

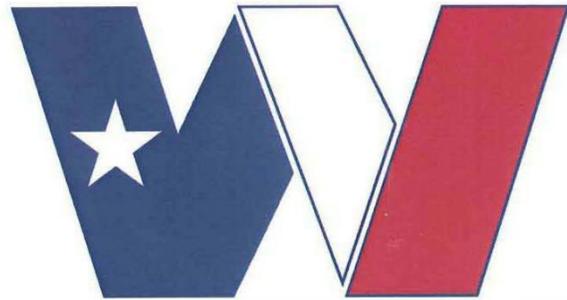
**CITY OF
WEATHERFORD**

TEXAS



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

For The Year Ended
September 30, 2016



**CITY OF
WEATHERFORD**

TEXAS

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED
SEPTEMBER 30, 2016**

**Created by:
Finance Office**

CITY OF WEATHERFORD, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2016

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INTRODUCTORY SECTION

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February 28, 2017

To the Honorable Mayor, Members of the City Council,
and Citizens of the City of Weatherford:

The City Charter requires that an annual audit of all records and transactions of the administration of the affairs of the City be made annually by a certified public accountant. Accordingly, the comprehensive annual financial report (CAFR) of the City of Weatherford, Texas, for the fiscal year ended September 30, 2016, is hereby submitted.

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

The City of Weatherford's financial statements have been audited by Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Weatherford's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Weatherford's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Weatherford

The City of Weatherford, incorporated in 1858, adopted its original charter and became a home rule city in 1918. The City is located 25 miles west of the Dallas/Fort Worth metropolitan area on Interstate Highway 20 (IH-20) and serves as the county seat of Parker County. The City currently occupies a land area of 27.58 square miles and serves an estimated population of 28,742 as of July 1, 2015 (U.S. Census Bureau). The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City is operated under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the Mayor and four council members. The governing council is responsible, among other things, for passing policies, ordinances, adopting the budget, appointing boards and committees, and hiring the City Manager. The Municipal Court Judge, City Secretary and City Attorney are also appointed by the City Council. The City Manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Mayor and council members are elected on a non-partisan, at-large basis for three-year staggered terms. The City provides a full range of services including police and fire protection, street maintenance, sanitation, parks and recreation facilities, and public library.

The board of trustees of the municipal utility system, consisting of the Mayor, two council members, and four trustees appointed by the City Council, exercise management control of the electric, water and wastewater systems that serve the City and much of the area extending from the City to and around the Weatherford Water Supply Reservoir located approximately five miles northeast of the City. The City Manager is also responsible for all utility operations and reports directly to the Municipal Utility Board.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager prior to June 1 of each year. These requests are reviewed, prioritized and, based upon projected revenue availability, included in a proposed budget. The City Manager then presents the proposed budget to the City Council and Municipal Utility Board, respectively, for review prior to August 31. The Council and Board are required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The budget is prepared and appropriated by fund and department. Upon approval of the City Manager, department directors may make line-item transfers of appropriations within a department; however, appropriation transfers between departments require approval of the Council or Board. A summary budget-to-actual comparison for the General Fund is provided on page 66 – 67 of this report. Budget-to-actual comparisons for each of the non-major special revenue governmental funds are found on pages 80 – 91.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Weatherford operates.

Local Economy. In 2016, the City of Weatherford continued thriving in its economic recovery, as revenues to the City outmatched the previous record highs, set in 2015. The State and more so the North Texas Metroplex/MSA, that includes Weatherford, continues to stay ahead of the nation in job creation (recovery) and new growth. Regional retail shopping, manufacturing and other business to business sales led Weatherford's strong sales tax figures for FY16. Having experienced expansive commercial and residential growth since the early 2000's, both retail and industrial establishments maintain significant economic presence in the City. Other economic indicators that showed improvement throughout the year are Texas' consumer confidence index as well as the unemployment rate, which continues to be favorable in Weatherford, the Fort Worth/Dallas Metroplex, and the State. In addition, 45 to 50 percent of local residents make the short commute east into the metropolitan area for jobs at major Fortune 500 companies, such as Lockheed-Martin, Bell Helicopter/Textron, Alliance Airport, the Federal Currency Center, and many other major Fortune 500/regional employers.

Fiscal year 2016 was the historic high in sales tax revenue collections for the City of Weatherford. The 2016 City sales tax was about 2.8 percent above the 2015 \$11.3 million, at \$11.6 million. Because this revenue stream can be sensitive to economic fluctuations, Weatherford leaders are careful to only rely on approximately 93% of sales tax for operational purposes, allowing a healthy buffer to shield against declines.

Local manufacturing includes many local shops and suppliers; national and international silicone rubber products (automotive, medical and aerospace, etc.); automotive fuel additives; natural gas drilling, service, production and training; PVC plastic pipe; regional lower-tier subcontractors to Metroplex aerospace companies; and international animal supplements. All experienced output declines and some job reductions from the Great Recession, but have continued to see growth in output and recovery in jobs through 2014. The natural gas drilling rig count has declined significantly, to about 25 percent of the peak, and will continue to decline as the Barnett Shale play matures.

The City continues to develop as a major regional retail center at the IH-20 and S. Main node, with over 905,000 square feet of retail construction completed since 2005. The Weatherford Marketplace Center at the south east intersection of IH-20 and S. Main St. (State Highways 51/171) has been fully leased. Some vacancies are common but they tend to rotate occupancy. Additionally, City leaders created Weatherford's first Tax Increment Reinvestment Zone during FY16. To date, two major retailers have occupied space in the TIRZ and will open their doors during the current fiscal year.

The local unemployment rate has declined substantially from its high of 8.5% in the midst of the Great Recession. While the rate does fluctuate monthly, the annual average hovers around 4%. December of 2016 was estimated at 4%, not seasonally adjusted. The long-term unemployed workforce moderates this improvement in the local rate.

Due in part to a stable local service area economy, Weatherford has maintained its “AA-“ rating and stable outlook from Standard & Poor’s. Additionally, Moody’s Investors Service upgraded their rating on the Weatherford Utility System from A1 to Aa3 for Weatherford’s Combined Utility Enterprise System Bonds, Series 2015. Strong management and ongoing economic development were cited as major strengths in this upgrade.

Long-term Financial Planning and Major Initiatives. In 2009, City Council adopted Financial Management Policy Statements to provide a framework for fiscal decision-making to ensure that financial resources are available to meet the present and future needs of the City. Management of the City believes we are currently in compliance with these policy statements. The policy statements state that current expenditures shall not exceed current revenues plus the planned use of fund balances for non-recurring expenditures. The policy statements are updated annually after the May elections and were updated in December 2012 to include the addition of the new storm water utility fund, a suggestion by City auditors to include a reference to revenue segregation for fund balance clarification for Governmental Accounting Standards Board 54 purposes, and a Utility Board Member’s request to have all City delinquent or uncollectable procedures documented.

This policy statement sets a desired fund balance reserve in the committed funds of the general and utility fund at 90 days of operations, although the Council’s preference has been to maintain the general fund balance at 120 days. At fiscal year end both funds had met this requirement of the policy statement as well as had a healthy unassigned fund balance.

The City Council also recently reviewed the City of Weatherford’s strategic plan. Council decided to develop an entirely new strategic plan which incorporates strong financial planning. This was adopted during February of 2013 and revised in the spring of 2015. The new vision statement of the City states “Weatherford, Texas is a service oriented, yet still “small town” community that upgrades its infrastructure, celebrates and shares its rich history, and fosters quality economic growth – in a fiscally responsible, even revenue-generating fashion.” Actual planning steps include a focus on service, fiscal well-being of the City, and fostering a healthy economic environment.

A focus of the City Council, as stated in the vision statement, is up-to-date infrastructure. The City made some great improvements and enhancements to the City over the last several years with a huge emphasis on implementing the 2006 Capital Committee’s recommendations as well as a massive Pass-Through Toll Agreement with TxDOT that has provided approximately \$60 million in new or improved transportation infrastructure. However, this is no time to slow the progress of meeting the needs of the community. The streets department underwent a pavement condition survey in 2013 to determine where funds and efforts need to be focused and plan for them in the budget. The results of the survey suggested that the City was underfunding its annual street repairs by several hundred thousand dollars, and City management has determined that adequate street funding will be a priority in the future. As of fiscal year 2016, the City has met annual street maintenance funding target. With the new municipal storm water fee having been adopted in early 2013, the City has made several strides in updating its drainage infrastructure in the past three years, and has also issued revenue bonds backed by this revenue stream for further improvements. Bonds were also issued for water/wastewater and electric improvements, helping to capitalize on the recent rate adjustments, which started in FY15. These rate adjustments also provide significant cash-funding for pay-as-you-go projects.

An additional focus for the City has been to start a vehicle rotation fund for major rolling assets in the General Fund. FY17 is the second year of this new rotation, with approximately 22 vehicles provided for with recurring funds. The goal is to add more vehicles onto this rotation as revenues provide.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Weatherford for its comprehensive annual financial report for the fiscal year ended September 30, 2015. This was the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report, but especially notable are the efforts and accomplishments of Assistant City Manager/Chief Financial Officer, Brad Burnett; Assistant Finance Directors, Sidney Kirk and Kyle Lester; Purchasing Coordinator, Cathy Coffman; Finance Analyst, Tomara Holloway; Staff Accountant, Pam Hughes; and Accounting Clerk, Kerri Sanderson. Credit also must be given to the Mayor, City Council members, and Municipal Utility Board Trustees for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Weatherford's finances.

Respectfully submitted,



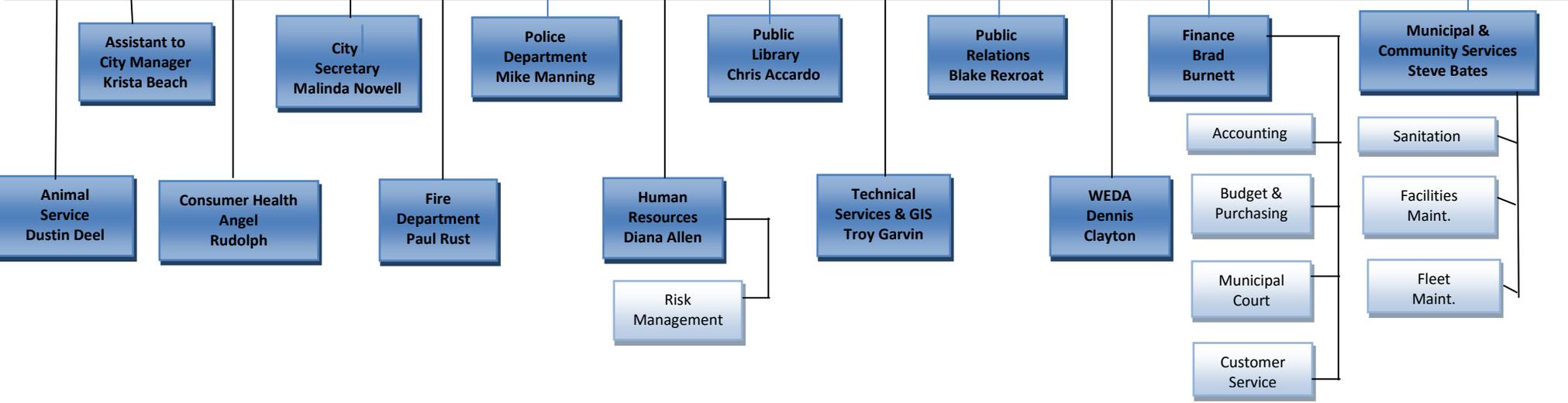
Sharon Hayes
City Manager



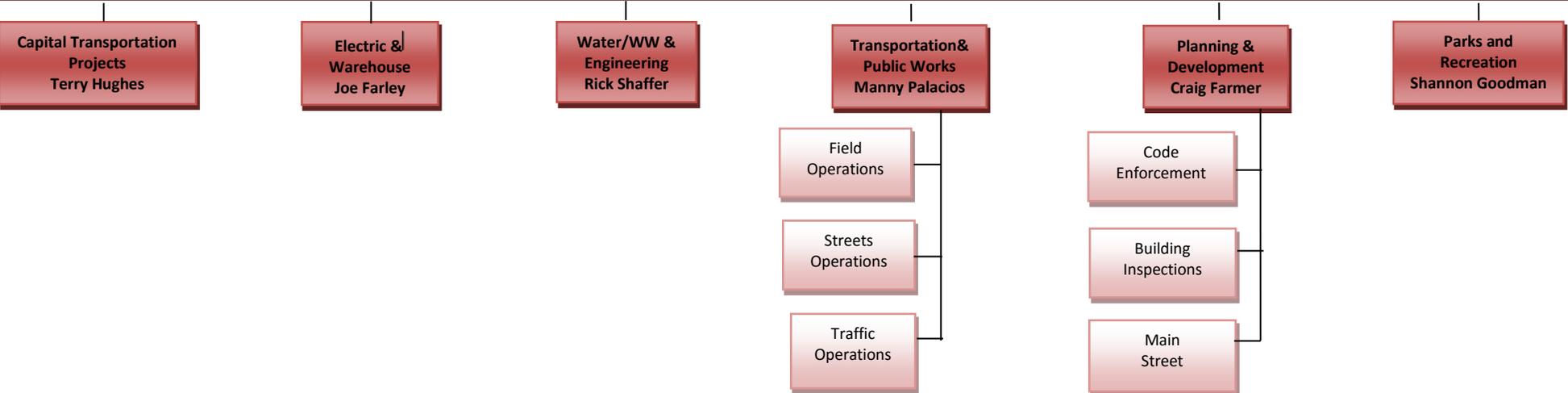
Brad Burnett
Assistant City Manager/CFO

City Council

City Manager – Sharon Hayes



Assistant City Manager- James Hotopp



**THE CITY OF
WEATHERFORD, TEXAS**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**YEAR ENDED
SEPTEMBER 30, 2016**

**ELECTED
CITY COUNCIL**

Craig Swancy – Mayor

Jeff Robinson – Mayor Pro Tem/Council Member

Dale Fleegeer – Council Member

Kevin Cleveland – Council Member

Heidi Wilder – Council Member

**APPOINTED/DESIGNATED
MUNICIPAL UTILITY BOARD**

Craig Swancy – Mayor – Chair

Bob Glenn – Vice Chair

Jeff Robinson – Designated Council Member

Heidi Wilder – Designated Council Member

Ken Davis – Appointed Public Member

James Dickason – Appointed Public Member

Howard McClurkin – Appointed Public Member



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
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Reporting**

Presented to

**City of Weatherford
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

FINANCIAL SECTION

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P A T T I L L O , B R O W N & H I L L , L . L . P .
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor
and Members of City Council
City of Weatherford, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Texas, as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City of Weatherford, Texas', basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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 respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Texas, as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in the notes to the financial statements, in 2016 the City adopted new accounting guidance, Governmental Accounting Standards (GASB) Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and the schedule of funding progress on pages 4 through 15 and 66 through 71 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2017, on our consideration of the City of Weatherford, Texas', internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Weatherford, Texas' internal control over financial reporting and compliance.

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

Waco, Texas
February 21, 2017

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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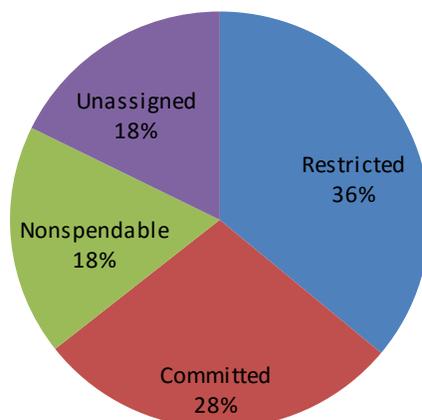
Management's Discussion and Analysis

As management of the City of Weatherford, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Weatherford for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows (a consumption of net assets by the City that is applicable to a future reporting period such as prepaid items and deferred charges) of resources of the City of Weatherford exceeded its liabilities and deferred inflows (an acquisition of net assets by the City that is applicable to a future reporting period such as deferred revenues and advance collections) at the close of the most recent fiscal year by \$221,130,828 (net position). Of this amount, \$21,275,889 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$12,403,046. Positive operating results along with capital contributions from developers in the utility and solid waste systems resulted in an increase in net position related to business-type activities of \$10,954,987. Net position related to governmental activities increased by \$1,448,059.
- As of the close of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$34,083,723, an increase of \$7,248,070 in comparison with the prior year. A variety of increases and decreases combine to make this increase, but the majority can be contributed to the receipt of tax notes the City issued during the year. Approximately 18% of the total balance, \$6,041,155, is unassigned, which is primarily in the general fund. This is approximately 21% of total general fund expenditures.

Governmental Funds Fund Balance by Type



- The City of Weatherford's total debt decreased by \$2,186,922 (2%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Weatherford's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Weatherford's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the City's assets, deferred outflows (inflows) of resources, and liabilities, with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, planning and development, community development, culture and recreation, and health and welfare. The business-type activities of the City include sanitation and the water, wastewater, and electric utility system (Weatherford Utilities). All governmental and business-type activities included in the government-wide financial statements are functions of the City (known as the primary government).

The government-wide financial statements can be found on pages 16 - 19 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Weatherford uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds utilized by state and local governments can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Weatherford maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and the debt service fund, which are considered to be major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided in this report to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 – 23 of this report.

Proprietary Funds. Proprietary funds can be further classified into two different types of funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Weatherford uses enterprise funds to account for its combined electric, water and wastewater operations, also for its solid waste collection and storm water operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The City allocates costs directly to operating departments and accordingly does not account or report for any internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each one of the enterprise funds. The basic proprietary fund financial statements can be found on pages 24 – 28 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Weatherford's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City of Weatherford does not hold any resources for the benefit of parties outside the City government and accordingly neither accounts nor reports for any fiduciary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 – 65 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Weatherford's General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance with a comparative display of budget to actual. This required supplementary information can be found on pages 66 – 68 of this report. Required supplementary information of pension information and other post employee benefit funding progress are also included on pages 69 – 71.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Weatherford, assets and deferred outflows exceeded liabilities and deferred inflows by \$221,130,828 at the close of the most recent fiscal year.

City of Weatherford's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 58,787,534	\$ 56,995,067	\$ 61,685,189	\$ 66,303,194	\$ 120,472,723	\$ 123,298,261
Capital assets	104,932,539	58,271,875	134,503,563	124,333,832	239,436,102	182,605,707
Total assets	<u>163,720,073</u>	<u>115,266,942</u>	<u>196,188,752</u>	<u>190,637,026</u>	<u>359,908,825</u>	<u>305,903,968</u>
Deferred outflows of resources	<u>7,123,116</u>	<u>3,173,089</u>	<u>2,928,259</u>	<u>1,624,509</u>	<u>10,051,375</u>	<u>4,797,598</u>
Long-term liabilities	81,015,847	75,204,389	53,034,692	55,615,807	134,050,539	130,820,196
Other liabilities	<u>8,322,899</u>	<u>8,311,416</u>	<u>5,051,227</u>	<u>6,155,410</u>	<u>13,374,126</u>	<u>14,466,826</u>
Total liabilities	<u>89,338,746</u>	<u>83,515,805</u>	<u>58,085,919</u>	<u>61,771,217</u>	<u>147,424,665</u>	<u>145,287,022</u>
Deferred inflows of resources	<u>1,049,036</u>	<u>1,040,111</u>	<u>355,671</u>	<u>359,392</u>	<u>1,404,707</u>	<u>1,399,503</u>
Net position:						
Net investment in capital assets	65,646,240	26,052,538	102,278,278	94,113,483	167,924,518	120,166,021
Restricted	11,866,006	3,712,803	20,064,415	10,064,992	31,930,421	13,777,795
Unrestricted	<u>2,943,161</u>	<u>4,118,774</u>	<u>18,332,728</u>	<u>25,952,451</u>	<u>21,275,889</u>	<u>30,071,225</u>
Total net position	<u>\$ 80,455,407</u>	<u>\$ 33,884,115</u>	<u>\$ 140,675,421</u>	<u>\$ 130,130,926</u>	<u>\$ 221,130,828</u>	<u>\$ 164,015,041</u>

By far the largest portion of the City of Weatherford's net position (76%) reflects its investment in capital assets (land, building, infrastructure, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Weatherford's net position (14%) represents resources that are subject to external restrictions on how they may be used. All restricted assets of the City relating to both governmental activities and business-type activities are being held for purposes established by state and local laws, future construction, and debt service/reserve requirements on the City's outstanding debt. The remaining \$21,275,889 (10%) balance of net position is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

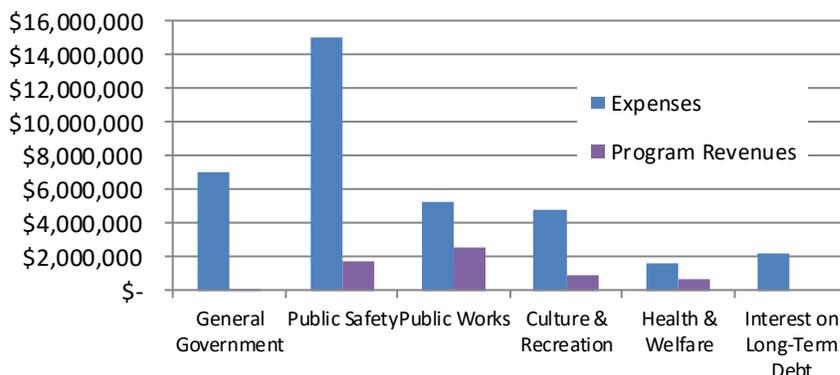
The City's total net position increased by \$12,403,046 during the current fiscal year. Net position related to business-type activities increased by \$10,954,987. This increase is largely attributable to positive operating results as well as capital grants and contributions from developers. Net position related to governmental activities increased by \$1,448,059.

City of Weatherford's Changes in Net Position

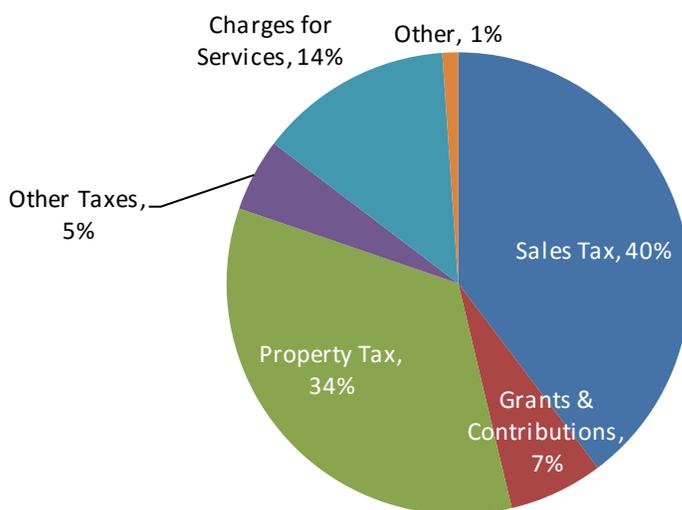
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 3,963,204	\$ 2,932,815	\$ 51,206,960	\$ 54,815,114	\$ 55,170,164	\$ 57,747,929
Operating grants and contributions	318,801	175,705	-	-	318,801	175,705
Capital grants and contributions	1,604,594	8,582,987	2,439,162	2,273,567	4,043,756	10,856,554
General revenues:						
Sales taxes	11,619,054	11,303,850	-	-	11,619,054	11,303,850
Property taxes	9,942,877	9,238,347	-	-	9,942,877	9,238,347
Other taxes	1,491,686	1,559,679	-	-	1,491,686	1,559,679
Other	322,563	362,482	941,491	1,129,303	1,264,054	1,491,785
Total revenues	<u>29,262,779</u>	<u>34,155,865</u>	<u>54,587,613</u>	<u>58,217,984</u>	<u>83,850,392</u>	<u>92,373,849</u>
Expenses:						
General government	7,005,789	5,915,168	-	-	7,005,789	5,915,168
Public safety	15,000,743	13,676,879	-	-	15,000,743	13,676,879
Public works	5,252,727	13,686,840	-	-	5,252,727	13,686,840
Health and welfare	1,587,636	1,392,938	-	-	1,587,636	1,392,938
Culture and recreational	4,761,634	4,485,475	-	-	4,761,634	4,485,475
Interest on long-term debt	2,176,497	2,682,224	-	-	2,176,497	2,682,224
Electric	-	-	23,013,754	26,787,470	23,013,754	26,787,470
Water	-	-	7,385,407	7,376,079	7,385,407	7,376,079
Wastewater	-	-	3,557,093	3,533,092	3,557,093	3,533,092
Solid waste	-	-	1,619,025	1,498,046	1,619,025	1,498,046
Stormwater	-	-	87,041	173,055	87,041	173,055
Total expenses	<u>35,785,026</u>	<u>41,839,524</u>	<u>35,662,320</u>	<u>39,367,742</u>	<u>71,447,346</u>	<u>81,207,266</u>
Increase (decrease) in net position before transfers	(6,522,247)	(7,683,659)	18,925,293	18,850,242	12,403,046	11,166,583
Transfers	<u>7,970,306</u>	<u>7,659,883</u>	<u>(7,970,306)</u>	<u>(7,659,883)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	1,448,059	(23,776)	10,954,987	11,190,359	12,403,046	11,166,583
Prior period adjustment	<u>45,123,233</u>	<u>-</u>	<u>(410,492)</u>	<u>-</u>	<u>44,712,741</u>	<u>-</u>
Net position, October 1, restated	<u>79,007,348</u>	<u>33,907,891</u>	<u>129,720,434</u>	<u>118,940,567</u>	<u>208,727,782</u>	<u>152,848,458</u>
Net position, September 30	<u>\$ 80,455,407</u>	<u>\$ 33,884,115</u>	<u>\$ 140,675,421</u>	<u>\$ 130,130,926</u>	<u>\$ 221,130,828</u>	<u>\$ 164,015,041</u>

Governmental Activities. The City of Weatherford's total net position related to governmental activities increased by \$1,448,059.

