

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
SEPTEMBER 30, 2015**

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**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

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MESSAGE FROM THE CITY MANAGER

During the fiscal year ended September 30, 2015, the Weatherford Municipal Utility System continued to experience moderate customer growth in the residential sector, with minor growth in the commercial sector.

From September 2014 to September 2015, the Electric Department saw an average service connection increase of approximately 188 customers, or 1.2%. The majority of the customer base increase came from residential development, as connections there increased by 2.6%. Customer kWh sales held at a 0.2% decrease from the previous fiscal year, going from 389.4 million to 388.5 million.

The Electric Department completed the construction of the following new infrastructure in 2014-2015: 6 commercial projects, 1 commercial subdivision, and 1 residential subdivision. Also, system improvements of existing feeders were continued to more efficiently utilize substation capacity and to build redundancy into the system. An advanced metering system pilot project was started in fiscal year 2013-2014, and was successfully completed in fiscal year 2014-2015. Full deployment of the advanced metering system began in March 2015, and is expected to be completed in March 2018.

In an effort to diversify wholesale power suppliers and the percentage of Weatherford Electric's load to be bid in the market in any given year, Weatherford Electric has entered into three wholesale power supply agreements with three different wholesale power suppliers: Garland Power and Light, Bryan Texas Utilities, and American Electric Power. Each supplier supplies one-third of Weatherford Electric's power needs for differing contract term lengths: Garland Power and Light for five years, Bryan Texas Utilities for three years, and American Electric Power for two years. Weatherford Electric's current wholesale power supply contract with American Electric Power expires on December 31, 2015, and the Weatherford Municipal Utility Board authorized retaining Schneider Engineering to request proposals to replace the contract. A proposal from EDF Trading North America was accepted, and a contract entered into that begins January 1, 2016.

The Water Department saw an overall service connection increase of approximately 181 connections, or 1.6%. As with our electric utility, the majority of this growth was in the residential customer base, which grew approximately 2%. Rainfall for the year was high, and as a result, annual volume of water sales dropped 5.4% for fiscal year 2014-15.

During fiscal year 2014-2015, the water maintenance crews installed 218 new water meters and 21 new water taps and replaced 3,849 water meters. The crews repaired 29 water services, 38 water main breaks and 3 fire hydrants. In addition, the water crews replaced the water lines in the 100 to 200 block of E. Simmons Street and in the 400 to 600 block of S. Elm Street.

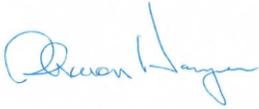
In the wastewater collection system, the wastewater maintenance crews repaired 15 wastewater services and 18 wastewater main breaks. Crews also jetted 473,370 feet of wastewater lines, inspected 105,646 feet of wastewater line and smoke tested 95,537 feet of wastewater line. The crews responded to 113 stop-ups, 138 grinder pump malfunctions and 85 call-outs to lift stations. The in-house water/wastewater crews replaced over 6,709 feet of sewer mains, installed 10 sewer taps and repaired 63 manholes. Some of these projects occurred in the 400 to 700 block of S. Elm Street, 1000 block of Grace, 200 block of E. 4th Street, 200 block of E. Josephine, 200 block of E. Simmons street, 100 block of Garner Road, 1400 Eastview Drive, 600 to 700 block of Jameson and at Soldier Springs Park.

The Utility Administration and Engineering departments continued to provide support to other departments and the City. Transfers are made from other funds to cover the expenses that are shared.

Public utilities are extremely capital intensive. Quality management, construction, operation, and maintenance demand a high degree of professionalism and dedication from employees and Utility Board Members. Training and development of these qualities continues to enhance teamwork and pay dividends for the ratepayers of the Weatherford Municipal Utility System. The employees are to be congratulated for their dedication to the overall development and cohesiveness of the Utility Department. The City of Weatherford values our employees and continues to invest in training that provides superior job, supervisory management, and customer service skills.

Likewise, the dedication of the Weatherford Municipal Utility Board of Trustees has also paid many dividends for the citizens of Weatherford and the Utility's ratepayers. This unselfish dedication of time and effort to make sure the Utility System, under their direction, is operated with foresight and vision has enabled the system to accommodate Weatherford's expected growth.

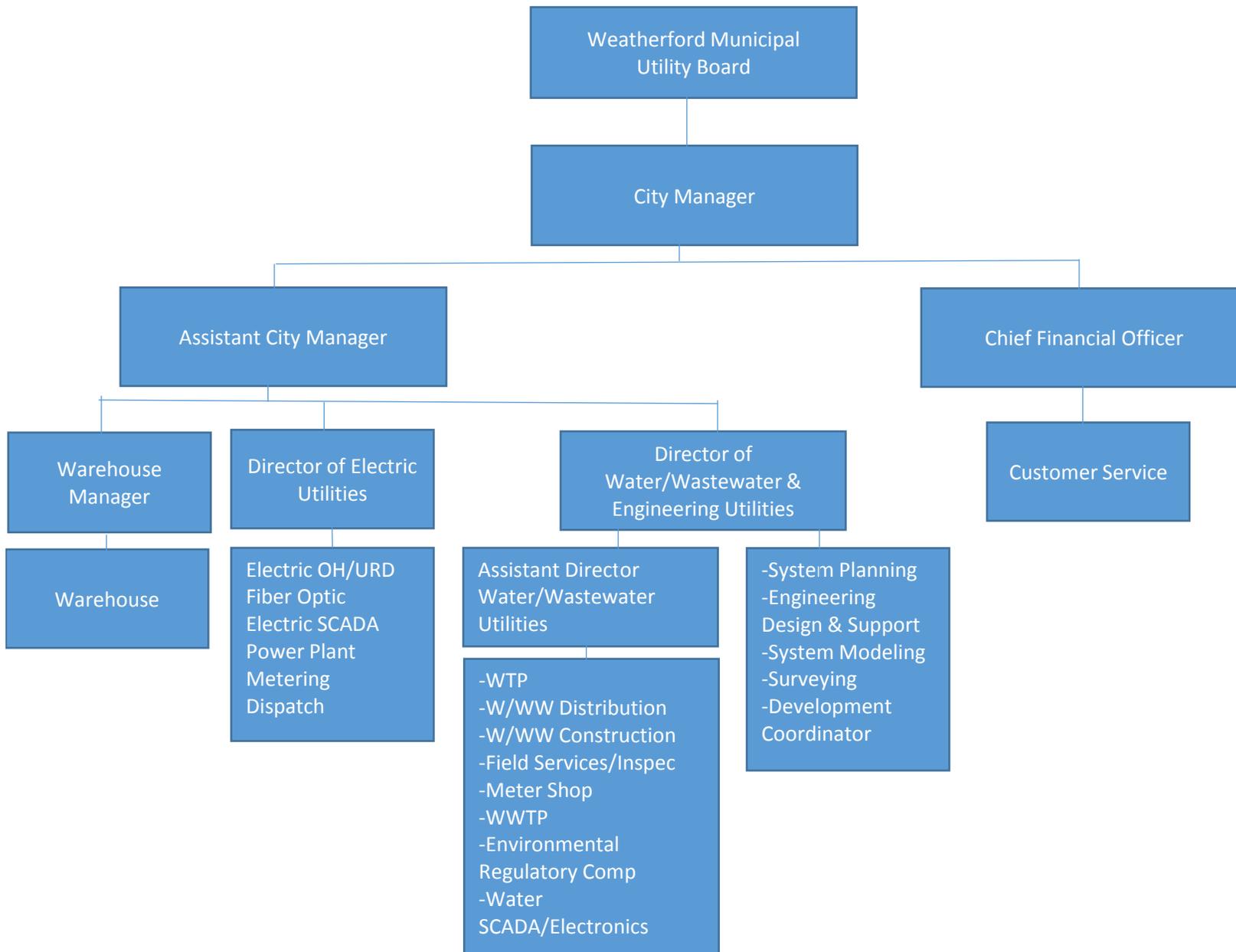
The Board's commitment to policy direction is very much appreciated.



Sharon Hayes
City Manager

ORGANIZATIONAL CHART

WEATHERFORD MUNICIPAL UTILITIES



**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY BOARD**

PRINCIPAL OFFICIALS

**YEAR ENDED
SEPTEMBER 30, 2015**

**ELECTED
CITY COUNCIL**

Dennis Hooks – Mayor

Craig Swancy – Mayor Pro Tem
Council Member

Dale Fleeger – Council Member

Jeff Robinson – Council Member

Heidi Wilder – Council Member

**APPOINTED/DESIGNATED
MUNICIPAL UTILITY BOARD**

Dennis Hooks – Mayor – Chairman

Craig Swancy – Designated Council Member

Heidi Wilder – Designated Council Member

Ken Davis – Appointed Public Member

James Dickason – Appointed Public Member

Bob Glenn – Vice Chair

Howard McClurkin – Appointed Public Member

SENIOR STAFF

Sharon Hayes – City Manager

James Hotopp – Assistant City Manager

Sidney Kirk – Assistant Finance Director

ADVISORY/CONSULTATION

Malinda Nowell – City Secretary

Zellers & Zellers – City Attorney

OPERATIONS STAFF

Joe Farley – Director of Utilities – Electric

Troy Garvin – Director of Information Technology

Rick Shaffer – Interim Director of Utilities – Engineering, Water & Wastewater

FINANCIAL SECTION

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PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Municipal Utility System Board
City of Weatherford, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the Municipal Utility System Enterprise Fund of the City of Weatherford, Texas, as of and for the years ended September 30, 2015 and 2014, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 auditors' 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 financial position of the Municipal Utility System of the City of Weatherford, Texas, as of September 30, 2015 and 2014, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note I to the financial statements, in 2015 the Municipal Utility System adopted new accounting guidance, Governmental Accounting Standards (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and Governmental Accounting Standards (GASB) Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Municipal Utility System of the City of Weatherford, Texas, and do not purport to, and do not, present fairly the financial position of the City of Weatherford, Texas, as of September 30, 2015 and 2014, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the OPEB schedule of funding progress and pension information on pages 32 through 34 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 an opinion on the financial statements that collectively comprise the Municipal Utility System Enterprise Fund of the City of Weatherford, Texas' financial statements as a whole. The introductory, capital assets, statistical, capital project, and budget sections are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The introductory, statistical, capital project and budget 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.

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

Waco, Texas
April 15, 2016

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FINANCIAL STATEMENTS

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

COMPARATIVE STATEMENTS OF NET POSITION

SEPTEMBER 30, 2015 AND 2014

	2015	2014
ASSETS		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 19,966,730	\$ 9,434,168
Investments	17,946,115	6,766,417
Receivables:		
Accounts, net of allowances for uncollectible of \$55,863 and \$104,285 for 2015 and 2014, respectively	2,955,702	2,978,901
Earned but unbilled customer accounts	3,106,818	2,833,142
Other	124,839	57,431
Inventory	3,571,590	3,378,164
Prepaid items	139,264	149,076
Restricted assets:		
Cash and cash equivalents		
Revenue bond debt service	852,640	845,929
Revenue bond reserve	1,137,333	130,419
Construction	4,270,268	6,338,478
Investments:		
Revenue bond reserve	2,015,672	3,887,968
Rate stabilization	4,480,625	3,912,043
Accrued interest	24,725	12,426
Total current assets	60,592,321	40,724,562
Noncurrent assets:		
Capital assets:		
Nondepreciable	7,779,017	5,977,203
Depreciable, net of accumulated depreciation	114,936,260	111,850,395
Total noncurrent assets	122,715,277	117,827,598
Total assets	183,307,598	158,552,160
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	915,157	97,392
Deferred outflow related to pensions	617,646	-
Total deferred outflows of resources	1,532,803	97,392

The accompanying notes are an integral part of these financial statements.

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

COMPARATIVE STATEMENTS OF NET POSITION

SEPTEMBER 30, 2015 AND 2014

	2015	2014
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 4,102,075	\$ 4,001,223
Accrued wages	28,374	47,600
Retainage payable	310,709	41,995
Accrued interest	14,158	16,474
Unearned revenue	-	2,083
Customer deposits	1,395,589	1,470,692
Notes payable	130,455	235,308
Capital lease	33,686	32,839
Revenue bonds	3,350,417	2,978,555
Compensated absences	147,376	142,406
Payable from restricted assets:		
Accrued interest	166,152	126,793
Revenue bonds payable	304,583	261,250
Total current liabilities	9,983,574	9,357,218
Noncurrent liabilities:		
Notes payable	167,364	428,120
Capital lease	433,144	466,831
Revenue bonds	44,435,280	29,188,060
Compensated absences	881,407	951,309
Net pension liability	1,942,541	479,593
Net OPEB obligation	1,168,795	1,001,916
Total noncurrent liabilities	49,028,531	32,515,829
Total liabilities	59,012,105	41,873,047
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to pensions	312,929	-
Total deferred inflows of resources	312,929	-
NET POSITION		
Net investment in capital assets	92,494,928	89,085,333
Restricted for:		
Construction	2,041,192	1,231,265
Debt service	3,543,175	4,484,538
Rate stabilization	4,480,625	3,912,043
Unrestricted	22,955,447	18,063,326
Total net position	\$ 125,515,367	\$ 116,776,505

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**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
OPERATING REVENUES		
Electric sales	\$ 34,238,896	\$ 37,460,704
Electric services	515,627	546,596
Water sales	10,904,004	9,324,360
Water services	61,488	28,129
Wastewater services	4,966,878	4,533,122
Other	31,858	53,479
Total operating revenues	50,718,751	51,946,390
OPERATING EXPENSES		
Personnel services	5,247,028	5,349,965
Contractual services	3,994,748	5,610,783
Purchased power	20,160,140	24,419,128
Materials and supplies	1,793,288	1,760,193
Depreciation	5,030,776	4,814,552
Total operating expenses	36,225,980	41,954,621
OPERATING INCOME	14,492,771	9,991,769
NONOPERATING REVENUES (EXPENSES)		
Investment earnings	330,710	30,549
Rentals	1,106,522	1,041,402
Gain (loss) on sale of assets	140,977	37,493
Interest and other charges	(1,470,661)	(1,585,383)
Total nonoperating revenues (expenses)	107,548	(475,939)
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	14,600,319	9,515,830
Capital contributions	2,074,760	1,674,969
Transfers in	30,634	681,068
Transfers out	(6,683,854)	(6,834,993)
NET CHANGE IN NET POSITION	10,021,859	5,036,874
NET POSITION, BEGINNING, RESTATED	115,493,508	111,739,631
NET POSITION, ENDING	\$ 125,515,367	\$ 116,776,505

The accompanying notes are an integral part of these financial statements.

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

**COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014**

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 50,323,680	\$ 51,437,806
Cash paid to employees for services	(5,289,073)	(5,240,405)
Cash paid to suppliers for goods and services	(26,030,938)	(31,181,359)
Net cash provided by operating activities	19,003,669	15,016,042
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from rentals	1,106,522	1,041,402
Cash received for miscellaneous items	-	53,479
Transfers from other funds	30,634	681,068
Transfers to other funds	(6,683,854)	(6,834,993)
Net cash used by noncapital financing activities	(5,546,698)	(5,059,044)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from disposal of capital assets	140,977	37,493
Proceeds from debt issuance	19,244,563	-
Proceeds from developers for contributions in aid of construction	1,411,502	1,079,517
Principal payments on long-term debt	(4,173,449)	(3,090,000)
Acquisition and construction of capital assets	(8,986,483)	(6,968,085)
Interest and other charges on debt	(2,058,531)	(1,848,250)
Net cash provided (used) by capital and related financing activities	5,578,579	(10,789,325)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	649,121	98,259
Purchase of investments	(10,206,694)	(6,884,478)
Net cash used by investing activities	(9,557,573)	(6,786,219)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	9,477,977	(7,618,546)
CASH AND CASH EQUIVALENTS, BEGINNING	16,748,994	24,367,540
CASH AND CASH EQUIVALENTS, ENDING	26,226,971	16,748,994
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS		
Current assets - cash and cash equivalents	19,966,730	9,434,168
Restricted assets - cash and cash equivalents	6,260,241	7,314,826
Total cash and cash equivalents	\$ 26,226,971	\$ 16,748,994

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

COMPARATIVE STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 14,492,771	\$ 9,938,290
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	5,030,776	4,814,552
Decrease (increase) in accounts receivable	(44,209)	641,309
Decrease (increase) in earned but unbilled customer accounts	(273,676)	(421,893)
Decrease (increase) in inventory	(193,426)	(5,403)
Decrease (increase) in prepaid items	9,812	(34,214)
Decrease (increase) in deferred outflows - pensions	(147,309)	-
Increase (decrease) in accounts payable	100,852	648,362
Increase (decrease) in accrued wages payable	(19,226)	(75,615)
Increase (decrease) in unearned revenue	(2,083)	(738,573)
Increase (decrease) in customer deposits	(75,103)	64,052
Increase (decrease) in compensated absences	(64,932)	77,032
Increase (decrease) in deferred inflows - pensions	312,929	-
Increase (decrease) in net pension liability	(290,386)	(56,172)
Increase (decrease) in net OPEB obligation	166,879	164,315
Net cash provided by operating activities	\$ 19,003,669	\$ 15,016,042
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Contributions of capital assets	\$ 663,258	\$ 595,452
Change in fair value of investments	330,710	30,549
Proceeds from refunding debt issued and deposited with escrow agent for the defeasance of debt	27,200,132	-

The accompanying notes are an integral part of these financial statements.

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**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

These financial statements present only the Municipal Utility System, a separate fund of the City of Weatherford, Texas (the “City”). They are not intended to present the financial position, results of operations or cash flows of the City as a whole.

In accordance with Article IX of the City Charter, management, control and operation of the municipal utility system is vested with the board of trustees. The Municipal Utility System (the “Utility System”) Board of Trustees, consisting of the Mayor, two Council members and four trustees appointed by the Council, exercises management control of the electric, water and wastewater systems that serve the City. The Trustees are appointed by the City Council. The rates for user charges and bond issuance authorizations are also approved by the Council. The Municipal Utility Fund is used to account for the operations of the City’s electric distribution system, water treatment and distribution system and wastewater treatment and collection system.

B. Fund Accounting

The accounts of the Municipal Utility System are organized as an Enterprise Fund. The operations of the fund is accounted with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenses. Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Utility System is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. Total net assets are segregated into the following categories: net assets, invested in capital assets, net of related debt; restricted; and unrestricted. The Utility System operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in financial statements. The Utility System is accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Unbilled receivables for electric and water utility service are recorded at year-end.

When both restricted and unrestricted resources are available for use, it is the Utility System's policy to use restricted resources first, then unrestricted as they are needed.

The Utility System distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Utility System's principal ongoing operations. Operating expenses for the Utility System include the cost of personal and contractual services supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash, Cash Equivalents and Investments

The Utility System's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

The City maintains a cash and investment pool that is available for use by all funds of the City, including the Utility System's funds. Each fund's portion of this pool is allocated to each fund of the City, and the Utility System's cash and investments are displayed on the statement of net position as cash and investments or restricted cash and investments.

For purposes of the statement of cash flows, the Utility System considers cash and other investments with maturities of three months or less from the date of purchase to be cash and cash equivalents.

E. Restricted Assets

Certain resources set aside for repayment of bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond ordinances. The rate stabilization restriction is used to report an amount billed to customers to subsidize potential future rate increases due to an unexpected increase in future power costs.

F. Inventory

The Utility System inventory is valued at cost using the moving average cost method.

G. Capital Assets

Property, plant and equipment are recorded at cost, or, if contributed property, fair market value at the date of contribution. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets.

Estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	40
Water, electric and sewer system	40 - 60
Machinery and equipment	5 - 10

Renewals and betterments of property and equipment are capitalized, whereas normal repairs and maintenance are charged to expense as incurred. Individual items with an initial cost greater than \$5,000 and with estimated useful life of at least two years following the date of acquisition are capitalized.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The Utility System calculates capitalized interest by applying the interest rate of the debt to the weighted average construction expenditures.

H. Accumulated Unpaid Vacations, Sick Leave and Other Employee Benefit Amounts

Employees are paid for up to 720 hours of unused sick leave upon retirement or annually for one-half of the accumulated sick leave in excess of 720 hours. With the exception of sick leave for employees eligible for retirement, sick leave less than 720 hours is expensed when paid. Vacation is earned in varying amounts. Employees may accrue up to 320 hours of vacation. If the employee reaches the maximum accrual limit future accruals will cease until the vacation balance is below the established maximum amount. The Utility System has accrued for the estimated liability for compensated absences.

I. Long-term Obligations

In the Utility System financial statements, the long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds.

J. 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/expenditure) until then. The Utility System has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.

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 Utility System has one type of item that qualifies for reporting in this category.

- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

K. Net Position

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

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

M. Concentration of Credit Risk

The Utility System grants credit to utility customers located in the City and the surrounding area.

N. Reclassifications

Certain amounts presented for the prior year have been reclassified in order to be consistent with the current year's presentation.

