 50,349,054	\$ 49,663,004	\$ 96,324,864	\$ 102,321,210	\$ 146,673,918	\$ 151,984,214
Operating grants and contributor	35,572,942	35,266,428	47,918	67,537	35,620,860	35,333,965
Capital grants and contributions	8,305,146	3,971,782	12,892,511	11,983,724	21,197,657	15,955,506
General revenues:						
Property tax	84,925,774	94,648,690	-	-	84,925,774	94,648,690
Sales tax	60,585,824	64,250,717	-	-	60,585,824	64,250,717
Other tax	2,015,917	2,208,298	-	-	2,015,917	2,208,298
Franchise fees	9,996,934	14,485,521	-	-	9,996,934	14,485,521
Investment income	2,425,419	3,506,788	21,245	43,661	2,446,664	3,550,449
Total revenues	254,177,010	268,001,228	109,286,538	114,416,132	363,463,548	382,417,360
Expenses:						
Support services	26,731,588	27,614,430	-	-	26,731,588	27,614,430
Public safety services	100,253,923	101,033,502	-	-	100,253,923	101,033,502
Recreation and leisure services	32,962,890	34,529,152	-	-	32,962,890	34,529,152
Development services	90,088,069	97,241,362	-	-	90,088,069	97,241,362
Interest on long-term debt	12,108,299	12,481,762	-	-	12,108,299	12,481,762
Water and wastewater	-	-	70,569,705	72,412,983	70,569,705	72,412,983
Solid waste	-	-	12,317,620	12,339,638	12,317,620	12,339,638
Municipal airport	-	-	2,572,623	2,744,301	2,572,623	2,744,301
Municipal golf course	-	-	3,497,955	3,309,267	3,497,955	3,309,267
Storm water	-	-	2,425,177	2,446,788	2,425,177	2,446,788
Total expenses	262,144,769	272,900,208	91,383,080	93,252,977	353,527,849	366,153,185
Increases (decreases) in net position						
before transfers	(7,967,759)	(4,898,980)	17,903,458	21,163,155	9,935,699	16,264,175
Transfers	5,271,645	6,272,419	(5,271,645)	(6,272,419)	-	-
Capital asset reassignments	-	-	-	-	-	-
Change in net position	(2,696,114)	1,373,439	12,631,813	14,890,736	9,935,699	16,264,175
Net position - October 1	408,103,549	356,369,293	237,002,884	243,545,113	645,106,433	599,914,406
Net position - September 30	405,407,435	357,742,732	249,634,697	258,435,849	655,042,132	616,178,581
Cumulative effect of change in accounting principle	(49,038,142)	-	(6,089,584)	-	(55,127,726)	-
<b>Net position - September 30 -restated</b>	<b>\$ 356,369,293</b>	<b>\$ 357,742,732</b>	<b>\$ 243,545,113</b>	<b>\$ 258,435,849</b>	<b>\$ 599,914,406</b>	<b>\$ 616,178,581</b>

**Governmental activities** - Governmental activities increased the City's net position by \$1,373,439 in comparison with beginning net position, primarily due to an overall increase in property tax assessments, when compared to fiscal year 2017. Net position of governmental operations accounts for 60.6% of total net position.

**Business-type activities** - Business-type activities increased the City's net position by \$14,890,736 in comparison with beginning net position. Total revenue for the business-type activities increased from the previous year by \$5,129,594 due to an increase in charges for services. Net position for business-type activities represents 41.9% of total primary government net position.

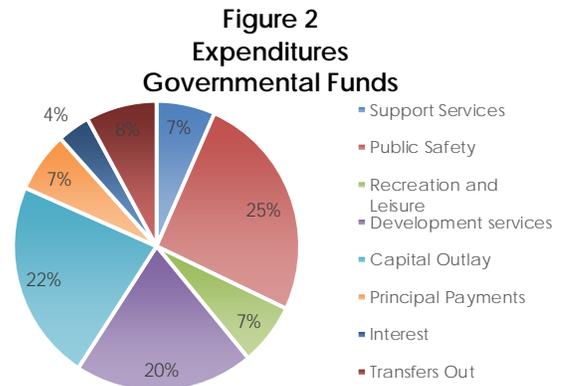
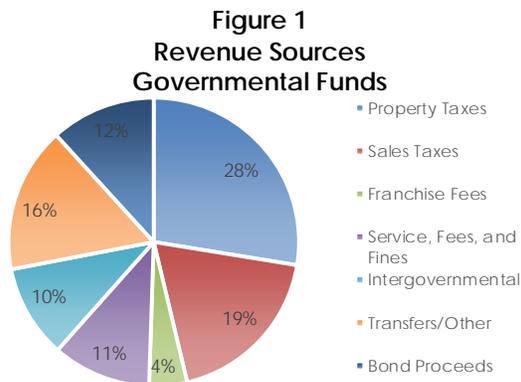
# City of Grand Prairie, Texas

Management’s Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2018  
 (Unaudited)

## FINANCIAL ANALYSIS OF THE CITY’S FUNDS

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

At fiscal year-end 2018, the City’s governmental funds (excluding internal service funds) reported combined ending fund balances of \$170,492,326, a decrease of \$29,154,291 in comparison with the prior year. The unassigned fund balance portion is 17.4% and is available for spending at the government’s discretion. The remainder is restricted for specific purposes and is not available for new spending. Specific purposes include non-spendable inventories and prepaid items (\$79,015); amounts restricted by statutes, bond covenants or granting agencies (\$84,925,272) either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$52,841,228) require formal action by City Council. Finally, funds may be assigned (\$2,931,849) by City Manager with the City Council’s delegated authority. Figures 1 and 2 that follow show the distribution of governmental funds’ sources of revenues and expenditures, \$266,209,582 and \$342,662,367, respectively, for fiscal year 2018.



The General Fund is the chief operating fund of the City. At fiscal year-end, unassigned fund balance of the General Fund was \$30,344,160, while total fund balance was \$33,745,051. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 24.6% of total general fund operating expenditures, while total fund balance represents 27.3% of that same amount. General Fund’s fund balance increased in the amount of \$2,398,346 from the prior fiscal year.

Other major funds with significant changes in fund balance include Streets CIP, Debt Service and Epic CIP. The Streets CIP Fund decreased by \$6,805,619 due to an overall increase in activity including street maintenance and construction. Increased activity was funded from bond proceeds issued for this purpose.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2018

(Unaudited)

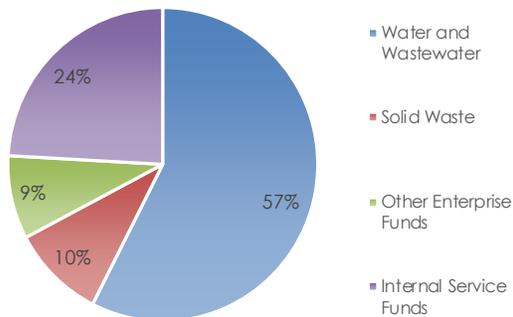
The Debt Service Fund decreased by \$3,218,380 due to payment toward principal and interest retirement for Crime Control and Prevention District.

The Epic CIP Fund decreased by \$18,428,123 due to continued construction and capital outlay for EPIC project.

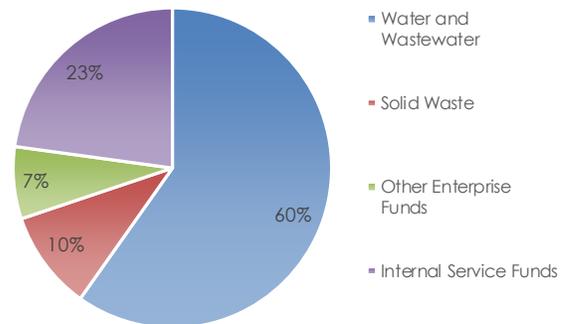
**Proprietary funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the City's enterprise funds and internal service funds were \$256,335,404 and \$14,299,735, respectively, at September 30, 2018. The enterprise funds' net investment in capital assets represented 67.8% of total enterprise fund's net position. The internal service funds' net investment in capital assets represented 11.3% of total internal service funds' net position. The enterprise funds' unrestricted net position was 14.4% of their total net position, and internal service funds' unrestricted net position was 88.7% of their total funds' net position. The City's enterprise funds and the internal service funds reported income before contributions and transfers of \$8,389,902 and \$5,449,130, respectively. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the government-wide financial statements and business-type activities. The following Figures 3 and 4 show the proprietary funds' revenues of \$102,388,747 and expenses of \$91,540,977 (excluding non-operating revenues and expenses, and contributions and transfers) by activity.

**Figure 3**  
**Revenues by Activity**  
**Proprietary Funds**



**Figure 4**  
**Expenses by Activity**  
**Proprietary Funds**



## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2018  
 (Unaudited)

### General Fund Budgetary Highlights

Actual General Fund revenues were \$3,492,094, or 2.7%, higher than final budgeted revenues for fiscal year 2018. Property taxes, sales taxes, hotel/motel taxes, and franchise fees were 81.1% of General Fund budgeted revenues. Actual General Fund expenditures were \$394,353, or 0.3%, lower than final budgeted expenditures for fiscal year 2018. Budgeted excess of revenues over expenditures before other financing sources and uses was \$7,614,657 compared to actual of \$11,501,104, resulting in a net positive budget variance of \$3,886,997. The City traditionally budgets revenue conservatively and this practice frequently results in positive budgetary variances.

Net change in fund balances of the General Fund, including other financing sources and uses such as transfers, resulted in a net positive budget variance of \$4,289,152.

### Capital Asset and Debt Administration

**Capital Assets** - The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities at fiscal year-end amounted to \$890,100,114. This investment includes land, buildings, improvements other than buildings (includes infrastructure), machinery and equipment, and construction in progress. The City's capital assets increased from prior year by \$41,957,138.

Major capital projects occurring during the fiscal year included the following:

- Continued construction of Grand Central Park's Epic Center
- Construction of two relocated fire stations: Fire Stations #4 and #3
- Continued construction of frontage roads along Interstates 30 and 20
- Continued expansion of Warmack Library
- Continued storm utility projects on Great Southwest Parkway
- Continued expansion of several city facilities including Service Center and City Hall
- Continued installation of large water meters, pump stations and water main replacements

The City's capital assets, net of accumulated depreciation, at fiscal year-end was as follows:

**Table 3  
 Capital Assets**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2017	9/30/2018	9/30/2017	9/30/2018	9/30/2017	9/30/2018
Land	\$ 45,603,692	\$ 46,573,694	\$ 4,476,296	\$ 4,717,011	\$ 50,079,988	\$ 51,290,705
Construction in progress	132,532,699	163,246,220	33,801,497	24,493,829	166,334,196	187,740,049
Depreciable capital assets	881,710,595	929,414,228	436,099,617	461,444,005	1,317,810,212	1,390,858,233
Accumulated depreciation	(444,639,140)	(482,359,448)	(241,442,280)	(257,429,425)	(686,081,420)	(739,788,873)
<b>Total capital assets, net</b>	<b>\$ 615,207,846</b>	<b>\$ 656,874,694</b>	<b>\$ 232,935,130</b>	<b>\$ 233,225,420</b>	<b>\$ 848,142,976</b>	<b>\$ 890,100,114</b>

Additional information regarding capital assets can be found on page 55 in Note 2.D.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2018  
 (Unaudited)

**Long-term debt** - At September 30, 2018, the City had the following long-term liabilities:

**Table 4  
 Long-Term Debt**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2017	9/30/2018	9/30/2017	9/30/2018	9/30/2017	9/30/2018
	As Restated		As Restated		As Restated	
Bonded debt	\$ 347,946,293	\$ 361,651,245	\$ 62,131,416	\$ 59,814,562	\$ 410,077,709	\$ 421,465,807
Compensated absences	17,345,505	18,085,656	487,664	463,394	17,833,169	18,549,050
Other post employment benefits	56,350,253	53,746,401	5,971,887	5,697,240	62,322,140	59,443,641
Net pension liability	72,615,231	46,045,042	8,132,502	4,880,877	80,747,733	50,925,919
Pollution liability	182,709	58,375	-	-	182,709	58,375
Closure and post closure liability	-	-	7,464,921	7,939,257	7,464,921	7,939,257
Other liabilities	1,460,919	1,460,919	-	-	1,460,919	1,460,919
<b>Total long-term debt</b>	<b>\$ 495,900,910</b>	<b>\$ 481,047,638</b>	<b>\$ 84,188,390</b>	<b>\$ 78,795,330</b>	<b>\$ 580,089,300</b>	<b>\$ 559,842,968</b>
Long-term debt to net position percentage	139%	134%	35%	30%	97%	91%

Of the total bonded debt, \$361,651,245, or 85.8%, is backed by the full faith and credit of the City with a property tax pledge.

During this fiscal year, the City issued \$39,270,000 in new bonded debt, and retired principal on outstanding bonded debt totaling \$30,585,893. The City's total interest expense for all bonded debt was \$15,988,028.

Additional information is detailed in the Note 2.H to the Basic Financial Statements, pages 60 - 73.

The City's bond ratings by Fitch and Standard & Poor's are currently as follows:

	<u>Fitch</u>	<u>Standard &amp; Poor's</u>
General obligation bonds	AA+	AAA
Sales tax revenue bonds (taxable)	AA	A
Sales tax revenue bonds (tax-exempt)	AA+	AA-
Water and wastewater revenue bonds	AAA	AAA

### Economic Factors and Next Year's Budget and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2019 budget including tax rates and fees that will be charged for business-type activities. One of the biggest factors continued to be the national economy. Building and development growth rates continue to increase overall; and indicate healthy activities in the residential sector and commercial type permitting. Although the City is largely built out and mature, there are still several areas available, mainly in the south sector with higher end residential areas along Joe Pool Lake. In addition, there is a leveling of multi-family developments, but a major increase in retail construction, in large part due to toll road 161 with IKEA's presence.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2018  
(Unaudited)

The City population as of September 2018 was 189,400 which is a 1.27% increase over prior year. Grand Prairie's population continues to increase annually with even more growth expected as a result of continued development and mobility through the City. New and improved roadways among I20, I30, and SH161 continue to make additional demands on the City for increased services. Our diverse economy, the overall DFW metroplex economy and major transportation access all serve to create a synergy.

The following indicators were taken into account when adopting the budget for fiscal year 2019:

- 9.12% increase in assessed property values;
- A 2.3% increase in budgeted sales tax collections as compared to prior fiscal year collections. There was no change in the City's sales tax rate.
- The City's very strong financial position, favorable bond ratings, and continued low interest rates.

These indicators resulted in an increase in budgeted property tax revenues of \$4,658,157 for the General Fund and \$3,768,430 for the General obligation Debt Service Fund. The City maintained the same property tax rate of \$0.669998 per \$100 valuation for fiscal year 2019.

Budgeted sales tax revenues across all funds were increased by \$875,542, or 1.4% over prior fiscal year collections with no change in the sales tax rate.

Overall, the City expects a steady increase in other general revenues of governmental activities due to continued population growth and further developments.

The City's total approved operating appropriations for fiscal year 2019 is \$382,991,946, an increase of \$24,942,208, or 7%, as compared to prior fiscal year projected expenditures. General Fund approved appropriations for fiscal year 2019 is \$138,695,486, an increase of \$6,502,951, or 5%, over fiscal year 2018. Personnel services attributes to 75% of the total operating budget. This increase follows suit with additional staffing (full-time and part-time) to support public safety, a 3% merit increase and an increase in healthcare costs. Other changes in total budgeted operating appropriations include increases of \$3,583,447 in the Water/Wastewater Fund, and \$796,208 in the Epic Operating Fund. In addition, the City adopted a 20-year retirement program in TMRS.

Fiscal year 2019 budgeted appropriations for the General Obligation Debt Service Fund increased by \$1,779,310, or 6%, over fiscal year 2018 due to Cemetery, Airport, Parks Venue and next debt issue.

The City's approved appropriations for capital projects in fiscal year 2019 totals \$91,999,563. Planned capital projects include:

- \$17,688,648 in street and signal projects
- \$14,603,000 in water and wastewater requests
- \$45,510,640 in municipal facilities and infrastructure projects
- \$5,514,145 in storm drainage projects
- \$3,770,317 in fire equipment and stations' relocations
- \$7,100,000 in EPIC Central projects

## **City of Grand Prairie, Texas**

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2018

(Unaudited)

### **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Controller, City of Grand Prairie, Texas, 326 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Basic Financial Statements



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

City of Grand Prairie, Texas  
Statement of Net Position  
September 30, 2018

	Primary Government			Grand Prairie Sports Facilities Development	Grand Prairie Housing Finance Corporation
	Governmental Activities	Business-Type Activities	Total		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 49,349,454	\$ 13,503,610	\$ 62,853,064	\$ 2,060,019	\$ 708,108
Investments	39,643,824	80,115,401	119,759,225	9,410,852	-
Receivables, net	20,350,910	7,210,884	27,561,794	939,999	-
Intergovernmental receivables	2,694,539	19,285	2,713,824	-	-
Inventories and supplies	131,776	586,198	717,974	-	-
Prepays	462,765	46,055	508,820	2,605	24,189
Restricted assets:					
Cash and cash equivalents	3,775,501	6,348,418	10,123,919	-	1,391,682
Investments	105,224,152	9,874,805	115,098,957	-	-
Internal balances	(2,080,445)	2,080,445	-	-	-
Lease payments receivable	-	-	-	10,674,754	-
Estimated unguaranteed residual value	-	-	-	32,801,531	-
Capital assets:					
Nondepreciable	209,819,914	29,210,840	239,030,754	-	1,612,851
Depreciable, net	447,054,780	204,014,580	651,069,360	-	11,557,291
<b>Total assets</b>	<b>876,427,170</b>	<b>353,010,521</b>	<b>1,229,437,691</b>	<b>55,889,760</b>	<b>15,294,121</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refundings	2,631,194	538,458	3,169,652	-	-
Related to OPEB	243,965	25,862	269,827	-	-
Related to TMRS pension	11,761,740	1,246,770	13,008,510	-	-
<b>Total deferred outflows of resources</b>	<b>14,636,899</b>	<b>1,811,090</b>	<b>16,447,989</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>					
Accounts payable	14,651,353	9,025,487	23,676,840	167	146,535
Retainage payable	5,819,277	134,045	5,953,322	-	-
Accrued liabilities	11,311,023	799,937	12,110,960	-	286,181
Unearned revenue	2,876,608	1,052,044	3,928,652	-	-
Current liabilities payable from restricted assets:					
Accrued interest	2,111,036	362,985	2,474,021	-	-
Customer deposits	37,000	4,576,354	4,613,354	-	85,883
Unearned revenue	-	-	-	-	-
Noncurrent liabilities:					
Due within one year:					
Compensated absences	8,292,305	373,856	8,666,161	-	-
Environmental remediation obligation	58,375	-	58,375	-	-
Other liabilities	160,776	-	160,776	-	-
Current portion of long-term debt	31,085,000	5,420,129	36,505,129	-	293,011
Due in more than one year:					
Compensated absences	9,793,351	89,538	9,882,889	-	-
Other postemployment benefits	53,746,401	5,697,240	59,443,641	-	-
Closure and postclosure liability	-	7,939,257	7,939,257	-	-
Net pension liability	46,045,042	4,880,877	50,925,919	-	-
Other liabilities	1,300,143	-	1,300,143	-	-
Long-term debt	330,566,245	54,394,433	384,960,678	-	15,209,105
<b>Total liabilities</b>	<b>517,853,935</b>	<b>94,746,182</b>	<b>612,600,117</b>	<b>167</b>	<b>16,020,715</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to OPEB	3,899,795	413,387	4,313,182	-	-
Related to TMRS pension	11,567,607	1,226,193	12,793,800	-	-
<b>Total deferred outflows of resources</b>	<b>15,467,402</b>	<b>1,639,580</b>	<b>17,106,982</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>					
Net investment in capital assets	266,214,537	173,815,271	440,029,808	-	(1,148,187)
Restricted for:					
Debt service	3,886,771	7,292,951	11,179,722	-	-
Capital projects	23,435,298	38,329,310	61,764,608	-	-
Support Services	13,062,784	-	13,062,784	-	-
Public safety	19,749,801	-	19,749,801	-	-
Recreation and leisure	10,526,452	-	10,526,452	-	-
Development services	9,961,907	-	9,961,907	-	-
Other specific purposes	407,775	-	407,775	-	-
Facility lease	-	-	-	44,352,297	-
Unrestricted	10,497,407	38,998,317	49,495,724	11,537,296	421,593
<b>Total net position</b>	<b>\$ 357,742,732</b>	<b>\$ 258,435,849</b>	<b>\$ 616,178,581</b>	<b>\$ 55,889,593</b>	<b>\$ (726,594)</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

**City of Grand Prairie, Texas**  
**Statement of Activities**  
**For the Year Ended September 30, 2018**

Functions/Activity	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 27,614,430	\$ 5,539,941	\$ 263,022	\$ -
Public safety services	101,033,502	17,180,107	3,794,382	-
Recreation and leisure services	34,529,152	13,029,253	863,703	-
Development services and other	97,241,362	13,913,703	30,345,321	3,971,782
Interest on long-term debt	12,481,762	-	-	-
Total governmental activities	272,900,208	49,663,004	35,266,428	3,971,782
Business-type activities:				
Water and wastewater	72,412,983	77,556,058	-	9,908,148
Solid waste	12,339,638	13,208,778	-	-
Municipal airport	2,744,301	2,238,508	67,537	-
Municipal golf course	3,309,267	2,453,543	-	-
Storm water	2,446,788	6,864,323	-	2,075,576
Total business-type activities	93,252,977	102,321,210	67,537	11,983,724
<b>Total primary government</b>	<b>\$ 366,153,185</b>	<b>\$ 151,984,214</b>	<b>\$ 35,333,965</b>	<b>\$ 15,955,506</b>
Component units:				
Grand Prairie Sports Facilities Development	\$ 3,957,555	\$ 1,203,476	\$ -	\$ 312,362
Grand Prairie Housing Finance Corporation	6,019,850	6,088,248	-	-
<b>Total component units</b>	<b>\$ 9,977,405</b>	<b>\$ 7,291,724</b>	<b>\$ -</b>	<b>\$ 312,362</b>
General revenues:				
Taxes				
Property taxes				
Sales taxes				
Hotel/motel and other taxes				
Franchise fees (and those based on gross receipts)				
Investment income				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year				
Cumulative effect of change in accounting principle				
Net position - beginning-restated				
<b>Net position - end of year</b>				

The Notes to the Basic Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position Primary Government			Grand Prairie Sports Facilities Development	Grand Prairie Housing Finance Corporation
Governmental Activities	Business-Type Activities	Total		
\$ (21,811,467)	\$ -	\$ (21,811,467)	\$ -	\$ -
(80,059,013)	-	(80,059,013)	-	-
(20,636,196)	-	(20,636,196)	-	-
(49,010,556)	-	(49,010,556)	-	-
(12,481,762)	-	(12,481,762)	-	-
(183,998,994)	-	(183,998,994)	-	-
-	15,051,223	15,051,223	-	-
-	869,140	869,140	-	-
-	(438,256)	(438,256)	-	-
-	(855,724)	(855,724)	-	-
-	6,493,111	6,493,111	-	-
-	21,119,494	21,119,494	-	-
(183,998,994)	21,119,494	(162,879,500)	-	-
			(2,441,717)	-
			-	68,398
			(2,441,717)	68,398
94,648,690	-	94,648,690	-	-
64,250,717	-	64,250,717	-	-
2,208,298	-	2,208,298	-	-
14,485,521	-	14,485,521	-	-
3,506,788	43,661	3,550,449	136,651	3,302
6,272,419	(6,272,419)	-	-	-
185,372,433	(6,228,758)	179,143,675	136,651	3,302
1,373,439	14,890,736	16,264,175	(2,305,066)	71,700
405,407,435	249,634,697	655,042,132	58,194,659	(798,294)
(49,038,142)	(6,089,584)	(55,127,726)	-	-
356,369,293	243,545,113	599,914,406	58,194,659	(798,294)
\$ 357,742,732	\$ 258,435,849	\$ 616,178,581	\$ 55,889,593	\$ (726,594)

City of Grand Prairie, Texas  
Balance Sheet  
Governmental Funds  
September 30, 2018

	General	Section 8	Streets CIP
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,896,978	\$ 432,058	\$ 2,232,460
Investments	22,643,824	533,109	25,360,381
Property tax receivable, net	1,253,588	-	-
Sales tax receivable	5,691,264	-	-
Franchise fees receivable	2,595,603	-	-
Other receivables, net	2,386,892	-	-
Intergovernmental receivables	1,657,840	-	-
Due from other funds	1,500,000	-	-
Inventory	-	-	-
Prepays	2,743	-	-
	<hr/>	<hr/>	<hr/>
Total assets	45,628,732	965,167	27,592,841
<b>LIABILITIES</b>			
Accounts payable	3,831,520	55,294	1,771,005
Retainage payable	-	-	524,769
Accrued liabilities	5,542,848	85,980	-
Due to other funds	-	-	-
Customer deposits	-	-	-
Unearned revenue	682,237	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	10,056,605	141,274	2,295,774
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	1,827,076	-	-
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	1,827,076	-	-
<b>FUND BALANCES</b>			
Nonspendable	2,743	-	-
Restricted	466,299	823,893	8,511,522
Committed	-	-	16,785,545
Assigned	2,931,849	-	-
Unassigned	30,344,160	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	33,745,051	823,893	25,297,067
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<hr/> <hr/> <b>\$ 45,628,732</b>	<hr/> <hr/> <b>\$ 965,167</b>	<hr/> <hr/> <b>\$ 27,592,841</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

Grants	Debt Service	Epic CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ 470,586	\$ 973,441	\$ 10,609,956	\$ 28,842,756	\$ 51,458,235
-	4,500,000	-	74,830,662	127,867,976
-	513,273	-	-	1,766,861
-	-	-	5,674,914	11,366,178
-	-	-	67,086	2,662,689
41,577	11,093	-	2,115,620	4,555,182
1,036,699	-	-	-	2,694,539
-	-	-	3,493,636	4,993,636
-	-	-	60,333	60,333
-	-	-	15,939	18,682
1,548,862	5,997,807	10,609,956	115,100,946	207,444,311
302,803	-	889,911	6,853,821	13,704,354
-	-	4,316,278	978,230	5,819,277
85,010	-	-	1,518,205	7,232,043
1,500,000	-	3,402,683	90,953	4,993,636
-	-	-	37,000	37,000
290,247	-	-	1,904,124	2,876,608
2,178,060	-	8,608,872	11,382,333	34,662,918
-	461,991	-	-	2,289,067
-	461,991	-	-	2,289,067
-	-	-	76,272	79,015
-	5,535,816	2,001,084	67,586,658	84,925,272
-	-	-	36,055,683	52,841,228
-	-	-	-	2,931,849
(629,198)	-	-	-	29,714,962
(629,198)	5,535,816	2,001,084	103,718,613	170,492,326
\$ 1,548,862	\$ 5,997,807	\$ 10,609,956	\$ 115,100,946	\$ 207,444,311

**City of Grand Prairie, Texas**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**September 30, 2018**

<b>Total fund balance - total governmental funds</b>		\$ 170,492,326
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds (excluding internal service funds' capital assets of \$1,617,301).		655,257,393
Certain revenues are not available to pay for current-period expenditures; therefore, these revenues are deferred in the funds.		2,289,067
Certain assets and liabilities do not provide or require the use of current financial resources; therefore, these assets and liabilities are not reported in the governmental funds.		
Accrued interest on long-term debt	(2,111,036)	
Unamortized loss of bond refundings	2,631,194	
Deferred pension and OPEB contributions, and investment and actuarial experience (excluding internal service fund totals of \$47,393).	<u>(3,414,304)</u>	(2,894,146)
Internal service funds are used by management to charge cost of certain activities, such as employee health insurance, risk management insurance, and fleet services, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities of \$2,201,418).		12,219,290
Noncurrent liabilities are not due and payable in the current period; therefore, they are not reported in the governmental fund balance sheet. These noncurrent liabilities are as follows:		
Long-term debt	(340,950,000)	
Unamortized bond premium/discount, net	(20,701,245)	
Compensated absences (excluding internal service fund totals of \$60,250)	(18,025,406)	
Other post employment benefits (excluding internal service fund totals of \$735,813)	(53,010,588)	
Net pension liability (excluding internal service fund totals of \$630,377)	(45,414,665)	
Environmental remediation obligation	(58,375)	
Other liabilities	<u>(1,460,919)</u>	<u>(479,621,198)</u>
<b>Net position of governmental activities</b>		<b>\$ <u>357,742,732</u></b>

The Notes to the Basic Financial Statements are an integral part of this statement.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**  
Statement of Revenues,  
Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Year Ended September 30, 2018

	General	Section 8	Streets CIP
<b>REVENUES</b>			
Property taxes	\$ 61,122,847	\$ -	\$ -
Sales taxes	31,532,937	-	-
Other taxes	292,966	-	-
Franchise fees	14,485,521	-	-
Charges for goods and services	5,847,113	5,779,637	23,242
Licenses and permits	3,000,527	218,421	-
Fines and forfeitures	7,337,547	-	-
Intergovernmental	2,335,924	27,786,641	-
General and administrative	4,712,539	-	-
Rents and royalties	875	-	-
Investment income	3,213,375	-	-
Contributions	176,042	-	-
Other	854,500	39,476	617,081
	<hr/>	<hr/>	<hr/>
Total revenues	134,912,713	33,824,175	640,323
<b>EXPENDITURES</b>			
Current operations:			
Support services	22,333,632	-	-
Public safety services	84,283,161	-	-
Recreation and leisure services	2,760,622	-	-
Development services and other	12,944,045	34,784,590	6,221,308
Capital outlay	1,086,949	-	12,867,399
Debt service:			
Principal retirement	-	-	-
Interest and other charges	3,200	-	99,186
	<hr/>	<hr/>	<hr/>
Total expenditures	123,411,609	34,784,590	19,187,893
Excess (deficiency) of revenues over (under) expenditures	11,501,104	(960,415)	(18,547,570)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	33,812	1,480,000
Transfers out	(10,106,151)	(50,000)	(2,662,296)
Bonds issued	-	-	11,731,193
Premium on bonds issued	-	-	1,193,054
Proceeds from sale of capital assets	1,003,393	15,813	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(9,102,758)	(375)	11,741,951
Net change in fund balances	2,398,346	(960,790)	(6,805,619)
Fund balances - beginning of year	31,346,705	1,784,683	32,102,686
	<hr/>	<hr/>	<hr/>
<b>Fund balances - end of year</b>	<b>\$ 33,745,051</b>	<b>\$ 823,893</b>	<b>\$ 25,297,067</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

Grants	Debt Service	Epic CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 25,802,801	\$ -	\$ 7,741,648	\$ 94,667,296
-	-	-	32,717,780	64,250,717
-	-	-	1,915,332	2,208,298
-	-	-	-	14,485,521
54,343	-	-	13,132,839	24,837,174
-	-	-	210,493	3,429,441
-	-	-	4,004,791	11,342,338
5,263,274	-	-	454,534	35,840,373
-	-	-	-	4,712,539
-	-	-	4,383,279	4,384,154
5,786	-	281,327	6,300	3,506,788
167,688	-	-	803,553	1,147,283
-	-	117,145	355,868	1,984,070
5,491,091	25,802,801	398,472	65,726,417	266,795,992
-	-	-	2,328,652	24,662,284
1,799,099	-	-	8,650,325	94,732,585
201,880	-	1,121,029	22,252,892	26,336,423
2,555,061	-	-	18,812,969	75,317,973
3,123,791	-	21,405,566	44,936,781	83,420,486
-	19,970,000	-	5,035,000	25,005,000
-	8,877,065	-	4,794,575	13,774,026
7,679,831	28,847,065	22,526,595	106,811,194	343,248,777
(2,188,740)	(3,044,264)	(22,128,123)	(41,084,777)	(76,452,785)
4,037,110	50,000	3,700,000	26,529,392	35,830,314
(1,531,226)	(224,116)	-	(15,208,912)	(29,782,701)
-	-	-	24,783,807	36,515,000
-	-	-	2,520,496	3,713,550
1,350	-	-	1,775	1,022,331
2,507,234	(174,116)	3,700,000	38,626,558	47,298,494
318,494	(3,218,380)	(18,428,123)	(2,458,219)	(29,154,291)
(947,692)	8,754,196	20,429,207	106,176,832	199,646,617
\$ (629,198)	\$ 5,535,816	\$ 2,001,084	\$ 103,718,613	\$ 170,492,326

