

# CITY OF GRAND PRAIRIE, TEXAS

# Comprehensive Annual

# Financial Report

Fiscal Year Ended September 30, 2019



*Construction was underway through 2019 on a new connector building designed to connect the existing City Hall and the Development Center under one roof, and to also allow the Human Resources, Facilities and Finance departments to move into City Hall. Additional phases will include a "plaza" that will contain a Grand Lawn and Grand Paseo. These areas will allow for green spaces that may be used for events and daily outdoor activities so employees, visitors, and the community can enjoy a park-like setting on Main Street.*

**Grand Prairie**  
— T E X A S —



# City Of Grand Prairie, Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended

September 30, 2019

Prepared By the Finance Department



Ron Jensen  
Mayor

Tom Hart  
City Manager

Becky Brooks  
Chief Financial Officer



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 For the Fiscal Year Ended September 30, 2019  
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# Introductory Section



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March 17, 2020

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, 2019, 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, 2019, 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 191,720, and is readily accessible by an expanded thoroughfare system including State Highway 161 for traffic relief on 360 (north/south) and Interstate Highways 20 and 30 (east/west) through the City.

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

The City provides to its citizens a full range of services including police and fire protection, emergency ambulance service, water and sewer service, solid waste disposal, libraries and parks, art, and recreation programs. Parks related programs earned a National Gold Medal Award in 2008 and 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 fund activities. Enterprise activities include water, wastewater, solid waste, and storm water utility services, a City-operated airport, and two golf courses. Internal service activities include fleet and equipment services and risk management. Seventeen Public Improvement

Districts and two Tax Increment Financing Districts, none of which are legally separate entities, are also included in the City's reporting entity.

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

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

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

### **Major Initiatives**

- Grand Prairie continues to open and plan for new roadways, increasing mobility through the City. Roadway improvement projects continue along Interstates 20 and 30 with the design and construction of frontage roads, as well as the widening of Great Southwest Parkway near I-20.
- Open PlayGrand Adventures, the city's newest playground that is adaptive and inclusive for people of all ages and abilities.
- Open expanded and remodeled City facilities to meet the growing demand for City services including Phase I of the City Hall Central building and Phase II renovations of the existing Development Center.

### **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 selling price reached \$245,000 and it continues to exceed Arlington, Fort Worth and DeSoto.
- The average permit value of a new single-family home in Grand Prairie increased 7% from \$277,824 in 2018 to \$297,351 in 2019.

## **Commercial**

- The City issued approximately 2 million square feet of commercial, retail and industrial permits valued at \$111 million showing consistent growth since 2011.
- Completion and opening of the first phase of retail and restaurants in Epic Towne Crossing.
- Initiated construction of a 120-room Marriott Courtyard hotel at the southeast corner of SH 161 and Arkansas Lane and opened several surrounding restaurants including a new Chick-Fil-A at 1201 W Pioneer Pkwy.
- Council adopted (and staff began to promote) the Main Street Plan vision and master plan for redevelopment of properties in Downtown Grand Prairie.
- Opened Zavala's Barbecue and Firehouse Gastro Park in Downtown Grand Prairie
- Expanded existing commercial and employment base with Mission Foods, K&N Engineering, Lear Corporation and the addition of Helisym/Airbus/Thale's American Training Center.

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

- Main Event's Grand Prairie location opened in January 2020 offering a unique "Eat.Bowl.Play" experience.
- Grand Prairie offers our own Epic, Epic Waters and PlayGrand experiences.

## **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. 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 July 2019, sales tax revenue bonds were upgraded by Fitch to AA+ for all outstanding issues.

### **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, 2018. This was the 33<sup>rd</sup> consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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


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

Sincerely,



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Tom Hart, City Manager



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Becky Brooks, 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, 2018**

*Christopher P. Morrill*

Executive Director/CEO

Deputy Mayor Pro Tem  
 Council Member  
 Jorja Clemson  
 District 1

Council Member  
 Cole Humphreys  
 District 5

Council Member  
 Jim Swafford  
 District 2

Mayor  
 Ron Jensen

Council Member  
 Mike Del Bosque  
 District 3

Council Member  
 John Lopez  
 District 4

Council Member  
 Jeff Copeland  
 At Large, Place 7

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

Council Member  
 Jeff Wooldridge  
 District 6

Updated: February 2020

# Grand Prairie

TEXAS

## 2020 CITY COUNCIL

Mayor Ron Jensen, council members Jim Swafford and John Lopez were elected to three-year terms in 2019. Council members Jorja Clemson, Jeff Copeland and Mike Del Bosque were elected to three-year terms in 2017. Council members Greg Giessner, Cole Humphreys and Jeff Wooldridge were elected to three-year terms in 2018. Regular City Council elections are conducted in May every year.

City Hall, 300 W. Main St., Grand Prairie, TX 75050  
 P.O. Box 534045, Grand Prairie, TX 75053  
 972-237-8022 • [gptx.org/council](http://gptx.org/council)

# City of Grand Prairie, Texas

Directory of City Officials

Mayor and City Council

## CITY OF GRAND PRAIRIE, TEXAS

### DIRECTORY OF CITY OFFICIALS

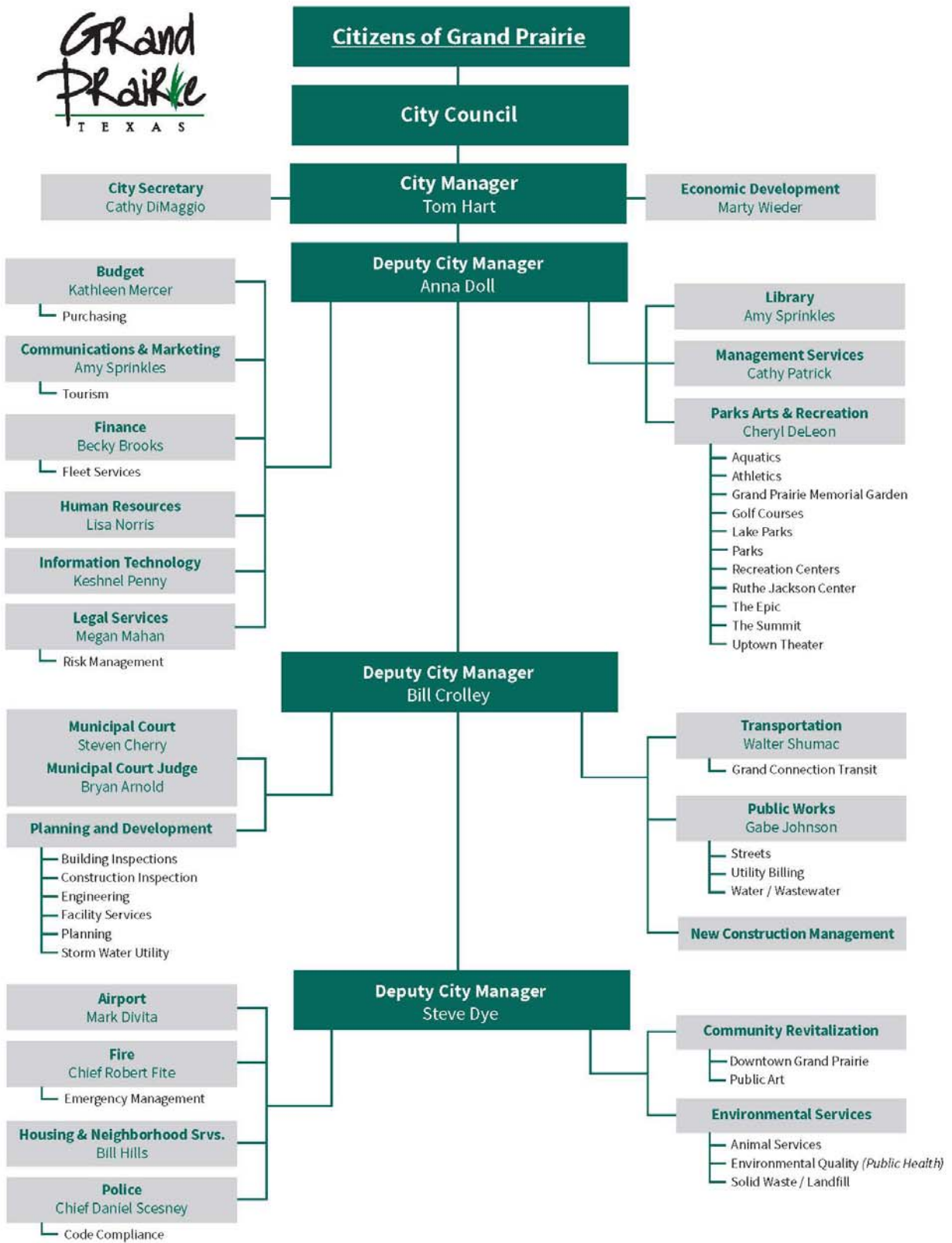
#### MAYOR AND CITY COUNCIL

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

#### EXECUTIVE MANAGERS

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

City of Grand Prairie, Texas  
Organizational Chart

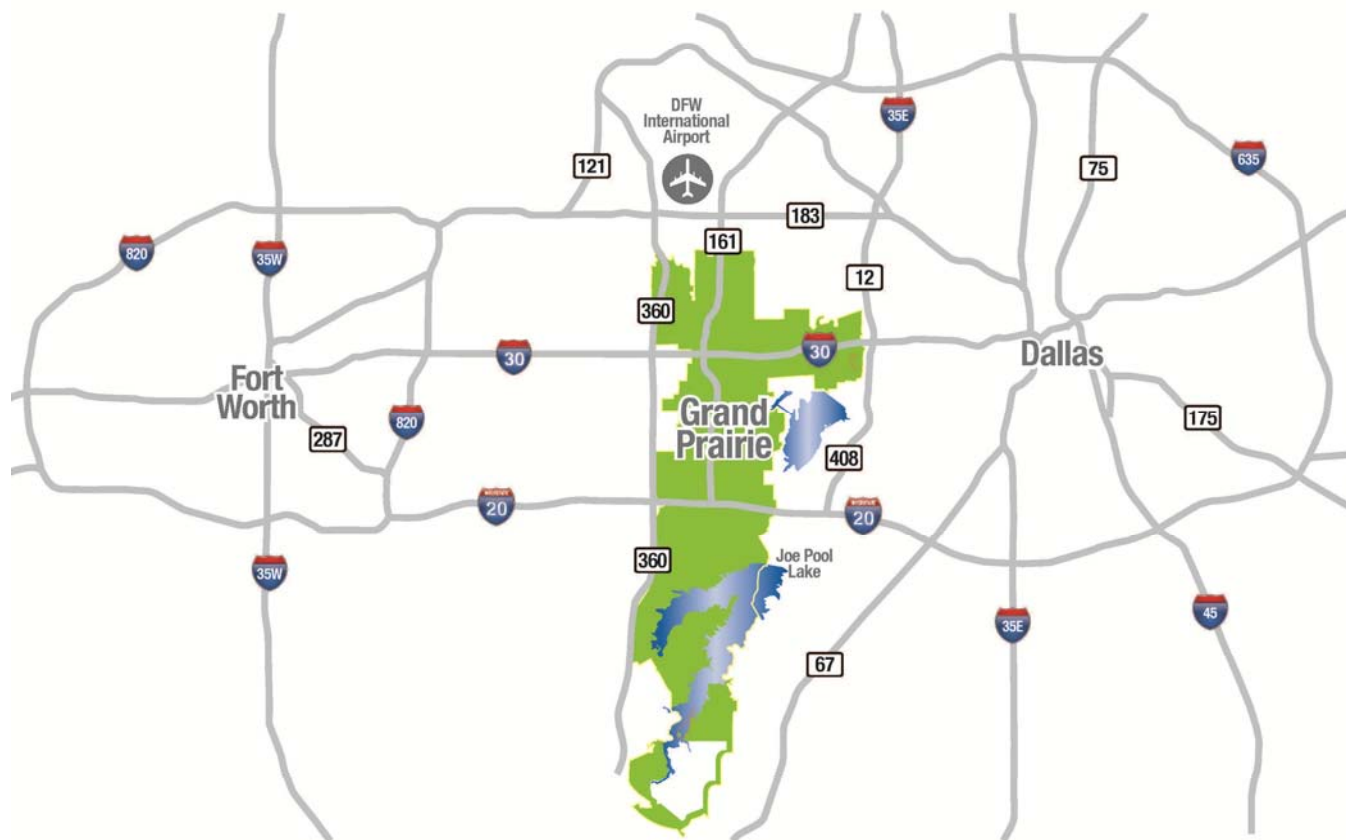


# City of Grand Prairie, Texas

Map

## 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, 2019, and the related notes to basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

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

## Opinions

In our opinion based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, 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 Changes in Postemployment Benefits-Retiree Health Plan, Schedule of Changes in Postemployment Benefits-Texas Municipal Retirement System, Schedule of Contributions-Texas Municipal Retirement System, and Schedule of Changes in Net Pension Liability and Related Ratios- Texas Municipal Retirement System listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

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

The 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.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

WEAVER AND TIDWELL, L.L.P  
Dallas, Texas  
March 11, 2020



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# Management's Discussion and Analysis



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## City of Grand Prairie, Texas

Management's Discussion and Analysis  
For the Fiscal Year Ended September 30, 2019  
(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, 2019. 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, 2019 by \$645,018,616 (net position).
- The City's total net position increased \$28,840,035, for the fiscal year ended September 30, 2019, primarily due to increased property tax assessments, sales tax collections, investment income and grant contributions.
- At September 30, 2019, the City's governmental funds reported combined ending fund balances of \$259,784,871. The \$41,554,116 unassigned fund balance in the General Fund represents 29.6% of total General Fund expenditures and transfers.
- The City's total long-term liabilities of \$702,198,221 increased by \$142,355,253 (25.4%) during the current fiscal year. In fiscal year 2019, net bonded debt increased by \$89,716,041, with the remaining liability comprised of pension and employee related obligations See Table 4 in this report for further information regarding the City's long-term liabilities.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2019  
(Unaudited)

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

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

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

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

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

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

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

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



## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2019  
(Unaudited)

The City reports thirty one 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 2 CIP Fund. Data for other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

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

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

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

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2019

(Unaudited)

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2019 were \$1,356,220,804, deferred outflows of resources were \$43,569,629, total liabilities were \$749,031,656, and deferred inflows of resources were \$5,740,161 resulting in a net position of \$645,018,616.

The largest portion of the City's net position, \$487,259,273 (75.5%), 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	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019
	Cash and investments	\$ 197,992,931	\$ 288,433,355	\$ 109,842,234	\$ 113,133,233	\$ 307,835,165
Other assets	21,559,545	20,685,432	9,942,867	11,679,221	31,502,412	32,364,653
Capital assets, net	656,874,694	685,704,072	233,225,420	236,585,491	890,100,114	922,289,563
<b>Total assets</b>	<b>876,427,170</b>	<b>994,822,859</b>	<b>353,010,521</b>	<b>361,397,945</b>	<b>1,229,437,691</b>	<b>1,356,220,804</b>
Deferred outflows of resources	14,636,899	39,225,451	1,811,090	4,344,178	16,447,989	43,569,629
Current liabilities	36,806,297	34,644,637	15,950,852	12,188,798	52,757,149	46,833,435
Long-term bonded debt	361,651,245	453,318,815	59,814,562	57,863,033	421,465,807	511,181,848
Other noncurrent liabilities	119,396,393	166,810,368	18,980,768	24,206,005	138,377,161	191,016,373
<b>Total liabilities</b>	<b>517,853,935</b>	<b>654,773,820</b>	<b>94,746,182</b>	<b>94,257,836</b>	<b>612,600,117</b>	<b>749,031,656</b>
Deferred inflows of resources	15,467,402	5,191,644	1,639,580	548,517	17,106,982	5,740,161
<b>Net Position</b>						
Net Investment in capital assets	266,214,537	311,019,615	173,815,271	176,239,658	440,029,808	487,259,273
Restricted	81,030,788	58,899,457	45,622,261	59,346,971	126,653,049	118,246,428
Unrestricted	10,497,407	4,163,774	38,998,317	35,349,141	49,495,724	39,512,915
<b>Total net position</b>	<b>\$ 357,742,732</b>	<b>\$ 374,082,846</b>	<b>\$ 258,435,849</b>	<b>\$ 270,935,770</b>	<b>\$ 616,178,581</b>	<b>\$ 645,018,616</b>

A portion of the City's net position totaling \$118,246,428, or 18.3%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$39,512,915 may be used to meet the government's ongoing obligations to citizen's and creditors.

The City's net position increased by \$28,840,035 from the prior fiscal year due to an increase in property taxes, sales taxes, grants and other revenue sources. While overall operating revenues and expenditures increased proportionately, overall water and wastewater rates increased 4.5%.

# City of Grand Prairie, Texas

## Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2019

(Unaudited)

The fiscal year 2019 compared to fiscal 2018 changes in the City's net position were as follows:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019
Revenues:						
Program revenues:						
Charges for services	\$ 49,663,004	\$ 51,189,057	\$ 102,321,210	\$ 100,691,263	\$ 151,984,214	\$ 151,880,320
Operating grants and contributor	35,266,428	39,865,579	67,537	31,007	35,333,965	39,896,586
Capital grants and contributions	3,971,782	8,575,572	11,983,724	15,541,642	15,955,506	24,117,214
General revenues:						
Property tax	94,648,690	106,378,593	-	-	94,648,690	106,378,593
Sales tax	64,250,717	69,672,182	-	-	64,250,717	69,672,182
Other tax	2,208,298	2,231,019	-	-	2,208,298	2,231,019
Franchise fees	14,485,521	14,796,138	-	-	14,485,521	14,796,138
Investment income	3,506,788	9,776,886	43,661	65,360	3,550,449	9,842,246
<b>Total revenues</b>	<b>268,001,228</b>	<b>302,485,026</b>	<b>114,416,132</b>	<b>116,329,272</b>	<b>382,417,360</b>	<b>418,814,298</b>
Expenses:						
Support services	27,614,430	30,669,782	-	-	27,614,430	30,669,782
Public safety services	101,033,502	109,767,831	-	-	101,033,502	109,767,831
Recreation and leisure services	34,529,152	35,232,643	-	-	34,529,152	35,232,643
Development services	97,241,362	102,740,890	-	-	97,241,362	102,740,890
Interest on long-term debt	12,481,762	14,987,576	-	-	12,481,762	14,987,576
Water and wastewater	-	-	72,412,983	74,389,255	72,412,983	74,389,255
Solid waste	-	-	12,339,638	13,009,026	12,339,638	13,009,026
Municipal airport	-	-	2,744,301	2,962,253	2,744,301	2,962,253
Municipal golf course	-	-	3,309,267	3,458,592	3,309,267	3,458,592
Storm water	-	-	2,446,788	2,647,816	2,446,788	2,647,816
<b>Total expenses</b>	<b>272,900,208</b>	<b>293,398,722</b>	<b>93,252,977</b>	<b>96,466,942</b>	<b>366,153,185</b>	<b>389,865,664</b>
Increases (decreases) in net position						
before transfers	(4,898,980)	9,086,304	21,163,155	19,862,330	16,264,175	28,948,634
Transfers	6,272,419	7,253,810	(6,272,419)	(7,253,810)	-	-
Capital asset reassignments	-	-	-	(108,599)	-	(108,599)
<b>Change in net position</b>	<b>1,373,439</b>	<b>16,340,114</b>	<b>14,890,736</b>	<b>12,499,921</b>	<b>16,264,175</b>	<b>28,840,035</b>
Net position - beginning of year	356,369,293	357,742,732	243,545,113	258,435,849	599,914,406	616,178,581
<b>Net position - end of year</b>	<b>\$ 357,742,732</b>	<b>\$ 374,082,846</b>	<b>\$ 258,435,849</b>	<b>\$ 270,935,770</b>	<b>\$ 616,178,581</b>	<b>\$ 645,018,616</b>

**Governmental activities** - Governmental activities increased the City's net position by \$16,340,114 in comparison with beginning net position, primarily due to an overall increase in property tax assessments, when compared to fiscal year 2018. Net position of governmental operations accounts for 58.0% of total net position.

**Business-type activities** - Business-type activities increased the City's net position by \$12,499,921 in comparison with beginning net position. Overall operating revenues and expenditures increased proportionately. Net position for business-type activities represents 42.0% of total primary government net position.

# City of Grand Prairie, Texas

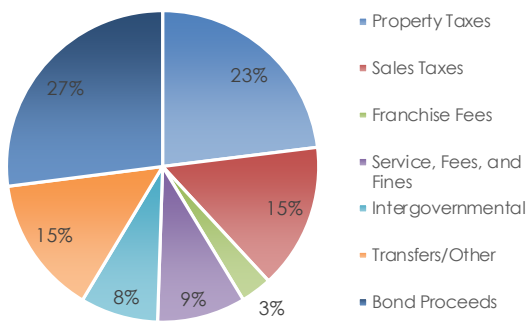
Management's Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2019  
 (Unaudited)

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

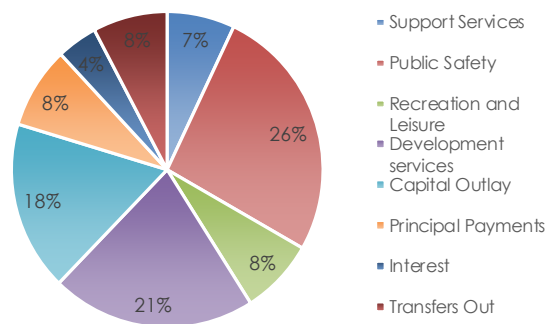
**Governmental funds** - The focus of City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure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

At fiscal year-end 2019, the City's governmental funds (excluding internal service funds) reported combined ending fund balances of \$259,784,871, an increase of \$89,292,545 in comparison with the prior year. The unassigned fund balance portion is 16.0% 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 (\$75,907); amounts restricted by statutes, bond covenants or granting agencies (\$133,513,209) either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$81,520,543) require formal action by City Council. Finally, funds may be assigned (\$3,121,096) 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, \$460,334,504 and \$371,041,959, respectively, for fiscal year 2019.

**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 \$41,554,116, while total fund balance was \$45,180,271. 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 32.6% of total general fund operating expenditures, while total fund balance represents 35.4% of that same amount. General Fund's fund balance increased in the amount of \$11,435,220 from the prior fiscal year.

Other major funds with significant changes in fund balance include Streets CIP, Grants, Debt Service and Epic 2 CIP. The Streets CIP Fund increased by \$15,910,889 due to an overall increase in street construction funded from bond proceeds issued for this purpose.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2019  
(Unaudited)

The Grants Fund increased by \$2,344,780 due to collections of grant funds and repayment of an interfund loan.

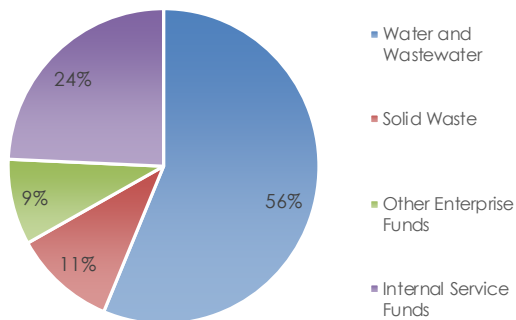
The Debt Service Fund decreased by \$1,801,056 due to payment toward principal and interest retirement for Crime Control and Prevention District.

The Epic 2 CIP Fund increased by \$38,041,636 due to bond proceeds acquired for the purpose of the investment in Epic Central.

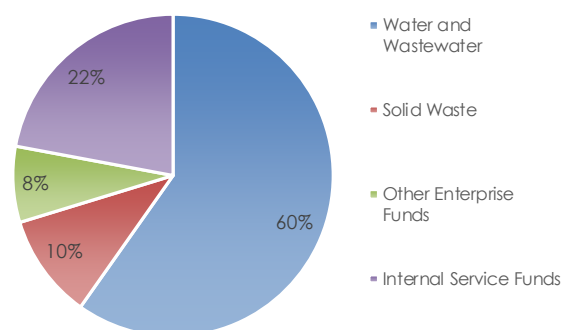
**Proprietary funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the City's enterprise funds and internal service funds were \$268,216,940 and \$18,214,256, respectively, at September 30, 2019. The enterprise funds' net investment in capital assets represented 65.7% of total enterprise fund's net position. The internal service funds' net investment in capital assets represented 8.9% of total internal service funds' net position. The enterprise funds' unrestricted net position was 12.2% of their total net position, and internal service funds' unrestricted net position was 91.1% of their total funds' net position. The City's enterprise funds and the internal service funds reported income before contributions and transfers of \$3,682,304 and \$5,828,144, respectively. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the government-wide financial statements and business-type activities. The following Figures 3 and 4 show the proprietary funds' revenues of \$133,052,665 and expenses of \$119,903,347 (excluding non-operating revenues and expenses, and contributions and transfers) by activity.

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



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



## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2019

(Unaudited)

### General Fund Budgetary Highlights

Actual General Fund revenues were \$13,330,309, or 9.7%, higher than final budgeted revenues for fiscal year 2019. Property taxes, sales taxes, hotel/motel taxes, and franchise fees were 76.6% of General Fund budgeted revenues. Actual General Fund expenditures were \$3,271,722, or 3.0%, lower than final budgeted expenditures for fiscal year 2019. Budgeted excess of revenues over expenditures before other financing sources and uses was \$6,475,457 compared to actual of \$23,077,488, resulting in a net positive budget variance of \$16,602,031. 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 \$11,751,892.

### 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 \$922,289,563. 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 \$32,189,449.

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

- Continued expansion of Grand Central Park's Epic Center and PlayGrand
- Construction of Fire Station #4 and Fire Station #3 upgraded
- Continued construction of frontage roads along Interstates 30 and 20
- Continued street assessment implementation
- Continued expansion of several city facilities including Service Center and City Hall
- Continued improvements to water distributions and sewer systems

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	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019
Land	\$ 46,573,694	\$ 46,708,853	\$ 4,717,011	\$ 4,831,334	\$ 51,290,705	\$ 51,540,187
Construction in progress	163,246,220	168,140,079	24,493,829	28,648,888	187,740,049	196,788,967
Depreciable capital assets	929,414,228	991,496,881	461,444,005	432,339,063	1,390,858,233	1,423,835,944
Accumulated depreciation	(482,359,448)	(520,641,741)	(257,429,425)	(229,233,794)	(739,788,873)	(749,875,535)
<b>Total capital assets, net</b>	<b>\$ 656,874,694</b>	<b>\$ 685,704,072</b>	<b>\$ 233,225,420</b>	<b>\$ 236,585,491</b>	<b>\$ 890,100,114</b>	<b>\$ 922,289,563</b>

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

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
 For the Fiscal Year Ended September 30, 2019  
 (Unaudited)

**Long-term debt** - At September 30, 2019, the City had the following long-term liabilities:

**Table 4  
 Long-Term Debt**

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019	9/30/2018	9/30/2019
Bonded debt	\$ 361,651,245	\$ 453,318,815	\$ 59,814,562	\$ 57,863,033	\$ 421,465,807	\$ 511,181,848
Compensated absences	18,085,656	18,363,930	563,394	472,012	18,649,050	18,835,942
Other post employment benefits	53,746,401	55,519,084	5,697,240	5,885,150	59,443,641	61,404,234
Net pension liability	46,045,042	91,550,173	4,880,877	9,616,144	50,925,919	101,166,317
Pollution liability	58,375	77,037	-	-	58,375	77,037
Closure and post closure liability	-	-	7,939,257	8,232,699	7,939,257	8,232,699
Other liabilities	1,460,919	1,300,144	-	-	1,460,919	1,300,144
<b>Total long-term debt</b>	<b>\$ 481,047,638</b>	<b>\$ 620,129,183</b>	<b>\$ 78,895,330</b>	<b>\$ 82,069,038</b>	<b>\$ 559,942,968</b>	<b>\$ 702,198,221</b>
Long-term debt to net position percentage	134%	166%	31%	30%	91%	109%

Of the total bonded debt, \$453,318,815, or 88.7%, is backed by the full faith and credit of the City with a property tax pledge.

