

**TARRANT APPRAISAL DISTRICT**

**FORT WORTH, TEXAS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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**TARRANT APPRAISAL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

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# **INTRODUCTORY SECTION**

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May 1, 2019

Tarrant County Taxpayers,  
Tarrant Appraisal District Board of Directors, and  
Mr. Jeff Law, Executive Director/Chief Appraiser,  
Tarrant Appraisal District:

The Comprehensive Annual Financial Report of the Tarrant Appraisal District for the fiscal year which ended December 31, 2018 is herewith submitted. This report complies with State law which requires all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America ("GAAP") and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

### **THE ANNUAL FINANCIAL REPORT**

The District's basic financial statements have been audited by Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District, for the fiscal year which ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence and documentation supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used, and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

Based on financial accountability criteria set forth under U.S. generally accepted accounting principles for state and local governments, there are no entities which are potential component units of the District. Additionally, the District is not required to undergo a single audit since it does not receive any federal funds.

### **TARRANT APPRAISAL DISTRICT PROFILE**

The Tarrant Appraisal District was created under the Texas Property Tax Code by the Texas Legislature in 1979. It is a political subdivision of the State of Texas and governed by a five-member Board of Directors (plus a sixth statutorily-designated non-voting member who is the county tax assessor-collector). The five voting members of the District's Board of Directors are elected every two years by the taxing entities which financially support the District.

The District formally began operations in 1980, pursuing its mission to appraise and establish fair market values for real and business personal property subject to ad valorem taxation. As stipulated under the Texas Property Tax Code, the District serves the citizens and taxpayers of Tarrant County and the 70 taxing entities which lie within Tarrant County, including 41 cities, 21 school districts, and 8 special districts.

Tarrant County is located in North Central Texas and is a major part of the rapidly growing Fort Worth–Dallas Metroplex. Most recent Census Bureau data showed Tarrant County with an estimated population of 2,074,442.

The District continually reviews the way it provides service and strives to make the functions and services as “user friendly” as possible. Over the past several years, more on-line functionality has been adopted to speed distribution of service to the taxpayer and tax entities that support the District. District employees serve in a number of statewide offices and roles in support of the ad valorem tax industry.

In the unique position of reliance on the governmental entities that we serve for the bulk of its finances, the District pays special attention to the budgetary concerns and limitations of those bodies while setting its budget. Budgetary scrutiny begins early on with the Tarrant Appraisal District’s submission of its proposed budget, per the requirements of the Texas Property Tax Code, to all the taxing entities which financially support the District. A public hearing is subsequently conducted to obtain public and taxing entity input regarding the proposed budget. Contingent upon that input and at the discretion of the District’s Board of Directors, changes to the proposed budget may be made, with final budget adoption being statutorily required by or before September 15<sup>th</sup> of each year. With the January 1<sup>st</sup> implementation of the adopted budget, a number of measures are employed to assure that expenditures comply with both approved appropriations and established District policies and procedures. These measures include pre-authorization and approval of all purchases, expenditures, and personnel actions. The Chief Appraiser is authorized to transfer funds between departments and line items within the General Fund. Any revisions, however, which alter total General Fund expenditures, must be approved by the District’s Board of Directors and taxing entities. To maintain proper budgetary control and oversight, monthly budget reports are prepared for management use and Board review.

#### **ACCOUNTING BASIS AND CONTROLS**

**Accounting Basis:** The District utilizes a modified accrual basis of accounting to record financial transactions and maintain financial records. Under this approach, revenues are recognized when they become available and measurable and expenditures are recognized when the related fund liability (if measurable) is incurred, except for unmatured interest on general long-term debt and certain similar accrued obligations, which are recognized when due.

**Internal Controls:** Management of the District is responsible for establishing and maintaining internal controls which both protect the District’s assets from loss, theft, abuse, or misuse and assure that adequate accounting data and information are compiled to enable preparation of financial statements which conform with U.S. generally accepted accounting principles. Internal controls afford reasonable but not absolute assurance that these objectives are achieved. The concept of “reasonable assurance” recognizes that the costs of control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

#### **FACTORS AFFECTING FINANCIAL CONDITION**

**Local Economy:** Anchored by the cities of Fort Worth and Arlington, Tarrant County is a significant and growing part of the “Metroplex” area of North Central Texas. Its economy is a diversified mixture of manufacturing and assembly companies, healthcare services and products, transportation, extensive natural gas exploration and production, and major retailers.

In December, 2018, Tarrant County experienced an average annual civilian labor force seasonally-unadjusted unemployment rate of 3.6% up from 3.2% in December of 2017. Natural gas drilling and production, which somewhat insulated the economy in past years, remain stagnant. However, new housing starts, retail sales and new commercial construction have all shown continued signs of life. Noted strengths of Tarrant County’s diversified economy are affordable cost-of-living, attractive and available industrial sites, and skilled workforce which should enable it to continue on its path of positive growth and development.

**Long-Range Financial Planning:** As part of its annual budget, the District sets forth contemplated major projects and capital expenditures for three years beyond the budget year. This “planning budget” is adjusted and extended each year to reflect changing circumstances and needs and to update cost estimates.

To provide for substantial, unanticipated expenditures and/or costly capital projects, the District maintains a Contingency Reserve. Under policy established by the District’s Board of Directors, the reserve changed in 2013 to 16.7% of the then current annual budget. Funds for the Contingency Reserve come from revenues earned by the District from the sale of informational materials and products and other non-assessment sources and from year-end surpluses as recommended by the Government Finance Officers Association (GFOA).

### **DISTRICT MISSION**

The District’s mission, as a political subdivision of the State of Texas, is to establish market values for ad valorem tax purposes for all taxable property within Tarrant County, to provide additional value-related services as required by law, and to cost-effectively and timely furnish accurate information and quality services to Tarrant County taxing entities, the public, and the State of Texas. The District’s primary responsibilities include:

- Compliance – State law defines the appraisal approaches the District must employ, appraisal value roll production dates, and many other facets of the valuation process. This District is accountable for working within established rules of the Property Tax Division of the Comptroller’s Office and within the statutory parameters of the Texas Property Tax Code.
- Accuracy – Valid information is essential to insure the quality of property appraisals. A computerized database is maintained to provide correct valuations of property for taxing entities and other interested parties.
- Equity – Each taxpayer is subject to the same property taxation rulings and treatment. Controls and procedures to enhance successful equalization of values are in force to insure that this occurs. Taxpayer protests are handled by citizen Appraisal Review Board panels and, upon appeal, through a statutorily-established arbitration process.
- Timeliness – The tax community depends on the District for property value information. Taxpayers review property values for accuracy while taxing entities use them in arriving at tax rates and assessments. The District is charged with providing this information, in a useable and understandable format, to taxing entities and taxpayers in a timeframe sufficient to clarify questions and respond to applicable statutes and other needs and requirements.
- Service – The District serves and supports both Tarrant County taxing entities and taxpayers. A major component of the District’s strategic plan encompasses effective delivery of its services and products in a manner which facilitates and promotes public understanding and basic knowledge of the property tax system and the District’s statutorily-mandated responsibilities.

### **MAJOR INITIATIVES**

In keeping with the District’s mission of service and support:

- The District continues to enhance its web presence with additional functionality to better serve the needs of its constituents.
- TAD Board of Directors committed additional funds for replacement of its aging HVAC and computer room cooling systems.

The Tarrant Appraisal District is constantly seeking ways to improve its services and products while concurrently reducing its costs. These objectives are actively pursued on an ongoing basis.

## OTHER INFORMATION

**Independent Audit:** The independent auditor's report is included in the financial section of this comprehensive annual financial report. The firm of Pattillo, Brown & Hill, L.L.P. was selected by the Board of Directors to perform the 2018 audit. The independent auditors' report on the basic financial statements and supplemental statements and schedules is included in the financial section of this report.

**Certificate of Achievement:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Tarrant Appraisal District for its comprehensive annual financial report for the fiscal year which ended December 31, 2017. This was the 30th consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Certificate of Excellence:** Additionally, the District earned the Certificate of Excellence in Assessment Administration from the International Association of Assessing Officers recognizing governance, methodology, and utilization of best practices. Fewer than 45 organizations have achieved this certification worldwide. TAD became the 9<sup>th</sup> appraisal district in Texas to earn this certification.

**Acknowledgments:** The preparation of this report could not have been accomplished on a timely basis without the hard work and dedicated efforts of the entire staff of the Administration Department and our independent auditors. I wish to express my sincerest appreciation to our Administration Department staff, particularly Terrisa Shelton who contributed to its preparation. Additionally, I would like to thank the Board of Directors, District Executive Director and Chief Appraiser Jeff Law, and the department directors and managers for their support in planning and administering the financial operations of the District in a responsible and constructive manner.

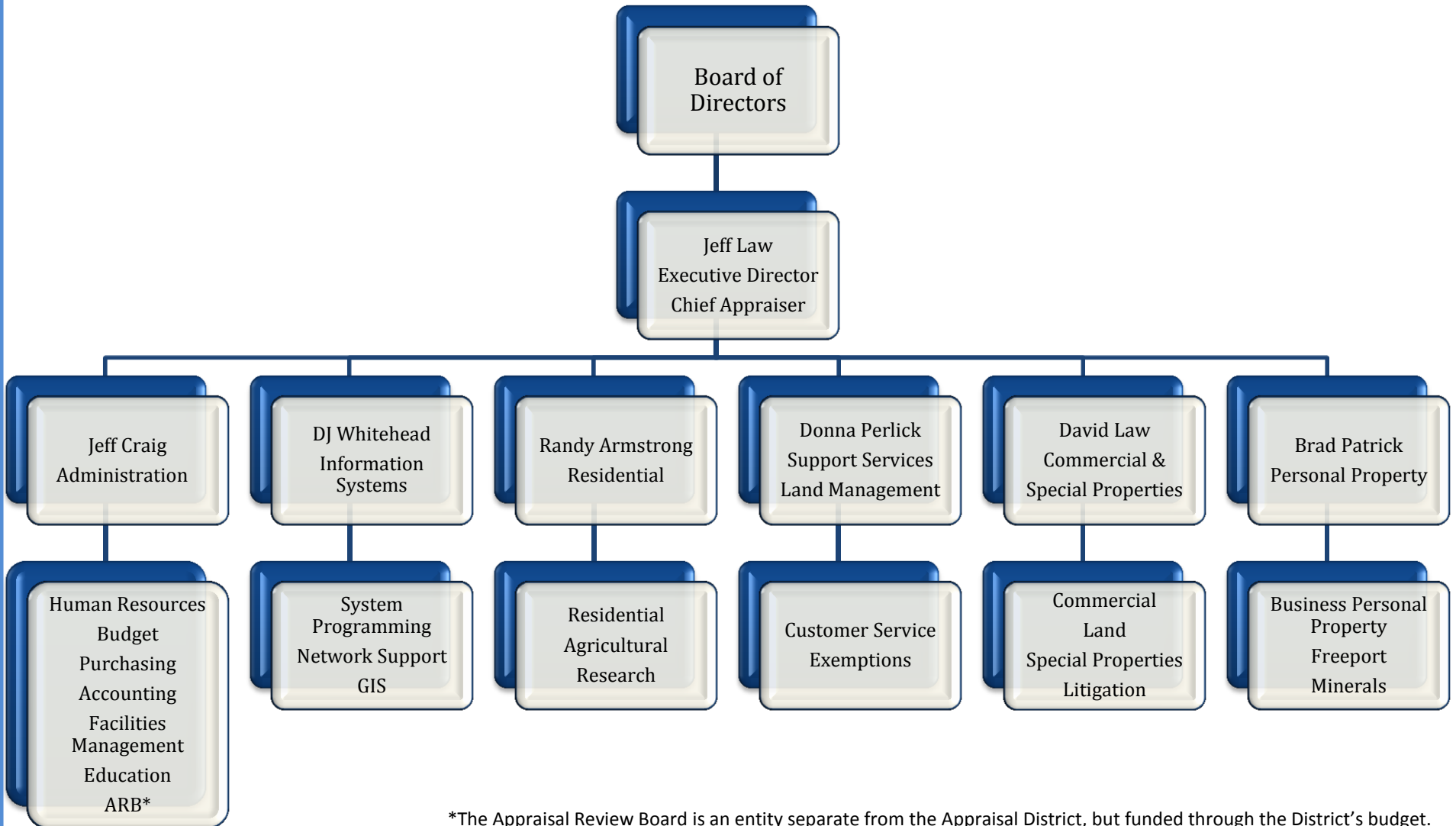
Respectfully submitted,



Jeff Craig  
Director of Administration



# Organization Chart



\*The Appraisal Review Board is an entity separate from the Appraisal District, but funded through the District's budget.

# TARRANT APPRAISAL DISTRICT

## LIST OF PRINCIPAL OFFICIALS

December 31, 2018

### Board of Directors:

Chairman	Joe Potthoff
Secretary	John Molyneaux
Director	Mike Leyman
Director	Mike O'Donnell
Director	Mark Wood
Non-Voting Director	Ron Wright

### Staff:

Executive Director and Chief Appraiser	Jeff Law
Director of Administration	Jeff Craig
Director of Commercial and Special Properties Appraisal	David Law
Director of Residential Appraisal	Randy Armstrong
Director of Support Services	Donna Perlick
Director of Information Systems	DJ Whitehead
Director of BPP/Utilities/Minerals	Brad Patrick



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tarrant Appraisal  
District**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO

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# **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Tarrant Appraisal District  
Fort Worth, Texas

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and major fund of Tarrant Appraisal District (the District) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The District'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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

#### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Tarrant Appraisal District, as of December 31, 2018, and the respective changes in the financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in the notes to the financial statements, in fiscal year 2018 the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information 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 Tarrant Appraisal District's basic financial statements. The introductory section, other supplementary schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 other supplementary schedules are fairly stated in all material respects in relation to the financial statements as a whole.

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2019, on our consideration of the District'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 District's internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
May 1, 2019

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Tarrant Appraisal District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2018. It should be read in conjunction with the accompanying letter of transmittal, the basic financial statements, and the notes to those financial statements.

### FINANCIAL HIGHLIGHTS

- The District under spent its fiscal year 2018 budget by \$1,742,468, with expenditures for the year totaling \$21,945,146 versus \$23,687,614 in budgeted resources.
- On a budgetary basis, a total of \$23,712,510 in revenues were realized, 100% of the originally budgeted \$23,687,614.
- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4,713,704 for the fiscal year ended December 31, 2018. Total net position increased by \$926,232 due to operations. However, that increase was partially offset by a prior period adjustment of (\$345,280) caused by the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits*.
- In FY 2018, the District expended 93% of its budget. In FY 2017, 94% of the District's budgeted funds were spent.
- The District's capital assets (net of depreciation) decreased by \$26,701 over the prior fiscal year. This decreased was due to current (FY 2018) accumulated depreciation for the 2018 fiscal year.
- At the end of the 2018 fiscal year, the District had fund balance of \$10,563,658 in the General Fund. Of the total fund balance, \$7,900,809 is unassigned, constituting 36% of the \$21,945,146 in general fund expenditures for the 2018 fiscal year. A significant portion of the unassigned fund balance is attributable to the District's Board-established contingency reserve which stood at \$3,955,832 at December 31, 2018.
- The District's outstanding long-term liabilities decreased by \$3,622,940 in FY 2018, mostly due to the decrease in the District's net pension liability.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of Tarrant Appraisal District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected assessments and earned but unused compensated absences).

With many other governmental entities, the aforementioned government-wide financial statements normally identify and distinguish between either governmental activities supported by general revenues or business-type activities which are typically self-supported by user fees and charges. The District has no business-type activities. Pursuant to the Texas Property Tax Code, the Tarrant Appraisal District's special purpose is to establish fair market values and administer associated lawful exemptions for all real and business personal property in Tarrant County, Texas. To accomplish this, the governmental activities of the District are organized into four primary functional areas, including appraisal services encompassing the Residential Appraisal Department, the Commercial/Special Appraisal Department, and the Business Personal Property, Utilities & Mineral Division; Support Services which incorporates the Exemptions, Deed Records, and Customer Services; Information Systems which includes the Applications Programming, Network Operations/Management, Computer Center, and Mapping/GPS Divisions; and Administration/General Operations consisting of the Human Resources, Purchasing, Budget/Accounting, Office Services, Appraisal Review Board Divisions, and Building Service operations. All the revenues received by the District are used to financially support the District's established special purpose and these governmental activities.

