

**BEXAR APPRAISAL DISTRICT**

**FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015**

**PREPARED BY:**

**FINANCE DEPARTMENT**

# BEXAR APPRAISAL DISTRICT

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## **INTRODUCTORY SECTION**

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# BEXAR APPRAISAL DISTRICT

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## OFFICE OF THE CHIEF APPRAISER

**June 8, 2016**

### **Presiding Officer of Bexar County Taxing Units and Members of the Board of Directors Bexar Appraisal District**

The Comprehensive Annual Financial Report of the Bexar Appraisal District (District) for the year ended December 31, 2015, is hereby submitted. This report has been prepared pursuant to Section 6.063, Texas Tax Code, which requires an audit of the financial affairs of an appraisal district by an independent certified public accountant.

### **THE REPORT**

This report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, an explanation of the appraisal process, a list of district officials, and an organization chart. The financial section includes the management's discussion and analysis (MD&A), basic and fund financial statements, budgetary comparison schedules, required supplementary information other than MD&A, as well as the independent auditors' report on the MD&A, financial statements and schedules. The statistical section includes selected financial and demographic information.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the district has established a comprehensive internal control framework that is designed to both protect the district's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the district's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits; the district's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent certified public accounting firm of Weaver and Tidwell, L.L.P. has audited the financial statements and related notes. The goal of the independent audit was to provide reasonable assurance that the district's financial statements for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the district's financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

## **THE DISTRICT AND ITS SERVICES**

The Bexar Appraisal District is a political subdivision of the State of Texas established in 1980, following the codification of property tax laws by the 66<sup>th</sup> Texas Legislature in 1979. The 1979 codification established one appraisal district in each of the state's 254 counties for the purpose of discovering and appraising property for ad valorem tax purposes for each tax unit within the boundaries of that appraisal district. The District, the fourth largest in the state, serves 62 taxing units.

### **Board of Directors**

The District is governed by a five-member board of directors. Five directors are appointed by the taxing units within the county. The sixth member is the county tax assessor-collector and serves as a nonvoting director if not appointed by the taxing units.

The board of directors has policy-making authority; appoints the chief appraiser who is administrator of the district, the taxpayer liaison officer, and the officers of the appraisal review board; has primary responsibility for fiscal matters, including approval of major contracts; selection of auditors; and adoption of the annual budget.

### **Purpose**

The primary purpose and responsibility of the district is to provide to the taxing units and property owners within its boundaries fair and equitable appraisal of property subject to ad valorem taxation.

In Texas, property tax is the primary source of funding for local governmental units (school districts, cities, counties, junior college districts, and other special districts). Property taxes pay much of the cost of public schools, police and fire protection, courts, health services, streets, water and sewage, parks, and most other local government activities. The Bexar Appraisal District does not determine how much each of these local governments will spend to provide services, nor does it set their tax rates. Each local government adopts its own budget, then sets a tax rate that will generate the amount of money required to pay for its services. The district provides each local government with a list of its taxable property, together with the January 1 value of each property and appropriate exemptions. The appraisals serve to allocate the tax burden among all property owners on an equitable basis, based upon market value.

### **Departmental Functions**

The Office of the Chief Appraiser is primarily responsible for the overall planning, organizing, staffing, and controlling district operations as required by the Texas Property Tax Code. The Customer Information and Assistance Department provides support functions relating to exemptions and customer service to property owners and also coordinates all hearings, maintains records of those hearings, organizes the mailing of property notices to taxpayers, and coordinates postal services. The Residential, Commercial, and Personal Property Departments are responsible for the valuation of all property accounts. The Information Systems Department



maintains the district's data processing facility, local area networks, software applications, and records management. The Geographical Information Systems Department is responsible for the mapping function and deed maintenance for all properties within the district. The Executive Services Department is responsible for the business support functions including human resources, budget, finance, employee benefits, purchasing, fixed assets, facilities, and litigation coordination.

### **Budget**

The district uses a detailed line item budget. Department managers submit their budget recommendations to the chief appraiser in March. Section 6.06 of the Texas Property Tax Code requires the chief appraiser to formulate his proposed budget and submit it to the board of directors and presiding officers of the taxing units prior to June 15. The statute also provides that the board of directors publish a ¼-page advertisement on the budget, conduct a public hearing, and finally adopt a budget before September 15. Texas law also provides that each of the 62 taxing units entitled to vote on the appointment of board members is required to maintain a copy of the proposed budget for public inspection at its principal administrative office.

The taxing units participating in the appraisal district fund the district. The annual allocation to the taxing units is based upon the proportion of each taxing unit's property tax levy bears to the sum of the tax levies of all participating taxing units. Taxing units pay their share quarterly with the first quarter due by December 31 of the year before the budget takes effect. The taxing units paid approximately 0.56% of their property tax levy for appraisal district services in 2015.

The chief appraiser may transfer budgeted amounts among departments or line items; however, supplemental appropriations require the approval of the board of directors and notification to the taxing units.

The board of directors adopted a 2015 expenditure budget of \$15,870,699 on August 25, 2014. This amount represented a 5.71% increase from the 2014 budget. Taxing unit funding increased from \$14,976,438 to \$15,830,698 for 2015.

## **MAJOR ACTIVITIES DURING 2015 AND FORECAST FOR 2016**

### **Appraisal Roll Certification**

The District's activities for the previous twelve months led up to the major event of certification of the appraisal roll. The appraisal roll was initially certified on July 24, 2015 4.54% of the value in the District remaining under protest. State law requires that not more than 5% of the total value remain in unresolved property owner protests at the time the records are approved and certified as the appraisal roll. The appraised value for properties within the Bexar Appraisal District's jurisdiction, totaled **\$145,253,963,259** resulting in a 14.12% increase over the 2014 roll.

<b>BEXAR APPRAISAL DISTRICT APPRAISED VALUES</b>			
<b>2014</b>		<b>2015</b>	
<b>Number of Accounts</b>	<b>Appraised Value</b>	<b>Number of Accounts</b>	<b>Appraised Value</b>
656,030	\$ 127,282,296,173	662,994	\$ 145,253,963,259

*Source: Bexar Appraisal District 2014 and 2015 Certified Totals Report (internal)*

*Note: Land which is valued using productivity valuation methodology, such as agricultural and timber use is not included in the total appraised values. All other land is included. Since more than one property parcel is included on some accounts, the actual number of parcels appraised by the District is more than the number of accounts listed above.*

## **2015 Economic Condition and Outlook**

### **Residential Market**

The San Antonio residential real estate market continues to perform at record highs, boasting increased sales volume and pricing as demand outpaces supply. According to the Multiple Listing Service Report from the San Antonio Board of REALTORS® (SABOR) the total number of homes sold reached an all-time high in 2015 with 27,154 home sales. This amount signifies a 9% increase over the 2014 sales volume, surpassing the 2006 housing bubble with 26,169 home sales. An additional positive market indicator is that the average and median sales prices simultaneously reached \$231,976 and \$192,800 respectively. This 6% year-over-year increase in the average and median sales price represents the fourth consecutive year of significant value growth in the local real estate market.

This confident market performance is a result of the San Antonio economy, one of the strongest in the nation, inclusive of a diversified and expanding work force, low unemployment, and increased household incomes. Non-Farm employment is claiming six years of positive growth. Five separate industry segments now represent an excess of 10% share (individually) of the total employment. Consequences of sustained employment growth include not only a reduction in the jobless rate (hovering below 4%) but also upward pressure on household incomes. As a result, the metro area is demonstrating a median household income over \$54,000.

A strengthening economic climate concurrent with prolonged low interest rates has cumulated in the fifth straight year of declining foreclosures. A result of continuing housing demand is a compression of the available home inventory to about a 3.8 month supply. Normally a 6 month supply is considered to be "in balance". San Antonio's new home construction is demonstrating flat to moderate growth as builders are adapting to rising development costs and new pricing margins. As a result, demand is overwhelming supply in the short term and the market can continue to expect escalating values.

The local housing market forecast remains positive, though cautiously optimistic through 2016. Anticipated population growth and continued housing demand is expected to pressure supply in the foreseeable future. Ongoing supply shortages and rising construction costs will cause housing prices to increase, thus potentially impacting San Antonio's housing affordability margin in the future.

Local economic influences that are anticipated to continue are moderate job and wage growth in the job sectors of Leisure, Professional Services, Transportation, Construction, and Financial Services as well as a continuation of relatively low interest rates. The unknown risk is the timing of house price increases and its impact on future demand.

Other factors that may be of influence in 2016 include the possible volatility of an election year cycle, the continued impact of low oil prices on the energy and manufacturing sectors, and the global impact of a recessionary Asian market or other foreign instability. These economic factors are viewed as short term in nature; however, the degree of influence and timing (if any) is unknown particularly on the local, regional, and state economy that is recognized as quite resilient.

### **Commercial Market**

Unemployment declined in the San Antonio area for the sixth straight year. The annual unemployment ended 2015 at 3.5%, down from 3.8% in 2014 and 1.2 percentage points lower than Texas as a whole. The national rate for 2015 was 5.4% - the same as 2014. The national unemployment rate is expected to stagnate during 2015 as the economy continues its slow improvement. The financial markets have been volatile, with the Fed having finally raised the target rate by one-quarter point. Interest rates will remain low with only small incremental moves possibly being made by the Fed. CMBS activity just missed its target level of \$110 billion but is

anticipated to continue at comparable levels as investors continue to seek decent returns in the commercial real estate market. REITS will continue to actively acquire premium assets. Bexar County commercial real estate fundamentals continued to improve during 2015 and are expected to continue improvement during 2016. Capitalization rates compression is expected to slow during 2016 as concern over inflation and interest rates continue. The spread between capitalization rates and the 10 year T Bill, though closer to historical levels for most of 2015, will likely narrow as investors continue to pour capital into commercial real estate.

## OFFICE

According to many publications, the office market appears to have a positive outlook once again as apparent with the growing economy and strong occupancy in the city's established class A and B office buildings. The office market continues to experience lower vacancy rates and increased average asking rental rates from the previous year. The many new office projects coming into the market this year will be positioned to serve the needs of tenants that require more updated modern quality office space in newer locations. In particular, the far north and far west suburbs increased asking rents and strengthened occupancy reflected the completion of new office developments and increased leasing activity. According to Cushman & Wakefield, the class A suburban office market added at least 600,000 square feet of new inventory in 2015. In addition, the first major downtown office development since the 1980's is expected to start construction this year, adding 400,000 square feet in just one project.

The overall vacancy according to Costar for the office market in San Antonio area has increased to 10.60% at the end of the third quarter 2015. The vacancy rate was 10.20% at the end of the second quarter 2015, 10.30% at the end of the first quarter 2015 and 10.40% at the end of the fourth quarter 2014.

**Vacancy Table (Costar)**

<b>Area/Class</b>	<b>3<sup>rd</sup> Qtr 2015</b>	<b>2<sup>nd</sup> Qtr 2015</b>	<b>1<sup>st</sup> Qtr 2015</b>	<b>4<sup>th</sup> Qtr 2014</b>
Class A	16.60	14.80	14.50	14.20
Class B	10.00	10.00	10.20	10.40
Class C	6.70	6.70	6.70	6.90
CBD	14.40	14.90	14.30	14.40
Suburban	10.00	9.60	9.70	9.80
Overall	10.60	10.20	10.30	10.40

**Vacancy Table (Xceligent)**

<b>Area/Class</b>	<b>3<sup>rd</sup> Qtr 2015</b>	<b>2<sup>nd</sup> Qtr 2015</b>	<b>1<sup>st</sup> Qtr 2015</b>	<b>4<sup>th</sup> Qtr 2014</b>
Class A	14.10			
Class B	20.20			
Class C	24.40			
Overall	16.80	15.10	17.90	15.80

### **Absorption**

The San Antonio office markets overall absorption was once again a positive one. In the 3rd Quarter of 2015, the net absorption was 152,969 square feet compared to 120,188 square feet in the 2nd quarter of 2015. Costar listed many large tenants who moved out of large blocks of space in 2015. They include:

<b>TENANT</b>	<b>BUILDING VACATED</b>	<b>AMOUNT OF SPACE VACATED</b>
Allstate Insurance	Oaks at University Business Park	75,046 sf
City of SA	9701 Docucon	51,040 sf
USAA Real Estate Co	Colonnade Centre	43,702 sf

Costar also listed tenants moving into large blocks of space in 2015.

<b>TENANT</b>	<b>BUILDING OCCUPYING</b>	<b>AMOUNT OF SPACE OCCUPIED</b>
WellMed	Oaks at University Business Park	39,573 sf
Oracle America Inc	The Spectrum building	35,364 sf
Catto & Catto	One Alamo Center	22,308 sf

### **Absorption (Costar)**

<b>Area/Class</b>	<b>3<sup>rd</sup> Qtr 2015</b>	<b>2<sup>nd</sup> Qtr 2015</b>	<b>1<sup>st</sup> Qtr 2015</b>	<b>4<sup>th</sup> Qtr 2014</b>
Class A	34,940	24,122	106,526	100,946
Class B	111,140	102,125	100,551	(19,913)
Class C	6,889	(6,059)	25,368	(52,557)
CBD	45,445	(49,701)	6,945	(13,883)
Suburban	107,524	169,889	225,500	42,359
Overall	152,969	120,188	232,445	28,476

### **Rental Rates**

Rental rates continue to show a slight increase from each quarter, the only decrease coming from the Class C office buildings. For the most part, the over rental rates increased 1.40% from the 2nd quarter to the 3rd quarter of 2015.

### **Rental Rates (Costar)**

<b>Area/Class</b>	<b>3<sup>rd</sup> Qtr 2015</b>	<b>2<sup>nd</sup> Qtr 2015</b>
Class A	23.81	23.01
Class B	18.95	18.87
Class C	16.13	16.34
CBD	21.04	19.83
Suburban	19.96	19.87
Overall	20.13	19.86

Xceligent's citywide average quoted full service gross rental rate for all classes of Office space increased to \$20.98 in the 4th quarter of 2015. The previous quarter, the quoted rate was \$20.65.

## **NEW CONSTRUCTION:**

According to Xceligent, new office construction for San Antonio is expected to deliver approximately 800,000 square feet in 2016. Some of the notable 2015 deliveries include:

<b>NAME OF PROJECT</b>	<b>ADDRESS</b>	<b>SIZE (Square Feet)</b>
Security Service FCU	14880 IH 10 W	270,000
15000 IH 10 LTD	15000 IH 10 W	157,472
Ridgewood Plaza	19026 Ridgewood Pkwy	154,112
Pond Hill SA	4372 Loop 1604	73,843
HC-5330 N Loop 1604	548 NW Loop 1604	61,262
CompBank of SA	1900 Loop 410 NW	56,339
Huntington Commercial	3424 Paesanos Pkwy	50,256
Rogers Rd Medical Plaza	3303 Rogers Rd	31,784

In addition, the first major downtown office development since the 1980's is expected to start construction this year, adding 400,000 square feet in just one project.

## **Retail**

### **Occupancy**

The San Antonio retail market was relatively flat in 2015. Vacancy showed a slight improvement from 9.4% to 9.3% per REOC San Antonio for 3rd Quarter 2015. Both Marcus & Millichap and Cencor Realty Services report significantly different vacancy for San Antonio at 5.8% and 6.5% respectively. However, whichever source is cited, all of them report that occupancy improved a modest 10 to 20 basis points from last year.

The total amount of new construction completed during 2015 was just over 1,000,000 square feet. This is down significantly from the 2,400,000 square feet delivered last year, although last year's figure was skewed upwards by a large amount of new grocery store construction, which alone added about 1,500,000 square feet.

Major new construction this year is shown on the following table. This list (and the figures reported above) only includes buildings fully completed during the year, so does not include four Wal-Mart neighborhood markets and a Rooms To Go totaling 208,000 square feet, which are in varying stages of partial completion from 60% to 90%. Also not included would be the Dave & Buster's and the H&M Clothing store in the remodeled Joske's building at Rivercenter Mall, which are about 30,000 square feet each but are not included as new construction.

<b><u>DBA</u></b>	<b><u>Location</u></b>	<b><u>Size</u></b>
Wal-Mart	Bandera & Woodlawn	155,100
Strip Center	Huebner & Eckhert	43,214
LA Fitness	1604 & Blanco	40,874
AllStar's Sportsplex	1604 & FM 78	38,379
Gold's Gym	1604 & Bulverde	32,547
Powerhouse Gym	1604 near Culebra	30,000
Soccer Zone	1604 & Pat Booker	27,560
Academy	1604 & Bandera	27,037
Strip Center	1604 & Bulverde	22,117
Strip Center	1604 & Bulverde	21,535
Strip Center	410 & Military	19,964

## **Rental Rates**

Rents are showing the highest increases in the north portion of the city near (and north of) Loop 1604. In addition, rents for many Class A buildings remain strong. However, most other areas are showing flat or slightly lower rents from last year.

Per REOC, the citywide rental rates are \$16.34/sq. ft., down slightly from last year at \$16.60/sq. ft. Marcus & Millichap is reporting a different story as rents are up 1.6% to \$15.02/sq. ft. and rents at strip centers are up 2% from last year. So depending on the source, market rents are anywhere between a negative 2% to a positive 2%.

However, as with last year, one reason for the flat rental rates could be the fact that a lot of the absorption was in large big box spaces, which rent at lower rates and would skew the citywide average rental rate downwards.

The following is a breakdown of the rental rate and occupancy for various property types as well as the prior year figure in parenthesis.

<u>Type</u>	<u>Ave Rent 3rd Q 2015</u>	<u>Vacancy</u>
Malls	N/A	3.7% (4.1%)
Power Centers	\$24.16 (\$24.99)	6.4% (5.3%)
Community Center	\$19.20 (\$19.08)	7.1% (8.9%)
Neighborhood Center	\$15.27 (\$15.60)	13.7% (14.2%)
Strip Center	\$15.72 (\$15.69)	14.3% (12.2%)
Overall	\$16.34 ( \$16.60)	9.3% (9.4%)

Source: NAI REOC San Antonio 3rd Quarter 2015

## **Industrial**

The Industrial Market remained strong in 2015. San Antonio absorbed 819,934 square feet of warehouse space in 2015. Citywide vacancy is 7.8%, up from 5.8% last year and rents ended at \$5.43 per square foot (NNN), up from \$5.40 in 2014. The escalation in vacancy is due to the growth in construction that increased the inventory by 2,270,147 square feet.