During this fiscal year, the City issued \$120,655,800 in new bonded debt, and retired principal on outstanding bonded debt totaling \$36,505,129. The City's total interest expense for all bonded debt was \$16,108,504.

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

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

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

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

The City's elected and appointed officials considered many factors when setting the fiscal year 2020 budget including tax rates and fees that will be charged for business-type activities. One of the biggest factors continued to be the national economy. Building and development growth rates continue to increase overall; and indicate healthy activities in the residential sector and commercial type permitting. Although the City is largely built out and mature, there are still several areas available, mainly in the south sector with higher end residential areas along Joe Pool Lake. In addition, there is a leveling of multi-family developments, but a major increase in retail construction, in large part due to toll road 161 and emerging destination facilities, such as Epic and Epic Waters.

## City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued  
For the Fiscal Year Ended September 30, 2019  
(Unaudited)

The City population as of September 2019 was 191,720 which is a 1.22% increase over prior year. Grand Prairie's population continues to increase annually with even more growth expected as a result of continued development and mobility through the City. New and improved roadways among I20, I30, SH360, and SH161 continue to make additional demands on the City for increased services. Our diverse economy, the overall DFW metroplex economy and major transportation access all serve to create a synergy.

The following indicators were taken into account when adopting the budget for fiscal year 2020:

- 10.64% increase in assessed property values;
- A 1.28% increase in budgeted sales tax collections as compared to prior fiscal year collections. There was no change in the City's sales tax rate.
- The City's very strong financial position, favorable bond ratings, and continued low interest rates.

These indicators resulted in an increase in budgeted property tax revenues of \$6,319,342 for the General Fund and \$4,298,070 for the General Obligation Debt Service Fund. The City maintained the same property tax rate of \$0.669998 per \$100 valuation for fiscal year 2020.

Budgeted sales tax revenues across all funds were increased by \$1,088,361, or 1.6% over prior fiscal year collections with no change in the sales tax rate.

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

The City's total approved operating appropriations for fiscal year 2020 is \$405,818,416, an increase of 6%, as compared to prior fiscal year projected expenditures. General Fund approved appropriations for fiscal year 2020 is \$146,255,856, an increase of 5%, over fiscal year 2019. Personnel services attributes to 75% of the total operating budget. This increase follows suit with additional staffing (full-time and part-time) to support public safety, a 3% merit increase and an increase in healthcare costs. Other changes in total budgeted operating appropriations include increases of \$4,570,779 in the Water/Wastewater Fund.

Fiscal year 2020 budgeted appropriations for the General Obligation Debt Service Fund increased by \$4,613,833, or 14.8%, over fiscal year 2019 due to Epic Central and next capital projects.

The City's approved appropriations for capital projects in fiscal year 2020 totals \$83,415,536. Planned capital projects include:

- \$16,275,760 in street and signal projects
- \$20,911,267 in water and wastewater requests
- \$6,045,000 in storm drainage projects
- \$9,223,833 in fire equipment and stations' relocations
- \$3,204,000 in Lake Parks



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

Management's Discussion and Analysis – Continued

For the Fiscal Year Ended September 30, 2019

(Unaudited)

### **Requests for Information**

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



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# Basic Financial Statements



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City of Grand Prairie, Texas  
Statement of Net Position  
September 30, 2019

	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	\$ 113,141,482	\$ 17,439,534	\$ 130,581,016	\$ 4,410,454	\$ 644,391
Investments	34,577,463	80,448,008	115,025,471	5,505,501	-
Receivables, net	20,572,219	8,149,829	28,722,048	1,000,640	-
Intergovernmental receivables	2,211,810	48,130	2,259,940	-	-
Inventories and supplies	157,349	728,832	886,181	-	-
Prepays	462,884	33,600	496,484	142	33,411
Restricted assets:					
Cash and cash equivalents	11,990,248	6,903,497	18,893,745	-	1,430,826
Investments	128,724,162	8,342,194	137,066,356	-	-
Internal balances	(2,718,830)	2,718,830	-	-	-
Lease payments receivable	-	-	-	9,727,004	-
Estimated unguaranteed residual value	-	-	-	30,726,465	-
Capital assets:					
Nondepreciable	214,848,932	33,480,222	248,329,154	-	1,612,851
Depreciable, net	470,855,140	203,105,269	673,960,409	-	11,232,119
<b>Total assets</b>	<b>994,822,859</b>	<b>361,397,945</b>	<b>1,356,220,804</b>	<b>51,370,206</b>	<b>14,953,598</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refundings	2,366,413	471,971	2,838,384	-	-
Related to OPEB	670,928	71,121	742,049	-	-
Related to TMRS pension	36,188,110	3,801,086	39,989,196	-	-
<b>Total deferred outflows of resources</b>	<b>39,225,451</b>	<b>4,344,178</b>	<b>43,569,629</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>					
Accounts payable	14,354,329	4,746,681	19,101,010	174,703	135,812
Retainage payable	2,645,548	121,403	2,766,951	-	-
Accrued liabilities	11,555,265	945,100	12,500,365	-	277,222
Unearned revenue	3,188,035	1,041,283	4,229,318	-	-
Current liabilities payable from restricted assets:					
Accrued interest	2,863,679	327,214	3,190,893	-	-
Customer deposits	37,781	5,007,117	5,044,898	-	88,042
Noncurrent liabilities:					
Due within one year:					
Compensated absences	8,292,305	373,856	8,666,161	-	-
Environmental remediation obligation	77,037	-	77,037	-	-
Other liabilities	160,776	-	160,776	-	-
Current portion of long-term debt	34,865,000	5,395,000	40,260,000	-	315,525
Due in more than one year:					
Compensated absences	10,071,625	98,156	10,169,781	-	-
Other postemployment benefits	55,519,084	5,885,150	61,404,234	-	-
Closure and postclosure liability	-	8,232,699	8,232,699	-	-
Net pension liability	91,550,173	9,616,144	101,166,317	-	-
Other liabilities	1,139,368	-	1,139,368	-	-
Long-term debt	418,453,815	52,468,033	470,921,848	-	14,934,999
<b>Total liabilities</b>	<b>654,773,820</b>	<b>94,257,836</b>	<b>749,031,656</b>	<b>174,703</b>	<b>15,751,600</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to OPEB	3,318,722	351,790	3,670,512	-	-
Related to TMRS pension	1,872,922	196,727	2,069,649	-	-
<b>Total deferred outflows of resources</b>	<b>5,191,644</b>	<b>548,517</b>	<b>5,740,161</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>					
Net investment in capital assets	311,019,615	176,239,658	487,259,273	-	(1,200,813)
Restricted for:					
Debt service	1,450,430	7,770,761	9,221,191	-	-
Capital projects	6,752,898	51,576,210	58,329,108	-	-
Support Services	6,583,501	-	6,583,501	-	-
Public safety	17,377,077	-	17,377,077	-	-
Recreation and leisure	11,684,374	-	11,684,374	-	-
Development services	12,890,297	-	12,890,297	-	-
Other specific purposes	2,160,880	-	2,160,880	-	-
Facility lease	-	-	-	41,401,219	-
Replacement reserve	-	-	-	-	138,043
Unrestricted	4,163,774	35,349,141	39,512,915	9,794,284	264,768
<b>Total net position</b>	<b>\$ 374,082,846</b>	<b>\$ 270,935,770</b>	<b>\$ 645,018,616</b>	<b>\$ 51,195,503</b>	<b>\$ (798,002)</b>

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

**City of Grand Prairie, Texas**  
**Statement of Activities**  
**For the Year Ended September 30, 2019**

Functions/Activity	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 30,669,782	\$ 5,980,183	\$ 236,336	\$ -
Public safety services	109,767,831	16,094,926	3,811,946	-
Recreation and leisure services	35,232,643	13,181,720	744,002	-
Development services and other	102,740,890	15,932,228	35,073,295	8,575,572
Interest on long-term debt	14,987,576	-	-	-
<b>Total governmental activities</b>	<b>293,398,722</b>	<b>51,189,057</b>	<b>39,865,579</b>	<b>8,575,572</b>
Business-type activities:				
Water and wastewater	74,389,255	74,890,101	-	10,305,819
Solid waste	13,009,026	14,117,342	-	-
Municipal airport	2,962,253	2,189,495	31,007	-
Municipal golf course	3,458,592	2,283,669	-	-
Storm water	2,647,816	7,210,656	-	5,235,823
<b>Total business-type activities</b>	<b>96,466,942</b>	<b>100,691,263</b>	<b>31,007</b>	<b>15,541,642</b>
<b>Total primary government</b>	<b>\$ 389,865,664</b>	<b>\$ 151,880,320</b>	<b>\$ 39,896,586</b>	<b>\$ 24,117,214</b>
Component units:				
Grand Prairie Sports Facilities Development	\$ 7,211,123	\$ 1,132,668	\$ -	\$ 1,085,723
Grand Prairie Housing Finance Corporation	6,274,206	6,182,455	-	-
<b>Total component units</b>	<b>\$ 13,485,329</b>	<b>\$ 7,315,123</b>	<b>\$ -</b>	<b>\$ 1,085,723</b>
General revenues:				
Taxes				
Property taxes				
Sales taxes				
Hotel/motel and other taxes				
Franchise fees (and those based on gross receipts)				
Investment income				
Transfers				
Capital asset reassignments				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year				
<b>Net position - end of year</b>				

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

Net (Expense) Revenue and Changes in Net Position Primary Government			Grand Prairie Sports Facilities Development	Grand Prairie Housing Finance Corporation
Governmental Activities	Business-Type Activities	Total		
\$ (24,453,263)	\$ -	\$ (24,453,263)	\$ -	\$ -
(89,860,959)	-	(89,860,959)	-	-
(21,306,921)	-	(21,306,921)	-	-
(43,159,795)	-	(43,159,795)	-	-
(14,987,576)	-	(14,987,576)	-	-
(193,768,514)	-	(193,768,514)	-	-
-	10,806,665	10,806,665	-	-
-	1,108,316	1,108,316	-	-
-	(741,751)	(741,751)	-	-
-	(1,174,923)	(1,174,923)	-	-
-	9,798,663	9,798,663	-	-
-	19,796,970	19,796,970	-	-
(193,768,514)	19,796,970	(173,971,544)	-	-
			(4,992,732)	-
			-	(91,751)
			(4,992,732)	(91,751)
106,378,593	-	106,378,593	-	-
69,672,182	-	69,672,182	-	-
2,231,019	-	2,231,019	-	-
14,796,138	-	14,796,138	-	-
9,776,886	65,360	9,842,246	298,642	20,343
7,253,810	(7,253,810)	-	-	-
-	(108,599)	(108,599)	-	-
210,108,628	(7,297,049)	202,811,579	298,642	20,343
16,340,114	12,499,921	28,840,035	(4,694,090)	(71,408)
357,742,732	258,435,849	616,178,581	55,889,593	(726,594)
\$ 374,082,846	\$ 270,935,770	\$ 645,018,616	\$ 51,195,503	\$ (798,002)

**City of Grand Prairie, Texas**

Balance Sheet  
 Governmental Funds  
 September 30, 2019

	General	Section 8	Streets CIP
<b>ASSETS</b>			
Cash and cash equivalents	\$ 24,512,549	\$ 380,095	\$ 1,623,912
Investments	17,577,463	533,109	40,360,381
Property tax receivable, net	1,489,963	-	-
Sales tax receivable	5,957,606	-	-
Franchise fees receivable	2,656,448	-	-
Other receivables, net	2,206,953	-	-
Intergovernmental receivables	1,768,052	-	-
Due from other funds	-	-	-
Inventory	-	-	-
Prepays	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	56,169,034	913,204	41,984,293
<b>LIABILITIES</b>			
Accounts payable	2,987,729	39,614	537,812
Retainage payable	-	-	238,525
Accrued liabilities	5,681,315	100,956	-
Due to other funds	252,330	-	-
Customer deposits	-	-	-
Unearned revenue	627,099	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	9,548,473	140,570	776,337
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	1,440,290	-	-
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	1,440,290	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	505,059	772,634	17,448,839
Committed	-	-	23,759,117
Assigned	3,121,096	-	-
Unassigned	41,554,116	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	45,180,271	772,634	41,207,956
	<hr/>	<hr/>	<hr/>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 56,169,034</b>	<b>\$ 913,204</b>	<b>\$ 41,984,293</b>
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The Notes to the Basic Financial Statements are an integral part of this statement.



Grants	Debt Service	Epic 2 CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,012,747	\$ 250,624	\$ 41,180,836	\$ 48,259,477	\$ 119,220,240
-	3,500,000	-	84,330,672	146,301,625
-	641,840	-	-	2,131,803
-	-	-	5,960,669	11,918,275
-	-	-	68,632	2,725,080
19,179	8,795	-	1,562,134	3,797,061
443,758	-	-	-	2,211,810
-	-	-	3,598,296	3,598,296
-	-	-	57,106	57,106
-	-	-	18,801	18,801
3,475,684	4,401,259	41,180,836	143,855,787	291,980,097
1,310,528	87,150	461,375	8,002,219	13,426,427
-	-	676,741	1,730,282	2,645,548
94,123	-	-	1,403,106	7,279,500
-	-	-	3,345,966	3,598,296
-	-	-	37,781	37,781
355,451	-	-	2,205,485	3,188,035
1,760,102	87,150	1,138,116	16,724,839	30,175,587
-	579,349	-	-	2,019,639
-	579,349	-	-	2,019,639
-	-	-	75,907	75,907
1,715,582	3,734,760	40,042,720	69,293,615	133,513,209
-	-	-	57,761,426	81,520,543
-	-	-	-	3,121,096
-	-	-	-	41,554,116
1,715,582	3,734,760	40,042,720	127,130,948	259,784,871
\$ 3,475,684	\$ 4,401,259	\$ 41,180,836	\$ 143,855,787	\$ 291,980,097

**City of Grand Prairie, Texas**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**September 30, 2019**

<b>Total fund balance - total governmental funds</b>		<b>\$ 259,784,871</b>
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 \$1,626,525).		684,077,547
Certain revenues are not available to pay for current-period expenditures; therefore, these revenues are deferred in the funds.		2,019,639
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	(2,863,679)	
Unamortized loss of bond refundings	2,366,413	
Deferred pension and OPEB contributions, and investment and actuarial experience (excluding internal service fund totals of \$455,965).	31,211,429	30,714,163
Internal service funds are used by management to charge cost of certain activities, such as employee health insurance, risk management insurance, and fleet services, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities of \$2,718,830).		15,495,426
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	(426,790,000)	
Unamortized bond premium/discount, net	(26,528,815)	
Compensated absences (excluding internal service fund totals of \$48,607)	(18,315,323)	
Other post employment benefits (excluding internal service fund totals of \$760,081)	(54,759,003)	
Net pension liability (excluding internal service fund totals of \$1,311,695)	(90,238,478)	
Environmental remediation obligation	(77,037)	
Other liabilities	(1,300,144)	(618,008,800)
<b>Net position of governmental activities</b>		<b>\$ 374,082,846</b>

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



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**City of Grand Prairie, Texas**  
Statement of Revenues,  
Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Year Ended September 30, 2019

	<u>General</u>	<u>Section 8</u>	<u>Streets CIP</u>
<b>REVENUES</b>			
Property taxes	\$ 66,107,431	\$ -	\$ -
Sales taxes	34,381,013	-	-
Other taxes	307,752	-	-
Franchise fees	14,796,138	-	-
Charges for goods and services	5,964,359	6,394,316	-
Licenses and permits	3,242,194	276,854	-
Fines and forfeitures	7,380,465	-	-
Intergovernmental	2,610,586	30,240,183	-
General and administrative	4,886,831	-	-
Rents and royalties	292,710	-	-
Investment income	9,490,011	-	-
Contributions	131,686	-	-
Other	1,116,180	41,548	118,067
	<hr/>	<hr/>	<hr/>
Total revenues	150,707,356	36,952,901	118,067
<b>EXPENDITURES</b>			
Current operations:			
Support services	22,976,923	-	-
Public safety services	87,527,565	-	-
Recreation and leisure services	2,844,027	-	-
Development services and other	13,461,438	37,002,422	9,725,625
Capital outlay	815,459	38,680	9,687,553
Debt service:			
Principal retirement	-	-	-
Interest and other charges	4,456	-	284,166
	<hr/>	<hr/>	<hr/>
Total expenditures	127,629,868	37,041,102	19,697,344
Excess (deficiency) of revenues over (under) expenditures	23,077,488	(88,201)	(19,579,277)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	253,579	79,091	1,003,165
Transfers out	(12,957,767)	(50,000)	(33,944)
Bonds issued	-	-	31,181,550
Premium on bonds issued	-	-	3,339,395
Proceeds from sale of capital assets	1,061,920	7,851	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(11,642,268)	36,942	35,490,166
Net change in fund balances	11,435,220	(51,259)	15,910,889
Fund balances - beginning of year	33,745,051	823,893	25,297,067
	<hr/>	<hr/>	<hr/>
<b>Fund balances - end of year</b>	<b>\$ 45,180,271</b>	<b>\$ 772,634</b>	<b>\$ 41,207,956</b>

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

Grants	Debt Service	Epic 2 CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 29,543,689	\$ -	\$ 10,407,365	\$ 106,058,485
-	-	-	35,130,394	69,511,407
-	-	-	1,923,267	2,231,019
-	-	-	-	14,796,138
1,212	-	-	15,806,255	28,166,142
-	-	-	211,975	3,731,023
-	-	-	2,945,674	10,326,139
3,603,755	-	-	566,797	37,021,321
-	-	-	-	4,886,831
-	-	-	4,469,291	4,762,001
2,030	-	274,026	10,819	9,776,886
199,943	-	-	3,444,855	3,776,484
-	-	-	399,563	1,675,358
3,806,940	29,543,689	274,026	75,316,255	296,719,234
-	-	-	3,102,915	26,079,838
1,305,019	-	-	8,534,826	97,367,410
198,120	-	1,073,820	24,545,921	28,661,888
2,583,659	-	-	16,102,041	78,875,185
2,288,285	-	3,337,129	48,383,800	64,550,906
-	21,050,000	-	10,035,000	31,085,000
-	10,344,745	529,124	4,521,704	15,684,195
6,375,083	31,394,745	4,940,073	115,226,207	342,304,422
(2,568,143)	(1,851,056)	(4,666,047)	(39,909,952)	(45,585,188)
5,467,157	50,000	8,402,683	22,765,985	38,021,660
(554,234)	-	-	(15,141,592)	(28,737,537)
-	-	34,305,000	51,438,450	116,925,000
-	-	-	4,202,218	7,541,613
-	-	-	57,226	1,126,997
4,912,923	50,000	42,707,683	63,322,287	134,877,733
2,344,780	(1,801,056)	38,041,636	23,412,335	89,292,545
(629,198)	5,535,816	2,001,084	103,718,613	170,492,326
\$ 1,715,582	\$ 3,734,760	\$ 40,042,720	\$ 127,130,948	\$ 259,784,871

# City of Grand Prairie, Texas

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities For the Year Ended September 30, 2019

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 89,292,545</b>
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.	64,550,906
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 \$194,365).	(43,131,371)
Governmental funds do not report capital contributions.	7,795,044
The net effect of various transactions involving capital assets (i.e., disposals, sales, and reassignments) are not reported in the governmental funds.	(394,425)
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	(116,925,000)
Bond principal retirement	31,085,000
Bond premium issued	(7,541,613)
Amortization of bond premiums/discounts	1,714,043
Amortization of loss on refundings	(264,781)
	(91,932,351)
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	(752,643)
Compensated absences	(289,917)
Pollution remediation obligation	(18,662)
Postemployment benefit obligation	(1,748,415)
Pension liability	(44,823,813)
Deferred pension and OPEB contributions, and investment and actuarial experience	34,625,733
Other liabilities	160,775
	(12,846,942)
Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(269,428)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net operating loss of the internal service funds is reported with governmental activities (net of the amount allocated to business-type activities of \$638,385).	3,276,136
<b>Change in net position of governmental activities</b>	<b>\$ 16,340,114</b>

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

City of Grand Prairie, Texas  
Statement of Net Position  
Proprietary Funds  
September 30, 2019

	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	\$ 11,411,835	\$ 4,394,846	\$ 1,632,853	\$ 17,439,534	\$ 5,911,490
Investments	64,154,009	13,624,532	2,669,467	80,448,008	17,000,000
Accounts receivable, net	6,714,905	634,217	800,707	8,149,829	-
Intergovernmental receivable	-	-	48,130	48,130	-
Inventories and supplies	630,769	-	98,063	728,832	100,243
Prepays	-	-	33,600	33,600	444,083
Restricted assets:					
Cash and cash equivalents	6,903,497	-	-	6,903,497	-
Investments	8,265,842	-	76,352	8,342,194	-
Total current assets	98,080,857	18,653,595	5,359,172	122,093,624	23,455,816
Noncurrent assets:					
Capital assets:					
Land	2,323,249	1,748,378	759,707	4,831,334	737,566
Buildings	2,684,793	1,941,583	15,164,448	19,790,824	1,705,575
Equipment	13,492,836	9,385,323	2,300,333	25,178,492	2,304,194
Infrastructure	333,806,096	10,613,146	42,950,505	387,369,747	-
Construction in progress	25,722,078	2,567,382	359,428	28,648,888	-
Less: accumulated depreciation	(189,374,022)	(11,760,125)	(28,099,647)	(229,233,794)	(3,120,810)
Total noncurrent assets	188,655,030	14,495,687	33,434,774	236,585,491	1,626,525
Total assets	286,735,887	33,149,282	38,793,946	358,679,115	25,082,341
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Debt refundings	471,971	-	-	471,971	-
Related to OPEB	42,709	14,528	13,884	71,121	9,185
Related to TMRS pension	2,243,238	796,242	761,606	3,801,086	519,079
Total deferred outflows of resources	2,757,918	810,770	775,490	4,344,178	528,264
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	3,999,635	498,241	248,805	4,746,681	927,902
Retainage payable	121,403	-	-	121,403	-
Accrued interest	321,775	-	5,439	327,214	-
Accrued liabilities	575,758	242,265	127,077	945,100	4,275,765
Compensated absences	232,538	56,148	85,170	373,856	48,607
Unearned revenue	905,606	-	135,677	1,041,283	-
Current portion of long-term debt	5,235,000	-	160,000	5,395,000	-
Current liabilities payable from restricted assets:					
Customer deposits	4,930,765	-	76,352	5,007,117	-
Total current liabilities	16,322,480	796,654	838,520	17,957,654	5,252,274
Noncurrent liabilities:					
Compensated absences	38,148	30,584	29,424	98,156	-
Other postemployment benefits	3,534,176	1,202,189	1,148,785	5,885,150	760,081
Closure and postclosure liability	-	8,232,699	-	8,232,699	-
Net pension liability	5,675,034	2,014,367	1,926,743	9,616,144	1,311,695
Long-term debt	51,743,033	-	725,000	52,468,033	-
Total noncurrent liabilities	60,990,391	11,479,839	3,829,952	76,300,182	2,071,776
Total liabilities	77,312,871	12,276,493	4,668,472	94,257,836	7,324,050
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to OPEB	211,259	71,862	68,669	351,790	45,434
Related to TMRS pension	116,099	41,211	39,417	196,727	26,865
Total deferred inflows of resources	327,358	113,073	108,086	548,517	72,299
<b>NET POSITION</b>					
Net investment in capital assets	129,194,197	14,495,687	32,549,774	176,239,658	1,626,525
Restricted for:					
Debt service	7,770,761	-	-	7,770,761	-
Capital projects	51,576,210	-	-	51,576,210	-
Unrestricted	23,312,408	7,074,799	2,243,104	32,630,311	16,587,731
Total net position	\$ 211,853,576	\$ 21,570,486	\$ 34,792,878	\$ 268,216,940	\$ 18,214,256
<b>Reconciliation to government-wide Statement of Net Position:</b>					
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				2,718,830	
Net position of business-type activities				\$ 270,935,770	

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

**City of Grand Prairie, Texas**  
**Statement of Revenues, Expenses,**  
**And Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	Activities Internal Service Funds
<b>OPERATING REVENUES</b>					
Water sales	\$ 42,337,949	\$ -	\$ -	\$ 42,337,949	\$ -
Wastewater services	28,616,537	-	-	28,616,537	-
Water and wastewater fees	2,757,880	-	-	2,757,880	-
Wastewater surcharges	824,590	-	-	824,590	-
Solid waste fees	-	13,923,016	-	13,923,016	-
Charges for services	-	-	10,971,799	10,971,799	6,198,393
Intergovernmental revenue	-	-	31,007	31,007	-
Insurance premiums	-	-	-	-	26,122,284
Miscellaneous	353,145	194,326	712,021	1,259,492	9,718
<b>Total operating revenue</b>	<b>74,890,101</b>	<b>14,117,342</b>	<b>11,714,827</b>	<b>100,722,270</b>	<b>32,330,395</b>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	8,724,269	3,178,149	3,084,281	14,986,699	2,127,829
Supplies and miscellaneous purchases	1,209,422	589,134	1,336,576	3,135,132	2,515,779
Purchased services	6,501,575	5,601,531	1,987,092	14,090,198	1,069,957
Insurance costs	-	-	-	-	20,130,766
Water purchases	13,463,858	-	-	13,463,858	-
Wastewater treatment	18,689,151	-	-	18,689,151	-
General and administrative costs	4,093,278	411,308	140,486	4,645,072	-
Franchise fees	2,840,985	373,833	289,097	3,503,915	-
Miscellaneous	1,572,938	921,386	336,165	2,830,489	437,440
Depreciation	14,620,755	1,487,597	1,974,345	18,082,697	194,365
<b>Total operating expenses</b>	<b>71,716,231</b>	<b>12,562,938</b>	<b>9,148,042</b>	<b>93,427,211</b>	<b>26,476,136</b>
<b>Operating income</b>	<b>3,173,870</b>	<b>1,554,404</b>	<b>2,566,785</b>	<b>7,295,059</b>	<b>5,854,259</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	65,360	-	-	65,360	-
Gain (loss) on property disposition	(1,625,935)	(560,616)	2,893	(2,183,658)	(26,115)
Interest expense	(1,446,477)	(1,098)	(46,882)	(1,494,457)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(3,007,052)</b>	<b>(561,714)</b>	<b>(43,989)</b>	<b>(3,612,755)</b>	<b>(26,115)</b>
<b>Income before contributions and transfers</b>	<b>166,818</b>	<b>992,690</b>	<b>2,522,796</b>	<b>3,682,304</b>	<b>5,828,144</b>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions-impact fees	1,897,862	-	-	1,897,862	-
Capital contributions	8,407,956	-	5,235,823	13,643,779	-
Transfers in - capital assets	-	-	-	-	116,690
Transfers out - capital assets	(68,558)	(40,041)	-	(108,599)	-
Transfers in	125,559	-	1,899,011	2,024,570	450,000
Transfers out	(3,562,207)	(300,907)	(5,415,266)	(9,278,380)	(2,480,313)
<b>Total contributions and transfers</b>	<b>6,800,612</b>	<b>(340,948)</b>	<b>1,719,568</b>	<b>8,179,232</b>	<b>(1,913,623)</b>
<b>Change in net position</b>	<b>6,967,430</b>	<b>651,742</b>	<b>4,242,364</b>	<b>11,861,536</b>	<b>3,914,521</b>
Net position - beginning of year	204,886,146	20,918,744	30,550,514	256,355,404	14,299,735
<b>Net position - end of year</b>	<b>\$ 211,853,576</b>	<b>\$ 21,570,486</b>	<b>\$ 34,792,878</b>	<b>\$ 268,216,940</b>	<b>\$ 18,214,256</b>
<b>Reconciliation to government-wide Statement of Activities:</b>					
Total change in net position				\$ 11,861,536	
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				638,385	
Change in net position of business-type activities				<u>\$ 12,499,921</u>	