Fund Financial Statements: A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Depending upon their reporting needs and requirements, governmental entities utilize three types of funds, including governmental funds, proprietary funds, and fiduciary funds. Tarrant Appraisal District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Since the District has no legitimate need or requirement to have either proprietary or fiduciary funds, all of its funds are maintained and reported as governmental funds.

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



Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District currently maintains one governmental fund. The general fund is used to account for the acquisition and use of the District's spendable financial resources and the related liabilities. The Board established committed funds dedicated to the purpose of computer assisted mass appraisal (CAMA) software, building maintenance, unfunded pension liabilities and technology. All committed funds require action from the Board for deposits and withdrawals.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. It can be found under the "Required Supplementary Information" section of this report.

Other Information: In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information entailing the District's employee pension liability under the Texas County and District Retirement System, the District's employee retiree health care plan liability (total OPEB liability), as well as budget versus actual revenue and expenditure comparison for the fiscal year ended December 31, 2018.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net Position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2018, the Tarrant Appraisal District's assets and deferred outflows exceeded liabilities and deferred inflows by \$4,713,704. For FY 2018, \$16,726,250 in total assets was recorded. Current and other assets (deposits [cash and certificates of deposits], receivables, and prepaid expenses) represented 85% and capital assets (land, building, and equipment) constituted 15% of the total recorded assets. Deferred outflows of resources related to pensions totaled \$2,319,262.

Total liabilities totaled \$12,964,020. Of that amount, 71% fell under long-term liabilities attributable to the District's capital leases, compensated absences, net pension liability, and total OPEB liability. The other remaining liabilities included accounts payable (invoices received by the District after December 31, 2018 for goods and/or services received in 2018), and accrued liabilities. Deferred inflows of resources related to pension and OPEB totaled \$1,367,788.

The District ended the 2018 fiscal year with \$4,713,704 in total net position, an increase of \$580,952 over the prior fiscal year. As depicted in the table which follows, it should be noted that \$2,249,980 of the total net position was in unrestricted net position. Unrestricted net position may be used to meet the District's ongoing financial obligations and responsibilities.

## Net Position – Governmental Activities

	2018	2017	Increase (Decrease)
<b>Assets:</b>			
Current and other assets	\$ 14,259,979	\$ 13,848,577	\$ 411,402
Capital assets (net of depreciation)	<u>2,466,271</u>	<u>2,492,972</u>	<u>( 26,701)</u>
Total assets	<u>16,726,250</u>	<u>16,341,549</u>	<u>384,701</u>
Total deferred outflows of resources	<u>2,319,262</u>	<u>6,432,469</u>	<u>( 4,113,207)</u>
<b>Liabilities:</b>			
Current and other liabilities	3,696,321	1,310,694	2,385,627
Long-term liabilities	<u>9,267,699</u>	<u>12,890,639</u>	<u>( 3,622,940)</u>
Total liabilities	<u>12,964,020</u>	<u>14,201,333</u>	<u>( 1,237,313)</u>
Total deferred inflows of resources	<u>1,367,788</u>	<u>4,439,933</u>	<u>( 3,072,145)</u>
Total net position	<u>4,713,704</u>	<u>4,132,752</u>	<u>580,952</u>
<b>Net position by category:</b>			
Net investment in capital assets	2,463,724	2,493,983	( 30,259)
Unrestricted net position (deficit)	<u>2,249,980</u>	<u>1,638,769</u>	<u>611,211</u>
Total net position	<u>\$ 4,713,704</u>	<u>\$ 4,132,752</u>	<u>\$ 580,952</u>

Governmental Activities: As indicated below, the District experienced an increase in net position between FY 2017 and FY 2018. The most significant change in revenues was an increase in assessment revenues, fines, fees, and charges for services, in the amount of \$1,843,777. Expenditures decreased by \$47,701 in the current fiscal year.

## Changes in Net Position – Governmental Activities

	2018	2017	(Decrease)
<b>Program revenues:</b>			
Fees, fines, and charges for services	\$ 23,582,057	\$ 21,738,280	\$ 1,843,777
<b>General revenues:</b>			
Interest income	<u>130,453</u>	<u>51,217</u>	<u>79,236</u>
Total revenues	<u>23,712,510</u>	<u>21,789,497</u>	<u>1,923,013</u>
<b>Expense by governmental activity:</b>			
Appraisal services	22,785,919	22,833,310	( 47,391)
Interest on long-term debt	<u>359</u>	<u>669</u>	<u>( 310)</u>
Total expenses	<u>22,786,278</u>	<u>22,833,979</u>	<u>( 47,701)</u>
Change in net assets	926,232	( 1,044,482)	1,970,714
Net position - beginning	<u>4,132,752</u>	<u>5,177,234</u>	<u>( 1,044,482)</u>
Prior period adjustment	<u>( 345,280)</u>	<u>-</u>	<u>( 345,280)</u>
Net position - ending	<u>\$ 4,713,704</u>	<u>\$ 4,132,752</u>	<u>\$ 580,952</u>

## FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

Governmental Funds: The focus of Tarrant Appraisal District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing and budgetary requirements.

General Fund Budgetary Highlights: For FY 2018, actual Tarrant Appraisal District expenditures, on a budgetary basis, were \$21,945,146 or 93% of the total expenditures forecast for the year.

For FY 2018, actual Tarrant Appraisal District revenues, on a budgetary basis, were \$23,712,510 or 100% of the total revenues forecast for the year. As shown below, the following occurred relative to FY 2018 revenues:

- 98% or \$23,262,414 of the originally budgeted revenues came from taxing entity assessments;
- Interest income was \$110,453 above FY 2018 budget forecasts. The District has tried to react to all-time low interest rates by adopting modified investment policies to allow for a more competitive investment environment and longer-term investments;
- Rendition penalties have proven to be an unpredictable source of revenue. Rendition penalties for FY 2018 were \$60,360 above FY 2018 budget forecasts
- As compared to the previous year, overall FY 2017 revenues increased \$1,923,013.

	2018	2017	Increase (Decrease)	Percent Change
Taxing entity assessments	\$ 23,262,414	\$ 21,420,070	\$ 1,842,344	2.9%
Interest income	130,453	51,217	79,236	40.0%
Public information materials sales and miscellaneous income	9,283	7,036	2,247	( 59.7%)
9-1-1 District contract payment	150,000	150,000	-	-
Rendition penalty payments	<u>160,360</u>	<u>161,174</u>	<u>( 814)</u>	<u>8.5%</u>
Total	<u>\$ 23,712,510</u>	<u>\$ 21,789,497</u>	<u>\$ 1,923,013</u>	<u>( 8.3%)</u>

Actual expenditures for the fiscal year ended December 31, 2018 were \$21,945,146, that being \$1,742,468 less than the \$23,687,614 budgeted for the year. As shown on the budgetary comparison schedule found in the required supplementary information contained in this report, budget variances occurred in several expenditure categories, with the most significant occurring in these areas:

- Personnel costs were under budget due to attrition involving the retirement/leaving of long-term employees with replacements and 12 new budgeted positions, as well as a lower than expected increase in health insurance premiums;
- Materials and supplies were over budget due to a later than expected payment for imaging-related software;
- Professional services increased due to a record number of lawsuits, which lead to the District being over budget in this category;

- Postage was under budget due to a change in the mail-out process for protests, reducing the amount of certified postage purchased.
- Capital outlay was over budget due to an anticipated late 2017 budget item occurring early in 2018.

When compared with FY 2017, a \$297,769 increase in expenditures occurred in FY 2018, primarily due to an all-time record number of protests which required additional review board fees to be paid in order to adjudicate the hearings.

The previously discussed overall under-expenditure of budgeted resources and with revenues basically meeting budget expectations, on an accounting basis net, FY 2018 revenues exceeded expenditures by \$1,767,364. When combined with the \$8,796,294 beginning balance, the total FY 2018 year-end fund balance is \$10,563,658. This is an increase of 20% from the District's FY 2017 fund balance.

### Comparative Revenues, Expenditures and Fund Balances

	2018	2017	Increase (Decrease)	Percent Change
Revenues	\$ 23,712,510	\$ 21,789,497	\$ 1,923,013	8.8%
Expenditures	21,945,146	21,647,377	297,769	1.4%
Excess revenues over expenditures	1,767,364	142,120	1,625,244	1,143.6%
Proceeds from capital lease	-	5,249	( 5,249)	( 100.0%)
Fund balance - beginning of year	8,796,294	8,648,925	147,369	1.7%
Fund balance - end of year	\$ 10,563,658	\$ 8,796,294	\$ 1,767,364	20.1%

Of the \$10,563,658 fund balance, \$7,900,809 is unassigned and must, in part, be refunded to the District's supporting taxing entities, with the remainder being available for use in satisfying District obligations and/or maintaining the District's Contingency Reserve.

### CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The District's investment in capital assets for its governmental activities as of December 31, 2018 amounts to \$2,466,271. This represents a net \$26,701 decrease from the previous fiscal year. The table below portrays the District's capital asset mix for both fiscal years 2017 and 2018. Added capital asset activity information can be found in the notes to the basic financial statements, Note 3 of this report.

#### Capital Assets – Governmental Activities

	2018	2017	Increase (Decrease)
Non-depreciated assets:			
Land	\$ 301,409	\$ 301,409	\$ -
Depreciated assets:			
Building and improvements	111,114	268,515	( 157,401)
Furniture and equipment	44,372	48,128	( 3,756)
Computers and software	2,009,376	1,874,920	134,456
Total	\$ 2,466,271	\$ 2,492,972	\$( 26,701)

Long-term Liabilities: At the 2018 fiscal year end, the District had \$9,267,699 in outstanding long-term liabilities representing a \$3,968,220 reduction from the prior fiscal year's \$13,235,9419 balance. The District's current outstanding long-term liabilities are comprised of compensated absences (\$1,752,167), a capital lease (\$2,547), net pension liability (\$1,514,764) and total OPEB liability (\$5,998,221). The lease of the District's office building was retired in 2013. A lease was entered into in 2017 for a folder/insert machine after the original lease was retired. Additionally, another lease was retired in 2017 for two production printers. Additional information concerning the District's long-term debt activity can be found in the notes to the basic financial statements, Note 4 of this report.

### **Long-term Liabilities – Governmental Activities**

	2018	2017	Increase (Decrease)
Compensated absences	\$ 1,752,167	\$ 1,860,275	\$( 108,108)
Capital lease	2,547	4,238	( 1,691)
Net pension liability	1,514,764	5,365,630	( 3,850,866)
Total OPEB liability	5,998,221	6,005,776	( 7,555)
Total	\$ 9,267,699	\$ 13,235,919	\$( 3,968,220)

In reviewing the long-term liabilities activity presented in this report, it should be noted that Texas appraisal districts are statutorily prohibited from incurring bonded indebtedness. As such, a “full, faith, and credit” pledge is not applicable. The collateral for the District's capital lease on its office building is the leased property and improvements. The collateral for the District's capital leases on furniture and equipment is the folder/insert mail machine and production printers.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND ASSESSMENTS**

The District's annual budget is driven by two basic factors, its needs and requirements to efficiently and effectively carry out its lawfully-mandated responsibilities in establishing fair market values for real and business personal property in Tarrant County, Texas and the financial condition and wherewithal of the taxing entities which financially support the District. It was on this basis that the District's FY 2019 budget was prepared and ultimately adopted. It includes the following:

- \$24,912,805 in proposed general fund expenditures, representing a 5.17% overall increase in proposed expenditures when compared with the FY 2018 budget;
- Anticipated total revenues of \$24,912,805, of which \$24,407,605 or 98.0% is forecast to come from taxing entity assessments and the balance from a combination of interest earnings, data sales, Tarrant County 9-1-1 District payments (for use of Pictometry products), rendition penalty payments, and use of contingency reserve resources.

- Funding for:
  - 3% overall employee merit pay adjustments;
  - Increase in ARB per diem reimbursement;
  - Increase in legal expenses and “expert” appraisal fees;
  - Anticipated increase in group insurance costs.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide the citizens, taxpayers, customers, supporting taxing entities, creditors, and Tarrant Appraisal District Board of Directors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report or need additional information, please contact the Administration Department at the Tarrant Appraisal District, 2500 Handley-Ederville Road, Fort Worth, Texas 76118-6909.

# **BASIC FINANCIAL STATEMENTS**

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# TARRANT APPRAISAL DISTRICT

## STATEMENT OF NET POSITION

DECEMBER 31, 2018

	<u>Primary Government Governmental Activities</u>
<b>ASSETS</b>	
Deposits and temporary investments	\$ 14,112,420
Accounts receivable	27,478
Prepaid items	120,081
Capital assets	
Land	301,409
Other capital assets, net of accumulated depreciation	<u>2,164,862</u>
<b>TOTAL ASSETS</b>	<u>16,726,250</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pension	<u>2,319,262</u>
Total deferred outflows of resources	<u>2,319,262</u>
<b>LIABILITIES</b>	
Accounts payable	554,230
Accrued liabilities	813,281
Unearned revenue	2,328,810
Noncurrent liabilities	
Due within one year	
Long-term debt	439,945
Total OPEB liability	123,600
Due in more than one year	
Long-term debt	1,314,769
Total OPEB liability	5,874,621
Net pension liability	<u>1,514,764</u>
<b>TOTAL LIABILITIES</b>	<u>12,964,020</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to OPEB	304,758
Deferred inflows related to pension	<u>1,063,030</u>
Total deferred inflows of resources	<u>1,367,788</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,463,724
Unrestricted net position	<u>2,249,980</u>
<b>TOTAL NET POSITION</b>	<u>\$ 4,713,704</u>

The notes to basic financial statements are an integral part of these financial statements.

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# TARRANT APPRAISAL DISTRICT

## STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Program Activities	Expenses	Program Revenues	Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>			
Appraisal services	\$ 22,785,919	\$ 23,582,057	\$ 796,138
Interest on long-term debt	<u>359</u>	<u>-</u>	<u>( 359)</u>
Total governmental activities	<u>22,786,278</u>	<u>23,582,057</u>	<u>795,779</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 22,786,278</u>	<u>\$ 23,582,057</u>	<u>795,779</u>
General revenues:			
Interest income			<u>130,453</u>
Total general revenues			<u>130,453</u>
Change in net position			<u>926,232</u>
Net position - beginning of year			<u>4,132,752</u>
Prior period adjustment			( 345,280)
Net position - beginning, as restated			3,787,472
Net position - end of year			<u>\$ 4,713,704</u>

The notes to basic financial statements are an integral part of these financial statements.

**TARRANT APPRAISAL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUND**  
**DECEMBER 31, 2018**

	<u>General Fund</u>
<b>ASSETS</b>	
Deposits and temporary investments	\$ 14,112,420
Accounts receivable	27,478
Prepaid items	<u>120,081</u>
<b>TOTAL ASSETS</b>	<u>14,259,979</u>
 <b>LIABILITIES</b>	
Accounts payable	554,230
Accrued liabilities	813,281
Unearned revenue	<u>2,328,810</u>
<b>TOTAL LIABILITIES</b>	<u>3,696,321</u>
 <b>FUND BALANCES</b>	
Nonspendable for prepaid items	120,081
Committed for software purchase	1,942,768
Committed for technology	250,000
Committed for building maintenance	350,000
Unassigned	<u>7,900,809</u>
<b>TOTAL FUND BALANCES</b>	<u>10,563,658</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	 <u>\$ 16,588,789</u>

The notes to basic financial statements are an integral part of these financial statements.