A comparison of fourth quarters in 2015 and 2014:

<b><u>Citywide</u></b>	<b><u>4Q 2015</u></b>	<b><u>4Q 2014</u></b>
Inventory	28,126,599	25,856,452
Available	2,193,875	1,507,021
% Vacant	7.8%	5.8%
Average Rent	\$5.43	\$5.40
4Q Absorption	227,081	14,797
YTD Absorption	819,934	387,986

Source: Xceligent 4th Quarter 2014

New construction consisted of self-storage, distribution, manufacturing, auto dealerships and oil field related service operations. San Antonio's proximity to the Eagle Ford Shale plays in increased leasing activity and the absorption of vacant warehouse space. New development in South Bexar County consists of oil field equipment service and suppliers plus truck service

companies. Toyota reported a slight decrease in production for 2015. Through overtime work, approximately 233,000 trucks (Tundra and Tacoma) were manufactured in the San Antonio plant, a 1.69% decrease from 2014.

In 2015, the drop in oil prices has hurt the big companies such as Halliburton, Weatherford, and Schlumberger. The once empty parking lots are now full of unused rigs. Construction has started on the Alamo Junction Rail Park. The new 85,585 square foot sand depot should be complete in 2016. This development aims to become the major logistic rail hub for San Antonio over the next 30 years.

The auto industry has continued the construction of new dealerships and facelifts of older properties. Sales continued to climb in 2015 to all-time highs and posted a 5.7% gain from 2014. In San Antonio, there was one new dealership completed; KIA dealership at 6139 Bandera and one dealership Cavender Toyota at 13526 W IH 10 at 50% complete. Benson Honda at 9100 San Pedro completed construction of a new showroom and service buildings indicating improved sales and a stronger auto sales market.

The Distribution/Warehouse market remains robust. The distribution/warehouse market has a 7.8% vacancy up from 5.8% 4th Qtr 2014 and rents at \$5.43 (NNN) up from \$5.40 4th Qtr 2014. Among the largest leases in the area include Southern Warehousing, Amazon, Air Force, Pearson, FMC Technologies, Move Solutions and PSI. These leases total 590,462 square foot. A'GACI at 10939 Fischer started construction on a 283,920 square foot warehouse. Conn's Furniture started a 306,000 square foot distribution warehouse. A 144,113 square foot distribution at 8562 NE Loop 410 warehouse will be completed in 2016. Bodegas en Venta at 9342 SE Loop 410 completed 246,600 of square feet of cold storage in 2015 with an additional 600,000 proposed through 2016. Two distribution warehouses were completed at 7007 – 7015 Fairgrounds totaling 157,747 square foot with an additional 134,700 square feet to be added in 2016. Building 4 at Thousand Oaks Business Park was completed in 2015, adding 66,960 square feet of new warehouse space. Dollar General at N. Foster Rd and IH 10 E will complete their 935,087 square foot distribution warehouse in 2016. UPS broke ground on a \$35,200,000 expansion for its distribution center at 6400 Seven States Blvd. The vacant Sysco cold storage warehouse with 371,863 square feet at 5711 Seguin Rd was purchased in February 2015. Also in February, an 85,668 square foot distribution warehouse at 5903 Northwest Pkwy sold for \$63.03 per square foot. In December of 2015, a 193,908 square foot distribution warehouse at 1410 S. Callaghan was purchased for \$56.99 per square foot.

The manufacturing sector saw U.S. Pipe construct a 60,620 square foot manufacturing plant at 7030 Pearsall Rd. No major additions to the Toyota plant or its suppliers were noted in 2015.

San Antonio continues to attract the development of data centers. Cyrus One will complete their data center of 123,596 square feet in 2016. Microsoft will complete construction on their new 241,840 square foot building which should be completed in 2016. Microsoft purchased 160 acres in far west San Antonio in 2015 and plans to break ground in January 2016 on an eight-building data center development encompassing roughly 1,200,000 to 1,300,000 square feet. Construction will consist of four phases stretched out over a five-year period. Work is expected to create as many as 900 construction jobs.

The self-storage market is booming as well. There were six new self-storage developments started in 2015 with a total of 581,403 square feet. Five new facilities were completed in 2015 for a total of 511,670 square feet. Five facilities will be High Rise facilities, four hybrid high-rise with single story complexes and two one-story complexes. The High Rise facilities are multi-story buildings with a large percentage of climate-controlled units. Rents have increased by 4%, occupancy has risen by 1%, and cap rates have dropped by 50 basis points when compared to the same time last year.

Strategic Storage Growth Trust Inc.(SSGT) acquired two properties for a total of \$24,600,000 in 2015 totaling 160,100 square feet. Morningstar Storage purchased two properties totaling 154,937 square feet with one property totaling 73,116 square feet acquired by Move It Storage.

In conclusion, the underlying industrial fundamentals of leasing demand, rent growth, and construction remain strong. Job gains in construction, manufacturing and the transportation/warehousing sectors indicate a positive trajectory for the coming year.

### **Multifamily**

According to Real Capital Analytics, “Although the national apartment market is moving into the latter stages of the expansion phase of the real estate cycle with some metros entering the contraction phase, the pace of transactions remains quite steady. Total sales volume through third quarter 2015 was 26.0% greater than the prior year.”

Our 2016 expectations for the Bexar County Multifamily Sector are the same as for 2015. Renter-household formation will remain robust due in part to a projected employment growth of 29,500 jobs. That represents a small decline (-3%) from 2015 total jobs created. Despite the energy sector challenges, a record number of new units were delivered to the market. Rental rates, both market and effective, still posted an improvement of 4.5% year over year. According to Marcus & Millichap, the vacancy rate went down by 30 basis points, while the number of properties offering concessions posted a decrease of 16.0%. Cap Rates on the most recent sales, as reported by Costar, indicate a range between 5% to less than 9%

Marcus & Millichap (San Antonio Overview) has reported that “A bright economic outlook and healthy demographic trends will draw investors to the metro this year, heightening demand for area apartment assets.”

Potential challenges could come from the delivery of new units; currently there are approximately 5,900 units under construction scheduled to be delivered towards the end of the year. Additional negative pressure on the multi-family sector may come from the recent decline in the energy sector, specifically, the Eagle Ford Shale area. This may negatively impact or add pressure on effective rental rates, which in turn can negatively impact occupancy, concession rates and subsequently overall market values.

### **Market Rents**

Asking rents posted an improvement over last year of 4.0% or \$914 monthly rent (on the average 840 sf. size units) or \$1.09/sf.

### **Effective Rents**

With fewer and fewer properties offering concessions effective rents on average posted an improvement over the last twelve months of 5% to \$895 or \$1.06/sf. (Monthly).

### **Concessions**

As of 1st Quarter 2016 only 32% of all Bexar County apartment properties are offering concessions, continuing the downtrend that began back in 2010. The average concession package stands at 5.3%.

### **Occupancy**

Occupancy rates for all classes fell to 91.8%. This represents a reduction over the prior year of 1.0% (Source ALN Data Inc.).

### **New Construction**

In the last twelve months approximately 5,700 units have been delivered. Currently, there are approximately 5,900 units under construction and should be delivered toward the end of the year.



## **Cap Rates**

Cap Rates, as reported by various sources, continue to contract but with some signs of stabilizing. For 2016, we will revise downward the Capitalization rates on our mid to high rise luxury type apartments, as well as on the LIHTC, rent restricted type properties.

## **Conclusion**

In light of the current state of the apartment fundamentals, we anticipate values slightly higher than our 2015 notice values.

Source: Marcus & Millichap, ALN Data Inc., & Bexar County Appraisal District

## **Business Personal Property Market**

The 2015 Business Personal Property (BPP) roll consisted of 43,974 accounts at an approximate value of \$13.8 billion. This is an increase in value from the prior year of 9%. The number of accounts also increased slightly. This was primarily due to the uptrend in the local economy in year 2014.

The percentage of accounts filing a rendition for year 2015 was 63%, a slight decrease from 64% in the prior year. For year 2015, it is anticipated the number of rendition filings will remain steady at the same percentage. The implementation of the rendition penalty for non-compliance for tax year 2004 has increased the compliance rate substantially from a return rate of 49% in tax year 2003.

The impact from the Eagle Ford shale development had been significant with new properties dedicated to the industrial “fracking” process. This expansion continued in year 2014 with substantial increases in Business Personal Property (BPP) valuation for tax year 2015.

The substantial decreases in oil prices in calendar year 2015 and the oversupply of oil nationwide will have a major impact on the fracking industrial properties in Bexar County. Fracking equipment is being underutilized as the demand for these equipment services has significantly declined. Tax year 2016 should result in significant value reductions in the Business Personal Property valuations for these properties. This will have an impact on BPP values for East Central ISD, Southside ISD, and Southwest ISD.

A new corporate office and a new data center have been completed in the Westover Hills area. This will generate new BPP value in Northside ISD. The new Dollar General Distribution Center in southeast Bexar County will generate new BPP value for East Central ISD. In addition, the new CST Cornerstone Distribution Center will impact North East ISD.

The retail sector in Bexar County is continuing to expand at a rapid pace. Calendar year 2015 saw the addition of small to medium size new retail stores. Typical of these new retail outlets are fast food and dollar stores. These stores are being built across Bexar County.

Overall, for tax year 2016, it is anticipated the value of the business personal property roll will increase slightly from the \$13.8 billion total value for tax year 2015.

## **Other**

The Geographical Information Systems (GIS) data has been integrated into the PACS appraisal system, and all district staff can access new map updates one day after the changes are made by the GIS group. The GIS group continues to strive to increase the quality and timeliness of the approximately 50,000 annual ownership and address changes as well as the 20,000 new accounts created each year. Orthographic and Oblique aerial photography has been integrated into PACS and is used regularly to identify new improvements to property.

The Information Systems (IS) department continues to make strides to provide a faster and more efficient computer network for our users at Bexar Appraisal District and for property owners of Bexar County.

In early 2015, we continued the system migration project that started in the fourth quarter of 2014. The system migration went very smoothly and virtually has no effect on our production or our customers.

The new Server System consists of seven new servers, a Dell Compellent data storage system with 80 Tb of available space, and four network switches. Six of the servers were used to create a VMWare ESXi cluster virtual server environment and attached to the new data storage system. The ESXi cluster will be used to create what the industry refers to as virtual servers. Instead of requiring a physical server box for each individual server required, we can now create a server that exists solely in software, thus virtual. The benefits to this system are reduced cost, ease of implementation, high availability, and ease of administration. Another benefit of server virtualization can also be seen to save space required by the hardware. We were able to reduce the space required by the server racks in half. As a result, we have increased overall performance, costs, efficiency, and decreased downtime for the network environment.

As another part of the system migration, we have upgraded our network core-switch to 10 Gigabit switching for our servers and the backbone of our network. We also incorporate active-active and stacking technology to increase redundancy to our core networking. This implementation will greatly increase network availability and fault-tolerance to our network infrastructure.

In order to provide better cooling efficiency and reduce the energy costs, we relocated the new servers and storage system to a smaller room combining it with our network and phone system equipment. With the installation of two smaller A/C units and plans to shut down the larger A/C units a majority of the time, the goal for cooling and cost reduction can be achieved.

We initiated a software enhancements project with our software vendor, Harris-True Automation, to add needed functionalities for our commercial department in 2014. We received the enhancements in 2015 and our commercial appraisers have fully benefited from the enhancements to help them with their valuation analysis.

The iPad CAMAcloud Appraisal software project continues to evolve and be refined. Our appraisers are starting to gain benefits and productivity from the technology. The preparation time for the fieldwork has been greatly reduced as well as the data entry process. However, there are still data communications issues that vendors continuously need to improve and quality control processes that we need to put in place.

Our Online Appeal system continues to gain in popularity. In 2015, we had almost 10,000 protests filed online and we are expecting the number to grow in 2016 as the software vendor is constantly searching for ways to make it easier to use.

In the last quarter of 2015, we implemented the new GIS tool in our CAMA system. The previous version of the GIS tool is no longer supported by the vendor and has been replaced with this new version. The new GIS tool has better search functionality and enhanced performance as well as the ability to customize your own maps. The new version of the GIS tool is based on web technology, which provides many benefits including, flexibility, performance, and reliability. Our appraisers have been through a quick training to help with learning the process on which they commented as being a very useful training.

## Records Management

### Open Records

The following tables provide the total number of open records requests and subpoenas processed per year from 2011 through 2015.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Open Record Requests	1,166	1,029	1,180	1,292	1,354
% Change from Prior Year	-15.3%	11.7%	14.7%	9.5%	4.8%
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Subpoenas	7	10	14	7	9

### Destruction

The following table provides the total number of destruction requests processed per year from 2011 through 2015.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Destruction Requests	209	234	131	217	125

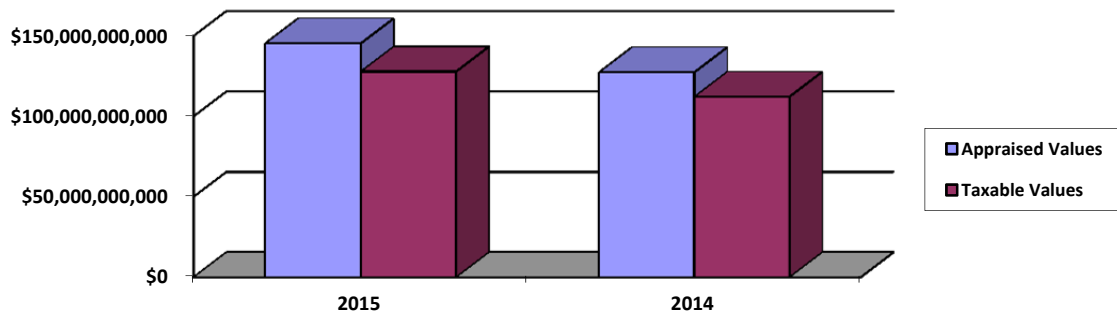
For the 2015 appraisal year, approximately 7,133 pounds of records were shredded by Marshall Shredding and Ranger Shredding. Please note these figures do not include routine shredding done in-house using the District's shredders located in the Information Systems and Executive Services departments. All destruction was performed in accordance with the District's records control schedule.

### **Taxable Values**

The following table represents the comparison of the appraised values and taxable values (market values less exemptions and special valuations) for the past two years in the Bexar County taxing jurisdiction as of the July certification. The change in the appraised and taxable values varied widely among taxing units, and reflected the mix of property types, exemptions, and market conditions within each tax unit.

#### BEXAR COUNTY TAXABLE VALUES

	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>Percent Change</u>
Appraised Value	\$ 145,253,963,259	\$ 127,282,296,173	\$ 17,971,667,086	14.12%
Taxable Value	127,819,594,631	112,155,491,718	15,664,102,913	13.97%



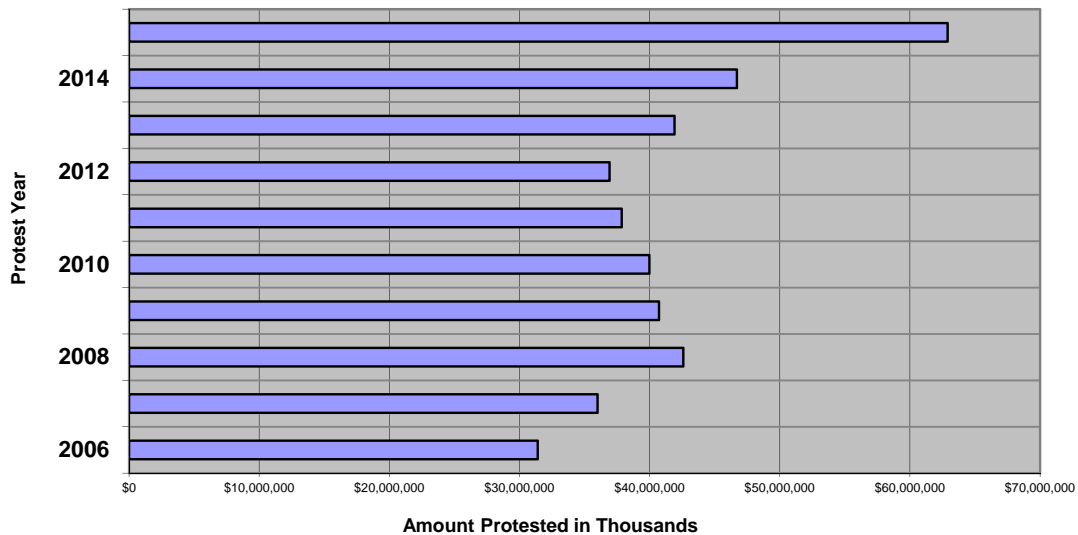
### Property Owner Protests

Property owners may protest appraised values placed on their property before the time the appraisal rolls are approved and certified. The protest period is conducted from May to August each year. Property owners typically resolve disagreements about their appraised value, exemptions, or other issues in an informal meeting with a district appraiser. If an agreement is not reached informally, the property owner is heard before a three member panel of the appraisal review board. The panels' recommendations are taken before the full Appraisal Review board for approval. The following table shows the protest activity for the last ten years.