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



City of Grand Prairie, Texas  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2019

	Business-Type Activities - Enterprise Funds				Governmental
	Water Wastewater	Solid Waste	Other Nonmajor	Total	Activities Internal Service Funds
<b>Cash flows from operating activities:</b>					
Cash receipts from customers	\$ 74,105,215	\$ 13,937,295	\$ 11,046,078	\$ 99,088,588	\$ -
Cash receipts from city and employee contributions	-	-	-	-	26,122,284
Cash receipts from interfund services provided	-	-	-	-	6,198,393
Cash receipts from other governments	-	-	2,162	2,162	-
Other operating cash receipts	353,145	194,326	712,021	1,259,492	9,718
Cash payments to suppliers for goods and services	(48,099,625)	(6,286,366)	(3,835,656)	(58,221,647)	(4,071,073)
Cash payments to employees for services	(8,063,974)	(2,877,958)	(2,803,610)	(13,745,542)	(1,740,459)
Cash payments for interfund services used	-	-	(289,097)	(289,097)	(20,130,766)
Other operating cash payments	(4,413,923)	(1,295,219)	(140,486)	(5,849,628)	-
Net cash provided by (used in) operating activities	13,880,838	3,672,078	4,691,412	22,244,328	6,388,097
<b>Cash flows from noncapital financing activities:</b>					
Transfers from other funds	125,559	-	1,899,011	2,024,570	566,690
Transfers to other funds	(3,562,207)	(300,907)	(5,415,266)	(9,278,380)	(2,480,313)
Contributions from other governments	710,381	-	-	710,381	-
Net cash provided by (used in) noncapital financing activities	(2,726,267)	(300,907)	(3,516,255)	(6,543,429)	(1,913,623)
<b>Cash flows from capital and related financing activities:</b>					
Proceeds from issuance of bonds	3,730,800	-	-	3,730,800	-
Capital impact fees from developers	1,897,862	-	-	1,897,862	-
Proceeds from disposition of capital assets	160,596	168,299	1,202,893	1,531,788	(26,115)
Acquisition and construction of capital assets	(8,793,453)	(2,072,535)	(495,828)	(11,361,816)	(203,589)
Principal paid on debt	(4,940,000)	(330,129)	(150,000)	(5,420,129)	-
Interest paid on debt	(1,604,918)	(1,098)	(47,749)	(1,653,765)	-
Net cash provided by (used in) capital and related financing activities	(9,549,113)	(2,235,463)	509,316	(11,275,260)	(229,704)
<b>Cash flows from investing activities:</b>					
Proceeds from sales and maturities of investments	-	4	-	4	-
Interest received on investments	65,360	-	-	65,360	-
Net cash provided by (used in) investing activities	65,360	4	-	65,364	-
Net (decrease) increase in cash and equivalents	1,670,818	1,135,712	1,684,473	4,491,003	4,244,770
Cash and cash equivalents - beginning of year	16,644,514	3,259,134	(51,620)	19,852,028	1,666,720
Cash and cash equivalents - end of year	\$ 18,315,332	\$ 4,394,846	\$ 1,632,853	\$ 24,343,031	\$ 5,911,490
<b>Reconciliation of operating income (loss) from operations to net cash from operating activities:</b>					
Operating income (loss)	\$ 3,173,870	\$ 1,554,404	\$ 2,566,785	\$ 7,295,059	\$ 5,854,259
Adjustments to operating income (loss) to net cash from operating activities:					
Depreciation	14,620,755	1,487,597	1,974,345	18,082,697	194,365
Provisions for uncollectible accounts	(216,722)	(57,461)	(12,279)	(286,462)	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(642,816)	71,740	83,592	(487,484)	-
(Increase) decrease in due from other governments	-	-	(28,845)	(28,845)	-
(Increase) decrease in inventories and supplies	(116,556)	-	(26,078)	(142,634)	(28,800)
(Increase) decrease in prepaids	-	-	12,455	12,455	-
Increase (decrease) in accounts payable	(4,116,093)	8,268	(170,981)	(4,278,806)	(19,097)
Increase (decrease) in retainage payable	(12,642)	-	-	(12,642)	-
Increase (decrease) in accrued liabilities	102,950	307,339	19,542	429,831	196,785
Increase (decrease) in customer deposits	427,797	-	2,966	430,763	-
Increase (decrease) in unearned revenue	-	-	(10,761)	(10,761)	-
Increase (decrease) in compensated absences	(17,545)	17,137	9,026	8,618	(11,643)
Increase (decrease) in OPEB liability	48,675	16,557	15,822	81,054	10,466
Increase (decrease) in pension liability	629,165	266,497	255,823	1,151,485	191,762
Net cash provided by (used in) operating activities	\$ 13,880,838	\$ 3,672,078	\$ 4,691,412	\$ 22,244,328	\$ 6,388,097
<b>Noncash investing, capital and financing activities:</b>					
Capital contributions from developers/granting agencies	\$ 8,407,956	\$ -	\$ 5,235,823	\$ 13,643,779	\$ -
<b>Reconciliation of ending cash and cash equivalents to Statement of Net Position:</b>					
Unrestricted cash and cash equivalents - end of year	\$ 11,411,835	\$ 4,394,846	\$ 1,632,853	\$ 17,439,534	\$ 5,911,490
Restricted cash and cash equivalents - end of year	6,903,497	-	-	6,903,497	-
<b>Total cash and cash equivalents - end of year</b>	<b>\$ 18,315,332</b>	<b>\$ 4,394,846</b>	<b>\$ 1,632,853</b>	<b>\$ 24,343,031</b>	<b>\$ 5,911,490</b>

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



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



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## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### Note 1. Summary of Significant Accounting Policies

#### A. Introduction

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

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

#### B. Financial Reporting Entity

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

##### Blended Component Units

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

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

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

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

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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, 2018, is included in the City's financial statements in a separate column alongside the City's. Separate audited financial statements may be obtained by writing Grand Prairie Housing Finance Corporation, Attn: Executive Director, P. O. Box 532758, Grand Prairie, Texas 75053-2758.

### Related Autonomous Entities

#### Grand Prairie Health Facilities Development Authority

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

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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**

The GASB pronouncements effective in fiscal year 2019 and 2020 are listed as follows:

The GASB issued Statement No. 83, Certain Asset Retirement Obligations, in November 2016. This statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. This standard became effective for the City in fiscal year 2019. The implementation had no effect on the City's financial statements.

The GASB issued Statement No. 88, Certain Disclosures Related to Debt, including Debt Borrowings and Direct Placements, in April 2018. This statement improves the information that is disclosed in notes to the government financial statements related to debt, including direct borrowings and direct placements. This standard became effective for the City in fiscal year 2019. The implementation had no effect on the City's financial statements.

The GASB issued Statement No. 84, Fiduciary Activities, in January 2017. This statement establishes standards of accounting and financial reporting for fiduciary activities. This standard becomes effective for the City in fiscal year 2020. This City has not yet determined the impact of this statement.

The GASB issued Statement No. 87, Leases, in June 2017. This Statement established standards of accounting and financial reporting for lease by lessees and lessors. This standard becomes effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

The GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. This Statement establishes objectives to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. This standard becomes effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

### **C. Basis of Presentation**

#### Government-Wide Financial Statements

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

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2019

The Statement of Activities reports the change in the City's net position from October 1, 2018 to September 30, 2019. 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, 2019, major governmental funds include the following:

#### General Fund

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

#### Section 8 Fund

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

#### Street CIP Fund

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

#### 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.



## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### Epic 2 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, 2019, major enterprise funds include the following:

### Water/Wastewater Fund

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

### Solid Waste Fund

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

## Measurement Focus and Basis of Accounting

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

### Government-Wide Financial Statements

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

### 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.

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2019

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

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

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

#### Proprietary Funds

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

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

#### Enterprise Funds

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

#### 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.

# City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

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

### Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings are recorded in the General Fund unless it is required by regulations or agreements to allocate to certain funds. In fiscal year 2019, the funds receiving allocation of interest earnings were the Grants Fund, Epic 2 CIP Fund, Police Seizure Funds and the Water/Wastewater Fund. For purposes of the statements of cash flows, the City considers cash on hand, demand deposits, and investments with original maturities of three months or less to be cash equivalents.

### Receivables and Payables

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

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

### Inventories and Prepaid Items

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

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

### Capital Assets and Depreciation

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

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

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

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#### Deferred Outflows/Inflows of Resources

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

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

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

- **Unavailable revenue** – at the governmental fund level, property tax and ambulance receivables recorded but not expected to be collected within than sixty days after fiscal year end are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.
- **Pension and OPEB actuarial experience** – the difference between the expected and actual experience in the actuarial measurement of the total pension and OPEB liability not recognized in the current year. This amount is deferred and amortized over a period of years determined by the plan actuary. The amortization period is based on the estimated average remaining service lives of employees that are provided with a pension or OPEB through the plans (active and inactive employees) for the City determined at the beginning of the measurement date.
- **OPEB assumption changes** – the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members as of the beginning of the measurement period.
- **Pension investment experience** – the difference between projected and actual earnings of plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68.

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

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#### 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 upon separation of employment. Fire and police civil service employees who have completed their introductory period are paid up to 90 days sick leave upon separation of employment, excluding indefinite suspensions. The valuation of the civil service sick leave is at current pay rates. The valuation of accrued compensated absences includes salary-related payments such as the City's share of taxes and contributions to the retirement plan in accordance with GASB 16.

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

#### Pensions

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

#### Postemployment Benefits

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

#### Long-Term Debt

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

#### 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.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

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

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

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

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

### Minimum Fund Balance Policy

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

### Net Position

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

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

## E. Budgetary Control

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

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

## Note 2. Detailed Notes

### A. Deposits and Investments

#### Cash and Cash Equivalents

At September 30, 2019, 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	\$ 10,495,401	\$ 6,903,497	\$ 17,398,898
Pooled investments	120,085,615	11,990,248	132,075,863
<b>Total cash and cash equivalents</b>	<b><u><u>\$ 130,581,016</u></u></b>	<b><u><u>\$ 18,893,745</u></u></b>	<b><u><u>\$ 149,474,761</u></u></b>

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

Financial Institution	Book Balance	Bank Balance
Wells Fargo and BNY Mellon	\$ 17,372,492	\$ 19,048,332
Petty Cash	26,406	-
<b>Total cash</b>	<b>\$ 17,398,898</b>	<b>\$ 19,048,332</b>

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. The above book balance includes monies held in escrow, pushing the book balance above the collateral value. Per Wells Fargo Bank, N.A. and BNY Mellon's contractual obligation to the City, the collateral value held in the City's name at September 30, 2019 was \$9,050,261.

Grand Prairie Sports Facilities Development

At September 30, 2019, the carrying amount of the Sports Corporation's deposits included in cash and cash equivalents was \$72,271 while the bank balance of the Sports Corporation's deposits was \$72,751. 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, 2018, including restricted cash, totaled \$743,761 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 \$644,391. Restricted cash of \$99,370 (tenant security deposits) represents cash held on deposit by HFC for insurance proceeds received for damages to federally funded assets. The liability is recorded until final disposition of the proceeds is requested by HUD. Other assets include reserves of \$126,715 and bonds held by a trustee of \$1,204,741 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.

- 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.

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

	September 30, 2019	Fair Value Measurements Using:			Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash	\$ 17,398,898	\$ -	\$ -	\$ -		
Investments measured at amortized cost:						
Investment Pools:						
Texpool	89,222,124	-	-	-	1	AAAm
Investments measured at net asset value (NAV):						
Investment Pools:						
TexStar	42,853,739	-	-	-	1	AAAm
Investments by fair value level:						
U.S. government agency securities:						
US Treasuries	29,004,706	-	29,004,706	-	3	AAA
FAMCA	49,073,639	-	49,073,639	-	367	Not Rated
FFCB	53,236,109	-	53,236,109	-	515	AAA
FHLB	55,819,083	-	55,819,083	-	206	AAA
FHLMC	41,001,660	-	41,001,660	-	211	AAA
FNMA	23,956,630	-	23,956,630	-	178	AAA
<b>Total</b>	<b>\$ 401,566,588</b>	<b>\$ -</b>	<b>\$ 252,091,827</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 (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.



## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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, 2019.

### 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.

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

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

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

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

In addition, the City may invest in callable securities but shall limit the total amount to no more than 50% of the portfolio. The City did not invest in any securities different from the categories mentioned above during the 2018-2019 fiscal year.

Grand Prairie Sports Facilities Development

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

	September 30, 2019	Fair Value Measurements Using			Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash	\$ 72,271	\$ -	\$ -	\$ -		
Investments measured at amortized cost:						
Investment Pools:						
Texpool	4,338,183	-	-	-	1	AAAm
Investments by fair value level:						
U.S. government agency securities:						
US Treasuries	998,815	-	998,815	-	119	Not Rated
FFCB	3,007,997	-	3,007,997	-	214	AAA
FNMA	1,498,689	-	1,498,689	-	112	AAA
<b>Total</b>	<b>\$ 9,915,955</b>	<b>\$ -</b>	<b>\$ 5,505,501</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, 2019 was \$4,338,183 in the Public Funds Investment Pool (TexPool) and \$5,505,501 in U.S. agency instrumentalities.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
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**B. Receivables**

At September 30, 2019, receivables, including applicable allowances for uncollectible accounts, consisted of the following:

Governmental Activities	General	Grants	Debt Service	Nonmajor Governmental	Total Governmental
Receivables:					
Property taxes	\$ 2,341,099	\$ -	\$ 972,115	\$ -	\$ 3,313,214
Sales taxes	5,957,606	-	-	5,960,669	11,918,275
Franchise fees	2,656,448	-	-	68,632	2,725,080
Other	2,657,086	19,179	8,795	1,562,134	4,247,194
<b>Total receivables, gross</b>	<b>13,612,239</b>	<b>19,179</b>	<b>980,910</b>	<b>7,591,435</b>	<b>22,203,763</b>
Less:					
Allowance for uncollectibles	(1,301,269)	-	(330,275)	-	(1,631,544)
<b>Total receivables, net</b>	<b>\$ 12,310,970</b>	<b>\$ 19,179</b>	<b>\$ 650,635</b>	<b>\$ 7,591,435</b>	<b>\$ 20,572,219</b>

Business-Type Activities:	Water Wastewater	Solid Waste	Other Nonmajor	Total Business-Type
Receivables:				
Trade accounts	\$ 11,282,162	\$ 1,788,569	\$ 868,456	\$ 13,939,187
Other	-	-	165,000	165,000
<b>Total receivables, gross</b>	<b>11,282,162</b>	<b>1,788,569</b>	<b>1,033,456</b>	<b>14,104,187</b>
Less:				
Allowance for uncollectibles	(4,567,257)	(1,154,352)	(232,749)	(5,954,358)
<b>Total receivables, net</b>	<b>\$ 6,714,905</b>	<b>\$ 634,217</b>	<b>\$ 800,707</b>	<b>\$ 8,149,829</b>

**C. Restricted Assets**

At September 30, 2019, restricted assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Cash and cash equivalents	\$ 11,990,248	\$ 6,903,497	\$ 18,893,745
Investments	128,724,162	8,342,194	137,066,356
	<b>\$ 140,714,410</b>	<b>\$ 15,245,691</b>	<b>\$ 155,960,101</b>

**City Of Grand Prairie, Texas**  
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Assets were restricted for the following purposes:

Purpose	Governmental Activities	Business-Type Activities	Total
Customer deposits	\$ 37,781	\$ 5,007,117	\$ 5,044,898
Debt service	4,314,109	7,770,761	12,084,870
Capital projects	85,666,391	2,467,813	88,134,204
Support services	8,299,083	-	8,299,083
Public safety	17,377,077	-	17,377,077
Recreation and leisure	11,684,374	-	11,684,374
Development services	12,890,297	-	12,890,297
Other specific purposes	445,298	-	445,298
<b>Total restricted assets</b>	<b>\$ 140,714,410</b>	<b>\$ 15,245,691</b>	<b>\$ 155,960,101</b>

**D. Capital Assets**

Capital asset activity for the year ended September 30, 2019 was as follows:

Governmental Activities	Balance October 1, 2018	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2019
Non-depreciable capital assets:				
Land	\$ 46,573,694	\$ 52,753	\$ 82,406	\$ 46,708,853
Construction in progress	163,246,220	56,955,396	(52,061,537)	168,140,079
Total non-depreciable capital assets	209,819,914	57,008,149	(51,979,131)	214,848,932
Depreciable capital assets:				
Buildings	208,833,286	994,666	21,927,843	231,755,795
Equipment	123,576,348	5,888,857	(2,720,106)	126,745,099
Infrastructure	597,004,594	8,535,622	27,455,771	632,995,987
Total depreciable capital assets	929,414,228	15,419,145	46,663,508	991,496,881
Less accumulated depreciation for:				
Buildings	(78,400,924)	(7,387,723)	-	(85,788,647)
Equipment	(70,517,868)	(10,921,641)	5,043,443	(76,396,066)
Infrastructure	(333,440,656)	(25,016,372)	-	(358,457,028)
Total accumulated depreciation	(482,359,448)	(43,325,736)	5,043,443	(520,641,741)
Total depreciable capital assets, net	447,054,780	(27,906,591)	51,706,951	470,855,140
<b>Total capital assets, net</b>	<b>\$ 656,874,694</b>	<b>\$29,101,558</b>	<b>\$ (272,180)</b>	<b>\$ 685,704,072</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
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Business-Type Activities	Balance October 1, 2018	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2019
Non-depreciable capital assets:				
Land	\$ 4,717,011	\$ 114,323	\$ -	\$ 4,831,334
Construction in progress	24,493,829	8,177,589	(4,022,530)	28,648,888
<b>Total non-depreciable capital assets</b>	<b>29,210,840</b>	<b>8,291,912</b>	<b>(4,022,530)</b>	<b>33,480,222</b>
Depreciable capital assets:				
Buildings	19,891,241	63,220	(163,637)	19,790,824
Equipment	37,949,631	2,983,116	(15,754,255)	25,178,492
Infrastructure	403,603,133	12,728,572	(28,961,958)	387,369,747
<b>Total depreciable capital assets</b>	<b>461,444,005</b>	<b>15,774,908</b>	<b>(44,879,850)</b>	<b>432,339,063</b>
Less accumulated depreciation for:				
Buildings	(8,903,204)	(611,754)	163,635	(9,351,323)
Equipment	(22,868,311)	(2,823,529)	13,312,097	(12,379,743)
Infrastructure	(225,657,910)	(14,647,414)	32,802,596	(207,502,728)
<b>Total accumulated depreciation</b>	<b>(257,429,425)</b>	<b>(18,082,697)</b>	<b>46,278,328</b>	<b>(229,233,794)</b>
<b>Total depreciable capital assets, net</b>	<b>204,014,580</b>	<b>(2,307,789)</b>	<b>1,398,478</b>	<b>203,105,269</b>
<b>Total capital assets, net</b>	<b>\$ 233,225,420</b>	<b>\$ 5,984,123</b>	<b>\$ (2,624,052)</b>	<b>\$ 236,585,491</b>

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

Governmental activities:		Business-type activities:	
Support services	\$ 4,053,378	Water and wastewater	\$ 14,620,755
Public safety services	8,002,308	Solid waste	1,487,597
Recreation and leisure services	8,087,137	Other business-type activities	1,974,345
Development services	22,988,548		
Internal services funds (see note below)	194,365		
<b>Total governmental activities</b>	<b>\$ 43,325,736</b>	<b>Total business-type activities</b>	<b>\$ 18,082,697</b>

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

At September 30, 2019, a summary of changes in capital assets of the Sports Corporation was as follows:

	Balance October 1, 2018	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance September 30, 2019
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	(310,078)	-	-	(310,078)
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**City Of Grand Prairie, Texas**  
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At September 30, 2019, a summary of changes in capital assets of the Housing Finance Corporation was as follows:

	Balance January 1, 2018	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance December 31, 2018
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	1,612,851	-	-	1,612,851
Depreciable capital assets:				
Buildings	20,584,396	661,472	(360,344)	20,885,524
Less accumulated depreciation	(9,027,105)	(986,644)	360,344	(9,653,405)
Total depreciable capital assets, net	11,557,291	(325,172)	-	11,232,119
Housing Finance Corporation assets, net	<u>\$ 13,170,142</u>	<u>\$ (325,172)</u>	<u>\$ -</u>	<u>\$ 12,844,970</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, 2019, interfund balances existed between the Capital Lending Reserve Fund and the Park Venue CIP Fund for \$90,953 and between the Capital Lending Reserve Fund and Epic Center/Sales Tax Fund for \$3,002,683. 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 2 CIP Fund to begin planning for this project. A portion of the funds loaned remain outstanding at September 30, 2019.

At September 30, 2019, interfund balances existed between the Red Light Safety Fund and the General Fund for \$252,330, between the Red Light Safety Fund and the Crime Sales Tax Fund for \$38,820, and between the Red Light Safety Fund and the Other Capital Projects Fund for \$213,510.

*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.

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For the year ended September 30, 2019, cost reimbursements were as follows:

Fund	Amount
Water and wastewater funds	\$ 4,093,278
Solid waste funds	411,308
Storm water funds	67,722
Airport fund	72,764
Other nonmajor governmental funds	241,759
<b>Total to general fund</b>	<b>\$ 4,886,831</b>

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, 2019, franchise fees paid to the General Fund were as follows:

Fund	Amount
Water and wastewater funds	\$ 2,840,985
Solid waste funds	373,833
Storm water funds	289,097
<b>Total</b>	<b>\$ 3,503,915</b>

Interfund Transfers

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

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

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At September 30, 2019, transfers between the City's governmental activities and the City's business-type activities consisted of the following:

Transfers out	Transfers In					
	General Fund	Section 8 Fund	Streets CIP Fund	Grants Fund	Debt Service Fund	Epic 2 CIP Fund
General Fund	\$ -	\$ 79,091	\$ -	\$ 817,635	\$ -	\$ 2,700,000
Section 8 Fund	-	-	-	-	50,000	-
Streets CIP Fund	-	-	-	28,674	-	-
Grants Fund	-	-	97,045	-	-	-
Debt Service Fund	-	-	-	-	-	-
Nonmajor Governmental Funds	253,579	-	906,120	1,923,071	-	5,702,683
Internal Service Funds	-	-	-	795,575	-	-
Water & Wastewater Fund	-	-	-	1,902,202	-	-
Solid Waste Fund	-	-	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	-	-	-
<b>Total</b>	<b>\$ 253,579</b>	<b>\$ 79,091</b>	<b>\$1,003,165</b>	<b>\$ 5,467,157</b>	<b>\$ 50,000</b>	<b>\$ 8,402,683</b>

Transfers out	Transfers In					
	Nonmajor Governmental Funds	Water Wastewater Fund	Solid Waste Fund	Other Nonmajor Enterprise Funds	Internal Service Fund	Total
General Fund	\$ 9,103,420	\$ -	\$ -	\$ -	\$ 257,621	\$12,957,767
Section 8 Fund	-	-	-	-	-	50,000
Streets CIP Fund	5,270	-	-	-	-	33,944
Grants Fund	347,630	109,559	-	-	-	554,234
Debt Service Fund	-	-	-	-	-	-
Nonmajor Governmental Funds	5,590,139	16,000	-	750,000	-	15,141,592
Internal Service Funds	535,727	-	-	1,149,011	-	2,480,313
Water & Wastewater Fund	1,479,336	-	-	-	180,669	3,562,207
Solid Waste Fund	289,197	-	-	-	11,710	300,907
Nonmajor Enterprise Funds	5,415,266	-	-	-	-	5,415,266
<b>Total</b>	<b>\$ 22,765,985</b>	<b>\$ 125,559</b>	<b>\$ -</b>	<b>\$ 1,899,011</b>	<b>\$ 450,000</b>	<b>\$40,496,230</b>

From Governmental Activities to Business-Type Activities:

- \$109,559 from Grants Fund to Water and Wastewater Fund for project funding
- \$16,000 from PID Fund to Water and Wastewater Fund for capital project funding
- \$750,000 from Park Venue Sales Tax Fund to Municipal golf Fund for fiscal operations



**City Of Grand Prairie, Texas**  
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From Business-Type Activities to Governmental Activities:

- \$200,000 from Solid Waste Fund to Street Maintenance Fund for capital project funding
- \$89,197 from Solid Waste Fund to Street Maintenance Fund for payments in lieu of property taxes
- \$5,367,266 from Storm Water Utility Fund to Storm Drainage CIP Fund for capital project funding
- \$150,000 from Water and Wastewater Fund to IT Acquisition Fund for technology services
- \$48,000 from Airport Fund to Capital Lending Reserve for repayment of interfund loan
- \$11,710 from Solid Waste Fund to Risk Management Fund for fiscal operations
- \$180,669 from Water and Wastewater Fund to Risk Management Fund for operations
- \$1,279,336 from Water and Wastewater Fund to Street Maintenance Fund for payments in lieu of property taxes
- \$50,000 from Water and Wastewater Fund to Equipment Services Fund for capital project funding
- \$1,902,202 from Water and Wastewater Fund to Grants Fund for project funding

Other significant transfers made between governmental funds included the following:

- \$6,703,420 General to Park Venue, along with other sources, for fiscal operations
- \$4,402,683 from Epic Sales Tax Fund to Epic 2 CIP for capital project funding
- \$2,200,000 from General to IT & Equipment Acquisition funds (annual appropriation)
- \$817,635 from General to Grants to fund matching requirements related to operating grants
- \$257,621 from General to Risk Management for fiscal operations
- \$3,700,000 from Park Venue to Park Capital Fund for improvements to infrastructure and equipment at city wide parks
- \$450,000 from Lake Parks to Lake Parks CIP for improvements to park amenities
- \$1,300,000 from Capital Reserve and Capital & Lending Funds to EPIC 2 CIP for building improvements & equipment
- \$2,700,000 from General Fund to EPIC 2 CIP for capital project funding

**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	\$ 1,343,838	\$ 579,349	\$ 1,923,187
Ambulance	96,452	-	96,452
<b>Total</b>	<b>\$ 1,440,290</b>	<b>\$ 579,349</b>	<b>\$ 2,019,639</b>

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

**City Of Grand Prairie, Texas**  
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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, 2019.