Expenses and Program Revenues – Governmental Activities



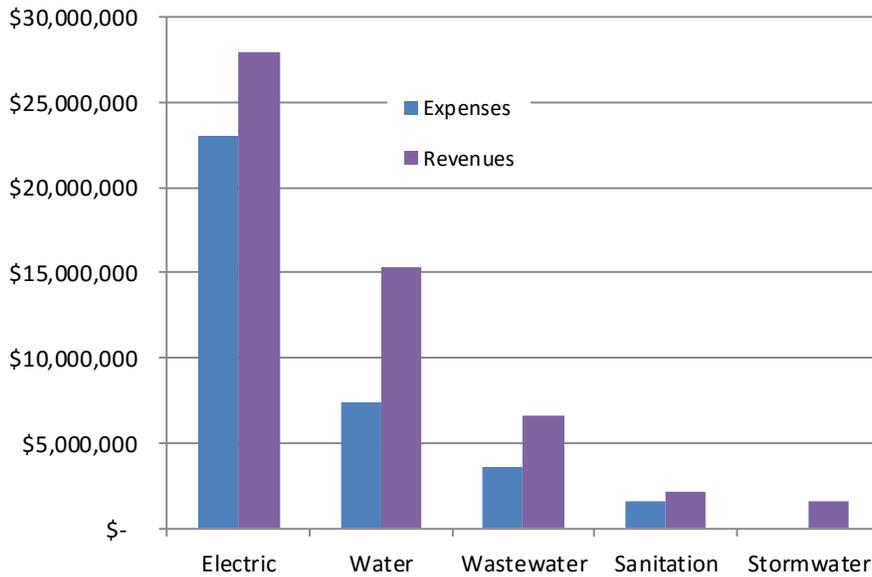
Revenues by Source – Governmental Activities



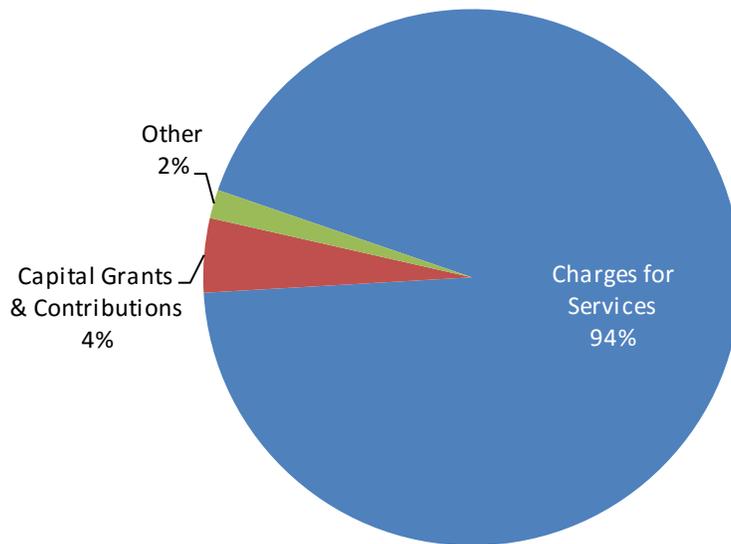
Business-Type Activities. Business-type activities increased the City of Weatherford’s net position by \$10,954,987. Key elements of this increase are as follows:

- Overall expenses decreased \$3,705,422 (9%) compared to prior year for the business-type activities. The cost of electric operations saw the largest decrease of \$3,773,716 (14%) due to decreased consumption and cost of purchased power. The water utility also saw a minor decrease of \$9,328 (0%).
- Revenues decreased \$3,630,371 over prior year revenues. This is primarily due to lower electric revenues. The City purchases power from three providers, passing that cost through to customers. The cost to purchase that power was substantially lower in FY16, leading to a lower pass-through cost and, ultimately, lower revenues from the electric utility. Rate increases on both water and wastewater customers muted the overall effect of this.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the City’s Funds

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

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

As of the end of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$34,083,723, an increase of \$7,248,070 in comparison with the prior year. A variety of increases and decreases combine to make this happen. However, the largest single contributing factor is the receipt of tax notes intended to finance infrastructure projects in conjunction with the new tax increment financing district. Approximately 46% (\$15,695,080) of the fund balances constitutes either committed or unassigned fund balance, of which is available for spending at the government's discretion. Of that amount \$6,041,155 (18%) of the total is unassigned. Of the committed funds \$1,250,884 is designated for net OPEB obligation costs to date as detailed in Note 4, \$1,452,201 is committed to capital projects, \$229,382 is for Parks development, \$292,627 is for culture and recreation and \$6,428,831 is the desired stabilization fund of 90 days' worth of general fund operation the Council retains for emergencies or unforeseen situations. The other \$12,388,643 (36%) of the fund balances are either nonspendable or restricted in use by an outside authority or covenant.

The general fund is the chief operating fund of the City of Weatherford. At the end of the current fiscal year, spendable and unrestricted fund balance of the general fund was \$14,109,145, while total fund balance was \$14,166,228. As a measure of the general fund's liquidity, it is useful to compare spendable, unreserved fund balance to total fund expenditures. Spendable, unrestricted fund balance represents 47%, or approximately 172 days of total general fund expenditures.

The fund balance of the City's general fund increased overall by \$318,878 during the current fiscal year. This increase in fund balance is due primarily to better than anticipated sales tax revenue.

The debt service fund has a deficit fund balance of \$16,581,334, which \$10,581,334 is restricted for the payment of debt service and \$6,000,000 is nonspendable fund balance. The net increase in fund balance during the current year in the debt service fund was \$8,112,916. This is due to intergovernmental revenues related to the Texas Department of Transportation pass-thru toll program and the issuance of tax notes.

The TIRZ fund has a total fund balance of (\$388,275). The net decrease in fund balance during the current year was a result of expenditures that relate to planning for development within the TIRZ. Additionally, the City issued tax notes in the amount of and loaned the \$6,000,000 to the TIRZ to finance the TIRZ expenditures.

At the end of the fiscal year, the City's thirteen active nonmajor special revenue funds (state forfeiture, federal forfeiture, Weatherford beautification, hotel/motel tax, Chandor Gardens, SFX grant, court technology, main street project, court security, library, animal shelter, court juvenile case manager, and Heritage Park) had combined fund balances totaling \$1,604,748, compared to prior year balances of \$1,885,128.

The four active capital projects funds (general capital, park development, series 2007 C.O., and series 2011 C.O.) had combined ending fund balances of \$2,024,780 compared to prior year balances of \$2,584,745, all of which is restricted for transportation, building, and park improvement projects. The decrease in the capital projects funds is contributed to the expenditure of bond dollars on road capital projects.

The Doss permanent library fund had an ending fund balance of \$50,143, compared to the prior year balance of \$50,012. This fund has a nonspendable fund balance of \$50,000.

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

Unrestricted net position of the municipal utility fund at the end of the year amounted to \$14,992,668, compared to the prior year unrestricted balance of \$22,955,447. The total increase in net position for the municipal utility fund was \$9,361,534. Unrestricted net position of the solid waste fund amounted to \$2,181,741 compared to \$1,917,895 in the prior year. Unrestricted net position of the storm water fund amounted to \$1,158,319 compared to \$1,079,109 in the prior year.

General Fund Budgetary Highlights

Increasing amendments to the original 15-16 general fund annual expenditure appropriations netted to \$1,251,684, or approximately 4.1% of the original budget. The majority of that, or \$695,878, were to re-appropriate unspent funds for the 2014-2015 approved projects into 2015-2016. Other major mid-year adjustments included a total of \$369,075 covered through miscellaneous donations, grants, insurance proceeds, or other revenue, and a \$180,000 purchase of lap tops for the police department paid for through accumulated fund balance.

General Fund Budget Comparison

This document’s General Fund Budget and Actual summary (found on pages 66 and 67) details differences between budgetary authority and actual spending for the 2016 fiscal year. A review of this schedule yields several significant variances. Overall, the fund left over \$2.1 million worth of appropriations unspent as of September 30, 2016. Of that, approximately \$584,000 came from projects that had to be deferred until the following fiscal year, and those have since been re-appropriated for FY17. This includes \$147,500 for the City’s general and land use plan, \$115,917 for public works projects, \$144,000 for information technology projects, and \$144,649 for police purchases.

In addition to these variances, there were several other circumstances affecting budgetary spending across the general fund in FY16. Personnel savings due to vacancies across the City yielded over \$350,000 in savings for the general fund, and lower fuel prices resulted in over \$160,000 in associated savings. Other notable cost saving areas were unused funds in the City Manager’s non-recurring contingency budget, deferring planned facilities maintenance projects, unused budget for legal fees, and unused budget for street cut patching associated with utilities projects (although this was offset through reduced revenue associated with these expenses.) Council’s formal budgetary level of control is by department, and while some divisions may have exceeded their budgets during FY16, every department stayed within its means. In the Budget and Actual summary, it does look as if the City ended with almost \$890,000 in savings from transfers out while Non-Departmental exceeded its appropriations by \$575,603. In actuality, the majority of the transfers out are budgeted as a part of the Non-Departmental annual appropriations. This transfer budget initially included moving funds into the new Fleet Management Fund. After the close of the year, it was decided to manage those transactions as service charges, rather than transfers. This resulted in the appearance of substantial savings on inter-fund transfers.

Capital Asset and Debt Administration

Capital Assets. The City of Weatherford’s investment in total capital assets for its governmental and business-type activities as of year-end amounts to \$239,436,102 (net of accumulated depreciation) compared to \$177,350,945 in the prior year. Investment in capital assets related to governmental activities (\$66,770,617) includes land and improvements, city hall, old city hall, public library, police station, animal shelter, fire stations, community centers, swimming pool, public market, other buildings and systems, vehicles, machinery and equipment, park facilities, streets, sidewalks and bridges. The City’s investment in capital assets related to business-type activities (\$134,503,563) includes land and improvements, electric distribution facilities (substations, poles, wires, transformers, etc.), water supply reservoir, raw water transmission lines and pumping facilities, water purification plant and distribution system, wastewater treatment plant and collection system, utility service center and warehouse, other buildings and systems, vehicles, machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Vehicle and other capital equipment purchases in the general fund and fleet management fund amounted over \$1.2 million. The police and public works departments had the lion’s share of these purchases, with both spending over \$220,000 each.
- Improvements on Heritage Park continued for the fourth year, and those reached a total FY16 cost of \$765,000.
- Road construction in the amount of \$2.4 million was the largest general city capital asset event for FY16. This was for infrastructure improvements inside the City.
- Various system extensions and improvements to the City’s water, wastewater, and electric distribution system, as well as equipment purchases, totaled \$11,395,500. Similarly, the storm water utility spent \$1,860,926 for infrastructure improvements.

City of Weatherford's Capital Assets

(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 14,741,923	\$ 5,550,009	\$ 3,548,273	\$ 2,540,233	\$ 18,290,196	\$ 8,090,242
Buildings and systems	8,508,857	8,794,003	9,244,573	10,065,178	17,753,430	18,859,181
Improvements other than buildings	25,115,863	23,823,913	108,476,013	99,599,434	133,591,876	123,423,347
Machinery and equipment	4,061,731	4,137,787	2,934,682	2,810,365	6,996,413	6,948,152
Infrastructure	41,046,291	4,863,456	-	-	41,046,291	4,863,456
Construction in progress	11,457,874	11,102,707	10,300,022	4,063,860	21,757,896	15,166,567
Total	\$ <u>104,932,539</u>	\$ <u>58,271,875</u>	\$ <u>134,503,563</u>	\$ <u>119,079,070</u>	\$ <u>239,436,102</u>	\$ <u>177,350,945</u>

Additional information on the City of Weatherford’s capital assets can be found in Note 3 of this report.

Long-Term Debt. At the end of the current fiscal year the City of Weatherford had total bonded debt outstanding, including combination tax, revenue certificates of obligation, tax notes, notes payable, and leases payable of \$108,786,126. While \$46,735,000 of this carries with it a legal pledge by property tax collections and backed by the full faith and credit of the City, pass-through toll revenues from an interlocal agreement with the Texas Department of Transportation will be sufficient to cover the majority of that debt service over the life of those bonds, rendering those issuances primarily self-supporting. \$12,330,000 represents combination tax and revenue certificates of obligation debt, \$41,415,000 represents bonds secured solely by revenue from the City’s combined electric, water and wastewater utility system, a combined \$6,947,365 in tax notes, notes payable and State infrastructure loans payable from the utility system revenues. A total of \$1,358,761 represents leases payable from performance contracting improvements and computer.

City of Weatherford’s Outstanding Debt

General Obligation Bonds, Certificates of Obligation, Revenue Bonds, and Other Long-Term Payables

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 46,735,000	\$ 50,090,000	\$ -	\$ -	\$ 46,735,000	\$ 50,090,000
Certificates of obligations	12,330,000	12,920,000	-	-	12,330,000	12,920,000
Revenue bonds	-	-	41,415,000	45,245,000	41,415,000	45,245,000
Tax notes	6,780,000	850,000	-	-	6,780,000	850,000
Notes payable	-	-	167,365	297,819	167,365	297,819
Lease obligations	<u>925,617</u>	<u>1,103,399</u>	<u>433,144</u>	<u>466,830</u>	<u>1,358,761</u>	<u>1,570,229</u>
Total	\$ <u>66,770,617</u>	\$ <u>64,963,399</u>	\$ <u>42,015,509</u>	\$ <u>46,009,649</u>	\$ <u>108,786,126</u>	\$ <u>110,973,048</u>

The City of Weatherford’s total debt increased by \$2,186,922 (2%) during the current fiscal year as a result of normal principal retirement along with the issuance of \$6,065,000 Tax Notes.

The City’s general obligation bonds and certificates of obligation are rated “Aa3” by Moody’s Investors Service and “AA-“ by Standard and Poor’s Corporation at September 30, 2016. The City’s combined utility system revenue debt is rated “A1” by Moody’s Investors Service and “AA”/”A” by Standard and Poor’s Corporation at September 30, 2016.

State statutes limit the total property tax rate to \$2.50 per \$100 of assessed valuation. The City’s total property tax rate for 2015-2016 was \$0.4866 per \$100 of assessed valuation, of which \$0.1716 was for annual debt service. As a condition for issuance of additional debt, utility revenue bond covenants require net revenues of the system to be no less than 1.25 the average annual debt requirements and 1.10 times the maximum annual requirements.

Additional information on the City of Weatherford’s long-term debt can be found in Note 3 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Weatherford is currently sitting at 4.4% as of August of 2016. This does represent an increase of the low of 3.6% in April 2016, and a slightly higher rate than the D-FW MSA rate of 4.2%, but still compares favorably to national and state averages.
- Sales tax collections had another strong year in FY16, with actual collections exceeding the conservative original budget by 4%, or \$446,000. Collections also exceeded FY15 by 2.8%. For FY17, staff has placed the City's budget in a strategically favorable position, to the extent that the City could successfully absorb a large decrease in this revenue stream without drastically effecting operations.
- Final total taxable assessed value increased by less than 1% over 2015, from \$2.115 billion to \$2.128 billion. This total includes new construction. A major reason for the aggregate stagnation here is a legal ruling that found major improvements to the hospital had been significantly over-valued. The resulting adjustment held down aggregate values for this year.
- As a result of transportation developments with TxDOT and the newly created tax-increment reinvestment zone, we expect increased economic activity over the next several years.

All of the above factors were considered in preparing the City of Weatherford's budget for the 2016-2017 fiscal year. The property tax rate increased by 2.5 cents to \$0.5116 per \$100 of assessed value. Sales tax collections, accounting for approximately 38% of general fund revenues and other financing sources, are anticipated to be relatively flat to fiscal year 2015-2016 receipts after accounting for expected rebates for economic development incentive agreements. Approved non-recurring expenditures for 2016-2017 total \$1,199,668, and there is a planned draw down of fund balance of \$1,450,921, which is projected to leave the General Fund with a balance equating to 120 of operations, which is well over the 90-day requirement. A large portion of this balance, totaling \$525,000, will be dedicated to future costs of retirements.

Requests for Information

This financial report is designed to provide a general overview of the City of Weatherford's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, P.O. Box 255, Weatherford, Texas, 76086.

**BASIC
FINANCIAL STATEMENTS**

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CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 33,442,412	\$ 42,387,838	\$ 75,830,250
Receivables (net of allowance for uncollectibles):			
Taxes	372,499	-	372,499
Accounts	521,161	5,825,807	6,346,968
Other	-	53,341	53,341
Due from other governments	24,394,175	-	24,394,175
Prepaid items	3,832	192,378	196,210
Inventories	53,455	3,244,294	3,297,749
Restricted assets:			
Cash and investments	-	9,979,721	9,979,721
Accrued interest	-	1,810	1,810
Capital assets:			
Land	14,741,923	3,548,273	18,290,196
Buildings	15,117,380	19,371,444	34,488,824
Improvements other than buildings	36,042,606	170,984,167	207,026,773
Infrastructure	52,917,764	-	52,917,764
Machinery and equipment	11,917,941	8,994,537	20,912,478
Construction in progress	11,457,874	10,300,021	21,757,895
Less: accumulated depreciation	(37,262,949)	(78,694,879)	(115,957,828)
Total capital assets	104,932,539	134,503,563	239,436,102
Total assets	163,720,073	196,188,752	359,908,825
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,029,129	862,113	1,891,242
Deferred outflow related to pensions	6,093,987	2,066,146	8,160,133
Total deferred outflows of resources	7,123,116	2,928,259	10,051,375

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

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CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2016

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
LIABILITIES			
Accounts payable	\$ 738,726	\$ 3,083,429	\$ 3,822,155
Accrued liabilities	343,020	45,793	388,813
Retainage payable	482,731	54,774	537,505
Accrued interest	211,062	16,594	227,656
Due to other governments	56,493	-	56,493
Customer deposits and escrows	424,132	1,461,385	1,885,517
Unearned revenue	1,864	232,649	234,513
Payable from restricted assets:			
Accrued interest	-	156,603	156,603
Noncurrent liabilities:			
Due within one year-payable from restricted assets	-	314,583	314,583
Due within one year	6,064,871	4,209,171	10,274,042
Due in more than one year	<u>81,015,847</u>	<u>48,510,938</u>	<u>129,526,785</u>
Total liabilities	<u>89,338,746</u>	<u>58,085,919</u>	<u>147,424,665</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	<u>1,049,036</u>	<u>355,671</u>	<u>1,404,707</u>
Total deferred inflows of resources	<u>1,049,036</u>	<u>355,671</u>	<u>1,404,707</u>
NET POSITION			
Net investment in capital assets	65,646,240	102,278,278	167,924,518
Restricted for:			
Construction	-	13,834,699	13,834,699
Debt service	10,458,977	3,575,016	14,033,993
Rate stabilization	-	2,654,700	2,654,700
Culture and recreation:			
Nonexpendable	50,000	-	50,000
Public safety	617,526	-	617,526
Community development	739,503	-	739,503
Unrestricted	<u>2,943,161</u>	<u>18,332,728</u>	<u>21,275,889</u>
Total net position	<u>\$ 80,455,407</u>	<u>\$ 140,675,421</u>	<u>\$ 221,130,828</u>

CITY OF WEATHERFORD, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 7,005,789	\$ 59,969	\$ 500	\$ -
Public safety	15,000,743	1,550,142	200,463	-
Public works	5,252,727	937,918	-	1,604,594
Health and welfare	1,587,636	620,341	-	-
Cultural and recreation	4,761,634	794,834	117,838	-
Interest on long-term debt	2,176,497	-	-	-
Total governmental activities	<u>35,785,026</u>	<u>3,963,204</u>	<u>318,801</u>	<u>1,604,594</u>
Business-type activities:				
Electric	23,013,754	27,737,753	-	212,664
Water	7,385,407	14,206,086	-	1,125,017
Wastewater	3,557,093	5,830,166	-	777,612
Sanitation	1,619,025	2,195,297	-	-
Stormwater utility	87,041	1,237,658	-	323,869
Total business-type activities	<u>35,662,320</u>	<u>51,206,960</u>	<u>-</u>	<u>2,439,162</u>
Total primary government	<u>\$ 71,447,346</u>	<u>\$ 55,170,164</u>	<u>\$ 318,801</u>	<u>\$ 4,043,756</u>

General revenues:

Taxes:

 Property

 Sales

 Other

Grants and contributions not restricted
to specific programs

Investment earnings

Royalties

Miscellaneous

Transfers

 Total general revenues and transfers

 Change in net position

Net position, beginning, restated

Net position, ending

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

Net (Expense) Revenue and Changes in Net Position

Primary Government		
Governmental Activities	Business-type Activities	Total
\$(6,945,320)	\$ -	\$(6,945,320)
(13,250,138)	-	(13,250,138)
(2,710,215)	-	(2,710,215)
(967,295)	-	(967,295)
(3,848,962)	-	(3,848,962)
<u>(2,176,497)</u>	<u>-</u>	<u>(2,176,497)</u>
<u>(29,898,427)</u>	<u>-</u>	<u>(29,898,427)</u>
-	4,936,663	4,936,663
-	7,945,696	7,945,696
-	3,050,685	3,050,685
-	576,272	576,272
<u>-</u>	<u>1,474,486</u>	<u>1,474,486</u>
<u>-</u>	<u>17,983,802</u>	<u>17,983,802</u>
<u>(29,898,427)</u>	<u>17,983,802</u>	<u>(11,914,625)</u>
9,942,877	-	9,942,877
11,619,054	-	11,619,054
1,491,686	-	1,491,686
23,301	-	23,301
149,661	278,695	428,356
45,948	602,039	647,987
103,653	60,757	164,410
<u>7,970,306</u>	<u>(7,970,306)</u>	<u>-</u>
<u>31,346,486</u>	<u>(7,028,815)</u>	<u>24,317,671</u>
1,448,059	10,954,987	12,403,046
<u>79,007,348</u>	<u>129,720,434</u>	<u>208,727,782</u>
<u>\$ 80,455,407</u>	<u>\$ 140,675,421</u>	<u>\$ 221,130,828</u>

CITY OF WEATHERFORD, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
ASSETS					
Cash and investments	\$ 12,784,998	10,577,042	6,057,048	\$ 3,722,977	\$ 33,142,065
Receivables (net of allowance for uncollectibles of \$312,412):					
Taxes	283,794	88,705	-	-	372,499
Accounts	366,643	732	-	153,786	521,161
Due from other governments	1,907,212	22,486,963	-	-	24,394,175
Prepaid	3,628	-	-	204	3,832
Advance to other funds	-	6,000,000	-	-	6,000,000
Inventories	53,455	-	-	-	53,455
Total assets	<u>15,399,730</u>	<u>39,153,442</u>	<u>6,057,048</u>	<u>3,876,967</u>	<u>64,487,187</u>
LIABILITIES					
Accounts payable	545,659	-	41,260	132,989	719,908
Accrued liabilities	332,642	-	-	10,378	343,020
Deposits and escrows	12,769	-	404,063	7,300	424,132
Due to other governments	56,493	-	-	-	56,493
Advance from other funds	-	-	6,000,000	-	6,000,000
Unearned revenue	-	-	-	1,864	1,864
Total liabilities	<u>947,563</u>	<u>-</u>	<u>6,445,323</u>	<u>152,531</u>	<u>7,545,417</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	285,939	22,572,108	-	-	22,858,047
Total deferred inflows of resources	<u>285,939</u>	<u>22,572,108</u>	<u>-</u>	<u>-</u>	<u>22,858,047</u>
FUND BALANCES					
Nonspendable:					
Doss library	-	-	-	50,000	50,000
Prepaid	3,628	-	-	204	3,832
Inventory	53,455	-	-	-	53,455
Advance to TIRZ	-	6,000,000	-	-	6,000,000
Restricted for:					
Capital projects	-	-	-	343,197	343,197
Debt service	-	10,581,334	-	-	10,581,334
Public safety	-	-	-	617,526	617,526
Community development	-	-	-	739,299	739,299
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	6,428,831	-	-	-	6,428,831
Capital projects	-	-	-	1,452,201	1,452,201
Park development	-	-	-	229,382	229,382
Culture and recreation	-	-	-	292,627	292,627
Unassigned	6,429,430	-	(388,275)	-	6,041,155
Total fund balances	<u>14,166,228</u>	<u>16,581,334</u>	<u>(388,275)</u>	<u>3,724,436</u>	<u>34,083,723</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,399,730</u>	<u>\$ 39,153,442</u>	<u>\$ 6,057,048</u>	<u>\$ 3,876,967</u>	<u>\$ 64,487,187</u>

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

CITY OF WEATHERFORD, TEXAS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION**

SEPTEMBER 30, 2016

Total fund balances - governmental funds balance sheet	\$ 34,083,723
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	104,019,490
Certain items are not available to pay for current period expenditures, and, therefore are deferred inflows of resources in the funds.	22,858,047
The assets and liabilities of certain Internal Service Funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	711,847
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. Also, the loss on refunding of bonds, the premium on issuance of bonds and deferred resource outflow and inflows related to the net pension liability are not reported in the funds.	<u>(81,217,700)</u>
Net position of governmental activities - statement of net position	\$ <u>80,455,407</u>