#### PROTEST ACTIVITY

Year	Accounts Protested	Value of Accounts	Overall Percent Reduction
2006	82,283	\$31,395,243,056	6.2%
2007	76,196	\$35,996,384,971	7.6%
2008	78,614	\$42,587,277,426	7.0%
2009	70,423	\$40,714,651,843	8.0%
2010	65,271	\$39,971,780,222	8.5%
2011	54,481	\$37,851,022,083	5.7%
2012	51,636	\$36,915,602,586	2.8%
2013	53,063	\$41,903,085,243	3.9%
2014	62,752	\$46,707,004,862	3.7%
2015	89,809	\$62,897,974,161	5.6%

Value of Protested Accounts

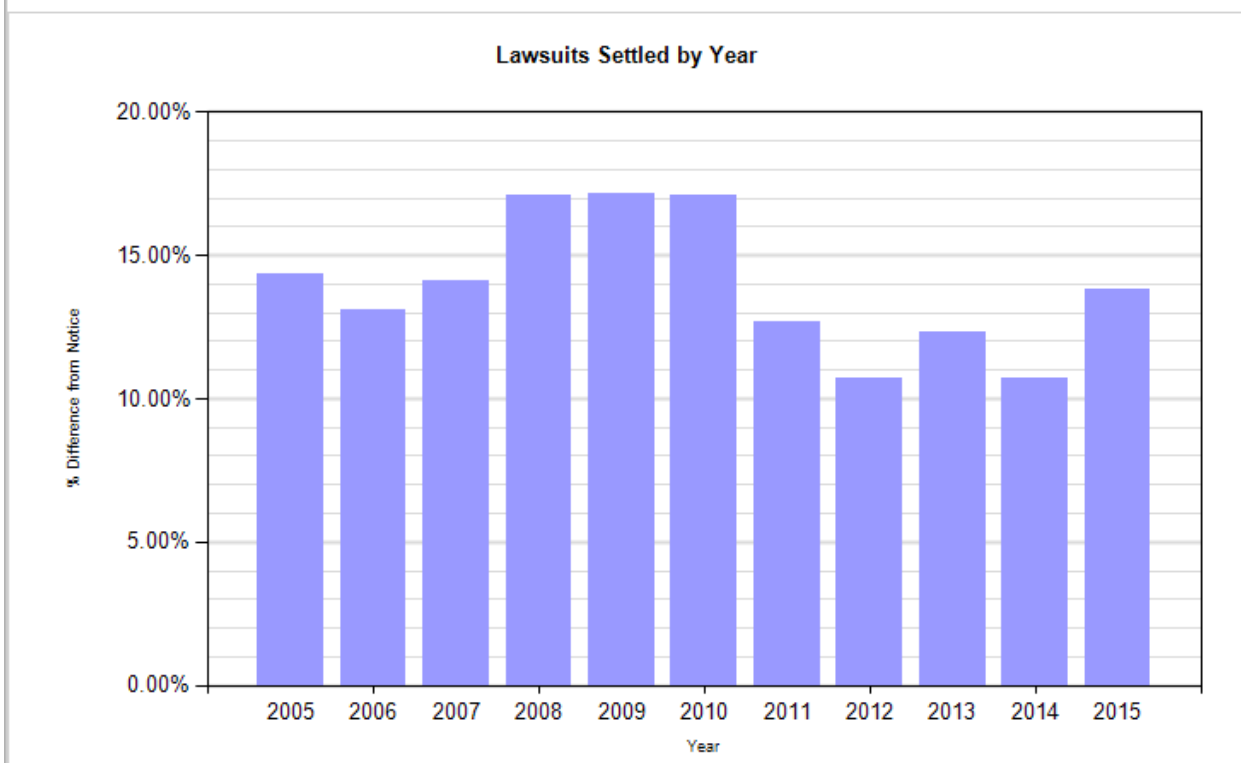


## State District Court Litigation

A property owner, be it a person or business organization, who is dissatisfied with the result of an administrative protest hearing may appeal the appraisal review board decision by filing suit in state district court. The volume of such litigation for the tax year 2015 and the preceding 10 years is summarized in the diagrams below.

### MAJOR ACTIVITIES DURING 2015 AND FORECAST FOR 2016

Year	Accts Settled	Notice Value	ARB Value	Settlement Value	Difference (from notice)	Percent Difference (from notice)	Percent Difference (from ARB)
2005	1,220	\$2,782,741,273	\$2,639,552,835	\$2,383,667,939	\$399,073,334	14.34%	9.69%
2006	1,481	\$3,872,461,320	\$3,669,072,014	\$3,364,512,537	\$507,948,783	13.12%	8.30%
2007	1,330	\$5,746,598,705	\$5,290,001,881	\$4,934,493,215	\$812,105,490	14.13%	6.72%
2008	1,709	\$7,418,693,585	\$6,799,195,060	\$6,152,675,483	\$1,266,018,102	17.07%	9.51%
2009	2,008	\$7,770,909,334	\$7,294,065,533	\$6,438,660,400	\$1,332,248,934	17.14%	11.73%
2010	1,451	\$7,006,917,433	\$6,513,445,419	\$5,808,416,414	\$1,198,501,019	17.10%	10.82%
2011	1,210	\$5,026,774,167	\$4,875,058,214	\$4,389,822,679	\$636,951,488	12.67%	9.95%
2012	1,319	\$6,509,066,736	\$6,341,049,415	\$5,810,829,393	\$698,237,343	10.73%	8.36%
2013	1,172	\$9,587,510,121	\$9,123,195,393	\$8,406,618,804	\$1,180,891,317	12.32%	7.85%
2014	822	\$7,864,235,007	\$7,555,663,533	\$7,023,968,215	\$840,266,792	10.68%	7.04%
2015	264	\$3,590,524,569	\$3,380,747,180	\$3,095,252,667	\$495,271,902	13.79%	8.44%



In 2015, 1,022 lawsuits were filed against the District in state district court for tax year 2015. From tax year 2014, the overall number of lawsuits increased by 44% and the number of litigated accounts increased by 33%. The largest portion of the tax year 2015 litigation included apartments, motels, hotels, vacant land, and office buildings, the same as in the prior year. The 2015 total litigated value increased 53% from 2014.

The District did not sue any property owners in 2015 to challenge the appraisal review board determination. Additionally, over 264 accounts that included numerous residential, business personal property, retail, apartments, offices, vacant land, and shopping/strip center accounts from various years were resolved during the year — which is slightly fewer than the number of accounts that were resolved during the year 2014.

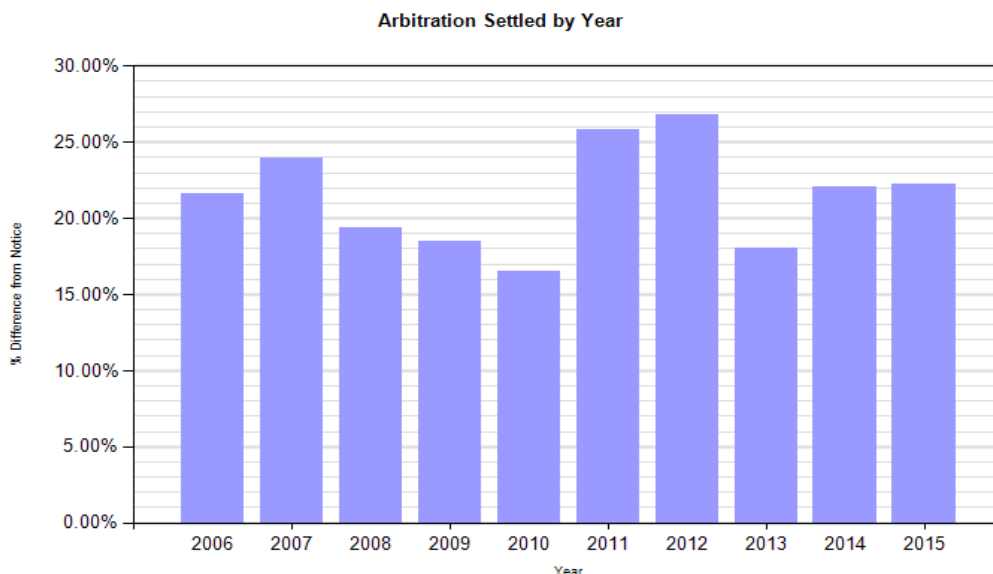
### Binding Arbitration

Binding arbitration allows a property owner, meeting certain criteria, who is dissatisfied with the result of an administrative protest hearing to dispute the market value or appraised value based on equal-and-uniform appraisal of property by requesting binding arbitration through the office of the Texas Comptroller of Public Accounts as an alternative to the traditional state district court appeal.

In 2015, 204 requests for binding arbitration were received by the District. To date, of those 204 requests, 24 were rejected for not meeting jurisdictional requisites, seven were withdrawn by property owner, and 111 were decided by an arbitrator. The average value loss for these 111 requests in 2015 was 15.62%. Also out of the 111 requests decided by an arbitrator, 16 account values remained unchanged. The value differences are exhibited in the chart below.

**Arbitration Settled by Year  
as of: 2/15/2016**

Year	Accts Settled	Notice Value	ARB Value	Settlement Value	Difference (from notice)	Percent Difference (from notice)	Percent Difference (from ARB)
2006	51	\$19,388,980	\$17,841,233	\$15,204,159	\$4,184,821	21.58%	14.78%
2007	42	\$22,852,784	\$19,445,735	\$17,391,883	\$5,460,901	23.90%	10.56%
2008	51	\$20,532,940	\$18,677,080	\$16,562,095	\$3,970,845	19.34%	11.32%
2009	60	\$27,282,730	\$24,954,916	\$22,244,292	\$5,038,438	18.47%	10.86%
2010	49	\$31,753,180	\$29,363,415	\$26,498,848	\$5,254,332	16.55%	9.76%
2011	161	\$30,035,100	\$27,749,310	\$22,279,193	\$7,755,907	25.82%	19.71%
2012	45	\$25,983,290	\$24,076,530	\$19,009,681	\$6,973,609	26.84%	21.04%
2013	116	\$65,676,338	\$63,114,815	\$53,855,061	\$11,821,277	18.00%	14.67%
2014	55	\$33,376,360	\$31,452,620	\$26,027,265	\$7,349,095	22.02%	17.25%
2015	159	\$151,076,745	\$139,219,174	\$117,474,881	\$33,601,864	22.24%	15.62%



### **State Office of Administrative Hearings**

On January 1, 2010, the option for certain property owners to appeal an Appraisal Review Board order to the State Office of Administrative Hearings (SOAH) for a hearing before an Administrative Law Judge (ALJ) became available. This option allows a property owner that disputed either market or appraised value, which is more than \$1,000,000, to appeal the board order to SOAH.

Originally, this option was limited to a pilot program that has been implemented for three years in only Bexar, Cameron, El Paso, Harris, Tarrant, and Travis counties. The 82nd Legislature passed HB2203 which immediately expanded the program to include Collin, Denton, Fort Bend, Montgomery and Nueces Counties and added a fourth year to the program.

In 2015, **no** notices of appeal to SOAH were received by the District.

The District anticipates the following levels of 2016 litigation, binding arbitration, and SOAH:

- Total number of lawsuits filed with state district court will likely increase due to higher protest activity as a result of the current economic forecasts;
- Total litigated value will likely increase somewhat due to overall market value conditions as a result of the current economic forecasts;
- Total number of litigated accounts will likely increase somewhat;
- Requests for binding arbitration may increase slightly; and
- There will be no SOAH appeals in 2016.

### **Other Information**

The District's employees were subject to the provisions of the Property Taxation Professional Certification Act. The purpose of this act was to assure the people of Texas that the responsibility of assessing property for taxation is entrusted only to those persons duly registered and competent and that it be practiced and regulated as a learned profession. In 2009, the State Legislature enacted some changes by abolishing the Texas Board of Tax Professional Examiners (BTPE) and transferring its duties to the Texas Department of Licensing and Regulation (TDLR). The TDLR is now responsible for establishing standards of professional practice, conduct, education, registration, certification, and ethics for appraisers, assessors, and collectors. Although the TDLR is responsible for establishing standards, the task of developing courses of instruction and training programs remains with public agencies, educational institutions, or private organizations.

Appraisers have a maximum of five years to complete a specific curriculum to qualify for exams administered by the Property Tax Assistance Division (PTAD) of the Comptroller of Public Accounts. PTAD approves all curricula and materials for use in training and educating appraisers for property tax professional education courses. The designation of Registered Professional Appraiser (RPA) is conferred on those successfully completing the course of instruction. Not less than 30 hours of continuing education is required for recertification every two years.

The District's website makes a broad range of information available for public access, including detailed information of the appraisal process, protest and appeal procedures, a tax calendar, and various forms such as exemption applications and business personal property renditions. Users can gain access to real and personal property appraisal records by account number, address, owner's name, and several other search criteria. The site also serves property maps generated from the district's geographical information system (GIS). Notices of bids and proposals, employment opportunities, and a link to the Public Surplus auction website can also be found. The District's server may be reached on the World Wide Web at [www.bcad.org](http://www.bcad.org).

### **Acknowledgements**

The preparation of the Comprehensive Annual Financial Report involves the entire Executive Team staff and their assistants. Managing departmental budgets of the District involved seven managers with primary budget responsibility, which includes managers from each functional department and the Deputy Chief.

We are grateful for their stewardship in making this system work smoothly and efficiently. Finally, we wish to thank our independent auditor, Weaver and Tidwell, L.L.P., whose professional competence and leadership has assisted us in developing this award-class report. The District has participated in and has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the past eleven years.

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Michael A. Amezcuita  
Chief Appraiser

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Randy Hutchison  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Bexar Appraisal District**  
**Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

# APPRAISAL PROCESS

## RECORDS MAINTENANCE

Maintain the accuracy of the inventory of accounts to be valued including: REAL PROPERTY: 1) Updating of ownership based on deed transactions. 2) Updating of legal descriptions as a result of splits or combinations of property. 3) Maintain the proper jurisdiction linkage on each account. PERSONAL PROPERTY: 1) Updating ownership. 2) Add and delete accounts based on January 1 value.

## DATA COLLECTION

REAL PROPERTY: 1) List the property characteristics associated with all new improvements each year. 2) Periodically review and update existing property characteristics. PERSONAL PROPERTY: 1) Determine proper Standard Industrial Codes. 2) Determine all property characteristics such as quality and quantity of inventory.

## DATA ENTRY

After data collection enter all property characteristics to the appropriate computer files.

## MARKET ANALYSIS

Collect and analyze all market information such as 1) sales of residential, commercial, and land accounts; 2) current occupancy and rental rates associated with commercial properties; and 3) current construction costs associated with residential and commercial properties. Update cost schedules, market and income models associated with the mass valuation of all real and personal property.

## VALUE ALL REAL AND PERSONAL PROPERTY

Determine values for all properties using individual property characteristics and schedules and models tailored to specific types of property in defined neighborhoods. Each improved property type will have two values produced: Residential – Cost and Market; Commercial – Cost and Income; Personal Property – Model Driven and Calculated Rendered.

## REVIEW AND SELECT FINAL VALUES

Review all computer-generated values using automated and manual techniques, and select final, most appropriate value for each property.

**REVIEW REQUESTS FOR SPECIAL VALUATION AND DETERMINE VALUES**

**PROCESS EXEMPTION APPLICATIONS AND APPLICATIONS FOR DEFERRAL AND TAX ABATEMENTS**

**NOTIFY PROPERTY OWNERS**  
By May 15<sup>th</sup>, or as soon thereafter as practicable

**PROCESS HEARINGS ASSOCIATED WITH PROPERTY OWNER PROTESTS – MAY-AUGUST**

**PRODUCE AND DELIVER CERTIFIED ROLLS TO TAXING UNITS** – By July 20<sup>th</sup> or when 95% of the total appraisal roll value is ready to be certified

