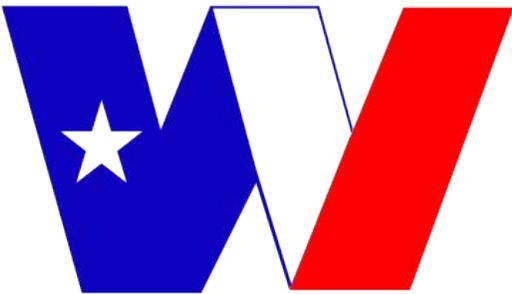


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**CITY OF  
WEATHERFORD**

**TEXAS**



**MUNICIPAL UTILITY SYSTEM  
ANNUAL FINANCIAL REPORT**

For The Year Ended  
September 30, 2016

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

**ANNUAL FINANCIAL REPORT**

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

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

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# **INTRODUCTORY SECTION**

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## MESSAGE FROM THE CITY MANAGER

During the fiscal year ended September 30, 2016, the Weatherford Municipal Utility System continued to experience moderate customer growth in the residential sector, with minor growth in the commercial sector.

From September 2015 to September 2016, the Electric Department saw a service connection increase of approximately 407 customers, or 2.7%. The majority of the customer base increase came from residential development and an increase in security lights, as connections in these two areas increased by 3.5% and 16.6%, respectively. Customer kWh sales held at a 0.4% decrease from the previous fiscal year, going from 388.5 million to 386.8 million.

The Electric Department completed the construction of the following new infrastructure in 2015-2016: 12 commercial projects, 1 commercial subdivision, and 3 residential subdivisions. Also, a new electrical substation was constructed to provide capacity for the continued load growth in the western area of our service territory. Other system improvements of existing circuits as well as the construction of new circuits were continued to more efficiently utilize substation capacity and to build redundancy into the system. Lastly, the advanced metering system deployment that started in March of 2015 is now sixty percent installed and is still on target for completion by March 2018.

In an effort to diversify wholesale power suppliers and the percentage of Weatherford Electric's load to be bid in the market in any given year, Weatherford Electric has entered into three wholesale power supply agreements with three different wholesale power suppliers: Garland Power and Light, Bryan Texas Utilities, and EDF Trading North America. Each supplier supplies one-third of Weatherford Electric's power needs for differing contract term lengths: Garland Power and Light for five years, Bryan Texas Utilities for three years, and EDF Trading North America for four years.

The Water Department saw an overall service connection increase of approximately 232 connections, or 2.1%. Most this growth was in the residential customer base, which grew approximately 2.3%. Due to a drier and hotter summer the annual volume of water sales increase by about 8.8% for fiscal year 2015-2016.

During fiscal year 2015-2016, the water maintenance crews installed 256 new water meters, 15 new water taps and 3 new water valves. They replaced 10 fire hydrants, 177 meter boxes and 3,060 water meters. The crews repaired 272 meters, 8 water valves, 22 water services, 55 water mains and 20 fire hydrants. In addition, the water crews replaced a total 4,920 feet of water lines and installed 1,140 feet of new water lines throughout the city. Areas where water lines were replaced or installed included; Heritage Park, 600 block of N. Alamo, Mockingbird round-a-bout, Ric Williamson Memorial Highway, 1200 block of Mineola, 1100 block of N. Duke, 300 block of W. Weatherford and 700 block of W. Courts.

In the wastewater collection system, the wastewater maintenance crews repaired 27 wastewater services and 38 wastewater main breaks. Crews also jetted 476,300 feet of wastewater lines, inspected 88,837 feet of wastewater line and 72 services and smoke tested 66,690 feet of wastewater line. The crews responded to 137 stop-ups, 111 grinder pump malfunctions and 194 call-outs to lift stations. The in-house water/wastewater crews replaced over 2,758 feet of sewer mains and 3 manholes and

repaired 17 manholes. SCADA panels at 16 various lift stations were also upgraded. Some of these projects occurred in the 1200 block of Mineola, 400 and 500 blocks of East First, 1000 and 1100 blocks of Duke and 300 block of W. Weatherford.

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

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

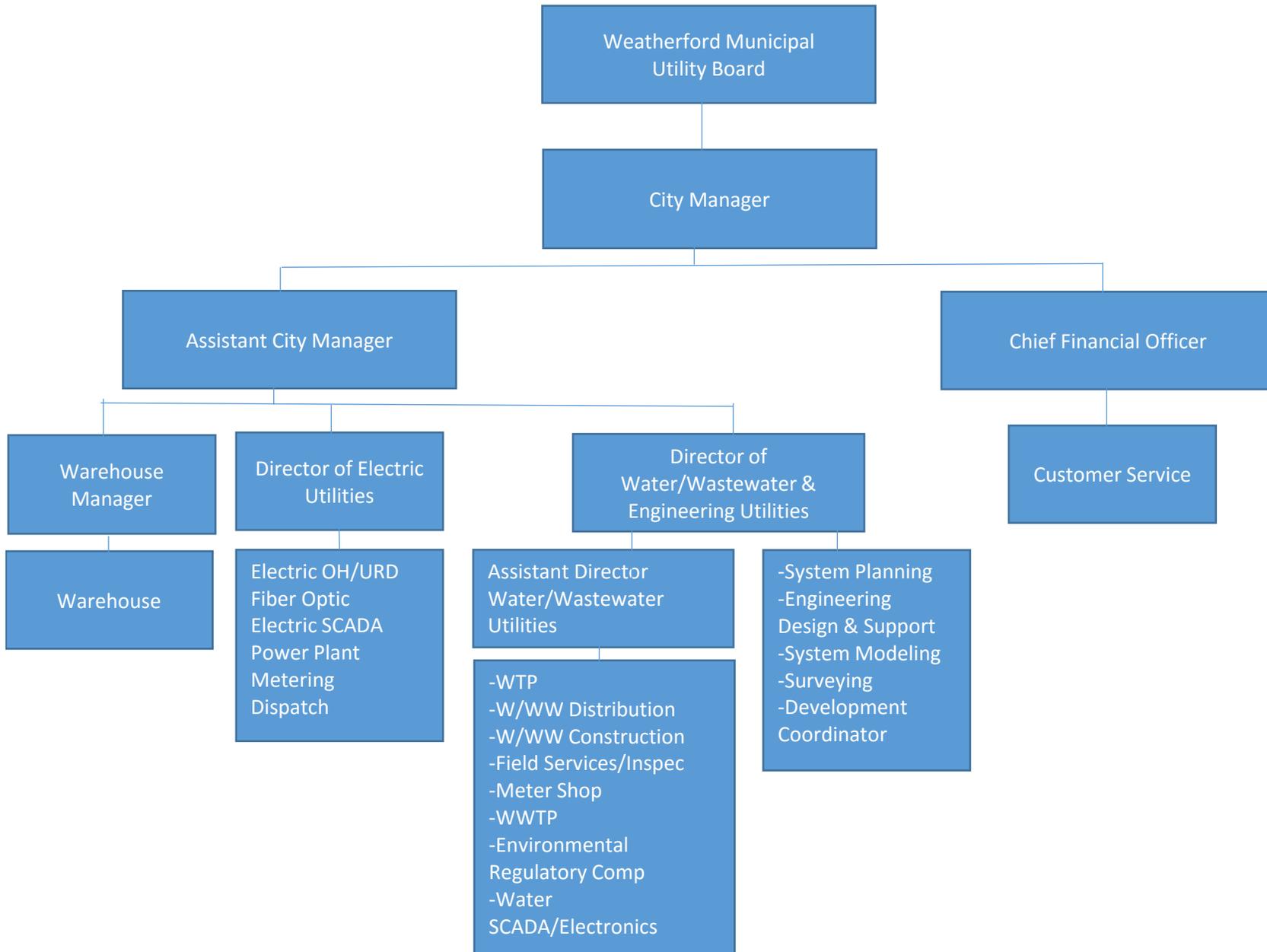
Likewise, the dedication of the Weatherford Municipal Utility Board of Trustees has also paid many dividends for the citizens of Weatherford and the Utility's ratepayers. This unselfish dedication of time and effort to make sure the Utility System, under their direction, is operated with foresight and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

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



Sharon Hayes  
City Manager

# ORGANIZATIONAL CHART WEATHERFORD MUNICIPAL UTILITIES



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

**PRINCIPAL OFFICIALS**

**YEAR ENDED  
SEPTEMBER 30, 2016**

**ELECTED  
CITY COUNCIL**

Craig Swancy – Mayor  
Jeff Robinson – Mayor Pro-Tem  
Dale Fleeger – Council Member  
Kevin Cleveland – Council Member  
Heidi Wilder – Council Member

**APPOINTED/DESIGNATED  
MUNICIPAL UTILITY BOARD**

Craig Swancy – Mayor – Chairman  
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

**SENIOR STAFF**

Sharon Hayes – City Manager  
James Hotopp – Assistant City Manager  
Brad Burnett – Chief Financial Officer

**ADVISORY/CONSULTATION**

Malinda Nowell – City Secretary  
Zellers & Zellers – City Attorney

**OPERATIONS STAFF**

Joe Farley – Director of Utilities - Electric  
Rick Shaffer – Director of Utilities – Engineering, Water & Wastewater

# **FINANCIAL SECTION**

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

## INDEPENDENT AUDITORS' REPORT

To the Municipal Utility System Board  
City of Weatherford, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the Municipal Utility System Enterprise Fund of the City of Weatherford, Texas, as of and for the years ended September 30, 2016 and 2015, as listed in the table of contents.

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

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

### *Auditors' Responsibility*

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Municipal Utility System of the City of Weatherford, Texas, as of September 30, 2016 and 2015, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Change in Accounting Principle***

As discussed in Note I to the financial statements, in 2016 the Municipal Utility System 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.

