

City of Grand Prairie, Texas  
**Comprehensive Annual  
Financial Report**  
Fiscal Year Ended September 30, 2017



*New development is on the rise in Grand Prairie along State Highway 161 with the construction of IKEA (to open November 2017), Epic Waters Indoor Waterpark (to open late 2017), The Epic (to open early 2018) in addition to the existing attractions such as The Summit Active Adult Center; Grand Central Park, and industrial development such as Restoration Hardware.*





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# CITY OF GRAND PRAIRIE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2017

PREPARED BY THE FINANCE DEPARTMENT



**Ron Jensen**  
Mayor

**Tom Hart**  
City Manager

**Diana G. Ortiz, RTA, CGFO**  
Chief Financial Officer



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**CITY OF GRAND PRAIRIE, TEXAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

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## **INTRODUCTORY SECTION**



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March 20, 2018

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, 2017, 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, 2017, 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 187,050, and is readily accessible by an expanded thoroughfare system including State Highway 161 for traffic relief on State Highway 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 services, solid waste disposal, libraries and parks, art, and recreation programs. Parks related programs earned a National Gold Medal Award in 2017. 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 constructs and maintains 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 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 units 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 legally 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 or widen thoroughfares, increasing mobility through the City. Roadway improvement projects continue along Interstates 20 and 30 with the opening of a wider MacArthur Road north of I-30
- Widen Great Southwest Parkway from Sara Jane to Mayfield Road
- Open extension of SH 360 to US 287
- Open Epic Recreation Center
- Open expanded and remodeled City facilities to meet the growing demand for City services including Charley Taylor Recreation Center, Warmack and Shotwell Libraries
- Design and construction plans continue for Phase II at the Service Center which houses the City's Streets, Signs, Fleet, and Transportation Departments.

## **Local Economy**

Another positive year is outlined with the following indicators:

### Residential

- Home sales are steady and prices per square foot continue to climb.
- Home foreclosures remain low, median price reached \$225,000 and it continues to exceed Arlington, Fort Worth and DeSoto.
- The average permit value of a new single-family home in Grand Prairie increased 13% from \$263,220 in 2016 to \$298,561 in 2017.

### Commercial

- The City issued 3.4 million square feet of commercial, retail and industrial permits valued at \$350.7 million showing consistent growth since 2011.
- The IKEA Grand Prairie opening on December, 2017 at SH161 and Mayfield. IKEA will employ 500 workers, and includes 1,100 parking spaces and a 450-seat restaurant. Three hundred new jobs will be added to our economy when the store opens. The IKEA Grand Prairie will be the Metroplex's second store with only four stores located in Texas.

## **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, 2016. This was the 31st 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,



Tom Hart, City Manager



Diana G. Ortiz, Chief Financial Officer



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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, 2016**

*Christopher P. Morrill*

Executive Director/CEO

Council Member  
 Jorja Clemson  
 District 1

Council Member  
 Tony Shotwell  
 District 5

Council Member  
 Jim Swafford  
 District 2

Council Member  
 Mike Del Bosque  
 District 3

Council Member  
 Richard Fregoe  
 District 4

Council Member  
 Greg Giessner  
 At Large, Place 8

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

Mayor  
 Ron Jensen

Mayor Pro Tem  
 Council Member  
 Jeff Wooldridge  
 District 6

**Grand Prairie**  
 — T E X A S —

## 2018 CITY COUNCIL

Mayor Ron Jensen, council members Jim Swafford and Richard Fregoe 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, Tony Shotwell and Jeff Wooldridge were elected to three-year terms in 2015. Regular City Council elections are conducted in May every year.

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

Updated: February 2018

**CITY OF GRAND PRAIRIE, TEXAS  
 DIRECTORY OF CITY OFFICIALS  
 MAYOR AND CITY COUNCIL**

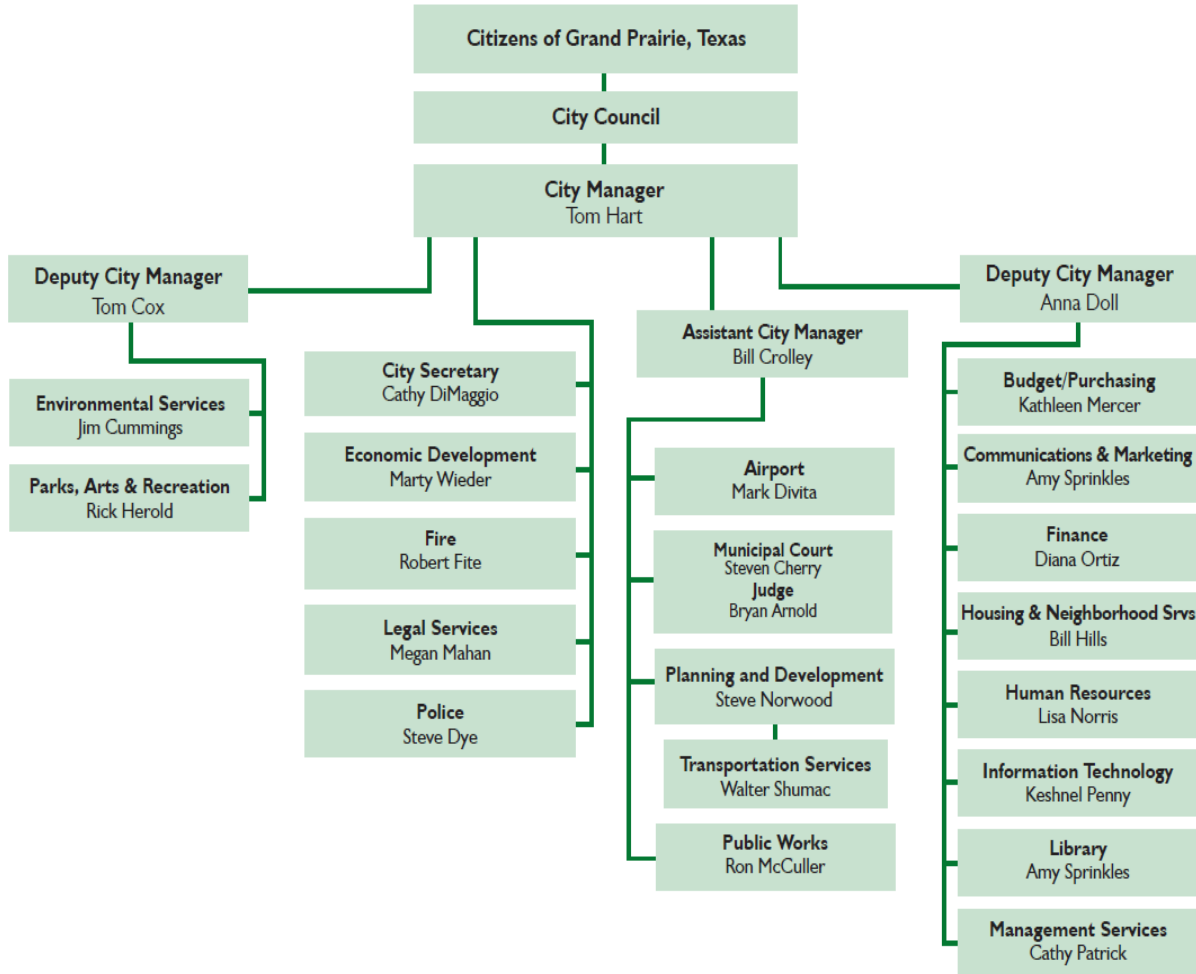
Ron Jensen	Mayor
Jorja Clemson	District 1
Jim Swafford	District 2
Mike Del Bosque	District 3
Richard Fregoe	District 4
Tony Shotwell	District 5
Jeff Wooldridge	Mayor Pro Tem – District 6
Jeff Copeland	Deputy Mayor Pro Tem, At Large – Place 7
Greg Giessner	At Large – Place 8

**EXECUTIVE MANAGERS**

Tom Hart	City Manager
Tom Cox	Deputy City Manager
Anna Doll	Deputy City Manager
Bill Crolley	Assistant to City Manager
Mark Divita	Airport Director
Steven Cherry	Court Services Director
Kathleen Mercer	Budget Director
Steve Norwood	Director of Planning & Development
Jim Cummings	Environmental Services Director
Cathy DiMaggio	City Secretary
Rick Herold	Parks, Arts & Recreation Director
Steve Dye	Police Chief
Bill Hills	Housing & Neighborhood Services Director
Ron McCuller	Public Works 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
Don Postell	City Attorney
Amy Sprinkles	Library Director
Bryan Arnold	Municipal Court Judge
Walter Shumac	Transportation Director
Amy Sprinkles	Communications & Marketing Director
Cathy Patrick	Management Services Director

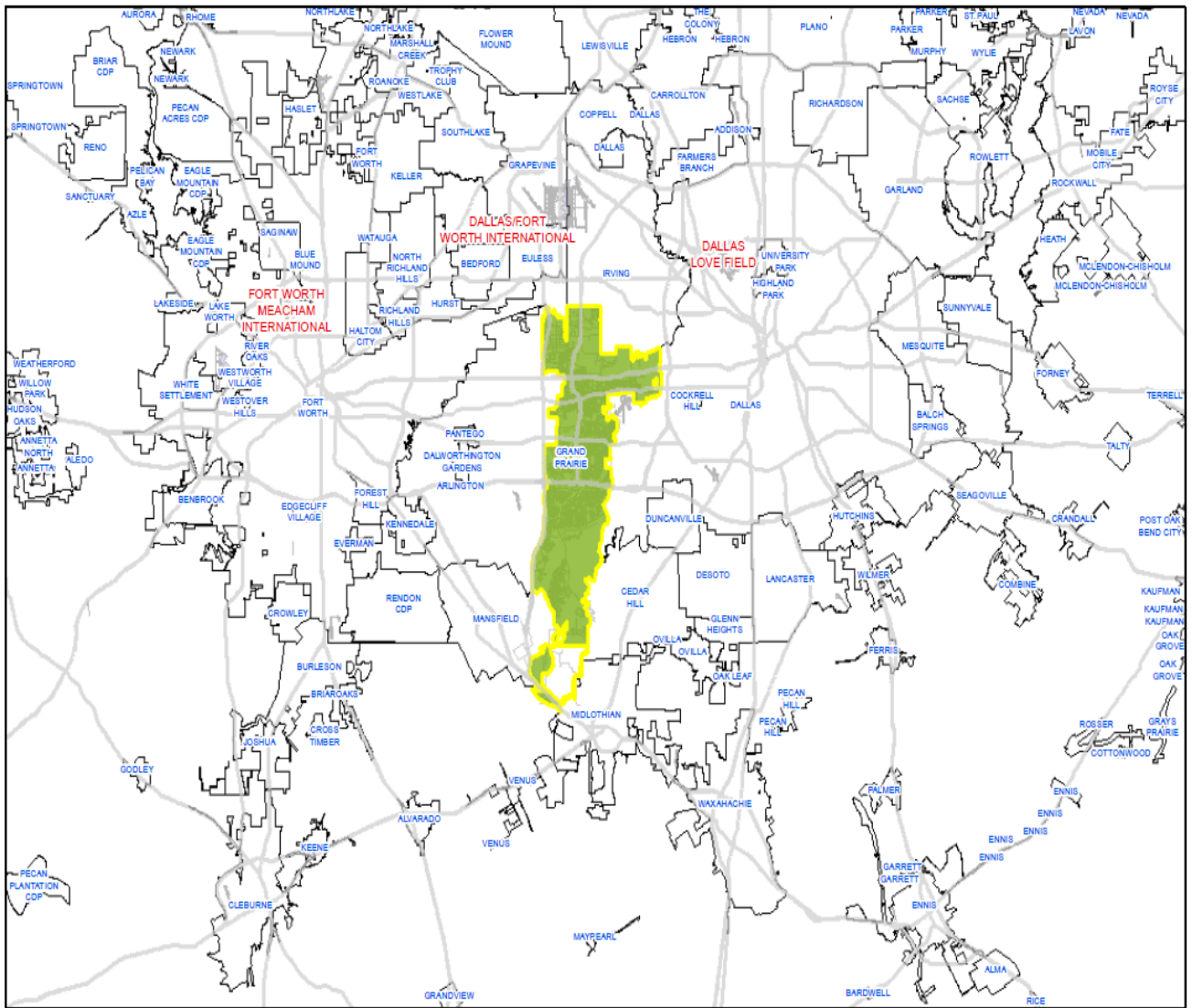


## ORGANIZATIONAL CHART



# City of Grand Prairie, Texas

Located in the middle of the Dallas-Fort Worth Metroplex





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## **FINANCIAL SECTION**



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## 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, 2017, 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.

### **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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budget to actual schedules for the General Fund and Section 8 Fund, Schedule of Postemployment Healthcare Benefits Funding Progress, 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*

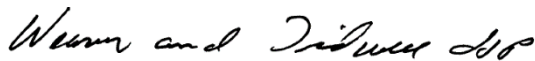
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 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 15, 2018, 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.

Dallas, Texas  
March 15, 2018



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## **MANAGEMENT'S DISCUSSION & ANALYSIS**



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**CITY OF GRAND PRAIRIE, TEXAS**  
**MANAGEMENT'S DISCUSSION & ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**  
**(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, 2017. 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, 2017 by \$655,042,132 (net position).
- The City's total net position increased \$9,935,699, for the fiscal year ended September 30, 2017, primarily due to increased capital contributions.
- At September 30, 2017, the City's governmental funds reported combined ending fund balances of \$199,646,617. The \$27,974,657 unassigned fund balance in the General Fund represents 27.0% of total General Fund expenditures and transfers.
- The City's total long-term liabilities of \$524,923,121 increased by \$31,917,457 (6.5%) during the current fiscal year. In fiscal year 2017, the City issued \$33,705,000 in Combination Tax and Revenue Certificates, \$6,730,000 in taxable Sales Tax Revenue Bonds, \$37,125,000 in General Obligation Refunding Bonds, and \$17,625,000 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.

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.

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.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2017 were \$1,189,926,982, deferred outflows of resources were \$33,716,672, total liabilities were \$568,601,522, and deferred inflows of resources were \$0 resulting in a net position balance of \$655,042,132.

The largest portion of the City's net position, \$453,255,860 (69.2%), 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	
	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017
Cash and investments	\$ 243,047,843	\$ 217,491,944	\$ 80,327,337	\$ 94,485,761	\$ 323,375,180	\$ 311,977,705
Other assets	23,531,494	20,808,174	13,135,847	8,998,127	36,667,341	29,806,301
Capital assets, net	<u>565,449,978</u>	<u>615,207,846</u>	<u>220,815,125</u>	<u>232,935,130</u>	<u>786,265,103</u>	<u>848,142,976</u>
Total assets	<u>832,029,315</u>	<u>853,507,964</u>	<u>314,278,309</u>	<u>336,419,018</u>	<u>1,146,307,624</u>	<u>1,189,926,982</u>
Deferred outflows of resources	<u>33,411,232</u>	<u>30,068,554</u>	<u>3,818,422</u>	<u>3,648,118</u>	<u>37,229,654</u>	<u>33,716,672</u>
Current liabilities	34,308,773	31,462,465	10,582,331	12,215,936	44,891,104	43,678,401
Long-term bonded debt	326,313,952	347,946,293	54,918,271	62,131,416	381,232,223	410,077,709
Other noncurrent liabilities	<u>96,234,527</u>	<u>98,760,325</u>	<u>15,538,914</u>	<u>16,085,087</u>	<u>111,773,441</u>	<u>114,845,412</u>
Total liabilities	<u>456,857,252</u>	<u>478,169,083</u>	<u>81,039,516</u>	<u>90,432,439</u>	<u>537,896,768</u>	<u>568,601,522</u>
Deferred inflows of resources	<u>479,746</u>	-	<u>54,331</u>	-	<u>534,077</u>	-
Net Position						
Net Investment in capital assets	308,745,566	278,750,450	166,071,343	174,505,410	474,816,909	453,255,860
Restricted	57,404,183	80,454,171	15,366,214	34,704,441	72,770,397	115,158,612
Unrestricted	<u>41,953,800</u>	<u>46,202,814</u>	<u>55,565,327</u>	<u>40,424,846</u>	<u>97,519,127</u>	<u>86,627,660</u>
Total net position	<u>\$ 408,103,549</u>	<u>\$ 405,407,435</u>	<u>\$ 237,002,884</u>	<u>\$ 249,634,697</u>	<u>\$ 645,106,433</u>	<u>\$ 655,042,132</u>

A portion of the City's net position totaling \$115,158,612, or 17.6%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$86,627,660 may be used to meet the government's ongoing obligations to citizen's and creditors.

The City's net position increased by \$9,935,699 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 4.42%.

The fiscal year 2017 compared to fiscal 2016 changes in the City's net position were as follows:

**Table 2  
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017
Revenues:						
Program revenues:						
Charges for services	\$ 45,025,523	\$ 50,349,054	\$ 90,232,226	\$ 96,324,864	\$ 135,257,749	\$ 146,673,918
Operating grants and contributions	37,024,064	35,572,942	37,320	47,918	37,061,384	35,620,860
Capital grants and contributions	8,807,012	8,305,146	16,653,153	12,892,511	25,460,165	21,197,657
General revenues:						
Property tax	77,923,990	84,925,774	-	-	77,923,990	84,925,774
Sales tax	57,076,997	60,585,824	-	-	57,076,997	60,585,824
Other tax	1,791,075	2,015,917	-	-	1,791,075	2,015,917
Franchise fees	13,928,847	9,996,934	-	-	13,928,847	9,996,934
Investment income	2,173,508	2,425,419	8,567	21,245	2,182,075	2,446,664
Total revenues	<u>243,751,016</u>	<u>254,177,010</u>	<u>106,931,266</u>	<u>109,286,538</u>	<u>350,682,282</u>	<u>363,463,548</u>
Expenses:						
Support services	23,045,026	26,731,588	-	-	23,045,026	26,731,588
Public safety services	91,860,495	100,253,923	-	-	91,860,495	100,253,923
Recreation and leisure services	29,709,690	32,962,890	-	-	29,709,690	32,962,890
Development services	88,963,122	90,088,069	-	-	88,963,122	90,088,069
Interest on long-term debt	12,374,896	12,108,299	-	-	12,374,896	-
Water and wastewater	-	-	66,351,005	70,569,705	66,351,005	70,569,705
Solid waste	-	-	11,438,507	12,317,620	11,438,507	12,317,620
Municipal airport	-	-	1,809,656	2,572,623	1,809,656	2,572,623
Municipal golf course	-	-	2,141,279	3,497,955	2,141,279	3,497,955
Storm water	-	-	3,307,890	2,425,177	3,307,890	2,425,177
Total expenses	<u>245,953,229</u>	<u>262,144,769</u>	<u>85,048,337</u>	<u>91,383,080</u>	<u>331,001,566</u>	<u>353,527,849</u>
Increases (decreases) in net position						
before transfers	(2,202,213)	(7,967,759)	21,882,929	17,903,458	19,680,716	9,935,699
Transfers	5,097,654	5,271,645	(5,097,654)	(5,271,645)	-	-
Capital asset reassignments	248,454	-	(248,454)	-	-	-
Change in net position	3,143,895	(2,696,114)	16,536,821	12,631,813	19,680,716	9,935,699
Net position - October 1	404,959,654	408,103,549	220,466,063	237,002,884	625,425,717	645,106,433
Net position - September 30	<u>\$ 408,103,549</u>	<u>\$ 405,407,435</u>	<u>\$ 237,002,884</u>	<u>\$ 249,634,697</u>	<u>\$ 645,106,433</u>	<u>\$ 655,042,132</u>

**Governmental activities** - Governmental activities decreased the City's net position by \$2,696,114 in comparison with beginning net position, primarily due to an overall increase in pension and other employee benefit expenses, when compared to fiscal year 2016. Net position of governmental operations accounts for 61.9% of total net position.

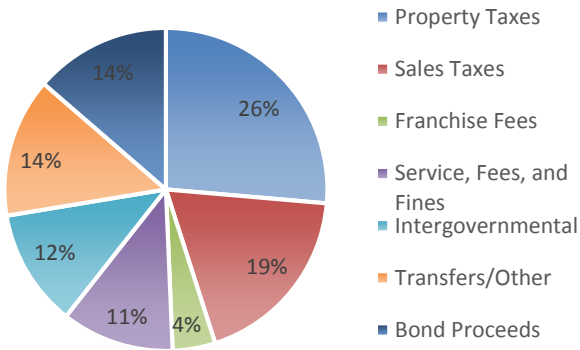
**Business-type activities** - Business-type activities increased the City's net position by \$12,631,813 in comparison with beginning net position. Total revenue for the business-type activities increased from the previous year by \$2,355,272 due to an increase in charges for services. Net position for business-type activities represents 38.1% of total primary government net position.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

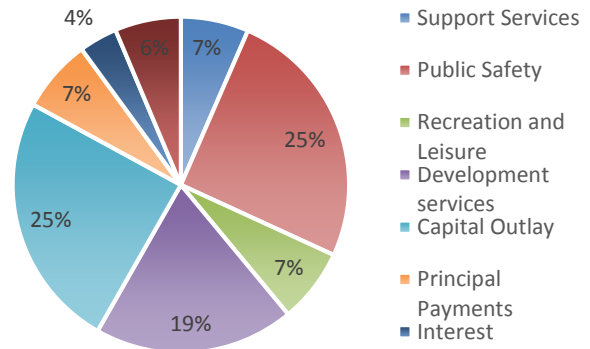
**Governmental funds** - The focus of City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure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

At fiscal year-end 2017, the City's governmental funds (excluding internal service funds) reported combined ending fund balances of \$199,646,617, a decrease of \$24,244,147 in comparison with the prior year. The unassigned fund balance portion is 13% 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 (\$41,359); amounts restricted by statutes, bond covenants or granting agencies (\$94,904,738) either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$74,729,604) require formal action by City Council. Finally, funds may be assigned (\$2,943,951) 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, \$251,251,778 and \$325,533,576, respectively, for fiscal year 2017.

**Figure 1  
Revenue Sources  
Governmental Funds**



**Figure 2  
Expenditures  
Governmental Funds**



The General Fund is the chief operating fund of the City. At fiscal year-end, unassigned fund balance of the General Fund was \$27,974,657, while total fund balance was \$31,346,705. 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 24.1% of total general fund operating expenditures, while total fund balance represents 27.0% of that same amount. General Fund's fund balance increased in the amount of \$334,810 from the prior fiscal year.

Other major funds with significant changes in fund balance include Streets CIP, Grants, Debt Service, and Epic CIP. The Streets CIP Fund increased by \$4,652,544 due to an overall increase in activity including street maintenance and construction. Increased activity was funded from bond proceeds issued for this purpose.

The Grants Fund decreased by \$6,383,458 due to increased spending related to the construction of major thoroughfares. These are joint projects between the City and other participating jurisdictions with much of the City's matching funds being spent in fiscal year 2017.

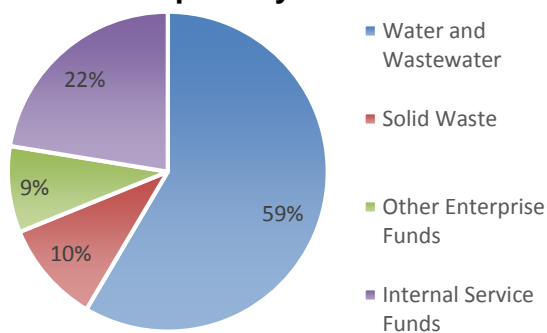
The Debt Service Fund decreased by \$3,050,105 due to payment toward principal and interest retirement for Crime Control and Prevention District.

The Epic CIP Fund decreased by \$42,618,374 due to continued construction and capital outlay for EPIC project.

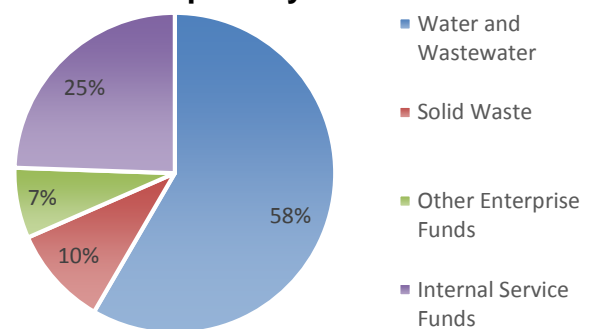
**Proprietary funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the City's enterprise funds and internal service funds were \$248,151,584 and \$9,396,767, respectively, at September 30, 2017. The enterprise funds' net investment in capital assets represented 70.3% of total enterprise fund's net position. The internal service funds' net investment in capital assets represented 18.0% of total internal service funds' net position. The enterprise funds' unrestricted net position was 15.7% of their total net position, and internal service funds' unrestricted net position was 82.0% of their total funds' net position. The City's enterprise funds reported income before contributions and transfers of \$5,116,529 while the internal service funds reported a loss of \$1,073,368. 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 \$124,233,706 and expenses of \$118,358,152 (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**



**General Fund Budgetary Highlights**

Actual General Fund revenues were \$4,099,667, or 3.3%, higher than final budgeted revenues for fiscal year 2017. Property taxes, sales taxes, hotel/motel taxes, and franchise fees were 80.8% of General Fund budgeted revenues. Actual General Fund expenditures were \$134,074, or 0.1%, lower than final budgeted expenditures for fiscal year 2017. Budgeted excess of revenues over expenditures before other financing sources and uses was \$6,325,343 compared to actual, or \$10,559,084, resulting in a net positive budget variance of \$4,233,741. 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 \$4,821,906.

**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 \$848,142,976. 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 \$61,877,873.

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

- Continued construction of Grand Central Park’s Epic Center
- Continued construction of frontage roads along Interstate 30
- Continued expansion of Shotwell Library
- Continued expansion of the Service Center
- Continued storm utility projects on Main Street
- Continued installation of water meter

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	
	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017
Land	\$ 45,048,889	\$ 45,603,692	\$ 4,471,796	\$ 4,476,296	\$ 49,520,685	\$ 50,079,988
Construction in progress	74,367,742	132,532,699	27,727,643	33,801,497	102,095,385	166,334,196
Depreciable capital assets	857,058,869	881,710,595	414,786,171	436,099,617	1,271,845,040	1,317,810,212
Accumulated depreciation	(411,025,522)	(444,639,140)	(226,170,485)	(241,442,280)	(637,196,007)	(686,081,420)
Total capital assets, net	<u>\$ 565,449,978</u>	<u>\$ 615,207,846</u>	<u>\$ 220,815,125</u>	<u>\$ 232,935,130</u>	<u>\$ 786,265,103</u>	<u>\$ 848,142,976</u>

**Long-term debt** - At September 30, 2017, the City had the following long-term liabilities:

**Table 4  
Long-Term Debt**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2016	9/30/2017	9/30/2016	9/30/2017	9/30/2016	9/30/2017
Bonded debt	\$ 326,313,952	\$ 347,946,293	\$ 54,918,271	\$ 62,131,416	\$ 381,232,223	\$ 410,077,709
Compensated absences	16,462,244	17,345,505	457,916	487,664	16,920,160	17,833,169
Other post employment benefits	5,767,589	7,155,961	-	-	5,767,589	7,155,961
Net pension liability	71,236,569	72,615,231	8,067,465	8,132,502	79,304,034	80,747,733
Pollution liability	146,430	182,709	-	-	146,430	182,709
Closure and post closure liability	-	-	7,013,533	7,464,921	7,013,533	7,464,921
Other liabilities	2,621,695	1,460,919	-	-	2,621,695	1,460,919
<b>Total long-term debt</b>	<b>\$ 422,548,479</b>	<b>\$ 446,706,618</b>	<b>\$ 70,457,185</b>	<b>\$ 78,216,503</b>	<b>\$ 493,005,664</b>	<b>\$ 524,923,121</b>
Long-term debt to net position percentage	104%	110%	30%	31%	76%	80%

Of the total bonded debt, \$347,946,293, or 84.8%, is backed by the full faith and credit of the City with a property tax pledge.