**City of Grand Prairie, Texas**  
 Reconciliation of the Statement of Revenues,  
 Expenditures, and Changes in Fund Balances of the  
 Governmental Funds to the Statement of Activities  
 For the Year Ended September 30, 2018

<b>Net change in fund balances - total governmental funds</b>	<b>\$</b>	<b>(29,154,291)</b>
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.</p>		
This is the amount of capital assets recorded in the current period.		83,420,486
Depreciation on capital assets is reported in the government-wide statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds (except for internal service fund depreciation of \$135,147).		(42,252,812)
Governmental funds do not report capital contributions.		1,536,808
The net effect of various transactions involving capital assets (i.e., disposals, sales, and reassignments) are not reported in the governmental funds.		(883,543)
<p>The issuance of long-term debt (i.e., bonds) provides current financial resources to the governmental funds, while repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Bonds issued	(36,515,000)	
Bond principal retirement	25,005,000	
Bond premium issued	(3,713,550)	
Amortization of bond premiums/discounts	1,518,598	
Amortization of loss on refundings	(264,781)	(13,969,733)
<p>Some expense accruals reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Accrued interest	38,447	
Compensated absences	(728,670)	
Pollution remediation obligation	124,334	
Postemployment benefit obligation	2,555,497	
Pension liability	26,169,917	
Deferred pension and OPEB contributions, and investment and actuarial experience	(30,224,019)	
Other liabilities	(81,089)	(2,145,583)
<p>Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(134,350)
<p>Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net operating loss of the internal service funds is reported with governmental activities (net of the amount allocated to business-type activities of \$104,424).</p>		
		4,956,457
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>1,373,439</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas  
Statement of Net Position  
Proprietary Funds  
September 30, 2018

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 10,296,096	\$ 3,259,134	\$ (51,620)	\$ 13,503,610	\$ 1,666,720
Investments	62,618,432	13,624,536	3,872,433	80,115,401	17,000,000
Accounts receivable, net	5,855,367	648,496	707,021	7,210,884	-
Intergovernmental receivable	-	-	19,285	19,285	-
Inventories and supplies	514,213	-	71,985	586,198	71,443
Prepays	-	-	46,055	46,055	444,083
Restricted assets:					
Cash and cash equivalents	6,348,418	-	-	6,348,418	-
Investments	9,801,419	-	73,386	9,874,805	-
Total current assets	95,433,945	17,532,166	4,738,545	117,704,656	19,182,246
Noncurrent assets:					
Capital assets:					
Land	2,208,926	1,748,378	759,707	4,717,011	737,566
Buildings	2,848,430	1,905,218	15,137,593	19,891,241	1,477,875
Equipment	25,670,655	9,949,230	2,329,746	37,949,631	2,198,866
Infrastructure	355,110,305	10,613,146	37,879,682	403,603,133	-
Construction in progress	22,374,315	2,085,267	34,247	24,493,829	227,700
Less: accumulated depreciation	(219,509,383)	(11,621,534)	(26,298,508)	(257,429,425)	(3,024,706)
Total noncurrent assets	188,703,248	14,679,705	29,842,467	233,225,420	1,617,301
Total assets	284,137,193	32,211,871	34,581,012	350,930,076	20,799,547
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Debt refundings	538,458	-	-	538,458	-
Related to OPEB	15,530	5,283	5,049	25,862	3,339
Related to TMRS pension	748,716	254,684	243,370	1,246,770	161,024
Total deferred outflows of resources	1,302,704	259,967	248,419	1,811,090	164,363
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	8,115,728	489,973	419,786	9,025,487	946,999
Retainage payable	134,045	-	-	134,045	-
Accrued interest	347,905	8,774	6,306	362,985	-
Accrued liabilities	472,808	219,594	107,535	799,937	4,078,980
Compensated absences	232,538	56,148	85,170	373,856	60,250
Unearned revenue	905,606	-	146,438	1,052,044	-
Current portion of long-term debt	4,940,000	330,129	150,000	5,420,129	-
Current liabilities payable from restricted assets:					
Customer deposits	4,502,968	-	73,386	4,576,354	-
Total current liabilities	19,651,598	1,104,618	988,621	21,744,837	5,086,229
Noncurrent liabilities:					
Compensated absences	55,693	13,447	20,398	89,538	-
Other postemployment benefits	3,421,332	1,163,804	1,112,104	5,697,240	735,813
Closure and postclosure liability	-	7,939,257	-	7,939,257	-
Net pension liability	2,931,087	997,042	952,748	4,880,877	630,377
Long-term debt	53,509,433	-	885,000	54,394,433	-
Total noncurrent liabilities	59,917,545	10,113,550	2,970,250	73,001,345	1,366,190
Total liabilities	79,569,143	11,218,168	3,958,871	94,746,182	6,452,419
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to OPEB	248,249	84,445	80,693	413,387	53,390
Related to TMRS pension	736,359	250,481	239,353	1,226,193	158,366
Total deferred inflows of resources	984,608	334,926	320,046	1,639,580	211,756
<b>NET POSITION</b>					
Net investment in capital assets	130,658,228	14,349,576	28,807,467	173,815,271	1,617,301
Restricted for:					
Debt service	7,292,951	-	-	7,292,951	-
Capital projects	38,329,310	-	-	38,329,310	-
Unrestricted	28,605,657	6,569,168	1,743,047	36,917,872	12,682,434
Total net position	\$ 204,886,146	\$ 20,918,744	\$ 30,550,514	\$ 256,355,404	\$ 14,299,735
<b>Reconciliation to government-wide Statement of Net Position:</b>					
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				2,080,445	
Net position of business-type activities				\$ 258,435,849	

The Notes to the Basic Financial Statements are an integral part of this statement.

**City of Grand Prairie, Texas**  
**Statement of Revenues, Expenses,**  
**And Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2018**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Wastewater</b>	<b>Solid Waste</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Activities Internal Service Funds</b>
<b>OPERATING REVENUES</b>					
Water sales	\$ 44,893,468	\$ -	\$ -	\$ 44,893,468	\$ -
Wastewater services	28,328,868	-	-	28,328,868	-
Water and wastewater fees	2,743,483	-	-	2,743,483	-
Wastewater surcharges	846,222	-	-	846,222	-
Solid waste fees	-	13,094,301	-	13,094,301	-
Charges for services	-	-	10,626,085	10,626,085	5,983,290
Intergovernmental revenue	-	-	67,537	67,537	-
Insurance premiums	-	-	-	-	26,506,330
Miscellaneous	744,017	114,477	930,289	1,788,783	41,541
<b>Total operating revenue</b>	<b>77,556,058</b>	<b>13,208,778</b>	<b>11,623,911</b>	<b>102,388,747</b>	<b>32,531,161</b>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	8,072,319	2,676,545	2,700,670	13,449,534	1,901,861
Supplies and miscellaneous purchases	1,202,427	547,366	1,366,201	3,115,994	2,594,067
Purchased services	6,236,044	5,701,457	1,760,996	13,698,497	1,128,243
Insurance costs	-	-	-	-	20,908,318
Water purchases	16,917,148	-	-	16,917,148	-
Wastewater treatment	15,644,623	-	-	15,644,623	-
General and administrative costs	3,895,242	341,938	144,552	4,381,732	-
Franchise fees	2,927,443	364,438	275,062	3,566,943	-
Miscellaneous	1,552,920	817,255	674,016	3,044,191	426,958
Depreciation	14,512,955	1,482,530	1,726,830	17,722,315	135,147
<b>Total operating expenses</b>	<b>70,961,121</b>	<b>11,931,529</b>	<b>8,648,327</b>	<b>91,540,977</b>	<b>27,094,594</b>
<b>Operating income</b>	<b>6,594,937</b>	<b>1,277,249</b>	<b>2,975,584</b>	<b>10,847,770</b>	<b>5,436,567</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	43,661	-	-	43,661	-
Gain (loss) on property disposition	117,576	(473,453)	68,350	(287,527)	12,563
Interest expense	(2,140,109)	(20,863)	(53,030)	(2,214,002)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(1,978,872)</b>	<b>(494,316)</b>	<b>15,320</b>	<b>(2,457,868)</b>	<b>12,563</b>
<b>Income (loss) before contributions and transfers</b>	<b>4,616,065</b>	<b>782,933</b>	<b>2,990,904</b>	<b>8,389,902</b>	<b>5,449,130</b>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions-impact fees	2,573,638	-	-	2,573,638	-
Capital contributions	7,406,560	-	2,075,576	9,482,136	-
Transfers in	143,008	-	654,116	797,124	300,000
Transfers out	(1,386,922)	(307,621)	(5,375,000)	(7,069,543)	(75,194)
<b>Total contributions and transfers</b>	<b>8,736,284</b>	<b>(307,621)</b>	<b>(2,645,308)</b>	<b>5,783,355</b>	<b>224,806</b>
<b>Change in net position</b>	<b>13,352,349</b>	<b>475,312</b>	<b>345,596</b>	<b>14,173,257</b>	<b>5,673,936</b>
Net position - beginning of year	195,118,591	21,662,839	31,370,154	248,151,584	9,396,767
Cumulative effect of change in accounting principle	(3,584,794)	(1,219,407)	(1,165,236)	(5,969,437)	(770,968)
Net position - beginning of year (restated)	191,533,797	20,443,432	30,204,918	242,182,147	8,625,799
<b>Net position - end of year</b>	<b>\$ 204,886,146</b>	<b>\$ 20,918,744</b>	<b>\$ 30,550,514</b>	<b>\$ 256,355,404</b>	<b>\$ 14,299,735</b>
<b>Reconciliation to government-wide Statement of Activities:</b>					
Total change in net position			\$ 14,173,257		
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds			717,479		
Change in net position of business-type activities			\$ 14,890,736		

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2018

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Water Wastewater	Solid Waste	Other Nonmajor		Activities Internal Service Funds
<b>Cash flows from operating activities:</b>					
Cash receipts from customers	\$ 76,977,582	\$ 13,077,606	\$ 10,503,459	\$ 100,558,647	\$ -
Cash receipts from city and employee contributions	-	-	-	-	26,506,330
Cash receipts from interfund services provided	-	-	-	-	5,983,290
Cash receipts from other governments	-	-	96,170	96,170	-
Other operating cash receipts	744,017	114,477	930,289	1,788,783	41,541
Cash payments to suppliers for goods and services	(40,916,336)	(5,965,045)	(3,583,714)	(50,465,095)	(3,438,673)
Cash payments to employees for services	(8,117,462)	(2,776,624)	(2,693,419)	(13,587,505)	(1,747,199)
Cash payments for interfund services used	-	-	(275,062)	(275,062)	(20,908,318)
Other operating cash payments	(4,480,363)	(1,181,693)	(144,552)	(5,806,608)	-
Net cash provided by (used in) operating activities	24,207,438	3,268,721	4,833,171	32,309,330	6,436,971
<b>Cash flows from noncapital financing activities:</b>					
Transfers from other funds	143,008	-	654,116	797,124	300,000
Transfers to other funds	(1,386,922)	(307,621)	(5,375,000)	(7,069,543)	(75,194)
Contributions to other governments	-	-	-	-	-
Net cash (used in) provided by noncapital financing activities	(1,243,914)	(307,621)	(4,720,884)	(6,272,419)	224,806
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from issuance of bonds	2,755,000	-	-	2,755,000	-
Capital impact fees from developers	2,573,638	-	-	2,573,638	-
Proceeds from disposition of capital assets	69,794	15,734	11,752	97,280	12,563
Acquisition and construction of capital assets	(4,592,125)	(3,338,390)	(761,321)	(8,691,836)	(62,145)
Principal paid on debt	(4,810,000)	(625,893)	(145,000)	(5,580,893)	-
Interest paid on debt	(1,702,265)	(28,587)	(53,891)	(1,784,743)	-
Bond issuance costs	(92,545)	-	-	(92,545)	-
Net cash used in capital and related financing activities	(5,798,503)	(3,977,136)	(948,460)	(10,724,099)	(49,582)
<b>Cash flows from investing activities:</b>					
Proceeds from sales and maturities of investments	-	-	-	-	-
Purchase of investment securities	(16,800,000)	-	-	(16,800,000)	(7,000,000)
Interest received on investments	43,661	-	-	43,661	-
Net cash (used in) provided by investing activities	(16,756,339)	-	-	(16,756,339)	(7,000,000)
Net (decrease) increase in cash and equivalents	408,682	(1,016,036)	(836,173)	(1,443,527)	(387,805)
Cash and cash equivalents - beginning of year	16,235,832	4,275,170	784,553	21,295,555	2,054,525
Cash and cash equivalents - end of year	\$ 16,644,514	\$ 3,259,134	\$ (51,620)	\$ 19,852,028	\$ 1,666,720
<b>Reconciliation of operating income (loss) from operations to net cash from operating activities:</b>					
Operating income (loss)	\$ 6,594,937	\$ 1,277,249	\$ 2,975,584	\$ 10,847,770	\$ 5,436,567
Adjustments to operating income (loss) to net cash from operating activities:					
Depreciation	14,512,955	1,482,530	1,726,830	17,722,315	135,147
Provisions for uncollectible accounts	(146,209)	(56,139)	(12,069)	(214,417)	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(57,088)	39,444	(114,338)	(131,982)	-
(Increase) decrease in intergovernmental receivable	-	-	-	-	-
(Increase) decrease in due from other governments	-	-	28,633	28,633	-
(Increase) decrease in inventories and supplies	(8,484)	-	11,134	2,650	49,710
(Increase) decrease in prepaids	-	-	(32,292)	(32,292)	-
Increase (decrease) in accounts payable	3,354,279	96,066	235,345	3,685,690	660,885
Increase (decrease) in retainage payable	(366,786)	-	-	(366,786)	-
Increase (decrease) in accrued liabilities	139	529,650	14,254	544,043	145,548
Increase (decrease) in customer deposits	368,838	-	3,781	372,619	-
Increase (decrease) in unearned revenue	-	-	(10,942)	(10,942)	-
Increase (decrease) in compensated absences	(12,970)	(17,469)	6,169	(24,270)	11,481
Increase (decrease) in OPEB liability	69,257	23,559	22,512	115,328	14,896
Increase (decrease) in pension liability	(101,430)	(106,169)	(21,430)	(229,029)	(17,263)
Net cash provided by (used in) operating activities	\$ 24,207,438	\$ 3,268,721	\$ 4,833,171	\$ 32,309,330	\$ 6,436,971
<b>Noncash investing, capital and financing activities:</b>					
Capital contributions from developers/granting agencies	\$ 7,406,560	\$ -	\$ 2,075,576	\$ 9,482,136	\$ -
<b>Reconciliation of ending cash and cash equivalents to Statement of Net Position:</b>					
Unrestricted cash and cash equivalents - end of year	\$ 10,296,096	\$ 3,259,134	\$ (51,620)	\$ 13,503,610	\$ 1,666,720
Restricted cash and cash equivalents - end of year	6,348,418	-	-	6,348,418	-
<b>Total cash and cash equivalents - end of year</b>	<b>\$ 16,644,514</b>	<b>\$ 3,259,134</b>	<b>\$ (51,620)</b>	<b>\$ 19,852,028</b>	<b>\$ 1,666,720</b>

The Notes to the Basic Financial Statements are an integral part of this statement.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## **Notes to the Basic Financial Statements**



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Note 1. Summary of Significant Accounting Policies

#### A. Introduction

The City of Grand Prairie (City) is one of the Mid-Cities in the Dallas-Fort Worth Metroplex, 12 miles west of downtown Dallas, 18 miles east of downtown Fort Worth and six miles south of DFW International Airport. The City was incorporated in 1909, and adopted the Council-Manager form of government in 1948.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accounts as published in Audits of State and Local Governments.

#### B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate entities as component units within the City's reporting entity are set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*. Based on this criterion, the City reports the following component units as part of the financial reporting entity:

##### Blended Component Units

###### Grand Prairie Crime Control and Prevention District

The City of Grand Prairie Crime Control and Prevention District (CCPD) was created in May 2007 under the provisions of the Crime Control and Prevention Act and authority of Chapter 363, Texas Local Government Code, as amended (Act) by Resolution No. 2007-02 of the Grand Prairie City Council. The purpose of the CCPD is to provide crime control and crime prevention strategies, specific treatment and prevention programs, and court and prosecution services including the cost of personnel, administration, expansion, enhancement, and capital expenditures, and any other programs as authorized by Chapter 363.

Under the authority of the Act, the voters of Grand Prairie approved a proposition to levy and collect an additional quarter-cent sales and use tax for the purpose of funding the CCPD which became effective October 1, 2007. In 2012, citizens voted to continue/renew the quarter-cent sales and use tax for this same purpose.

The CCPD's governing body is substantively the same as the governing body of the City as the seven members of the CCPD's Board of Directors are all City council members. The City has operational responsibility for the CCPD, and the CCPD provides all of its services to the City. If the District is dissolved, its assets will become the City's property. For these reasons, the CCPD is reported as a blended component unit of the City and is reported as a special revenue fund within the City's governmental activities. This special revenue fund was established specifically to account for the accumulation and use of the quarter-cent sales tax revenue collected for the CCPD.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Discretely Presented Component Units

#### Grand Prairie Sports Facilities Development Corporation

The Sports Corporation was incorporated on June 10, 1992, under the provisions of the Development Corporation Act of 1979, as amended, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended (Act) by Resolution No. 2841 of the Grand Prairie City Council. The purpose of the Sports Corporation is to promote economic development within the City in order to reduce unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing and financing projects authorized under the Act.

The Act provides that the City may levy a one-half cent sales and use tax for the benefit of the Sports Corporation if the tax is authorized by a majority of the qualified voters in an election. On January 18, 1992, a majority of the voters approved a proposition to levy and collect an additional one-half cent sales and use tax for the purpose of constructing a horse racetrack. The one-half cent sales and use tax increase became effective April 1, 1993 to cover the costs of the project or the principal, interest and other costs relating to any bonds or obligations issued to pay the costs of the project or to refund bonds or obligations issued to pay the costs of the project. All bonds were redeemed on September 15, 2007. The sales tax was discontinued on September 30, 2007.

The City continues to receive significant financial benefits from the Sports Corporation as excess earnings of the Sports Corporation are paid to the City; and, if dissolved, all assets of the Sports Corporation become the City's property. Although the Sports Corporation is a legally separate entity, the City has the ability to impose its will upon the Sports Corporation as its Board of Directors are all appointed by the City Council, and four of the seven-member board are actual City Council members. For this reason, the Sports Corporation is presented as part of the City's reporting entity as a discretely presented component unit. Discretely presented component units are presented in a separate column alongside the City's financial information.

#### Grand Prairie Housing Finance Corporation

The Grand Prairie Housing Finance Corporation (HFC) was created to issue tax-exempt revenue bonds to supply mortgage financing for low income home buyers and multi-family development. While the entity is legally, financially and administratively autonomous, the governing body of the City of Grand Prairie may, at its sole discretion, and at any time, amend HFC's Articles of Incorporation, and alter or change its structure, programs or activities, or terminate or dissolve it. Additionally, members of the Board of Directors are appointed by and may be removed by the City Council. However, the City is not financially obligated for any debt of the HFC. For these reasons, the HFC is presented as part of the City's reporting entity as a discretely presented component unit.

The HFC's financial information, for its calendar year ended December 31, 2017, is included in the City's financial statements in a separate column alongside the City's. Separate audited financial statements may be obtained by writing Grand Prairie Housing Finance Corporation, Attn: Executive Director, P. O. Box 532758, Grand Prairie, Texas 75053-2758.

**Related Autonomous Entities**

Grand Prairie Health Facilities Development Authority

The Grand Prairie Health Facilities Development Authority (HFDA) was created to issue tax-exempt revenue bonds to finance medical facilities. While the HFDA's revenue bonds were defeased, the HFDA continues to exist only to make decisions from time to time regarding the defeased bonds. The City exercises no control over the HFDA or its budget.

Grand Prairie Industrial Development Authority

The Grand Prairie Industrial Development Authority (GPIDA) was created to issue tax-exempt industrial revenue bonds to assist in the City's economic development and to evaluate tax abatement applications. The City exercises no control over the GPIDA's management, budget or operations.

**C. Implementation of New Accounting Standards**

For fiscal year ended September 30, 2018, the City implemented the following new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is effective for fiscal years beginning after June 15, 2017. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

With this implementation, the City's financial statements were restated to reflect the beginning OPEB liability, deferred outflows and inflows of resources and the recognition of OPEB expense and contributions made between the start of the measurement period and the City's prior fiscal year. The restatement to beginning net position is noted below and reflected on the statements:

	Government-Wide		Fund Level	
	Statement of Activities		Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	
	Governmental Activities	Business-Type Activities	Enterprise Funds	Governmental Activities Internal Service Funds
	Governmental Activities	Business-Type Activities	Enterprise Funds	Internal Service Funds
Net position - beginning of year	\$ 405,407,435	\$ 249,634,697	\$ 248,151,584	\$ 9,396,767
Change in reporting for OPEB	(49,038,142)	(6,089,584)	(5,969,437)	(770,968)
<b>Net position - beginning of year (restated)</b>	<b>\$ 356,369,293</b>	<b>\$ 243,545,113</b>	<b>\$ 242,182,147</b>	<b>\$ 8,625,799</b>

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, is effective for periods beginning after December 15, 2016, and pertains to a type of a giving agreement used by donors to provide resources to two or more beneficiaries, including governments. The adoption of Statement No. 81 has no impact on the City's financial statements.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

GASB Statement No. 82, *Pension Issues – an amendment of GASB statements No. 67, No. 68, and No. 73*, is effective for periods beginning after June 15, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and 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*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

GASB Statement No. 85, *Omnibus 2017*, is effective for periods beginning after June 15, 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues relating to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits).

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, is effective for periods beginning after June 15, 2017. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. The adoption of Statement No. 86 has no impact on the City's financial statements.

### C. Basis of Presentation

#### Government-Wide Financial Statements

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all activities of the City, including component units. Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities which generally rely on fees and charges for support. Significant revenues generated from business-type activities include charges to customers for water and wastewater services, golf course fees, airport user charges, solid waste collection services, and storm water utility fees. As a general rule, the internal activity between governmental activities and business-type activities is eliminated from the government-wide financial statements except that charges for administrative overhead services provided by the governmental activities to the business-type activities are included as revenues to the governmental activities and expenses to the business-type activities.

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2018

The Statement of Activities reports the change in the City's net position from October 1, 2017 to September 30, 2018. This statement demonstrates the degree to which the direct expenses of a given function of the government are offset by program revenues. Specifically, the City has identified the following functions of government – support services, public safety services, recreation and leisure services, development services, water and wastewater services, solid waste services, storm water services, airport operations, and golf course operations. *Direct expenses* are those that are clearly identifiable with a specific function of City government. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as *general revenues* in the statement of activities.

#### Fund Financial Statements

In addition to the government-wide financial statements, the City also reports separate financial statements for major functions or activities of the government. These financial statements are organized on the basis of funds with governmental resources allocated to and accounted for based upon the purposes for which they are spent and the means by which spending activities are controlled. Separate statements are presented for governmental activities and proprietary activities.

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, revenues, expenditures/expenses, and fund balances. The fund financial statements present each major fund as a separate column, while all nonmajor funds are aggregated and presented in a single column. Major funds are calculated using specific methods outlined in GASB Statement No. 34, or City management may also deem funds as major for presentation purposes.

At September 30, 2018, major governmental funds include the following:

#### General Fund

The General Fund is the primary operating fund of the City. This fund is used to account for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from the General Fund.

#### Section 8 Fund

This special revenue fund accounts for grant and contract revenue received from the federal government for providing housing assistance to low income families and for the administration of the program.

#### Street CIP Fund

This capital project fund accounts for the construction and renovation of thoroughfares and arterial streets and roads financed through general obligation bond proceeds and other dedicated sources.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Grants Fund

This special revenue fund accounts for the various federal, state and local grant revenue received by the City. All grants included in this fund are for specific projects with limited duration.

### Debt Service Fund

The City's Debt Service Fund accounts for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

### Epic CIP Fund

This capital project fund accounts for the proceeds from sales tax revenue bonds, current lending/borrowing arrangements, and other dedicated sources to be used in the construction of The Epic.

At September 30, 2018, major enterprise funds include the following:

### Water/Wastewater Fund

This fund accounts for water and wastewater system services provided for residents of the City, including administration, operations, maintenance, debt service, billing and collection. The City purchased treated water from surrounding cities, and water is pumped from City-owned wells. Although the City owns the wastewater collection system, it has no treatment facilities. Wastewater treatment is provided by the Trinity River Authority. Contracts relating to purchased water and wastewater treatment are discussed in Note 2M. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

### Solid Waste Fund

This fund accounts for the City's landfill, garbage/recycling collection service, brush and litter collection, street sweeping, illegal dumping cleanup, Keep Grand Prairie Beautiful, and auto-related business programs, as well as a number of special purpose transfers related to reserves for landfill closure, post-closure costs and environmental remediation. All costs are financed through charges to sanitation customers.

## **Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

### Government-Wide Financial Statements

The government-wide financial statements and the fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position, and the operating statement presents increases (revenues) and decreases (expenses) in the net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when both *measurable* and *available*. *Measurable* means knowing, or being capable of calculating or estimating the amount to be received. *Available* means collectible within the current period or soon enough thereafter to pay current liabilities (generally sixty days). Also, under the modified accrual basis of accounting, expenditures (including capital outlay) are recorded in the period when the related fund liability is incurred, except for general obligation bond principal and interest and expenditures related to compensated absences, which are recorded when due rather than when incurred.

Major revenue sources susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, charges for services, and intergovernmental revenues. Revenue is accrued when it is deemed available except for intergovernmental revenues.

Grant revenues are recognized not just when available, but when the qualifying expenditures have been incurred, and all other grant requirements have been met.

The City also reports *unavailable* and *unearned* revenues in its governmental funds. *Unavailable* revenues arise when potential revenue does not meet both the *measurable* and *available* criteria for recognition in the current period. *Unearned* revenues arise when the City receives revenue resources before it has legal claim to it, as when grant money is received prior to the incidence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the City has a legal claim to the resource, the revenue is recognized.

### Proprietary Funds

As mentioned earlier, proprietary funds use the economic resources measurement focus and the accrual basis of accounting. The accounting objectives for proprietary funds are the determination of net income, financial position, and cash flows. Proprietary fund equity is segregated into (1) net investment in capital assets; (2) restricted net position, and (3) unrestricted net position. Proprietary funds distinguish operating revenues and expenses from the non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports two types of proprietary funds – enterprise funds and internal services funds.

### Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is 1) that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or 2) where the City Council has decided that periodic determination of revenues earned, expenses incurred and/or operating income generated is appropriate for the purposes of capital maintenance, public policy, management control, and/or accountability. The City maintains five enterprise funds – water and wastewater services, solid waste services, storm water services, airport operations, and golf course operations. These enterprise funds are classified as business-type activities in both the government-wide and governmental fund financial statements.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments within the City, on a cost-reimbursement basis. The City has two internal service funds:

- **Fleet Services Fund** – accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment.
- **Risk Management Fund** – accounts for premiums, deductibles and claims for the City's property, liability, workers compensation, and employee health and life insurance programs. The City reports all risk financing activities in the Risk Management Fund.

## D. Assets, Liabilities, Deferred Outflows/Inflows Resources, and Net Position/Fund Balances

### Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings are recorded in the General Fund unless it is required by regulations or agreements to allocate to certain funds. In fiscal year 2018, the funds receiving allocation of interest earnings were the Grants Fund, Epic CIP Fund, Police Seizure Funds and the Water/Wastewater Fund. For purposes of the statements of cash flows, the City considers cash on hand, demand deposits, and investments with original maturities of three months or less to be cash equivalents.

### Receivables and Payables

Major revenue sources susceptible to accrual are recorded as receivables when they become both measurable and available. Expenditures incurred during the current fiscal year but not yet paid are recorded as payables at fiscal year-end.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at fiscal year-end are referred to as due to/from other funds.

### Inventories and Prepaid Items

Inventory consists primarily of supplies and material and is recorded at cost when purchased and expensed when consumed. For the General Fund, inventory is expensed on an actual specific-cost basis. Special Revenue and Enterprise Funds' inventory is charged out on a first-in, first-out basis, except for fuel inventory which is charged out on a moving-average basis. Prepaid balances are for payment made by the City in the current year to provide services occurring in the subsequent fiscal year. The cost of prepaid items is expensed when consumed rather than when purchased.

Accordingly, for both inventories and prepaid items, fund balance is classified as nonspendable for an amount equal to the cost to signify those funds are not available for spending.

### Capital Assets and Depreciation

Capital assets (i.e. land, buildings, equipment, improvements other than buildings, infrastructure, and construction in progress) of all the funds are stated at historical cost or estimated historical cost if historical cost is not known. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value on the date donated. An item is classified as an asset if the initial, individual cost is \$5,000 or greater. Capital assets of the City are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Assets subject to depreciation are depreciated using the straight-line method.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

The estimated useful lives of all depreciable assets are as follows:

Buildings	20 - 40 years
Machinery and Equipment	5 - 15 years
Improvements other than Buildings	20 - 40 years
Infrastructure	20 - 40 years

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position by the City that is applicable to a future reporting period, and as so will not be recognized as an outflow of resources (expenses/expenditures) until then. Deferred outflows of resources are reported in the government-wide Statement of Net Position for governmental and business-type activities and in the Statement of Net Position in the fund financial statements only for proprietary funds. The City has the following items that qualify for reporting in this category.

- **Deferred charges on debt 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.
- **Pension and OPEB Employer contributions** – contributions made from the measurement date of the plans to the current fiscal year end (January to September). These contributions are deferred and recognized in the subsequent fiscal year.
- **Pension and OPEB investment experience** – the difference between projected and actual earnings of plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68 and 75.
- **Pension and OPEB assumption changes** – the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members as of the beginning of the measurement period.

Deferred inflows of resources represents an acquisition of net position that is applicable to a future reporting period, and as so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflow of resources are reported in the basic financial statements the same as deferred outflows of resources. The City has the following items that qualify for reporting in this category.

- **Unavailable revenue** – at the governmental fund level, property tax and ambulance receivables recorded but not expected to be collected within than sixty days after fiscal year end are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.
- **Pension and OPEB actuarial experience** – the difference between the expected and actual experience in the actuarial measurement of the total pension and OPEB liability not recognized in the current year. This amount is deferred and amortized over a period of years determined by the plan actuary. The amortization period is based on the estimated average remaining service lives of employees that are provided with a pension or OPEB through the plans (active and inactive employees) for the City determined at the beginning of the measurement date.

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2018

- **OPEB assumption changes** – the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members as of the beginning of the measurement period.
- **Pension investment experience** – the difference between projected and actual earnings of plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68.

#### Compensated Absences

Employees are granted vacation benefits in varying amounts, depending on tenure with the City. These benefits accumulate pro rata by pay period. Payment for unused vacation will be made at upon separation of employment. Fire and police civil service employees who have completed their introductory period are paid up to 90 days sick leave upon separation of employment, excluding indefinite suspensions. The valuation of the civil service sick leave is at current pay rates. The valuation of accrued compensated absences includes salary-related payments such as the City's share of taxes and contributions to the retirement plan in accordance with GASB 16.

Accrued compensated absence liabilities are reported in the respective columns in the government-wide financial statements and in the proprietary fund financial statements. Compensated absences are only reported in governmental funds if they are owed to separated employees at the end of the fiscal year.

#### Pensions

For purposes of measuring net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about the Fiduciary Net Position of TMRS, and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

#### Postemployment Benefits

The City provides postemployment healthcare benefits to all vested employees upon retirement from the City. Employees are vested in the City's pension plan with twenty-five years or more of service, regardless of age, or five years or more of service at age sixty and above. Coverage is also available to dependents or surviving spouses of retirees. The City subsidizes medical, dental, and hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan. Complete details of the plan are listed in Note K starting on page 78.