	Governmental Activities	Business-Type Activities	Total
Prepaid pipeline lease	\$ 963,281	\$ 135,497	\$ 1,098,778
Prepaid arrangements - Cemetery Fund	1,658,188	-	1,658,188
Unspent grant funds - Texas Water Development Board	-	905,606	905,606
Prepaid rental deposits - Parks	190,757	-	190,757
Park Venue Fund deposits on events to be held	15,598	-	15,598
Event Revenue	4,760	180	4,940
Unspent program revenue - CDBG Program	355,451	-	355,451
<b>Total unearned revenue</b>	<b>\$ 3,188,035</b>	<b>\$ 1,041,283</b>	<b>\$ 4,229,318</b>

**H. Long-Term Obligations**

Compensated Absences and Postemployment Benefits

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

**Long-Term Debt**

Governmental Activities

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

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.

**City Of Grand Prairie, Texas**  
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**September 30, 2019**

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

	Balance October 1, 2018	Borrowings or Increase	Payments or Decrease	Balance September 30, 2019	Due Within One Year
Primary government:					
Governmental activities:					
General obligation bonds	\$ 70,210,000	\$ -	\$ (9,390,000)	\$ 60,820,000	\$ 8,595,000
Combination tax and revenue certificates of obligation	141,775,000	109,820,000	(9,730,000)	241,865,000	13,740,000
Tax increment and public district bonds	11,155,000	7,105,000	(3,275,000)	14,985,000	3,260,000
Sales tax revenue bonds - Epic	74,825,000		(2,110,000)	72,715,000	2,195,000
Sales tax revenue bonds - Crime	20,530,000		(4,650,000)	15,880,000	5,085,000
Sales tax revenue bonds - Park Venue	22,455,000		(1,930,000)	20,525,000	1,990,000
Issuance premiums/discounts, net	20,701,245	7,541,617	(1,714,047)	26,528,815	-
<b>Total long-term debt</b>	<b>361,651,245</b>	<b>124,466,617</b>	<b>(32,799,047)</b>	<b>453,318,815</b>	<b>34,865,000</b>
Compensated absences	18,085,656	8,806,597	(8,528,323)	18,363,930	8,292,305
Other post employment benefits liability	53,746,401	4,660,000	(2,887,318)	55,519,083	-
Net pension liability	46,045,042	67,324,605	(21,819,474)	91,550,173	-
Environmental remediation liability	58,375	42,395	(23,733)	77,037	77,037
Other liabilities	1,460,919	-	(160,775)	1,300,144	160,776
<b>Total governmental activities</b>	<b>481,047,638</b>	<b>205,300,214</b>	<b>(66,218,670)</b>	<b>620,129,182</b>	<b>43,395,118</b>
Business-type activities:					
Certificates of obligation	1,035,000	-	(150,000)	885,000	160,000
Water and wastewater revenue bonds	54,435,000	3,730,800	(4,940,000)	53,225,800	5,235,000
Obligations under capital leases	330,129	-	(330,129)	-	-
Issuance premiums/discounts, net	4,014,433	-	(262,200)	3,752,233	-
<b>Total long-term debt</b>	<b>59,814,562</b>	<b>3,730,800</b>	<b>(5,682,329)</b>	<b>57,863,033</b>	<b>5,395,000</b>
Compensated absences	463,394	472,012	(463,394)	472,012	373,856
Other post employment benefits liability	5,697,240	491,185	(303,275)	5,885,150	-
Net pension liability	4,880,877	7,027,117	(2,291,850)	9,616,144	-
Closure and post closure liability	7,939,257	293,442	-	8,232,699	-
<b>Total business-type activities</b>	<b>78,795,330</b>	<b>12,014,556</b>	<b>(8,740,848)</b>	<b>82,069,038</b>	<b>5,768,856</b>
<b>Total primary government</b>	<b>\$ 559,842,968</b>	<b>\$ 217,314,770</b>	<b>\$ (74,959,518)</b>	<b>\$ 702,198,220</b>	<b>\$ 49,163,974</b>
Component unit activities:					
Housing Finance Corporation:					
Notes payable/developer loan	\$ 3,557,116	\$ 41,759	\$ (58,351)	\$ 3,540,524	\$ 60,525
Revenue bonds	7,395,000	-	(235,000)	7,160,000	255,000
Subordinate revenue bonds	4,550,000	-	-	4,550,000	-
<b>Total component units</b>	<b>\$ 15,502,116</b>	<b>\$ 41,759</b>	<b>\$ (293,351)</b>	<b>\$ 15,250,524</b>	<b>\$ 315,525</b>

**City Of Grand Prairie, Texas**  
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At September 30, 2019, 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 2010	2.0-4.25	2010	2030	\$ 5,480,000	\$ -
Series 2011	2.0-5.3	2011	2031	11,550,000	4,340,000
Series 2011A	2.0-5.0	2011	2025	30,960,000	11,845,000
Series 2012	1.0-2.0	2012	2026	27,400,000	4,745,000
Series 2013	1.5-3.25	2013	2033	10,975,000	3,770,000
Series 2013A	3.0-4.125	2014	2034	2,220,000	1,800,000
Series 2015	1.75-5.0	2016	2027	10,270,000	7,855,000
Series 2016	3.0-5.0	2016	2030	33,810,000	26,465,000
Total general obligation bonds					60,820,000
Combination tax and revenue certificates of obligation					
Series 2010	2.0-4.25	2010	2030	590,000	-
Series 2011	2.0-5.3	2011	2031	6,305,000	4,375,000
Series 2011A	2.0-4.0	2011	2031	7,430,000	5,155,000
Series 2013	2.0-3.25	2013	2033	8,830,000	6,715,000
Series 2013A	2.0-4.125	2014	2034	11,945,000	9,755,000
Series 2014	3.0-5.0	2015	2034	26,125,000	18,965,000
Series 2015	2.0-5.0	2016	2035	27,380,000	23,745,000
Series 2016	2.0-4.0	2016	2036	33,705,000	30,060,000
Series 2017	2.25-5.0	2017	2037	36,515,000	33,275,000
Series 2018	2.0-4.0	2018	2039	40,605,000	40,605,000
Series 2019A	2.0-5.0	2019	2039	34,910,000	34,910,000
Series 2019B	1.5-3.0	2019	2034	34,305,000	34,305,000
Total combination tax and revenue certificates of obligation					241,865,000
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	3 month LIBOR + .31%	2000	2022	17,900,000	4,580,000
Series 2011 TIRZ 1	2.0-5.3	2011	2020	655,000	80,000
Series 2013 TIRZ 1	2.0-3.25	2013	2020	2,820,000	435,000
Series 2015 TIRZ 1	1.750-5.0	2016	2027	895,000	225,000
Series 2015 PID 5	2.0-5.0	2016	2035	640,000	450,000
Series 2016 TIRZ 1	3.0-5.0	2016	2030	3,135,000	2,110,000
Series 2016 PID	3.0-5.0	2016	2030	180,000	-
Series 2019 PID	1.5-2.5	2019	2026	7,105,000	7,105,000
Total tax increment and public improvement district debt					14,985,000
Sales tax revenue debt					
Series 2008 Crime Control	6mo LIBOR* 62.075+1.0	2008	2022	54,800,000	15,880,000
Total Crime Control					15,880,000
Series 2009 Park Venue subordinate	3.77	2009	2027	13,390,000	7,770,000
Series 2013 Park Venue	2.0-4.0	2013	2027	11,060,000	6,550,000
Series 2016 Park Venue	2.0-4.0	2016	2036	6,730,000	6,205,000
Total Park Venue					20,525,000
Sales tax revenue debt					
Series 2015 EPIC	3.721-5.032	2015	2040	74,825,000	72,715,000
Total EPIC					72,715,000
Total general obligation debt					426,790,000
Unamortized bond premiums/discounts					26,528,815
<b>Total long-term debt - governmental activities</b>					<b>\$ 453,318,815</b>

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At September 30, 2019, changes in long-term debt for the City's governmental activities were as follows:

	Balance October 1, 2018	Borrowings or Increase	Payments or Decrease	Balance September 30, 2019	Due Within One Year
General obligation bonds:					
Series 2010	\$ 250,000	\$ -	\$ (250,000)	\$ -	\$ -
Series 2011	5,040,000	-	(700,000)	4,340,000	735,000
Series 2011A	14,520,000	-	(2,675,000)	11,845,000	2,805,000
Series 2012	5,355,000	-	(610,000)	4,745,000	625,000
Series 2013	4,230,000	-	(460,000)	3,770,000	460,000
Series 2013A	1,890,000	-	(90,000)	1,800,000	90,000
Series 2015	8,620,000	-	(765,000)	7,855,000	790,000
Series 2016	30,305,000	-	(3,840,000)	26,465,000	3,090,000
Total general obligation bonds	70,210,000	-	(9,390,000)	60,820,000	8,595,000
Combination tax and revenue certificates of obligation					
Series 2010	25,000	-	(25,000)	-	-
Series 2011	4,640,000	-	(265,000)	4,375,000	275,000
Series 2011A	5,500,000	-	(345,000)	5,155,000	355,000
Series 2013	7,100,000	-	(385,000)	6,715,000	395,000
Series 2013A	10,215,000	-	(460,000)	9,755,000	475,000
Series 2014	20,890,000	-	(1,925,000)	18,965,000	2,025,000
Series 2015	24,985,000	-	(1,240,000)	23,745,000	1,300,000
Series 2016	31,905,000	-	(1,845,000)	30,060,000	1,880,000
Series 2017	36,515,000	-	(3,240,000)	33,275,000	3,360,000
Series 2018	-	40,605,000	-	40,605,000	1,885,000
Series 2019A	-	34,910,000	-	34,910,000	1,790,000
Series 2019B	-	34,305,000	-	34,305,000	-
Total combination tax and revenue certificates of obligation	141,775,000	109,820,000	(9,730,000)	241,865,000	13,740,000
Tax increment and public improvement district debt					
Series 2001 TIRZ 1	5,910,000	-	(1,330,000)	4,580,000	1,420,000
Series 2011 TIRZ 1	160,000	-	(80,000)	80,000	80,000
Series 2013 TIRZ 1	855,000	-	(420,000)	435,000	435,000
Series 2015 TIRZ 1	440,000	-	(215,000)	225,000	225,000
Series 2015 PID 5	515,000	-	(65,000)	450,000	70,000
Series 2016 - TIRZ 1	3,095,000	-	(985,000)	2,110,000	1,030,000
Series 2016 - PID	180,000	-	(180,000)	-	-
Series 2019 - PID	-	7,105,000	-	7,105,000	-
Total tax increment and public	11,155,000	7,105,000	(3,275,000)	14,985,000	3,260,000
Sales tax revenue debt:					
Crime Control					
Series 2008	20,530,000	-	(4,650,000)	15,880,000	5,085,000
Total Crime Control	20,530,000	-	(4,650,000)	15,880,000	5,085,000
Park Venue					
Series 2009 subordinate	8,760,000	-	(990,000)	7,770,000	1,030,000
Series 2013	7,225,000	-	(675,000)	6,550,000	690,000
Series 2016 Park Venue	6,470,000	-	(265,000)	6,205,000	270,000
Total Park Venue	22,455,000	-	(1,930,000)	20,525,000	1,990,000
EPIC					
Series 2015 EPIC	74,825,000	-	(2,110,000)	72,715,000	2,195,000
Total EPIC	74,825,000	-	(2,110,000)	72,715,000	2,195,000
Total change in long term debt	340,950,000	116,925,000	(31,085,000)	426,790,000	34,865,000
Unamortized bond premiums/discounts	20,701,245	7,541,617	(1,714,047)	26,528,815	-
<b>Total change in long-term debt - governmental activities</b>	<b>\$ 361,651,245</b>	<b>\$ 124,466,617</b>	<b>\$ (32,799,047)</b>	<b>\$ 453,318,815</b>	<b>\$ 34,865,000</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2019

On November 1, 2018, the City issued \$40,605,000 in Combination Tax and Revenue Certificates, Series 2018. The proceeds were used to fund public safety, library, street, and other City structure improvements.

On August 29, 2019, the City issued \$34,910,000 and \$34,305,000 in Combination Tax and Revenue Certificates, Series 2019A and 2019B. The proceeds were used to fund public safety, library, street, and other City structure improvements as well as parks associated with the EPIC Central development.

Outstanding Bond Debt Defeasement

At September 30, 2019, certain outstanding debt of the city was considered to be defeased. The following table details such outstanding defeased debt:

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

At September 30, 2019, 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
2020	\$ 8,595,000	\$ 2,329,201	\$ 10,924,201	\$ 13,740,000	\$ 8,864,762	\$ 22,604,762
2021	8,445,000	1,984,073	10,429,073	14,145,000	8,408,527	22,553,527
2022	8,140,000	1,664,626	9,804,626	16,380,000	7,811,348	24,191,348
2023	6,905,000	1,383,801	8,288,801	16,710,000	7,179,598	23,889,598
2024	6,545,000	1,123,383	7,668,383	17,260,000	6,557,461	23,817,461
2025	5,595,000	875,726	6,470,726	11,680,000	6,015,409	17,695,409
2026	5,250,000	638,414	5,888,414	11,740,000	5,572,095	17,312,095
2027	4,735,000	405,508	5,140,508	12,085,000	5,121,456	17,206,456
2028	2,315,000	234,408	2,549,408	12,565,000	4,646,166	17,211,166
2029	2,205,000	126,660	2,331,660	13,055,000	4,154,004	17,209,004
2030	770,000	61,303	831,303	13,555,000	3,647,741	17,202,741
2031	405,000	40,956	445,956	14,080,000	3,133,656	17,213,656
2032	375,000	26,856	401,856	13,550,000	2,640,573	16,190,573
2033	385,000	13,306	398,306	14,045,000	2,142,557	16,187,557
2034	155,000	3,197	158,197	13,990,000	1,611,028	15,601,028
2035	-	-	-	9,595,000	1,145,806	10,740,806
2036	-	-	-	8,065,000	786,300	8,851,300
2037	-	-	-	6,045,000	504,100	6,549,100
2038	-	-	-	4,695,000	289,300	4,984,300
2039	-	-	-	4,885,000	97,700	4,982,700
	<b>\$ 60,820,000</b>	<b>\$ 10,911,418</b>	<b>\$ 71,731,418</b>	<b>\$ 241,865,000</b>	<b>\$ 80,329,587</b>	<b>\$ 322,194,587</b>

**City Of Grand Prairie, Texas**  
**Notes to the Basic Financial Statements**  
**September 30, 2019**

Fiscal Year	Tax and Tax Increment Bonds (TIFs)			Sales Tax Revenue Bonds-Crime Control		
	Principal	Interest	Total	Principal	Interest	Total
2020	3,260,000	832,555	4,092,555	5,085,000	523,818	5,608,818
2021	2,675,000	553,378	3,228,378	5,550,000	362,321	5,912,321
2022	2,170,000	282,912	2,452,912	5,245,000	188,894	5,433,894
2023	540,000	148,333	688,333	-	-	-
2024	555,000	136,834	691,834	-	-	-
2025	565,000	123,450	688,450	-	-	-
2026	5,220,000	58,203	5,278,203	-	-	-
	<u>\$ 14,985,000</u>	<u>\$ 2,135,665</u>	<u>\$ 17,120,665</u>	<u>\$ 15,880,000</u>	<u>\$ 1,075,033</u>	<u>\$ 16,955,033</u>

Fiscal Year	Sales Tax Revenue Bonds-Park Venue			Sales Tax Revenue Bonds-EPIC		
	Principal	Interest	Total	Principal	Interest	Total
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>\$ 20,525,000</u>	<u>\$ 4,271,021</u>	<u>\$ 24,796,021</u>	<u>\$ 72,715,000</u>	<u>\$ 41,963,334</u>	<u>\$ 114,678,334</u>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2019

Fiscal Year	Total		
	Principal	Interest	Total
2020	34,865,000	16,518,949	51,383,949
2021	35,150,000	15,123,516	50,273,516
2022	36,430,000	13,603,616	50,033,616
2023	28,820,000	12,198,343	41,018,343
2024	29,205,000	11,122,644	40,327,644
2025	22,880,000	10,126,781	33,006,781
2026	27,445,000	9,185,356	36,630,356
2027	20,885,000	8,267,021	29,152,021
2028	18,260,000	7,472,931	25,732,931
2029	18,785,000	6,731,167	25,516,167
2030	18,000,000	6,008,425	24,008,425
2031	18,330,000	5,305,764	23,635,764
2032	17,950,000	4,613,752	22,563,752
2033	18,655,000	3,908,409	22,563,409
2034	18,570,000	3,165,328	21,735,328
2035	14,225,000	2,487,719	16,712,719
2036	12,925,000	1,901,553	14,826,553
2037	10,625,000	1,384,448	12,009,448
2038	9,510,000	933,270	10,443,270
2039	9,950,000	493,089	10,443,089
2040	5,325,000	133,977	5,458,977
	<u>\$ 426,790,000</u>	<u>\$ 140,686,058</u>	<u>\$ 567,476,058</u>



## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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, 2019, long-term debt for the City's business-type activities consisted of the following:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
Water and wastewater:					
Revenue bonds					
Series 2010	0.0-2.587	2010	2030	\$ 4,995,000	\$ 3,110,000
Series 2011	2.0-4.25	2011	2031	8,940,000	1,965,000
Series 2011A	2.0-5.0	2011	2031	11,020,000	5,905,000
Series 2013	2.0-4.0	2013	2026	14,045,000	8,890,000
Series 2013A	0.0-0.31	2013	2019	1,805,000	-
Series 2014	0.0-1.990	2014	2030	4,000,000	2,800,000
Series 2015	2.25-4.0	2015	2027	4,155,000	3,475,000
Series 2016	2.0-5.0	2016	2036	17,625,000	16,265,000
Series 2017	0.0-0.8	2017	2030	5,110,000	4,330,000
Series 2017A	2.0-4.0	2017	2036	2,755,000	2,755,000
Series 2019	0.0-0.49	2019	2039	3,730,800	3,730,800
Total bonds payable - water wastewater					53,225,800
Unamortized bond premiums/discounts					3,752,233
Total long-term debt - water wastewater					56,978,033
Municipal airport:					
Certificates of obligation bonds					
Series 2004A	2.25-5.0	2004	2024	2,120,000	885,000
Solid waste					
Obligations under capital lease					
D8T tractor	2.99	2016	2018	772,839	-
Total obligations under capital lease					-
<b>Total long-term debt - business-type activities</b>					<b>\$ 57,863,033</b>

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2019

At September 30, 2019, changes in long-term debt for the City's business-type activities were as follows:

	Balance October 1, 2018	Borrowings or Increase	Payments or Decrease	Balance September 30, 2019	Due Within One Year
Water and wastewater:					
Revenue bonds					
Series 2010	\$ 3,345,000	\$ -	\$ (235,000)	\$ 3,110,000	\$ 240,000
Series 2011	2,805,000	-	(840,000)	1,965,000	585,000
Series 2011A	6,655,000	-	(750,000)	5,905,000	780,000
Series 2013	10,150,000	-	(1,260,000)	8,890,000	1,320,000
Series 2013A	305,000	-	(305,000)	-	-
Series 2014	3,040,000	-	(240,000)	2,800,000	240,000
Series 2015	3,595,000	-	(120,000)	3,475,000	385,000
Series 2016	17,065,000	-	(800,000)	16,265,000	1,085,000
Series 2017	4,720,000	-	(390,000)	4,330,000	390,000
Series 2017A	2,755,000	-	-	2,755,000	50,000
Series 2019	-	3,730,800	-	3,730,800	160,000
Total revenue bonds	54,435,000	3,730,800	(4,940,000)	53,225,800	5,235,000
Bond premiums/discounts	4,014,433	-	(262,200)	3,752,233	-
Total water and wastewater	58,449,433	3,730,800	(5,202,200)	56,978,033	5,235,000
Municipal airport:					
Certificate of obligation					
Series 2004A	1,035,000	-	(150,000)	885,000	160,000
Total municipal airport	1,035,000	-	(150,000)	885,000	160,000
Solid waste:					
Obligations under capital lease					
D8T tractor	330,129	-	(330,129)	-	-
Total general obligation bonds	330,129	-	(330,129)	-	-
Total solid waste	330,129	-	(330,129)	-	-
<b>Total change in long-term debt - business-type activities</b>	<b>\$59,814,562</b>	<b>\$3,730,800</b>	<b>\$(5,682,329)</b>	<b>\$ 57,863,033</b>	<b>\$5,395,000</b>

On July 1, 2019, the City issued \$3,730,800 in Water and Wastewater System Revenue Bonds, Series 2019. The proceeds were used to improve and extend the Water and Wastewater system and to pay the costs associated with the issuance of the bonds.

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2019

At September 30, 2019, 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
2020	\$ 5,235,000	\$ 1,468,997	\$ 6,703,997
2021	5,380,000	1,324,107	6,704,107
2022	5,525,000	1,178,577	6,703,577
2023	5,640,000	1,027,404	6,667,404
2024	5,695,000	857,772	6,552,772
2025	5,155,000	684,274	5,839,274
2026	4,160,000	528,159	4,688,159
2027	3,915,000	393,944	4,308,944
2028	2,325,000	301,004	2,626,004
2029	2,390,000	236,534	2,626,534
2030	2,060,000	176,802	2,236,802
2031	1,095,000	131,500	1,226,500
2032	850,000	99,000	949,000
2033	880,000	70,800	950,800
2034	610,000	47,400	657,400
2035	630,000	29,000	659,000
2036	650,000	9,800	659,800
2037	160,000	-	160,000
2038	160,000	-	160,000
2039	710,800	-	710,800
<b>Total</b>	<b>\$ 53,225,800</b>	<b>\$ 8,565,074</b>	<b>\$ 61,790,874</b>

At September 30, 2019, 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
2020	160,000	39,710	199,710
2021	170,000	31,830	201,830
2022	175,000	23,375	198,375
2023	185,000	14,375	199,375
2024	195,000	4,875	199,875
<b>Total</b>	<b>\$ 885,000</b>	<b>\$ 114,165</b>	<b>\$ 999,165</b>

#### Capital Lease Obligations – Solid Waste

The City entered into a capital lease agreement in July 2016 for the purchase of a D8T tractor. The leased property under the capital lease is classified as equipment with the total capitalized cost of \$812,791 and an amortized value of approximately \$549,967 at September 30, 2019. Amortization expense has been included in depreciation expense for the year ended September 30, 2019. As of September 30, 2019, there are no lease payments due.

**City Of Grand Prairie, Texas**  
 Notes to the Basic Financial Statements  
 September 30, 2019

Water and Wastewater System Debt Service Coverage

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

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

At September 30, 2019, compliance with these covenants can be demonstrated as follows:

System revenue <sup>(1)</sup>	\$ 76,853,323	
Operating expenses:		
Water purchased	13,463,858	
Sewage disposal contract	18,607,009	
Other operating expenses	25,024,611	
	<u>57,095,478</u>	
Total expenses <sup>(2)</sup>	<u>57,095,478</u>	
<b>Net revenue (available for debt service)</b>	<b>\$ 19,757,845</b>	
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2019	\$	3,089,544
Coverage of average annual requirements based on September 30, 2019 revenue available for debt service		6.40

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

(2) Excludes depreciation expense.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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, 2011, semi-annual retirements of the Bonds began and continues through January 1, 2034. The bonds are non-recourse liabilities collateralized solely by the land and construction in progress, less the accrued interest.

A summary of long-term debt activity during the year ended December 31, 2018 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 2,173,343	\$ -	\$ (58,351)	\$ 2,114,992	\$ 60,525
Revenue bonds	7,395,000	-	(235,000)	7,160,000	255,000
Subordinate bonds	4,550,000	-	-	4,550,000	-
Developer loan	1,383,773	41,759	-	1,425,532	-
<b>Total</b>	<b>\$ 15,502,116</b>	<b>\$ 41,759</b>	<b>\$ (293,351)</b>	<b>\$ 15,250,524</b>	<b>\$ 315,525</b>

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

Future maturities of the debt are as follows:

Year Ending December 31,	Note Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest
2019	\$ 60,525	\$ 88,732	\$ 255,000	\$ 549,488
2020	63,148	86,109	265,000	529,837
2021	65,885	83,372	295,000	508,981
2022	68,740	80,517	315,000	485,731
2023	71,719	77,538	340,000	460,738
2024-2028	407,999	338,284	2,165,000	1,853,025
2029-2033	504,410	241,873	3,155,000	852,887
2034-2038	623,604	122,679	370,000	14,338
2039-2040	248,962	9,752	-	-
<b>Total</b>	<b>\$ 2,114,992</b>	<b>\$ 1,128,856</b>	<b>\$ 7,160,000</b>	<b>\$ 5,255,025</b>

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

### Leases

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

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

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

September 30, 2019

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

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

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

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

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

Year	Amount
2020	\$ 1,756,920
2021	1,756,920
2022	1,888,689
2023	1,932,612
2024	1,932,612
Thereafter	5,057,002
	<u>14,324,755</u>
Less interest	3,650,000
Net present value	10,674,755
Less current portion	947,751
<b>Non-current portion</b>	<b><u>\$ 9,727,004</u></b>

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

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

The lease has been accounted for as a capital lease. However, only the base rent payments are determinable and are included in the lease payments receivable at the net present value of future rent payments. The remaining portion of the Facility is recorded as estimated unguaranteed residual value of the lease. Its fair value is estimated to be approximately equal to the differences between the original cost plus capitalized improvements of the Facility, net of what accumulated depreciation would be, and the fixed lease payments receivable. Therefore, this amount is being amortized over the life of the lease (thirty years). Amortization for the year ended September 30, 2019 was \$4,162,306. Additional contingent rentals are recorded as revenue when received.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2019

The capital lease is being amortized using the interest method over the 30-year life of the lease. The Corporation has recorded lease rental and interest for the year ended September 30, 2019 as follows:

Nominal interest on the lease	\$ 1,759,320
Amortization of the lease	<u>(947,751)</u>
Net interest	811,569
Contingent rentals received (includes rent for simulcast facility prior to completion of project)	<u>199,360</u>
Total lease rental and interest	<u><u>\$ 1,010,929</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 \$8,232,699 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 48.02% of the estimated capacity of the landfill.

The City will recognize the remaining estimated cost of closure and post closure care of \$9,133,789 as the remaining estimated capacity is filled. The City expects to close the landfill in year 2037. Actual cost may be higher or lower due to inflation, changes in technology or changes in regulations.

Environmental Remediation Obligations

The City has recorded a liability and an asset related to environmental remediation in the amount of \$77,037, 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.

- 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 Service Center and is responsible for a leaking petroleum storage tank and groundwater monitoring.
- The City owns the Historic Museum and is responsible for the asbestos abatement.
- The City owns the Development Center and is responsible for the asbestos abatement.

**City Of Grand Prairie, Texas**  
Notes to the Basic Financial Statements  
September 30, 2019

Environmental remediation liability activity in fiscal year 2019 was as follows:

Property Description	Beginning Balance 9/30/2018	Additions	Reductions	Ending Balance 9/30/2019	Current Portion
Copeland Home Asbestos Abatement	\$ 24,250	\$ -	\$ 3,350	\$ 20,900	\$ 20,900
Historic Museum- 1516 W Main Street	3,406	-	3,406	-	-
Service Center	30,719	-	16,977	13,742	13,742
Development Center Abatement	-	42,395	-	42,395	42,395
Total	\$ 58,375	\$ 42,395	\$ 23,733	\$ 77,037	\$ 77,037

**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, 2019, the liability equaled \$1,300,144.

**I. Risk Management**

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

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

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

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

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



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

Accordingly, claims are reevaluated annually to consider the effects of inflation, plan benefit designs, recent claim settlement trends, claim expense, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The total accrued liabilities for the Risk Management Fund based on the recent September 30, 2018 actuarial report, as of September 30, 2019, was \$1,963,491.