During this fiscal year, the City issued \$63,170,000 in new bonded debt, refunded \$53,495,000 in old bonded debt, and retired principal on outstanding bonded debt totaling \$28,050,000. The City's total interest expense for all bonded debt was \$14,526,746.

Additional information is detailed in the Notes to Basic Financial Statements, pages 70 - 82.

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 2018 budget, 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 indicate healthy activities in the residential sector, and commercial-type permitting continues to increase. Although the City is built out and mature, there are still several areas available, mainly in the south sector with higher-end residential areas along Joe Pool Lake. The City's population as of August 2017 was 187,050, which is a 1.3% increase over last 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, SH360, and SH161 continue to make additional demands on the City for increased services.

The following indicators were taken into account when adopting the budget for fiscal year 2018:

- An 9.77% increase in assessed property values;
- A 4% increase in sales tax collections when compared to prior fiscal year collections with no change in the City's sales tax rate; and
- 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 \$5,619,860 for the General Fund and \$2,777,015 for the General Obligation Debt Service Fund. The City maintained the same property tax rate of \$0.669998 per \$100 valuation for fiscal year 2018.

Budgeted sales tax revenue was increased by \$2,944,923, or 4%, over prior fiscal year collections with no change in the sales tax rate.

The city expects a steady increase in other general revenues of governmental activities overall due to continued population growth and further developments.

The City's total approved operating appropriations for fiscal year 2018 is \$292,673,301, an increase of \$35,726,527, or 14%, when compared to prior fiscal year projected expenditures. General Fund approved appropriations for fiscal year 2018 is \$132,805,965, an increase of \$6,103,792, or 4.8%, over fiscal year 2017. 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 increase in healthcare costs. Other changes in total budgeted operating appropriations include increases of \$4,015,920 in the Water/Wastewater Fund, and \$6,175,984 in the Epic Operating Fund.

Fiscal year 2018 budgeted appropriations for the General Obligation Debt Service Fund increased by \$2,245,864, or .2%, over fiscal year 2017 due to Cemetery, Airport, and CCPD debt service.

The City's approved appropriations for capital projects in fiscal year 2018 totals \$91,397,735. Planned capital projects include:

- \$25,370,652 in street and signal projects
- \$27,104,840 in water and wastewater projects
- \$10,009,100 in municipal facilities and infrastructure projects
- \$4,502,499 in park renovations, equipment, and amenities
- \$5,510,500 in storm drainage projects
- \$9,946,254 in fire equipment and stations' relocations
- \$5,099,476 in library expansion construction

## 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.



## **BASIC FINANCIAL STATEMENTS**



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**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	Primary Government			Grand Prairie	Grand Prairie
	Governmental Activities	Business-Type Activities	Total	Sports Facilities Development	Housing Finance Corporation
<b>ASSETS</b>					
Cash and cash equivalents	\$ 93,302,915	\$ 8,030,212	\$ 101,333,127	\$ 3,067,037	\$ 592,734
Investments	28,782,818	63,319,182	92,102,000	6,951,182	50,189
Receivables, net	18,839,463	6,864,485	25,703,948	869,358	-
Intergovernmental receivables	2,845,229	47,918	2,893,147	-	-
Inventories and supplies	149,645	588,848	738,493	-	-
Prepays	456,950	13,763	470,713	-	26,170
Restricted assets:					
Cash and cash equivalents	963,035	13,265,343	14,228,378	-	1,413,963
Investments	94,443,176	9,871,024	104,314,200	-	-
Internal balances	(1,483,113)	1,483,113	-	-	-
Lease payments receivable	-	-	-	11,550,764	-
Estimated unguaranteed residual value	-	-	-	36,085,990	-
Capital assets:					
Nondepreciable	178,136,391	38,277,793	216,414,184	-	1,612,851
Depreciable, net	437,071,455	194,657,337	631,728,792	-	11,758,931
Total assets	<u>853,507,964</u>	<u>336,419,018</u>	<u>1,189,926,982</u>	<u>58,524,331</u>	<u>15,454,838</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refundings	2,895,975	604,945	3,500,920	-	-
Related to TMRS pension	27,172,579	3,043,173	30,215,752	-	-
Total deferred outflows of resources	<u>30,068,554</u>	<u>3,648,118</u>	<u>33,716,672</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>					
Accounts payable	11,648,733	5,339,797	16,988,530	329,672	134,182
Retainage payable	4,174,680	500,831	4,675,511	-	-
Accrued liabilities	10,663,251	730,230	11,393,481	-	294,466
Unearned revenue	2,791,318	1,062,986	3,854,304	-	-
Current liabilities payable from restricted assets:					
Accrued interest	2,149,483	378,357	2,527,840	-	-
Customer deposits	35,000	4,203,735	4,238,735	-	88,526
Noncurrent liabilities:					
Due within one year:					
Compensated absences	7,788,172	487,664	8,275,836	-	-
Environmental remediation obligation	182,709	-	182,709	-	-
Other liabilities	160,776	-	160,776	-	-
Current portion of long-term debt	25,005,000	5,580,893	30,585,893	-	275,602
Due in more than one year:					
Compensated absences	9,557,333	-	9,557,333	-	-
Other postemployment benefits	7,155,961	-	7,155,961	-	-
Closure and postclosure liability	-	7,464,921	7,464,921	-	-
Net pension liability	72,615,231	8,132,502	80,747,733	-	-
Other liabilities	1,300,143	-	1,300,143	-	-
Long-term debt	322,941,293	56,550,523	379,491,816	-	15,460,356
Total liabilities	<u>478,169,083</u>	<u>90,432,439</u>	<u>568,601,522</u>	<u>329,672</u>	<u>16,253,132</u>
<b>NET POSITION</b>					
Net investment in capital assets	278,750,450	174,505,410	453,255,860	-	(1,172,752)
Restricted for:					
Debt service	7,071,231	6,856,106	13,927,337	-	-
Capital projects	33,867,109	27,848,335	61,715,444	-	-
Support Services	3,920,567	-	3,920,567	-	-
Public safety	17,408,237	-	17,408,237	-	-
Recreation and leisure	10,316,197	-	10,316,197	-	-
Development services	7,476,489	-	7,476,489	-	-
Other specific purposes	394,341	-	394,341	-	-
Facility lease	-	-	-	48,345,759	-
Unrestricted	46,202,814	40,424,846	86,627,660	9,848,900	374,458
Total net position	<u>\$ 405,407,435</u>	<u>\$ 249,634,697</u>	<u>\$ 655,042,132</u>	<u>\$ 58,194,659</u>	<u>\$ (798,294)</u>

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

FUNCTIONS/ACTIVITY	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 26,731,588	\$ 5,364,023	\$ 205,338	\$ -
Public safety services	100,253,923	21,150,257	3,693,999	-
Recreation and leisure services	32,962,890	11,059,324	492,101	-
Development services and other	90,088,069	12,775,450	31,181,504	8,305,146
Interest on long-term debt	12,108,299	-	-	-
Total governmental activities	<u>262,144,769</u>	<u>50,349,054</u>	<u>35,572,942</u>	<u>8,305,146</u>
Business-type activities:				
Water and wastewater	70,569,705	72,668,796	-	9,088,956
Solid waste	12,317,620	12,863,659	-	63,822
Municipal airport	2,572,623	1,862,633	47,918	-
Municipal golf course	3,497,955	2,573,002	-	-
Storm water	2,425,177	6,356,774	-	3,739,733
Total business-type activities	<u>91,383,080</u>	<u>96,324,864</u>	<u>47,918</u>	<u>12,892,511</u>
Total primary government	<u>\$ 353,527,849</u>	<u>\$ 146,673,918</u>	<u>\$ 35,620,860</u>	<u>\$ 21,197,657</u>
Component units:				
Grand Prairie Sports Facilities Development	\$ 5,967,713	\$ 1,278,227	\$ -	\$ 435,109
Grand Prairie Housing Finance Corporation	6,082,040	5,962,996	-	-
Total component units	<u>\$ 12,049,753</u>	<u>\$ 7,241,223</u>	<u>\$ -</u>	<u>\$ 435,109</u>

General revenues:  
 Taxes  
   Property taxes  
   Sales taxes  
   Hotel/motel and other taxes  
 Franchise fees  
 Investment income  
 Transfers  
 Total general revenues and transfers

Change in net position  
 Net position - beginning of year  
 Net position - end of year

See accompanying notes to basic financial statements.

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		
\$ (21,162,227)	\$ -	\$ (21,162,227)	\$ -	\$ -
(75,409,667)	-	(75,409,667)	-	-
(21,411,465)	-	(21,411,465)	-	-
(37,825,969)	-	(37,825,969)	-	-
(12,108,299)	-	(12,108,299)	-	-
(167,917,627)	-	(167,917,627)	-	-
-	11,188,047	11,188,047	-	-
-	609,861	609,861	-	-
-	(662,072)	(662,072)	-	-
-	(924,953)	(924,953)	-	-
-	7,671,330	7,671,330	-	-
-	17,882,213	17,882,213	-	-
(167,917,627)	17,882,213	(150,035,414)	-	-
			(4,254,377)	-
			-	(119,044)
			(4,254,377)	(119,044)
84,925,774	-	84,925,774	-	-
60,585,824	-	60,585,824	-	-
2,015,917	-	2,015,917	-	-
9,996,934	-	9,996,934	-	-
2,425,419	21,245	2,446,664	46,332	3,599
5,271,645	(5,271,645)	-	-	-
165,221,513	(5,250,400)	159,971,113	46,332	3,599
(2,696,114)	12,631,813	9,935,699	(4,208,045)	(115,445)
408,103,549	237,002,884	645,106,433	62,402,704	(682,849)
\$ 405,407,435	\$ 249,634,697	\$ 655,042,132	\$ 58,194,659	\$ (798,294)

**CITY OF GRAND PRAIRIE, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<u>General</u>	<u>Section 8</u>	<u>Streets CIP</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 11,252,476	\$ 864,712	\$ 1,182,482
Investments	15,201,832	1,033,109	32,360,381
Property tax receivable, net	1,234,151	-	-
Sales tax receivable	5,286,754	-	-
Franchise fees receivable	2,493,722	-	-
Other receivables, net	2,225,709	-	-
Intergovernmental receivables	2,022,028	-	-
Due from other funds	2,000,000	-	-
Inventory	-	-	-
Prepays	12,867	-	-
<b>Total assets</b>	<u>41,729,539</u>	<u>1,897,821</u>	<u>33,542,863</u>
<b>LIABILITIES</b>			
Accounts payable	2,568,988	35,315	1,420,054
Retainage payable	-	-	20,123
Accrued liabilities	5,119,573	77,823	-
Due to other funds	-	-	-
Customer deposits	-	-	-
Unearned revenue	737,374	-	-
<b>Total liabilities</b>	<u>8,425,935</u>	<u>113,138</u>	<u>1,440,177</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	1,956,899	-	-
<b>Total deferred inflows of resources</b>	<u>1,956,899</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	12,867	-	-
Restricted	415,230	1,784,683	10,869,607
Committed	-	-	21,233,079
Assigned	2,943,951	-	-
Unassigned	27,974,657	-	-
<b>Total fund balances</b>	<u>31,346,705</u>	<u>1,784,683</u>	<u>32,102,686</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 41,729,539</u>	<u>\$ 1,897,821</u>	<u>\$ 33,542,863</u>

See accompanying notes to basic financial statements.

<u>Grants</u>	<u>Debt Service</u>	<u>Epic CIP</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 832,931	\$ 227,681	\$ 30,449,658	\$ 47,401,485	\$ 92,211,425
-	8,500,000	-	56,130,672	113,225,994
-	489,429	-	-	1,723,580
-	-	-	5,277,271	10,564,025
-	-	-	67,190	2,560,912
919,971	3,604	-	841,662	3,990,946
823,201	-	-	-	2,845,229
-	-	-	3,493,636	5,493,636
-	-	-	28,492	28,492
-	-	-	-	12,867
<u>2,576,103</u>	<u>9,220,714</u>	<u>30,449,658</u>	<u>113,240,408</u>	<u>232,657,106</u>
394,016	-	3,315,576	3,628,670	11,362,619
760,200	-	3,302,192	92,165	4,174,680
133,978	-	-	1,398,445	6,729,819
2,000,000	-	3,402,683	90,953	5,493,636
-	-	-	35,000	35,000
235,601	-	-	1,818,343	2,791,318
<u>3,523,795</u>	<u>-</u>	<u>10,020,451</u>	<u>7,063,576</u>	<u>30,587,072</u>
-	466,518	-	-	2,423,417
-	466,518	-	-	2,423,417
-	-	-	28,492	41,359
-	8,754,196	4,500,000	68,581,022	94,904,738
-	-	15,929,207	37,567,318	74,729,604
-	-	-	-	2,943,951
(947,692)	-	-	-	27,026,965
<u>(947,692)</u>	<u>8,754,196</u>	<u>20,429,207</u>	<u>106,176,832</u>	<u>199,646,617</u>
<u>\$ 2,576,103</u>	<u>\$ 9,220,714</u>	<u>\$ 30,449,658</u>	<u>\$ 113,240,408</u>	<u>\$ 232,657,106</u>

**CITY OF GRAND PRAIRIE, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

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**Total fund balance - total governmental funds** \$ 199,646,617

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 \$1,690,305). 613,517,541

Certain revenues are not available to pay for current-period expenditures; therefore, these revenues are deferred in the funds. 2,423,417

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	(2,149,483)	
Unamortized loss of bond refundings	2,895,975	
Deferred pension contributions, and investment and actuarial experience (excluding internal service fund totals of \$385,667).	26,786,912	27,533,404

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 \$1,483,113). 7,913,656

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	(329,440,000)	
Unamortized bond premium/discount, net	(18,506,293)	
Compensated absences (excluding internal service fund totals of \$48,769)	(17,296,736)	
Other post employment benefits	(7,155,961)	
Net pension liability (excluding internal service fund totals of \$1,030,649)	(71,584,582)	
Environmental remediation obligation	(182,709)	
Other liabilities	(1,460,919)	(445,627,200)

**Net position of governmental activities** \$ 405,407,435

See accompanying notes to basic financial statements.





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**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>General</u>	<u>Section 8</u>	<u>Streets CIP</u>
<b>REVENUES</b>			
Property taxes	\$ 56,275,511	\$ -	\$ -
Sales taxes	29,804,519	-	-
Other taxes	282,574	-	-
Franchise fees	13,805,938	-	-
Charges for goods and services	5,676,907	4,054,186	21,264
Licenses and permits	3,080,890	227,060	-
Fines and forfeitures	7,633,756	-	-
Intergovernmental	2,602,078	26,654,580	-
General and administrative	4,507,297	-	-
Rents and royalties	175,014	-	-
Investment income	2,065,665	-	-
Contributions	131,666	-	-
Other	678,507	56,578	471,733
Total revenues	<u>126,720,322</u>	<u>30,992,404</u>	<u>492,997</u>
<b>EXPENDITURES</b>			
Current operations:			
Support services	20,899,884	-	-
Public safety services	78,678,246	-	-
Recreation and leisure services	2,591,734	-	-
Development services and other	12,682,125	30,642,214	3,847,797
Capital outlay	1,305,324	186,990	11,590,034
Debt service:			
Principal retirement	-	-	1,000,000
Interest and other charges	3,925	-	140,854
Total expenditures	<u>116,161,238</u>	<u>30,829,204</u>	<u>16,578,685</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,559,084</u>	<u>163,200</u>	<u>(16,085,688)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	49,883	-	1,056,542
Transfers out	(11,160,868)	(50,000)	-
Bonds issued	-	-	18,099,109
Premium on bonds issued	-	-	1,582,581
Refunding bonds issued	-	-	-
Payments to bond escrow agents	-	-	-
Proceeds from sale of capital assets	886,711	557	-
Total other financing sources (uses)	<u>(10,224,274)</u>	<u>(49,443)</u>	<u>20,738,232</u>
Net change in fund balances	334,810	113,757	4,652,544
Fund balances - beginning of year	<u>31,011,895</u>	<u>1,670,926</u>	<u>27,450,142</u>
Fund balances - end of year	<u>\$ 31,346,705</u>	<u>\$ 1,784,683</u>	<u>\$ 32,102,686</u>

See accompanying notes to basic financial statements.

<b>Grants</b>	<b>Debt Service</b>	<b>Epic CIP</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 23,315,573	\$ -	\$ 5,709,619	\$ 85,300,703
-	-	-	30,620,529	60,425,048
-	-	-	1,733,343	2,015,917
-	-	-	-	13,805,938
702,256	-	-	11,053,221	21,507,834
-	-	-	303,514	3,611,464
-	-	-	3,730,383	11,364,139
8,598,601	-	-	245,723	38,100,982
-	-	-	-	4,507,297
-	-	-	3,777,988	3,953,002
30,010	-	325,526	4,218	2,425,419
262,897	-	-	2,254,818	2,649,381
-	-	-	377,836	1,584,654
<u>9,593,764</u>	<u>23,315,573</u>	<u>325,526</u>	<u>59,811,192</u>	<u>251,251,778</u>
-	-	-	1,803,261	22,703,145
1,903,141	-	-	7,423,840	88,005,227
165,652	-	135,188	21,907,922	24,800,496
2,684,497	-	-	17,126,179	66,982,812
11,912,018	-	43,655,255	17,153,204	85,802,825
-	18,655,000	-	4,745,000	24,400,000
-	7,875,021	-	4,819,271	12,839,071
<u>16,665,308</u>	<u>26,530,021</u>	<u>43,790,443</u>	<u>74,978,677</u>	<u>325,533,576</u>
<u>(7,071,544)</u>	<u>(3,214,448)</u>	<u>(43,464,917)</u>	<u>(15,167,485)</u>	<u>(74,281,798)</u>
745,827	50,000	846,543	24,359,775	27,108,570
(63,240)	(200,660)	-	(10,628,024)	(22,102,792)
-	-	-	22,515,890	40,614,999
-	5,365,992	-	2,295,634	9,244,207
-	33,810,000	-	3,135,000	36,945,000
-	(38,860,989)	-	(3,810,239)	(42,671,228)
5,499	-	-	6,128	898,895
<u>688,086</u>	<u>164,343</u>	<u>846,543</u>	<u>37,874,164</u>	<u>50,037,651</u>
(6,383,458)	(3,050,105)	(42,618,374)	22,706,679	(24,244,147)
<u>5,435,766</u>	<u>11,804,301</u>	<u>63,047,581</u>	<u>83,470,153</u>	<u>223,890,764</u>
<u>\$ (947,692)</u>	<u>\$ 8,754,196</u>	<u>\$ 20,429,207</u>	<u>\$ 106,176,832</u>	<u>\$ 199,646,617</u>

**CITY OF GRAND PRAIRIE, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

**Net change in fund balances - total governmental funds** \$ (24,244,147)

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

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. This is the amount of capital assets recorded in the current period. 85,802,825

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 \$106,705). (38,659,876)

Governmental funds do not report capital contributions. 3,139,385

The net effect of various transactions involving capital assets (i.e., disposals, sales, and reassignments) are not reported in the governmental funds. (652,327)

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.

Bonds issued	(40,614,999)	
Refunding bonds issued	(36,945,000)	
Payments to bond escrow agents	42,671,228	
Bond principal retirement	23,400,000	
Bond premium issued	(9,244,207)	
Amortization of bond premiums/discounts	888,932	
Amortization of loss on refundings	<u>(127,220)</u>	(19,971,266)

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.

Accrued interest	(30,940)	
Compensated absences	(886,347)	
Pollution remediation obligation	(36,279)	
Postemployment benefit obligation	(1,388,372)	
Change in pension liability	(5,851,540)	
Other liabilities	<u>1,160,776</u>	(7,032,702)

Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (374,929)

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 (703,077)

**Change in net position of governmental activities** \$ (2,696,114)

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2017**

	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	\$ 2,970,489	\$ 4,275,170	\$ 784,553	\$ 8,030,212	\$ 2,054,525
Investments	45,818,432	13,624,536	3,876,214	63,319,182	10,000,000
Accounts receivable, net	5,652,070	631,801	580,614	6,864,485	-
Intergovernmental receivable	-	-	47,918	47,918	-
Inventories and supplies	505,729	-	83,119	588,848	121,153
Prepays	-	-	13,763	13,763	444,083
Restricted assets:					
Cash and cash equivalents	13,265,343	-	-	13,265,343	-
Investments	9,801,419	-	69,605	9,871,024	-
Total current assets	<u>78,013,482</u>	<u>18,531,507</u>	<u>5,455,786</u>	<u>102,000,775</u>	<u>12,619,761</u>
Noncurrent assets:					
Capital assets:					
Land	1,968,211	1,748,378	759,707	4,476,296	737,566
Buildings	2,361,045	1,895,727	15,137,593	19,394,365	1,477,875
Equipment	24,970,732	9,964,426	2,065,400	37,000,558	1,603,874
Infrastructure	334,067,330	10,449,173	35,188,191	379,704,694	16,672
Construction in progress	33,526,601	140,063	134,833	33,801,497	227,700
Less: accumulated depreciation	(205,947,622)	(10,884,736)	(24,609,922)	(241,442,280)	(2,373,384)
Total noncurrent assets	<u>190,946,297</u>	<u>13,313,031</u>	<u>28,675,802</u>	<u>232,935,130</u>	<u>1,690,303</u>
Total assets	<u>268,959,779</u>	<u>31,844,538</u>	<u>34,131,588</u>	<u>334,935,905</u>	<u>14,310,064</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Debt refundings	604,945	-	-	604,945	-
Related to TMRS pension	1,805,912	657,154	580,107	3,043,173	385,667
Total deferred outflows of resources	<u>2,410,857</u>	<u>657,154</u>	<u>580,107</u>	<u>3,648,118</u>	<u>385,667</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	4,761,449	393,907	184,441	5,339,797	286,114
Retainage payable	500,831	-	-	500,831	-
Accrued interest	354,693	16,497	7,167	378,357	-
Accrued liabilities	472,669	164,280	93,281	730,230	3,933,432
Compensated absences	301,201	87,064	99,399	487,664	48,769
Unearned revenue	905,606	-	157,380	1,062,986	-
Current portion of long-term debt	4,810,000	625,893	145,000	5,580,893	-
Current liabilities payable from restricted assets:					
Customer deposits	4,134,130	-	69,605	4,203,735	-
Total current liabilities	<u>16,240,579</u>	<u>1,287,641</u>	<u>756,273</u>	<u>18,284,493</u>	<u>4,268,315</u>
Noncurrent liabilities:					
Closure and postclosure liability	-	7,464,921	-	7,464,921	-
Net pension liability	4,826,072	1,756,162	1,550,268	8,132,502	1,030,649
Long-term debt	55,185,394	330,129	1,035,000	56,550,523	-
Total noncurrent liabilities	<u>60,011,466</u>	<u>9,551,212</u>	<u>2,585,268</u>	<u>72,147,946</u>	<u>1,030,649</u>
Total liabilities	<u>76,252,045</u>	<u>10,838,853</u>	<u>3,341,541</u>	<u>90,432,439</u>	<u>5,298,964</u>
<b>NET POSITION</b>					
Net investment in capital assets	134,652,599	12,357,009	27,495,802	174,505,410	1,690,303
Restricted for:					
Debt Service	6,856,106	-	-	6,856,106	-
Capital projects	27,848,335	-	-	27,848,335	-
Unrestricted	25,761,551	9,305,830	3,874,352	38,941,733	7,706,464
Total net position	<u>\$ 195,118,591</u>	<u>\$ 21,662,839</u>	<u>\$ 31,370,154</u>	<u>\$ 248,151,584</u>	<u>\$ 9,396,767</u>

**Reconciliation to government-wide Statement of Net Position:**

Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds	1,483,113
Net position of business-type activities	<u>\$ 249,634,697</u>

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
<b>OPERATING REVENUES</b>					
Water sales	\$ 40,565,531	\$ -	\$ -	\$ 40,565,531	\$ -
Wastewater services	26,663,505	-	-	26,663,505	-
Water and wastewater fees	2,652,051	-	-	2,652,051	-
Wastewater surcharges	870,104	-	-	870,104	-
Solid waste fees	-	12,760,308	-	12,760,308	-
Charges for services	-	-	9,858,502	9,858,502	5,142,655
Intergovernmental revenue	-	-	47,918	47,918	-
Insurance premiums	-	-	-	-	22,712,302
Miscellaneous	1,917,605	103,351	933,907	2,954,863	5,967
Total operating revenue	<u>72,668,796</u>	<u>12,863,659</u>	<u>10,840,327</u>	<u>96,372,782</u>	<u>27,860,924</u>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	8,149,266	2,994,170	2,776,996	13,920,432	1,755,902
Supplies and miscellaneous purchases	933,976	433,816	985,080	2,352,872	2,282,453
Purchased services	9,637,701	5,525,066	2,220,290	17,383,057	1,170,655
Insurance costs	-	-	-	-	23,425,206
Water purchases	14,780,509	-	-	14,780,509	-
Wastewater treatment	14,988,513	-	-	14,988,513	-
General and administrative costs	3,724,499	328,128	259,103	4,311,730	-
Franchise fees	2,691,080	428,359	254,723	3,374,162	-
Miscellaneous	625,527	725,616	149,553	1,500,696	205,818
Depreciation	13,582,255	1,446,741	1,770,446	16,799,442	106,705
Total operating expenses	<u>69,113,326</u>	<u>11,881,896</u>	<u>8,416,191</u>	<u>89,411,413</u>	<u>28,946,739</u>
Operating income	<u>3,555,470</u>	<u>981,763</u>	<u>2,424,136</u>	<u>6,961,369</u>	<u>(1,085,815)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	21,245	-	-	21,245	-
Gain (loss) on property disposition	334,341	(421,474)	6,028	(81,105)	12,447
Interest expense	(1,687,337)	(37,814)	(59,829)	(1,784,980)	-
Total nonoperating revenues (expenses)	<u>(1,331,751)</u>	<u>(459,288)</u>	<u>(53,801)</u>	<u>(1,844,840)</u>	<u>12,447</u>
Income (loss) before contributions and transfers	2,223,719	522,475	2,370,335	5,116,529	(1,073,368)
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions-impact fees	1,978,427	-	-	1,978,427	-
Capital contributions	7,110,529	63,822	3,739,733	10,914,084	-
Contributions to other governments	(1,160)	-	-	(1,160)	-
Transfers in	366,000	3,879	755,660	1,125,539	1,311,396
Transfers out	(1,307,266)	(396,750)	(4,693,168)	(6,397,184)	(1,045,529)
Total contributions and transfers	<u>8,146,530</u>	<u>(329,049)</u>	<u>(197,775)</u>	<u>7,619,706</u>	<u>265,867</u>
Change in net position	10,370,249	193,426	2,172,560	12,736,235	(807,501)
Net position - beginning of year	184,748,342	21,469,413	29,197,594	235,415,349	10,204,268
Net position - end of year	<u>\$ 195,118,591</u>	<u>\$ 21,662,839</u>	<u>\$ 31,370,154</u>	<u>\$ 248,151,584</u>	<u>\$ 9,396,767</u>
<b>Reconciliation to government-wide Statement of Activities:</b>					
Total change in net position				\$ 12,736,235	
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				(104,424)	
Change in net position of business-type activities				<u>\$ 12,631,811</u>	

See accompanying notes to basic financial statements.