#### Long-Term Debt

General obligation bonds and other debt issued for general government capital projects and acquisitions that are repaid from tax revenues are recorded in the governmental activities column in the government-wide Statement of Net Position. Debt issued to fund capital projects in the proprietary funds is recorded in both the business-type activities column in the government-wide Statement of Net Position and in the proprietary fund Statement of Net Position. Bond premiums and discounts, as well as deferred charges on refunded debt obligations, are deferred and amortized over the life of the bonds using the effective interest method in the government-wide financial statements and in the proprietary funds. Bonds payable are reported net of applicable bond premiums and discounts.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Nature and Purpose of Classifications of Fund Equity

**Restricted** fund balances in the governmental funds are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments for specific purposes.

**Committed** fund balances can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution, which are considered equally restrictive for the purpose of committing fund balances. To remove or change the constraint, the City Council must take the same level of action.

**Assigned** fund balances are determined by City management based on City Council direction, in accordance with financial policies adopted by resolution. Assigned fund balances are constrained by the intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned** fund balance represents the amount that does not meet the criteria for restricted, committed, or assigned.

**Nonspendable** fund balances represent inventories and prepaid items.

The City considers expenditures to be made from the most restrictive classification when more than one classification is available.

### Minimum Fund Balance Policy

It is the desire of the City to maintain an adequate fund balance in the General Fund in order to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial policy to maintain a minimum unassigned fund balance of 50 to 60 days of budgeted General Fund expenditures.

### Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Restricted net position represents the difference between restricted assets and liabilities payable from these assets that is externally imposed by enabling legislation.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, plus deferred outflows from bond refundings, reduced by retainage payable and the outstanding balance of any debt used for acquisition, construction, or improvements of those assets, plus any unspent bond proceeds.

## E. Budgetary Control

As set forth by the City Charter, the City Manager submits annual budgets to the City Council in August for the upcoming fiscal year. In September, the City Council adopts budgets for all governmental funds except for the Grants Fund, Police Seizure Funds, Public Improvement District Funds (PIDs), Tax Increment Financing District Funds (TIFs), and the Verizon Theatre Fund. For each governmental fund, budgeted appropriations (expenditures) may not exceed budgeted revenues plus beginning fund balances.

Capital project funds are controlled on a project basis and budgeted appropriations are carried forward each year until the project is completed.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

**Note 2. Detailed Notes**

**A. Deposits and Investments**

Cash and Cash Equivalents

At September 30, 2018, the City reported cash and cash equivalents in the Statement of Net Position as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Cash	\$ 2,900,230	\$ 7,171,164	\$ 10,071,394
Pooled investments	<u>59,952,834</u>	<u>2,952,755</u>	<u>62,905,589</u>
<b>Total cash and cash equivalents</b>	<u><u>\$ 62,853,064</u></u>	<u><u>\$ 10,123,919</u></u>	<u><u>\$ 72,976,983</u></u>

Of this amount, the City's cash carrying amount (book) and bank balances were as follows:

<u>Financial Institution</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Wells Fargo	\$ 10,045,422	\$ 14,219,954
Petty Cash	<u>25,972</u>	<u>-</u>
<b>Total cash</b>	<u><u>\$ 10,071,394</u></u>	<u><u>\$ 14,219,954</u></u>

Chapter 2257 Collateral for Public Funds of the Government Code requires that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. Per Wells Fargo Bank, N.A. and BNY Mellon's contractual obligation to the City, the collateral value held at the Federal Reserve Bank in the City's name at September 30, 2018 was \$10,268,232.

Grand Prairie Sports Facilities Development

At September 30, 2018, the carrying amount of the Sports Corporation's deposits included in cash and cash equivalents was \$397,926 while the bank balance of the Sports Corporation's deposits was \$398,106. The bank balance was entirely covered by collateral held by the Sports Corporation's agent in the Sports Corporation's name.

Grand Prairie Housing Finance Corporation

The bank balance of HFC at December 31, 2017, including restricted cash, totaled \$806,877 all of which was covered by FDIC insurance and collateral held by the depository institution in HFC's name. HFC's unrestricted cash and cash equivalents had a balance of \$708,108. Restricted cash of \$98,769 (tenant security deposits) represents cash held on deposit by HFC for insurance proceeds received for damages to federally funded assets. The liability is recorded until final disposition of the proceeds is requested by HUD. Other assets include reserves of \$109,126 and bonds held by a trustee of \$1,183,787 as a debt service reserve.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Investments

The City and the Sports Corporation categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted for identical assets or liabilities in active markets that a government can access at the measurement date.)
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The City has recurring fair value measurements as presented in the table below. The City's investment balances and weighted average maturity of such investments are as follows:

	September 30, 2018	Fair Value Measurements Using:			Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash	\$ 10,071,394	\$ -	\$ -	\$ -		
Investments measured at amortized cost:						
Investment Pools:						
Texpool	24,424,476	-	-	-	1	AAAm
Investments measured at net asset value (NAV):						
Investment Pools:						
TexStar	38,481,113	-	-	-	1	AAAm
Investments by fair value level:						
U.S. government agency securities:						
US Treasuries	4,936,892	-	4,936,892	-	3	AAA
FAMCA	39,485,540	-	39,485,540	-	676	Not Rated
FFCB	52,651,530	-	52,651,530	-	328	AAA
FHLB	56,578,540	-	56,578,540	-	368	AAA
FHLMC	34,634,660	-	34,634,660	\$ -	472	AAA
FNMA	46,571,020	-	46,571,020	-	447	AAA
<b>Total</b>	<b>\$ 307,835,165</b>	<b>\$ -</b>	<b>\$ 234,858,182</b>	<b>\$ -</b>		

The amounts for TexStar and TexPool (pooled investments) are reported as cash equivalents in the Statement of Net Position.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

The *Texpool* investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of sixty days or less and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities) and can meet reasonably foreseeable redemptions. *Texpool* has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

The *TexStar* investment pool is an external investment pool measured at NAV. *TexStar's* strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. *TexStar* has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity.

*U.S. Government Agency Securities* classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

### Investment Policy

The City is required by Government Code Chapter 2256, the Public Funds Investment Act (Act), to adopt, implement, and publicize an investment policy. That policy must be written, primarily to emphasize safety of principal and liquidity; address 1) investment diversification, yield, and maturity, and 2) the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and, the maximum allowable stated maturity of any individual investment owned by the entity.

The City Council has adopted investment policies (policies) which are in accordance with the laws of the State of Texas, where applicable. The policies identify authorized investments and investment terms, collateral requirements, safekeeping requirements for collateral and investments and certain investment practices.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establish appropriate polices. Authorized investments include obligations of the United States or its agencies and instrumentalities (except for mortgage pass-through securities), repurchase agreements, municipal securities, public funds investment pools, SEC regulated money market mutual funds and collateralized or insured certificates of deposit. The City adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local policies.

**City Of Grand Prairie, Texas**  
 Notes to the Basic Financial Statements  
 September 30, 2018

The investment policies require that repurchase agreements be made pursuant to a master agreement, the collateral is a U. S. Treasury bill, note or bond; the security is held in safekeeping by the City's custodial agent; and the investment is transacted "delivery vs. payment" so that the City's interest in the underlying security is perfected. The City does not invest in reverse repurchase agreements. No City monies were invested in repurchase agreements at September 30, 2018.

Investment Risk

**Interest rate risk** – In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investments portfolio to less than twelve months.

**Credit risk** – State law limits investments in commercial paper if the commercial paper is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state. The City's policy does not allow investments in commercial paper.

**Concentration of credit risk** – Investments shall be diversified to reduce the risk of loss resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of securities.

The asset mix of the City's portfolio is expressed in terms of maximum commitment so as to allow flexibility to take advantage of market conditions. The asset mix requirements are as follows:

	<u>% Maximum</u>
1. U.S. Treasury bills and notes	100
2. U.S. agency or instrumentality obligations (each type)	25 <sup>a</sup>
3. Repurchase agreements	20
4. Municipal securities (total)	40
5. Municipal securities (out-of-state)	20
6. Certificates of deposit (per institution)	20
7. Money market mutual fund	50 <sup>b</sup>
8. Public funds investment pool	50

<sup>a</sup> Total agency investments limited to no more than 100% of the total portfolio.

<sup>b</sup> State law allows up to 80% of monthly average fund balance, excluding bond proceeds. The City limits its exposure to 50% to reduce risk.

In addition, the City may invest in callable securities but shall limit the total amount to no more than 50% of the portfolio. The City did not invest in any securities different from the categories mentioned above during the 2017-2018 fiscal year.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Grand Prairie Sports Facilities Development

The Corp has recurring fair value measurements as presented in the table below. The Corp's investment balances and weighted average maturity of such investments are as follows:

	September 30, 2018	Fair Value Measurements Using			Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash	\$ 397,926	\$ -	\$ -	\$ -		
Investments measured at amortized cost:						
Investment Pools:						
Texpool	1,661,925	-	-	-	1	AAAm
Investments by fair value level:						
U.S. government agency securities:						
US Treasuries	987,482	-	987,482	-	484	Not Rated
FFCB	2,971,544	-	2,971,544	-	579	AAA
FHLB	1,996,566	-	1,996,566	-	54	AAA
FNMA	3,455,428	-	3,455,427	-	367	AAA
<b>Total</b>	<b>\$ 11,470,871</b>	<b>\$ -</b>	<b>\$ 9,411,019</b>	<b>\$ -</b>		

The Sports Corporation is authorized to invest in obligations of the U.S. or its agencies and instrumentalities, certain repurchase agreements, municipal securities with a rating of at least A, collateralized or insured certificates of deposit, and SEC-registered, no-load money market mutual funds comprised of securities allowed under the Public Funds Investments Act and public funds investment pools. At year-end, all investments of the Sports Corporation were held by the Sports Corporation's agent in the Sports Corporation's name. The fair value of investments owned at September 30, 2018 was \$1,661,925 in the Public Funds Investment Pool (TexPool) and \$9,410,852 in U.S. agency instrumentalities.

**B. Receivables**

At September 30, 2018, receivables, including applicable allowances for uncollectible accounts, consisted of the following:

Governmental Activities	General	Grants	Debt Service	Nonmajor Governmental	Total Governmental
Receivables:					
Property taxes	\$ 2,131,222	\$ -	\$ 855,199	\$ -	\$ 2,986,421
Sales taxes	5,691,264	-	-	6,541,361	12,232,625
Franchise fees	2,595,603	-	-	67,086	2,662,689
Other	2,485,983	41,577	11,093	1,249,173	3,787,826
Total receivables, gross	12,904,072	41,577	866,292	7,857,620	21,669,561
Less:					
Allowance for uncollectibles	(976,725)	-	(341,926)	-	(1,318,651)
Total receivables, net	\$ 11,927,347	\$ 41,577	\$ 524,366	\$ 7,857,620	\$ 20,350,910
Business-Type Activities:	Water Wastewater	Solid Waste	Other Nonmajor	Total Business-Type	
Receivables:					
Trade accounts	\$ 10,205,840	\$ 1,745,387	\$ 925,791	\$ 12,877,018	
Less:					
Allowance for uncollectibles	(4,350,473)	(1,096,891)	(218,770)	(5,666,134)	
Total receivables, net	\$ 5,855,367	\$ 648,496	\$ 707,021	\$ 7,210,884	

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

**C. Restricted Assets**

At September 30, 2018, restricted assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Cash and cash equivalents	\$ 3,775,501	\$ 6,348,418	\$ 10,123,919
Investments	105,224,152	9,874,805	115,098,957
	<u>\$ 108,999,653</u>	<u>\$ 16,223,223</u>	<u>\$ 125,222,876</u>

Assets were restricted for the following purposes:

Purpose	Governmental Activities	Business-Type Activities	Total
Customer deposits	\$ 37,000	\$ 4,576,354	\$ 4,613,354
Debt service	5,997,807	7,641,214	13,639,021
Capital projects	48,705,428	4,005,655	52,711,083
Support services	13,613,483	-	13,613,483
Public safety	19,749,801	-	19,749,801
Recreation and leisure	10,526,452	-	10,526,452
Development services	9,961,907	-	9,961,907
Other specific purposes	407,775	-	407,775
<b>Total restricted assets</b>	<u>\$ 108,999,653</u>	<u>\$ 16,223,223</u>	<u>\$ 125,222,876</u>

**D. Capital Assets**

Capital asset activity for the year ended September 30, 2018 was as follows:

Governmental Activities	Balance October 1, 2017	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2018
Non-depreciable capital assets:				
Land	\$ 45,603,692	\$ 952,817	\$ 17,185	\$ 46,573,694
Construction in progress	132,532,699	67,938,601	(37,225,080)	163,246,220
Total non-depreciable capital assets	178,136,391	68,891,418	(37,207,895)	209,819,914
Depreciable capital assets:				
Buildings	200,369,592	2,594,412	5,869,282	208,833,286
Equipment	103,522,189	11,627,219	8,426,940	123,576,348
Infrastructure	577,818,814	1,839,249	17,346,531	597,004,594
Total depreciable capital assets	881,710,595	16,060,880	31,642,753	929,414,228
Less accumulated depreciation for:				
Buildings	(71,749,780)	(6,714,599)	63,455	(78,400,924)
Equipment	(63,943,074)	(11,036,105)	4,461,311	(70,517,868)
Infrastructure	(308,946,286)	(24,637,255)	142,885	(333,440,656)
Total accumulated depreciation	(444,639,140)	(42,387,959)	4,667,651	(482,359,448)
Total depreciable capital assets, net	437,071,455	(26,327,079)	36,310,404	447,054,780
<b>Total capital assets, net</b>	<u>\$ 615,207,846</u>	<u>\$ 42,564,339</u>	<u>\$ (897,491)</u>	<u>\$ 656,874,694</u>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Business-Type Activities	Balance October 1, 2017	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2018
Non-depreciable capital assets:				
Land	\$ 4,476,296	\$ 107,781	\$ 132,934	\$ 4,717,011
Construction in progress	33,801,497	9,298,257	(18,605,925)	24,493,829
<b>Total non-depreciable capital assets</b>	<b>38,277,793</b>	<b>9,406,038</b>	<b>(18,472,991)</b>	<b>29,210,840</b>
Depreciable capital assets:				
Buildings	19,394,365	94,502	402,374	19,891,241
Equipment	37,000,558	2,759,947	(1,810,874)	37,949,631
Infrastructure	379,704,694	6,066,993	17,831,446	403,603,133
<b>Total depreciable capital assets</b>	<b>436,099,617</b>	<b>8,921,442</b>	<b>16,422,946</b>	<b>461,444,005</b>
Less accumulated depreciation for:				
Buildings	(8,287,264)	(622,606)	6,666	(8,903,204)
Equipment	(21,637,380)	(2,677,286)	1,446,355	(22,868,311)
Infrastructure	(211,517,636)	(14,422,423)	282,149	(225,657,910)
<b>Total accumulated depreciation</b>	<b>(241,442,280)</b>	<b>(17,722,315)</b>	<b>1,735,170</b>	<b>(257,429,425)</b>
<b>Total depreciable capital assets, net</b>	<b>194,657,337</b>	<b>(8,800,873)</b>	<b>18,158,116</b>	<b>204,014,580</b>
<b>Total capital assets, net</b>	<b>\$ 232,935,130</b>	<b>\$ 605,165</b>	<b>\$ (314,875)</b>	<b>\$ 233,225,420</b>

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

Governmental activities:		Business-type activities:	
Support services	\$ 3,369,780	Water and wastewater	\$ 14,512,955
Public safety services	8,149,056	Solid waste	1,482,530
Recreation and leisure services	8,672,637		
Development services	22,061,339	Other business-type activities	1,726,830
Internal services funds (see note below)	135,147		
<b>Total governmental activities</b>	<b>\$ 42,387,959</b>	<b>Total business-type activities</b>	<b>\$ 17,722,315</b>

Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets.

At September 30, 2018, a summary of changes in capital assets of the Sports Corporation was as follows:

	Balance October 1, 2017	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance September 30, 2018
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	(310,078)	-	-	(310,078)
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

At September 30, 2018, a summary of changes in capital assets of the Housing Finance Corporation was as follows:

	Balance January 1, 2017	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance December 31, 2017
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	1,612,851	-	-	1,612,851
Depreciable capital assets:				
Buildings	20,203,170	751,057	(369,831)	20,584,396
Less accumulated depreciation	(8,444,239)	(952,697)	369,831	(9,027,105)
Total depreciable capital assets, net	11,758,931	(201,640)	-	11,557,291
Housing Finance Corporation assets, net	<u>\$ 13,371,782</u>	<u>\$ (201,640)</u>	<u>\$ -</u>	<u>\$ 13,170,142</u>

**E. Interfund Transactions**

Interfund Receivables and Payables

Interfund receivables and payables are reported in the City's financial statements as due to/from other funds. At September 30, 2018, interfund balances existed between the Capital Lending Reserve Fund and the Park Venue CIP Fund for \$90,953, between the Capital Lending Reserve Fund and Epic CIP/Sales Tax Fund for \$3,493,636, and between the General Fund and Grants Fund for \$1,500,000. In May 2014, citizens approved a quarter-cent sales tax to construct The Epic Center. Through an interfund borrowing agreement approved by the City Council, funds were loaned to the Epic CIP Fund to begin planning for this project. A portion of the funds loaned remain outstanding at September 30, 2018.

Cost Reimbursements

The cost of the City's central general and administrative services is allocated to the designated special revenue and enterprise funds. These costs are reported as interfund services provided and used rather than interfund transfers. Interfund services provided and used are arms-length transactions between departments or funds that would be treated as revenues, expenditures or expenses if they were with an external organization. The distinguishing aspect of interfund services provided and used are that each department or fund both gives and receives consideration.

Cost reimbursements for general and administrative services (indirect costs) are recorded as general and administrative revenue in the City's General Fund. Indirect costs are recorded as general and administrative expenses in the funds receiving these services.

For the year ended September 30, 2018, cost reimbursements were as follows:

Fund	Amount
Water and wastewater funds	\$ 3,895,242
Solid waste funds	341,938
Storm water funds	75,412
Airport fund	69,140
Other nonmajor governmental funds	330,807
<b>Total to general fund</b>	<u><u>\$ 4,712,539</u></u>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Franchise Fees

The City's enterprise funds, which use public right-of-way, pay franchise fees to the General Fund as if they were organizations separate from the City. These fees are not taxes, but are compensation to the City for the use of the City's right-of-way. These payments, 4% of gross revenues, are reported as interfund services provided and used rather than interfund transfers, and are reported as revenue (franchise fees) in the General Fund and expenses in the enterprise funds.

For the year ended September 30, 2018, franchise fees paid to the General Fund were as follows:

Fund	Amount
Water and wastewater funds	\$ 2,927,443
Solid waste funds	364,438
Storm water funds	275,062
<b>Total</b>	<b>\$ 3,566,943</b>

Interfund Transfers

Interfund transfers are made to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, 3) move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, and 4) make payments in lieu of property taxes.

Two of the City's enterprise funds, the Water and Wastewater Fund and the Solid Waste Fund, make payments in lieu of property taxes to the Street Maintenance Fund, which is a Nonmajor Governmental Fund to provide funding for street repairs. The payments are calculated by applying the City's property tax rate to the net book value of the enterprise funds' capital assets. Since the calculation methodology is not the same as that applied to similar activities in the private sector in several respects, these payments are recorded as transfers in/out rather than as operating revenues/expenses.

At September 30, 2018, transfers between the City's governmental activities and the City's business-type activities consisted of the following:

Transfers out	Transfers In					
	General Fund	Section 8 Fund	Streets CIP Fund	Grants Fund	Debt Service Fund	Epic CIP Fund
General Fund	\$ -	\$ 33,812	\$ -	\$ 796,144	\$ -	\$ -
Section 8 Fund	-	-	-	-	50,000	-
Streets CIP Fund	-	-	-	2,662,296	-	-
Grants Fund	-	-	1,480,000	-	-	-
Debt Service Fund	-	-	-	-	-	-
Nonmajor Governmental Funds	-	-	-	578,670	-	3,700,000
Internal Service Funds	-	-	-	-	-	-
Water & Wastewater Fund	-	-	-	-	-	-
Solid Waste Fund	-	-	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 33,812</b>	<b>\$ 1,480,000</b>	<b>\$ 4,037,110</b>	<b>\$ 50,000</b>	<b>\$ 3,700,000</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Transfers out	Transfers In					Total
	Nonmajor Governmental Funds	Water Wastewater Fund	Solid Waste Fund	Other Nonmajor Enterprise Funds	Internal Service Fund	
General Fund	\$ 9,018,574	\$ -	\$ -	\$ -	\$ 257,621	\$ 10,106,151
Section 8 Fund	-	-	-	-	-	50,000
Streets CIP Fund	-	-	-	-	-	2,662,296
Grants Fund	51,226	-	-	-	-	1,531,226
Debt Service Fund	-	-	-	224,116	-	224,116
Nonmajor Governmental Funds	10,357,234	143,008	-	430,000	-	15,208,912
Internal Service Funds	75,194	-	-	-	-	75,194
Water & Wastewater Fund	1,356,253	-	-	-	30,669	1,386,922
Solid Waste Fund	295,911	-	-	-	11,710	307,621
Nonmajor Enterprise Funds	5,375,000	-	-	-	-	5,375,000
<b>Total</b>	<b>\$ 26,529,392</b>	<b>\$ 143,008</b>	<b>\$ -</b>	<b>\$ 654,116</b>	<b>\$ 300,000</b>	<b>\$ 36,927,438</b>

From Governmental Activities to Business-Type Activities:

- \$16,000 from PID Fund to Water and Wastewater Fund for capital project funding
- \$430,000 from Park Venue Sales Tax Fund to Municipal golf Fund for fiscal operations

From Business-Type Activities to Governmental Activities:

- \$200,000 from Solid Waste Fund to Street Maintenance Fund for payments in lieu of property taxes
- \$5,327,000 from Storm Water Utility Fund to Storm Drainage CIP Fund for capital project funding
- \$200,000 from Solid Waste to Street Maintenance Fund for capital project funding
- \$150,000 from Water and Wastewater Fund to IT Acquisition Fund for technology services
- \$48,000 from Airport Fund to Capital Lending Reserve for repayment of inter fund loan
- \$11,710 from Solid Waste Fund to Risk Management Fund for fiscal operations
- \$30,669 from Water and Wastewater Fund to Risk Management Fund for operations

Other significant transfers made between governmental funds included the following:

- \$6,568,574 General to Park Venue, along with other sources, for fiscal operations
- \$3,700,000 from Epic Sales Tax Fund to Epic CIP for capital project funding
- \$950,000 from General to IT & Equipment Acquisition funds (annual appropriation)
- \$796,144 from General to Grants to fund matching requirements related to operating grants
- \$257,621 from General to Risk Management for fiscal operations
- \$1,500,000 from General to Fleet Services funds for maintenance and equipment
- \$2,462,600 from Park Venue to Park Capital Fund for improvements to infrastructure and equipment at city wide parks
- \$450,000 from Lake Parks to Lake Parks CIP for improvements to park amenities
- \$2,000,000 from Municipal Facilities CIP to Parks CIP to replace and improve aging infrastructure
- \$600,000 from Capital Reserve and Capital & Lending Funds to Municipal Facilities for building improvements & equipment

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

**F. Deferred Outflows/Inflows of Resources**

Deferred Inflows of Resources - Unavailable Revenue

The governmental funds report unavailable revenues from the following sources:

	General Fund	Debt Service Fund	Total
Property taxes	\$ 1,141,088	\$ 461,991	\$ 1,603,079
Ambulance	685,988	-	685,988
<b>Total</b>	<b>\$ 1,827,076</b>	<b>\$ 461,991</b>	<b>\$ 2,289,067</b>

In the government-wide Statement of Activities, these amounts were reported as revenue in the period in which they were earned.

**G. Unearned Revenue**

Unearned revenue is a liability for resources obtained prior to revenue recognition. Below is a summary of the City's unearned revenue as of September 30, 2018.

	Governmental Activities	Business-Type Activities	Total
Prepaid pipeline lease	\$ 1,042,432	\$ 146,438	\$ 1,188,870
Prepaid arrangements - Cemetery Fund	1,364,431	-	1,364,431
Unspent grant funds - Texas Water Development Board	-	905,606	905,606
Prepaid rental deposits - Parks	155,666	-	155,666
Park Venue Fund deposits on events to be held	23,832	-	23,832
Unspent program revenue - CDBG Program	290,247	-	290,247
<b>Total unearned revenue</b>	<b>\$ 2,876,608</b>	<b>\$ 1,052,044</b>	<b>\$ 3,928,652</b>

**H. Long-Term Obligations**

Compensated Absences and Postemployment Benefits

Governmental activities record liabilities for compensated absences and retiree postemployment costs at the government-wide financial statement level. Generally, these liabilities are paid from the General Fund. Liabilities for business-type activities are recorded and liquidated in the fund that incurs the liability.

**Long-Term Debt**

Governmental Activities

Long-term debt in the governmental activities column of the government-wide Statement of Net Position consists of general obligation bonds (including refunding), certificates of obligation bonds, sales tax revenue bonds, and unamortized bond premium/discounts. The certificates of obligation bonds include bonds issued in 2010 for Tax Increment Financing Zones No. 2 project.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

General obligation bonds and certificates of obligation provide funds for the acquisition and construction of capital equipment and facilities. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds and certificates of obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity.

Below is a summary of the changes in noncurrent liabilities of the City's primary government and component units:

	Balance October 1, 2017	Borrowings or Increase	Payments or Decrease	Balance September 30, 2018	Due Within One Year
Primary government:					
Governmental activities:					
General obligation bonds	\$ 79,130,000	\$ -	\$ (8,920,000)	\$ 70,210,000	\$ 9,390,000
Combination tax and revenue certificates of obligation	112,070,000	36,515,000	(6,810,000)	141,775,000	9,730,000
Tax increment and public district bonds	14,315,000	-	(3,160,000)	11,155,000	3,275,000
Sales tax revenue bonds - Epic	74,825,000	-	-	74,825,000	2,110,000
Sales tax revenue bonds - Crime	24,770,000	-	(4,240,000)	20,530,000	4,650,000
Sales tax revenue bonds - Park Venue	24,330,000	-	(1,875,000)	22,455,000	1,930,000
Issuance premiums/discounts, net	18,506,293	3,713,550	(1,518,598)	20,701,245	-
<b>Total long-term debt</b>	<b>347,946,293</b>	<b>40,228,550</b>	<b>(26,523,598)</b>	<b>361,651,245</b>	<b>31,085,000</b>
Compensated absences	17,345,505	8,528,323	(7,788,172)	18,085,656	8,292,305
Other post employment benefits	56,350,253	4,184,577	(6,788,429)	53,746,401	-
Pension liability	72,615,231	52,294,534	(78,864,723)	46,045,042	-
Environmental remediation liability	182,709	49,040	(173,374)	58,375	58,375
Other liabilities	1,460,919	-	-	1,460,919	160,776
<b>Total governmental activities</b>	<b>495,900,910</b>	<b>105,285,024</b>	<b>(120,138,296)</b>	<b>481,047,638</b>	<b>39,596,456</b>
Business-type activities:					
Certificates of obligation	1,180,000	-	(145,000)	1,035,000	150,000
Water and wastewater revenue bonds	56,490,000	2,755,000	(4,810,000)	54,435,000	4,940,000
Obligations under capital leases	956,022	-	(625,893)	330,129	330,129
Issuance premiums/discounts, net	3,505,394	509,039	-	4,014,433	-
<b>Total long-term debt</b>	<b>62,131,416</b>	<b>3,264,039</b>	<b>(5,580,893)</b>	<b>59,814,562</b>	<b>5,420,129</b>
Compensated absences	487,664	463,394	(487,664)	463,394	373,856
Other post employment benefits	5,971,887	443,574	(718,221)	5,697,240	-
Pension liability	8,132,502	5,543,338	(8,794,963)	4,880,877	-
Closure and post closure liability	7,464,921	474,336	-	7,939,257	-
<b>Total business-type activities</b>	<b>84,188,390</b>	<b>10,188,681</b>	<b>(15,581,741)</b>	<b>78,795,330</b>	<b>5,793,985</b>
<b>Total primary government</b>	<b>\$ 580,089,300</b>	<b>\$ 115,473,705</b>	<b>\$ (135,720,037)</b>	<b>\$ 559,842,968</b>	<b>\$ 45,390,441</b>
Component unit activities:					
Housing Finance Corporation:					
Notes payable	\$ 3,570,958	\$ 41,220	\$ (55,062)	\$ 3,557,116	\$ 58,011
Revenue bonds	7,615,000	-	(220,000)	7,395,000	235,000
Subordinate revenue bonds	4,550,000	-	-	4,550,000	-
<b>Total component units</b>	<b>\$ 15,735,958</b>	<b>\$ 41,220</b>	<b>\$ (275,062)</b>	<b>\$ 15,502,116</b>	<b>\$ 293,011</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

At September 30, 2018, long-term debt for the City's governmental activities consisted of the following:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
General obligation bonds:					
Series 2008	4.0-5.5	2009	2029	\$ 8,985,000	\$ -
Series 2010	2.0-4.25	2010	2030	5,480,000	250,000
Series 2011	2.0-5.3	2011	2031	11,550,000	5,040,000
Series 2011A	2.0-5.0	2011	2025	30,960,000	14,520,000
Series 2012	1.0-2.0	2012	2026	27,400,000	5,355,000
Series 2013	1.5-3.25	2013	2033	10,975,000	4,230,000
Series 2013A	3.0-4.125	2014	2034	2,220,000	1,890,000
Series 2015	1.75-5.0	2016	2027	10,270,000	8,620,000
Series 2016	3.0-5.0	2016	2030	33,810,000	<u>30,305,000</u>
Total general obligation bonds					70,210,000
Combination tax and revenue certificates of obligation					
Series 2008A	4.0-5.50	2009	2029	13,185,000	-
Series 2010	2.0-4.25	2010	2030	590,000	25,000
Series 2011	2.0-5.3	2011	2031	6,305,000	4,640,000
Series 2011A	2.0-4.0	2011	2031	7,430,000	5,500,000
Series 2013	2.0-3.25	2013	2033	8,830,000	7,100,000
Series 2013A	2.0-4.125	2014	2034	11,945,000	10,215,000
Series 2014	3.0-5.0	2015	2034	26,125,000	20,890,000
Series 2015	2.0-5.0	2016	2035	27,380,000	24,985,000
Series 2016	2.0-4.0	2016	2036	33,705,000	31,905,000
Series 2017	2.25-5.0	2017	2037	36,515,000	<u>36,515,000</u>
Total combination tax and revenue certificates of obligation					141,775,000
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	3 month LIBOR + .31%	2000	2022	17,900,000	5,910,000
Series 2008A TIRZ 1	4.0-5.50	2008	2021	10,550,000	-
Series 2008A PID 1	4.0-5.50	2008	2019	1,500,000	-
Series 2011 TIRZ 1	2.0-5.3	2011	2020	655,000	160,000
Series 2013 TIRZ 1	2.0-3.25	2013	2020	2,820,000	855,000
Series 2015 TIRZ 1	1.750-5.0	2016	2027	895,000	440,000
Series 2015 PID 5	2.0-5.0	2016	2035	640,000	515,000
Series 2016 TIRZ 1	3.0-5.0	2016	2030	3,135,000	3,095,000
Series 2016 PID	3.0-5.0	2016	2030	180,000	<u>180,000</u>
Total tax increment and public improvement district debt					11,155,000
Sales tax revenue debt					
Series 2008 Crime Control	6mo LIBOR*62.075+1.07	2008	2022	54,800,000	<u>20,530,000</u>
Total Crime Control					20,530,000
Series 2009 Park Venue subordinate	3.77	2009	2027	13,390,000	8,760,000
Series 2013 Park Venue	2.0-4.0	2013	2027	11,060,000	7,225,000
Series 2016 Park Venue	2.0-4.0	2016	2036	6,730,000	<u>6,470,000</u>
Total Park Venue					22,455,000
Sales tax revenue debt					
Series 2015 EPIC	3.721-5.032	2015	2040	74,825,000	<u>74,825,000</u>
Total EPIC					<u>74,825,000</u>
Total general obligation debt					340,950,000
Unamortized bond premiums/discounts					<u>20,701,245</u>
<b>Total long-term debt - governmental activities</b>					<b>\$ <u>361,651,245</u></b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

At September 30, 2018, changes in long-term debt for the City's governmental activities were as follows:

	Balance October 1, 2017	Borrowings or Increase	Payments or Decrease	Balance September 30, 2018	Due Within One Year
General obligation bonds:					
Series 2008	\$ 395,000	\$ -	\$ (395,000)	\$ -	\$ -
Series 2010	490,000	-	(240,000)	250,000	250,000
Series 2011	5,720,000	-	(680,000)	5,040,000	700,000
Series 2011A	17,260,000	-	(2,740,000)	14,520,000	2,675,000
Series 2012	5,950,000	-	(595,000)	5,355,000	610,000
Series 2013	4,790,000	-	(560,000)	4,230,000	460,000
Series 2013A	1,975,000	-	(85,000)	1,890,000	90,000
Series 2015	9,365,000	-	(745,000)	8,620,000	765,000
Series 2016	33,185,000	-	(2,880,000)	30,305,000	3,840,000
Total general obligation bonds	79,130,000	-	(8,920,000)	70,210,000	9,390,000
Combination tax and revenue certificates of obligation					
Series 2008A	525,000	-	(525,000)	-	-
Series 2010	50,000	-	(25,000)	25,000	25,000
Series 2011	4,895,000	-	(255,000)	4,640,000	265,000
Series 2011A	5,840,000	-	(340,000)	5,500,000	345,000
Series 2013	7,475,000	-	(375,000)	7,100,000	385,000
Series 2013A	10,660,000	-	(445,000)	10,215,000	460,000
Series 2014	22,725,000	-	(1,835,000)	20,890,000	1,925,000
Series 2015	26,195,000	-	(1,210,000)	24,985,000	1,240,000
Series 2016	33,705,000	-	(1,800,000)	31,905,000	1,845,000
Series 2017	-	36,515,000	-	36,515,000	3,240,000
Total combination tax and revenue certificates of obligation	112,070,000	36,515,000	(6,810,000)	141,775,000	9,730,000
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	7,150,000	-	(1,240,000)	5,910,000	1,330,000
Series 2008A TIRZ 1	970,000	-	(970,000)	-	-
Series 2008A PID 1	175,000	-	(175,000)	-	-
Series 2011 TIRZ 1	235,000	-	(75,000)	160,000	80,000
Series 2013 TIRZ 1	1,270,000	-	(415,000)	855,000	420,000
Series 2015 TIRZ 1	660,000	-	(220,000)	440,000	215,000
Series 2015 PID 5	580,000	-	(65,000)	515,000	65,000
Series 2016 - TIRZ 1	3,095,000	-	-	3,095,000	985,000
Series 2016 - PID	180,000	-	-	180,000	180,000
improvement district debt	14,315,000	-	(3,160,000)	11,155,000	3,275,000
Sales tax revenue debt:					
Crime Control					
Series 2008	24,770,000	-	(4,240,000)	20,530,000	4,650,000
Total Crime Control	24,770,000	-	(4,240,000)	20,530,000	4,650,000
Park Venue					
Series 2009 subordinate	9,715,000	-	(955,000)	8,760,000	990,000
Series 2013	7,885,000	-	(660,000)	7,225,000	675,000
Series 2016 Park Venue	6,730,000	-	(260,000)	6,470,000	265,000
Total Park Venue	24,330,000	-	(1,875,000)	22,455,000	1,930,000
EPIC					
Series 2015 EPIC	74,825,000	-	-	74,825,000	2,110,000
Total EPIC	74,825,000	-	-	74,825,000	2,110,000
Total change in long term debt	329,440,000	36,515,000	(25,005,000)	340,950,000	31,085,000
Unamortized bond premiums/discounts	18,506,293	3,713,550	(1,518,598)	20,701,245	-
<b>Total change in long-term debt - governmental activities</b>	<b>\$ 347,946,293</b>	<b>\$ 40,228,550</b>	<b>\$ (26,523,598)</b>	<b>\$ 361,651,245</b>	<b>\$ 31,085,000</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

On October 17, 2017, the City issued \$36,515,000 in Combination Tax and Revenue Certificates, Series 2017. The proceeds were used to fund public safety, library, street, and other City structure improvements.