**TARRANT APPRAISAL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUND**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2018**

Total fund balance - governmental fund	\$	10,563,658
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the governmental fund balance sheet.		2,466,271
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Capital lease obligations	(	2,547)
Compensated absences	(	1,752,167)

Included in the items related to long-term liabilities is the recognition of the District's net pension liability and total OPEB liability, as well as the related deferred inflows and outflows:

Total OPEB liability	(	5,998,221)
Deferred inflows of resources related to OPEB	(	304,758)
Net pension liability	(	1,514,764)
Deferred outflows of resources related to pensions		2,319,262
Deferred inflows of resources related to pensions	(	<u>1,063,030)</u>

Net position of governmental activities	\$	<u>4,713,704</u>
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**TARRANT APPRAISAL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - GOVERNMENT FUND**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

	<u>General Fund</u>
<b>REVENUES</b>	
Assessments	\$ 23,262,414
Interest income	130,453
911 district contract payment	150,000
Rendition penalty payments	160,360
Sale of public information materials and miscellaneous income	9,283
Total revenues	<u>23,712,510</u>
 <b>EXPENDITURES</b>	
Current	
Appraisal services	
Salaries and related benefits	17,028,077
Materials and supplies	640,368
Professional services	2,588,616
Rents and leases	16,769
Utilities	143,300
Postage	401,166
Repairs and maintenance	110,299
Printing	34,899
Software fees	475,679
Others	210,056
Debt service	
Principal retirement	1,691
Interest charges	397
Capital outlay	293,829
Total expenditures	<u>21,945,146</u>
 Net change in fund balance	 1,767,364
 <b>FUND BALANCE, beginning of year</b>	 <u>8,796,294</u>
 <b>FUND BALANCE, end of year</b>	 <u><u>\$ 10,563,658</u></u>

The notes to basic financial statements are an integral part of these financial statements.

## TARRANT APPRAISAL DISTRICT

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Net change in fund balance - total governmental fund	\$	1,767,364
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		293,829
Depreciation expense on capital assets is reported in the statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(	320,530)
Current year long-term debt principal payments on capital leases are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		1,691
Current year changes in long-term liabilities and their related deferred inflows and outflows of resources do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		
Compensated absences		108,108
Total OPEB liability	(	297,203)
Net pension liability	(	627,065)
Interest payable on long-term debt does not require current financial resources and therefore and therefore is not reported in the governmental funds.		<u>38</u>
Change in net position of governmental activities	\$	<u>926,232</u>

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# TARRANT APPRAISAL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. General

The Act creating the Tarrant Appraisal District (the District) was enacted as a provision of the Property Tax Code by the 66th Texas State Legislature in 1979. The District is responsible for the appraisal of property subject to ad valorem taxation in Tarrant County, Texas. The District began operation on January 4, 1980.

The District is governed by a board of five directors serving two-year terms, plus a sixth statutorily designated non-voting member who is the County Tax Assessor-Collector. The directors are appointed by a vote of the taxing entities within Tarrant County.

#### B. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of their fiscal dependency on the primary government.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

There are no entities that are potential component units based upon the above criteria.

**C. Basis of Presentation**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities reported in year ended December 31, 2018.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Other items not properly included among program revenues are reported instead as general revenues.

***Fund Financial Statements***

Under GAAP, governmental entities should segregate transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements should be presented for governmental and proprietary activities. These statements should present each major fund as a separate column on the fund financial statements; all non-major funds should be aggregated and presented in a single column. The District has no proprietary activities, or non-major funds.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District presents General Fund as its only major fund.

The General Fund is the main operating fund of the District. This fund is used to account for the acquisition and use of the District's expendable financial resources and the related liabilities. The measurement focus is based upon determination of changes in financial position rather than upon net income determination.

**D. Measurement Focus/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.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the statement of activities presents increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

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 susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter (sixty days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are assessments and sales of public information materials. Interest income is recorded as earned, since it is both measurable and available.

#### **E. Budgetary Data**

The District uses the following procedures in establishing the budget reflected in the basic financial statements:

1. Prior to September 15, the Board of Directors is presented with a proposed budget for the fiscal year beginning on the following January 1. The budget includes proposed expenditures and the means of financing them. The budget also serves as a basis for determining the annual assessments due from the taxing jurisdictions. The budget is legally enacted through passage of a resolution.
2. Public hearings are conducted to obtain citizen's comments.
3. An annual budget is legally adopted for the General Fund. The budget is adopted on a basis consistent with GAAP.
4. The Chief Appraiser is authorized to transfer amounts between departments within the General Fund; however, revisions that alter total General Fund expenditures must be approved by the Board of Directors and the taxing jurisdictions. The fund level is the legal level of budgetary control. Appropriations lapse at year-end.
5. Budgeted amounts presented in the budgetary comparison schedule are as originally adopted by the Board of Directors on August 11, 2017.

**F. Assessments**

If the District accumulates unassigned excess funds, the Board of Directors may refund the excess to the taxing entities. In addition, state law requires the District to credit the taxing entities for the excess of their payments over the amount actually spent or obligated to be spent during the fiscal year for which payments were made. During the year ended December 31, 2018, the District made no refunds.

**G. Prepaid Items**

Prepaid balances are for payments made by the District in the current year to provide services in the subsequent fiscal year. The District uses the consumption method to account for prepaid items.

**H. Capital Assets**

Capital assets, which include land, buildings and improvements, furniture and equipment and computers and software, are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized have an original cost of \$5,000 or more and a useful life of one year or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 50
Furniture	5 - 10
Equipment and software	5 - 10

**I. Capital Lease Obligations**

Assets acquired under the terms of capital leases are capitalized in the government-wide statement of net position at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, these obligations/assets are recorded as other financing sources and as expenditures in the General Fund. Lease payments representing both principal and interest are recorded as expenditures in the General Fund when due, with appropriate reductions of principal recorded in the government-wide statement of net position.

## **J. Compensated Absences**

All full-time employees are granted vacation and sick leave benefits in varying amounts. Employees earn compensatory time for overtime worked. In the event of termination, an employee is entitled to receive accumulated vacation pay and vested accumulated sick pay in a lump sum cash payment. Employees are entitled to receive payment for accumulated compensatory time in a lump sum payment upon termination. Accumulated vacation pay and vested sick pay for all full-time employees and compensatory pay for employees are recorded in the government-wide statement of net position.

## **K. Pension**

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, the District specific information about its Fiduciary Net Position in the Texas County and District Retirement System (TCDRS) and additions to/deductions from the District's Fiduciary Net Position have been determined on the same basis as they are reported by TCDRS. 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 the benefit terms. Investments are reported at fair value. Information regarding the District's Total Pension Liability is obtained from TCDRS through a report prepared for the District by TCDRS' consulting actuary, Milliman, in compliance with GASB 68.

## **L. Other Postemployment Benefits**

For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the District for benefits due and payable that are not reimbursed by plan assets. Information regarding the District's total OPEB liability is obtained from a report prepared by a consulting actuary, Milliman.

## **M. Deferred Outflows/Inflows of Resources**

The statement of net position and/or governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has the following items that qualify for reporting in this category:

- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- The difference in changes of assumptions – This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.

In addition to liabilities, the statement of net position and/or balance sheet governmental fund will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- The difference in expected and actual pension expense – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- The difference in changes of assumptions – This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual economic experience – This difference is deferred and amortized over a closed five-year period.
- Amounts received for future periods are not considered available, and, therefore, are recorded as a deferred inflow of resources.

#### **N. Net Position**

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

#### **O. Fund Balance Classification Policies and Procedures**

The District has reported Governmental Fund Balance classifications in accordance with a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The hierarchy aims to enhance the usefulness of fund balance information by providing clear fund balance classifications that can be more consistently applied and by clarifying governmental fund type definitions. Fund balance classifications are Nonspendable and Spendable. Classifications under the Spendable category are Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity as to the level of restriction placed upon fund balance.

1. *Nonspendable Fund Balance* – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid items. At December 31, 2018, nonspendable fund balance in the general fund of \$120,081 is related to prepaid items.

2. *Spendable Fund Balance*

Committed Fund Balance – includes amounts that can be used only for the specific purposes as determined by the governing body by formal action (resolution) recorded in the minutes of the governing body. Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. Examples include, but specifically not limited to, Board action regarding construction, claims, and judgments, retirement of loans/notes payable, capital expenditures, and self-insurance. The District’s Board must take action to commit funds, modify a commitment or rescind a commitment for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year. At December 31, 2018, the committed fund balance in the general fund is made up of \$1,942,768 for the future purchase of appraisal software, \$250,000 for technology and \$350,000 for future building maintenance.

Unassigned Fund Balance – the residual classification of the General Fund and includes all amounts not contained in other classifications.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and finally unassigned fund balance.

**P. Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported amounts of revenue, expenditures, and expenses during the reporting period. Significant estimates include depreciable lives on capital assets, net pension liability and other postemployment benefits. Actual results could differ from those estimates.

**II. DEPOSITS**

The components of the District's deposits at December 31, 2018, are as follows:

Cash	\$ 2,563,437
Money Market funds	2,802,653
Certificates of deposit	<u>8,746,330</u>
Total	<u>\$ 14,112,420</u>

### A. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

At December 31, 2018, the carrying amount of the District's cash on hand and deposits were \$14,068,638 and the bank balance was \$14,220,035. All of the District's balances were secured with Federal Deposit Insurance Company (FDIC) insurance or securities held by the pledging financial institution's trust department or agent in the District's name.

Statutes of the State of Texas and policies mandated by the District Board of Directors authorize the District to invest in certificates of deposit and money market funds issued by federally insured banks or savings and loans in Tarrant County, and obligations of the U.S. Treasury. During 2018, the District invested only in certificates of deposit and money market funds.

### B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District manages its exposure to interest rate risk by investing in certificates of deposit and money market funds, which are not highly sensitive to interest rate fluctuations.

## III. CAPITAL ASSETS

The following is a summary of capital asset activity of the District for the year ended December 31, 2018:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 301,409	\$ -	\$ -	\$ 301,409
Total capital assets not being depreciated	<u>301,409</u>	<u>-</u>	<u>-</u>	<u>301,409</u>
Capital assets, being depreciated:				
Building	3,213,983	-	-	3,213,983
Furniture	405,296	13,411	-	418,707
Equipment and software	<u>4,236,960</u>	<u>280,418</u>	<u>-</u>	<u>4,517,378</u>
Total capital assets being depreciated	<u>7,856,239</u>	<u>293,829</u>	<u>-</u>	<u>8,150,068</u>
Less accumulated depreciation:				
Building	( 2,945,468)	( 157,401)	-	( 3,102,869)
Furniture	( 357,168)	( 17,167)	-	( 374,335)
Equipment and software	<u>( 2,362,040)</u>	<u>( 145,962)</u>	<u>-</u>	<u>( 2,508,002)</u>
Total accumulated depreciation	<u>( 5,664,676)</u>	<u>( 320,530)</u>	<u>-</u>	<u>( 5,985,206)</u>
Total capital assets, being depreciated, net	<u>2,191,563</u>	<u>( 26,701)</u>	<u>-</u>	<u>2,164,862</u>
Governmental activities capital assets, net	<u>\$ 2,492,972</u>	<u>\$ ( 26,701)</u>	<u>\$ -</u>	<u>\$ 2,466,271</u>



Depreciation expenses of \$320,530 is included in appraisal services expenses on the statement of activities for year ended December 31, 2018.

#### IV. LONG-TERM DEBT

The following is a summary of long-term debt activity of the District for the year ended December 31, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Capital lease	\$ 4,238	\$ -	\$ 1,691	\$ 2,547	\$ 1,903
Compensated absences	<u>1,860,275</u>	<u>1,615,908</u>	<u>1,724,016</u>	<u>1,752,167</u>	<u>438,042</u>
Total long-term liabilities	<u>\$ 1,864,513</u>	<u>\$ 1,615,908</u>	<u>\$ 1,725,707</u>	<u>\$ 1,754,714</u>	<u>\$ 439,945</u>

The District is obligated under a capital lease for a mail folder/insertor machine. Amortization of the asset under capital lease is included in depreciation expense. At December 31, 2018, the net book value of leased asset is as follows:

<u>Capital lease</u>	<u>Book Value</u>
Mail machine	
(accumulated depreciation of \$1,837)	<u>\$ 3,412</u>

The aggregate annual maturities for the District's capital lease for years subsequent to December 31, 2018 are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 1,903	\$ 185
2020	<u>644</u>	<u>52</u>
Total	<u>\$ 2,547</u>	<u>\$ 237</u>

#### V. EMPLOYEE'S RETIREMENT SYSTEM

##### A. Plan Description

The District participates in a defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCERS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCERS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tcders.org](http://www.tcders.org).

All non-temporary employees participate in the plan. Employees in a temporary position are not eligible for membership.

**B. Benefits Provided**

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

**C. Employees Covered by Benefits Terms**

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

Inactive employees or beneficiaries currently receiving benefits	122
Inactive employees entitled to but not yet receiving benefits	71
Active employees	<u>189</u>
	<u><u>382</u></u>

**D. Contributions**

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer’s governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer’s plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the District were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the District was 12% in calendar years 2016 and 2017. The District’s contributions to TCDRS for the year ended September 30, 2018, were \$1,537,954, and were equal to the required contributions.

## **E. Actuarial Assumptions**

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

Inflation	2.75% per year
Overall payroll growth	3.25% per year
Investment rate of return	8.0%, net of administrative and investment expenses, including inflation

The District has no automatic cost-of-living adjustments (“COLA”) and one is not considered to be substantively automatic. Therefore, no assumptions for future cost-of-living adjustments is included in the actuarial valuation. Each year, the District may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees and beneficiaries were based on the following:

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions that determined the total pension liability as of December 31, 2017 were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except for mortality assumptions. Mortality assumptions were updated for the 2017 valuation to reflect projected improvements.

The long-term expected rate of return on pension plan investments is 8.1%. The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2018 information for a 7 to 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a 30-year time horizon; the most recent analysis was performed in 2013.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of December 31, 2017 are summarized below:

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation</b> <sup>(1)</sup>	<b>Geometric Real Rate of Return (Expected minus Inflation)</b> <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities - Developed	MSCI World Ex USA (net)	11.00%	4.55%
International Equities - Emerging	MSCI EM Standard (net) Index	8.00%	5.55%
Investment-Grade Bonds	Bloomberg Barclays U.S Aggregate Bond Index	3.00%	0.75%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(4)</sup>	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(5)</sup>	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%

<sup>(1)</sup> Target asset allocation adopted at the April 2018 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return in addition to assumed inflation of 1.95%, per Cliffwater's 2018 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

## **F. Discount Rate**

The discount rate used to measure the total pension liability was 8.10%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. 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. The long-term rate of return on pension plan investments is 8.10%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates 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.

## G. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8.10%) in measuring the 2016 Net Pension Liability:

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 85,229,195	\$ 76,091,026	\$ 68,279,930
Fiduciary net position	<u>74,576,264</u>	<u>74,576,262</u>	<u>74,576,264</u>
Net pension liability/(asset)	<u>\$ 10,652,931</u>	<u>\$ 1,514,764</u>	<u>\$ ( 6,296,334)</u>

## H. Change in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2016	\$ 70,786,426	\$ 65,420,796	\$ 5,365,630
Changes for the year:			
Service cost	1,683,553	-	1,683,553
Interest on total pension liability <sup>(1)</sup>	5,751,619	-	5,751,619
Effect of plan changes <sup>(2)</sup>	248,833	-	248,833
Effect of economic/demographic gains or losses	108,908	-	108,908
Effect of assumptions changes or inputs	494,437	-	494,437
Refund of contributions	( 16,421)	( 16,421)	-
Benefit payments	( 2,966,329)	( 2,966,329)	-
Administrative expenses	-	( 49,596)	49,596
Member contributions	-	873,076	( 873,076)
Net investment income	-	9,543,784	( 9,543,784)
Employer contributions	-	1,775,893	( 1,775,893)
Other <sup>(2)</sup>	<u>-</u>	<u>( 4,941)</u>	<u>4,941</u>
Balance at 12/31/2017	<u>\$ 76,091,026</u>	<u>\$ 74,576,262</u>	<u>\$ 1,514,764</u>

<sup>(1)</sup> Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or

<sup>(2)</sup> Reflects plan changes adopted effective in 2018.

**I. Pension Expense and Deferred Inflows and Outflows of Resources Related to Pensions**

For the year ended December 31, 2018, the District recognized pension expense of \$2,180,476. As of December 31, 2018, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 438,371	\$ 87,127
Changes in actuarial assumptions	-	694,181
Difference between projected and actual investment earnings	624,659	-
Contributions subsequent to the measurement date	-	1,537,954
Total	<u>\$ 1,063,030</u>	<u>\$ 2,319,262</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date in the amount of \$1,537,954 will be recognized as a reduction of the net pension liability for the year ended December 31, 2019.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended December 31,		
2019	\$	598,676
2020		504,642
2021	(	653,684)
2022	(	731,356)

**VI. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – RETIREE HEALTH PLAN**

**A. Plan Description.**

The District provides postemployment medical benefits to eligible retirees and dependents qualifying as one of the eligible classes of dependents as described in the Plan provisions. To be eligible for coverage under the Plan, an employee must retire with the District and be eligible for retirement through the Plan provisions. Employees can retire at ages 60 with 8 or more years of service or with 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Eligible retirees can elect to participate in the coverage provided by the District or receive a monthly payment from the District not to exceed a cap set by the Board of Directors.