**CITY OF GRAND PRAIRIE, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Solid	Other	Total	Activities
	Wastewater	Waste	Nonmajor		Internal Service Funds
<b>Cash flows from operating activities:</b>					
Cash receipts from customers	\$ 70,303,361	\$ 12,605,965	\$ 9,778,643	\$ 92,687,969	\$ -
Cash receipts from city and employee contributions	-	-	-	-	22,712,302
Cash receipts from interfund services provided	-	-	-	-	5,142,655
Cash receipts from other governments	5,400,720	-	36,976	5,437,696	-
Other operating cash receipts	1,917,605	103,351	933,907	2,954,863	5,967
Cash payments to suppliers for goods and services	(39,792,503)	(6,124,628)	(3,474,543)	(49,391,674)	(4,116,877)
Cash payments to employees for services	(7,816,528)	(2,874,832)	(2,578,340)	(13,269,700)	(1,707,860)
Cash payments for interfund services used	(2,691,080)	(725,616)	(254,723)	(3,671,419)	(23,213,742)
Other operating cash payments	(3,724,499)	(428,359)	(259,103)	(4,411,961)	-
Net cash provided by (used in) operating activities	<u>23,597,076</u>	<u>2,555,881</u>	<u>4,182,817</u>	<u>30,335,774</u>	<u>(1,177,555)</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers from other funds	366,000	3,879	755,660	1,125,539	1,311,396
Transfers to other funds	(1,307,266)	(396,750)	(4,693,168)	(6,397,184)	(1,045,529)
Contributions to other governments	(1,160)	-	-	(1,160)	-
Net cash (used in) provided by noncapital financing activities	<u>(942,426)</u>	<u>(392,871)</u>	<u>(3,937,508)</u>	<u>(5,272,805)</u>	<u>265,867</u>
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from Texas Water Development Board	5,741,175	-	-	5,741,175	-
Proceeds from issuance of bonds	19,990,494	-	-	19,990,494	-
Capital impact fees from developers	1,978,427	-	-	1,978,427	-
Proceeds from disposition of capital assets	166,259	113,809	6,028	286,096	12,447
Acquisition and construction of capital assets	(17,984,071)	(916,101)	(244,750)	(19,144,922)	(234,563)
Principal paid on debt	(17,263,697)	(300,281)	(140,000)	(17,703,978)	-
Interest paid on debt	(1,685,864)	(21,317)	(60,660)	(1,767,841)	-
Bond issuance costs	(305,241)	-	-	(305,241)	-
Net cash used in capital and related financing activities	<u>(9,362,518)</u>	<u>(1,123,890)</u>	<u>(439,382)</u>	<u>(10,925,790)</u>	<u>(222,116)</u>
<b>Cash flows from investing activities:</b>					
Proceeds from sales and maturities of investments	24,513,393	200,000	800,000	25,513,393	-
Purchase of investment securities	(38,313,393)	-	-	(38,313,393)	-
Interest received on investments	21,245	-	-	21,245	-
Net cash (used in) provided by investing activities	<u>(13,778,755)</u>	<u>200,000</u>	<u>800,000</u>	<u>(12,778,755)</u>	<u>-</u>
Net (decrease) increase in cash and equivalents	(486,623)	1,239,120	605,927	1,358,424	(1,133,804)
Cash and cash equivalents - beginning of year	16,722,455	3,036,050	178,626	19,937,131	3,188,329
Cash and cash equivalents - end of year	<u>\$ 16,235,832</u>	<u>\$ 4,275,170</u>	<u>\$ 784,553</u>	<u>\$ 21,295,555</u>	<u>\$ 2,054,525</u>
<b>Reconciliation of operating income (loss) from operations to net cash from operating activities:</b>					
Operating income (loss)	\$ 3,555,470	\$ 981,763	\$ 2,424,136	\$ 6,961,369	\$ (1,085,815)
Adjustments to operating income (loss) to net cash from operating activities:					
Depreciation	13,582,255	1,446,741	1,770,446	16,799,442	106,705
Provisions for uncollectible accounts	(219,060)	(51,164)	(14,259)	(284,483)	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(1,084,823)	(103,179)	(64,829)	(1,252,831)	-
(Increase) decrease in intergovernmental receivable	5,400,720	-	-	5,400,720	-
(Increase) decrease in due from other governments	-	-	(10,598)	(10,598)	-
(Increase) decrease in inventories and supplies	(85,330)	-	(29,398)	(114,728)	(23,471)
(Increase) decrease in prepaids	89,921	-	(13,763)	76,158	(99,897)
Increase (decrease) in accounts payable	1,177,427	(315,212)	(65,861)	796,354	(160,549)
Increase (decrease) in retainage payable	3,123	-	-	3,123	-
Increase (decrease) in accrued liabilities	(11,418)	477,594	9,518	475,694	37,430
Increase (decrease) in customer deposits	224,878	-	(771)	224,107	-
Increase (decrease) in unearned revenue	631,175	-	(10,942)	620,233	-
Increase (decrease) in compensated absences	11,009	14,301	(694)	24,616	(3,086)
Increase (decrease) in pension liability	321,729	105,037	189,832	616,598	51,128
Net cash provided by (used in) operating activities	<u>\$ 23,597,076</u>	<u>\$ 2,555,881</u>	<u>\$ 4,182,817</u>	<u>\$ 30,335,774</u>	<u>\$ (1,177,555)</u>



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## **NOTES TO BASIC FINANCIAL STATEMENTS**



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**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, twelve miles west of downtown Dallas, eighteen 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.

**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, 2016, 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, TX 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, 2017, the City implemented the following new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB).

**GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans**

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* is effective for fiscal years beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement applies to all state and governmental entities. The implementation of this statement did not impact the City's financial statements.

**GASB Statement No. 77, Tax Abatement Disclosures**

GASB Statement No. 77, *Tax Abatement Disclosures* is effective for reporting periods beginning after December 15, 2015. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement applies to all state and governmental entities. The impact of this implementation is discussed in Note 2.

**GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans**

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* is effective for reporting periods beginning after December 15, 2015. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement applies to all state and governmental entities. The implementation of this statement did not impact the City's financial statements.

## D. 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.

The Statement of Activities reports the change in the City's net position from October 1, 2016 to September 30, 2017. 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, 2017, 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

**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

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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.

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, 2017, 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.

**E. 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

**CITY OF GRAND PRAIRIE, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

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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.

**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.



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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.

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.

**F. 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 2017, 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.

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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 are recorded at their fair 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.

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 three 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 plan contributions – contributions made from the measurement date of the pension plan to the current fiscal year end (January – September). These contributions are deferred and recognized in the subsequent fiscal year.
- Pension investment experience – the difference between projected and actual earnings of pension plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68.

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 two 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.

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- Pension actuarial experience – the difference between the expected and actual experience in the actuarial measurement of the total pension 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 through the pension plan (active and inactive employees) for the City determined at the beginning of the measurement date.

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 ninety 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 91.

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.

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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 fifty to sixty 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.

**G. 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.

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**2. DETAILED NOTES**

**A. Deposits and Investments**

**Cash and Cash Equivalents**

At September 30, 2017, 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	\$ 5,555,878	\$ 7,621,113	\$ 13,176,991
Pooled investments	98,603,297	3,781,217	102,384,514
Total cash and cash equivalents	<u>\$ 104,159,175</u>	<u>\$ 11,402,330</u>	<u>\$ 115,561,505</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	\$ 13,151,029	\$15,501,846
Petty Cash	25,962	-
Total cash	<u>\$ 13,176,991</u>	<u>\$ 15,501,846</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.’s contractual obligation to the City, the collateral value held at the Federal Reserve Bank in the City’s name at September 30, 2017 was \$9,009,167.

**Grand Prairie Sports Facilities Development**

At September 30, 2017, the carrying amount of the Sports Corporation’s deposits included in cash and cash equivalents was \$404,529 while the bank balance of the Sports Corporation’s deposits was \$408,057. 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, 2016, including restricted cash, totaled \$686,988 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 \$592,734. Restricted cash of \$94,264 (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 temporary investments of \$50,189, reserves of \$128,275, and bonds held by a trustee of \$1,191,424 as a debt service reserve.

**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.

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- 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:

	Fair Value Measurements Using					Weighted Average Maturity (Days)	Credit Risk
	9/30/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)			
<b>Cash</b>	\$ 13,176,990	\$ -	\$ -	\$ -			
<b>Investments Measured at Amortized Cost:</b>							
<b>Investment Pools:</b>							
Texpool	63,616,563	-	-	-	1	AAAm	
<b>Investments Measured at Net Asset Value (NAV):</b>							
<b>Investment Pools:</b>							
TexStar	38,767,952	-	-	-	1	AAAm	
<b>Investments by Fair Value Level:</b>							
<b>U.S. Government Agency Securities:</b>							
FAMCA	14,979,130	-	14,979,130	-	24	Not Rated	
FFCB	49,795,810	-	49,795,810	-	83	AAA	
FHLB	48,890,350	-	48,890,350	-	76	AAA	
FHLMC	46,940,290	-	46,940,290	-	67	AAA	
FNMA	35,810,620	-	35,810,620	-	73	AAA	
<b>Total</b>	<b>\$ 311,977,705</b>	<b>\$ -</b>	<b>\$ 196,416,200</b>	<b>\$ -</b>			

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

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

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(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 policies. 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.

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, 2017.

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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 (a)
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 (b)
8. Public Funds Investment Pool	50

- (a) Total agency investments limited to no more than 100% of the total portfolio.
- (b) 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 2016-2017 fiscal year.

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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:

	Fair Value Measurements Using				Weighted Average Maturity (Days)	Credit Risk
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)	Significant Unobservable Inputs (Level 3)		
<b>Cash</b>	\$ 405,495	\$ -	\$ -	\$ -		
<b>Investments Measured at Amortized Cost:</b>						
<b>Investment Pools:</b>						
Texpool	2,661,542	-	-	-	1	AAAm
<b>Investments by Fair Value Level:</b>						
<b>U.S. Government Agency Securities:</b>						
FAMCA	999,203	-	999,203	-	24	Not Rated
FFCB	1,985,383	-	1,985,383	-	83	AAA
FHLB	1,988,688	-	1,988,688	-	76	AAA
FNMA	1,977,908	-	1,977,908	-	73	AAA
<b>Total</b>	<b>\$ 10,018,219</b>	<b>\$ -</b>	<b>\$ 6,951,182</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, 2017 was \$2,661,542 in the Public Funds Investment Pool (TexPool) and \$6,951,182 in U.S. agency instrumentalities.

**B. Receivables**

At September 30, 2017, receivables, including applicable allowances for uncollectible accounts, consisted of the following:

	General	Grants	Debt Service	Nonmajor Governmental	Total Governmental
<b>Governmental Activities:</b>					
Receivables:					
Property taxes	\$ 2,127,864	\$ -	840,320	\$ -	\$ 2,968,184
Sales taxes	5,286,754	-	-	5,277,271	10,564,025
Franchise fees	2,493,722	-	-	67,190	2,560,912
Other	2,328,735	919,971	3,604	841,662	4,093,972
Total receivables, gross	12,237,075	919,971	843,924	6,186,123	20,187,093
Less:					
Allowance for uncollectibles	(996,739)	-	(350,891)	-	(1,347,630)
Total receivables, net	\$ 11,240,336	\$ 919,971	\$ 493,033	\$ 6,186,123	\$ 18,839,463

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<b>Business-Type Activities:</b>	<u>Water Wastewater</u>	<u>Solid Waste</u>	<u>Other Nonmajor</u>	<u>Total Business-Type</u>
Receivables:				
Trade accounts	\$ 9,856,523	\$ 1,672,553	\$ 787,315	\$ 12,316,391
Less:				
Allowance for uncollectibles	<u>(4,204,453)</u>	<u>(1,040,752)</u>	<u>(206,701)</u>	<u>(5,451,906)</u>
Total receivables, net	<u>\$ 5,652,070</u>	<u>\$ 631,801</u>	<u>\$ 580,614</u>	<u>\$ 6,864,485</u>

**C. Restricted Assets**

At September 30, 2017, restricted assets consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ 963,035	\$ 13,265,343	\$ 14,228,378
Investments	94,443,176	9,871,024	104,314,200
	<u>\$ 95,406,211</u>	<u>\$ 23,136,367</u>	<u>\$ 118,542,578</u>

Assets were restricted for the following purposes:

<u>Purpose</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Customer deposits	\$ 35,000	\$ 4,203,735	\$ 4,238,735
Debt service	9,220,669	7,210,799	16,431,468
Capital projects	46,634,711	11,721,833	58,356,544
Support services	3,920,567	-	3,920,567
Public safety	17,408,237	-	17,408,237
Recreation and leisure	10,316,197	-	10,316,197
Development services	7,476,489	-	7,476,489
Other specific purposes	394,341	-	394,341
Total restricted assets	<u>\$ 95,406,211</u>	<u>\$ 23,136,367</u>	<u>\$ 118,542,578</u>

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**CITY OF GRAND PRAIRIE, TEXAS**  
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**D. Capital Assets**

Capital asset activity for the year ended September 30, 2017 was as follows:

	Balance October 1, 2016	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2017
<b>Governmental Activities:</b>				
Non-depreciable capital assets:				
Land	\$ 45,048,889	\$ 542,963	\$ 11,840	\$ 45,603,692
Construction in progress	74,367,742	74,457,410	(16,292,453)	132,532,699
Total non-depreciable capital assets	119,416,631	75,000,373	(16,280,613)	178,136,391
Depreciable capital assets:				
Buildings	192,423,071	182,867	7,763,654	200,369,592
Equipment	98,265,084	8,715,217	(3,458,112)	103,522,189
Infrastructure	566,370,714	5,305,437	6,142,663	577,818,814
Total depreciable capital assets	857,058,869	14,203,521	10,448,205	881,710,595
Less accumulated depreciation for:				
Buildings	(65,516,987)	(6,239,543)	6,750	(71,749,780)
Equipment	(60,369,152)	(8,304,759)	4,730,837	(63,943,074)
Infrastructure	(285,139,383)	(24,222,279)	415,376	(308,946,286)
Total accumulated depreciation	(411,025,522)	(38,766,581)	5,152,963	(444,639,140)
Total depreciable capital assets, net	446,033,347	(24,563,060)	15,601,168	437,071,455
Total capital assets, net	\$ 565,449,978	\$ 50,437,313	\$ (679,445)	\$ 615,207,846
<b>Business-Type Activities:</b>				
Non-depreciable capital assets:				
Land	\$ 4,471,796	\$ 4,500	\$ -	\$ 4,476,296
Construction in progress	27,727,643	17,135,627	(11,061,773)	33,801,497
Total non-depreciable capital assets	32,199,439	17,140,127	(11,061,773)	38,277,793
Depreciable capital assets:				
Buildings	18,475,259	-	919,106	19,394,365
Equipment	36,666,450	2,611,128	(2,277,020)	37,000,558
Infrastructure	359,644,462	10,585,859	9,474,373	379,704,694
Total depreciable capital assets	414,786,171	13,196,987	8,116,459	436,099,617
Less accumulated depreciation for:				
Buildings	(7,704,138)	(583,126)	-	(8,287,264)
Equipment	(20,603,642)	(2,561,385)	1,527,647	(21,637,380)
Infrastructure	(197,862,705)	(13,654,931)	-	(211,517,636)
Total accumulated depreciation	(226,170,485)	(16,799,442)	1,527,647	(241,442,280)
Total depreciable capital assets, net	188,615,686	(3,602,455)	9,644,106	194,657,337
Total capital assets, net	\$ 220,815,125	\$ 13,537,672	\$ (1,417,667)	\$ 232,935,130

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

<b>Governmental Activities:</b>		<b>Business-type Activities:</b>	
Support services	\$ 3,264,264	Water and wastewater	\$ 13,582,255
Public safety services	6,499,803	Solid Waste	1,446,741
Recreation and leisure services	7,339,855	Other business-type	
Development services	21,555,954	activities	1,770,446
Internal services funds (see note below)	<u>106,705</u>		
Total governmental activities	<u>\$ 38,766,581</u>	Total business-type	<u>\$ 16,799,442</u>

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, 2017, a summary of changes in capital assets of the Sports Corporation was as follows:

	Balance October 1, 2016	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance September 30, 2017
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	<u>(310,078)</u>	-	-	<u>(310,078)</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

At September 30, 2017, a summary of changes in capital assets of the Housing Finance Corporation was as follows:

	Balance January 1, 2016	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance December 31, 2016
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	<u>1,612,851</u>	-	-	<u>1,612,851</u>
Depreciable capital assets:				
Buildings	20,303,717	444,741	(545,288)	20,203,170
Less accumulated depreciation	<u>(8,059,244)</u>	<u>(930,283)</u>	<u>545,288</u>	<u>(8,444,239)</u>
Total depreciable capital assets, net	<u>12,244,473</u>	<u>(485,542)</u>	<u>-</u>	<u>11,758,931</u>
Housing Finance Corporation assets, net	<u>\$ 13,857,324</u>	<u>\$ (485,542)</u>	<u>\$ -</u>	<u>\$ 13,371,782</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, 2017, 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 Fund for \$3,493,636, and between the General Fund and Grants Fund for \$2,000,000. 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, 2017.

**CITY OF GRAND PRAIRIE, TEXAS**  
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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, 2017, cost reimbursements were as follows:

<u>Fund</u>	<u>Amount</u>
Water and Wastewater Funds	\$ 3,724,499
Solid Waste Funds	390,101
Storm Water Funds	86,700
Airport Fund	66,149
Other Nonmajor Governmental Funds	<u>239,848</u>
Total to General Fund	<u>\$ 4,507,297</u>

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, 2017, franchise fees paid to the General Fund were as follows:

<u>Fund</u>	<u>Amount</u>
Water and Wastewater Funds	2,691,080
Solid Waste Funds	428,359
Storm Water Funds	<u>254,723</u>
Total	<u>\$ 3,374,162</u>

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.

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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, 2017, transfers between the City's governmental activities and the City's business-type activities consisted of the following:

	Transfers In					
	General Fund	Section 8 Fund	Streets CIP Fund	Grants Fund	Debt Service Fund	Epic CIP Fund
<u>Transfers out:</u>						
General Fund	\$ -	\$ -	\$ -	572,509	\$ -	\$ -
Section 8 Fund	-	-	-	-	50,000	-
Grants Fund	17,215	-	11,567	-	-	-
Debt Service Fund	-	-	-	-	-	-
Nonmajor Governmental Funds	16,499	-	1,044,975	125,200	-	846,543
Internal Service Funds	16,169	-	-	-	-	-
Water & Wastewater Fund	-	-	-	-	-	-
Solid Waste Fund	-	-	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	48,118	-	-
<b>Total</b>	<b>\$ 49,883</b>	<b>\$ -</b>	<b>\$ 1,056,542</b>	<b>\$ 745,827</b>	<b>\$ 50,000</b>	<b>\$ 846,543</b>

	Transfers In					
	Nonmajor Governmental Funds	Water Wastewater Fund	Solid Waste Fund	Other Nonmajor Enterprise Funds	Internal Service Fund	Total
<u>Transfers out:</u>						
General Fund	\$ 10,326,860	\$ -	3,879	\$ -	257,620	\$ 11,160,868
Section 8 Fund	-	-	-	-	-	50,000
Grants Fund	34,458	-	-	-	-	63,240
Debt Service Fund	-	-	-	200,660	-	200,660
Nonmajor Governmental Funds	7,673,807	366,000	-	555,000	-	10,628,024
Internal Service Funds	17,963	-	-	-	1,011,397	1,045,529
Water & Wastewater Fund	1,276,597	-	-	-	30,669	1,307,266
Solid Waste Fund	385,040	-	-	-	11,710	396,750
Nonmajor Enterprise Funds	4,645,050	-	-	-	-	4,693,168
<b>Total</b>	<b>\$ 24,359,775</b>	<b>\$ 366,000</b>	<b>\$ 3,879</b>	<b>\$ 755,660</b>	<b>\$ 1,311,396</b>	<b>\$ 29,545,505</b>

From Governmental Activities to Business-Type Activities:

- \$365,000 from PID Fund to Water and Wastewater Fund for capital project funding
- \$555,000 from Park Venue Sales Tax Fund to Municipal Golf Fund to cover fiscal operations

From Business-Type Activities to Governmental Activities:

- \$1,126,597 from Water and Wastewater Fund to Street Maintenance Fund for payments in lieu of property taxes
- \$85,040 from Solid Waste Fund to Street Maintenance Fund for payments in lieu of property taxes

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- \$4,957,050 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 acquisitions
- \$100,000 from Solid Waste to IT Acquisition Fund for technology acquisitions
- \$48,000 from Airport Fund to Capital Lending Reserve for repayment of interfund loan
- \$11,710 from Solid Waste Fund to Risk Management Fund to cover 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:

- \$1,044,975 from TIF to Streets CIP for parkway connector (East/West) along I-30
- \$6,196,111 General to Park Venue, along with other sources to cover fiscal operations
- \$396,543 from Epic Sales Tax Fund to Epic CIP for capital project funding
- \$200,000 from Epic Sales Tax to Capital Lending as partial reimbursement for prior year capital project funding
- \$2,711,908 from General to IT & Equipment Acquisition Funds (Annual appropriation)
- \$572,508 from General to Grants to fund matching requirement related to operating grants
- \$257,621 from General to Risk Management to cover fiscal operations
- \$1,400,000 from General to Capital Reserve to fund fleet maintenance equipment
- \$2,574,969 from Park Venue to Park Capital Fund to fund infrastructure and equipment improvements to city wide parks
- \$900,000 from Lake Parks to Lake Parks CIP for improvements to park amenities
- \$4,597,050 from Storm-water to Drainage CIP for capital project funding
- \$2,511,832 from Capital Reserve and Capital Lending to Municipal Facilities CIP to replace and improve aging infrastructure

**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	\$ 1,155,157	\$ 466,518	\$ 1,621,675
Ambulance	801,742	-	801,742
Total	<u>\$ 1,956,899</u>	<u>\$ 466,518</u>	<u>\$ 2,423,417</u>

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

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 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**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, 2017.

	Governmental Activities	Business-Type Activities	Total
Miscellaneous unspent grant funds	\$ 60,690	\$ -	\$ 60,690
Prepaid pipeline lease	1,121,582	157,380	1,278,962
Prepaid arrangements - Cemetery Fund	1,277,711	-	1,277,711
Unspent grant funds - Texas Water Development Board	-	905,606	905,606
Prepaid rental deposits - Parks	156,424	-	156,424
Unspent program revenue - CDBG Program	174,911	-	174,911
Total unearned revenue	<u>\$ 2,791,318</u>	<u>\$ 1,062,986</u>	<u>\$ 3,854,304</u>

**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.

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.

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**CITY OF GRAND PRAIRIE, TEXAS**  
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Below is a summary of the changes in noncurrent liabilities of the City's primary government and component units:

	Balance October 1, 2016	Borrowings or Increase	Payments or Decrease	Balance September 30, 2017	Due Within One Year
<b>Primary Government:</b>					
<b>Governmental activities:</b>					
General obligation bonds	\$ 79,965,000	\$ 33,810,000	\$ (34,645,000)	\$ 79,130,000	\$ 8,920,000
Combination tax and revenue certificates of obligation	95,845,000	33,705,000	(17,480,000)	112,070,000	6,810,000
Tax increment and public district bonds	17,570,000	3,315,000	(6,570,000)	14,315,000	3,160,000
Sales tax revenue bonds - Epic	74,825,000	-	-	74,825,000	-
Sales tax revenue bonds - Crime	28,660,000	-	(3,890,000)	24,770,000	4,240,000
Sales tax revenue bonds - Park Venue	19,165,000	6,730,000	(1,565,000)	24,330,000	1,875,000
Issuance premiums/discounts, net	10,283,952	9,244,207	(1,021,866)	18,506,293	-
<b>Total long-term debt</b>	<b>326,313,952</b>	<b>86,804,207</b>	<b>(65,171,866)</b>	<b>347,946,293</b>	<b>25,005,000</b>
Compensated absences	16,462,244	9,377,394	(8,494,133)	17,345,505	7,788,172
Other post employment benefits	5,767,589	1,388,372	-	7,155,961	-
Pension liability	71,236,569	43,571,444	(42,192,782)	72,615,231	-
Environmental remediation liability	146,430	98,639	(62,360)	182,709	182,709
Other liabilities	2,621,695	-	(1,160,776)	1,460,919	160,776
<b>Total governmental activities</b>	<b>422,548,479</b>	<b>141,240,056</b>	<b>(117,081,917)</b>	<b>446,706,618</b>	<b>33,136,657</b>
<b>Business-type activities:</b>					
Certificates of obligation	1,320,000	-	(140,000)	1,180,000	145,000
Water and wastewater revenue bonds	51,010,000	22,735,000	(17,255,000)	56,490,000	4,810,000
Obligations under capital leases	1,256,303	-	(300,281)	956,022	625,893
Issuance premiums/discounts, net	1,331,968	2,173,426	-	3,505,394	-
<b>Total long-term debt</b>	<b>54,918,271</b>	<b>24,908,426</b>	<b>(17,695,281)</b>	<b>62,131,416</b>	<b>5,580,893</b>
Compensated absences	457,916	721,379	(691,631)	487,664	487,664
Pension liability	8,067,465	4,879,759	(4,814,722)	8,132,502	-
Closure and post closure liability	7,013,533	451,388	-	7,464,921	-
<b>Total business-type activities</b>	<b>70,457,185</b>	<b>30,960,952</b>	<b>(23,201,634)</b>	<b>78,216,503</b>	<b>6,068,557</b>
<b>Total primary government</b>	<b>\$ 493,005,664</b>	<b>\$ 172,201,008</b>	<b>\$ (140,283,551)</b>	<b>\$ 524,923,121</b>	<b>\$ 39,205,214</b>
<b>Component Unit Activities:</b>					
<b>Housing Finance Corporation:</b>					
Notes payable	\$ 3,582,491	\$ 41,760	\$ (53,293)	\$ 3,570,958	\$ 55,602
Line of credit	43,718	-	(43,718)	-	-
Revenue bonds	7,815,000	-	(200,000)	7,615,000	220,000
Subordinate revenue bonds	4,550,000	-	-	4,550,000	-
<b>Total component units</b>	<b>\$ 15,991,209</b>	<b>\$ 41,760</b>	<b>\$ (297,011)</b>	<b>\$ 15,735,958</b>	<b>\$ 275,602</b>