CITY OF WEATHERFORD, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
REVENUES					
Taxes	\$ 18,826,477	\$ 3,495,173	\$ -	\$ 655,350	\$ 22,977,000
Licenses and permits	831,729	-	-	1,206	832,935
Intergovernmental	1,092,114	4,798,873	-	1,605,233	7,496,220
Charges for services	1,173,187	-	-	247,927	1,421,114
Fines and forfeitures	500,534	-	-	138,860	639,394
Contributions	39,007	-	-	80,238	119,245
Royalties and rental	-	-	-	45,948	45,948
Investment earnings	103,495	26,788	10,698	8,680	149,661
Miscellaneous	150,579	-	-	149,849	300,428
Total revenues	<u>22,717,122</u>	<u>8,320,834</u>	<u>10,698</u>	<u>2,933,291</u>	<u>33,981,945</u>
EXPENDITURES					
Current:					
General government	7,155,433	-	205,680	110,575	7,471,688
Public safety	13,583,293	-	-	195,324	13,778,617
Public works	3,681,953	-	-	-	3,681,953
Health and welfare	1,415,032	-	-	89,271	1,504,303
Cultural and recreation	3,098,429	-	-	891,519	3,989,948
Capital outlay	797,742	-	193,293	2,914,272	3,905,307
Debt service:					
Principal	172,611	4,140,017	-	30,495	4,343,123
Interest and other	5,792	2,413,338	-	-	2,419,130
Total expenditures	<u>29,910,285</u>	<u>6,553,355</u>	<u>398,973</u>	<u>4,231,456</u>	<u>41,094,069</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,193,163)</u>	<u>1,767,479</u>	<u>(388,275)</u>	<u>(1,298,165)</u>	<u>(7,112,124)</u>
OTHER FINANCING SOURCES (USES)					
Tax notes issued	-	6,065,000	-	-	6,065,000
Capital lease	85,151	-	-	-	85,151
Sale of general capital assets	201,596	-	-	-	201,596
Insurance recoveries	38,141	-	-	-	38,141
Transfers in	7,420,306	280,437	-	961,458	8,662,201
Transfers out	<u>(233,153)</u>	<u>-</u>	<u>-</u>	<u>(458,742)</u>	<u>(691,895)</u>
Total other financing sources and uses	<u>7,512,041</u>	<u>6,345,437</u>	<u>-</u>	<u>502,716</u>	<u>14,360,194</u>
NET CHANGE IN FUND BALANCES	318,878	8,112,916	(388,275)	(795,449)	7,248,070
FUND BALANCES, BEGINNING	<u>13,847,350</u>	<u>8,468,418</u>	<u>-</u>	<u>4,519,885</u>	<u>26,835,653</u>
FUND BALANCES, ENDING	<u>\$ 14,166,228</u>	<u>\$ 16,581,334</u>	<u>\$(388,275)</u>	<u>\$ 3,724,436</u>	<u>\$ 34,083,723</u>

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

CITY OF WEATHERFORD, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2016

Net change in fund balances - total governmental funds: \$ 7,248,070

Amounts reported for governmental activities in the Statement of Activities are different

Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost and accumulated depreciation of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 1,178,008

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (171,931)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes 76,617

Court fines 3,089

Grant - Texas Department of Transportation (4,798,872)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (1,564,395)

An Internal Service Fund is used by management to charge the costs of certain activities, such as vehicle acquisition to individual funds. The net revenue (expense) of certain Internal Service Funds is reported with governmental activities. 711,847

Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,234,374)

Change in net position of governmental activities \$ 1,448,059

CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Fund
ASSETS					
Current assets					
Unrestricted assets					
Cash and cash equivalents	\$ 31,943,260	\$ 2,606,513	\$ 2,259,586	\$ 36,809,359	\$ 300,347
Investments	5,578,479	-	-	5,578,479	-
Receivables:					
Accounts, net of allowances for uncollectible accounts of \$52,573	2,746,469	46,615	-	2,793,084	-
Earned but unbilled customer accounts	2,846,174	117,334	69,215	3,032,723	-
Other	53,341	-	-	53,341	-
Prepays	192,378	-	-	192,378	-
Inventory	3,222,182	22,112	-	3,244,294	-
Restricted assets					
Cash and cash equivalents	7,325,021	-	-	7,325,021	-
Investments	2,654,700	-	-	2,654,700	-
Accrued interest	1,691	119	-	1,810	-
Total current assets	<u>56,563,695</u>	<u>2,792,693</u>	<u>2,328,801</u>	<u>61,685,189</u>	<u>300,347</u>
Noncurrent assets					
Capital assets					
Land	2,600,202	-	948,071	3,548,273	-
Construction in progress	9,580,106	-	719,915	10,300,021	-
Buildings and improvements	19,173,835	197,609	-	19,371,444	-
Other improvements	169,485,862	10,577	1,487,728	170,984,167	-
Machinery and equipment	7,768,368	1,205,547	20,622	8,994,537	469,735
Less: accumulated depreciation	(77,732,677)	(947,185)	(15,017)	(78,694,879)	(39,417)
Total noncurrent assets	<u>130,875,696</u>	<u>466,548</u>	<u>3,161,319</u>	<u>134,503,563</u>	<u>430,318</u>
Total assets	<u>187,439,391</u>	<u>3,259,241</u>	<u>5,490,120</u>	<u>196,188,752</u>	<u>730,665</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	862,113	-	-	862,113	-
Deferred outflow related to pensions	<u>1,831,134</u>	<u>230,114</u>	<u>4,898</u>	<u>2,066,146</u>	<u>-</u>
Total deferred outflows of resources	<u>2,693,247</u>	<u>230,114</u>	<u>4,898</u>	<u>2,928,259</u>	<u>-</u>

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

CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility	Solid Waste	Storm Water		Service
	System		Utility	Funds	
LIABILITIES					
Current liabilities (payable from current assets):					
Accounts payable	\$ 2,974,655	\$ 48,626	\$ 60,148	\$ 3,083,429	\$ 18,818
Accrued wages	38,981	6,763	49	45,793	-
Retainage payable	54,774	-	-	54,774	-
Accrued interest	12,300	-	4,294	16,594	-
Unearned revenue	232,649	-	-	232,649	-
Customer deposits	1,461,385	-	-	1,461,385	-
Notes payable	93,479	-	-	93,479	-
Capital lease payable	34,556	-	-	34,556	-
Revenue bonds payable	3,703,389	-	185,000	3,888,389	-
Compensated absences	170,304	22,443	-	192,747	-
Current liabilities (payable from restricted assets):					
Accrued interest	156,603	-	-	156,603	-
Revenue bonds payable- current	314,583	-	-	314,583	-
Total current liabilities	<u>9,247,658</u>	<u>77,832</u>	<u>249,491</u>	<u>9,574,981</u>	<u>18,818</u>
Noncurrent liabilities					
Notes payable	73,886	-	-	73,886	-
Capital lease payable	398,588	-	-	398,588	-
Revenue bonds payable	40,133,255	-	1,675,000	41,808,255	-
Compensated absences	803,053	60,473	-	863,526	-
Net pension liability	3,352,193	421,265	8,963	3,782,421	-
Net OPEB obligation	1,342,379	241,883	-	1,584,262	-
Total noncurrent liabilities	<u>46,103,354</u>	<u>723,621</u>	<u>1,683,963</u>	<u>48,510,938</u>	<u>-</u>
Total liabilities	<u>55,351,012</u>	<u>801,453</u>	<u>1,933,454</u>	<u>58,085,919</u>	<u>18,818</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow related to pensions	315,217	39,613	841	355,671	-
Total deferred inflows of resources	<u>315,217</u>	<u>39,613</u>	<u>841</u>	<u>355,671</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	99,409,326	466,548	2,402,404	102,278,278	430,318
Restricted for:					
Construction	13,834,699	-	-	13,834,699	-
Debt service	3,575,016	-	-	3,575,016	-
Rate stabilization	2,654,700	-	-	2,654,700	-
Unrestricted	<u>14,992,668</u>	<u>2,181,741</u>	<u>1,158,319</u>	<u>18,332,728</u>	<u>281,529</u>
Total net position	<u>\$ 134,466,409</u>	<u>\$ 2,648,289</u>	<u>\$ 3,560,723</u>	<u>\$ 140,675,421</u>	<u>\$ 711,847</u>

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CITY OF WEATHERFORD, TEXAS

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION**

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Solid Waste	Storm Water	Total	Internal
	Utility		Utility		Service
	System				Fund
OPERATING REVENUES					
Electric sales	\$ 27,163,416	\$ -	\$ -	\$ 27,163,416	\$ -
Electric services	467,707	-	-	467,707	-
Water sales	13,055,526	-	-	13,055,526	-
Water services	134,963	-	-	134,963	-
Wastewater services	5,830,166	-	-	5,830,166	-
Sanitation services	-	2,195,297	-	2,195,297	-
Stormwater fees	-	-	1,205,234	1,205,234	-
Charges for services	-	-	-	-	837,310
Other	8,997	-	32,424	41,421	-
Total operating revenues	<u>46,660,775</u>	<u>2,195,297</u>	<u>1,237,658</u>	<u>50,093,730</u>	<u>837,310</u>
OPERATING EXPENSES					
Personnel services	5,603,857	941,577	16,935	6,562,369	-
Contractual services	3,227,921	260,015	551	3,488,487	-
Purchased power	16,393,221	-	-	16,393,221	-
Materials and supplies	1,818,310	253,190	-	2,071,500	86,046
Depreciation	5,238,384	164,243	13,397	5,416,024	39,417
Total operating expenses	<u>32,281,693</u>	<u>1,619,025</u>	<u>30,883</u>	<u>33,931,601</u>	<u>125,463</u>
OPERATING INCOME	<u>14,379,082</u>	<u>576,272</u>	<u>1,206,775</u>	<u>16,162,129</u>	<u>711,847</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	250,320	9,012	19,363	278,695	-
Rentals	1,113,230	-	-	1,113,230	-
Royalties	-	602,039	-	602,039	-
Gain on disposal of assets	57,828	2,929	-	60,757	-
Interest and other	(1,674,561)	-	(56,158)	(1,730,719)	-
Total nonoperating revenues (expenses)	<u>(253,183)</u>	<u>613,980</u>	<u>(36,795)</u>	<u>324,002</u>	<u>-</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	14,125,899	1,190,252	1,169,980	16,486,131	711,847
Capital contributions	2,115,293	-	323,869	2,439,162	-
Transfers in	40,456	-	-	40,456	-
Transfers out	(6,920,114)	(1,090,648)	-	(8,010,762)	-
CHANGE IN NET POSITION	9,361,534	99,604	1,493,849	10,954,987	711,847
NET POSITION, BEGINNING, RESTATED	<u>125,104,875</u>	<u>2,548,685</u>	<u>2,066,874</u>	<u>129,720,434</u>	<u>-</u>
NET POSITION, ENDING	<u>\$ 134,466,409</u>	<u>\$ 2,648,289</u>	<u>\$ 3,560,723</u>	<u>\$ 140,675,421</u>	<u>\$ 711,847</u>

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

CITY OF WEATHERFORD, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 47,090,103	\$ 2,253,080	\$ 1,216,392	\$ 50,559,575	\$ 837,310
Cash paid to employees for services	(5,276,640)	(889,746)	(65,754)	(6,232,140)	-
Cash paid to suppliers for goods and services	(22,270,578)	(510,701)	(551)	(22,781,830)	(67,228)
Net cash provided by operating activities	<u>19,542,885</u>	<u>852,633</u>	<u>1,150,087</u>	<u>21,545,605</u>	<u>770,082</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash received from rentals	1,113,230	-	-	1,113,230	-
Cash received from royalties	-	602,039	-	602,039	-
Transfers from other funds	40,456	-	-	40,456	-
Transfers to other funds	(6,920,114)	(1,090,648)	-	(8,010,762)	-
Net cash used by noncapital financing activities	<u>(5,766,428)</u>	<u>(488,609)</u>	<u>-</u>	<u>(6,255,037)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from disposal of capital assets	57,828	2,928	-	60,756	-
Proceeds from developers for contributions in aid of construction	1,429,265	-	323,869	1,753,134	-
Principal payments on long-term debt	(3,819,141)	-	(175,000)	(3,994,141)	-
Acquisition and construction of capital assets	(12,968,710)	-	(2,186,951)	(15,155,661)	(469,735)
Interest and other charges on debt	(1,916,976)	-	(57,031)	(1,974,007)	-
Net cash used by capital and related financing activities	<u>(17,217,734)</u>	<u>2,928</u>	<u>(2,095,113)</u>	<u>(19,309,919)</u>	<u>(469,735)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	523,674	8,893	19,363	551,930	-
Purchase of investments	15,958,913	-	-	15,958,913	-
Net cash provided (used) by investing activities	<u>16,482,587</u>	<u>8,893</u>	<u>19,363</u>	<u>16,510,843</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	13,041,310	375,845	(925,663)	12,491,492	300,347
CASH AND CASH EQUIVALENTS, BEGINNING	<u>26,226,971</u>	<u>2,230,668</u>	<u>3,185,249</u>	<u>31,642,888</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 39,268,281</u>	<u>\$ 2,606,513</u>	<u>\$ 2,259,586</u>	<u>\$ 44,134,380</u>	<u>\$ 300,347</u>
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS					
Current assets - cash and cash equivalents	\$ 31,943,260	\$ 2,606,513	\$ 2,259,586	\$ 36,809,359	\$ 300,347
Restricted assets - cash and cash equivalents	7,325,021	-	-	7,325,021	-
Total cash and cash equivalents	<u>\$ 39,268,281</u>	<u>\$ 2,606,513</u>	<u>\$ 2,259,586</u>	<u>\$ 44,134,380</u>	<u>\$ 300,347</u>

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

CITY OF WEATHERFORD, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Funds				Governmental
	Municipal		Storm Water		Internal
	Utility	Solid Waste	Utility	Total	Service
	System				Fund
RECONCILIATION OF OPERATING INCOME TO NET					
CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income	\$ 14,379,082	\$ 576,272	\$ 1,206,775	\$ 16,162,129	\$ 711,847
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	5,238,384	164,243	13,397	5,416,024	39,417
(Increase) decrease in accounts receivable	280,731	57,783	-	338,514	-
(Increase) decrease in unbilled accounts	260,644	1,167	(21,266)	240,545	-
(Increase) decrease in inventory	349,408	1,996	-	351,404	-
(Increase) decrease in prepaids	(53,114)	-	-	(53,114)	-
(Increase) decrease in deferred outflows - pensions	(1,213,488)	(153,047)	9,741	(1,356,794)	-
Increase (decrease) in accounts payable	(1,127,420)	(659)	(11,787)	(1,139,866)	18,818
Increase (decrease) in accrued wages payable	10,607	(2,038)	(3,116)	5,453	-
Increase (decrease) in unearned revenue	(177,843)	-	-	(177,843)	-
Increase (decrease) in customer deposits	65,796	-	-	65,796	-
Increase (decrease) in compensated absences	(55,426)	(3,393)	-	(58,819)	-
Increase (decrease) in deferred inflows - pensions	2,288	567	(6,576)	(3,721)	-
Increase (decrease) in net pension liability	1,409,652	178,882	(37,081)	1,551,453	-
Increase (decrease) in net OPEB obligation	173,584	30,860	-	204,444	-
Net cash provided by operating activities	<u>\$ 19,542,885</u>	<u>\$ 852,633</u>	<u>\$ 1,150,087</u>	<u>\$ 21,545,605</u>	<u>\$ 770,082</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Contributions of capital assets	\$ 686,028	\$ -	\$ -	\$ 686,028	\$ -
Change in fair value of investments	250,320	-	-	250,320	-

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

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CITY OF WEATHERFORD, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Primary Government

The City of Weatherford, Texas (the City) was incorporated January 2, 1858, and became a home rule city on April 23, 1918. The City operates as a home rule City, under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, electric and sewer utilities, sanitation, health and social services, parks and recreation, public improvements, planning and zoning, and general administrative services. The City Council consists of an elected Mayor and four Council members. The City of Weatherford 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 setting of rates for user charges and bond issuances authorizations require approval by the Council. The City also retains title to all property of the system.

As required by generally accepted accounting principles, the accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended Component Unit - Tax Increment Reinvestment Zone (TIRZ) #1. On March 22, 2016, the City Council adopted an Ordinance designating certain real property generally located along Interstate 20 as TIRZ #1. The purpose for creation of the TIRZ was to finance and make certain public improvements, under the authority of the Tax Increment Financing Act. For reporting purposes, the TIRZ is a blended component unit. The TIRZ is governed by a board comprised of primarily the City's elected council and an employee of the City. The Council appoints a majority of the TIRZ board members, and approves recommendations from the Board in regards to administration, management, and operation of the TIRZ. The TIRZ is reported as a governmental fund and separate financial reports are available from the City's finance department.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements; however interfund services that are provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if collected within 30 days of the end of the current fiscal period. Property taxes availability period is considered to be 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual are property taxes, franchise taxes, sales taxes, interest revenues, and charges for services. All other revenue items are considered to be measurable and available only when cash is received by the City. Unbilled receivables for electric and water utility services are recorded at year-end.

In the governmental funds, the City reports deferred inflows of resources for amounts that have been billed and/or collected and do not meet both the “measurable” and “available” criteria for recognition in the current period. The City reports unearned revenue in the government-wide and fund financial statements for any amounts where an asset was recognized before the earnings process was complete.

The City reports the following major governmental funds:

The **General Fund** is the City’s primary operating fund. It is utilized to account for all financial resources, except those required to be accounted for in other funds.

The **Tax Increment Reinvestment Zone (TIRZ) Fund** is used to account for financial resources being accumulated for construction projects within the reinvestment zone.

The **Debt Service Fund** is used to account for financial resources being accumulated for payment of the principal and interest requirements of general obligation bonds and capital leases.

The City reports the following major proprietary funds:

The **Municipal Utility System Fund** is utilized to account for the operations of the City’s electric distribution, water treatment and distribution, and wastewater collection and treatment systems.

The **Solid Waste Fund** is utilized to account for the City’s solid waste collection and disposal services.

The **Storm Water Utility Fund** is utilized to account for the City’s storm water utility services.

The City reports the following internal service funds:

The **Internal Service Fund** is utilized to account for financial resources being accumulated to purchase vehicles for City operations.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses for the proprietary funds 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements; however interfund services that are provided and used are not eliminated in the process of consolidation.

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

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

1. Cash, Cash Equivalents, and Investments

Investments for the City are reported at fair value, except for the position in investment pools. The City's investment in pools are 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined financial statements as cash and investments or restricted cash and investments. The City's cash and investments are considered as cash equivalents as they can be readily converted to cash at their carrying value.

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

2. Property Taxes

Property taxes are levied on October 1, on property values assessed as of January 1. The Parker County Appraisal District bills and collects all property taxes on behalf of the City and establishes appraisal values. Property taxes attach as an enforceable lien on property as of January 1.

Taxes are due on October 1. Full payment can be made prior to February 1, to avoid penalty and interest charges.

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2016, was \$.4866 per \$100 of assessed valuation. The assessed value upon which the completed 2015 levy was based was approximately \$2,115,011,159.

3. 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.

4. Inventory

Inventories in the General Fund and Solid Waste Fund consist of expendable supplies held for consumption and refuse bags, respectively, which are valued at cost using the first-in, first-out method. Cost is recorded as an expenditure at the time inventory is used (consumption method). The Municipal Utility System Fund inventory is valued at cost using the moving average cost method.

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streets, bridges, sidewalks, curbs, gutters, drainage systems and similar items) are reported in the governmental or business-type activities columns in the government-wide financial statements.

Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Infrastructure	20
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 an estimated useful life of at least two years following the date of acquisition are capitalized. Purchased or constructed assets are recorded at historical cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

Interest is capitalized on business-type assets acquired with tax-exempt debt. The City calculates capitalized interest by applying the interest rate of the debt to the weighted average construction expenditures.

6. 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 or 480 hours for certified Fire personnel. If the employee reaches the maximum accrual limit future accruals will cease until the vacation leave balance is below the established maximum accrual.

The City has accrued the estimated liability for compensated absences in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. Long-term Obligations

In the government-wide financial statements, and the proprietary fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds if material in amount. In the governmental fund financial statements, bond premiums and discounts are recognized during the current period. The face amount of debt is recorded as other financing sources. Bond premiums and discounts are recorded as other financing sources and uses.

8. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from/to other funds” and “advances to/from other funds” on the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

9. Interfund Services Provided and Used

Interfund services provided and used are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are recognized as revenues and expenditures (or expenses) in the funds involved just as they would be recognized if the transactions involved organizations outside the governmental unit.

10. Pensions

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

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City 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.
- 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.

In addition to liabilities, the statement of financial position and/or balance sheet 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 City has two types of items that qualify for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- 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.

12. Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
 - City Special Revenue Funds that fall in this category shall maintain a positive restricted fund balance and those same funds that pay any personnel services shall maintain 20% of operating budget in restricted fund balance. This 20% fund balance should only be used in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise. Should the use reduce the balance below the appropriate level, recommendations will be made to restore the fund balance to its appropriate level within one fiscal year.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by the ordinance of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
 - **Other Post Employee Benefit – Committed Fund Balance:** This amount is annually and formally set aside by the amount appropriated through the budget ordinance for each fund applicable for use to pay current and/or future other post-employment benefits.
 - **Stabilization Arrangement for General Fund:** It is the goal of the City to achieve and maintain a minimum of committed fund balance for that fiscal year. This amount is annually and formally set aside for use in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise or an unforeseen event occurs that costs the City more than 5% of budget appropriations. Should the use reduce the balance below the appropriate level of committed funds the balance must be restored within one fiscal year. This arrangement was approved through City Ordinance by City Council.

- **Assigned:** This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. The City Council has by City Ordinance authorized City Manager to assign fund balance. The Council may also assign fund balance.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

As of year-end, governmental fund balance is composed of the following:

	General	Debt Service	TIRZ	Other Governmental	Totals
FUND BALANCE					
Nonspendable:					
Doss library	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Prepays	3,628	-	-	204	3,832
Inventory	53,455	-	-	-	53,455
Advance to TIRZ	-	6,000,000	-	-	6,000,000
Restricted for:					
Capital projects	-	-	-	343,197	343,197
Debt service	-	10,581,334	-	-	10,581,334
Public safety:					
Police operations and equipment	-	-	-	538,787	538,787
Municipal court technology	-	-	-	52,977	52,977
Municipal court security	-	-	-	16,327	16,327
Juvenile case manager	-	-	-	9,435	9,435
Community development:					
Beautification of City	-	-	-	2,402	2,402
Promotion of tourism and hotel industry	-	-	-	720,615	720,615
Doss library	-	-	-	143	143
Main Street project	-	-	-	16,139	16,139
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	6,428,831	-	-	-	6,428,831
Capital projects	-	-	-	1,452,201	1,452,201
Future acquisition of parks	-	-	-	229,382	229,382
Culture and recreation:					
Chandor Gardens	-	-	-	77,706	77,706
Library operations	-	-	-	138,844	138,844
Animal shelter improvements	-	-	-	31,312	31,312
Heritage park	-	-	-	44,765	44,765
Unassigned	<u>6,429,430</u>	<u>-</u>	<u>(388,275)</u>	<u>-</u>	<u>6,041,155</u>
Totals	<u>\$ 14,166,228</u>	<u>\$ 16,581,334</u>	<u>\$(388,275)</u>	<u>\$ 3,724,436</u>	<u>\$ 34,083,723</u>

13. Net Position

Net position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or 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 City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

14. 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.

15. Concentration of Credit Risk

The City has property tax receivables due from residents and businesses all of whom are located in the City. Also, the City has utility receivables due from residents and businesses located in the City and the surrounding area.

16. Prior Period Adjustments

The City entered into an agreement with the City of Hudson Oaks in a prior year to sell and eventually repurchase water capacity currently owned by the City of Weatherford. The repurchase of the capacity was in the form of a credit for excess demand charges and water impact fees.

The City accepted the donation land and infrastructure assets from Parker County in a prior fiscal year but did not record the assets until fiscal year 2016.

Recording the excess demand charge and water impact fees credits, land, infrastructure, and accumulated depreciation results in the restatement of net position as follows:

	<u>Governmental Activities</u>	<u>Municipal Utility System Business-type Activities</u>
Net position at September 30, 2015, as previously reported	\$ 33,884,115	\$ 125,515,367
Recording of capacity credit	-	(410,492)
Addition of land as of September 30, 2015	8,816,013	-
Addition of land infrastructure as of September 30, 2015	38,051,235	-
Addition of accumulated depreciation as of September 30, 2015	<u>(1,744,015)</u>	<u>-</u>
Net position at September 30, 2015, as restated	<u>\$ 79,007,348</u>	<u>\$ 125,104,875</u>

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$81,217,700 difference are as follows:

Bonds payable	\$ 59,065,000
Capital lease	925,617
Tax notes	6,780,000
Deferred loss on refunding	(1,029,129)
Issuance premium (to be amortized as interest expense)	1,888,680
Accrued interest payable	211,062
Compensated absences	3,724,534
Deferred outflow related to pensions	(6,339,891)
Deferred inflow related to pensions	1,294,940
Net pension liability	11,156,050
Net OPEB obligation	<u>3,540,837</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 81,217,700</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$1,178,008 difference are as follows:

Capital outlay	\$ 4,588,418
Depreciation expense	<u>(3,410,410)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,178,008</u>

Another element of that reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this (\$171,931) difference are as follows:

Disposal of capital assets	\$(<u> 171,931</u>)
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(171,931)</u>

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,564,395 difference are as follows:

Principal repayments	\$ 4,342,933
Issuance of long-term debt	(6,150,151)
Accrued interest	11,788
Amortization of deferred loss on refunding	(91,034)
Amortization of bond premium	<u>322,069</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(1,564,395)</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this (\$1,234,374) difference are as follows:

Compensated absences	\$(86,811)
Pension cost	(667,311)
OPEB cost	<u>(480,252)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(1,234,374)</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balance

At year-end the TIRZ fund, a major fund, has a deficit fund balance of \$388,275. The Debt Service Fund advanced funds to the TIRZ fund for capital projects which resulted in an advance from the Debt Service Fund. As the TIRZ fund expends the cash, expenditures are reported and fund balance is reduced. Because these funds are the main source of resources for the fund, the result is an overall fund deficit. This deficit will be eliminated as resources are obtained to make scheduled installments to the Debt Service Fund.

IV. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

State statutes authorize the City to invest in obligations of the U. S. Treasury, the State of Texas or its agencies; other states, counties, cities, and state agencies with an “A” rating or equivalent, fully insured or collateralized bank certificates of deposit, and fully collateralized direct repurchase agreements.

In fiscal year 2016, the City adopted GASB Statement No. 72 (“GASB 72”), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurement.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The fair value methods used by the City include documented trade history in exact security, present value of expected future cash flow model and option-adjusted discounted cash flow model.