**PROCESS CORRECTIONS TO CERTIFIED ACCOUNTS AND ADDITION OF NEW ACCOUNTS**

1) Late protests 2) Clerical errors 3) Substantial errors 4) Litigation

**PERIODICALLY PRODUCE CORRECTION AND SUPPLEMENTAL ROLLS FOR EACH TAX YEAR**

DISTRICT OFFICIALS

Bexar Appraisal District  
Board of Directors  
2015

JAMES MARTIN  
Chairman

KEITH HUGHEY  
Vice-Chairman

CHERI BYROM  
Secretary

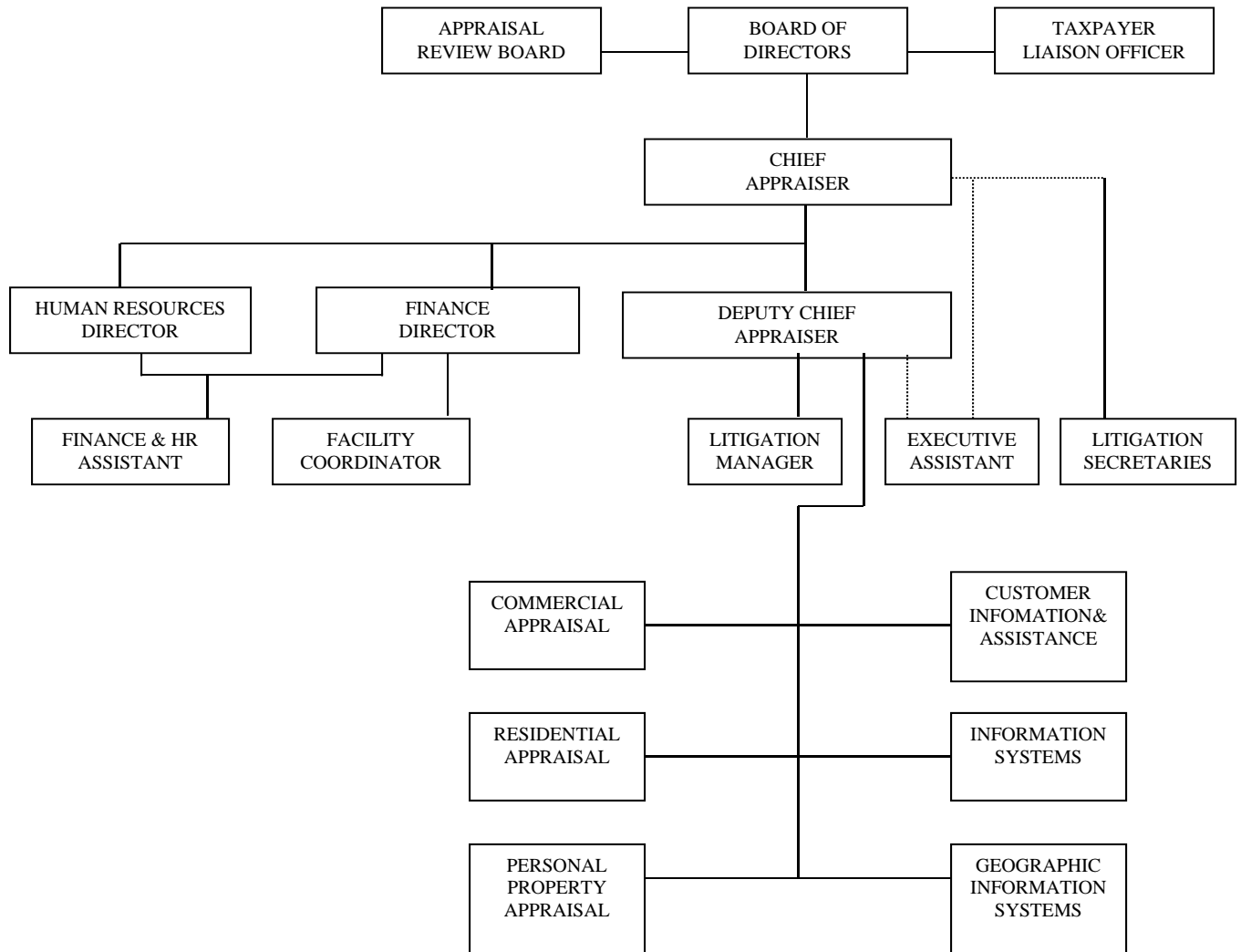
SERGIO RODRIGUEZ  
Commissioner, PCT 1

ROBERTO TREVIÑO  
Member

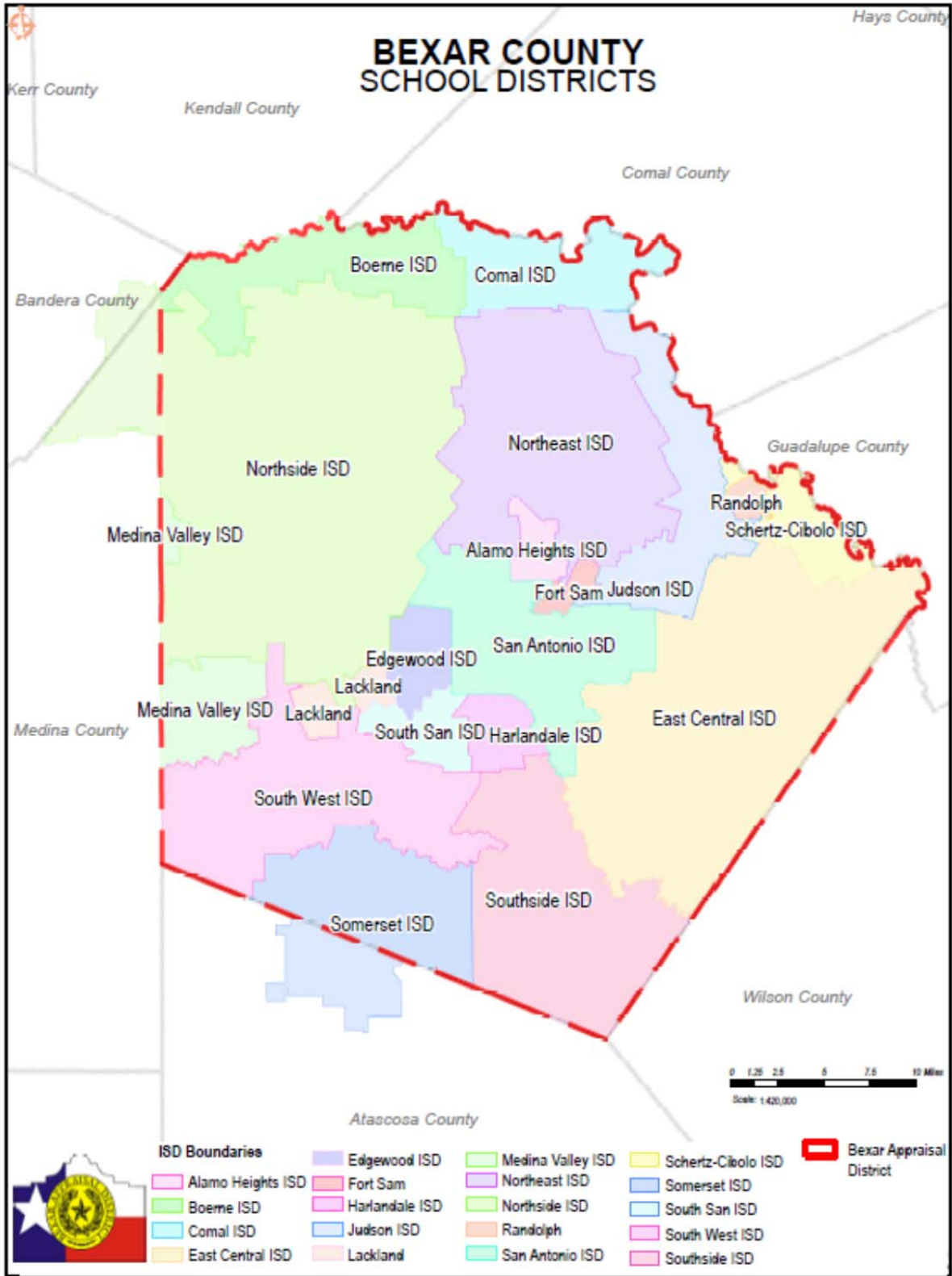
ALBERT URESTI  
Tax Assessor-Collector

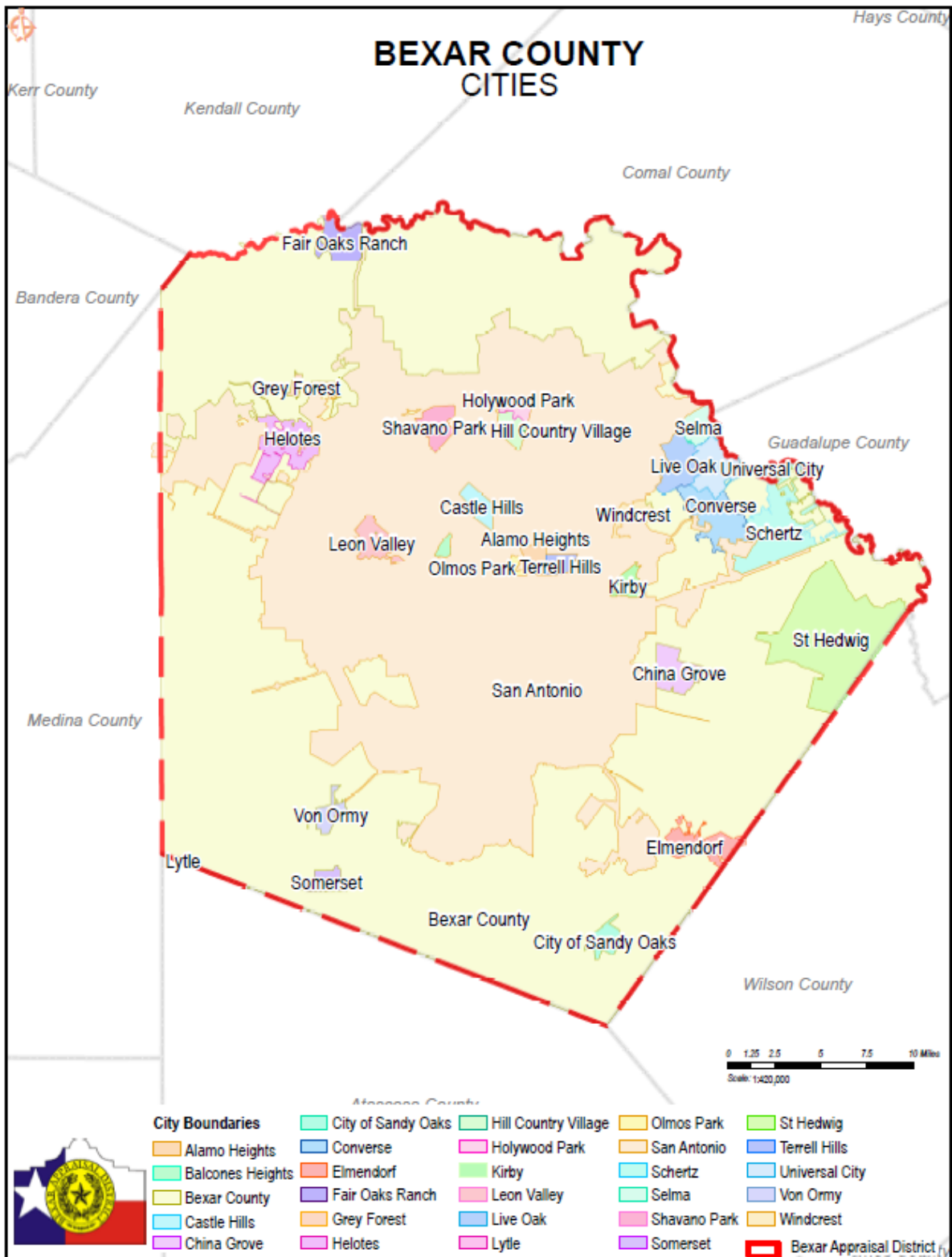
MICHAEL A. AMEZQUITA  
Chief Appraiser

# BEXAR APPRAISAL DISTRICT ORGANIZATIONAL CHART 2015



<u>Total Positions</u>	
Executive Services	12
Commercial	21
Residential	52
Personal Property	17
Information Systems	10
Customer Info & Assistance	27
Geographic Info Systems	14
Total	153





## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Bexar Appraisal District

We have audited the accompanying financial statements of the governmental activities, the major fund, and aggregate remaining fund information of Bexar Appraisal District, Texas (the District) as of and for the year ended December 31, 2015, 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**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and aggregate remaining fund information of the Bexar Appraisal District, Texas as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 5 to the financial statements, in 2015 Bexar Appraisal District adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

To the Board of Directors  
Bexar Appraisal District

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–9, schedule of change in net pension liability and related ratios, the schedule of employer pension contributions and notes to required supplementary information on pages 38-40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, statement of changes in net assets and liabilities – agency fund, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement of changes in net assets and liabilities – agency fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of changes in assets and liabilities – agency fund is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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

WEAVER AND TIDWELL, L.L.P.

San Antonio, Texas  
June 8, 2016

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Bexar Appraisal District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the Introductory Section of this report.

**FINANCIAL HIGHLIGHTS**

- The assets of the District exceeded its liabilities at the close of the 2015 year by \$8,550,581 (*net position*) (\$8,161,493 in 2014). Of this amount, \$4,809,343 reflects unrestricted net position.
- The change in net position from operations from 2014 to 2015 was a positive \$870,866 (positive \$1,018,990 in 2014). The increase is attributable to an increase in charges for services in 2015 over 2014, and excludes the restatement related to the implementation of GASB Statement No. 68.
- As of the close of the 2015 year, the District's governmental fund (General Fund) reported a combined ending fund balance of \$2,782,995 (\$2,571,255 in 2014), an increase in comparison with the prior year.
- The District issued no debt in year 2015. Outstanding long-term liabilities, at the end of year 2015 is \$979,465 (\$969,161 in 2014), comprised only of compensated absences.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required supplementary information and statistical 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, using accounting methods similar to a private-sector business. These statements include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when the cash is received or paid. The *statement of net position* presents information on all District assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

The *statement of activities* presents information showing how the District's net position changed during the most recent 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., earned but unused vacation leave).

The government-wide financial statements should distinguish functions of the District principally supported by the District's taxing units and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). All the District's activities are governmental. The District is the *primary government* and has no component units.

### **Fund Financial Statements**

Traditional users of government financial statements will find the fund financial statement presentation more familiar. Fund financial statements provide more information about the governmental entity's most significant funds – not the entity as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**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 funds 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, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The District maintains one governmental fund, its General Fund. This fund is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance.

The District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided as required supplementary information (RSI) for the General Fund to demonstrate compliance with this budget.

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

***Fiduciary Fund*** – Fiduciary funds are used to account for assets held in a trust or agency capacity for others and, therefore, cannot be used to support the government's own programs. The District maintains one agency fund that falls into this category. An agency fund is used to report resources held by the District in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of resources to individuals, private organizations, or other governments.

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain RSI concerning the District's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the District's case, assets and deferred outflows of resources exceeded liabilities by \$8,550,581 at December 31, 2015 (\$8,161,493 in 2014).

The District's capital assets represent investments in land, building and improvements, furniture, office equipment, computers, and peripherals. Approximately 33% of the total assets are capital assets. The District uses these capital assets to provide services to the taxing units and the citizens and property owners of Bexar County; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**Net Position Information**

	<u>Governmental Activities</u>		<u>Percentage Change</u>
	<u>2015</u>	<u>2014</u>	
<b>Assets</b>			
Cash and cash equivalents	\$ 4,898,283	\$ 5,491,138	-10.80%
Other current assets	2,139,696	1,281,548	66.96%
Property and equipment – net	3,741,238	3,966,101	-5.67%
Net pension asset	681,929	2,593,298	-73.70%
<b>Total assets</b>	<u>11,461,146</u>	<u>13,332,085</u>	-14.03%
<b>Deferred Outflows of Resources</b>			
Deferred outflow related to pension	<u>2,323,884</u>	<u>-</u>	
<b>Total assets and deferred outflows of resources</b>	<u>\$ 13,785,030</u>	<u>\$ 13,332,085</u>	
<b>Liabilities</b>			
Current	\$ 4,254,984	\$ 4,201,431	1.27%
Noncurrent	979,465	969,161	1.06%
<b>Total liabilities</b>	<u>5,234,449</u>	<u>5,170,592</u>	1.24%
<b>Net Position</b>			
Net investment in capital assets	3,741,238	3,966,101	-5.67%
Unrestricted net position	4,809,343	4,195,392	14.63%
<b>Total net position</b>	<u>8,550,581</u>	<u>8,161,493</u>	4.77%
<b>Total liabilities and net position</b>	<u>\$ 13,785,030</u>	<u>\$ 13,332,085</u>	3.40%

At December 31, 2015, the District had \$8,550,581 in total net position (\$8,161,493 in 2014). Of this amount, \$4,809,343 represents unrestricted net position (\$4,195,392 in 2014).

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**Information About Changes in Net Position**

	<u>Governmental Activities</u>		<u>Percentage Change</u>
	<u>2015</u>	<u>2014</u>	
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 15,833,414	\$ 14,976,432	5.72%
General revenues			
Investment income	12,124	12,992	-6.68%
Miscellaneous income	70,313	90,563	-22.36%
<b>Total revenues</b>	<u>15,915,851</u>	<u>15,079,987</u>	5.54%
<b>Expenses</b>			
Appraisal support	6,313,528	5,537,378	14.02%
Information systems	1,766,704	1,616,490	9.29%
Appraisal services	6,351,154	6,260,240	1.45%
Total amount returned to taxing authorities	613,599	646,889	-5.15%
<b>Total expenses</b>	<u>15,044,985</u>	<u>14,060,997</u>	
<b>Change in net position</b>	870,866	1,018,990	-14.54%
<b>Net position at beginning of year</b>	8,161,493	7,142,503	14.27%
<b>Prior period adjustment</b>	<u>(481,778)</u>	<u>-</u>	
<b>Net position at end of year</b>	<u>\$ 8,550,581</u>	<u>\$ 8,161,493</u>	4.77%

The change in net position from 2014 to 2015 was a positive \$870,866. The increase is attributable to an increase in charges for services in 2015 over 2014.

**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** – The focus of the 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 requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At December 31, 2015, the General Fund reported a fund balance of \$2,782,995, which represents an increase of \$211,740 from 2014. Of this balance, \$1,203,085 represents unassigned fund balances available for the general use of the District. This unassigned fund balance includes a minimum fund balance of one month of expenditures. The remaining fund balance is classified as nonspendable or assigned for items such as digital orthophotography, retirement funding, maintenance, capital asset replacement, litigation expense, and surplus to be returned to tax units. During 2015, \$613,599 was refunded to the taxing units versus \$646,889 in 2014.

**General Fund Budgetary Highlights**

An annual budget is legally adopted for the General Fund only and was not amended in 2015. Expenditures were under budget by \$780,128. Tax unit funding, representing 99% of the District's revenues, does not fluctuate.

**Capital Assets**

At the end of 2015, the District's investment in capital assets for its governmental activities was \$3,741,238 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, furniture, office equipment, computers, and peripherals. For more detail on capital assets, refer to Note 3 on page 28 in the financial statements.



**BEXAR APPRAISAL DISTRICT  
SAN ANTONIO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**Change in Capital Assets – Governmental Activities**

	<b>Balance at December 31, 2014</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at December 31, 2015</b>
Land	\$ 2,249,539	\$ -	\$ -	\$ 2,249,539
Building and improvements	3,500,002	-	-	3,500,002
Furniture and equipment	4,218,211	235,222	(970,734)	3,482,699
Accumulated depreciation	(6,001,651)	(460,025)	970,674	(5,491,002)
	<u>\$ 3,966,101</u>	<u>\$ (224,803)</u>	<u>\$ (60)</u>	<u>\$ 3,741,238</u>

**LONG-TERM DEBT**

At the end of 2015, the District had total accrued sick and vacation leave payable of \$979,465. The District had no long-term debt outstanding in 2015. For more detail on long-term debt, refer to Note 3 on page 29 in the financial statements.

**ECONOMIC FACTORS**

The District's Board of Directors approved a \$16,058,740 budget for the 2016 year. This is a 1.17% increase from 2015. Additional information about the economic condition and outlook can be found in the Transmittal Letter at the beginning of this report.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning this report or requests for additional financial information should be directed to Randy Hutchison, Finance Director, 411 North Frio, P.O. Box 830248, San Antonio, Texas 78283-0248. For information about services, property values, appraisal process, exemptions, and other appraisal information, visit the District's web site at <http://www.bcad.org>.