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Municipal Utility System of the City of Weatherford, Texas, and do not purport to, and do not, present fairly the financial position of the City of Weatherford, Texas, as of September 30, 2016 and 2015, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the OPEB schedule of funding progress and pension information on pages 32 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Municipal Utility System Enterprise Fund of the City of Weatherford, Texas' financial statements as a whole. The introductory, capital assets, statistical, capital project, and budget sections are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

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

Waco, Texas  
February 21, 2017

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# **FINANCIAL STATEMENTS**

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

**COMPARATIVE STATEMENTS OF NET POSITION**

**SEPTEMBER 30, 2016 AND 2015**

	2016	2015
<b>ASSETS</b>		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 31,943,260	\$ 19,966,730
Investments	5,578,479	17,946,115
Receivables:		
Accounts, net of allowances for uncollectible of \$52,573 and \$55,863 for 2016 and 2015 respectively	2,746,469	2,955,702
Earned but unbilled customer accounts	2,846,174	3,106,818
Other	53,341	124,839
Inventory	3,222,182	3,571,590
Prepaid items	192,378	139,264
Restricted assets:		
Cash and cash equivalents		
Revenue bond debt service	863,394	852,640
Revenue bond reserve	3,182,808	1,137,333
Construction	3,278,819	4,270,268
Investments:		
Revenue bond reserve	-	2,015,672
Rate stabilization	2,654,700	4,480,625
Accrued interest	1,691	24,725
Total current assets	<u>56,563,695</u>	<u>60,592,321</u>
Noncurrent assets:		
Capital assets:		
Nondepreciable	12,180,308	7,779,017
Depreciable, net of accumulated depreciation	<u>118,695,388</u>	<u>114,936,260</u>
Total noncurrent assets	<u>130,875,696</u>	<u>122,715,277</u>
Total assets	<u>187,439,391</u>	<u>183,307,598</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	862,113	915,157
Deferred outflow related to pensions	<u>1,831,134</u>	<u>617,646</u>
Total deferred outflows of resources	<u>2,693,247</u>	<u>1,532,803</u>

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

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

**COMPARATIVE STATEMENTS OF NET POSITION**

**SEPTEMBER 30, 2016 AND 2015**

	2016	2015
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 2,974,655	\$ 4,102,075
Accrued wages	38,981	28,374
Retainage payable	54,774	310,709
Accrued interest	12,300	14,158
Unearned revenue	232,649	-
Customer deposits	1,461,385	1,395,589
Notes payable	93,479	130,455
Capital lease	34,556	33,686
Revenue bonds	3,703,389	3,350,417
Compensated absences	170,304	147,376
Payable from restricted assets:		
Accrued interest	156,603	166,152
Revenue bonds payable	314,583	304,583
Total current liabilities	9,247,658	9,983,574
Noncurrent liabilities:		
Notes payable	73,886	167,364
Capital lease	398,588	433,144
Revenue bonds	40,133,255	44,435,280
Compensated absences	803,053	881,407
Net pension liability	3,352,193	1,942,541
Net OPEB obligation	1,342,379	1,168,795
Total noncurrent liabilities	46,103,354	49,028,531
Total liabilities	55,351,012	59,012,105
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflow related to pensions	315,217	312,929
Total deferred inflows of resources	315,217	312,929
<b>NET POSITION</b>		
Net investment in capital assets	99,409,326	92,494,928
Restricted for:		
Construction	13,834,699	2,041,192
Debt service	3,575,016	3,543,175
Rate stabilization	2,654,700	4,480,625
Unrestricted	14,992,668	22,955,447
Total net position	\$ 134,466,409	\$ 125,515,367

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

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

**FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

	2016	2015
<b>OPERATING REVENUES</b>		
Electric sales	\$ 27,163,416	\$ 34,238,896
Electric services	467,707	515,627
Water sales	13,055,526	10,904,004
Water services	134,963	61,488
Wastewater services	5,830,166	4,966,878
Other	8,997	31,858
Total operating revenues	46,660,775	50,718,751
<b>OPERATING EXPENSES</b>		
Personnel services	5,603,857	5,247,028
Contractual services	3,227,921	3,994,748
Purchased power	16,393,221	20,160,140
Materials and supplies	1,818,310	1,793,288
Depreciation	5,238,384	5,030,776
Total operating expenses	32,281,693	36,225,980
<b>OPERATING INCOME</b>	14,379,082	14,492,771
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment earnings	250,320	330,710
Rentals	1,113,230	1,106,522
Gain (loss) on sale of assets	57,828	140,977
Interest and other charges	( 1,674,561)	( 1,470,661)
Total nonoperating revenues (expenses)	( 253,183)	107,548
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	14,125,899	14,600,319
Capital contributions	2,115,293	2,074,760
Transfers in	40,456	30,634
Transfers out	( 6,920,114)	( 6,683,854)
<b>NET CHANGE IN NET POSITION</b>	9,361,534	10,021,859
<b>NET POSITION, BEGINNING, RESTATED</b>	125,104,875	115,493,508
<b>NET POSITION, ENDING</b>	\$ 134,466,409	\$ 125,515,367

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

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

**COMPARATIVE STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 47,090,103	\$ 50,323,680
Cash paid to employees for services	( 5,276,640)	( 5,289,073)
Cash paid to suppliers for goods and services	( 22,270,578)	( 26,030,938)
Net cash provided by operating activities	19,542,885	19,003,669
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash received from rentals	1,113,230	1,106,522
Transfers from other funds	40,456	30,634
Transfers to other funds	( 6,920,114)	( 6,683,854)
Net cash used by noncapital financing activities	( 5,766,428)	( 5,546,698)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from disposal of capital assets	57,828	140,977
Proceeds from debt issuance	-	19,244,563
Proceeds from developers for contributions in aid of construction	1,429,265	1,411,502
Principal payments on long-term debt	( 3,819,141)	( 4,173,449)
Acquisition and construction of capital assets	( 12,968,710)	( 8,986,483)
Interest and other charges on debt	( 1,916,976)	( 2,058,531)
Net cash provided (used) by capital and related financing activities	( 17,217,734)	5,578,579
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	523,674	649,121
Purchase of investments	-	( 10,206,694)
Sale of investments	15,958,913	-
Net cash used by investing activities	16,482,587	( 9,557,573)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	13,041,310	9,477,977
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	26,226,971	16,748,994
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	39,268,281	26,226,971
<b>RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS</b>		
Current assets - cash and cash equivalents	31,943,260	19,966,730
Restricted assets - cash and cash equivalents	7,325,021	6,260,241
Total cash and cash equivalents	\$ 39,268,281	\$ 26,226,971

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

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

**COMPARATIVE STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

	2016	2015
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating income	\$ 14,379,082	\$ 14,492,771
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	5,238,384	5,030,776
Decrease (increase) in accounts receivable	280,731	( 44,209)
Decrease (increase) in earned but unbilled customer accounts	260,644	( 273,676)
Decrease (increase) in inventory	349,408	( 193,426)
Decrease (increase) in prepaid items	( 53,114)	9,812
Decrease (increase) in deferred outflows - pensions	( 1,213,488)	( 147,309)
Increase (decrease) in accounts payable	( 1,127,420)	100,852
Increase (decrease) in accrued wages payable	10,607	( 19,226)
Increase (decrease) in unearned revenue	( 177,843)	( 2,083)
Increase (decrease) in customer deposits	65,796	( 75,103)
Increase (decrease) in compensated absences	( 55,426)	( 64,932)
Increase (decrease) in deferred inflows - pensions	2,288	312,929
Increase (decrease) in net pension liability	1,409,652	( 290,386)
Increase (decrease) in net OPEB obligation	173,584	166,879
Net cash provided by operating activities	\$ 19,542,885	\$ 19,003,669
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>		
Contributions of capital assets	\$ 686,028	\$ 663,258
Change in fair value of investments	250,320	330,710
Proceeds from refunding debt issued and deposited with escrow agent for the defeasance of debt	-	27,200,132

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

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2016**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

**B. Fund Accounting**

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

**C. Basis of Accounting**

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

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

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

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

#### **D. Cash, Cash Equivalents and Investments**

Investments for the Utility System are reported at fair value, except for the position in investment pools. The Utility System'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 of the City, including the Utility System's funds. Each fund's portion of this pool is allocated to each fund of the City, and the Utility System's cash and investments are displayed on the statement of net position as cash and investments or restricted cash and investments.

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

#### **E. Restricted Assets**

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

#### **F. Inventory**

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

## **G. Capital Assets**

Property, plant and equipment are recorded at cost, or, if contributed property, acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets.

Estimated useful lives are as follows:

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

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

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

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

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

## **I. Long-term Obligations**

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

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

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

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.
- 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 will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Utility System has one type of item that qualifies for reporting in this category.

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

#### **K. Net Position**

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

#### **L. Use of Estimates**

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

#### **M. Concentration of Credit Risk**

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

## **N. Reclassifications**

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

## **O. Prior Period Adjustment**

The 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.

## **II. DETAILED NOTES ON ALL FUNDS**

### **A. Deposits and Investments**

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

*Credit Risk:* The Utility System has no formal policy addressing credit risk. However, safety of principal is the primary objective of the Utility System's investment policy. In accordance with this objective, the Utility System limits its investments to those that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2016, the Utility System's investment in TexPool, TexStar, and Texas Class were rated AAAM by Standard & Poor's and the U. S. Government Securities were rated AAA by Moody.

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

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

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

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

In fiscal year 2016, the Utility System 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 Utility System 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 Utility System include documented trade history in exact security, present value of expected future cash flow model and option-adjusted discounted cash flow model.

The Utility System's investments as of September 30, 2016 and 2015, are shown below.