O. Prior Period Adjustment

The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27," which became effective for fiscal year 2015. This statement changes the focus of pension accounting for employers from whether they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer's financial statements for any actuarially unfunded portion of pension benefits earned to date.

The implementation of Statement No. 68 resulted restatement of beginning net position for the elimination of the previously reported net pension obligation in the amount of \$479,596, the recording of the beginning net pension liability in the amount of \$2,232,930 and the beginning deferred outflow for contributions made after the measurement date in the amount of \$470,337. These items cumulatively resulted in a restatement of beginning net position in the amount of \$1,282,997.

II. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Interest Rate Risk: In compliance with the Utility System's Investment Policy the Utility System minimizes interest rate risk or the decrease in market value of securities in the Utility System's portfolio due to changes in interest through strong cash flow projections so that market value losses are reduced and through investments in short-term securities with maturity dates that do not exceed five years from the date of purchase with the exception of security purchases related to reserve funds or that are matched to other specific cash flows and by investing operating funds in short-term securities or government investment pools. By doing this, the Utility System avoids the need to sell securities in the secondary market prior to the maturity date.

Credit Risk: The Utility System has no formal policy addressing credit risk. However, safety of principal is the primary objective of the Utility System's investment policy. In accordance with this objective, the Utility System limits its investments to those that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2015, the Utility System's investment in TexPool, TexStar, and Texas Class were rated AAAM by Standard & Poor's and the U. S. Government Securities were rated AAA by Moody.

Concentration of Credit Risk: In accordance with the Utility System's investment policy, the Utility System limits their exposure of concentration of credit risk by restricting investments in a single security type or financial institute to less than 50% of the Utility System's total investment portfolio with the exception of U. S. Treasury and Agency Securities and authorized pools.

It is the Utility System's policy to report all debt securities held at the end of the reporting period at fair value, regardless of the remaining maturity at time of purchase. The fair value of investments is based on quoted market prices for the same or similar security with like stated interest and maturity characteristics.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAAM by Standard & Poor's. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as the office of the Comptroller of Public Accounts for review. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

The Texas Short-term Asset Reserve Program, TexStar, is managed by a five-member Board of Directors in accordance with its bylaws which set forth procedures governing the selection of, and actions taken by the Board. Board oversight is maintained through daily, weekly, and monthly reporting contracts. Administration of TexStar is maintained by JP Morgan Chase, Inc. and First Southwest Asset Management, Inc. who serve as co-administrators for TexStar under contract with the Board. The contract may be extended periodically to a term of two years or less. In accordance with the Public Funds Investment Act, TexStar maintains an advisory board. The members of the Board are composed of participants and other persons who do not have a business relationship with TexStar. Members are appointed and serve at the will of the Board of Directors. TexStar operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost rather than market value. Accordingly, the fair value of the position in TexStar is the same as the value of the TexStar shares.

The Utility System's investments as of September 30, 2015 and 2014, are shown below.

As of September 30, 2015:

Description	Maturity Date	Fair Value	% of Total	Weighted Average Maturity (Days)
Local Government Investment				
Pools (2a-7 like pools):				
TexPool	10/01/15	\$ 552,727	1.18%	40
TexStar	10/01/15	3,501,875	7.47%	83
Texas Class	10/01/15	16,349,875	34.89%	60
U.S. Government Securities:				
Federal Home Loan Bank	3/11/16	4,013,912	8.57%	14
Federal Home Loan Bank	3/22/16	500,269	1.07%	2
Fannie Mae	3/30/16	4,005,144	8.55%	16
Federal Home Loan Bank	9/28/16	1,501,143	3.20%	12
Federal Home Loan Bank	12/9/16	731,891	1.56%	7
Altoona WI	12/1/16	376,989	0.80%	3
Federal Home Loan Bank	1/30/17	701,482	1.50%	7
Fannie Mae	1/30/17	1,009,549	2.15%	11
Altoona WI	12/1/17	594,842	1.27%	10
Fannie Mae	9/26/18	3,023,508	6.45%	70
Fannie Mae	9/26/18	1,284,659	2.74%	30
Fannie Mae	9/26/18	4,399,087	9.39%	103
Altoona WI	12/18/18	303,953	0.65%	8
Federal Home Loan Bank	1/22/19	2,005,606	4.28%	52
Federal Home Loan Bank	4/17/20	2,001,016	4.27%	71
Total		<u>26,453,050</u>	<u>56.45%</u>	
Total investments		\$ <u>46,857,527</u>	<u>100.00%</u>	

As of September 30, 2014:

Description	Maturity Date	Fair Value	% of Total	Weighted Average Maturity (Days)
Local Government Investment				
Pools (2a-7 like pools):				
TexPool	10/01/14	\$ 1,052,420	2.93%	48
TexStar	10/01/14	5,533,474	15.40%	83
Texas Class	10/01/14	13,769,781	38.33%	60
U.S. Government Securities:				
Federal Home Loan Bank	05/27/15	1,012,103	2.82%	7
Federal Home Loan Bank	12/27/17	2,000,892	5.57%	66
Federal Home Loan Bank	06/10/19	1,987,858	5.53%	95
Fannie Mae	09/26/18	4,351,790	12.11%	176
Fannie Mae	09/26/18	1,279,326	3.56%	52
Fannie Mae	09/26/18	3,012,759	8.39%	122
U.S. Treasury Note	05/31/15	1,925,903	5.36%	13
Total		<u>15,570,631</u>	<u>43.34%</u>	
Total investments		\$ <u>35,926,306</u>	<u>100.00%</u>	

B. Interfund Transfers

Transfers of resources during 2015 and 2014 occurred between the Utility System and other funds of the City as follows:

2015:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
City's General Fund	Utility System	\$ 6,683,854
Utility System	Solid Waste Fund	<u>30,634</u>
Total Transfers		<u>\$ 6,714,488</u>

2014:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
City's General Fund	Utility System	\$ 6,834,993
Utility System	Solid Waste Fund	41,584
Utility System	Other Governmental	<u>639,484</u>
Total Transfers		<u>\$ 7,516,061</u>

Transfers were used 1) to transfer franchise fees to the City's General Fund from the Utility System; 2) to transfer funds from the Utility System to the City's General Fund for return on investment of the City owned utility system; 3) to transfer funds from the Solid Waste Fund to the Utility System for billing services; and 4) to transfer funds from the Utility System to the City's General Fund for administrative services provided by the City's General Fund.

C. Capital Assets

Capital asset activity for the years ended September 30, 2015 and 2014, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
September 30, 2015				
Capital assets, not being depreciated:				
Land	\$ 2,540,233	\$ 49,606	\$ -	\$ 2,589,839
Construction in progress	<u>3,436,970</u>	<u>3,971,895</u>	<u>(2,219,687)</u>	<u>5,189,178</u>
Total assets not being depreciated	<u>5,977,203</u>	<u>4,021,501</u>	<u>(2,219,687)</u>	<u>7,779,017</u>
Capital assets, being depreciated:				
Buildings and improvements	19,106,576	-	(10,000)	19,096,576
Other improvements	154,278,264	7,142,756	(546,555)	160,874,465
Machinery and equipment	<u>6,865,750</u>	<u>1,116,372</u>	<u>(340,532)</u>	<u>7,641,590</u>
Total capital assets being depreciated	<u>180,250,590</u>	<u>8,259,128</u>	<u>(897,087)</u>	<u>187,612,631</u>
Less accumulated depreciation:				
Buildings and improvements	(9,223,777)	(450,875)	10,000	(9,664,652)
Other improvements	(54,685,309)	(3,995,754)	408,348	(58,272,715)
Machinery and equipment	<u>(4,491,109)</u>	<u>(584,146)</u>	<u>336,251</u>	<u>(4,739,004)</u>
Total accumulated depreciation	<u>(68,400,195)</u>	<u>(5,030,775)</u>	<u>754,599</u>	<u>(72,676,371)</u>
Total capital assets being depreciated, net	<u>111,850,395</u>	<u>3,228,353</u>	<u>(142,488)</u>	<u>114,936,260</u>
Municipal Utility capital assets, net	<u>\$ 117,827,598</u>	<u>\$ 7,249,854</u>	<u>\$(2,362,175)</u>	<u>\$ 122,715,277</u>
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
September 30, 2014				
Capital assets, not being depreciated:				
Land	\$ 2,514,254	\$ 25,979	\$ -	\$ 2,540,233
Construction in progress	<u>2,398,515</u>	<u>2,881,525</u>	<u>(1,843,070)</u>	<u>3,436,970</u>
Total assets not being depreciated	<u>4,912,769</u>	<u>2,907,504</u>	<u>(1,843,070)</u>	<u>5,977,203</u>
Capital assets, being depreciated:				
Buildings and improvements	19,505,130	-	(398,554)	19,106,576
Other improvements	149,084,181	4,016,908	1,177,175	154,278,264
Machinery and equipment	<u>6,340,329</u>	<u>670,820</u>	<u>(145,399)</u>	<u>6,865,750</u>
Total capital assets being depreciated	<u>174,929,640</u>	<u>4,687,728</u>	<u>633,222</u>	<u>180,250,590</u>
Less accumulated depreciation:				
Buildings and improvements	(9,170,471)	(451,776)	398,470	(9,223,777)
Other improvements	(51,526,900)	(3,811,797)	653,388	(54,685,309)
Machinery and equipment	<u>(4,082,463)</u>	<u>(550,979)</u>	<u>142,333</u>	<u>(4,491,109)</u>
Total accumulated depreciation	<u>(64,779,834)</u>	<u>(4,814,552)</u>	<u>1,194,191</u>	<u>(68,400,195)</u>
Total capital assets being depreciated, net	<u>110,149,806</u>	<u>(126,824)</u>	<u>1,827,413</u>	<u>111,850,395</u>
Municipal Utility capital assets, net	<u>\$ 115,062,575</u>	<u>\$ 2,780,680</u>	<u>\$(15,657)</u>	<u>\$ 117,827,598</u>

D. Long-term Liabilities

Long-term liability activity for the years ended September 30, 2015 and 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
September 30, 2015					
Bonds payable:					
Revenue bonds	\$ 31,600,000	\$ 41,565,000	\$ 29,955,000	\$ 43,210,000	\$ 3,655,000
Issuance premium/discount	827,865	4,879,695	827,280	4,880,280	81,576
Total bonds payable	32,427,865	46,444,695	30,782,280	48,090,280	3,736,576
Tax note	110,000	-	110,000	-	-
State infrastructure loans	553,428	-	255,609	297,819	130,455
Capital lease obligation	499,670	-	32,840	466,830	33,686
Net OPEB obligation	1,001,916	238,337	71,458	1,168,795	-
Net pension liability	479,593	2,250,765	787,817	1,942,541	-
Compensated absences	1,093,715	348,322	413,254	1,028,783	147,376
Municipal Utility					
long-term liabilities	<u>\$ 36,166,187</u>	<u>\$ 49,282,119</u>	<u>\$ 32,453,258</u>	<u>\$ 52,995,048</u>	<u>\$ 4,048,093</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
September 30, 2014					
Bonds payable:					
Revenue bonds	\$ 34,585,000	\$ -	\$ 2,985,000	\$ 31,600,000	\$ 3,115,000
Issuance premium/discount	952,670	-	124,805	827,865	124,805
Total bonds payable	35,537,670	-	3,109,805	32,427,865	3,239,805
Tax note	215,000	-	105,000	110,000	110,000
State infrastructure loans	690,281	-	136,853	553,428	125,308
Capital lease obligation	531,669	-	31,999	499,670	32,839
Net OPEB obligation	837,601	263,510	99,195	1,001,916	-
Net pension obligation	535,765	729,776	785,948	479,593	-
Compensated absences	1,016,683	529,426	452,394	1,093,715	142,406
Municipal Utility					
long-term liabilities	<u>\$ 39,364,669</u>	<u>\$ 1,522,712</u>	<u>\$ 4,721,194</u>	<u>\$ 36,166,187</u>	<u>\$ 3,650,358</u>

The Utility System had capitalized interest expense of \$0, and \$20,744, on various construction projects in progress during fiscal year 2015 and 2014, respectively.

Bonds payable at September 30, 2015 and 2014, consist of the following individual issues:

	<u>2015</u>	<u>2014</u>
\$21,055,000 2005 Utility System Refunding Bonds, due in annual installments through September 1, 2018, 3.00% - 5.00% .	\$ -	\$ 9,975,000
\$20,000,000 2006 Utility System Improvement Bonds, due in annual installments through September 1, 2026, 4.00% - 5.125%.	160,000	18,955,000
\$6,575,000 2008 Utility System Refunding Bonds, due in annual installments through September 1, 2018, 3.46%.	2,035,000	2,670,000
\$41,565,000 2015 Utility System Refunding Bonds, due in annual installments through September 1, 2035, 2.00% - 5.00%.	<u>41,015,000</u>	<u>-</u>
	<u>\$ 43,210,000</u>	<u>\$ 31,600,000</u>

The annual debt payment requirements for bonds payable as of September 30, 2015, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 3,655,000	\$ 1,989,819	\$ 5,644,819
2017	3,775,000	1,879,235	5,654,235
2018	3,925,000	1,731,908	5,656,908
2019	2,675,000	1,546,437	4,221,437
2020	2,805,000	1,412,688	4,217,688
2021-2025	13,765,000	4,934,688	18,699,688
2026-2030	6,705,000	2,165,637	8,870,637
2027-2035	<u>5,905,000</u>	<u>914,500</u>	<u>6,819,500</u>
Total	<u>\$ 43,210,000</u>	<u>\$ 16,574,912</u>	<u>\$ 59,784,912</u>

The revenue bonds are collateralized by the revenue of the combined utility system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the revenue bond funds. Any remaining revenues may then be used for any lawful purpose. The ordinances also contain provisions which, among other items, restrict the issuance of additional revenue bonds unless the special funds noted above contain the required amounts and certain financial ratios are met. The Utility System is in compliance with these financial requirements.

Below is a summary of the various restricted asset accounts required by the bond ordinances along with the actual cash reserved as of September 30, 2015 and 2014.

	<u>2015</u>		<u>2014</u>	
	<u>Required</u>	<u>Actual</u>	<u>Required</u>	<u>Actual</u>
Reserve fund	\$ 3,067,616	\$ 3,161,270	\$ 3,987,280	\$ 4,018,387
Bond fund	470,735	852,640	450,543	845,929

The following is a summary of notes payable as of September 30, 2015 and 2014:

Description and Terms	2015	2014
Bank of America: \$690,000 2009 Tax Notes, due in annual installments through March 1, 2015, 3.63%.	\$ -	\$ 110,000
Texas Department of Transportation: March 2009, the City received a State Infrastructure Bank Loan in the amount of \$320,000, payable in 10 annual installments of \$39,061, including interest at 3.8%, to fund utility relocations in connection with replacement of two bridges over railroad tracks on US 180.	142,459	174,875
Texas Department of Transportation: February 2012, the City received a State Infrastructure Bank Loan in the amount of \$650,000. Payable in five annual installments of \$101,034, including interest at 2.45% For sewer line relocation along FM 51/SH 171.	<u>155,360</u>	<u>378,553</u>
	<u>\$ 297,819</u>	<u>\$ 663,428</u>

Bond Refunding

The City issued \$41,565,000 of Utility System Revenue Refunding and Improvement Bonds, Series 2015 to refund and defease certain maturities of its existing outstanding bond issuances as well as provide new money proceeds for funding various projects. The bonds provided \$19,000,000 of new money proceeds for the City. The refunding allowed the City to reduce future debt payments. The refunding resulted in a decrease in total debt service payments in the next 12 years by \$3,794,239 which equates to a \$3,149,549 present value savings or economic gain. The refunding provided resources that were placed in a separate irrevocable trust for the purpose of generating resources for all future debt service payments of the debt being refunded. As a result, the bonds are considered to be defeased and the liability has been removed from the statement of net position. The difference between the reacquisition price and the net carrying amount of the old debt (deferred amount on refunding of \$906,461) will be amortized over the remaining life of the original debt issued.

Defeased Debt Outstanding

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's financial statements. As of September 30, 2015, \$18,640,000 of bonds were considered defeased.

The annual debt payment requirements for notes payable as of September 30, 2015, are as follows:

Fiscal Year	Principal	Interest	Total
2016	\$ 130,455	\$ 8,034	\$ 138,489
2017	93,479	4,852	98,331
2018	36,254	2,808	39,062
2019	<u>37,631</u>	<u>1,430</u>	<u>39,061</u>
Total	<u>\$ 297,819</u>	<u>\$ 17,124</u>	<u>\$ 314,943</u>

The Utility System has entered into a lease agreement as lessee for financing of building improvements. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of minimum lease payments as of the inception date.

The annual debt payment requirements for the capital leases as of September 30, 2015, are as follows:

Fiscal Year	Capital Lease
2016	\$ 45,731
2017	45,731
2018	45,731
2019	45,731
2020	45,731
2021-2025	228,653
2026-2030	<u>45,731</u>
Total minimum lease payments	503,039
Less: amount representing interest	(36,209)
Present value of minimum lease payments	<u>\$ 466,830</u>

III. OTHER INFORMATION

A. Retirement Plan

Plan Description. The Utility System participates in a nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS) with the City of Weatherford, Texas. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act). For stand-alone reporting purposes of the Utility System this plan is considered a cost-sharing multiple-employer retirement system. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tMrs.org.

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

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

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

The government has granted an annually repeating (automatic) basis a monetary credit referred to as an updated service credit (USC) which is a theoretical amount which takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, the government has provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, 5 years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	50% of CPI repeating

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

Employees for the government were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the government were 15.54% and 13.79% in calendar years 2014 and 2015, respectively. The Utility System's contributions to TMRS for the year ended September 30, 2015, were \$609,555 and were equal to the required contributions.

Actuarial assumptions:

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0% per year
Overall payroll growth	3.0% per year
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering the 2009 through 2011, and the dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses 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. The target allocation and best estimates of arithmetic real rates return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The following presents the Utility System's proportionate share of the net pension liability, calculated using the discount rate of 7.0%, as well as what the Utility System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) of 1-percentage-higher (8.0%) than the current rate:

	<u>1% Decrease in in Discount Rate (6.0%)</u>	<u>Discount Rate (7.0%)</u>	<u>1% Increase in in Discount Rate (8.0%)</u>
Utility System's proportionate share of the net pension liability	\$ 5,111,485	\$ 1,942,541	\$(651,087)

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

At September 30, 2015, the Utility System reported a liability of \$1,942,541 of its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Utility System’s proportion of the net pension liability was based on the Utility System’s contributions to the pension plan relative to the contributions of all employers (the City and Utility System) to the plan for the period January 1, 2014 through December 31, 2014. At December 31, 2014, the Utility System’s proportion was 22.36%. Since this is the first year of implementation, the Utility System does not have the proportion measured as of December 31, 2013.

For the year ended September 30, 2015, the Utility System recognized pension expense of \$484,671. At September 30, 2015, the Utility System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 312,929
Difference between projected and actual investment earnings	187,115	-
Contributions subsequent to the measurement date	<u>430,531</u>	<u>-</u>
Totals	<u>\$ 617,646</u>	<u>\$ 312,929</u>

\$430,531 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended September 30,	
2016	\$(28,356)
2017	(28,356)
2018	(28,356)
2019	(28,356)
2020	(12,390)

Subsequent Event

Pursuant to TMRS policy of conducting experience studies every four years, the TMRS Board at their July 31, 2015 meeting determined that they would be changing certain actuarial assumptions including reducing the long term expected rate of return from the current 7% to 6.75% and changing the inflation assumption from 3% to 2.5%. Reduction of expected investment return and related discount rate will increase projected pension liabilities. Reducing the inflation assumption reduces liabilities as future annuity levels and future cost of living adjustments are not projected to be a large as originally projected. While the actual impact on the government’s valuation for December 31, 2015 is not known the government does expect some downward pressure on its funded status and upward pressure on its 2017 actuarially determined contribution (ADC) due to this change.

B. Other Postemployment Benefits

Retiree Health Plan

Plan Description

The City offers its retired employees health insurance benefits through a single-employer defined benefit OPEB plan, under City policy. This plan is administered by the City and no separate audited financial statements are available.

After October 2000, the City began paying for 100 percent of the premiums of health, dental and vision care for employees who retire from full time service with the City. On March 1, 2007, the City changed this policy to only pay the medical premiums for those retirees who attain age 55 with 20 years of continuous service before retirement and meet the requirements under TMRS. On September 23, 2008, eligibility was further limited to those employees that were hired regular, full time before October 1, 2008.

Therefore, under the existing plan, the City will pay 100% medical, dental and vision premiums for those retirees who were hired regular fulltime before October 1, 2008, retire after October 1, 2008, and meet the following qualifications:

1. Employed by the City of Weatherford in a fulltime status for a period of at least 20 years continuously prior to retirement;
2. Meet eligibility requirements under TMRS; and
3. Attain minimum age 55 at retirement date.