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## **BASIC FINANCIAL STATEMENTS**

**BEXAR APPRAISAL DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,898,283
Receivables	2,023,244
Prepaid items	116,452
Land	2,249,539
Building and improvements, net	772,919
Furniture and equipment, net	718,780
Net pension asset	681,929
<b>Total assets</b>	11,461,146
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflow related to pension	2,323,884
 <b>LIABILITIES</b>	
Accounts payable	250,301
Unearned revenue	4,004,683
Long-term liabilities	
Compensated absences, due within one year	654,000
Compensated absences, due in more than one year	325,465
<b>Total liabilities</b>	5,234,449
 <b>NET POSITION</b>	
Investment in capital assets	3,741,238
Unrestricted net position	4,809,343
 <b>TOTAL NET POSITION</b>	 \$ 8,550,581

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

**BEXAR APPRAISAL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>	<b>Net (Expense) Revenue and Changes in Net Assets</b>
		<b>Charges for Services</b>	<b>Governmental Activities</b>
<b>PRIMARY GOVERNMENTAL ACTIVITIES</b>			
Appraisal services	\$ 15,044,985	\$ 15,833,414	\$ 788,429
<b>TOTAL PRIMARY GOVERNMENTAL ACTIVITIES</b>	<b>\$ 15,044,985</b>	<b>\$ 15,833,414</b>	<b>788,429</b>
<b>GENERAL REVENUES</b>			
Investment income			12,124
Miscellaneous income			70,313
<b>Total general revenues</b>			<b>82,437</b>
<b>CHANGE IN NET POSITION</b>			<b>870,866</b>
<b>NET POSITION AT BEGINNING OF YEAR (as restated)</b>			<b>7,679,715</b>
<b>NET POSITION AT END OF YEAR</b>			<b>\$ 8,550,581</b>

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

**BEXAR APPRAISAL DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS – GENERAL FUND  
DECEMBER 31, 2015**

	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,898,283
Receivables	2,023,244
Prepaid items	116,452
<b>TOTAL ASSETS</b>	<b>\$ 7,037,979</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 250,301
Unearned revenue	4,004,683
<b>Total liabilities</b>	4,254,984
<b>FUND BALANCE</b>	
Nonspendable	116,452
Assigned	
Retirement funding	135,000
Capital assets	162,645
Building maintenance	2,097
Digital orthophotography	100,000
Litigation expenses	100,000
Surplus to be returned to tax units	963,716
Unassigned	1,203,085
<b>Total fund balance</b>	<b>2,782,995</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 7,037,979</b>

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

**BEXAR APPRAISAL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

Total fund balance – governmental funds balance sheet	\$	2,782,995
Adjustments for the statement of net position		
Capital assets are not reported in the fund financial statements		9,232,240
Accumulated depreciation on capital assets is not reported in the fund financial statements		(5,491,002)
Net pension asset is not recorded in the fund financial statements		681,929
Deferred outflow related to pension is not recorded in the fund financial statements		2,323,884
Compensated absences not recorded as liabilities in the fund financial statements		<u>(979,465)</u>
Net position of governmental activities – statement of net position	\$	<u>8,550,581</u>

**BEXAR APPRAISAL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE – GOVERNMENTAL FUNDS – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2015**

	<b>General Fund</b>
<b>REVENUES</b>	
Levies from tax units	\$ 15,833,414
Investment income	12,124
Miscellaneous income	70,372
<b>Total revenues</b>	15,915,910
<b>EXPENDITURES</b>	
Current	
Appraisal support	6,431,838
Information systems	1,858,349
Appraisal services	6,565,163
Capital outlay	235,221
<b>Total expenditures</b>	15,090,571
<b>AMOUNT REFUNDED TO TAXING AUTHORITIES</b>	
Appraisal services	613,599
<b>NET CHANGE IN FUND BALANCE</b>	211,740
<b>FUND BALANCE, beginning of year</b>	2,571,255
<b>FUND BALANCE, end of year</b>	\$ 2,782,995

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



**BEXAR APPRAISAL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE –GOVERNMENTAL FUNDS –  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015**

Net change in fund balance – governmental funds	\$	211,740
Adjustments for the statement of activities		
Capital outlays are not reported as expense in the statement of activities		235,221
The depreciation of capital assets used in governmental activities is not reported in the funds		(460,025)
Loss on disposal of capital assets is not reported in the governmental funds		(59)
Change in net pension asset and related accounts is not recorded on the governmental funds		894,293
Change in compensated absences is not recorded on the governmental funds		<u>(10,304)</u>
Change in net position of governmental activities – statement of activities	\$	<u>870,866</u>

**BEXAR APPRAISAL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION – AGENCY FUND  
DECEMBER 31, 2015**

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 1,159</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,159</u></u>
<b>LIABILITIES</b>	
Due to employees	<u>\$ 1,159</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,159</u></u>

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

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**District Formation and Reporting Entity**

Bexar Appraisal District, Texas (the District) was created upon the enactment of the Texas Property Tax Code by the 66th Texas State Legislature in 1979. The District's first year of full operations was 1981. The District was created to provide various taxing jurisdictions with appraisals of property subject to ad valorem taxation in Bexar County, Texas. The District's Board of Directors (the Board) is appointed by the taxing jurisdictions within its boundaries.

As required by accounting principles generally accepted in the United States of America, these financial statements present the results of the District and do not include any component units for which the District is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations and, therefore, data from these units would be combined with data of the government.

The District did not have any entities which meet the component unit criteria. Therefore, the reporting entity is limited to those departments that comprise the District's legally adopted jurisdiction.

**Government-Wide and Fund Accounting**

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

The government-wide financial statements report information on all nonfiduciary activities of the primary government.

The statement of net position is presented using a full accrual, economic resource basis designed to display the financial position of the primary government, governmental and business-type activities, and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide statement of net position and report related depreciation expense, the cost of "using up" capital assets, in the statement of activities, as well as long-term liabilities. The net position of a government is divided into three categories: (1) Net investment in capital assets, (2) restricted, and (3) unrestricted.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Government-Wide and Fund Accounting – Continued**

The government-wide statement of activities reflects both the gross and net cost per functional category, which is otherwise being supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function. The District does not allocate indirect expenses.

The District generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The District may defer the use of restricted assets based on a review of the specific transaction.

The Governmental Funds major fund statement in the fund financial statements is presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the Governmental Funds statements are presented on a different measurement focus and basis of accounting than the government-wide statement's governmental column, reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statements with the governmental column of the government-wide presentation.

The focus of the revised reporting model is on the District as a whole and the fund financial statements, including the major individual fund of the governmental category.

In the fund financial statements, the accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

- **Governmental Funds:** Governmental funds are those funds through which most governmental functions are typically financed. The District presents one governmental fund:
- **General Fund:** The General Fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include levies from tax units and charges for services. Expenditures include appraisal support, information systems (IS), appraisal services, capital expenditures, building debt service, and equipment debt service.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Government-Wide and Fund Accounting – Continued**

- **Fiduciary Funds:** Fiduciary funds are those funds that report assets held in an agency capacity for others and, therefore, cannot be used to support the government's own programs. The District presents one fiduciary fund:
- **Agency Fund:** The Agency Fund is used to report assets held in a purely custodial capacity (assets equal liabilities). The District's Agency Fund reports assets held for the benefit of its employees.

**Basis of Accounting**

The government-wide reporting model includes financial statements prepared using full accrual accounting for all the government's activities. This approach includes not just current assets and liabilities, but also capital assets and long-term liabilities, such as building and infrastructure and general obligation debt. Accrual accounting reports all the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter, as in the case with the modified accrual basis of accounting.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) as changes in fund balance.

The District utilizes the modified accrual basis of accounting in the governmental fund types. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due, and compensated absences, which are recognized when the liability is matured.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Budgetary Comparison Schedules**

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many governments revise their original budget throughout the year for a variety of reasons. Governments will provide budgetary comparison information in their annual reports, including the government's original budget to the current comparison of the final budget and actual results.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

*Cash and Cash Equivalents*

The Districts considers all deposits and investments with an original maturity of three months or less to be cash and cash equivalents.

*Deposits and Investments*

For District investments, both the statutes of the state of Texas and policies mandated by the District's Board, where more restrictive, authorize the District to invest only in certificates of deposit (CDs) or mutual funds issued by federally insured banks or savings and loan associations in Bexar County, Texas.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized cost.

*Accounts Receivables and Revenue Recognition*

The District's primary revenue source is from assessments to taxing jurisdictions for services provided by the District. Assessments are imposed annually based on the amount approved by the Board in the annual budget. As required by law, the assessment is allocated in four equal payments due on the last day of each quarter, with the first quarterly payment due before January 1 of the year in which the budget takes effect.

Such assessments become delinquent if unpaid on the due date. Assessments applicable to the District's subsequent year are recorded as unearned revenue.

The taxing units participating in the appraisal district fund the District. The annual allocation to the taxing units is based upon the proportion of each taxing unit's property tax levy bears to the sum of the tax levies of all participating taxing units. Taxing units pay their share quarterly with the first quarter due by December 31 of the year before the budget takes effect. The taxing units paid approximately 100% of their property tax levy assessments for appraisal district services in 2015.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance – Continued**

*Allowance for Doubtful Accounts*

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes the uncollectability of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management, is based on historical experience, and specifically identified questionable receivables. The evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available. As of December 31, 2015, there was no allowance for doubtful accounts, as all are considered collectible.

*Unearned Revenue*

Unearned revenue of \$4,004,683 at December 31, 2015 represents first quarter calendar year 2015 levies billed to the taxing units during December 2015 for budgeted 2016 expenditures. Of this amount, \$2,006,548 was received prior to year-end and is included in cash and cash equivalents. The remaining \$1,998,135 is recorded as a receivable at December 31, 2015.

*Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

*Capital Assets*

Capital assets, which include equipment, improvements, and vehicles, are reported in the governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$100 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend assets lives, are not capitalized.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance – Continued**

*Capital Assets – Continued*

The District provides for depreciation on assets using the straight-line method in order to amortize costs of assets over their estimated useful lives. The following estimated useful lives are used in providing for depreciation:

Asset Class	Estimated Useful Lives
Building and improvements	20 - 50 years
Furniture and fixtures	4 - 10 years

*Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has no items qualifying for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has no items qualifying for reporting in this category.

*Compensated Absences*

All regular employees are granted sick and vacation leave benefits in varying amounts. A maximum of 45 days of annual vacation leave may be accrued, and all leave balances exceeding 45 days will be reduced to 45 days as of January 1 of each year. Employees are not expected to use their 12 days of annual accumulation of sick time each year; unused sick time can be carried over up to a maximum of 60 days. All vested accumulated vacation and sick leave are accrued when incurred in the government-wide financial statements.



**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net position/Fund Balance – Continued**

*Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Long-term debt consists primarily of note payable and compensated absences. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, and the payment of principal and interest is reported as expenditures. However, claims, judgments, and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

*Net Position*

Net position represents the residual of assets and deferred outflows of resources less liabilities and deferred inflows of resources.

In the government-wide financial statements, net position is classified in the following categories:

- Net Investment in Capital Assets: This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt attributable to the acquisition, construction, or improvement of these assets reduce this category.
- Restricted Net Position: This category presents external restrictions imposed by creditors, grantors, contributors, laws, or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation. Currently, the District has restricted net position related to its net pension asset.
- Unrestricted Net Position: This category represents the net position of the District, which is not restricted for any project or any other purpose.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net position/Fund Balance – Continued**

*Fund Balance*

The District has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the Governmental Funds. The classifications are as follows:

- Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form. The “not in spendable form” criteria includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.
- Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants) grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation. Legal enforceability means the District can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.
- Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. The committed fund balance also incorporates contractual obligations to the extent that exiting resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net position/Fund Balance – Continued**

*Fund Balance – Continued*

- Assigned – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board, a District official delegated that authority by the Board, or resolution. The Board has by resolution authorized the Chief Appraiser and the Chief Financial Officer to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

In order to maintain a margin of safety in the General Fund balance in anticipation of economic downturns or natural disasters, the Board has adopted a policy requiring a minimum fund balance of one month of expenditures, which represents approximately \$1,245,000. This amount is included in fund balance – unassigned in the accompanying Balance Sheet – Governmental Funds – General Fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers amounts to have been spent first out of restricted fund balances, followed by committed fund balances, then assigned fund balances, and finally unassigned fund balances, as needed, unless the Board, or its delegated official, has provided otherwise in its commitment or assignment actions.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

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

- Prior to June 15, the Board and taxing units are presented with a proposed budget for the 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.
- Public hearings are conducted to obtain citizens' comments.
- The budget must be approved by September 15. The budget for the year ended December 31, 2015 was legally enacted on August 25, 2014.

The budget is considered a management control and planning tool and, as such, is incorporated into the accounting system of the District. An annual budget is legally adopted for the General Fund only.

The Chief Appraiser is authorized to transfer budgeted amounts between divisions or line items (legal level of budgetary control), for example, a budget transfer from the salaries and wages account in the IS Department to the contract labor account in the Personal Property Department.

The budget should not be exceeded in major functional expenditure category.

The following items exceeded budget:

- Office building maintenance expenses were over budget primarily due to major repairs/renovation done to existing facilities.
- Capital expenses were over budget due primarily to the purchase of new servers.

All items were approved by the Board prior to the expenditure.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DETAILED NOTES ON ALL FUNDS**

**Cash and Cash Equivalents**

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits, with the District's agent bank for safekeeping and trust, approved pledged securities in the amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Bank balances at December 31, 2015 are collateralized in accordance with Texas state law as follows:

	Collateralized Amount	Carrying Amount	Bank Balance
Deposits insured by FDIC	\$ 250,000	\$ 250,000	\$ 250,000
Deposits collateralized by securities held by the pledging bank's agent in the District's name	7,033,841	4,648,283	5,009,631
	\$7,283,841	\$ 4,898,283	\$ 5,259,631

**Investments**

The District is required by Government Code Chapter 2256, The Public Funds Investment Act (the Act), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for CDs.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, the state of Texas; (2) CDs; (3) certain municipal securities; (4) money market savings accounts; (5) repurchase agreements; (6) bankers acceptances; (7) mutual funds; (8) investment pools; (9) guaranteed investment contracts; and (10) common trust funds.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DETAILED NOTES ON ALL FUNDS – CONTINUED**

**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 in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities in the possession of another party. The Act and the District’s investment policy contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Texas Government Code requires a financial institution secure deposits made by the District by pledging securities held by a third party. The market value of the pledged securities in the collateral pool must equal at least 100% of the total amount deposited and earned interest by the public agencies. Texas law also allows financial institutions to secure deposits by a bond.

**Capital Assets**

A summary of changes in capital assets for governmental activities is as follows:

	Beginning Balances	Additions	Deletions	Ending Balances
Governmental activities				
Capital assets not being depreciated				
– land	\$ 2,249,539	\$ -	\$ -	\$ 2,249,539
Total capital assets not being depreciated	2,249,539	-	-	2,249,539
Capital assets being depreciated				
Building and improvements	3,500,002	-	-	3,500,002
Furniture and equipment	4,218,211	235,221	970,733	3,482,699
Total capital assets being depreciated	7,718,213	235,221	970,733	6,982,701
Less accumulated depreciation for				
Building and improvements	2,552,083	175,000	-	2,727,083
Furniture and equipment	3,449,568	285,025	970,674	2,763,919
Total accumulated depreciation	6,001,651	460,025	970,674	5,491,002
Total capital assets being depreciated – net	1,716,562	(224,804)	59	1,491,699
Governmental activities capital assets – net	<u>\$ 3,966,101</u>	<u>\$ (224,804)</u>	<u>\$ 59</u>	<u>\$ 3,741,238</u>

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DETAILED NOTES ON ALL FUNDS – CONTINUED**

**Capital Assets – Continued**

Depreciation expense was charged to functions/programs of the primary government as follows:

Appraisal support	\$ 128,374
Appraisal services	232,211
Information systems	<u>99,440</u>
Total depreciation expense – governmental activities	<u><u>\$ 460,025</u></u>

**Long-Term Debt**

During the year ended December 31, 2014, the following changes occurred in liabilities reported in governmental activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Compensated absences	\$ 969,161	\$ 559,559	\$ 549,255	\$ 979,465	\$ 654,000
	<u>\$ 969,161</u>	<u>\$ 559,559</u>	<u>\$ 549,255</u>	<u>\$ 979,465</u>	<u>\$ 654,000</u>

The fund typically used to liquidate long-term liabilities is the General Fund.

**Other Information**

*Risk Management*

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation claims for which the District participates in the Texas Municipal League's General Liability and Workers' Compensation Funds along with approximately 1,900 other entities. Insurance provided by the pool is similar to commercial insurance, and the District has no additional responsibilities as a result of its participation. The Texas Municipal League's Intergovernmental Risk Pool – Workers' Compensation Self-Insurance Fund provides medical and indemnity payments as required by law for on-the-job related injuries. Premiums are paid to the fund based on a percentage of payroll, which is determined by considering such items as employee job descriptions, employer's experience, and the fund's performance.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DETAILED NOTES ON ALL FUNDS – CONTINUED**

**Commitments and Contingencies**

In the normal course of operations, there are various legal actions and proceedings pending against or involving the District. The direct effect on the District's financial statements from unfavorable litigation may consist of plaintiff attorney's fees with certain limitations as defined in the Texas Property Tax Code, Section 42.29. Management does not believe the outcome of these matters will have an adverse effect on the District's financial position.

**Deferred Compensation Plan**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan is administered by the Public Employees Benefit Services Corporation. The plan is available to all employees and permits them to defer up to a maximum of \$17,500. Additional contributions of up to \$5,000 are available for employees over age 50. The deferred compensation is not available to employees until termination, death, disability, or an unforeseeable emergency.