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At September 30, 2017, 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 2007	4.0-4.5	2007	2027	33,098,000	\$ -
Series 2008	4.0-5.5	2009	2029	8,985,000	395,000
Series 2010	2.0-4.25	2010	2030	5,480,000	490,000
Series 2011	2.0-5.3	2011	2031	11,550,000	5,720,000
Series 2011A	2.0-5.0	2011	2025	27,145,000	17,260,000
Series 2012	1.0-2.0	2012	2026	7,740,000	5,950,000
Series 2013	1.5-3.25	2013	2033	10,975,000	4,790,000
Series 2013A	3.0-4.125	2014	2034	2,220,000	1,975,000
Series 2015	1.75-5.0	2016	2027	10,270,000	9,365,000
Series 2016	3.0-5.0	2016	2030	33,810,000	33,185,000
Total general obligation bonds					<u>79,130,000</u>
Combination tax and revenue certificates of obligation					
Series 2007	4.0-4.50	2007	2027	6,610,000	-
Series 2008A	4.0-5.50	2009	2029	13,185,000	525,000
Series 2010	2.0-4.25	2010	2030	590,000	50,000
Series 2011	2.0-5.3	2011	2031	6,305,000	4,895,000
Series 2011A	2.0-4.0	2011	2031	7,430,000	5,840,000
Series 2013	2.0-3.25	2013	2033	8,830,000	7,475,000
Series 2013A	2.0-4.125	2014	2034	11,945,000	10,660,000
Series 2014	3.0-5.0	2015	2034	26,125,000	22,725,000
Series 2015	2.0-5.0	2016	2035	27,380,000	26,195,000
Series 2016	2.0-4.0	2016	2036	33,705,000	33,705,000
Total Combination tax and revenue certificates of obligation					<u>112,070,000</u>
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	3 month LIBOR +.31%	2000	2022	17,900,000	7,150,000
Series 2007 PID 15	4.0-4.50	2007	2017	1,235,000	-
Series 2008A TIRZ 1	4.0-5.50	2008	2021	10,550,000	970,000
Series 2008A PID 1	4.0-5.50	2008	2019	1,500,000	175,000
Series 2011 TIRZ 1	2.0-5.3	2011	2020	655,000	235,000
Series 2013 TIRZ 1	2.0-3.25	2013	2020	2,820,000	1,270,000
Series 2015 TIRZ 1	1.750-5.0	2016	2027	895,000	660,000
Series 2015 PID 5	2.0-5.0	2016	2035	640,000	580,000
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	180,000
Total tax increment and public improvement district debt					<u>14,315,000</u>
Sales tax revenue debt					
Series 2007A Crime Control	12mo LIBOR*62.075+.75	2007	2017	5,000,000	-
Series 2008 Crime Control	6mo LIBOR*62.075+1.07	2008	2022	54,800,000	24,770,000
Total Crime Control					<u>24,770,000</u>
Series 2009 Park Venue subordinate	3.77	2009	2027	13,390,000	9,715,000
Series 2013 Park Venue	2.0-4.0	2013	2027	11,060,000	7,885,000
Series 2016 Park Venue	2.0-4.0	2016	2036	6,730,000	6,730,000
Total Park Venue					<u>24,330,000</u>
Sales tax revenue debt					
Series 2015 EPIC	3.721-5.032	2015	2040	74,825,000	74,825,000
Total EPIC					<u>74,825,000</u>
Total general obligation debt					329,440,000
Unamortized bond premiums/discounts					<u>18,506,293</u>
<b>Total long-term debt - governmental activities</b>					<b><u>\$ 347,946,293</u></b>

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At September 30, 2017, changes in long-term debt for the City's governmental activities were as follows:

	Balance October 1, 2016	Borrowings or Increase	Payments or Decrease	Balance September 30, 2017	Due Within One Year
General obligation bonds:					
Series 2007	\$ 18,350,000	\$ -	\$ (18,350,000)	\$ -	\$ -
Series 2008	6,785,000	-	(6,390,000)	395,000	395,000
Series 2010	4,185,000	-	(3,695,000)	490,000	240,000
Series 2011	6,380,000	-	(660,000)	5,720,000	680,000
Series 2011A	19,195,000	-	(1,935,000)	17,260,000	2,740,000
Series 2012	6,535,000	-	(585,000)	5,950,000	595,000
Series 2013	6,385,000	-	(1,595,000)	4,790,000	560,000
Series 2013A	2,060,000	-	(85,000)	1,975,000	85,000
Series 2015	10,090,000	-	(725,000)	9,365,000	745,000
Series 2016	-	33,810,000	(625,000)	33,185,000	2,880,000
Total general obligation bonds	<u>79,965,000</u>	<u>33,810,000</u>	<u>(34,645,000)</u>	<u>79,130,000</u>	<u>8,920,000</u>
Combination tax and revenue certificates of obligation					
Series 2007	4,270,000	-	(4,270,000)	-	-
Series 2008A	9,020,000	-	(8,495,000)	525,000	525,000
Series 2010	455,000	-	(405,000)	50,000	25,000
Series 2011	5,145,000	-	(250,000)	4,895,000	255,000
Series 2011A	6,170,000	-	(330,000)	5,840,000	340,000
Series 2013	7,845,000	-	(370,000)	7,475,000	375,000
Series 2013A	11,095,000	-	(435,000)	10,660,000	445,000
Series 2014	24,465,000	-	(1,740,000)	22,725,000	1,835,000
Series 2015	27,380,000	-	(1,185,000)	26,195,000	1,210,000
Series 2016	-	33,705,000	-	33,705,000	1,800,000
Total Combination tax and	<u>95,845,000</u>	<u>33,705,000</u>	<u>(17,480,000)</u>	<u>112,070,000</u>	<u>6,810,000</u>
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	8,305,000	-	(1,155,000)	7,150,000	1,240,000
Series 2007 PID 15	145,000	-	(145,000)	-	-
Series 2008A TIRZ 1	5,100,000	-	(4,130,000)	970,000	970,000
Series 2008A PID 1	520,000	-	(345,000)	175,000	175,000
Series 2011 TIRZ 1	310,000	-	(75,000)	235,000	75,000
Series 2013 TIRZ 1	1,675,000	-	(405,000)	1,270,000	415,000
Series 2015 TIRZ 1	875,000	-	(215,000)	660,000	220,000
Series 2015 PID 5	640,000	-	(60,000)	580,000	65,000
Series 2016 - TIRZ 1	-	3,135,000	(40,000)	3,095,000	-
Series 2016 - PID	-	180,000	-	180,000	-
Total tax increment and public	<u>17,570,000</u>	<u>3,315,000</u>	<u>(6,570,000)</u>	<u>14,315,000</u>	<u>3,160,000</u>
Sales tax revenue debt:					
Crime Control					
Series 2007A	800,000	-	(800,000)	-	-
Series 2008	27,860,000	-	(3,090,000)	24,770,000	4,240,000
Total Crime Control	<u>28,660,000</u>	<u>-</u>	<u>(3,890,000)</u>	<u>24,770,000</u>	<u>4,240,000</u>
Park Venue					
Series 2009 subordinate	10,630,000	-	(915,000)	9,715,000	955,000
Series 2013	8,535,000	-	(650,000)	7,885,000	660,000
Series 2016 Park Venue	-	6,730,000	-	6,730,000	260,000
Total Park Venue	<u>19,165,000</u>	<u>6,730,000</u>	<u>(1,565,000)</u>	<u>24,330,000</u>	<u>1,875,000</u>
EPIC					
Series 2015 EPIC	74,825,000	-	-	74,825,000	-
Total EPIC	<u>74,825,000</u>	<u>-</u>	<u>-</u>	<u>74,825,000</u>	<u>-</u>
Total change in long term debt	316,030,000	77,560,000	(64,150,000)	329,440,000	25,005,000
Unamortized bond premiums/discounts	10,283,952	9,244,207	(1,021,866)	18,506,293	-
<b>Total change in long-term debt - governmental activities</b>	<u>\$ 326,313,952</u>	<u>\$ 86,804,207</u>	<u>\$ (65,171,866)</u>	<u>\$ 347,946,293</u>	<u>\$ 25,005,000</u>

**CITY OF GRAND PRAIRIE, TEXAS**  
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On November 1, 2016, the City issued \$33,705,000 in Combination Tax and Revenue Certificates, Series 2016. The proceeds were used to fund public safety, library, street, and other City structure improvements.

On November 1, 2016, the City issued \$6,730,000 in taxable Sales Tax Revenue Bonds, Series 2016. The proceeds will be used to improve and add to the City’s parks and recreation system.

On November 1, 2016, the City issued \$37,125,000 in General Obligation Refunding Bonds, Series 2016. \$15,555,000 was used to advance refund the outstanding Series 2007 General Obligation bonds, leaving no remaining outstanding principal as of September 30, 2017. \$6,010,000 was used to advance refund Series 2008 General Obligation bonds, leaving an outstanding principal amount of \$395,000 as of year-end. \$3,460,000 was used to advance refund the outstanding Series 2010 General Obligation bonds, leaving an outstanding principal amount of \$490,000. \$3,960,000 was used to advance refund the outstanding Series 2007 Certificates of Obligation, leaving no outstanding principal as of year-end. \$380,000 was used to advance refund the Series 2010 Certificates of Obligation, leaving an outstanding principal balance of \$50,000 as of year-end. \$11,385,000 was used to advance refund the Series 2008A Certificates of Obligation, leaving an outstanding principal balance of \$1,670,000 as of year-end. The net proceeds of \$42,671,228 (after payment of issuance costs) were used to pay the outstanding balance on the refunded bonds. As a result, the fully refunded bonds are considered defeased, and the liability for those bonds has been removed from the government-wide statements. The refunding resulted in a decrease in the City’s debt service payments of \$5,351,177, which resulted in an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of \$4,759,516.

Outstanding Bond Debt Defeasement

At September 30, 2017, certain outstanding debt of the city was considered to be defeased. The following table details such outstanding defeased debt:

<u>Type of Obligation</u>	<u>Defeased Debt Outstanding</u>
Certificates of Obligation	\$ 1,515,000
General Obligation Refunding Bonds	3,060,000
Total debt defeasement	<u>\$ 4,575,000</u>

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**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

At September 30, 2017, 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
2018	\$ 8,920,000	\$ 2,985,742	\$ 11,905,742	\$ 6,810,000	\$ 4,170,258	\$ 10,980,258
2019	9,390,000	2,667,395	12,057,395	6,490,000	3,953,249	10,443,249
2020	8,595,000	2,329,201	10,924,201	6,705,000	3,717,536	10,422,536
2021	8,445,000	1,984,073	10,429,073	6,945,000	3,464,461	10,409,461
2022	8,140,000	1,664,626	9,804,626	6,585,000	3,192,461	9,777,461
2023	6,905,000	1,383,801	8,288,801	6,860,000	2,914,493	9,774,493
2024	6,545,000	1,123,383	7,668,383	7,125,000	2,655,161	9,780,161
2025	5,595,000	875,726	6,470,726	5,550,000	2,420,814	7,970,814
2026	5,250,000	638,414	5,888,414	5,375,000	2,215,928	7,590,928
2027	4,735,000	405,508	5,140,508	5,565,000	2,014,493	7,579,493
2028	2,315,000	234,408	2,549,408	5,785,000	1,796,850	7,581,850
2029	2,205,000	126,660	2,331,660	6,005,000	1,569,678	7,574,678
2030	770,000	61,303	831,303	6,250,000	1,324,571	7,574,571
2031	405,000	40,956	445,956	6,510,000	1,074,649	7,584,649
2032	375,000	26,856	401,856	5,705,000	851,973	6,556,973
2033	385,000	13,306	398,306	5,935,000	628,109	6,563,109
2034	155,000	3,197	158,197	5,590,000	387,759	5,977,759
2035	-	-	-	4,015,000	180,050	4,195,050
2036	-	-	-	2,265,000	45,300	2,310,300
	<u>\$ 79,130,000</u>	<u>\$ 16,564,555</u>	<u>\$ 95,694,555</u>	<u>\$ 112,070,000</u>	<u>\$ 38,577,793</u>	<u>\$ 150,647,793</u>

Fiscal Year	Tax and Tax Increment Bonds (TIFs)			Sales Tax Revenue Bonds-Crime Control		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 3,160,000	\$ 1,218,943	\$ 4,378,943	\$ 4,240,000	\$ 799,013	\$ 5,039,013
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>\$ 14,315,000</u>	<u>\$ 3,411,211</u>	<u>\$ 17,726,211</u>	<u>\$ 24,770,000</u>	<u>\$ 2,540,567</u>	<u>\$ 27,310,567</u>

Continued on next page.

**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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Fiscal Year	Sales Tax Revenue Bonds-Park Venue			Sales Tax Revenue Bonds-EPIC		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 1,875,000	\$ 817,441	\$ 2,692,441	\$ -	3,395,262	\$ 3,395,262
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>\$ 24,330,000</u>	<u>\$ 5,850,636</u>	<u>\$ 30,180,636</u>	<u>\$ 74,825,000</u>	<u>\$ 48,711,658</u>	<u>\$ 123,536,658</u>

Fiscal Year	Total		
	Principal	Interest	Total
2018	\$ 25,005,000	\$ 13,386,659	\$ 38,391,659
2019	27,845,000	12,360,125	40,205,125
2020	27,830,000	11,224,321	39,054,321
2021	27,950,000	10,026,084	37,976,084
2022	26,175,000	8,835,650	35,010,650
2023	18,505,000	7,792,855	26,297,855
2024	18,595,000	7,089,110	25,684,110
2025	16,265,000	6,410,736	22,675,736
2026	15,860,000	5,770,986	21,630,986
2027	14,365,000	5,160,058	19,525,058
2028	11,480,000	4,623,615	16,103,615
2029	11,735,000	4,146,841	15,881,841
2030	10,695,000	3,685,255	14,380,255
2031	10,760,000	3,246,757	14,006,757
2032	10,105,000	2,825,152	12,930,152
2033	10,545,000	2,393,961	12,938,961
2034	10,170,000	1,942,059	12,112,059
2035	8,645,000	1,521,963	10,166,963
2036	7,125,000	1,160,553	8,285,553
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>\$ 329,440,000</u>	<u>\$ 115,656,420</u>	<u>\$ 445,096,420</u>

**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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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, 2017, long-term debt for the City's business-type activities consisted of the following:

	<b>Interest Rate %</b>	<b>Year of Issue</b>	<b>Year of Maturity</b>	<b>Original Amount</b>	<b>Amount Outstanding</b>
Water Wastewater:					
Revenue bonds					
Series 2007	4.0-4.50	2007	2027	15,845,000	\$ -
Series 2008	3.5-5.50	2009	2029	4,940,000	215,000
Series 2010	0.0-2.587	2010	2030	4,995,000	3,575,000
Series 2011	2.0-4.25	2011	2031	8,940,000	3,620,000
Series 2011A	2.0-5.0	2011	2031	11,020,000	7,370,000
Series 2013	2.0-4.0	2013	2026	14,045,000	11,250,000
Series 2013A	0.0-0.31	2013	2019	1,805,000	605,000
Series 2014	0.0-1.990	2014	2030	4,000,000	3,280,000
Series 2015	2.25-4.0	2015	2027	4,155,000	3,840,000
Series 2016	2.0-5.0	2016	2036	17,625,000	17,625,000
Series 2017	0.0-0.8	2017	2030	5,110,000	5,110,000
Total bonds payable - water wastewater					56,490,000
Unamortized bond premiums/discounts					3,505,394
Total long-term debt - water wastewater					59,995,394
Municipal Airport:					
Certificates of obligation bonds					
Series 2004A	2.25-5.0	2004	2024	2,120,000	1,180,000
Solid Waste					
Obligations under capital lease					
D8T tractor	2.99	2016	2018	772,839	543,361
Landfill compactor	2.99	2016	2018	1,034,539	412,661
Total obligations under capital lease					956,022
<b>Total long-term debt - business-type activities</b>					<b>\$ 62,131,416</b>

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**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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At September 30, 2017, changes in long-term debt for the City's business-type activities were as follows:

	Balance October 1, 2016	Borrowings or Increase	Payments or Decrease	Balance September 30, 2017	Due Within One Year
Water and wastewater:					
Revenue bonds					
Series 2007	10,195,000	-	(10,195,000)	-	-
Series 2008	3,715,000	-	(3,500,000)	215,000	215,000
Series 2010	3,795,000	-	(220,000)	3,575,000	230,000
Series 2011	4,415,000	-	(795,000)	3,620,000	815,000
Series 2011A	8,055,000	-	(685,000)	7,370,000	715,000
Series 2013	12,255,000	-	(1,005,000)	11,250,000	1,100,000
Series 2013A	905,000	-	(300,000)	605,000	300,000
Series 2014	3,520,000	-	(240,000)	3,280,000	240,000
Series 2015	4,155,000	-	(315,000)	3,840,000	245,000
Series 2016	-	17,625,000	-	17,625,000	560,000
Series 2017	-	5,110,000	-	5,110,000	390,000
Total revenue bonds	51,010,000	22,735,000	(17,255,000)	56,490,000	4,810,000
Bond premiums/discouts	1,331,968	2,173,426	-	3,505,394	-
Total water and wastewater	52,341,968	24,908,426	(17,255,000)	59,995,394	4,810,000
Municipal airport:					
Certificate of obligation					
Series 2004A	1,320,000	-	(140,000)	1,180,000	145,000
Total municipal airport	1,320,000	-	(140,000)	1,180,000	145,000
Solid waste:					
Obligations under capital lease					
D8T tractor	543,361	-	-	543,361	213,232
Landfill compactor	712,942	-	(300,281)	412,661	412,661
Total general obligation bonds	1,256,303	-	(300,281)	956,022	625,893
Total solid waste	1,256,303	-	(300,281)	956,022	625,893
<b>Total change in long-term debt - business-type activities</b>	<b>\$ 54,918,271</b>	<b>\$ 24,908,426</b>	<b>\$(17,695,281)</b>	<b>\$ 62,131,416</b>	<b>\$ 5,580,893</b>

On November 1, 2016, the City issued \$17,625,000 in Water and Wastewater System Revenue Refunding Bonds, Series 2016. \$9,450,000 was used to advance refund the outstanding Series 2007 Water and Wastewater Revenue bonds, and \$3,295,000 was used to advance refund the outstanding Series 2008 Water and Wastewater Revenue bonds leaving an outstanding principal balance of \$215,000 at year-end. The net proceeds of \$19,884,436 (after payment of issuance costs) were used to pay the outstanding balance on the refunded bonds. As a result, the refunded bonds are considered defeased, and the liability for those bonds has been removed from the government-wide statements. There is no remaining outstanding principal at September 30, 2017 related to the refunded bonds. The refunding resulted in a decrease in the City's debt service payments of \$1,839,662, which resulted in an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of \$1,703,781.



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**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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At September 30, 2017, 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
2018	\$ 4,810,000	\$ 1,638,936	\$ 6,448,936
2019	4,940,000	1,510,318	6,450,318
2020	5,025,000	1,374,897	6,399,897
2021	5,165,000	1,231,057	6,396,057
2022	5,315,000	1,086,577	6,401,577
2023	5,285,000	937,854	6,222,854
2024	5,330,000	773,247	6,103,247
2025	4,785,000	605,974	5,390,974
2026	3,785,000	456,309	4,241,309
2027	3,535,000	328,769	3,863,769
2028	1,935,000	243,904	2,178,904
2029	1,995,000	188,934	2,183,934
2030	1,650,000	139,002	1,789,002
2031	675,000	103,900	778,900
2032	415,000	82,100	497,100
2033	435,000	65,100	500,100
2034	450,000	47,400	497,400
2035	470,000	29,000	499,000
2036	490,000	9,800	499,800
Total	<u>\$ 56,490,000</u>	<u>\$ 10,853,078</u>	<u>\$ 67,343,078</u>

At September 30, 2017, 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
2018	\$ 145,000	\$ 53,891	\$ 198,891
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
Total	<u>\$ 1,180,000</u>	<u>\$ 215,035</u>	<u>\$ 1,395,035</u>

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

**CITY OF GRAND PRAIRIE, TEXAS**  
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with the total capitalized cost of \$1,807,378 and an amortized values of approximately \$1,566,395 at September 30, 2017. Amortization expense has been include in depreciation expense for the year ended September 30, 2017.

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, 2017.

<u>Year Ending</u> <u>September 30</u>	
2018	\$ 654,477
2019	<u>340,000</u>
	994,477
Less amount representing interest	<u>38,455</u>
	<u><u>\$ 956,022</u></u>

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.

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**CITY OF GRAND PRAIRIE, TEXAS**  
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At September 30, 2017, compliance with these covenants can be demonstrated as follows:

System revenue (1)	\$ 74,668,468
Operating expenses:	
Water purchased	14,780,509
Sewage disposal contract	14,988,513
Other operating expenses	<u>25,762,049</u>
Total expenses (2)	<u>55,531,071</u>
Net revenue (available for debt service)	<u>\$ 19,137,397</u>
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2017	\$ 3,544,373
Coverage of average annual requirements based on September 30, 2017 revenue available for debt service	5.40

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

(2) Excludes depreciation expense.

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.

Willow Tree Apartments has a \$145,000 line of credit which was obtained to allow Willow Tree to renovate the parking lot of the apartments. At December 31, 2016, the line had no balance. The line of credit accrues interest at 2.55% and was due September 4, 2016. The line of credit is secured by a certificate of deposit of Grand Prairie Housing Finance Corporation. The note was paid off in fiscal year 2017.

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**CITY OF GRAND PRAIRIE, TEXAS**  
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A summary of long-term debt activity during the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 2,282,238	\$ -	\$ (53,293)	\$ 2,228,945	\$ 55,602
Line of Credit	43,718	-	(43,718)	-	-
Revenue bonds	7,815,000	-	(200,000)	7,615,000	220,000
Subordinate bonds	4,550,000	-	-	4,550,000	-
Developer loan	1,300,253	41,760	-	1,342,013	-
Total	<u>\$ 15,991,209</u>	<u>\$ 41,760</u>	<u>\$ (297,011)</u>	<u>\$ 15,735,958</u>	<u>\$ 275,602</u>

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
2017	\$ 55,601	\$ 93,655	\$ 220,000	\$ 584,619
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	208,981
2022-2026	374,809	371,474	1,855,000	2,158,181
2027-2031	463,377	282,906	2,715,000	1,298,513
2032-2036	572,874	173,409	1,775,000	210,025
2037-2040	514,715	42,697	-	-
Total	<u>\$ 2,228,945</u>	<u>\$ 1,313,600</u>	<u>\$ 7,615,000</u>	<u>\$ 6,107,623</u>

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

Conduit Debt – Mortgage Revenue Bonds

The HFC issues Single Family and Multi-Family Mortgage Revenue Bonds. The proceeds of the bonds are placed in trust to be used for the origination of qualifying single- or multi-family mortgages or to refund, at any time, bonds previously issued by HFC. The bonds are to be paid only from the funds placed in trust, and these funds can be used only for purposes specified in the bond indenture. HFC is liable to the bondholders only to the extent of the related revenues and assets pledged under the indenture. Therefore, these transactions are accounted for as conduit debt, and the principal amount of the bonds outstanding and assets held by the trustee are not reflected on the face of the financial statements.

**CITY OF GRAND PRAIRIE, TEXAS**  
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At December 31, 2016, outstanding conduit debt was as follows:

<u>Bond Series</u>	<u>Original Issue Amount</u>	<u>Outstanding Amount</u>
2004B Single-Family Mortgage Revenue & Refunding Bonds	\$ 7,500,000	\$ 706,729

**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.

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:

<u>Year</u>	<u>Amount</u>
2018	\$ 1,756,920
2019	1,756,920
2020	1,756,920
2021	1,756,920
2022	1,888,689
Thereafter	<u>8,922,222</u>
	17,838,591
Less interest	<u>5,478,123</u>
Net present value	12,360,468
Less current portion	<u>809,704</u>
Non-current portion	<u>\$ 11,550,764</u>

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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:

<u>Cumulative Net Retainages</u>	<u>Percentage</u>
\$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, 2017 was \$3,840,903. Additional contingent rentals are recorded as revenue when received.

The capital lease is being amortized using the interest method over the thirty-year life of the lease. The Corporation has recorded lease rental and interest for the year ended September 30, 2017 as follows:

Nominal interest on the lease	\$ 1,719,390
Amortization of the lease	(711,494)
Net interest	<u>1,007,896</u>
Contingent rentals received (includes rent for simulcast facility prior to completion of project)	<u>217,842</u>
Total lease rental and interest	<u><u>\$ 1,225,738</u></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 \$7,464,921 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 45.98% of the estimated capacity of the landfill.

The City will recognize the remaining estimated cost of closure and post closure care of \$8,872,014 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.

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**Environmental Remediation Obligations**

The City has recorded a liability and an asset related to environmental remediation in the amount of \$182,709, 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 buildings and is responsible for the asbestos abatement located at 318-321 W Main 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 Charley Taylor Recreation Center located at 601 E. Grand Prairie and is responsible for the asbestos abatement.

Environmental remediation liability activity in fiscal year 2017 was as follows:

Property Description	Beginning			Ending	
	Balance 9/30/2016	Additions	Reductions	Balance 9/30/2017	Current Portion
Transportation Center - 1821 W Freeway	\$ 44,595	\$ 3,548	\$ 40,745	\$ 7,398	\$ 7,398
Copeland Home Asbestos Abatement	81,270	-	-	81,270	81,270
318-321 W Main	20,565	-	20,565	-	-
Historic Museum- 1516 W Main Street	-	19,836	1,050	18,786	18,786
Parks Field Office	-	12,415	-	12,415	12,415
Charley Taylor Recreation Center	-	62,840	-	62,840	62,840
<b>Total</b>	<b>\$ 146,430</b>	<b>\$ 98,639</b>	<b>\$ 62,360</b>	<b>\$ 182,709</b>	<b>\$182,709</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, 2017, the liability equaled \$1,460,919.

**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.

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

<u>Coverage</u>	<u>Per Occurrence</u>	<u>Aggregate</u>
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.

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, 2017 actuarial report, as of September 30, 2017, was \$1,987,805.

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, 2017 were \$1,874,014.

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At September 30, 2017, 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
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.tMrs.com](http://www.tMrs.com).

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

Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven 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.

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Employees Covered by Benefit Terms

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	705
Inactive employees entitled to but not yet receiving benefits	464
Active employees	<u>1,283</u>
Total	<u><u>2,452</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 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017, were \$14,209,636, and were equal to the required contributions.

Net Pension Liability

The city's Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2016 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 3-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.

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Actuarial assumptions used in the December 31, 2016, 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 2017 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%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	7.75%
Total	100.0%	

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.

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Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
Balance at 12/31/2015	\$ 496,727,014	\$ 417,422,980	\$ 79,304,034
Changes for the year:			
Service cost	14,199,234	-	14,199,234
Interest	33,350,744	-	33,350,744
Change of benefit terms	-	-	-
Difference between expected and actual experience	565,461	-	565,461
Changes in assumptions	-	-	-
Contributions - employer	-	12,990,875	(12,990,875)
Contributions - employee	-	5,806,017	(5,806,017)
Net investment income	-	28,210,612	(28,210,612)
Benefit payments*	(19,483,058)	(19,483,058)	-
Administrative expense	-	(318,599)	318,599
Other changes	-	(17,165)	17,165
Net changes	28,632,381	27,188,682	1,443,699
Balance at 12/31/2016	\$ 525,359,395	\$ 444,611,662	\$ 80,747,733

\* 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 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$156,383,538	\$80,747,733	\$18,729,527

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2017, the city recognized pension expense of \$20,657,496.

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At September 30, 2017, 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]	\$ 157,067	\$ -
Difference in assumptions	361,758	
Difference in projected and actual earnings on pension plan investments [actuarial (gains) or losses]	19,257,685	-
Employer's contributions to the pension plan subsequent to the measurement date	<u>10,439,242</u>	<u>-</u>
	<u>\$ 30,215,752</u>	<u>\$ -</u>

\$10,439,243 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, 2017. 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>
2017	\$ 6,753,823
2018	6,753,823
2019	6,097,234
2020	124,941
2021	46,689
Total	<u>\$ 19,776,510</u>

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

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.