**As of September 30, 2016:**

Description	Maturity Date	Fair Value Measurements Used	Reported Value	% of Total	Weighted Average Maturity (Days)
Local Government Investment					
Pools (2a-7 like pools):					
TexPool	N/A	N/A	\$ 1,971,950	4.75%	44
TexStar	N/A	N/A	6,755,457	16.26%	43
Texas Class	N/A	N/A	<u>24,590,240</u>	<u>59.18%</u>	71
Total			<u>33,317,647</u>		
Municipal Securities:					
Altoona WI	12/1/16	Level 2	370,740	0.89%	1
Altoona WI	12/1/17	Level 2	589,135	1.42%	6
Altoona WI	12/18/18	Level 2	<u>302,484</u>	<u>0.73%</u>	6
Total			<u>1,262,359</u>		
U.S. Government Securities:					
Federal Home Loan Bank	12/9/16	Level 1	701,087	1.69%	1
Federal Home Loan Bank	1/30/17	Level 2	696,696	1.68%	2
Fannie Mae	1/30/17	Level 1	1,002,596	2.41%	3
Federal Home Loan Bank	6/28/19	Level 2	995,505	2.40%	24
Fannie Mae	8/24/20	Level 2	1,788,158	4.30%	61
Federal Home Loan Bank	7/14/21	Level 1	<u>1,786,777</u>	<u>4.30%</u>	75
Total			<u>6,970,819</u>		
Total investments			<u>\$ 41,550,825</u>	<u>100.00%</u>	

**As of September 30, 2015:**

Description	Maturity Date	Reported Value	% of Total	Weighted Average Maturity (Days)
Local Government Investment				
Pools (2a-7 like pools):				
TexPool	10/01/15	\$ 552,727	1.18%	40
TexStar	10/01/15	3,501,875	7.47%	83
Texas Class	10/01/15	<u>16,349,875</u>	<u>34.89%</u>	60
Total		<u>20,404,477</u>		
Municipal Securities:				
Altoona WI	12/1/16	376,989	0.80%	3
Altoona WI	12/1/17	594,842	1.27%	10
Altoona WI	12/18/18	<u>303,953</u>	<u>0.65%</u>	8
Total		<u>1,275,784</u>		
U.S. Government Securities:				
Federal Home Loan Bank	3/11/16	4,013,912	8.57%	14
Federal Home Loan Bank	3/22/16	500,269	1.07%	2
Fannie Mae	3/30/16	4,005,144	8.55%	16
Federal Home Loan Bank	9/28/16	1,501,143	3.20%	12
Federal Home Loan Bank	12/9/16	731,891	1.56%	7
Federal Home Loan Bank	1/30/17	701,482	1.50%	7
Fannie Mae	1/30/17	1,009,549	2.15%	11
Fannie Mae	9/26/18	3,023,508	6.45%	70
Fannie Mae	9/26/18	1,284,659	2.74%	30
Fannie Mae	9/26/18	4,399,087	9.39%	103
Federal Home Loan Bank	1/22/19	2,005,606	4.28%	52
Federal Home Loan Bank	4/17/20	<u>2,001,016</u>	<u>4.27%</u>	71
Total		<u>25,177,266</u>		
Total investments		<u>\$ 46,857,527</u>	<u>100.00%</u>	

**B. Interfund Transfers**

Transfers of resources during 2016 and 2015 occurred between the Utility System and other funds of the City as follows:

**2016:**

Transfers In	Transfers Out	Amount
City's General Fund	Utility System	\$ 6,920,114
Utility System	Solid Waste Fund	<u>40,456</u>
Total Transfers		<u>\$ 6,960,570</u>

**2015:**

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

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

## C. Capital Assets

Capital asset activity for the years ended September 30, 2016 and 2015, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
<b>September 30, 2016</b>				
Capital assets, not being depreciated:				
Land	\$ 2,589,839	\$ 10,363	\$ -	\$ 2,600,202
Construction in progress	<u>5,189,178</u>	<u>6,190,098</u>	<u>( 1,799,170)</u>	<u>9,580,106</u>
Total assets not being depreciated	<u>7,779,017</u>	<u>6,200,461</u>	<u>( 1,799,170)</u>	<u>12,180,308</u>
Capital assets, being depreciated:				
Buildings and improvements	19,096,576	86,766	( 9,507)	19,173,835
Other improvements	160,874,465	6,812,227	1,799,170	169,485,862
Machinery and equipment	<u>7,641,590</u>	<u>299,354</u>	<u>( 172,576)</u>	<u>7,768,368</u>
Total capital assets being depreciated	<u>187,612,631</u>	<u>7,198,347</u>	<u>1,617,087</u>	<u>196,428,065</u>
Less accumulated depreciation:				
Buildings and improvements	( 9,664,652)	( 446,614)	9,507	( 10,101,759)
Other improvements	( 58,272,715)	( 4,217,394)	-	( 62,490,109)
Machinery and equipment	<u>( 4,739,004)</u>	<u>( 574,381)</u>	<u>172,576</u>	<u>( 5,140,809)</u>
Total accumulated depreciation	<u>( 72,676,371)</u>	<u>( 5,238,389)</u>	<u>182,083</u>	<u>( 77,732,677)</u>
Total capital assets being depreciated, net	<u>114,936,260</u>	<u>1,959,958</u>	<u>1,799,170</u>	<u>118,695,388</u>
Municipal Utility capital assets, net	<u>\$ 122,715,277</u>	<u>\$ 8,160,419</u>	<u>\$ -</u>	<u>\$ 130,875,696</u>
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
<b>September 30, 2015</b>				
Capital assets, not being depreciated:				
Land	\$ 2,540,233	\$ 49,606	\$ -	\$ 2,589,839
Construction in progress	<u>3,436,970</u>	<u>3,971,895</u>	<u>( 2,219,687)</u>	<u>5,189,178</u>
Total assets not being depreciated	<u>5,977,203</u>	<u>4,021,501</u>	<u>( 2,219,687)</u>	<u>7,779,017</u>
Capital assets, being depreciated:				
Buildings and improvements	19,106,576	-	( 10,000)	19,096,576
Other improvements	154,278,264	7,142,756	( 546,555)	160,874,465
Machinery and equipment	<u>6,865,750</u>	<u>1,116,372</u>	<u>( 340,532)</u>	<u>7,641,590</u>
Total capital assets being depreciated	<u>180,250,590</u>	<u>8,259,128</u>	<u>( 897,087)</u>	<u>187,612,631</u>
Less accumulated depreciation:				
Buildings and improvements	( 9,223,777)	( 450,875)	10,000	( 9,664,652)
Other improvements	( 54,685,309)	( 3,995,754)	408,348	( 58,272,715)
Machinery and equipment	<u>( 4,491,109)</u>	<u>( 584,146)</u>	<u>336,251</u>	<u>( 4,739,004)</u>
Total accumulated depreciation	<u>( 68,400,195)</u>	<u>( 5,030,775)</u>	<u>754,599</u>	<u>( 72,676,371)</u>
Total capital assets being depreciated, net	<u>111,850,395</u>	<u>3,228,353</u>	<u>( 142,488)</u>	<u>114,936,260</u>
Municipal Utility capital assets, net	<u>\$ 117,827,598</u>	<u>\$ 7,249,854</u>	<u>\$( 2,362,175)</u>	<u>\$ 122,715,277</u>

## D. Long-term Liabilities

Long-term liability activity for the years ended September 30, 2016 and 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>September 30, 2016</b>					
Bonds payable:					
Revenue bonds	\$ 43,210,000	\$ -	\$ 3,655,000	\$ 39,555,000	\$ 3,775,000
Issuance premium/discount	<u>4,880,280</u>	<u>-</u>	<u>284,053</u>	<u>4,596,227</u>	<u>284,053</u>
Total bonds payable	<u>48,090,280</u>	<u>-</u>	<u>3,939,053</u>	<u>44,151,227</u>	<u>4,059,053</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	1,168,795	255,258	81,674	1,342,379	-
Net pension liability	1,942,541	2,009,905	600,253	3,352,193	-
Compensated absences	<u>1,028,783</u>	<u>419,380</u>	<u>474,806</u>	<u>973,357</u>	<u>170,304</u>
Municipal Utility long-term liabilities	<u>\$ 52,995,048</u>	<u>\$ 2,684,543</u>	<u>\$ 5,259,926</u>	<u>\$ 50,419,665</u>	<u>\$ 4,357,392</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>September 30, 2015</b>					
Bonds payable:					
Revenue bonds	\$ 31,600,000	\$ 41,565,000	\$ 29,955,000	\$ 43,210,000	\$ 3,655,000
Issuance premium/discount	<u>827,865</u>	<u>4,879,695</u>	<u>827,280</u>	<u>4,880,280</u>	<u>81,576</u>
Total bonds payable	<u>32,427,865</u>	<u>46,444,695</u>	<u>30,782,280</u>	<u>48,090,280</u>	<u>3,736,576</u>
Tax note	110,000	-	110,000	-	-
State infrastructure loans	553,428	-	255,609	297,819	130,455
Capital lease obligation	499,670	-	32,840	466,830	33,686
Net OPEB obligation	1,001,916	238,337	71,458	1,168,795	-
Net pension liability	479,593	2,250,765	787,817	1,942,541	-
Compensated absences	<u>1,093,715</u>	<u>348,322</u>	<u>413,254</u>	<u>1,028,783</u>	<u>147,376</u>
Municipal Utility long-term liabilities	<u>\$ 36,166,187</u>	<u>\$ 49,282,119</u>	<u>\$ 32,453,258</u>	<u>\$ 52,995,048</u>	<u>\$ 4,048,093</u>

The Utility System had capitalized interest expense of \$102,722 and \$0, on various construction projects in progress during fiscal year 2016 and 2015, respectively.

Bonds payable at September 30, 2016 and 2015, consist of the following individual issues:

	<u>2016</u>	<u>2015</u>
\$20,000,000 2006 Utility System Improvement Bonds, due in annual installments through September 1, 2026, 4.00% - 5.125%.	\$ -	\$ 160,000
\$6,575,000 2008 Utility System Refunding Bonds, due in annual installments through September 1, 2018, 3.46%.	1,380,000	2,035,000
\$41,565,000 2015 Utility System Refunding Bonds, due in annual installments through September 1, 2035, 2.00% - 5.00%.	<u>38,175,000</u>	<u>41,015,000</u>
	<u>\$ 39,555,000</u>	<u>\$ 43,210,000</u>

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,775,000	\$ 963,492	\$ 4,738,492
2018	3,925,000	878,064	4,803,064
2019	2,675,000	773,219	3,448,219
2020	2,805,000	706,344	3,511,344
2021	2,950,000	636,219	3,586,219
2022-2026	13,650,000	2,123,219	15,773,219
2027-2031	4,940,000	938,350	5,878,350
2032-2036	<u>4,835,000</u>	<u>309,625</u>	<u>5,144,625</u>
Total	<u>\$ 39,555,000</u>	<u>\$ 7,328,532</u>	<u>\$ 46,883,532</u>

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

Below is a summary of the various restricted asset accounts required by the bond ordinances along with the actual cash reserved as of September 30, 2016 and 2015.