As of January 1, 1999, the deferred compensation plan was amended to establish a trust to hold all assets and income of the plan for the exclusive benefit of participants and their beneficiaries per the provisions of IRC Section 457(g). Accordingly, the assets and income of the trust are no longer considered the property of the District nor subject to the District's general creditors.

**NOTE 4. RETIREMENT PLAN**

The District provides retirement, disability, and death benefits for all its full-time employees through a nontraditional defined benefit plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 506 nontraditional defined benefit pension plans. TCDRS, in the aggregate, issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 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 10 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 the District.



**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. RETIREMENT – CONTINUED**

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 District within the actuarial constraints imposed by the TCDRS Act so the resulting benefits can be expected to be adequately financed by the District’s commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employer’s accumulated contributions and the employer financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

**Contributions.** The District has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the District based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the District is actuarially determined annually. The rate was 15.48% for calendar year 2015 and 2014. The contribution rate payable by the employee members is the rate of 7% as adopted by the governing body of the District. The employee contribution rate and the District contribution rate may be changed by the governing body of the District within the options available in the TCDRS Act.

The contribution rate payable by the employer for calendar years 2014 and 2015 is the rate of 8.48% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act

**Actuarial Assumptions**

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	3.00%
Salary Increase	4.90%
Investment Rate of Return	8.10%
Payroll Growth	1.00%

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. RETIREMENT – CONTINUED**

**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.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. RETIREMENT – CONTINUED**

**Discount Rate – Continued**

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	12.00%	8.35%
Global Equities	MSCI World (net) Index	1.50%	5.65%
International Equities - Developed	50% MSCI World Ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLP)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	3.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFR) Fund of Funds Composite Index	25.00%	5.15%

(1) Target asset allocation adopted at the April 2015 TCDRS Board meeting.

(2) Geometric real rates of return in addition to assumed inflation of 1.7%, per Cliffwater's 2015 capital market assumptions.

(3) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. RETIREMENT – CONTINUED**

**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 2014 Net Pension Liability:

	1% Decrease 7.10%	Current Discount Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$ 70,636,487	\$ 62,599,462	\$ 55,947,138
Fiduciary net position	<u>63,281,391</u>	<u>63,281,391</u>	<u>63,281,391</u>
Net pension liability / (asset)	<u>\$ 7,355,096</u>	<u>\$ (681,929)</u>	<u>\$ (7,334,253)</u>

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

At December 31, 2015, the District reported \$681,929 for the net pension asset and pension expense of \$589,919 related to the December 31, 2014 valuation. The breakdown of the components of pension expense follows:

Pension Expense / (Income)	January 1, 2014 through December 31, 2014
Service cost	\$ 1,140,757
Interest on total pension liability <sup>(1)</sup>	4,695,142
Effect of plan changes	-
Administrative expenses	47,237
Member contributions	(558,514)
Expected investment return net of investment expenses	(4,851,062)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	87,348
Recognition of assumption changes or inputs	-
Recognition of investment gains or losses	172,570
Other <sup>(2)</sup>	<u>(143,559)</u>
Pension expense / (income)	<u>\$ 589,919</u>

(1) Reflects the change in the liability due to the time value of money.

TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. RETIREMENT – CONTINUED**

**Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued**

The Authority reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 349,391
Net difference between projected and actual earnings	-	490,281
Contributions made subsequent to measurement date	-	1,484,212
	<u>\$ -</u>	<u>\$2,323,884</u>

The net amounts of the employer’s balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	
2015	\$ 1,484,212
2016	259,918
2017	259,918
2018	259,918
2019	259,918
Thereafter	-
	<u>\$2,523,884</u>

**NOTE 5. RESTATEMENT**

As a result of the implementation of GASB Statement No. 68, “Accounting and Financial Reporting for Pensions – and Amendment of GASB Statement No. 27 and GASB statement N. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date”, a restatement of beginning net position has been made to record the District’s net pension asset as of December 31, 2014.

**BEXAR APPRAISAL DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. RESTATEMENT – CONTINUED**

The effect of this prior year restatement on net position is as follows:

December 31, 2014 (as previously stated)	\$ 8,161,493
Implementation of GASB 68	<u>(481,778)</u>
December 31, 2014 (as restated)	<u>\$ 7,679,715</u>

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## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board, but not considered a part of the basic financial statements.



**BEXAR APPRAISAL DISTRICT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS  
DISTRICT RETIREMENT SYSTEM  
YEAR ENDED DECEMBER 31, 2015**

Total Pension Liability/(Asset)*	
Service cost	\$ 1,140,757
Interest on total pension liability	4,695,142
Effect of plan changes	-
Effect of assumption changes or inputs	-
Effect of economic/demographic (gains) or losses	436,739
Benefit payments/refunds of contributions	<u>(2,116,050)</u>
Net change in total pension liability	4,156,588
Total pension liability, beginning	<u>58,442,874</u>
Total pension liability, ending (a)	<u><u>\$ 62,599,462</u></u>
Fiduciary Net Position	
Employer contributions	\$ 1,435,115
Member contributions	558,514
Investment income net of investment expenses	3,988,211
Benefit payments/refunds of contributions	(2,116,050)
Administrative expenses	(47,237)
Other	<u>143,558</u>
Net change in fiduciary net position	3,962,111
Fiduciary net position, beginning	<u>59,319,280</u>
Fiduciary net position, ending (b)	<u><u>\$ 63,281,391</u></u>
Net pension liability / (asset), ending <= (a) - (b)	<u><u>\$ (681,929)</u></u>
Fiduciary net position as a % of total pension liability	101.09%
Pensionable covered payroll	\$ 7,978,778
Net pension liability as a % of covered payroll	-8.55%

\* Measurement date: December 31, 2014

Note: Only one year of data is presented in accordance with GASB #68, paragraph 138.

**BEXAR APPRAISAL DISTRICT  
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS  
DISTRICT RETIREMENT SYSTEM  
YEAR ENDED DECEMBER 31, 2015**

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll <sup>(1)</sup>	Actual Contribution as a % of Covered Payroll
2006	\$ 574,564	\$ 630,696	\$ (56,132)	\$ 6,306,962	10.0%
2007	671,258	771,258	(100,000)	6,626,436	11.6%
2008	581,527	796,527	(215,000)	7,031,768	11.3%
2009	762,405	1,437,405	(675,000)	7,670,069	18.7%
2010	1,043,370	1,543,370	(500,000)	7,982,935	19.3%
2011	940,386	1,585,360	(644,974)	7,902,399	20.1%
2012	919,619	1,644,754	(725,135)	7,631,695	21.6%
2013	990,711	1,866,959	(876,248)	7,906,714	23.6%
2014	1,049,209	1,435,115	(385,906)	7,978,778	18.0%
2015	942,519	1,484,212	(541,693)	8,332,737	17.8%

(1) Payroll is calculated based on contributions as reported to TCDRS.

**BEXAR APPRAISAL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**NOTE 1. PENSION LIABILITY/ASSET**

**Change in benefit terms**

There were no changes of benefit terms that affected the measurement of the total pension liability/asset during the measurement period.

**Change in assumptions**

There were no changes in assumptions or other inputs that affected the measurement of the total pension liability during the measurement period

**BEXAR APPRAISAL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND (GAAP BASIS)  
YEAR ENDED DECEMBER 31, 2015**

	<u>Budgeted Amounts</u>		<b>Actual (GAAP Basis)</b>	<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Amended</u>		
<b>REVENUES</b>				
Levies from tax units	\$ 13,872,417	\$ 13,872,417	\$ 15,833,414	\$ 1,960,997
Investment income	12,000	12,000	12,124	124
Miscellaneous income	25,500	25,500	70,372	44,872
<b>Total revenues</b>	13,909,917	13,909,917	15,915,910	2,005,993
<b>EXPENDITURES</b>				
Operating				
Auto allowance	589,000	589,000	574,376	14,624
Forms creation	112,800	112,800	125,502	(12,702)
Office building maintenance	317,500	317,500	235,453	82,047
Office supplies	90,910	90,910	74,899	16,011
Postage	296,000	296,000	295,213	787
Training/tuition	183,000	183,000	72,884	110,116
Other	800,535	800,535	812,418	(11,883)
Capital outlay – furniture and equipment	258,370	258,370	235,221	23,149
Employee related	10,529,274	10,529,274	10,313,883	215,391
Contract services				
Legal	750,000	750,000	699,584	50,416
Accounting and auditing	48,000	48,000	34,846	13,154
Other	192,960	192,960	165,240	27,720
Information systems	217,250	217,250	183,945	33,305
Special projects	955,000	955,000	679,832	275,168
Appraisal Review Board	520,100	520,100	581,126	(61,026)
Other	10,000	10,000	6,149	3,851
<b>Total expenditures</b>	15,870,699	15,870,699	15,090,571	780,128
<b>Total amount returned to taxing authorities</b>	-	-	613,599	(613,599)
<b>NET CHANGE IN FUND BALANCE</b>	(1,960,782)	(1,960,782)	211,740	2,172,522
<b>FUND BALANCE, beginning of year</b>	2,571,255	2,571,255	2,571,255	-
<b>FUND BALANCE, at end of year</b>	<u>\$ 610,473</u>	<u>\$ 610,473</u>	<u>\$ 2,782,995</u>	<u>\$ 2,172,522</u>

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## **SUPPLEMENTARY INFORMATION**

**BEXAR APPRAISAL DISTRICT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUND  
YEAR ENDED DECEMBER 31, 2015**

	<u>Balance at January 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2015</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,668	\$ 6,073	\$ 6,582	\$ 1,159
<b>Total assets</b>	<u>\$ 1,668</u>	<u>\$ 6,073</u>	<u>\$ 6,582</u>	<u>\$ 1,159</u>
<b>LIABILITIES</b>				
Due to employees	\$ 1,668	\$ 6,073	\$ 6,582	\$ 1,159
<b>Total liabilities</b>	<u>\$ 1,668</u>	<u>\$ 6,073</u>	<u>\$ 6,582</u>	<u>\$ 1,159</u>

**STATISTICAL SECTION (UNAUDITED)**



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## STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b>Contents</b>	<b>Page</b>
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<b>Financial Trends</b> .....	43
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These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

<b>Revenue Capacity</b> .....	51
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These schedules contain information to help the reader assess the District's most significant local revenue sources.

<b>Debt Capacity</b> .....	58
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This schedule presents information to help the reader assess the affordability of the District's current levels of outstanding debt.

<b>Demographic and Economic Information</b> .....	59
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

<b>Operating Information</b> .....	63
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These schedules contain data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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

**BEXAR APPRAISAL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR			
	2015 *	2014	2013	2012
Governmental activities:				
Net investment in capital assets	\$ 3,741,238	\$ 3,966,101	\$ 3,493,793	\$ 3,428,811
Unrestricted net position	<u>4,809,343</u>	<u>4,195,392</u>	<u>3,648,750</u>	<u>3,275,549</u>
Total governmental activities net position	<u>\$ 8,550,581</u>	<u>\$ 8,161,493</u>	<u>\$ 7,142,543</u>	<u>\$ 6,704,360</u>

\*Includes restatement for the adoption of GASB Statement No. 68.

FISCAL YEAR					
2011	2010	2009	2008	2007	2006
\$ 3,543,821	\$ 3,408,306	\$ 3,219,351	\$ 2,985,897	\$ 2,940,482	\$ 2,953,748
3,427,610	2,637,046	1,923,073	1,051,167	964,881	296,343
<u>\$ 6,971,431</u>	<u>\$ 6,045,352</u>	<u>\$ 5,142,424</u>	<u>\$ 4,037,064</u>	<u>\$ 3,905,363</u>	<u>\$ 3,250,091</u>

**BEXAR APPRAISAL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR			
	2015	2014	2013	2012
<b>EXPENSES</b>				
Governmental activities				
Appraisal services	\$ 15,044,985	\$ 14,060,997	\$ 14,176,689	\$ 14,165,151
Total expenses	15,044,985	14,060,997	14,176,689	14,165,151
<b>PROGRAM REVENUES</b>				
Governmental activities				
Charges for services				
Assessments	15,833,414	14,976,432	14,541,474	13,826,586
Total program revenues	15,833,414	14,976,432	14,541,474	13,826,586
<b>NET REVENUE</b>				
Governmental activities	788,429	915,435	364,785	(338,565)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities				
Investment income	12,124	12,992	13,562	15,644
Miscellaneous income	70,313	90,563	59,796	55,850
Total governmental activities	82,437	103,555	73,358	71,494
Special item	-	-	-	-
<b>CHANGE IN NET POSITION</b>				
Governmental activities	\$ 870,866	\$ 1,018,990	\$ 438,143	\$ (267,071)

<b>FISCAL YEAR</b>					
<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 13,859,097	\$ 14,065,749	\$ 13,118,015	\$ 12,903,204	\$ 12,086,401	\$ 12,185,584
13,859,097	14,065,749	13,118,015	12,903,204	12,086,401	12,185,584
14,709,063	14,895,084	14,138,245	12,872,083	12,600,319	12,293,221
14,709,063	14,895,084	14,138,245	12,872,083	12,600,319	12,293,221
849,966	829,335	1,020,230	(31,121)	513,918	107,637
17,383	12,134	11,318	60,299	130,883	111,269
58,730	61,459	73,813	102,523	10,471	46,273
76,113	73,593	85,131	162,822	141,354	157,542
-	-	-	-	-	-
<b>\$ 926,079</b>	<b>\$ 902,928</b>	<b>\$ 1,105,361</b>	<b>\$ 131,701</b>	<b>\$ 655,272</b>	<b>\$ 265,179</b>

**BEXAR APPRAISAL DISTRICT  
 FUND BALANCE – GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

	FISCAL YEAR			
	2015	2014	2013	2012
General Fund:				
Nonspendable	\$ 116,452	\$ 38,719	\$ 111,687	\$ 50,696
Assigned	1,463,458	1,248,244	1,118,196	1,269,343
Unassigned	1,203,085	1,284,292	1,133,313	1,194,304
Unreserved	-	-	-	-
Total General Fund	<u>\$ 2,782,995</u>	<u>\$ 2,571,255</u>	<u>\$ 2,363,196</u>	<u>\$ 2,514,343</u>

<b>FISCAL YEAR</b>					
<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 29,271	\$ -	\$ -	\$ -	\$ -	\$ -
562,645	-	-	-	-	-
2,418,745	-	-	-	-	-
-	2,522,646	2,214,675	1,856,155	1,915,738	1,157,363
<u>\$ 3,010,661</u>	<u>\$ 2,522,646</u>	<u>\$ 2,214,675</u>	<u>\$ 1,856,155</u>	<u>\$ 1,915,738</u>	<u>\$ 1,157,363</u>



**BEXAR APPRAISAL DISTRICT  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Unaudited)**

	FISCAL YEAR			
	2015	2014	2013	2012
<b><u>REVENUES</u></b>				
Levies from tax units	\$ 15,833,414	\$ 14,976,432	\$ 14,541,474	\$ 13,826,586
Investment income	12,124	12,992	13,562	15,644
Miscellaneous income	70,372	88,196	60,005	59,078
Total Revenues	<u>15,915,910</u>	<u>15,077,620</u>	<u>14,615,041</u>	<u>13,901,308</u>
<b><u>EXPENDITURES</u></b>				
Appraisal support	6,431,838	5,515,556	5,915,123	5,344,088
Information systems	1,858,349	1,599,587	1,577,679	1,394,675
Appraisal services	6,565,163	6,220,766	6,068,096	5,870,464
Capital outlay	235,221	455,554	167,366	154,173
Debt service:				
Principle	-	424,801	405,518	379,520
Interest	-	6,408	25,691	51,690
Total Amount Returned to Taxing Authorities	613,599	646,889	606,698	1,203,016
Total Expenditures	<u>15,704,170</u>	<u>14,869,561</u>	<u>14,766,171</u>	<u>14,397,626</u>
Excess of Revenues Over Expenditures	211,740	208,059	(151,130)	(496,318)
<b><u>OTHER FINANCING SOURCES</u></b>				
Capital Lease	-	-	-	
NET CHANGE IN FUND BALANCE	<u>\$ 211,740</u>	<u>\$ 208,059</u>	<u>\$ (151,130)</u>	<u>\$ (496,318)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.0%	3.1%	3.0%	3.1%

FISCAL YEAR					
2011	2010	2009	2008	2007	2006
\$ 14,709,063	\$ 14,895,083	\$ 14,138,245	\$ 12,872,083	\$ 12,600,319	\$ 12,293,221
17,383	12,134	11,318	60,299	130,883	111,269
61,287	61,459	72,830	102,523	12,298	50,610
<u>14,787,733</u>	<u>14,968,676</u>	<u>14,222,393</u>	<u>13,034,905</u>	<u>12,743,500</u>	<u>12,455,100</u>
5,171,525	5,605,109	5,177,347	5,206,277	4,696,514	4,502,452
1,252,659	1,316,915	1,644,598	1,336,816	1,329,418	2,336,184
6,217,755	6,154,053	5,876,859	5,225,360	4,926,903	4,526,815
140,078	257,900	247,667	1,071,871	208,717	236,076
619,783	648,289	350,517	444,473	300,854	287,197
68,917	71,409	101,063	149,432	130,356	144,012
829,001	607,030	662,027	535,738	392,363	265,946
<u>14,299,718</u>	<u>14,660,705</u>	<u>14,060,078</u>	<u>13,969,967</u>	<u>11,985,125</u>	<u>12,298,682</u>
488,015	307,971	162,315	(935,062)	758,375	156,418
			875,479		
<u>\$ 488,015</u>	<u>\$ 307,971</u>	<u>\$ 162,315</u>	<u>\$ (59,583)</u>	<u>\$ 758,375</u>	<u>\$ 156,418</u>
5.1%	5.3%	3.4%	4.8%	3.8%	3.7%