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, 2019 were \$2,182,469.

At September 30, 2019, 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
2019	\$ 3,971,327	\$ 15,449,741	\$ 15,275,108	\$ 4,145,960
2018	3,861,819	16,301,886	16,192,378	3,971,327
2017	3,628,897	19,578,864	19,345,942	3,861,819

**J. Defined Benefit Pension Plan**

Plan Description

The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

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

## City Of Grand Prairie, Texas

### Notes to the Basic Financial Statements

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#### Benefits Provided

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

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

Plan provisions for the City are as follows:

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

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

#### Employees Covered by Benefit Terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	768
Inactive employees entitled to but not yet receiving benefits	588
Active employees	1,337
<b>Total</b>	<b>2,693</b>

#### 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 16.30% and 16.09% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019, were \$16,358,302, and were equal to the required contributions.

#### Net Pension Liability

The city's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

# City Of Grand Prairie, Texas

## Notes to the Basic Financial Statements

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### Actuarial Assumptions

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary Increases	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a three-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal Actuarial cost method and a one-time change to the amortization policy. 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 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.54%
Private Equity	5.0%	7.75%
<b>Total</b>	<b>100.0%</b>	

**City Of Grand Prairie, Texas**  
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Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
Balance at December 31, 2017	\$ 555,774,884	\$ 504,848,965	\$ 50,925,919
Changes for the year:			
Service cost	16,602,489	-	16,602,489
Interest	37,557,203	-	37,557,203
Change of benefit terms	4,761,778	-	4,761,778
Difference between expected and actual experience	(2,432,012)	-	(2,432,012)
Changes in assumptions	-	-	-
Contributions - employer	-	15,114,190	(15,114,190)
Contributions - employee	-	6,565,122	(6,565,122)
Net investment income	-	(15,122,712)	15,122,712
Benefit payments*	(24,869,802)	(24,869,802)	-
Administrative expense	-	(292,270)	292,270
Other changes	-	(15,270)	15,270
Net changes	31,619,656	(18,620,742)	50,240,398
Balance at December 31, 2018	<u>\$ 587,394,540</u>	<u>\$ 486,228,223</u>	<u>\$ 101,166,317</u>

\* Includes refunds of employee contributions

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

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
	Current Single Rate	
1% Decrease		1% Increase
\$ 184,487,310	\$ 101,166,317	\$ 32,866,959

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.tms.com](http://www.tms.com).

**City Of Grand Prairie, Texas**  
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions

For the year ended September 30, 2019, the city recognized pension expense of \$28,727,398.

At September 30, 2019, the City reported deferred inflows/outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience [actuarial (gains) or losses]	\$ 1,621,929	\$ 2,069,652
Difference in assumptions	126,850	
Difference in projected and actual earnings on pension plan investments [actuarial (gains) or losses]	26,126,521	-
Employer's contributions to the pension plan subsequent to the measurement date	12,113,896	-
	<u>\$ 39,989,196</u>	<u>\$ 2,069,652</u>

The \$12,113,896 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, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended December 31	Net deferred outflows (inflows) of resources
2019	\$ 9,484,226
2020	3,511,933
2021	3,433,681
2022	9,504,778
2023	(128,970)
Total	<u>\$ 25,805,648</u>

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

**Plan Description**

Supplemental Death Benefits

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

## City Of Grand Prairie, Texas

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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.

#### Retiree Health Benefits

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

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

TMRS Retirement / Plan option may include:

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

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

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

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

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

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

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

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

**City Of Grand Prairie, Texas**  
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Retirees that do not continue coverage through our retiree health care plans do not receive payment in lieu of retiree health care.

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

Employees Covered by Benefit Terms

For retiree health insurance at the September 30, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

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

For TMRS supplemental death at the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	585
Inactive employees entitled to but not yet receiving benefits	124
Active employees	1,337
	<hr/>
<b>Total</b>	<b>2,046</b>
	<hr/> <hr/>

Contributions

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

Monthly retiree contribution rates are as follows:

Retiree 2018 Monthly Health Care Premiums (Employee Pays Portion)

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

Total OPEB Liability

The City of Grand Prairie retiree health insurance total OPEB liability of \$57,183,449 was measured as of September 30, 2019, and was determined by an actuarial valuation as of that date.

The City of Grand Prairie TMRS supplemental death total OPEB liability of \$4,220,784 measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

**City Of Grand Prairie, Texas**  
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Actuarial Assumptions

The retiree health insurance total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

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

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

The TMRS supplemental death total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.71%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality rates - disabled retirees	PR2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

The discount rate was based on the Fidelity index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.



**City Of Grand Prairie, Texas**  
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Change in OPEB Liability Retiree Health Insurance	Total OPEB Liability
Balance at September 30, 2018	\$ 55,800,537
Changes for the year:	
Service cost	2,115,571
Interest	2,162,740
Difference between expected and actual experience	-
Changes in assumptions	-
Benefit payments*	(2,895,398)
Net changes	1,382,913
Balance at September 30, 2019	\$ 57,183,450
Change in OPEB Liability TMRS Supplemental Death	Total OPEB Liability
Balance at December 31, 2017	\$ 3,643,104
Changes for the year:	
Service cost	149,994
Interest	122,449
Difference between expected and actual experience	600,432
Changes in assumptions	(257,696)
Benefit payments*	(37,499)
Net changes	577,680
Balance at December 31, 2018	\$ 4,220,784

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

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

The following presents the total OPEB liability of the City's retiree health insurance calculated using the discount rate of 3.83%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.83%) or 1 percentage point higher (4.83%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
1% Decrease	Current Discount Rate	1% Increase
\$ 62,568,085	\$ 57,183,449	\$ 50,605,854

**City Of Grand Prairie, Texas**  
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The following presents the total OPEB liability of the City's TMRS supplemental plan calculated using the discount rate of 3.71%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.71%) or 1 percentage point higher (4.71%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
Current		
1% Decrease	Discount Rate	1% Increase
\$ 4,917,484	\$ 4,220,784	\$ 3,676,391

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

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

Sensitivity of the OPEB Liability to Changes in the Healthcare Cost Rate		
Current		
1% Decrease	Discount Rate	1% Increase
\$ 49,945,011	\$ 57,183,449	\$ 64,681,542

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

For the year ended September 30, 2019, the City recognized OPEB expense of \$847,860. At September 30, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following resources:

Retiree Health Insurance

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	\$ -	\$ 2,142,058
Difference in assumptions	-	1,308,488
Difference in projected and actual earnings on OPEB plan investments	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	-	-
	<u>\$ -</u>	<u>\$ 3,450,546</u>

**City Of Grand Prairie, Texas**  
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TMRS Supplemental Death

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	\$ 512,521	\$ -
Difference in assumptions	201,108	219,966
Difference in projected and actual earnings on OPEB plan investments	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	28,420	
	<u>\$ 742,049</u>	<u>\$ 219,966</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$28,420 will be recognized as a reduction of the total OPEB liability in the City's financial statements September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

Retiree Health Insurance

Measurement Period Ended September 31,	Net deferred outflows (inflows) of resources
2020	\$ (862,636)
2021	(862,636)
2022	(862,636)
2023	(862,638)
<b>Total</b>	<u>\$ (3,450,546)</u>

TMRS Supplemental Death

Measurement Year Ended December 31,	Net deferred outflows (inflows) of resources
2019	\$ 91,818
2020	91,818
2021	91,818
2022	91,818
2023	84,740
Thereafter	41,651
<b>Total</b>	<u>\$ 493,663</u>

**City Of Grand Prairie, Texas**  
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**L. Fund Balance**

At September 30, 2019, fund balances were classified as follows:

	General	Section 8	Streets CIP	Grants	Debt Service	Epic 2 CIP	Nonmajor Governmental Funds	Total
Fund balances								
Nonspendable:								
Inventory and prepaids	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,907	\$ 75,907
Spendable:								
Restricted for:								
Employee Welfare	97,991	-	-	-	-	-	-	97,991
Library Memorials	42,429	-	-	-	-	-	-	42,429
At Risk Youths	37,797	-	-	-	-	-	-	37,797
Greg Hunter Scholarships	62,040	-	-	-	-	-	-	62,040
State Training (Fire)	1,091	-	-	-	-	-	-	1,091
Prairie Paws Adoptions	242,838	-	-	-	-	-	-	242,838
Section 8	-	772,634	-	-	-	-	-	772,634
Street Improvements	-	-	17,448,839	-	-	-	-	17,448,839
Debt Service	-	-	-	-	3,734,760	-	-	3,734,760
Epic & Epic Central	-	-	-	-	-	40,042,720	2,901,625	42,944,345
Park Venue	-	-	-	-	-	-	5,681,127	5,681,127
Streets	20,873	-	-	-	-	-	2,313,516	2,334,389
Crime	-	-	-	-	-	-	13,457,116	13,457,116
Hotel Motel	-	-	-	-	-	-	764,393	764,393
Police seizure	-	-	-	-	-	-	567,053	567,053
Municipal Court	-	-	-	-	-	-	394,236	394,236
Red Light Safety	-	-	-	-	-	-	2,631,807	2,631,807
Lake Parks	-	-	-	-	-	-	2,337,229	2,337,229
Public Improvement Districts	-	-	-	-	-	-	3,471,782	3,471,782
Tax Increment Financing	-	-	-	-	-	-	15,103,679	15,103,679
Other special revenue	-	-	-	-	-	-	287,407	287,407
Park Venue Capital Projects	-	-	-	-	-	-	4,009,531	4,009,531
Fire Capital Projects	-	-	-	-	-	-	7,798,656	7,798,656
Municipal Facilities Capital Projects	-	-	-	-	-	-	4,335,445	4,335,445
Other Capital Projects	-	-	-	-	-	-	3,239,013	3,239,013
Total restricted	505,059	772,634	17,448,839	-	3,734,760	40,042,720	69,293,615	131,797,627
Committed to:								
Street Improvements	-	-	23,759,117	-	-	-	-	23,759,117
Park Venue	-	-	-	-	-	-	1,791,687	1,791,687
Cable Operations	-	-	-	-	-	-	654,966	654,966
Cemetery Operations	-	-	-	-	-	-	2,846,153	2,846,153
Verizon Theatre	-	-	-	-	-	-	2,490,718	2,490,718
Fire Capital Projects	-	-	-	-	-	-	3,760,220	3,760,220
Municipal Facilities Capital Projects	-	-	-	-	-	-	17,559,980	17,559,980
Drainage Capital Projects	-	-	-	-	-	-	13,266,838	13,266,838
Police Capital Projects	-	-	-	-	-	-	710,141	710,141
Other Capital Projects	-	-	-	-	-	-	2,976,016	2,976,016
Capital Lending/Reserve	-	-	-	-	-	-	11,704,707	11,704,707
Total committed	-	-	23,759,117	-	-	-	57,761,426	81,520,543
Assigned to:								
Home Match Cash	263,592	-	-	-	-	-	-	263,592
KGPB Commissions	1,299	-	-	-	-	-	-	1,299
Youth Scholarship Fund	4,020	-	-	-	-	-	-	4,020
Section 8 Relief	79,730	-	-	-	-	-	-	79,730
Police Memorials	6,984	-	-	-	-	-	-	6,984
State Training (Police)	667	-	-	-	-	-	-	667
Fire- State Supplemental Funds	2,465,142	-	-	-	-	-	-	2,465,142
Parks Education Foundation	14,658	-	-	-	-	-	-	14,658
First Offender Program	42,649	-	-	-	-	-	-	42,649
Kirby Creek Accessibility Garden	22,077	-	-	-	-	-	-	22,077
US Marshals Service Agreement	184,694	-	-	-	-	-	-	184,694
GPPD Boxing Program	19,143	-	-	-	-	-	-	19,143
GPPD Explorer Program	15,883	-	-	-	-	-	-	15,883
GPPD Mounted Patrol	558	-	-	-	-	-	-	558
Total assigned	3,121,096	-	-	-	-	-	-	3,121,096
Unassigned	41,554,116	-	-	1,715,582	-	-	-	43,269,698
<b>Total fund balances</b>	<b>\$45,180,271</b>	<b>\$772,634</b>	<b>\$41,207,956</b>	<b>\$1,715,582</b>	<b>\$3,734,760</b>	<b>\$40,042,720</b>	<b>\$ 127,130,948</b>	<b>\$ 259,784,871</b>

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

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

#### Federal and State Grants

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

#### Litigation

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

#### Water Intake Facility Contract

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

#### Water Purchase Contracts

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

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

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

A contract with the City of Arlington, executed in 2011 for a 20-year term, allows the City to purchase up to 2.5 MGD maximum flow unless otherwise agreed to in writing. As of September 30, 2019, no water has been purchased through this contract.

#### Wastewater Treatment Contracts

The City has a 50 year contract with TRA, which will expire in 2023, for wastewater treatment. The City is billed for its prorated share of total wastewater costs, which was 20.58% during fiscal year 2019. The City must pay its prorated share of the debt service related to wastewater treatment facilities until the debt matures whether it contributes to flow or not.

## City Of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2019

### 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, 2019, the City paid \$43,395 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, 2019. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$50,399,327. 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, 2019

**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, 2019, the Municipal Airport Fund had outstanding revenue-backed certificates of obligations. Segment information for this Fund is as follows:

	Municipal Airport
Condensed statement of net position:	
Current assets	\$ 2,316,819
Capital assets	15,113,349
Deferred outflows of resources	129,576
Total assets and deferred outflows of resources	17,559,744
Current liabilities	428,646
Long-term liabilities	1,253,349
Deferred inflows of resources	18,611
Total liabilities and deferred inflows of resources	1,700,606
Net position: Net investment in capital assets	14,228,349
Net position: Unrestricted	1,630,789
<b>Total net position</b>	<b>\$ 15,859,138</b>
Condensed statement of revenues, expenses and changes in net position:	
Sales to customers	\$ 1,477,474
Intergovernmental revenue	31,007
Miscellaneous	712,021
Total operating revenues	2,220,502
Depreciation	878,482
Other operating expenses	2,058,653
Total operating expenses	2,937,135
Interest expense	(46,882)
Total nonoperating revenues (expenses)	(46,882)
Loss before transfers	(763,515)
Transfers in	1,149,011
Transfers out	(48,000)
Change in net position	337,496
Net position at the beginning of the year	15,521,642
<b>Net position at the end of the year</b>	<b>\$ 15,859,138</b>
Condensed statement of cash flows:	
Net cash provided (used) by:	
Operating activities	208,151
Noncapital financing activities	1,101,011
Capital and related financing activities	(394,479)
Investing activities	-
Beginning cash and cash equivalent balances	69,224
<b>Ending cash and cash equivalent balances</b>	<b>\$ 983,907</b>

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

Notes to the Basic Financial Statements

September 30, 2019

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

The City has incentive agreements with companies which may refund or rebate certain amounts of taxes based on performance indicators. These agreements are governed by Chapter 312 of the Texas Local Government Code. Recipients may be eligible based on their impact to the City's economy, as usually measured by job creation. Agreements may also contain recapture or 'clawback' provisions in the event of non-performance of the agreement standards. The City's Management Services division reviews the performance of the companies under these agreements for their compliance with stated standards. As of the 2018 certified roll (used for 2019 fiscal year) the City's abatement agreements with seven companies resulted in \$33,336,517 in appraised values, totaling \$225,354 in taxes abated on the 2018 certified tax roll (used for the 2019 fiscal year).

### **P. Subsequent Events**

On November 19, 2019, the City Council issued \$19,475,000 in GO Refunding Bonds, Series 2019.

The City has evaluated all other events or transactions that occurred after September 30, 2019 up through March 11, 2020, the date the financial statements were available to be issued.



## **Required Supplementary Information**

**City of Grand Prairie, Texas**

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – General Fund

For the Year Ended September 30, 2019

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Property tax	\$ 65,878,413	\$ 65,878,413	\$ 66,107,431	\$ 229,018
Sales tax	31,212,198	31,212,198	34,381,013	3,168,815
Other taxes	274,155	274,155	307,752	33,597
Franchise fees	14,336,389	14,336,389	14,796,138	459,749
Charges for goods and services	5,731,435	5,731,435	5,964,359	232,924
Licenses and permits	3,063,615	3,063,615	3,242,194	178,579
Fines and forfeitures	7,110,730	7,110,730	7,380,465	269,735
Intergovernmental revenue	2,117,795	2,117,795	2,610,586	492,791
General and administrative	4,886,831	4,886,831	4,886,831	-
Rents and royalties	100,800	100,800	292,710	191,910
Investment income	2,000,044	2,000,044	9,490,011	7,489,967
Contributions	55	55	131,686	131,631
Other	664,587	664,587	1,116,180	451,593
<b>Total revenues</b>	<b>137,377,047</b>	<b>137,377,047</b>	<b>150,707,356</b>	<b>13,330,309</b>
<b>EXPENDITURES</b>				
Support services	28,063,358	26,402,000	22,976,923	3,425,077
Public safety services	84,165,904	86,470,545	87,527,565	(1,057,020)
Recreation and leisure services	2,852,988	2,906,041	2,844,027	62,014
Development and other services	14,033,133	14,199,919	13,461,438	738,481
Capital outlay	869,337	919,160	815,459	103,701
Debt service:				
Interest expense	3,925	3,925	4,456	(531)
<b>Total expenditures</b>	<b>129,988,645</b>	<b>130,901,590</b>	<b>127,629,868</b>	<b>3,271,722</b>
Excess (deficiency) of revenues over (under) expenditures	7,388,402	6,475,457	23,077,488	16,602,031
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,700,000	253,579	(2,446,421)
Transfers out	(10,392,129)	(10,392,129)	(12,957,767)	(2,565,638)
Proceeds from sale of capital assets	900,000	900,000	1,061,920	161,920
<b>Total other financing sources (uses)</b>	<b>(9,492,129)</b>	<b>(6,792,129)</b>	<b>(11,642,268)</b>	<b>(4,850,139)</b>
Net change in fund balances	(2,103,727)	(316,672)	11,435,220	11,751,892
Fund balance - beginning of year	33,745,051	33,745,051	33,745,051	-
<b>Fund balances - end of year</b>	<b>\$ 31,641,324</b>	<b>\$ 33,428,379</b>	<b>\$ 45,180,271</b>	<b>\$ 11,751,892</b>

**City of Grand Prairie, Texas**

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Section 8 Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Charges for goods and service	\$ 5,871,095	\$ 5,871,095	\$ 6,394,316	\$ 523,221
Licenses and permits	244,095	244,095	276,854	32,759
Intergovernmental revenue	2,330,780	2,330,780	30,240,183	27,909,403
Other	35,000	35,000	41,548	6,548
Total revenues	8,480,970	8,480,970	36,952,901	28,471,931
<b>EXPENDITURES</b>				
Development services and other	8,430,970	8,430,970	37,002,422	(28,571,452)
Capital outlay	-	-	38,680	(38,680)
Total expenditures	8,430,970	8,430,970	37,041,102	(28,610,132)
Excess (deficiency) of revenues over (under) expenditures	50,000	50,000	(88,201)	(138,201)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	79,091	79,091	79,091	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Proceeds from sale of capital assets	-	-	7,851	7,851
Total other financing sources (uses)	29,091	29,091	36,942	7,851
Net change in fund balances	79,091	79,091	(51,259)	(130,350)
Fund balance - beginning of year	823,893	823,893	823,893	-
<b>Fund balances - end of year</b>	<b>\$ 902,984</b>	<b>\$ 902,984</b>	<b>\$ 772,634</b>	<b>\$ (130,350)</b>

**City of Grand Prairie, Texas**

Required Supplementary Information  
 Schedule of Changes in Postemployment Benefits –  
 Retiree Health Plan  
 Last Two Years

	Year Ended September 30, 2019	Year Ended September 30, 2018
Total OPEB liability		
Service cost	\$ 2,115,571	\$ 2,173,026
Interest	2,162,740	2,210,196
Difference between expected and actual experience	-	(3,213,084)
Change in assumptions	-	(1,962,733)
Benefit payments	(2,895,398)	(2,566,843)
Net changes	1,382,913	(3,359,438)
Total OPEB liability - beginning	55,800,537	59,159,975
Total OPEB liability - ending	\$ 57,183,450	\$ 55,800,537
Covered payroll	\$ 88,677,027	\$ 83,283,716
Total OPEB liability as a percentage of covered payroll	64.49%	67.00%

**Notes to schedule:**

Valuation Date: September 30, 2019

Methods and Assumptions Used to Determine Contribution Rates:

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

**Note:** The City implemented GASB 75 in FY 2018; 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 Postemployment Benefits –  
 Texas Municipal Retirement System  
 Last Two Years

	Measurement Period December 31, 2018	Measurement Period December 31, 2017
Total OPEB liability		
Service cost	\$ 149,994	\$ 124,209
Interest	122,449	120,720
Difference between expected and actual experience	600,432	-
Change in assumptions	(257,696)	284,381
Benefit payments	(37,499)	(35,488)
Net changes	577,680	493,822
Total OPEB liability - beginning	3,643,104	3,149,282
<b>Total OPEB liability - ending</b>	<b>\$ 4,220,784</b>	<b>\$ 3,643,104</b>
Covered payroll	\$ 93,746,412	\$ 88,720,932
Total OPEB liability as a percentage of covered payroll	4.50%	4.11%

**Notes to schedule:**

Valuation Date: December 31, 2018

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	3.71%
Retirees' share of benefit-related cost	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality rates - disabled retirees	PR2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

**Note:** The City implemented GASB 75 in FY 2018; 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 Contributions –  
 Texas Municipal Retirement System  
 Last Six Years

	2014	2015	2016	2017	2018	2019
Actuarially determined contributions	\$ 12,564,308	\$12,624,823	\$12,870,593	\$14,209,636	\$14,427,366	\$15,114,190
Contributions in relation to the actuarially determined contribution	(12,564,308)	(12,624,823)	(12,870,593)	(14,209,636)	(14,427,366)	(15,114,190)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 71,874,373	\$75,773,968	\$79,933,264	\$87,729,762	\$92,501,160	\$97,088,542
Contributions as a percentage of covered payroll	17.48%	16.66%	16.10%	16.20%	15.60%	15.57%

**Notes to the Schedule of Contributions**

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	28 years
Asset valuation method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.50% to 10.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

**Other information**

Notes: There were no benefit changes during the year.

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

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

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018
<b>Total pension liability</b>					
Service Cost	\$ 11,158,122	\$ 13,141,028	\$ 14,199,234	\$ 15,171,279	\$ 16,602,489
Interest (on the Total Pension Liability)	31,213,003	32,633,468	33,350,744	35,239,052	37,557,203
Changes of benefit terms	-	-	-	-	4,761,778
Difference between expected and actual experience	(2,414,327)	1,187,598	565,461	1,775,160	(2,432,011)
Changes of assumptions	-	596,665	-	-	-
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)	(21,770,002)	(24,869,802)
Net change in total pension liability	19,552,310	26,651,484	28,632,381	30,415,489	31,619,657
Total pension liability - beginning	450,523,220	470,075,530	496,727,014	525,359,395	555,774,884
Total pension liability - ending (a)	470,075,530	496,727,014	525,359,395	555,774,884	587,394,541
<b>Plan fiduciary net position</b>					
Contributions - employer	12,810,193	13,141,016	12,990,875	14,427,366	15,114,190
Contributions - employee	5,156,977	5,596,768	5,806,017	6,292,394	6,565,122
Net investment income	22,838,073	618,807	28,210,612	61,623,079	(15,122,712)
Benefit payments <sup>1</sup>	(20,404,488)	(20,907,275)	(19,483,058)	(21,770,002)	(24,869,801)
Administrative Expense	(238,441)	(376,914)	(318,599)	(319,350)	(292,270)
Other	(19,604)	(18,616)	(17,165)	(16,184)	(15,270)
Net change in plan fiduciary net position	20,142,710	(1,946,214)	27,188,682	60,237,303	(18,620,741)
Plan fiduciary net position - beginning	399,226,484	419,369,194	417,422,980	444,611,662	504,848,965
Plan fiduciary net position - ending (b)	419,369,194	417,422,980	444,611,662	504,848,965	486,228,224
<b>Net pension liability (a) - (b)</b>	<b>\$ 50,706,336</b>	<b>\$ 79,304,034</b>	<b>\$ 80,747,733</b>	<b>\$ 50,925,919</b>	<b>\$ 101,166,317</b>
Plan fiduciary net position as a percentage of the total pension liability (b) / (a)	89.21%	84.03%	84.63%	90.84%	82.78%
Covered employee payroll	\$ 73,471,045	\$ 87,729,762	\$ 82,939,452	\$ 88,720,932	\$ 93,746,412
Net pension liability as a percentage of covered employee payroll	69.02%	90.40%	97.36%	57.40%	107.91%

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 five years.