Outstanding Bond Debt Defeasement

At September 30, 2018, certain outstanding debt of the city was considered to be defeased. The following table details such outstanding defeased debt:

Type of Obligation	Defeased Debt Outstanding
Certificates of obligation	\$ 1,515,000
General obligation refunding bonds	3,060,000
<b>Total debt defeasement</b>	<b>\$ 4,575,000</b>

At September 30, 2018, the aggregate debt service payments for long-term debt through the final year of maturity for the City's governmental activities were as follows:

Fiscal Year	General Obligation Bonds			Certificates of Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 9,390,000	\$ 2,667,395	\$ 12,057,395	\$ 9,730,000	\$ 5,322,799	\$ 15,052,799
2020	8,595,000	2,329,201	10,924,201	10,065,000	4,971,286	15,036,286
2021	8,445,000	1,984,073	10,429,073	10,445,000	4,590,386	15,035,386
2022	8,140,000	1,664,626	9,804,626	10,210,000	4,185,261	14,395,261
2023	6,905,000	1,383,801	8,288,801	10,320,000	3,768,918	14,088,918
2024	6,545,000	1,123,383	7,668,383	10,710,000	3,378,836	14,088,836
2025	5,595,000	875,726	6,470,726	6,470,000	3,056,614	9,526,614
2026	5,250,000	638,414	5,888,414	6,340,000	2,804,603	9,144,603
2027	4,735,000	405,508	5,140,508	6,580,000	2,553,668	9,133,668
2028	2,315,000	234,408	2,549,408	6,855,000	2,289,250	9,144,250
2029	2,205,000	126,660	2,331,660	7,115,000	2,018,478	9,133,478
2030	770,000	61,303	831,303	7,405,000	1,728,071	9,133,071
2031	405,000	40,956	445,956	7,710,000	1,431,049	9,141,049
2032	375,000	26,856	401,856	6,960,000	1,159,273	8,119,273
2033	385,000	13,306	398,306	7,235,000	884,309	8,119,309
2034	155,000	3,197	158,197	6,940,000	590,959	7,530,959
2035	-	-	-	5,425,000	328,050	5,753,050
2036	-	-	-	3,730,000	135,800	3,865,800
2037	-	-	-	1,530,000	30,600	1,560,600
	<u>\$ 70,210,000</u>	<u>\$ 13,578,813</u>	<u>\$ 83,788,813</u>	<u>\$ 141,775,000</u>	<u>\$ 45,228,210</u>	<u>\$ 187,003,210</u>
Fiscal Year	Tax and Tax Increment Bonds (TIFs)			Sales Tax Revenue Bonds-Crime Control		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 3,275,000	\$ 957,720	\$ 4,232,720	\$ 4,650,000	\$ 666,521	\$ 5,316,521
2020	3,260,000	685,153	3,945,153	5,085,000	523,818	5,608,818
2021	2,675,000	400,012	3,075,012	5,550,000	362,321	5,912,321
2022	1,710,000	133,833	1,843,833	5,245,000	188,894	5,433,894
2023	75,000	7,950	82,950	-	-	-
2024	80,000	5,600	85,600	-	-	-
2025	80,000	2,000	82,000	-	-	-
	<u>\$ 11,155,000</u>	<u>\$ 2,192,268</u>	<u>\$ 13,347,268</u>	<u>\$ 20,530,000</u>	<u>\$ 1,741,554</u>	<u>\$ 22,271,554</u>

**City Of Grand Prairie, Texas**  
**Notes to the Basic Financial Statements**  
**September 30, 2018**

Fiscal Year	Sales Tax Revenue Bonds-Park Venue			Sales Tax Revenue Bonds-EPIC		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,930,000	\$ 762,178	\$ 2,692,178	\$ 2,110,000	\$ 3,353,062	\$ 5,463,062
2020	1,990,000	701,651	2,691,651	2,195,000	3,266,962	5,461,962
2021	2,050,000	637,855	2,687,855	2,285,000	3,177,362	5,462,362
2022	2,120,000	571,674	2,691,674	2,375,000	3,084,162	5,459,162
2023	2,190,000	499,449	2,689,449	2,475,000	2,987,162	5,462,162
2024	2,270,000	418,804	2,688,804	2,575,000	2,886,162	5,461,162
2025	2,360,000	331,134	2,691,134	2,680,000	2,781,062	5,461,062
2026	2,450,000	240,997	2,690,997	2,785,000	2,675,647	5,460,647
2027	1,170,000	172,548	1,342,548	2,895,000	2,567,509	5,462,509
2028	370,000	142,438	512,438	3,010,000	2,449,919	5,459,919
2029	385,000	127,338	512,338	3,140,000	2,323,165	5,463,165
2030	400,000	111,638	511,638	3,275,000	2,187,743	5,462,743
2031	420,000	95,238	515,238	3,425,000	2,035,914	5,460,914
2032	435,000	78,138	513,138	3,590,000	1,868,185	5,458,185
2033	455,000	60,338	515,338	3,770,000	1,692,208	5,462,208
2034	470,000	43,600	513,600	3,955,000	1,507,503	5,462,503
2035	485,000	28,081	513,081	4,145,000	1,313,832	5,458,832
2036	505,000	10,100	515,100	4,355,000	1,105,153	5,460,153
2037	-	-	-	4,580,000	880,348	5,460,348
2038	-	-	-	4,815,000	643,970	5,458,970
2039	-	-	-	5,065,000	395,389	5,460,389
2040	-	-	-	5,325,000	133,977	5,458,977
	<u>\$ 22,455,000</u>	<u>\$ 5,033,199</u>	<u>\$ 27,488,199</u>	<u>\$ 74,825,000</u>	<u>\$ 45,316,396</u>	<u>\$ 120,141,396</u>

Fiscal Year	Total		
	Principal	Interest	Total
2019	\$ 31,085,000	\$ 13,729,675	\$ 44,814,675
2020	31,190,000	12,478,071	43,668,071
2021	31,450,000	11,152,009	42,602,009
2022	29,800,000	9,828,450	39,628,450
2023	21,965,000	8,647,280	30,612,280
2024	22,180,000	7,812,785	29,992,785
2025	17,185,000	7,046,536	24,231,536
2026	16,825,000	6,359,661	23,184,661
2027	15,380,000	5,699,233	21,079,233
2028	12,550,000	5,116,015	17,666,015
2029	12,845,000	4,595,641	17,440,641
2030	11,850,000	4,088,755	15,938,755
2031	11,960,000	3,603,157	15,563,157
2032	11,360,000	3,132,452	14,492,452
2033	11,845,000	2,650,161	14,495,161
2034	11,520,000	2,145,259	13,665,259
2035	10,055,000	1,669,963	11,724,963
2036	8,590,000	1,145,853	9,735,853
2037	6,110,000	880,348	6,990,348
2038	4,815,000	643,970	5,458,970
2039	5,065,000	395,389	5,460,389
2040	5,325,000	133,977	5,458,977
	<u>\$ 340,950,000</u>	<u>\$ 112,954,640</u>	<u>\$ 453,904,640</u>

# City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

## Business-Type Activities

Long-term debt in the business-type activities column of the government-wide Statement of Net Position consists of general obligation refunding bonds, water and wastewater system revenue bonds, certificates of obligation bonds, and unamortized bond premiums/discounts. Bonds issued for business-type activities are secured by a pledge of the property tax levy of the City, but are self-supporting obligations which are paid from the respective net revenues of each activity. Bond proceeds are used to fund additions and improvements to the City's water and wastewater system, solid waste system, municipal golf courses, and municipal airport.

At September 30, 2018, long-term debt for the City's business-type activities consisted of the following:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
Water and wastewater:					
Revenue bonds					
Series 2008	3.5-5.50	2009	2029	\$ 4,940,000	\$ -
Series 2010	0.0-2.587	2010	2030	4,995,000	3,345,000
Series 2011	2.0-4.25	2011	2031	8,940,000	2,805,000
Series 2011A	2.0-5.0	2011	2031	11,020,000	6,655,000
Series 2013	2.0-4.0	2013	2026	14,045,000	10,150,000
Series 2013A	0.0-0.31	2013	2019	1,805,000	305,000
Series 2014	0.0-1.990	2014	2030	4,000,000	3,040,000
Series 2015	2.25-4.0	2015	2027	4,155,000	3,595,000
Series 2016	2.0-5.0	2016	2036	17,625,000	17,065,000
Series 2017	0.0-0.8	2017	2030	5,110,000	4,720,000
Series 2017A	2.0-4.0	2017	2036	2,755,000	2,755,000
Total bonds payable - water wastewater					54,435,000
Unamortized bond premiums/discounts					4,014,433
Total long-term debt - water wastewater					58,449,433
Municipal airport:					
Certificates of obligation bonds					
Series 2004A	2.25-5.0	2004	2024	2,120,000	1,035,000
Solid waste					
Obligations under capital lease					
D8T tractor	2.99	2016	2018	772,839	330,129
Landfill compactor	2.99	2016	2018	1,034,539	-
Total obligations under capital lease					330,129
<b>Total long-term debt - business-type activities</b>					<b>\$ 59,814,562</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

At September 30, 2018, changes in long-term debt for the City's business-type activities were as follows:

	Balance October 1, 2017	Borrowings or Increase	Payments or Decrease	Balance September 30, 2018	Due Within One Year
Water and wastewater:					
Revenue bonds					
Series 2008	\$ 215,000	\$ -	\$ (215,000)	\$ -	\$ -
Series 2010	3,575,000	-	(230,000)	3,345,000	235,000
Series 2011	3,620,000	-	(815,000)	2,805,000	840,000
Series 2011A	7,370,000	-	(715,000)	6,655,000	750,000
Series 2013	11,250,000	-	(1,100,000)	10,150,000	1,260,000
Series 2013A	605,000	-	(300,000)	305,000	305,000
Series 2014	3,280,000	-	(240,000)	3,040,000	240,000
Series 2015	3,840,000	-	(245,000)	3,595,000	120,000
Series 2016	17,625,000	-	(560,000)	17,065,000	800,000
Series 2017	5,110,000	-	(390,000)	4,720,000	390,000
Series 2017A	-	2,755,000	-	2,755,000	-
Total revenue bonds	56,490,000	2,755,000	(4,810,000)	54,435,000	4,940,000
Bond premiums/discounts	3,505,394	509,039	-	4,014,433	-
Total water and wastewater	59,995,394	3,264,039	(4,810,000)	58,449,433	4,940,000
Municipal airport:					
Certificate of obligation					
Series 2004A	1,180,000	-	(145,000)	1,035,000	150,000
Total municipal airport	1,180,000	-	(145,000)	1,035,000	150,000
Solid waste:					
Obligations under capital lease					
D8T tractor	543,361	-	(213,232)	330,129	330,129
Landfill compactor	412,661	-	(412,661)	-	-
Total general obligation bonds	956,022	-	(625,893)	330,129	330,129
Total solid waste	956,022	-	(625,893)	330,129	330,129
<b>Total change in long-term debt - business-type activities</b>	<b>\$ 62,131,416</b>	<b>\$ 3,264,039</b>	<b>\$ (5,580,893)</b>	<b>\$ 59,814,562</b>	<b>\$ 5,420,129</b>

On October 17, 2017, the City issued \$2,755,000 in Water and Wastewater System Revenue Refunding Bonds, Series 2017A. The proceeds were used to improve the Water and Wastewater system and to pay the costs associated with the issuance of the bonds.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

At September 30, 2018, the aggregate debt service payments for long-term debt through the final year of maturity for the City's water and wastewater system were as follows:

Fiscal Year	Water and Wastewater System Revenue Bonds		
	Principal	Interest	Total
2019	\$ 4,940,000	\$ 1,604,918	\$ 6,544,918
2020	5,075,000	1,468,997	6,543,997
2021	5,220,000	1,324,107	6,544,107
2022	5,365,000	1,178,577	6,543,577
2023	5,480,000	1,027,404	6,507,404
2024	5,535,000	857,772	6,392,772
2025	4,995,000	684,274	5,679,274
2026	4,005,000	528,159	4,533,159
2027	3,760,000	393,944	4,153,944
2028	2,170,000	301,004	2,471,004
2029	2,235,000	236,534	2,471,534
2030	1,900,000	176,802	2,076,802
2031	935,000	131,500	1,066,500
2032	690,000	99,000	789,000
2033	720,000	70,800	790,800
2034	450,000	47,400	497,400
2035	470,000	29,000	499,000
2036	490,000	9,800	499,800
<b>Total</b>	<b>\$ 54,435,000</b>	<b>\$ 10,169,992</b>	<b>\$ 64,604,992</b>

At September 30, 2018, long-term debt is being repaid solely from airport revenues. Aggregate debt service payments for long-term debt through the final year of maturity for the City's municipal airport were as follows:

Fiscal Year	Certificates of Obligation		
	Principal	Interest	Total
2019	\$ 150,000	\$ 46,979	\$ 196,979
2020	160,000	39,710	199,710
2021	170,000	31,830	201,830
2022	175,000	23,375	198,375
2023	185,000	14,375	199,375
2024	195,000	4,875	199,875
<b>Total</b>	<b>\$ 1,035,000</b>	<b>\$ 161,144</b>	<b>\$ 1,196,144</b>

Capital Lease Obligations – Solid Waste

The City entered into two capital lease agreements in July 2016 for the purchase of a D8T tractor and a landfill compactor. The leased property under the capital lease is classified as equipment with the total capitalized cost of \$1,807,378 and an amortized values of approximately \$1,385,656 at September 30, 2018. Amortization expense has been include in depreciation expense for the year ended September 30, 2018.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

The following is a schedule of future minimum payments under the capital leases together with the present value of the net minimum lease payments as of September 30, 2018.

Year Ending September 30,		
2019	\$	340,000
Less amount representing interest		9,871
	\$	330,129

Water and Wastewater System Debt Service Coverage

The following covenants are included in various water and wastewater system revenue bond indenture ordinances:

- Net revenues (defined as gross revenues less expenses of operation and maintenance) are pledged for the payment of bond principal and interest.
- Additional water and wastewater system revenue bonds cannot be issued unless the “net earnings” (defined as gross revenues after deducting the expenses of operation and maintenance, excluding depreciation and certain other items specified in the ordinances) of the system for twelve consecutive months out of the fifteen months prior to the date of such bonds is equal to at least 1.25 times the average annual requirements for the payment of principal and interest on the then-outstanding bonds and any additional bonds then proposed to be issued.
- All revenues derived from the operations must be kept separate from other funds of the City.
- The amount required to meet interest and principal payments falling due on or before the next maturity dates of the bonds is to be paid into the water and wastewater system interest and redemption account during each year.

At September 30, 2018, compliance with these covenants can be demonstrated as follows:

System revenue <sup>(1)</sup>	\$	80,173,357
Operating expenses:		
Water purchased		16,917,148
Sewage disposal contract		15,577,535
Other operating expenses		23,953,483
Total expenses <sup>(2)</sup>		56,448,166
<b>Net revenue (available for debt service)</b>	<b>\$</b>	<b>23,725,191</b>
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2018	\$	3,589,166
Coverage of average annual requirements based on September 30, 2018 revenue available for debt service		6.61

(1) Includes operating revenues, plus investment income and impact fees

(2) Excludes depreciation expense.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Grand Prairie Housing Finance Corporation

The GPHFC has a general obligation note payable to a bank which was used to construct the Cotton Creek and Willow Tree Learning Center. The note bears a rate of 4.25% and is payable in equal monthly installments of \$12,438 through September 21, 2040.

In December, 2003, the HFC issued Independent Senior Living Center Revenue Bonds for \$13,890,000 to finance the construction and operations of its planned Senior Living Center facility. The bonds bear interest rates from 7.5% to 7.75% depending on longevity. Beginning January 1, 2014, semi-annual retirements of the Bonds began and continues through January 1, 2034. The bonds are non-recourse liabilities collateralized solely by the land and construction in progress, less the accrued interest.

A summary of long-term debt activity during the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 2,228,945	\$ -	\$ (55,602)	\$ 2,173,343	\$ 58,011
Revenue bonds	7,615,000	-	(220,000)	7,395,000	235,000
Subordinate bonds	4,550,000	-	-	4,550,000	-
Developer loan	1,342,013	41,760	-	1,383,773	-
<b>Total</b>	<b>\$ 15,735,958</b>	<b>\$ 41,760</b>	<b>\$ (275,602)</b>	<b>\$ 15,502,116</b>	<b>\$ 293,011</b>

Effective July 1, 2010 the bonds of the Senior Living Center were reissued in two series: \$8,630,000 in Priority Lien Revenue Bonds and \$4,550,000 in Subordinate Lien Revenue Bonds.

Future maturities of the debt are as follows:

Year Ending December 31,	Note Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 58,011	\$ 91,246	\$ 235,000	\$ 567,978
2019	60,525	88,732	255,000	549,488
2020	63,148	86,109	265,000	529,838
2021	65,885	83,372	295,000	508,981
2022	68,740	80,517	315,000	485,731
2023-2027	391,052	355,231	2,005,000	2,011,319
2028-2032	483,458	262,825	2,925,000	1,084,225
2033-2037	597,700	148,582	1,100,000	85,444
2038-2040	384,824	34,056	-	-
<b>Total</b>	<b>\$ 2,173,343</b>	<b>\$ 1,230,670</b>	<b>\$ 7,395,000</b>	<b>\$ 5,823,004</b>

The Subordinate Lien Revenue Bonds are not scheduled above as their payments are contingent upon cash flow and payment amounts and periods are uncertain.

**Leases**

Grand Prairie Sports Facilities Development (Sports Corporation) – A Component Unit

On September 15, 1995, the Sports Corporation and LSJC entered into a lease agreement. On October 23, 2002, Lone Star, LSJC, and MEC Lone Star, L.P. (MEC) entered into an asset purchase agreement whereby MEC agreed to purchase substantially all of the racing assets of Lone Star and LSJC. The Master Agreement between the Sports Corporation, Lone Star, and LSJC was terminated. Lone Star and LSJC assigned to MEC all of their rights and obligations under the lease and certain ancillary agreements with the Sports Corporation.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

On March 5, 2009, Magna Entertainment Corporation, the parent company of MEC, filed for bankruptcy under Chapter 11 federal bankruptcy protection. Subsequently, on September 14, 2009, Lone Star filed for bankruptcy protection.

On October 23, 2009, an auction for Lone Star was conducted with Global Gaming LSP, LLC (a wholly owned subsidiary of the Chickasaw Nation) winning the auction for \$47 million.

On May 13, 2011, Global Gaming obtained their license with the Texas Racing Commission. The sale was completed on May 16, 2011. Under the terms of the purchase agreement, Global Gaming has agreed to assume the lease agreement between Lone Star and the Sports Corporation.

The agreement states that upon completion of the project, Global Gaming will lease the facility for a period of thirty years. The lease became effective April 1997 and meets the requirements for accounting as a direct financing lease.

The future base rent payments under the lease are as follows:

Year	Amount
2019	\$ 1,756,920
2020	1,756,920
2021	1,756,920
2022	1,888,689
2023	1,932,612
Thereafter	6,989,613
	16,081,674
Less interest	4,530,908
Net present value	11,550,766
Less current portion	876,012
<b>Non-current portion</b>	<b>\$ 10,674,754</b>

Additional contingent rentals are due monthly based upon 1% of gross revenues from the operation of the track for each month plus an amount equal to the cumulative net retainage from the live races and the simulcast races multiplied by the following percentage:

Cumulative Net Retainages	Percentage
\$0 to less than \$20 million	1%
\$20 million to less than \$40 million	3%
\$40 million to less than \$60 million	5%
\$60 million or more	7%

The lease has been accounted for as a capital lease. However, only the base rent payments are determinable and are included in the lease payments receivable at the net present value of future rent payments. The remaining portion of the Facility is recorded as estimated unguaranteed residual value of the lease. Its fair value is estimated to be approximately equal to the differences between the original cost plus capitalized improvements of the Facility, net of what accumulated depreciation would be, and the fixed lease payments receivable. Therefore, this amount is being amortized over the life of the lease (thirty years). Amortization for the year ended September 30, 2018 was \$3,894,155. Additional contingent rentals are recorded as revenue when received.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

The capital lease is being amortized using the interest method over the 30-year life of the lease. The Corporation has recorded lease rental and interest for the year ended September 30, 2018 as follows:

Nominal interest on the lease	\$ 1,759,320
Amortization of the lease	<u>(876,012)</u>
Net interest	883,308
Contingent rentals received (includes rent for simulcast facility prior to completion of project)	<u>203,859</u>
Total lease rental and interest	<u>\$ 1,087,167</u>

Closure and Post Closure Liability

State and federal 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 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfills stop accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The City follows the provisions of GASB Statement No. 18 Accounting for Municipal Solid Waste Landfill Closure and Post closure Care Costs. Accordingly, the City has recorded a closure and post closure care liability of \$7,939,257 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 46.58% of the estimated capacity of the landfill.

The City will recognize the remaining estimated cost of closure and post closure care of \$9,137,961 as the remaining estimated capacity is filled. The City expects to close the landfill in year 2037. Actual cost may be higher or lower due to inflation, changes in technology or changes in regulations.

Environmental Remediation Obligations

The City has recorded a liability and an asset related to environmental remediation in the amount of \$58,375, in the Statement of Net Position and Statement of Activities. The estimates of the liabilities are prepared by the Environmental Professional Group and by the City’s Environmental Quality Manager and based on a range of expected outlays, net of expected cost recoveries, if any, for the type and amount of pollution contamination detected. The estimates are reviewed and adjusted periodically for price changes, additional contamination and any other changes detected.

- Transportation Center at 1821 W. Freeway for a release determination report and soil disposal.
- The City owns the building and is responsible for the asbestos abatement of the Copeland home located at 125 SW Dallas Street.
- The City owns the Historic Museum located at 1516 W Main Street and is responsible for the asbestos abatement.
- The City owns the Parks Field Office located at 1410 Skyline and is responsible for the asbestos abatement.
- The City owns the Service Center and is responsible for a leaking petroleum storage tank and groundwater monitoring.
- The City owns the Charley Taylor Recreation Center located at 601 E. Grand Prairie and is responsible for the asbestos abatement.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Environmental remediation liability activity in fiscal year 2018 was as follows:

Property Description	Beginning			Ending	Current
	Balance	Additions	Reductions	Balance	
	9/30/2017			9/30/2018	Portion
Transportation Center - 1821 W Freeway	\$ 7,398	\$ -	\$ 7,398	\$ -	\$ -
Copeland Home Asbestos Abatement	81,270	-	57,020	24,250	24,250
Historic Museum- 1516 W Main Street	18,786	-	15,380	3,406	3,406
Parks Field Office	12,415	-	12,415	-	-
Service Center	-	49,040	18,321	30,719	30,719
Charley Taylor Recreation Center	62,840	-	62,840	-	-
<b>Total</b>	<b>\$ 182,709</b>	<b>\$ 49,040</b>	<b>\$ 173,374</b>	<b>\$ 58,375</b>	<b>\$ 58,375</b>

**Other Liabilities**

Sales Tax Payback

During fiscal year 2008, the Texas Comptroller of Public Accounts notified the City of an error in sales tax payments made to the City. The error was the result of a local business reporting and paying taxes incorrectly to the State Comptroller over several years. The overpayment by the business resulted in an overpayment to the City for \$2,386,466. In 2012, a liability for this amount was recorded by the City and is repaid from future sales tax revenue over a period of thirteen years. As of September 30, 2018, the liability equaled \$1,300,143.

**I. Risk Management**

The City currently administers a deductible program for Workers Compensation, all Liability, Property, Airport, and Crime claims through the Texas Municipal League Intergovernmental Risk Pool (TMLIRP), a public entity risk pool. The TMLIRP sustains itself through member premiums and stop loss coverage for excess claims through commercial insurers.

The City's current per occurrence and aggregate limits through the TMLIRP are as follows:

Coverage	Per Occurrence	Aggregate
General Liability	\$ 1,000,000	\$ 2,000,000
Law Enforcement Liability	3,000,000	6,000,000
Errors and Omissions	3,000,000	6,000,000
Automobile Liability	3,000,000	N/A
Airport Liability	10,000,000	10,000,000

Current deductibles with TMLIRP are \$350,000 for Workers Compensation with no aggregate retention; \$300,000 for all liability lines (General, Law Enforcement, Public Officials, and Auto Liability); \$1,000 for Automobiles; and \$10,000 for Mobile Equipment.

The City's operating funds are charged premiums for coverage provided by the Risk Management Fund based on approved annual budgets with adjustments based on estimates of the amounts needed to pay prior and current-year claims. These inter-fund premiums are used to reduce the amount of actual expenditures.

**City Of Grand Prairie, Texas**  
 Notes to the Basic Financial Statements  
 September 30, 2018

Liabilities of the Risk Management Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, timing of filed claims, adjudication of claim benefits, changes in legal doctrines, and damage awards.

Accordingly, claims are reevaluated annually to consider the effects of inflation, plan benefit designs, recent claim settlement trends, claim expense, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The total accrued liabilities for the Risk Management Fund based on the recent September 30, 2018 actuarial report, as of September 30, 2018, was \$1,830,716.

The City offers group health coverage to its employees and retirees in plans administered by United Health Care using an escrow account funded by the City with both employee and City contributions. The City allows retired employees under age 65 to continue participating in its group health insurance program after retirement with a portion of premiums paid by the City. The amount of premiums paid by retirees is based on the retirement date, length of service with the City, plan selected and dependents covered at the time of retirement. The City retains risk for up to \$400,000 per member per year, and transfers risk in excess of this amount to a reinsurer. Reported claims are charged to expense in the period the loss is incurred. The total accrued liabilities for health insurance as of September 30, 2018 were \$2,140,611.

At September 30, 2018, the change in estimates of accrual liabilities for health coverage for the risk management fund:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2018	\$ 3,861,819	\$ 16,301,886	\$ 16,192,378	\$ 3,971,327
2017	3,628,897	19,578,864	19,345,942	3,861,819
2016	5,005,726	16,770,731	18,147,560	3,628,897

**J. Defined Benefit Pension Plan**

Plan Description

The City participates as one of 872 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's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the city are required to participate in TMRS.

**City Of Grand Prairie, Texas**  
 Notes to the Basic Financial Statements  
 September 30, 2018

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	25 years at any age, 5 years at age 60 and above
Updated service credit	100% Repeating transfers
Annuity increase to retirees	70% of CPI Repeating

Additional information related to the TMRS Plan is located in the TMRS CAFR.

Employees Covered by Benefit Terms

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	735
Inactive employees entitled to but not yet receiving benefits	515
Active employees	<u>1,313</u>
<b>Total</b>	<u><u>2,563</u></u>

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Grand Prairie were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Grand Prairie were 15.84% and 16.33% in calendar years 2017 and 2018, respectively. The City’s contributions to TMRS for the year ended September 30, 2018, were \$14,427,366, and were equal to the required contributions.

Net Pension Liability

The city’s Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Actuarial Assumptions

The Total Pension Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary Increases	3.5% per year
Investment rate of return	6.75%, 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 Tables with Blue Collar Adjustment, with 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 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a three-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2017, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. 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.

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. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.90%
Real Return	10.0%	3.80%
Real Estate	10.0%	4.50%
Absolute Return	10.0%	3.75%
Private Equity	5.0%	7.50%
<b>Total</b>	100.0%	

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. 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.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
Balance at December 31, 2016	\$ 525,359,395	\$ 444,611,662	\$ 80,747,733
Changes for the year:			
Service cost	15,171,279	-	15,171,279
Interest	35,239,052	-	35,239,052
Change of benefit terms	-	-	-
Difference between expected and actual experience	1,775,160	-	1,775,160
Changes in assumptions	-	-	-
Contributions - employer	-	14,427,366	(14,427,366)
Contributions - employee	-	6,292,394	(6,292,394)
Net investment income	-	61,623,079	(61,623,079)
Benefit payments*	(21,770,002)	(21,770,002)	-
Administrative expense	-	(319,350)	319,350
Other changes	-	(16,184)	16,184
Net changes	30,415,489	60,237,303	(29,821,814)
<b>Balance at December 31, 2017</b>	<b>\$ 555,774,884</b>	<b>\$ 504,848,965</b>	<b>\$ 50,925,919</b>

\* Includes refunds of employee contributions

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 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
1% Decrease	Current Single Rate	1% Increase
\$ 130,748,672	\$ 50,925,919	\$ (14,498,614)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmr.com](http://www.tmr.com).

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

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

For the year ended September 30, 2018, the city recognized pension expense of \$15,203,604.