The City will not pay any portion of medical premiums for retirees hired after October 1, 2008.

Retirees are responsible for payment of premiums for any dependent coverage. Retirement under TMRS is attainment of 20 years of service, any age or five years of service and age 60. Only fulltime employees who attain age 55 with 20 years of continuous service with the City are eligible for health benefits. Employees retiring early under retirement conditions or who terminate employment are not eligible for retiree health benefits. Survivors of employees who die while actively employed are not eligible for retiree health care benefits. Employees who retire under a disability retirement must meet the eligibility requirements stated above to be eligible for health care benefits. Spouses and the dependents of retired employees are eligible to continue health care, dental and vision benefits or Medicare Supplement with payment of 100% of premiums, until death of retiree. Upon death of retiree, all benefits cease. Retirees are required to enroll in Medicare Part A and B when eligible. Retiree pays full Medicare premiums with the City paying the costs of the Medicare Supplement policy for retiree. The City does not offer life insurance coverage for retirees or their dependents. Retirees who decide to opt-out of the health care plan are not eligible to opt back.

Funding Policy

The City’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB Statement No. 45. The ARC represents an amount that is projected to recognize the normal cost each year and the amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008, as required by GASB. The City’s annual OPEB cost for the fiscal years ending September 30, 2015 and 2014, are as follows:

	<u>2015</u>	<u>2014</u>
Annual required contribution	\$ 963,345	\$ 977,914
Interest on OPEB obligation	169,073	139,439
Adjustment to ARC	<u>(156,645)</u>	<u>(129,189)</u>
Annual OPEB cost (expense) end of year	975,773	988,164
Net estimated employer contributions	<u>(292,556)</u>	<u>(329,621)</u>
Increase in net OPEB obligation	683,217	658,543
Net OPEB obligation - as of beginning of the year	<u>3,757,186</u>	<u>3,098,643</u>
Net OPEB obligation - as of end of the year	<u>\$ 4,440,403</u>	<u>\$ 3,757,186</u>

The Utility System’s portion of the net OPEB obligation was \$1,168,795 and \$1,001,916 as of September 30, 2015 and 2014, respectively.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the prior three years (4.5% discount rate, and level percent of pay amortization) follow:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation End of Year</u>
9/30/2013	\$ 957,600	\$ 328,361	34.3%	\$ 3,098,643
9/30/2014	988,164	329,621	33.4%	3,757,186
9/30/2015	975,773	292,556	30.0%	4,440,403

Funded Status and Funding Progress

The funded status of the City’s retiree health care plan, as of the most recent actuarial valuation date is as follows:

Schedule of Funding Progress – Other Post-Employment Health Care Benefits

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2014	\$ -	\$ 11,915,747	\$ 11,915,747	- %	\$ 18,642,345	63.92%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. A schedule of funding progress presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The funded status as of December 31, 2014 is the most recent actuarial valuation.

Actuarial Methods and Assumptions

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

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

Inflation rate	3.00% per annum
Investment rate of return	7.50%, net of expenses
Actuarial cost method	Projected unit credit cost
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year, open amortization
Payroll growth	3.00% per annum
Healthcare cost trend rate	Initial rate of 7.25% declining to an ultimate rate of 4.50% after 14 years

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

Supplemental Death Benefits Plan for Retirees

Plan Description

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

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

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. Contributions are made on a monthly basis on the covered payroll of employee members of the City. The City's contributions to the TMRS SDBF for the years ended 2015, 2014 and 2013, were \$32,008, \$29,312 and \$29,374, respectively, which equaled the required contributions each year.

C. Deferred Compensation Plan

The Utility System offers its employees a tax-deferred compensation plan meeting the requirements of Internal Revenue Code Section 457 through the City. The plan was established by City ordinance that appointed ICMA Retirement Corporation as plan administrator. The City's fiduciary responsibility is to remit employee deferred compensation to the administrator on a regular basis. The deferred compensation is not available to employees until termination, retirement, death, or emergency.

D. Risk Management

The Utility System is exposed to various risks of loss related to theft or damage of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the Utility System's participation in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for liability, property, and workers' compensation and in the Texas Municipal League Intergovernmental Employee Benefits Pool (TMLIEBP) for employee health insurance in conjunction with the City. These are self-sustaining risk pools operated on a statewide basis for the benefit of several hundred Texas cities and other public entities. Annual premiums are paid to the TMLIRP, which retains risk of loss up to \$3,000,000 and obtains independent coverage for losses in excess of that amount. Monthly premiums are paid to the TMLIEBP, which retains risk of loss up to \$500,000 per individual and obtains independent coverage for losses in excess of that amount.

The Utility System retains no risk except for the deductible amounts as shown below:

<u>Type of Coverage</u>	<u>Limit Per Occurrence</u>	<u>Annual Aggregate</u>	<u>Deductible</u>
General liability	\$ 2,000,000	\$ 4,000,000	\$ 5,000
Law enforcement liability	2,000,000	4,000,000	5,000
Errors and omissions liability	2,000,000	4,000,000	50,000
Auto liability	2,000,000	N/A	5,000
Auto physical damage	ACV*	N/A	1,000
Real and personal property**	57,277,073	57,277,073	5,000
Mobile equipment*	2,237,894	2,237,894	1,000
Boiler and machinery	11,000,000	N/A	5,000
Sewage backup	50,000	N/A	500

*Actual cash value

**Blanket limit

There have been no reductions in coverage from the coverage in the previous two years, and there have been no settlements that exceeded coverage in the current or past four fiscal years. On October 1, 2013, the Utility System's insurance deductibles increased significantly from prior years.

E. Contingencies

There are various lawsuits pending in which the Utility System is involved. In the opinion of legal counsel and Utility System management, the settlement of these lawsuits will not have a material adverse effect on the Utility System's financial position.

F. Power Wholesale Supplier Agreements and Derivative Instruments

The City owns and operates its own electric distribution system and purchases all of its power from wholesale power suppliers. In an effort to mitigate the financial and market risk associated with the purchase of energy and congestion risk in delivery, the City has established a risk management program. The program was authorized by the Weatherford Municipal Utility Board and is led by a Risk Management Committee. Under this program, the City enters into forward contracts for natural gas and congestion rights for the purpose of reducing exposure to energy and congestion price risk. Use of these types of instruments for the purpose of reducing exposure to price risk is performed as a hedging activity. In order to hedge the City's price risk, the City has entered into corresponding power supply agreements with the entity's wholesale power supplier to hedge against energy price fluctuation in the market.

Congestion Revenue Rights (CRRs) function as financial hedges against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. These instruments allow the City to hedge expected future congestion that may arise during a certain period. CRRs are purchased at auction, semi-annually and monthly at market value. These CRRs are expected to be settled upon the City taking delivery of the commodity which meet the requirements of a normal purchase of the City. As of September 30, 2015, the City held CRRs with a cost of \$139,264, and are reported as prepaid items within the Utility System Fund.

The City has entered into a wholesale power supply agreement with Garland Power and Light (GP&L) through 2018. Additionally, the City has wholesale power supply agreements with American Electric Power (AEP) and Bryan Texas Utilities (BTU) through 2015 and 2016, respectively. Under the terms of the agreements, the City purchases its full power requirements for its retail customer base.

During the current year-end, the total kWh purchased and cost of kWh purchased in conjunction with the wholesale power supply agreements were as follows:

2015 <u>Power Supplier</u>	kWh <u>Purchased</u>	<u>Total Cost</u>
American Electric Power	\$ 147,398,000	\$ 4,810,849
Bryan Texas Utilities	147,398,000	5,231,989
Garland Power and Light	122,925,740	5,219,028
Transmission charges	-	4,821,717
	<u>\$ 417,721,740</u>	<u>\$ 20,083,583</u>

2014 <u>Power Supplier</u>	kWh <u>Purchased</u>	<u>Total Cost</u>
American Electric Power	\$ 212,348,871	\$ 10,713,455
Garland Power and Light	91,418,240	8,318,606
Bryan Texas Utilities	<u>113,063,000</u>	<u>5,310,804</u>
	<u>\$ 416,830,111</u>	<u>\$ 24,342,865</u>

In July 2015, the City entered into a power purchase agreement with the City of Garland to invest in energy from a wind turbine electrical generation facility. The terms of the agreement begin on the date the facility begins operation, and continue for the subsequent fourteen years. The commercial operation date is expected to be December 31, 2016.

G. New Accounting Principles

A significant new accounting standard not yet implemented by the Utility System includes the following.

Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” – This statement changes the focus of accounting of postemployment benefits other than pensions from whether an entity is responsible for funding the benefits over time to a point-in-time liability that is reflected on the employer’s financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective in fiscal year 2018.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

**REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF THE MUNICIPAL UTILITY SYSTEM'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Plan Year</u>
	<u>2014</u>
Municipal Utility System's proportion of the net pension liability	22.36%
Municipal Utility System's proportionate share of the net pension liability	\$ 1,942,541
Municipal Utility System's covered payroll	4,169,600
Municipal Utility System's proportionate share of the net pension liability as a percentage of its covered payroll	46.59%
Plan fiduciary net position as a percentage of the total pension liability	90.94%

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

**REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF THE MUNICIPAL UTILITY SYSTEM CONTRIBUTIONS**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Fiscal Year	
	2014	2015
Contractually required contribution	\$ 656,192	\$ 609,555
Contributions in relation to the contractually required contribution	(656,192)	(609,555)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Municipal Utility System's covered-employee payroll	\$ 4,118,312	\$ 4,324,265
Contributions as a percentage of covered-employee payroll	15.93%	14.10%

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF FUNDING PROGRESS FOR RETIREE HEALTH PLAN
FOR THE EMPLOYEES OF CITY OF WEATHERFORD, TEXAS**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/10	\$ -	\$ 10,420,335	\$ 10,420,335	0.0%	\$ 18,077,202	57.64%
12/31/12	-	11,451,759	11,451,759	0.0%	17,909,673	63.94%
12/31/14	-	11,915,747	11,915,747	0.0%	18,642,345	63.92%

CAPITAL ASSETS

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**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

SCHEDULES OF CAPITAL ASSETS

SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Land	\$ 2,589,839	\$ 2,540,233
Buildings and improvements	19,096,576	19,106,576
Other improvements	160,874,465	154,278,264
Machinery and equipment	7,641,590	6,865,750
Construction in progress	<u>5,189,178</u>	<u>3,436,970</u>
	<u>195,391,648</u>	<u>186,227,793</u>
Less accumulated depreciation	<u>(72,676,371)</u>	<u>(68,400,195)</u>
Totals	<u>\$ 122,715,277</u>	<u>\$ 117,827,598</u>

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2015

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Other Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction in Progress</u>
Administration	\$ 5,400,193	\$ 326,764	\$ 3,346,267	\$ 1,118,647	\$ 606,202	\$ 2,313
Water production	26,633,840	1,055,502	12,146,429	11,744,280	1,363,186	324,443
Water distribution	59,342,281	724,576	35,619	56,152,511	656,345	1,773,230
Wastewater	43,975,382	153,691	3,231,643	35,411,353	2,159,723	3,018,972
Electric production	1,192,894	11,334	336,618	13,203	831,739	-
Electric distribution	<u>58,847,058</u>	<u>317,972</u>	<u>-</u>	<u>56,434,471</u>	<u>2,024,395</u>	<u>70,220</u>
Total capital assets	<u>\$ 195,391,648</u>	<u>\$ 2,589,839</u>	<u>\$ 19,096,576</u>	<u>\$ 160,874,465</u>	<u>\$ 7,641,590</u>	<u>\$ 5,189,178</u>

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY**

FOR THE YEAR ENDED SEPTEMBER 30, 2015

<u>Function and Activity</u>	<u>Balance 09/30/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/15</u>
Administration	\$ 5,308,829	\$ 120,347	\$(28,983)	\$ 5,400,193
Water production	25,382,122	1,251,718	-	26,633,840
Water distribution	56,736,363	2,948,065	(342,147)	59,342,281
Wastewater	40,964,054	3,134,947	(123,619)	43,975,382
Electric production	1,192,893	1	-	1,192,894
Electric distribution	<u>56,643,532</u>	<u>2,656,835</u>	<u>(453,309)</u>	<u>58,847,058</u>
Total capital assets	<u>\$ 186,227,793</u>	<u>\$ 10,111,913</u>	<u>\$(948,058)</u>	<u>\$ 195,391,648</u>

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STATISTICAL SECTION

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CITY OF WEATHERFORD, TEXAS
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Utility System Revenue Bonds						Coverage
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service			
				Principal	Interest		
2005/06	\$ 50,133,799	\$ 39,001,632	\$ 11,132,167	\$ 2,215,000	\$ 2,495,105	2.36	
2006/07	47,313,004	37,605,675	9,707,329	2,300,000	2,408,986	2.06	
2007/08	60,783,520	49,251,229	11,532,291	2,400,000	2,222,335	2.49	
2008/09	55,326,626	46,126,060	9,200,566	2,605,000	2,131,361	1.94	
2009/10	44,648,091	34,190,600	10,457,491	2,615,000	2,015,352	2.26	
2010/11	48,143,263	32,655,996	15,487,267	2,715,000	1,912,988	3.35	
2011/12	40,639,256	24,787,800	15,851,456	2,840,000	1,787,416	3.43	
2012/13	44,969,078	29,429,195	15,539,883	2,985,000	1,655,752	3.35	
2013/14	51,923,460	37,140,069	14,783,391	3,115,000	1,517,523	3.19	
2014/15	51,902,458	31,326,472	20,575,986	3,830,000	2,049,007	3.50	

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

(1) Total operating revenues plus interest.

(2) Total operating expenses excluding depreciation and amortization.

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SCHEDULE OF ELECTRIC SALES
LAST TEN FISCAL YEARS
(Unaudited)

<u>Year Ended September 30</u>	<u>Power Sold (KWHR)</u>	<u>Daily Average (KWHR)</u>	<u>System Peak (KW)</u>
2006	338,176,662	926,511	82,721
2007	334,246,819	915,745	81,859
2008	354,818,755	972,106	82,317
2009	341,457,244	935,499	83,385
2010	365,673,529	1,001,845	90,289
2011	381,826,440	1,046,100	96,681
2012	371,081,397	1,016,661	92,466
2013	371,982,863	1,019,131	94,161
2014	389,421,402	1,066,908	96,681
2015	* 386,452,762	** 1,058,775	*** 94,249

* 14.3% Increase since 2006 (KWHR)
** 14.3% Increase since 2006 (KWHR)
*** 13.9% Increase since 2006 (KW)

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SCHEDULE OF RETAIL WATER SALES
LAST TEN FISCAL YEARS
(Unaudited)

<u>Year Ended September 30</u>	<u>Water Sold (1,000 Gallon)</u>	<u>Daily Average (1,000 Gallon)</u>	<u>Peak Day (1,000 Gallon)</u>
2006	1,464,155	4,011	8,289
2007	1,117,941	3,063	7,264
2008	1,281,104	3,510	7,991
2009	1,258,075	3,447	8,191
2010	1,107,183	3,033	7,316
2011	1,373,590	3,763	9,069
2012	1,289,037	3,532	9,003
2013	1,227,698	3,364	7,708
2014	1,179,691	3,232	6,997
2015	* 1,116,010	** 3,058	*** 7,676

* -23.8% Decrease since 2006
** -23.8% Decrease since 2006
*** -7.4% Decrease since 2006

24,000 pop. - 167.14 gals per day per person (2006)
27,769 pop. - 110.10 gals per day per person (2015)

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SCHEDULE OF WASTEWATER SALES
LAST TEN FISCAL YEARS
(Unaudited)

<u>Year Ended September 30</u>	<u>Wastewater Treated (1,000 Gallon)</u>	<u>Daily Average (1,000 Gallon)</u>	<u>Peak Day (1,000 Gallon)</u>
2006	772,941	2,118	3,758
2007	811,311	2,223	5,308
2008	758,813	2,079	4,083
2009	706,666	1,936	4,307
2010	825,139	2,261	4,360
2011	778,677	2,133	5,490
2012	818,178	2,242	4,389
2013	772,133	2,115	3,964
2014	784,012	2,148	3,660
2015	* 801,228	** 2,195	*** 4,762

* 3.7% Increase since 2006
** 3.6% Increase since 2006
*** 26.7% Increase since 2006

24,000 pop. - 88.23 gals per day per person (2006)
27,769 pop. - 79.05 gals per day per person (2015)

CITY OF WEATHERFORD, TEXAS
MISCELLANEOUS STATISTICS
September 30, 2015
(Unaudited)

Date of incorporation	January 2, 1858
Form of government	Council/Manager
Number of full-time employees (excluding police and fire):	228
Area in square miles	27.88
Facilities and Services	
Miles of streets	231.23
Number of street lights	1,940
Culture and Recreation:	
Public libraries	1
Total library holdings	103,028
Community centers	2
Parks	10
Park acreage	301.00
Swimming pools	1
Tennis courts	3
Soccer fields	8
Softball and baseball fields	12
Multi-purpose fields and courts	3
Fire protection:	
Number of stations	3
Number of paid fire personnel and officers	56
Number of trucks	17
Number of calls answered	4,660
Police protection:	
Number of stations	1
Number of police personnel and officers	78
Number of patrol units	23
Number of law violations:	
Arrests	1,404
Violations other than parking	4,675
Parking violations	89

CITY OF WEATHERFORD, TEXAS
MISCELLANEOUS STATISTICS
September 30, 2015
(Unaudited)

Facilities and Services - continued

Sanitary Sewer System:

Miles of sanitary sewers	208.00
Number of treatment plants	1
Number of service connections	10,481
Daily average treatment in gallons	2,195,000
Permitted daily capacity of treatment plant in gallons	4,500,000

Water System:

Miles of water mains	275.00
Number of service connections	11,350
Number of fire hydrants	1,450
Daily average consumption in gallons	3,058,000
Maximum daily capacity of plant in gallons	14,000,000
Total water storage capacity	7,600,000
Annual water sales in gallons	1,116,010,000

Electric Distribution System:

Miles of distribution lines	342
Number of service connections	14,161
Total system peak demand (KW)	94,249
Annual kilowatt-hour sales (KWH)	386,452,762

Education:

Number of elementary schools	7
Number of elementary school instructors	297
Number of secondary schools	4
Number of secondary school instructors	239
Number of community colleges	1

Hospitals:

Number of hospitals	1
Number of patient beds	103

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SERVICE RATE SCHEDULES
As of September 30, 2015
(Unaudited)

ELECTRIC RATES - (Effective October 1, 2014 - Ordinance 695-2014-40)

Residential	\$11.75 customer charge \$0.0432 per KWH
Small General Service (Demand does not exceed 20.00)	\$19.55 customer charge plus \$0.0467 per KWH
Large General Service - 1 (Demand 20.00 - 200.00)	\$42.50 customer charge \$3.96 per KVA demand \$0.0244 per KWH
Large General Service - 2 (Demand 200.00 - 1000.00)	\$100.00 customer charge \$4.00 per KVA demand \$0.0256 per KWH
Large General Service - 3 (Demand 1000.00 or more)	\$195.00 customer charge \$4.05 per KVA demand \$0.0225 per KWH

LGS-1, LGS-2 and LGS-3 customers are subject to minimum KW demand billing equal to 75% of highest demand billed within last 12 months.

MV Lighting	\$10.00 customer charge Estimated usage 40 KWH
-------------	---

Power cost adjustment factor (PCAF) - The energy charges stated in all rate schedules for the current billing month will be increased or decreased by the amount by which the average cost of purchased power plus production costs per kilowatt hour sold for the previous month exceeds \$0.0150.

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SERVICE RATE SCHEDULES
As of September 30, 2015
(Unaudited)

WATER RATES (Effective October 1, 2014 - Ordinance 695-2014-40)

RESIDENTIAL WATER CUSTOMER

Customer Charge (minimum)	\$ 15.25
Per Cu. Ft. (0-1,000)	\$ 0.04112
Per Cu. Ft. (1,001-3,500)	\$ 0.05137
Per Cu. Ft. (3,501-5,000)	\$ 0.06431
Per Cu. Ft. (all over 5,000)	\$ 0.08054

RURAL WATER CUSTOMER - Westridge/Southcrest Subdivisions

Customer Charge (minimum)	\$ 15.25
Residential:	
Per Cu. Ft. (0-1,000)	\$ 0.07512
Per Cu. Ft. (1,001-3,500)	\$ 0.08537
Per Cu. Ft. (3,501-5,000)	\$ 0.09831
Per Cu. Ft. (all over 5,000)	\$ 0.11454
Commercial	\$ 0.07505

COMMERCIAL RATES

Customer Charge (minimum)	\$ 15.22
Per Cu. Ft.	\$ 0.04105

OFFSITE COMMERCIAL / INDUSTRIAL

Fire Hydrant Meters

Customer Charge (minimum) - FH 2 Inch	\$ 121.80
Customer Charge (minimum) - FH 3 Inch	\$ 266.44
Per Cu. Ft. (all)	\$ 0.07540

WASTEWATER RATES (Effective October 1, 2014 - Ordinance 695-2014-40)

RESIDENTIAL RATES

Customer Charge (minimum)	\$ 17.04
Cu. Ft. Included in Minimum	400
Per Cu. Ft. > 400 CF (Maximum Billed - 2,000 CF)	\$ 0.04771

Residential wastewater volume based on lower month's actual use or average of water billed during months of Dec., Jan., and Feb.