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## **REVENUE CAPACITY**

**BEXAR APPRAISAL DISTRICT  
PRINCIPAL TAXPAYERS IN BEXAR COUNTY  
(Unaudited)**

<u>Taxpayers</u>	<u>2015</u>		<u>2014</u>	
	<u>Assessments</u>	<u>Rank</u>	<u>Assessments</u>	<u>Rank</u>
HEB GROCERY COMPANY LP	\$ 1,265,229,513	1	\$ 1,118,786,792	1
METHODIST HEALTHCARE SYS SA	616,182,392	2	573,090,049	2
WAL MART STORES INC # 2404	614,126,565	3	552,930,047	3
VHS SAN ANTONIO PARTNERS LP	514,599,452	4	501,719,012	4
HALLIBURTON ENERGY SERVICES INC	413,029,370	5	309,887,960	7
USAA	361,960,232	6	311,473,680	6
LA CANTERA RETAIL LTD PRTRNSHP	343,302,580	7	272,081,390	8
SOUTHWESTERN BELL TELEPHONE	325,074,833	8	337,246,511	5
MICROSOFT CORPORATION	281,183,704	9		
FROST NATIONAL BANK	269,303,986	10		
SA REAL ESTATE LLP			215,993,690	9
FRANKEL FAMILY TRUST			198,971,200	10
<b>TOTALS</b>	<u>\$ 5,003,992,627</u>		<u>\$ 4,392,180,331</u>	

**BEXAR APPRAISAL DISTRICT  
REVENUE BASE  
LAST TEN FISCAL YEARS  
(Unaudited)**

TAX UNITS	FISCAL YEAR 2015		FISCAL YEAR 2014		FISCAL YEAR 2013		FISCAL YEAR 2012		FISCAL YEAR 2011	
	2014 TAX LEVY	% LEVY	2013 TAX LEVY	% LEVY	2012 TAX LEVY	% LEVY	2011 TAX LEVY	% LEVY	2010 TAX LEVY	% LEVY
Alamo Comm. College Dist.	\$167,326,653	6.21%	\$156,554,889	5.81%	\$ 148,375,262	5.82%	\$ 138,507,939	5.59%	\$ 137,696,414	5.60%
City of Alamo Heights	5,441,957	0.20%	5,212,399	0.19%	5,128,840	0.20%	4,621,153	0.19%	4,619,948	0.19%
Alamo Heights ISD	66,005,498	2.45%	63,085,571	2.34%	60,074,426	2.36%	57,939,316	2.34%	56,603,997	2.30%
City of Balcones Heights	1,236,711	0.05%	1,200,885	0.04%	1,207,703	0.05%	1,177,310	0.05%	1,155,295	0.05%
Bexar County	313,093,125	11.62%	304,675,609	11.31%	289,399,279	11.35%	283,989,725	11.45%	283,045,419	11.51%
Bexar Cty. Emer. Serv. Dist. #1	623,065	0.02%	548,551	0.02%	531,433	0.02%	544,115	0.02%	552,113	0.02%
Bexar Cty. Emer. Serv. Dist. #2	4,399,013	0.16%	3,799,420	0.14%	3,272,663	0.13%	2,296,226	0.09%	2,143,420	0.09%
Bexar Cty. Emer. Serv. Dist. #3	2,768,297	0.10%	2,463,732	0.09%	1,713,253	0.07%	1,425,360	0.06%	1,406,495	0.06%
Bexar Cty. Emer. Serv. Dist. #4	1,204,106	0.04%	1,077,322	0.04%	1,309,167	0.05%	1,223,072	0.05%	1,080,494	0.04%
Bexar Cty. Emer. Serv. Dist. #5	1,076,399	0.04%	705,871	0.03%	779,634	0.03%	681,966	0.03%	657,635	0.03%
Bexar Cty. Emer. Serv. Dist. #6	34,298,071	1.27%	31,989,961	1.19%	517,300	0.02%	471,165	0.02%	467,314	0.02%
Bexar Cty. Emer. Serv. Dist. #7	1,916,320	0.07%	1,675,166	0.06%	1,533,605	0.06%	1,461,880	0.06%	1,411,993	0.06%
Bexar Cty. Emer. Serv. Dist. #8	726,671	0.03%	658,907	0.02%	579,321	0.02%	537,524	0.02%	497,226	0.02%
Bexar Cty. Emer. Serv. Dist. #10	1,572,530	0.06%	1,468,707	0.05%	70,633	0.00%	71,679	0.00%	71,590	0.00%
Bexar Cty. Emer. Serv. Dist. #11	100,911	0.00%	85,410	0.00%	707,805	0.03%	711,192	0.03%	722,857	0.03%
Bexar Cty. Emer. Serv. Dist. #12	18,583,384	0.69%	16,891,000	0.63%	233,923	0.01%	175,276	0.01%	171,398	0.01%
Bexar County Flood District	811,577	0.03%	730,949	0.03%	30,229,122	1.19%	29,553,534	1.19%	29,313,123	1.19%
Boerne ISD	245,159	0.01%	268,287	0.01%	15,615,206	0.61%	15,069,229	0.61%	14,443,839	0.59%
City of Castle Hills	2,658,815	0.10%	2,494,071	0.09%	2,409,409	0.09%	2,430,591	0.10%	2,426,889	0.10%
Town of China Grove	104,721	0.00%	103,835	0.00%	95,005	0.00%	87,576	0.00%	80,281	0.00%
Cibolo Canyon Spec Imp Dist	3,562,435	0.13%	3,364,136	0.12%	3,145,528	0.12%	2,601,668	0.10%	3,015,597	0.12%
Comal ISD	27,080,158	1.01%	24,650,395	0.92%	22,205,318	0.87%	21,026,704	0.85%	19,608,449	0.80%
City of Converse	5,266,806	0.20%	5,067,065	0.19%	4,808,660	0.19%	4,445,752	0.18%	4,024,395	0.16%
East Central ISD	32,971,454	1.22%	30,216,005	1.12%	26,610,434	1.04%	24,845,608	1.00%	24,362,641	0.99%
Edgewood ISD	13,516,973	0.50%	12,908,814	0.48%	13,004,078	0.51%	12,617,808	0.51%	12,609,228	0.51%
City of Elmendorf	198,569	0.01%	176,271	0.01%	171,282	0.01%	168,744	0.01%	108,836	0.00%
City of Fair Oaks Ranch	1,786,283	0.07%	1,671,061	0.06%	1,657,214	0.06%	1,536,307	0.06%	1,545,717	0.06%
Floresville ISD	14,823	0.00%	15,845	0.00%	15,845	0.00%	15,845	0.00%	16,272	0.00%
City of Grey Forest	34,002	0.00%	32,950	0.00%	33,653	0.00%	34,039	0.00%	33,697	0.00%
Harlandale ISD	18,653,090	0.69%	17,866,938	0.66%	17,582,498	0.69%	17,774,109	0.72%	18,703,839	0.76%
City of Helotes	2,868,374	0.11%	2,678,656	0.10%	2,639,286	0.10%	2,623,082	0.11%	2,618,566	0.11%

**BEXAR APPRAISAL DISTRICT  
REVENUE BASE  
LAST TEN FISCAL YEARS  
(Unaudited)**

TAX UNITS	FISCAL YEAR 2015		FISCAL YEAR 2014		FISCAL YEAR 2013		FISCAL YEAR 2012		FISCAL YEAR 2011	
	2014	%	2013	%	2012	%	2011	%	2010	%
	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY
Hill Country Village	288,057	0.01%	275,038	0.01%	280,551	0.01%	280,472	0.01%	286,644	0.01%
Town of Hollywood Park	2,212,847	0.08%	2,092,665	0.08%	2,108,188	0.08%	2,108,021	0.09%	1,945,008	0.08%
Judson ISD	97,009,433	3.60%	90,673,715	3.37%	87,444,904	3.43%	84,855,211	3.42%	87,387,137	3.55%
City of Kirby	1,426,794	0.05%	1,372,967	0.05%	1,365,648	0.05%	1,399,787	0.06%	1,400,372	0.06%
City of Leon Valley	4,117,541	0.15%	4,015,776	0.15%	3,820,317	0.15%	3,541,268	0.14%	3,486,377	0.14%
City of Live Oak	4,849,463	0.18%	4,038,468	0.15%	3,937,404	0.15%	3,829,485	0.15%	3,735,012	0.15%
City of Lytle	3,238	0.00%	3,255	0.00%	2,581	0.00%	2,474	0.00%	2,566	0.00%
Medina Valley ISD	4,662,080	0.17%	4,089,711	0.15%	3,193,739	0.13%	2,862,044	0.12%	2,769,730	0.11%
North East ISD	440,568,480	16.35%	413,057,074	15.33%	389,938,329	15.29%	381,955,823	15.40%	381,808,284	15.52%
Northside ISD	521,506,599	19.36%	485,885,463	18.04%	457,926,840	17.96%	445,595,089	17.97%	434,797,847	17.68%
City of Olmos Park	2,508,949	0.09%	2,575,191	0.10%	2,516,326	0.10%	2,538,335	0.10%	2,517,824	0.10%
City of San Antonio	443,785,429	16.47%	419,720,837	15.58%	401,950,307	15.76%	397,383,538	16.03%	398,035,719	16.18%
San Antonio ISD	177,525,799	6.59%	166,814,860	6.19%	161,203,500	6.32%	153,147,532	6.18%	150,761,444	6.13%
San Antonio MUD #1	320,391	0.01%	315,178	0.01%	322,887	0.01%	332,897	0.01%	329,968	0.01%
San Antonio River Authority	20,259,113	0.75%	19,212,339	0.71%	17,782,490	0.70%	17,469,692	0.70%	16,697,982	0.68%
City of Schertz	906,040	0.03%	725,892	0.03%	625,080	0.02%	444,489	0.02%	251,235	0.01%
Schertz-Cibolo ISD	6,087,050	0.23%	5,104,046	0.19%	4,588,577	0.18%	4,341,035	0.18%	4,083,393	0.17%
City of Selma	1,162,538	0.04%	1,080,947	0.04%	1,228,364	0.05%	1,198,421	0.05%	1,183,331	0.05%
City of Shavano Park	2,701,195	0.10%	2,628,220	0.10%	2,568,038	0.10%	2,463,307	0.10%	2,449,029	0.10%
City of Somerset	493,384	0.02%	492,221	0.02%	276,067	0.01%	275,184	0.01%	255,670	0.01%
Somerset ISD	3,665,624	0.14%	3,472,849	0.13%	4,213,109	0.17%	4,087,316	0.16%	2,940,902	0.12%
South San Antonio ISD	20,006,668	0.74%	19,195,556	0.71%	18,753,288	0.74%	17,592,485	0.71%	17,321,082	0.70%
Southside ISD	16,814,478	0.62%	11,505,239	0.43%	8,542,423	0.33%	7,434,918	0.30%	7,316,799	0.30%
Southwest ISD	29,853,922	1.11%	25,144,866	0.93%	19,375,500	0.76%	17,965,115	0.72%	17,629,022	0.72%
City of St. Hedwig	528,736	0.02%	487,920	0.02%	479,254	0.02%	480,118	0.02%	471,493	0.02%
City of Terrell Hills	4,493,710	0.17%	4,313,777	0.16%	4,287,454	0.17%	4,302,112	0.17%	4,442,767	0.18%
Universal City	5,558,053	0.21%	5,246,172	0.19%	5,237,572	0.21%	5,266,154	0.21%	5,387,384	0.22%
University Health System	325,772,372	12.09%	304,106,364	11.29%	288,723,036	11.32%	283,743,551	11.44%	282,869,623	11.50%
City of Von Ormy	-	0.00%	74,082	0.00%	74,140	0.00%	79,878	0.00%	85,760	0.00%
Westside 211 SID	76,830	0.00%	69,582	0.00%	39,893	0.00%	71,614	0.00%	78,752	0.00%
City of Windcrest	1,639,924	0.06%	1,875,987	0.07%	1,922,608	0.08%	1,936,390	0.08%	1,923,526	0.08%
<b>TOTALS:</b>	<b>\$2,870,950,687</b>	<b>106.57%</b>	<b>\$2,694,004,935</b>	<b>100.00%</b>	<b>\$2,550,385,199</b>	<b>100.00%</b>	<b>\$2,479,649,249</b>	<b>100.00%</b>	<b>\$2,459,866,659</b>	<b>100.00%</b>

**BEXAR APPRAISAL DISTRICT  
REVENUE BASE  
LAST TEN FISCAL YEARS  
(Unaudited)**

TAX UNITS	FISCAL YEAR 2010		FISCAL YEAR 2009		FISCAL YEAR 2008		FISCAL YEAR 2007		FISCAL YEAR 2006	
	2009 TAX LEVY	% LEVY	2008 TAX LEVY	% LEVY	2007 TAX LEVY	% LEVY	2006 TAX LEVY	% LEVY	2005 TAX LEVY	% LEVY
Alamo Comm. College Dist.	\$ 134,155,923	5.45%	\$ 131,910,511	5.49%	\$ 117,905,851	5.53%	\$ 103,071,444	5.07%	\$ 72,222,743	3.90%
City of Alamo Heights	4,760,327	0.19%	4,756,227	0.20%	4,422,703	0.21%	3,617,296	0.18%	3,258,696	0.18%
Alamo Heights ISD	57,799,751	2.35%	56,070,821	2.33%	51,204,990	2.40%	59,096,091	2.91%	57,876,301	3.13%
City of Balcones Heights	1,137,544	0.05%	1,110,195	0.05%	1,041,788	0.05%	977,810	0.05%	901,218	0.05%
Bexar County	286,797,802	11.66%	276,155,114	11.49%	254,047,499	11.92%	233,619,959	11.50%	208,201,607	11.25%
Bexar Cty. Emer. Serv. Dist. #1	574,424	0.02%	603,953	0.03%	610,699	0.03%	539,057	0.03%	485,986	0.03%
Bexar Cty. Emer. Serv. Dist. #2	2,015,481	0.08%	1,871,086	0.08%	1,516,375	0.07%	1,068,609	0.05%	645,647	0.03%
Bexar Cty. Emer. Serv. Dist. #3	1,214,054	0.05%	1,072,368	0.04%	915,067	0.04%	740,086	0.04%	807,097	0.04%
Bexar Cty. Emer. Serv. Dist. #4	967,060	0.04%	919,293	0.04%	644,551	0.03%	659,614	0.03%	428,847	0.02%
Bexar Cty. Emer. Serv. Dist. #5	637,279	0.03%	596,114	0.02%	541,836	0.03%	468,162	0.02%		
Bexar Cty. Emer. Serv. Dist. #6	457,525	0.02%	447,390	0.02%	424,007	0.02%	636,025	0.03%	390,943	0.02%
Bexar Cty. Emer. Serv. Dist. #7	1,355,898	0.06%	1,314,750	0.05%	1,110,450	0.05%	841,593	0.04%	842,510	0.05%
Bexar Cty. Emer. Serv. Dist. #8	349,234	0.01%	282,996	0.01%	192,581	0.01%	203,670	0.01%		
Bexar Cty. Emer. Serv. Dist. #10	72,301	0.00%	68,787	0.00%						
Bexar Cty. Emer. Serv. Dist. #11	688,884	0.03%	681,866	0.03%						
Bexar Cty. Emer. Serv. Dist. #12	159,569	0.01%	150,084	0.01%						
Bexar County Flood District	29,570,041	1.20%	35,047,710	1.46%	26,853,893	1.26%	9,862,284	0.49%	8,722,158	0.47%
Boerne ISD	14,708,495	0.60%	14,096,940	0.59%	11,682,509	0.55%				
City of Castle Hills	2,235,235	0.09%	2,064,551	0.09%	1,930,107	0.09%	1,906,176	0.09%	1,903,843	0.10%
Tow n of China Grove	74,427	0.00%	67,371	0.00%	22,572	0.00%	22,467	0.00%	19,815	0.00%
Cibolo Canyon Spec Imp Dist	2,336,769	0.10%	983,554	0.04%	435,005	0.02%				
Comal ISD	18,505,548	0.75%	18,420,568	0.77%	15,154,135	0.71%				
City of Converse	3,908,407	0.16%	3,876,749	0.16%	3,465,704	0.16%	2,906,365	0.14%	2,447,871	0.13%
East Central ISD	24,083,528	0.98%	23,541,475	0.98%	19,361,370	0.91%	21,439,222	1.05%	20,299,285	1.10%
Edgewood ISD	12,843,232	0.52%	12,732,228	0.53%	12,472,477	0.59%	13,011,395	0.64%	12,805,278	0.69%
City of Elmendorf	104,510	0.00%	93,695	0.00%	78,737	0.00%	73,212	0.00%	42,993	0.00%
City of Fair Oaks Ranch	1,568,379	0.06%	1,537,975	0.06%	1,362,469	0.06%				
Floresville ISD	13,781	0.00%	14,574	0.00%	14,446	0.00%				
City of Grey Forest	35,045	0.00%	32,828	0.00%	30,254	0.00%	27,881	0.00%	27,468	0.00%
Harlandale ISD	18,266,024	0.74%	18,734,051	0.78%	16,269,191	0.76%	18,171,896	0.89%	17,309,240	0.94%
City of Helotes	2,615,434	0.11%	2,573,670	0.11%	2,173,347	0.10%	1,625,223	0.08%	1,358,745	0.07%