The City’s investments at year-end are shown below.

Description	Maturity Date	Fair Value Measurements Used	Carrying Value 09/30/16	% of Total	Weighted Average Maturity (Days)
Local Government Investment					
Pools (2a-7 like pools):					
TexPool	N/A	N/A	\$ 3,206,014	4.31%	44
TexStar	N/A	N/A	15,183,787	20.39%	43
Texas Class	N/A	N/A	35,415,038	47.55%	71
Total			<u>53,804,839</u>		
Municipal Securities:					
Altoona WI-Municipal Bonds	12/1/16	Level 2	370,740	0.50%	0
Altoona WI-Municipal Bonds	12/1/17	Level 2	589,135	0.79%	3
Altoona WI-Municipal Bonds	12/1/18	Level 2	302,484	0.41%	3
Total			<u>1,262,359</u>		
U. S. Government Securities:					
Federal Home Loan Bank Bonds	12/9/16	Level 1	701,087	0.94%	1
Federal Home Loan Bank Bonds	1/30/17	Level 2	696,696	0.94%	1
Fannie Mae	1/30/17	Level 1	1,002,596	1.35%	2
Freddie Mac	12/26/17	Level 2	1,004,234	1.35%	6
Federal Farm Credit Bonds	7/27/18	Level 2	1,997,960	2.68%	18
Federal Farm Credit Bonds	8/8/18	Level 2	997,439	1.34%	9
Federal Home Loan Bank Bonds	9/14/18	Level 2	3,063,144	4.11%	29
Federal Home Loan Bank Bonds	6/28/19	Level 2	1,991,010	2.67%	27
Fannie Mae	8/24/20	Level 2	3,973,684	5.34%	76
Federal Home Loan Bank Bonds	7/14/21	Level 1	3,970,616	5.33%	93
Total			<u>19,398,466</u>		
Total all investments			<u>\$ 74,465,664</u>	<u>100.00%</u>	

Interest Rate Risk: In compliance with the City's Investment Policy the City minimizes interest rate risk or the decrease in market value of securities in the City'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 City avoids the need to sell securities in the secondary market prior to the maturity date.

Credit Risk: Safety of principal is the primary objective of the City's investment policy. To address this objective the City tries to mitigate credit risk (or default risk) by limiting its investments to only those investments that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2016, the City'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 and the Altoona, WI Municipal Bonds were rated AA- by Standard and Poor's.

Concentration of Credit Risk: In accordance with the City's investment policy, the City of Weatherford 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 City's total investment portfolio with the exception of U. S. Government Securities and authorized pools.

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.

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 is rated AAAM by Standard & Poor's

As of September 30, 2016, the City held restricted cash and investments of \$9,981,578 for the following purposes:

Business-type activities:	
Revenue bond debt service	\$ 863,394
Revenue bond reserve	3,182,808
Construction	763,844
Water impact fee	927,391
Wastewater impact fee	1,589,441
Rate stabilization	<u>2,654,700</u>
Total business-type activities	<u>9,981,578</u>
Total restricted cash and investments	<u>\$ 9,981,578</u>

B. Interfund Balances and Transfers

Interfund balances as of year-end were as follows:

<u>Advance From</u>	<u>Advance To</u>	<u>Amount</u>
Debt service fund	TIRZ fund	\$ 6,000,000

During 2016, the City issued tax notes to loan funds to the TIRZ (a blended component unit) for certain construction projects. The TIRZ will repay the Debt Service Fund in annual installments through 2023.

Interfund transfers during the year were as follows:

	<u>Transfers In</u>				<u>Total</u>
	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Municipal Utility System</u>	
Transfers Out:					
General	\$ -	\$ 152,000	\$ 81,153	\$ -	\$ 233,153
Municipal utility system	6,920,114	-	-	-	6,920,114
Solid waste	500,192	-	550,000	40,456	1,090,648
Other governmental	<u>-</u>	<u>128,437</u>	<u>330,305</u>	<u>-</u>	<u>458,742</u>
Total Transfers	<u>\$ 7,420,306</u>	<u>\$ 280,437</u>	<u>\$ 961,458</u>	<u>\$ 40,456</u>	<u>\$ 8,702,657</u>

Transfers are generally used 1) to transfer franchise fees to the General Fund from the Utility System Fund; 2) to transfer funds from the Utility System Fund to the General Fund for return on investment of the City owned utility system; 3) to transfer funds from the Solid Waste Fund to the General Fund for upkeep of the roads used by Solid Waste during their collection and disposal services; 4) to transfer funds from the General Fund to fund various capital projects; 5) to transfer funds from the proprietary funds to the General Fund for an administrative overhead allocation; and 6) to transfer bond resources to the fund in which the project expenditures will be reported.

C. Capital Assets

Capital asset activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 5,550,009	\$ 375,901	\$ 8,816,013	\$ 14,741,923
Construction in progress	11,102,707	3,033,958	(2,678,791)	11,457,874
Total assets not being depreciated	<u>16,652,716</u>	<u>3,409,859</u>	<u>6,137,222</u>	<u>26,199,797</u>
Capital assets, being depreciated:				
Buildings and improvements	15,098,415	90,497	(71,532)	15,117,380
Infrastructure	14,460,942	405,587	38,051,235	52,917,764
Other improvements	33,161,780	236,076	2,644,750	36,042,606
Machinery and equipment	11,869,787	1,017,170	(969,016)	11,917,941
Total capital assets being depreciated	<u>74,590,924</u>	<u>1,749,330</u>	<u>39,655,437</u>	<u>115,995,691</u>
Less accumulated depreciation:				
Buildings and improvements	(6,304,412)	(365,010)	60,899	(6,608,523)
Infrastructure	(9,597,486)	(529,972)	(1,744,015)	(11,871,473)
Other improvements	(9,337,867)	(1,622,588)	33,712	(10,926,743)
Machinery and equipment	(7,732,000)	(932,258)	808,048	(7,856,210)
Total accumulated depreciation	<u>(32,971,765)</u>	<u>(3,449,828)</u>	<u>(841,356)</u>	<u>(37,262,949)</u>
Total capital assets being depreciated, net	<u>41,619,159</u>	<u>(1,700,498)</u>	<u>38,814,081</u>	<u>78,732,742</u>
Governmental activities capital assets, net	<u>\$ 58,271,875</u>	<u>\$ 1,709,361</u>	<u>\$ 44,951,303</u>	<u>\$ 104,932,539</u>
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,589,839	\$ 958,434	\$ -	\$ 3,548,273
Construction in progress	5,979,756	7,084,487	(2,764,222)	10,300,021
Total assets not being depreciated	<u>8,569,595</u>	<u>8,042,921</u>	<u>(2,764,222)</u>	<u>13,848,294</u>
Capital assets, being depreciated:				
Buildings and improvements	19,294,185	86,766	(9,507)	19,371,444
Other improvements	161,083,849	7,161,296	2,739,022	170,984,167
Machinery and equipment	8,847,137	294,776	(147,376)	8,994,537
Total capital assets being depreciated	<u>189,225,171</u>	<u>7,542,838</u>	<u>2,582,139</u>	<u>199,350,148</u>
Less accumulated depreciation:				
Buildings and improvements	(9,684,824)	(451,558)	9,507	(10,126,875)
Other improvements	(58,282,976)	(4,225,173)	-	(62,508,149)
Machinery and equipment	(5,493,134)	(739,297)	172,576	(6,059,855)
Total accumulated depreciation	<u>(73,460,934)</u>	<u>(5,416,028)</u>	<u>182,083</u>	<u>(78,694,879)</u>
Total capital assets being depreciated, net	<u>115,764,237</u>	<u>2,126,810</u>	<u>2,764,222</u>	<u>120,655,269</u>
Business-type activities capital assets, net	<u>\$ 124,333,832</u>	<u>\$ 10,169,731</u>	<u>\$ -</u>	<u>\$ 134,503,563</u>

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

Governmental activities:		
General government	\$	330,336
Public safety		570,753
Public works		1,733,481
Health and welfare		47,695
Cultural and recreational		<u>767,563</u>
Total depreciation expense - governmental activities	\$	<u>3,449,828</u>
Business-type activities:		
Electric	\$	1,952,403
Water		2,157,055
Wastewater		1,128,930
Solid waste		164,243
Storm water		<u>13,397</u>
Total depreciation expense - business-type activities	\$	<u>5,416,028</u>

D. Deferred Inflows of Resources

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities in the current period. At the end of the current fiscal year, the various components of deferred inflows reported in the governmental funds were as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
Delinquent property taxes	\$ 156,756	\$ 88,705	\$ 245,461
Intergovernmental-TxDOT grant	-	22,483,403	22,483,403
Court fines	<u>129,183</u>	<u>-</u>	<u>129,183</u>
Totals	<u>\$ 285,939</u>	<u>\$ 22,572,108</u>	<u>\$ 22,858,047</u>

E. Bonds, Certificates of Obligation and Tax Notes Payable

Bonds, certificates of obligation and tax notes payable at September 30, 2016, consist of the following individual issues:

Governmental activities

\$4,000,000 2006 Certificates of Obligation, for constructing and improving park and recreational facilities and street improvements, due in annual installments through March 1, 2022, 4.00% - 5.00%.	\$ 2,875,000
\$3,000,000 2008 Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through September 1, 2028, 4.27%.	2,090,000
\$25,130,000 2010 General Obligation Refunding Bonds, to refund and restructure the City's General Obligation Bonds, Series 2000, Tax and Utility System Surplus Revenue Certificates of Obligation, Series 2001, and a portion of the Tax and Utility System Revenue Certificates of Obligation, Series 2007, due in annual installments through March 1, 2028, 2.00% - 4.35%.	24,270,000
\$8,345,000 2011 Combination Tax & Revenue Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through March 1, 2034, 3.00 - 4.50%.	7,365,000
\$25,110,000 2012 General Obligation Refunding Bonds, to refund and restructure the City's Certificates of Obligation Bonds, Series 2007, Certificates of Obligation, Series 2002, and Certificates of Obligation, Series 2003, due in annual installments through March 1, 2021, 2.00% - 4.00%.	15,710,000
\$7,345,000 2014 General Obligation Refunding Bonds, to refund and restructure the City's Certificates of Obligation Bonds, Series 2007, due in annual installments through March 1, 2027, 2.00% - 4.00%.	6,755,000
\$985,000 2014 Tax Notes, to purchase and equip two fire trucks, due in annual installments through March 1, 2021, 2.00%.	715,000
\$6,065,000 2015 Tax Notes, to fund TIRZ projects, due in annual installments through March 1, 2023, 1.485%.	<u>6,065,000</u>
Total governmental activities	<u>\$ 65,845,000</u>

Business-type activities

\$6,575,000 2008 Utility System Refunding Bonds, to refund a portion of the 1996 Utility System Refunding Bonds and to refund the 1999 Utility System Refunding/Improvement Bonds due in annual installments through September 1, 2018, 3.46%.	\$ 1,380,000
\$41,565,000 2015 Utility System Revenue Refunding and Improvement Bonds, to refund the 2005 Utility System Refunding Bonds, to refund a portion of the 2006 Utility System Refunding Bonds and for improvements and extensions to the City's water, wastewater, and electric systems, due in annual installments through September 1, 2035, 2.00% - 5.00%.	38,175,000
\$2,035,000 2015 Municipal Storm Water Utility System Revenue Bonds, for improvements to the City's storm water system, due in annual installments through September 1, 2025, 2.77%.	<u>1,860,000</u>
Total business-type activities	<u>\$ 41,415,000</u>

The annual debt payment requirements for bonds payable as of September 30, 2016, are as follows:

Governmental Activities

Fiscal Year	General Obligation		Certificates of Obligation		Tax Notes		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	\$ 3,475,000	\$ 1,655,325	\$ 650,000	\$ 512,836	\$ 930,000	\$ 138,392	\$ 7,361,553
2018	3,725,000	1,537,875	675,000	489,084	985,000	82,185	7,494,144
2019	3,870,000	1,427,300	700,000	462,470	1,005,000	66,676	7,531,446
2020	4,015,000	1,308,288	730,000	433,023	1,015,000	50,931	7,552,242
2021	3,385,000	1,193,913	755,000	402,324	1,035,000	34,950	6,806,187
2022-2026	23,930,000	3,571,763	4,580,000	1,470,502	1,810,000	26,953	35,389,218
2027-2031	4,335,000	182,500	2,825,000	611,743	-	-	7,954,243
2031-2036	-	-	1,415,000	84,488	-	-	1,499,488
	<u>\$ 46,735,000</u>	<u>\$ 10,876,964</u>	<u>\$ 12,330,000</u>	<u>\$ 4,466,470</u>	<u>\$ 6,780,000</u>	<u>\$ 400,087</u>	<u>\$ 81,588,521</u>

Business-type Activities

Fiscal Year	Revenue Bonds		
	Principal	Interest	Total
2017	\$ 3,960,000	\$ 1,930,757	\$ 5,890,757
2018	4,115,000	1,778,306	5,893,306
2019	2,870,000	1,587,571	4,457,571
2020	3,005,000	1,448,422	4,453,422
2021	3,155,000	1,302,632	4,457,632
2022-2026	14,535,000	5,581,062	20,116,062
2027-2031	4,940,000	1,876,700	6,816,700
2032-2036	<u>4,835,000</u>	<u>619,250</u>	<u>5,454,250</u>
	<u>\$ 41,415,000</u>	<u>\$ 16,124,700</u>	<u>\$ 57,539,700</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 City 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 September 30, 2016.

	<u>Required</u>	<u>Actual</u>
Reserve fund	\$ <u>3,067,616</u>	\$ <u>3,182,808</u>
Total, September 30, 2016	\$ <u><u>3,067,616</u></u>	\$ <u><u>3,182,808</u></u>
Bond fund	\$ <u>471,186</u>	\$ <u>863,394</u>
Total, September 30, 2016	\$ <u><u>471,186</u></u>	\$ <u><u>863,394</u></u>

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, 2016, the City does not have any bonds considered defeased.

F. Notes Payable

Business-type activity notes payable at September 30, 2016, consisted of the following:

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 U. S. 180.	\$ 108,811
February 2012, the City received a State Infrastructure Bank Loan in the amount of \$650,000. Payable in seven annual installments of \$101,034, including interest at 2.45% for utility relocations and reconstruction along FM 51/SH 171. In fiscal year 2015, the City made an additional payment of \$129,342, which reduced the amount of the remaining annual installments and the loan will mature in February 2017 instead of February 2018.	<u>58,554</u>
	<u>\$ 167,365</u>

The annual debt payment requirements for the business-type activity notes payable as of September 30, 2016, are as follows:

Fiscal Year	<u>Notes Payable</u>		Totals
	<u>Principal</u>	<u>Interest</u>	
2017	\$ 93,479	\$ 4,852	\$ 98,331
2018	36,255	2,808	39,063
2019	<u>37,631</u>	<u>1,430</u>	<u>39,061</u>
	<u>\$ 167,365</u>	<u>\$ 9,090</u>	<u>\$ 176,455</u>

G. Capital Lease Obligation

The City has entered into a lease agreement as lessee for financing the acquisition of information technology equipment. The 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 information technology equipment was acquired through a capital lease and was below the City's capitalization threshold; therefore, the information technology equipment was not capitalized. The amount of the technology equipment acquired was \$1,736,163 and \$562,891 for governmental activities and business-type activities, respectively.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2016, were as follows:

	<u>Governmental Activities</u>
2017	\$ 175,116
2018	149,264
2019	81,476
2020	81,476
2021	81,476
2022-2026	407,378
2027-2031	<u>81,476</u>
Total minimum lease payments	1,057,662
Less: amount representing interest	<u>(132,045)</u>
Present value of minimum lease payments	<u>\$ 925,617</u>
	<u>Business-type Activities</u>
2017	\$ 45,731
2018	45,731
2019	45,731
2020	45,731
2021	45,731
2022-2026	228,653
2027-2031	<u>45,731</u>
Total minimum lease payments	503,039
Less: amount representing interest	<u>(69,895)</u>
Present value of minimum lease payments	<u>\$ 433,144</u>

H. Long-term Liability Activity

Long-term liability activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligations	\$ 50,090,000	\$ -	\$ 3,355,000	\$ 46,735,000	\$ 3,475,000
Certificates of obligation	12,920,000	-	590,000	12,330,000	650,000
Tax notes	850,000	6,065,000	135,000	6,780,000	930,000
Issuance premium	<u>2,210,749</u>	<u>-</u>	<u>322,069</u>	<u>1,888,680</u>	<u>322,068</u>
Total bonds payable	<u>66,070,749</u>	<u>6,065,000</u>	<u>4,402,069</u>	<u>67,733,680</u>	<u>5,377,068</u>
Capital lease obligation	1,103,399	85,151	262,933	925,617	149,615
Net OPEB obligation	3,060,585	706,264	226,011	3,540,838	-
Net pension liability	6,456,603	6,697,079	1,997,633	11,156,049	-
Compensated absences	<u>3,637,723</u>	<u>1,582,660</u>	<u>1,495,849</u>	<u>3,724,534</u>	<u>538,188</u>
Governmental activities long-term liabilities	<u>\$ 80,329,059</u>	<u>\$ 15,136,154</u>	<u>\$ 8,384,495</u>	<u>\$ 87,080,718</u>	<u>\$ 6,064,871</u>

The General Fund has typically been used to liquidate governmental activities OPEB obligation, net pension liability and compensated absences liabilities.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 45,245,000	\$ -	\$ 3,830,000	\$ 41,415,000	\$ 3,960,000
Issuance premium	<u>4,880,280</u>	<u>-</u>	<u>284,053</u>	<u>4,596,227</u>	<u>242,972</u>
Total bonds payable	<u>50,125,280</u>	<u>-</u>	<u>4,114,053</u>	<u>46,011,227</u>	<u>4,202,972</u>
State infrastructure loans	297,819	-	130,454	167,365	93,479
Capital lease obligation	466,830	-	33,686	433,144	34,556
Net OPEB obligation	1,379,818	300,670	96,226	1,584,262	-
Net pension liability	2,230,968	2,228,743	677,290	3,782,421	-
Compensated absences	<u>1,115,092</u>	<u>454,444</u>	<u>513,263</u>	<u>1,056,273</u>	<u>192,747</u>
Business-type activities long-term liabilities	<u>\$ 55,615,807</u>	<u>\$ 2,983,857</u>	<u>\$ 5,564,972</u>	<u>\$ 53,034,692</u>	<u>\$ 4,523,754</u>

V. OTHER INFORMATION

A. Defined Benefit Pension Plan

Plan Descriptions. The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under 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 City are required to participate in TMRS.

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

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

The City 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 City provides 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 for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	10
Service retirement eligibility	20 years to any age, 10 years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	70% of CPI repeating

Employees covered by benefit terms

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries current receiving benefits	189
Inactive employees entitled to but not yet received benefits	147
Active employees	<u>357</u>
	<u><u>693</u></u>

Contributions. The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are with 100%, 150%, or 200%, both as adopted by the governing body of the city. 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 City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.62% and 12.85% in calendar years 2015 and 2016, respectively. The City’s contributions to TMRS for the year ended September 30, 2016, were \$2,747,999, and were equal to the required contributions.

Net Pension Liability The City’s Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

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

Actuarial assumptions used in the December 31, 2015 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 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 2015 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. 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. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). At its meeting on July 30, 2015, the TMRS Board approved a new portfolio target allocation. 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 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%	4.55%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.65%
Real Return	10.0%	4.03%
Real Estate	10.0%	5.00%
Absolute Return	10.0%	4.00%
Private Equity	<u>5.0%</u>	8.00%
Total	100.0%	

Discount Rate

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2014	\$ 95,887,585	\$ 87,200,014	\$ 8,687,571
Changes for the year:			
Service cost	3,136,322	-	3,136,322
Interest	6,708,124	-	6,708,124
Difference between expected and actual experience	(424,862)	-	(424,862)
Changes of assumptions	938,459	-	938,459
Contributions - employer	-	2,681,302	(2,681,302)
Contributions - employee	-	1,379,411	(1,379,411)
Net investment income	-	128,674	(128,674)
Benefits payments, including refunds of employee contributions	(3,250,818)	(3,250,818)	-
Administrative expense	-	(78,372)	78,372
Other change	-	(3,871)	3,871
Net changes	<u>7,107,225</u>	<u>856,326</u>	<u>6,250,899</u>
Balance at 12/31/2015	<u>\$ 102,994,810</u>	<u>\$ 88,056,340</u>	<u>\$ 14,938,470</u>

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) of 1-percentage-higher (7.75%) than the current rate:

	1% Decrease in in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in in Discount Rate (7.75%)
City's net pension liability	\$ 30,081,438	\$ 14,938,470	\$ 2,546,971

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the Internet at www.tmrs.org.

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

For the year ended September 30, 2016, the City recognized pension expense of \$3,612,628. At September 30, 2016, the City 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	\$ -	\$ 1,404,707
Changes in actuarial assumptions	753,723	-
Difference between projected and actual investment earnings	5,407,883	-
Contributions subsequent to the measurement date	1,998,527	-
Totals	\$ 8,160,133	\$ 1,404,707

\$1,998,527 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, 2017. 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,	
2017	\$ 1,169,351
2018	1,169,351
2019	1,169,351
2020	1,240,757
2021	8,089

B. Other Postemployment Benefits (OPEB)

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 fulltime 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, fulltime 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 of Weatherford 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 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 year ending September 30, 2016, is as follows:

Annual required contribution	\$ 992,245
Interest on OPEB obligation	199,818
Adjustment to ARC	<u>(185,129)</u>
Annual OPEB cost	1,006,934
Net estimated employer contributions	<u>(322,237)</u>
Increase in net OPEB obligation	684,697
Net OPEB obligation, beginning of year	<u>4,440,403</u>
Net OPEB obligation, end of year	<u>\$ 5,125,100</u>

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>
9/30/2014	\$ 988,164	\$ 329,621	33.4%	\$ 3,757,186
9/30/2015	975,773	292,556	30.0%	4,440,403
9/30/2016	1,006,934	322,237	32.0%	5,125,100

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:

<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	- %	\$ 21,053,077	56.60%

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. The Schedule of Funding Progress presented as Required Supplementary Information following the notes to the financial statements, 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 2014 actuarial valuation is the most recent actuarial valuation available, and the 2008, 2010, 2012, and 2014 actuarial valuations are the only ones performed.

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.

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

Inflation rate	3.00% per annum
Investment rate of return	4.50%, 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.

Supplemental Death Benefits Plan for Retirees

Plan Description

The City also 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. The City’s contributions to the TMRS SDBF for the years ended 2016, 2015 and 2014, were \$37,346, \$32,008 and \$30,814, respectively, which equaled the required contributions each year.

C. Deferred Compensation Plan

The City offers its employees a tax-deferred compensation plan meeting the requirements of Internal Revenue Code Section 457. 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 City 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 City'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. These are self-sustaining risk pools operated on a state-wide basis for the benefit of several hundred Texas cities and other public entities. The City pays annual premiums 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 City 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 prior year, and there have been no settlements that exceeded coverage in the current or past four fiscal years.

E. Contingencies

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

The City was not involved in litigation as of year-end that in the opinion of City's legal counsel would have a material adverse effect on the financial condition of the City.

F. Construction Commitments

On July 28, 2016, the Municipal Utility Board approved a contract with ReyTech Services, LLC in the amount of \$1,195,536 for the construction of 4,026 linear feet of 6" and 8" water line and associated valves, hydrants, services, and appurtenances, and 5,243 linear feet of 6" and 8" wastewater line, associated manholes and service and pavement repair. This project is being funded with the 2015 Revenue Bond. As of September 30, 2016, work completed and billed totaled \$339,337.

On September 29, 2016, the Municipal Utility Board approved a contract with Pittard Construction in the amount of \$1,278,166 for construction of a sanitary sewer lift station north of Interstate 20 and 2700 west of South Bowie Drive, 1,987 square yards of 12' wide, 6" flex base access road to service the lift station, 1,515 linear feet of 12" gravity sewer line, 1,780 linear feet of 8" gravity sewer line, 3,444 linear feet of 8" force main, and 858 linear feet of 6" private sewer service line and associated appurtenances at Lift Station 25. This project is being funded with the 2015 Revenue Bond. This project will begin on October 27, 2016.

G. Economic Development Commitments

The City entered into an economic development agreement dated July 28, 2015, with a developer to reimburse the developer for the cost of developing, improving, redeveloping, and renovating a commercial/retail building. The agreement requires the City to rebate to the developer 50% of the sales taxes for up to eight years. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$128,000.

The City entered into an economic development agreement dated May 26, 2015, with a developer to reimburse the developer for the cost of constructing and renovating a commercial development. The agreement requires the City to rebate to the developer 50% of the sales taxes for up to eight years. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$350,000.

The City entered into an economic development agreement dated October 28, 2014, with a developer to reimburse the developer for the cost of constructing a commercial development. The agreement requires the City to rebate to the developer 100% of the sales taxes for the first six years, 90% in year seven, 70% in year eight, and 50% in year nine. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$850,000.

The City entered into an economic development agreement dated September 9, 2014, with a developer to reimburse the developer for the cost of purchasing, improving, redeveloping, and renovating a commercial/retail building. The agreement requires the City to rebate to the developer 30% of the sales taxes for up to six years. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$5,000.

The City entered into a tax abatement agreement dated August 12, 2014, with a company to reduce property taxes for constructing and equipping a new corporate office building, warehouse, and lease space. The agreement requires the City to reduce 40% of the taxes assessed upon the increased value of the land and improvements of the project for six years.

The City entered into an economic development and sales tax abatement agreement dated May 13, 2014 with a company to reimburse sales taxes and reduce property taxes for acquiring, improving, redeveloping, and renovating a commercial/retail building. The agreement calls for the City to reimburse the company 35% of sales taxes for up to five years. The maximum amount to be reimbursed is \$3,000. The City is also required to abate 35% of the City portion of the real property and business/personal property taxes rendered at the project each year for a maximum of five years.