At September 30, 2018, the City reported deferred inflows/outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience [actuarial (gains) or losses]	\$ 1,727,954	\$ -
Difference in assumptions	244,304	
Difference in projected and actual earnings on pension plan investments [actuarial (gains) or losses]		12,793,800
Employer's contributions to the pension plan subsequent to the measurement date	<u>11,036,252</u>	<u>-</u>
	<u>\$ 13,008,510</u>	<u>\$ 12,793,800</u>

The \$11,036,252 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Year Ended December 31</u>	<u>Net deferred outflows (inflows) of resources</u>
2018	\$ 761,420
2019	104,831
2020	(5,867,462)
2021	(5,945,714)
2022	<u>125,383</u>
Total	<u>\$ (10,821,542)</u>

**K. Other Postemployment Benefits (OPEB)**

**Plan Description**

Supplemental Death Benefits

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

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post-employment benefit," or OPEB.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Retiree Health Benefits

Current employees who retire from the City of Grand Prairie under a TMRS Retirement / Plan option may elect to remain on the City's medical, dental, and vision insurance plans as long as they meet the following criteria:

- Under age of 65
- Currently working for the City immediately prior to retirement, and
- Payment of required monthly premiums by due date, or within grace period

TMRS Retirement / Plan option may include:

- Service retirement, 25 years of TMRS creditable service at any age, or
- Age 60 and 5 years of TMRS creditable service
- Disability/medical retirement at any age, if approved by TMRS

Eligibility requirements do not vary by type of retirement. The retiree health care plan is a single-employer defined benefit plan. No trust is setup for the plan; therefore, there is no separate audit report available.

Retirees pay a portion of their retiree health care premium based on their years of service with the City of Grand Prairie, the plan selected, and dependent coverage when they retire. The base retiree health care premium is based on the accrual rate, claims costs, and budget for the prior fiscal year.

Medical coverage for retiree benefits extends only to age 65. Once a retiree reaches age 65, they will be dropped from medical coverage at the beginning of the month in which they turn 65. If a retiree cancels any or all insurance at any time during retirement, they forfeit all rights to coverage through the City for that benefit. If they cancel medical coverage all together, they may not elect medical again in the future for any reason.

A spouse who is on the employee's plan at the time of retirement may continue on the plan until the spouse reaches age 65. Spouse coverage continues after the employee reaches the age 65 and after the death of the employee until the spouse reaches the age of 65, as well. Spouse coverage continues even though the employee becomes Medicare eligible.

Rates for spouse coverage are dependent upon the employee's years of service with the City of Grand Prairie. Spouses receive the same benefits as the employee. Surviving spouses of deceased active members are not eligible for retiree health care benefits, unless they become eligible under TMRS and elect retirement immediately following the month of death. They become "retiree" in that case.

For all retirements after 1/1/08, dependents must have been covered for the 2 years immediately preceding the effective date of retirement to be eligible to continue coverage under retiree into retirement.

New dependents gained during retirement (due to marriage or birth) may not be added to the City's plan since they were not eligible at the time of retirement.

Retirees that do not continue coverage through our retiree health care plans do not receive payment in lieu of retiree health care.

The City offers medical, dental, and vision coverage to eligible retirees.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

Employees Covered by Benefit Terms

For retiree health insurance at the September 30, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	169
Active employees	1,323
<b>Total</b>	<b>1,492</b>

For TMRS supplemental death at the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	555
Inactive employees entitled to but not yet receiving benefits	114
Active employees	1,313
<b>Total</b>	<b>1,982</b>

Contributions

For retiree health insurance, retirees and their spouses currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums.

Monthly retiree contribution rates are as follows:

Retiree 2018 Monthly Health Care Premiums (Employee Pays Portion)

	<u>Monthly Health Care Premium</u>
Over 65 Retiree (Grandfathered by age)	
Employee only	\$ 125
Employee plus spouse	138

Total OPEB Liability

The City of Grand Prairie retiree health insurance total OPEB liability of \$55,800,537 was measured as of September 30, 2018, and was determined by an actuarial valuation as of that date.

The City of Grand Prairie TMRS supplemental death total OPEB liability of \$3,643,104 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The retiree health insurance total OPEB liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50%
Discount Rate	3.83%
Mortality rates - retirees	RP-2014 Combined Table projected using MP-2018

The discount rate was selected by City of Grand Prairie based on the Bond Buyer 20-Bond General Obligation Index to reflect yields on long-term municipal bonds as of the measurement date.

**City Of Grand Prairie, Texas**  
 Notes to the Basic Financial Statements  
 September 30, 2018

The TMRS supplemental death total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.31%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	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.
Mortality rates - disabled retirees	PR2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

The discount rate was based on the Fidelity index's "20-Year Municipal GO AA Index" rate as of December 31, 2017.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

<u>Change in OPEB Liability</u> <u>Retiree Health Insurance</u>	<u>Total OPEB</u> <u>Liability</u>
Balance at September 30, 2017	\$ 59,159,975
Changes for the year:	
Service cost	2,173,026
Interest	2,210,196
Difference between expected and actual experience	(3,213,084)
Changes in assumptions	(1,962,733)
Benefit payments*	<u>(2,566,843)</u>
Net changes	<u>(3,359,438)</u>
Balance at September 30, 2018	<u>\$ 55,800,537</u>
<u>Change in OPEB Liability</u> <u>TMRS Supplemental Death</u>	<u>Total OPEB</u> <u>Liability</u>
Balance at December 31, 2016	\$ 3,149,282
Changes for the year:	
Service cost	124,209
Interest	120,720
Changes in assumptions	284,381
Benefit payments*	<u>(35,488)</u>
Net changes	<u>493,822</u>
Balance at December 31, 2017	<u>\$ 3,643,104</u>

\*Due to the Plan being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City's retiree health insurance calculated using the discount rate of 3.8%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.8%) or 1 percentage point higher (4.8%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
\$ 60,802,744	\$ 55,800,537	\$ 49,476,793

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

The following presents the total OPEB liability of the City's TMRS supplemental plan calculated using the discount rate of 3.31%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.31%) or 1 percentage point higher (4.31%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
Current		
1% Decrease	Discount Rate	1% Increase
\$ 4,371,513	\$ 3,643,104	\$ 3,075,239

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the City's retiree health insurance, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

Sensitivity of the OPEB Liability to Changes in the Healthcare Cost Rate		
Current		
1% Decrease	Discount Rate	1% Increase
\$ 49,080,399	\$ 55,800,537	\$ 61,323,519

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the City recognized OPEB expense of \$1,073,086. At September 30, 2018, the City reported deferred outflows and inflows of resources related to OPEB from the following resources:

Retiree Health Insurance

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience [actuarial (gains) or losses]	\$ -	\$ 2,677,572
Difference in assumptions	-	1,635,610
Difference in projected and actual earnings on OPEB plan investments [actuarial (gains) or losses]	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	-	-
	<u>\$ -</u>	<u>\$ 4,313,182</u>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

TMRS Supplemental Death

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience [actuarial (gains) or losses]	\$ -	\$ -
Difference in assumptions	242,744	
Difference in projected and actual earnings on OPEB plan investments [actuarial (gains) or losses]	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	<u>27,083</u>	
	<u>\$ 269,827</u>	<u>\$ -</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$27,083 will be recognized as a reduction of the total OPEB liability in the City's financial statements September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

Retiree Health Insurance

<u>Measurement Period Ended September 31,</u>	<u>Net deferred outflows (inflows) of resources</u>
2019	\$ (862,637)
2020	(862,637)
2021	(862,636)
2022	(862,636)
2023	<u>(862,636)</u>
<b>Total</b>	<u>\$ (4,313,182)</u>

TMRS Supplemental Death

<u>Measurement Year Ended December 31,</u>	<u>Net deferred outflows (inflows) of resources</u>
2018	\$ 41,637
2019	41,637
2020	41,637
2021	41,637
2022	41,637
Thereafter	<u>34,559</u>
<b>Total</b>	<u>\$ 242,744</u>

**City Of Grand Prairie, Texas**  
**Notes to the Basic Financial Statements**  
**September 30, 2018**

**L. Fund Balance**

At September 30, 2018, fund balances were classified as follows:

	General	Section 8	Streets CIP	Grants	Debt Service	Epic CIP	Nonmajor Governmental Funds	Total
Fund balances								
Nonspendable:								
Inventory and prepaids	\$ 2,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,272	\$ 79,015
Spendable:								
Restricted for:								
Employee Welfare	84,690	-	-	-	-	-	-	84,690
Library Memorials	45,391	-	-	-	-	-	-	45,391
At Risk Youths	36,657	-	-	-	-	-	-	36,657
Greg Hunter Scholarships	63,768	-	-	-	-	-	-	63,768
Prairie Paws Adoptions	213,926	-	-	-	-	-	-	213,926
Other	994	-	-	-	-	-	-	994
Section 8	-	823,893	-	-	-	-	-	823,893
Street Improvements	-	-	8,511,522	-	-	-	-	8,511,522
Debt Service	-	-	-	-	5,535,816	-	-	5,535,816
Epic	-	-	-	-	-	2,001,084	3,534,554	5,535,638
Park Venue	-	-	-	-	-	-	4,114,208	4,114,208
Streets	20,873	-	-	-	-	-	2,001,046	2,021,919
Crime	-	-	-	-	-	-	16,185,875	16,185,875
Hotel Motel	-	-	-	-	-	-	564,741	564,741
Police seizure	-	-	-	-	-	-	441,622	441,622
Municipal Court	-	-	-	-	-	-	463,153	463,153
Red Light Safety	-	-	-	-	-	-	2,310,388	2,310,388
Lake Parks	-	-	-	-	-	-	2,312,949	2,312,949
Public Improvement Districts	-	-	-	-	-	-	2,930,616	2,930,616
Tax Increment Financing	-	-	-	-	-	-	5,030,245	5,030,245
Other special revenue	-	-	-	-	-	-	311,112	311,112
Park Venue Capital Projects	-	-	-	-	-	-	9,831,688	9,831,688
Fire Capital Projects	-	-	-	-	-	-	4,369,258	4,369,258
Municipal Facilities Capital Projects	-	-	-	-	-	-	11,249,799	11,249,799
Other Capital Projects	-	-	-	-	-	-	1,935,404	1,935,404
Total restricted	466,299	823,893	8,511,522	-	5,535,816	2,001,084	67,586,658	84,925,272
Committed to:								
Street Improvements	-	-	16,785,545	-	-	-	-	16,785,545
Park Venue	-	-	-	-	-	-	2,034,476	2,034,476
Cable Operations	-	-	-	-	-	-	655,081	655,081
Cemetery Operations	-	-	-	-	-	-	2,385,569	2,385,569
Verizon Theatre	-	-	-	-	-	-	2,751,372	2,751,372
Drainage Capital Projects	-	-	-	-	-	-	12,328,198	12,328,198
Police Capital Projects	-	-	-	-	-	-	819,678	819,678
Other Capital Projects	-	-	-	-	-	-	2,782,387	2,782,387
Capital Lending/Reserve	-	-	-	-	-	-	12,298,922	12,298,922
Total committed	-	-	16,785,545	-	-	-	36,055,683	52,841,228
Assigned to:								
Home Match Cash	385,371	-	-	-	-	-	-	385,371
KGPB Commissions	4,374	-	-	-	-	-	-	4,374
Section 8 Relief	79,730	-	-	-	-	-	-	79,730
Police Memorials	6,984	-	-	-	-	-	-	6,984
Fire- State Supplemental Funds	2,209,831	-	-	-	-	-	-	2,209,831
Parks Education Foundation	10,078	-	-	-	-	-	-	10,078
Uptown Trust	8,098	-	-	-	-	-	-	8,098
First Offender Program	26,669	-	-	-	-	-	-	26,669
Kirby Creek Accessibility Garden	25,908	-	-	-	-	-	-	25,908
US Marshals Service Agreement	141,631	-	-	-	-	-	-	141,631
GPPD Boxing Program	18,292	-	-	-	-	-	-	18,292
GPPD Explorer Program	14,325	-	-	-	-	-	-	14,325
GPPD Mounted Patrol	558	-	-	-	-	-	-	558
Total assigned	2,931,849	-	-	-	-	-	-	2,931,849
Unassigned	30,344,160	-	-	(629,198)	-	-	-	29,714,962
<b>Total fund balances</b>	<b>\$ 33,745,051</b>	<b>\$ 823,893</b>	<b>\$ 25,297,067</b>	<b>\$ (629,198)</b>	<b>\$ 5,535,816</b>	<b>\$ 2,001,084</b>	<b>\$ 103,718,613</b>	<b>\$ 170,492,326</b>

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### M. Contracts, Commitments, and Contingent Liabilities

#### Federal and State Grants

The City participates in a number of state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

#### Litigation

The City and Sports Corporation are contingently liable in respect of lawsuits and claims in the ordinary course of operations which, in the opinion of management, will not have material adverse effect on the combined financial statements.

#### Water Intake Facility Contract

The City entered into a contract with the Trinity River Authority (TRA) whereby TRA agreed to sell revenue bonds, and, to construct and operate water treatment, transmission and storage facilities necessary to supply treated water to several area cities. The City has also agreed contractually to pay TRA annually an amount sufficient to pay its pro rata share of the operation and maintenance expenses of the facilities and related debt service of its bonds. The project is not treated as a joint venture by the City since the project is managed and unilaterally controlled by TRA, the City has no equity interest in the project, and the City is not obligated for the repayment of TRA bonds.

#### Water Purchase Contracts

The City has a 30-year contract with the City of Dallas, which expires in 2042, for the purchase of water. Grand Prairie currently takes up to 33.8 million gallons a day (MGD), and pays a fixed demand charge plus a volume charge. The demand charge is based on current maximum demand or the highest demand established during the five preceding years, whichever is greater. Thus, even if the City were to stop purchasing water from Dallas, its obligation to pay the demand charge (\$262,058) would extend for five years. The maximum may be increased in future years as needed. Grand Prairie has two intake points for City of Dallas water with a contractual right obligating the City of Dallas to meet Grand Prairie's needs. Existing pipelines will provide up to 55 MGD.

A contract with the City of Fort Worth, effective until the year 2031, permits the City to purchase up to 2.5 MGD.

A contract with the City of Midlothian, executed in 2014 for a 30-year term, permits the City to purchase up to an average of 4.5 MGD during the term of the contract. Beginning in January 2016, the City began purchasing water from the City of Midlothian at an average rate of 0.478 MGD.

A contract with the City of Arlington, executed in 2011 for a 20-year term, allows the City to purchase up to 2.5 MGD maximum flow unless otherwise agreed to in writing. As of September 30, 2018, no water has been purchased through this contract.

#### Wastewater Treatment Contracts

The City has a 50 year contract with TRA, which will expire in 2023, for wastewater treatment. The City is billed for its prorated share of total wastewater costs, which was 12.03% during fiscal year 2018. The City must pay its prorated share of the debt service related to wastewater treatment facilities until the debt matures whether it contributes to flow or not.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2018

### Mountain Creek Regional Wastewater System Contract (System)

The City entered into a contract in 2002 which is in effect for the entire useful life of the System. Although the City does not yet deliver flows to this System, the City is obligated to pay annual minimum fees equivalent to 21.9 million gallons of flow. For the fiscal year ended September 30, 2018, the City paid \$82,786 to the System.

### Master and Other Agreements

The City and Texas NextStage, LP (NextStage) entered into agreements (development agreements, lease agreements and other ancillary agreements) on January 10, 2001, to design, develop and construct a performance hall (Performance Hall). Construction of the Performance Hall began in July 2000 and was completed in February 2001. Under the agreements, the City purchased the Performance Hall from NextStage for \$15 million with the proceeds from the \$17.9 million TIF tax and tax increment certificate of obligation bond issue in fiscal year 2001. NextStage initially leased the Performance Hall from the City under a twenty one-year lease. Effective September 18, 2002, Anschutz Texas, L. P. assumed the lease obligations of NextStage and became lessee and operator of the Performance Hall. The lease between the City and Anschutz Texas, L. P. expires January 23, 2023. Monthly lease payments from the lessee of the Performance Hall are used to pay debt service on bonds issued by the City for the purchase of the Performance Hall.

The City and the Texas Airhogs Baseball Club entered into agreements (development, lease, and other ancillary agreements) on June 26, 2007 to develop, construct and operate a minor league professional baseball stadium. The funding for the stadium was accomplished through a one-eighth cent sales tax approved by the citizens of Grand Prairie. Construction began in July 2007 and was completed in May 2008.

**Ground Lease** - The City entered into a lease agreement with the Sports Corporation for the land on which the stadium was built. The lease runs through June 25, 2036 with an annual base rent of \$50,000.

**Stadium Lease** - On October 19, 2016, the City entered into a four-year lease agreement with Nextel Promotional, LLC. In addition to Airhogs home baseball games, Nextel has unlimited use of the Stadium to hold other sporting and entertainment events. Nextel pays the City, in advance, a monthly lease payment of \$7,137 and ten percent of the total net profit generated by Nextel at, in, or through the stadium. Nextel is responsible for all utility services and the City is responsible for the maintenance of the building, landscaping, irrigation, art, and playgrounds.

### Construction Commitments

The City has several approved outstanding major capital projects as of September 30, 2018. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$50,900,085. Funding for these contracts will be received through various capital projects funds and enterprise funds.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2018

**N. Segment Information for Enterprise Funds**

The City maintains five enterprise funds – water and wastewater, solid waste, golf, airport, and storm water utility activities. At September 30, 2018, the Municipal Airport Fund had outstanding revenue-backed certificates of obligations. Segment information for this Fund is as follows:

	Municipal Airport
	<u>                    </u>
Condensed statement of net position:	
Current assets	\$ 1,624,048
Capital assets	15,595,101
Deferred outflows of resources	<u>43,526</u>
Total assets and deferred outflows of resources	17,262,675
Current liabilities	432,972
Long-term liabilities	1,251,986
Deferred inflows of resources	<u>56,075</u>
Total liabilities and deferred inflows of resources	1,741,033
Net position: Net investment in capital assets	14,560,101
Net position: Unrestricted	<u>961,541</u>
<b>Total net position</b>	<b><u>\$ 15,521,642</u></b>
Condensed statement of revenues, expenses and changes in net position:	
Sales to customers	\$ 1,308,219
Intergovernmental revenue	67,537
Miscellaneous	<u>930,289</u>
Total operating revenues	2,306,045
Depreciation	869,597
Other operating expenses	<u>1,852,656</u>
Total operating expenses	2,722,253
Gain on property disposition	8,487
Interest expense	<u>(53,030)</u>
Total nonoperating revenues (expenses)	<u>(44,543)</u>
Loss before transfers	(460,751)
Transfers in	224,116
Transfers out	<u>(48,000)</u>
Change in net position	(284,635)
Net position at the beginning of the year	<u>15,806,277</u>
Restated Net position-beginning of year	<u>15,806,277</u>
<b>Net position at the end of the year</b>	<b><u>\$ 15,521,642</u></b>
Condensed statement of cash flows:	
Net cash provided (used) by:	
Operating activities	339,739
Noncapital financing activities	176,116
Capital and related financing activities	(747,314)
Investing activities	-
Beginning cash and cash equivalent balances	<u>300,683</u>
<b>Ending cash and cash equivalent balances</b>	<b><u>\$ 69,224</u></b>

## **City Of Grand Prairie, Texas**

Notes to the Basic Financial Statements

September 30, 2018

### **O. Tax Abatements and Economic Incentive Agreements**

The City has incentive agreements with companies which may refund or rebate certain amounts of taxes based on performance indicators. These agreements are governed by Chapter 312 of the Texas Local Government Code. Recipients may be eligible based on their impact to the City's economy, as usually measured by job creation. Agreements may also contain recapture or 'clawback' provisions in the event of non-performance of the agreement standards. The City's Management Services division reviews the performance of the companies under these agreements for their compliance with stated standards. As of the 2017 certified roll (used for 2018 fiscal year) the City's abatement agreements with seven companies resulted in \$54,157,220 in appraised values, totaling \$232,425 in taxes abated on the 2017 certified tax roll (used for the 2018 fiscal year).

### **P. Subsequent Events**

On November 1, 2018, the City Council issued \$40,605,000 in Combination Tax and Revenue Certificates, Series 2018. The proceeds will be used to fund City capital improvements.

The City has evaluated all other events or transactions that occurred after September 30, 2018 up through March 14, 2019, the date the financial statements were available to be issued.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## **Required Supplementary Information**

**City of Grand Prairie, Texas**  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget to Actual – General Fund  
 For the Year Ended September 30, 2018

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Property tax	\$ 62,010,106	\$ 62,010,106	\$ 61,122,847	\$ (887,259)
Sales tax	30,504,688	30,504,688	31,532,937	1,028,249
Other taxes	283,495	283,495	292,966	9,471
Franchise fees	13,818,910	13,818,910	14,485,521	666,611
Charges for goods and services	5,719,575	5,719,575	5,847,113	127,538
Licenses and permits	2,917,135	2,917,135	3,000,527	83,392
Fines and forfeitures	7,430,510	7,430,510	7,337,547	(92,963)
Intergovernmental revenue	1,476,460	1,476,460	2,335,924	859,464
General and administrative	4,712,539	4,712,539	4,712,539	-
Rents and royalties	105,555	105,555	875	(104,680)
Investment income	2,000,095	2,000,095	3,213,375	1,213,280
Contributions	55	55	176,042	175,987
Other	441,496	441,496	854,500	413,004
Total revenues	131,420,619	131,420,619	134,912,713	3,492,094
<b>EXPENDITURES</b>				
Support services	26,003,021	24,257,852	22,333,632	1,924,220
Public safety services	80,139,194	82,097,463	84,283,161	(2,185,698)
Recreation and leisure services	2,707,718	2,771,908	2,760,622	11,286
Development and other services	13,885,421	13,728,424	12,944,045	784,379
Capital outlay	857,475	946,390	1,086,949	(140,559)
Debt service:				
Interest expense	3,925	3,925	3,200	725
Total expenditures	123,596,754	123,805,962	123,411,609	394,353
Excess (deficiency) of revenues over (under) expenditures	7,823,865	7,614,657	11,501,104	3,886,447
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(10,191,250)	(10,205,463)	(10,106,151)	99,312
Proceeds from sale of capital assets	700,000	700,000	1,003,393	303,393
Total other financing sources (uses)	(9,491,250)	(9,505,463)	(9,102,758)	402,705
Net change in fund balances	(1,667,385)	(1,890,806)	2,398,346	4,289,152
Fund balance - beginning of year	31,346,705	31,346,705	31,346,705	-
<b>Fund balances - end of year</b>	<b>\$ 29,679,320</b>	<b>\$ 29,455,899</b>	<b>\$ 33,745,051</b>	<b>\$ 4,289,152</b>

**City of Grand Prairie, Texas**

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Section 8 Fund

For the Year Ended September 30, 2018

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Charges for goods and service	\$ 4,372,298	\$ 4,372,298	\$ 5,779,637	\$ 1,407,339
Licenses and permits	246,011	246,011	218,421	(27,590)
Intergovernmental revenue	2,132,146	2,132,146	27,786,641	25,654,495
Other	75,000	75,000	39,476	(35,524)
Total revenues	6,825,455	6,825,455	33,824,175	26,998,720
<b>EXPENDITURES</b>				
Development services and other	6,775,455	6,775,455	34,784,590	(28,009,135)
Capital outlay	-	-	-	-
Total expenditures	6,775,455	6,775,455	34,784,590	(28,009,135)
Excess (deficiency) of revenues over (under) expenditures	50,000	50,000	(960,415)	(1,010,415)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	33,812	33,812	33,812	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Proceeds from sale of capital assets	-	-	15,813	15,813
Total other financing sources (uses)	(16,188)	(16,188)	(375)	15,813
Net change in fund balances	33,812	33,812	(960,790)	(994,602)
Fund balance - beginning of year	1,784,683	1,784,683	1,784,683	-
<b>Fund balances - end of year</b>	<b>\$ 1,818,495</b>	<b>\$ 1,818,495</b>	<b>\$ 823,893</b>	<b>\$ (994,602)</b>

**City of Grand Prairie, Texas**  
 Required Supplementary Information  
 Schedule of Changes in Postemployment Benefits –  
 Retiree Health Plan

	Year Ended September 30, 2018
Total OPEB liability	
Service cost	\$ 2,173,026
Interest	2,210,196
Changes of benefit terms	-
Difference between expected and actual experience	(3,213,084)
Change in assumptions	(1,962,733)
Employer contributions	-
Net investment income	-
Benefit payments	<u>(2,566,843)</u>
Net changes	(3,359,438)
Total OPEB liability - beginning	<u>59,159,975</u>
Total OPEB liability - ending	<u>\$ 55,800,537</u>
Covered payroll	<u>\$ 83,283,716</u>
Total OPEB liability as a percentage of covered payroll	67.00%

**Notes to schedule:**

Valuation Date: September 30, 2018

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.83%
Retirees' share of benefit-related cost	\$0
Mortality rates - retirees	Dynamic RP -2014

**City of Grand Prairie, Texas**  
 Required Supplementary Information  
 Schedule of Changes in Postemployment Benefits –  
 Texas Municipal Retirement System

	Measurement Period <u>December 31, 2017</u>
Total OPEB liability	
Service cost	\$ 124,209
Interest	120,720
Changes of benefit terms	-
Difference between expected and actual experience	-
Change in assumptions	284,381
Employer contributions	-
Net investment income	-
Benefit payments	<u>(35,488)</u>
Net changes	493,822
Total OPEB liability - beginning	<u>3,149,282</u>
<b>Total OPEB liability - ending</b>	<b><u>\$ 3,643,104</u></b>
Covered payroll	<u>\$ 88,720,932</u>
Total OPEB liability as a percentage of covered payroll	4.11%

**Notes to schedule:**

Valuation Date: December 31, 2017

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.31%
Retirees' share of benefit-related cost	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	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.
Mortality rates - disabled retirees	PR2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

**City of Grand Prairie, Texas**  
 Required Supplementary Information  
 Schedule of Contributions –  
 Texas Municipal Retirement System  
 Last Five Years

	2014	2015	2016	2017	2018
Actuarially determined contributions	\$ 12,564,308	\$ 12,624,823	\$ 12,870,593	\$ 14,209,636	\$ 14,427,366
Contributions in relation to the actuarially determined contribution	<u>(12,564,308)</u>	<u>(12,624,823)</u>	<u>(12,870,593)</u>	<u>(14,209,636)</u>	<u>(14,427,366)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered payroll	\$ 71,874,373	\$ 75,773,968	\$ 79,933,264	\$ 83,111,899	\$ 88,720,932
Contributions as a percentage of covered payroll	17.48%	16.66%	16.10%	17.10%	16.26%

**Notes to the Schedule of Contributions**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	28 years
Asset valuation method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.50% to 10.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
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.

**Other information**

Notes There were no benefit changes during the year.

**Note:** The City implemented GASB 68 in FY 2015; therefore, the required information for this schedule will be built over the next six years.

**City Of Grand Prairie, Texas**  
 Required Supplementary Information  
 Schedule of Changes in Net Pension Liability and Related Ratios –  
 Texas Municipal Retirement System  
 Last Four Fiscal Years

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017
<b>Total pension liability</b>				
Service Cost	\$ 11,158,122	\$ 13,141,028	\$ 14,199,234	\$ 15,171,279
Interest (on the Total Pension Liability)	31,213,003	32,633,468	33,350,744	35,239,052
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(2,414,327)	1,187,598	565,461	1,775,160
Changes of assumptions	-	596,665	-	-
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)	(21,770,002)
Net change in total pension liability	19,552,310	26,651,484	28,632,381	30,415,489
Total pension liability - beginning	450,523,220	470,075,530	496,727,014	525,359,395
Total pension liability - ending (a)	470,075,530	496,727,014	525,359,395	555,774,884
<b>Plan fiduciary net position</b>				
Contributions - employer	12,810,193	13,141,016	12,990,875	14,427,366
Contributions - employee	5,156,977	5,596,768	5,806,017	6,292,394
Net investment income	22,838,073	618,807	28,210,612	61,623,079
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)	(21,770,002)
Administrative Expense	(238,441)	(376,914)	(318,599)	(319,350)
Other	(19,604)	(18,616)	(17,165)	(16,184)
Net change in plan fiduciary net position	20,142,710	(1,946,214)	27,188,682	60,237,303
Plan fiduciary net position - beginning	399,226,484	419,369,194	417,422,980	444,611,662
Plan fiduciary net position - ending (b)	419,369,194	417,422,980	444,611,662	504,848,965
<b>Net pension liability (a) - (b)</b>	<b>\$ 50,706,336</b>	<b>\$ 79,304,034</b>	<b>\$ 80,747,733</b>	<b>\$ 50,925,919</b>
Plan fiduciary net position as a percentage of the total pension liability (b) / (a)	89.21%	84.03%	84.63%	90.84%
Covered employee payroll	\$ 73,471,045	\$ 83,111,899	\$ 82,939,452	\$ 88,720,932
Net pension liability as a percentage of covered employee payroll	69.02%	95.42%	97.36%	57.40%

As of December 31

<sup>1</sup> Amounts reported includes refunds of employee contributions.

**Note:** The City implemented GASB 68 in FY 2015; therefore, the required information for this schedule will be built over the next six years.

**City Of Grand Prairie, Texas**  
Required Supplementary Information  
Notes to the Required Supplementary Information

**A. Budget Law and Practice**

Annual budgets are adopted on a basis that is consistent with accounting principles generally accepted in the United States. The City uses the modified accrual basis of accounting and the current financial resources measurement focus for all adopted budgets. Encumbered appropriations are carried forward to the next fiscal year and become part of the new fiscal year's appropriations, while unencumbered appropriations lapse at fiscal year-end. Appropriations for certain special revenue funds and capital project funds are controlled on a project basis and are carried forward each year until the project is completed or the grant receipts are expended.

The City's five-year capital projects plan is updated and approved annually during the budget process. The City Council approves annual appropriations and funding sources.

The Section 8 budget is presented annually on a calendar-year basis and is based on a combination of historical data and estimated appropriations from the Department of Housing and Urban Development (HUD) Section 8 program. Policy decisions at the federal level, increases in rental subsidies, and the expansion of the number of clients served due to unforeseen circumstances may require a higher voucher subsidy and can affect the financial component of each voucher. Accordingly, expenditures may exceed budget, but only to the extent that this increase will be offset by a like increase in revenues as received from HUD for the management and administration of the Section 8 voucher program. HUD monitors the financial activity and unit activity of the Section 8 program each month through required submissions via the Voucher Management System (VMS).

**B. Budgetary Control**

The legal level of budgetary control is at the fund level for all governmental and enterprise funds. The City Manager is authorized to amend budgeted appropriations between line items, categories, and departments within the same fund as long as total appropriations for the fund do not change. Any amendments that change total appropriations at the fund level must be approved by the City Council.

## **Other Supplementary Information**



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# City of Grand Prairie, Texas

## Schedule of Revenues, Expenditures and Changes in Fund Balances

### Budget to Actual – Debt Service Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 26,259,608	26,259,608	25,802,801	\$ (456,807)
Total revenues	26,259,608	26,259,608	25,802,801	(456,807)
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	19,970,000	19,970,000	19,970,000	-
Interest	9,392,916	9,392,916	8,877,065	515,851
Total expenditures	29,362,916	29,362,916	28,847,065	515,851
Excess (deficiency) of revenues over (under) expenditures	(3,103,308)	(3,103,308)	(3,044,264)	59,044
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Transfers out	(198,892)	(198,892)	(224,116)	(25,224)
Premium on debt issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Payments for refunded debt	-	-	-	-
Total other financing sources	(148,892)	(148,892)	(174,116)	(25,224)
Net change in fund balances	(3,252,200)	(3,252,200)	(3,218,380)	33,820
Fund balances - beginning of year	8,754,196	8,754,196	8,754,196	-
<b>Fund balances - end of the year</b>	<b>\$ 5,501,996</b>	<b>5,501,996</b>	<b>\$ 5,535,816</b>	<b>\$ 33,820</b>

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Nonmajor Governmental Funds

**Special Revenue Funds**

Special Revenue Funds are used by the City to account for revenues derived from specific taxes, fees, donations, and grants which are restricted or committed for specific purposes other than for debt service or capital projects.