COMMERCIAL RATES

Customer Charge (minimum)	\$ 19.19
Cu. Ft. Included in Minimum	400
Per Cu. Ft. > 400 CF	\$ 0.04418

Commercial volume based on percent of actual water billed each month.

CAPITAL PROJECTS SECTION

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**CITY OF WEATHEFORD
MUNICIPAL UTILITY SYSTEM
POLICY STATEMENT FOR DESIGNATED
RESERVES AND PROGRAM PLANNING
(Unaudited)**

The Weatherford Municipal Utility Board continues to have a reserve for Capital Improvements which is consistent with the planning for such projects. Each year the Utility budget includes Capital Improvements which span multiple years due to the length of time required to complete a project. Capital Improvement reserves are built from operating surplus and can be used in conjunction with the issuance of debt for the replacement of or addition to utility infrastructure. The monies used for Capital Improvement Projects shall be determined by the Utility Board on an annual basis or as the need arises.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
OVERVIEW OF CAPITAL PROJECTS
FOR NEXT TEN YEARS
(Unaudited)**

The City of Weatherford's existing water, wastewater, and electric facilities are more than adequate to serve its existing customers. However, during the next ten years, the Capital Improvement expenditures for the City of Weatherford Utilities Division will make great strides in upgrading and expanding the water, wastewater, and electric systems to accommodate future growth in its service area.

The City is prepared to provide several improvements over the next ten years to better serve its customers. The installation of an Advanced Metering System (AMS) will allow for remote reading of meters, on demand re-reads of meters, and more detailed usage information for customers. This project is expected to cost approximately \$3,350,000 and should be completed by the end of fiscal year 2018. In regards to water facilities, a Water Purification Plant Master Plan was prepared and completed in the spring of 2015. It will outline major expansion and upgrade projects to be completed. It is anticipated that an expansion of the plant will be required by 2022 in order to maintain compliance with the requirements of the Texas Commission on Environmental Quality (TCEQ). A Water Master Plan Update was completed in 2013. The update includes a Water System Capital Improvement Plan, which lists several water distribution and storage facility projects to be completed in order to accommodate future growth of the City's service area under build-out conditions. Among the projects are the following which are anticipated to be complete in the next ten years:

Project	Status as of September 30, 2015	Estimated/ Actual Cost
30" Supply Line to the Dubellette GST	Design Complete	\$ 3,020,000
10 MGD Ward St Pump Station and 6 MG GST	-	6,070,850
30" Supply Line - Central Pressure Plane	-	2,493,120
12" Supply Line - Central Pressure Plane	-	1,437,550
12" Water Line - East Pressure Plane	-	552,120
16" and 12" Water Line - East Pressure Plane	-	1,249,920
12" and 8" Water Lines - Oak Ridge Pressure Plane	-	477,930
24" and 12" Water Line - Weatherford Loop	Portion Under Design	1,669,250
12" Water Line and PRV-Miller Pressure Plane	Portion Under Design	927,900
16" and 12" Water Line and PRV - Dubellette PP	-	1,810,100
16" Water Line along I-20 - Dubellette PP	Complete	864,470
12" Water Line along I-20 - Dubellette PP	Design Complete	855,330
12" Water Line BB Fielder Blvd - Dubellette PP	Complete	500,000
16" Water Line along Bethel Rd. - Dubellette PP	-	1,315,980
16-inch Transmission Main in the Miller Pressure Plane along Mineral Wells Hwy.	Under Design	1,285,810
B.B. Fielder Water Extension	Under Design	150,000
North Main Street Water Rehabilitation	Under Design	1,304,050
Advanced Metering System	Installation	3,350,000

In regards to wastewater facilities, a Wastewater Treatment Plant Master Plan was prepared in 2012. It is anticipated that improvements will be required to improve phosphorus removal in order to adhere to stricter water quality requirements within the next two years. These improvements are estimated to cost approximately \$2,182,000. A reclaimed water system is also currently under design and will also be constructed within the next two years. It will supplement the City's water supply by transporting treated effluent from the wastewater treatment plant to Lake Weatherford. It has an estimated cost of \$11,218,000. Other improvements to the plant anticipated in the next ten years include: Cannibal Process Upgrades, Dewatering Improvements, Gravity Thickener Modifications, Filtration Upgrades, Additional Nutrient Removal Improvements and Energy Improvements. A Wastewater Collection System Master Plan is being prepared that will also outline projects to be completed to accommodate future growth of the City's service area under build-out conditions. It is anticipated to be complete by May 2016. The wastewater collection system projects listed below may change after completion of the Master Plan:

Project	Status	Estimated/ Actual Cost
Reclaimed Water System	Under Design	\$ 11,218,000
Lift Station 25, Wastewater Line and Force Main	Under Design	1,395,700
Sanchez Creek Wastewater Line, Force Main and Lift Station	-	4,874,400
I20 Wastewater Line-Bethel and Magnolia	Under Design	600,000
North Wastewater Line to Lift Station 25	-	1,900,800
Dacey Road Wastewater Line Extension	-	2,502,000
Lift Station 6 Wastewater Line	-	2,016,000
FM 920 Wastewater Extension	-	1,519,200
B.B. Fielder Road Wastewater Extension	-	657,000
Wendy Lane Wastewater Extension	-	777,600
Town Creek Wastewater Extension	Under Design	977,470
North Main Street Wastewater Rehabilitation	Under Design	2,438,850
Bullard Street, Bankhead Highway and Ricky Lane Wastewater Line Rehabilitation	Under Design	408,200

In regards to electric facilities, an electric substation is needed in the western part of the City's electric service territory due to increased load growth in that area and due to the opening of the Ric Williamson Memorial Highway. This project is expected to cost approximately \$4,000,000, and should be completed by the summer of 2016. Another electric capital project is the installation of an Advanced Metering System (AMS). This system will allow for remote reading of meters, instant outage notification, on demand re-reads of meters, and more detailed usage information for customers. This project is expected to cost approximately \$2,500,000 and should be completed by the end of fiscal year 2018.

Project	Status	Estimated/ Actual Cost
West Loop Substation	Design/Construction	\$ 4,000,000
Advanced Metering System	Installation	2,500,000

**CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM**

ATTORNEYS

Zellers & Zellers, City Attorney Ed Zellers

Fifty percent of Mr. Zellers salary is paid by the Utility Board by City Charter. Mr. Zellers performs many tasks for the Utility Division in all areas of electric, water, and wastewater related issues.

Davidson & Troilo Ream & Garza

Davidson & Troilo Ream & Garza have been retained to provide legal services pertaining to the electric system and to provide legal services regarding the Transmission Cost of Service.

Herrera & Boyle

Herrera & Boyle reviewed the AT&T and Charter Communications agreements to evaluate the rights and obligations under each agreement and identify areas in the agreements to modify to address concerns.

Lloyd Gosselink Rochelle & Townsend

Lloyd Gosselink Rochelle & Townsend assisted and provided legal services with the wholesale water agreements.

Mathews & Freeland

Mathews & Freeland were retained to provide legal services to assist with pretreatment permitting and to assist with

Willatt & Flickinger

Mike Willatt was retained to provide legal services for assistance with water rights permitting.

ENGINEERING & CONSULTING FIRMS

Baird, Hampton & Brown

Baird, Hampton & Brown provided professional engineering services to design an 8", 12" and 16" water line including surveying, designing plans and bid documentation referred to as the Deerfield Water Line. Survey and design services were also provided for the 16"/18" reclaimed water line from FM 730 and Dickey Road to Lake Weatherford. Survey work and easement preparation were completed for the BB Fielder water line and survey work was completed for multiple sewer

Black & Veatch

Black & Veatch provided a high-level peer review of the preliminary findings and recommendations for improvements to and expansion of the Water Treatment Plant.

Concentric Energy Advisor

Concentric Energy Advisor aid the City of Weatherford Electric Department with risk management.

CP&Y

CP&Y were retained to provide engineering services to review water quality data and to recommend potential improvements in the source water, treatment processes and distribution system.

Freese & Nichols

Freese & Nichols provided engineering services for multiple projects. They provided services to assist with the permitting requirements and to implement a reclaimed water system including filing of an application amending Weatherford's Lake Weatherford water right to include reclaimed water of Weatherford's treated wastewater. Freese & Nichols also designed multiple segments of sanitary sewer replacements of the Black Warrior Creek project and the pump station and wastewater treatment plant improvements for the reclaimed water project.

Gupta & Associates

Gupta & Associates provided consulting engineering services for the replacement of the variable frequency drives which were installed about ten years ago. The VFDs are critical in the operation of the Water Treatment Plant. Gupta & Associates also provided electrical and instrumentation engineering services for the trident and decant programmable logic control replacement project to include project management and meetings, design phase and bidding phase.

Hazen & Sawyer

Hazen and Sawyer were retained to provide engineering services to evaluate and plan for long term water treatment facilities including an expansion and a twenty year Capital Improvements Plan in prioritizing long-term needs of the Water Treatment Plant.

Municipal H2O

Municipal H2O conducted a compliance audit of the Water Treatment Plant and created a report including a hazard assessment, RMP prevention program with required EPA elements, a hazard review and process analysis, and a compliance audit report.

Newgen Strategies and Solutions

Newgen Strategies and Solutions reviewed current contracts and developed a wholesale rate design in accordance with the terms and conditions of those contracts to allow full recovery of costs. They also updated the cost of service and rate design models for the electric, water, and wastewater systems and facilitated a review of the proposed wholesale water rate methodology.

North Point Technology

North Point Technology assisted with the Scada system conversion to a single inductive automation ignition based system. The Water Treatment Plant was the initial focus of the conversion in fiscal year 2015. The Scada system allows the ability to remotely control and monitor the water plant, wastewater plant, water pump stations, water tanks and wastewater lift stations.

Peloton Land Solutions

Peloton provided engineering services to determine the potential impacts resulting from the Lake Weatherford dredging project. Peloton also provided environmental services for the reclaimed water project.

Perkins Engineering Consultants

Perkins Engineering provided professional services to assist with the amendment of the Wastewater Treatment Plant discharge permit and with the amendment of the Water Treatment Plant residuals pond permit to reflect a second outfall to Lake Weatherford.

Petty & Associates

Petty & Associates developed a Strategic Plan focusing on identifying key issues which will impact electric, water and sewer utilities over the next several years. The Strategic Plan provided a foundation for the planning and execution of services, sustaining fiscal responsibility, maintaining performance accountability, and increasing value for citizens and customers.

Schneider Engineering

Schneider Engineering have been active in providing professional services for the West Loop Substation, AMS metering project, Wholesale Power Supply, Transmission Cost of Service and Regulatory Support.

Teague Nall & Perkins

Teague Nall & Perkins provided engineering services of survey and design of a gravity sewer line, a force main and a lift station. They have also been retained for the survey and design of a 16" water reclaimed line from Town Creek Pump Station to Dicey Road.

Trac-n-trol

Trac-n-trol provided professional services for the service and maintenance of the Scada system. Professional services were also provided to include labor, materials and programming for the Benbrook Pump Station RTU panel.

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CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
WHOLESALE PURCHASED POWER CONTRACTS

Weatherford Electric retained Schneider Engineering of Boerne, Texas to consult with the Weatherford Municipal Utility Board on the electric utility's future wholesale power supply needs. In an effort to diversify wholesale power suppliers and the percentage of Weatherford Electric's power needs bid on the market any given year, Weatherford Electric entered into three wholesale power supply agreements with three different wholesale power suppliers: Garland Power and Light, Bryan Texas Utilities, and American Electric Power. Each supplier supplies one-third of Weatherford Electric's power needs for differing contract term lengths: Garland Power and Light for five years until December 31, 2018, Bryan Texas Utilities for three years until December 31, 2016, and American Electric Power for two years until December 31, 2015. Future contracts with EDF Trading for January 1, 2016 to December 31, 2019 and Bryan Texas Utilities for January 1, 2017 to December 31, 2020 have been executed in a continuation of the wholesale power supply strategy. This strategy provides reduced market risk similar to a full requirements contract while also providing the benefits of diversified suppliers and contract term lengths.

**CITY OF WEATHERFORD MUNICIPAL UTILITY SYSTEM
MAJOR CAPITAL PROJECTS SUMMARY FOR THE PERIOD 10/01/06-09/30/15 (Unaudited)**

REVENUE:	BEGINNING BALANCE 10/01/05	FISCAL YEAR 2005/2006	FISCAL YEAR 2006/2007	FISCAL YEAR 2007/2008	FISCAL YEAR 2008/2009
Bond Revenues	-	\$ 24,372,373.59	\$ -	\$ -	\$ -
Utility Fund Revenues	364,342.77	1,468,867.25	-	-	294,366.21
EPA Grant	-	-	240,000.00	-	-
Wastewater Impact Fee	-	-	-	397,519.81	99,864.78
2009 Tax Notes	-	-	-	-	690,000.00
Water Impact Fees	-	-	-	-	163,633.25
SIB Loans	-	-	-	-	-
Lake Lot Licenses	-	-	-	-	-
Gas Well Royalties	-	-	-	-	-
TOTAL REVENUES		\$ 25,841,240.84	\$ 240,000.00	\$ 397,519.81	\$ 1,247,864.24

EXPENDITURES BY PROJECT:	BEGINNING BALANCE 10/01/04	FISCAL YEAR 2005/2006	FISCAL YEAR 2006/2007	FISCAL YEAR 2007/2008	FISCAL YEAR 2008/2009
Lake Weatherford Substation	364,342.77	990,293.41	-	-	-
Water Purification Plant Expansion	-	6,199,799.38	485,107.22	-	-
Elevated Water Tank & Lines	-	100,261.12	440,809.59	1,588,780.61	1,840,468.78
Parallel Treated Water Line	-	44,459.44	597,817.77	335,215.11	2,168,199.07
Parallel Wastewater Line	-	-	18,879.84	105,120.26	882,805.33
Lift Station #8 Relocation	-	-	-	164,198.55	68,632.75
Lift Station #6 Improvements	-	-	-	233,321.26	31,232.03
12" Waterline I-20/High School/Tin Top	-	-	-	-	163,633.25
Railroad Substation Construction	-	-	-	-	1,472,374.64
Viaduct Project	-	-	-	-	-
SIB Loan-Hwy. 171 W/W Relocation	-	-	-	-	-
SIB Loan-Viaduct	-	-	-	-	-
Recoating Filtration Tanks	-	-	-	-	-
SH 51 12" Water Line	-	-	-	-	-
Western Loop Water Line	-	-	-	-	-
SIB Loan-South Main Utility Relocation	-	-	-	-	-
12" Waterline TinTop/BB Fielder	-	-	-	-	-
Boat Ramp Lake Weatherford	-	-	-	-	-
30" Water Transmission Line	-	-	-	-	-
AMI Project - Water	-	-	-	-	-
Black Warrior Creek-Phase 1	-	-	-	-	-
AMI Project - Electric	-	-	-	-	-
Black Warrior Creek-Phase 2	-	-	-	-	-
Deerfield Water Line	-	-	-	-	-
Fort Worth Highway West Line	-	-	-	-	-
Lift Station #25 Improvements	-	-	-	-	-
Wastewater Effluent Project	-	-	-	-	-
Benbrook Valve Automation	-	-	-	-	-
I-20 Bethel Road/Tin Top Wastewater	-	-	-	-	-
I-20 Bethel Road/Tin Top Waterline	-	-	-	-	-
Miracle League Project	-	-	-	-	-
West Loop Substation	-	-	-	-	-
Membranes-Water Treatment Plant	-	-	-	-	-
Lift Station #11 Improvements	-	-	-	-	-
Trident PLC Replacement	-	-	-	-	-
Variable Frequency Drive Replacement	-	-	-	-	-
BB Fielder-Patriot Ave.-So. Main Water Line	-	-	-	-	-
TOTAL EXPENDITURES	364,342.77	\$ 7,334,813.35	\$ 1,542,614.42	\$ 2,426,635.79	\$ 6,627,345.85
ENDING BALANCE	(364,342.77)	\$ 18,506,427.49	\$ 17,203,813.07	\$ 15,174,697.09	\$ 9,795,215.48

FISCAL YEAR 2009/2010	FISCAL YEAR 2010/2011	FISCAL YEAR 2011/2012	FISCAL YEAR 2012/2013	FISCAL YEAR 2013/2014	FISCAL YEAR 2014/2015	ENDING BALANCE 9/30/2015
\$ -	\$ -	\$ -	\$ 136,552.02	\$ 363,581.94	\$ -	\$ 24,872,507.55
109,848.00	-	5,000.00	1,803,942.95	547,411.63	2,123,857.79	6,717,636.60
-	-	-	-	-	-	240,000.00
10,399.81	-	-	1,844,240.00	-	-	2,352,024.40
-	-	-	-	-	-	690,000.00
-	-	-	3,055,541.46	-	639,007.77	3,219,174.71
137,747.66	252,214.13	520,658.47	-	-	-	910,620.26
-	-	-	252,190.40	-	-	252,190.40
-	-	-	149,515.91	639,484.00	-	788,999.91
\$ 257,995.47	\$ 252,214.13	\$ 525,658.47	\$ 7,241,982.74	\$ 1,550,477.57	\$ 2,762,865.56	\$ 40,043,153.83

FISCAL YEAR 2009/2010	FISCAL YEAR 2010/2011	FISCAL YEAR 2011/2012	FISCAL YEAR 2012/2013	FISCAL YEAR 2013/2014	FISCAL YEAR 2014/2015	ENDING BALANCE 9/30/2015
-	-	-	-	-	-	1,354,636.18
-	-	-	-	-	-	6,684,906.60
126,364.08	-	-	-	-	-	4,096,684.18
2,656,060.16	805,895.18	1,849.50	-	-	-	6,609,496.23
510,402.90	-	-	-	-	-	1,517,208.33
692,513.93	371,081.31	-	-	-	-	1,296,426.54
70,670.25	206,150.98	422,304.35	660,078.05	210,026.46	-	1,833,783.38
-	-	-	-	-	-	163,633.25
-	-	-	-	-	-	1,472,374.64
139,848.59	-	-	-	-	-	139,848.59
33,822.50	34,833.25	-	-	-	-	68,655.75
103,925.16	217,380.88	-	-	-	-	321,306.04
109,848.00	-	5,000.00	239,924.20	-	-	354,772.20
-	58,898.66	116,882.47	-	-	-	175,781.13
-	62,903.98	27,966.43	20,805.52	-	-	111,675.93
-	-	520,658.47	-	-	-	520,658.47
-	-	97,662.30	77,424.40	-	-	175,086.70
-	-	-	252,190.40	-	-	252,190.40
-	-	-	215,299.99	36,184.32	-	251,484.31
-	-	-	63,072.73	65,597.38	893,284.52	1,021,954.63
-	-	-	136,552.02	363,581.94	-	500,133.96
-	-	-	-	-	350,573.91	350,573.91
-	-	-	-	-	1,018,295.37	1,018,295.37
-	-	-	55,541.46	188,782.95	1,316,077.15	1,560,401.56
-	-	-	83,948.75	1,204,149.17	-	1,288,097.92
-	-	-	44,240.00	99,174.16	508,301.55	651,715.71
-	-	-	149,515.91	148,004.54	264,458.86	561,979.31
-	-	-	138,165.21	178,245.15	-	316,410.36
-	-	-	-	100,542.59	19,545.50	120,088.09
-	-	-	-	292,775.60	15,717.62	308,493.22
-	-	-	-	95,184.10	-	95,184.10
-	-	-	-	70,219.79	548,973.36	619,193.15
-	-	-	-	-	681,239.57	681,239.57
-	-	-	-	-	22,243.00	22,243.00
-	-	-	-	-	39,510.00	39,510.00
-	-	-	-	-	269,273.00	269,273.00
-	-	-	-	-	15,700.00	15,700.00
\$ 4,443,455.57	\$ 1,757,144.24	\$ 1,192,323.52	\$ 2,136,758.64	\$ 3,052,468.15	\$ 5,963,193.41	\$ 36,841,095.71
\$ 5,609,755.38	\$ 4,104,825.27	\$ 3,438,160.22	\$ 8,543,384.32	\$ 7,041,393.74	\$ 3,841,065.89	\$ 3,202,058.12

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**LAKE WEATHERFORD SUBSTATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	1,354,636.18	-	1,354,636.18
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 1,354,636.18	\$ -	\$ 1,354,636.18