Supplemental Death Benefits Fund	Plan Year 2016	Plan Year 2017
Active employees	Yes	Yes
Retirees	Yes	Yes

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

The City's contributions to the TMRS SDBF for the years ended 2017, 2016, and 2015, were \$151,333, \$143,803, and, \$128,816, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates:  
 RETIREE-only portion of the rate

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2014	0.03%	0.03%	100%
2015	0.03%	0.03%	100%
2016	0.03%	0.03%	100%

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.

Benefits

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.

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Spouse Coverage

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.

Child / Dependent Coverage

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.

Opt-outs / Payment-in-lieu / Reimbursements

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

Types of Coverage Offered

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

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Retiree 2017 Monthly Health Care Premiums (Employee Pays Portion)

	<u>Monthly Health Care Premium</u>
<b>Gold (Under Age 65)</b>	
Employee Only	\$ 211
Employee plus Spouse	539
Employee plus Child(ren)	386
Family	895
<b>Silver (Under Age 65)</b>	
Employee Only	153
Employee plus Spouse	292
Employee plus Child(ren)	297
Family	464
<b>Bronze (Under Age 65)</b>	
Employee Only	148
Employee plus Spouse	399
Employee plus Child(ren)	368
Family	486
	<u>Premium</u>
<b>Over 65 Retiree (Grandfathered by Age)</b>	
Employee Only	\$ 88
Employee plus Spouse	126

Funding Policy and Annual OPEB Cost

The City's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2007 as required by GASB.

For the year ended September 30, 2017, the City's annual OPEB cost was as follows:

Annual required contribution	\$3,872,460
Interest on OPEB obligation	259,544
Adjustment to ARC	<u>(235,248)</u>
Annual OPEB cost (expense) end of year	3,896,756
Net estimated employer contributions	<u>2,508,384</u>
Increase/(decrease) in net OPEB obligation	1,388,372
Net OPEB obligation as of beginning of the year	<u>5,767,589</u>
Net OPEB obligation (asset) as of end of the year	<u><u>\$7,155,961</u></u>



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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for 2017 and the two preceding years were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$3,047,338	91.2%	\$ 4,960,922
2016	\$3,430,377	76.5%	\$ 5,767,589
2017	\$3,896,756	64.4%	\$ 7,155,961

Funding Status and Funding Progress

The funded status of the City's retiree health care plan, under GASB Statement No. 45, as of September 30, 2017 was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
12/31/2016	-	\$ 51,569,128	\$ 51,569,128	0%	\$80,467,358	64.1%

At September 30, 2017, under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$51,569,128.

Actuarial Methods and Assumptions

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

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

Significant methods and assumptions were as follows:

Actuarial Methods and Assumptions

Inflation rate	3.0% per annum
Investment rate of return	4.5%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year amortization, closed
Salary Growth	4.0% per annum
Healthcare cost trend rate	Initial rate of 9.0% declining to an ultimate rate of 4.5% after 9 years

**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

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

Fiscal Year Ended	Employer Annual Required Contribution	Employer Amount Contributed	Interest on NOO (9) x 4.5%	ARC Adjustment (9) / (6)	Amortization Factor	OPEB cost (2)+(4)-(5)	Change in NOO (7) - (3)	NOO Balance NOO + (8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
09/30/08	\$ 1,477,994	\$ 990,121	\$ -	\$ -	23.9854	\$ 1,477,994	\$ 487,873	\$ 487,873
09/30/09	\$ 1,522,334	\$ 1,467,368	\$ 21,954	\$ 20,340	23.9854	\$ 1,523,948	\$ 56,580	\$ 544,453
09/30/10	\$ 2,128,596	\$ 860,144	\$ 24,500	\$ 22,699	23.9854	\$ 2,130,397	\$ 1,270,253	\$ 1,814,706
09/30/11	\$ 2,114,805	\$ 1,113,112	\$ 81,662	\$ 74,018	24.5200	\$ 2,122,449	\$ 1,009,337	\$ 2,824,044
09/30/12	\$ 2,294,853	\$ 1,421,514	\$ 127,082	\$ 115,187	24.5200	\$ 2,306,748	\$ 885,234	\$ 3,709,278
09/30/13	\$ 2,418,429	\$ 1,442,328	\$ 166,918	\$ 151,293	24.5200	\$ 2,434,054	\$ 991,726	\$ 4,701,004
09/30/14	\$ 2,628,469	\$ 2,657,400	\$ 211,545	\$ 191,743	24.5200	\$ 2,648,271	\$ (9,129)	\$ 4,691,875
09/30/15	\$ 3,027,575	\$ 2,778,291	\$ 211,134	\$ 191,371	24.5200	\$ 3,047,338	\$ 269,047	\$ 4,960,922
09/30/16	\$ 3,409,481	\$ 2,623,710	\$ 223,241	\$ 202,345	24.5200	\$ 3,430,377	\$ 806,667	\$ 5,767,589
09/30/17	\$ 3,872,460	\$ 2,508,384	\$ 259,544	\$ 235,248	24.5200	\$ 3,896,756	\$ 1,388,372	\$ 7,155,961

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**CITY OF GRAND PRAIRIE, TEXAS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017**

**L. Fund Balance**

At September 30, 2017, fund balances were classified as follows:

	General	Section 8	Streets CIP	Grants	Debt Service	Epic CIP	Nonmajor Governmental Funds	Total
<b>FUND BALANCES:</b>								
Nonspendable:								
Inventory and prepaids	\$ 12,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,492	\$ 41,359
Spendable:								
Restricted for:								
Employee Welfare	68,095	-	-	-	-	-	-	68,095
Library Memorials	40,902	-	-	-	-	-	-	40,902
At Risk Youths	35,391	-	-	-	-	-	-	35,391
Greg Hunter Scholarships	62,260	-	-	-	-	-	-	62,260
Prairie Paws Adoptions	187,264	-	-	-	-	-	-	187,264
Section 8	-	1,784,683	-	-	-	-	-	1,784,683
Street Improvements	-	-	10,869,607	-	-	-	-	10,869,607
Debt Service	-	-	-	-	8,754,196	-	-	8,754,196
Epic	-	-	-	-	-	4,500,000	4,006,041	8,506,041
Park Venue	-	-	-	-	-	-	3,631,600	3,631,600
Streets	20,889	-	-	-	-	-	2,693,374	2,714,263
Crime	-	-	-	-	-	-	14,605,010	14,605,010
Hotel Motel	-	-	-	-	-	-	632,728	632,728
Police seizure	-	-	-	-	-	-	289,999	289,999
Municipal Court	-	-	-	-	-	-	428,477	428,477
Red Light Safety	-	-	-	-	-	-	1,752,008	1,752,008
Lake Parks	-	-	-	-	-	-	2,045,828	2,045,828
Public Improvement Districts	-	-	-	-	-	-	2,998,432	2,998,432
Tax Increment Financing	-	-	-	-	-	-	3,920,567	3,920,567
Other special revenue	429	-	-	-	-	-	332,743	333,172
Park Venue Capital Projects	-	-	-	-	-	-	9,286,840	9,286,840
Fire Capital Projects	-	-	-	-	-	-	1,126,665	1,126,665
Municipal Facilities Capital Projects	-	-	-	-	-	-	19,711,940	19,711,940
Other Capital Projects	-	-	-	-	-	-	1,118,770	1,118,770
Total Restricted	415,230	1,784,683	10,869,607	-	8,754,196	4,500,000	68,581,022	94,904,738
Committed to:								
Street Improvements	-	-	21,233,079	-	-	-	-	21,233,079
Epic CIP	-	-	-	-	-	15,929,207	-	15,929,207
Park Venue	-	-	-	-	-	-	2,420,972	2,420,972
Cable Operations	-	-	-	-	-	-	584,734	584,734
Cemetery Operations	-	-	-	-	-	-	1,975,459	1,975,459
Verizon Theatre	-	-	-	-	-	-	2,468,485	2,468,485
Drainage Capital Projects	-	-	-	-	-	-	12,670,373	12,670,373
Police Capital Projects	-	-	-	-	-	-	856,821	856,821
Other Capital Projects	-	-	-	-	-	-	2,876,731	2,876,731
Capital Lending/Reserve	-	-	-	-	-	-	13,713,743	13,713,743
Total Committed	-	-	21,233,079	-	-	15,929,207	37,567,318	74,729,604
Assigned to:								
Home Match Cash	163,220	-	-	-	-	-	-	163,220
KGPB Commissions	18	-	-	-	-	-	-	18
Section 8 Relief	173,611	-	-	-	-	-	-	173,611
Police Memorials	6,984	-	-	-	-	-	-	6,984
Fire- State Supplemental Funds	2,353,651	-	-	-	-	-	-	2,353,651
Parks Education Foundation	5,663	-	-	-	-	-	-	5,663
Uptown Trust	13,098	-	-	-	-	-	-	13,098
First Offender Program	18,593	-	-	-	-	-	-	18,593
Kirby Creek Accessibility Garden	26,022	-	-	-	-	-	-	26,022
Take a Load Off Facility	112,725	-	-	-	-	-	-	112,725
US Marshals Service Agreement	47,268	-	-	-	-	-	-	47,268
GPPD Boxing Program	17,498	-	-	-	-	-	-	17,498
GPPD Explorer Program	3,670	-	-	-	-	-	-	3,670
GPPD Mounted Patrol	1,930	-	-	-	-	-	-	1,930
Total Assigned	2,943,951	-	-	-	-	-	-	2,943,951
Unassigned								
	27,974,657	-	-	(947,692)	-	-	-	27,026,965
<b>Total fund balances:</b>	<b>\$ 31,346,705</b>	<b>\$ 1,784,683</b>	<b>\$ 32,102,686</b>	<b>\$ (947,692)</b>	<b>\$ 8,754,196</b>	<b>\$ 20,429,207</b>	<b>\$ 106,176,832</b>	<b>\$ 199,646,617</b>

**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 thirty-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 thirty-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 twenty-year term, allows the City to purchase up to 2.5 MGD maximum flow unless otherwise agreed to in writing. As of September 30, 2016, no water has been purchased through this contract.

**CITY OF GRAND PRAIRIE, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

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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 2017. 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.

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, 2016, the City paid \$72,942 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, 2017. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$48,169,915. 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, 2017**

**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, 2017, the Municipal Airport Fund had outstanding revenue-backed certificates of obligations. Segment information for this Fund is as follows:

	<u>Municipal Airport</u>
<u>Condensed statement of net position:</u>	
Current assets	\$ 1,765,708
Capital assets	15,907,788
Deferred outflows of resources	110,478
Total assets and deferred outflows of resources	<u>17,783,974</u>
Current liabilities	443,296
Long-term liabilities	1,330,241
Deferred inflows of resources	-
Total liabilities and deferred inflows of resources	<u>1,773,537</u>
Net position: Net investment in capital assets	14,727,788
Net position: Unrestricted	1,282,649
Total net position	<u>\$ 16,010,437</u>
<u>Condensed statement of revenues, expenses and changes in net position:</u>	
Sales to customers	\$ 928,726
Intergovernmental revenue	47,918
Miscellaneous	933,907
Total operating revenues	<u>1,910,551</u>
Depreciation	843,600
Other operating expenses	1,669,219
Total operating expenses	<u>2,512,819</u>
Interest expense	<u>(59,829)</u>
Total nonoperating revenues (expenses)	<u>(59,829)</u>
Loss before transfers	(662,097)
Capital contributions	-
Transfers in	200,660
Transfers out	<u>(48,000)</u>
Change in net position	(509,437)
Net position at the beginning of the year	<u>16,519,874</u>
Net position at the end of the year	<u>\$ 16,010,437</u>
<u>Condensed statement of cash flows:</u>	
Net cash provided (used) by:	
Operating activities	\$ 198,935
Noncapital financing activities	152,660
Capital and related financing activities	(369,152)
Investing activities	300,000
Beginning cash and cash equivalent balances	18,240
Ending cash and cash equivalent balances	<u>\$ 300,683</u>

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

For fiscal year ended September 2017, the City implemented GASB 77 for full disclosure of tax abatement agreements. 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 2016 certified roll (used for 2017 fiscal year) The City's abatement agreements with ten companies resulted in \$ 52,308,384 in appraised values, totaling \$350,465 in taxes abated on the 2016 certified tax roll (used for the 2017 fiscal year).

**P. Subsequent Events**

On October 15, 2017, the City Council issued:

- \$36,515,000 in Combination Tax and Revenue Certificates, Series 2017. The proceeds will be used to fund City capital improvements.
- \$2,755,000 in Water and Wastewater Revenue Bonds, Series 2017. The proceeds are to be used to construct and improve the Water Wastewater System.

The City has evaluated all other events or transactions that occurred after September 30, 2017 up through March 15, 2018, the date the financial statements were available to be issued.



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## **REQUIRED SUPPLEMENTARY INFORMATION**



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**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Property tax	\$ 57,074,820	\$ 57,074,820	\$ 56,275,511	\$ (799,309)
Sales tax	27,559,765	27,559,765	29,804,519	2,244,754
Other taxes	275,825	275,825	282,574	6,749
Franchise fees	14,105,840	14,105,840	13,805,938	(299,902)
Charges for goods and services	5,556,970	5,556,970	5,676,907	119,937
Licenses and permits	3,039,345	3,039,345	3,080,890	41,545
Fines and forfeitures	7,445,865	7,445,865	7,633,756	187,891
Intergovernmental revenue	1,368,680	1,368,680	2,602,078	1,233,398
General and administrative	4,507,310	4,507,310	4,507,297	(13)
Rents and royalties	65,255	65,255	175,014	109,759
Investment income	1,200,220	1,200,220	2,065,665	865,445
Contributions	1,200	1,200	131,666	130,466
Other	419,560	419,560	678,507	258,947
Total revenues	<u>122,620,655</u>	<u>122,620,655</u>	<u>126,720,322</u>	<u>4,099,667</u>
<b>EXPENDITURES</b>				
Support services	23,649,124	22,080,408	20,899,884	1,180,524
Public safety services	75,704,207	77,495,265	78,678,246	(1,182,981)
Recreation and leisure services	2,140,357	2,456,704	2,591,734	(135,030)
Development and other services	13,152,351	13,068,211	12,682,125	386,086
Capital outlay	1,336,675	1,190,799	1,305,324	(114,525)
Debt service:				
Interest expense	-	3,925	3,925	-
Total expenditures	<u>115,982,714</u>	<u>116,295,312</u>	<u>116,161,238</u>	<u>134,074</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,637,941</u>	<u>6,325,343</u>	<u>10,559,084</u>	<u>4,233,741</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	16,358	49,883	33,525
Transfers out	(11,391,431)	(11,403,797)	(11,160,868)	242,929
Proceeds from sale of capital assets	575,000	575,000	886,711	311,711
Total other financing sources (uses)	<u>(10,816,431)</u>	<u>(10,812,439)</u>	<u>(10,224,274)</u>	<u>588,165</u>
Net change in fund balances	(4,178,490)	(4,487,096)	334,810	4,821,906
Fund balance - beginning of year	<u>31,011,895</u>	<u>31,011,895</u>	<u>31,011,895</u>	<u>-</u>
Fund balances - end of year	<u>\$ 26,833,405</u>	<u>\$ 26,524,799</u>	<u>\$ 31,346,705</u>	<u>\$ 4,821,906</u>

**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	
<b>REVENUES</b>				
Charges for goods and service	\$2,236,379	\$4,054,186	\$4,054,186	\$ -
Licenses and permits	212,152	227,060	227,060	-
Intergovernmental revenue	2,236,848	26,654,580	26,654,580	-
Investment income	-	-	-	-
Other	80,750	56,578	56,578	-
Total revenues	<u>4,766,129</u>	<u>30,992,404</u>	<u>30,992,404</u>	<u>-</u>
<b>EXPENDITURES</b>				
Development services and other	4,600,337	30,642,214	30,642,214	-
Capital outlay	-	186,990	186,990	-
Total expenditures	<u>4,600,337</u>	<u>30,829,204</u>	<u>30,829,204</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>165,792</u>	<u>163,200</u>	<u>163,200</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(50,000)	(50,000)	(50,000)	-
Proceeds from sale of capital assets	-	557	557	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>(49,443)</u>	<u>(49,443)</u>	<u>-</u>
Net change in fund balances	115,792	113,757	113,757	-
Fund balance - beginning of year	<u>1,670,926</u>	<u>1,670,926</u>	<u>1,670,926</u>	<u>-</u>
Fund balances - end of year	<u>\$1,786,718</u>	<u>\$1,784,683</u>	<u>\$1,784,683</u>	<u>\$ -</u>

**CITY OF GRAND PRAIRIE, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS  
FUNDING PROGRESS  
LAST NINE FISCAL YEARS**

City Fiscal Year	Actuarial Valuation Date	(a)	(b)	(c)	(d)	(e)	UAAL as a % of Covered Payroll (c) / (e)
		Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (b) - (a)	Funded Percent (a) / (b)	Annual Covered Payroll	
2009	12/31/2008	-	\$15,782,172	\$15,782,172	0%	\$60,558,122	26.06%
2010	12/31/2009	-	25,220,971	25,220,971	0%	61,083,237	41.29%
2011	12/31/2010	-	28,244,542	28,244,542	0%	61,281,663	46.09%
2012	12/31/2011	-	29,395,343	29,395,343	0%	62,017,533	47.40%
2013	12/31/2012	-	32,048,413	32,048,413	0%	63,065,199	50.82%
2014	12/31/2013	-	33,019,361	33,019,361	0%	67,055,488	49.24%
2015	12/31/2014	-	44,797,238	44,797,238	0%	70,039,140	63.96%
2016	12/31/2015	-	45,917,131	45,917,131	0%	75,113,792	61.13%
2017	12/31/2016	-	51,569,128	51,569,128	0%	80,467,358	64.09%

Note: Information prior to fiscal year 2009 not available.

**CITY OF GRAND PRAIRIE, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS – TEXAS MUNICIPAL RETIREMENT SYSTEM  
LAST FOUR YEARS**

	2014	2015	2016	2017
Actuarially Determined Contribution	\$ 12,564,308	\$ 12,624,823	\$ 12,870,593	\$ 14,209,636
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>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 71,874,373	\$ 75,773,968	\$ 79,933,264	\$ 83,111,899
Contributions as a percentage of covered employee payroll	17.48%	16.66%	16.10%	17.10%

**NOTES TO 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	29 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 Adopted buy-back provision.

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

**CITY OF GRAND PRAIRIE, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –  
TEXAS MUNICIPAL RETIREMENT SYSTEM  
LAST THREE FISCAL YEARS**

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016
Total pension liability			
Service Cost	\$ 11,158,122	\$ 13,141,028	\$ 14,199,234
Interest (on the Total Pension Liability)	31,213,003	32,633,468	33,350,744
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(2,414,327)	1,187,598	565,461
Changes of assumptions	-	596,665	-
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)
Net change in total pension liability	19,552,310	26,651,484	28,632,381
Total pension liability - beginning	450,523,220	470,075,530	496,727,014
Total pension liability - ending (a)	<u>\$ 470,075,530</u>	<u>\$ 496,727,014</u>	<u>\$ 525,359,395</u>
Plan fiduciary net position			
Contributions - employer	\$ 12,810,193	\$ 13,141,016	\$ 12,990,875
Contributions - employee	5,156,977	5,596,768	5,806,017
Net investment income	22,838,073	618,807	28,210,612
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)
Administrative Expense	(238,441)	(376,914)	(318,599)
Other	(19,604)	(18,616)	(17,165)
Net change in plan fiduciary net position	20,142,710	(1,946,214)	27,188,682
Plan fiduciary net position - beginning	399,226,484	419,369,194	417,422,980
Plan fiduciary net position - ending (b)	<u>\$ 419,369,194</u>	<u>\$ 417,422,980</u>	<u>\$ 444,611,662</u>
Net pension liability (a) - (b)	<u>\$ 50,706,336</u>	<u>\$ 79,304,034</u>	<u>\$ 80,747,733</u>
Plan fiduciary net position as a percentage of the total pension liability (b) / (a)	89.21%	84.03%	84.63%
Covered employee payroll	\$ 73,471,045	\$ 79,933,264	\$ 82,939,452
Net pension liability as a percentage of covered employee payroll	69.02%	99.21%	97.36%

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 seven years.

**CITY OF GRAND PRAIRIE, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**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 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**



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**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Property tax	\$ 23,599,543	23,599,543	23,315,573	\$ (283,970)
Investment income	300	300	-	(300)
Total revenues	<u>23,599,843</u>	<u>23,599,843</u>	<u>23,315,573</u>	<u>(284,270)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	18,170,000	18,170,000	18,655,000	(485,000)
Interest	9,145,944	9,145,944	7,875,021	1,270,923
Total expenditures	<u>27,315,944</u>	<u>27,315,944</u>	<u>26,530,021</u>	<u>785,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,716,101)</u>	<u>(3,716,101)</u>	<u>(3,214,448)</u>	<u>501,653</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Transfers out	-	-	(200,660)	(200,660)
Premium on debt issued	-	-	5,365,992	5,365,992
Refunding bonds issued	-	-	33,810,000	33,810,000
Payments for refunded debt	-	-	(38,860,989)	(38,860,989)
Total other financing sources	<u>50,000</u>	<u>50,000</u>	<u>164,343</u>	<u>114,343</u>
Net change in fund balances	(3,666,101)	(3,666,101)	(3,050,105)	615,996
Fund balances - beginning of year	<u>11,804,301</u>	<u>11,804,301</u>	<u>11,804,301</u>	<u>-</u>
Fund balances - end of the year	<u>\$ 8,138,200</u>	<u>8,138,200</u>	<u>\$ 8,754,196</u>	<u>\$ 615,996</u>

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NONMAJOR GOVERNMENTAL FUNDS**

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**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
- ◆ 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

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NONMAJOR GOVERNMENTAL FUNDS**

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- ◆ 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 that have not been presented as part of Required Supplementary Information. Each comparison schedule shows the original budget amounts, the final adopted amounts, and the actual financial results as presented in the financial statements. In addition, the variance between the final adopted budget amounts and the actual amounts is presented.

**Capital Projects Funds**

Capital Projects Funds are used to account for capital improvements which are financed by general obligation bond issues, certificate obligation bond issues, and other revenue sources restricted or committed specifically for capital projects.

- ◆ 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, 2017**

	<u>Special Revenue</u>				
	<u>Park Venue Sales Tax</u>	<u>Streets Sales Tax</u>	<u>Crime Sales Tax</u>	<u>Epic Center Sales Tax Fund</u>	<u>Hotel Motel Tax</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,849,754	\$ 371,686	\$ 3,805,349	\$ 3,025,731	\$ 450,707
Investments	2,638,165	1,000,000	9,700,000	-	300,000
Sales tax receivable	1,321,688	1,321,688	1,312,207	1,321,688	-
Franchise fees receivable	-	-	-	-	-
Other receivables	17,156	-	-	-	164,746
Due from other funds	-	-	-	-	-
Inventory	15,899	-	-	-	-
<b>Total assets</b>	<u>6,842,662</u>	<u>2,693,374</u>	<u>14,817,556</u>	<u>4,347,419</u>	<u>915,453</u>
<b>LIABILITIES</b>					
Accounts payable	335,330	-	68,029	334,104	263,908
Retainage payable	-	-	-	-	-
Accrued liabilities	247,437	-	144,517	7,274	18,817
Customer deposits	35,000	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	156,424	-	-	-	-
<b>Total liabilities</b>	<u>774,191</u>	<u>-</u>	<u>212,546</u>	<u>341,378</u>	<u>282,725</u>
<b>FUND BALANCES</b>					
Nonspendable	15,899	-	-	-	-
Restricted	3,631,600	2,693,374	14,605,010	4,006,041	632,728
Committed	2,420,972	-	-	-	-
<b>Total fund balances</b>	<u>6,068,471</u>	<u>2,693,374</u>	<u>14,605,010</u>	<u>4,006,041</u>	<u>632,728</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 6,842,662</u>	<u>\$ 2,693,374</u>	<u>\$ 14,817,556</u>	<u>\$ 4,347,419</u>	<u>\$ 915,453</u>

**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>
\$ 442,260	\$ 343,564	\$ 105,871	\$ 1,970,095	\$ 804,864	\$ 2,312,581	\$ 3,196,947	\$ 3,920,567
-	100,000	420,803	400,000	1,410,523	700,000	-	-
-	-	-	-	-	-	-	-
-	-	67,190	-	-	-	-	-
-	-	-	241,780	-	282,502	17,778	-
-	-	-	-	-	-	-	-
-	-	-	-	12,593	-	-	-
<u>442,260</u>	<u>443,564</u>	<u>593,864</u>	<u>2,611,875</u>	<u>2,227,980</u>	<u>3,295,083</u>	<u>3,214,725</u>	<u>3,920,567</u>
14,209	8,128	5,816	122,713	104,186	29,876	215,659	-
-	-	-	-	-	-	-	-
138,052	6,959	3,314	737,154	65,373	12,037	634	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,277,711	-	-
<u>152,261</u>	<u>15,087</u>	<u>9,130</u>	<u>859,867</u>	<u>169,559</u>	<u>1,319,624</u>	<u>216,293</u>	<u>-</u>
-	-	-	-	12,593	-	-	-
289,999	428,477	-	1,752,008	2,045,828	-	2,998,432	3,920,567
-	-	584,734	-	-	1,975,459	-	-
<u>289,999</u>	<u>428,477</u>	<u>584,734</u>	<u>1,752,008</u>	<u>2,058,421</u>	<u>1,975,459</u>	<u>2,998,432</u>	<u>3,920,567</u>
<u>\$ 442,260</u>	<u>\$ 443,564</u>	<u>\$ 593,864</u>	<u>\$ 2,611,875</u>	<u>\$ 2,227,980</u>	<u>\$ 3,295,083</u>	<u>\$ 3,214,725</u>	<u>\$ 3,920,567</u>

*Continued*

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING BALANCE SHEETS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017**

	<b>Special Revenue</b>					
	<b>Verizon Theatre</b>	<b>Commercial Vehicle Enforcement</b>	<b>Juvenile Case Manager</b>	<b>Truancy Prevention Diversion</b>	<b>Judicial Efficiency</b>	<b>Park Venue CIP</b>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 163,485	\$ 37,084	\$ 138,099	\$ 108,689	\$ 62,353	\$ 8,481,422
Investments	2,305,000	-	-	-	-	1,500,000
Sales tax receivable	-	-	-	-	-	-
Franchise fees receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
<b>Total assets</b>	<b>2,468,485</b>	<b>37,084</b>	<b>138,099</b>	<b>108,689</b>	<b>62,353</b>	<b>9,981,422</b>
<b>LIABILITIES</b>						
Accounts payable	-	-	5,749	75	2,500	603,629
Retainage payable	-	-	-	-	-	-
Accrued liabilities	-	-	5,158	-	-	-
Customer deposits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	90,953
Unearned revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>10,907</b>	<b>75</b>	<b>2,500</b>	<b>694,582</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	37,084	127,192	108,614	59,853	9,286,840
Committed	2,468,485	-	-	-	-	-
<b>Total fund balances</b>	<b>2,468,485</b>	<b>37,084</b>	<b>127,192</b>	<b>108,614</b>	<b>59,853</b>	<b>9,286,840</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,468,485</b>	<b>\$ 37,084</b>	<b>\$ 138,099</b>	<b>\$ 108,689</b>	<b>\$ 62,353</b>	<b>\$ 9,981,422</b>