- “ Park Venue Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of funding park and recreational services including the Senior Center, Uptown Theatre, Ruthe Jackson Center, Bowles Life Center, and the Baseball Stadium.
- “ Street Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of maintaining and improving of the City's existing streets and alleys.
- “ Crime Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Public Safety Building and to fund salaries and benefits for twenty-four new police officers.
- “ Epic Center Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Epic Center.
- “ Hotel/Motel Occupancy Tax – accounts for the receipts and allocation of the City's seven percent hotel-motel tax revenue in accordance with the requirements of state law .
- “ Police Seizures – accounts for police-seized assets pending court cases and for forfeitures awarded by County courts from assets seized by the Grand Prairie Police Department.
- “ Municipal Court – accounts for fees collected through municipal court fines for the specific use of maintaining security for municipal court buildings and for municipal court technology.
- “ Cable Operations – accounts for the revenue collected through cable companies for government access programming. This revenue is committed by the City Council for the operations and improvements to the City's cable channel.
- “ Red Light Safety – accounts for street light camera operations and is funded from red light citations. The purpose of this fund is to improve major street intersection safety.
- “ Lake Parks – accounts for the activity of the City's four major parks surrounding Joe Pool Lake. All revenues generated are restricted for the operation of these parks by the lease agreement with U. S. Corps of Engineers.
- “ Cemetery – accounts for operations of Grand Prairie Memorial Gardens and Mausoleum. Net proceeds from operations are committed by the City Council for the perpetual care of the cemetery.
- “ Public Improvement Districts (PIDs) – accounts for the activity of the City's sixteen PIDs.
- “ Tax Increment Financing Districts (TIFs) – accounts for the activity of the City's two TIFs and is supported primarily from revenues collected through inter-local property tax increment funding.

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Nonmajor Governmental Funds

- “ Verizon Theatre - accounts for monthly lease payments used to pay debt service on the bonds issued by the City for the purchase of the performance hall.
- “ Commercial Vehicle Enforcement – accounts for various fees collected through municipal court fines restricted for operations relating to commercial vehicle enforcement.
- “ Juvenile Case Manager – accounts for various fees collected through municipal court fines restricted for operations relating to the Juvenile Case Manager.
- “ Truancy Prevention Diversion – accounts for various fees collected through municipal court fines restricted for operations relating to truancy prevention.
- “ Municipal Court Judicial Efficiency – accounts for various fees collected through municipal court fines restricted for operations relating to judicial efficiency.

**Budget to Actual Comparisons**

These schedules present budget to actual comparisons for special revenue funds with legally adopted budgets

**Capital Projects Funds**

Capital Projects Funds are used to account for capital improvements which are financed by general obligation

- “ Park Venue – accounts for construction, improvements, and other capital expenditures related to the City's park system and is financed partly from funds transferred from the Park Venue Special Revenue Fund.
- “ Fire – accounts for construction, improvements, and other capital expenditures related to the City's Fire Department.
- “ Municipal Facilities (MFAC) – accounts for construction, improvements, and other capital expenditures related to City departments that do not utilize a separate capital project fund.
- “ Drainage – accounts for construction, improvements, and other capital expenditures related to the City's drainage system.
- “ Police – accounts for construction, improvements, and other capital expenditures related to the City's Police Department.
- “ Other Capital Projects – accounts for construction, improvements, and other capital expenditures related to other City departments including the Senior Center, Lake Parks (other than Park Venue), Crime Tax, Library, and one-time equipment acquisition funds.
- “ Capital Lending and Reserve – established for short-term financing of capital projects and for one-time, non-recurring capital expenditures not budgeted in other capital project funds.

**City of Grand Prairie, Texas**  
 Combining Balance Sheets  
 Nonmajor Governmental Funds  
 September 30, 2018

	<b>Special Revenue</b>				
	<b>Park Venue Sales Tax</b>	<b>Streets Sales Tax</b>	<b>Crime Sales Tax</b>	<b>Epic Center Sales Tax Fund</b>	<b>Hotel Motel Tax</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,023,912	\$ 370,532	\$ 569,638	\$ 1,355,213	\$ 214,497
Investments	2,638,155	1,000,000	14,700,000	-	300,000
Sales tax receivable	1,422,816	1,422,816	1,406,466	1,422,816	-
Franchise fees receivable	-	-	-	-	-
Other receivables	10,418	-	-	866,447	138,551
Due from other funds	-	-	-	-	-
Inventory	20,525	-	-	28,715	-
Prepays	5,000	-	-	-	-
<b>Total assets</b>	<b>7,120,826</b>	<b>2,793,348</b>	<b>16,676,104</b>	<b>3,673,191</b>	<b>653,048</b>
<b>LIABILITIES</b>					
Accounts payable	478,021	792,302	316,697	43,543	67,684
Retainage payable	-	-	-	-	-
Accrued liabilities	275,930	-	173,532	42,547	20,623
Customer deposits	37,000	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	155,666	-	-	23,832	-
<b>Total liabilities</b>	<b>946,617</b>	<b>792,302</b>	<b>490,229</b>	<b>109,922</b>	<b>88,307</b>
<b>FUND BALANCES</b>					
Nonspendable	25,525	-	-	28,715	-
Restricted	4,114,208	2,001,046	16,185,875	3,534,554	564,741
Committed	2,034,476	-	-	-	-
<b>Total fund balances</b>	<b>6,174,209</b>	<b>2,001,046</b>	<b>16,185,875</b>	<b>3,563,269</b>	<b>564,741</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,120,826</b>	<b>\$ 2,793,348</b>	<b>\$ 16,676,104</b>	<b>\$ 3,673,191</b>	<b>\$ 653,048</b>

**Special Revenue**

<b>Police Seizure</b>	<b>Municipal Court</b>	<b>Cable Operations</b>	<b>Red Light Safety</b>	<b>Lake Parks</b>	<b>Cemetery</b>	<b>PID</b>	<b>Tax Increment Financing Districts</b>
\$ 499,185	\$ 378,557	\$ 180,668	\$ 638,030	\$ 1,041,430	\$ 2,805,933	\$ 3,361,139	\$ 5,030,245
-	100,000	420,803	2,400,000	1,410,523	700,000	-	-
-	-	-	-	-	-	-	-
-	-	67,086	-	-	-	-	-
8,779	-	-	307,393	17,861	285,539	1,851	-
-	-	-	-	-	-	-	-
-	-	-	-	11,093	-	-	-
-	-	-	-	6,188	-	4,751	-
507,964	478,557	668,557	3,345,423	2,487,095	3,791,472	3,367,741	5,030,245
36,279	10,945	6,013	154,652	95,290	25,595	432,374	-
-	-	-	-	-	-	-	-
30,063	4,459	7,463	880,383	61,575	15,877	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,364,431	-	-
66,342	15,404	13,476	1,035,035	156,865	1,405,903	432,374	-
-	-	-	-	17,281	-	4,751	-
441,622	463,153	-	2,310,388	2,312,949	-	2,930,616	5,030,245
-	-	655,081	-	-	2,385,569	-	-
441,622	463,153	655,081	2,310,388	2,330,230	2,385,569	2,935,367	5,030,245
<u>\$ 507,964</u>	<u>\$ 478,557</u>	<u>\$ 668,557</u>	<u>\$ 3,345,423</u>	<u>\$ 2,487,095</u>	<u>\$ 3,791,472</u>	<u>\$ 3,367,741</u>	<u>\$ 5,030,245</u>

*Continued*

City of Grand Prairie, Texas  
Combining Balance Sheets  
Nonmajor Governmental Funds  
September 30, 2018

	Special Revenue				
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
<b>ASSETS</b>					
Cash and cash equivalents	\$ 72,184	\$ 32,360	\$ 87,119	\$ 138,740	\$ 61,063
Investments	2,305,000	-	-	-	-
Sales tax receivable	-	-	-	-	-
Franchise fees receivable	-	-	-	-	-
Other receivables	374,188	-	-	-	-
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<b>2,751,372</b>	<b>32,360</b>	<b>87,119</b>	<b>138,740</b>	<b>61,063</b>
<b>LIABILITIES</b>					
Accounts payable	-	-	1,967	-	450
Retainage payable	-	-	-	-	-
Accrued liabilities	-	-	5,753	-	-
Customer deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>7,720</b>	<b>-</b>	<b>450</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	32,360	79,399	138,740	60,613
Committed	2,751,372	-	-	-	-
<b>Total fund balances</b>	<b>2,751,372</b>	<b>32,360</b>	<b>79,399</b>	<b>138,740</b>	<b>60,613</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,751,372</b>	<b>\$ 32,360</b>	<b>\$ 87,119</b>	<b>\$ 138,740</b>	<b>\$ 61,063</b>

**Capital Projects**

<b>Park Venue CIP</b>	<b>Fire CIP</b>	<b>Municipal Facilities CIP</b>	<b>Drainage CIP</b>	<b>Police CIP</b>	<b>Other CIP</b>	<b>Capital Lending/ Reserve</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 1,248,961	\$ 975,890	\$ 656,062	\$ 130,866	\$ 819,678	\$ 3,798,672	\$ 1,352,182	\$ 28,842,756
10,500,000	3,500,000	12,256,181	12,500,000	-	2,000,000	8,100,000	74,830,662
-	-	-	-	-	-	-	5,674,914
-	-	-	-	-	-	-	67,086
-	-	-	-	-	-	104,593	2,115,620
-	-	-	-	-	-	3,493,636	3,493,636
-	-	-	-	-	-	-	60,333
-	-	-	-	-	-	-	15,939
<b>11,748,961</b>	<b>4,475,890</b>	<b>12,912,243</b>	<b>12,630,866</b>	<b>819,678</b>	<b>5,798,672</b>	<b>13,050,411</b>	<b>115,100,946</b>
1,605,239	106,632	1,102,036	278,675	-	908,133	391,294	6,853,821
221,081	-	560,408	23,993	-	172,748	-	978,230
-	-	-	-	-	-	-	1,518,205
-	-	-	-	-	-	-	37,000
90,953	-	-	-	-	-	-	90,953
-	-	-	-	-	-	360,195	1,904,124
<b>1,917,273</b>	<b>106,632</b>	<b>1,662,444</b>	<b>302,668</b>	<b>-</b>	<b>1,080,881</b>	<b>751,489</b>	<b>11,382,333</b>
-	-	-	-	-	-	-	76,272
9,831,688	4,369,258	11,249,799	-	-	1,935,404	-	67,586,658
-	-	-	12,328,198	819,678	2,782,387	12,298,922	36,055,683
<b>9,831,688</b>	<b>4,369,258</b>	<b>11,249,799</b>	<b>12,328,198</b>	<b>819,678</b>	<b>4,717,791</b>	<b>12,298,922</b>	<b>103,718,613</b>
<b>\$ 11,748,961</b>	<b>\$ 4,475,890</b>	<b>\$ 12,912,243</b>	<b>\$ 12,630,866</b>	<b>\$ 819,678</b>	<b>\$ 5,798,672</b>	<b>\$ 13,050,411</b>	<b>\$ 115,100,946</b>

*Concluded*

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2018

	<b>Special Revenue</b>				
	<b>Park Venue Sales Tax</b>	<b>Streets Sales Tax</b>	<b>Crime Sales Tax</b>	<b>Epic Center Sales Tax Fund</b>	<b>Hotel Motel Tax</b>
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	8,207,902	8,207,902	8,094,074	8,207,902	-
Other taxes	-	-	-	-	1,915,332
Charges for goods and services	2,845,112	-	-	1,831,858	6,270
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	113,913	-	-
Rents and royalties	674,921	-	-	-	-
Investment income	-	-	-	-	-
Contributions	457,758	-	-	-	-
Other	3,010	-	2,500	-	954
<b>Total revenues</b>	<b>12,188,703</b>	<b>8,207,902</b>	<b>8,210,487</b>	<b>10,039,760</b>	<b>1,922,556</b>
<b>EXPENDITURES</b>					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	-	4,983,547	-	-
Recreation and leisure services	13,324,507	-	-	1,314,853	1,846,984
Development services and other	-	10,402,394	-	-	-
Capital outlay	433,492	-	1,446,075	71,667	52,059
Debt service:					
Principal retirement	1,875,000	-	-	-	-
Interest charges	819,441	-	-	3,396,012	-
<b>Total expenditures</b>	<b>16,452,440</b>	<b>10,402,394</b>	<b>6,429,622</b>	<b>4,782,532</b>	<b>1,899,043</b>
Excess (deficiency) of revenues over (under) expenditures	(4,263,737)	(2,194,492)	1,780,865	5,257,228	23,513
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	7,677,269	1,502,164	-	-	-
Transfers out	(3,307,794)	-	(200,000)	(5,700,000)	(91,500)
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>4,369,475</b>	<b>1,502,164</b>	<b>(200,000)</b>	<b>(5,700,000)</b>	<b>(91,500)</b>
Net change in fund balances	105,738	(692,328)	1,580,865	(442,772)	(67,987)
Fund balances - beginning of year	6,068,471	2,693,374	14,605,010	4,006,041	632,728
<b>Fund balances - end of year</b>	<b>\$ 6,174,209</b>	<b>\$ 2,001,046</b>	<b>\$ 16,185,875</b>	<b>\$ 3,563,269</b>	<b>\$ 564,741</b>

**Special Revenue**

<b>Police Seizure</b>	<b>Municipal Court</b>	<b>Cable Operations</b>	<b>Red Light Safety</b>	<b>Lake Parks</b>	<b>Cemetery</b>	<b>PID</b>	<b>Tax Increment Financing Districts</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,741,648
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,176,527	1,198,929	4,074,143	-
-	-	-	-	183,477	-	-	-
-	299,744	-	3,392,949	-	-	-	-
340,621	-	-	-	-	-	-	-
-	-	-	-	1,435,615	-	-	-
6,299	-	-	-	1	-	-	-
-	-	-	-	36,550	-	9,245	-
18,950	-	275,038	-	43,699	1,810	9,576	-
365,870	299,744	275,038	3,392,949	4,875,869	1,200,739	4,092,964	7,741,648
-	-	204,691	-	-	-	-	2,123,961
194,201	259,973	-	2,722,682	-	-	-	-
-	-	-	-	3,880,240	790,629	-	-
-	-	-	-	-	-	3,227,673	-
20,046	5,095	-	111,887	284,595	-	830,728	2,621,313
-	-	-	-	-	-	240,000	1,680,000
-	-	-	-	-	-	32,016	206,696
214,247	265,068	204,691	2,834,569	4,164,835	790,629	4,330,417	6,631,970
151,623	34,676	70,347	558,380	711,034	410,110	(237,453)	1,109,678
-	-	-	-	9,000	-	190,388	-
-	-	-	-	(450,000)	-	(16,000)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,775	-	-	-
-	-	-	-	(439,225)	-	174,388	-
151,623	34,676	70,347	558,380	271,809	410,110	(63,065)	1,109,678
289,999	428,477	584,734	1,752,008	2,058,421	1,975,459	2,998,432	3,920,567
<u>\$ 441,622</u>	<u>\$ 463,153</u>	<u>\$ 655,081</u>	<u>\$ 2,310,388</u>	<u>\$ 2,330,230</u>	<u>\$ 2,385,569</u>	<u>\$ 2,935,367</u>	<u>\$ 5,030,245</u>

*Continued*

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2018

	Special Revenue				
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	38,652	213,940	41,440	18,066
Intergovernmental	-	-	-	-	-
Rents and royalties	1,653,754	-	-	-	-
Investment income	-	-	-	-	-
Contributions	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenues</b>	<b>1,653,754</b>	<b>38,652</b>	<b>213,940</b>	<b>41,440</b>	<b>18,066</b>
<b>EXPENDITURES</b>					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	35,206	261,733	11,314	17,306
Recreation and leisure services	-	-	-	-	-
Development services and other	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	1,240,000	-	-	-	-
Interest charges	130,867	-	-	-	-
<b>Total expenditures</b>	<b>1,370,867</b>	<b>35,206</b>	<b>261,733</b>	<b>11,314</b>	<b>17,306</b>
Excess (deficiency) of revenues over (under) expenditures	282,887	3,446	(47,793)	30,126	760
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	(8,170)	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(8,170)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	282,887	(4,724)	(47,793)	30,126	760
Fund balances - beginning of year	2,468,485	37,084	127,192	108,614	59,853
<b>Fund balances - end of year</b>	<b>\$ 2,751,372</b>	<b>\$ 32,360</b>	<b>\$ 79,399</b>	<b>\$ 138,740</b>	<b>\$ 60,613</b>

**Capital Projects**

<b>Park Venue CIP</b>	<b>Fire CIP</b>	<b>Municipal Facilities CIP</b>	<b>Drainage CIP</b>	<b>Police CIP</b>	<b>Other CIP</b>	<b>Capital Lending/ Reserve</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,741,648
-	-	-	-	-	-	-	32,717,780
-	-	-	-	-	-	-	1,915,332
-	-	-	-	-	-	-	13,132,839
-	3,003	-	-	-	-	24,013	210,493
-	-	-	-	-	-	-	4,004,791
-	-	-	-	-	-	-	454,534
-	-	-	-	-	-	618,989	4,383,279
-	-	-	-	-	-	-	6,300
300,000	-	-	-	-	-	-	803,553
-	331	-	-	-	-	-	355,868
300,000	3,334	-	-	-	-	643,002	65,726,417
-	-	-	-	-	-	-	2,328,652
-	162,193	-	-	2,170	-	-	8,650,325
915,871	-	-	-	-	179,808	-	22,252,892
-	-	3,127,478	393,589	-	888,645	773,190	18,812,969
6,862,325	6,339,214	12,974,377	5,275,586	34,973	6,477,243	1,096,106	44,936,781
-	-	-	-	-	-	-	5,035,000
15,177	75,332	71,248	-	-	38,498	9,288	4,794,575
7,793,373	6,576,739	16,173,103	5,669,175	37,143	7,584,194	1,878,584	106,811,194
(7,493,373)	(6,573,405)	(16,173,103)	(5,669,175)	(37,143)	(7,584,194)	(1,235,582)	(41,084,777)
7,712,600	-	600,000	5,327,000	-	3,290,000	220,971	26,529,392
(1,651,977)	-	(2,172,971)	-	-	-	(1,610,500)	(15,208,912)
1,795,043	8,909,870	8,426,921	-	-	4,553,406	1,098,567	24,783,807
182,555	906,128	857,012	-	-	463,078	111,723	2,520,496
-	-	-	-	-	-	-	1,775
8,038,221	9,815,998	7,710,962	5,327,000	-	8,306,484	(179,239)	38,626,558
544,848	3,242,593	(8,462,141)	(342,175)	(37,143)	722,290	(1,414,821)	(2,458,219)
9,286,840	1,126,665	19,711,940	12,670,373	856,821	3,995,501	13,713,743	106,176,832
<u>\$ 9,831,688</u>	<u>\$ 4,369,258</u>	<u>\$ 11,249,799</u>	<u>\$ 12,328,198</u>	<u>\$ 819,678</u>	<u>\$ 4,717,791</u>	<u>\$ 12,298,922</u>	<u>\$ 103,718,613</u>

*Concluded*

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Park Venue Sales Tax Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 7,989,612	\$ 7,989,612	\$ 8,207,902	\$ 218,290
Charges for goods and services	2,863,950	2,863,950	2,845,112	(18,838)
Rents and royalties	747,644	747,644	674,921	(72,723)
Contributions	47,000	47,000	457,758	410,758
Other	-	-	3,010	3,010
Total revenues	11,648,206	11,648,206	12,188,703	540,497
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	13,951,612	13,545,191	13,324,507	220,684
Capital outlay	47,000	733,366	433,492	299,874
Debt service:				
Principal retirement	1,875,000	1,875,000	1,875,000	-
Interest charges	819,442	819,442	819,441	1
Total expenditures	16,693,054	16,972,999	16,452,440	520,559
Excess (deficiency) of revenues over (under) expenditures	(5,044,848)	(5,324,793)	(4,263,737)	1,061,056
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	6,850,877	8,369,127	7,677,269	(691,858)
Transfers out	(2,999,120)	(3,661,720)	(3,307,794)	353,926
Total other financing sources (uses)	3,851,757	4,707,407	4,369,475	(337,932)
Net change in fund balances	(1,193,091)	(617,386)	105,738	723,124
Fund balances - beginning of year	6,068,471	6,068,471	6,068,471	-
<b>Fund balances - end of year</b>	<b>\$ 4,875,380</b>	<b>\$ 5,451,085</b>	<b>\$ 6,174,209</b>	<b>\$ 723,124</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Streets Sales Tax Fund

For the Year Ended September 30, 2018

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Sales tax	\$ 7,976,021	\$ 7,989,612	\$ 8,207,902	\$ 218,290
Total revenues	7,976,021	7,989,612	8,207,902	218,290
<b>EXPENDITURES</b>				
Current operations:				
Development services and other	-	-	10,402,394	(10,402,394)
Total expenditures	-	-	10,402,394	(10,402,394)
Excess (deficiency) of revenues over (under) expenditures	7,976,021	7,989,612	(2,194,492)	(10,184,104)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,406,253	1,502,164	1,502,164	-
Total other financing sources (uses)	1,406,253	1,502,164	1,502,164	-
Net change in fund balances	9,382,274	9,491,776	(692,328)	(10,184,104)
Fund balances - beginning of year	2,693,374	2,693,374	2,693,374	-
<b>Fund balances - end of year</b>	<b>\$ 12,075,648</b>	<b>\$ 12,185,150</b>	<b>\$ 2,001,046</b>	<b>\$ (10,184,104)</b>

# City of Grand Prairie, Texas

## Schedule of Revenues, Expenditures and Changes in Fund Balances

### Budget to Actual – Crime Sales Tax Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 7,989,612	\$ 7,989,612	\$ 8,094,074	\$ 104,462
Intergovernmental revenue	97,514	97,514	113,913	16,399
Other	-	-	2,500	2,500
Total revenues	8,087,126	8,087,126	8,210,487	120,861
<b>EXPENDITURES</b>				
Current operations:				
Public safety services	4,986,710	5,149,328	4,983,547	165,781
Capital outlay	1,628,103	1,610,414	1,446,075	164,339
Total expenditures	6,614,813	6,759,742	6,429,622	330,120
Excess (deficiency) of revenues over (under) expenditures	1,472,313	1,327,384	1,780,865	450,981
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	(200,000)	(200,000)	(200,000)	-
Net change in fund balances	1,272,313	1,127,384	1,580,865	450,981
Fund balances - beginning of year	14,605,010	14,605,010	14,605,010	-
<b>Fund balances - end of year</b>	<b>\$ 15,877,323</b>	<b>\$ 15,732,394</b>	<b>\$ 16,185,875</b>	<b>\$ 450,981</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Epic Center Sales Tax Fund

For the Year Ended September 30, 2018

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Sales tax	\$ 7,989,612	\$ 7,989,612	\$ 8,207,902	\$ 218,290
Charges for goods and services	3,694,102	3,694,102	1,831,858	(1,862,244)
Total revenues	11,683,714	11,683,714	10,039,760	(1,643,954)
<b>EXPENDITURES</b>				
Current operations:				
Recreation and Leisure Services	4,447,527	4,455,443	1,314,853	3,140,590
Capital outlay	75,000	75,000	71,667	3,333
Debt service:				
Interest charges	3,395,262	3,395,262	3,396,012	(750)
Total expenditures	7,917,789	7,925,705	4,782,532	3,143,173
Excess (deficiency) of revenues over (under) expenditures	3,765,925	3,758,009	5,257,228	1,499,219
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(3,700,000)	(5,700,000)	(5,700,000)	-
Total other financing sources (uses)	(3,700,000)	(5,700,000)	(5,700,000)	-
Net change in fund balances	65,925	(1,941,991)	(442,772)	1,499,219
Fund balances - beginning of year	4,006,041	4,006,041	4,006,041	-
<b>Fund balances - end of year</b>	<b>\$ 4,071,966</b>	<b>\$ 2,064,050</b>	<b>\$ 3,563,269</b>	<b>\$ 1,499,219</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Hotel/Motel Sales Tax Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 1,928,950	\$ 1,928,950	\$ 1,915,332	\$ (13,618)
Charges for goods and services	4,000	4,000	6,270	2,270
Other	1,300	1,300	954	(346)
Investment income	-	-	-	-
Total revenues	1,934,250	1,934,250	1,922,556	(11,694)
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	2,025,129	2,039,448	1,846,984	192,464
Capital outlay	70,000	75,001	52,059	22,942
Total expenditures	2,095,129	2,114,449	1,899,043	215,406
Excess (deficiency) of revenues over (under) expenditures	(160,879)	(180,199)	23,513	203,712
<b>OTHER FINANCING USES</b>				
Transfers out	(91,500)	(91,500)	(91,500)	-
Total other financing uses	(91,500)	(91,500)	(91,500)	-
Net change in fund balances	(252,379)	(271,699)	(67,987)	203,712
Fund balances - beginning of year	632,728	632,728	632,728	-
<b>Fund balances - end of year</b>	<b>\$ 380,349</b>	<b>\$ 361,029</b>	<b>\$ 564,741</b>	<b>\$ 203,712</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Municipal Court Funds

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 308,000	\$ 308,000	\$ 299,744	\$ (8,256)
Total revenues	308,000	308,000	299,744	(8,256)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	319,326	324,668	259,973	64,695
Capital outlay	60,000	60,000	5,095	54,905
Total expenditures	379,326	384,668	265,068	119,600
Excess (deficiency) of revenues over (under) expenditures	(71,326)	(76,668)	34,676	111,344
Fund balances - beginning of year	428,477	428,477	428,477	-
<b>Fund balances - end of year</b>	<b>\$ 357,151</b>	<b>\$ 351,809</b>	<b>\$ 463,153</b>	<b>\$ 111,344</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Cable Operations Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other	\$ 275,000	\$ 275,000	\$ 275,038	\$ 38
Total revenues	275,000	275,000	275,038	38
<b>EXPENDITURES</b>				
Current operations:				
Support services	303,558	323,558	204,691	118,867
Capital outlay	75,000	55,000	-	55,000
Total expenditures	378,558	378,558	204,691	173,867
Excess (deficiency) of revenues over (under) expenditures	(103,558)	(103,558)	70,347	173,905
Fund balances - beginning of year	584,734	584,734	584,734	-
<b>Fund balances - end of year</b>	<b>\$ 481,176</b>	<b>\$ 481,176</b>	<b>\$ 655,081</b>	<b>\$ 173,905</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Red Light Safety Fund

For the Year Ended September 30, 2018

	<u>Budget</u>		<u>Actual</u>	<b>Variance with</b>
	<u>Original</u>	<u>Final</u>	<b>GAAP</b>	<b>Final Budget- Favorable (Unfavorable)</b>
			<b>Basis</b>	
<b>REVENUES</b>				
Fines and forfeitures	\$ 3,014,367	\$ 3,259,714	\$ 3,392,949	\$ 133,235
Total revenues	3,014,367	3,259,714	3,392,949	133,235
<b>EXPENDITURES</b>				
Current operations:				
Public safety	2,288,844	2,650,944	2,722,682	(71,738)
Capital outlay	205,168	245,695	111,887	133,808
Total expenditures	2,494,012	2,896,639	2,834,569	62,070
Excess (deficiency) of revenues over (under) expenditures	520,355	363,075	558,380	195,305
Fund balances - beginning of year	1,752,008	1,752,008	1,752,008	-
<b>Fund balances - end of year</b>	<b>\$ 2,272,363</b>	<b>\$ 2,115,083</b>	<b>\$ 2,310,388</b>	<b>\$ 195,305</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Lake Parks Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Charges for goods and services	\$ 2,988,000	\$ 3,128,614	\$ 3,176,527	\$ 47,913
Licenses and permits	176,000	170,000	183,477	13,477
Rents and royalties	1,337,000	1,444,000	1,435,615	(8,385)
Contributions	50,000	50,000	36,550	(13,450)
Other	39,000	45,651	43,700	(1,951)
Total revenue	4,590,000	4,838,265	4,875,869	37,604
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	4,074,388	4,132,079	3,880,240	251,839
Capital outlay	340,000	340,000	284,595	55,405
Total expenditures	4,414,388	4,472,079	4,164,835	307,244
Excess (deficiency) of revenues over (under) expenditures	175,612	366,186	711,034	344,848
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,000	9,000	9,000	-
Transfers out	(450,000)	(450,000)	(450,000)	-
Proceeds from sale of capital assets	-	-	1,775	1,775
Total other financing sources (uses)	(441,000)	(441,000)	(439,225)	1,775
Excess (deficiency) of revenues over (under) expenditures	(265,388)	(74,814)	271,809	346,623
Fund balances - beginning of year	2,058,421	2,058,421	2,058,421	-
<b>Fund balances - end of year</b>	<b>\$ 1,793,033</b>	<b>\$ 1,983,607</b>	<b>\$ 2,330,230</b>	<b>\$ 346,623</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Cemetery Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Charges for goods and services	\$ 1,082,890	\$ 1,104,000	\$ 1,198,929	\$ 94,929
Other	1,000	1,000	1,810	810
Total revenues	1,083,890	1,105,000	1,200,739	95,739
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	793,721	838,033	790,629	47,404
Total expenditures	793,721	838,033	790,629	47,404
Excess (deficiency) of revenues over (under) expenditures	290,169	266,967	410,110	143,143
Net change in fund balances	290,169	266,967	410,110	143,143
Fund balances - beginning of year	1,975,459	1,975,459	1,975,459	-
<b>Fund balances - end of year</b>	<b>\$ 2,265,628</b>	<b>\$ 2,242,426</b>	<b>\$ 2,385,569</b>	<b>\$ 143,143</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Juvenile Case Manager Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 220,000	\$ 220,000	\$ 213,940	\$ (6,060)
Total revenues	220,000	220,000	213,940	(6,060)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	261,350	261,350	261,733	(383)
Total expenditures	261,350	261,350	261,733	(383)
Excess (deficiency) of revenues over (under) expenditures	(41,350)	(41,350)	(47,793)	(6,443)
Fund balances - beginning of year	127,192	127,192	127,192	-
<b>Fund balances - end of year</b>	<b>\$ 85,842</b>	<b>\$ 85,842</b>	<b>\$ 79,399</b>	<b>\$ (6,443)</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Truancy Prevention and Diversion Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 41,000	\$ 41,000	\$ 41,440	\$ 440
Total revenues	41,000	41,000	41,440	440
<b>EXPENDITURES</b>				
Current operations:				
Public safety	40,000	40,000	11,314	28,686
Total expenditures	40,000	40,000	11,314	28,686
Excess (deficiency) of revenues over (under) expenditures	1,000	1,000	30,126	29,126
Fund balances - beginning of year	108,614	108,614	108,614	-
<b>Fund balances - end of year</b>	<b>\$ 109,614</b>	<b>\$ 109,614</b>	<b>\$ 138,740</b>	<b>\$ 29,126</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Judicial Efficiency Fund

For the Year Ended September 30, 2018

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 19,000	\$ 19,000	\$ 18,066	\$ (934)
Total revenues	19,000	19,000	18,066	(934)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	16,259	16,259	17,306	(1,047)
Total expenditures	16,259	16,259	17,306	(1,047)
Excess (deficiency) of revenues over (under) expenditures	2,741	2,741	760	(1,981)
Fund balances - beginning of year	59,853	59,853	59,853	-
<b>Fund balances - end of year</b>	<b>\$ 62,594</b>	<b>\$ 62,594</b>	<b>\$ 60,613</b>	<b>\$ (1,981)</b>



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Nonmajor Enterprise Funds  
September 30, 2018

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income (loss), is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The reporting entity has three nonmajor enterprise funds which include:

- “ Municipal Airport Fund – accounts for the Grand Prairie Municipal Airport, a general aviation airport which has revenues from fixed-base operators’ leases, City-owned hangar leases, and fuel sales. City employees operate and maintain airport facilities.
- “ Municipal Golf Fund – accounts for the operations and maintenance of the Prairie Lakes Golf Course and the Tangle Ridge Golf Course.
- “ Storm Water Utility Fund – accounts for the receipt of storm water utility fees for construction, operations, and maintenance of the City’s storm water drainage system.