	<u>2016</u>		<u>2015</u>	
	<u>Required</u>	<u>Actual</u>	<u>Required</u>	<u>Actual</u>
Reserve fund	\$ 3,067,616	\$ 3,182,808	\$ 3,067,616	\$ 3,161,270
Bond fund	471,186	863,394	470,735	852,640

The following is a summary of notes payable as of September 30, 2016 and 2015:

Description and Terms	2016	2015
Texas Department of Transportation:		
March 2009, the City received a State Infrastructure Bank Loan in the amount of \$320,000, payable in 10 annual installments of \$39,061, including interest at 3.8%, to fund utility relocations in connection with replacement of two bridges over railroad tracks on US 180.	\$ 108,811	\$ 142,459
Texas Department of Transportation:		
February 2012, the City received a State Infrastructure Bank Loan in the amount of \$650,000. Payable in five annual installments of \$101,034, including interest at 2.45% For sewer line relocation along FM 51/SH 171.	<u>58,554</u>	<u>155,360</u>
	<u>\$ 167,365</u>	<u>\$ 297,819</u>

### Defeased Debt Outstanding

In prior years, the Utility System 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 Utility System's financial statements. As of September 30, 2016, the Utility System does not have any bonds considered defeased.

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

Fiscal Year	Principal	Interest	Total
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>
Total	<u>\$ 167,365</u>	<u>\$ 9,090</u>	<u>\$ 176,455</u>

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

The annual debt payment requirements for the capital leases as of September 30, 2016, are as follows:

Fiscal Year	Capital Lease
2017	\$ 45,731
2018	45,731
2019	45,731
2020	45,731
2021	45,731
2022-2026	228,653
2027-2031	45,731
Total minimum lease payments	503,039
Less: amount representing interest	( 69,895)
Present value of minimum lease payments	<u>\$ 433,144</u>

### III. OTHER INFORMATION

#### A. Retirement Plan

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

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

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

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

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

A summary of plan provisions are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, 10 years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	70% of CPI repeating

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

Employees for the government were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the government were 13.79% and 13.03% in calendar years 2015 and 2016, respectively. The Utility System's contributions to TMRS for the year ended September 30, 2016, were \$616,651 and were equal to the required contributions.

Actuarial assumptions:

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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, 2014. These assumptions were first used in the December 31, 2014 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 is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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	5.0%	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.

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:

	<u>1% Decrease in in Discount Rate (5.75%)</u>	<u>Discount Rate (6.75%)</u>	<u>1% Increase in in Discount Rate (7.75%)</u>
Utility System's proportionate share of the net pension liability	\$ 6,750,275	\$ 3,352,193	\$ 571,540

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

At September 30, 2016, the Utility System reported a liability of \$3,352,193 of its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Utility System’s proportion of the net pension liability was based on the Utility System’s contributions to the pension plan relative to the contributions of all employers (the City and Utility System) to the plan for the period January 1, 2015 through December 31, 2015. At December 31, 2015, the Utility System’s proportion was 22.44%.

For the year ended September 30, 2016, the Utility System recognized pension expense of \$810,674. At September 30, 2016, the Utility System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 315,217
Changes in actuarial assumptions	169,135	-
Difference between projected and actual investment earnings	1,213,529	-
Contributions subsequent to the measurement date	<u>448,469</u>	<u>-</u>
Totals	<u>\$ 1,831,134</u>	<u>\$ 315,217</u>

\$448,469 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:

<u>For the Year Ended September 30,</u>	
2017	\$ 262,402
2018	262,402
2019	262,402
2020	278,426
2021	1,815

**B. Other Postemployment Benefits**

**Retiree Health Plan**

Plan Description

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

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

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

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

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

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

## Funding Policy

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB Statement No. 45. The ARC represents an amount that is projected to recognize the normal cost each year and the amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008, as required by GASB. The City's annual OPEB cost for the fiscal years ending September 30, 2016 and 2015, are as follows:

	<u>2016</u>	<u>2015</u>
Annual required contribution	\$ 992,245	\$ 963,345
Interest on OPEB obligation	199,818	169,073
Adjustment to ARC	<u>( 185,129)</u>	<u>( 156,645)</u>
Annual OPEB cost (expense) end of year	1,006,934	975,773
Net estimated employer contributions	<u>( 322,237)</u>	<u>( 292,556)</u>
Increase in net OPEB obligation	684,697	683,217
Net OPEB obligation - as of beginning of the year	<u>4,440,403</u>	<u>3,757,186</u>
Net OPEB obligation - as of end of the year	<u>\$ 5,125,100</u>	<u>\$ 4,440,403</u>

The Utility System's portion of the net OPEB obligation was \$1,342,366 and \$1,168,795 as of September 30, 2016 and 2015, respectively.

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation End of Year</u>
9/30/2014	\$ 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:

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

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2014	\$ -	\$ 11,915,747	\$ 11,915,747	- %	\$ 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. A schedule of funding progress presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The funded status as of December 31, 2014 is the most recent actuarial valuation.

Actuarial Methods and Assumptions

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

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

Inflation rate	3.00% per annum
Investment rate of return	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. The required schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## **Supplemental Death Benefits Plan for Retirees**

### Plan Description

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

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

### Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. Contributions are made on a monthly basis on the covered payroll of employee members of the City. The City's contributions to the TMRS SDBF for the years ended 2016, 2015 and 2014, were \$37,346, \$32,008 and \$29,312, respectively, which equaled the required contributions each year.

## **C. Deferred Compensation Plan**

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

## **D. Risk Management**

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

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

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

\*Actual cash value

\*\*Blanket limit

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

#### **E. Contingencies**

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

#### **F. Power Wholesale Supplier Agreements and Derivative Instruments**

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

Congestion Revenue Rights (CRRs) function as financial hedges against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. These instruments allow the City to hedge expected future congestion that may arise during a certain period. CRRs are purchased at auction, semi-annually and monthly at market value. These CRRs are expected to be settled upon the City taking delivery of the commodity which meet the requirements of a normal purchase of the City. As of September 30, 2016, the City held CRRs with a cost of \$195,378, 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:

2016 Power Supplier	kWh Purchased	Total Cost
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>

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

#### **G. New Accounting Principles**

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

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

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

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

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

	Plan Year	
	2015	2016
Municipal Utility System's proportion of the net pension liability	22.36%	22.44%
Municipal Utility System's proportionate share of the net pension liability	\$ 1,942,541	\$ 3,352,193
Municipal Utility System's covered payroll	4,169,600	4,406,604
Municipal Utility System's proportionate share of the net pension liability as a percentage of its covered payroll	46.59%	76.07%
Plan fiduciary net position as a percentage of the total pension liability	90.94%	85.50%

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

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

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

	Fiscal Year		
	2014	2015	2016
Contractually required contribution	\$ 656,192	\$ 609,555	\$ 616,651
Contributions in relation to the contractually required contribution	( 656,192)	( 609,555)	( 616,651)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Municipal Utility System's covered-employee payroll	\$ 4,118,312	\$ 4,324,265	4,724,310
Contributions as a percentage of covered-employee payroll	15.93%	14.10%	13.05%

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

**REQUIRED SUPPLEMENTARY INFORMATION**

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

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/10	\$ -	\$ 10,420,335	\$ 10,420,335	0.0%	\$ 18,077,202	57.64%
12/31/12	-	11,451,759	11,451,759	0.0%	17,909,673	63.94%
12/31/14	-	11,915,747	11,915,747	0.0%	21,053,077	56.60%

# **CAPITAL ASSETS**

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

**SCHEDULES OF CAPITAL ASSETS**

**SEPTEMBER 30, 2016 AND 2015**

	<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>
	<u>208,608,373</u>	<u>195,391,648</u>
Less accumulated depreciation	<u>( 77,732,677)</u>	<u>( 72,676,371)</u>
Totals	<u>\$ 130,875,696</u>	<u>\$ 122,715,277</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 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>

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

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

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

<u>Function and Activity</u>	<u>Balance 09/30/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/16</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 capital assets	<u>\$ 195,391,648</u>	<u>\$ 13,416,377</u>	<u>\$( 199,652)</u>	<u>\$ 208,608,373</u>

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# **STATISTICAL SECTION**

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

**PLEDGED REVENUE COVERAGE**

**SEPTEMBER 30, 2016  
(UNAUDITED)**

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2006/07	\$ 47,313,004	\$ 37,605,675	\$ 9,707,329	\$ 2,300,000	\$ 2,408,986	2.45%
2007/08	60,783,520	49,251,229	11,532,291	2,400,000	2,222,336	1.99%
2008/09	55,326,626	46,126,060	9,200,566	2,515,000	2,111,215	2.26%
2009/10	44,648,091	34,190,600	10,457,491	2,615,000	2,015,352	3.34%
2010/11	48,143,263	32,655,996	15,487,267	2,715,000	1,912,988	3.43%
2011/12	40,639,256	24,787,800	15,851,456	2,840,000	1,787,416	3.36%
2012/13	44,969,078	29,429,195	15,539,883	2,985,000	1,655,952	3.19%
2013/14	51,923,460	37,140,069	14,783,391	3,115,000	1,517,523	3.19%
2014/15	51,902,458	31,326,472	20,575,986	3,830,000	2,049,007	3.50%
2015/16	46,911,095	27,043,309	19,867,786	3,960,000	1,930,757	3.37%

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

(1) Total operating revenues plus interest.

(2) Total operating expenses excluding depreciation and amortization.