**Capital Projects**

<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>
\$ 346,821	\$ 651,756	\$ 2,848,572	\$ 1,068,271	\$4,145,205	\$ 5,749,752	\$ 47,401,485
1,000,000	19,756,181	10,000,000	-	-	4,900,000	56,130,672
-	-	-	-	-	-	5,277,271
-	-	-	-	-	-	67,190
-	-	-	-	-	117,700	841,662
-	-	-	-	-	3,493,636	3,493,636
-	-	-	-	-	-	28,492
<u>1,346,821</u>	<u>20,407,937</u>	<u>12,848,572</u>	<u>1,068,271</u>	<u>4,145,205</u>	<u>14,261,088</u>	<u>113,240,408</u>
220,156	621,665	160,366	211,450	149,704	151,418	3,628,670
-	74,332	17,833	-	-	-	92,165
-	-	-	-	-	11,719	1,398,445
-	-	-	-	-	-	35,000
-	-	-	-	-	-	90,953
-	-	-	-	-	384,208	1,818,343
<u>220,156</u>	<u>695,997</u>	<u>178,199</u>	<u>211,450</u>	<u>149,704</u>	<u>547,345</u>	<u>7,063,576</u>
-	-	-	-	-	-	28,492
1,126,665	19,711,940	-	-	1,118,770	-	68,581,022
-	-	12,670,373	856,821	2,876,731	13,713,743	37,567,318
<u>1,126,665</u>	<u>19,711,940</u>	<u>12,670,373</u>	<u>856,821</u>	<u>3,995,501</u>	<u>13,713,743</u>	<u>106,176,832</u>
<u>\$ 1,346,821</u>	<u>\$20,407,937</u>	<u>\$12,848,572</u>	<u>\$ 1,068,271</u>	<u>\$4,145,205</u>	<u>\$14,261,088</u>	<u>\$ 113,240,408</u>

*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, 2017**

	<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	7,667,736	7,667,736	7,617,321	7,667,736	-
Other taxes	-	-	-	-	1,733,343
Charges for goods and services	2,973,174	102,173	-	-	3,305
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	100,609	-	-
Rents and royalties	699,336	-	-	-	-
Investment income	-	-	-	-	-
Contributions	233,245	-	-	-	-
Other	38,736	-	-	-	1,825
Total revenues	<u>11,612,227</u>	<u>7,769,909</u>	<u>7,717,930</u>	<u>7,667,736</u>	<u>1,738,473</u>
<b>EXPENDITURES</b>					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	-	3,725,941	-	-
Recreation and leisure services	13,086,305	-	-	958,712	1,767,773
Development services and other	-	10,238,823	-	-	-
Capital outlay	313,977	716,238	518,345	-	8,557
Debt service:					
Principal retirement	1,565,000	-	-	-	-
Interest charges	806,082	-	-	3,396,012	-
Total expenditures	<u>15,771,364</u>	<u>10,955,061</u>	<u>4,244,286</u>	<u>4,354,724</u>	<u>1,776,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,159,137)</u>	<u>(3,185,152)</u>	<u>3,473,644</u>	<u>3,313,012</u>	<u>(37,857)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	6,347,894	1,411,637	-	-	-
Transfers out	(3,445,163)	-	(55,839)	(596,543)	(91,500)
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Refunding bond issued	-	-	-	-	-
Payments to bond escrow agents	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>2,902,731</u>	<u>1,411,637</u>	<u>(55,839)</u>	<u>(596,543)</u>	<u>(91,500)</u>
Net change in fund balances	(1,256,406)	(1,773,515)	3,417,805	2,716,469	(129,357)
Fund balances - beginning of year	<u>7,324,877</u>	<u>4,466,889</u>	<u>11,187,205</u>	<u>1,289,572</u>	<u>762,085</u>
Fund balances - end of year	<u>\$ 6,068,471</u>	<u>\$ 2,693,374</u>	<u>\$ 14,605,010</u>	<u>\$ 4,006,041</u>	<u>\$ 632,728</u>

**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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,709,619
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,403,559	998,611	3,572,399	-
-	-	-	-	174,910	-	-	-
-	316,772	-	3,042,765	-	-	-	-
145,114	-	-	-	-	-	-	-
-	-	-	-	1,435,349	-	-	-
4,218	-	-	-	-	-	-	-
-	-	-	-	48,500	-	24,660	-
-	-	280,391	-	47,627	745	8,512	-
149,332	316,772	280,391	3,042,765	5,109,945	999,356	3,605,571	5,709,619
-	-	232,593	-	-	-	-	1,570,668
169,767	261,589	-	2,332,489	-	-	-	-
-	-	-	-	4,215,469	688,911	-	-
-	-	-	-	-	-	2,525,151	-
31,739	-	46,340	-	308,809	78,431	356,290	-
-	-	-	-	-	-	370,000	1,655,000
-	-	-	-	-	-	43,272	245,544
201,506	261,589	278,933	2,332,489	4,524,278	767,342	3,294,713	3,471,212
(52,174)	55,183	1,458	710,276	585,667	232,014	310,858	2,238,407
-	-	-	-	9,000	-	185,898	-
-	-	-	-	(900,000)	-	(16,000)	(1,394,975)
-	-	-	-	-	-	180,000	-
-	-	-	-	-	-	28,568	497,557
-	-	-	-	-	-	-	3,135,000
-	-	-	-	-	-	(206,891)	(3,603,348)
-	-	-	-	6,128	-	-	-
-	-	-	-	(884,872)	-	171,575	(1,365,766)
(52,174)	55,183	1,458	710,276	(299,205)	232,014	482,433	872,641
342,173	373,294	583,276	1,041,732	2,357,626	1,743,445	2,515,999	3,047,926
\$ 289,999	\$ 428,477	\$ 584,734	\$ 1,752,008	\$ 2,058,421	\$ 1,975,459	\$ 2,998,432	\$ 3,920,567

*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, 2017**

	Special Revenue					
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency	Park Venue CIP
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-
Charges for goods and services	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Fines and forfeitures	-	82,232	226,030	43,375	19,209	-
Intergovernmental	-	-	-	-	-	-
Rents and royalties	1,297,708	-	-	-	-	-
Investment income	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>1,297,708</u>	<u>82,232</u>	<u>226,030</u>	<u>43,375</u>	<u>19,209</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current operations:						
Support services	-	-	-	-	-	-
Public safety services	-	44,466	309,006	19,986	15,716	-
Recreation and leisure services	-	-	-	-	-	655,500
Development services and other	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,234,561
Debt service:						
Principal retirement	1,155,000	-	-	-	-	-
Interest charges	103,167	-	-	-	-	103,743
Total expenditures	<u>1,258,167</u>	<u>44,466</u>	<u>309,006</u>	<u>19,986</u>	<u>15,716</u>	<u>1,993,804</u>
Excess (deficiency) of revenues over (under) expenditures	<u>39,541</u>	<u>37,766</u>	<u>(82,976)</u>	<u>23,389</u>	<u>3,493</u>	<u>(1,993,804)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	2,724,969
Transfers out	-	(20,305)	-	-	-	(540,953)
Bonds issued	-	-	-	-	-	6,730,000
Premium on bonds issued	-	-	-	-	-	404,934
Refunding bond issued	-	-	-	-	-	-
Payments to bond escrow agents	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(20,305)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,318,950</u>
Net change in fund balances	39,541	17,461	(82,976)	23,389	3,493	7,325,146
Fund balances - beginning of year	<u>2,428,944</u>	<u>19,623</u>	<u>210,168</u>	<u>85,225</u>	<u>56,360</u>	<u>1,961,694</u>
Fund balances - end of year	<u>\$ 2,468,485</u>	<u>\$ 37,084</u>	<u>\$ 127,192</u>	<u>\$ 108,614</u>	<u>\$ 59,853</u>	<u>\$ 9,286,840</u>

**Capital Projects**

<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,709,619
-	-	-	-	-	-	30,620,529
-	-	-	-	-	-	1,733,343
-	-	-	-	-	-	11,053,221
4,591	-	-	-	-	124,013	303,514
-	-	-	-	-	-	3,730,383
-	-	-	-	-	-	245,723
-	-	-	-	-	345,595	3,777,988
-	-	-	-	-	-	4,218
-	1,948,413	-	-	-	-	2,254,818
-	-	-	-	-	-	377,836
<u>4,591</u>	<u>1,948,413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>469,608</u>	<u>59,811,192</u>
-	-	-	-	-	-	1,803,261
139,037	-	-	405,843	-	-	7,423,840
-	-	-	-	535,252	-	21,907,922
-	1,962,471	477,561	-	490,937	1,431,236	17,126,179
<u>2,270,425</u>	<u>3,377,322</u>	<u>3,286,337</u>	<u>259,207</u>	<u>3,116,719</u>	<u>1,229,907</u>	<u>17,153,204</u>
-	-	-	-	-	-	4,745,000
<u>16,567</u>	<u>88,402</u>	<u>-</u>	<u>2,785</u>	<u>13,697</u>	<u>-</u>	<u>4,819,271</u>
<u>2,426,029</u>	<u>5,428,195</u>	<u>3,763,898</u>	<u>667,835</u>	<u>4,156,605</u>	<u>2,661,143</u>	<u>74,978,677</u>
<u>(2,421,438)</u>	<u>(3,479,782)</u>	<u>(3,763,898)</u>	<u>(667,835)</u>	<u>(4,156,605)</u>	<u>(2,191,535)</u>	<u>(15,167,485)</u>
-	2,511,832	4,597,050	4,349	4,128,193	2,438,953	24,359,775
-	(16,358)	(32,500)	-	(728,724)	(2,789,164)	(10,628,024)
2,128,826	11,359,225	-	357,803	1,760,036	-	22,515,890
186,144	993,248	-	31,286	153,897	-	2,295,634
-	-	-	-	-	-	3,135,000
-	-	-	-	-	-	(3,810,239)
-	-	-	-	-	-	6,128
<u>2,314,970</u>	<u>14,847,947</u>	<u>4,564,550</u>	<u>393,438</u>	<u>5,313,402</u>	<u>(350,211)</u>	<u>37,874,164</u>
(106,468)	11,368,165	800,652	(274,397)	1,156,797	(2,541,746)	22,706,679
<u>1,233,133</u>	<u>8,343,775</u>	<u>11,869,721</u>	<u>1,131,218</u>	<u>2,838,704</u>	<u>16,255,489</u>	<u>83,470,153</u>
<u>\$ 1,126,665</u>	<u>\$ 19,711,940</u>	<u>\$ 12,670,373</u>	<u>\$ 856,821</u>	<u>\$ 3,995,501</u>	<u>\$ 13,713,743</u>	<u>\$ 106,176,832</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, 2017**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Sales tax	\$ 7,172,168	\$ 7,682,319	\$ 7,667,736	\$ (14,583)
Charges for goods and services	2,843,750	2,933,560	2,973,174	39,614
Rents and royalties	757,300	744,475	699,336	(45,139)
Contributions	47,000	80,553	233,245	152,692
Other	-	(100)	38,736	38,836
Total revenues	10,820,218	11,440,807	11,612,227	171,420
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	12,861,253	13,232,512	13,086,305	146,207
Capital outlay	179,000	341,991	313,977	28,014
Debt service:				
Principal retirement	1,565,000	1,565,000	1,565,000	-
Interest charges	920,053	805,582	806,082	(500)
Total expenditures	15,525,306	15,945,085	15,771,364	173,721
Excess (deficiency) of revenues over (under) expenditures	(4,705,088)	(4,504,278)	(4,159,137)	345,141
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	6,420,382	6,514,296	6,347,894	(166,402)
Transfers out	(2,470,194)	(3,345,163)	(3,445,163)	(100,000)
Total other financing sources (uses)	3,950,188	3,169,133	2,902,731	(266,402)
Net change in fund balances	(754,900)	(1,335,145)	(1,256,406)	78,739
Fund balances - beginning of year	7,324,877	7,324,877	7,324,877	-
Fund balances - end of year	\$ 6,569,977	\$ 5,989,732	\$ 6,068,471	\$ 78,739

**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, 2017**

	<b>Budget</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>GAAP Basis</b>	<b>Final Budget- Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Sales tax	\$ 7,139,653	\$ 7,172,168	\$ 7,667,736	\$ 495,568
Charges for goods and services	-	-	102,173	102,173
Total revenues	<u>7,139,653</u>	<u>7,172,168</u>	<u>7,769,909</u>	<u>597,741</u>
<b>EXPENDITURES</b>				
Current operations:				
Development services and other	-	-	10,238,823	(10,238,823)
Capital outlay	-	-	716,238	(716,238)
Total expenditures	<u>-</u>	<u>-</u>	<u>10,955,061</u>	<u>(10,955,061)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,139,653</u>	<u>7,172,168</u>	<u>(3,185,152)</u>	<u>(10,357,320)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>1,411,637</u>	<u>1,411,637</u>	<u>1,411,637</u>	<u>-</u>
Total other financing sources (uses)	<u>1,411,637</u>	<u>1,411,637</u>	<u>1,411,637</u>	<u>-</u>
Net change in fund balances	8,551,290	8,583,805	(1,773,515)	(10,357,320)
Fund balances - beginning of year	<u>4,466,889</u>	<u>4,466,889</u>	<u>4,466,889</u>	<u>-</u>
Fund balances - end of year	<u>\$ 13,018,179</u>	<u>\$ 13,050,694</u>	<u>\$ 2,693,374</u>	<u>\$ (10,357,320)</u>

**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget-</u>
			<u>Basis</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>REVENUES</b>				
Sales tax	\$ 7,172,168	\$ 7,172,168	\$ 7,617,321	\$ 445,153
Intergovernmental Revenue	301,348	301,348	100,609	(200,739)
Total revenues	<u>7,473,516</u>	<u>7,473,516</u>	<u>7,717,930</u>	<u>244,414</u>
<b>EXPENDITURES</b>				
Current operations:				
Public safety services	3,862,288	3,949,505	3,725,941	223,564
Capital outlay	555,786	555,786	518,345	37,441
Total expenditures	<u>4,418,074</u>	<u>4,505,291</u>	<u>4,244,286</u>	<u>261,005</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,055,442</u>	<u>2,968,225</u>	<u>3,473,644</u>	<u>505,419</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(58,839)	(55,839)	3,000
Total other financing sources (uses)	<u>-</u>	<u>(58,839)</u>	<u>(55,839)</u>	<u>3,000</u>
Net change in fund balances	3,055,442	2,909,386	3,417,805	508,419
Fund balances - beginning of year	<u>11,187,205</u>	<u>11,187,205</u>	<u>11,187,205</u>	<u>-</u>
Fund balances - end of year	<u>\$ 14,242,647</u>	<u>\$ 14,096,591</u>	<u>\$ 14,605,010</u>	<u>\$ 508,419</u>



**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, 2017**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Sales tax	\$ 7,172,168	\$ 7,172,168	\$ 7,667,736	\$ 495,568
Total revenues	7,172,168	7,172,168	7,667,736	495,568
<b>EXPENDITURES</b>				
Current operations:				
Recreation and Leisure Services	1,250,000	1,250,000	958,712	291,288
Debt service:				
Interest charges	3,395,262	3,395,262	3,396,012	(750)
Total expenditures	4,645,262	4,645,262	4,354,724	290,538
Excess (deficiency) of revenues over (under) expenditures	2,526,906	2,526,906	3,313,012	786,106
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(796,543)	(796,543)	(596,543)	200,000
Total other financing sources (uses)	(796,543)	(796,543)	(596,543)	200,000
Net change in fund balances	1,730,363	1,730,363	2,716,469	986,106
Fund balances - beginning of year	1,289,572	1,289,572	1,289,572	-
Fund balances - end of year	\$ 3,019,935	\$ 3,019,935	\$ 4,006,041	\$ 986,106

**CITY OF GRAND PRAIRIE, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET TO ACTUAL – HOTEL MOTEL TAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 1,800,000	\$ 1,800,000	\$ 1,733,343	\$ (66,657)
Charges for goods and services	7,000	7,000	3,305	(3,695)
Other	1,200	1,200	1,825	625
Total revenues	<u>1,808,200</u>	<u>1,808,200</u>	<u>1,738,473</u>	<u>(69,727)</u>
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	1,756,217	1,898,848	1,767,773	131,075
Capital outlay	145,000	17,961	8,557	9,404
Total expenditures	<u>1,901,217</u>	<u>1,916,809</u>	<u>1,776,330</u>	<u>140,479</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(93,017)</u>	<u>(108,609)</u>	<u>(37,857)</u>	<u>70,752</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(91,500)</u>	<u>(91,500)</u>	<u>(91,500)</u>	-
Total other financing uses	<u>(91,500)</u>	<u>(91,500)</u>	<u>(91,500)</u>	-
Net change in fund balances	(184,517)	(200,109)	(129,357)	70,752
Fund balances - beginning of year	<u>762,085</u>	<u>762,085</u>	<u>762,085</u>	-
Fund balances - end of year	<u>\$ 577,568</u>	<u>\$ 561,976</u>	<u>\$ 632,728</u>	<u>\$ 70,752</u>

**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, 2017**

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	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Favorable (Unfavorable)
<b>REVENUES</b>				
Fines and forfeitures	\$ 319,440	\$ 319,440	\$ 316,772	\$ (2,668)
Total revenues	319,440	319,440	316,772	(2,668)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	302,924	324,161	261,589	62,572
Capital outlay	-	35,200	-	35,200
Total expenditures	302,924	359,361	261,589	97,772
Excess (deficiency) of revenues over (under) expenditures	16,516	(39,921)	55,183	95,104
Fund balances - beginning of year	373,294	373,294	373,294	-
Fund balances - end of year	\$ 389,810	\$ 333,373	\$ 428,477	\$ 95,104

**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, 2017**

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	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other	\$ 355,840	\$ 355,840	\$ 280,391	\$ (75,449)
Total revenues	355,840	355,840	280,391	(75,449)
<b>EXPENDITURES</b>				
Current operations:				
Support services	422,381	422,381	232,593	189,788
Capital outlay	127,000	127,000	46,340	80,660
Total expenditures	549,381	549,381	278,933	270,448
Excess (deficiency) of revenues over (under) expenditures	(193,541)	(193,541)	1,458	194,999
Fund balances - beginning of year	583,276	583,276	583,276	-
Fund balances - end of year	\$ 389,735	\$ 389,735	\$ 584,734	\$ 194,999

**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, 2017**

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	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget- Favorable (Unfavorable)</u>
			<u>Basis</u>	
<b>REVENUES</b>				
Fines and forfeitures	\$ 2,162,390	\$ 3,014,367	\$ 3,042,765	\$ 28,398
Total revenues	<u>2,162,390</u>	<u>3,014,367</u>	<u>3,042,765</u>	<u>28,398</u>
<b>EXPENDITURES</b>				
Current operations:				
Public safety	1,903,720	2,301,867	2,332,489	(30,622)
Total expenditures	<u>1,903,720</u>	<u>2,301,867</u>	<u>2,332,489</u>	<u>(30,622)</u>
Excess (deficiency) of revenues over (under) expenditures	258,670	712,500	710,276	(2,224)
Fund balances - beginning of year	<u>1,041,732</u>	<u>1,041,732</u>	<u>1,041,732</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,300,402</u>	<u>\$ 1,754,232</u>	<u>\$ 1,752,008</u>	<u>\$ (2,224)</u>

**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget- Favorable (Unfavorable)</u>
			<u>Basis</u>	
<b>REVENUES</b>				
Charges for goods and services	\$ 2,571,000	\$ 3,389,877	\$ 3,403,559	\$ 13,682
Licenses and permits	176,000	177,500	174,910	(2,590)
Rents and royalties	1,154,100	1,455,426	1,435,349	(20,077)
Contributions	75,000	46,000	48,500	2,500
Other	36,000	41,817	47,627	5,810
Total revenue	<u>4,012,100</u>	<u>5,110,620</u>	<u>5,109,945</u>	<u>(675)</u>
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	3,683,510	4,222,575	4,215,469	7,106
Capital outlay	<u>237,000</u>	<u>310,709</u>	<u>308,809</u>	<u>1,900</u>
Total expenditures	<u>3,920,510</u>	<u>4,533,284</u>	<u>4,524,278</u>	<u>9,006</u>
Excess (deficiency) of revenues over (under) expenditures	<u>91,590</u>	<u>577,336</u>	<u>585,667</u>	<u>8,331</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,000	9,000	9,000	-
Transfers out	(900,000)	(900,000)	(900,000)	-
Proceeds from sale of capital assets	-	-	6,128	6,128
Total other financing sources (uses)	<u>(891,000)</u>	<u>(891,000)</u>	<u>(884,872)</u>	<u>6,128</u>
Net change in fund balances	(799,410)	(313,664)	(299,205)	14,459
Fund balances - beginning of year	<u>2,357,626</u>	<u>2,357,626</u>	<u>2,357,626</u>	-
Fund balances - end of year	<u>\$ 1,558,216</u>	<u>\$ 2,043,962</u>	<u>\$ 2,058,421</u>	<u>\$ 14,459</u>

**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget- Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Charges for goods and services	\$ 1,106,480	\$ 1,051,090	\$ 998,611	\$ (52,479)
Other	2,000	1,000	745	(255)
Total revenues	<u>1,108,480</u>	<u>1,052,090</u>	<u>999,356</u>	<u>(52,734)</u>
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	682,792	701,601	688,911	12,690
Capital outlay	<u>81,000</u>	<u>77,431</u>	<u>78,431</u>	<u>(1,000)</u>
Total expenditures	<u>763,792</u>	<u>779,032</u>	<u>767,342</u>	<u>11,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>344,688</u>	<u>273,058</u>	<u>232,014</u>	<u>(41,044)</u>
Net change in fund balances	344,688	273,058	232,014	(41,044)
Fund balances - beginning of year	<u>1,743,445</u>	<u>1,743,445</u>	<u>1,743,445</u>	<u>-</u>
Fund balances - end of year	<u>\$ 2,088,133</u>	<u>\$ 2,016,503</u>	<u>\$ 1,975,459</u>	<u>\$ (41,044)</u>

**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, 2017**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Fines and forfeitures	\$ 226,005	\$ 226,005	\$ 226,030	\$ 25
Total revenues	226,005	226,005	226,030	25
<b>EXPENDITURES</b>				
Current operations:				
Public safety	318,419	318,419	309,006	9,413
Total expenditures	318,419	318,419	309,006	9,413
Excess (deficiency) of revenues over (under) expenditures	(92,414)	(92,414)	(82,976)	9,438
Fund balances - beginning of year	210,168	210,168	210,168	-
Fund balances - end of year	\$ 117,754	\$ 117,754	\$ 127,192	\$ 9,438



**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, 2017**

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Favorable (Unfavorable)
<b>REVENUES</b>				
Fines and forfeitures	\$ 42,338	\$ 42,338	\$ 43,375	\$ 1,037
Total revenues	42,338	42,338	43,375	1,037
<b>EXPENDITURES</b>				
Current operations:				
Public safety	20,000	20,000	19,986	14
Total expenditures	20,000	20,000	19,986	14
Excess (deficiency) of revenues over (under) expenditures	22,338	22,338	23,389	1,051
Fund balances - beginning of year	85,225	85,225	85,225	-
Fund balances - end of year	\$ 107,563	\$ 107,563	\$ 108,614	\$ 1,051

**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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget- Favorable (Unfavorable)</u>
			<u>Basis</u>	
<b>REVENUES</b>				
Fines and forfeitures	\$ 21,882	\$ 21,882	\$ 19,209	\$ (2,673)
Total revenues	<u>21,882</u>	<u>21,882</u>	<u>19,209</u>	<u>(2,673)</u>
<b>EXPENDITURES</b>				
Current operations:				
Public safety	<u>16,259</u>	<u>16,259</u>	<u>15,716</u>	<u>543</u>
Total expenditures	<u>16,259</u>	<u>16,259</u>	<u>15,716</u>	<u>543</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,623</u>	<u>5,623</u>	<u>3,493</u>	<u>(2,130)</u>
Fund balances - beginning of year	<u>56,360</u>	<u>56,360</u>	<u>56,360</u>	<u>-</u>
Fund balances - end of year	<u>\$ 61,983</u>	<u>\$ 61,983</u>	<u>\$ 59,853</u>	<u>\$ (2,130)</u>



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**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NONMAJOR ENTERPRISE FUNDS  
SEPTEMBER 30, 2017**

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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, 2017**

	<b>Municipal Airport</b>	<b>Municipal Golf</b>	<b>Storm Water Utility</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 300,683	\$ 360,530	\$ 123,340	\$ 784,553
Investments	1,226,214	400,000	2,250,000	3,876,214
Accounts receivable, net	71,317	47,263	462,034	580,614
Prepays	-	13,763	-	13,763
Due from other governments	47,918	-	-	47,918
Inventories and supplies	49,971	33,148	-	83,119
Restricted assets:				
Investments	69,605	-	-	69,605
Total current assets	<u>1,765,708</u>	<u>854,704</u>	<u>2,835,374</u>	<u>5,455,786</u>
Noncurrent assets:				
Capital assets:				
Land	183,923	568,284	7,500	759,707
Buildings	13,282,758	1,854,835	-	15,137,593
Equipment	892,011	1,025,149	148,240	2,065,400
Infrastructure	11,500,011	9,999,709	13,688,471	35,188,191
Construction in progress	114,254	-	20,579	134,833
Less: accumulated depreciation	(10,065,169)	(10,268,016)	(4,276,737)	(24,609,922)
Total noncurrent assets	<u>15,907,788</u>	<u>3,179,961</u>	<u>9,588,053</u>	<u>28,675,802</u>
Total assets	<u>17,673,496</u>	<u>4,034,665</u>	<u>12,423,427</u>	<u>34,131,588</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to TMRS pension	<u>110,478</u>	<u>320,489</u>	<u>149,140</u>	<u>580,107</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	23,222	120,181	41,038	184,441
Accrued interest	7,167	-	-	7,167
Accrued liabilities	15,006	55,112	23,163	93,281
Compensated absences	25,916	55,284	18,199	99,399
Unearned revenue	157,380	-	-	157,380
Current portion of long-term debt	145,000	-	-	145,000
Current liabilities payable from restricted assets:				
Customer deposits	69,605	-	-	69,605
Total current liabilities	<u>443,296</u>	<u>230,577</u>	<u>82,400</u>	<u>756,273</u>
Noncurrent liabilities:				
Net pension liability	295,241	856,468	398,559	1,550,268
Long-term debt	1,035,000	-	-	1,035,000
Total noncurrent liabilities	<u>1,330,241</u>	<u>856,468</u>	<u>398,559</u>	<u>2,585,268</u>
Total liabilities	<u>1,773,537</u>	<u>1,087,045</u>	<u>480,959</u>	<u>3,341,541</u>
<b>NET POSITION</b>				
Net investment in capital assets	14,727,788	3,179,961	9,588,053	27,495,802
Unrestricted	1,282,649	88,148	2,503,555	3,874,352
Total net position	<u>\$ 16,010,437</u>	<u>\$ 3,268,109</u>	<u>\$ 12,091,608</u>	<u>\$ 31,370,154</u>