The Plan is a single-employer defined benefit healthcare plan administered by the Chief Appraiser, his/her successor, or his/her designee. Separate financial statements for the Plan are not issued, but rather are included in the financial statements of the District.

**B. Benefits and Contributions**

Regular and full-time and probationary (introductory) employees automatically participate in the District’s Retiree Medical Insurance program.

Retirees of the District fall into two categories, each with different retiree insurance options.

1. Early retirees (those eligible to retire under TCDRS before reaching age 65) can, at their sole expense, participate in the medical insurance plans otherwise available to active TAD employees. If they continue, uninterrupted and with no lapse in payments, to participate in an active employee medical insurance plan until they reach age 65, they will, upon reaching age 65, become eligible to participate in the regular retiree insurance program available at the time. Ref Local Government Code Ch. 175.
2. Regular retirees (those eligible to retire under TCDRS on or after reaching age 65) will have one or more insurance or alternative plans available to them.

For both early and regular retirees, dependent insurance coverage will be available under each respective retiree category at the participating retiree’s sole expense. To the extent the District’s Board of Directors authorizes the aforementioned retiree medical insurance benefits, said benefits shall be governed by the applicable insurance plan(s) issued by the provider.

Retirees are responsible for payment of premiums for any dependent coverage, and the District pays the retirees premiums. The District’s contributions to the OPEB for the year ended September 30, 2018, were \$123,600, which equal benefit payments for retirees.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	80
Active employees	<u>190</u>
Total	<u><u>270</u></u>

### **C. Actuarial Methods and Assumptions**

Significant methods and assumptions were as follows:

Actuarial Valuation Date	January 1, 2018
Actuarial Cost Method	Entry Age Normal Cost Method
Inflation Rate	2.30%
Salary Increases	3.00% including inflation
Demographic Assumptions	The plan has not had a formal actuarial experience study performed
Mortality	RP-2014 Total Dataset Mortality Table projected backward to 2006 with Mortality Improvement Scale MP-2014 and then forward with Mortality Improvement Scale MP-2017 on a generational basis with healthy and disabled annuitant rates after benefit commencement.
Health care cost trend rates	For Pre-65, initial rate of 4.70% declining to an ultimate rate of 4.00% after 56 years; Ultimate trend rate includes a .50% adjustment for the excise tax.
Participation rates	100% of employees who elect coverage while in active employment and who are eligible for retiree medical benefits are assumed to elect continued medical coverage in retirement
Discount rate	The discount rate changed from 3.44% as of December 31, 2017 to 4.10% as of December 31, 2018.

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

A Single Discount Rate of 4.10% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date.



#### **D. Changes in the Total OPEB Liability**

The District's total OPEB liability of \$5,998,221 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2017.

	<u>Total OPEB Liability</u>
Balance at 12/31/2017	\$ 6,005,776
Changes for the year:	
Service cost	266,887
Interest on total OPEB liability	213,672
Effect of assumptions changes or inputs	( 364,514)
Benefit payments	( 123,600)
Net changes	( 7,555)
Balance at 12/31/2018	\$ <u>5,998,221</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.44% to 4.10%.

#### **E. Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.10%) in measuring the total OPEB liability.

	<u>1% Decrease in Discount Rate (3.10%)</u>	<u>Discount Rate (4.10%)</u>	<u>1% Increase in Discount Rate (5.10%)</u>
Total OPEB Liability	\$ 6,578,948	\$ 5,998,221	\$ 5,465,968

#### **F. Healthcare Cost Trend Rate Sensitivity Analysis**

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 5,610,256	\$ 5,998,221	\$ 6,441,745

## **G. OPEB Expense and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2018, the District recognized OPEB expense of \$420,803. At September 30, 2018, the District reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ <u>304,758</u>
Totals	\$ <u><u>304,758</u></u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>For the Year Ended June 30:</u>	
2019	\$( 59,756)
2020	( 59,756)
2021	( 59,756)
2022	( 59,756)
2023	( 59,756)
Thereafter	( 5,978)

## **VII. LITIGATION**

The District and Appraisal Review Board are defendants in a number of property owner appeals pursuant to Chapter 42 of the State Tax Code. Such legal proceedings allege that the appraised values placed on taxpayers' properties are excessive. The potential liability to the District in each of these appeals is for recovery of attorney's fees and court costs. The District believes that any ultimate liability on these appeals will not materially affect its financial position. No provision for the liability that might result from these appeals has been recorded in the basic financial statements.

## **VIII. RISK MANAGEMENT**

Third party insurance is currently maintained to cover significant claims or losses such as property loss, business interruption, general liability, workers' compensation, and employee fidelity bond. At December 31, 2018, the District was participating in an intergovernmental self-insurance pool: the Texas Association Counties (TAC) Risk Management Pool for its general liability, workers' compensation insurance, and professional liability insurance.

The District had no significant reductions in insurance coverage for the year ended December 31, 2018. Settlement amounts have neither exceeded insurance coverage for the year ended December 31, 2018 nor for the preceding three years.

The District's coverage with TAC provides general liability coverage up to \$1,000,000 per occurrence with a \$25,000 deductible and professional liability insurance coverage up to \$2,000,000 per occurrence with a \$1,000 deductible. In addition to the aforementioned coverage, the District maintains third party group medical, dental, long-term disability and term life insurance for its active employees and group medical insurance or premium-equivalent payments for its eligible retirees.

## **IX. NEW ACCOUNTING PRONOUNCEMENTS**

In January 2017, GASB issued Statement No. 84, Fiduciary Activities. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In March 2017, GASB issued Statement No. 85, Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

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

In June 2017, GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

The District's management is reviewing the implementation process of these standards by gathering required information.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

## TARRANT APPRAISAL DISTRICT

### SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FOR THE MEASUREMENT DATE

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Measurement Year December 31,	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>				
Service cost	\$ 1,683,553	\$ 1,647,625	\$ 1,498,743	\$ 1,441,124
Interest (on the total pension liability)	5,751,619	5,352,246	5,087,466	4,798,922
Effect of plan changes	248,833	-	( 288,566)	-
Effect of assumption changes or inputs	494,437	-	746,578	-
Effect of economic/demographic (gains) or losses	108,908	( 13,101)	( 865,983)	( 420,587)
Benefit payments/refunds of contributions	<u>( 2,982,750)</u>	<u>( 2,883,237)</u>	<u>( 2,637,140)</u>	<u>( 2,387,687)</u>
Net Change in Total Pension Liability	5,304,600	4,103,533	3,541,098	3,431,772
<b>Total Pension Liability - Beginning</b>	<u>70,786,426</u>	<u>66,682,893</u>	<u>63,141,795</u>	<u>59,710,023</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 76,091,026</u>	<u>\$ 70,786,426</u>	<u>\$ 66,682,893</u>	<u>\$ 63,141,795</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 1,775,893	\$ 1,306,552	\$ 1,680,971	\$ 3,231,556
Contributions - Employee	873,076	846,056	814,511	792,505
Investment income net of investment expenses	9,543,784	4,556,203	( 797,417)	3,876,826
Benefit payments/refunds of contributions	( 2,982,750)	( 2,883,237)	( 2,637,140)	( 2,387,687)
Administrative expense	( 49,596)	( 49,575)	( 44,822)	( 46,484)
Other	<u>( 4,941)</u>	<u>111,257</u>	<u>( 297,833)</u>	<u>( 308,227)</u>
Net Change in Plan Fiduciary Net Position	9,155,466	3,887,256	( 1,281,730)	5,158,489
<b>Plan Fiduciary Net Position - Beginning</b>	<u>65,420,796</u>	<u>61,533,540</u>	<u>62,815,270</u>	<u>57,656,781</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 74,576,262</u>	<u>\$ 65,420,796</u>	<u>\$ 61,533,540</u>	<u>\$ 62,815,270</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	\$ 1,514,764	\$ 5,365,630	\$ 5,149,353	\$ 326,525
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	98.01%	92.42%	92.28%	99.48%
<b>Covered Payroll</b>	\$ 12,472,519	\$ 12,086,514	\$ 11,635,867	\$ 11,321,501
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	12.14%	44.39%	44.25%	2.88%

**Notes to Schedule:**

As of December 31, 2017 - Measurement Date

Benefit changes - there were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of assumptions - there was a change of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

**TARRANT APPRAISAL DISTRICT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**DECEMBER 31, 2018**

<b>Fiscal Year Ended December 31,</b>	<u><b>2014</b></u>	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>	<u><b>2018</b></u>
Actuarially determined contribution	\$ 1,461,967	\$ 1,572,556	\$ 1,363,724	\$ 1,495,893	\$ 1,537,954
Contributions in relation to the actuarially determined contribution	<u>2,377,967</u>	<u>3,231,556</u>	<u>1,680,971</u>	<u>1,775,893</u>	<u>1,537,954</u>
Contribution deficiency (excess)	<u>\$( 916,000)</u>	<u>\$( 1,659,000)</u>	<u>\$( 317,247)</u>	<u>\$( 280,000)</u>	<u>\$ -</u>
Covered payroll	\$ 11,185,667	\$ 11,154,951	\$ 11,668,775	\$ 12,000,762	\$ 12,816,282
Contributions as a percentage of covered payroll	21.26%	28.97%	14.41%	14.80%	12.00%

**Notes to Schedule:**

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	10.3 years (based on contribution rate calculated in 12/31/2017 valuation)
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by age and service. 4.9% average over career including inflation.
Investment rate of return	8.00% net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Changes in Assumptions and Methods Reflected in the Schedule of Employer Contribution:  
2015: New inflation, mortality and other assumptions were reflected.  
2017: New mortality assumptions were reflected.

Changes in Plan Provisions Reflected in the Schedule of Employer Contributions:  
2015: No changes in plan provisions were reflected in the Schedule.  
2016: No changes in plan provisions were reflected in the Schedule.  
2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

- This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

**TARRANT APPRAISAL DISTRICT**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND  
RELATED RATIOS FOR THE MEASUREMENT DATE**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

<b>Measurement Year December 31,</b>	<u><b>2017</b></u>
<b>Total OPEB Liability</b>	
Service cost	\$ 266,887
Interest (on the total OPEB liability)	213,672
Effect of assumption charges or inputs	( 364,514)
Benefit payments/refunds of contributions	<u>( 123,600)</u>
Net Change in Total OPEB Liability	( 7,555)
<b>Total OPEB Liability - Beginning</b>	<u>6,005,776</u>
<b>Total OPEB Liability - Ending (a)</b>	<u>\$ 5,998,221</u>
<b>Covered-employee Payroll</b>	\$ 12,300,974
<b>Total OPEB Liability as a Percentage of Covered-employee Payroll</b>	48.76%

**Notes to Schedule:**

- No assets are accumulated in a trust for the OPEB plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.



**TARRANT APPRAISAL DISTRICT**  
**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Assessments	\$ 23,262,414	\$ 23,262,414	\$ 23,262,414	\$ -
Interest income	20,000	20,000	130,453	110,453
911 district contract payment	150,000	150,000	150,000	-
Contingencies	150,000	150,000	-	( 150,000)
Rendition penalty payments	100,000	100,000	160,360	60,360
Sale of public information materials and miscellaneous income	5,200	5,200	9,283	4,083
Total revenues	<u>23,687,614</u>	<u>23,687,614</u>	<u>23,712,510</u>	<u>24,896</u>
<b>EXPENDITURES</b>				
Current				
Appraisal services				
Salaries and related benefits	19,069,531	19,069,531	17,028,077	2,041,454
Materials and supplies	508,301	508,301	640,368	( 132,067)
Professional services	2,129,397	2,129,397	2,588,616	( 459,219)
Rents and leases	20,659	20,659	16,769	3,890
Utilities	155,379	155,379	143,300	12,079
Postage	634,883	634,883	401,166	233,717
Repairs and maintenance	162,023	162,023	110,299	51,724
Printing	34,337	34,337	34,899	( 562)
Software fees	565,138	565,138	475,679	89,459
Contingencies	100,000	100,000	-	100,000
Other	283,786	283,786	210,056	73,730
Debt service				
Principal retirement	12,954	12,954	1,691	11,263
Interest charges	216	216	397	( 181)
Capital outlay	11,010	11,010	293,829	( 282,819)
Total expenditures	<u>23,687,614</u>	<u>23,687,614</u>	<u>21,945,146</u>	<u>1,742,468</u>
Net change in fund balance	-	-	1,767,364	1,767,364
<b>FUND BALANCES, beginning of year</b>	<u>8,796,294</u>	<u>8,796,294</u>	<u>8,796,294</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 8,796,294</u>	<u>\$ 8,796,294</u>	<u>\$ 10,563,658</u>	<u>\$ 1,767,364</u>

Note: The basis of accounting for budgetary purposes is the same as GAAP.

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**OTHER SUPPLEMENTARY  
INFORMATION**

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**TARRANT APPRAISAL DISTRICT**

**GENERAL FUND - SCHEDULE OF CERTIFICATES OF DEPOSIT**

**DECEMBER 31, 2018**

<u>Financial Institution</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
Origin Bank	6/13/2018	6/13/2019	2.10%	\$ 4,143,282
Wells Fargo	12/20/2018	1/20/2019	2.08%	2,599,063
Independent Bank	8/24/2018	9/24/2019	2.25%	515,003
Worthington National	8/23/2018	9/23/2019	2.00%	249,215
Origin Bank	3/23/2018	3/22/2019	1.75%	249,000
Southside Bank	4/3/2018	4/3/2019	2.10%	249,000
Frost Bank	3/1/2018	3/1/2019	0.80%	250,450
Legend Bank	12/15/2018	12/15/2019	2.24%	247,000
EECU	10/31/2018	10/31/2019	2.08%	<u>248,000</u>
Total				<u>\$ 8,750,013</u>

## TARRANT APPRAISAL DISTRICT

### GENERAL FUND - SCHEDULE OF EXPENDITURES BY DEPARTMENT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

	Residential Appraisal	Personal Property Appraisal	Commercial and Special	Information Systems
<b>CURRENT</b>				
Salaries and related benefits				
Salaries	\$ 2,916,399	\$ 1,513,403	\$ 2,903,592	\$ 1,612,737
Employee benefits - pensions	378,012	192,165	369,676	191,238
Employee benefits - insurance	497,609	265,646	475,071	176,483
Auto allowances	276,419	130,634	226,240	2,510
Total salaries and related benefits	<u>4,068,439</u>	<u>2,101,848</u>	<u>3,974,579</u>	<u>1,982,968</u>
Materials and supplies				
Office supplies	17,094	8,540	3,357	14,752
Computer supplies	-	-	616	22,962
Mapping supplies	-	-	-	-
Janitorial supplies	-	-	-	-
Total materials and supplies	<u>17,094</u>	<u>8,540</u>	<u>3,973</u>	<u>37,714</u>
Professional services				
Legal fees and litigation charges	-	-	-	-
Other	-	276,600	-	20,668
Total professional services	<u>-</u>	<u>276,600</u>	<u>-</u>	<u>20,668</u>
Rents and leases				
Building leases	-	-	-	-
Furniture and equipment rental	-	-	-	312
Total rents and leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>312</u>
Utilities				
Electricity	-	-	-	-
Telephone	-	-	-	-
Total utilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Postage	-	-	4,333	6,982
Repairs and maintenance	-	-	-	34,569
Printing	-	-	2,167	30
Software fees	-	-	-	475,679
Other				
Travel, training and tuition	7,351	8,995	16,686	6,483
Reproduction costs	-	-	240	-
Dues and subscriptions	4,437	12,836	58,993	134
Advertising	-	-	-	-
Insurance	-	-	-	-
Total other	<u>11,788</u>	<u>21,831</u>	<u>75,919</u>	<u>6,617</u>
Debt service				
Capital lease - principal retirement	-	-	-	-
Capital lease - interest charges	-	-	-	-
Capital outlay	-	-	-	11,816
Total expenditures	<u>\$ 4,097,321</u>	<u>\$ 2,408,819</u>	<u>\$ 4,060,971</u>	<u>\$ 2,577,355</u>