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

**SCHEDULE OF ELECTRIC SALES**

**LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Year Ended September 30</u>	<u>Power Sold (kwhr)</u>	<u>Daily Average (kwhr)</u>	<u>System Peak (kw)</u>
2007	334,246,819	915,745	81,859
2008	354,818,755	972,106	82,317
2009	341,457,244	935,499	83,385
2010	365,673,529	1,001,845	90,289
2011	381,826,440	1,046,100	96,681
2012	371,081,397	1,016,661	92,705
2013	371,982,863	1,019,131	94,161
2014	389,421,402	1,066,908	100,111
2015	386,452,762	1,058,775	92,249
2016	* 387,044,014	** 1,060,395	*** 96,067

- \* 15.8% Increase since 2007 (KWHR)
- \*\* 15.8% Increase since 2007 (KWHR)
- \*\*\* 17.4% Increase since 2007 (KW)

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

**SCHEDULE OF RETAIL WATER SALES**

**LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Year Ended September 30</u>	<u>Water Sold (1,000 Gallons)</u>	<u>Daily Average (1,000 Gallons)</u>	<u>Peak Day (1,000 Gallons)</u>
2007	1,117,941	3,063	7,264
2008	1,281,104	3,510	7,991
2009	1,258,075	3,447	8,191
2010	1,107,183	3,033	7,316
2011	1,373,590	3,763	9,069
2012	1,289,037	3,532	9,003
2013	1,227,698	3,364	7,708
2014	1,179,691	3,232	6,997
2015	1,116,010	3,058	7,676
2016	* 1,214,712	** 3,328	*** 8,616

\* 8.7% Decrease since 2007  
 \*\* 8.7% Decrease since 2007  
 \*\*\* 18.6% Decrease since 2007

25,000 pop. - 122.51 gals per day per person (2007)  
 28,742 pop. - 115.78 gals per day per person (2016)

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

**SCHEDULE OF WASTEWATER SALES**

**LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Year Ended September 30</u>	<u>Wastewater Treated (1,000 Gallons)</u>	<u>Daily Average (1,000 Gallons)</u>	<u>Peak Day (1,000 Gallons)</u>
2007	811,311	2,223	5,308
2008	758,813	2,079	4,083
2009	706,666	1,936	4,307
2010	825,139	2,261	4,360
2011	778,677	2,133	5,490
2012	818,178	2,242	4,389
2013	772,133	2,115	3,964
2014	784,012	2,148	3,660
2015	801,228	2,195	4,762
2016	* 860,193	** 2,357	*** 5,139

- \* 6.0% Increase since 2007
- \*\* 6.0% Increase since 2007
- \*\*\* 3.2% Decrease since 2007

25,000 pop. - 88.91 gals per day per person (2007)  
28,742 pop. - 82.0 gals per day per person (2016)

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

**MISCELLANEOUS STATISTICS**

**SEPTEMBER 30, 2016  
(UNAUDITED)**

Date of incorporation	January 2, 1858
Form of government	Council/Manager
Number of full-time employees (excluding police and fire):	261
Area in square miles	27.58
Facilities and Services	
Miles of streets	237.23
Number of street lights	1,968
Culture and Recreation:	
Public libraries	1
Total library holdings	100,809
Community centers	3
Parks	26
Park acreage	501.00
Swimming pools	1
Tennis courts	7
Soccer fields	11
Softball and baseball fields	12
Multi-purpose fields and courts	5
Fire Protection:	
Number of stations	3
Number of paid fire personnel and officers	59
Number of trucks	14
Number of calls answered	5,239
Police Protection:	
Number of stations	1
Number of police personnel and officers	76
Number of patrol units	26
Number of law violations:	
Arrests	1,793
Violations other than parking	3,948
Parking violations	94

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

**MISCELLANEOUS STATISTICS**

**SEPTEMBER 30, 2016  
(UNAUDITED)**

Sanitary Sewer System:

Miles of sanitary sewers	208.00
Number of treatment plants	1
Number of service connections	10,761
Daily average treatment in gallons	2,357,000
Permitted daily capacity of treatment plant in gallons	4,500,000

Water System:

Miles of water mains	274.00
Number of service connections	11,497
Number of fire hydrants	1,509
Daily average consumption in gallons	3,328,000
Maximum daily capacity of plant in gallons	14,000,000
Total water storage capacity	7,600,000
Annual water sales in gallons	1,214,711,608

Electric Distribution System:

Miles of distribution lines	346
Number of service connections	14,292
Total system peak demand (kw)	96,067
Annual kilowatt-hour sales (kwh)	387,044,014

Other Community Facilities:

Education:

Number of elementary schools	7
Number of elementary school instructors	298
Number of secondary schools	4
Number of secondary school instructors	223
Number of community colleges	1

Hospitals:

Number of hospitals	1
Number of patient beds	103

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

**SERVICE RATE SCHEDULES**

**SEPTEMBER 30, 2016  
(UNAUDITED)**

**ELECTRIC RATES - (Effective October 1, 2016 - Ordinance 695-2014-40)**

Residential	\$13.50 customer charge \$0.0424 per KWH
Small General Service (Demand does not exceed 20)	\$19.55 customer charge plus \$.0446 per KWH
Large General Service - 1 (Demand 20 - 200)	\$42.50 customer charge \$3.96 per KW demand \$0.0238 per KWH
Large General Service - 2 (Demand 200 - 1000)	\$100.00 customer charge \$4.30 per KVA demand \$0.0249 per KWH
Large General Service - 3 (Demand 1000 or more)	\$195.00 customer charge \$4.35 per KVA demand \$0.0223 per KWH

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

MV Lighting	\$10.90 customer charge Estimated usage 40 KWH
-------------	---

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

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

**SERVICE RATE SCHEDULES**

**AS OF SEPTEMBER 30, 2016  
(UNAUDITED)**

**WATER RATES - (Effective October 1, 2016 - Ordinance 695-2014-40)**

**RESIDENTIAL WATER CUSTOMER**

Customer Charge (minimum)	\$20.76
Per Cu. Ft. (0-1,000)	\$0.05597
Per Cu. Ft. (1,001-3,500)	\$0.06992
Per Cu. Ft. (3,501-5,000)	\$0.08752
Per Cu. Ft. (all over 5,000)	\$0.10961

**RURAL WATER CUSTOMER - Westridge/Southcrest Subdivisions**

Customer Charge (minimum)	\$20.76
Residential:	
Per Cu. Ft. (0-1,000)	\$0.09400
Per Cu. Ft. (1,001-3,500)	\$0.10790
Per Cu. Ft. (3,501-5,000)	\$0.12550
Per Cu. Ft. (all over 5,000)	\$0.14760
Commercial	\$0.08974

**COMMERCIAL RATES**

Customer Charge (minimum)	\$20.68
Per Cu. Ft.	\$0.05574

**OFFSITE COMMERCIAL/INDUSTRIAL**

Fire Hydrant Meters	
Customer Charge (minimum) - FH 2 inch	\$165.40
Customer Charge (minimum) - FH 3 inch	\$361.82
Per Cu. Ft. (all)	\$0.10565

**WASTEWATER RATES - (Effective October 1, 2016 - Ordinance 695-2014-40)**

**RESIDENTIAL RATES**

Customer Charge (minimum)	\$21.48
Cu. Ft. Included in Minimum	400
Per Cu. Ft. > 400 CF (Maximum Billed - 2,000 CF)	\$0.05782

Residential wastewater volume based on lower month's actual use or average of water billed during months of December, January and February.

**COMMERCIAL RATES**

Customer Charge (minimum)	\$21.48
Cu. Ft. Included in Minimum	400
Per Cu. Ft. > 400 CF	\$0.05782

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

# **CAPITAL PROJECTS SECTION**

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

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

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

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

The City is prepared to provide several improvements over the next ten years to better serve its customers. The installation of an Advanced Metering System (AMS) will allow for remote reading of meters, on demand re-reads of meters, and more detailed usage information for customers. This project is expected to cost approximately \$3,350,000 and should be completed by the end of fiscal year 2018. In regards to water facilities, a Water Purification Plant Master Plan was prepared and completed in the spring of 2015. It will outline major expansion and upgrade projects to be completed. It is anticipated that an expansion of the plant will be required by 2024 in order to maintain compliance with the requirements of the Texas Commission on Environmental Quality (TCEQ). A Water Master Plan Update was completed in 2013. The update includes a Water System Capital Improvement Plan, which lists several water distribution and storage facility projects to be completed in order to accommodate future growth of the City's service area under build-out conditions. A partial update to the 2013 Water Master Plan Update is currently being conducted, and is expected to be complete by end of fiscal year 2017, which may change the list of future projects. Among the projects are the following which are anticipated to be complete in the next ten years:

<b>Project</b>	<b>Status as of March 15, 2017</b>	<b>Estimated/ Actual Cost</b>
30" Supply Line to the Dubellette GST	Design Complete	\$ 3,100,000
12" and 8" Water Lines - Oak Ridge Pressure Plane	-	480,000
24" and 12" Water Line - Weatherford Loop	Portion Under Design	1,670,000
12" Water Line and PRV-Miller Pressure Plane	Portion Under Design	930,000
16" and 12" Water Line and PRV - Dubellette PP along RWMH	-	1,810,100
12" Water Line along I-20 (Deerfield, Ph II) - Dubellette PP	In Design	1,000,000
12" Water Line BB Fielder Blvd, Ph III - Dubellette PP	In Design	200,000
16" Water Line along Bethel Rd. - Dubellette PP	-	1,315,000
16-inch Transmission Main in the Miller Pressure Plane along Mineral Wells Hwy.	Under Design	1,300,000
North Main Street Water Rehabilitation	Under Design	1,500,000
I-20 / Bethel Road Water Extension	Under Design	1,000,000
Water Treatment Plant - 4 MGD Expansion	-	35,000,000
Elevated Storage Tank in Miller PP	-	1,850,000
Fort Worth Highway (1800) Water Extension	Under Design	100,000
Katlyn Drive Water Extension	Under Design	100,000
Spring Street Water Rehabilitation	-	360,000
Mockingbird, Park, Rentz, Waco and Cottonwood Street Water Rehabilitation	-	1,375,000
Water Rehabilitation in and around Downtown	-	3,750,000
Union Pacific Railroad Water Relocation	-	240,000
Eastview, Water, Ball, Vine, Boundary, Harcourt & Merrimac Street Water Rehabilitation	-	1,260,000
Kirkpatrick Road, Ph II, Water Extension	-	365,000
WB Boulevard Water Extension	-	320,000
North Street, South Street Water Extension	-	95,000
Advanced Metering System	Installation	3,350,000

In regards to wastewater facilities, a Wastewater Treatment Plant Master Plan was prepared in 2012. It is anticipated that improvements will be required to improve phosphorus removal in order to adhere to stricter water quality requirements within the next two years. A reclaimed water system is also currently under design and will also be constructed within the next year. It will supplement the City's water supply by transporting treated effluent from the wastewater treatment plant to Lake Weatherford. The reclaimed water project and phosphorous treatment improvements has an estimated total cost of \$13,500,000. Other improvements to the plant anticipated in the next ten years include: Cannibal Process Upgrades, Dewatering Improvements, Gravity Thickener Modifications, Filtration Upgrades, Additional Nutrient Removal Improvements and Energy Improvements. A Wastewater Collection System Master Plan is being prepared that will also outline projects to be completed to accommodate future growth of the City's service area under build-out conditions. It is anticipated to be complete by March 2017. The wastewater collection system projects listed below may change after completion of the Master Plan:

<b>Project</b>	<b>Status</b>	<b>Estimated/ Actual Cost</b>
Reclaimed Water System, Phosphorous Improvements	Under Design	\$ 13,500,000
Lift Station 25, Wastewater Line and Force Main	In Construction	1,300,000
Sanchez Creek Wastewater Line, Force Main and Lift Station	-	4,875,000
I20 Wastewater Line-Bethel and Magnolia	Under Design	750,000
North Wastewater Line to Lift Station 25	-	2,150,000
Dacey Road Wastewater Line Extension	-	2,500,000
Lift Station 6 Wastewater Line	-	2,550,000
FM 920 Wastewater Extension	-	1,500,000
Wendy Lane Wastewater Extension	-	800,000
Town Creek Wastewater Extension	Under Design	1,200,000
North Main Street Wastewater Rehabilitation	Under Design	1,250,000
Bullard Street, Bankhead Highway and Ricky Lane Wastewater Line Rehabilitation	In Construction	420,000
WWTP PLC Upgrades	Under Design	1,500,000
Katlyn Road Wastewater Extension	Under Design	70,000
Fort Worth Highway (1000) Wastewater Rehabilitation	Under Design	360,000
Wiggs Lane, Holland Lake Creek, S. Main Street Wastewater Rehabilitation	-	800,000
E. 6th Street, N. Elm Street, Madison Street Wastewater Rehabilitation	Under Design	500,000
Wastewater Rehabilitation in and around Downtown	-	2,800,000
Fort Worth Highway (1900) Wastewater Extension	-	135,000
Kirkpatrick Road, Phase II, Wastewater Extension	-	320,000
WB Boulevard Wastewater Extension	-	320,000
North Street, Boundary Street Wastewater Rehabilitation	-	2,000,000
Brazos Street, Russell Street, Norton Street Wastewater Rehabilitation	-	1,150,000

Regarding electric facilities, the primary electric capital project is the installation of an Advanced Metering System (AMS). This system will allow for remote reading of meters, instant outage notification, on demand re-reads of meters, and more detailed usage information for customers. This project is expected to cost approximately \$2,500,000 and should be completed by the end of fiscal year 2018.

<b>Project</b>	<b>Status</b>	<b>Estimated/ Actual Cost</b>
Advanced Metering System	Installation	2,500,000

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

**ATTORNEYS**

Zellers & Zellers, City Attorney Ed Zellers

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

Davidson & Troilo Ream & Garza

Davidson & Troilo Ream & Garza has been retained to provide legal services pertaining to electric wholesale power supply, Transmission Cost of Service, and assistance with regulatory issues.

Herrera & Boyle

Herrera & Boyle has been retained for assistance with electric pole attachment agreements with telephone and cable television companies.

Lloyd Gosselink Rochelle & Townsend

Lloyd Gosselink Rochelle & Townsend assisted and provided legal services with the wholesale water agreements, the water right amendment, and the review of PUC interchange.

Mathews & Freeland

Mathews & Freeland were retained to provide legal services to assist with Weatherford Aerospace.

Willatt & Flickinger

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

**ENGINEERING & CONSULTING FIRMS**

Baird, Hampton & Brown

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

Brown & Gay Engineers

Brown & Gay Engineers are providing engineering services for the 15" Wastewater Line along UP Railroad and Town Creek project.

Concentric Energy Advisor

Concentric Energy Advisor aid the City of Weatherford Electric Department with risk management in the area of wholesale power supply.

#### CP&Y

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

#### Dunaway Associates, L.P.

Dunaway Associates, L.P. is providing engineering services for the Water Improvements at the 1500-1900 Block Mineral Wells Highway and the 1900 Block Ric Williamson Memorial Highway.

#### Freese & Nichols

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

#### Gupta & Associates

Gupta & Associates provided electrical and instrumentation engineering services for the trident and decant programmable logic control replacement project to include project management and meetings, design phase and bidding phase.

#### Half Associates, Inc.

Half Associates, Inc. is providing engineering services for the 8-Inch Wastewater Line Rehabilitation along Bullard Street, Bankhead Highway and Ricky Lane project.

#### HDR

HDR provided easement acquisition services for the 30" Water Line project.

#### Municipal H2O

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

#### Newgen Strategies and Solutions

Newgen Strategies and Solutions facilitated a review of the proposed wholesale water rate methodology.

#### North Point Technology

North Point Technology assisted with the Scada system conversion to a single inductive automation ignition based system. The Water Treatment Plant was the initial focus of the conversion beginning in fiscal year 2015 and currently being finalized. The Scada system allows the ability to remotely control and monitor the water plant, wastewater plant, water pump stations, water tanks and wastewater lift stations. North Point Technology also executed the programming for the Trident Upgrade Project at the Water Treatment Plant.

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

Weatherford Electric retained Schneider Engineering of Boerne, Texas to consult with the Weatherford Municipal Utility Board on the electric utility's future wholesale power supply needs. In an effort to diversify wholesale power suppliers and the percentage of Weatherford Electric's power needs bid on the market any given year, Weatherford Electric entered into three wholesale power supply agreements with three different wholesale power suppliers. The City has entered into a wholesale power supply agreement with Garland Power and Light (GPL) through 2018. Additionally, the City has wholesale power supply agreements with Bryan Texas Utilities and EDF Trading North America, LLC, through 2020 and 2019, respectively. Under the terms of the agreements, the City purchases its full power requirements for its retail customer base. This strategy provides reduced market risk similar to a full requirements contract while also providing the benefits of diversified suppliers and contract term lengths. 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.

**CITY OF WEATHERFORD MUNICIPAL UTILITY SYSTEM  
MAJOR CAPITAL PROJECTS SUMMARY FOR THE PERIOD 10/01/06-09/30/16 (Unaudited)**

	<b>BEGINNING BALANCE 10/01/06</b>	<b>FISCAL YEAR 2006/2007</b>	<b>FISCAL YEAR 2007/2008</b>	<b>FISCAL YEAR 2008/2009</b>
<b>REVENUE:</b>				
Bond Revenues	\$ 24,372,373.59	\$ -	\$ -	\$ -
Utility Fund Revenues	478,573.84	-	-	294,366.21
EPA Grant	-	240,000.00	-	-
Wastewater Impact Fee	-	-	397,519.81	99,864.78
2009 Tax Notes	-	-	-	690,000.00
Water Impact Fees	-	-	-	163,633.25
SIB Loans	-	-	-	-
Lake Lot Licenses	-	-	-	-
Gas Well Royalties	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 24,850,947.43</b>	<b>\$ 240,000.00</b>	<b>\$ 397,519.81</b>	<b>\$ 1,247,864.24</b>
	<b>BEGINNING BALANCE 10/01/06</b>	<b>FISCAL YEAR 2006/2007</b>	<b>FISCAL YEAR 2007/2008</b>	<b>FISCAL YEAR 2008/2009</b>
<b>EXPENDITURES BY PROJECT:</b>				
Water Purification Plant Expansion	6,199,799.38	485,107.22	-	-
Elevated Water Tank & Lines	100,261.12	440,809.59	1,588,780.61	1,840,468.78
Parallel Treated Water Line	44,459.44	597,817.77	335,215.11	2,168,199.07
Parallel Wastewater Line	-	18,879.84	105,120.26	882,805.33
Lift Station #8 Relocation	-	-	164,198.55	68,632.75
Lift Station #6 Improvements	-	-	233,321.26	31,232.03
12" Waterline I-20/High School/Tin Top	-	-	-	163,633.25
Railroad Substation Construction	-	-	-	1,472,374.64
Viaduct Project	-	-	-	-
SIB Loan-Hwy. 171 W/W Relocation	-	-	-	-
SIB Loan-Viaduct	-	-	-	-
Recoating Filtration Tanks	-	-	-	-
SH 51 12" Water Line	-	-	-	-
Western Loop Water Line	-	-	-	-
SIB Loan-South Main Utility Relocation	-	-	-	-
12" Waterline TinTop/BB Fielder	-	-	-	-
Boat Ramp Lake Weatherford	-	-	-	-
30" Water Transmission Line	-	-	-	-
AMI Project - Water	-	-	-	-
Black Warrior Creek-Phase 1	-	-	-	-
AMI Project - Electric	-	-	-	-
Black Warrior Creek-Phase 2	-	-	-	-
Deerfield Water Line	-	-	-	-
Fort Worth Highway West Line	-	-	-	-
Lift Station #25 Improvements	-	-	-	-
Wastewater Effluent Project	-	-	-	-
Benbrook Valve Automation	-	-	-	-
I-20 Bethel Road/Tin Top Wastewater	-	-	-	-
I-20 Bethel Road/Tin Top Waterline	-	-	-	-
Miracle League Project	-	-	-	-
West Loop Substation	-	-	-	-
Membranes-Water Treatment Plant	-	-	-	-
Lift Station #11 Improvements	-	-	-	-
Trident PLC Replacement	-	-	-	-
Variable Frequency Drive Replacement	-	-	-	-
BB Fielder-Patriot Ave.-So. Main Water Line	-	-	-	-
BB Fielder Waterline Extension Western Termus	-	-	-	-
I20 to Bethel Road to Magnolia Waterline	-	-	-	-
Mineral Wells Highway to Northeast to Ric Williamson Highway Waterline	-	-	-	-
North Main/Front Street/East 8th Water Improvements	-	-	-	-
South Rusk/Bois D'Arc Water Improvements	-	-	-	-
8" Wastewater Line Bullard/Bankhead Road/Ricky	-	-	-	-
I20 to Bethel Road to Magnolia Wastewater Line	-	-	-	-
16" Wastewater Line Along Town Creek	-	-	-	-
North Main/Front Street/East 8th Wastewater Improvements	-	-	-	-
Lake Weatherford Substation Transformer Improvements	-	-	-	-
North Substation Transformer Improvements	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,344,519.94</b>	<b>\$ 1,542,614.42</b>	<b>\$ 2,426,635.79</b>	<b>\$ 6,627,345.85</b>
<b>ENDING BALANCE</b>	<b>\$ 18,506,427.49</b>	<b>\$ 17,203,813.07</b>	<b>\$ 15,174,697.09</b>	<b>\$ 9,795,215.48</b>