The Lake Weatherford Substation project included relocating the substation from property that was leased from Brazos Electric Power Cooperative to a site that was owned by the City of Weatherford. The project also included upgrading the substation from a single 10 MVA transformer with two distribution circuits to two transformers with 30 MVA capability and four distribution circuits. These improvements allowed for scheduled maintenance, redundancy, and greater reliability of the distribution system. This project was completed in 2006.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**WATER PURIFICATION PLANT EXPANSION
(Unaudited)**

	Balance 9/30/2014	Fiscal Year 2014-2015	Balance 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING DESIGN SERVICES	\$ 153,338.16	\$ -	\$ 153,338.16
ENGINEERING CONSTRUCTION	0.00	-	0.00
CONSTRUCTION	6,417,441.74	-	6,417,441.74
MISC. & CONTINGENCY	11,573.20	-	11,573.20
CAPITALIZED INTEREST	102,553.50	-	102,553.50
<i>TOTAL EXPENDITURES</i>	\$ 6,684,906.60	\$ -	\$ 6,684,906.60

The 6 MG expansion of the water plant began in June 2005. The plant was substantially complete in July 2006 with the final completion in August 2007.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**ELEVATED WATER TANK AND LINES
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 550,576.10	\$ -	\$ 550,576.10
LAND	81,100.00	-	81,100.00
LAND EASEMENTS/ROW'S	119,889.44	-	119,889.44
CONSTRUCTION	3,098,277.54	-	3,098,277.54
MISC. & CONTINGENCY	126,561.65	-	126,561.65
CAPITALIZED INTEREST	120,279.45	-	120,279.45
<i>TOTAL EXPENDITURES</i>	\$ 4,096,684.18	\$ -	\$ 4,096,684.18

An additional elevated water storage tank was needed in the southeast portion of the city. Bids were opened February 5, 2008, with construction starting in April 2008. The tank became operational in the summer of 2009.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**PARALLEL TREATED WATER LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 1,153,655.00	\$ -	\$ 1,153,655.00
LAND EASEMENTS/RIGHT-OF-WAYS	484,059.00	-	484,059.00
CONSTRUCTION	4,756,443.91	-	4,756,443.91
MISC. & CONTINGENCY	9,130.68	-	9,130.68
CAPITALIZED INTEREST	206,207.64	-	206,207.64
<i>TOTAL EXPENDITURES</i>	\$ 6,609,496.23	\$ -	\$ 6,609,496.23

The parallel water line extends from the Water Purification Plant into various points within the distribution system. The waterline was designed in three segments. Construction of segment A-1 began June 2009 and was completed in January 2010. Construction of segment A-2 began in December 2009 and was completed in April 2010. Construction of segment A-3 began in January 2011 and was completed by July 2011.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**PARALLEL WASTEWATER LINE
S. MAIN TO WWTP
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 149,100.00	\$ -	\$ 149,100.00
CONSTRUCTION	1,298,590.27	-	1,298,590.27
MISC. & CONTINGENCY	18,459.50	-	18,459.50
CAPITALIZED INTEREST	51,058.56	-	51,058.56
<i>TOTAL EXPENDITURES</i>	\$ 1,517,208.33	\$ -	\$ 1,517,208.33

This line will replace the existing 12 inch line from I-20 to the Wastewater Treatment Plant with a 24 inch line. Design was completed in Fiscal Year 2008. Construction began in April 2009 and was completed in February 2010.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**LIFT STATION #8 RELOCATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 214,099.99	\$ -	\$ 214,099.99
LAND EASEMENTS/RIGHT OF WAY	25,391.12	-	25,391.12
MISC. & CONSTRUCTION	781,194.22	-	781,194.22
SALARIES	127,654.10	-	127,654.10
CAPITALIZED LABOR	125,682.53	-	125,682.53
CAPITALIZED INTEREST	22,404.58	-	22,404.58
<i>TOTAL EXPENDITURES</i>	\$ 1,296,426.54	\$ -	\$ 1,296,426.54

Growing citizenry and a recent annexation south of I-20 are requiring the relocation and upgrade of the existing Lift Station #8. The existing lift station was constructed in 1980 and is quickly approaching the end of its useful life. Coupling that with the increasing demand for safe, reliable sewage disposal, the station will be moved south approximately one mile to serve the southern annexation. Construction began in March 2010 and was completed in September 2011.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**LIFT STATION #6 IMPROVEMENTS
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 244,308.29	\$ -	\$ 244,308.29
LAND EASEMENTS/RIGHT OF WAYS	12,000.00	-	12,000.00
MISC. & CONSTRUCTION	1,152,981.46	-	1,152,981.46
SALARIES	330,601.96	-	330,601.96
CAPITALIZED LABOR	43,605.65	-	43,605.65
CAPITALIZED INTEREST	50,286.02	-	50,286.02
<i>TOTAL EXPENDITURES</i>	\$ 1,833,783.38	\$ -	\$ 1,833,783.38

Growing citizenry and a recent annexation south of I-20 are requiring the relocation and upgrade of the existing Lift Station #6. The existing lift station was constructed in 1980 and is quickly approaching the end of its useful life. Coupling that with the increasing demand for safe, reliable sewage disposal, the lift station will be moved south approximately one mile to serve the southern annexation area. The City is obligated to move the lift station as part of the required services from the annexation. Construction began in May 2011 and was completed in January 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**12" WATERLINE BETWEEN I-20/HIGH SCHOOL/TIN TOP
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	163,633.25	-	163,633.25
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 163,633.25	\$ -	\$ 163,633.25

This project consisted of approximately 2,375 linear feet of 12" water line and associated appurtenances along the south side of Interstate 20 between Bethel Road and Tin Top Road. The project was completed in December 2008.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**RAILROAD SUBSTATION CONSTRUCTION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
CONSTRUCTION	597,955.06	-	597,955.06
MISC. & CONTINGENCY	834,314.81	-	834,314.81
CAPITALIZED INTEREST	40,104.77	-	40,104.77
<i>TOTAL EXPENDITURES</i>	\$ 1,472,374.64	\$ -	\$ 1,472,374.64

This 30 MVA (power for 5,000 homes) planned expansion of the Railroad Substation provides not only additional power handling capability, but enhances the overall flexibility and designed source redundancy for the utility's installed distribution system. This project became operational in May, 2009.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**VIADUCT PROJECT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
CONSTRUCTION	\$ 135,081.83	\$ -	\$ 135,081.83
CAPITALIZED INTEREST	4,766.76	-	4,766.76
<i>TOTAL EXPENDITURES</i>	\$ 139,848.59	\$ -	\$ 139,848.59

The Viaduct project relocated existing water and wastewater lines which were in conflict with the reconstruction of the Viaduct bridge. Construction began in September 2009 and was completed in April 2010.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**SIB LOAN-STATE HIGHWAY 171 W/W RELOCATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	68,655.75	-	68,655.75
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 68,655.75	\$ -	\$ 68,655.75

Construction consists of relocating approximately 300 linear feet of 12" wastewater line and 91 linear feet of 10 force main. This was completed in December 2009.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**SIB LOAN-VIADUCT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	321,306.04	-	321,306.04
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 321,306.04	\$ -	\$ 321,306.04

The Viaduct project relocated existing water and wastewater lines which were in conflict with the reconstruction of the Viaduct bridge. Construction began in September 2009 and was completed in April 2010.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**RECOATING FILTRATION TANKS
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	354,772.20	-	354,772.20
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 354,772.20	\$ -	\$ 354,772.20

This project consists of the recoating of four Trident Filtration Tanks at the Water Purification Plant. The first phase was completed in April 2012 and the second phase was completed in April 2013.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**SH 51 12" WATER LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
MISC. & CONSTRUCTION	121,745.64	-	121,745.64
SALAIRES	48,036.74	-	48,036.74
CAPITALIZED LABOR	351.23	-	351.23
CAPITALIZED INTEREST	5,647.52	-	5,647.52
<i>TOTAL EXPENDITURES</i>	\$ 175,781.13	\$ -	\$ 175,781.13

Approximately 1,800 linear feet of twelve (12) inch PVC water line and associated appurtenances were installed along the west side of FM 51/SH 171 from Alford Drive to approximately 700 feet south of B.B. Fielder Road. This water line was installed to serve the southern annexation area. This project began in June 2011 and was completed in March 2012.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**WESTERN LOOP WATER LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 13,093.16	\$ -	\$ 13,093.16
MISC. & CONSTRUCTION	75,778.57	-	75,778.57
CAPITALIZED LABOR	19,579.96	-	19,579.96
CAPITALIZED INTEREST	3,224.24	-	3,224.24
<i>TOTAL EXPENDITURES</i>	\$ 111,675.93	\$ -	\$ 111,675.93

Eight segments of twelve (12) inch PVC water line, ranging from sixty (60) to three hundred and thirty-three (333) linear feet, were installed at various locations along the proposed Western Loop, crossing under the future street, in order to accommodate future water lines. These lines were installed prior to construction of the loop in order to avoid excavation or boring under the street in the future. This project began in May 2011 and was completed in May 2013.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**SIB LOAN-SOUTH MAIN UTILITY RELOCATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	520,658.47	-	520,658.47
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 520,658.47	\$ -	\$ 520,658.47

This project consists of relocating approximately 1117 linear feet of 8" wastewater line, 1535 linear feet of 8", 12", and 16" waterline, and associated appurtenances along FM51/SH171 South Main near I-20. This project was completed in May 2010.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**12" WATERLINE ALONG TIN TOP BETWEEN I-20 & BB FIELDER ROAD
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
MISC. & CONSTRUCTION	136,886.28	-	136,886.28
SALARIES	31,970.33	-	31,970.33
CAPITALIZED LABOR	-	-	-
CAPITALIZED INTEREST	6,230.09	-	6,230.09
<i>TOTAL EXPENDITURES</i>	\$ 175,086.70	\$ -	\$ 175,086.70

Approximately 2,100 linear feet of twelve (12) inch PVC water line and associated appurtenances were installed along the east side of Tin Top Road from Interstate 20 to B.B. Fielder Road. This water line was installed to serve the southern annexation area. This project began in August 2012 and was completed in July 2013.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**BOAT RAMP LAKE WEATHERFORD
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	252,190.40	-	252,190.40
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 252,190.40	\$ -	\$ 252,190.40

This project consists of replacing an existing boat ramp at Lake Weatherford that was no longer able to be used due to low lake levels. This project was completed in May 2013.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**30" WATER TRANSMISSION LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 250,675.00	\$ -	\$ 250,675.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	809.31	-	809.31
<i>TOTAL EXPENDITURES</i>	\$ 251,484.31	\$ -	\$ 251,484.31

Approximately 8,000 linear feet of 30" water line and associated appurtenances from the intersection of Weiland Street and East Oak Street to the Dubellette ground storage tank. The design of the project has been completed and the estimated cost of construction is approximately \$3,100,000. This project will increase conveyance from the water treatment plant to water storage facilities. It is unknown when construction will begin.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**AMI PROJECT-WATER
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	128,670.11	893,284.52	1,021,954.63
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 128,670.11	\$ 893,284.52	\$ 1,021,954.63

Advanced Metering Infrastructure (AMI) consists of the replacement of water and electric meters with automated metering devices.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**BLACK WARRIOR CREEK-WASTEWATER
PHASE ONE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 136,552.02	\$ 48,820.94	\$ 185,372.96
LAND EASEMENTS/RIGHT OF WAY	-	6,814.34	6,814.34
MISC. & CONSTRUCTION	-	307,946.66	307,946.66
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 136,552.02	\$ 363,581.94	\$ 500,133.96

This project consists of replacement of approximately 1,000 linear feet of 8" wastewater line, 5,750 linear feet of 12" wastewater line, 1,900 linear feet of 18" wastewater line and associated appurtenances. The construction of the first phase was completed in August 2014. The construction of the second phase is expected to begin in May 2015 and expected to be completed in March 2016.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**AMI PROJECT-ELECTRIC
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	350,573.91	350,573.91
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 350,573.91	\$ 350,573.91

Advanced Metering Infrastructure (AMI) consists of the replacement of water and electric meters with automated metering devices.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**BLACK WARRIOR CREEK-WASTEWATER
PHASE TWO
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ 14,003.39	\$ 14,003.39
LAND EASEMENTS/RIGHT OF WAY	-	4,400.00	4,400.00
MISC. & CONSTRUCTION	-	999,891.98	999,891.98
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 1,018,295.37	\$ 1,018,295.37

The Black Warrior Creek Sanitary Sewer Replacement project consists of replacing and installing approximately 1,181 linear feet of 8" wastewater line, 5,859 linear feet of 12" wastewater line and 2,100 linear feet of 18" wastewater line. The construction of the first phase began in May 2014 and was completed in August of 2014. The construction of the second phase began in May 2015 and will be completed by March 2016.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**DEERFIELD WATER LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 182,036.46	\$ 19,005.00	\$ 201,041.46
LAND EASEMENTS/RIGHT OF WAY	52,134.05	41,869.63	94,003.68
MISC. & CONSTRUCTION	5,931.52	1,255,202.52	1,261,134.04
CAPITALIZED INTEREST	4,222.38	-	4,222.38
<i>TOTAL EXPENDITURES</i>	\$ 244,324.41	\$ 1,316,077.15	\$ 1,560,401.56

Approximately 1,365 linear feet of 8" water line, 6,336 linear feet of 12" water line and 9,440 linear feet of 16" water line and associated appurtenances from the West Park elevated storage tank to Roark Lane in Deerfield Estates. The estimated construction cost is approximately \$2,100,000. The project will expand service to the newly constructed Ric Williamson Memorial Highway and other areas to the west. It will also allow the groundwater system serving the Deerfield Estates subdivision to be abandoned. The construction of Phase One began in November 2014 and is expected to be completed in March 2015. The construction of Phase Two is expected to begin in May 2016 and will be completed in August 2016.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**FORT WORTH HIGHWAY WEST LINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 98,221.92	\$ -	\$ 98,221.92
LAND EASEMENTS/RIGHT OF WAY	2,212.19	-	2,212.19
MISC. & CONSTRUCTION	1,187,663.81	-	1,187,663.81
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 1,288,097.92	\$ -	\$ 1,288,097.92

The project consisted of approximately 7,300 linear feet of 6" to 12" water lines and associated appurtenances along Fort Worth Highway from Hogle Street to the 1500 block of Fort Worth Highway. This project was completed in August 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**LIFT STATION #25 IMPROVEMENTS
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 141,196.00	\$ 53,422.00	\$ 194,618.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	454,879.55	454,879.55
CAPITALIZED INTEREST	2,218.16	-	2,218.16
<i>TOTAL EXPENDITURES</i>	\$ 143,414.16	\$ 508,301.55	\$ 651,715.71

Approximately 1,800 linear feet of 8" wastewater line, 3,400 linear feet of 8" force main line, 2,448 linear feet of 12" wastewater line, one lift station and associated appurtenances located near the intersection of Bowie Drive and Interstate 20. This project expands wastewater service to areas on the west side of the City's service area. Construction of Phase One began in March 2015 and is expected to be completed in June 2015. Construction of Phase Two is expected to begin in May 2015 and is expected to be completed in August 2015.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**WASTEWATER EFFLUENT PROJECT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 297,420.45	\$ 256,932.83	\$ 554,353.28
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	100.00	7,526.03	7,626.03
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 297,520.45	\$ 264,458.86	\$ 561,979.31

The reclaimed Water project consists of wastewater plant improvements, pump station, approximately 35,505 linear feet of 16" and 18" reclaimed water pipeline and outfall facility to transport approximately 2.0 MGD up to 4.5 MGD of wastewater effluent to Lake Weatherford. The design of the project began in May 2015 and is expected to be complete in June 2016. Construction is expected to begin in September 2016 and will be completed by November 2017.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**BENBROOK VALVE AUTOMATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	316,410.36	-	316,410.36
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 316,410.36	\$ -	\$ 316,410.36

This project consisted of installing one new 24" automated valve, modifying an existing 24" valve and 36" valve to achieve automated operation, installing one 24" flow meter and associated site improvements. The purpose of this project is to control the transfer of raw water from the Lake Benbrook transmission line to either Lake Weatherford or directly to the Water Treatment Plant. The project was completed in May 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**I-20 BETHEL ROAD/TIN TOP-WASTEWATER IMPROVEMENTS
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	1,269.00	-	1,269.00
MISC. & CONSTRUCTION	97,024.82	19,545.50	116,570.32
CAPITALIZED INTEREST	2,248.77	-	2,248.77
<i>TOTAL EXPENDITURES</i>	\$ 100,542.59	\$ 19,545.50	\$ 120,088.09

Approximately 14 linear feet of 4" wastewater line, 1,253 linear feet of 8" wastewater line and associated appurtenances along Interstate 20 from the intersection of Tin Top Road and Interstate 20 to approximately 1,400 feet east of the intersection of Bethel Road and Interstate 20. This project expanded services to growing areas along Interstate 20. The construction of the project began in July 2014 and was completed in November 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**I-20 BETHEL ROAD/TIN TOP WATERLINE
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	3,431.00	-	3,431.00
MISC. & CONSTRUCTION	282,796.29	15,717.62	298,513.91
CAPITALIZED INTEREST	6,548.31	-	6,548.31
<i>TOTAL EXPENDITURES</i>	\$ 292,775.60	\$ 15,717.62	\$ 308,493.22

Approximately 54 linear feet of 6" water line, 41 linear feet of 8" water line, 2.754 linear feet of 12" water line and associated appurtenances along Interstate 20 from the intersection of Tin Top Road and Interstate 20 to the intersection of Bethel Road and Interstate 20. This project expanded services growing areas along Interstate 20. The construction of the project began in July 2014 and was completed in November 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**MIRACLE LEAGUE PROJECT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	95,184.10	-	95,184.10
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 95,184.10	\$ -	\$ 95,184.10

This project consists of approximately 1,360 linear feet of 8" of wastewater line and associated manholes along Tin Top Road between BB Fielder Drive and Candleridge Court. This project was completed in September 2014.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**WEST LOOP SUBSTATION
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ 69,392.48	\$ 101,586.37	\$ 170,978.85
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	827.31	447,386.99	448,214.30
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ 70,219.79	\$ 548,973.36	\$ 619,193.15

The Weatherford West Loop Substation project will provide adequate capacity to the western reaches of the City of Weatherford's electric service territory by building a new electric substation on Ric Williamson Memorial Highway near Interstate 20. It will be a two transformer substation with potential for eight distribution circuits that will not only provide electric for the immediate area, but will also serve as a limited backup for the City's North Weatherford and Live Oak Substations. The target completion date for this project is May of 2016.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**MEMBRANES-WATER TREATMENT PLANT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	681,239.57	681,239.57
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 681,239.57	\$ 681,239.57

This project consisted of replacing 228 modules, installation of lubricant and miscellaneous installation equipment, and on-site support and startup of the membrane filters at the Water Treatment Plant. This project began and completed in June 2015.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**LIFT STATION #11 IMPROVEMENTS
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	22,243.00	22,243.00
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 22,243.00	\$ 22,243.00

This improvement consists of a duplex lift station pump control panel and fencing for Lift Station# 11. Improvements began in December 2014 and was completed in September 2015.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**TRIDENT PLC REPLACEMENT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	39,510.00	39,510.00
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 39,510.00	\$ 39,510.00

The project consists of replacing the Trident PLC/Enclosure, replacement of the Decant PLC, providing new instrumentation, new valve actuators and new conduit/wires are necessary that service the Trident Filters and Decant areas at the Weatherford Water Treatment Plant. The Project began in November 2015 and is expected to be completed in June 2016.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**VARIABLE FREQUENCY DRIVE REPLACEMENT
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	269,273.00	269,273.00
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 269,273.00	\$ 269,273.00

This project consists of replacing the variable frequency drives at the High Service Pump Station at the Water Treatment Plant. The project was completed in February 2015.

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
10/01/05-09/30/15**

**BB FIELDER ROAD BETWEEN PATRIOT AVENUE AND SOUTH MAIN STREET
(Unaudited)**

	BALANCE 9/30/2014	FISCAL YEAR 2014-2015	BALANCE 9/30/2015
<u>PROJECT EXPENDITURES</u>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	15,700.00	15,700.00
CAPITALIZED INTEREST	-	-	-
<i>TOTAL EXPENDITURES</i>	\$ -	\$ 15,700.00	\$ 15,700.00

The first phase of the project consists of 6,635 linear feet of 12" water line and associated valves, hydrants and appurtenances along BB Fielder Road between Patriot Avenue and South Main Street. Construction began for this phase of the project in November 2015 and will be complete in April 2016. The second phase includes approximately 2,000 linear feet of 12" water line and associated valves, hydrants and appurtenances along BB Fielder Road between Katherine Road/Scott Drive and Old Dennis Road. The design is expected to be complete in October 2016 and the construction is expected to be begin in January 2017 and complete in July 2017. This project will expand services to growing areas along BB Fielder Road.