Support Services	Land Management	Appraisal Review Board	Administration	General Operations	Total
\$ 1,853,950	\$ 209,509	\$ 26,632	\$ 1,199,412	\$ 342,459	\$ 12,578,093
218,822	24,798	-	143,491	29,300	1,547,502
434,232	36,084	276	189,639	166,042	2,241,082
5,019	-	-	14,555	6,023	661,400
<u>2,512,023</u>	<u>270,391</u>	<u>26,908</u>	<u>1,547,097</u>	<u>543,824</u>	<u>17,028,077</u>
3,291	-	4,891	8,870	17,860	78,655
-	-	-	-	28,001	51,579
-	494,723	-	-	-	494,723
-	-	-	-	15,411	15,411
<u>3,291</u>	<u>494,723</u>	<u>4,891</u>	<u>8,870</u>	<u>61,272</u>	<u>640,368</u>
20,000	-	60,305	50,000	1,119,937	1,250,242
11,844	-	621,784	4,570	402,908	1,338,374
<u>31,844</u>	<u>-</u>	<u>682,089</u>	<u>54,570</u>	<u>1,522,845</u>	<u>2,588,616</u>
-	-	-	-	10,246	10,246
-	-	4,338	883	990	6,523
-	-	4,338	883	11,236	16,769
-	-	-	-	71,725	71,725
-	-	-	-	71,575	71,575
-	-	-	-	143,300	143,300
50,644	-	70,925	2,762	265,520	401,166
23,422	-	-	-	52,308	110,299
35	-	3,805	605	28,257	34,899
-	-	-	-	-	475,679
5,943	2,393	40,108	7,491	-	95,450
1,352	80	56	-	-	1,728
650	-	352	2,244	3,979	83,625
6,752	-	-	2,110	-	8,862
-	-	-	-	20,391	20,391
<u>14,697</u>	<u>2,473</u>	<u>40,516</u>	<u>11,845</u>	<u>24,370</u>	<u>210,056</u>
-	-	-	-	1,691	1,691
-	-	-	-	397	397
-	13,411	-	-	268,602	293,829
<u>\$ 2,635,956</u>	<u>\$ 780,998</u>	<u>\$ 833,472</u>	<u>\$ 1,626,632</u>	<u>\$ 2,923,622</u>	<u>\$ 21,945,146</u>

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# **STATISTICAL SECTION**

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# TARRANT APPRAISAL DISTRICT

## STATISTICAL SECTION (UNAUDITED)

This section of the Tarrant Appraisal District's Comprehensive Annual Financial Report is intended to serve as background context for the financial statements, note disclosures, and requirement supplementary information contained elsewhere in this report.

### Tarrant Appraisal District Financial Trends

Tables 1 through 5 present multi-year financial data encompassing the District's net position, General Fund balances, and revenues and expenditures. In reviewing this, it should be noted that the District is statutorily prohibited from incurring bonded indebtedness, with its only currently outstanding debt being a capital lease for its office building and a capital lease for machinery. Table 5 depicts the annual assessments or funds paid, pursuant to the Texas Property Code, by the various taxing entities in Tarrant County to fund the District's annual budget.

### Tarrant County Taxing Entity Trends

Tables 6 through 8 provide multi-year financial data regarding appraised values, property tax rates, and property tax levies for each of the taxing entities the District serves.

### Demographic and Economic Operating Information

Tables 9 through 11 identify changes which have occurred over time, in both the top ten property values and employers as well as county-wide population, school enrollment, per capita income, and other trends.

### Tarrant Appraisal District Operating Information

Tables 12 through 14 contain information about the District's staffing, workload, and capital assets.

### Tarrant Appraisal District Debt Information

Table 15 provides information about the District's only outstanding debt, a capital lease for an office building and a capital lease for a folder/insert machine.

## TARRANT APPRAISAL DISTRICT

### NET POSITION BY COMPONENT

#### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) (UNAUDITED)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities				
Net investment in capital assets	\$ 1,080,870	\$ 1,054,191	\$ 1,660,882	\$ 2,118,497
Unrestricted net position (deficit)	<u>( 1,097,753)</u>	<u>( 245,125)</u>	<u>( 164,783)</u>	<u>( 307,216)</u>
Total governmental activities net position (deficit)	<u>\$ ( 16,883)</u>	<u>\$ 809,066</u>	<u>\$ 1,496,099</u>	<u>\$ 1,811,281</u>
Total primary government net position (deficit)	<u>\$ ( 16,883)</u>	<u>\$ 809,066</u>	<u>\$ 1,496,099</u>	<u>\$ 1,811,281</u>

Source: Comprehensive Annual Financial Reports

\* For 2011 through 2016, the amounts included in restricted on this table have been reclassified as unrestricted net position in order to conform to the 2017 financial statement presentation. These reclassifications had no effect on changes in net position.

**TABLE 1**

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 2,109,408 <u>972,434</u>	\$ 2,939,181 <u>686,182</u>	\$ 3,002,480 <u>4,042,668</u>	\$ 2,698,000 <u>2,479,234</u>	\$ 2,493,983 <u>1,638,769</u>	\$ 2,463,724 <u>2,249,980</u>
<u>\$ 3,081,842</u>	<u>\$ 3,625,363</u>	<u>\$ 7,045,148</u>	<u>\$ 5,177,234</u>	<u>\$ 4,132,752</u>	<u>\$ 4,713,704</u>
<u>\$ 3,081,842</u>	<u>\$ 3,625,363</u>	<u>\$ 7,045,148</u>	<u>\$ 5,177,234</u>	<u>\$ 4,132,752</u>	<u>\$ 4,713,704</u>

# TARRANT APPRAISAL DISTRICT

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) (UNAUDITED)

	2009	2010	2011	2012
Expenses				
Governmental activities				
Appraisal services	\$ 18,225,314	\$ 17,727,120	\$ 18,576,287	\$ 19,517,045
Interest on long-term debt	<u>75,394</u>	<u>48,351</u>	<u>33,722</u>	<u>22,158</u>
Total governmental activities expenses	<u>18,300,708</u>	<u>17,775,471</u>	<u>18,610,009</u>	<u>19,539,203</u>
Total primary government expenses	<u>18,300,708</u>	<u>17,775,471</u>	<u>18,610,009</u>	<u>19,539,203</u>
Program revenues				
Governmental activities				
Charges for services	<u>16,037,071</u>	<u>18,588,347</u>	<u>19,278,295</u>	<u>19,825,981</u>
Total governmental activities program revenues	<u>16,037,071</u>	<u>18,588,347</u>	<u>19,278,295</u>	<u>19,825,981</u>
Total primary government program revenues	<u>16,037,071</u>	<u>18,588,347</u>	<u>19,278,295</u>	<u>19,825,981</u>
Net revenue (expense)	<u>( 2,263,637)</u>	<u>812,876</u>	<u>668,286</u>	<u>286,778</u>
Interest income	<u>164,269</u>	<u>13,073</u>	<u>18,747</u>	<u>28,404</u>
Change in net position	( 2,099,368)	825,949	687,033	315,182
Net position (deficit) - beginning of year	<u>2,997,629</u>	<u>( 16,883)</u>	<u>809,066</u>	<u>1,496,099</u>
Prior period adjustment	-	-	-	-
Net position - beginning of year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position (deficit) - end of year	<u>\$ 898,261</u>	<u>\$ 809,066</u>	<u>\$ 1,496,099</u>	<u>\$ 1,811,281</u>

Source: Comprehensive Annual Financial Reports

**TABLE 2**

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 18,947,524	\$ 20,619,770	\$ 19,197,420	\$ 21,887,030	\$ 22,833,310	\$ 22,785,919
<u>8,545</u>	<u>4,204</u>	<u>2,913</u>	<u>1,514</u>	<u>669</u>	<u>359</u>
<u>18,956,069</u>	<u>20,623,974</u>	<u>19,200,333</u>	<u>21,888,544</u>	<u>22,833,979</u>	<u>22,786,278</u>
<u>18,956,069</u>	<u>20,623,974</u>	<u>19,200,333</u>	<u>21,888,544</u>	<u>22,833,979</u>	<u>22,786,278</u>
<u>20,200,753</u>	<u>21,148,611</u>	<u>21,394,460</u>	<u>19,984,050</u>	<u>21,738,280</u>	<u>23,582,057</u>
<u>20,200,753</u>	<u>21,148,611</u>	<u>21,394,460</u>	<u>19,984,050</u>	<u>21,738,280</u>	<u>23,582,057</u>
<u>20,200,753</u>	<u>21,148,611</u>	<u>21,394,460</u>	<u>19,984,050</u>	<u>21,738,280</u>	<u>23,582,057</u>
<u>1,244,684</u>	<u>524,637</u>	<u>2,194,127</u>	<u>( 1,904,494)</u>	<u>( 1,095,699)</u>	<u>795,779</u>
<u>25,877</u>	<u>18,884</u>	<u>22,980</u>	<u>36,580</u>	<u>51,217</u>	<u>130,453</u>
1,270,561	543,521	2,217,107	( 1,867,914)	( 1,044,482)	926,232
<u>1,811,281</u>	<u>3,081,842</u>	<u>3,625,363</u>	<u>7,045,148</u>	<u>5,177,234</u>	<u>4,132,752</u>
-	-	1,202,678	-	-	( 345,280)
-	-	<u>4,828,041</u>	-	-	<u>3,787,472</u>
<u>\$ 3,081,842</u>	<u>\$ 3,625,363</u>	<u>\$ 7,045,148</u>	<u>\$ 5,177,234</u>	<u>\$ 4,132,752</u>	<u>\$ 4,713,704</u>

**TARRANT APPRAISAL DISTRICT**

**FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund				
Nonspendable for prepaid expenditures	\$ 123,644	\$ 331,445	\$ 160,077	\$ 191,459
Committed for software purchase	-	785,333	1,264,268	1,814,268
Committed for building maintenance	-	-	150,000	150,000
Committed for technology	-	-	-	150,000
Unassigned	<u>2,034,380</u>	<u>2,695,423</u>	<u>3,323,195</u>	<u>3,330,823</u>
 Total general fund	 <u>\$ 2,158,024</u>	 <u>\$ 3,812,201</u>	 <u>\$ 4,897,540</u>	 <u>\$ 5,636,550</u>

Source: Comprehensive Annual Financial Reports

\* For 2011, 2012, and 2013, the amounts included in reserved on this table have been classified as committed on the balance sheet for governmental funds due to the adoption of GASB 54 in 2011.



**TABLE 3**

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 224,356	\$ 473,539	\$ 96,794	\$ 351,990	\$ 63,191	\$ 120,081
2,114,268	1,642,768	1,942,768	1,942,768	1,942,768	1,942,768
175,000	200,000	200,000	200,000	200,000	250,000
150,000	150,000	250,000	195,000	250,000	350,000
<u>4,524,215</u>	<u>4,856,597</u>	<u>6,707,948</u>	<u>5,959,167</u>	<u>6,340,335</u>	<u>7,900,809</u>
<u>\$ 7,187,839</u>	<u>\$ 7,322,904</u>	<u>\$ 9,197,510</u>	<u>\$ 8,648,925</u>	<u>\$ 8,796,294</u>	<u>\$ 10,563,658</u>

## TARRANT APPRAISAL DISTRICT

### CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

#### LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING) (UNAUDITED)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues</b>				
Assessments	\$ 18,533,157	\$ 18,565,065	\$ 19,315,813	\$ 19,538,983
Less refunds	( 606,156)	( 293,283)	( 320,015)	-
Interest income	13,452	13,073	18,747	28,404
911 District contract payment	150,000	150,000	150,000	150,000
Rendition penalty payments	109,591	138,581	125,710	127,544
Sale of public information and miscellaneous income	<u>19,699</u>	<u>27,984</u>	<u>6,787</u>	<u>9,454</u>
<b>Total revenues</b>	<u><u>18,219,743</u></u>	<u><u>18,601,420</u></u>	<u><u>19,297,042</u></u>	<u><u>19,854,385</u></u>
<b>Expenditures</b>				
Appraisal services				
Salaries and related benefits	14,140,203	13,477,609	14,223,669	15,164,729
Materials and supplies	177,903	140,304	148,221	173,253
Professional services	1,756,427	1,643,454	1,666,229	1,801,630
Software fees	377,313	346,167	331,670	423,157
Rents and leases	11,648	11,706	12,335	10,255
Utilities	210,087	211,217	196,729	215,294
Postage	415,092	341,745	270,821	266,397
Repairs and maintenance	174,580	171,280	181,649	125,758
Printing	30,770	39,698	25,028	46,264
Contingencies	200,000	-	-	-
Other	191,391	142,809	147,388	154,532
Debt service				
Capital lease - principal retirement	253,701	267,481	282,010	305,871
Capital lease - interest charges	63,924	50,143	35,614	24,120
Capital outlay	<u>223,804</u>	<u>103,630</u>	<u>708,840</u>	<u>483,863</u>
<b>Total expenditures</b>	<u><u>18,226,843</u></u>	<u><u>16,947,243</u></u>	<u><u>18,230,203</u></u>	<u><u>19,195,123</u></u>
Excess (deficiency) of revenues over (under) expenditures	( 7,100)	1,654,177	1,066,839	659,262
Other financing sources (uses)				
Capital lease proceeds	<u>-</u>	<u>-</u>	<u>18,500</u>	<u>79,748</u>
Net change in fund balance	<u><u>\$ ( 7,100)</u></u>	<u><u>\$ 1,654,177</u></u>	<u><u>\$ 1,085,339</u></u>	<u><u>\$ 739,010</u></u>
Debt service as a percentage of non-capital expenditures	1.8%	1.9%	1.8%	1.8%

Source: Comprehensive Annual Financial Reports

TABLE 4

	2013	2014	2015	2016	2017	2018
\$	19,888,857	\$ 20,669,173	\$ 21,082,331	\$ 20,807,527	\$ 21,420,070	\$ 23,262,414
	-	( 600,457)	-	( 1,139,497)	-	-
	25,877	18,884	22,980	36,580	51,217	130,453
	150,000	150,000	150,000	150,000	150,000	150,000
	154,465	131,359	158,074	148,554	161,174	160,360
	<u>7,431</u>	<u>798,536</u>	<u>4,055</u>	<u>17,466</u>	<u>7,036</u>	<u>9,283</u>
	<u>20,226,630</u>	<u>21,167,495</u>	<u>21,417,440</u>	<u>20,020,630</u>	<u>21,789,497</u>	<u>23,712,510</u>
	15,174,395	16,572,903	15,400,439	15,640,843	16,664,766	17,028,077
	162,225	164,722	243,714	237,081	150,027	640,368
	1,834,303	1,968,341	2,094,331	3,180,066	3,264,200	2,588,616
	403,015	10,177	564,169	449,176	515,503	475,679
	10,253	242,711	10,365	10,926	10,358	16,769
	246,586	368,972	303,887	174,311	144,970	143,300
	270,243	139,110	212,114	434,201	455,460	401,166
	136,221	15,023	131,898	216,918	128,119	110,299
	19,340	356,722	12,891	23,341	28,493	34,899
	-	-	-	-	-	-
	166,772	154,595	194,535	179,322	176,438	210,056
	172,256	18,820	20,110	21,516	12,646	1,691
	9,586	4,210	2,920	1,514	642	397
	<u>70,146</u>	<u>1,016,124</u>	<u>351,461</u>	<u>-</u>	<u>95,755</u>	<u>293,829</u>
	<u>18,675,341</u>	<u>21,032,430</u>	<u>19,542,834</u>	<u>20,569,215</u>	<u>21,647,377</u>	<u>21,945,146</u>
	1,551,289	135,065	1,874,606	( 548,585)	142,120	1,767,364
	-	-	-	-	5,249	-
\$	<u>1,551,289</u>	<u>135,065</u>	<u>1,874,606</u>	<u>\$( 548,585)</u>	<u>147,369</u>	<u>1,767,364</u>
	1.0%	0.1%	0.1%	0.1%	0.1%	0.0%