FISCAL YEAR 2009/2010	FISCAL YEAR 2010/2011	FISCAL YEAR 2011/2012	FISCAL YEAR 2012/2013	FISCAL YEAR 2013/2014	FISCAL YEAR 2014/2015	FISCAL YEAR 2015/2016	ENDING BALANCE 9/30/2016
\$ -	\$ -	\$ -	\$ 136,552.02	\$ 363,581.94	\$ 19,000,000.00	\$ -	19,500,133.96
109,848.00	-	5,000.00	1,803,942.95	547,411.63	6,587,369.88	2,000,000.00	11,347,938.67
-	-	-	-	-	-	-	240,000.00
10,399.81	-	-	1,844,240.00	-	-	-	2,352,024.40
-	-	-	-	-	-	-	690,000.00
-	-	-	3,055,541.46	-	639,007.77	340,878.36	4,199,060.84
137,747.66	252,214.13	520,658.47	-	-	-	-	910,620.26
-	-	-	252,190.40	-	-	-	252,190.40
-	-	-	149,515.91	639,484.00	-	-	788,999.91
\$ 257,995.47	\$ 252,214.13	\$ 525,658.47	\$ 7,241,982.74	\$ 1,550,477.57	\$ 26,226,377.65	\$ 2,340,878.36	\$ 40,280,968.44
FISCAL YEAR 2009/2010	FISCAL YEAR 2010/2011	FISCAL YEAR 2011/2012	FISCAL YEAR 2012/2013	FISCAL YEAR 2013/2014	FISCAL YEAR 2014/2015	FISCAL YEAR 2015/2016	ENDING BALANCE 9/30/2016
-	-	-	-	-	-	-	485,107.22
126,364.08	-	-	-	-	-	-	3,996,423.06
2,656,060.16	805,895.18	1,849.50	-	-	-	-	6,565,036.79
510,402.90	-	-	-	-	-	-	1,517,208.33
692,513.93	371,081.31	-	-	-	-	-	1,296,426.54
70,670.25	206,150.98	422,304.35	660,078.05	210,026.46	-	-	1,833,783.38
-	-	-	-	-	-	-	163,633.25
-	-	-	-	-	-	-	1,472,374.64
139,848.59	-	-	-	-	-	-	139,848.59
33,822.50	34,833.25	-	-	-	-	-	68,655.75
103,925.16	217,380.88	-	-	-	-	-	321,306.04
109,848.00	-	5,000.00	239,924.20	-	-	-	354,772.20
-	58,898.66	116,882.47	-	-	-	-	175,781.13
-	62,903.98	27,966.43	20,805.52	-	-	-	111,675.93
-	-	520,658.47	-	-	-	-	520,658.47
-	-	97,662.30	77,424.40	-	-	-	175,086.70
-	-	-	252,190.40	-	-	-	252,190.40
-	-	-	215,299.99	36,184.32	-	30,724.32	282,208.63
-	-	-	63,072.73	65,597.38	893,284.52	623,130.55	1,645,085.18
-	-	-	136,552.02	363,581.94	-	-	500,133.96
-	-	-	-	-	350,573.91	537,196.02	887,769.93
-	-	-	-	-	1,018,295.37	164,005.21	1,182,300.58
-	-	-	55,541.46	188,782.95	1,316,077.15	25,037.90	1,585,439.46
-	-	-	83,948.75	1,204,149.17	-	-	1,288,097.92
-	-	-	44,240.00	99,174.16	508,301.55	39,631.37	691,347.08
-	-	-	149,515.91	148,004.54	264,458.86	666,444.25	1,228,423.56
-	-	-	138,165.21	178,245.15	-	-	316,410.36
-	-	-	-	100,542.59	19,545.50	-	120,088.09
-	-	-	-	292,775.60	15,717.62	-	308,493.22
-	-	-	-	95,184.10	-	-	95,184.10
-	-	-	-	70,219.79	548,973.36	3,610,941.78	4,230,134.93
-	-	-	-	-	681,239.57	-	681,239.57
-	-	-	-	-	22,243.00	-	22,243.00
-	-	-	-	-	39,510.00	552,868.28	592,378.28
-	-	-	-	-	269,273.00	-	269,273.00
-	-	-	-	-	15,700.00	340,878.36	356,578.36
-	-	-	-	-	-	10,688.74	10,688.74
-	-	-	-	-	-	34.38	34.38
-	-	-	-	-	-	107,522.32	107,522.32
-	-	-	-	-	-	28,589.00	28,589.00
-	-	-	-	-	-	103,378.18	103,378.18
-	-	-	-	-	-	63,572.05	63,572.05
-	-	-	-	-	-	1,306.84	1,306.84
-	-	-	-	-	-	20,847.36	20,847.36
-	-	-	-	-	-	5,511.00	5,511.00
-	-	-	-	-	-	721,549.93	721,549.93
-	-	-	-	-	-	721,549.93	721,549.93
\$ 4,443,455.57	\$ 1,757,144.24	\$ 1,192,323.52	\$ 2,136,758.64	\$ 3,052,468.15	\$ 5,963,193.41	\$ 8,375,407.77	\$ 37,517,347.36
\$ 5,609,755.38	\$ 4,104,825.27	\$ 3,438,160.22	\$ 8,543,384.32	\$ 7,041,393.74	\$ 27,304,577.98	\$ 21,270,048.57	\$ 2,763,621.08

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WATER PURIFICATION PLANT EXPANSION  
(Unaudited)**

	<b>Balance 9/30/2015</b>	<b>Fiscal Year 2015-2016</b>	<b>Balance 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING DESIGN SERVICES	\$ 153,338.16	\$ -	\$ 153,338.16
ENGINEERING CONSTRUCTION	0.00	-	0.00
CONSTRUCTION	6,417,441.74	-	6,417,441.74
MISC. & CONTINGENCY	11,573.20	-	11,573.20
CAPITALIZED INTEREST	102,553.50	-	102,553.50
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 6,684,906.60</b>	<b>\$ -</b>	<b>\$ 6,684,906.60</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 550,576.10	\$ -	\$ 550,576.10
LAND	81,100.00	-	81,100.00
LAND EASEMENTS/ROW'S	119,889.44	-	119,889.44
CONSTRUCTION	3,098,277.54	-	3,098,277.54
MISC. & CONTINGENCY	126,561.65	-	126,561.65
CAPITALIZED INTEREST	120,279.45	-	120,279.45
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 4,096,684.18</b>	<b>\$ -</b>	<b>\$ 4,096,684.18</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**PARALLEL TREATED WATER LINE  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 1,153,655.00	\$ -	\$ 1,153,655.00
LAND EASEMENTS/RIGHT-OF-WAYS	484,059.00	-	484,059.00
CONSTRUCTION	4,756,443.91	-	4,756,443.91
MISC. & CONTINGENCY	9,130.68	-	9,130.68
CAPITALIZED INTEREST	206,207.64	-	206,207.64
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 6,609,496.23</b>	<b>\$ -</b>	<b>\$ 6,609,496.23</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 149,100.00	\$ -	\$ 149,100.00
CONSTRUCTION	1,298,590.27	-	1,298,590.27
MISC. & CONTINGENCY	18,459.50	-	18,459.50
CAPITALIZED INTEREST	51,058.56	-	51,058.56
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,517,208.33</b>	<b>\$ -</b>	<b>\$ 1,517,208.33</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 214,099.99	\$ -	\$ 214,099.99
LAND EASEMENTS/RIGHT OF WAY	25,391.12	-	25,391.12
MISC. & CONSTRUCTION	781,194.22	-	781,194.22
SALARIES	127,654.10	-	127,654.10
CAPITALIZED LABOR	125,682.53	-	125,682.53
CAPITALIZED INTEREST	22,404.58	-	22,404.58
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,296,426.54</b>	<b>\$ -</b>	<b>\$ 1,296,426.54</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 244,308.29	\$ -	\$ 244,308.29
LAND EASEMENTS/RIGHT OF WAYS	12,000.00	-	12,000.00
MISC. & CONSTRUCTION	1,152,981.46	-	1,152,981.46
SALARIES	330,601.96	-	330,601.96
CAPITALIZED LABOR	43,605.65	-	43,605.65
CAPITALIZED INTEREST	50,286.02	-	50,286.02
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,833,783.38</b>	<b>\$ -</b>	<b>\$ 1,833,783.38</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	163,633.25	-	163,633.25
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 163,633.25</b>	<b>\$ -</b>	<b>\$ 163,633.25</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**RAILROAD SUBSTATION CONSTRUCTION  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
CONSTRUCTION	597,955.06	-	597,955.06
MISC. & CONTINGENCY	834,314.81	-	834,314.81
CAPITALIZED INTEREST	40,104.77	-	40,104.77
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,472,374.64</b>	<b>\$ -</b>	<b>\$ 1,472,374.64</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**VIADUCT PROJECT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
CONSTRUCTION	\$ 135,081.83	\$ -	\$ 135,081.83
CAPITALIZED INTEREST	4,766.76	-	4,766.76
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 139,848.59</b>	<b>\$ -</b>	<b>\$ 139,848.59</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	68,655.75	-	68,655.75
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 68,655.75</b>	<b>\$ -</b>	<b>\$ 68,655.75</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**SIB LOAN-VIADUCT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	321,306.04	-	321,306.04
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 321,306.04</b>	<b>\$ -</b>	<b>\$ 321,306.04</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**RECOATING FILTRATION TANKS  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	354,772.20	-	354,772.20
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 354,772.20</b>	<b>\$ -</b>	<b>\$ 354,772.20</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
MISC. & CONSTRUCTION	121,745.64	-	121,745.64
SALAIRES	48,036.74	-	48,036.74
CAPITALIZED LABOR	351.23	-	351.23
CAPITALIZED INTEREST	5,647.52	-	5,647.52
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 175,781.13</b>	<b>\$ -</b>	<b>\$ 175,781.13</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WESTERN LOOP WATER LINE  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 13,093.16	\$ -	\$ 13,093.16
MISC. & CONSTRUCTION	75,778.57	-	75,778.57
CAPITALIZED LABOR	19,579.96	-	19,579.96
CAPITALIZED INTEREST	3,224.24	-	3,224.24
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 111,675.93</b>	<b>\$ -</b>	<b>\$ 111,675.93</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	520,658.47	-	520,658.47
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 520,658.47</b>	<b>\$ -</b>	<b>\$ 520,658.47</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2014-2015</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
MISC. & CONSTRUCTION	136,886.28	-	136,886.28
SALARIES	31,970.33	-	31,970.33
CAPITALIZED LABOR	-	-	-
CAPITALIZED INTEREST	6,230.09	-	6,230.09
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 175,086.70</b>	<b>\$ -</b>	<b>\$ 175,086.70</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**BOAT RAMP LAKE WEATHERFORD  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	252,190.40	-	252,190.40
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 252,190.40</b>	<b>\$ -</b>	<b>\$ 252,190.40</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 250,675.00	\$ 24,250.00	\$ 274,925.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	6,360.00	6,360.00
CAPITALIZED INTEREST	809.31	114.32	923.63
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 251,484.31</b>	<b>\$ 30,724.32</b>	<b>\$ 282,208.63</b>