BUDGET SECTION

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City of Weatherford
MUNICIPAL UTILITY SYSTEM
TRANSFER CALCULATION REPORT
YEAR ENDED SEPTEMBER 30, 2015
(Unaudited)

RETURN ON INVESTMENT TRANSFER CALCULATION

As Adopted by City Council June 14, 2011

	Estimated <u>Volume</u>	Actual <u>Volume</u>	Rate of Return <u>Per Unit Sold</u>	Estimated <u>Transfer</u>	Actual <u>Transfer</u>
2014-15 Electric KWH Sales	379,363,703	386,452,762	\$0.0056	\$2,124,437	\$2,164,135
2014-15 Water (1,000 Gal.) Sales	1,250,000	1,144,653	\$0.2469	308,625	282,615
2014-15 Wastewater (1,000 Gal.) Treated	805,852	801,228	\$0.2716	218,869	217,614
				<u>\$2,651,931</u>	<u>\$2,664,364</u>

GROSS RECEIPTS CHARGE CALCULATION

As Adopted by City Council June 14, 2011

	Estimated <u>Volume</u>	Actual <u>Volume</u>	Gross Receipts <u>Per Unit Sold</u>	Estimated <u>Gross Receipts</u>	Actual <u>Gross Receipts</u>
2014-15 Electric KWH Sales	379,363,703	386,452,762	\$0.0044	\$1,669,200	\$1,700,392
2014-15 Water (1,000 Gal.) Sales	1,250,000	1,144,653	\$0.2223	277,875	254,456
2014-15 Wastewater (1,000 Gal.) Treated	805,852	801,228	\$0.1975	159,156	158,243
				<u>\$2,106,231</u>	<u>\$2,113,091</u>

ADMINISTRATIVE SERVICES TRANSFER CALCULATION

<u>DEPARTMENT</u>	<u>PROPOSED BUDGET</u>	<u>PERCENT ALLOCATED</u>	<u>ALLOCATED AMOUNT</u>	<u>TRANSFER ALLOCATION BASED ON SYSTEM REVENUES & DIRECT EXPENDITURES</u>	
Administration	\$689,182	45.0%	\$310,132		
Management & Budget	121,102	50.0%	60,551		
Human Resources	492,493	50.0%	246,247	ELECTRIC	56.970% \$943,749.52
Finance Administration	609,135	50.0%	304,568		
City Attorney	201,490	33.3%	67,163	WATER	27.540% \$736,220
Economic Development	210,786	50.0%	105,393		
City Hall (3,628sf)	(65,304)	100.0%	(65,304)	WASTEWATER	15.490% \$256,603
Graduate Engineer	(96,290)	33.3%	(32,096)		
Information Technology	1,676,718	37.8%	633,320		
Lake Maintenance	280,000	100.0%	280,000		\$1,936,573
Audit Services	66,500	40.0%	26,600		
	<u>\$4,185,812</u>		<u>\$1,936,573</u>		

SUMMARY - ALL TRANSFERS

	<u>ACTUAL 2013-2014</u>	<u>BUDGET 2014-2015</u>	<u>ACTUAL 2014-2015</u>	<u>ACTUAL INCREASE/ (DECREASE)</u>
Gross Receipts Fee	\$2,131,688	\$2,106,231	\$2,113,091	(\$18,597)
Administrative Services	1,924,860	1,936,573	1,936,573	11,713
Return on Investment	2,686,238	2,651,931	2,664,364	(21,874)
	<u>\$6,742,786</u>	<u>\$6,694,735</u>	<u>\$6,714,028</u>	<u>(\$28,758)</u>
TRANSFERS AS % OF REVENUES	12.68%	9.03%	9.24%	-3.44%

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City of Weatherford
MUNICIPAL UTILITY SYSTEM
UTILITY SYSTEM REVENUES
YEAR ENDED SEPTEMBER 30, 2015
(Unaudited)

	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Electric				
415-Sale of Electricity	37,460,703	36,242,288	34,238,897	(2,003,391)
508-NSF Check Charge	7,050	10,000	5,160	(4,840)
601-Interest - Non-Restricted	79,395	25,000	173,004	148,004
602-Net Change in Fair Value - Investments	(60,990)	-	82,465	82,465
604-Sale of Fixed Assets	4,000	-	52,980	52,980
612-Sale of Salvage	1,770	5,000	902	(4,098)
632-Pole Rental - CATV	106,895	110,000	106,276	(3,724)
634-Electric Fiber Lease Fee	156,994	110,000	125,888	15,888
644-Late Payment Fees	181,670	160,000	144,674	(15,326)
645-Temp. Connect & Reconnect Fees	74,990	80,000	66,585	(13,415)
646-Service Connection Fees	85,705	85,000	89,625	4,625
647 Service Transfer Fees	11,660	12,000	7,980	(4,020)
651-Miscellaneous	28,527	120,000	75,715	(44,285)
808-Contributions-Aid of Construction	72,377	100,000	352,616	252,616
Bond Proceeds	-	5,000,000	5,000,000	-
810-Proceeds From Lease/Purchase Agreement	-	-	-	-
832-Transfer From Utility Reserve	-	-	-	-
833-Transfer From Solid Waste	28,324	28,592	21,444	(7,148)
850-Proceeds From Insurance	17,622	-	18,080	18,080
Total Electric	38,256,692	42,087,880	40,562,291	(1,525,589)
Water				
404-Inspection Service Fee	10,686	-	13,073	13,073
416-Wholesale Water Sales	59,664	150,000	85,641	(64,359)
417-Retail Water Sales	8,673,334	10,335,581	10,487,030	151,449
418-Raw Water Sales	2,678	2,500	2,500	-
426-TRWD Pass-Through	588,685	-	328,833	328,833
467-Water Taps	3,665	3,500	1,160	(2,340)
469-Water Main Pro-Rata Fees	22,900	15,000	44,065	29,065
604-Sale of Fixed Assets	14,400	-	14,401	14,401
612-Sale of Salvage	13,861	-	6,512	6,512
625-Lake Lot Leases	922,210	915,000	932,019	17,019
627-Lake Lot Transfers	8,050	5,000	12,628	7,628
629-Lake Concession Rental	12,297	9,500	13,658	4,158
633-Water Tower License Fee	40,375	34,375	41,941	7,566
641-Cash Shortage/Overage	2	-	(260)	(260)
648-Maintenance Services	-	-	1,076	1,076
Bond Proceeds	-	9,250,000	9,250,000	-
651-Miscellaneous	1,564	15,770	16,263	493
810-Proceeds from Lease/Purchase Agreement	(5,634)	-	5,634	5,634
831-Transfer from Util Bond Fund	-	1,250,000	-	(1,250,000)
833-Transfer From Solid Waste	13,260	6,127	4,595	(1,532)
850-Proceeds From Insurance	1,500	182,954	182,954	-
Total Water	10,383,496	22,175,307	21,443,723	(731,584)
Wastewater				
419-Wastewater Service Fees	4,360,033	4,892,995	4,803,051	(89,944)
420-Pre-Treatment Fees	23,622	26,000	29,217	3,217
404-Inspection Service Fee	14,487	-	3,299	3,299
450-Sale of Salvage	-	-	413	413
463-Sewer Tap Fees	2,540	1,200	2,090	890
464-Non-system Wastewater Maint. Fees	-	-	-	-
Bond Proceeds	-	4,750,000	4,750,000	-
466-Non-system Wastewater Service Fees	132,441	160,000	125,771	(34,229)
651-Miscellaneous	-	5,245	2,374	(2,871)
833-Transfer from Solid Waste	-	6,127	4,595	(1,532)
850-Proceeds from Insurance	-	-	1,589	1,589
Total Wastewater	4,533,122	9,841,567	9,722,399	(119,168)
Miscellaneous				
832-Transfer from Utility Reserve	-	-	928,924	928,924
TOTAL UTILITY SYSTEMS FUND	53,173,310	74,104,754	72,657,337	(1,447,417)

City of Weatherford
MUNICIPAL UTILITY SYSTEM
SUMMARY BUDGET REPORT
YEAR ENDED SEPTEMBER 30, 2015
(Unaudited)

	<i>Actual</i> 2013-2014	<i>Amended</i> <i>Budget</i> 2014-2015	<i>Actual</i> 2014-2015	<i>Variance</i> <i>Positive</i> <i>(Negative)</i>
REVENUES				
ELECTRIC				
<i>Sales of Power</i>	37,460,703	36,242,288	34,238,897	(2,003,391)
<i>Bond Proceeds</i>	-	5,000,000	5,000,000	-
<i>Interest & Other</i>	795,989	845,592	1,323,394	477,802
	<u>38,256,692</u>	<u>42,087,880</u>	<u>40,562,291</u>	<u>(1,525,589)</u>
WATER				
<i>Wholesale Water Sales</i>	59,664	150,000	85,641	(64,359)
<i>Retail Water Sales</i>	8,673,334	10,335,581	10,487,030	151,449
<i>Raw Water Sales</i>	2,678	2,500	2,500	-
<i>TRWD Pumping Pass-Through</i>	588,685	-	328,833	328,833
<i>Lake Lot Leases</i>	930,260	920,000	944,647	24,647
<i>Bond Proceeds</i>	-	9,250,000	9,250,000	-
<i>Interest & Other</i>	128,876	1,517,226	345,072	(1,172,154)
	<u>10,383,496</u>	<u>22,175,307</u>	<u>21,443,723</u>	<u>(731,584)</u>
WASTEWATER				
<i>Wastewater Service Fees</i>	4,492,473	5,052,995	4,928,822	(124,173)
<i>Tap & Pro-Rata Fees</i>	2,540	1,200	2,090	890
<i>Pre-Treatment Fees</i>	23,622	26,000	29,217	3,217
<i>Bond Proceeds</i>	-	4,750,000	4,750,000	-
<i>Interest & Other</i>	14,487	11,372	12,270	898
	<u>4,533,122</u>	<u>9,841,567</u>	<u>9,722,399</u>	<u>(119,168)</u>
MISCELLANEOUS				
<i>Transfer from Utility Reserve</i>	-	-	928,924	928,924
Total Revenues	<u>53,173,310</u>	<u>74,104,754</u>	<u>72,657,337</u>	<u>(1,447,417)</u>
EXPENDITURES				
ELECTRIC				
<i>Administration</i>	280,803	278,124	243,493	34,631
<i>Customer Services</i>	466,986	491,788	462,166	29,622
<i>Warehouse</i>	246,542	387,588	301,297	86,291
<i>Electric Distribution</i>	5,574,015	7,023,081	5,702,125	1,320,956
<i>Fiber</i>	285	192,308	152,072	40,236
<i>Electric Production</i>	7,589	21,850	5,386	16,464
<i>Purchased Power</i>	24,445,168	24,048,008	20,201,084	3,846,924
<i>Purchased CRRs</i>	(26,040)	-	(40,944)	40,944
<i>Other/Contingency</i>	1,010,635	114,896	5,541	109,355
<i>Debt Service</i>	789,582	786,844	787,506	(662)
<i>Principal Expense</i>	-	32,058	-	32,058
<i>Interest Expense</i>	20,809	13,736	20,416	(6,680)
<i>Fiscal Agent/Rating Fees</i>	622	700	622	78
<i>OPEB Contribution</i>	-	-	61,686	(61,686)
<i>Other Professional Services</i>	17,209	581	-	581
<i>Loss on Disposal of Assets</i>	-	-	84,111	(84,111)
<i>Transfer-Admin. Services</i>	862,133	915,691	915,691	-
<i>Transfer to Capital Funds</i>	-	6,648,433	6,652,000	(3,567)
<i>Bond/Issuance Cost Amortization</i>	-	143,640	119,623	24,017
<i>Transfer-R.O.I.</i>	3,969,214	3,849,501	3,864,731	(15,230)
	<u>37,665,552</u>	<u>44,948,827</u>	<u>39,538,606</u>	<u>5,410,221</u>

**SUMMARY BUDGET REPORT
(Cont.)**

	<i>Actual</i> 2012-2013	<i>Amended</i> <i>Budget</i> 2013-2014	<i>Actual</i> 2013-2014	<i>Variance</i> <i>Positive</i> <i>(Negative)</i>
EXPENDITURES (Cont.)				
WATER				
<i>Administration</i>	294,093	387,648	356,181	31,467
<i>Customer Services</i>	369,079	388,680	365,542	23,138
<i>Water Treatment Plant</i>	3,179,194	2,837,092	2,262,761	574,331
<i>Distribution Maintenance</i>	1,295,050	1,147,125	1,089,012	58,113
<i>Distribution Construction</i>	357,940	402,020	291,512	110,508
<i>Engineering</i>	215,857	364,619	233,922	130,697
<i>Debt Service</i>	3,221,265	3,216,058	3,218,682	(2,624)
<i>Fiscal Agent/Rating Fees</i>	3,630	3,700	3,630	70
<i>OPEB Contribution</i>	-	-	54,186	(54,186)
<i>Transfer-Admin. Services</i>	750,595	723,623	723,623	-
<i>Transfer-R.O.I.</i>	561,288	580,248	544,236	36,012
<i>Transfer-Offsite Water Sales</i>	11,851	20,000	7,113	12,887
<i>Transfer to Other Funds</i>	-	12,934,794	12,368,900	565,894
<i>Loss on Disposal of Assets</i>	12,593	-	58,377	(58,377)
<i>Bond Amortization/Issuance Cost</i>	-	270,706	152,565	118,141
<i>Principal</i>	89,824	90,619	191,324	(100,705)
<i>Interest Expense</i>	40,618	12,344	37,862	(25,518)
<i>Other/Contingency Expenses</i>	30,452	972,363	87,637	884,726
<i>Other Professional Services</i>	17,209	10,000	-	10,000
<i>Other Improvements</i>	-	-	-	-
	10,450,538	24,361,639	22,047,065	2,314,574
WASTEWATER				
<i>Administration</i>	294,092	387,647	356,181	31,466
<i>Collection Maintenance</i>	1,341,275	1,094,843	1,039,379	55,464
<i>Customer Services</i>	339,905	357,958	336,439	21,519
<i>Collection Construction</i>	365,851	411,020	298,038	112,982
<i>Engineering</i>	215,857	364,618	233,923	130,695
<i>Wastewater Treatment Plant</i>	951,803	928,022	823,801	104,221
<i>Transfer-Admin. Services</i>	312,132	252,603	252,603	-
<i>Transfer-Capital Funds</i>	-	5,192,995	5,192,995	-
<i>Debt Service</i>	742,901	741,618	742,296	(678)
<i>Fiscal Agent/Rating Fees</i>	748	1,400	748	652
<i>Original Issue Disc Amort Expense</i>	(16,218)	-	(23,143)	23,143
<i>OPEB Contribution</i>	-	-	51,006	(51,006)
<i>Loss on Disposal of Assets</i>	3,067	-	-	-
<i>Issuance Cost/Bond Amortization</i>	-	138,115	138,115	-
<i>Principal</i>	47,043	32,455	53,560	(21,105)
<i>Interest Expense</i>	13,674	4,685	12,015	(7,330)
<i>Transfer-R.O.I.</i>	367,780	376,017	375,856	161
<i>Other/Contingency Expenses</i>	41,456	57,364	11,224	46,140
	5,021,366	10,341,360	9,895,036	446,324
Total Expenditures	53,137,456	79,651,826	71,480,707	8,171,119
Revenues Over (Under) Expenditures	35,854	(5,547,072)	1,176,630	6,723,702

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY ELECTRIC ADMINISTRATION
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	232,544	210,064	180,236	29,828
Supplies	12,079	17,900	15,009	2,891
Services	36,180	50,160	48,248	1,912
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	280,803	278,124	243,493	34,631

ELECTRIC ADMINISTRATION

Electric Administration is responsible for the overall management and administration of electric distribution, substation, generation, wholesale power supply, and other ancillary services.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
ELECTRIC ADMINISTRATION
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	148,779	118,708	120,761	(2,053)
102	Overtime	1,660	4,000	2,780	1,220
107	Group Health/Life Benefits	31,961	55,370	28,207	27,163
108	Fica	11,114	9,684	10,132	(448)
109	Retirement	36,162	19,208	14,678	4,530
110	Workers Compensation	879	1,300	1,588	(288)
111	Tec	865	886	778	108
112	Longevity	1,124	908	1,312	(404)
	Total Personal Services	232,544	210,064	180,236	29,828
<u>Supplies</u>					
202	General Office Supplies	5,559	6,000	5,728	272
204	Computer & Office Equip	-	1,000	-	1,000
215	Food/Meal Expense	4,983	7,300	6,763	537
219	Uniforms/Protective Clothing	466	1,000	490	510
220	Vehicle/Equip Fuel & Oil	306	500	42	458
221	Vehicle/Equip Parts & Labor	-	500	210	290
228	Safety Equipment	-	500	-	500
229	Miscellaneous Supplies	765	1,000	1,776	(776)
281	Small Tools & Equipment	-	100	-	100
	Total Supplies	12,079	17,900	15,009	2,891
<u>Services</u>					
304	Medical Services	-	60	-	60
305	Seminars & Training	-	1,000	801	199
306	Other Professional Services	14,925	25,000	21,713	3,287
308	Telephone/Communication Svcs	4,784	4,000	5,896	(1,896)
309	Postage	145	1,000	730	270
311	Travel Expense	232	300	752	(452)
314	Printing & Binding	-	250	-	250
318	Insurance	10,495	12,000	11,136	864
326	Office & Copy Equipment Rental	1,730	2,800	3,418	(618)
328	Other Rental	915	1,000	1,702	(702)
330	Dues/Memberships	239	250	-	250
336	Utility System Trustee	2,275	2,100	2,100	-
361	Awards & Recognition	440	400	-	400
	Total Services	36,180	50,160	48,248	1,912
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	280,803	278,124	243,493	34,631

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY CUSTOMER SERVICE
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	672,342	676,708	650,853	25,855
Supplies	36,532	38,696	32,677	6,019
Services	426,458	420,919	443,559	(22,640)
Capital Outlay	40,638	102,103	37,058	65,045
TOTAL EXPENDITURES	1,175,970	1,238,426	1,164,147	74,279

CUSTOMER SERVICE

The Customer Service Department is responsible for establishing and maintaining all residential and commercial utility customer inquiries regarding new construction, connection, disconnection and transfers of utility services. The department strives to ensure accurate and timely readings of meters, management of billing accounts and maintaining financial records for the City of Weatherford utilities. They are responsible for the readings, the billing and collections of approximately 15,500 utility accounts (over twenty-five thousand meters) for electric, water, wastewater collections and solid waste. Of the utility accounts that are billed, approximately 500 require some degree of collection action on a monthly basis.