# TARRANT APPRAISAL DISTRICT

## ASSESSMENTS TO TAXING ENTITIES

### LAST TEN FISCAL YEARS (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>School Districts</b>				
Aledo	\$ 8,515	\$ 10,799	\$ 11,926	\$ 11,194
Arlington	1,569,242	1,507,756	1,574,159	1,528,003
Azle	91,817	97,987	104,675	103,314
Birdville	614,605	598,973	604,707	604,526
Burleson	97,502	110,379	108,229	107,926
Carroll	451,471	454,100	483,507	478,071
Castleberry	34,643	34,345	39,476	39,064
Crowley	414,821	416,190	420,539	423,185
Eagle Mountain/Saginaw	526,226	543,115	548,366	565,451
Everman	80,636	79,806	85,171	82,621
Fort Worth	1,894,214	1,973,295	2,046,982	2,077,361
Godley	3,586	3,687	5,326	5,890
Grapevine/Colleyville	806,546	797,958	818,557	832,059
Hurst/Euless/Bedford	657,681	646,837	667,258	721,349
Keller	879,466	934,966	1,022,944	1,041,189
Kennedale	82,800	84,063	90,150	91,212
Lake Worth	70,999	69,171	70,807	71,565
Lewisville	11,092	8,579	8,614	7,351
Mansfield	714,576	719,510	794,266	805,383
Northwest	325,256	348,741	373,613	385,336
White Settlement	126,611	136,040	139,416	144,187
Total schools	9,462,305	9,576,297	10,018,688	10,126,237
<b>Cities</b>				
Arlington	706,715	684,850	689,354	684,172
Azle	20,656	20,013	20,713	20,239
Bedford	80,576	79,758	86,912	88,029
Benbrook	57,933	55,707	59,925	59,979
Blue Mound	2,838	2,959	3,003	3,145
Burleson	19,487	20,069	21,661	21,528
Colleyville	76,718	76,877	82,349	80,475
Crowley	23,737	25,421	29,059	28,371
Dalworthington Gardens	4,702	4,666	4,930	4,901
Edgecliff Village	3,339	2,904	3,075	3,451
Euless	76,825	72,756	74,108	76,612
Everman	7,251	6,961	7,883	7,829
Flower Mound	3,641	2,762	2,745	2,344
Forest Hill	23,638	23,503	22,534	22,095
Fort Worth	2,062,072	2,054,241	2,126,723	2,148,651

TABLE 5

2013	2014	2015	2016	2017	2018
\$ 11,584	\$ 12,407	\$ 13,871	\$ 17,495	\$ 18,367	\$ 21,112
1,553,779	1,629,073	1,710,407	1,720,779	1,738,803	1,870,364
97,318	101,073	99,417	93,837	91,571	104,873
615,829	641,204	646,860	622,619	640,733	710,587
104,789	103,424	108,203	106,422	106,931	128,861
482,652	502,363	518,335	515,550	547,133	593,672
39,999	39,938	40,042	36,108	40,066	46,036
462,300	472,013	477,346	452,267	464,858	523,479
561,794	591,127	618,471	593,494	611,560	668,507
91,871	98,304	97,011	93,729	96,865	99,203
2,127,995	2,223,399	2,225,989	2,196,811	2,238,079	2,448,221
5,203	4,748	5,364	5,320	5,441	5,883
850,166	879,466	884,995	849,149	946,929	1,031,794
728,436	752,212	764,995	751,100	766,469	832,555
1,054,175	1,123,387	1,168,192	1,153,686	1,230,849	1,358,160
90,576	91,734	95,650	91,266	92,922	100,229
71,442	71,880	73,965	69,936	72,360	79,430
7,419	8,020	7,880	9,001	10,187	12,851
834,931	853,890	877,229	855,529	886,148	1,001,481
381,603	392,884	417,119	431,777	458,501	529,317
156,902	141,863	148,807	137,080	139,126	148,920
<u>10,330,763</u>	<u>10,734,409</u>	<u>11,000,148</u>	<u>10,802,955</u>	<u>11,203,898</u>	<u>12,315,535</u>
698,885	721,355	723,820	712,102	731,589	795,561
20,168	21,262	21,284	20,927	21,973	23,688
88,568	89,936	89,594	86,877	90,118	104,259
63,291	64,170	63,496	63,115	60,741	64,207
3,170	3,325	3,447	3,555	3,716	3,955
21,997	22,286	24,929	25,327	25,713	27,985
81,600	84,739	85,298	82,830	82,692	89,122
28,837	31,469	32,075	32,295	31,930	34,018
5,263	5,231	5,072	4,824	4,999	6,652
3,203	3,207	3,144	2,735	2,647	3,160
79,471	83,466	84,923	84,316	88,505	98,685
8,086	9,123	9,185	8,871	9,526	10,347
2,322	2,488	2,379	2,711	3,218	4,012
21,500	22,007	21,536	20,176	22,103	24,369
2,184,303	2,276,090	2,325,205	2,328,737	2,371,210	2,534,140

# TARRANT APPRAISAL DISTRICT

## ASSESSMENTS TO TAXING ENTITIES

### LAST TEN FISCAL YEARS (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>Cities</b>				
Grand Prairie	\$ 194,311	\$ 186,164	\$ 191,149	\$ 196,647
Grapevine	129,379	127,055	128,682	128,796
Haltom City	59,833	58,186	60,121	62,003
Haslet	8,587	8,219	28,057	9,773
Hurst	75,175	71,861	77,513	76,346
Keller	99,116	100,774	108,154	107,762
Kennedale	21,028	22,364	23,255	24,210
Lakeside	1,834	1,952	2,377	2,334
Lake Worth	7,993	9,849	11,211	10,699
Mansfield	167,144	165,260	179,101	181,065
North Richland Hills	128,560	124,133	128,185	126,167
Pantego	5,730	5,503	5,614	6,055
Pelican Bay	1,321	1,339	1,740	1,499
Reno	189	149	167	182
Richland Hills	12,114	12,259	17,967	17,639
River Oaks	11,078	11,080	11,448	11,331
Roanoke	2,092	2,145	1,883	1,924
Saginaw	31,151	31,244	33,647	35,008
Sansom Park	3,579	3,653	3,932	4,277
Southlake	145,307	145,767	155,358	153,696
Trophy Club	2,195	2,129	2,413	2,374
Watauga	36,021	34,592	35,271	34,809
Westlake	-	-	7,974	8,781
Westover Hills	9,358	9,251	9,865	10,616
Westworth Village	4,281	4,535	4,647	4,409
White Settlement	21,065	24,101	21,468	23,204
Total cities	<u>4,348,569</u>	<u>4,297,011</u>	<u>4,486,173</u>	<u>4,493,427</u>
<b>Other</b>				
Tarrant County	1,944,069	1,929,513	1,989,634	1,993,474
Emergency Services District #1	21,149	24,092	23,775	23,276
Hospital District	1,683,909	1,673,892	1,718,705	1,722,619
College District	1,017,467	1,008,286	1,038,200	1,120,354
Regional Water District	52,088	51,838	53,293	53,789
Live Oak Creek MUD	92	498	772	1,129
Trophy Club MUD	3,507	3,639	3,537	3,061
Viridian Mgmt District	-	-	-	1,617
Total other	<u>4,722,281</u>	<u>4,691,758</u>	<u>4,827,916</u>	<u>4,919,319</u>
Total all	<u>\$ 18,533,155</u>	<u>\$ 18,565,066</u>	<u>\$ 19,332,777</u>	<u>\$ 19,538,983</u>

TABLE 5

	2013	2014	2015	2016	2017	2018
\$	197,174	\$ 214,129	\$ 220,560	\$ 219,508	\$ 229,223	\$ 248,956
	129,172	132,543	128,633	125,846	117,556	127,208
	63,787	68,634	69,000	66,681	69,055	73,071
	9,398	8,730	9,770	11,827	12,459	13,206
	81,075	84,083	83,989	80,411	81,846	87,396
	110,605	115,104	116,608	114,772	120,179	125,106
	23,888	25,220	25,033	25,799	24,979	27,345
	2,327	2,380	2,380	2,216	2,419	2,654
	10,947	11,026	10,870	10,921	10,471	11,237
	186,448	195,181	199,723	202,063	211,719	235,586
	137,905	143,306	145,196	141,877	147,733	159,738
	6,147	6,265	6,129	5,919	6,086	6,732
	1,481	1,500	1,638	1,619	1,514	1,602
	191	195	183	180	161	185
	17,464	18,483	18,276	18,049	20,467	21,602
	11,332	11,553	11,584	11,031	10,867	11,446
	1,805	1,899	1,966	1,796	1,932	2,304
	34,959	38,458	38,507	40,446	40,826	42,685
	4,271	4,374	4,405	4,084	4,559	4,982
	158,393	164,240	159,133	158,940	164,985	174,659
	2,323	2,508	2,538	2,432	2,823	2,919
	34,881	35,179	35,611	35,390	37,697	39,995
	7,959	8,379	8,303	8,344	8,408	8,636
	10,831	10,996	10,825	10,244	10,594	10,897
	4,707	5,251	5,366	5,816	5,772	6,541
	23,087	23,732	26,879	26,660	27,861	30,352
	<u>4,583,221</u>	<u>4,773,502</u>	<u>4,838,492</u>	<u>4,812,269</u>	<u>4,922,871</u>	<u>5,301,200</u>
	2,016,376	2,087,270	2,118,062	2,094,142	2,100,175	2,210,354
	21,630	23,935	26,089	25,081	23,264	25,268
	1,743,607	1,807,396	1,835,061	1,819,597	1,904,678	2,063,433
	1,133,306	1,179,425	1,198,613	1,185,849	1,194,889	1,266,473
	54,516	56,717	57,530	57,372	58,023	64,313
	1,494	1,977	2,376	2,632	2,991	3,385
	2,261	2,416	2,318	2,235	2,530	2,648
	1,683	2,126	3,642	5,395	6,751	9,805
	<u>4,974,873</u>	<u>5,161,262</u>	<u>5,243,691</u>	<u>5,192,303</u>	<u>5,293,301</u>	<u>5,645,679</u>
\$	<u>19,888,857</u>	<u>20,669,173</u>	<u>21,082,331</u>	<u>20,807,527</u>	<u>21,420,070</u>	<u>23,262,414</u>

## TARRANT APPRAISAL DISTRICT

### APPRAISED VALUES BY TAXING ENTITIES

#### LAST TEN FISCAL YEARS (IN MILLIONS OF DOLLARS) (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>School Districts</b>				
Aledo	\$ 147	\$ 151	\$ 145	\$ 151
Arlington	25,655	24,017	24,286	24,763
Azle	2,005	1,996	1,987	1,891
Birdville	8,846	8,303	8,346	8,555
Burleson	1,547	1,466	1,457	1,412
Carroll	6,294	6,169	6,234	6,398
Castleberry	659	593	594	599
Crowley	5,973	5,624	5,731	5,798
Eagle Mountain/Saginaw	7,922	7,409	7,609	7,645
Everman	1,368	1,279	1,270	1,320
Fort Worth	34,471	33,521	34,561	35,879
Godley	85	99	108	99
Grapevine/Colleyville	14,967	14,201	14,014	14,196
Hurst/Euless/Bedford	10,728	10,315	10,378	10,554
Keller	12,528	12,552	12,813	13,097
Kennedale	1,197	1,143	1,192	1,184
Lake Worth	945	911	930	936
Lewisville	236	225	133	121
Mansfield	10,271	10,104	10,469	10,711
Northwest	6,584	5,900	6,507	6,547
White Settlement	1,872	1,788	1,862	2,001
Total schools	154,300	147,766	150,626	153,857
<b>Cities</b>				
Arlington	24564	23,236	23,404	23,898
Azle	648	625	617	610
Bedford	3,421	3,285	3,334	3,395
Benbrook	1,665	1,645	1,667	1,745
Blue Mound	86	81	82	74
Burleson	534	520	544	556
Colleyville	4,069	4,013	4,040	4,092
Crowley	864	830	819	818
Dalworthington Gardens	341	333	337	359
Edgecliff Village	175	178	205	194
Euless	3,833	3,534	3,568	3,658
Everman	158	141	142	148
Flower Mound	273	262	170	158
Forest Hill	441	407	404	407
Fort Worth	56,422	54,348	56,414	58,091



TABLE 6

2013	2014	2015	2016	2017	2018
\$ 159	\$ 182	\$ 206	\$ 229	\$ 266	\$ 297
25,873	26,984	27,858	30,294	33,371	36,153
1,907	1,943	1,951	2,390	2,349	2,513
8,754	9,156	9,359	10,255	11,527	12,537
1,406	1,498	1,554	1,706	1,944	2,108
6,646	7,067	7,325	8,275	9,066	9,881
604	627	646	756	863	983
5,841	6,162	6,170	6,983	7,654	8,332
8,037	8,651	8,854	9,595	10,681	11,901
1,329	1,330	1,320	1,446	1,557	1,683
36,974	38,278	38,946	42,530	47,175	50,299
90	100	83	76	83	91
14,621	15,344	15,721	17,396	18,841	20,158
10,886	11,491	12,123	13,728	15,480	16,778
13,642	14,580	15,334	17,526	19,583	21,088
1,215	1,295	1,347	1,474	1,642	1,803
952	1,002	999	1,252	1,379	1,517
128	128	146	174	222	260
10,934	11,641	12,114	13,728	15,458	16,797
6,409	7,107	7,357	8,368	9,050	10,712
1,828	1,982	1,947	2,183	2,420	2,657
<u>158,235</u>	<u>166,548</u>	<u>171,360</u>	<u>190,364</u>	<u>210,611</u>	<u>228,548</u>
24,639	25,775	26,694	29,182	32,542	35,371
622	639	663	773	873	945
3,457	3,578	3,658	4,160	4,576	4,958
1,763	1,812	1,855	1,997	2,189	2,378
77	83	86	98	115	134
559	610	655	706	783	844
4,232	4,419	4,594	5,006	5,619	5,964
853	885	869	913	1,058	1,166
356	361	371	384	403	414
187	185	171	195	231	243
3,808	4,004	4,143	4,627	5,197	5,657
145	150	163	179	213	231
166	165	183	212	258	292
414	442	429	506	557	616
<u>59,734</u>	<u>63,253</u>	<u>65,393</u>	<u>72,696</u>	<u>81,232</u>	<u>88,728</u>

## TARRANT APPRAISAL DISTRICT

### APPRAISED VALUES BY TAXING ENTITIES

#### LAST TEN FISCAL YEARS (IN MILLIONS OF DOLLARS) (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>Cities</b>				
Grand Prairie	\$ 5,666	\$ 5,315	\$ 5,646	\$ 5,669
Grapevine	9,906	9,445	9,263	9,361
Haltom City	2132	1,973	1,972	1,999
Haslet	784	708	729	710
Hurst	2,987	2,817	2,807	2,839
Keller	4,374	4,315	4,395	4,506
Kennedale	622	585	616	617
Lakeside	123	120	120	120
Lake Worth	471	444	454	464
Mansfield	4,854	4,789	4,985	5,254
Newark	-	8	-	-
North Richland Hills	4,567	4,390	4,419	4,532
Pantego	310	296	294	297
Pelican Bay	28	34	30	29
Reno	6	6	6	6
Richland Hills	517	484	454	484
River Oaks	275	251	253	252
Roanoke	125	98	97	100
Saginaw	1,403	1,305	1,388	1,391
Sansom Park	128	118	116	114
Southlake	6,140	6,020	6,090	6,280
Trophy Club	82	78	78	78
Watauga	1,130	1,073	1,068	1,064
Westlake	1,021	1,026	1,091	1,210
Westover Hills	437	464	478	491
Westworth Village	258	251	233	253
White Settlement	752	662	712	875
Total cities	<u>146,592</u>	<u>140,513</u>	<u>143,541</u>	<u>147,198</u>
<b>Other</b>				
Tarrant County	154314	147782	150625	153865
Emergency Services District #1	7,720	7,285	7,093	6,677
Hospital District	154,314	147,782	150,625	153,865
College District	154,314	147,782	150,625	153,865
Regional Water District	56,160	53,940	55,848	57,414
Fresh Water Supple District	162	161	155	-
Live Oak Creek MUD	8	12	19	25
Trophy Club MUD	314	300	295	291
Viridian Mgmt District	-	59	66	68
Total other	<u>527,306</u>	<u>505,103</u>	<u>515,351</u>	<u>526,070</u>
Total all	<u>\$ 828,198</u>	<u>\$ 793,382</u>	<u>\$ 809,518</u>	<u>\$ 827,125</u>