The City entered into a tax abatement agreement dated February 11, 2014 with a developer to reduce property taxes for the construction of a distribution warehouse and corporate offices. The City agrees to abate 90% of the City portion of the real property and business/personal property taxes for the first five years, 80% in year six, 60% in year seven, and 40% in year eight.

The City entered into an economic development and sales tax abatement agreement dated May 13, 2014 with a company to reimburse sales taxes and reduce property taxes for improving, redeveloping, and renovating a building currently occupied by the company. The agreement calls for the City to reimburse the company 50% of sales taxes for up to six years. The maximum amount to be reimbursed is \$11,000. The City is also required to abate 50% of the City portion of the real property and business/personal property taxes rendered at the project each year for a maximum of six years.

The City entered into an economic development and sales tax abatement agreement dated September 25, 2012 with a company to reimburse sales taxes and reduce property taxes for improving, redeveloping, and renovating existing structures. The agreement requires the City to reimburse the company 20% of sales taxes for up to three years. The maximum amount to be reimbursed is \$20,000. The City is also required to abate 20% of the City portion of the real property and business/personal property taxes rendered at the project each year for a maximum of three years.

The City entered into an economic development agreement dated February 24, 2004 with a company to reimburse sales taxes for acquiring the land and constructing a new retail facility. The agreement requires the City to rebate to the company 50% of the sales taxes for up to 10 years. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$2,000,000.

The City entered into a tax abatement agreement dated January 14, 2014, with a company to reduce property taxes for constructing and equipping a new inpatient rehab hospital. The agreement requires the City to reduce 30% of the taxes assessed upon the increased value of the land and improvements of the project for five years.

The City entered into an economic development and sales tax abatement agreement dated December 13, 2011 with a company to reimburse sales taxes and reduce property taxes for improving, redeveloping, and renovating existing structures. The agreement requires the City to reimburse the company 35% of sales taxes for up to five years. The maximum amount to be reimbursed is \$28,000. The City is also required to abate 35% of the City portion of the real property and business/personal property taxes rendered at the project each year for a maximum of five years.

The City entered into a tax abatement agreement dated December 16, 2014, with a company to reduce property taxes for constructing and equipping a new warehouse and processing facility building. The agreement requires the City to reduce 60% of the taxes assessed upon the increased value of the land and improvements of the project for seven years.

The City entered into a sales tax abatement agreement dated October 28, 2014 with a company to reimburse sales tax of a portion of the sales tax generated from the constructing a new retail building. The agreement requires the City to reimburse the company 100% of sales taxes for years one through six, 90% in year seven, 70% in year eight, and 50% in year nine. The maximum amount to be reimbursed is \$850,000.

H. 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, 2016, the City held CRRs with a cost of \$192,378, 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 Bryan Texas Utilities and EDF Trading North America, LLC, through 2016, and 2019, respectively. Under the terms of the agreements, the City purchases its full power requirements for its retail customer base. As of year-end, the City entered into forward purchase contracts with GPL and BTU extending through December 2018 and December 2020, respectively, which are expected to be settled upon delivery of the commodity. These contracts are considered normal purchase agreements and are reported when the exchange occurs.

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:

<u>Power Supplier</u>	<u>kWh Purchased</u>	<u>Total Cost</u>
American Electric Power	31,802,000	\$ 767,649
Bryan Texas Utilities	151,431,000	4,092,256
EDF Trading North America, LLC	119,873,000	2,727,247
Garland Power and Light	102,025,000	3,608,240
Transmission charges, net	-	4,464,284
	<u>405,131,000</u>	<u>\$ 15,659,676</u>

In July 2015, the City entered into an 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 began in December 2016.

In April 2016, the City entered into an agreement with the City of Garland to invest in energy from a solar energy facility. The terms of the agreement begin on the date the facility begins operation, and continues for the subsequent fourteen years. The commercial operation date is expected to be in March 2017.

I. New Accounting Principles

Significant new accounting standards not yet implemented by the City include 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 for the City in fiscal year 2018.

Statement No. 77, “*Tax Abatement Disclosures*” – This statement requires governments that enter into tax abatement agreements to provide certain disclosures regarding these commitments. This statement will become effective for the City in fiscal year 2017.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

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CITY OF WEATHERFORD, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 18,452,155	\$ 18,452,155	\$ 18,826,477	\$ 374,322
Licenses and permits	667,358	667,358	831,729	164,371
Intergovernmental	971,603	972,103	1,092,114	120,011
Charges for services	1,132,250	1,208,681	1,173,187	(35,494)
Fines and forfeitures	481,440	481,440	500,534	19,094
Contributions	3,200	88,275	39,007	(49,268)
Investment earnings	50,000	50,000	103,495	53,495
Miscellaneous	212,454	202,454	150,579	(51,875)
Total revenues	<u>21,970,460</u>	<u>22,122,466</u>	<u>22,717,122</u>	<u>594,656</u>
EXPENDITURES				
Current:				
General government				
City council	133,034	133,034	116,788	16,246
Administration	1,183,048	1,245,548	1,170,714	74,834
Economic development	240,797	241,546	213,191	28,355
Human resources	357,423	387,461	375,498	11,963
Finance	669,746	724,946	671,326	53,620
Facilities maintenance	779,110	779,110	696,807	82,303
City attorney	151,490	141,452	119,568	21,884
Municipal court	333,840	387,140	368,649	18,491
Information technology	2,048,663	2,182,265	2,047,287	134,978
Planning and development	849,041	1,114,041	932,032	182,009
Non-departmental	622,956	565,556	1,141,159	(575,603)
Total general government	<u>7,369,148</u>	<u>7,902,099</u>	<u>7,853,019</u>	<u>49,080</u>
Public safety				
Police services	7,881,570	8,023,760	7,875,374	148,386
Fire	5,918,471	5,869,628	5,863,420	6,208
Total public safety	<u>13,800,041</u>	<u>13,893,388</u>	<u>13,738,794</u>	<u>154,594</u>
Public works				
Transportation and public works	490,049	546,049	553,277	(7,228)
Field operations/inspections	137,307	197,727	146,202	51,525
Traffic control	185,113	225,020	210,849	14,171
Street maintenance	2,784,525	2,811,022	2,646,607	164,415
Vehicle/equipment maintenance	234,645	234,645	187,404	47,241
Total public works	<u>3,831,639</u>	<u>4,014,463</u>	<u>3,744,339</u>	<u>270,124</u>

CITY OF WEATHERFORD, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Health and welfare				
Environmental health	\$ 158,022	\$ 158,022	\$ 139,024	\$ 18,998
Animal shelter	1,015,727	1,094,627	1,041,460	53,167
Code enforcement	188,680	205,438	170,153	35,285
Community grants	<u>77,050</u>	<u>77,050</u>	<u>77,050</u>	<u>-</u>
Total health and welfare	<u>1,439,479</u>	<u>1,535,137</u>	<u>1,427,687</u>	<u>107,450</u>
Cultural and recreation				
Parks	1,225,182	1,303,082	1,348,823	(45,741)
Recreation	631,374	660,504	611,940	48,564
Municipal and community services	120,465	120,465	112,225	8,240
Library	<u>1,103,353</u>	<u>1,111,853</u>	<u>1,073,458</u>	<u>38,395</u>
Total cultural and recreation	<u>3,080,374</u>	<u>3,195,904</u>	<u>3,146,446</u>	<u>49,458</u>
Total expenditures	<u>29,520,681</u>	<u>30,540,991</u>	<u>29,910,285</u>	<u>630,706</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,550,221)</u>	<u>(8,418,525)</u>	<u>(7,193,163)</u>	<u>1,225,362</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	95,000	95,000	85,151	(9,849)
Sale of general capital assets	-	27,000	201,596	174,596
Insurance recoveries	-	-	38,141	38,141
Transfers in	7,364,965	7,364,965	7,420,306	55,341
Transfers out	<u>(891,487)</u>	<u>(1,122,862)</u>	<u>(233,153)</u>	<u>889,709</u>
Total other financing sources and uses	<u>6,568,478</u>	<u>6,364,103</u>	<u>7,512,041</u>	<u>1,147,938</u>
NET CHANGE IN FUND BALANCE	<u>(981,743)</u>	<u>(2,054,422)</u>	<u>318,878</u>	<u>2,373,300</u>
FUND BALANCE, BEGINNING	<u>13,847,350</u>	<u>13,847,350</u>	<u>13,847,350</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 12,865,607</u>	<u>\$ 11,792,928</u>	<u>\$ 14,166,228</u>	<u>\$ 2,373,300</u>

CITY OF WEATHERFORD, TEXAS

NOTES TO BUDGETARY SCHEDULES

SEPTEMBER 30, 2016

Budgetary Information

The City Council adheres to the following procedures in establishing the budgets reflected in the financial statements:

- 1) The City Manager is required to submit to the City Council and Municipal Utility Board a proposed budget for the fiscal year beginning on the following October 1.
- 2) Public hearings are conducted to obtain taxpayer comments.
- 3) The City Manager is authorized to transfer budgeted amounts between accounts within any department. However, any revisions that alter total expenditures of any department must be approved by the City Council or Municipal Utility Board. Expenditures may not legally exceed budgeted appropriations at the department level for the General. The legal level of adopted budget for all other governmental funds is the fund. Appropriations lapse at year-end.
- 4) Annual budgets are legally adopted for all funds, except for the Main Street Project, Juvenile Case Manager, General Capital Projects, Parks, Park Development, Series 2007 C.O. and Series 2011 C.O. Funds, which adopt project-length budgets and the TIRZ fund in which a budget was not adopted. The budgets presented are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Excess of Expenditures Over Appropriations

During the year ended September 30, 2016, the City incurred expenditures in excess of appropriations within the following funds:

General fund:	
General Government - Non-departmental	\$ 575,603
Public works - Transportation and public works	7,228
Culture and recreation - Parks	45,741
Special revenue fund:	
State Forfeiture Fund	313
Chandor Gardens Fund	1,004
Court Security Fund	23,838
Library Fund	2,479
Animal Shelter Fund	65,258
Debt service fund	12,143

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2016

Plan Year	<u>2014</u>	<u>2015</u>
A. Total pension liability		
Service cost	\$ 2,866,608	\$ 3,136,322
Interest (on the Total Pension Liability)	6,404,452	6,708,124
Difference between expected and actual experience	(1,735,526)	(424,862)
Change of assumptions	-	938,459
Benefit payments, including refunds of employee contributions	<u>(3,413,647)</u>	<u>(3,250,818)</u>
Net change in total pension liability	4,121,887	7,107,225
Total pension liability - beginning	<u>91,765,698</u>	<u>95,887,585</u>
Total pension liability - ending (a)	<u>\$ 95,887,585</u>	<u>\$ 102,994,810</u>
B. Plan fiduciary net position		
Contributions - employer	\$ 2,903,602	\$ 2,681,302
Contributions - employee	1,304,964	1,379,411
Net investment income	4,678,525	128,674
Benefit payments, including refunds of employee contributions	(3,413,647)	(3,250,818)
Administrative expenses	(48,843)	(78,372)
Other	<u>(4,016)</u>	<u>(3,871)</u>
Net change in plan fiduciary net position	5,420,585	856,326
Plan fiduciary net position - beginning	<u>81,779,429</u>	<u>87,200,014</u>
Plan fiduciary net position - ending (b)	<u>\$ 87,200,014</u>	<u>\$ 88,056,340</u>
C. Net pension liability - ending (a) - (b)	\$ 8,687,571	\$ 14,938,470
D. Plan fiduciary net position as a percentage of total pension liability	90.94%	85.50%
E. Covered employee payroll	\$ 18,642,345	\$ 19,638,837
F. Net position liability as a percentage of covered employee payroll	46.60%	76.07%

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

CITY OF WEATHERFORD, TEXAS

SCHEDULE OF CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
Actuarial determined contribution	\$ 2,934,671	\$ 2,726,094	\$ 2,747,999
Contributions in relation to the actuarially determined contribution	<u>(2,934,671)</u>	<u>(2,726,094)</u>	<u>(2,747,999)</u>
Contribution deficiency (excess)	-	-	-
Covered employee payroll	18,418,209	19,339,291	21,053,077
Contributions as a percentage of covered employee payroll	15.93%	14.10%	13.05%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.

Mortality RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis of with BB.

Other Information: There were no benefit changes during the year.

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

CITY OF WEATHERFORD, TEXAS

**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, 2016

<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>
12/31/2010	\$ -	\$ 10,420,335	\$ 10,420,335	0.0%	\$ 18,077,202	57.64%
12/31/2012	-	11,451,759	11,451,759	0.0%	17,909,673	63.94%
12/31/2014	-	11,915,747	11,915,747	0.0%	21,053,077	56.60%

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

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NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes.

State/Federal Forfeiture Fund – This fund is used to account for funds received from federal agencies or the District Attorney’s office that have been seized and confiscated during criminal prosecution. These funds may only be used for law enforcement purposes.

Weatherford Beautification Fund – This fund is used to account for donations received by the City for beautification projects administered by the Weatherford Parks and Recreation Board.

Hotel/Motel Tax Fund – This fund is used to account for the City’s hotel/motel occupancy tax that is legally restricted by state law for use in convention center facilities, promotion of tourism, encouragement and promotion of the arts, and historical restoration or preservation.

Chandor Gardens Fund – This fund was established to account for the expenditures related to the operations and maintenance of the facilities and grounds at Chandor Gardens. Funding sources include committed tour and rental fees and transfer of funds from hotel/motel occupancy tax collections and the General Fund.

SFX Grant Fund – This fund was established for the receipt and reimbursement of lease payments from SFX Design, Inc. to the Texas Community Development Program.

Municipal Court Technology Fund – This fund was established by action of the City Council, (Ord. 1999-40), as authorized by Article 102-0172 of the Texas Code of Criminal Procedure, to account for a \$4.00 fee assessed on each misdemeanor conviction for the purchase of technological enhancements for the Municipal Court.

Main Street Project Fund – This fund was established to capture committed resources for the Main Street Project and expend accordingly.

Municipal Court Building Security Fund – This fund was established by action of the City Council, (Ord. 336-2008-10), as authorized by Article 102.017 of the Texas Code of Criminal Procedure, to account for a \$3.00 fee assessed on each misdemeanor conviction for the purchase of security devices and/or services for the building housing the Weatherford Municipal Court.

Library Fund – This fund is used to account for donations to the public library and profits from the coin-operated copiers in the library. This fund is committed to expenditures at the public library.

Animal Shelter Fund – This fund was established to account for donations received for improvements to the Animal Shelter.

Juvenile Case Manager Fund – This fund was established by action of the City Council, (Ord. 462-2009-43), as authorized by Article 102.0174 of the Texas Code of Criminal Procedure, to account for a \$5.00 fee assessed on each misdemeanor conviction for the salary and benefits of a juvenile case manager as defined under the Code of Criminal Procedure Article 45.056. Due to the restrictions placed on these funds during the 2011 Texas Legislative Session, the City terminated this revenue source and will just deplete funds as allowed by law.

Heritage Park Fund – This fund was established to account for the expenditures related to the operations and maintenance of the facilities and grounds at Heritage Park, formally known as The First Monday Grounds. Funding sources include vendor rentals, parking fees, special even fees, and transfer of funds from the General Fund.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

General Capital Projects Fund – This fund is used to account for capital asset acquisition and construction from committed funds by City Council, grants and committed royalties.

Park Development Fund – This fund is used to account for funds committed by City Council from general revenues (park development fees) for future acquisition of park and open space areas.

Series 2007 C.O. Fund – This fund is used to account for the proceeds from the issuance of \$46.5 million in certificates of obligation for TxDOT project or construction of major capital projects.

Series 2011 C.O. Fund – This fund is used to account for proceeds from the issuance of \$8,345,000 of certificates of obligation issued to acquire, construct and improve roads, streets and highways.

PERMANENT FUND

The Permanent Library Fund consists of interest earned on the \$50,000 Doss Trust. Expenditures are restricted for supplies and new library equipment as recommended by the Library Board.

CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2016

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
ASSETS				
Cash and investments	\$ 127,755	\$ 481,569	\$ 2,402	\$ 593,827
Accounts receivable	-	-	-	151,922
Prepays	-	-	-	204
Total assets	127,755	481,569	2,402	745,953
LIABILITIES				
Accounts payable	2,496	68,041	-	18,120
Accrued liabilities	-	-	-	7,014
Deposits and escrows	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	2,496	68,041	-	25,134
FUND BALANCES				
Nonspendable:				
Doss library	-	-	-	-
Prepaid items	-	-	-	204
Restricted:				
Capital projects	-	-	-	-
Public safety	125,259	413,528	-	-
Community development	-	-	2,402	720,615
Committed:				
Capital projects	-	-	-	-
Park development	-	-	-	-
Culture and recreation	-	-	-	-
Total fund balances	125,259	413,528	2,402	720,819
Total liabilities and fund balances	\$ 127,755	\$ 481,569	\$ 2,402	\$ 745,953

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ 92,619	\$ 1,864	\$ 52,982	\$ 16,139	\$ 16,483	\$ 139,304
-	1,864	-	-	-	-
-	-	-	-	-	-
<u>92,619</u>	<u>3,728</u>	<u>52,982</u>	<u>16,139</u>	<u>16,483</u>	<u>139,304</u>
5,004	1,864	5	-	156	460
2,609	-	-	-	-	-
7,300	-	-	-	-	-
-	1,864	-	-	-	-
<u>14,913</u>	<u>3,728</u>	<u>5</u>	<u>-</u>	<u>156</u>	<u>460</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	52,977	-	16,327	-
-	-	-	16,139	-	-
-	-	-	-	-	-
-	-	-	-	-	-
77,706	-	-	-	-	138,844
<u>77,706</u>	<u>-</u>	<u>52,977</u>	<u>16,139</u>	<u>16,327</u>	<u>138,844</u>
<u>\$ 92,619</u>	<u>\$ 3,728</u>	<u>\$ 52,982</u>	<u>\$ 16,139</u>	<u>\$ 16,483</u>	<u>\$ 139,304</u>

CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2016

	Special Revenue Funds			Capital Projects Fund
	Animal Shelter	Juvenile Case Manager	Heritage Park	General Capital Projects
ASSETS				
Cash and investments	\$ 31,312	\$ 9,435	\$ 46,816	\$ 1,482,284
Accounts receivable	-	-	-	-
Prepays	-	-	-	-
Total assets	<u>31,312</u>	<u>9,435</u>	<u>46,816</u>	<u>1,482,284</u>
LIABILITIES				
Accounts payable	-	-	1,418	29,961
Accrued liabilities	-	-	633	122
Deposits and escrows	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>2,051</u>	<u>30,083</u>
FUND BALANCES				
Nonspendable:				
Doss library	-	-	-	-
Prepaid items	-	-	-	-
Restricted:				
Capital projects	-	-	-	-
Public safety	-	9,435	-	-
Community development	-	-	-	-
Committed:				
Capital projects	-	-	-	1,452,201
Park development	-	-	-	-
Culture and recreation	31,312	-	44,765	-
Total fund balances	<u>31,312</u>	<u>9,435</u>	<u>44,765</u>	<u>1,452,201</u>
 Total liabilities and fund balances	 <u>\$ 31,312</u>	 <u>\$ 9,435</u>	 <u>\$ 46,816</u>	 <u>\$ 1,482,284</u>

<u>Capital Projects Fund</u>			<u>Permanent</u>	Total Nonmajor Governmental Funds
<u>Park Development</u>	<u>Series 2007 C. O.</u>	<u>Series 2011 C. O.</u>	<u>Doss Library</u>	
\$ 234,846	\$ -	\$ 343,197	\$ 50,143	\$ 3,722,977
-	-	-	-	153,786
-	-	-	-	204
<u>234,846</u>	<u>-</u>	<u>343,197</u>	<u>50,143</u>	<u>3,876,967</u>
5,464	-	-	-	132,989
-	-	-	-	10,378
-	-	-	-	7,300
-	-	-	-	1,864
<u>5,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,531</u>
-	-	-	50,000	50,000
-	-	-	-	204
-	-	343,197	-	343,197
-	-	-	-	617,526
-	-	-	143	739,299
-	-	-	-	1,452,201
229,382	-	-	-	229,382
-	-	-	-	292,627
<u>229,382</u>	<u>-</u>	<u>343,197</u>	<u>50,143</u>	<u>3,724,436</u>
<u>\$ 234,846</u>	<u>\$ -</u>	<u>\$ 343,197</u>	<u>\$ 50,143</u>	<u>\$ 3,876,967</u>

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 655,350
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	77,725	30,494	-	-
Contributions	-	-	-	500
Royalties and rental	-	-	-	-
Investment earnings	-	1,539	-	1,224
Miscellaneous	-	-	-	9,998
Total revenues	<u>77,725</u>	<u>32,033</u>	<u>-</u>	<u>667,072</u>
EXPENDITURES				
Current:				
General government	-	-	-	69,744
Public safety	15,313	180,011	-	-
Health and welfare	-	-	-	-
Cultural and recreational	-	-	-	255,126
Capital outlay	-	-	-	-
Debt service:				
Principal	-	30,495	-	-
Total expenditures	<u>15,313</u>	<u>210,506</u>	<u>-</u>	<u>324,870</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>62,412</u>	<u>(178,473)</u>	<u>-</u>	<u>342,202</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(446,781)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(446,781)</u>
NET CHANGE IN FUND BALANCES	62,412	(178,473)	-	(104,579)
FUND BALANCES, BEGINNING	<u>62,847</u>	<u>592,001</u>	<u>2,402</u>	<u>825,398</u>
FUND BALANCES, ENDING	<u>\$ 125,259</u>	<u>\$ 413,528</u>	<u>\$ 2,402</u>	<u>\$ 720,819</u>

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	640
64,604	-	-	428	-	11,786
-	-	12,572	-	9,417	-
350	-	-	-	-	36,794
-	22,368	-	2,225	-	-
26	-	-	-	-	155
-	-	-	-	-	11,922
<u>64,980</u>	<u>22,368</u>	<u>12,572</u>	<u>2,653</u>	<u>9,417</u>	<u>61,297</u>
-	22,368	12,027	-	3,628	-
-	-	-	-	-	-
-	-	-	-	-	-
386,002	-	-	-	-	33,229
18,674	-	-	-	30,240	-
-	-	-	-	-	-
<u>404,676</u>	<u>22,368</u>	<u>12,027</u>	<u>-</u>	<u>33,868</u>	<u>33,229</u>
(339,696)	-	545	2,653	(24,451)	28,068
354,097	-	-	-	-	13
-	-	-	-	-	-
<u>354,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13</u>
14,401	-	545	2,653	(24,451)	28,081
<u>63,305</u>	<u>-</u>	<u>52,432</u>	<u>13,486</u>	<u>40,778</u>	<u>110,763</u>
<u>\$ 77,706</u>	<u>\$ -</u>	<u>\$ 52,977</u>	<u>\$ 16,139</u>	<u>\$ 16,327</u>	<u>\$ 138,844</u>

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue Funds			Capital Projects Fund
	Animal Shelter	Juvenile Case Manager	Heritage Park	General Capital Projects
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,206	-
Intergovernmental	-	-	-	-
Charges for services	-	-	171,109	-
Fines and forfeitures	-	8,652	-	-
Contributions	42,594	-	-	-
Royalties and rental	-	-	-	21,355
Investment earnings	-	-	-	4,090
Miscellaneous	23,976	-	3	-
Total revenues	<u>66,570</u>	<u>8,652</u>	<u>172,318</u>	<u>25,445</u>
EXPENDITURES				
Current:				
General government	-	2,808	-	-
Public safety	-	-	-	-
Health and welfare	89,271	-	-	-
Cultural and recreational	-	-	172,953	-
Capital outlay	64,112	-	-	765,780
Debt service:				
Principal	-	-	-	-
Total expenditures	<u>153,383</u>	<u>2,808</u>	<u>172,953</u>	<u>765,780</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>(86,813)</u>	<u>5,844</u>	<u>(635)</u>	<u>(740,335)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	45,400	550,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>45,400</u>	<u>550,000</u>
NET CHANGE IN FUND BALANCES	<u>(86,813)</u>	<u>5,844</u>	<u>44,765</u>	<u>(190,335)</u>
FUND BALANCES, BEGINNING	<u>118,125</u>	<u>3,591</u>	<u>-</u>	<u>1,642,536</u>
FUND BALANCES, ENDING	<u>\$ 31,312</u>	<u>\$ 9,435</u>	<u>\$ 44,765</u>	<u>\$ 1,452,201</u>

Capital Projects Fund			Permanent	Total Nonmajor Governmental Funds
Park Development	Series 2007 C. O.	Series 2011 C. O.	Doss Library	
\$ -	\$ -	\$ -	\$ -	\$ 655,350
-	-	-	-	1,206
-	-	1,604,593	-	1,605,233
-	-	-	-	247,927
-	-	-	-	138,860
-	-	-	-	80,238
-	-	-	-	45,948
732	1	769	144	8,680
<u>103,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,849</u>
<u>104,682</u>	<u>1</u>	<u>1,605,362</u>	<u>144</u>	<u>2,933,291</u>
-	-	-	-	110,575
-	-	-	-	195,324
-	-	-	-	89,271
44,209	-	-	-	891,519
95,325	-	1,940,141	-	2,914,272
-	-	-	-	30,495
<u>139,534</u>	<u>-</u>	<u>1,940,141</u>	<u>-</u>	<u>4,231,456</u>
(34,852)	1	(334,779)	144	(1,298,165)
-	-	11,948	-	961,458
-	(11,948)	-	(13)	(458,742)
-	(11,948)	11,948	(13)	502,716
(34,852)	(11,947)	(322,831)	131	(795,449)
<u>264,234</u>	<u>11,947</u>	<u>666,028</u>	<u>50,012</u>	<u>4,519,885</u>
<u>\$ 229,382</u>	<u>\$ -</u>	<u>\$ 343,197</u>	<u>\$ 50,143</u>	<u>\$ 3,724,436</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