City of Grand Prairie, Texas  
Combining Statements of Net Position  
Nonmajor Enterprise Funds  
September 30, 2018

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 69,224	\$ 308,548	\$ (429,392)	\$ (51,620)
Investments	1,222,433	400,000	2,250,000	3,872,433
Accounts receivable, net	198,195	40,086	468,740	707,021
Prepays	-	46,055	-	46,055
Intergovernmental receivable	19,285	-	-	19,285
Inventories and supplies	41,525	30,460	-	71,985
Restricted assets:				
Investments	73,386	-	-	73,386
Total current assets	1,624,048	825,149	2,289,348	4,738,545
Noncurrent assets:				
Capital assets:				
Land	183,923	568,284	7,500	759,707
Buildings	13,282,758	1,854,835	-	15,137,593
Equipment	892,459	1,075,128	362,159	2,329,746
Infrastructure	12,115,927	9,999,709	15,764,046	37,879,682
Construction in progress	-	-	34,247	34,247
Less: accumulated depreciation	(10,879,966)	(10,761,914)	(4,656,628)	(26,298,508)
Total noncurrent assets	15,595,101	2,736,042	11,511,324	29,842,467
Total assets	17,219,149	3,561,191	13,800,672	34,581,012
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to OPEB	885	2,710	1,454	5,049
Related to TMRS pension	42,641	130,654	70,075	243,370
Total deferred outflows	43,526	133,364	71,529	248,419
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	18,310	144,195	257,281	419,786
Accrued interest	6,306	-	-	6,306
Accrued liabilities	16,799	61,876	28,860	107,535
Compensated absences	21,733	48,804	14,633	85,170
Unearned revenue	146,438	-	-	146,438
Current portion of long-term debt	150,000	-	-	150,000
Current liabilities payable from restricted assets:				
Customer deposits	73,386	-	-	73,386
Total current liabilities	432,972	254,875	300,774	988,621
Noncurrent liabilities:				
Compensated absences	5,205	11,688	3,505	20,398
Other postemployment benefits	194,851	597,039	320,214	1,112,104
Net pension liability	166,930	511,488	274,330	952,748
Long-term debt	885,000	-	-	885,000
Total noncurrent liabilities	1,251,986	1,120,215	598,049	2,970,250
Total liabilities	1,684,958	1,375,090	898,823	3,958,871
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to OPEB	14,138	43,321	23,234	80,693
Related to TMRS pension	41,937	128,498	68,918	239,353
Total deferred inflows of resources	56,075	171,819	92,152	320,046
<b>NET POSITION</b>				
Net investment in capital assets	14,560,101	2,736,042	11,511,324	28,807,467
Unrestricted	961,541	(588,396)	1,369,902	1,743,047
<b>Total net position</b>	<b>\$ 15,521,642</b>	<b>\$ 2,147,646</b>	<b>\$ 12,881,226</b>	<b>\$ 30,550,514</b>

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenses,  
and Changes In Net Position  
Nonmajor Enterprise Funds  
For the Year Ended September 30, 2018

	<u>Municipal Airport</u>	<u>Municipal Golf</u>	<u>Storm Water Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>OPERATING REVENUES</b>				
Charge for services	\$ 1,308,219	\$ 2,453,543	\$ 6,864,323	\$ 10,626,085
Intergovernmental revenue	67,537	-	-	67,537
Miscellaneous	930,289	-	-	930,289
Total operating revenues	2,306,045	2,453,543	6,864,323	11,623,911
<b>OPERATING EXPENSES</b>				
Salaries and benefits	428,278	1,537,546	734,846	2,700,670
Supplies and miscellaneous purchases	1,026,407	297,407	42,387	1,366,201
Purchased services	268,809	990,753	501,434	1,760,996
General and administrative costs	69,140	-	75,412	144,552
Franchise fees	-	-	275,062	275,062
Miscellaneous	60,022	62,103	551,891	674,016
Depreciation	869,597	493,899	363,334	1,726,830
Total operating expenses	2,722,253	3,381,708	2,544,366	8,648,327
Operating income (loss)	(416,208)	(928,165)	4,319,957	2,975,584
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on disposition of capital assets	8,487	3,265	56,598	68,350
Interest expense	(53,030)	-	-	(53,030)
Total nonoperating revenues (expenses)	(44,543)	3,265	56,598	15,320
Income (loss) before contributions and transfers	(460,751)	(924,900)	4,376,555	2,990,904
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Capital contributions	-	-	2,075,576	2,075,576
Transfers in	224,116	430,000	-	654,116
Transfers out	(48,000)	-	(5,327,000)	(5,375,000)
Total contributions and transfers	176,116	430,000	(3,251,424)	(2,645,308)
Change in net position	(284,635)	(494,900)	1,125,131	345,596
Net position - beginning of the year	16,010,437	3,268,109	12,091,608	31,370,154
Cumulative effect of change in accounting principle	(204,160)	(625,563)	(335,513)	(1,165,236)
Restated net position - beginning of the year	15,806,277	2,642,546	11,756,095	30,204,918
<b>Net position - end of year</b>	<b>\$ 15,521,642</b>	<b>\$ 2,147,646</b>	<b>\$ 12,881,226</b>	<b>\$ 30,550,514</b>

**City of Grand Prairie, Texas**  
**Combining Statements of Cash Flow**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2018**

	<u>Municipal Airport</u>	<u>Municipal Golf</u>	<u>Storm Water Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash flows from operating activities:				
Cash receipts from customers	\$ 1,185,122	\$ 2,460,720	\$ 6,857,617	\$ 10,503,459
Cash receipts from other governments	96,170	-	-	96,170
Other operating cash receipts	930,289	-	-	930,289
Cash payments to suppliers for goods and services	(1,360,853)	(1,349,089)	(873,772)	(3,583,714)
Cash payments to employees for services	(441,849)	(1,546,898)	(704,672)	(2,693,419)
Cash payments for interfund services used	-	-	(275,062)	(275,062)
Other operating cash payments	(69,140)	-	(75,412)	(144,552)
<b>Net cash provided by (used in) operating activities</b>	<b>339,739</b>	<b>(435,267)</b>	<b>4,928,699</b>	<b>4,833,171</b>
Cash flows from non-capital financing activities:				
Transfers from other funds	224,116	430,000	-	654,116
Transfers to other funds	(48,000)	-	(5,327,000)	(5,375,000)
<b>Net cash (used in) provided by non-capital financing activities</b>	<b>176,116</b>	<b>430,000</b>	<b>(5,327,000)</b>	<b>(4,720,884)</b>
Cash flows from capital and related financing activities:				
Proceeds from disposition of capital assets	8,487	3,265	-	11,752
Acquisition and construction of capital assets	(556,910)	(49,980)	(154,431)	(761,321)
Principal paid on debt	(145,000)	-	-	(145,000)
Interest paid on debt	(53,891)	-	-	(53,891)
<b>Net cash (used in) provided by capital and related financing activities</b>	<b>(747,314)</b>	<b>(46,715)</b>	<b>(154,431)</b>	<b>(948,460)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(231,459)</b>	<b>(51,982)</b>	<b>(552,732)</b>	<b>(836,173)</b>
Cash and cash equivalents - beginning of year	300,683	360,530	123,340	784,553
<b>Cash and cash equivalents - end of year</b>	<b>\$ 69,224</b>	<b>\$ 308,548</b>	<b>\$ (429,392)</b>	<b>\$ (51,620)</b>
Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (416,208)	\$ (928,165)	\$ 4,319,957	\$ 2,975,584
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	869,597	493,899	363,334	1,726,830
Provisions for uncollectible accounts	210	-	(12,279)	(12,069)
Changes in assets and liabilities:				
(Increase) decrease in other accounts receivable	(127,088)	7,177	5,573	(114,338)
(Increase) decrease in due from other governments	28,633	-	-	28,633
(Increase) decrease in inventories and supplies	8,446	2,688	-	11,134
(Increase) decrease in prepaids	-	(32,292)	-	(32,292)
Increase (decrease) in accounts payable	(4,912)	24,014	216,243	235,345
Increase (decrease) in accrued liabilities	1,793	6,764	5,697	14,254
Increase (decrease) in customer deposits	3,781	-	-	3,781
Increase (decrease) in unearned revenue	(10,942)	-	-	(10,942)
Increase (decrease) in compensated absences	1,022	5,208	(61)	6,169
Increase (decrease) in OPEB liability	3,944	12,087	6,481	22,512
Increase (decrease) in pension liability	(18,537)	(26,647)	23,754	(21,430)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 339,739</b>	<b>\$ (435,267)</b>	<b>\$ 4,928,699</b>	<b>\$ 4,833,171</b>
Noncash investing, capital, and financing activities:				
Capital contributions from developers/granting agencies	\$ -	\$ -	\$ 2,075,576	\$ 2,075,576

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Internal Service Funds  
September 30, 2018

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the city:

- “ Fleet Services Fund – accounts for a full range of services in managing and maintaining the City’s fleet of vehicles and equipment. This fund does not own the city fleet.
- “ Risk Management Fund – accounts for premiums, deductibles, and claims for all types of City’s insurance.

**City of Grand Prairie, Texas**  
Combining Statements of Net Position  
Internal Service Funds  
September 30, 2018

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 311,321	\$ 1,355,399	\$ 1,666,720
Investments	2,000,000	15,000,000	17,000,000
Inventories and supplies	71,443	-	71,443
Prepays	-	444,083	444,083
Total current assets	<u>2,382,764</u>	<u>16,799,482</u>	<u>19,182,246</u>
Noncurrent assets:			
Capital assets:			
Land	737,566	-	737,566
Buildings	1,477,875	-	1,477,875
Equipment	1,597,435	601,431	2,198,866
Construction in progress	-	227,700	227,700
Less: accumulated depreciation	<u>(2,787,493)</u>	<u>(237,213)</u>	<u>(3,024,706)</u>
Total noncurrent assets	<u>1,025,383</u>	<u>591,918</u>	<u>1,617,301</u>
Total assets	<u>3,408,147</u>	<u>17,391,400</u>	<u>20,799,547</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to OPEB	2,651	688	3,339
Related to TMRS pension	<u>127,822</u>	<u>33,202</u>	<u>161,024</u>
Total deferred outflows	<u>130,473</u>	<u>33,890</u>	<u>164,363</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	138,737	808,262	946,999
Accrued liabilities	57,899	4,021,081	4,078,980
Compensated absences	<u>48,309</u>	<u>11,941</u>	<u>60,250</u>
Total current liabilities	<u>244,945</u>	<u>4,841,284</u>	<u>5,086,229</u>
Noncurrent liabilities:			
Other postemployment benefits	584,093	151,720	735,813
Net pension liability	<u>500,398</u>	<u>129,979</u>	<u>630,377</u>
Total noncurrent liabilities	<u>1,084,491</u>	<u>281,699</u>	<u>1,366,190</u>
Total liabilities	<u>1,329,436</u>	<u>5,122,983</u>	<u>6,452,419</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to OPEB	42,381	11,009	53,390
Related to TMRS pension	<u>125,712</u>	<u>32,654</u>	<u>158,366</u>
Total deferred inflows of resources	<u>168,093</u>	<u>43,663</u>	<u>211,756</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,025,383	591,918	1,617,301
Unrestricted	<u>1,015,708</u>	<u>11,666,726</u>	<u>12,682,434</u>
<b>Total net position</b>	<u><u>\$ 2,041,091</u></u>	<u><u>\$ 12,258,644</u></u>	<u><u>\$ 14,299,735</u></u>

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenses, and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended September 30, 2018

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Total Internal Service Funds</u>
<b>OPERATING REVENUES</b>			
Charge for services	\$ 5,983,290	\$ -	\$ 5,983,290
Insurance premiums	-	26,506,330	26,506,330
Miscellaneous	29,648	11,893	41,541
Total operating revenues	<u>6,012,938</u>	<u>26,518,223</u>	<u>32,531,161</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	1,373,729	528,132	1,901,861
Supplies and miscellaneous purchases	2,591,271	2,796	2,594,067
Purchased services	676,523	451,720	1,128,243
Insurance claims	-	20,908,318	20,908,318
Miscellaneous	122,567	304,391	426,958
Depreciation	69,449	65,698	135,147
Total operating expenses	<u>4,833,539</u>	<u>22,261,055</u>	<u>27,094,594</u>
Operating income (loss)	1,179,399	4,257,168	5,436,567
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Gain on disposition of capital assets	12,563	-	12,563
Total nonoperating revenues (expenses)	<u>12,563</u>	<u>-</u>	<u>12,563</u>
Income before contributions and transfers	1,191,962	4,257,168	5,449,130
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in	-	300,000	300,000
Transfers out	(40,000)	(35,194)	(75,194)
Change in net position	1,151,962	4,521,974	5,673,936
Net position - beginning of year	1,501,129	7,895,638	9,396,767
Cumulative effect of change in accounting principle	(612,000)	(158,968)	(770,968)
Net position - beginning of year (restated)	<u>889,129</u>	<u>7,736,670</u>	<u>8,625,799</u>
<b>Net position - end of year</b>	<u>\$ 2,041,091</u>	<u>\$ 12,258,644</u>	<u>\$ 14,299,735</u>

**City of Grand Prairie, Texas**  
Combining Statements of Cash Flows  
Internal Service Funds  
For the Year Ended September 30, 2018

	Fleet Services	Risk Management	Total Internal Service Funds
<b>Cash flows from operating activities:</b>			
Cash received from city and employee contributions	\$ -	\$ 26,506,330	\$ 26,506,330
Cash received from interfund services provided	5,983,290	-	5,983,290
Other operating cash receipts	29,648	11,893	41,541
Cash payments to suppliers for goods and services	(3,274,903)	(163,770)	(3,438,673)
Cash payments to employees for services	(1,327,292)	(419,907)	(1,747,199)
Cash payments for interfund services used	-	(20,908,318)	(20,908,318)
Net cash provided by (used in) operating activities	1,410,743	5,026,228	6,436,971
<b>Cash flows from non-capital financing activities:</b>			
Transfers from other funds	-	300,000	300,000
Transfers to other funds	(40,000)	(35,194)	(75,194)
Net cash provided by non-capital financing activities	(40,000)	264,806	224,806
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from capital assets disposals	12,563	-	12,563
Acquisition of capital assets	(33,957)	(28,188)	(62,145)
Net cash used in capital and related financing activities	(21,394)	(28,188)	(49,582)
<b>Cash flows from investing activities:</b>			
Purchase of investment securities	(2,000,000)	(5,000,000)	(7,000,000)
Net cash provided by investing activities	(2,000,000)	(5,000,000)	(7,000,000)
Net (decrease) increase in cash and cash equivalents	(650,651)	262,846	(387,805)
Cash and cash equivalents - beginning of year	961,972	1,092,553	2,054,525
<b>Cash and cash equivalents - end of year</b>	<b>\$ 311,321</b>	<b>\$ 1,355,399</b>	<b>\$ 1,666,720</b>
<b>Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 1,179,399	\$ 4,257,168	\$ 5,436,567
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	69,449	65,698	135,147
Changes in assets and liabilities:			
(Increase) decrease in inventories and supplies	49,710	-	49,710
Increase (decrease) in accounts payable	65,748	595,137	660,885
Increase (decrease) in accrued liabilities	12,953	132,595	145,548
Increase (decrease) in compensated absences	7,344	4,137	11,481
Increase (decrease) in OPEB liability	11,823	3,073	14,896
Increase (decrease) in pension liability	14,317	(31,580)	(17,263)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,410,743</b>	<b>\$ 5,026,228</b>	<b>\$ 6,436,971</b>



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Statistical Section



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**  
 Comprehensive Annual Financial Report  
 For the Year Ended September 30, 2018  
 Statistical Section Index (Unaudited)

Contents	Page
<b>Financial Trends</b>	
<i>These schedules contain trend information regarding how the City's financial performance and well-being have changed over time.</i>	
Net Position by Component	138
Changes in Net Position	140
Fund Balances, Governmental Funds	144
Change in Fund Balances, Governmental Funds	146
<b>Revenue Capacity</b>	
<i>These schedules contain information regarding the City's most significant local revenue source, the property tax.</i>	
Assessed and Estimated Actual Values of Taxable Property	148
Direct and Overlapping Property Tax Rates	150
Principal Property Tax Payers	152
Property Tax Levies and Collections	153
<b>Debt Capacity</b>	
<i>These schedules present information regarding the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Ratios of Outstanding Debt by Type	154
Ratios of General Bonded Debt Outstanding	156
Direct and Overlapping Governmental Activities of Debt	157
Legal Debt Margin Information	158
Pledged Revenue Coverage	160
<b>Demographic and Economic Information</b>	
<i>These schedules offer demographic and economic indicators regarding the environment within which the City's financial activities take place.</i>	
Demographic and Economic Statistics	161
Principal Employers	162
Full-time-equivalent City Government Employees by Function/Program	163
<b>Operating Information</b>	
<i>These schedules contain service and infrastructure data regarding how the information in the City's financial report relates to the services the government provides and the activities it performs.</i>	
Capital Assets Statistics by Function/Program	164
Water and Wastewater Contracts	166
Components of Payments Made Under Selected Contracts	
Operating Indicators by Function	168

**City of Grand Prairie, Texas**  
**Net Position by Component (Unaudited)**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2009	2010	2011	2012
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 271,217,903	\$ 286,120,135	\$ 279,371,594	\$ 311,048,653
Restricted	9,302,232	9,792,214	83,793,231	63,267,418
Unrestricted	129,915,331	129,649,766	62,743,136	47,893,511
<b>Total governmental activities net position</b>	<b>\$ 410,435,466</b>	<b>\$ 425,562,115</b>	<b>\$ 425,907,961</b>	<b>\$ 422,209,582</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 139,067,912	\$ 134,524,036	\$ 137,253,007	\$ 139,042,561
Restricted	3,673,504	4,228,742	3,988,491	4,601,419
Unrestricted	60,527,614	68,647,313	68,859,665	71,929,058
<b>Total business-type activities net position</b>	<b>\$ 203,269,030</b>	<b>\$ 207,400,091</b>	<b>\$ 210,101,163</b>	<b>\$ 215,573,038</b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 410,285,815	\$ 420,644,171	\$ 416,624,601	\$ 450,091,214
Restricted	12,975,736	14,020,956	87,781,722	67,868,837
Unrestricted	190,442,945	198,297,079	131,602,801	119,822,569
<b>Total primary government net position</b>	<b>\$ 613,704,496</b>	<b>\$ 632,962,206</b>	<b>\$ 636,009,124</b>	<b>\$ 637,782,620</b>

The City implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definition" in fiscal year 2011, which changed classification of certain activities from governmental to business type activities. The beginning net position in 2011 has been restated.

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 316,856,535	\$ 319,412,513	\$ 333,061,190	\$ 308,745,566	\$ 278,750,450	\$ 266,214,537
69,081,215	108,444,110	53,392,543	57,404,183	80,454,171	81,030,788
40,378,407	13,160,490	18,505,921	41,953,800	46,202,814	10,497,407
<u>\$ 426,316,157</u>	<u>\$ 441,017,113</u>	<u>\$ 404,959,654</u>	<u>\$ 408,103,549</u>	<u>\$ 405,407,435</u>	<u>\$ 357,742,732</u>
\$ 141,678,428	\$ 143,297,680	\$ 151,539,230	\$ 166,071,343	\$ 174,505,410	\$ 173,815,271
4,695,502	5,444,619	8,904,795	15,366,214	34,704,441	45,622,261
66,726,233	68,399,617	60,022,038	55,565,327	40,424,846	38,998,317
<u>\$ 213,100,163</u>	<u>\$ 217,141,916</u>	<u>\$ 220,466,063</u>	<u>\$ 237,002,884</u>	<u>\$ 249,634,697</u>	<u>\$ 258,435,849</u>
\$ 458,534,963	\$ 462,710,193	\$ 484,600,420	\$ 474,816,909	\$ 453,255,860	\$ 440,029,808
73,776,717	113,888,729	62,297,338	72,770,397	115,158,612	126,653,049
107,104,640	81,560,107	78,527,959	97,519,127	86,627,660	49,495,724
<u>\$ 639,416,320</u>	<u>\$ 658,159,029</u>	<u>\$ 625,425,717</u>	<u>\$ 645,106,433</u>	<u>\$ 655,042,132</u>	<u>\$ 616,178,581</u>

**City of Grand Prairie, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2009	2010	2011	2012
<b>EXPENSES</b>				
Governmental activities:				
Support services	\$ 17,647,031	\$ 17,278,851	\$ 19,100,748	\$ 17,928,238
Public safety services	70,728,042	81,872,640	88,336,343	72,934,512
Recreation and leisure services	24,302,491	21,517,961	22,368,768	24,071,731
Development services	56,491,002	58,153,994	74,251,224	84,171,971
Interest on long-term debt	12,141,929	10,618,864	9,817,549	9,227,801
Total governmental activities expenses	181,310,495	189,442,310	213,874,632	208,334,253
Business-type activities:				
Water and wastewater	46,025,037	48,888,158	52,658,416	55,186,501
Solid waste	8,316,221	8,931,468	9,079,737	9,485,700
Municipal airport	1,758,664	1,999,196	2,809,039	2,650,503
Municipal golf course	3,336,554	3,488,564	3,521,660	3,527,637
Storm water	1,344,716	1,692,009	1,537,846	1,617,905
Total business-type activities expenses	60,781,192	64,999,395	69,606,698	72,468,246
Total primary government expenses	242,091,687	254,441,705	283,481,330	280,802,499
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services:				
Support services	13,272,240	10,929,541	5,981,676	5,000,964
Public safety services	11,030,095	12,823,754	16,384,019	13,752,467
Recreation and leisure services	5,815,486	7,112,226	8,886,903	8,256,815
Development services	5,087,515	4,412,063	7,991,012	5,866,787
Operating grants and contributions	28,333,421	31,232,753	37,588,585	31,329,503
Capital grants and contributions	5,795,714	9,112,664	2,664,489	6,290,285
Total governmental activities program revenues	69,334,471	75,623,001	79,496,684	70,496,821
Business-type activities:				
Charges for services:				
Water and wastewater	46,898,346	46,459,483	54,761,115	57,610,991
Solid waste	10,290,559	10,100,502	9,984,080	10,664,949
Municipal airport	1,703,398	1,759,319	3,791,577	3,048,547
Municipal golf course	2,409,475	2,080,152	2,244,356	2,306,811
Storm water	3,073,155	4,685,730	5,015,547	5,125,840
Operating grants and contributions	468,397	-	-	-
Capital grants and contributions	3,742,875	2,444,475	1,792,377	2,465,951
Total business-type activities	68,586,205	67,529,661	77,589,052	81,223,089
Total primary government	137,920,676	143,152,662	157,085,736	151,719,910

These reclassifications had no effect on the change in net position as previously stated.

Fiscal Year

	2013	2014	2015	2016	2017	2018
\$	17,503,253	\$ 20,400,867	\$ 22,102,591	\$ 23,045,026	\$ 26,731,588	\$ 27,614,430
	76,439,796	80,333,290	80,359,190	91,860,495	100,253,923	101,033,502
	25,847,664	25,255,982	26,746,861	29,709,690	32,962,890	34,529,152
	79,057,014	75,473,059	77,263,159	88,963,122	90,088,069	97,241,362
	8,125,389	7,922,519	8,019,147	12,374,896	12,108,299	12,481,762
	206,973,116	209,385,717	214,490,948	245,953,229	262,144,769	272,900,208
	59,993,534	61,468,207	61,381,944	66,351,005	70,569,705	72,412,983
	9,773,626	9,712,711	10,143,394	11,438,507	12,317,620	12,339,638
	2,793,094	3,484,297	2,226,108	2,141,279	2,572,623	2,744,301
	3,487,758	3,314,435	3,230,377	3,307,890	3,497,955	3,309,267
	1,909,737	1,635,198	1,694,556	1,809,656	2,425,177	2,446,788
	77,957,749	79,614,848	78,676,379	85,048,337	91,383,080	93,252,977
	284,930,865	289,000,565	293,167,327	331,001,566	353,527,849	366,153,185
	4,914,303	4,701,456	4,809,384	5,048,092	5,364,023	5,539,941
	15,557,404	16,190,902	13,623,499	18,121,839	21,150,257	17,180,107
	9,686,041	9,055,820	9,772,737	9,686,261	11,059,324	13,029,253
	5,670,741	7,152,325	6,643,502	12,169,331	12,775,450	13,913,703
	33,339,115	34,980,362	33,329,097	37,024,064	35,572,942	35,266,428
	5,242,216	4,020,110	1,232,805	8,807,012	8,305,146	3,971,782
	74,409,820	76,100,975	69,411,024	90,856,599	94,227,142	88,901,214
	57,632,524	60,115,296	63,421,631	67,612,109	72,668,796	77,556,058
	10,568,982	10,802,865	11,470,007	11,816,094	12,863,659	13,208,778
	2,973,572	2,978,121	2,001,854	2,678,090	1,862,633	2,238,508
	2,262,430	1,909,090	2,021,800	2,494,513	2,573,002	2,453,543
	5,367,769	5,436,780	5,572,487	5,631,420	6,356,774	6,864,323
	30,291	42,697	43,714	37,320	47,918	67,537
	3,089,677	4,402,822	4,082,082	16,653,153	12,892,511	11,983,724
	81,925,245	85,687,671	88,613,575	106,922,699	109,265,293	114,372,471
	156,335,065	161,788,646	158,024,599	197,779,298	203,492,435	203,273,685

*Continued*

**City of Grand Prairie, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2009	2010	2011	2012
<b>NET (EXPENSES)/REVENUE</b>				
Governmental activities	\$ (113,819,309)	\$ (134,377,948)	\$ (137,837,432)	\$ (132,563,296)
Business-type activities	2,530,266	7,982,354	8,754,843	3,967,496
<b>Total primary government net expense</b>	<b>\$ (111,289,043)</b>	<b>\$ (126,395,594)</b>	<b>\$ (129,082,589)</b>	<b>\$ (128,595,800)</b>
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 76,687,029	\$ 75,091,425	\$ 71,554,937	\$ 70,153,052
Sales taxes	40,376,226	39,891,881	41,713,795	45,457,902
Hotel/motel tax and other taxes	1,231,899	1,232,928	1,332,984	1,332,259
Franchise fees	12,531,556	12,060,211	13,492,977	12,902,516
Investment income	6,688,474	1,844,371	1,341,476	1,004,777
Transfers-monetary	(1,112,837)	(1,542,012)	5,625,851	3,167,893
Transfers-capital assets	-	367,154	-	120,654
<b>Total governmental activities</b>	<b>136,402,347</b>	<b>128,945,958</b>	<b>135,062,020</b>	<b>134,139,053</b>
Business-type activities:				
Franchise fees	-	-	-	-
Investment income	2,063,618	425,937	6,343	5,579
Transfers-monetary	1,112,837	1,542,012	(5,625,851)	(3,167,893)
Transfers-capital assets	-	(367,154)	-	(120,654)
<b>Total business-type activities</b>	<b>3,176,455</b>	<b>1,600,795</b>	<b>(5,619,508)</b>	<b>(3,282,968)</b>
<b>Total primary government</b>	<b>139,578,802</b>	<b>130,546,753</b>	<b>129,442,512</b>	<b>130,856,085</b>
<b>CHANGES IN NET POSITION</b>				
Governmental activities	22,583,038	(5,431,990)	(2,775,412)	1,575,757
Business-type activities	5,706,721	9,583,149	3,135,335	684,528
<b>Total primary government</b>	<b>\$ 28,289,759</b>	<b>\$ 4,151,159</b>	<b>\$ 359,923</b>	<b>\$ 2,260,285</b>

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ (133,284,742)	\$ (145,079,924)	\$ (155,096,630)	\$ (155,096,630)	\$ (167,917,627)	\$ (183,998,994)
6,072,823	9,937,196	21,874,362	21,874,362	17,882,213	21,119,494
<u>\$ (127,211,919)</u>	<u>\$ (135,142,728)</u>	<u>\$ (133,222,268)</u>	<u>\$ (133,222,268)</u>	<u>\$ (150,035,414)</u>	<u>\$ (162,879,500)</u>
\$ 71,785,225	\$ 77,334,662	\$ 73,070,467	\$ 77,923,990	\$ 84,925,774	\$ 94,648,690
47,155,704	50,846,972	53,494,773	57,076,997	60,585,824	64,250,717
1,488,871	1,550,172	1,713,865	1,791,075	2,015,917	2,208,298
12,811,696	13,315,452	14,089,158	13,928,847	9,996,934	14,485,521
437,770	652,067	1,609,156	2,173,508	2,425,419	3,506,788
5,390,831	4,267,277	2,428,935	5,097,654	5,271,645	6,272,419
-	19,096	(25,800)	248,454	-	-
<u>139,070,097</u>	<u>147,985,698</u>	<u>146,380,554</u>	<u>158,240,525</u>	<u>165,221,513</u>	<u>185,372,433</u>
-	-	-	-	-	-
4,242	1,021	1,750	8,567	21,245	43,661
(5,390,831)	(4,267,277)	(2,428,935)	(5,097,654)	(5,271,645)	(6,272,419)
-	(19,096)	25,800	(248,454)	-	-
<u>(5,386,589)</u>	<u>(4,285,352)</u>	<u>(2,401,385)</u>	<u>(5,337,541)</u>	<u>(5,250,400)</u>	<u>(6,228,758)</u>
133,683,508	143,700,346	143,979,169	152,902,984	159,971,113	179,143,675
5,785,355	2,905,774	(8,716,076)	3,143,895	(2,696,114)	1,373,439
686,234	5,651,844	19,472,977	16,536,821	12,631,813	14,890,736
<u>\$ 6,471,589</u>	<u>\$ 8,557,618</u>	<u>\$ 10,756,901</u>	<u>\$ 19,680,716</u>	<u>\$ 9,935,699</u>	<u>\$ 16,264,175</u>

*Concluded*

**City of Grand Prairie, Texas**  
Fund Balances  
Governmental Funds (Unaudited)  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2009	2010	2011	2012
<b>GENERAL FUND</b>				
Reserved	\$ 576,286	\$ 306,798	\$ -	\$ -
Unreserved/Unassigned	29,769,771	29,794,717	29,186,299	25,938,708
Nonspendable	-	-	-	1,035
Restricted	-	-	-	-
Committed	-	-	-	524,836
Assigned	-	-	1,407,704	1,449,177
<b>Total general fund</b>	<b>\$ 30,346,057</b>	<b>\$ 30,101,515</b>	<b>\$ 30,594,003</b>	<b>\$ 27,913,756</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 13,783,052	\$ 11,783,598	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	69,553,793	39,727,431	-	-
Capital projects funds	75,403,545	60,591,611	-	-
Nonspendable	-	-	265,296	98,473
Restricted	-	-	89,928,651	70,226,080
Committed	-	-	34,061,536	26,402,391
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 158,740,390</b>	<b>\$ 112,102,640</b>	<b>\$ 124,255,483</b>	<b>\$ 96,726,944</b>

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

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27,346,027	22,961,626	26,212,186	28,320,160	27,974,657	30,344,160
3,545	16,627	4,938	81,857	12,867	2,743
-	-	426,948	417,938	415,230	466,299
130,240	-	241,704	-	-	-
1,336,996	1,137,119	862,870	2,191,940	2,943,951	2,931,849
<u>\$ 28,816,808</u>	<u>\$ 24,115,372</u>	<u>\$ 27,748,646</u>	<u>\$ 31,011,895</u>	<u>\$ 31,346,705</u>	<u>\$ 33,745,051</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	(3,278,557)	-	-	-
41,103	30,775	31,655	187,991	28,492	76,272
81,264,054	96,095,975	84,657,833	128,375,098	94,489,508	84,458,973
28,992,783	24,920,817	43,220,248	64,315,780	74,729,604	52,841,228
-	-	-	-	(947,692)	(629,198)
<u>\$ 110,297,940</u>	<u>\$ 121,047,567</u>	<u>\$ 124,631,179</u>	<u>\$ 192,878,869</u>	<u>\$ 168,299,912</u>	<u>\$ 136,747,275</u>