TABLE 6

	2013	2014	2015	2016	2017	2018
\$	6,156	\$ 6,560	\$ 6,879	\$ 7,795	\$ 8,463	\$ 9,203
	9,650	10,141	10,440	11,609	12,385	13,274
	2,021	2,101	2,124	2,333	2,644	2,866
	717	806	1,068	1,203	1,157	1,176
	2,911	3,018	3,016	3,416	3,737	3,956
	4,669	4,950	5,112	5,833	6,430	6,882
	630	646	669	686	766	835
	122	126	128	148	156	175
	460	480	475	537	595	628
	5,403	5,778	6,007	6,673	7,618	8,282
	-	-	-	-	-	-
	4,677	4,934	5,073	5,616	6,384	6,931
	295	300	303	328	368	401
	30	34	35	35	38	43
	6	6	6	6	7	8
	487	499	517	556	634	685
	256	266	268	298	341	371
	102	110	116	123	137	151
	1,479	1,582	1,638	1,762	1,976	2,239
	116	124	123	131	142	178
	6,524	6,956	7,178	8,100	8,858	9,618
	86	93	94	119	132	147
	1,072	1,124	1,135	1,279	1,431	1,542
	1,228	1,257	1,239	1,428	1,502	1,612
	513	530	526	562	583	572
	271	284	305	322	377	380
	716	818	794	884	1,009	1,112
	<u>151,609</u>	<u>159,884</u>	<u>165,195</u>	<u>183,416</u>	<u>203,716</u>	<u>221,208</u>
	158,238	166,550	171,344	190,364	210,613	228,547
	5,976	6,628	6,260	6,977	6,908	7,339
	158,238	166,550	171,344	190,364	210,613	228,547
	158,238	166,550	171,344	190,364	210,613	228,547
	58,941	62,049	63,941	71,223	78,900	85,791
	-	-	-	-	-	-
	33	41	48	58	66	75
	304	304	308	380	424	458
	84	146	223	293	430	563
	<u>540,052</u>	<u>568,818</u>	<u>584,812</u>	<u>650,023</u>	<u>718,567</u>	<u>779,867</u>
\$	<u>849,896</u>	<u>895,250</u>	<u>921,367</u>	<u>1,023,803</u>	<u>1,132,894</u>	<u>1,229,623</u>

# TARRANT APPRAISAL DISTRICT

## TAX RATES BY TAXING ENTITY

**LAST TEN FISCAL YEARS  
(PER \$100 OF ASSESSED VALUE)  
(UNAUDITED)**

Taxing Entity	2009	2010	2011	2012
<b>School Districts</b>				
Aledo	\$ 1.425200	\$ 1.425200	\$ 1.142520	\$ 1.425200
Arlington	1.272000	1.335000	1.305500	1.301000
Azle	1.170000	1.190000	1.190000	1.190000
Birdville	1.405000	1.425000	1.435000	1.435000
Burleson	1.540000	1.540000	1.540000	1.540000
Carroll	1.415000	1.415000	1.415000	1.400000
Castleberry	1.213300	1.453300	1.453300	1.453300
Crowley	1.535000	1.535000	1.535000	1.670000
Eagle Mountain/Saginaw	1.465800	1.495800	1.530000	1.540000
Everman	1.360000	1.292500	1.277500	1.395000
Fort Worth	1.322000	1.322000	1.322000	1.322000
Godley	1.071481	1.122390	1.137090	1.128700
Grapevine/Colleyville	1.290000	1.290000	1.310000	1.320100
Hurst/Euless/Bedford	1.295453	1.288189	1.414000	1.407500
Keller	1.486300	1.530600	1.540000	1.540000
Kennedale	1.488610	1.544821	1.512068	1.512068
Lake Worth	1.670000	1.670000	1.670000	1.670000
Lewisville	1.407870	1.426700	1.426000	1.453000
Mansfield	1.450000	1.495000	1.496000	1.540000
Northwest	1.355000	1.375000	1.375000	1.375000
White Settlement	1.540000	1.540000	1.540000	1.540000
<b>Cities</b>				
Arlington	0.648000	0.648000	0.648000	0.648000
Azle	0.631000	0.063600	0.643800	0.649500
Bedford	0.463348	0.491609	0.504329	1.499115
Benbrook	0.657500	0.657500	0.657500	0.657500
Blue Mound	0.638000	0.638000	0.680000	0.750000
Burleson	0.694000	0.710000	0.690000	0.690000
Colleyville	0.355900	0.355900	0.355900	0.355900
Crowley	0.575500	0.640000	0.640000	0.669019
Dalworthington Gardens	0.262739	0.262739	0.262739	0.262739
Edgecliff Village	0.294112	0.294112	0.285934	0.294000
Euless	0.470000	0.470000	0.470000	0.470000
Everman	0.904127	1.105413	1.105413	1.105413
Flower Mound	0.449700	0.449700	0.449700	0.449700
Forest Hill	1.060000	1.060000	1.060000	1.060000
Fort Worth	0.855000	0.855000	0.855000	0.855000

TABLE 7

	2013	2014	2015	2016	2017	2018
\$	1.425200	\$ 1.425820	\$ 1.595000	\$ 1.595000	\$ 1.595000	\$ 1.595000
	1.292170	1.348110	1.412952	1.368670	1.368670	1.368670
	1.230000	1.203000	1.203000	1.329000	1.329000	1.329000
	1.435000	1.435000	1.453900	1.453900	1.453900	1.453900
	1.540000	1.540000	1.540000	1.670000	1.670000	1.670000
	1.400000	1.400000	1.395000	1.385000	1.385000	1.380000
	1.145500	1.399700	1.515500	1.392200	1.392200	1.392200
	1.670000	1.650000	1.650000	1.650000	1.670000	1.670000
	1.540000	1.540000	1.540000	1.540000	1.540000	1.540000
	1.490000	1.510000	1.530000	1.525000	1.510000	1.495000
	1.322000	1.322000	1.352000	1.352000	1.352000	1.352000
	1.172752	1.195500	1.247660	1.540000	1.540000	1.540000
	1.201000	1.320100	1.320100	1.396700	1.396700	1.396700
	1.387500	1.375000	1.350000	1.316000	1.263000	1.273000
	1.540000	1.540000	1.540000	1.520000	1.520000	1.510000
	1.492068	1.514717	1.486724	1.486724	1.480000	1.451694
	1.670000	1.670000	1.570000	1.637000	1.670000	1.670000
	1.477000	1.477000	1.576730	1.420000	1.407500	1.407500
	1.527100	1.527100	1.510000	1.510000	1.540000	1.540000
	1.452500	1.452500	1.452400	1.452500	1.490000	1.490000
	1.540000	1.540000	1.540000	1.540000	1.540000	1.520000
	0.648000	0.648000	1.648000	0.644800	0.639800	0.634800
	0.659500	0.668000	1.678500	0.679500	1.067500	0.667287
	0.494830	0.494830	1.494830	0.476509	0.520000	0.561862
	0.657500	0.657500	1.657500	0.650000	0.540000	0.640000
	0.750000	0.750000	1.806250	0.806250	0.751530	0.696800
	0.690000	0.740000	1.740000	0.735000	0.735000	0.735000
	0.355900	0.355900	0.355900	0.339130	0.333834	0.320800
	0.696829	0.696829	0.739270	0.739270	0.719000	0.709000
	0.262739	0.262739	0.253670	0.273979	0.374379	0.580000
	0.299000	0.305216	0.305216	0.270359	0.270359	0.270359
	0.470000	0.467500	0.467500	0.462500	0.462500	0.462500
	1.255205	1.255205	1.255205	1.230000	1.158630	1.113943
	0.449700	0.439000	0.439000	0.439000	0.439000	0.439000
	1.060000	0.996054	0.996054	0.990000	0.990000	0.992873
	0.855000	0.855000	0.855500	0.835000	0.805000	0.785000

## TARRANT APPRAISAL DISTRICT

### TAX RATES BY TAXING ENTITY

#### LAST TEN FISCAL YEARS (IN MILLIONS OF DOLLARS) (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>Cities</b>				
Grand Prairie	\$ 0.669998	\$ 0.669998	\$ 0.669998	\$ 0.669998
Grapevine	0.350000	0.350000	0.348000	0.345695
Haltom City	0.598300	0.646371	0.651740	0.671740
Haslet	0.267197	0.304645	0.304645	0.320869
Hurst	0.535000	0.578000	0.578000	0.608498
Keller	0.144219	0.442190	0.442190	0.442190
Kennedale	0.722500	0.722500	0.722500	0.722500
Lakeside	0.323516	0.372940	0.379248	0.379248
Lake Worth	0.428590	0.492512	0.466419	0.474411
Mansfield	0.710000	0.710000	0.710000	0.710000
North Richland Hills	0.570000	0.570000	0.570000	0.610000
Pantego	0.373270	0.373270	0.410000	0.410000
Pelican Bay	0.898499	0.898499	0.898499	0.898499
Reno	0.420000	0.453000	0.492700	0.492700
Richland Hills	0.473042	0.518012	0.551757	0.528094
River Oaks	0.820000	0.860000	0.853006	0.856519
Roanoke	0.375120	0.375120	0.375120	0.375120
Saginaw	0.449115	0.484000	0.480000	0.490000
Sansom Park	0.571627	0.627401	0.719518	0.737215
Southlake	0.462000	0.462000	0.452000	0.452000
Trophy Club	0.470000	0.515000	0.530000	0.518543
Watauga	0.580763	0.580763	0.589001	0.591216
Westlake	-	0.160100	0.156840	0.156840
Westover Hills	0.366739	0.351894	0.365806	0.360238
Westworth Village	0.500000	0.500000	0.500000	0.492000
White Settlement	0.686037	0.686037	0.742135	0.614715
<b>Other</b>				
Tarrant County	0.264000	0.264000	0.264000	0.264000
Emergency Services District #1	0.064000	0.064000	0.064000	0.064000
Hospital District	0.227897	0.227897	0.227897	0.227897
College District	0.137670	0.137640	0.148970	0.148970
Regional Water District	0.020000	0.020000	0.020000	0.020000
Live Oak Creek MUD	0.990000	0.990000	0.969000	0.990000
Trophy Club MUD	0.205000	0.195000	0.175000	0.133390
Viridian Mgmt District	-	-	0.448100	0.448100

TABLE 7

2013	2014	2015	2016	2017	2018
\$ 0.669998	\$ 0.669998	\$ 0.669998	\$ 0.669998	\$ 0.669998	\$ 0.669998
0.342500	0.332439	0.328437	0.289271	0.289281	0.289271
0.699900	0.699990	0.699990	0.699990	0.668180	0.653000
0.320869	0.292785	0.290253	0.290530	0.333044	0.305960
0.608498	0.606000	0.579000	0.579000	0.580940	0.580000
0.442190	0.437190	0.430000	0.430000	0.427500	0.413250
0.747500	0.747500	0.767500	0.767500	0.777500	0.725714
0.379260	0.379260	0.360192	0.360192	0.375000	0.379000
0.482083	0.467828	0.499252	0.460660	0.454920	0.434806
0.710000	0.710000	0.710000	0.710000	0.710000	0.710000
0.610000	0.610000	0.610000	0.610000	0.590000	0.585000
0.420000	0.420000	0.420000	0.420000	0.420000	0.420000
0.898499	0.898499	0.898499	0.898499	0.898499	0.898499
0.499600	0.499900	0.530000	0.530000	0.520000	0.520000
0.528096	0.528094	0.528805	0.595633	0.563738	0.541880
0.850351	0.850321	0.852309	0.794444	0.780000	0.749400
0.375120	0.375120	0.375120	0.375120	0.375120	0.375120
0.510000	0.510000	0.544000	0.513000	0.495000	0.471800
0.733655	0.704741	0.690692	0.767304	0.787304	0.787304
0.462000	0.462000	0.462000	0.462000	0.452000	0.447000
0.499300	0.490000	0.484000	0.473000	0.451442	0.446442
0.591216	0.591216	0.618718	0.618411	0.601788	0.601788
0.156840	0.156340	0.156340	0.136950	0.131150	0.156000
0.350500	0.347400	0.347400	0.355000	0.355000	0.387200
0.492000	0.492000	0.500000	0.500000	0.500000	0.485000
0.670653	0.690660	0.733103	0.755693	0.762127	0.762186
0.264000	0.264000	0.264000	0.254000	0.244000	0.234000
0.080000	0.080000	0.080000	0.080000	0.082500	0.082500
0.227897	0.227897	0.227897	0.227897	0.224429	0.224429
0.149500	0.149500	0.149500	0.114730	0.140060	0.136070
0.020000	0.020000	0.020000	0.019400	0.019400	0.019400
0.990000	0.990000	0.990000	0.990000	0.990000	1.000000
0.133390	0.133390	0.131140	0.127220	0.102100	0.116180
0.488100	0.448100	0.448100	0.448100	0.448100	0.448100

**TARRANT APPRAISAL DISTRICT**  
**PROPERTY TAX LEVIES BY TAXING ENTITIES**

**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS OF DOLLARS)**  
**(UNAUDITED)**

Taxing Entity	2009	2010	2011	2012
<b>School Districts</b>				
Aledo	\$ 1,858	\$ 1,908	\$ 1,840	\$ 1,890
Arlington	259,518	251,881	251,144	253,530
Azle	16,865	16,749	16,981	15,879
Birdville	103,096	96,759	99,360	100,485
Burleson	18,998	17,318	17,739	17,098
Carroll	78,160	77,366	78,576	78,754
Castleberry	5,911	6,317	6,421	6,527
Crowley	71,635	67,291	69,555	75,433
Eagle Mountain/Saginaw	93,482	87,744	92,938	91,668
Everman	13,736	13,628	13,580	14,991
Fort Worth	339,647	327,538	341,437	347,225
Godley	634	852	968	849
Grapevine/Colleyville	137,346	130,977	136,758	138,721
Hurst/Euless/Bedford	111,335	106,768	118,561	118,859
Keller	160,928	163,681	171,131	172,009
Kennedale	14,469	14,425	14,992	14,779
Lake Worth	11,905	11,330	11,763	11,657
Lewisville	1,476	1,378	1,208	1,211
Mansfield	123,843	127,091	132,373	136,235
Northwest	60,026	59,782	63,334	62,266
White Settlement	23,415	22,308	23,698	25,602
Total schools	<u>1,648,283</u>	<u>1,603,091</u>	<u>1,664,357</u>	<u>1,685,668</u>
<b>Cities</b>				
Arlington	117,877	110,304	112,451	114,037
Azle	3,444	3,314	3,327	3,291
Bedford	13,728	13,907	14,468	14,452
Benbrook	9,588	9,588	9,858	10,327
Blue Mound	509	481	517	517
Burleson	3,454	3,466	3,538	3,589
Colleyville	13,232	13,177	13,227	13,315
Crowley	4,375	4,650	4,663	4,705
Dalworthington Gardens	803	789	805	859
Edgecliff Village	500	492	567	523
Euless	12,523	11,858	12,592	12,967
Everman	1,198	1,261	1,287	1,319
Flower Mound	475	439	385	379
Forest Hill	4,045	3,606	3,632	3,508
Fort Worth	353,580	340,297	353,154	356,412



TABLE 8

2013	2014	2015	2016	2017	2018
\$ 2,018	\$ 2,350	\$ 3,115	\$ 3,454	\$ 3,977	\$ 4,222
264,942	289,739	306,342	326,942	352,334	387,743
16,438	16,841	16,705	17,218	19,756	21,552
104,281	109,576	110,842	120,475	133,858	145,781
16,820	18,329	18,946	20,106	24,275	26,485
81,701	87,805	91,781	102,876	111,834	121,637
6,495	6,783	6,428	7,533	8,672	10,264
76,765	80,861	80,515	87,406	98,611	107,398
96,137	104,767	105,657	114,990	125,931	145,123
15,988	16,433	16,686	18,213	18,688	20,637
361,599	377,077	391,088	420,819	461,189	497,309
772	909	947	1,023	1,108	1,195
143,031	149,916	151,170	178,048	194,367	209,101
122,335	129,588	133,715	144,117	156,835	173,039
182,701	197,889	205,385	231,433	255,847	273,591
14,919	16,203	16,248	17,472	18,881	20,590
11,690	12,529	12,450	13,606	14,963	16,836
1,304	1,335	1,602	1,916	2,421	3,016
138,871	148,600	152,306	166,620	188,656	202,021
63,896	70,659	76,867	86,211	99,711	123,007
23,072	25,207	24,404	26,160	28,053	30,828
<u>1,745,775</u>	<u>1,863,396</u>	<u>1,923,199</u>	<u>2,106,638</u>	<u>2,319,967</u>	<u>2,541,375</u>
117,317	122,613	126,772	137,559	149,866	163,133
3,458	3,605	3,725	4,131	4,462	4,939
14,627	15,177	15,466	16,945	19,640	22,708
10,436	10,756	11,236	11,421	12,095	13,094
541	584	633	699	745	830
3,624	4,223	4,509	4,835	5,272	5,670
13,781	14,449	14,746	15,548	16,788	17,107
5,118	5,433	5,749	6,004	6,408	6,844
851	859	859	940	1,253	1,936
522	533	487	498	595	624
13,574	14,386	15,010	16,641	18,590	20,401
1,484	1,556	1,579	1,791	1,949	2,087
405	403	483	605	756	937
3,579	3,648	3,592	4,156	4,591	5,233
370,169	393,884	414,574	445,852	477,374	514,294