**BEXAR APPRAISAL DISTRICT  
REVENUE BASE  
LAST TEN FISCAL YEARS  
(Unaudited)  
(Continued)**

TAX UNITS	FISCAL YEAR 2010		FISCAL YEAR 2009		FISCAL YEAR 2008		FISCAL YEAR 2007		FISCAL YEAR 2006	
	2009	%	2008	%	2007	%	2006	%	2005	%
	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY	TAX LEVY	LEVY
Hill Country Village	278,369	0.01%	264,440	0.01%	234,705	0.01%	210,416	0.01%	193,926	0.01%
Town of Hollywood Park	1,974,417	0.08%	1,524,533	0.06%	1,409,482	0.07%	1,301,090	0.06%	1,230,813	0.07%
Judson ISD	85,613,165	3.48%	84,584,822	3.52%	74,598,882	3.50%	74,793,134	3.68%	69,969,787	3.78%
City of Kirby	1,324,601	0.05%	1,351,011	0.06%	1,256,322	0.06%	1,248,055	0.06%	1,165,657	0.06%
City of Leon Valley	3,566,223	0.15%	3,572,472	0.15%	3,413,863	0.16%	3,135,744	0.15%	2,917,203	0.16%
City of Live Oak	3,624,503	0.15%	3,193,198	0.13%	2,632,038	0.12%	2,375,058	0.12%	2,113,363	0.11%
City of Lytle	1,763	0.00%	2,247	0.00%	2,153	0.00%				
Medina Valley ISD	2,730,195	0.11%	3,287,114	0.14%	2,472,991	0.12%				
North East ISD	388,526,469	15.80%	387,006,071	16.10%	351,708,546	16.50%	368,277,381	18.12%	351,644,283	19.00%
Northside ISD	426,447,388	17.34%	400,356,060	16.66%	344,317,765	16.16%	363,784,947	17.90%	341,336,166	18.45%
City of Olmos Park	2,420,968	0.10%	2,401,702	0.10%	2,371,710	0.11%	2,292,911	0.11%	2,233,219	0.12%
City of San Antonio	407,791,736	16.58%	406,743,837	16.92%	373,233,498	17.51%	327,327,267	16.11%	289,715,674	15.66%
San Antonio ISD	152,301,285	6.19%	149,770,297	6.23%	134,205,979	6.30%	150,100,141	7.39%	147,288,534	7.96%
San Antonio MUD #1	320,987	0.01%	325,322	0.01%	294,403	0.01%	284,507	0.01%	259,239	0.01%
San Antonio River Authority	16,203,510	0.66%	15,986,969	0.67%	14,392,697	0.68%	12,408,146	0.61%	11,113,422	0.60%
City of Schertz	247,003	0.01%	182,788	0.01%	157,028	0.01%				
Schertz-Cibolo ISD	3,948,923	0.16%	3,826,381	0.16%	3,389,875	0.16%				
City of Selma	1,095,995	0.04%	1,047,248	0.04%	1,247,510	0.06%	1,249,392	0.06%	1,073,361	0.06%
City of Shavano Park	2,464,271	0.10%	2,278,879	0.09%	1,981,397	0.09%	1,718,957	0.08%	1,512,419	0.08%
City of Somerset	238,828	0.01%	233,184	0.01%	213,734	0.01%	208,557	0.01%	204,428	0.01%
Somerset ISD	2,923,923	0.12%	2,952,863	0.12%	3,807,710	0.18%	4,175,728	0.21%	3,910,635	0.21%
South San Antonio ISD	17,833,547	0.73%	17,517,981	0.73%	15,895,487	0.75%	16,563,642	0.82%	15,957,134	0.86%
Southside ISD	7,348,291	0.30%	6,997,355	0.29%	6,449,069	0.30%	7,158,675	0.35%	5,984,121	0.32%
Southwest ISD	18,367,752	0.75%	17,601,682	0.73%	15,683,481	0.74%	16,597,056	0.82%	11,288,717	0.61%
City of St. Hedwig	467,180	0.02%	463,488	0.02%	442,534	0.02%	395,316	0.02%	355,742	0.02%
City of Terrell Hills	4,510,609	0.18%	4,362,911	0.18%	4,272,746	0.20%	4,137,875	0.20%	4,021,426	0.22%
Universal City	4,840,255	0.20%	4,854,592	0.20%	4,598,297	0.22%	3,508,123	0.17%	2,958,985	0.16%
University Health System	275,856,233	11.22%	266,577,902	11.09%	218,638,897	10.26%	192,840,883	9.49%	169,293,019	9.15%
City of Von Ormy	94,297	0.00%	99,758	0.00%						
Westside 211 SID	74,727	0.00%								
City of Windcrest	1,977,407	0.08%	2,066,730	0.09%	1,747,794	0.08%	1,595,995	0.08%	1,535,844	0.08%
<b>TOTALS:</b>	<b>\$2,459,426,731</b>	<b>100.00%</b>	<b>\$2,403,263,331</b>	<b>100.00%</b>	<b>\$2,130,955,206</b>	<b>100.00%</b>	<b>\$2,032,274,533</b>	<b>100.00%</b>	<b>\$1,850,275,408</b>	<b>100.00%</b>

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**BEXAR APPRAISAL DISTRICT  
TOP TEN REVENUE SOURCES  
LAST TEN FISCAL YEARS  
(Unaudited)**

Payor	2015		2014		2013		2012		2011	
	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank
Northside ISD	\$ 2,876,131	1	\$ 2,701,121	1	\$ 2,610,951	1	\$ 2,484,650	1	\$ 2,599,925	1
City of San Antonio	2,447,495	2	2,333,301	2	2,291,791	2	2,215,821	2	2,380,102	2
Northeast ISD	2,429,754	3	2,296,256	3	2,223,302	3	2,129,795	3	2,283,068	3
University Health System	1,726,722	4	1,690,580	5	1,646,205	5	1,582,161	5	1,691,452	5
Bexar County	1,796,648	5	1,693,744	4	1,650,061	4	1,583,534	4	1,692,503	4
San Antonio ISD	979,062	6	927,353	6	919,130	6	853,955	6	901,496	6
Alamo Comm. College Dist.	922,814	7	870,316	7	845,988	7	772,324	7	823,372	7
Judson ISD	535,011	8	504,071	8	498,583	8	473,155	8	522,542	8
Alamo Heights ISD	364,023	9	350,704	9	342,525	9	323,071	9	338,470	9
Bexar County Road & Flood	189,155	10	177,838	10	172,357	10	164,791	10	175,281	10
East Central ISD										

Source: Annual Board Approved Budget

**BEXAR APPRAISAL DISTRICT  
TOP TEN REVENUE SOURCES  
LAST TEN FISCAL YEARS  
(Unaudited)  
(Continued)**

Payor	2010		2009		2008		2007		2006	
	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank
Northside ISD	\$ 2,582,695	1	\$ 2,355,269	2	\$ 2,079,859	3	\$ 2,255,539	2	\$ 2,267,836	2
City of San Antonio	2,469,710	2	2,392,848	1	2,254,525	1	2,029,494	3	1,924,870	3
Northeast ISD	2,353,034	3	2,276,732	3	2,124,503	2	2,283,393	1	2,336,323	1
University Health System	1,670,669	5	1,568,261	5	1,320,693	5	1,195,652	5	1,124,782	5
Bexar County	1,736,935	4	1,624,603	4	1,534,580	4	1,448,490	4	1,383,290	4
San Antonio ISD	922,383	6	881,089	6	810,674	6	930,651	6	978,584	6
Alamo Comm. College Dist.	812,489	7	776,021	7	712,213	7	639,063	7	479,848	7
Judson ISD	518,499	8	497,607	8	450,616	8	463,732	8	464,879	8
Alamo Heights ISD	350,053	9	329,861	9	309,305	9	366,407	9	384,530	9
Bexar County Road & Flood	179,085	10	206,183	10	162,212	10	-		-	
East Central ISD							132,927	10	134,868	10

Source: Annual Board Approved Budget

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## **DEBT CAPACITY**

**BEXAR APPRAISAL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)**

**GOVERNMENTAL ACTIVITIES**

<b>Fiscal Year</b>	<b>Building Note Payable</b>	<b>CAPITAL LEASE</b>	<b>Total Primary Government</b>	<b>% of Tax Unit Budget Levy</b>	<b>Cost Per Tax Unit</b>
2015	\$ -	\$ -	\$ -	0.0%	\$ -
2014	-	-	-	0.0%	-
2013	432,753	-	432,753	3.0%	6,980
2012	814,039	-	814,039	5.9%	13,345
2011	1,193,559	-	1,193,559	9.3%	19,567
2010	1,555,851	417,940	1,973,791	15.3%	32,357
2009	1,901,697	720,383	2,622,080	20.4%	42,985
2008	2,231,845	967,611	3,199,456	24.9%	56,131
2007	2,547,005	-	2,547,005	20.2%	53,063
2006	2,847,859	-	2,847,859	23.2%	61,910

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**



**BEXAR APPRAISAL DISTRICT  
DEMOGRAPHIC STATISTICS – PRIMARY METROPOLITAN  
STATISTICAL AREA\* – LAST TEN YEARS  
(Unaudited)**

Year	Estimated Population <sup>a</sup>	Estimated Per Capita Income <sup>b</sup>	Unemployment Rate <sup>c</sup>
2006	1,573,935	32,991	4.7%
2007	1,615,210	34,403 <sup>d</sup>	4.2%
2008	1,651,709	35,083 <sup>d</sup>	4.8%
2009	1,685,628	33,467 <sup>d</sup>	6.8%
2010	1,714,773	34,496 <sup>d</sup>	7.5%
2011	1,754,167	37,608	7.7%
2012	1,785,787	38,398	6.6%
2013	1,817,610	39,005	6.1%
2014	1,861,562	50,075 <sup>e</sup>	3.8%
2015	1,840,280 <sup>f</sup>	50,719 <sup>f</sup>	3.5%

**NOTES**

\*The Primary Metropolitan Statistical Area consists of Bexar County, Texas.

a) Source: Real Estate Center at Texas A & M University

<http://recenter.tamu.edu/Data/poppc/pc48029.htm>

b) Source: U. S. Department of Commerce: Bureau of Economic Analysis

[http://www.bea.gov/scb/pdf/2012/01%20January/0112\\_regional\\_tables.pdf](http://www.bea.gov/scb/pdf/2012/01%20January/0112_regional_tables.pdf)

c) Source: Real Estate Center at Texas A & M University

<http://recenter.tamu.edu/data/emp/empc/cntycn480290.asp>

d) Source: Proximity One

<http://proximityone.com/pccpi.htm>

e) Source: San Antonio Economic Development Foundation

<http://www.sanantonioedf.com/living/demographics>

f) The U.S. Census Bureau as listed in ESRI documents

**BEXAR APPRAISAL DISTRICT  
EMPLOYED POSITIONS\* – LAST TEN YEARS  
(Unaudited)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Number of regular positions:										
Administrative services	53	54	55	55	55	55	55	54	56	52
Appraisal services	90	88	88	88	93	93	93	91	86	83
Information systems	10	8	9	9	9	9	9	9	9	9
Total regular positions	<u>153</u>	<u>150</u>	<u>152</u>	<u>152</u>	<u>157</u>	<u>157</u>	<u>157</u>	<u>154</u>	<u>151</u>	<u>144</u>

\*Data represents budgeted positions per year as approved annually by tax units.

**BEXAR APPRAISAL DISTRICT  
PRINCIPAL EMPLOYERS – CURRENT AND FOUR YEARS PRIOR  
(Unaudited)**

<u>Employer</u>	<u>2015</u>	<u>PERCENT OF DISTRICT EMPLOYMENT</u>	<u>2011</u>	<u>PERCENT OF DISTRICT EMPLOYMENT</u>
Lackland AFB/37th Trng (a)	37,097	3.48%	37,097	3.94%
Fort Sam Houston - U.S. Army (a)	32,000	3.01%	32,000	3.40%
H.E.B. Grocery	22,000	2.07%	14,588	1.55%
USAA	16,000	1.50%	15,000	1.59%
Northside ISD	12,751	1.20%	12,751	1.35%
City of San Antonio	9,145	0.86%	9,145	0.97%
Randolph Air Force Base (a)	11,068	1.04%	11,068	1.17%
North East ISD	10,052	0.94%	10,522	1.12%
Methodist Healthcare System	8,118	0.76%	7,747	0.82%
San Antonio ISD	7,000	0.66%	7,000	0.74%
<b>TOTALS</b>	<u>165,231</u>	<u>12.03%</u>	<u>156,918</u>	<u>12.72%</u>
 Total District Employment	 <u>1,064,700</u> b		 <u>942,236</u> b	

Source: San Antonio Economic Development Foundation

a) Includes Military personnel and their dependents, and civilian personnel

b) 2010 Book of Lists, *The San Antonio Business Journal*

Note: This is the most recent data available.

## **OPERATING INFORMATION**

**BEXAR APPRAISAL DISTRICT  
OPERATING INDICATORS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Function/Program	FISCAL YEAR				
	2015	2014	2013	2012	2011
<u>Appraisal</u>					
Appraised value (in thousands)	\$145,253,963	\$127,282,296	\$118,376,668	\$112,363,734	\$110,605,425
Number of parcels	662,994	656,030	648,334	644,434	639,696
Appraisal review board members	50	50	50	50	50
Taxing entities	61	62	62	62	62
Informal hearings	66,400	35,880	40,476	37,586	40,083
Formal hearings	15,276	9,157	8,263	7,718	6,221
Full notices mailed	548,289	434,157	251,227	137,224	111,516
<u>Accounts</u>					
Residential accounts	559,671	554,918	548,051	544,541	540,710
Commercial accounts	42,980	42,838	42,851	43,276	43,015
Mobile home accounts	13,506	13,158	12,700	12,483	12,331
Business personal property accounts	43,974	43,837	43,527	42,874	42,351
Mineral accounts	950	1,279	1,205	1,260	1,289
District accounts	661,081	656,030	648,334	644,434	639,696
<u>Exemptions</u>					
Homestead	331,355	327,716	318,408	338,938	326,632
Over 65	113,821	110,164	105,889	102,111	99,616
Disabled veterans	35,881	34,664	33,285	33,341	36,766
Disabled residential homestead	11,686	12,003	12,260	12,446	12,587
Abatements	110	105	93	88	79
Absolute	15,800	17,132	17,023	17,148	19,263
Freeport	222	223	211	207	205

Function/Program	FISCAL YEAR				
	2010	2009	2008	2007	2006
<u>Appraisal</u>					
Appraised value (in thousands)	\$ 110,424,134	\$ 111,694,324	\$ 110,047,733	\$ 98,997,968	\$ 85,680,872
Number of parcels	635,922	634,502	626,530	618,350	596,530
Appraisal review board members	50	50	50	50	50
Taxing entities	62	61	60	48	46
Informal hearings	50,630	49,153	56,516	43,589	56,255
Formal hearings	6,732	10,642	12,207	13,345	16,352
Full notices mailed	198,483	189,505	425,942	508,611	447,500
<u>Accounts</u>					
Residential accounts	537,635	534,562	527,698	519,630	499,201
Commercial accounts	42,874	42,923	42,397	41,524	40,938
Mobile home accounts	12,145	11,869	11,698	12,358	12,127
Business personal property accounts	41,983	43,856	43,513	43,164	42,620
Mineral accounts	1,285	1,292	1,224	1,674	1,644
District accounts	635,922	634,502	626,530	618,350	596,530
<u>Exemptions</u>					
Homestead	326,324	320,678	317,271	308,542	301,557
Over 65	96,684	90,254	88,476	87,069	83,121
Disabled veterans	35,714	32,655	29,306	28,316	27,353
Disabled residential homestead	12,803	12,884	12,590	12,230	10,383
Abatements	75	78	91	70	53
Absolute	19,077	17,427	17,030	16,968	16,660
Freeport	197	201	206	197	183

**BEXAR APPRAISAL DISTRICT  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
(Unaudited)**

<u>Function/Program</u>	<u>FISCAL YEAR</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Appraisal services					
Land	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539
Building	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Telephone system	275,861	275,597	275,137	275,037	269,510
<b>Total for Appraisal Services</b>	<b><u>\$ 6,025,400</u></b>	<b><u>\$ 6,025,136</u></b>	<b><u>\$ 6,024,676</u></b>	<b><u>\$ 6,024,576</u></b>	<b><u>\$ 6,019,049</u></b>
Information systems					
SAN Disk Array	\$ 148,738	\$ 617,738	\$ 495,617	\$ 495,617	\$ 495,617
Servers	187,171	563,607	458,323	463,937	397,520
Security System	82,023	82,023	81,199	73,284	73,284
GIS Arc Server Cluster	-	80,000	80,000	80,000	80,000
Clariion Disk Library	-	66,000	66,000	66,000	66,000
UPS	59,825	59,825	59,825	59,825	59,825
Firewall Hardware/Software	21,827	36,581	36,581	23,559	16,918
Mail/Postage Meter	20,370	20,370	24,000	20,370	20,370
Control Module	21,688	21,655	21,655	21,655	21,655
Mainframe	-	-	-	-	-
<b>Total for Information Systems</b>	<b><u>\$ 541,642</u></b>	<b><u>\$ 1,547,799</u></b>	<b><u>\$ 1,323,200</u></b>	<b><u>\$ 1,304,247</u></b>	<b><u>\$ 1,231,189</u></b>

<u>Function/Program</u>	<u>FISCAL YEAR</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Appraisal services					
Land	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539	\$ 2,249,539
Building	3,500,000	3,513,889	3,513,889	3,513,889	3,513,889
Telephone system	191,971	190,389	193,176	188,760	181,563
Total for Appraisal Services	<u>\$ 5,941,510</u>	<u>\$ 5,953,817</u>	<u>\$ 5,956,604</u>	<u>\$ 5,952,188</u>	<u>\$ 5,944,991</u>
Information systems					
SAN Disk Array	\$ 496,600	\$ 496,600	\$ 496,600	\$ -	\$ -
Servers	397,520	394,451	429,677	254,677	183,311
Security System	69,354	69,354	69,354	69,354	57,788
GIS Arc Server Cluster	80,000	80,000	80,000	-	-
Clariion Disk Library	66,000	66,000	66,000	-	-
UPS	86,462	86,462	86,462	86,462	86,462
Firewall Hardware/Software	16,918	10,368	4,281	4,281	4,281
Mail/Postage Meter	20,370	20,370	-	-	-
Control Module	21,655	21,655	21,655	-	-
Mainframe	-	-	-	-	-
Total for Information Systems	<u>\$ 1,254,879</u>	<u>\$ 1,245,260</u>	<u>\$ 1,254,029</u>	<u>\$ 414,774</u>	<u>\$ 331,842</u>