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

### Required Supplementary Information

#### Notes to the Required Supplementary Information

##### **A. Budget Law and Practice**

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

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

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

##### **B. Budgetary Control**

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



## **Other Supplementary Information**



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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, 2019

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Property tax	\$ 29,403,325	29,203,325	29,543,689	\$ 340,364
Total revenues	29,403,325	29,203,325	29,543,689	340,364
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	21,050,000	21,050,000	21,050,000	-
Interest	10,291,118	10,291,118	10,344,745	(53,627)
Total expenditures	31,341,118	31,341,118	31,394,745	(53,627)
Excess (deficiency) of revenues over (under) expenditures	(1,937,793)	(2,137,793)	(1,851,056)	286,737
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Total other financing sources	50,000	50,000	50,000	-
Net change in fund balances	(1,887,793)	(2,087,793)	(1,801,056)	286,737
Fund balances - beginning of year	5,535,816	5,535,816	5,535,816	-
<b>Fund balances - end of the year</b>	<b>\$ 3,648,023</b>	<b>3,448,023</b>	<b>\$ 3,734,760</b>	<b>\$ 286,737</b>

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

**Special Revenue Funds**

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

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

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

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

Budget to Actual Comparisons

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

**Capital Projects Funds**

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

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

City of Grand Prairie, Texas  
Combining Balance Sheets  
Nonmajor Governmental Funds  
September 30, 2019

	Special Revenue				
	Park Venue Sales Tax	Streets Sales Tax	Crime Sales Tax	Epic Center Sales Tax Fund	Hotel Motel Tax
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,355,143	\$ 1,050,027	\$ 135,376	\$ 3,735,738	\$ 435,200
Investments	2,638,165	1,000,000	12,700,000	-	300,000
Sales tax receivable	1,489,401	1,489,401	1,492,466	1,489,401	-
Franchise fees receivable	-	-	-	-	-
Other receivables	13,952	-	-	865,956	141,500
Due from other funds	-	-	-	-	-
Inventory	21,320	-	-	29,283	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<b>8,517,981</b>	<b>3,539,428</b>	<b>14,327,842</b>	<b>6,120,378</b>	<b>876,700</b>
<b>LIABILITIES</b>					
Accounts payable	494,963	1,225,912	601,554	82,664	89,377
Retainage payable	-	-	-	-	-
Accrued liabilities	295,586	-	230,352	88,525	22,930
Customer deposits	37,781	-	-	-	-
Due to other funds	-	-	38,820	3,002,683	-
Unearned revenue	195,517	-	-	15,598	-
<b>Total liabilities</b>	<b>1,023,847</b>	<b>1,225,912</b>	<b>870,726</b>	<b>3,189,470</b>	<b>112,307</b>
<b>FUND BALANCES</b>					
Nonspendable	21,320	-	-	29,283	-
Restricted	5,681,127	2,313,516	13,457,116	2,901,625	764,393
Committed	1,791,687	-	-	-	-
<b>Total fund balances</b>	<b>7,494,134</b>	<b>2,313,516</b>	<b>13,457,116</b>	<b>2,930,908</b>	<b>764,393</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 8,517,981</b>	<b>\$ 3,539,428</b>	<b>\$ 14,327,842</b>	<b>\$ 6,120,378</b>	<b>\$ 876,700</b>

Special Revenue

Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Lake Parks	Cemetery	PID	Tax Increment Financing Districts
\$ 612,162	\$ 306,118	\$ 181,076	\$ 349,381	\$ 1,073,302	\$ 3,482,716	\$ 3,807,083	\$15,103,679
-	100,000	420,803	2,400,000	1,410,523	700,000	-	-
-	-	-	-	-	-	-	-
-	-	68,632	-	-	-	-	-
-	-	-	2,567	-	370,124	27,012	-
-	-	-	504,660	-	-	-	-
-	-	-	-	6,503	-	-	-
-	-	-	-	13,323	-	4,908	-
612,162	406,118	670,511	3,256,608	2,503,651	4,552,840	3,839,003	15,103,679
20,270	6,783	7,139	2,123	76,430	28,172	362,313	-
-	-	-	-	-	-	-	-
24,839	5,099	8,406	622,678	70,166	20,327	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,658,188	-	-
45,109	11,882	15,545	624,801	146,596	1,706,687	362,313	-
-	-	-	-	19,826	-	4,908	-
567,053	394,236	-	2,631,807	2,337,229	-	3,471,782	15,103,679
-	-	654,966	-	-	2,846,153	-	-
567,053	394,236	654,966	2,631,807	2,357,055	2,846,153	3,476,690	15,103,679
<u>\$ 612,162</u>	<u>\$ 406,118</u>	<u>\$ 670,511</u>	<u>\$ 3,256,608</u>	<u>\$ 2,503,651</u>	<u>\$ 4,552,840</u>	<u>\$ 3,839,003</u>	<u>\$15,103,679</u>

*Continued*

City of Grand Prairie, Texas  
Combining Balance Sheets  
Nonmajor Governmental Funds  
September 30, 2019

	Special Revenue				
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
<b>ASSETS</b>					
Cash and cash equivalents	\$ 185,718	\$ 39,503	\$ 7,867	\$ 188,577	\$ 62,331
Investments	2,305,000	-	-	-	-
Sales tax receivable	-	-	-	-	-
Franchise fees receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	570
<b>Total assets</b>	<b>2,490,718</b>	<b>39,503</b>	<b>7,867</b>	<b>188,577</b>	<b>62,901</b>
<b>LIABILITIES</b>					
Accounts payable	-	184	1,127	3,142	-
Retainage payable	-	-	-	-	-
Accrued liabilities	-	-	6,418	-	-
Customer deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>184</b>	<b>7,545</b>	<b>3,142</b>	<b>-</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	570
Restricted	-	39,319	322	185,435	62,331
Committed	2,490,718	-	-	-	-
<b>Total fund balances</b>	<b>2,490,718</b>	<b>39,319</b>	<b>322</b>	<b>185,435</b>	<b>62,901</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$2,490,718</b>	<b>\$ 39,503</b>	<b>\$ 7,867</b>	<b>\$ 188,577</b>	<b>\$ 62,901</b>



**Capital Projects**

Park Venue CIP	Fire CIP	Municipal Facilities CIP	Drainage CIP	Police CIP	Other CIP	Capital Lending/ Reserve	Total Nonmajor Governmental Funds
\$ 189,214	\$ 4,728,704	\$ 211,550	\$ 1,568,835	\$712,488	\$4,921,080	\$ 816,609	\$ 48,259,477
5,000,000	7,500,000	25,256,181	12,500,000	-	2,000,000	8,100,000	84,330,672
-	-	-	-	-	-	-	5,960,669
-	-	-	-	-	-	-	68,632
-	-	-	-	-	-	141,023	1,562,134
-	-	-	-	-	-	3,093,636	3,598,296
-	-	-	-	-	-	-	57,106
-	-	-	-	-	-	-	18,801
<u>5,189,214</u>	<u>12,228,704</u>	<u>25,467,731</u>	<u>14,068,835</u>	<u>712,488</u>	<u>6,921,080</u>	<u>12,151,268</u>	<u>143,855,787</u>
861,707	504,832	2,798,685	237,355	2,347	492,541	102,599	8,002,219
227,023	164,996	773,621	564,642	-	-	-	1,730,282
-	-	-	-	-	-	7,780	1,403,106
-	-	-	-	-	-	-	37,781
90,953	-	-	-	-	213,510	-	3,345,966
-	-	-	-	-	-	336,182	2,205,485
<u>1,179,683</u>	<u>669,828</u>	<u>3,572,306</u>	<u>801,997</u>	<u>2,347</u>	<u>706,051</u>	<u>446,561</u>	<u>16,724,839</u>
-	-	-	-	-	-	-	75,907
4,009,531	7,798,656	4,335,445	-	-	3,239,013	-	69,293,615
-	3,760,220	17,559,980	13,266,838	710,141	2,976,016	11,704,707	57,761,426
<u>4,009,531</u>	<u>11,558,876</u>	<u>21,895,425</u>	<u>13,266,838</u>	<u>710,141</u>	<u>6,215,029</u>	<u>11,704,707</u>	<u>127,130,948</u>
<u>\$ 5,189,214</u>	<u>\$12,228,704</u>	<u>\$25,467,731</u>	<u>\$14,068,835</u>	<u>\$712,488</u>	<u>\$6,921,080</u>	<u>\$12,151,268</u>	<u>\$ 143,855,787</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, 2019

	Special Revenue				
	Park Venue Sales Tax	Streets Sales Tax	Crime Sales Tax	Epic Center Sales Tax Fund	Hotel Motel Tax
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	8,790,989	8,790,989	8,757,427	8,790,989	-
Other taxes	-	-	-	-	1,923,267
Charges for goods and services	2,973,484	-	-	3,948,196	6,060
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	174,337	-	-
Rents and royalties	816,320	-	-	-	-
Investment income	-	-	-	-	-
Contributions	482,904	-	-	90,183	-
Other	-	-	19,871	-	448
<b>Total revenues</b>	<b>13,063,697</b>	<b>8,790,989</b>	<b>8,951,635</b>	<b>12,829,368</b>	<b>1,929,775</b>
<b>EXPENDITURES</b>					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	-	5,150,057	-	-
Recreation and leisure services	13,557,406	-	-	3,428,264	1,631,250
Development services and other	-	10,047,052	-	-	-
Capital outlay	123,804	-	1,332,475	166,970	7,373
Debt service:					
Principal retirement	-	-	4,650,000	2,110,000	-
Interest charges	1,250	-	347,862	3,353,812	-
<b>Total expenditures</b>	<b>13,682,460</b>	<b>10,047,052</b>	<b>11,480,394</b>	<b>9,059,046</b>	<b>1,638,623</b>
Excess (deficiency) of revenues over (under) expenditures	(618,763)	(1,256,063)	(2,528,759)	3,770,322	291,152
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	6,804,912	1,568,533	-	-	-
Transfers out	(4,866,224)	-	(200,000)	(4,402,683)	(91,500)
Insurance recovery	-	-	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,938,688</b>	<b>1,568,533</b>	<b>(200,000)</b>	<b>(4,402,683)</b>	<b>(91,500)</b>
Net change in fund balances	1,319,925	312,470	(2,728,759)	(632,361)	199,652
Fund balances - beginning of year	6,174,209	2,001,046	16,185,875	3,563,269	564,741
<b>Fund balances - end of year</b>	<b>\$ 7,494,134</b>	<b>\$ 2,313,516</b>	<b>\$ 13,457,116</b>	<b>\$ 2,930,908</b>	<b>\$ 764,393</b>

**Special Revenue**

<u>Police Seizure</u>	<u>Municipal Court</u>	<u>Cable Operations</u>	<u>Red Light Safety</u>	<u>Lake Parks</u>	<u>Cemetery</u>	<u>PID</u>	<u>Tax Increment Financing Districts</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,407,365
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,091,413	1,326,142	4,460,960	-
-	-	-	-	186,338	-	-	-
-	279,152	-	2,362,856	-	-	-	-
392,460	-	-	-	-	-	-	-
-	-	-	-	1,300,141	-	-	-
10,817	-	-	-	2	-	-	-
-	-	-	-	32,740	-	39,028	-
51,498	236	276,707	-	38,354	1,342	10,892	-
454,775	279,388	276,707	2,362,856	4,648,988	1,327,484	4,510,880	10,407,365
-	-	276,822	-	-	-	-	2,826,093
309,864	297,132	-	1,973,479	-	-	-	-
-	-	-	-	3,862,624	817,337	-	-
-	-	-	-	-	-	3,254,783	-
19,480	51,173	-	67,958	327,765	49,563	628,780	1,834,856
-	-	-	-	-	-	245,000	1,700,000
-	-	-	-	-	-	22,214	252,982
329,344	348,305	276,822	2,041,437	4,190,389	866,900	4,150,777	6,613,931
125,431	(68,917)	(115)	321,419	458,599	460,584	360,103	3,793,434
-	-	-	-	9,000	-	197,220	-
-	-	-	-	(450,000)	-	(16,000)	(825,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	7,105,000
-	-	-	-	-	-	-	-
-	-	-	-	9,226	-	-	-
-	-	-	-	(431,774)	-	181,220	6,280,000
125,431	(68,917)	(115)	321,419	26,825	460,584	541,323	10,073,434
441,622	463,153	655,081	2,310,388	2,330,230	2,385,569	2,935,367	5,030,245
<u>\$ 567,053</u>	<u>\$ 394,236</u>	<u>\$ 654,966</u>	<u>\$ 2,631,807</u>	<u>\$ 2,357,055</u>	<u>\$ 2,846,153</u>	<u>\$ 3,476,690</u>	<u>\$ 15,103,679</u>

*Continued*

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2019

	Special Revenue				
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	48,470	198,843	38,493	17,860
Intergovernmental	-	-	-	-	-
Rents and royalties	1,471,678	-	-	-	-
Investment income	-	-	-	-	-
Contributions	-	-	-	-	-
Other	-	-	168	31	16
Total revenues	1,471,678	48,470	199,011	38,524	17,876
<b>EXPENDITURES</b>					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	36,639	223,020	46,897	15,588
Recreation and leisure services	-	-	-	-	-
Development services and other	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	1,330,000	-	-	-	-
Interest charges	148,753	-	-	-	-
Total expenditures	1,478,753	36,639	223,020	46,897	15,588
Excess (deficiency) of revenues over (under) expenditures	(7,075)	11,831	(24,009)	(8,373)	2,288
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	55,068	-
Transfers out	(253,579)	(4,872)	(55,068)	-	-
Insurance recovery	-	-	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	(253,579)	(4,872)	(55,068)	55,068	-
Net change in fund balances	(260,654)	6,959	(79,077)	46,695	2,288
Fund balances - beginning of year	2,751,372	32,360	79,399	138,740	60,613
<b>Fund balances - end of year</b>	<b>\$ 2,490,718</b>	<b>\$ 39,319</b>	<b>\$ 322</b>	<b>\$ 185,435</b>	<b>\$ 62,901</b>

**Capital Projects**

<b>Park Venue CIP</b>	<b>Fire CIP</b>	<b>Municipal Facilities CIP</b>	<b>Drainage CIP</b>	<b>Police CIP</b>	<b>Other CIP</b>	<b>Capital Lending/ Reserve</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,407,365
-	-	-	-	-	-	-	35,130,394
-	-	-	-	-	-	-	1,923,267
-	-	-	-	-	-	-	15,806,255
-	1,624	-	-	-	-	24,013	211,975
-	-	-	-	-	-	-	2,945,674
-	-	-	-	-	-	-	566,797
-	-	-	-	-	-	881,152	4,469,291
-	-	-	-	-	-	-	10,819
800,000	-	2,000,000	-	-	-	-	3,444,855
-	-	-	-	-	-	-	399,563
800,000	1,624	2,000,000	-	-	-	905,165	75,316,255
-	-	-	-	-	-	-	3,102,915
-	253,481	-	-	15,159	213,510	-	8,534,826
903,950	-	-	-	-	345,090	-	24,545,921
-	-	956,114	743,597	-	595,470	505,025	16,102,041
8,890,680	5,110,336	21,197,892	3,787,783	94,378	3,462,137	1,230,397	48,383,800
-	-	-	-	-	-	-	10,035,000
-	105,407	245,892	-	-	32,893	10,639	4,521,704
9,794,630	5,469,224	22,399,898	4,531,380	109,537	4,649,100	1,746,061	115,226,207
(8,994,630)	(5,467,600)	(20,399,898)	(4,531,380)	(109,537)	(4,649,100)	(840,896)	(39,909,952)
4,173,593	-	565,000	5,645,832	-	3,298,827	448,000	22,765,985
(1,001,120)	-	(225,000)	(175,812)	-	(1,009,734)	(1,565,000)	(15,141,592)
-	-	-	-	-	-	-	-
-	11,220,451	28,455,242	-	-	3,364,452	1,293,305	51,438,450
-	1,388,767	2,250,282	-	-	492,793	70,376	4,202,218
-	48,000	-	-	-	-	-	57,226
3,172,473	12,657,218	31,045,524	5,470,020	-	6,146,338	246,681	63,322,287
(5,822,157)	7,189,618	10,645,626	938,640	(109,537)	1,497,238	(594,215)	23,412,335
9,831,688	4,369,258	11,249,799	12,328,198	819,678	4,717,791	12,298,922	103,718,613
<u>\$ 4,009,531</u>	<u>\$ 11,558,876</u>	<u>\$ 21,895,425</u>	<u>\$ 13,266,838</u>	<u>\$ 710,141</u>	<u>\$ 6,215,029</u>	<u>\$ 11,704,707</u>	<u>\$ 127,130,948</u>

*Concluded*

**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, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 7,889,116	\$ 7,889,116	\$ 8,757,427	\$ 868,311
Intergovernmental revenue	230,382	230,382	174,337	(56,045)
Other	-	-	19,871	19,871
<b>Total revenues</b>	<b>8,119,498</b>	<b>8,119,498</b>	<b>8,951,635</b>	<b>832,137</b>
<b>EXPENDITURES</b>				
Current operations:				
Public safety services	5,966,681	5,883,609	5,150,057	733,552
Capital outlay	2,978,348	3,280,688	1,332,475	1,948,213
Debt service:				
Principal retirement	4,650,000	4,650,000	4,650,000	-
Interest charges	662,963	662,963	347,862	315,101
<b>Total expenditures</b>	<b>14,257,992</b>	<b>14,477,260</b>	<b>11,480,394</b>	<b>2,996,866</b>
Excess (deficiency) of revenues over (under) expenditures	(6,138,494)	(6,357,762)	(2,528,759)	3,829,003
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(200,000)	(200,000)	(200,000)	-
<b>Total other financing sources (uses)</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>-</b>
Net change in fund balances	(6,338,494)	(6,557,762)	(2,728,759)	3,829,003
Fund balances - beginning of year	16,185,875	16,185,875	16,185,875	-
<b>Fund balances - end of year</b>	<b>\$ 9,847,381</b>	<b>\$ 9,628,113</b>	<b>\$ 13,457,116</b>	<b>\$ 3,829,003</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Epic Center Sales Tax Fund

For the Year Ended September 30, 2019

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Sales tax	\$ 7,889,116	\$ 7,889,116	\$ 8,790,989	\$ 901,873
Charges for goods and services	4,147,592	4,147,592	3,948,196	(199,396)
Contributions	95,000	95,000	90,183	(4,817)
Total revenues	12,131,708	12,131,708	12,829,368	697,660
<b>EXPENDITURES</b>				
Current operations:				
Recreation and Leisure Services	4,367,556	4,374,973	3,428,264	946,709
Capital outlay	190,000	190,000	166,970	23,030
Debt service:				
Principal retirement	2,110,000	2,110,000	2,110,000	-
Interest charges	3,354,012	3,354,012	3,353,812	200
Total expenditures	10,021,568	10,028,985	9,059,046	969,939
Excess (deficiency) of revenues over (under) expenditures	2,110,140	2,102,723	3,770,322	1,667,599
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,400,000)	(1,400,000)	(4,402,683)	(3,002,683)
Total other financing sources (uses)	(1,400,000)	(1,400,000)	(4,402,683)	(3,002,683)
Net change in fund balances	710,140	702,723	(632,361)	(1,335,084)
Fund balances - beginning of year	3,563,269	3,563,269	3,563,269	-
<b>Fund balances - end of year</b>	<b>\$ 4,273,409</b>	<b>\$ 4,265,992</b>	<b>\$ 2,930,908</b>	<b>\$ (1,335,084)</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Hotel/Motel Sales Tax Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 1,860,030	\$ 1,860,030	\$ 1,923,267	\$ 63,237
Charges for goods and services	4,500	4,500	6,060	1,560
Other	1,000	1,000	448	(552)
Total revenues	1,865,530	1,865,530	1,929,775	64,245
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	1,798,203	1,808,007	1,631,250	176,757
Capital outlay	50,000	50,000	7,373	42,627
Total expenditures	1,848,203	1,858,007	1,638,623	219,384
Excess (deficiency) of revenues over (under) expenditures	17,327	7,523	291,152	283,629
<b>OTHER FINANCING USES</b>				
Transfers out	(91,500)	(91,500)	(91,500)	-
Total other financing uses	(91,500)	(91,500)	(91,500)	-
Net change in fund balances	(74,173)	(83,977)	199,652	283,629
Fund balances - beginning of year	564,741	564,741	564,741	-
<b>Fund balances - end of year</b>	<b>\$ 490,568</b>	<b>\$ 480,764</b>	<b>\$ 764,393</b>	<b>\$ 283,629</b>



**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Municipal Court Funds

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 293,000	\$ 293,000	279,152	\$ (13,848)
Other	-	-	236	236
Total revenues	293,000	293,000	279,388	(13,612)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	354,582	378,131	297,132	80,999
Capital outlay	50,000	106,269	51,173	55,096
Total expenditures	404,582	484,400	348,305	136,095
Excess (deficiency) of revenues over (under) expenditures	(111,582)	(191,400)	(68,917)	122,483
Fund balances - beginning of year	463,153	463,153	463,153	-
<b>Fund balances - end of year</b>	<b>\$ 351,571</b>	<b>\$ 271,753</b>	<b>\$ 394,236</b>	<b>\$ 122,483</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Cable Operations Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other	\$ 268,530	\$ 268,530	\$ 276,707	\$ 8,177
Total revenues	268,530	268,530	276,707	8,177
<b>EXPENDITURES</b>				
Current operations:				
Support services	309,631	344,929	276,822	68,107
Capital outlay	75,000	75,000	-	75,000
Total expenditures	384,631	419,929	276,822	143,107
Excess (deficiency) of revenues over (under) expenditures	(116,101)	(151,399)	(115)	151,284
Fund balances - beginning of year	655,081	655,081	655,081	-
<b>Fund balances - end of year</b>	<b>\$ 538,980</b>	<b>\$ 503,682</b>	<b>\$ 654,966</b>	<b>\$ 151,284</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Red Light Safety Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 3,137,040	\$ 3,137,040	\$ 2,362,856	\$ (774,184)
Total revenues	3,137,040	3,137,040	2,362,856	(774,184)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	3,101,135	3,029,677	1,973,479	1,056,198
Capital outlay	-	71,458	67,958	3,500
Total expenditures	3,101,135	3,101,135	2,041,437	1,059,698
Excess (deficiency) of revenues over (under) expenditures	35,905	35,905	321,419	285,514
Fund balances - beginning of year	2,310,388	2,310,388	2,310,388	-
<b>Fund balances - end of year</b>	<b>\$ 2,346,293</b>	<b>\$ 2,346,293</b>	<b>\$ 2,631,807</b>	<b>\$ 285,514</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Lake Parks Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Charges for goods and services	\$ 3,130,000	\$ 3,130,000	\$ 3,091,413	\$ (38,587)
Licenses and permits	170,000	170,000	186,338	16,338
Rents and royalties	1,444,000	1,444,000	1,300,141	(143,859)
Investment income	-	-	2	2
Contributions	50,000	50,000	32,740	(17,260)
Other	39,000	39,000	38,354	(646)
Total revenue	4,833,000	4,833,000	4,648,988	(184,012)
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	4,343,292	4,209,235	3,862,624	346,611
Capital outlay	386,000	386,000	327,765	58,235
Total expenditures	4,729,292	4,595,235	4,190,389	404,846
Excess (deficiency) of revenues over (under) expenditures	103,708	237,765	458,599	220,834
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,000	9,000	9,000	-
Transfers out	(250,000)	(450,000)	(450,000)	-
Proceeds from sale of capital assets	-	-	9,226	9,226
Total other financing sources (uses)	(241,000)	(441,000)	(431,774)	9,226
Excess (deficiency) of revenues over (under) expenditures	(137,292)	(203,235)	26,825	230,060
Fund balances - beginning of year	2,330,230	2,330,230	2,330,230	-
<b>Fund balances - end of year</b>	<b>\$ 2,192,938</b>	<b>\$ 2,126,995</b>	<b>\$ 2,357,055</b>	<b>\$ 230,060</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Cemetery Fund

For the Year Ended September 30, 2019

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Charges for goods and services	\$ 1,053,890	\$ 1,053,890	\$ 1,326,142	\$ 272,252
Other	1,000	1,000	1,342	342
Total revenues	1,054,890	1,054,890	1,327,484	272,594
<b>EXPENDITURES</b>				
Current operations:				
Recreation and leisure services	735,411	802,622	817,337	(14,715)
Capital outlay	51,000	51,000	49,563	1,437
Total expenditures	786,411	853,622	866,900	(13,278)
Excess (deficiency) of revenues over (under) expenditures	268,479	201,268	460,584	259,316
Fund balances - beginning of year	2,385,569	2,385,569	2,385,569	-
<b>Fund balances - end of year</b>	<b>\$ 2,654,048</b>	<b>\$ 2,586,837</b>	<b>\$ 2,846,153</b>	<b>\$ 259,316</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Juvenile Case Manager Fund

For the Year Ended September 30, 2019

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 205,000	\$ 205,000	\$ 198,843	\$ (6,157)
Other	-	-	168	168
Total revenues	205,000	205,000	199,011	(5,989)
<b>EXPENDITURES</b>				
Current operations:				
Public safety	231,830	226,691	223,020	3,671
Total expenditures	231,830	226,691	223,020	3,671
Excess (deficiency) of revenues over (under) expenditures	(26,830)	(21,691)	(24,009)	(2,318)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(65,719)	(55,068)	10,651
Total other financing sources (uses)	-	(65,719)	(55,068)	10,651
Net change in fund balances	-	(87,410)	(79,077)	8,333
Fund balances - beginning of year	79,399	79,399	79,399	-
<b>Fund balances - end of year</b>	<b>\$ 79,399</b>	<b>\$ (8,011)</b>	<b>\$ 322</b>	<b>\$ 8,333</b>

**City of Grand Prairie, Texas**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Truancy Prevention and Diversion Fund

For the Year Ended September 30, 2019

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
<b>REVENUES</b>				
Fines and forfeitures	\$ 37,000	\$ 37,000	\$ 38,493	\$ 1,493
Other	-	-	31	31
Total revenues	37,000	37,000	38,524	1,524
<b>EXPENDITURES</b>				
Current operations:				
Public safety	50,000	53,576	46,897	6,679
Total expenditures	50,000	53,576	46,897	6,679
Excess (deficiency) of revenues over (under) expenditures	(13,000)	(16,576)	(8,373)	8,203
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	55,068	55,068
Total other financing sources (uses)	-	-	55,068	55,068
Net change in fund balances	(13,000)	(16,576)	46,695	63,271
Fund balances - beginning of year	138,740	138,740	138,740	-
<b>Fund balances - end of year</b>	<b>\$ 125,740</b>	<b>\$ 122,164</b>	<b>\$ 185,435</b>	<b>\$ 63,271</b>

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Nonmajor Enterprise Funds  
September 30, 2019

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, 2019**

	<u>Municipal Airport</u>	<u>Municipal Golf</u>	<u>Storm Water Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 983,907	\$ 472,767	\$ 176,179	\$ 1,632,853
Investments	1,019,467	400,000	1,250,000	2,669,467
Accounts receivable, net	127,684	33,626	639,397	800,707
Intergovernmental receivable	48,130	-	-	48,130
Inventories and supplies	61,279	36,784	-	98,063
Prepays	-	33,600	-	33,600
Restricted assets:				
Investments	76,352	-	-	76,352
Total current assets	<u>2,316,819</u>	<u>976,777</u>	<u>2,065,576</u>	<u>5,359,172</u>
Noncurrent assets:				
Capital assets:				
Land	183,923	568,284	7,500	759,707
Buildings	13,309,613	1,854,835	-	15,164,448
Equipment	897,394	907,432	495,507	2,300,333
Infrastructure	12,115,927	9,999,709	20,834,869	42,950,505
Construction in progress	359,428	-	-	359,428
Less: accumulated depreciation	<u>(11,752,936)</u>	<u>(11,089,487)</u>	<u>(5,257,224)</u>	<u>(28,099,647)</u>
Total noncurrent assets	<u>15,113,349</u>	<u>2,240,773</u>	<u>16,080,652</u>	<u>33,434,774</u>
Total assets	<u>17,430,168</u>	<u>3,217,550</u>	<u>18,146,228</u>	<u>38,793,946</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to OPEB	2,433	7,453	3,998	13,884
Related to TMRS pension	127,143	386,841	247,622	761,606
Total deferred outflows	<u>129,576</u>	<u>394,294</u>	<u>251,620</u>	<u>775,490</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	10,757	165,575	72,473	248,805
Accrued interest	5,439	-	-	5,439
Accrued liabilities	18,868	67,864	40,345	127,077
Compensated absences	21,733	48,804	14,633	85,170
Unearned revenue	135,497	180	-	135,677
Current portion of long-term debt	160,000	-	-	160,000
Current liabilities payable from restricted assets:				
Customer deposits	76,352	-	-	76,352
Total current liabilities	<u>428,646</u>	<u>282,423</u>	<u>127,451</u>	<u>838,520</u>
Noncurrent liabilities:				
Compensated absences	5,419	14,965	9,040	29,424
Other postemployment benefits	201,278	616,731	330,776	1,148,785
Net pension liability	321,652	978,647	626,444	1,926,743
Long-term debt	725,000	-	-	725,000
Total noncurrent liabilities	<u>1,253,349</u>	<u>1,610,343</u>	<u>966,260</u>	<u>3,829,952</u>
Total liabilities	<u>1,681,995</u>	<u>1,892,766</u>	<u>1,093,711</u>	<u>4,668,472</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to OPEB	12,031	36,866	19,772	68,669
Related to TMRS pension	6,580	20,021	12,816	39,417
Total deferred inflows of resources	<u>18,611</u>	<u>56,887</u>	<u>32,588</u>	<u>108,086</u>
<b>NET POSITION</b>				
Net investment in capital assets	14,228,349	2,240,773	16,080,652	32,549,774
Unrestricted	1,630,789	(578,582)	1,190,897	2,243,104
<b>Total net position</b>	<u>\$ 15,859,138</u>	<u>\$ 1,662,191</u>	<u>\$ 17,271,549</u>	<u>\$ 34,792,878</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, 2019