## TARRANT APPRAISAL DISTRICT

### PROPERTY TAX LEVIES BY TAXING ENTITIES

#### LAST TEN FISCAL YEARS (IN THOUSANDS OF DOLLARS) (UNAUDITED)

Taxing Entity	2009	2010	2011	2012
<b>Cities</b>				
Grand Prairie	\$ 32,042	\$ 30,586	\$ 32,321	\$ 32,173
Grapevine	21,870	20,590	21,169	21,077
Haltom City	10015	9,620	10,191	10,408
Haslet	1,414	4,489	1,606	1,533
Hurst	12,369	12,403	12,548	13,229
Keller	17,345	17,306	17,712	18,047
Kennedale	3,849	3,721	3,979	3,898
Lakeside	335	380	384	380
Lake Worth	1,695	1,794	1,759	1,786
Mansfield	28,445	28,658	29,760	30,423
North Richland Hills	21,366	20,511	20,737	22,502
Pantego	947	898	995	1,003
Pelican Bay	230	278	246	242
Reno	25	27	30	31
Richland Hills	2,110	2,875	2,899	2,850
River Oaks	1,907	1,832	1,862	1,849
Roanoke	369	301	316	294
Saginaw	5,378	5,384	5,754	5,704
Sansom Park	629	629	703	697
Southlake	25,090	24,859	25,262	25,845
Trophy Club	366	386	390	379
Watauga	5,954	5,644	5,721	5,691
Westlake	-	1,276	1,443	1,299
Westover Hills	1,592	1,579	1,745	1,767
Westworth Village	780	743	725	768
White Settlement	4,148	3,435	3,814	3,767
Total cities	<u>739,601</u>	<u>717,833</u>	<u>738,542</u>	<u>747,842</u>
<b>Other</b>				
Tarrant County	332,112	318,362	327,649	329,011
Emergency Services District #1	4,146	3,804	3,826	3,529
Hospital District	288,144	275,010	283,131	284,504
College District	173,548	166,123	184,142	184,921
Regional Water District	8,922	8,527	8,841	8,895
Live Oak Creek MUD	-	123	185	244
Trophy Club MUD	626	566	503	369
Viridian Mgmt District	-	-	266	275
Total other	<u>807,498</u>	<u>772,515</u>	<u>808,543</u>	<u>811,748</u>
Total all	<u>\$ 3,195,382</u>	<u>\$ 3,093,439</u>	<u>\$ 3,211,442</u>	<u>\$ 3,245,258</u>

TABLE 8

	2013	2014	2015	2016	2017	2018
\$	34,825	\$ 37,362	\$ 39,078	\$ 43,100	\$ 46,898	\$ 50,974
	21,556	21,790	22,404	22,104	23,963	25,861
	11,162	11,688	11,871	12,984	13,765	14,806
	1,420	1,655	2,106	2,343	2,488	2,612
	13,675	14,228	14,315	15,389	16,463	17,581
	18,720	19,753	20,432	22,597	23,567	24,208
	4,102	4,241	4,593	4,697	5,151	5,254
	387	403	395	455	500	542
	1,793	1,841	1,944	1,969	2,117	2,157
	31,743	33,833	35,972	39,809	44,379	46,257
	23,306	24,596	25,258	27,778	30,091	32,146
	1,019	1,038	1,054	1,144	1,268	1,383
	244	278	288	285	302	338
	32	31	32	30	35	37
	3,006	3,096	3,213	3,848	4,069	4,263
	1,879	1,963	1,964	2,043	2,156	2,296
	309	333	320	363	434	550
	6,254	6,523	7,201	7,676	8,041	8,906
	711	746	727	857	939	1,212
	26,711	26,957	28,295	31,022	32,902	34,642
	408	430	433	531	550	581
	5,721	6,032	6,300	7,088	7,534	8,140
	1,363	1,406	1,486	1,581	1,627	1,988
	1,788	1,834	1,824	1,992	2,053	2,200
	854	909	1,035	1,085	1,232	1,316
	3,860	4,553	4,746	5,239	5,718	6,464
	<u>776,334</u>	<u>819,628</u>	<u>856,706</u>	<u>925,634</u>	<u>998,626</u>	<u>1,076,551</u>
	339,460	358,794	372,810	394,890	416,380	434,780
	3,893	4,419	4,465	4,374	4,760	5,089
	293,943	310,855	323,934	358,131	388,704	425,085
	191,814	203,042	211,111	224,672	238,575	253,395
	9,224	9,746	10,214	10,910	12,115	13,398
	321	402	469	562	638	722
	393	393	398	476	499	509
	346	617	960	1,269	1,847	2,367
	<u>839,394</u>	<u>888,268</u>	<u>924,361</u>	<u>995,284</u>	<u>1,063,518</u>	<u>1,135,345</u>
\$	<u>3,361,503</u>	<u>3,571,292</u>	<u>3,704,266</u>	<u>4,027,556</u>	<u>4,382,111</u>	<u>4,753,271</u>

## TARRANT APPRAISAL DISTRICT

## PRINCIPAL PROPERTY TAXPAYERS

FISCAL YEARS 2009 AND 2018  
(UNAUDITED)

2018			
Taxpayer	Rank	Taxable Value	Percentage of Total Tarrant County Taxable Value
American Airlines Inc / Envoy Air Inc.	1	\$ 1,130,994,158	0.60%
Oncor Electric Delivery Co LLC	2	1,106,298,311	0.58%
Winner LLC	3	1,054,626,607	0.56%
Alcon Laboratories Inc / Alcon Mfg	4	449,069,886	0.24%
Wal-Mart Real Estate Business Trust	5	444,872,061	0.23%
Atmos Energy/Mid Tex Division	6	428,739,050	0.23%
Bell Helicopter Textron Inc.	7	385,393,305	0.20%
Opryland Hotel	8	350,206,304	0.18%
General Motors LLC	9	346,594,990	0.18%
XTO Energy	10	319,534,069	0.17%
Total		\$ <u>6,016,328,741</u>	<u>3.17%</u>
2009			
Taxpayer	Rank	Taxable Value	Percentage of Total Tarrant County Taxable Value
American Airlines	1	\$ 925,619,002	1.57%
Texas Utilities Electric	2	824,301,741	1.20%
Southeastern Bell	3	488,998,360	0.88%
Albertsons, Inc.	4	268,250,115	0.39%
Textron, Inc.	5	188,706,124	0.39%
Delta Airlines	6	185,938,527	0.33%
Grapevine Mills	7	163,341,649	0.29%
Alcon Laboratories	8	156,161,741	0.28%
Maguire Thomas Partners	9	151,271,780	0.27%
AT&T Wireless	10	146,074,517	0.22%
Total		\$ <u>3,498,663,556</u>	<u>5.82%</u>

Source: Tarrant Appraisal District

TABLE 10

**TARRANT APPRAISAL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	Tarrant County Population <sup>1</sup>	Tarrant County Personal Income <sup>2</sup> (in thousands)	Tarrant County Per Capita Personal Income <sup>2</sup>	Tarrant County Public School Enrollment <sup>3</sup>	Tarrant County Unadjusted Unemployment Rate <sup>4</sup>	Tarrant County Total Outstanding Debt Per Capita <sup>5</sup>
2009	1,807,750	INA	\$ 39,380	330,385	7.7%	\$ -
2010	1,829,400	7,095,625	38,581	419,303	8.2%	-
2011	1,849,815	75,776,982	40,965	342,813	6.9%	264
2012	1,880,153	80,929,107	43,044	373,070 *	6.8%	242
2013	1,911,541	84,905,643	44,417	353,806	5.9%	222
2014	1,945,360	89,814,369	46,169	341,536	4.0%	236
2015	1,982,498	96,600,949	48,727	341,855	3.7%	207
2016	2,016,872	94,978,220	46,978	352,913	3.8%	199
2017	1,969,423	97,639,160	47,525	349,879	3.2%	168
2018	2,074,442	INA	INA	356,868	3.6%	INA

## Sources:

<sup>1</sup> U.S. Census Bureau/ Texas Office of the State Demographer 2017 estimate

<sup>2</sup> U.S. Department of Commerce Bureau of Economic Analysis

<sup>3</sup> Texas Education Agency Public School Review

<sup>4</sup> U.S. Bureau of Labor Statistics

<sup>5</sup> TX Bond Review Board/Tarrant County Website

INA = Information Not Available

\* For split ISD's, entire school population included.

## TARRANT APPRAISAL DISTRICT

## PRINCIPAL EMPLOYERS

FISCAL YEARS 2009 AND 2018  
(UNAUDITED)

2018			
Employer <sup>1</sup>	Number of Employees <sup>1</sup>	Rank <sup>1</sup>	Percentage of Total Tarrant County Employment <sup>2</sup>
American Airlines	30,000	1	2.98%
Lockheed Martin Aeronautics Company	13,400	2	1.33%
Fort Worth Independent School District	12,000	3	1.19%
Texas Health Resources	12,000	4	1.19%
Naval Air Station FW JR	9,700	5	0.97%
Arlington ISD	8,500	6	0.85%
The University of Texas at Arlington	7,548	7	0.75%
JPS Health Network	6,500	8	0.65%
City of Fort Worth	6,161	9	0.61%
Cook Children's Health Care System	6,072	10	0.60%

2009			
Employer <sup>4</sup>	Number of Employees <sup>4</sup>	Rank <sup>4</sup>	Percentage of Total Tarrant County Employment <sup>2&amp;4</sup>
AMR Corporation/American Airlines	28,550	1	3.23%
Fort Worth Independent School District	11,881	2	1.34%
Lockheed Martin Aeronautics Company	10,500	3	1.19%
Texas Health Resources	6,730	4	0.76%
Arlington Independent School District	6,723	5	0.76%
Bell Helicopter Textron	6,400	6	0.72%
City of Fort Worth	5,416	7	0.61%
RadioShack Corp.	4,600	8	0.52%
U.S. Postal Service	4,328	9	0.49%
Tarrant County Government	4,000	10	0.45%

Source:

<sup>1</sup> Book of Lists 2017/Fort Worth Edition<sup>2</sup> Texas Workforce Commission<sup>3</sup> Fort Worth Star-Telegram and U.S. Department of Labor<sup>4</sup> Fort Worth Chamber of Commerce

## TARRANT APPRAISAL DISTRICT

FULL-TIME EQUIVALENT APPRAISAL DISTRICT EMPLOYEES  
BY FUNCTION/PROGRAMLAST TEN FISCAL YEARS  
(UNAUDITED)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Appraisal	112	112	112	112	112	114	114	115	115	119
Support Services	48	47	47	45	45	44	46	45	45	44
Information Systems	36	35	33	31	31	21	18	18	18	24
Administration/ General Operations	<u>11</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>18</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>24</u>
Total	<u>207</u>	<u>205</u>	<u>204</u>	<u>200</u>	<u>200</u>	<u>197</u>	<u>199</u>	<u>199</u>	<u>199</u>	<u>211</u>

Source: Tarrant Appraisal District

# TARRANT APPRAISAL DISTRICT

## OPERATING INDICATORS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS (UNAUDITED)

Function/Program	2009	2010	2011	2012
<b>Appraisal</b>				
Real property and mineral lease accounts	716,678	777,290	876,353	908,073
Business personal property accounts	45,262	45,601	46,030	47,039
Value notices mailed	465,628	466,740	412,718	369,140
<b>Support Services</b>				
<b>Exemptions granted</b>				
Agricultural deferrals	4,968	5,071	5,039	5,021
Texas homestead	367,201	365,205	371,462	368,523
Disabled veteran	11,075	11,269	11,706	11,563
Over age 65	81,246	69,162	85,456	84,021
Disability	8,802	8,145	8,214	7,537
Freeport inventory	803	865	837	830
Charitable/non-profit	17,925	17,960	20,297	21,061
Solar/wind power	3	8	10	9
Abatements	448	228	219	206
Historic site	368	205	212	191
Scenic deferral	71	68	68	68
Foreign trade zones	11	11	11	17
Pollution control	133	130	136	108
Appraisal Review Board final orders issued	37,887	22,989	21,111	21,430
Inbound exemptions-related customer calls	133,906	135,629	97,979	129,807
<b>Information Systems</b>				
The work performed in this function/program area entails applications software development and maintenance, network and computer				
<b>Administration/General Operations</b>				
Employment applications processed	793	197	221	179
New hires/promotions processed	34	30	10	27
Competitive bids/proposals/quotes obtained	254	170	193	148 *
Purchase orders issued	416	283	310	348
Accounts payable checks issued	2,125	2,209	1,992	1,877
Inbound mail processed	134,353	105,159	100,406	92,898
Outbound mail processed	204,424	186,508	176,437	206,087

Source: Tarrant Appraisal District

INA = Information Not Available

\* Change in policy requiring competitive bids from \$1,000 to \$3,000.



TABLE 13

2013	2014	2015	2016	2017	2018
1,038,209	1,412,349	1,610,501	1,641,913	1,697,351	1,753,061
47,951	47,040	48,056	48,239	57,880	58,627
462,469	553,048	370,566	684,131	806,051	927,148
4,956	4,925	4,620	3,970	4,376	4,612
365,014	359,522	377,156	374,478	359,060	369,302
11,773	12,358	15,303	16,120	16,702	18,246
86,489	89,757	94,307	98,964	100,700	107,310
7,207	6,912	7,624	7,468	7,451	8,114
823	855	704	796	816	819
19,697	23,892	23,793	25,988	26,126	26,649
12	15	17	26	43	80
190	165	99	26	26	23
182	164	127	144	140	-
68	68	53	46	62	65
24	24	16	21	22	19
100	89	67	157	55	100
24,085	27,844	20,882	63,522	30,727	48,185
124,691	113,586	77,374	110,435	101,481	108,864
142	289	107	53	137	102
16	46	51	46	43	57
101	83	85	104	78	66
339	330	315	340	303	304
1,921	1,895	2,015	2,217	2,029	2,038
101,163	90,956	83,704	122,864	115,724	111,395
176,493	166,883	480,936	688,755	1,332,802	882,532

**TARRANT APPRAISAL DISTRICT**  
**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Appraisal	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Support Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Information Systems										
Mainframe computer	1	1	1	1	1	1	NA	NA	NA	NA
CAMA Software	-	-	-	-	-	-	1	1	1	1
Administration/General Operations										
Office building	1	1	1	1	1	1	1	1	1	1
Folder/inserter Machine	NA	NA	1	1	1	1	1	1	1	1
Production Printers	NA	NA	NA	2	2	2	2	2	2	2

NA = Not Applicable

Source: Tarrant Appraisal District

## TARRANT APPRAISAL DISTRICT

## OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Governmental Activities - Capital Lease	Total Primary Government
2009	\$ 1,001,486	\$ 1,001,486
2010	734,005	734,005
2011	470,493	470,493
2012	244,370	244,370
2013	72,115	72,115
2014	53,295	53,295
2015	33,185	33,185
2016	11,635	11,635
2017	4,238	4,238
2018	2,547	2,547

Source: Comprehensive Annual Financial Reports

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# **COMPLIANCE SECTION**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Tarrant Appraisal District  
Fort Worth, Texas

We have audited, 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, the financial statements of the governmental activities and the major fund of Tarrant Appraisal District (the "District"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 1, 2019

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
May 1, 2019