STATE FORFEITURE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 77,725	\$ 67,725
Investment earnings	<u>60</u>	<u>60</u>	<u>-</u>	<u>(60)</u>
Total revenues	<u>10,060</u>	<u>10,060</u>	<u>77,725</u>	<u>67,665</u>
 EXPENDITURES				
Current:				
Public safety	<u>15,000</u>	<u>15,000</u>	<u>15,313</u>	<u>(313)</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>15,313</u>	<u>(313)</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,940)</u>	<u>(4,940)</u>	<u>62,412</u>	<u>67,352</u>
 FUND BALANCE, BEGINNING	<u>62,847</u>	<u>62,847</u>	<u>62,847</u>	<u>-</u>
 FUND BALANCE, ENDING	<u><u>\$ 57,907</u></u>	<u><u>\$ 57,907</u></u>	<u><u>\$ 125,259</u></u>	<u><u>\$ 67,352</u></u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FEDERAL FORFEITURE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 30,494	\$ 494
Investment earnings	<u>500</u>	<u>500</u>	<u>1,539</u>	<u>1,039</u>
Total revenues	<u>30,500</u>	<u>30,500</u>	<u>32,033</u>	<u>1,533</u>
EXPENDITURES				
Current:				
Public safety	240,000	240,000	180,011	59,989
Debt service:				
Principal	<u>-</u>	<u>-</u>	<u>30,495</u>	<u>(30,495)</u>
Total expenditures	<u>240,000</u>	<u>240,000</u>	<u>210,506</u>	<u>29,494</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(209,500)	(209,500)	(178,473)	31,027
FUND BALANCE, BEGINNING	<u>592,001</u>	<u>592,001</u>	<u>592,001</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 382,501</u>	<u>\$ 382,501</u>	<u>\$ 413,528</u>	<u>\$ 31,027</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

WEATHERFORD BEAUTIFICATION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Community development	2,402	2,402	-	2,402
Total expenditures	2,402	2,402	-	2,402
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,402)	(2,402)	-	2,402
FUND BALANCE, BEGINNING	2,402	2,402	2,402	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ 2,402	\$ 2,402

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

HOTEL/MOTEL TAX FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 650,000	\$ 650,000	\$ 655,350	\$ 5,350
Contributions	-	-	500	500
Investment earnings	500	500	1,224	724
Miscellaneous	-	-	9,998	9,998
Total revenues	650,500	650,500	667,072	16,572
EXPENDITURES				
Current:				
General government	63,443	63,443	63,518	(75)
Cultural and recreational:				
Tourism program	131,400	131,400	131,400	-
Doss Historic and Cultural Center	30,000	30,000	30,000	-
Other	111,172	111,172	99,952	11,220
Total expenditures	336,015	336,015	324,870	11,145
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	314,485	314,485	342,202	27,717
OTHER FINANCING USES				
Transfers out	(446,781)	(446,781)	(446,781)	-
Total other financing uses	(446,781)	(446,781)	(446,781)	-
NET CHANGE IN FUND BALANCE	(132,296)	(132,296)	(104,579)	27,717
FUND BALANCE, BEGINNING	825,398	825,398	825,398	-
FUND BALANCE, ENDING	\$ 693,102	\$ 693,102	\$ 720,819	\$ 27,717

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

CHANDOR GARDENS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 68,500	\$ 68,500	\$ 64,604	\$ (3,896)
Contributions	-	-	350	350
Investment earnings	<u>300</u>	<u>300</u>	<u>26</u>	<u>(274)</u>
Total revenues	<u>68,800</u>	<u>68,800</u>	<u>64,980</u>	<u>(3,820)</u>
EXPENDITURES				
Current:				
Cultural and recreational	403,672	403,672	386,002	17,670
Capital outlay	<u>-</u>	<u>-</u>	<u>18,674</u>	<u>(18,674)</u>
Total expenditures	<u>403,672</u>	<u>403,672</u>	<u>404,676</u>	<u>(1,004)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>(334,872)</u>	<u>(334,872)</u>	<u>(339,696)</u>	<u>(4,824)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>354,097</u>	<u>354,097</u>	<u>354,097</u>	<u>-</u>
Total other financing sources	<u>354,097</u>	<u>354,097</u>	<u>354,097</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	19,225	19,225	14,401	(4,824)
FUND BALANCE, BEGINNING	<u>63,305</u>	<u>63,305</u>	<u>63,305</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 82,530</u>	<u>\$ 82,530</u>	<u>\$ 77,706</u>	<u>\$ (4,824)</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SFX DESIGN GRANT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Rental	\$ 22,368	\$ 22,368	\$ 22,368	\$ -
Total revenues	<u>22,368</u>	<u>22,368</u>	<u>22,368</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	<u>22,368</u>	<u>22,368</u>	<u>22,368</u>	<u>-</u>
Total expenditures	<u>22,368</u>	<u>22,368</u>	<u>22,368</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

COURT TECHNOLOGY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 13,000	\$ 13,000	\$ 12,572	\$(428)
Investment earnings	<u>20</u>	<u>20</u>	<u>-</u>	<u>(20)</u>
Total revenues	<u>13,020</u>	<u>13,020</u>	<u>12,572</u>	<u>(448)</u>
EXPENDITURES				
Current:				
General government	<u>15,000</u>	<u>15,000</u>	<u>12,027</u>	<u>2,973</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>12,027</u>	<u>2,973</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,980)	(1,980)	545	2,525
FUND BALANCE, BEGINNING	<u>52,432</u>	<u>52,432</u>	<u>52,432</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 50,452</u>	<u>\$ 50,452</u>	<u>\$ 52,977</u>	<u>\$ 2,525</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

COURT SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,417	\$(583)
Investment earnings	<u>30</u>	<u>30</u>	<u>-</u>	<u>(30)</u>
Total revenues	<u>10,030</u>	<u>10,030</u>	<u>9,417</u>	<u>(613)</u>
EXPENDITURES				
Current:				
General government	10,030	10,030	3,628	6,402
Capital outlay	<u>-</u>	<u>-</u>	<u>30,240</u>	<u>(30,240)</u>
Total expenditures	<u>10,030</u>	<u>10,030</u>	<u>33,868</u>	<u>(23,838)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(24,451)	(24,451)
FUND BALANCE, BEGINNING	<u>40,778</u>	<u>40,778</u>	<u>40,778</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 40,778</u>	<u>\$ 40,778</u>	<u>\$ 16,327</u>	<u>\$(24,451)</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

LIBRARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 10,500	\$ 10,500	\$ 11,786	\$ 1,286
Intergovernmental	-	-	640	640
Contributions	33,450	33,450	36,794	3,344
Investment earnings	150	150	155	5
Miscellaneous	-	-	11,922	11,922
Total revenues	<u>44,100</u>	<u>44,100</u>	<u>61,297</u>	<u>17,197</u>
EXPENDITURES				
Current:				
Cultural and recreational	<u>30,750</u>	<u>30,750</u>	<u>33,229</u>	<u>(2,479)</u>
Total expenditures	<u>30,750</u>	<u>30,750</u>	<u>33,229</u>	<u>(2,479)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>13,350</u>	<u>13,350</u>	<u>28,068</u>	<u>14,718</u>
OTHER FINANCING SOURCES				
Transfers in	<u>100</u>	<u>100</u>	<u>13</u>	<u>(87)</u>
Total other financing sources	<u>100</u>	<u>100</u>	<u>13</u>	<u>(87)</u>
NET CHANGE IN FUND BALANCE	13,450	13,450	28,081	14,631
FUND BALANCE, BEGINNING	<u>110,763</u>	<u>110,763</u>	<u>110,763</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 124,213</u>	<u>\$ 124,213</u>	<u>\$ 138,844</u>	<u>\$ 14,631</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

ANIMAL SHELTER FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Contributions	\$ 4,000	\$ 4,000	\$ 42,594	\$ 38,594
Investment earnings	50	50	-	(50)
Miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>23,976</u>	<u>(1,024)</u>
Total revenues	<u>29,050</u>	<u>29,050</u>	<u>66,570</u>	<u>37,520</u>
EXPENDITURES				
Current:				
Health and welfare	88,125	88,125	89,271	(1,146)
Capital outlay	<u>-</u>	<u>-</u>	<u>64,112</u>	<u>(64,112)</u>
Total expenditures	<u>88,125</u>	<u>88,125</u>	<u>153,383</u>	<u>(65,258)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(59,075)	(59,075)	(86,813)	(27,738)
FUND BALANCE, BEGINNING	<u>118,125</u>	<u>118,125</u>	<u>118,125</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 59,050</u>	<u>\$ 59,050</u>	<u>\$ 31,312</u>	<u>\$(27,738)</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DOSS LIBRARY PERMANENT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 15	\$ 15	\$ 144	\$ 129
Total revenues	<u>15</u>	<u>15</u>	<u>144</u>	<u>129</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>15</u>	<u>15</u>	<u>144</u>	<u>129</u>
OTHER FINANCING USES				
Transfers out	(13)	(13)	(13)	-
Total other financing uses	<u>(13)</u>	<u>(13)</u>	<u>(13)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	2	2	131	129
FUND BALANCE, BEGINNING	<u>50,012</u>	<u>50,012</u>	<u>50,012</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 50,014</u>	<u>\$ 50,014</u>	<u>\$ 50,143</u>	<u>\$ 129</u>

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,424,137	\$ 3,424,137	\$ 3,495,173	\$ 71,036
Intergovernmental	4,100,000	4,100,000	4,798,873	698,873
Investment earnings	<u>4,300</u>	<u>4,300</u>	<u>26,788</u>	<u>22,488</u>
Total revenues	<u>7,528,437</u>	<u>7,528,437</u>	<u>8,320,834</u>	<u>792,397</u>
EXPENDITURES				
Debt service:				
Principal	4,135,000	4,135,000	4,140,017	(5,017)
Interest and other	<u>2,406,212</u>	<u>2,406,212</u>	<u>2,413,338</u>	<u>(7,126)</u>
Total expenditures	<u>6,541,212</u>	<u>6,541,212</u>	<u>6,553,355</u>	<u>(12,143)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>987,225</u>	<u>987,225</u>	<u>1,767,479</u>	<u>780,254</u>
OTHER FINANCING SOURCES (USES)				
Tax notes issued	-	-	6,065,000	6,065,000
Transfers in	<u>280,437</u>	<u>280,437</u>	<u>280,437</u>	<u>-</u>
Total other financing sources (uses)	<u>280,437</u>	<u>280,437</u>	<u>6,345,437</u>	<u>6,065,000</u>
NET CHANGE IN FUND BALANCE	1,267,662	1,267,662	8,112,916	6,845,254
FUND BALANCE, BEGINNING	<u>8,468,418</u>	<u>8,468,418</u>	<u>8,468,418</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 9,736,080</u>	<u>\$ 9,736,080</u>	<u>\$ 16,581,334</u>	<u>\$ 6,845,254</u>

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CAPITAL ASSET SCHEDULES

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CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULES BY SOURCE

SEPTEMBER 30, 2015 AND 2016

	<u>2016</u>	<u>2015</u>
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 14,741,923	\$ 5,550,009
Buildings and improvements	15,117,380	15,098,415
Infrastructure	52,917,764	14,460,942
Other improvements	36,042,606	33,161,780
Machinery and equipment	11,917,941	11,869,787
Construction in progress	<u>11,457,874</u>	<u>11,102,707</u>
Total governmental funds capital assets	<u>\$ 142,195,488</u>	<u>\$ 91,243,640</u>
INVESTMENTS IN GOVERNMENTAL FUNDS		
CAPITAL ASSETS BY SOURCE		
General fund revenues	\$ 34,539,097	\$ 32,900,384
Special revenue fund revenues	81,804	81,804
Capital projects fund general obligation bonds	47,194,766	45,222,061
Contributions	57,294,772	10,021,937
Grants	<u>3,085,049</u>	<u>3,017,454</u>
Total governmental funds capital assets	<u>\$ 142,195,488</u>	<u>\$ 91,243,640</u>

CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2016

Function and Activity	Total	Land	Buildings and Improvements	Infrastructure and Other Improvements	Machinery and Equipment	Construction in Progress
General government						
City Council	\$ 8,190,342	\$ 358,871	\$ 6,229,094	\$ 173,949	\$ 1,428,428	\$ -
Finance	168,976	-	-	81,323	87,653	-
Facilities Maintenance	104,343	-	-	-	104,343	-
Municipal court	37,406	-	-	-	37,406	-
Planning and development	98,448	-	-	-	98,448	-
Total	<u>8,599,515</u>	<u>358,871</u>	<u>6,229,094</u>	<u>255,272</u>	<u>1,756,278</u>	<u>-</u>
Public safety						
Fire	8,092,951	467,885	3,054,398	549,793	4,020,875	-
Police	3,258,813	16,619	1,318,317	37,050	1,886,827	-
Total	<u>11,351,764</u>	<u>484,504</u>	<u>4,372,715</u>	<u>586,843</u>	<u>5,907,702</u>	<u>-</u>
Public works						
Administration	1,766,403	-	1,406,378	27,274	332,751	-
Street maintenance	98,441,879	11,362,659	6,077	73,143,340	2,501,221	11,428,582
Vehicle/equipment maintenance	118,218	-	50,833	23,007	44,378	-
Total	<u>100,326,500</u>	<u>11,362,659</u>	<u>1,463,288</u>	<u>73,193,621</u>	<u>2,878,350</u>	<u>11,428,582</u>
Health & Welfare						
	1,207,819	-	964,818	15,552	227,449	-
Cultural and Recreational						
Library	1,028,678	7,850	900,554	23,475	96,799	-
Parks and properties	19,615,444	2,528,039	1,186,911	14,860,815	1,010,387	29,292
Public market	24,792	-	-	24,792	-	-
Recreation	40,976	-	-	-	40,976	-
Total	<u>20,709,890</u>	<u>2,535,889</u>	<u>2,087,465</u>	<u>14,909,082</u>	<u>1,148,162</u>	<u>29,292</u>
Total governmental funds						
capital assets	<u>\$ 142,195,488</u>	<u>\$ 14,741,923</u>	<u>\$ 15,117,380</u>	<u>\$ 88,960,370</u>	<u>\$ 11,917,941</u>	<u>\$ 11,457,874</u>

CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED SEPTEMBER 30, 2016

<u>Function and Activity</u>	<u>Balance 09/30/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2016</u>
General government				
City Council	\$ 7,670,333	\$ 520,009	\$ -	\$ 8,190,342
Finance	104,343	-	-	104,343
Facilities maintenance	168,976	-	-	168,976
Municipal court	37,406	-	-	37,406
Planning and development	98,448	-	-	98,448
Total	<u>8,079,506</u>	<u>520,009</u>	<u>-</u>	<u>8,599,515</u>
Public Safety				
Fire	8,494,646	65,748	(467,443)	8,092,951
Police	3,149,375	330,324	(220,886)	3,258,813
Total	<u>11,644,021</u>	<u>396,072</u>	<u>(688,329)</u>	<u>11,351,764</u>
Public works				
Administration	1,749,303	17,100	-	1,766,403
Street maintenance	48,630,724	49,979,713	(168,558)	98,441,879
Vehicle/equipment maintenance	118,218	-	-	118,218
Total	<u>50,498,245</u>	<u>49,996,813</u>	<u>(168,558)</u>	<u>100,326,500</u>
Health & Welfare	<u>1,104,667</u>	<u>103,152</u>	<u>-</u>	<u>1,207,819</u>
Parks and recreation				
Library	1,022,178	6,500	-	1,028,678
Public market	24,792	-	-	24,792
Parks and properties	18,829,255	1,003,891	(217,702)	19,615,444
Recreation	40,976	-	-	40,976
Total	<u>19,917,201</u>	<u>1,010,391</u>	<u>(217,702)</u>	<u>20,709,890</u>
Total governmental funds capital assets	<u>\$ 91,243,640</u>	<u>\$ 52,026,437</u>	<u>\$(1,074,589)</u>	<u>\$ 142,195,488</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULES OF CAPITAL ASSETS

SEPTEMBER 30, 2015 AND 2016

	<u>2016</u>	<u>2015</u>
Land	\$ 2,600,202	\$ 2,589,839
Buildings and improvements	19,173,835	19,096,576
Other improvements	169,485,862	160,874,465
Machinery and equipment	7,768,368	7,641,590
Construction in progress	<u>9,580,106</u>	<u>5,189,178</u>
	208,608,373	195,391,648
Less accumulated depreciation	<u>(77,732,677)</u>	<u>(72,676,371)</u>
	<u>\$ 130,875,696</u>	<u>\$ 122,715,277</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULE OF CHANGES IN CAPITAL ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

<u>Function and Activity</u>	<u>Balance 09/30/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2016</u>
Administration	\$ 5,400,193	\$ 143,401	\$(134,176)	\$ 5,409,418
Water production	26,633,840	615,546	(38,848)	27,210,538
Water distribution	59,342,281	2,221,011	-	61,563,292
Wastewater	43,975,382	1,902,368	-	45,877,750
Electric production	1,192,894	-	-	1,192,894
Electric distribution	<u>58,847,058</u>	<u>8,534,051</u>	<u>(26,628)</u>	<u>67,354,481</u>
Total municipal utility capital assets	<u>\$ 195,391,648</u>	<u>\$ 13,416,377</u>	<u>\$(199,652)</u>	<u>\$ 208,608,373</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2016

<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	\$ 5,409,418	\$ 326,764	\$ 3,423,526	\$ 1,168,200	\$ 490,928	\$ -
Water production	27,210,538	1,055,502	12,146,429	11,759,941	1,387,016	861,650
Water distribution	61,563,292	734,939	35,619	57,962,577	777,014	2,053,143
Wastewater	45,877,750	153,691	3,231,643	37,494,984	2,204,540	2,792,892
Electric production	1,192,894	11,334	336,618	13,203	831,739	-
Electric distribution	<u>67,354,481</u>	<u>317,972</u>	<u>-</u>	<u>61,086,957</u>	<u>2,077,131</u>	<u>3,872,421</u>
Total Municipal Utility System capital assets	<u>\$ 208,608,373</u>	<u>\$ 2,600,202</u>	<u>\$ 19,173,835</u>	<u>\$ 169,485,862</u>	<u>\$ 7,768,368</u>	<u>\$ 9,580,106</u>

STATISTICAL SECTION

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STATISTICAL SECTION

(Unaudited)

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.	98 – 106
Revenue Capacity These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its electric utility, sales tax and property tax revenues.	107 – 120
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.	121 – 125
Economic and Demographic Indicators These schedules contain economic and demographic information to help the reader understand the environment within which the City's financial activities take place.	126 – 128
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	129 – 131

CITY OF WEATHERFORD, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Net investment in capital assets	\$ 15,219,107	\$ 18,027,712	\$ 21,410,012	\$ 19,852,401
Restricted	10,318,427	9,041,116	6,381,977	6,101,207
Unrestricted	<u>5,758,023</u>	<u>6,522,915</u>	<u>5,775,100</u>	<u>8,725,158</u>
Total governmental activities net position	<u>\$ 31,295,557</u>	<u>\$ 33,591,743</u>	<u>\$ 33,567,089</u>	<u>\$ 34,678,766</u>
Business-type activities:				
Net investment in capital assets	\$ 61,396,213	\$ 64,453,828	\$ 68,649,354	\$ 67,232,594
Restricted	7,291,875	7,563,464	7,628,531	13,003,448
Unrestricted	<u>14,845,101</u>	<u>16,261,373</u>	<u>16,550,266</u>	<u>15,069,828</u>
Total business-type activities net position	<u>\$ 83,533,189</u>	<u>\$ 88,278,665</u>	<u>\$ 92,828,151</u>	<u>\$ 95,305,870</u>
Primary government:				
Net investment in capital assets	\$ 76,615,320	\$ 82,481,540	\$ 90,059,366	\$ 87,084,995
Restricted	17,610,302	16,604,580	14,010,508	19,104,655
Unrestricted	<u>20,603,124</u>	<u>22,784,288</u>	<u>22,325,366</u>	<u>23,794,986</u>
Total primary government net position	<u>\$ 114,828,746</u>	<u>\$ 121,870,408</u>	<u>\$ 126,395,240</u>	<u>\$ 129,984,636</u>

TABLE 1

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 17,759,659	\$ 17,007,106	\$ 20,530,809	\$ 29,104,810	\$ 26,052,538	\$ 65,646,240
2,933,914	5,331,525	6,571,469	3,267,974	3,712,803	11,866,006
<u>13,417,930</u>	<u>14,511,974</u>	<u>11,361,121</u>	<u>5,969,809</u>	<u>4,118,774</u>	<u>2,943,161</u>
<u>\$ 34,111,503</u>	<u>\$ 36,850,605</u>	<u>\$ 38,463,399</u>	<u>\$ 38,342,593</u>	<u>\$ 33,884,115</u>	<u>\$ 80,455,407</u>
\$ 70,468,654	\$ 75,402,883	\$ 79,820,405	\$ 90,336,805	\$ 94,113,483	\$ 102,278,278
8,363,543	8,841,879	9,496,781	9,627,846	10,064,992	20,064,415
<u>21,839,839</u>	<u>22,596,145</u>	<u>22,453,289</u>	<u>20,463,931</u>	<u>25,952,451</u>	<u>18,332,728</u>
<u>\$ 100,672,036</u>	<u>\$ 106,840,907</u>	<u>\$ 111,770,475</u>	<u>\$ 120,428,582</u>	<u>\$ 130,130,926</u>	<u>\$ 140,675,421</u>
\$ 88,228,313	\$ 92,409,989	\$ 100,351,214	\$ 119,441,615	\$ 120,166,021	\$ 167,924,518
11,297,457	14,173,404	16,068,250	12,895,820	13,777,795	31,930,421
<u>35,257,769</u>	<u>37,108,119</u>	<u>33,814,410</u>	<u>26,433,740</u>	<u>30,071,225</u>	<u>21,275,889</u>
<u>\$ 134,783,539</u>	<u>\$ 143,691,512</u>	<u>\$ 150,233,874</u>	<u>\$ 158,771,175</u>	<u>\$ 164,015,041</u>	<u>\$ 221,130,828</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2007	2008	2009	2010
EXPENSES				
Governmental activities:				
General government	\$ 2,466,022	\$ 2,866,557	\$ 2,928,150	\$ 3,160,927
Public safety	10,602,348	11,179,288	12,081,348	11,877,757
Public works	2,790,615	2,973,277	2,920,416	2,997,970
Planning and development	973,236	1,094,289	825,967	677,682
Community development	698,315	798,054	1,627,371	1,314,302
Health and welfare	40,000	40,000	45,000	45,000
Cultural and recreation	3,626,826	4,490,038	3,681,961	4,088,694
Interest on long-term debt	600,668	3,749,754	3,109,094	2,996,869
Total governmental activities expenses	<u>21,798,030</u>	<u>27,191,257</u>	<u>27,219,307</u>	<u>27,159,201</u>
Business-type activities:				
Electric	33,712,309	45,275,598	41,197,102	30,670,906
Water	6,947,460	6,969,907	7,899,776	6,433,439
Wastewater	2,887,183	2,998,193	2,888,556	3,281,199
Sanitation	1,094,631	1,443,132	1,464,621	1,434,931
Stormwater utility	-	-	-	-
Total business-type activities expenses	<u>44,641,583</u>	<u>56,686,830</u>	<u>53,450,055</u>	<u>41,820,475</u>
Total primary government program expenses	<u>\$ 66,439,613</u>	<u>\$ 83,878,087</u>	<u>\$ 80,669,362</u>	<u>\$ 68,979,676</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 234,430	\$ 240,282	\$ 247,258	\$ 260,293
Public safety	1,208,676	1,316,499	1,269,329	1,112,838
Public works	-	-	-	25,603
Planning and development	642,624	652,314	395,846	256,563
Community development	-	-	-	427,224
Health and welfare	-	-	-	31,607
Cultural and recreational	689,070	725,635	636,811	636,120
Operating grants and contributions	292,214	546,231	401,357	234,710
Capital grants and contributions	298,032	150,087	707,935	1,191,580
Total governmental activities program revenues	<u>3,365,046</u>	<u>3,631,048</u>	<u>3,658,536</u>	<u>4,176,538</u>
Business-type activities:				
Charges for services:				
Electric	36,441,699	49,463,235	44,153,842	35,217,275
Water	6,553,467	7,313,082	8,078,376	6,592,204
Wastewater	3,926,120	4,168,752	4,035,449	3,858,895
Sanitation	1,824,906	1,930,313	2,189,772	2,560,822
Stormwater utility	-	-	-	-
Operating grants and contributions	477,013	-	-	-
Capital grants and contributions	788,632	930,081	1,820,404	1,068,437
Total business-type activities program revenues	<u>50,011,837</u>	<u>63,805,463</u>	<u>60,277,843</u>	<u>49,297,633</u>
Total primary government program revenues	<u>\$ 53,376,883</u>	<u>\$ 67,436,511</u>	<u>\$ 63,936,379</u>	<u>\$ 53,474,171</u>