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>				
Charge for services	\$ 1,477,474	\$ 2,283,669	\$ 7,210,656	\$ 10,971,799
Intergovernmental revenue	31,007	-	-	31,007
Miscellaneous	712,021	-	-	712,021
Total operating revenues	2,220,502	2,283,669	7,210,656	11,714,827
<b>OPERATING EXPENSES</b>				
Salaries and benefits	498,011	1,630,705	955,565	3,084,281
Supplies and miscellaneous purchases	999,187	311,472	25,917	1,336,576
Purchased services	419,824	1,011,689	555,579	1,987,092
General and administrative costs	72,764	-	67,722	140,486
Franchise fees	-	-	289,097	289,097
Miscellaneous	68,867	72,883	194,415	336,165
Depreciation	878,482	495,268	600,595	1,974,345
Total operating expenses	2,937,135	3,522,017	2,688,890	9,148,042
Operating income (loss)	(716,633)	(1,238,348)	4,521,766	2,566,785
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on disposition of capital assets	-	2,893	-	2,893
Interest expense	(46,882)	-	-	(46,882)
Total nonoperating revenues (expenses)	(46,882)	2,893	-	(43,989)
Income (loss) before contributions and transfers	(763,515)	(1,235,455)	4,521,766	2,522,796
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Capital contributions	-	-	5,235,823	5,235,823
Transfers in	1,149,011	750,000	-	1,899,011
Transfers out	(48,000)	-	(5,367,266)	(5,415,266)
Total contributions and transfers	1,101,011	750,000	(131,443)	1,719,568
Change in net position	337,496	(485,455)	4,390,323	4,242,364
Net position - beginning of the year	15,521,642	2,147,646	12,881,226	30,550,514
<b>Net position - end of year</b>	<b>\$ 15,859,138</b>	<b>\$ 1,662,191</b>	<b>\$ 17,271,549</b>	<b>\$ 34,792,878</b>

**City of Grand Prairie, Texas**  
**Combining Statements of Cash Flow**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2019**

	<b>Municipal Airport</b>	<b>Municipal Golf</b>	<b>Storm Water Utility</b>	<b>Total Nonmajor Enterprise Funds</b>
Cash flows from operating activities:				
Cash receipts from customers	\$ 1,550,951	\$ 2,290,130	\$ 7,204,997	\$ 11,046,078
Cash receipts from other governments	2,162	-	-	2,162
Other operating cash receipts	712,021	-	-	712,021
Cash payments to suppliers for goods and services	(1,524,057)	(1,362,365)	(949,234)	(3,835,656)
Cash payments to employees for services	(460,162)	(1,516,439)	(827,009)	(2,803,610)
Cash payments for interfund services used	-	-	(289,097)	(289,097)
Other operating cash payments	(72,764)	-	(67,722)	(140,486)
<b>Net cash provided by (used in) operating activities</b>	<b>208,151</b>	<b>(588,674)</b>	<b>5,071,935</b>	<b>4,691,412</b>
Cash flows from non-capital financing activities:				
Transfers from other funds	1,149,011	750,000	-	1,899,011
Transfers to other funds	(48,000)	-	(5,367,266)	(5,415,266)
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>1,101,011</b>	<b>750,000</b>	<b>(5,367,266)</b>	<b>(3,516,255)</b>
Cash flows from capital and related financing activities:				
Proceeds from disposition of capital assets	200,000	2,893	1,000,000	1,202,893
Acquisition and construction of capital assets	(396,730)	-	(99,098)	(495,828)
Principal paid on debt	(150,000)	-	-	(150,000)
Interest paid on debt	(47,749)	-	-	(47,749)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(394,479)</b>	<b>2,893</b>	<b>900,902</b>	<b>509,316</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>914,683</b>	<b>164,219</b>	<b>605,571</b>	<b>1,684,473</b>
Cash and cash equivalents - beginning of year	69,224	308,548	(429,392)	(51,620)
<b>Cash and cash equivalents - end of year</b>	<b>\$ 983,907</b>	<b>\$ 472,767</b>	<b>\$ 176,179</b>	<b>\$ 1,632,853</b>
Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (716,633)	\$ (1,238,348)	\$ 4,521,766	\$ 2,566,785
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	878,482	495,268	600,595	1,974,345
Provisions for uncollectible accounts	-	-	(12,279)	(12,279)
Changes in assets and liabilities:				
(Increase) decrease in other accounts receivable	70,511	6,461	6,620	83,592
(Increase) decrease in due from other governments	(28,845)	-	-	(28,845)
(Increase) decrease in inventories and supplies	(19,754)	(6,324)	-	(26,078)
(Increase) decrease in prepaids	-	12,455	-	12,455
Increase (decrease) in accounts payable	(7,553)	21,380	(184,808)	(170,981)
Increase (decrease) in accrued liabilities	2,069	5,988	11,485	19,542
Increase (decrease) in customer deposits	2,966	-	-	2,966
Increase (decrease) in unearned revenue	(10,941)	180	-	(10,761)
Increase (decrease) in compensated absences	214	3,277	5,535	9,026
Increase (decrease) in OPEB liability	2,772	8,494	4,556	15,822
Increase (decrease) in pension liability	34,863	102,495	118,465	255,823
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 208,151</b>	<b>\$ (588,674)</b>	<b>\$ 5,071,935</b>	<b>\$ 4,691,412</b>
Noncash investing, capital, and financing activities:				
Capital contributions from developers/granting agencies	\$ -	\$ -	\$ 5,235,823	\$ 5,235,823

**City of Grand Prairie, Texas**  
Combining Financial Statements  
Internal Service Funds  
September 30, 2019

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, 2019

	Fleet Services	Risk Management	Total Internal Service Funds
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,130,349	\$ 4,781,141	\$ 5,911,490
Investments	2,000,000	15,000,000	17,000,000
Inventories and supplies	100,243	-	100,243
Prepays	-	444,083	444,083
Total current assets	3,230,592	20,225,224	23,455,816
Noncurrent assets:			
Capital assets:			
Land	737,566	-	737,566
Buildings	1,477,875	227,700	1,705,575
Equipment	1,601,194	703,000	2,304,194
Less: accumulated depreciation	(2,783,319)	(337,491)	(3,120,810)
Total noncurrent assets	1,033,316	593,209	1,626,525
Total assets	4,263,908	20,818,433	25,082,341
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to OPEB	7,291	1,894	9,185
Related to TMRS pension	416,565	102,514	519,079
Total deferred outflows	423,856	104,408	528,264
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	98,863	829,039	927,902
Accrued liabilities	64,072	4,211,693	4,275,765
Compensated absences	38,974	9,633	48,607
Total current liabilities	201,909	5,050,365	5,252,274
Noncurrent liabilities:			
Other postemployment benefits	603,358	156,723	760,081
Net pension liability	1,056,545	255,150	1,311,695
Total noncurrent liabilities	1,659,903	411,873	2,071,776
Total liabilities	1,861,812	5,462,238	7,324,050
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to OPEB	36,066	9,368	45,434
Related to TMRS pension	21,559	5,306	26,865
Total deferred inflows of resources	57,625	14,674	72,299
<b>NET POSITION</b>			
Net investment in capital assets	1,033,316	593,209	1,626,525
Unrestricted	1,735,011	14,852,720	16,587,731
<b>Total net position</b>	<b>\$ 2,768,327</b>	<b>\$ 15,445,929</b>	<b>\$ 18,214,256</b>

**City of Grand Prairie, Texas**  
Combining Statements of Revenues, Expenses, and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended September 30, 2019

	Fleet Services	Risk Management	Total Internal Service Funds
<b>OPERATING REVENUES</b>			
Charge for services	\$ 6,198,393	\$ -	\$ 6,198,393
Insurance premiums	-	26,122,284	26,122,284
Miscellaneous	4,752	4,966	9,718
Total operating revenues	6,203,145	26,127,250	32,330,395
<b>OPERATING EXPENSES</b>			
Salaries and benefits	1,639,561	488,268	2,127,829
Supplies and miscellaneous purchases	2,514,802	977	2,515,779
Purchased services	721,958	347,999	1,069,957
Insurance claims	-	20,130,766	20,130,766
Miscellaneous	122,477	314,963	437,440
Depreciation	81,959	112,406	194,365
Total operating expenses	5,080,757	21,395,379	26,476,136
Operating income (loss)	1,122,388	4,731,871	5,854,259
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Gain on disposition of capital assets	(11,842)	(14,273)	(26,115)
Total nonoperating revenues (expenses)	(11,842)	(14,273)	(26,115)
Income before contributions and transfers	1,110,546	4,717,598	5,828,144
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Capital asset transfers to government activities	116,690	-	116,690
Transfers in	-	450,000	450,000
Transfers out	(500,000)	(1,980,313)	(2,480,313)
Change in net position	727,236	3,187,285	3,914,521
Net position - beginning of year	2,041,091	12,258,644	14,299,735
<b>Net position - end of year</b>	<b>\$ 2,768,327</b>	<b>\$ 15,445,929</b>	<b>\$ 18,214,256</b>

**City of Grand Prairie, Texas**  
Combining Statements of Cash Flows  
Internal Service Funds  
For the Year Ended September 30, 2019

	Fleet Services	Risk Management	Total Internal Service Funds
<b>Cash flows from operating activities:</b>			
Cash received from city and employee contributions	\$ -	\$ 26,122,284	\$ 26,122,284
Cash received from interfund services provided	6,198,393	-	6,198,393
Other operating cash receipts	4,752	4,966	9,718
Cash payments to suppliers for goods and services	(3,427,911)	(643,162)	(4,071,073)
Cash payments to employees for services	(1,471,162)	(269,297)	(1,740,459)
Cash payments for interfund services used	-	(20,130,766)	(20,130,766)
Net cash provided by (used in) operating activities	1,304,072	5,084,025	6,388,097
<b>Cash flows from non-capital financing activities:</b>			
Transfers from other funds	116,690	450,000	566,690
Transfers to other funds	(500,000)	(1,980,313)	(2,480,313)
Net cash provided by (used in) non-capital financing activities	(383,310)	(1,530,313)	(1,913,623)
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from capital assets disposals	(11,842)	(14,273)	(26,115)
Acquisition of capital assets	(89,892)	(113,697)	(203,589)
Net cash provided by (used in) capital and related financing activities	(101,734)	(127,970)	(229,704)
Net (decrease) increase in cash and cash equivalents	819,028	3,425,742	4,244,770
Cash and cash equivalents - beginning of year	311,321	1,355,399	1,666,720
<b>Cash and cash equivalents - end of year</b>	<b>\$ 1,130,349</b>	<b>\$ 4,781,141</b>	<b>\$ 5,911,490</b>
<b>Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 1,122,388	\$ 4,731,871	\$ 5,854,259
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	81,959	112,406	194,365
Changes in assets and liabilities:			
(Increase) decrease in inventories and supplies	(28,800)	-	(28,800)
Increase (decrease) in accounts payable	(39,874)	20,777	(19,097)
Increase (decrease) in accrued liabilities	6,173	190,612	196,785
Increase (decrease) in compensated absences	(9,335)	(2,308)	(11,643)
Increase (decrease) in OPEB liability	8,310	2,156	10,466
Increase (decrease) in pension liability	163,251	28,511	191,762
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,304,072</b>	<b>\$ 5,084,025</b>	<b>\$ 6,388,097</b>



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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, 2019  
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**City of Grand Prairie, Texas**  
**Net Position by Component (Unaudited)**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2010	2011	2012	2013
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 286,120,135	\$ 279,371,594	\$ 311,048,653	\$ 316,856,535
Restricted	9,792,214	83,793,231	63,267,418	69,081,215
Unrestricted	129,649,766	62,743,136	47,893,511	40,378,407
<b>Total governmental activities net position</b>	<b>\$ 425,562,115</b>	<b>\$ 425,907,961</b>	<b>\$ 422,209,582</b>	<b>\$ 426,316,157</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 134,524,036	\$ 137,253,007	\$ 139,042,561	\$ 141,678,428
Restricted	4,228,742	3,988,491	4,601,419	4,695,502
Unrestricted	68,647,313	68,859,665	71,929,058	66,726,233
<b>Total business-type activities net position</b>	<b>\$ 207,400,091</b>	<b>\$ 210,101,163</b>	<b>\$ 215,573,038</b>	<b>\$ 213,100,163</b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 420,644,171	\$ 416,624,601	\$ 450,091,214	\$ 458,534,963
Restricted	14,020,956	87,781,722	67,868,837	73,776,717
Unrestricted	198,297,079	131,602,801	119,822,569	107,104,640
<b>Total primary government net position</b>	<b>\$ 632,962,206</b>	<b>\$ 636,009,124</b>	<b>\$ 637,782,620</b>	<b>\$ 639,416,320</b>

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

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 319,412,513	\$ 333,061,190	\$ 308,745,566	\$ 278,750,450	\$ 266,214,537	\$ 311,019,615
108,444,110	53,392,543	57,404,183	80,454,171	81,030,788	58,899,457
13,160,490	18,505,921	41,953,800	46,202,814	10,497,407	4,163,774
<u>\$ 441,017,113</u>	<u>\$ 404,959,654</u>	<u>\$ 408,103,549</u>	<u>\$ 405,407,435</u>	<u>\$ 357,742,732</u>	<u>\$ 374,082,846</u>
\$ 143,297,680	\$ 151,539,230	\$ 166,071,343	\$ 174,505,410	\$ 173,815,271	\$ 176,239,658
5,444,619	8,904,795	15,366,214	34,704,441	45,622,261	59,346,971
68,399,617	60,022,038	55,565,327	40,424,846	38,998,317	35,349,141
<u>\$ 217,141,916</u>	<u>\$ 220,466,063</u>	<u>\$ 237,002,884</u>	<u>\$ 249,634,697</u>	<u>\$ 258,435,849</u>	<u>\$ 270,935,770</u>
\$ 462,710,193	\$ 484,600,420	\$ 474,816,909	\$ 453,255,860	\$ 440,029,808	\$ 487,259,273
113,888,729	62,297,338	72,770,397	115,158,612	126,653,049	118,246,428
81,560,107	78,527,959	97,519,127	86,627,660	49,495,724	39,512,915
<u>\$ 658,159,029</u>	<u>\$ 625,425,717</u>	<u>\$ 645,106,433</u>	<u>\$ 655,042,132</u>	<u>\$ 616,178,581</u>	<u>\$ 645,018,616</u>

# City of Grand Prairie, Texas

## Changes in Net Position

### Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
<b>EXPENSES</b>				
Governmental activities:				
Support services	\$ 17,278,851	\$ 19,100,748	\$ 17,928,238	\$ 17,503,253
Public safety services	81,872,640	88,336,343	72,934,512	76,439,796
Recreation and leisure services	21,517,961	22,368,768	24,071,731	25,847,664
Development services	58,153,994	74,251,224	84,171,971	79,057,014
Interest on long-term debt	10,618,864	9,817,549	9,227,801	8,125,389
Total governmental activities expenses	189,442,310	213,874,632	208,334,253	206,973,116
Business-type activities:				
Water and wastewater	48,888,158	52,658,416	55,186,501	59,993,534
Solid waste	8,931,468	9,079,737	9,485,700	9,773,626
Municipal airport	1,999,196	2,809,039	2,650,503	2,793,094
Municipal golf course	3,488,564	3,521,660	3,527,637	3,487,758
Storm water	1,692,009	1,537,846	1,617,905	1,909,737
Total business-type activities expenses	64,999,395	69,606,698	72,468,246	77,957,749
Total primary government expenses	254,441,705	283,481,330	280,802,499	284,930,865
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services:				
Support services	10,929,541	5,981,676	5,000,964	4,914,303
Public safety services	12,823,754	16,384,019	13,752,467	15,557,404
Recreation and leisure services	7,112,226	8,886,903	8,256,815	9,686,041
Development services	4,412,063	7,991,012	5,866,787	5,670,741
Operating grants and contributions	31,232,753	37,588,585	31,329,503	33,339,115
Capital grants and contributions	9,112,664	2,664,489	6,290,285	5,242,216
Total governmental activities program revenues	75,623,001	79,496,684	70,496,821	74,409,820
Business-type activities:				
Charges for services:				
Water and wastewater	46,459,483	54,761,115	57,610,991	57,632,524
Solid waste	10,100,502	9,984,080	10,664,949	10,568,982
Municipal airport	1,759,319	3,791,577	3,048,547	2,973,572
Municipal golf course	2,080,152	2,244,356	2,306,811	2,262,430
Storm water	4,685,730	5,015,547	5,125,840	5,367,769
Operating grants and contributions	-	-	-	30,291
Capital grants and contributions	2,444,475	1,792,377	2,465,951	3,089,677
Total business-type activities	67,529,661	77,589,052	81,223,089	81,925,245
Total primary government	143,152,662	157,085,736	151,719,910	156,335,065

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

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 20,400,867	\$ 22,102,591	\$ 23,045,026	\$ 26,731,588	\$ 27,614,430	\$ 30,669,782
80,333,290	80,359,190	91,860,495	100,253,923	101,033,502	109,767,831
25,255,982	26,746,861	29,709,690	32,962,890	34,529,152	35,232,643
75,473,059	77,263,159	88,963,122	90,088,069	97,241,362	102,740,890
7,922,519	8,019,147	12,374,896	12,108,299	12,481,762	14,987,576
209,385,717	214,490,948	245,953,229	262,144,769	272,900,208	293,398,722
61,468,207	61,381,944	66,351,005	70,569,705	72,412,983	74,389,255
9,712,711	10,143,394	11,438,507	12,317,620	12,339,638	13,009,026
3,484,297	2,226,108	2,141,279	2,572,623	2,744,301	2,962,253
3,314,435	3,230,377	3,307,890	3,497,955	3,309,267	3,458,592
1,635,198	1,694,556	1,809,656	2,425,177	2,446,788	2,647,816
79,614,848	78,676,379	85,048,337	91,383,080	93,252,977	96,466,942
289,000,565	293,167,327	331,001,566	353,527,849	366,153,185	389,865,664
4,701,456	4,809,384	5,048,092	5,364,023	5,539,941	5,980,183
16,190,902	13,623,499	18,121,839	21,150,257	17,180,107	16,094,926
9,055,820	9,772,737	9,686,261	11,059,324	13,029,253	13,181,720
7,152,325	6,643,502	12,169,331	12,775,450	13,913,703	15,932,228
34,980,362	33,329,097	37,024,064	35,572,942	35,266,428	39,865,579
4,020,110	1,232,805	8,807,012	8,305,146	3,971,782	8,575,572
76,100,975	69,411,024	90,856,599	94,227,142	88,901,214	99,630,208
60,115,296	63,421,631	67,612,109	72,668,796	77,556,058	74,890,101
10,802,865	11,470,007	11,816,094	12,863,659	13,208,778	14,117,342
2,978,121	2,001,854	2,678,090	1,862,633	2,238,508	2,189,495
1,909,090	2,021,800	2,494,513	2,573,002	2,453,543	2,283,669
5,436,780	5,572,487	5,631,420	6,356,774	6,864,323	7,210,656
42,697	43,714	37,320	47,918	67,537	31,007
4,402,822	4,082,082	16,653,153	12,892,511	11,983,724	15,541,642
85,687,671	88,613,575	106,922,699	109,265,293	114,372,471	116,263,912
161,788,646	158,024,599	197,779,298	203,492,435	203,273,685	215,894,120

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# City of Grand Prairie, Texas

## Changes in Net Position

### Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
<b>NET (EXPENSES)/REVENUE</b>				
Governmental activities	\$ (113,819,309)	\$ (134,377,948)	\$ (137,837,432)	\$ (132,563,296)
Business-type activities	2,530,266	7,982,354	8,754,843	3,967,496
<b>Total primary government net expense</b>	<b>\$ (111,289,043)</b>	<b>\$ (126,395,594)</b>	<b>\$ (129,082,589)</b>	<b>\$ (128,595,800)</b>
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 75,091,425	\$ 71,554,937	\$ 70,153,052	\$ 71,785,225
Sales taxes	39,891,881	41,713,795	45,457,902	47,155,704
Hotel/motel tax and other taxes	1,232,928	1,332,984	1,332,259	1,488,871
Franchise fees	12,060,211	13,492,977	12,902,516	12,811,696
Investment income	1,844,371	1,341,476	1,004,777	437,770
Transfers-monetary	(1,542,012)	5,625,851	3,167,893	5,390,831
Transfers-capital assets	367,154	-	120,654	-
<b>Total governmental activities</b>	<b>136,402,347</b>	<b>128,945,958</b>	<b>135,062,020</b>	<b>134,139,053</b>
Business-type activities:				
Franchise fees	-	-	-	-
Investment income	425,937	6,343	5,579	4,242
Transfers-monetary	1,542,012	(5,625,851)	(3,167,893)	(5,390,831)
Transfers-capital assets	(367,154)	-	(120,654)	-
<b>Total business-type activities</b>	<b>3,176,455</b>	<b>1,600,795</b>	<b>(5,619,508)</b>	<b>(3,282,968)</b>
<b>Total primary government</b>	<b>139,578,802</b>	<b>130,546,753</b>	<b>129,442,512</b>	<b>130,856,085</b>
<b>CHANGES IN NET POSITION</b>				
Governmental activities	22,583,038	(5,431,990)	(2,775,412)	1,575,757
Business-type activities	5,706,721	9,583,149	3,135,335	684,528
<b>Total primary government</b>	<b>\$ 28,289,759</b>	<b>\$ 4,151,159</b>	<b>\$ 359,923</b>	<b>\$ 2,260,285</b>



Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (133,284,742)	\$ (145,079,924)	\$ (155,096,630)	\$ (155,096,630)	\$ (183,998,994)	\$ (193,768,514)
6,072,823	9,937,196	21,874,362	21,874,362	21,119,494	19,796,970
<u>\$ (127,211,919)</u>	<u>\$ (135,142,728)</u>	<u>\$ (133,222,268)</u>	<u>\$ (133,222,268)</u>	<u>\$ (162,879,500)</u>	<u>\$ (173,971,544)</u>
\$ 77,334,662	\$ 73,070,467	\$ 77,923,990	\$ 84,925,774	\$ 94,648,690	\$ 106,378,593
50,846,972	53,494,773	57,076,997	60,585,824	64,250,717	69,672,182
1,550,172	1,713,865	1,791,075	2,015,917	2,208,298	2,231,019
13,315,452	14,089,158	13,928,847	9,996,934	14,485,521	14,796,138
652,067	1,609,156	2,173,508	2,425,419	3,506,788	9,776,886
4,267,277	2,428,935	5,097,654	5,271,645	6,272,419	7,253,810
19,096	(25,800)	248,454	-	-	-
<u>139,070,097</u>	<u>147,985,698</u>	<u>146,380,554</u>	<u>158,240,525</u>	<u>185,372,433</u>	<u>210,108,628</u>
-	-	-	-	-	-
1,021	1,750	8,567	21,245	43,661	65,360
(4,267,277)	(2,428,935)	(5,097,654)	(5,271,645)	(6,272,419)	(7,253,810)
(19,096)	25,800	(248,454)	-	-	(108,599)
<u>(5,386,589)</u>	<u>(4,285,352)</u>	<u>(2,401,385)</u>	<u>(5,337,541)</u>	<u>(6,228,758)</u>	<u>(7,297,049)</u>
133,683,508	143,700,346	143,979,169	152,902,984	179,143,675	202,811,579
5,785,355	2,905,774	(8,716,076)	3,143,895	1,373,439	16,340,114
686,234	5,651,844	19,472,977	16,536,821	14,890,736	12,499,921
<u>\$ 6,471,589</u>	<u>\$ 8,557,618</u>	<u>\$ 10,756,901</u>	<u>\$ 19,680,716</u>	<u>\$ 16,264,175</u>	<u>\$ 28,840,035</u>
					<i>Concluded</i>

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

	Fiscal Year			
	2010	2011	2012	2013
<b>GENERAL FUND</b>				
Reserved	\$ 306,798	\$ -	\$ -	\$ -
Unreserved/Unassigned	29,794,717	29,186,299	25,938,708	27,346,027
Nonspendable	-	-	1,035	3,545
Restricted	-	-	-	-
Committed	-	-	524,836	130,240
Assigned	-	1,407,704	1,449,177	1,336,996
<b>Total general fund</b>	<b>\$ 30,101,515</b>	<b>\$ 30,594,003</b>	<b>\$ 27,913,756</b>	<b>\$ 28,816,808</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 11,783,598	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	39,727,431	-	-	-
Capital projects funds	60,591,611	-	-	-
Nonspendable	-	265,296	98,473	41,103
Restricted	-	89,928,651	70,226,080	81,264,054
Committed	-	34,061,536	26,402,391	28,992,783
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 112,102,640</b>	<b>\$ 124,255,483</b>	<b>\$ 96,726,944</b>	<b>\$ 110,297,940</b>

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

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22,961,626	26,212,186	28,320,160	27,974,657	30,344,160	41,554,116
16,627	4,938	81,857	12,867	2,743	-
-	426,948	417,938	415,230	466,299	505,059
-	241,704	-	-	-	-
1,137,119	862,870	2,191,940	2,943,951	2,931,849	3,121,096
<u>\$ 24,115,372</u>	<u>\$ 27,748,646</u>	<u>\$ 31,011,895</u>	<u>\$ 31,346,705</u>	<u>\$ 33,745,051</u>	<u>\$ 45,180,271</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	(3,278,557)	-	-	-	-
30,775	31,655	187,991	28,492	76,272	75,907
96,095,975	84,657,833	128,375,098	94,489,508	84,458,973	133,008,150
24,920,817	43,220,248	64,315,780	74,729,604	52,841,228	81,520,543
-	-	-	(947,692)	(629,198)	-
<u>\$ 121,047,567</u>	<u>\$ 124,631,179</u>	<u>\$ 192,878,869</u>	<u>\$ 168,299,912</u>	<u>\$ 136,747,275</u>	<u>\$ 214,604,600</u>

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

	Fiscal Year			
	2010	2011	2012	2013
<b>REVENUES</b>				
Taxes	\$ 116,814,717	\$ 114,587,907	\$ 117,208,804	\$ 122,360,903
Licenses, fees, and permits	14,667,062	16,136,711	15,606,264	15,799,334
Fines and penalties	7,311,853	6,987,287	8,074,797	9,918,968
Charges for services	12,497,178	12,961,293	13,655,483	13,619,154
Intergovernmental	38,692,557	39,462,880	35,616,500	37,762,890
Investment income	1,767,720	1,341,476	1,004,777	437,770
Other revenues	7,707,687	10,064,673	9,637,107	9,741,528
Total revenues	199,458,774	201,542,227	200,803,732	209,640,547
<b>EXPENDITURES</b>				
Current operations:				
Support services	13,793,906	14,078,101	14,546,500	15,198,818
Public safety services	63,301,812	62,850,732	65,260,700	69,057,285
Recreation and leisure services	19,086,560	18,595,333	17,481,772	18,222,070
Development services	50,416,087	48,594,485	59,915,550	55,630,019
Capital outlay	65,612,028	18,510,959	43,651,279	30,121,392
Debt service:				
Principal retirement	29,423,291	28,993,944	32,623,895	18,937,175
Interest	10,841,888	10,259,783	9,715,824	9,025,740
Total expenditures	252,475,572	201,883,337	243,195,520	216,192,499
Excess of revenues over (under) expenditures	(53,016,798)	(341,110)	(42,391,788)	(6,551,952)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in-monetary	60,024,949	34,365,960	45,615,427	26,611,384
Transfers out-monetary	(61,757,480)	(28,708,944)	(42,447,534)	(22,220,553)
Insurance recovery	-	-	-	-
Proceeds from sale of capital assets	505,123	559,843	718,718	583,943
Premium (discount) on debt issued	36,940	253,855	2,664,794	1,627,265
Bonds issued	7,425,000	7,000,000	7,960,000	15,285,000
Refunding bonds issued	13,390,000	14,235,000	28,415,000	27,295,000
Payment for refunded debt - escrow agent	(13,301,147)	(14,305,695)	(30,743,403)	(28,156,039)
Sale of assets held for resale	(188,881)	-	-	-
Total other financing sources	6,134,505	13,400,019	12,183,002	21,026,000
<b>Net change in fund balances</b>	<b>\$ (46,882,293)</b>	<b>\$ 13,058,909</b>	<b>\$ (30,208,786)</b>	<b>\$ 14,474,048</b>
Debt service as a percentage of noncapital expenditures	21.5%	21.4%	21.2%	15.0%