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<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	\$ 928,726	\$ 2,573,002	\$ 6,356,774	\$ 9,858,502
Intergovernmental revenue	47,918	-	-	47,918
Miscellaneous	933,907	-	-	933,907
Total operating revenues	<u>1,910,551</u>	<u>2,573,002</u>	<u>6,356,774</u>	<u>10,840,327</u>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	488,780	1,615,632	672,584	2,776,996
Supplies and miscellaneous purchases	665,553	280,545	38,982	985,080
Purchased services	392,220	1,028,638	799,432	2,220,290
General and administrative costs	66,899	-	192,204	259,103
Franchise fees	-	-	254,723	254,723
Miscellaneous	55,767	55,932	37,854	149,553
Depreciation	843,600	501,199	425,647	1,770,446
Total operating expenses	<u>2,512,819</u>	<u>3,481,946</u>	<u>2,421,426</u>	<u>8,416,191</u>
Operating income (loss)	<u>(602,268)</u>	<u>(908,944)</u>	<u>3,935,348</u>	<u>2,424,136</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Gain on disposition of capital assets	-	6,028	-	6,028
Interest expense	(59,829)	-	-	(59,829)
Total nonoperating revenues (expenses)	<u>(59,829)</u>	<u>6,028</u>	<u>-</u>	<u>(53,801)</u>
Income (loss) before contributions and transfers	<u>(662,097)</u>	<u>(902,916)</u>	<u>3,935,348</u>	<u>2,370,335</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Capital contributions	-	-	3,739,733	3,739,733
Transfers in	200,660	555,000	-	755,660
Transfers out	(48,000)	-	(4,645,168)	(4,693,168)
Change in net position	<u>(509,437)</u>	<u>(347,916)</u>	<u>3,029,913</u>	<u>2,172,560</u>
Net position - beginning of the year	<u>16,519,874</u>	<u>3,616,025</u>	<u>9,061,695</u>	<u>29,197,594</u>
Net position - end of year	<u>\$ 16,010,437</u>	<u>\$ 3,268,109</u>	<u>\$ 12,091,608</u>	<u>\$ 31,370,154</u>

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING STATEMENTS OF CASH FLOW  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<b>Municipal Airport</b>	<b>Municipal Golf</b>	<b>Storm Water Utility</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>				
Cash receipts from customers	\$ 979,534	\$ 2,553,958	\$ 6,245,151	\$ 9,778,643
Cash receipts from other governments	36,976	-	-	36,976
Other operating cash receipts	933,907	-	-	933,907
Cash payments to suppliers for goods and services	(1,220,550)	(1,352,056)	(901,937)	(3,474,543)
Cash payments to employees for services	(464,033)	(1,512,628)	(601,679)	(2,578,340)
Cash payments for interfund services used	-	-	(254,723)	(254,723)
Other operating cash payments	(66,899)	-	(192,204)	(259,103)
Net cash provided by (used in) operating activities	<u>198,935</u>	<u>(310,726)</u>	<u>4,294,608</u>	<u>4,182,817</u>
<b>Cash flows from non-capital financing activities:</b>				
Transfers from other funds	200,660	555,000	-	755,660
Transfers to other funds	(48,000)	-	(4,645,168)	(4,693,168)
Net cash (used in) provided by non-capital financing activities	<u>152,660</u>	<u>555,000</u>	<u>(4,645,168)</u>	<u>(3,937,508)</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from disposition of capital assets	-	6,028	-	6,028
Acquisition and construction of capital assets	(168,492)	-	(76,258)	(244,750)
Principal paid on debt	(140,000)	-	-	(140,000)
Interest paid on debt	(60,660)	-	-	(60,660)
Net cash (used in) provided by capital and related financing activities	<u>(369,152)</u>	<u>6,028</u>	<u>(76,258)</u>	<u>(439,382)</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments	300,000	-	500,000	800,000
Net cash provided by investing activities	<u>300,000</u>	<u>-</u>	<u>500,000</u>	<u>800,000</u>
Net (decrease) increase in cash and cash equivalents	282,443	250,302	73,182	605,927
Cash and cash equivalents - beginning of year	18,240	110,228	50,158	178,626
Cash and cash equivalents - end of year	<u>\$ 300,683</u>	<u>\$ 360,530</u>	<u>\$ 123,340</u>	<u>\$ 784,553</u>
<b>Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (602,268)	\$ (908,944)	\$ 3,935,348	\$ 2,424,136
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	843,600	501,199	425,647	1,770,446
Provisions for uncollectible accounts	(2,952)	-	(11,307)	(14,259)
Changes in assets and liabilities:				
(Increase) decrease in other accounts receivable	54,531	(19,044)	(100,316)	(64,829)
(Increase) decrease in due from other governments	(10,598)	-	-	(10,598)
(Increase) decrease in inventories and supplies	(22,801)	(6,597)	-	(29,398)
(Increase) decrease in prepaids	-	(13,763)	-	(13,763)
Increase (decrease) in accounts payable	(73,611)	33,419	(25,669)	(65,861)
Increase (decrease) in accrued liabilities	1,153	1,985	6,380	9,518
Increase (decrease) in customer deposits	(771)	-	-	(771)
Increase (decrease) in unearned revenue	(10,942)	-	-	(10,942)
Increase (decrease) in compensated absences	(10,799)	10,105	-	(694)
Increase (decrease) in pension liability	34,393	90,914	64,525	189,832
Net cash provided by (used in) operating activities	<u>\$ 198,935</u>	<u>\$ (310,726)</u>	<u>\$ 4,294,608</u>	<u>\$ 4,182,817</u>
<b>Noncash investing, capital, and financing activities:</b>				
Capital contributions from developers/granting agencies	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 3,739,733</u>	<u>\$ 5,239,733</u>

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING FINANCIAL STATEMENTS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2017**

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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, 2017**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 961,972	\$ 1,092,553	\$ 2,054,525
Investments	-	10,000,000	10,000,000
Inventories and supplies	121,153	-	121,153
Prepays	-	444,083	444,083
Total current assets	<u>1,083,125</u>	<u>11,536,636</u>	<u>12,619,761</u>
Noncurrent assets:			
Capital assets:			
Land	737,566	-	737,566
Buildings	1,477,875	-	1,477,875
Equipment	1,030,630	573,244	1,603,874
Infrastructure	16,672	-	16,672
Construction in progress	-	227,700	227,700
Less: accumulated depreciation	<u>(2,201,868)</u>	<u>(171,516)</u>	<u>(2,373,384)</u>
Total noncurrent assets	<u>1,060,875</u>	<u>629,428</u>	<u>1,690,303</u>
Total assets	<u>2,144,000</u>	<u>12,166,064</u>	<u>14,310,064</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to TMRS pension	<u>289,390</u>	<u>96,277</u>	<u>385,667</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	72,989	213,125	286,114
Accrued liabilities	44,946	3,888,486	3,933,432
Compensated absences	40,965	7,804	48,769
Total current liabilities	<u>158,900</u>	<u>4,109,415</u>	<u>4,268,315</u>
Noncurrent liabilities:			
Net pension liability	<u>773,361</u>	<u>257,288</u>	<u>1,030,649</u>
Total noncurrent liabilities	<u>773,361</u>	<u>257,288</u>	<u>1,030,649</u>
Total liabilities	<u>932,261</u>	<u>4,366,703</u>	<u>5,298,964</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,060,875	629,428	1,690,303
Unrestricted	<u>440,254</u>	<u>7,266,210</u>	<u>7,706,464</u>
Total net position	<u>\$ 1,501,129</u>	<u>\$ 7,895,638</u>	<u>\$ 9,396,767</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, 2017**

	<b>Fleet Services</b>	<b>Risk Management</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Charge for services	\$ 5,142,655	\$ -	\$ 5,142,655
Insurance premiums	-	22,712,302	22,712,302
Miscellaneous	1,186	4,781	5,967
Total operating revenues	<u>5,143,841</u>	<u>22,717,083</u>	<u>27,860,924</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	1,328,382	427,520	1,755,902
Supplies and miscellaneous purchases	2,247,724	34,729	2,282,453
Purchased services	744,699	425,956	1,170,655
Insurance claims	-	23,425,206	23,425,206
Miscellaneous	63,404	142,414	205,818
Depreciation	45,238	61,467	106,705
Total operating expenses	<u>4,429,447</u>	<u>24,517,292</u>	<u>28,946,739</u>
Operating income (loss)	<u>714,394</u>	<u>(1,800,209)</u>	<u>(1,085,815)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Gain on disposition of capital assets	12,447	-	12,447
Total nonoperating revenues (expenses)	<u>12,447</u>	<u>-</u>	<u>12,447</u>
Income before contributions and transfers	726,841	(1,800,209)	(1,073,368)
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in	-	1,311,396	1,311,396
Transfers out	(9,013)	(1,036,516)	(1,045,529)
Change in net position	717,828	(1,525,329)	(807,501)
Net position - beginning of year	<u>783,301</u>	<u>9,420,967</u>	<u>10,204,268</u>
Net position - end of year	<u>\$ 1,501,129</u>	<u>\$ 7,895,638</u>	<u>\$ 9,396,767</u>

**CITY OF GRAND PRAIRIE, TEXAS  
COMBINING STATEMENTS OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Total Internal Service Funds</u>
<b>Cash flows from operating activities:</b>			
Cash received from city and employee contributions	\$ -	\$ 22,712,302	\$ 22,712,302
Cash received from interfund services provided	5,142,655	-	5,142,655
Other operating cash receipts	1,186	4,781	5,967
Cash payments to suppliers for goods and services	(3,138,740)	(978,137)	(4,116,877)
Cash payments to employees for services	(1,275,804)	(432,056)	(1,707,860)
Cash payments for interfund services used	-	(23,213,742)	(23,213,742)
Net cash provided by (used in) operating activities	<u>729,297</u>	<u>(1,906,852)</u>	<u>(1,177,555)</u>
<b>Cash flows from non-capital financing activities:</b>			
Transfers from other funds	-	1,311,396	1,311,396
Transfers to other funds	(9,013)	(1,036,516)	(1,045,529)
Net cash provided by non-capital financing activities	<u>(9,013)</u>	<u>274,880</u>	<u>265,867</u>
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from capital assets disposals	12,447	-	12,447
Acquisition of capital assets	(176,985)	(57,578)	(234,563)
Net cash used in capital and related financing activities	<u>(164,538)</u>	<u>(57,578)</u>	<u>(222,116)</u>
Net (decrease) increase in cash and cash equivalents	555,746	(1,689,550)	(1,133,804)
Cash and cash equivalents - beginning of year	406,226	2,782,103	3,188,329
Cash and cash equivalents - end of year	<u>\$ 961,972</u>	<u>\$ 1,092,553</u>	<u>\$ 2,054,525</u>
<b>Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 714,394	\$ (1,800,209)	\$ (1,085,815)
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	45,238	61,467	106,705
Changes in assets and liabilities:			
(Increase) decrease in other accounts receivables	-	-	-
(Increase) decrease in inventories and supplies	(23,471)	-	(23,471)
(Increase) decrease in prepaids	(64,897)	(35,000)	(99,897)
Increase (decrease) in accounts payable	5,455	(166,004)	(160,549)
Increase (decrease) in accrued liabilities	-	37,430	37,430
Increase (decrease) in customer deposits	-	-	-
Increase (decrease) in unearned revenue	-	-	-
Increase (decrease) in compensated absences	849	(3,935)	(3,086)
Increase (decrease) in pension liability	51,729	(601)	51,128
Net cash provided by (used in) operating activities	<u>\$ 729,297</u>	<u>\$ (1,906,852)</u>	<u>\$ (1,177,555)</u>



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## **STATISTICAL SECTION**



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**CITY OF GRAND PRAIRIE, TEXAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED SEPTEMBER 30, 2017  
 STATISTICAL SECTION INDEX (UNAUDITED)**

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**CITY OF GRAND PRAIRIE, TEXAS  
NET POSITION BY COMPONENT (UNAUDITED)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	2008	2009	2010	2011
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 265,961,757	\$ 271,217,903	\$ 286,120,135	\$ 279,371,594
Restricted	5,491,185	9,302,232	9,792,214	83,793,231
Unrestricted	114,556,201	129,915,331	129,649,766	62,743,136
Total governmental activities net position	<u>\$ 386,009,143</u>	<u>\$ 410,435,466</u>	<u>\$ 425,562,115</u>	<u>\$ 425,907,961</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 129,219,761	\$ 139,067,912	\$ 134,524,036	\$ 137,253,007
Restricted	6,089,188	3,673,504	4,228,742	3,988,491
Unrestricted	56,978,613	60,527,614	68,647,313	68,859,665
Total business-type activities net position	<u>\$ 192,287,562</u>	<u>\$ 203,269,030</u>	<u>\$ 207,400,091</u>	<u>\$ 210,101,163</u>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 395,181,518	\$ 410,285,815	\$ 420,644,171	\$ 416,624,601
Restricted	11,580,373	12,975,736	14,020,956	87,781,722
Unrestricted	171,534,814	190,442,945	198,297,079	131,602,801
Total primary government net position	<u>\$ 578,296,705</u>	<u>\$ 613,704,496</u>	<u>\$ 632,962,206</u>	<u>\$ 636,009,124</u>

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.



<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 311,048,653	\$ 316,856,535	\$ 319,412,513	\$ 333,061,190	\$ 308,745,566	278,750,450
63,267,418	69,081,215	108,444,110	53,392,543	57,404,183	80,454,171
47,893,511	40,378,407	13,160,490	18,505,921	41,953,800	46,202,814
<u>\$ 422,209,582</u>	<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>
\$ 139,042,561	\$ 141,678,428	\$ 143,297,680	\$ 151,539,230	\$ 166,071,343	\$ 174,505,410
4,601,419	4,695,502	5,444,619	8,904,795	15,366,214	34,704,441
71,929,058	66,726,233	68,399,617	60,022,038	55,565,327	40,424,846
<u>\$ 215,573,038</u>	<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>
\$ 450,091,214	\$ 458,534,963	\$ 462,710,193	\$ 484,600,420	\$ 474,816,909	\$ 453,255,860
67,868,837	73,776,717	113,888,729	62,297,338	72,770,397	115,158,612
119,822,569	107,104,640	81,560,107	78,527,959	97,519,127	86,627,660
<u>\$ 637,782,620</u>	<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>

**CITY OF GRAND PRAIRIE, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	2008	2009	2010	2011
<b>EXPENSES</b>				
Governmental activities:				
Support services	\$ 19,829,891	\$ 17,647,031	\$ 17,278,851	\$ 19,100,748
Public safety services	76,192,160	70,728,042	81,872,640	88,336,343
Recreation and leisure services	20,548,092	24,302,491	21,517,961	22,368,768
Development services	51,061,087	56,491,002	58,153,994	74,251,224
Interest on long-term debt	10,329,775	12,141,929	10,618,864	9,817,549
Total governmental activities expenses	<u>\$ 177,961,005</u>	<u>\$ 181,310,495</u>	<u>\$ 189,442,310</u>	<u>\$ 213,874,632</u>
Business-type activities:				
Water and wastewater	\$ 43,521,711	\$ 46,025,037	\$ 48,888,158	\$ 52,658,416
Solid waste	8,147,843	8,316,221	8,931,468	9,079,737
Municipal airport	2,274,829	1,758,664	1,999,196	2,809,039
Municipal golf course	3,388,253	3,336,554	3,488,564	3,521,660
Storm water	1,076,876	1,344,716	1,692,009	1,537,846
Total business-type activities expenses	<u>58,409,512</u>	<u>60,781,192</u>	<u>64,999,395</u>	<u>69,606,698</u>
Total primary government expenses	<u>\$ 236,370,517</u>	<u>\$ 242,091,687</u>	<u>\$ 254,441,705</u>	<u>\$ 283,481,330</u>
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services:				
Support services	\$ 12,976,068	\$ 13,272,240	\$ 10,929,541	\$ 5,981,676
Public safety services	5,827,320	11,030,095	12,823,754	16,384,019
Recreation and leisure services	6,894,465	5,815,486	7,112,226	8,886,903
Development services	2,947,454	5,087,515	4,412,063	7,991,012
Operating grants and contributions	36,873,575	28,333,421	31,232,753	37,588,585
Capital grants and contributions	11,432,768	5,795,714	9,112,664	2,664,489
Total governmental activities program revenues	<u>\$ 76,951,650</u>	<u>\$ 69,334,471</u>	<u>\$ 75,623,001</u>	<u>\$ 79,496,684</u>
Business-type activities:				
Charges for services:				
Water and wastewater	\$ 43,493,084	\$ 46,898,346	\$ 46,459,483	\$ 54,761,115
Solid waste	9,103,212	10,290,559	10,100,502	9,984,080
Municipal airport	2,330,000	1,703,398	1,759,319	3,791,577
Municipal golf course	2,232,189	2,409,475	2,080,152	2,244,356
Storm water	2,974,336	3,073,155	4,685,730	5,015,547
Operating grants and contributions	270,729	468,397	-	-
Capital grants and contributions	5,519,297	3,742,875	2,444,475	1,792,377
Total business-type activities	<u>65,922,847</u>	<u>68,586,205</u>	<u>67,529,661</u>	<u>77,589,052</u>
Total primary government	<u>\$ 142,874,497</u>	<u>\$ 137,920,676</u>	<u>\$ 143,152,662</u>	<u>\$ 157,085,736</u>

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the change in net position as previously stated.

	2012	2013	2014	2015	2016	2017
\$	17,928,238	\$ 17,503,253	\$ 20,400,867	\$ 22,102,591	\$ 23,045,026	\$ 26,731,588
	72,934,512	76,439,796	80,333,290	80,359,190	91,860,495	100,253,923
	24,071,731	25,847,664	25,255,982	26,746,861	29,709,690	32,962,890
	84,171,971	79,057,014	75,473,059	77,263,159	88,963,122	90,088,069
	9,227,801	8,125,389	7,922,519	8,019,147	12,374,896	12,108,299
\$	208,334,253	\$ 206,973,116	\$ 209,385,717	\$ 214,490,948	\$ 245,953,229	\$ 262,144,769
\$	55,186,501	\$ 59,993,534	\$ 61,468,207	\$ 61,381,944	\$ 66,351,005	\$ 70,569,705
	9,485,700	9,773,626	9,712,711	10,143,394	11,438,507	12,317,620
	2,650,503	2,793,094	3,484,297	2,226,108	2,141,279	2,572,623
	3,527,637	3,487,758	3,314,435	3,230,377	3,307,890	3,497,955
	1,617,905	1,909,737	1,635,198	1,694,556	1,809,656	2,425,177
	72,468,246	77,957,749	79,614,848	78,676,379	85,048,337	91,383,080
\$	280,802,499	\$ 284,930,865	\$ 289,000,565	\$ 293,167,327	\$ 331,001,566	\$ 353,527,849
\$	5,000,964	\$ 4,914,303	\$ 4,701,456	\$ 4,809,384	\$ 5,048,092	\$ 5,364,023
	13,752,467	15,557,404	16,190,902	13,623,499	18,121,839	21,150,257
	8,256,815	9,686,041	9,055,820	9,772,737	9,686,261	11,059,324
	5,866,787	5,670,741	7,152,325	6,643,502	12,169,331	12,775,450
	31,329,503	33,339,115	34,980,362	33,329,097	37,024,064	35,572,942
	6,290,285	5,242,216	4,020,110	1,232,805	8,807,012	8,305,146
\$	70,496,821	\$ 74,409,820	\$ 76,100,975	\$ 69,411,024	\$ 90,856,599	\$ 94,227,142
\$	57,610,991	\$ 57,632,524	\$ 60,115,296	\$ 63,421,631	\$ 67,612,109	\$ 72,668,796
	10,664,949	10,568,982	10,802,865	11,470,007	11,816,094	12,863,659
	3,048,547	2,973,572	2,978,121	2,001,854	2,678,090	1,862,633
	2,306,811	2,262,430	1,909,090	2,021,800	2,494,513	2,573,002
	5,125,840	5,367,769	5,436,780	5,572,487	5,631,420	6,356,774
	-	30,291	42,697	43,714	37,320	47,918
	2,465,951	3,089,677	4,402,822	4,082,082	16,653,153	12,892,511
	81,223,089	81,925,245	85,687,671	88,613,575	106,922,699	109,265,293
\$	151,719,910	\$ 156,335,065	\$ 161,788,646	\$ 158,024,599	\$ 197,779,298	\$ 203,492,435

(continued)

**CITY OF GRAND PRAIRIE, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	FISCAL YEAR			
	2008	2009	2010	2011
<b>NET (EXPENSES)/REVENUE</b>				
Governmental activities	\$ (111,976,024)	\$ (113,819,309)	\$ (134,377,948)	\$ (137,837,432)
Business-type activities	7,805,013	2,530,266	7,982,354	8,754,843
Total primary government net expense	<u>\$ (104,171,011)</u>	<u>\$ (111,289,043)</u>	<u>\$ (126,395,594)</u>	<u>\$ (129,082,589)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 69,813,294	\$ 76,687,029	\$ 75,091,425	\$ 71,554,937
Sales taxes	39,665,104	40,376,226	39,891,881	41,713,795
Hotel/motel tax and other taxes	1,414,822	1,231,899	1,232,928	1,332,984
Franchise fees	11,847,401	12,531,556	12,060,211	13,492,977
Investment income	7,444,199	6,688,474	1,844,371	1,341,476
Miscellaneous	-	-	-	-
Contributions	2,553,427	-	-	-
Transfers-monetary	-	(1,112,837)	(1,542,012)	5,625,851
Transfers-capital assets	-	-	367,154	-
Total governmental activities	<u>\$ 132,738,247</u>	<u>\$ 136,402,347</u>	<u>\$ 128,945,958</u>	<u>\$ 135,062,020</u>
Business-type activities:				
Franchise fees	\$ -	\$ -	\$ -	\$ -
Investment income	2,448,108	2,063,618	425,937	6,343
Transfers-monetary	(2,553,427)	1,112,837	1,542,012	(5,625,851)
Transfers-capital assets	-	-	(367,154)	-
Total business-type activities	<u>(105,319)</u>	<u>3,176,455</u>	<u>1,600,795</u>	<u>(5,619,508)</u>
Total primary government	<u>\$ 132,632,928</u>	<u>\$ 139,578,802</u>	<u>\$ 130,546,753</u>	<u>\$ 129,442,512</u>
<b>CHANGES IN NET POSITION</b>				
Governmental activities	\$ 20,762,223	\$ 22,583,038	\$ (5,431,990)	\$ (2,775,412)
Business-type activities	7,699,694	5,706,721	9,583,149	3,135,335
Total primary government	<u>\$ 28,461,917</u>	<u>\$ 28,289,759</u>	<u>\$ 4,151,159</u>	<u>\$ 359,923</u>

2012	2013	2014	2015	2016	2017
\$ (132,563,296)	\$ (133,284,742)	\$ (145,079,924)	\$ (155,096,630)	\$ (155,096,630)	\$ (167,917,627)
<u>3,967,496</u>	<u>6,072,823</u>	<u>9,937,196</u>	<u>21,874,362</u>	<u>21,874,362</u>	<u>17,882,213</u>
<u>\$ (128,595,800)</u>	<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>
\$ 70,153,052	\$ 71,785,225	\$ 77,334,662	\$ 73,070,467	\$ 77,923,990	\$ 84,925,774
45,457,902	47,155,704	50,846,972	53,494,773	57,076,997	60,585,824
1,332,259	1,488,871	1,550,172	1,713,865	1,791,075	2,015,917
12,902,516	12,811,696	13,315,452	14,089,158	13,928,847	9,996,934
1,004,777	437,770	652,067	1,609,156	2,173,508	2,425,419
-	-	-	-	-	-
-	-	-	-	-	-
3,167,893	5,390,831	4,267,277	2,428,935	5,097,654	5,271,645
<u>120,654</u>	<u>-</u>	<u>19,096</u>	<u>(25,800)</u>	<u>248,454</u>	<u>-</u>
<u>\$ 134,139,053</u>	<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,579	4,242	1,021	1,750	8,567	21,245
(3,167,893)	(5,390,831)	(4,267,277)	(2,428,935)	(5,097,654)	(5,271,645)
<u>(120,654)</u>	<u>-</u>	<u>(19,096)</u>	<u>25,800</u>	<u>(248,454)</u>	<u>-</u>
<u>(3,282,968)</u>	<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>\$ 130,856,085</u>	<u>\$ 133,683,508</u>	<u>\$ 143,700,346</u>	<u>\$ 143,979,169</u>	<u>\$ 152,902,984</u>	<u>\$ 159,971,113</u>
\$ 1,575,757	\$ 5,785,355	\$ 2,905,774	\$ (8,716,076)	\$ 3,143,895	\$ (2,696,114)
684,528	686,234	5,651,844	19,472,977	16,536,821	12,631,813
<u>\$ 2,260,285</u>	<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>

(concluded)

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

	FISCAL YEAR			
	2008	2009	2010	2011
<b>GENERAL FUND</b>				
Reserved	\$ 769,535	\$ 576,286	\$ 306,798	\$ -
Unreserved/Unassigned	23,517,200	29,769,771	29,794,717	29,186,299
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	1,407,704
Total general fund	<u>\$ 24,286,735</u>	<u>\$ 30,346,057</u>	<u>\$ 30,101,515</u>	<u>\$ 30,594,003</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 9,713,094	\$ 13,783,052	\$ 11,783,598	\$ -
Unreserved, reported in:				
Special revenue funds	152,319,219	69,553,793	39,727,431	-
Capital projects funds	36,672,982	75,403,545	60,591,611	-
Nonspendable	-	-	-	265,296
Restricted	-	-	-	89,928,651
Committed	-	-	-	34,061,536
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 198,705,295</u>	<u>\$ 158,740,390</u>	<u>\$ 112,102,640</u>	<u>\$ 124,255,483</u>

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

2012	2013	2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25,938,708	27,346,027	22,961,626	26,212,186	28,320,160	27,974,657
1,035	3,545	16,627	4,938	81,857	12,867
-	-	-	426,948	417,938	415,230
524,836	130,240	-	241,704	-	-
1,449,177	1,336,996	1,137,119	862,870	2,191,940	2,943,951
<u>\$ 27,913,756</u>	<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	(3,278,557)	-	-
98,473	41,103	30,775	31,655	187,991	28,492
70,226,080	81,264,054	96,095,975	84,657,833	128,375,098	94,489,508
26,402,391	28,992,783	24,920,817	43,220,248	64,315,780	74,729,604
-	-	-	-	-	(947,692)
<u>\$ 96,726,944</u>	<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>