The department issues approximately 12,000 work orders annually not only for customer requested services (connects, disconnects, transfers, etc.) but the repairs and/or replacements of electric meters, water meters and sewer taps.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
CUSTOMER SERVICE
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	473,201	461,638	445,676	15,962
102	Overtime	2,628	5,500	3,942	1,558
107	Group Health/Life Benefits	84,152	94,920	91,195	3,725
108	Fica	34,300	35,734	37,998	(2,264)
109	Retirement	68,503	66,321	56,889	9,432
110	Workers Compensation	2,133	6,105	6,120	(15)
111	Tec	3,061	3,510	3,701	(191)
112	Longevity	4,364	2,980	5,332	(2,352)
	Total Personal Services	672,342	676,708	650,853	25,855
<u>Supplies</u>					
202	General Office Supplies	7,820	6,700	5,574	1,126
204	Computer & Office Equip	-	4,315	3,885	430
215	Food & Meal Expense	12	350	403	(53)
219	Uniforms/Protective Clothing	6,537	4,900	4,394	506
220	Vehicle/Equip Fuel & Oil	14,104	14,881	11,162	3,719
221	Vehicle Parts And Labor	4,481	3,400	3,356	44
229	Miscellaneous Supplies	650	350	113	237
281	Small Tools & Equipment	2,928	3,800	3,790	10
	Total Supplies	36,532	38,696	32,677	6,019
<u>Services</u>					
302	Architect & Engineering Svcs	-	-	-	-
304	Medical Services	295	330	365	(35)
305	Seminars & Training	230	1,517	1,667	(150)
306	Other Professional Services	312,691	306,391	333,462	(27,071)
308	Telephone/Communication Svcs	3,932	4,200	4,720	(520)
309	Postage	105,237	101,000	96,434	4,566
311	Travel Expense	58	2,994	2,994	-
318	Insurance	2,125	2,500	2,010	490
324	R & M Of Office Equipment	1,828	1,800	1,689	111
326	Office & Copy Equipment Rent	62	187	218	(31)
	Total Services	426,458	420,919	443,559	(22,640)
<u>Capital Outlay</u>					
410	Motor Vehicles	40,638	-	-	-
420	Other Equipment	-	42,685	25,023	17,662
426	Other Improvements	-	59,418	12,035	47,383
	Total Capital Outlay	40,638	102,103	37,058	65,045
	TOTAL EXPENDITURES	1,175,970	1,238,426	1,164,147	74,279

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WAREHOUSE
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	134,993	179,145	168,116	11,029
Supplies	11,254	89,800	18,701	71,099
Services	70,247	118,643	114,480	4,163
Capital Outlay	30,048	-	-	-
TOTAL EXPENDITURES	246,542	387,588	301,297	86,291

WAREHOUSE

The Weatherford Municipal Warehouse is housed in the Utility Service Center. The warehouse maintains utility and general fund inventories of materials and supplies, requisitions, receives, stores, and transfers to all departments specific quantities as required. The warehouse and personnel are under the supervision of the Warehouse Manager.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WAREHOUSE
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	87,039	117,209	116,461	748
102	Overtime	6,119	8,000	5,123	2,877
107	Group Health/Life Benefits	17,499	19,323	18,159	1,164
108	Fica	6,527	9,672	8,515	1,157
109	Retirement	13,324	18,869	13,486	5,383
110	Workers Compensation	2,817	4,304	4,113	191
111	Tec	432	540	775	(235)
112	Longevity	1,236	1,228	1,484	(256)
	Total Personal Services	134,993	179,145	168,116	11,029
<u>Supplies</u>					
202	General Office Supplies	488	500	421	79
215	Food & Meals	5,231	8,000	5,075	2,925
217	Janitorial Supplies	3,080	3,500	3,363	137
219	Uniforms/Protective Clothing	292	750	336	414
222	Equipment Parts & Labor	1,315	2,550	453	2,097
223	Equipment Fuel & Oil	-	500	-	500
228	Safety Equipment	219	500	99	401
229	Miscellaneous Supplies	59	500	100	400
235	Building Maintenance Supplies	570	71,000	8,139	62,861
281	Small Tools & Equipment	-	2,000	715	1,285
	Total Supplies	11,254	89,800	18,701	71,099
<u>Services</u>					
304	Employee Physical	-	60	-	60
305	Seminars & Training	-	2,000	-	2,000
306	Other Professional Services	7,802	48,000	49,483	(1,483)
308	Telephone/Communication Svcs	1,198	2,100	1,221	879
311	Travel Expense	760	1,000	782	218
318	Insurance	4,844	5,700	4,582	1,118
319	Utility Services	50,259	49,233	52,257	(3,024)
320	R & M - Building & Structures	48	3,000	1,393	1,607
325	Other Maintenance	250	1,000	-	1,000
326	Office & Copy Equipment Rental	62	50	68	(18)
331	Laundry & Sanitation	5,024	5,500	4,694	806
372	Material Scrapped	-	1,000	-	1,000
	Total Services	70,247	118,643	114,480	4,163
<u>Capital Outlay</u>					
420	Other Equipment	30,048	-	-	-
	Total Capital Outlay	30,048	-	-	-
	TOTAL EXPENDITURES	246,542	387,588	301,297	86,291

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**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY ELECTRIC DISTRIBUTION
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	1,450,172	2,055,556	1,326,318	729,238
Supplies	480,789	540,287	499,984	40,303
Services	967,356	1,395,778	1,152,004	243,774
Capital Outlay	2,675,698	3,031,460	2,723,819	307,641
TOTAL EXPENDITURES	5,574,015	7,023,081	5,702,125	1,320,956

ELECTRIC DISTRIBUTION

The function of the Electric Distribution Division is to provide construction, operation and maintenance of the Electric Distribution System in accordance with industry standards. Duties include the repair or replacement of obsolete or failed equipment, preventative maintenance, and coordination of the electric system with other utility companies, City and the State. The Electric Department provides the customer the highest quality service at the most economical cost. The Electric Department is under the supervision of the Director of Electric Utilities.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
ELECTRIC DISTRIBUTION
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	819,270	1,413,768	777,539	636,229
102	Overtime	79,961	99,000	91,520	7,480
107	Group Health/Life Benefits	195,760	163,737	160,206	3,531
108	Fica	105,971	116,146	102,919	13,227
109	Retirement	218,408	228,249	159,721	68,528
110	Workers Compensation	10,764	15,816	16,257	(441)
111	Tec	5,402	6,480	6,082	398
112	Longevity	14,636	12,360	12,074	286
	Total Personal Services	1,450,172	2,055,556	1,326,318	729,238
<u>Supplies</u>					
202	General Office Supplies	1,109	1,300	1,258	42
204	Computers & Office Equip	41,088	34,993	5,492	29,501
205	Radio & Communication Equip	185	2,744	2,844	(100)
215	Food/Meal Expense	455	1,000	906	94
219	Uniforms/Protective Clothing	28,585	32,517	31,871	646
220	Vehicle/Equip Fuel & Oil	58,797	62,000	39,023	22,977
221	Vehicle/Equip Parts & Labor	60,047	49,250	76,432	(27,182)
228	Safety Equipment	9,444	19,500	21,556	(2,056)
229	Miscellaneous Supplies	23,178	19,000	14,965	4,035
233	Street & Road Materials	184	-	-	-
244	Elec/Water Meter Repair & Main	637	2,000	127	1,873
249	Overhead Elec Line Repair/Main	61,856	96,483	119,787	(23,304)
250	Underground Elec Line Repair	42,670	100,000	69,761	30,239
251	Elec Transformer Repair/Maint	48,897	1,500	1,495	5
252	Overhead Elec Svc Repair/Manit	7,396	7,500	12,003	(4,503)
253	Underground Elec Svc Repair	3,026	7,000	5,666	1,334
254	Line Equip & Control Repair	1,257	5,000	3,611	1,389
255	Substation R&M Supplies	17,023	25,000	36,051	(11,051)
257	Street & Public Light Repair	29,427	35,000	22,091	12,909
259	Security Lighting Repair/Maint	17,912	10,000	4,525	5,475
261	Tree Trimming Supplies	74	1,000	957	43
270	Scada Parts	1,453	5,000	1,612	3,388
281	Small Tools & Equipment	26,089	22,500	27,951	(5,451)
	Total Supplies	480,789	540,287	499,984	40,303

ELECTRIC DISTRIBUTION

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	-	35,000	11,453	23,547
303	Legal Services	22,502	40,000	18,081	21,919
304	Medical Services	75	500	750	(250)
305	Seminars & Training	28,683	36,500	29,635	6,865
306	Other Professional Services	178,899	303,472	175,050	128,422
308	Telephone/Communication Svcs	14,679	11,500	21,058	(9,558)
309	Postage	792	1,500	303	1,197
310	Auto Allowance	5,200	4,800	4,800	-
311	Travel Expense	9,625	12,750	13,927	(1,177)
316	Tree Trimming	180,344	180,000	180,000	-
318	Insurance	15,208	10,600	8,521	2,079
321	R & M Of Radio & Comm Equip	5,054	1,756	-	1,756
325	Other Repair & Maint Service	7,221	8,145	6,819	1,326
327	Machinery & Equipment Rental	96,545	105,000	93,208	11,792
330	Dues/Memberships	35,044	34,960	34,958	2
331	Laundry & Sanitation	-	1,000	265	735
334	Regulatory Test/Monitoring	10,253	10,000	1,132	8,868
362	Meter Maintenance Services	212	500	-	500
363	Substation Maintenance	77,250	78,695	79,056	(361)
364	Overhead Elec Line Replacement	92,568	234,100	236,958	(2,858)
365	Underground Elec Line Repair	187,202	275,000	236,030	38,970
370	Scada Maintenance	-	10,000	-	10,000
	Total Services	967,356	1,395,778	1,152,004	243,774
<u>Capital Outlay</u>					
402	Land Easements/Right Of Way	157	20,000	3,337	16,663
410	Motor Vehicles	32,602	32,452	32,452	-
415	Heavy Construction Equip	-	248,508	100,904	147,604
420	Other Equipment	-	95,000	23,277	71,723
423	New Meters	181,180	60,000	83,158	(23,158)
426	Other Improvements	70,220	785,500	548,973	236,527
427	Street & Public Grd Lights	132,761	110,000	168,567	(58,567)
432	Above Ground Electric Lines	1,080,326	525,000	673,260	(148,260)
433	Below Ground Electric Lines	451,911	542,000	501,190	40,810
434	Transformers	335,776	325,000	303,259	21,741
435	Above Ground Electric Svc	16,141	20,000	12,359	7,641
436	Below Ground Electric Svc	154,767	100,000	106,906	(6,906)
437	Electric Line-Equip/Controls	107,655	95,000	82,294	12,706
439	Fiber Optic System	84,322	-	-	-
441	Rent Lights	-	73,000	79,137	(6,137)
451	Specialized Equipment	27,880	-	4,746	(4,746)
	Total Capital Outlay	2,675,698	3,031,460	2,723,819	307,641
	TOTAL EXPENDITURES	5,574,015	7,023,081	5,702,125	1,320,956

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY ELECTRIC PRODUCTION
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	80	-	51	(51)
Supplies	1,025	6,000	588	5,412
Services	6,484	15,850	4,747	11,103
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	7,589	21,850	5,386	16,464

ELECTRIC PRODUCTION

The Weatherford Municipal Power Plant is maintained and operated for electric production only during times of emergency.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
ELECTRIC PRODUCTION
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
107	Group Health/Life Benefits	80	-	-	-
110	Workers Compensation	-	-	51	(51)
	Total Personal Services	80	-	51	(51)
<u>Supplies</u>					
204	Computers & Office Equipment	-	250	-	250
217	Janitorial Supplies	-	100	-	100
220	Vehicle/Equip Fuel & Oil	-	200	-	200
221	Vehicle/Equip Parts & Labor	-	100	-	100
222	Equipment Parts & Labor	-	1,000	-	1,000
223	Equipment Fuel & Oil	-	1,000	-	1,000
224	Fuel For Electric Generation	503	1,000	433	567
228	Safety Equipment	-	100	-	100
229	Miscellaneous Supplies	522	500	135	365
235	Building Maintenance Supplies	-	750	-	750
247	Pumps & Controls Repair/Maint	-	500	-	500
281	Small Tools & Equipment	-	500	20	480
	Total Supplies	1,025	6,000	588	5,412
<u>Services</u>					
306	Other Professional Svcs	-	10,000	-	10,000
308	Telephone/Communication Svcs	1,194	1,000	706	294
318	Insurance	1,742	2,050	1,648	402
319	Utility Services	3,404	2,500	2,393	107
322	R & M Of Fixed Plant Equip	-	100	-	100
325	Other Repair & Maint Service	144	100	-	100
335	Regulatory Permit Fees	-	100	-	100
	Total Services	6,484	15,850	4,747	11,103
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	7,589	21,850	5,386	16,464

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY ELECTRIC NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2012-13	Amended Budget 2013-2014	Actual 2013-2014	Variance Positive (Negative)
Personal Services	-	-	-	-
Supplies	-	-	-	-
Services	31,089,332	36,554,088	32,703,509	3,850,579
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	31,089,332	36,554,088	32,703,509	3,850,579

ELECTRIC NON DEPARTMENTAL

The Water/Wastewater Administration Division is responsible for the supervision of all Water and Wastewater employees and the functions of these systems. This includes the management of the Water Purification Plant, Lake Maintenance, the Distribution System, and the Wastewater Treatment Plant and Collection System, as well as operation, construction, maintenance, and inspection of these systems. This division also reviews plans and specifications for utility projects, coordinates all construction projects on a day-to-day basis, oversees contractors, and ensures that all requirements of the EPA, TCEQ, and Texas Health Department are met. This division oversees and operates and maintains a superior Pretreatment Program for industrial and domestic discharges to the sewer system.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
ELECTRIC NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
306	Other Professional Services	17,209	581	-	581
332	Inter-Fund Service Charges	862,133	915,691	915,691	-
343	Trans To General Fund	3,969,214	3,849,501	3,864,731	(15,230)
346	Trans To Debt Service	789,582	786,844	787,506	(662)
347	Trans To Other Funds	-	6,648,433	6,652,000	(3,567)
350	OPEB Contribution	-	-	61,686	(61,686)
351	Bond Amortization	-	-	(24,017)	24,017
352	Interest Expense	20,809	13,736	20,416	(6,680)
355	Issuance Cost Amortization	-	143,640	143,640	-
371	Fiscal Agent / Rating Fees	622	700	622	78
373	Purchased Kwh	24,445,168	24,048,008	20,201,084	3,846,924
376	Purchased Crrs	(26,040)	-	(40,944)	40,944
380	Loss On Disposal Of Assets	-	-	84,111	(84,111)
382	Principal	-	32,058	-	32,058
399	Other / Contingency Expenses	1,010,635	114,896	5,541	109,355
TOTAL EXPENDITURES		31,089,332	36,554,088	32,672,067	3,882,021

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WATER NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2012-13	Amended Budget 2013-2014	Actual 2013-2014	Variance Positive (Negative)
Personal Services	-	-	-	-
Supplies	-	-	-	-
Services	4,739,325	18,834,455	17,448,135	1,386,320
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	4,739,325	18,834,455	17,448,135	1,386,320

WATER NON DEPARTMENTAL

The Water/Wastewater Administration Division is responsible for the supervision of all Water and Wastewater employees and the functions of these systems. This includes the management of the Water Purification Plant, Lake Maintenance, the Distribution System, and the Wastewater Treatment Plant and Collection System, as well as operation, construction, maintenance, and inspection of these systems. This division also reviews plans and specifications for utility projects, coordinates all construction projects on a day-to-day basis, oversees contractors, and ensures that all requirements of the EPA, TCEQ, and Texas Health Department are met. This division oversees and operates and maintains a superior Pretreatment Program for industrial and domestic discharges to the sewer system.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WATER NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
306	Other Professional Services	17,209	10,000	-	10,000
332	Inter-Fund Service Charges	750,595	723,623	723,623	-
343	Trans To General Fund	561,288	580,248	544,236	36,012
346	Trans To Debt Service Fund	3,221,265	3,216,058	3,218,682	(2,624)
347	Trans To Other Funds	-	12,934,794	12,368,900	565,894
350	Trans - Offsite Wtr Sales	11,851	20,000	7,113	12,887
351	Bond Amortization	-	-	(118,141)	118,141
352	Interest Expense	40,618	12,344	37,862	(25,518)
353	OPEB Contribution	-	-	54,186	(54,186)
355	Issuance Cost Amortization	-	270,706	270,706	-
371	Fiscal Agent / Rating Fees	3,630	3,700	3,630	70
380	Loss On Disposal Of Assets	12,593	-	58,377	(58,377)
382	Principal	89,824	90,619	191,324	(100,705)
399	Other / Contingency Expenses	30,452	972,363	87,637	884,726
TOTAL EXPENDITURES		4,739,325	18,834,455	17,448,135	1,386,320

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WASTEWATER NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2012-13	Amended Budget 2013-2014	Actual 2013-2014	Variance Positive (Negative)
Personal Services	-	-	-	-
Supplies	-	-	-	-
Services	1,512,583	6,797,252	6,807,275	(10,023)
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	1,512,583	6,797,252	6,807,275	(10,023)

WASTEWATER NON DEPARTMENTAL

The Water/Wastewater Administration Division is responsible for the supervision of all Water and Wastewater employees and the functions of these systems. This includes the management of the Water Purification Plant, Lake Maintenance, the Distribution System, and the Wastewater Treatment Plant and Collection System, as well as operation, construction, maintenance, and inspection of these systems. This division also reviews plans and specifications for utility projects, coordinates all construction projects on a day-to-day basis, oversees contractors, and ensures that all requirements of the EPA, TCEQ, and Texas Health Department are met. This division oversees and operates and maintains a superior Pretreatment Program for industrial and domestic discharges to the sewer system.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WASTEWATER NON DEPARTMENTAL
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
332	Interfund Service Charges	312,132	252,603	252,603	-
343	Trans To General Fund	367,780	376,017	375,856	161
346	Trans To Debt Service Fund	742,901	741,618	742,296	(678)
347	Transfer To Other Funds	-	5,192,995	5,192,995	-
351	Orig Iss Disc Amort Exp	(16,218)	-	(23,143)	23,143
352	Interest Expense	13,674	4,685	12,015	(7,330)
353	OPEB Contribution	-	-	51,006	(51,006)
355	Issuance Cost Amortization	-	138,115	138,115	-
371	Fiscal Agent / Rating Fees	748	1,400	748	652
380	Loss On Disposal Of Assets	3,067	-	-	-
382	Principal	47,043	32,455	53,560	(21,105)
399	Other / Contingency Expenses	41,456	57,364	11,224	46,140
TOTAL EXPENDITURES		1,512,583	6,797,252	6,807,275	(10,023)

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WATER/WASTEWATER ADMINISTRATION
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	520,005	694,445	652,288	42,157
Supplies	25,423	54,690	45,177	9,513
Services	14,060	26,160	14,897	11,263
Capital Outlay	28,697	-	-	-
TOTAL EXPENDITURES	588,185	775,295	712,362	62,933

WATER/WASTEWATER ADMINISTRATION

The Water/Wastewater Administration Division is responsible for the supervision of all Water and Wastewater employees and the functions of these systems. This includes the management of the Water Purification Plant, Lake Maintenance, the Distribution System, and the Wastewater Treatment Plant and Collection System, as well as operation, construction, maintenance, and inspection of these systems. This division also reviews plans and specifications for utility projects, coordinates all construction projects on a day-to-day basis, oversees contractors, and ensures that all requirements of the EPA, TCEQ, and Texas Health Department are met. This division oversees and operates and maintains a superior Pretreatment Program for industrial and domestic discharges to the sewer system.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WATER/WASTEWATER ADMINISTRATION
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	376,035	498,178	479,906	18,272
102	Overtime	5,108	8,500	7,213	1,287
103	Education/Certification Pay	249	250	194	56
107	Group Health/Life Benefits	44,170	53,863	52,281	1,582
108	Fica	26,558	39,068	36,192	2,876
109	Retirement	54,079	76,284	56,874	19,410
110	Workers Compensation	8,392	12,064	12,015	49
111	Tec	1,510	2,390	2,717	(327)
112	Longevity	3,904	3,848	4,896	(1,048)
	Total Personal Services	520,005	694,445	652,288	42,157
<u>Supplies</u>					
202	General Office Supplies	658	1,560	1,902	(342)
204	Computers & Office Equipment	-	851	850	1
215	Food/Meal Expense	321	450	282	168
219	Uniforms/Protective Clothing	3,116	3,000	3,334	(334)
220	Vehicle/Equip Fuel & Oil	11,447	12,500	8,743	3,757
221	Vehicle/Equip Parts & Labor	3,193	5,349	3,580	1,769
228	Safety Equipment	442	1,500	408	1,092
229	Miscellaneous Supplies	810	700	553	147
230	Community Program Supplies	-	20,805	19,597	1,208
270	Scada Parts	665	1,500	1,391	109
281	Small Tools & Equipment	4,771	6,475	4,537	1,938
	Total Supplies	25,423	54,690	45,177	9,513
<u>Services</u>					
304	Medical Services	-	50	185	(135)
305	Seminars & Training	2,161	5,000	2,473	2,527
306	Other Professional Services	434	7,135	-	7,135
308	Telephone/Communication Svcs	7,763	4,000	6,368	(2,368)
309	Postage	691	1,500	857	643
310	Auto Allowance	-	-	1,200	(1,200)
311	Travel Expense	382	2,000	764	1,236
314	Printing & Binding	-	200	6	194
318	Insurance	1,487	1,750	1,407	343
321	R & M Of Radio & Comm Equip	-	400	-	400
330	Dues/Memberships	600	500	512	(12)
370	Scada Maintenance	542	3,625	1,125	2,500
	Total Services	14,060	26,160	14,897	11,263
<u>Capital Outlay</u>					
410	Motor Vehicles	21,937	-	-	-
420	Other Equipment	6,760	-	-	-
	Total Capital Outlay	28,697	-	-	-
TOTAL EXPENDITURES		588,185	775,295	712,362	62,933

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**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WATER TREATMENT PLANT
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	391,805	447,748	413,875	33,873
Supplies	458,213	562,481	524,228	38,253
Services	2,093,350	1,383,107	1,062,962	320,145
Capital Outlay	235,826	443,756	261,696	182,060
TOTAL EXPENDITURES	3,179,194	2,837,092	2,262,761	574,331