TABLE 2

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 3,398,442	\$ 4,688,501	\$ 5,464,305	\$ 6,035,033	\$ 5,915,168	\$ 7,005,789
12,532,399	12,426,881	12,951,140	13,331,155	13,676,879	15,000,743
7,985,977	4,116,662	5,032,489	32,880,317	13,686,840	5,252,727
698,162	738,534	755,272	-	-	-
926,855	991,922	1,031,282	-	-	-
46,764	160,169	152,181	1,269,608	1,392,938	1,587,636
3,442,335	3,579,674	4,217,332	4,442,143	4,485,475	4,761,634
<u>2,758,163</u>	<u>3,584,869</u>	<u>2,633,532</u>	<u>2,534,057</u>	<u>2,682,224</u>	<u>2,176,497</u>
<u>31,789,097</u>	<u>30,287,212</u>	<u>32,237,533</u>	<u>60,492,313</u>	<u>41,839,524</u>	<u>35,785,026</u>
28,530,839	21,532,861	25,082,339	32,064,046	26,787,470	23,013,754
7,404,975	6,441,878	7,384,830	8,083,005	7,376,079	7,385,407
2,994,124	3,195,794	3,321,956	3,392,953	3,533,092	3,557,093
1,450,234	1,481,557	1,528,130	1,502,670	1,498,046	1,619,025
-	-	24,532	73,348	173,055	87,041
<u>40,380,172</u>	<u>32,652,090</u>	<u>37,341,787</u>	<u>45,116,022</u>	<u>39,367,742</u>	<u>35,662,320</u>
\$ <u>72,169,269</u>	\$ <u>62,939,302</u>	\$ <u>69,579,320</u>	\$ <u>105,608,335</u>	\$ <u>81,207,266</u>	\$ <u>71,447,346</u>
\$ 275,022	\$ 195,897	\$ 202,029	\$ 29,617	\$ 47,433	\$ 59,969
1,008,551	770,585	944,532	976,746	1,003,391	1,550,142
21,278	7,240	177,938	571,551	586,304	937,918
385,256	263,220	370,782	-	-	-
496,987	438,947	422,703	-	-	-
49,660	49,010	51,813	501,722	575,818	620,341
675,256	621,955	735,500	696,460	719,869	794,834
218,060	584,783	196,248	310,955	175,705	318,801
<u>2,244,834</u>	<u>4,114,054</u>	<u>3,873,294</u>	<u>29,049,784</u>	<u>8,582,987</u>	<u>1,604,594</u>
<u>5,374,904</u>	<u>7,045,691</u>	<u>6,974,839</u>	<u>32,136,835</u>	<u>11,691,507</u>	<u>5,886,599</u>
35,024,442	27,763,091	31,300,347	38,114,195	34,860,799	27,737,753
9,427,936	9,675,600	10,058,874	10,340,475	11,984,185	14,206,086
5,031,535	4,719,203	4,663,157	4,533,122	4,985,923	5,830,166
2,636,671	2,081,818	2,058,004	2,140,988	2,132,203	2,195,297
-	-	594,526	839,597	852,004	1,237,658
-	-	-	-	-	-
<u>485,997</u>	<u>409,143</u>	<u>912,459</u>	<u>1,674,969</u>	<u>2,273,567</u>	<u>2,439,162</u>
<u>52,606,581</u>	<u>44,648,855</u>	<u>49,587,367</u>	<u>57,643,346</u>	<u>57,088,681</u>	<u>53,646,122</u>
\$ <u>57,981,485</u>	\$ <u>51,694,546</u>	\$ <u>56,562,206</u>	\$ <u>89,780,181</u>	\$ <u>68,780,188</u>	\$ <u>59,532,721</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2007	2008	2009	2010
NET (EXPENSE) REVENUES				
Governmental activities	\$(18,432,984)	\$(23,560,209)	\$(23,560,771)	\$(22,982,663)
Business-type activities	<u>5,370,254</u>	<u>7,118,633</u>	<u>6,827,788</u>	<u>7,477,158</u>
Total primary government net expense	<u>(13,062,730)</u>	<u>(16,441,576)</u>	<u>(16,732,983)</u>	<u>(15,505,505)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	4,749,712	6,977,107	7,371,902	8,108,727
Retail sales	8,097,754	9,166,195	8,641,879	8,236,286
Franchise	2,272,898	2,439,677	2,403,704	581,566
Hotel/motel	684,782	707,136	452,312	474,607
Mixed beverage	43,571	45,662	53,505	57,822
Unrestricted grants and contributions	9,021	10,226	3,373	155,092
Investment earnings	2,299,115	2,575,000	1,463,358	763,500
Gain on sale of capital assets	6,650	76,548	-	-
Miscellaneous	110,674	199,107	438,500	474,809
Transfers	<u>3,503,447</u>	<u>3,659,737</u>	<u>2,707,584</u>	<u>5,241,931</u>
Total governmental activities	<u>21,777,624</u>	<u>25,856,395</u>	<u>23,536,117</u>	<u>24,094,340</u>
Business-type activities:				
Investment earnings	1,810,807	1,140,045	228,337	64,432
Miscellaneous	182,892	146,535	200,945	178,060
Transfers	<u>(3,503,447)</u>	<u>(3,659,737)</u>	<u>(2,707,584)</u>	<u>(5,241,931)</u>
Total business-type activities	<u>(1,509,748)</u>	<u>(2,373,157)</u>	<u>(2,278,302)</u>	<u>(4,999,439)</u>
Total primary government	<u>20,267,876</u>	<u>23,483,238</u>	<u>21,257,815</u>	<u>19,094,901</u>
CHANGE IN NET POSITION				
Governmental activities	3,344,640	2,296,186	(24,654)	1,111,677
Business-type activities	<u>3,860,506</u>	<u>4,745,476</u>	<u>4,549,486</u>	<u>2,477,719</u>
Total primary government	<u>\$ 7,205,146</u>	<u>\$ 7,041,662</u>	<u>\$ 4,524,832</u>	<u>\$ 3,589,396</u>

TABLE 2

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$(26,414,193)	\$(23,241,521)	\$(25,262,694)	\$(28,355,478)	\$(30,148,017)	\$(29,898,427)
<u>12,226,409</u>	<u>11,996,765</u>	<u>12,245,580</u>	<u>12,527,324</u>	<u>17,720,939</u>	<u>17,983,802</u>
(14,187,784)	(11,244,756)	(13,017,114)	(15,828,154)	(12,427,078)	(11,914,625)
8,095,074	8,232,881	8,396,517	8,674,852	9,238,347	9,942,877
8,832,088	9,648,458	9,969,043	10,591,223	11,303,850	11,619,054
620,052	697,980	681,611	673,641	777,549	723,275
588,225	602,256	659,759	676,407	687,665	655,350
57,593	57,519	68,658	92,016	94,465	113,061
1,944	18,626	21,637	16,749	15,153	23,301
72,783	57,691	39,617	66,346	125,353	149,661
-	-	-	-	-	-
454,317	264,797	237,957	295,224	221,976	149,601
<u>7,124,854</u>	<u>6,400,415</u>	<u>7,595,012</u>	<u>7,148,214</u>	<u>7,659,883</u>	<u>7,970,306</u>
<u>25,846,930</u>	<u>25,980,623</u>	<u>27,669,811</u>	<u>28,234,672</u>	<u>30,124,241</u>	<u>31,346,486</u>
43,834	49,858	46,514	35,548	352,023	278,695
220,777	523,014	597,310	687,949	777,280	662,796
(7,124,854)	(6,400,415)	(7,595,012)	(7,148,214)	(7,659,883)	(7,970,306)
(6,860,243)	(5,827,543)	(6,951,188)	(6,424,717)	(6,530,580)	(7,028,815)
<u>18,986,687</u>	<u>20,153,080</u>	<u>20,718,623</u>	<u>21,809,955</u>	<u>23,593,661</u>	<u>24,317,671</u>
(567,263)	2,739,102	2,407,117	(120,806)	(23,776)	1,448,059
<u>5,366,166</u>	<u>6,169,222</u>	<u>5,294,392</u>	<u>6,102,607</u>	<u>11,190,359</u>	<u>10,954,987</u>
<u>\$ 4,798,903</u>	<u>\$ 8,908,324</u>	<u>\$ 7,701,509</u>	<u>\$ 5,981,801</u>	<u>\$ 11,166,583</u>	<u>\$ 12,403,046</u>

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TABLE 3

CITY OF WEATHERFORD, TEXAS

**FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund:										
Reserved	\$ 71,041	\$ 60,372	\$ 30,975	\$ 39,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	7,674,409	8,637,632	9,067,892	11,162,818	-	-	-	-	-	-
Nonspendable	-	-	-	-	132,112	75,623	44,476	69,071	64,270	57,083
Committed	-	-	-	-	6,989,273	7,350,364	7,395,691	7,674,783	7,679,715	7,679,715
Unassigned	-	-	-	-	6,517,546	6,693,692	5,363,522	5,576,824	6,103,365	6,429,430
Total general fund	<u>\$ 7,745,450</u>	<u>\$ 8,698,004</u>	<u>\$ 9,098,867</u>	<u>\$ 11,202,330</u>	<u>\$ 13,638,931</u>	<u>\$ 14,119,679</u>	<u>\$ 12,803,689</u>	<u>\$ 13,320,678</u>	<u>\$ 13,847,350</u>	<u>\$ 14,166,228</u>
All other governmental funds										
Reserved	\$ 70,250,798	\$ 66,257,136	\$ 40,533,598	\$ 21,061,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	1,351,075	1,129,821	1,089,249	1,187,400	-	-	-	-	-	-
Nonspendable	-	-	-	-	50,000	50,000	50,000	54,880	50,000	6,050,204
Restricted	-	-	-	-	19,057,261	18,625,654	15,061,112	13,346,817	10,739,340	12,281,356
Committed	-	-	-	-	3,807,639	3,887,347	4,023,708	2,088,737	2,198,963	1,974,210
Unassigned	-	-	-	-	-	-	-	(14)	-	(388,275)
Total all other governmental funds	<u>\$ 71,601,873</u>	<u>\$ 67,386,957</u>	<u>\$ 41,622,847</u>	<u>\$ 22,249,052</u>	<u>\$ 22,914,900</u>	<u>\$ 22,563,001</u>	<u>\$ 19,134,820</u>	<u>\$ 15,490,420</u>	<u>\$ 12,988,303</u>	<u>\$ 19,917,495</u>

Note: In fiscal year 2011 the City implemented GASB Statement No. 54.

CITY OF WEATHERFORD, TEXAS

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
REVENUES										
Taxes	\$ 15,840,133	\$ 19,299,272	\$ 18,924,734	\$ 17,374,844	\$ 18,222,977	\$ 19,256,063	\$ 19,799,001	\$ 20,763,676	\$ 22,124,979	\$ 22,977,000
Licenses and permits	637,735	663,464	431,330	355,842	560,150	421,801	524,009	564,609	690,194	832,935
Intergovernmental	266,261	362,008	331,035	777,266	2,650,196	4,728,575	4,240,008	4,720,631	5,600,417	7,496,220
Charges for services	917,528	931,540	962,567	1,119,403	1,114,756	1,086,564	1,336,189	1,139,227	1,127,917	1,421,114
Fines and forfeitures	729,794	857,715	676,973	715,865	917,547	615,624	851,088	576,240	521,768	639,394
Contributions	-	-	-	34,546	22,344	125,387	63,482	60,712	29,455	119,245
Investment earnings	2,302,034	2,576,899	1,463,815	763,500	72,783	57,691	39,617	66,346	125,353	149,661
Miscellaneous	639,122	972,491	1,006,388	718,914	615,158	342,123	353,929	401,860	364,282	346,376
Total revenues	<u>21,332,607</u>	<u>25,663,389</u>	<u>23,796,842</u>	<u>21,860,180</u>	<u>24,175,911</u>	<u>26,633,828</u>	<u>27,207,323</u>	<u>28,293,301</u>	<u>30,584,365</u>	<u>33,981,945</u>
EXPENDITURES										
General government	2,370,333	2,947,667	2,749,341	2,836,078	3,174,872	4,474,348	5,228,111	5,638,924	6,062,131	7,471,688
Public safety	10,389,397	10,888,448	11,067,251	10,929,713	11,431,423	11,692,263	12,234,522	12,507,199	12,946,043	13,778,617
Public works	2,402,659	2,510,164	2,175,270	1,704,727	2,569,515	2,640,284	3,279,511	3,228,503	3,608,978	3,681,953
Planning and development	990,770	1,099,526	818,460	638,591	660,440	717,003	716,295	-	-	-
Community development	670,973	766,573	1,519,717	1,136,814	849,250	933,216	980,108	-	-	-
Health and welfare	40,000	40,000	45,000	45,000	45,000	122,774	150,072	1,178,664	1,309,641	1,504,303
Cultural and recreational	3,517,497	4,360,890	4,133,489	3,574,460	2,842,956	2,997,049	3,496,386	3,728,117	3,750,855	3,989,948
Debt service										
Principal	967,696	3,940,724	3,116,578	3,069,221	1,175,000	1,166,194	2,834,648	3,838,005	4,124,085	4,343,123
Interest	689,381	923,458	1,030,242	1,065,000	3,261,816	3,466,410	2,786,382	2,657,655	2,537,352	2,419,130
Capital outlay	<u>3,535,335</u>	<u>8,108,038</u>	<u>25,212,325</u>	<u>19,390,595</u>	<u>11,130,204</u>	<u>6,068,108</u>	<u>7,315,532</u>	<u>5,923,681</u>	<u>7,669,247</u>	<u>3,905,307</u>
Total expenditures	<u>25,574,041</u>	<u>35,585,488</u>	<u>51,867,673</u>	<u>44,390,199</u>	<u>37,140,476</u>	<u>34,277,649</u>	<u>39,021,567</u>	<u>38,700,748</u>	<u>42,008,332</u>	<u>41,094,069</u>

TABLE 4

CITY OF WEATHERFORD, TEXAS

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$(4,241,434)</u>	<u>\$(9,922,099)</u>	<u>\$(28,070,831)</u>	<u>\$(22,530,019)</u>	<u>\$(12,964,565)</u>	<u>\$(7,643,821)</u>	<u>\$(11,814,244)</u>	<u>\$(10,407,447)</u>	<u>\$(11,423,967)</u>	<u>\$(7,112,124)</u>
OTHER FINANCING SOURCES (USES)										
Issuance of debt	4,000,000	57,290,000	3,000,000	-	-	33,475,000	1,267,959	85,080	7,638,924	85,151
Premium on debt issuance	34,543	827,448	-	-	-	255,694	-	-	698,462	-
Payment to escrow agent	-	-	-	-	-	(24,793,931)	-	-	(7,857,973)	-
Tax notes issued	-	-	-	-	-	-	-	-	985,000	6,065,000
Proceeds from insurance	-	-	-	-	-	-	93,842	13,776	120,344	38,141
Lease purchase proceeds	570,867	-	-	-	-	-	-	-	-	-
Sale of assets	-	-	-	-	17,756	5,397	10,454	32,966	203,882	201,596
Transfers in	9,041,701	5,293,472	6,115,459	5,850,469	7,276,196	7,882,888	6,849,355	15,710,708	8,058,368	8,662,201
Transfers out	<u>(630,487)</u>	<u>(1,790,025)</u>	<u>(2,455,722)</u>	<u>(3,142,885)</u>	<u>(2,034,265)</u>	<u>(758,034)</u>	<u>(448,940)</u>	<u>(8,562,494)</u>	<u>(398,485)</u>	<u>(691,895)</u>
Total other financing sources (uses)	<u>13,016,624</u>	<u>61,620,895</u>	<u>6,659,737</u>	<u>2,707,584</u>	<u>5,259,687</u>	<u>16,067,014</u>	<u>7,772,670</u>	<u>7,280,036</u>	<u>9,448,522</u>	<u>14,360,194</u>
NET CHANGE IN FUND BALANCES	<u>\$ 8,775,190</u>	<u>\$ 51,698,796</u>	<u>\$(21,411,094)</u>	<u>\$(19,822,435)</u>	<u>\$(7,704,878)</u>	<u>\$ 8,423,193</u>	<u>\$(4,041,574)</u>	<u>\$(3,127,411)</u>	<u>\$(1,975,445)</u>	<u>\$ 7,248,070</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>7.02%</u>	<u>7.74%</u>	<u>18.18%</u>	<u>15.90%</u>	<u>16.57%</u>	<u>17.13%</u>	<u>16.55%</u>	<u>19.82%</u>	<u>20.40%</u>	<u>18.52%</u>

Note: In fiscal year 2014, the City combined the planning and development, and community development function with the health and welfare, and cultural and development.

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CITY OF WEATHERFORD, TEXAS
GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Sales Tax	Franchise Tax ⁽¹⁾	Hotel/Motel Occupancy Tax	Mixed Beverage Tax	Totals
2007	\$ 4,741,128	\$ 8,097,754	\$ 2,272,898	\$ 684,782	\$ 43,571	\$ 15,840,133
2008	6,940,602	9,166,195	2,439,677	707,136	45,662	19,299,272
2009	7,373,334	8,641,879	2,403,704	452,312	53,505	18,924,734
2010	8,024,563	8,236,286	581,566	474,607	57,822	17,374,844
2011	8,135,036	8,832,088	620,052	588,225	57,593	18,232,994
2012	8,249,851	9,648,458	697,980	602,256	57,519	19,256,064
2013	8,419,930	9,969,043	681,611	659,759	68,658	19,799,001
2014	8,730,389	10,591,223	673,641	676,407	92,016	20,763,676
2015	9,261,450	11,303,851	777,549	687,665	94,465	22,124,980
2016	9,866,260	11,619,054	723,275	655,350	113,061	22,977,000

(1) Prior to fiscal year 2010, franchise taxes from the Municipal Utility Fund were classified with franchise taxes from other entities.

CITY OF WEATHERFORD, TEXAS
ELECTRIC RATES
LAST TEN FISCAL YEARS

	Fiscal Year			
	2007	2008	2009	2010
Residential				
Base rate	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0750
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0690
Residential - All Electric				
Base rate	4.25	4.25	4.25	4.25
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0750
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0690
Small General Service (Demand does not exceed 20 KW)				
Base rate	16.00	16.00	16.00	16.00
Per KWH	0.0765	0.0765	0.0765	0.0765
Large General Service 1 (Demand 20 - 200 KW)				
Base rate	21.00	21.00	21.00	21.00
Per KWH	0.0605	0.0605	0.0605	0.0605
Per KVA demand	3.25	3.25	3.25	3.25
Large General Service 2 (Demand 200 KW - 1000 KVA)				
Base rate	22.25	22.25	22.25	22.25
Per KWH	0.0565	0.0565	0.0565	0.0565
Per KWH (if primary metered)	0.0545	0.0545	0.0545	0.0545
Per KVA demand	2.55	2.55	2.55	2.55
Large General Service 3 (Demand 20 - 200 KW)				
Base rate	22.25	22.25	22.25	22.25
Per KWH for first 2500 KWH	0.0860	0.0860	0.0860	0.0860
Per KWH for next 3500 KWH	0.0520 (1)	0.0520 (1)	0.0520 (1)	0.0520 (1)
Per KWH for all additional KWH	0.0260	0.0260	0.0260	0.0260
Per KVA demand > 10 KVA	8.10	8.10	8.10	8.10
Municipal				
Base rate	12.25	12.25	12.25	12.25
Per KWH	0.0665	0.0665	0.0665	0.0665
School/Church				
Base rate	16.00	16.00	16.00	16.00
Per KWH	0.0645	0.0645	0.0645	0.0645
Per KW demand	2.25	2.25	2.25	2.25
Security Lights				
Per light	10.00	10.00	10.00	10.00

Notes:

The energy charges stated in all rate schedules applicable 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 KWH exceeds \$0.0150.

⁽¹⁾Add 215 KWH per KVA of demand in excess of 10 KVA.

⁽²⁾As of 11/01/2010, large general service, 3 rates have a set rate per KWH and KVA.

⁽³⁾As of 11/01/2010, municipal governments, schools, and churches will follow their respective commercial rates based on demand.

TABLE 6

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 6.17	\$ 8.08	\$ 10.08	\$ 10.08	\$ 11.75	\$ 13.50	
0.0481	0.0462	0.0443	0.0443	0.0432	0.0424	
0.0443	0.0443	0.0443	0.0443	0.0432	0.0424	
6.17	8.08	10.08	10.08	11.75	13.50	
0.0481	0.0462	0.0443	0.0443	0.0432	0.0424	
0.0443	0.0443	0.0443	0.0443	0.0432	0.0424	
19.55	19.55	19.55	19.55	19.55	19.55	
0.0490	0.0490	0.0490	0.0490	0.0467	0.0446	
28.17	35.33	42.50	42.50	42.50	42.50	
0.0322	0.0289	0.0265	0.0265	0.0244	0.0238	
3.43	3.62	3.80	3.80	3.96	3.96	
48.17	74.08	100.00	100.00	100.00	100.00	
0.0297	0.0278	0.0260	0.0260	0.0256	0.0249	
0.0297	0.0278	0.0260	0.0260	0.0256	0.0249	
2.96	3.38	3.79	3.79	4.00	4.30	
79.83	137.42	195.00	195.00	195.00	195.00	
0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	.0223 (2)	
0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	.0223 (2)	
0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	.0223 (2)	
6.62 (2)	5.13 (2)	3.65 (2)	3.65 (2)	4.05 (2)	4.35 (2)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
10.00	10.00	10.00	10.00	10.00	10.90	

CITY OF WEATHERFORD, TEXAS
NUMBER OF ELECTRIC CUSTOMERS BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Residential	Commercial ⁽²⁾	Industrial	Other ⁽¹⁾	Total
2007	10,891	1,644	41	247	12,823
2008	11,143	1,723	44	256	13,166
2009	11,223	1,770	45	259	13,297
2010	11,314	1,801	48	255	13,418
2011	11,420	2,087	53	-	13,560
2012	11,586	2,128	53	-	13,767
2013	11,754	2,146	53	-	13,953
2014	11,818	2,156	53	-	14,027
2015	12,104	2,183	56	-	14,343
2016	12,202	2,197	57	-	14,456

⁽¹⁾ Includes municipal governments, schools, and churches, prior to fiscal year 2011.

⁽²⁾ As of fiscal year 2011, includes municipal governments, schools, and churches.

TABLE 8

CITY OF WEATHERFORD, TEXAS

TEN LARGEST ELECTRIC CUSTOMERS

CURRENT YEAR AND NINE YEARS AGO

Customer	2016	
	Revenue	Percentage of Electric Revenue
Atkore Plastic Pipe Co	\$ 832,179	3.07%
Jamak, Inc.	450,449	1.66%
W'ford Texas Hospital Corp.	404,273	1.49%
WISD-High School	396,703	1.46%
Wal-Mart	324,743	1.20%
LaSalle/Parker Co Jail	258,948	0.96%
Weatherford Regional Medical	240,094	0.89%
Albertson's	206,137	0.76%
City-Water Plant	187,986	0.69%
Lowe's	182,085	0.67%
	<u>3,483,597</u>	<u>12.85%</u>
Revenue from other customers	<u>23,626,171</u>	<u>87.15%</u>
Total	<u>\$ 27,109,768</u>	<u>100.00%</u>

Customer	2007	
	Revenue	Percentage of Electric Revenue
Weatherford ISD	\$ 1,629,965	4.52%
Heritage Plastic	1,135,463	3.15%
Jamak, Inc.	968,742	2.69%
W'ford Texas Hospital Corp.	607,884	1.69%
Wal-Mart	578,953	1.61%
Weatherford Aerospace	363,549	1.01%
Weatherford College	339,431	0.94%
Albertson's	286,610	0.80%
Lowe's	272,341	0.76%
Home Depot	262,916	0.72%
	<u>6,445,854</u>	<u>17.89%</u>
Revenue from other customers	<u>29,575,492</u>	<u>82.11%</u>
Total	<u>\$ 36,021,346</u>	<u>100.00%</u>

CITY OF WEATHERFORD, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY⁽¹⁾

LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2007		2008	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 786,575,270	52.41%	\$ 884,837,500	52.16%
Real, residential, multi-family	50,422,550	3.36%	49,119,090	2.90%
Real, vacant lots/tracts	31,371,500	2.09%	28,945,620	1.71%
Real, acreage (land only)	66,543,860	4.43%	97,859,020	5.77%
Real, farm and ranch improvements	19,971,440	1.33%	19,102,150	1.13%
Real, commercial	355,833,000	23.71%	431,045,000	25.41%
Real, industrial	8,176,550	0.54%	5,685,760	0.34%
Real, oil, gas and other minerals	665,540	0.04%	1,381,770	0.08%
Total real property	1,319,559,710	87.91%	1,517,975,910	89.50%
Real and tangible personal, utilities	17,359,850	1.16%	18,661,510	1.10%
Tangible personal, commercial	122,749,210	8.18%	119,755,350	7.06%
Tangible personal, industrial	27,607,560	1.84%	32,721,880	1.93%
Tangible, personal, mobile homes	1,539,060	0.10%	1,563,200	0.09%
Intangible personal	-	- %	36,210	- %
Inventory	11,868,130	0.81%	5,833,900	0.32%
Total personal property	181,123,810	12.09%	178,572,050	10.50%
Constitutional exempt ⁽³⁾	-	- %	-	- %
Total actual value	1,500,683,520	<u>100.00%</u>	1,696,547,960	<u>100.00%</u>
Less: exemptions/reductions	102,744,790		131,475,380	
Total	\$ <u>1,397,938,730</u>		\$ <u>1,565,072,580</u>	
Total direct rate ⁽²⁾	\$ 0.3403		\$ 0.4386	

Notes:

- (1) Property is assessed at market value.
- (2) Per \$100 of assessed value.
- (3) Prior to 2012 Parker County Appraisal District reported categories net of constitutional exemptions.