**CITY OF GRAND PRAIRIE, TEXAS  
CHANGE IN FUND BALANCES  
GOVERNMENTAL FUNDS (UNAUDITED)  
LAST TEN FISCAL YEARS**

	<b>FISCAL YEAR</b>			
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>REVENUES</b>				
Taxes	\$ 109,658,169	\$ 116,142,863	\$ 116,814,717	\$ 114,587,907
Licenses, fees, and permits	14,300,656	14,767,427	14,667,062	16,136,711
Fines and penalties	5,615,462	6,342,727	7,311,853	6,987,287
Charges for services	11,648,865	11,488,375	12,497,178	12,961,293
Special assessments	-	-	-	-
Intergovernmental	30,132,609	26,343,441	38,692,557	39,462,880
Investment income	7,239,258	6,472,181	1,767,720	1,341,476
Other revenues	15,655,620	10,735,637	7,707,687	10,064,673
Total revenues	<u>194,250,639</u>	<u>192,292,651</u>	<u>199,458,774</u>	<u>201,542,227</u>
<b>EXPENDITURES</b>				
Current operations:				
Support services	14,740,779	14,778,861	13,793,906	14,078,101
Public safety services	59,110,908	59,391,711	63,301,812	62,850,732
Recreation and leisure services	17,039,606	20,392,873	19,086,560	18,595,333
Development services	48,283,183	47,383,981	50,416,087	48,594,485
Capital outlay	62,450,315	92,227,467	65,612,028	18,510,959
Debt service:				
Principal retirement	13,268,068	15,331,241	29,423,291	28,993,944
Interest	10,693,686	12,635,091	10,841,888	10,259,783
Total expenditures	<u>225,586,545</u>	<u>262,141,225</u>	<u>252,475,572</u>	<u>201,883,337</u>
Excess of revenues over (under) expenditures	<u>(31,335,906)</u>	<u>(69,848,574)</u>	<u>(53,016,798)</u>	<u>(341,110)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in-monetary	51,850,485	63,865,188	60,024,949	34,365,960
Transfers out-monetary	(49,205,367)	(64,214,176)	(61,757,480)	(28,708,944)
Insurance recovery	-	-	-	-
Proceeds from sale of capital assets	-	500,660	505,123	559,843
Premium (discount) on debt issued	61,992	146,319	36,940	253,855
Bonds issued	129,440,000	35,645,000	7,425,000	7,000,000
Refunding bonds issued	17,278,000	-	13,390,000	14,235,000
Payment for refunded debt - escrow agent	(17,161,031)	-	(13,301,147)	(14,305,695)
Sale of assets held for resale	-	-	(188,881)	-
Total other financing sources	<u>132,264,079</u>	<u>35,942,991</u>	<u>6,134,505</u>	<u>13,400,019</u>
Net change in fund balances	<u>\$ 100,928,173</u>	<u>\$ (33,905,583)</u>	<u>\$ (46,882,293)</u>	<u>\$ 13,058,909</u>
Debt service as a percentage of noncapital expenditures	14.7%	16.5%	21.5%	21.4%



2012	2013	2014	2015	2016	2017
\$ 117,208,804	\$ 122,360,903	\$ 128,787,756	\$ 128,046,817	\$ 136,906,439	\$ 147,741,668
15,606,264	15,799,334	16,471,810	17,352,029	17,890,589	17,417,402
8,074,797	9,918,968	10,473,823	9,798,424	11,612,547	11,364,139
13,655,483	13,619,154	14,463,192	14,287,686	19,008,539	21,507,834
-	-	-	-	-	-
35,616,500	37,762,890	34,880,224	31,111,904	38,114,832	38,100,982
1,004,777	437,770	652,067	1,609,156	2,173,508	2,425,419
9,637,107	9,741,528	12,368,101	10,970,976	15,410,164	12,694,334
200,803,732	209,640,547	218,096,973	213,176,992	241,116,618	251,251,778
14,546,500	15,198,818	17,393,309	19,516,058	19,588,300	22,703,145
65,260,700	69,057,285	74,367,544	76,078,091	81,750,530	88,005,227
17,481,772	18,222,070	18,696,893	19,945,357	22,025,867	24,800,496
59,915,550	55,630,019	54,303,083	55,135,020	66,264,413	66,982,812
43,651,279	30,121,392	37,150,344	24,098,471	59,000,134	85,802,825
32,623,895	18,937,175	21,405,848	34,952,435	21,800,000	24,400,000
9,715,824	9,025,740	8,488,435	9,005,312	11,583,140	12,839,071
243,195,520	216,192,499	231,805,456	238,730,744	282,012,384	325,533,576
(42,391,788)	(6,551,952)	(13,708,483)	(25,553,752)	(40,895,766)	(74,281,798)
45,615,427	26,611,384	35,849,365	23,465,832	22,994,446	27,108,570
(42,447,534)	(22,220,553)	(31,582,088)	(20,965,643)	(18,172,770)	(22,102,792)
-	-	-	988,199	88,101	-
718,718	583,943	838,163	605,696	753,054	898,895
2,664,794	1,627,265	486,234	2,551,554	4,788,385	9,244,207
7,960,000	15,285,000	14,165,000	26,125,000	102,845,001	40,614,999
28,415,000	27,295,000	-	-	11,165,000	36,945,000
(30,743,403)	(28,156,039)	-	-	(12,054,512)	(42,671,228)
-	-	-	-	-	-
12,183,002	21,026,000	19,756,674	32,770,638	112,406,705	50,037,651
\$ (30,208,786)	\$ 14,474,048	\$ 6,048,191	\$ 7,216,886	\$ 71,510,939	\$ (24,244,147)
21.2%	15.0%	15.4%	20.5%	15.0%	15.5%

**CITY OF GRAND PRAIRIE, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL  
 VALUES OF TAXABLE PROPERTY (UNAUDITED)  
 LAST TEN FISCAL YEARS**

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<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>
2008	\$ 5,469,305,770	\$ 5,178,753,981	\$ 1,438,990,381	\$ 9,209,069,370
2009	5,767,998,141	5,526,633,389	1,537,051,835	9,757,579,695
2010	5,603,083,057	5,828,420,792	1,853,784,284	9,577,719,565
2011	5,532,077,367	5,610,293,457	1,854,115,295	9,288,255,529
2012	5,579,393,002	5,842,463,648	1,978,915,099	9,442,941,551
2013	5,595,104,146	5,820,246,325	2,041,527,294	9,373,823,177
2014	5,727,082,026	6,270,916,334	2,155,635,830	9,842,362,530
2015	6,201,569,638	6,694,589,531	2,337,701,387	10,558,457,782
2016	6,554,865,229	6,984,603,149	2,443,858,378	11,095,610,000
2017	6,438,258,351	8,996,790,075	3,117,157,618	12,317,890,808

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.

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<b>Direct Tax Rate</b>	<b>Actual Taxable Value</b>	<b>Percentage of Actual Taxable Value</b>
0.669998	\$ 9,209,069,370	100.0%
0.669998	9,757,579,695	100.0%
0.669998	9,577,719,565	100.0%
0.669998	9,288,255,529	100.0%
0.669998	9,442,941,551	100.0%
0.669998	9,373,823,177	100.0%
0.669998	9,842,362,530	100.0%
0.669998	10,558,457,782	100.0%
0.669998	11,095,610,000	100.0%
0.669998	12,317,890,808	100.0%

**CITY OF GRAND PRAIRIE, TEXAS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES (UNAUDITED)  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)**

	FISCAL YEAR			
	2008	2009	2010	2011
<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	1.272000	1.335000	1.305500
Cedar Hill School District	1.500000	1.400000	1.440000	1.440000
Irving School District	1.391000	1.425000	1.465000	1.465000
Mansfield School District	1.750000	1.450000	1.496000	1.496000
Midlothian School District	1.407500	1.397500	1.397500	1.540000
Dallas County	0.228100	0.228100	0.243100	0.243100
Dallas County Community College District	0.089400	0.094900	0.099230	0.099670
Dallas County Hospital District	0.254000	0.274000	0.271000	0.271000
Dallas County Flood Control District	2.835540	2.835540	2.835540	2.900000
Grand Prairie Met Utl & Reclam Dist.	2.140000	2.180000	2.120000	2.065000
Ellis County	0.360091	0.360091	0.360091	0.380091
Johnson County	0.306708	0.300590	0.327500	0.330500
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	0.137960	0.137670	0.137640	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

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<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998
1.465000	1.465000	1.465000	1.595000	1.595000	1.595000
1.301000	1.292170	1.348110	1.412952	1.390080	1.368670
1.440000	1.525000	1.525000	1.525000	1.516000	1.516000
1.465000	1.465000	1.435000	1.445000	1.445000	1.431400
1.540000	1.540000	1.527100	1.510000	1.510000	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
0.119375	0.124700	0.124775	0.123650	0.122933	0.124238
0.271000	0.278000	0.286000	0.286000	0.279400	0.279400
3.050000	2.750000	2.750000	2.650000	2.250000	2.000000
0.600000	0.600000	0.600000	0.600000	0.600000	0.600000
0.380091	0.380091	0.380091	0.380091	0.380091	0.380091
0.333229	0.365000	0.405400	0.407700	0.422663	0.441700
0.264000	0.264000	0.264000	0.264000	0.264000	0.244000
0.227897	0.227897	0.227897	0.227897	0.227897	0.224429
0.148970	0.149500	0.149500	0.149500	1.495000	0.140060
0.484892	0.484892	0.484892	0.484892	0.473549	0.473549
0.185106	0.185106	0.185106	0.185106	0.196449	0.196449
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**

<u>Taxpayer</u>	<u>2017</u>			<u>2008</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Grand Prairie Outlets	\$ 129,573,649	1	1.05%			
Lockheed Martin	112,458,516	2	0.91%	\$ 42,100,886	6	0.46%
Poly America LP	109,198,751	3	0.89%			0.00%
Bell Helicopter-Textron	108,865,771	4	0.88%	170,853,372	1	1.86%
Duke Realty LTD PS	94,488,486	5	0.77%			0.00%
Republic Beverage	80,356,469	6	0.65%	64,048,492	3	0.70%
Oncor Electric Delivery Co.	78,815,796	7	0.64%	84,727,716	2	0.92%
CHI/Wildlife LP	73,248,950	8	0.59%			0.00%
2803 Riverside Apt Investors LLC	51,000,000	9	0.41%			0.00%
Office Depot of Texas LP	50,060,435	10	0.41%			0.00%
Hanson Pipe & Products				54,895,090	4	0.60%
Catellus Comm Group LLC				54,205,440	5	0.59%
Towns of Riverside TIC 27 Et al.				39,838,750	7	0.43%
Cardinal Health 200 Inc				37,727,377	8	0.41%
First Industrial Texas LP				33,004,824	9	0.36%
WLA Barrington V LP				31,061,160	10	0.34%
Total	<u>\$ 888,066,823</u>		<u>7.20%</u>	<u>\$ 612,463,107</u>		<u>6.67%</u>

**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 9/30	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
2008	\$ 60,505,696	\$ 58,990,868	97.50%	\$ 1,397,030	\$ 60,079,032	99.29%
2009	64,371,928	64,007,684	99.43%	240,055	65,208,950	101.30%
2010	64,003,959	62,945,888	98.35%	903,129	63,182,304	98.72%
2011	61,927,614	60,974,341	98.46%	777,417	61,914,233	99.98%
2012	62,888,700	61,808,360	98.28%	863,275	61,392,352	97.62%
2013	62,582,232	61,892,769	98.90%	494,131	62,386,900	99.69%
2014	65,666,244	64,917,939	98.86%	462,388	65,380,327	99.56%
2015	70,047,613	69,394,398	99.07%	330,487	69,724,885	99.54%
2016	74,306,335	73,535,755	98.96%	-	73,535,755	98.96%
2017	81,305,307	80,079,624	98.49%	-	80,079,624	98.49%

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	Sales Tax Revenue	Certificates of Obligation	Issuance Premium/ Discounts Net	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Issuance Premium/ Discounts Net
	Bonds	Bonds	Obligation	Net	Bonds	Bonds	Obligation	Net
2008	\$ 89,329,630	\$ 65,305,000	\$ 147,674,703	\$ 260,797	\$ 64,490,000	\$ 5,587,000	\$ 4,035,227	\$ 16,051
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
2017	79,130,000	123,925,000	126,385,000	18,506,395	56,490,000	-	1,180,000	3,505,394

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 172.



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<b>Total Primary Government</b>	<b>Percentage of Average Household Income<sup>1</sup></b>	<b>Per Capita</b>
\$ 376,698,408	0.01%	\$ 2,260
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
379,975,920	0.01%	2,058
409,121,789	0.01%	2,187

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

<b>Year</b>	<b>General Bonded Debt Outstanding</b>				<b>Percentage of Actual Taxable Value of Property Per Capita</b>	
	<b>General Obligation Bonds</b>	<b>Certificates of Obligation</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Value of Property</b>	<b>Per Capita</b>
2008	\$ 94,916,630	\$ 151,709,930	\$ 5,333,711	\$ 241,292,849	2.62%	\$1,448
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

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, 2016**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>1</sup></u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Arlington Independent School District	\$ 841,237,139	18.62%	\$ 156,638,355
Cedar Hill Independent School District	120,392,969	3.90%	4,695,326
Dallas County	199,545,000	2.87%	5,726,942
Dallas County Community College District	263,140,000	2.87%	7,552,118
Dallas County Flood Control District #1	25,775,000	0.80%	206,200
Dallas County Hospital District	703,770,000	2.87%	20,198,199
Dallas County Schools	40,330,000	2.87%	1,157,471
Ellis County	37,859,914	0.11%	41,646
Grand Prairie Independent School District	521,444,498	91.07%	474,879,505
Irving Independent School District	447,255,000	0.68%	3,041,334
Mansfield Independent School District	779,480,000	13.49%	105,151,852
Midlothian Independent School District	293,696,382	0.40%	1,174,786
Tarrant County	321,795,000	3.91%	12,582,185
Tarrant County Hospital District	20,835,000	3.91%	814,649
Subtotal, overlapping debt			793,860,568
<b>City direct debt<sup>2</sup></b>	232,620,000	100.00%	<u>232,620,000</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 1,026,480,568</u></u>

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

<sup>2</sup> Excludes refunded obligations.

**Source of Information:** Municipal Advisory Council of Texas  
City of Grand Prairie Finance Department

**CITY OF GRAND PRAIRIE, TEXAS  
 LEGAL DEBT MARGIN INFORMATION (UNAUDITED)  
 LAST TEN FISCAL YEARS**

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	<b>FISCAL YEAR</b>			
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Debt limit	\$ 230,226,734	\$ 243,939,492	\$ 239,442,989	\$ 232,206,388
Total net debt applicable to limit	<u>140,806,849</u>	<u>154,308,664</u>	<u>150,792,741</u>	<u>148,895,469</u>
Legal debt margin	<u>\$ 89,419,885</u>	<u>\$ 89,630,828</u>	<u>\$ 88,650,248</u>	<u>\$ 83,310,919</u>
Total net debt applicable to the limit as a percentage of debt limit	61.16%	63.26%	62.98%	64.12%

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

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 236,073,539	\$ 234,345,579	\$ 246,059,063	\$ 263,961,445	\$ 277,390,250	\$ 307,947,270
134,681,529	135,582,645	138,051,429	151,103,105	182,895,699	196,760,804
<u>\$ 101,392,010</u>	<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>
57.05%	57.86%	56.10%	57.24%	65.93%	63.89%

**Legal Debt Margin Calculation for Fiscal Year 2017**

Assessed value	12,317,890,808
Debt limit (2.5% of assessed value)	307,947,270
Debt applicable to limit:	
General obligation bonds	205,515,000
Less: Amount set aside for repayment of general obligation debt	(8,754,196)
Total net debt applicable to limit	<u>196,760,804</u>
Legal debt margin	<u>\$ 111,186,466</u>

**CITY OF GRAND PRAIRIE, TEXAS  
 PLEDGED REVENUE COVERAGE (UNAUDITED)  
 LAST TEN FISCAL YEARS**

Fiscal Year	Water Revenue Bonds					Coverage <sup>3</sup>
	Utility Service Charges <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		
				Principal	Interest	
2008	47,636,804	31,954,392	15,682,412	3,670,000	2,534,846	2.53
2009	48,534,900	33,756,808	14,778,092	3,630,000	2,630,012	2.36
2010	47,944,122	36,040,449	11,903,673	3,920,000	2,737,505	1.79
2011	55,785,237	39,151,252	16,633,985	3,940,000	2,591,812	2.55
2012	58,701,075	40,367,949	18,333,126	4,080,000	2,538,028	2.77
2013	59,031,386	40,660,224	18,371,162	4,445,000	2,346,060	2.71
2014	61,910,609	43,852,520	18,058,089	3,900,000	2,072,826	3.02
2015	65,213,261	45,664,940	19,548,321	4,250,000	1,846,017	3.21
2016	70,027,679	51,530,262	18,497,417	4,380,000	1,812,079	2.99
2017	74,668,468	55,531,071	19,137,397	4,510,000	1,637,666	3.11

- (1) Revenues include operating revenues plus impact fees and investment income.
- (2) Expenses exclude depreciation expense.
- (3) Bond covenants require coverage of no less than 1.25. The City financial policy coverage goal is 2.00.
- (4) The City's initial Park Venue Sales Tax Revenue Bonds were issued in fiscal year 2000.
- (5) Bond covenants require a coverage of no less than 1.25. The City financial policies require a coverage of no less than 1.50.

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<b>Sales Tax Revenue Bonds<sup>4</sup></b>		
<b>Sales Tax Increment</b>	<b>Maximum Annual Debt Service</b>	<b>Coverage<sup>5</sup></b>
5,488,686	2,370,800	2.32
5,193,338	2,370,800	2.19
5,136,774	2,369,203	2.17
5,313,584	2,369,203	2.24
5,762,747	2,369,203	2.43
6,223,346	2,247,772	2.77
6,391,068	2,247,772	2.84
6,752,015	2,247,772	3.00
7,268,076	2,692,441	2.70
7,667,736	2,692,441	2.85

**CITY OF GRAND PRAIRIE, TEXAS  
 DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)  
 LAST TEN FISCAL YEARS**

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<b>Calendar Year</b>	<b>Population</b>	<b>Median Household Income</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>Public School Enrollment</b>	<b>Unemployment Rate</b>
2008	166,650	50,919	22,317	32	26,025	5.0%
2009	168,500	58,765	19,904	32	26,212	8.1%
2010	175,396	64,148	24,667	32	26,594	8.9%
2011	175,960	56,290	23,744	32	26,019	8.7%
2012	179,476	52,733	22,259	32	26,927	7.0%
2013	179,630	53,267	22,370	32	27,780	6.5%
2014	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	56,028	23,516	32	29,339	3.7%
2017	187,050	59,675	23,695	32	(1)	3.4%

**Sources of Information:**

- Estimated Population: City of Grand Prairie Planning Department  
North Central Texas Council of Governments
- Median Household Income: Claritas, ESRI
- Per Capital Income: 2000 Census, ACS, ESRI  
City of Grand Prairie Economic Development
- Median Age: ESRI
- Public School Enrollment: Grand Prairie Independent School District  
(1) 2017 information was unavailable
- Unemployment Rate: Texas Workforce Commission



**CITY OF GRAND PRAIRIE, TEXAS  
 PRINCIPAL EMPLOYERS (UNAUDITED)  
 CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2017</u>			<u>2008</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Grand Prairie Independent School District	4,100	1	4.34%	3,200	1	2.07%
Lockheed Martin Missiles and Fire Control	2,500	2	2.65%	2,600	2	1.68%
Poly-America Inc.	2,000	3	2.12%	1,400	3	0.91%
City of Grand Prairie	1,800	4	1.91%	1,200	5	0.78%
Bell Helicopter-Textron	1,200	5	1.27%	1,300	4	0.84%
Lone Star Park at Grand Prairie	1,000	6	1.06%	1,200	5	0.78%
Hanson Pipe & Products	1,000	6	1.06%	500	8	0.32%
Triumph Aero Structures - Vought	900	7	0.95%	700	6	0.45%
Republic National Distributing	700	8	0.74%			
Bureau of Prisons Administration	700	8	0.74%			
Airbus Helicopters	600	9	0.64%	500	8	0.32%
Wal-Mart	600	9	0.64%	500	8	0.32%
Siemens Energy & Automation	500	10	0.53%	600	7	0.39%
Pitney Bowes Presort Services	500	10	0.53%			
General Motors LOC	500	10	0.53%			
Vought Aircraft Industries						
Pollock Paper Distributors				500	8	0.32%
Arnold Transportation				500	8	0.32%
SAIA Motor Freight Line Inc.				500	8	0.32%
VIP Printing Inc.				400	9	0.26%
Turbomeca Engine Corp.				400	9	0.26%
Vecta Contract				300	10	0.19%
Printpak				300	10	0.19%
Hampson Teksters				300	10	0.19%
<b>Total</b>	<b>18,600</b>		<b>19.71%</b>	<b>16,900</b>		<b>10.91%</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**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
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	9.5	10.5	10.0	9.0	9.5	8.5	8.0	7.5	7.5	8.5
Economic Development	-	-	-	-	-	-	-	-	1	4.5
Environmental Services	20.5	21.5	20.0	20.0	20.0	21.0	21.5	25.5	29.5	31.0
Facility Services <sup>1</sup>	-	-	-	-	-	18	18.0	18.0	19.0	19.0
Finance <sup>2</sup>	19.0	19.0	17.0	17.0	18.0	13.0	13.0	12.0	12.0	12.5
Fire	219.0	218.0	203.0	208.0	209.0	210.0	209.0	229.5	230.5	233.5
Housing and Neighborhood Services	32.5	31.5	33.0	35.0	35.5	35.5	35.5	34.5	34.5	34.5
Human Resources	11.0	11.0	10.0	10.0	10.0	10.0	10.0	10.5	11.0	11.0
Information Technology	26.5	26.0	24.0	24.0	24.0	24.0	27.5	29.5	29.5	29.0
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	5.5	6.0	6.0	7.0	7.5	8.0	8.0
Library	38.0	38.0	36.0	32.5	31.0	29.5	29.5	28.5	29.5	32.5
Management Services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Marketing	3.5	4.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Municipal Court	31.0	29.0	27.0	27.0	26.0	26.0	28.0	28.0	28.0	31.5
Parks and Recreation <sup>1</sup>	178.0	179.0	171.5	162.0	162.0	141.0	181.0	188.0	190.0	194.0
Planning and Development	62.0	59.0	52.0	46.0	46.0	45.5	45.5	47.0	38.0	39.0
Police	365.5	366.5	356.5	364.0	381.0	394.0	394.0	423.5	435.5	453.5
Public Works	67.0	66.0	61.0	61.0	61.0	61.0	61.0	61.0	61.5	61.5
Purchasing <sup>2</sup>	-	-	-	-	-	5	5.0	5.0	5.0	5.0
Transportation	16.5	17.5	18.0	18.0	18.0	18.0	18.0	19.0	19.0	19.0
Enterprise Operations and Administrations										
Airport	5.5	5.5	5.5	5.5	5.5	5.5	5.5	6.0	6.0	6.0
Golf	25.0	25.0	21.0	19.0	18.0	19.0	29.0	29.0	29.0	29.0
Solid Waste	30.0	34.0	33.5	34.5	34.5	34.5	35.5	44.0	44.0	44.0
Storm Water	6.0	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0	8.0
Water/Wastewater	100.0	101.0	104.5	104.5	110.5	110.5	111.5	113.0	114.0	120.5
Internal Service Operations										
Equipment Services	17.0	17.0	15.0	15.0	15.0	16.0	16.0	16.5	17.0	18.5
Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	1.5	1.5	2.5	2.5
<b>Total</b>	<b>1,299.5</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>

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



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**CITY OF GRAND PRAIRIE, TEXAS  
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>Fiscal Year</b>				
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Police					
Stations	1	1	1	1	2
Public safety training complex	1	1	1	1	1
Storefronts	3	3	3	2	3
Fire stations	9	9	9	10	10
Other public works					
Streets (miles)	600	600	622	588	594
Acreage	52,096	51,108	51,105	51,108	51,108
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	5	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	61,365	62,190	62,077	63,289	63,250
Daily consumption (millions of gallons)	25.60	25.50	22.90	27.90	23.90
Wastewater					
Daily flow (millions of gallons)	14.10	14.40	15.50	16.30	16.20
Airports	1	1	1	1	1
Transit—minibuses	12	12	12	12	12

**Source of Information:** City departments.

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2013	2014	2015	2016	2017
2	2	2	2	2
1	1	1	1	1
4	3	3	3	3
10	10	10	10	10
594	641	642	634	631
51,954	51,954	51,954	51,954	51,984
57	57	57	57	57
25	25	25	25	25
21	21	21	21	21
8	8	8	8	8
2	2	2	2	2
4	4	4	4	4
3	3	3	3	3
1	1	1	1	1
64,154	64,696	65,808	66,075	66,075
23.50	23.02	23.17	24.56	25.00
14.23	14.11	19.58	16.57	15.92
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**

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FISCAL YEAR	DALLAS WATER UTILITIES WATER PURCHASES			TRINITY RIVER AUTHORITY WASTEWATER TREATMENT		
	VOLUME	DEMAND	TOTAL	O&M	DEBT SERVICE	TOTAL
2008	\$2,785,551	\$ 5,458,801	\$ 8,244,352	\$3,628,734	\$ 4,009,898	\$ 7,638,632
2009	3,119,852	5,893,558	9,013,410	3,687,602	4,849,504	8,537,106
2010	2,883,426	6,083,691	8,967,117	3,803,188	5,678,184	9,481,372
2011	3,342,225	6,329,489	9,671,714	4,146,626	6,660,202	10,806,828
2012	2,780,668	6,758,580	9,539,248	4,316,782	6,383,008	10,699,790
2013	2,901,935	6,854,133	9,756,068	4,360,828	6,546,256	10,907,084
2014	2,770,446	7,062,206	9,832,652	4,234,724	7,602,156	11,836,880
2015	2,561,969	7,547,810	10,109,779	5,774,796	8,060,760	13,835,556
2016	3,687,583	8,228,711	11,916,294	5,895,397	8,559,504	14,454,901
2017	3,246,558	9,119,618	12,366,176	5,107,743	8,731,748	13,839,491

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.



**TRINITY RIVER AUTHORITY**

<b>JOE POOL LAKE INTAKE</b>	<b>JOE POOL LAKE CORP OF ENGINEERS</b>
\$ 6,810	\$ 366,430
6,450	370,440
24,000	395,860
11,010	383,062
7,660	306,680
7,390	381,637
7,190	397,690
6,750	387,511
6,782	396,612
7,703	225,107

**CITY OF GRAND PRAIRIE, TEXAS  
OPERATING INDICATORS BY FUNCTION (UNAUDITED)  
LAST TEN FISCAL YEARS**

<u>Function</u>	<u>FISCAL YEAR</u>				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Police</b>					
911 calls received *	156,822	151,981	142,342	144,189	141,924
Non-emergency calls *	157,132	138,225	141,120	114,055	105,123
Calls for service *	130,532	127,776	144,256	150,244	235,947
Jail arrests *	7,059	10,204	7,152	10,869	10,637
<b>Fire</b>					
Total Fire and EMS calls *	15,678	15,589	15,589	16,817	16,540
Fire response calls for structure fires *	249	217	217	237	190
<b>Street</b>					
Number of miles of overlay streets	8	5	6	5	9
Number of street defects repaired	14,502	24,112	31,973	25,181	25,628
Number of linear ft of sidewalk repaired	40,499	12,135	25,158	21,113	31,962
<b>Solid Waste</b>					
Landfill refuse collected (tons)	180,855	168,387	163,080	162,358	164,031
Recyclables collected (tons)	6,081	6,288	5,145	4,881	4,853
<b>Water</b>					
Average daily consumption (thousands of gallons)	25,434	25,732	22,893	27,884	23,928
<b>Wastewater</b>					
Average daily sewage treatment (thousands of gallons)	14,303	14,501	15,518	16,347	16,164

\* In calendar year

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



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2013	2014	2015	2016	2017
142,641	145,571	129,159	124,331	130,994
99,831	101,626	116,685	107,490	118,117
233,997	243,443	245,844	231,821	205,213
10,403	12,201	9,016	9,395	9,387
16,999	16,912	17,827	18,408	18,648
197	180	192	152	164
6	6	5	5	11
16,436	13,061	27,537	18,772	6,809
20,440	14,712	12,061	17,276	18,437
162,755	165,586	182,287	198,529	224,599
5,012	5,172	4,948	5,386	5,468
23,500	23,023	23,170	24,564	25,613
14,234	14,109	19,859	16,569	16,307