**City of Grand Prairie, Texas**  
**Change in Fund Balances**  
**Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2009	2010	2011	2012
<b>REVENUES</b>				
Taxes	\$ 116,142,863	\$ 116,814,717	\$ 114,587,907	\$ 117,208,804
Licenses, fees, and permits	14,767,427	14,667,062	16,136,711	15,606,264
Fines and penalties	6,342,727	7,311,853	6,987,287	8,074,797
Charges for services	11,488,375	12,497,178	12,961,293	13,655,483
Intergovernmental	26,343,441	38,692,557	39,462,880	35,616,500
Investment income	6,472,181	1,767,720	1,341,476	1,004,777
Other revenues	10,735,637	7,707,687	10,064,673	9,637,107
<b>Total revenues</b>	<b>192,292,651</b>	<b>199,458,774</b>	<b>201,542,227</b>	<b>200,803,732</b>
<b>EXPENDITURES</b>				
Current operations:				
Support services	14,778,861	13,793,906	14,078,101	14,546,500
Public safety services	59,391,711	63,301,812	62,850,732	65,260,700
Recreation and leisure services	20,392,873	19,086,560	18,595,333	17,481,772
Development services	47,383,981	50,416,087	48,594,485	59,915,550
Capital outlay	92,227,467	65,612,028	18,510,959	43,651,279
Debt service:				
Principal retirement	15,331,241	29,423,291	28,993,944	32,623,895
Interest	12,635,091	10,841,888	10,259,783	9,715,824
<b>Total expenditures</b>	<b>262,141,225</b>	<b>252,475,572</b>	<b>201,883,337</b>	<b>243,195,520</b>
Excess of revenues over (under) expenditures	(69,848,574)	(53,016,798)	(341,110)	(42,391,788)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in-monetary	63,865,188	60,024,949	34,365,960	45,615,427
Transfers out-monetary	(64,214,176)	(61,757,480)	(28,708,944)	(42,447,534)
Insurance recovery	-	-	-	-
Proceeds from sale of capital assets	500,660	505,123	559,843	718,718
Premium (discount) on debt issued	146,319	36,940	253,855	2,664,794
Bonds issued	35,645,000	7,425,000	7,000,000	7,960,000
Refunding bonds issued	-	13,390,000	14,235,000	28,415,000
Payment for refunded debt - escrow agent	-	(13,301,147)	(14,305,695)	(30,743,403)
Sale of assets held for resale	-	(188,881)	-	-
<b>Total other financing sources</b>	<b>132,264,079</b>	<b>35,942,991</b>	<b>13,400,019</b>	<b>13,400,019</b>
<b>Net change in fund balances</b>	<b>\$ 100,928,173</b>	<b>\$ (33,905,583)</b>	<b>\$ 13,058,909</b>	<b>\$ 13,058,909</b>
Debt service as a percentage of noncapital expenditures	16.5%	21.5%	21.4%	21.2%

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 122,360,903	\$ 128,787,756	\$ 128,046,817	\$ 136,906,439	\$ 147,741,668	\$ 161,126,311
15,799,334	16,471,810	17,352,029	17,890,589	17,417,402	17,914,962
9,918,968	10,473,823	9,798,424	11,612,547	11,364,139	11,342,338
13,619,154	14,463,192	14,287,686	19,008,539	21,507,834	24,837,174
37,762,890	34,880,224	31,111,904	38,114,832	38,100,982	35,840,373
437,770	652,067	1,609,156	2,173,508	2,425,419	3,506,788
9,741,528	12,368,101	10,970,976	15,410,164	12,694,334	12,228,046
209,640,547	218,096,973	213,176,992	241,116,618	251,251,778	266,795,992
15,198,818	17,393,309	19,516,058	19,588,300	22,703,145	24,662,284
69,057,285	74,367,544	76,078,091	81,750,530	88,005,227	94,732,585
18,222,070	18,696,893	19,945,357	22,025,867	24,800,496	26,336,423
55,630,019	54,303,083	55,135,020	66,264,413	66,982,812	75,317,973
30,121,392	37,150,344	24,098,471	59,000,134	85,802,825	83,420,486
18,937,175	21,405,848	34,952,435	21,800,000	24,400,000	25,005,000
9,025,740	8,488,435	9,005,312	11,583,140	12,839,071	13,774,026
216,192,499	231,805,456	238,730,744	282,012,384	325,533,576	343,248,777
(6,551,952)	(13,708,483)	(25,553,752)	(40,895,766)	(74,281,798)	(76,452,785)
26,611,384	35,849,365	23,465,832	22,994,446	27,108,570	35,830,314
(22,220,553)	(31,582,088)	(20,965,643)	(18,172,770)	(22,102,792)	(29,782,701)
-	-	988,199	88,101	-	-
583,943	838,163	605,696	753,054	898,895	1,022,331
1,627,265	486,234	2,551,554	4,788,385	9,244,207	3,713,550
15,285,000	14,165,000	26,125,000	102,845,001	40,614,999	36,515,000
27,295,000	-	-	11,165,000	36,945,000	-
(28,156,039)	-	-	(12,054,512)	(42,671,228)	-
-	-	-	-	-	-
12,183,002	21,026,000	19,756,674	32,770,638	112,406,705	47,298,494
\$ (30,208,786)	\$ 14,474,048	\$ 6,048,191	\$ 7,216,886	\$ 71,510,939	\$ (29,154,291)

15.0%

15.4%

20.5%

15.0%

15.5%

14.9%

**City of Grand Prairie, Texas**  
 Assessed and Estimated Actual  
 Values of Taxable Property (Unaudited)  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Direct Tax Rate</u>	<u>Actual Taxable Value</u>	<u>Percentage of Actual Taxable Value</u>
2009	\$ 5,767,998,141	\$ 5,526,633,389	\$ 1,537,051,835	\$ 9,757,579,695	0.669998	\$ 9,757,579,695	100.0%
2010	5,603,083,057	5,828,420,792	1,853,784,284	9,577,719,565	0.669998	9,577,719,565	100.0%
2011	5,532,077,367	5,610,293,457	1,854,115,295	9,288,255,529	0.669998	9,288,255,529	100.0%
2012	5,579,393,002	5,842,463,648	1,978,915,099	9,442,941,551	0.669998	9,442,941,551	100.0%
2013	5,595,104,146	5,820,246,325	2,041,527,294	9,373,823,177	0.669998	9,373,823,177	100.0%
2014	5,727,082,026	6,270,916,334	2,155,635,830	9,842,362,530	0.669998	9,842,362,530	100.0%
2015	6,201,569,638	6,694,589,531	2,337,701,387	10,558,457,782	0.669998	10,558,457,782	100.0%
2016	6,554,865,229	6,984,603,149	2,443,858,378	11,095,610,000	0.669998	11,095,610,000	100.0%
2017	6,438,258,351	8,996,790,075	3,117,157,618	12,317,890,808	0.669998	12,317,890,808	100.0%
2018	7,205,616,896	9,745,440,048	3,429,449,736	13,521,607,208	0.669998	13,521,607,208	100.0%

Taxable assessed values include values under protest as claimed by property owners or estimated by appraisal districts in the event property owner's claim is upheld.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**

Direct and Overlapping Property Tax Rates (Unaudited)

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

	Fiscal Year			
	2009	2010	2011	2012
<b>OVERLAPPING RATES</b>				
City of Grand Prairie	0.669998	0.669998	0.669998	0.669998
Grand Prairie School District	1.465000	1.465000	1.465000	1.465000
Arlington School District	1.272000	1.335000	1.305500	1.301000
Cedar Hill School District	1.400000	1.440000	1.440000	1.440000
Irving School District	1.425000	1.465000	1.465000	1.465000
Mansfield School District	1.450000	1.496000	1.496000	1.540000
Midlothian School District	1.397500	1.397500	1.540000	1.540000
Dallas County	0.228100	0.243100	0.243100	0.243100
Dallas County Community College District	0.094900	0.099230	0.099670	0.119375
Dallas County Hospital District	0.274000	0.271000	0.271000	0.271000
Dallas County Flood Control District	2.835540	2.835540	2.900000	3.050000
Grand Prairie Met Utl & Reclam Dist.	2.180000	2.120000	2.065000	0.600000
Ellis County	0.360091	0.360091	0.380091	0.380091
Johnson County	0.300590	0.327500	0.330500	0.333229
Tarrant County	0.264000	0.264000	0.264000	0.264000
Tarrant County Hospital District	0.227897	0.227897	0.227897	0.227897
Tarrant County Junior College District	0.137670	0.137640	0.148970	0.148970
<b>CITY DIRECT RATES</b>				
Operations & Maintenance	0.484892	0.484892	0.484892	0.484892
Interest & Sinking	0.185106	0.185106	0.185106	0.185106
Total Direct Rates	0.669998	0.669998	0.669998	0.669998

Totals are not provided for columns since they would be meaningless as some jurisdictions are mutually exclusive.

**Source of Information:** Dallas Central Appraisal District, Dallas County Tax Office, Tarrant Appraisal District, Johnson County Tax Office, and Ellis County Appraisal District

Fiscal Year

2013	2014	2015	2016	2017	2018
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998
1.465000	1.465000	1.595000	1.595000	1.595000	1.595000
1.292170	1.348110	1.412952	1.390080	1.368670	1.368670
1.525000	1.525000	1.525000	1.516000	1.516000	1.376000
1.465000	1.435000	1.445000	1.445000	1.431400	1.401100
1.540000	1.527100	1.510000	1.510000	1.540000	1.540000
1.540000	1.540000	1.540000	1.540000	1.540000	1.540000
0.243100	0.243100	0.243100	0.243100	0.243100	0.243100
0.124700	0.124775	0.123650	0.122933	0.124238	0.124000
0.278000	0.286000	0.286000	0.279400	0.279400	0.279400
2.750000	2.750000	2.650000	2.250000	2.000000	1.800000
0.600000	0.600000	0.600000	0.600000	0.600000	0.600000
0.380091	0.380091	0.380091	0.380091	0.380091	0.338984
0.365000	0.405400	0.407700	0.422663	0.441700	0.441700
0.264000	0.264000	0.264000	0.264000	0.244000	0.234000
0.227897	0.227897	0.227897	0.227897	0.224429	0.224429
0.149500	0.149500	0.149500	1.495000	0.140060	0.136070
0.484892	0.484892	0.484892	0.473549	0.473549	0.471196
0.185106	0.185106	0.185106	0.196449	0.196449	0.198802
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998

**City of Grand Prairie, Texas**  
Principal Property Tax Payers (Unaudited)  
Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lockheed Martin	\$ 121,053,438	1	0.90%	\$ 40,192,002	9	0.41%
Duke Realty LTD PS	117,894,403	2	0.87%			
Poly America LP	107,626,258	3	0.80%			
Grand Prairie Outlets	100,248,779	4	0.74%			
Bell Helicopter-Textron	96,810,273	5	0.72%	122,872,675	1	1.26%
Oncor Electric Delivery Co.	89,916,171	6	0.66%	47,028,560	5	0.48%
CHI/Wildlife LP	83,173,050	7	0.62%			
2803 Riverside Apt Investors LLC	59,390,000	8	0.44%			
Mars Partners LTD	53,345,234	9	0.39%			
Haier US Appliance Solutions Inc.	49,913,243	10	0.37%			
Republic Beverage				68,000,000	2	0.70%
Richemont North America Inc.				66,115,580	3	0.68%
Hanson Pipe & Products				57,988,370	4	0.59%
Catellus Comm Group LLC				40,082,538	10	0.41%
Cardinal Health 200 Inc				46,222,047	6	0.47%
AT&T Communications				40,961,361	7	0.42%
Prologis MacQarie, TX				42,952,133	8	0.44%
<b>Total</b>	<b>\$ 879,370,849</b>		<b>3.94%</b>	<b>\$ 572,415,266</b>		<b>5.45%</b>

Source of Information: Dallas County Tax Office

**City of Grand Prairie, Texas**  
**Property Tax Levies and Collections (Unaudited)**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections from Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 64,371,928	\$ 64,007,684	99.43%	\$ 247,705	\$ 65,208,950	101.30%
2010	64,003,959	62,945,888	98.35%	914,533	63,182,304	98.72%
2011	61,927,614	60,974,341	98.46%	791,532	61,914,233	99.98%
2012	62,888,700	61,808,360	98.28%	875,804	61,392,352	97.62%
2013	62,582,232	61,892,769	98.90%	514,018	62,386,900	99.69%
2014	65,666,244	64,917,939	98.86%	486,820	65,380,327	99.56%
2015	70,047,613	69,394,398	99.07%	549,065	69,724,885	99.54%
2016	74,306,335	73,535,755	98.96%	173,014	73,535,755	98.96%
2017	81,305,307	80,079,624	98.49%	-	80,079,624	98.49%
2018	88,709,078	87,616,588	98.77%	-	87,616,588	98.77%

Amounts above exclude property tax revenue assessed and collected for Tax Increment Financing Districts.

Tax Lien and Assessment Date: January 1 each year  
Taxes due: October 1 of the same year  
Taxes delinquent: February 1 of the following year

**City of Grand Prairie, Texas**  
**Ratios of Outstanding Debt by Type (Unaudited)**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-type Activities				
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Obligation	Issuance Premium/Discounts Net	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Issuance Premium/Discounts Net	Capital Lease
2009	\$ 93,109,470	\$ 62,010,000	\$ 167,503,622	\$ 351,344	\$ 65,800,000	\$ 5,407,000	\$ 3,796,378	\$ 4,578	\$ -
2010	92,907,260	54,510,000	153,892,541	330,754	66,875,000	5,227,000	3,537,459	2,976	-
2011	91,693,399	46,690,000	140,877,457	536,595	62,375,000	4,936,601	3,402,540	98,871	-
2012	92,070,458	40,195,000	120,775,000	2,980,920	61,925,000	2,334,543	1,940,000	636,366	-
2013	94,188,283	36,030,000	118,470,000	4,278,492	59,780,000	2,261,718	1,700,000	1,372,785	-
2014	88,822,435	31,990,000	121,635,000	4,424,272	59,880,000	2,022,566	1,575,000	1,271,958	-
2015	80,715,000	52,875,000	101,030,000	5,921,533	55,630,000	-	1,450,000	1,086,319	-
2016	79,965,000	122,650,000	113,415,000	10,283,952	51,010,000	-	1,320,000	1,331,968	1,256,303
2017	79,130,000	123,925,000	126,385,000	18,506,395	56,490,000	-	1,180,000	3,505,394	956,022
2018	70,210,000	117,810,000	152,930,000	20,701,245	54,435,000	-	1,035,000	4,014,433	330,129

Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

<sup>1</sup> For average household income, see page 164.

	Total Primary Government	Percentage of Average Household Income <sup>1</sup>	Per Capita
\$	397,982,392	0.02%	\$ 2,362
	377,282,990	0.02%	2,151
	350,610,463	0.02%	1,993
	322,857,287	0.02%	1,799
	318,081,278	0.02%	1,771
	311,621,231	0.02%	1,719
	298,707,852	0.02%	1,636
	381,232,223	0.02%	2,065
	410,077,811	0.01%	2,192
	421,465,807	0.01%	2,225

## City of Grand Prairie, Texas

### Ratios of General Bonded Debt Outstanding (Unaudited)

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Total	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund				
2009	\$ 98,516,470	\$ 171,300,000	\$ 7,250,736	\$ 262,565,734	2.69%	\$ 1,558	
2010	98,134,260	157,430,000	7,573,519	247,990,741	2.59%	1,414	
2011	96,630,000	144,279,997	6,815,530	234,094,467	2.52%	1,330	
2012	94,405,001	122,715,000	7,578,472	209,541,529	2.22%	1,168	
2013	96,450,001	120,170,000	9,051,355	207,568,646	2.21%	1,156	
2014	90,845,001	123,210,000	10,501,572	203,553,429	2.07%	1,123	
2015	80,715,000	102,480,000	10,753,895	172,441,105	1.63%	944	
2016	79,965,000	113,415,000	11,804,301	181,575,699	1.64%	984	
2017	79,130,000	126,385,000	8,754,196	196,760,804	1.60%	1,052	
2018	70,210,000	152,930,000	5,535,816	217,604,184	1.61%	1,149	

Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

**City of Grand Prairie, Texas**  
 Direct and Overlapping  
 Governmental Activities of Debt (Unaudited)  
 As of September 30, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Arlington Independent School District	\$ 824,135,769	18.29%	\$ 150,734,432
Cedar Hill Independent School District	118,249,438	3.90%	4,611,728
Dallas County	172,265,000	2.87%	4,944,006
Dallas County Community College District	228,350,000	2.87%	6,553,645
Dallas County Flood Control District #1	245,950,000	0.08%	196,760
Dallas County Hospital District	687,775,000	2.87%	19,739,143
Dallas County Schools	36,600,000	2.87%	1,050,420
Ellis County	36,958,153	0.11%	40,654
Grand Prairie Independent School District	499,730,000	91.07%	455,104,111
Irving Independent School District	428,970,000	0.68%	2,916,996
Mansfield Independent School District	750,175,000	13.49%	101,198,608
Midlothian Independent School District	361,731,480	0.40%	1,446,926
Tarrant County	294,500,000	3.91%	11,514,950
Tarrant County Hospital District	19,300,000	3.91%	754,630
Subtotal, overlapping debt			760,807,009
<b>City direct debt <sup>2</sup></b>	285,310,000	100.00%	285,310,000
<b>Total direct and overlapping debt</b>			<u><u>\$ 1,046,117,009</u></u>

<sup>1</sup> Estimated percentage is based on a formula using assessed property values.

<sup>2</sup> Excludes refunded obligations and non-property tax debt reported in governmental funds.

**Source of Information:** Municipal Advisory Council of Texas

City of Grand Prairie Finance Department - per O/S

**City of Grand Prairie, Texas**  
 Legal Debt Margin Information (Unaudited)  
 Last Ten Fiscal Years

	Fiscal Year			
	2009	2010	2011	2012
Debt limit	\$ 243,939,492	\$ 239,442,989	\$ 232,206,388	\$ 236,073,539
Total net debt applicable to limit	154,308,664	150,792,741	148,895,469	134,681,529
Legal debt margin	<u>\$ 89,630,828</u>	<u>\$ 88,650,248</u>	<u>\$ 83,310,919</u>	<u>\$ 101,392,010</u>
Total net debt applicable to the limit as a percentage of debt limit	63.26%	62.98%	64.12%	57.05%

Details regarding the City's debt limit can be found in the notes to the basic financial statements.

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 234,345,579	\$ 246,059,063	\$ 263,961,445	\$ 277,390,250	\$ 307,947,270	\$ 338,040,180
135,582,645	138,051,429	151,103,105	182,895,699	196,760,804	217,604,184
<u>\$ 98,762,934</u>	<u>\$ 108,007,634</u>	<u>\$ 112,858,340</u>	<u>\$ 94,494,551</u>	<u>\$ 111,186,466</u>	<u>\$ 120,435,996</u>
57.86%	56.10%	57.24%	65.93%	63.89%	64.37%

**Legal Debt Margin Calculation for Fiscal Year 2018**

Assessed value	\$ 13,521,607,208
Debt limit (2.5% of assessed value)	338,040,180
Debt applicable to limit:	
General obligation bonds	223,140,000
Less: Amount set aside for repayment of general obligation debt	(5,535,816)
Total net debt applicable to limit	<u>217,604,184</u>
Legal debt margin	<u>\$ 120,435,996</u>

**City of Grand Prairie, Texas**  
**Pledged Revenue Coverage (Unaudited)**  
**Last Ten Fiscal Years**

Fiscal Year	Service Charges <sup>1</sup>	Operating Expenses <sup>2</sup>	Available Revenue	Debt Service		Coverage <sup>3</sup>	Tax Increment	Annual Debt Service	Coverage <sup>5</sup>
				Principal	Interest				
2009	\$ 48,534,900	\$ 33,756,808	\$ 14,778,092	\$ 3,630,000	\$ 2,630,012	2.36	\$ 5,193,338	\$ 2,370,800	2.19
2010	47,944,122	36,040,449	11,903,673	3,920,000	2,737,505	1.79	5,136,774	2,369,203	2.17
2011	55,785,237	39,151,252	16,633,985	3,940,000	2,591,812	2.55	5,313,584	2,369,203	2.24
2012	58,701,075	40,367,949	18,333,126	4,080,000	2,538,028	2.77	5,762,747	2,369,203	2.43
2013	59,031,386	40,660,224	18,371,162	4,445,000	2,346,060	2.71	6,223,346	2,247,772	2.77
2014	61,910,609	43,852,520	18,058,089	3,900,000	2,072,826	3.02	6,391,068	2,247,772	2.84
2015	65,213,261	46,785,802	18,427,459	4,250,000	1,846,017	3.02	6,752,015	2,247,772	3.00
2016	70,027,679	51,530,262	18,497,417	4,380,000	1,693,162	3.05	7,268,076	2,692,441	2.70
2017	74,668,468	55,531,071	19,137,397	4,510,000	1,637,666	3.11	7,667,736	2,692,441	2.85
2018	80,293,189	56,480,299	23,812,890	4,810,000	1,702,265	3.66	8,207,902	2,692,178	3.05

<sup>1</sup> Revenues include operating revenues plus impact fees and investment income.

<sup>2</sup> Expenses exclude depreciation expense.

<sup>3</sup> Bond covenants require coverage of no less than 1.25.  
The City's financial policy coverage goal is 2.00.

<sup>4</sup> The City's initial Park Venue Sales Tax Revenue Bonds were issued in fiscal year 2000.

<sup>5</sup> Bond covenants require a coverage of no less than 1.25.  
The City's financial policy requires a coverage of no less than 1.50.

**City of Grand Prairie, Texas**  
Demographic And Economic Statistics (Unaudited)  
Last Ten Fiscal Years

<u>Calendar Year</u>	<u>Population</u>	<u>Median Household Income</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
2008	168,500	\$ 58,765	\$ 19,904	32	26,212	8.1%
2009	175,396	64,148	24,667	32	26,594	8.9%
2010	175,960	56,290	23,744	32	26,019	8.7%
2011	179,476	52,733	22,259	32	26,927	7.0%
2012	179,630	53,267	22,370	32	27,780	6.5%
2013	181,230	55,080	23,164	31	27,740	5.4%
2015	182,610	56,028	23,286	31	29,427	4.0%
2016	184,620	57,851	23,516	32	29,339	3.7%
2017	187,050	59,675	23,695	32	29,339	3.4%
2018	189,430	59,563	23,864	32	30,000	3.4%

**Sources of Information:**

Estimated Population: North Central Texas Council of Governments, GP website  
Median Household Income: CLRsearch.com, GP Website  
Per Capita Income: CLRsearch.com, Census.gov  
Median Age: ESRI GP Website  
Public School Enrollment: GPISD website (District Improvement Plan)  
Unemployment Rate: Bureau of Labor Statistics Dallas-Fort Worth-Arlington

**City of Grand Prairie, Texas**  
Principal Employers (Unaudited)  
Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Grand Prairie Independent School District	41,000	1	47.36%	3,200	1	2.07%
Lockheed Martin Missiles and Fire Control	2,500	2	2.89%	2,600	2	1.68%
Poly-America Inc.	2,000	3	2.31%	1,400	3	0.91%
City of Grand Prairie	1,576	4	1.82%	1,250	5	0.81%
Bell Helicopter-Textron	1,200	5	1.39%	1,200	4	0.78%
Lone Star Park at Grand Prairie	1,000	6	1.16%	1,200	6	0.78%
Hanson Pipe & Products	1,000	7	1.16%	500	9	0.32%
Triumph Aero Structures - Vought	900	8	1.04%			0.00%
Republic National Distributing	700	9	0.81%			0.00%
Bureau of Prisons Administration	700	10	0.81%			0.00%
Vought Aircraft Industries				700	7	0.45%
Siemens Energy And Automation, Inc.				600	8	0.39%
Wal-Mart				500	10	0.32%
<b>Total</b>	<b>52,576</b>		<b>60.73%</b>	<b>13,150</b>		<b>8.51%</b>

**Source of Information:** Municipal Advisory Council of Texas  
Texas Workforce Commission

# City of Grand Prairie, Texas

## Full-Time-Equivalent City Government Employees by Function/Program Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government and Administration										
Budget and Research	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Building and Construction Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Manager's Office	10.5	10.0	9.0	9.5	8.5	8.0	7.5	7.5	8.5	9.5
Economic Development	-	-	-	-	-	-	-	1.0	4.5	4.5
Environmental Services	21.5	20.0	20.0	20.0	21.0	21.5	25.5	29.5	31.0	36.5
Facility Services <sup>1</sup>	-	-	-	-	18.0	18.0	18.0	19.0	19.0	19.0
Finance <sup>2</sup>	19.0	17.0	17.0	18.0	13.0	13.0	12.0	12.0	12.5	15.5
Fire	218.0	203.0	208.0	209.0	210.0	209.0	229.5	230.5	233.5	236.5
Housing and Neighborhood Services	31.5	33.0	35.0	35.5	35.5	35.5	34.5	34.5	34.5	36.5
Human Resources	11.0	10.0	10.0	10.0	10.0	10.0	10.5	11.0	11.0	11.0
Information Technology	26.0	24.0	24.0	24.0	24.0	27.5	29.5	29.5	29.0	31.0
Judiciary	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Legal Services	5.5	5.5	5.5	6.0	6.0	7.0	7.5	8.0	8.0	9.0
Library	38.0	36.0	32.5	31.0	29.5	29.5	28.5	29.5	32.5	35.0
Management Services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Marketing	4.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Municipal Court	29.0	27.0	27.0	26.0	26.0	28.0	28.0	28.0	31.5	32.0
Parks and Recreation <sup>1</sup>	179.0	171.5	162.0	162.0	141.0	181.0	188.0	190.0	194.0	254.7
Planning and Development	59.0	52.0	46.0	46.0	45.5	45.5	47.0	38.0	39.0	39.5
Police	366.5	356.5	364.0	381.0	394.0	394.0	423.5	435.5	453.5	468.5
Public Works	66.0	61.0	61.0	61.0	61.0	61.0	61.0	61.5	61.5	65.5
Purchasing <sup>2</sup>	-	-	-	-	5.0	5.0	5.0	5.0	5.0	5.0
Transportation	17.5	18.0	18.0	18.0	18.0	18.0	19.0	19.0	19.0	21.0
Enterprise Operations and Administrations										
Airport	5.5	5.5	5.5	5.5	5.5	5.5	6.0	6.0	6.0	6.0
Golf	25.0	21.0	19.0	18.0	19.0	29.0	29.0	29.0	29.0	29.0
Solid Waste	34.0	33.5	34.5	34.5	34.5	35.5	44.0	44.0	44.0	44.0
Storm Water	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0	8.0	9.0
Water/Wastewater	101.0	104.5	104.5	110.5	110.5	111.5	113.0	114.0	120.5	124.0
Internal Service Operations										
Equipment Services	17.0	15.0	15.0	15.0	16.0	16.0	16.5	17.0	18.5	18.5
Risk Management	1.0	1.0	1.0	1.0	1.0	1.5	1.5	2.5	2.5	2.0
<b>Total</b>	<b>1,302.0</b>	<b>1,244.0</b>	<b>1,237.5</b>	<b>1,260.5</b>	<b>1,272.5</b>	<b>1,330.5</b>	<b>1,404.5</b>	<b>1,421.5</b>	<b>1,469.0</b>	<b>1,575.6</b>

Full-time-equivalent (FTE) positions are calculated using both full-time and part-time City positions as reported in the City's Budget Book for the same fiscal year. Details regarding changes in positions by function/program may be found in the FY 2015-2016 Budget Book.

<sup>1</sup> Until fiscal year 2013, Facility Services was reported as a function of Parks and Recreation.

<sup>2</sup> Until fiscal year 2013, Purchasing was reported as a function of Finance.

Source of Information: City Budget Office

**City of Grand Prairie, Texas**  
 Capital Assets Statistics by Function/Program  
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
Police					
Stations	1	1	1	2	2
Public safety training complex	1	1	1	1	1
Storefronts	3	3	2	3	4
Fire stations	9	9	10	10	10
Other public works					
Streets (miles)	600	622	588	594	594
Acreage	51,108	51,105	51,108	51,108	51,954
Public parks	57	57	57	57	57
Baseball/softball diamonds	25	25	25	25	25
Soccer/football fields	21	21	21	21	21
Community/recreation centers	5	8	8	8	8
Public golf courses	2	2	2	2	2
Public swimming pools	4	4	4	4	4
Libraries	3	3	3	3	3
Cemetery	1	1	1	1	1
Water					
Water connections	62,190	62,077	63,289	63,250	64,154
Daily consumption (millions of gallons)	25.50	22.90	27.90	23.90	23.50
Wastewater					
Daily flow (millions of gallons)	14.40	15.50	16.30	16.20	14.23
Airports	1	1	1	1	1
Transit—minibuses	12	12	12	12	12

**Source of Information:** City departments.

Fiscal Year

2014	2015	2016	2017	2018
2	2	2	2	2
1	1	1	1	1
3	3	3	3	3
10	10	10	10	10
641	642	634	631	632
51,954	51,954	51,954	51,984	51,984
57	57	57	57	57
25	25	25	25	25
21	21	21	21	21
8	8	8	8	9
2	2	2	2	2
4	4	4	4	5
3	3	3	3	
1	1	1	1	1
64,696	65,808	66,075	66,075	67,794
23.02	23.17	24.56	25.00	26.06
14.11	19.58	16.57	15.92	16.40
1	1	1	1	1
12	12	12	12	12

**City of Grand Prairie, Texas**  
**Water and Wastewater Contracts**  
**Components of Payments Made under Selected Contracts**  
**(Unaudited)**  
**Last Ten Fiscal Years**

Fiscal Year	Dallas Water Utilities Water Purchases			Trinity River Authority Wastewater Treatment			Trinity River Authority	
	Volume	Demand	Total	O&M	Debt Service	Total	Joe Pool Lake	Joe Pool Lake Corp of Engineers
							Intake	
2009	3,119,852	5,893,558	9,013,410	3,687,602	4,849,504	8,537,106	6,450	370,440
2010	2,883,426	6,083,691	8,967,117	3,803,188	5,678,184	9,481,372	24,000	395,860
2011	3,342,225	6,329,489	9,671,714	4,146,626	6,660,202	10,806,828	11,010	383,062
2012	2,780,668	6,758,580	9,539,248	4,316,782	6,383,008	10,699,790	7,660	306,680
2013	2,901,935	6,854,133	9,756,068	4,360,828	6,546,256	10,907,084	7,390	381,637
2014	2,770,446	7,062,206	9,832,652	4,234,724	7,602,156	11,836,880	7,190	397,690
2015	2,561,969	7,547,810	10,109,779	5,774,796	8,060,760	13,835,556	6,750	387,511
2016	3,687,583	8,228,711	11,916,294	5,895,397	8,559,504	14,454,901	6,782	396,612
2017	3,246,558	9,119,618	12,366,176	5,107,743	8,731,748	13,839,491	7,703	225,107
2018	3,624,469	9,479,477	13,103,946	5,612,671	10,134,974	15,747,645	8,334	5,324

The City has contracted with the City of Dallas for water purchases and the Trinity River Authority for wastewater treatment. The City's obligation for water demand charges continues even if the City does not purchase water. Similarly, the obligation to TRA for Debt Service continues whether the City contributes to the wastewater flow or not. These contracts are explained in more detail the Notes to the Basic Financial Statements under Contracts, Commitments, and Contingent Liabilities.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**City of Grand Prairie, Texas**  
**Operating Indicators by Function (Unaudited)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2009	2010	2011	2012	2013
Police					
911 calls received *	151,981	142,342	144,189	141,924	142,641
Non-emergency calls *	138,225	141,120	114,055	105,123	99,831
Calls for service *	127,776	144,256	150,244	235,947	233,997
Jail arrests *	10,204	7,152	10,869	10,637	10,403
Fire					
Total Fire and EMS calls *	15,589	15,589	16,817	16,540	16,999
Fire response calls for structure fires *	217	217	237	190	197
Street					
Number of miles of overlay streets	5	6	5	9	6
Number of street defects repaired	24,112	31,973	25,181	25,628	16,436
Number of linear ft of sidewalk repaired	12,135	25,158	21,113	31,962	20,440
Solid Waste					
Landfill refuse collected (tons)	168,387	163,080	162,358	164,031	162,755
Recyclables collected (tons)	6,288	5,145	4,881	4,853	5,012
Water					
Average daily consumption (thousands of gallons)	25,732	22,893	27,884	23,928	23,500
Wastewater					
Average daily sewage treatment (thousands of gallons)	14,501	15,518	16,347	16,164	14,234

\* In calendar year

**Source of Information:** Various City departments.

Fiscal Year				
2014	2015	2016	2017	2018
145,571	129,159	124,331	130,994	125,497
101,626	116,685	107,490	118,117	119,617
243,443	245,844	231,821	205,213	225,612
12,201	9,016	9,395	9,387	8,765
16,912	17,827	18,408	18,648	19,180
180	192	152	164	183
6	5	5	11	4
13,061	27,537	18,772	6,809	7,480
14,712	12,061	17,276	18,437	30,734
165,586	182,287	198,529	224,599	221,919
5,172	4,948	5,386	5,468	6,104
23,023	23,170	24,564	25,613	25,348
14,109	19,859	16,569	16,307	17,573