WATER TREATMENT PLANT

The Weatherford Water Purification Plant is responsible for safely treating water and delivering, under sufficient pressure, an adequate supply of water for the City of Weatherford customers. This includes meeting all current and proposed state and federal regulations and preparing appropriate reports. The Water Purification Plant treated 1,441 MG in FY 2015.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WATER TREATMENT PLANT
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	252,306	302,792	271,056	31,736
102	Overtime	19,781	20,000	27,144	(7,144)
107	Group Health/Life Benefits	54,944	47,460	48,060	(600)
108	Fica	19,003	22,346	21,910	436
109	Retirement	38,359	44,154	33,602	10,552
110	Workers Compensation	4,977	8,118	8,702	(584)
111	Tec	1,455	1,890	2,205	(315)
112	Longevity	980	988	1,196	(208)
	Total Personal Services	391,805	447,748	413,875	33,873
<u>Supplies</u>					
202	General Office Supplies	2,677	1,450	2,867	(1,417)
212	Chemicals	300,164	386,000	382,307	3,693
215	Food/Meal Expense	1,173	1,400	1,281	119
217	Janitorial Supplies	949	2,000	1,635	365
218	Medical/Laboratory Supplies	40,221	46,000	41,443	4,557
219	Uniforms/Protective Clothing	1,061	3,600	2,351	1,249
220	Vehicle/Equip Fuel & Oil	2,029	2,300	1,715	585
221	Vehicle/Equip Parts & Labor	1,250	3,000	919	2,081
222	Equipment Parts & Labor	80,884	58,475	57,601	874
223	Equipment Fuel & Oil	-	750	-	750
228	Safety Equipment	3,769	4,200	2,285	1,915
229	Miscellaneous Supplies	686	700	124	576
235	Building Maintenance Supplies	9,036	2,500	3,353	(853)
241	Benbrook Pipeline Supplies	2,136	1,000	43	957
247	Pumps & Controls Repair/Maint	6,284	19,611	14,586	5,025
270	Scada Parts	3,699	17,000	9,560	7,440
281	Small Tools & Equipment	2,195	12,495	2,158	10,337
	Total Supplies	458,213	562,481	524,228	38,253

WATER TREATMENT PLANT

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	146,310	40,643	93,847	(53,204)
304	Medical Services	225	110	150	(40)
305	Seminars & Training	3,882	4,350	480	3,870
306	Other Professional Services	12,042	23,500	19,979	3,521
308	Telephone/Communication Svcs	3,614	3,000	3,791	(791)
309	Postage	1,100	4,100	2,707	1,393
311	Travel Expense	-	200	-	200
312	Legal Advertising	2,049	500	-	500
314	Printing & Binding	-	-	149	(149)
318	Insurance	22,094	26,000	20,901	5,099
319	Utility Services	347,392	370,000	334,576	35,424
320	R & M Bldgs & Structures	5,155	3,000	3,505	(505)
321	R & M Of Radio & Comm Equip	-	600	-	600
322	R & M Of Fixed Plant Equip	78,206	97,390	29,330	68,060
324	R & M Of Office Equipment	-	2,000	-	2,000
327	Equipment Rental	209	3,000	4,562	(1,562)
330	Dues/Memberships	272	1,200	222	978
331	Laundry & Sanitation	1,219	-	1,512	(1,512)
333	Pump Maintenance	875	30,892	33,916	(3,024)
334	Regulatory Testing & Monitoring	23,056	46,000	32,545	13,455
335	Regulatory Permit Fees	32,635	35,037	28,882	6,155
350	Trans - Offsite Wtr Sales	5,000	-	-	-
354	Benbrook Pipeline Services	264,068	66,000	161,081	(95,081)
370	Scada Maintenance	10,312	15,000	7,656	7,344
375	Purchased Water	1,133,635	610,585	283,171	327,414
	Total Services	2,093,350	1,383,107	1,062,962	320,145
<u>Capital Outlay</u>					
414	Plant Equipment	36,538	67,944	47,332	20,612
420	Other Equipment	5,383	-	8,272	(8,272)
426	Other Improvements	178,245	317,954	187,954	130,000
443	Pumps	15,660	57,858	18,138	39,720
	Total Capital Outlay	235,826	443,756	261,696	182,060
	TOTAL EXPENDITURES	3,179,194	2,837,092	2,262,761	574,331

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**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WATER/WASTEWATER MAINTENANCE
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	1,045,934	1,100,542	947,450	153,092
Supplies	509,447	443,979	460,407	(16,428)
Services	332,446	392,130	288,719	103,411
Capital Outlay	748,498	305,317	431,815	(126,498)
TOTAL EXPENDITURES	2,636,325	2,241,968	2,128,391	113,577

WATER/WASTEWATER MAINTENANCE

The Water/Wastewater Maintenance division is responsible for the maintenance of 271 miles of water lines, 207 miles of wastewater lines, 1,454 fire hydrants, 24 lift stations, 10 water sites, 1 well system, and over 400 grinder pumps. This department includes a pump and motor maintenance crew which is responsible for the preventative maintenance and repairs of the lift stations, raw water pump station, distribution pump stations, and the water and wastewater treatment plants. Also included is a water meter shop which is responsible for the installation, repair, and testing of 11,375 commercial and residential meters.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WATER/WASTEWATER MAINTENANCE
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries & Wages	635,707	652,872	521,878	130,994
102	Overtime	98,737	100,000	120,473	(20,473)
107	Group Medical/Life Insur	118,058	128,820	118,715	10,105
108	Fica	51,811	57,934	54,795	3,139
109	Retirement	106,700	114,468	84,367	30,101
110	Workers Compensation	26,438	37,152	37,450	(298)
111	Unemployment Tax	3,919	4,860	4,836	24
112	Longevity	4,564	4,436	4,936	(500)
	Total Personal Services	1,045,934	1,100,542	947,450	153,092
<u>Supplies</u>					
202	General Office Supplies	199	400	209	191
204	Computers & Office Equip	-	-	1,050	(1,050)
205	Radio & Communication Equip	805	-	-	-
212	Chemicals	7,336	8,200	13,894	(5,694)
215	Food & Meals	29	600	25	575
218	Medical & Laboratory Supplies	5,259	11,500	2,718	8,782
219	Uniforms & Protective Cloth	4,220	8,150	5,145	3,005
220	Vehicle Fuel & Oil	87,441	79,600	55,471	24,129
221	Vehicle Parts & Labor	106,963	73,750	81,172	(7,422)
228	Safety Equipment	13,042	9,000	10,258	(1,258)
229	Miscellaneous	7,953	4,000	7,499	(3,499)
233	Street & Road Materials	9,706	10,500	-	10,500
234	Traffic & Street Signs	2,415	2,500	2,208	292
235	Bldg Maint. Supplies	5,476	6,800	6,650	150
242	Water Mains	72,238	45,000	52,495	(7,495)
243	Water Services	3,444	17,000	12,904	4,096
244	Meters	18,151	15,000	16,940	(1,940)
245	Sanitary Sewers	60,394	40,000	69,454	(29,454)
247	Pump & Controls	36,043	33,529	36,075	(2,546)
260	Valves & Hydrants	20,850	20,000	26,839	(6,839)
270	Scada Parts	13,263	10,000	9,783	217
281	Small Tools & Equipment	34,220	48,450	49,618	(1,168)
	Total Supplies	509,447	443,979	460,407	(16,428)

WATER/WASTEWATER MAINTENANCE

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
304	Employment Physicals	75	100	300	(200)
305	Seminars & Training	6,955	7,700	6,591	1,109
306	Other Prof. Services	23,060	10,500	25,499	(14,999)
308	Telephone/Communications	4,879	5,280	4,673	607
309	Postage	316	750	114	636
311	Travel Expense	-	400	71	329
318	Insurance	26,613	23,500	31,655	(8,155)
319	Utilities	227,135	286,000	184,957	101,043
320	R & M Buildings & Structures	-	8,900	8,048	852
321	Radio & Comm Equip Maint	492	500	100	400
322	Plant Equip Maintenance	4,900	10,334	-	10,334
327	Equipment Rental	4,345	9,000	12,203	(3,203)
328	Other Rental	14,400	3,600	3,600	-
329	Claims & Damages	-	-	312	(312)
330	Membership Dues/Subscriptions	723	1,500	777	723
333	Pump Maintenance	9,209	16,066	8,428	7,638
335	Regulatory Permit Fees	1,251	2,000	1,391	609
350	Trans - Offsite Wtr Sales	2,400	-	-	-
370	Scada Maintenance	5,693	6,000	-	6,000
	Total Services	332,446	392,130	288,719	103,411
<u>Capital Outlay</u>					
410	Motor Vehicles	381,908	-	-	-
420	Other Equipment	-	86,852	86,565	287
421	Water Mains	48,288	20,000	5,007	14,993
422	Water Services	11,666	10,000	17,531	(7,531)
423	New Water Meters	122,622	100,000	157,045	(57,045)
424	Sanitary Sewer Mains	11,156	20,000	88,928	(68,928)
425	Sanitary Sewer Services	9,101	5,000	8,518	(3,518)
426	Other Improvements	79,154	35,378	22,243	13,135
443	Pumps	47,463	11,471	11,471	-
445	Valves & Hydrants	37,140	16,616	34,507	(17,891)
	Total Capital Outlay	748,498	305,317	431,815	(126,498)
	TOTAL EXPENDITURES	2,636,325	2,241,968	2,128,391	113,577

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WATER/WASTEWATER REHABILITATION
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	109,777	265,230	168,604	96,626
Supplies	90,189	80,750	54,816	25,934
Services	36,677	36,060	32,133	3,927
Capital Outlay	487,148	431,000	333,997	97,003
TOTAL EXPENDITURES	723,791	813,040	589,550	223,490

WATER/WASTEWATER REHABILITATION

The Water/Wastewater Rehabilitation Department is responsible for the replacement of infrastructure in the water distribution and wastewater collecting systems to improve the delivery of water and wastewater services to citizens of Weatherford in a cost efficient manner.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WATER/WASTEWATER REHABILITATION
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	7,462	166,777	87,053	79,724
102	Overtime	19,568	12,000	2,862	9,138
107	Group Health/Life Benefits	35,539	33,900	38,272	(4,372)
108	Fica	12,673	13,747	11,496	2,251
109	Retirement	25,060	27,166	17,378	9,788
110	Workers Compensation	7,427	9,290	9,243	47
111	Unemployment Tax	1,100	1,350	1,252	98
112	Longevity	948	1,000	1,048	(48)
	Total Personal Services	109,777	265,230	168,604	96,626
<u>Supplies</u>					
202	General Office Supplies	17	200	28	172
212	Chemicals	-	700	-	700
215	Food & Meals	-	100	-	100
219	Uniforms & Protective Clothing	857	2,250	720	1,530
220	Vehicle/Equip Fuel & Oil	24,636	22,000	14,722	7,278
221	Vehicle/Equip Parts & Labor	53,616	40,000	28,463	11,537
228	Safety Equipment	1,284	4,500	1,792	2,708
229	Miscellaneous Supplies	439	2,000	943	1,057
234	Traffic & Street Signs	1,127	1,500	1,587	(87)
235	Building Maint Supplies	86	500	195	305
281	Small Tools & Equipment	8,127	7,000	6,366	634
	Total Supplies	90,189	80,750	54,816	25,934
<u>Services</u>					
304	Employee Physicals	240	100	150	(50)
305	Seminar & Training Fees	-	1,500	360	1,140
306	Other Professional Svcs	15,049	14,805	20,904	(6,099)
308	Telephone/Communications	243	860	79	781
311	Travel Expense	-	100	-	100
318	Insurance	937	1,000	804	196
319	Utility Services	3,830	5,000	5,519	(519)
327	Equipment Rental	16,345	12,000	3,893	8,107
329	Claims & Damages	-	-	230	(230)
330	Membership Dues/Subscriptions	33	500	-	500
331	Laundry & Sanitation	-	195	194	1
	Total Services	36,677	36,060	32,133	3,927
<u>Capital Outlay</u>					
420	Other Equipment	24,534	-	-	-
421	Water Mains	195,761	200,000	74,785	125,215
424	Sanitary Sewer Mains	251,039	220,000	247,985	(27,985)
445	Valves & Hydrants	15,814	11,000	11,227	(227)
	Total Capital Outlay	487,148	431,000	333,997	97,003
TOTAL EXPENDITURES		723,791	813,040	589,550	223,490

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY ENGINEERING
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	325,461	374,761	267,883	106,878
Supplies	1,903	7,140	2,155	4,985
Services	104,350	347,336	197,807	149,529
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	431,714	729,237	467,845	261,392

ENGINEERING

The Engineering Division is responsible for the design and management of all water/wastewater capital and rehabilitation projects. This department also reviews all new development plans within the City of Weatherford for compliance of water, wastewater, streets and drainage design standards and state regulations. The Engineering department is responsible for the management of the floodplain within the City of Weatherford.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
ENGINEERING
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	248,682	281,773	203,129	78,644
102	Overtime	-	100	-	100
107	Group Health / Life Benefits	21,607	23,730	21,939	1,791
108	Fica	17,230	21,620	15,643	5,977
109	Retirement	35,867	42,577	24,480	18,097
110	Workers Compensation	687	3,411	998	2,413
111	Tec	648	810	810	-
112	Longevity	740	740	884	(144)
	Total Personal Services	325,461	374,761	267,883	106,878
<u>Supplies</u>					
202	General Office Supplies	-	-	244	(244)
204	Computer & Office Equipment	550	700	700	0
219	Uniforms/Protective Clothing	165	440	171	269
220	Vehicle/Equip.Fuel & Oil	672	1,800	439	1,361
221	Vehicle/Equip.Parts & Labor	86	1,800	253	1,547
228	Safety Equipment	-	400	-	400
229	Miscellaneous Supplies	63	500	269	231
281	Small Tools & Equipment	367	1,500	79	1,421
	Total Supplies	1,903	7,140	2,155	4,985
<u>Services</u>					
302	Architect & Engineering	88,563	285,148	165,813	119,335
303	Legal Services	-	28,337	22,153	6,184
304	Medical Services	-	-	35	(35)
305	Seminars & Training	1,254	2,600	1,530	1,070
306	Other Professional Services	2,253	20,001	2,718	17,283
308	Telephone/Communication Svcs	1,298	2,500	774	1,726
310	Auto Allowance	5,200	4,800	2,400	2,400
311	Travel Expenses	1,099	2,000	1,235	765
318	Insurance	552	650	523	127
330	Dues/Memberships	4,131	1,300	626	674
	Total Services	104,350	347,336	197,807	149,529
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	431,714	729,237	467,845	261,392

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**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY WASTEWATER TREATMENT PLANT
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	302,249	305,120	295,457	9,663
Supplies	133,334	128,077	119,320	8,757
Services	406,414	425,820	365,801	60,019
Capital Outlay	109,806	69,005	43,223	25,782
TOTAL EXPENDITURES	951,803	928,022	823,801	104,221

WASTEWATER TREATMENT PLANT

The Wastewater Treatment Plant is responsible for the treatment of wastewater collected from residences, businesses and industries. Treatment includes the removal of suspended solids and organic contaminants as well as an ultra-violet disinfection process in order to meet Texas Commission on Environmental Quality discharge standards. Chemical and biological tests are performed by state certified plant personnel and contract laboratories to assure compliance with discharge permit limits. The Wastewater Treatment Plant treated and released to the receiving stream a total of 801 MG in the FY 2015.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
WASTEWATER TREATMENT PLANT
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	203,617	203,687	202,110	1,577
102	Overtime	11,666	10,000	10,539	(539)
103	Education/Certification Pay	249	240	240	0
107	Group Health/Life Benefits	34,157	33,900	33,769	131
108	Fica	15,410	16,540	16,052	488
109	Retirement	30,662	32,678	24,280	8,398
110	Workers Compensation	3,093	4,409	4,561	(152)
111	Tec	1,079	1,350	1,350	-
112	Longevity	2,316	2,316	2,556	(240)
	Total Personal Services	302,249	305,120	295,457	9,663
<u>Supplies</u>					
202	General Office Supplies	203	1,150	742	408
204	Computers & Office Equipment	-	100	100	0
212	Chemicals	21,563	40,000	38,836	1,164
215	Food/Meal Expense	132	200	70	130
217	Janitorial Supplies	1,336	725	740	(15)
218	Medical/Laboratory Supplies	20,186	22,000	22,917	(917)
219	Uniforms/Protective Clothing	707	2,250	1,071	1,179
220	Vehicle/Equip Fuel & Oil	6,943	7,020	8,779	(1,759)
221	Vehicle/Equip Parts & Labor	10,964	7,389	6,205	1,184
222	Equipment Parts & Labor	53,401	30,150	31,759	(1,609)
223	Equipment Fuel & Oil	3,104	2,850	228	2,622
228	Safety Equipment	1,295	2,000	1,300	700
229	Miscellaneous Supplies	759	500	437	63
235	Building Maintenance Supplies	201	3,500	183	3,317
247	Pumps & Controls Repair/Maint	11,952	4,243	4,586	(343)
270	Scada Parts	50	2,500	-	2,500
281	Small Tools & Equipment	538	1,500	1,367	133
	Total Supplies	133,334	128,077	119,320	8,757

WASTEWATER TREATMENT PLANT

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	550	6,835	-	6,835
303	Legal Services	3,132	9,800	265	9,535
304	Medical Services	-	50	-	50
305	Seminars & Training	1,405	3,625	235	3,390
306	Other Professional Services	-	6,200	-	6,200
308	Telephone/Communication Svcs	1,666	1,500	1,540	(40)
309	Postage	-	500	39	461
311	Travel Expense	-	300	-	300
312	Legal Advertising	-	5,000	-	5,000
318	Insurance	6,373	7,500	6,029	1,471
319	Utility Services	218,788	240,000	201,424	38,576
320	R & M Buildings & Structures	894	12,500	13,069	(569)
322	R & M Of Fixed Plant Equip	38,430	10,286	7,102	3,184
330	Dues/Memberships	1,455	1,311	1,311	-
331	Laundry & Sanitation Svcs	42,255	47,787	46,758	1,029
334	Regulatory Testing & Monitorin	58,636	43,126	60,015	(16,889)
335	Regulatory Permit Fees	25,924	26,500	28,014	(1,514)
350	Trans - Offsite Wtr Sales	3,004	-	-	-
370	Scada Maintenance	3,902	3,000	-	3,000
	Total Services	406,414	425,820	365,801	60,019
<u>Capital Outlay</u>					
410	Motor Vehicles	7,022	-	-	-
414	Plant Equipment	34,232	38,874	20,012	18,862
420	Other Equipment	11,577	14,212	14,211	1
426	Other Improvements	47,414	-	-	-
443	Pumps	9,561	15,919	9,000	6,919
	Total Capital Outlay	109,806	69,005	43,223	25,782
	TOTAL EXPENDITURES	951,803	928,022	823,801	104,221

**CITY OF WEATHERFORD
MUNICIPAL UTILITY SYSTEM
BUDGET SUMMARY FIBER
2014-2015 ANNUAL BUDGET
(Unaudited)**

Expenditure Classification	Actual 2013-2014	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
Personal Services	285	69,508	16,021	53,487
Supplies	-	11,450	3,647	7,803
Services	-	24,850	9,087	15,763
Capital Outlay	-	86,500	123,317	(36,817)
TOTAL EXPENDITURES	285	192,308	152,072	40,236

FIBER

The function of the Fiber Optic Department is to provide the fiber optic infrastructure to the City of Weatherford, Parker County, Weatherford Independent School District, Weatherford Regional Medical Center, and other private entities. The Fiber Optic Department is charged with constructing, operating, and maintaining the fiber optic system to ensure that its customers are provided the highest quality service at the most economical cost.

City of Weatherford
MUNICIPAL UTILITY SYSTEM
FIBER
2014-2015 ANNUAL BUDGET
(Unaudited)

Account Number	Account Title	Actual 2013-14	Amended Budget 2014-2015	Actual 2014-2015	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	231	52,172	2,302	49,870
102	Overtime	-	1,000	613	387
107	Group Health/Life Benefits	-	6,780	3,940	2,840
108	Fica	18	2,866	3,178	(312)
109	Retirement	36	5,667	5,142	525
110	Workers Compensation	-	453	450	3
111	Tec	-	270	-	270
112	Longevity	-	300	396	(96)
	Total Personal Services	285	69,508	16,021	53,487
<u>Supplies</u>					
202	General Office Supplies	-	200	66	134
204	Computers & Office Equip	-	-	290	(290)
219	Uniforms/Protective Clothing	-	1,000	143	857
220	Vehicle/Equip Fuel & Oil	-	1,000	296	704
221	Vehicle/Equip Parts & Labor	-	750	510	240
228	Safety Equipment	-	500	231	269
229	Miscellaneous Supplies	-	3,000	474	2,526
281	Small Tools & Equipment	-	5,000	1,637	3,363
	Total Supplies	-	11,450	3,647	7,803
<u>Services</u>					
305	Seminars & Training	-	1,500	-	1,500
306	Other Professional Services	-	2,000	1,288	712
308	Telephone/Communication Svcs	-	600	50	550
311	Travel Expense	-	750	-	750
316	Tree Trimming	-	20,000	7,749	12,251
	Total Services	-	24,850	9,087	15,763
<u>Capital Outlay</u>					
410	Motor Vehicles	-	30,500	30,304	196
426	Other Improvements	-	13,500	12,637	863
439	Fiber Optic System	-	42,500	80,376	(37,876)
	Total Capital Outlay	-	86,500	123,317	(36,817)
	TOTAL EXPENDITURES	285	192,308	152,072	40,236

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