Source: Parker County Appraisal District

TABLE 9

		Fiscal Year			
2009		2010		2011	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 931,787,310	49.58%	\$ 966,262,300	49.35%	\$ 982,593,310	50.07%
63,259,650	3.37%	66,142,950	3.38%	60,050,380	3.06%
34,935,360	1.86%	32,079,260	1.64%	31,012,210	1.58%
114,848,250	6.11%	132,053,460	6.74%	127,192,770	6.48%
22,318,830	1.19%	21,383,540	1.09%	23,630,120	1.20%
504,549,930	26.85%	522,311,300	26.68%	525,936,480	26.80%
9,751,120	0.52%	10,348,560	0.53%	11,655,760	0.59%
785,960	0.04%	566,870	0.03%	7,210,230	0.37%
<u>1,682,236,410</u>	<u>89.52%</u>	<u>1,751,148,240</u>	<u>89.44%</u>	<u>1,769,281,260</u>	<u>90.15%</u>
17,684,650	0.94%	16,470,860	0.84%	16,699,920	0.85%
129,570,820	6.89%	139,204,420	7.11%	130,474,700	6.65%
34,733,290	1.85%	35,221,400	1.80%	32,101,270	1.64%
1,379,840	0.07%	1,469,130	0.08%	1,505,490	0.08%
37,620	- %	68,300	- %	45,610	- %
<u>13,786,420</u>	<u>0.73%</u>	<u>14,240,990</u>	<u>0.73%</u>	<u>12,406,480</u>	<u>0.63%</u>
197,192,640	10.48%	206,675,100	10.56%	193,233,470	9.85%
<u>-</u>	<u>- %</u>	<u>-</u>	<u>- %</u>	<u>-</u>	<u>- %</u>
1,879,429,050	<u>100.00%</u>	1,957,823,340	<u>100.00%</u>	1,962,514,730	<u>100.00%</u>
<u>141,624,420</u>		<u>157,276,330</u>		<u>156,813,562</u>	
<u>\$ 1,737,804,630</u>		<u>\$ 1,800,547,010</u>		<u>\$ 1,805,701,168</u>	
\$ 0.4386		\$ 0.4636		\$ 0.4636	

CITY OF WEATHERFORD, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY⁽¹⁾

LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2012		2013	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 972,512,560	43.63%	\$ 982,550,650	43.23%
Real, residential, multi-family	80,671,490	3.62%	84,299,640	3.71%
Real, vacant lots/tracts	32,176,140	1.44%	34,086,840	1.50%
Real, acreage (land only)	128,278,870	5.75%	134,640,710	5.92%
Real, farm and ranch improvements	23,116,890	1.04%	22,225,190	0.98%
Real, commercial	531,927,220	23.86%	548,072,350	24.11%
Real, industrial	12,505,740	0.56%	12,501,170	0.55%
Real, oil, gas and other minerals	5,683,360	0.25%	4,664,840	0.21%
Total real property	1,786,872,270	80.15%	1,823,041,390	80.21%
Real and tangible personal, utilities	16,174,680	0.73%	16,355,940	0.72%
Tangible personal, commercial	127,511,850	5.72%	126,788,970	5.58%
Tangible personal, industrial	37,029,220	1.66%	40,321,640	1.77%
Tangible, personal, mobile homes	1,229,600	0.06%	1,213,240	0.05%
Intangible personal	14,880	- %	18,570	- %
Inventory	13,787,850	0.62%	11,958,300	0.53%
Total personal property	195,748,080	8.79%	196,656,660	8.65%
Constitutional exempt ⁽³⁾	246,451,960	11.06%	253,109,550	11.14%
Total actual value	2,229,072,310	100.00%	2,272,807,600	100.00%
Less: exemptions/reductions	408,409,581		418,378,500	
Total	\$ 1,820,662,729		\$ 1,854,429,100	
Total direct rate ⁽²⁾	\$ 0.4636		\$ 0.4636	

Notes:

- (1) Property is assessed at market value.
- (2) Per \$100 of assessed value.
- (3) Prior to 2012 Parker County Appraisal District reported categories net of constitutional exemptions.

Source: Parker County Appraisal District

TABLE 9

Fiscal Year					
2014		2015		2016	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 1,006,337,454	43.35%	\$ 1,034,971,854	43.80%	\$ 1,142,303,188	44.72%
90,319,170	3.89%	104,811,750	4.44%	129,924,745	5.09%
38,125,306	1.64%	33,652,737	1.42%	42,550,667	1.67%
94,742,100	4.08%	93,952,512	3.98%	95,950,433	3.76%
51,873,530	2.23%	54,556,426	2.31%	56,815,663	2.22%
571,460,670	24.62%	560,405,830	23.72%	588,309,410	23.03%
13,008,950	0.56%	13,008,950	0.55%	13,250,790	0.52%
<u>2,275,350</u>	<u>0.10%</u>	<u>5,985,920</u>	<u>0.25%</u>	<u>5,525,550</u>	<u>0.22%</u>
1,868,142,530	80.47%	1,901,345,979	80.47%	2,074,630,446	81.23%
17,262,560	0.74%	21,042,270	0.89%	24,183,510	0.95%
131,917,910	5.68%	138,816,860	5.87%	150,602,440	5.90%
39,526,310	1.70%	36,339,910	1.54%	41,708,130	1.63%
1,215,030	0.05%	1,349,900	0.06%	1,269,000	0.05%
42,500	- %	42,500	- %	85,750	- %
<u>12,057,760</u>	<u>0.53%</u>	<u>11,708,460</u>	<u>0.51%</u>	<u>9,238,900</u>	<u>0.36%</u>
202,022,070	8.70%	209,299,900	8.86%	227,087,730	8.89%
<u>251,257,370</u>	<u>10.83%</u>	<u>252,218,540</u>	<u>10.67%</u>	<u>252,440,020</u>	<u>9.88%</u>
2,321,421,970	<u>100.00%</u>	2,362,864,419	<u>100.00%</u>	2,554,158,196	<u>100.00%</u>
<u>412,152,600</u>		<u>413,851,642</u>		<u>439,147,037</u>	
\$ <u>1,909,269,370</u>		\$ <u>1,949,012,777</u>		\$ <u>2,115,011,159</u>	
\$ 0.4636		\$ 0.4636		\$ 0.4866	

CITY OF WEATHERFORD, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES⁽¹⁾

LAST TEN FISCAL YEARS

Fiscal Year	City Direct Rates			Overlapping Rates ⁽²⁾				
	Operating	Debt Service	Total Direct	Parker County	Weatherford School District	Parker County Hospital District	Parker County Junior College	Peaster School District
2007	\$ 0.2782	\$ 0.0621	\$ 0.3403	\$ 0.3386	\$ 1.6900	\$ 0.1454	\$ 0.1138	\$ 1.6100
2008	0.2920	0.1466	0.4386	0.3372	1.4000	0.1250	0.1053	1.3528
2009	0.2920	0.1466	0.4386	0.3545	1.4000	0.1150	0.1053	1.3528
2010	0.2920	0.1716	0.4636	0.3754	1.4000	0.1136	0.1049	1.3528
2011	0.2920	0.1716	0.4636	0.3897	1.4000	0.1130	0.1049	1.3528
2012	0.2920	0.1716	0.4636	0.4102	1.4000	0.1130	0.1119	1.3528
2013	0.2920	0.1716	0.4636	0.4123	1.4000	0.1120	0.1129	1.3528
2014	0.2920	0.1716	0.4636	0.4123	1.3900	0.1179	0.1146	1.3528
2015	0.3150	0.1716	0.4866	0.4183	1.3800	0.1118	0.1074	1.4000
2016	0.3400	0.1716	0.5116	0.3338	1.4690	0.1118	0.1202	1.4000

Notes: ⁽¹⁾ Expressed in dollars per \$100 assessed value.

⁽²⁾ Not all overlapping rates apply to all City of Weatherford property owners. For example, less than 1% of property owners are located within the boundaries of the Peaster School District.

Source: Representatives of the taxing jurisdictions

TABLE 11

CITY OF WEATHERFORD, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2016	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Parker County Hospital	\$ 35,482,252	1.67%
Weatherford Dunhill	25,905,690	1.22%
Weatherford Capitol	18,666,040	0.88%
Holland Lake Partners	16,478,740	0.77%
Wal-Mart	15,974,120	0.75%
Power Service Products	15,943,390	0.75%
Brown Southlake Glen	15,731,300	0.74%
Lowe's Home Center	11,236,180	0.53%
Weatherford Texas Hospital	10,392,020	0.49%
Target Stores	9,923,580	0.47%
Total	<u>\$ 175,733,312</u>	<u>8.25%</u>

Taxpayer	2007	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Wal-mart Stores, Inc.	\$ 17,513,190	1.25%
Lowe's Home Centers	15,398,620	1.10%
SPC Weatherford Ltd.	14,201,360	1.02%
JAMAK, Inc.	13,374,530	0.96%
Holland Lake Partners	13,010,700	0.93%
Home Depot	12,296,400	0.88%
Power Service Products	9,204,030	0.66%
Southwestern Bell	8,998,520	0.64%
Target Corporation	8,532,360	0.61%
Albertsons, Inc.	7,804,480	0.56%
Total	<u>\$ 120,334,190</u>	<u>8.61%</u>

Source: Parker County Appraisal District

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CITY OF WEATHERFORD, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Adjustments</u>	<u>Total Adjusted Levies</u>	<u>Collected With the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2007	\$ 4,696,326	\$(21,510)	\$ 4,674,816	\$ 4,590,807	97.75%	\$ 78,564	\$ 4,669,371	99.88%
2008	6,919,281	(63,717)	6,855,564	6,759,210	97.69%	87,047	6,846,257	99.86%
2009	7,366,860	(40,279)	7,326,581	7,218,875	97.99%	97,490	7,316,365	99.86%
2010	8,016,933	(45,681)	7,971,252	7,837,978	97.77%	121,380	7,959,358	99.85%
2011	8,085,420	(42,361)	8,043,059	7,942,051	98.23%	89,913	8,031,964	99.86%
2012	8,201,957	(28,805)	8,173,152	8,074,208	98.44%	79,852	8,154,060	99.77%
2013	8,351,358	(11,380)	8,339,979	8,237,331	98.63%	79,944	8,317,275	99.73%
2014	8,616,369	(9,821)	8,606,548	8,537,374	99.08%	43,959	8,581,333	99.71%
2015	9,217,917	(15,184)	9,202,733	9,118,352	98.92%	42,399	9,160,751	99.54%
2016	9,953,115	(141,057)	9,812,058	9,739,379	97.85%	-	9,739,379	99.26%

Source: Parker County Appraisal District

CITY OF WEATHERFORD, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

	Fiscal Year			
	2007	2008	2009	2010
Agriculture/Forestry/Fishing/Hunting	\$ -	\$ -	\$ -	\$ -
Mining/Quarrying/Oil and Gas Extraction	1,244,207	1,252,092	14,326,698	88,530,759
Utilities	-	-	-	-
Construction	7,275,865	6,957,885	4,357,116	4,005,474
Manufacturing	10,892,575	11,006,653	8,052,901	9,179,698
Wholesale Trade	20,932,822	22,472,139	18,984,569	17,613,952
Retail Trade	307,054,524	319,784,449	306,397,750	296,338,740
Transportation/Warehousing	299,029	298,219	-	-
Information	1,902,312	2,056,382	2,168,761	3,007,895
Finance/Insurance	2,744,766	2,173,493	1,238,663	1,007,196
Real Estate/Rental/Leasing	12,909,665	10,905,094	5,856,372	3,780,111
Professional/Scientific/Technical Services	2,492,222	3,351,088	3,173,971	2,525,977
Admin/Support/Waste Mgmt/Remediation Services	2,974,145	3,855,420	3,966,809	4,142,197
Educational Services	339,063	331,207	388,591	2,053,012
Health Care/Social Assistance	53,634	53,933	4,169	189,402
Arts/Entertainment/Recreation	1,423,230	1,202,157	1,199,394	1,333,491
Accommodations/Food Services	63,045,572	67,976,752	69,513,396	66,627,927
Other Services (except Public Administration)	14,648,835	19,215,998	18,010,209	17,911,085
Public Administration	3,019,642	3,228,818	16,587,342	13,610,308
Other Services	19,874	18,261	-	-
Unclassified	<u>12,328,558</u>	<u>16,359,816</u>	<u>2,696,208</u>	<u>1,163,476</u>
Total	<u>\$ 465,600,540</u>	<u>\$ 492,499,856</u>	<u>\$ 476,922,919</u>	<u>\$ 533,020,700</u>
City direct sales tax rate	1.50%	1.50%	1.50%	1.50%

Source: Texas Comptroller

⁽¹⁾ The third quarter (July 2016 - September 2016) was not available at the time of issuing this document.

TABLE 13

Fiscal Year					
2011	2012	2013	2014	2015	2016 ⁽¹⁾
\$ 17,350	\$ 18,620	\$ 18,470	\$ 20,710	\$ 38,271	\$ 15,755
2,708,174	2,713,403	2,531,239	5,581,565	9,450,845	4,506,169
1,564	10,963	11,992	14,806	29,277	62,978
4,479,619	4,190,173	8,613,306	8,888,143	10,711,347	5,273,895
10,344,074	9,892,982	14,477,480	22,793,527	17,724,630	11,237,904
21,158,427	23,204,529	22,230,671	24,108,087	28,378,471	17,854,093
318,843,374	343,724,417	365,801,041	380,622,776	400,578,606	315,692,371
-	868	36,051	39,413	67,779	53,078
5,614,520	4,177,775	3,752,266	7,149,200	11,098,495	10,923,641
884,715	757,758	733,579	729,685	768,147	565,738
2,894,047	4,792,747	7,236,213	7,252,145	8,157,086	5,260,046
2,248,780	1,959,793	2,348,015	2,667,218	3,012,331	2,845,129
4,703,324	4,805,924	4,917,272	5,813,773	6,562,417	4,317,708
1,569,743	646,524	480,843	320,397	668,197	534,636
62,584	85,603	173,433	120,471	256,777	439,636
1,278,258	998,428	829,047	966,239	1,859,886	1,982,306
72,763,277	77,679,707	84,374,406	90,204,897	97,331,847	78,830,149
20,237,260	19,931,337	21,107,648	15,024,627	16,956,498	13,016,965
12,573,279	11,017,187	11,667,511	13,458,787	12,811,345	7,165,479
-	-	-	-	-	250
9,584	8,220	(308,467)	2,676,246	(457,885)	1,353
<u>\$ 482,391,953</u>	<u>\$ 510,616,958</u>	<u>\$ 551,032,016</u>	<u>\$ 583,406,783</u>	<u>\$ 626,004,367</u>	<u>\$ 480,579,279</u>
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

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TABLE 14

CITY OF WEATHERFORD, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita ⁽¹⁾
	General Obligation Bonds	Certificates of Obligation	Tax Note	Capital Leases	Revenue Bonds	Tax Note	Term Loan	Capital Leases			
2007	\$ 11,450,000	\$ 55,920,000	\$ -	\$ 363,700	\$ 51,208,106	\$ -	\$ 125,506	\$ -	\$ 119,067,312	15.96%	\$ 4,763
2008	11,060,000	58,605,000	-	145,242	48,684,838	-	106,680	-	118,601,760	13.73%	4,570
2009	10,650,000	58,130,000	-	-	46,269,786	600,000	477,063	-	116,126,849	11.30%	4,357
2010	10,215,000	57,500,000	-	-	43,739,876	510,000	416,667	41,094	112,422,637	11.00%	4,156
2011	34,465,000	42,225,000	-	-	41,098,654	415,000	353,933	71,916	118,629,503	12.18%	4,698
2012	34,041,416	42,067,031	-	1,241,765	38,502,473	315,000	846,416	589,017	116,853,705	9.49%	4,431
2013	58,571,448	14,185,531	-	1,266,484	35,537,670	215,000	690,281	531,669	110,998,083	10.09%	4,199
2014	55,338,662	13,627,476	-	1,058,560	32,427,865	110,000	553,428	499,670	103,615,661	8.39%	3,846
2015	52,146,413	13,054,421	869,915	1,103,399	50,125,280	-	297,819	466,830	118,064,077	8.84%	4,252
2016	48,481,077	12,456,365	6,796,238	925,617	46,011,227	-	167,365	433,144	115,271,033	7.98%	4,011

⁽¹⁾Personal income and population data located on Table 18.

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

CITY OF WEATHERFORD, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding				Less: Amounts Available in Debt Service Fund ⁽²⁾	Net Bonded Debt
	General Obligation Bonds	Certificates of Obligation	Tax Note	Total		
2007	\$ 11,450,000	\$ 55,920,000	\$ -	\$ 67,370,000	\$ 1,563,613	\$ 65,806,387
2008	11,060,000	58,605,000	-	69,665,000	707,853	68,957,147
2009	10,650,000	58,130,000	-	68,780,000	751,802	68,028,198
2010	10,215,000	57,500,000	-	67,715,000	1,271,889	66,443,111
2011	34,465,000	42,225,000	-	76,690,000	1,857,403	74,832,597
2012	34,041,416	42,067,031	-	76,108,447	4,130,215	71,978,232
2013	58,571,448	14,185,531	-	72,756,979	5,068,393	67,688,586
2014	55,338,662	13,627,476	-	68,966,138	1,618,603	67,347,535
2015	52,146,413	13,054,421	869,915	66,070,749	2,069,856	64,000,893
2016	48,481,077	12,456,365	6,796,238	67,733,680	10,458,977	57,274,703

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

(1) Population data located on Table 18

(2) This is the amount restricted for debt service principal payments

TABLE 15

Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita ⁽¹⁾
\$ 1,397,938,730	4.71%	\$ 2,632
1,565,072,580	4.41%	2,657
1,737,804,630	3.91%	2,553
1,800,547,010	3.69%	2,456
1,805,701,168	4.14%	2,964
1,820,662,729	3.95%	2,730
1,854,429,100	3.65%	2,613
1,909,269,370	3.53%	2,500
1,949,012,777	3.28%	2,305
2,128,986,143	2.69%	1,993

CITY OF WEATHERFORD, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2016

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Aledo Independent School District	\$ 179,385,854	0.46%	\$ 825,175
Parker County	92,160	19.69%	18,146
Parker County Junior College District	10,538,060	19.78%	2,084,428
Peaster Independent School District	18,520,000	2.85%	527,820
Weatherford Independent School District	130,483,799	46.21%	60,296,564
Other debt			
Parker County Junior College, note payable	5,607,651	19.78%	<u>1,109,193</u>
Subtotal overlapping debt			64,861,326
City of Weatherford direct debt	68,594,105	100.00%	<u>68,594,105</u>
Total direct and overlapping debt			<u>\$ 133,455,431</u>

Note: The percentage of overlapping debt is estimated using the taxable assessed value and determining the portion of the other taxing entity's value that is within the City's boundaries.

Source: Representatives of taxing jurisdictions

CITY OF WEATHERFORD, TEXAS

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year	Utility System and Storm Water Utility Revenue Obligations					
	Gross Revenue ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	\$ 47,313,004	\$ 37,605,675	\$ 9,707,329	\$ 2,300,000	\$ 2,495,105	2.06%
2008	60,783,520	49,251,229	11,532,291	2,400,000	2,408,986	2.45%
2009	55,326,626	46,126,060	9,200,566	2,605,000	2,235,174	1.95%
2010	44,648,091	34,190,600	10,457,491	2,615,000	2,121,884	2.21%
2011	48,143,263	32,655,996	15,487,267	2,715,000	2,015,352	3.34%
2012	40,639,256	24,787,800	15,851,456	2,840,000	1,912,988	3.43%
2013	44,969,078	29,429,195	15,539,883	2,985,000	1,787,416	3.36%
2014	51,923,460	37,140,069	14,783,391	3,115,000	1,517,523	3.19%
2015	51,902,458	31,326,472	20,575,986	3,830,000	2,049,007	3.50%
2016	48,168,116	27,060,795	21,107,321	3,960,000	1,930,757	3.58%

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

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

Calendar Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Income ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2007	25,000	\$ 745,850,000	\$ 29,834	7,243	4.2%
2008	25,950	863,667,900	33,282	7,155	5.8%
2009	26,650	1,028,023,750	38,575	7,394	7.4%
2010	27,050	1,021,786,700	37,774	7,672	6.9%
2011	25,250	974,018,750	38,575	7,543	7.1%
2012	26,370	1,230,977,970	46,681	7,529	7.0%
2013	25,900	1,100,465,100	42,489	7,741	5.8%
2014	26,940	1,235,348,257	45,856	7,709	4.2%
2015	27,769	1,336,184,153	48,118	7,734	4.2%
2016	28,742	1,444,486,694	50,257 *	7,861	4.4%

Sources: (1) Bureau of Census and North Central Texas Council of Governments.
(2) Bureau of Economic Analysis. *Parker County
(3) Texas Education Agency
(4) Texas Workforce Commission

TABLE 19

CITY OF WEATHERFORD, TEXAS

PRINCIPAL EMPLOYERS

CURRENT AND NINE YEARS AGO

Employer	2016		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	977	1	7.97%
Weatherford Regional Medical Center	600	2	4.89%
City of Weatherford	404	3	3.30%
Wal-Mart	360	4	2.94%
Weatherford College	350	5	2.86%
C.D. Hartnett	210	6	1.71%
JAMAK, Inc.	170	7	1.39%
Lowe's Home Improvement	155	8	1.26%
Home Depot	136	9	1.11%
Target	102	10	0.83%
Total	3,464		28.26%

Employer	2007		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	929	1	8.42%
Weatherford Regional Medical Center	560	2	5.08%
Weatherford College	500	3	4.53%
Parker County	450	4	4.08%
Wal-Mart Stores, Inc.	447	5	4.05%
JAMAK, Inc.	380	6	3.45%
Compass Bank	360	7	3.26%
City of Weatherford	350	8	3.17%
C.D. Hartnett	268	9	2.43%
Petro	200	10	1.81%
The Home Depot	200	10	1.81%
Total	4,644		42.09%

Source: Weatherford Economic Development Authority

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TABLE 20

CITY OF WEATHERFORD, TEXAS
FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fulltime Equivalent Employees as of September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government	22	23	24	24	24	24	24	42	45	45
Public safety	124	128	130	130	132	138	137	139	135	138
Public works	18	20	22	22	23	26	27	29	30	31
Planning and development	16	16	10	10	10	9	10	-	-	-
Community development	9	9	24	24	23	21	23	-	-	-
Health and welfare								15	17	18
Cultural and recreational	52	55	50	51	52	56	56	55	54	54
Electric	54	55	54	54	55	55	55	34	36	35
Water	27	25	28	28	28	28	28	28	28	29
Wastewater	15	16	16	16	16	16	16	26	26	27
Sanitation	13	15	19	19	19	19	17	20	20	20
Total	<u>350</u>	<u>362</u>	<u>377</u>	<u>378</u>	<u>382</u>	<u>392</u>	<u>393</u>	<u>387</u>	<u>391</u>	<u>396</u>

Source: City's Human Resource Department

CITY OF WEATHERFORD, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2007	2008	2009	2010
Public safety				
Police				
Police personnel and officers	75	79	77	76
Arrests	1,512	1,597	1,604	1,591
Violations other than parking	10,160	10,078	7,823	6,855
Parking violations	281	231	114	88
Fire				
Paid fire personnel and officers	43	52	51	51
Calls answered	3,505	3,167	3,897	3,985
Planning and development				
New construction permits issued	289	341	143	120
Cultural and recreation				
Library holdings	90,745	97,232	98,596	98,241
Electric				
Service connections	12,823	13,166	13,297	13,418
Total system peak demand (KW)	81,859	82,317	83,385	90,289
Annual kilo-watt hour sales (KWH)	334,246,819	354,818,755	341,457,244	365,673,529
Water				
Service connections	10,108	10,418	10,507	10,604
Daily average consumption (thousands of gallons)	3,091	3,555	3,494	3,072
Annual water sales (thousands of gallons)	1,128,377	1,297,535	1,275,433	1,121,197
Wastewater				
Service connections	9,254	9,902	(2) 9,660	(2) 9,769
Daily average consumption (thousands of gallons)	2,223	2,079	1,936	2,261
Sanitation				
Refuse collected (tons)	9,130	9,189	8,780	8,951
Brush pickups (tons)	509	2,459	1,832	1,601
Special pickups (tons)	1,541	(1)	(1)	(1)

(1) The City of Weatherford Sanitation has combined the brush pickups and special pickups as of FY 2007/2008.

(2) The City of Weatherford has combined grinder pumps and sewage as one connection as of FY 2008/2009.

Source: Various City Departments

TABLE 21

Fiscal Year						
2011	2012	2013	2014	2015	2016	
80	80	80	78	78	76	
1,104	957	1,132	1,302	1,404	1,793	
6,628	4,455	5,691	4,488	4,675	3,948	
71	87	133	57	89	94	
55	58	66	56	56	59	
4,142	4,360	4,505	5,201	4,660	5,239	
186	116	211	220	204	211	
102,847	101,404	104,834	104,834	103,028	100,809	
13,560	13,767	13,953	14,115	14,161	14,292	
96,681	92,466	94,161	96,681	94,249	96,067	
381,826,440	371,081,397	371,982,863	389,421,402	386,452,762	387,044,014	
10,722	10,845	11,084	11,138	11,350	11,497	
3,884	3,649	3,493	3,277	3,058	3,328	
1,417,482	1,331,738	1,227,698	1,179,691	1,116,010	1,214,712	
(2) 9,881	(2) 9,994	10,201	10,251	10,481	10,761	
2,133	2,242	2,115	2,148	2,195	2,357	
8,789	8,881	9,239	9,565	10,218	10,242	
1,936	1,882	1,792	1,612	1,605	2,330	
(1)	(1)	(1)	(1)	(1)	(1)	

CITY OF WEATHERFORD, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	21	22	22	22	22	22	22	22	23	26
Fire										
Fire stations	3	4	4	4	4	4	4	4	3	3
Fire trucks	12	14	16	17	18	18	18	18	17	17
Fire boat	-	-	-	-	-	-	-	-	1	1
Cultural and recreation										
Parks and recreation										
Community centers	2	2	2	2	2	2	2	2	2	3
Parks	10	10	10	10	10	10	10	10	10	26
Park acreage	300	300	300	300	301	301	301	301	301	501
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	3	3	3	3	3	3	3	3	3	7
Soccer fields	8	8	8	8	8	8	8	8	8	11
Softball/baseball fields	7	10	10	13	11	11	12	12	12	12
Multipurpose fields and courts	8	9	9	9	7	7	3	3	3	5
Electric										
Miles of distribution lines	302	304	313	316	326	326	326	342	342	346
Water										
Miles of water mains	236	241	249	254	266	272	272	268	275	274
Number of fire hydrants	1,170	1,213	1,244	1,320	1,342	1,355	1,384	1,447	1,450	1,509
Maximum daily capacity of plant (thousands of gallons)	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Total water storage capacity (thousands of gallons)	7,100	7,100	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Wastewater										
Miles of sanitary sewers	182	187	192	195	202	207	233	233	208	208
Permitted daily capacity of plant (thousands of gallons)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500

Source: Various City Departments