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 128,787,756	\$ 128,046,817	\$ 136,906,439	\$ 147,741,668	\$ 161,126,311	\$ 177,800,911
16,471,810	17,352,029	17,890,589	17,417,402	17,914,962	18,527,161
10,473,823	9,798,424	11,612,547	11,364,139	11,342,338	10,326,139
14,463,192	14,287,686	19,008,539	21,507,834	24,837,174	28,166,142
34,880,224	31,111,904	38,114,832	38,100,982	35,840,373	37,021,321
652,067	1,609,156	2,173,508	2,425,419	3,506,788	9,776,886
12,368,101	10,970,976	15,410,164	12,694,334	12,228,046	15,100,674
218,096,973	213,176,992	241,116,618	251,251,778	266,795,992	296,719,234
17,393,309	19,516,058	19,588,300	22,703,145	24,662,284	26,079,838
74,367,544	76,078,091	81,750,530	88,005,227	94,732,585	97,367,410
18,696,893	19,945,357	22,025,867	24,800,496	26,336,423	28,661,888
54,303,083	55,135,020	66,264,413	66,982,812	75,317,973	78,875,185
37,150,344	24,098,471	59,000,134	85,802,825	83,420,486	64,550,906
21,405,848	34,952,435	21,800,000	24,400,000	25,005,000	31,085,000
8,488,435	9,005,312	11,583,140	12,839,071	13,774,026	15,684,195
231,805,456	238,730,744	282,012,384	325,533,576	343,248,777	342,304,422
(13,708,483)	(25,553,752)	(40,895,766)	(74,281,798)	(76,452,785)	(45,585,188)
35,849,365	23,465,832	22,994,446	27,108,570	35,830,314	38,021,660
(31,582,088)	(20,965,643)	(18,172,770)	(22,102,792)	(29,782,701)	(28,737,537)
-	988,199	88,101	-	-	-
838,163	605,696	753,054	898,895	1,022,331	1,126,997
486,234	2,551,554	4,788,385	9,244,207	3,713,550	7,541,613
14,165,000	26,125,000	102,845,001	40,614,999	36,515,000	116,925,000
-	-	11,165,000	36,945,000	-	-
-	-	(12,054,512)	(42,671,228)	-	-
-	-	-	-	-	-
19,756,674	32,770,638	112,406,705	50,037,651	47,298,494	134,877,733
\$ 6,048,191	\$ 7,216,886	\$ 71,510,939	\$ (24,244,147)	\$ (29,154,291)	\$ 89,292,545

15.4%

20.5%

15.0%

15.5%

14.9%

16.8%

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

Fiscal Year	Residential Property	Commercial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Direct Tax Rate	Actual Taxable Value	Percentage of Actual Taxable Value
2010	\$ 5,603,083,057	\$ 5,828,420,792	\$ 1,853,784,284	\$ 9,577,719,565	0.669998	\$ 9,577,719,565	100.0%
2011	5,532,077,367	5,610,293,457	1,854,115,295	9,288,255,529	0.669998	9,288,255,529	100.0%
2012	5,579,393,002	5,842,463,648	1,978,915,099	9,442,941,551	0.669998	9,442,941,551	100.0%
2013	5,595,104,146	5,820,246,325	2,041,527,294	9,373,823,177	0.669998	9,373,823,177	100.0%
2014	5,727,082,026	6,270,916,334	2,155,635,830	9,842,362,530	0.669998	9,842,362,530	100.0%
2015	6,201,569,638	6,694,589,531	2,337,701,387	10,558,457,782	0.669998	10,558,457,782	100.0%
2016	6,554,865,229	6,984,603,149	2,443,858,378	11,095,610,000	0.669998	11,095,610,000	100.0%
2017	6,438,258,351	8,996,790,075	3,117,157,618	12,317,890,808	0.669998	12,317,890,808	100.0%
2018	7,205,616,896	9,745,440,048	3,429,449,736	13,521,607,208	0.669998	13,521,607,208	100.0%
2019	8,170,636,070	10,341,456,342	3,757,076,819	14,755,015,593	0.669998	14,755,015,593	100.0%

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



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## City of Grand Prairie, Texas

Direct and Overlapping Property Tax Rates (Unaudited)

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

	Fiscal Year			
	2010	2011	2012	2013
<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	1.335000	1.305500	1.301000	1.292170
Cedar Hill School District	1.440000	1.440000	1.440000	1.525000
Irving School District	1.465000	1.465000	1.465000	1.465000
Mansfield School District	1.496000	1.496000	1.540000	1.540000
Midlothian School District	1.397500	1.540000	1.540000	1.540000
Dallas County	0.243100	0.243100	0.243100	0.243100
Dallas County Community College District	0.099230	0.099670	0.119375	0.124700
Dallas County Hospital District	0.271000	0.271000	0.271000	0.278000
Dallas County Flood Control District	2.835540	2.900000	3.050000	2.750000
Grand Prairie Met Utl & Reclam Dist.	2.120000	2.065000	0.600000	0.600000
Ellis County	0.360091	0.380091	0.380091	0.380091
Johnson County	0.327500	0.330500	0.333229	0.365000
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	0.137640	0.148970	0.148970	0.149500
<b>CITY DIRECT RATES</b>				
Operations & Maintenance	0.484892	0.484892	0.484892	0.484892
Interest & Sinking	0.185106	0.185106	0.185106	0.185106
Total Direct Rates	0.669998	0.669998	0.669998	0.669998

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

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



Fiscal Year

2014	2015	2016	2017	2018	2019
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998
1.465000	1.595000	1.595000	1.595000	1.595000	1.538350
1.348110	1.412952	1.390080	1.368670	1.368670	1.298670
1.525000	1.525000	1.516000	1.516000	1.376000	1.306000
1.435000	1.445000	1.445000	1.431400	1.401100	1.305100
1.527100	1.510000	1.510000	1.540000	1.540000	1.460000
1.540000	1.540000	1.540000	1.540000	1.540000	1.470000
0.243100	0.243100	0.243100	0.243100	0.243100	0.243100
0.124775	0.123650	0.122933	0.124238	0.124000	0.124000
0.286000	0.286000	0.279400	0.279400	0.279400	0.269500
2.750000	2.650000	2.250000	2.000000	1.800000	1.500000
0.600000	0.600000	0.600000	0.600000	0.600000	0.600000
0.380091	0.380091	0.380091	0.380091	0.338984	0.329557
0.405400	0.407700	0.422663	0.441700	0.441700	0.384700
0.264000	0.264000	0.254000	0.244000	0.234000	0.234000
0.227897	0.227897	0.227897	0.224429	0.224429	0.224429
0.149500	0.149500	0.144730	0.140060	0.136070	0.130170
0.484892	0.484892	0.473549	0.473549	0.471196	0.463696
0.185106	0.185106	0.196449	0.196449	0.198802	0.206302
0.669998	0.669998	0.669998	0.669998	0.669998	0.669998

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

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lockheed Martin	\$ 136,799,330	1	0.93%	\$ 51,763,421	6	0.56%
Duke Realty LTD PS	125,826,503	2	0.85%	48,760,294	7	0.52%
Poly America LP	111,138,820	3	0.75%			
Grand Prairie Outlets LLC	109,046,973	4	0.74%			
Oncor Electric Delivery Co.	94,659,940	5	0.64%	77,272,951	2	0.83%
Bell Helicopter-Textron	87,740,361	6	0.59%	106,701,845	1	1.15%
CHI/Wildlife LP	76,205,110	7	0.52%			
Triumph Group Aerostructures	65,017,191	8	0.44%			
2803 Riverside Apt Investors LLC	63,780,000	9	0.43%			
WMCI Dallas V LLC	58,450,000	10	0.40%			
Republic Beverage				67,659,432	4	0.73%
Vought Aircraft				72,534,769	3	0.78%
CCDA Waters LLC				34,675,250	10	0.37%
Cardinal Health 200 Inc				35,455,746	9	0.38%
AT&T Communications				37,232,025	8	0.40%
Prologis MacQarie, TX				67,379,630	5	0.73%
<b>Total</b>	<b>\$ 928,664,228</b>		<b>6.29%</b>	<b>\$ 599,435,363</b>		<b>6.45%</b>

Source of Information: Dallas County Tax Office

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

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections from Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 64,003,959	\$ 62,945,888	98.35%	\$ 927,916	\$ 63,182,304	98.46%
2011	61,927,614	60,974,341	98.46%	810,110	61,914,233	99.49%
2012	62,888,700	61,808,360	98.28%	961,834	61,392,352	97.04%
2013	62,582,232	61,892,769	98.90%	583,899	62,476,668	99.83%
2014	65,666,244	64,917,939	98.86%	600,625	65,518,564	99.78%
2015	70,047,613	69,394,398	99.07%	485,569	69,879,967	99.76%
2016	74,306,335	73,535,755	98.96%	574,187	74,109,942	99.74%
2017	81,305,307	80,079,624	98.49%	978,148	81,057,772	99.70%
2018	88,709,078	87,616,588	98.77%	670,925	88,287,513	99.52%
2019	98,194,923	96,928,611	98.71%	-	96,928,611	98.71%

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

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

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

Fiscal Year	Governmental Activities				Business-type Activities				
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Obligation	Issuance Premium/Discounts Net	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Issuance Premium/Discounts Net	Capital Lease
2010	\$ 92,907,260	\$ 54,510,000	\$ 153,892,541	\$ 330,754	\$ 66,875,000	\$ 5,227,000	\$ 3,537,459	\$ 2,976	\$ -
2011	91,693,399	46,690,000	140,877,457	536,595	62,375,000	4,936,601	3,402,540	98,871	-
2012	92,070,458	40,195,000	120,775,000	2,980,920	61,925,000	2,334,543	1,940,000	636,366	-
2013	94,188,283	36,030,000	118,470,000	4,278,492	59,780,000	2,261,718	1,700,000	1,372,785	-
2014	88,822,435	31,990,000	121,635,000	4,424,272	59,880,000	2,022,566	1,575,000	1,271,958	-
2015	80,715,000	52,875,000	101,030,000	5,921,533	55,630,000	-	1,450,000	1,086,319	-
2016	79,965,000	122,650,000	113,415,000	10,283,952	51,010,000	-	1,320,000	1,331,968	1,256,303
2017	79,130,000	123,925,000	126,385,000	18,506,395	56,490,000	-	1,180,000	3,505,394	956,022
2018	70,210,000	117,810,000	152,930,000	20,701,245	54,435,000	-	1,035,000	4,014,433	330,129
2019	60,820,000	109,120,000	259,255,000	26,528,815	52,695,000	-	885,000	3,752,233	-

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

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

	Percentage of Average Household Income <sup>1</sup>	Per Capita
Total Primary Government		
\$ 377,282,990	0.02%	\$ 2,151
350,610,463	0.02%	1,993
322,857,287	0.02%	1,799
318,081,278	0.02%	1,771
311,621,231	0.02%	1,719
298,707,852	0.02%	1,636
381,232,223	0.02%	2,065
410,077,811	0.01%	2,192
421,465,807	0.01%	2,225
513,056,048	0.01%	2,676

## City of Grand Prairie, Texas

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

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total		
2010	\$ 98,134,260	\$ 157,430,000	\$ 7,573,519	\$ 247,990,741	2.59%	\$ 1,414
2011	96,630,000	144,279,997	6,815,530	234,094,467	2.52%	1,330
2012	94,405,001	122,715,000	7,578,472	209,541,529	2.22%	1,168
2013	96,450,001	120,170,000	9,051,355	207,568,646	2.21%	1,156
2014	90,845,001	123,210,000	10,501,572	203,553,429	2.07%	1,123
2015	80,715,000	102,480,000	10,753,895	172,441,105	1.63%	944
2016	79,965,000	113,415,000	11,804,301	181,575,699	1.64%	984
2017	79,130,000	126,385,000	8,754,196	196,760,804	1.60%	1,052
2018	70,210,000	152,930,000	5,535,816	217,604,184	1.61%	1,149
2019	60,820,000	259,255,000	3,734,760	316,340,240	2.14%	1,650

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, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Arlington Independent School District	\$ 766,072,018	18.70%	\$ 143,255,467
Cedar Hill Independent School District	105,551,498	4.82%	5,087,582
Dallas County	151,495,000	2.81%	4,257,010
Dallas County Community College District	182,800,000	2.81%	5,136,680
Dallas County Flood Control District #1	23,355,000	0.79%	184,505
Dallas County Hospital District	862,670,000	2.83%	24,413,561
Dallas County Schools	36,801,240	2.83%	1,041,475
Ellis County	40,425,000	0.07%	28,298
Grand Prairie Independent School District	476,255,000	90.96%	433,201,548
Irving Independent School District	407,935,000	0.66%	2,692,371
Mansfield Independent School District	928,545,000	13.49%	125,260,721
Midlothian Independent School District	355,236,373	0.21%	745,996
Tarrant County	266,375,000	4.07%	10,841,463
Tarrant County Hospital District	17,735,000	4.07%	721,815
Subtotal, overlapping debt			756,868,492
<b>City direct debt</b> <sup>2</sup>	356,480,000	100.00%	356,480,000
<b>Total direct and overlapping debt</b>			<u><u>\$ 1,113,348,492</u></u>

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

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

**Source of Information:** Municipal Advisory Council of Texas  
 City of Grand Prairie Finance Department - per O/S

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

	Fiscal Year			
	2010	2011	2012	2013
Debt limit	\$ 239,442,989	\$ 232,206,388	\$ 236,073,539	\$ 234,345,579
Total net debt applicable to limit	150,792,741	148,895,469	134,681,529	135,582,645
Legal debt margin	\$ 88,650,248	\$ 83,310,919	\$ 101,392,010	\$ 98,762,934
Total net debt applicable to the limit as a percentage of debt limit	62.98%	64.12%	57.05%	57.86%

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

	2019
Assessed value	\$ 14,755,015,593
Debt limit (2.5% of assessed value)	368,875,390
Debt applicable to limit:	
General obligation bonds	320,075,000
Less: Amount set aside for repayment of general obligation debt	(3,734,760)
Total net debt applicable to limit	316,340,240
Legal debt margin	\$ 52,535,150



Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 246,059,063	\$ 263,961,445	\$ 277,390,250	\$ 307,947,270	\$ 338,040,180	\$ 368,875,390
138,051,429	151,103,105	181,575,699	196,760,804	217,604,184	316,340,240
<u>\$ 108,007,634</u>	<u>\$ 112,858,340</u>	<u>\$ 94,494,551</u>	<u>\$ 111,186,466</u>	<u>\$ 120,435,996</u>	<u>\$ 52,535,150</u>
56.10%	57.24%	65.46%	63.89%	64.37%	85.76%

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

Fiscal Year	Water Revenue Bonds						Sales Tax Revenue Bonds <sup>4</sup>		
	Utility Service Charges <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Debt Service		Coverage <sup>3</sup>	Sales Tax Increment	Maximum Annual Debt Service	Coverage <sup>5</sup>
				Principal	Interest				
2010	\$ 47,944,122	\$ 36,040,449	\$ 11,903,673	\$ 3,920,000	\$ 2,737,505	1.79	\$ 5,136,774	\$ 2,369,203	2.17
2011	55,785,237	39,151,252	16,633,985	3,940,000	2,591,812	2.55	5,313,584	2,369,203	2.24
2012	58,701,075	40,367,949	18,333,126	4,080,000	2,538,028	2.77	5,762,747	2,369,203	2.43
2013	59,031,386	40,660,224	18,371,162	4,445,000	2,346,060	2.71	6,223,346	2,247,772	2.77
2014	61,910,609	43,852,520	18,058,089	3,900,000	2,072,826	3.02	6,391,068	2,247,772	2.84
2015	65,213,261	46,785,802	18,427,459	4,250,000	1,846,017	3.02	6,752,015	2,247,772	3.00
2016	70,027,679	51,530,262	18,497,417	4,380,000	1,693,162	3.05	7,268,076	2,692,441	2.70
2017	74,668,468	55,531,071	19,137,397	4,510,000	1,637,666	3.11	7,667,736	2,692,441	2.85
2018	80,293,189	56,480,299	23,812,890	4,810,000	1,702,265	3.66	8,207,902	2,692,178	3.05
2019	76,853,323	57,095,478	19,757,845	5,202,200	1,604,918	2.90	8,790,989	2,691,674	3.27

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

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

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

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

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

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

Calendar Year	Population	Median Household Income	Per Capita Income	Median Age	Public School Enrollment	Unemployment Rate
2009	175,396	\$ 64,148	\$ 24,667	32	26,594	8.9%
2010	175,960	56,290	23,744	32	26,019	8.7%
2011	179,476	52,733	22,259	32	26,927	7.0%
2012	179,630	53,267	22,370	32	27,780	6.5%
2013	181,230	55,080	23,164	31	27,740	5.4%
2015	182,610	56,028	23,286	31	29,427	4.0%
2016	184,620	57,851	23,516	32	29,339	3.7%
2017	187,050	59,675	23,695	32	29,339	3.4%
2018	189,430	59,563	23,864	32	30,000	3.4%
2019	191,720	63,882	25,681	32.5	30,000	3.1%

**Sources of Information:**

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

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

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Grand Prairie Independent School District	4,100	1	4.12%	3,300	1	2.14%
Lockheed Martin Missiles and Fire Control	3,500	2	3.51%	3,000	2	1.94%
Poly-America Inc.	2,000	3	2.01%	1,800	3	1.17%
City of Grand Prairie	1,576	4	1.58%	1,100	6	0.71%
Bell Helicopter-Textron	1,200	5	1.20%	1,300	4	0.84%
Lone Star Park at Grand Prairie	950	6	0.95%	1,200	5	0.78%
Forterra Pipe & Products, Inc.	950	7	0.95%			
Republic National Distributing	800	8	0.80%	500.00	9	0.32%
Flex-N-Gate	800	9	0.80%			
Arnold Transportation Services	650	10	0.65%			
Vought Aircraft Industries				700	7	0.45%
Siemens Energy And Automation, Inc.				500	10	0.32%
American Eurocopter				500	8	0.32%
<b>Total</b>	<b>16,526</b>		<b>16.57%</b>	<b>13,900</b>		<b>8.99%</b>

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

# City of Grand Prairie, Texas

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

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government and Administration										
Budget and Research	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Building and Construction Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Manager's Office	10.0	9.0	9.5	8.5	8.0	7.5	7.5	8.5	9.5	10.5
Economic Development	-	-	-	-	-	-	1.0	4.5	4.5	4.0
Environmental Services	20.0	20.0	20.0	21.0	21.5	25.5	29.5	31.0	36.5	37.0
Facility Services <sup>1</sup>	-	-	-	18.0	18.0	18.0	19.0	19.0	19.0	19.0
Finance <sup>2</sup>	17.0	17.0	18.0	13.0	13.0	12.0	12.0	12.5	15.5	17.0
Fire	203.0	208.0	209.0	210.0	209.0	229.5	230.5	233.5	236.5	240.5
Housing and Neighborhood Services	33.0	35.0	35.5	35.5	35.5	34.5	34.5	34.5	36.5	36.5
Human Resources	10.0	10.0	10.0	10.0	10.0	10.5	11.0	11.0	11.0	11.5
Information Technology	24.0	24.0	24.0	24.0	27.5	29.5	29.5	29.0	31.0	32.0
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	6.0	6.0	7.0	7.5	8.0	8.0	9.0	9.0
Library	36.0	32.5	31.0	29.5	29.5	28.5	29.5	32.5	35.0	36.0
Management Services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Marketing	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Municipal Court	27.0	27.0	26.0	26.0	28.0	28.0	28.0	31.5	32.0	27.0
Parks and Recreation <sup>1</sup>	171.5	162.0	162.0	141.0	181.0	188.0	190.0	194.0	254.7	226.5
Planning and Development	52.0	46.0	46.0	45.5	45.5	47.0	38.0	39.0	39.5	39.5
Police	356.5	364.0	381.0	394.0	394.0	423.5	435.5	453.5	468.5	484.0
Public Works	61.0	61.0	61.0	61.0	61.0	61.0	61.5	61.5	65.5	65.5
Purchasing <sup>2</sup>	-	-	-	5.0	5.0	5.0	5.0	5.0	5.0	6.0
Transportation	18.0	18.0	18.0	18.0	18.0	19.0	19.0	19.0	21.0	22.0
Enterprise Operations and Administrations										
Airport	5.5	5.5	5.5	5.5	5.5	6.0	6.0	6.0	6.0	6.0
Golf	21.0	19.0	18.0	19.0	29.0	29.0	29.0	29.0	29.0	27.3
Solid Waste	33.5	34.5	34.5	34.5	35.5	44.0	44.0	44.0	44.0	47.5
Storm Water	6.0	6.0	6.0	7.0	7.0	7.0	7.0	8.0	9.0	10.0
Water/Wastewater	104.5	104.5	110.5	110.5	111.5	113.0	114.0	120.5	124.0	127.0
Internal Service Operations										
Equipment Services	15.0	15.0	15.0	16.0	16.0	16.5	17.0	18.5	18.5	18.5
Risk Management	1.0	1.0	1.0	1.0	1.5	1.5	2.5	2.5	2.0	2.5
<b>Total</b>	<b>1,244.0</b>	<b>1,237.5</b>	<b>1,260.5</b>	<b>1,272.5</b>	<b>1,330.5</b>	<b>1,404.5</b>	<b>1,421.5</b>	<b>1,469.0</b>	<b>1,575.7</b>	<b>1,576.3</b>

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

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

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

Source of Information: City Budget Office

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

Function/Program	Fiscal Year				
	2010	2011	2012	2013	2014
Police					
Stations	1	1	2	2	2
Public safety training complex	1	1	1	1	1
Storefronts	3	2	3	4	3
Fire stations	9	10	10	10	10
Other public works					
Streets (miles)	622	588	594	594	641
Acreage	51,105	51,108	51,108	51,954	51,954
Public parks	57	57	57	57	57
Baseball/softball diamonds	25	25	25	25	25
Soccer/football fields	21	21	21	21	21
Community/recreation centers	8	8	8	8	8
Public golf courses	2	2	2	2	2
Public swimming pools	4	4	4	4	4
Libraries	3	3	3	3	3
Cemetery	1	1	1	1	1
Water					
Water connections	62,077	63,289	63,250	64,154	64,696
Daily consumption (millions of gallons)	22.90	27.90	23.90	23.50	23.02
Wastewater					
Daily flow (millions of gallons)	15.50	16.30	16.20	14.23	14.11
Airports	1	1	1	1	1
Transit—minibuses	12	12	12	12	12

**Source of Information:** City departments.

Fiscal Year

2015	2016	2017	2018	2019
2	2	2	2	2
1	1	1	1	1
3	3	3	3	3
10	10	10	10	10
642	634	631	632	634
51,954	51,954	51,984	51,984	52,070
57	57	57	57	57
25	25	25	25	25
21	21	21	21	21
8	8	8	9	9
2	2	2	2	2
4	4	4	5	5
3	3	3	3	3
1	1	1	1	1
65,808	66,075	66,075	67,794	69,333
23.17	24.56	25.00	26.06	24.67
19.58	16.57	15.92	16.40	20.58
1	1	1	1	1
12	12	12	12	13

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

Fiscal Year	Dallas Water Utilities			Trinity River Authority			Trinity River Authority	
	Water Purchases			Wastewater Treatment			Joe Pool	Joe Pool
	Volume	Demand	Total	O&M	Debt Service	Total	Lake Intake	Lake Corp of Engineers
2010	2,883,426	6,083,691	8,967,117	3,803,188	5,678,184	9,481,372	24,000	395,860
2011	3,342,225	6,329,489	9,671,714	4,146,626	6,660,202	10,806,828	11,010	383,062
2012	2,780,668	6,758,580	9,539,248	4,316,782	6,383,008	10,699,790	7,660	306,680
2013	2,901,935	6,854,133	9,756,068	4,360,828	6,546,256	10,907,084	7,390	381,637
2014	2,770,446	7,062,206	9,832,652	4,234,724	7,602,156	11,836,880	7,190	397,690
2015	2,561,969	7,547,810	10,109,779	5,774,796	8,060,760	13,835,556	6,750	387,511
2016	3,687,583	8,228,711	11,916,294	5,895,397	8,559,504	14,454,901	6,782	396,612
2017	3,246,558	9,119,618	12,366,176	5,107,743	8,731,748	13,839,491	7,703	225,107
2018	3,624,469	9,479,477	13,103,946	5,612,671	10,134,974	15,747,645	8,334	5,324
2019	2,096,198	7,556,649	9,652,847	7,054,098	11,646,796	18,700,894	9,422	14,105

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.





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

Function	Fiscal Year				
	2010	2011	2012	2013	2014
Police					
911 calls received *	142,342	144,189	141,924	142,641	145,571
Non-emergency calls *	141,120	114,055	105,123	99,831	101,626
Calls for service *	144,256	150,244	235,947	233,997	243,443
Jail arrests *	7,152	10,869	10,637	10,403	12,201
Fire					
Total Fire and EMS calls *	15,589	16,817	16,540	16,999	16,912
Fire response calls for structure fires *	217	237	190	197	180
Street					
Number of miles of overlay streets	6	5	9	6	6
Number of street defects repaired	31,973	25,181	25,628	16,436	13,061
Number of linear ft of sidewalk repaired	25,158	21,113	31,962	20,440	14,712
Solid Waste					
Landfill refuse collected (tons)	163,080	162,358	164,031	162,755	165,586
Recyclables collected (tons)	5,145	4,881	4,853	5,012	5,172
Water					
Average daily consumption (thousands of gallons)	22,893	27,884	23,928	23,500	23,023
Wastewater					
Average daily sewage treatment (thousands of gallons)	15,518	16,347	16,164	14,234	14,109

\* In calendar year

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

Fiscal Year				
2015	2016	2017	2018	2019
129,159	124,331	130,994	125,497	122,373
116,685	107,490	118,117	119,617	114,287
245,844	231,821	205,213	225,612	236,660
9,016	9,395	9,387	8,765	9,400
17,827	18,408	18,648	19,180	18,297
192	152	164	183	165
5	5	11	4	6
27,537	18,772	6,809	7,480	6,723
12,061	17,276	18,437	30,734	19,243
182,287	198,529	224,599	221,919	246,174
4,948	5,386	5,468	6,104	5,692
23,170	24,564	25,613	25,348	24,672
19,859	16,569	16,307	17,573	20,585