Approximately 8,000 linear feet of 30" water line and associated appurtenances from the intersection of Weiland Street and East Oak Street to the Dubellette ground storage tank. The design of the project has been completed and the estimated cost of construction is approximately \$3,100,000. This project will increase conveyance from the water treatment plant to water storage facilities. This project is expected to begin in June 2017 and completed in April 2018.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**AMI PROJECT-WATER  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	1,021,954.63	623,130.55	1,645,085.18
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,021,954.63</b>	<b>\$ 623,130.55</b>	<b>\$ 1,645,085.18</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**AMI PROJECT-ELECTRIC  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	350,573.91	537,196.02	887,769.93
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 350,573.91</b>	<b>\$ 537,196.02</b>	<b>\$ 887,769.93</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 185,372.96	\$ -	\$ 185,372.96
LAND EASEMENTS/RIGHT OF WAY	6,814.34	-	6,814.34
MISC. & CONSTRUCTION	307,946.66	-	307,946.66
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 500,133.96</b>	<b>\$ -</b>	<b>\$ 500,133.96</b>

This project consists of replacement of approximately 1,000 linear feet of 8" wastewater line, 5,750 linear feet of 12" wastewater line, 1,900 linear feet of 18" wastewater line and associated appurtenances. The construction of the first phase was completed in August 2014.

**CITY OF WEATHERFORD  
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**BLACK WARRIOR CREEK-WASTEWATER  
PHASE TWO  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 14,003.39	\$ 3,230.65	\$ 17,234.04
LAND EASEMENTS/RIGHT OF WAY	4,400.00	-	4,400.00
MISC. & CONSTRUCTION	999,891.98	160,774.56	1,160,666.54
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,018,295.37</b>	<b>\$ 164,005.21</b>	<b>\$ 1,182,300.58</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**DEERFIELD WATER LINE  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 201,041.46	\$ -	\$ 201,041.46
LAND EASEMENTS/RIGHT OF WAY	94,003.68	10,362.88	104,366.56
MISC. & CONSTRUCTION	1,261,134.04	14,675.02	1,275,809.06
CAPITALIZED INTEREST	4,222.38	-	4,222.38
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,560,401.56</b>	<b>\$ 25,037.90</b>	<b>\$ 1,585,439.46</b>

Approximately 1,365 linear feet of 8" water line, 6,336 linear feet of 12" water line and 9,440 linear feet of 16" water line and associated appurtenances from the West Park elevated storage tank to Roark Lane in Deerfield Estates. The estimated construction cost is approximately \$2,100,000. The project will expand service to the newly constructed Ric Williamson Memorial Highway and other areas to the west. It will also allow the groundwater system serving the Deerfield Estates subdivision to be abandoned. The construction of Phase One began in November 2014 and is expected to be completed in March 2015. The construction of Phase Two is expected to begin in May 2017 and will be completed in August 2017.

**CITY OF WEATHERFORD  
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**FORT WORTH HIGHWAY WEST LINE  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 98,221.92	\$ -	\$ 98,221.92
LAND EASEMENTS/RIGHT OF WAY	2,212.19	-	2,212.19
MISC. & CONSTRUCTION	1,187,663.81	-	1,187,663.81
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 1,288,097.92</b>	<b>\$ -</b>	<b>\$ 1,288,097.92</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 194,618.00	\$ 38,031.37	\$ 232,649.37
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	454,879.55	1,600.00	456,479.55
CAPITALIZED INTEREST	2,218.16	-	2,218.16
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 651,715.71</b>	<b>\$ 39,631.37</b>	<b>\$ 691,347.08</b>

Approximately 1,800 linear feet of 8" wastewater line, 3,400 linear feet of 8" force main line, 2,448 linear feet of 12" wastewater line, one lift station and associated appurtenances located near the intersection of Bowie Drive and Interstate 20. This project expands wastewater service to areas on the west side of the City's service area. Construction of Phase One began in March 2015 and is expected to be completed in September 2015. Construction of Phase Two is expected to begin in October 2016 and is expected to be completed in April 2017.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
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**WASTEWATER EFFLUENT PROJECT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 554,353.28	\$ 666,423.37	\$ 1,220,776.65
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	7,626.03	20.88	7,646.91
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 561,979.31</b>	<b>\$ 666,444.25</b>	<b>\$ 1,228,423.56</b>

The reclaimed Water project consists of wastewater plant improvements, pump station, approximately 35,505 linear feet of 16" and 18" reclaimed water pipeline and outfall facility to transport approximately 2.0 MGD up to 4.5 MGD of wastewater effluent to Lake Weatherford. The design of the project began in May 2015 and is expected to be complete in May 2017. Construction is expected to begin in September 2017 and will be completed by November 2018.

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**BENBROOK VALVE AUTOMATION  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	316,410.36	-	316,410.36
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 316,410.36</b>	<b>\$ -</b>	<b>\$ 316,410.36</b>

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

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	1,269.00	-	1,269.00
MISC. & CONSTRUCTION	116,570.32	-	116,570.32
CAPITALIZED INTEREST	2,248.77	-	2,248.77
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 120,088.09</b>	<b>\$ -</b>	<b>\$ 120,088.09</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	3,431.00	-	3,431.00
MISC. & CONSTRUCTION	298,513.91	-	298,513.91
CAPITALIZED INTEREST	6,548.31	-	6,548.31
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 308,493.22</b>	<b>\$ -</b>	<b>\$ 308,493.22</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**MIRACLE LEAGUE PROJECT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	95,184.10	-	95,184.10
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 95,184.10</b>	<b>\$ -</b>	<b>\$ 95,184.10</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WEST LOOP SUBSTATION  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ 170,978.85	\$ -	\$ 170,978.85
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	448,214.30	3,547,180.19	3,995,394.49
CAPITALIZED INTEREST	-	63,761.59	63,761.59
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 619,193.15</b>	<b>\$ 3,610,941.78</b>	<b>\$ 4,230,134.93</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	681,239.57	-	681,239.57
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 681,239.57</b>	<b>\$ -</b>	<b>\$ 681,239.57</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	15,700.00	340,878.36	356,578.36
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 15,700.00</b>	<b>\$ 340,878.36</b>	<b>\$ 356,578.36</b>

The project consists of 6,635 linear feet of 12" water line and associated valves, hydrants and appurtenances. Construction began for this project in November 2015 and was completed in June 2016.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**TRIDENT PLC REPLACEMENT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 39,806.40	\$ 39,806.40
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	39,510.00	503,299.40	542,809.40
CAPITALIZED INTEREST	-	9,762.48	9,762.48
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 39,510.00</b>	<b>\$ 552,868.28</b>	<b>\$ 592,378.28</b>

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

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**VARIABLE FREQUENCY DRIVE REPLACEMENT  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	269,273.00	-	269,273.00
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ 269,273.00</b>	<b>\$ -</b>	<b>\$ 269,273.00</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

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

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	22,243.00	22,243.00
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 22,243.00</b>	<b>\$ 22,243.00</b>

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

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**BB FIELDER WATERLINE EXTENSION WESTERN TERMUS  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 10,500.00	\$ 10,500.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	188.74	188.74
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 10,688.74</b>	<b>\$ 10,688.74</b>

This project consists of approximately 2,000 linear feet of 12" water line and associated valves, hydrants, and appurtenances. The design is expected to be complete in April 2017 and the construction is expected to begin in June 2017 and completed in January 2018.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**I20 TO BETHEL ROAD TO MAGNOLIA  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	33.77	33.77
CAPITALIZED INTEREST	-	0.61	0.61
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 34.38</b>	<b>\$ 34.38</b>

This project consists of 1,834 linear feet of 8" and 12" water line and 1,385 linear feet of 8" and 12" wastewater line and associated appurtenances. The construction of the project is expected to begin in May 2017 and will be completed in November 2017.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WATERLINE MINERAL WELLS HIGHWAY TO NORTHEAST  
TO RICK WILLIAMSON HIGHWAY  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 105,623.70	\$ 105,623.70
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	1,898.62	1,898.62
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 107,522.32</b>	<b>\$ 107,522.32</b>

This project consists of approximately 133 linear feet of 6" water line and 3,859 linear feet of 16" water line and associated appurtenances. The construction of the project is expected to begin in June 2017 and completed in October 2017.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WATER IMPROVEMENTS N. MAIN / FRONT/ EAST 8TH  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 28,589.00	\$ 28,589.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 28,589.00</b>	<b>\$ 28,589.00</b>

This project consist of the replacement of approximately 7,750 linear feet of 8" and 12" water line and associated appurtenances. It is unknown when the construction of this project will begin.

**CITY OF WEATHERFORD  
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10/01/06-09/30/16**

**WATER IMPROVEMENTS SOUTH RUSK/ BOIS D'ARC  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	103,378.18	103,378.18
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 103,378.18</b>	<b>\$ 103,378.18</b>

This project consist of the replacement of approximately 4,026 linear feet of 6" and 8" water line and associated valves, hydrants, services, and appurtenances. The project began in August 2016 and will be completed in March 2017.

**CITY OF WEATHERFORD  
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**8" WASTEWATER BULLARD / BANKHEAD / RICKY  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 62,407.50	\$ 62,407.50
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	42.00	42.00
CAPITALIZED INTEREST	-	1,122.55	1,122.55
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 63,572.05</b>	<b>\$ 63,572.05</b>

This project consist of the replacement of approximately 2,900 linear feet of 8" wastewater line and associated manholes, service lines, cleanouts, and appurtenances. The construction of the project is expected to begin in April 2017 and will be completed in August 2017.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WASTEWATER IMPROVEMENTS I-20 TO BETHEL TO MAGNOLIA  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	1,283.76	1,283.76
CAPITALIZED INTEREST	-	23.08	23.08
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 1,306.84</b>	<b>\$ 1,306.84</b>

This project consist of approximately 1,385 linear feet of 8" and 12" wastewater line and associated appurtenances. The construction of this project is expected to begin in May 2017 and will be completed in November 2017.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**15" WASTEWATER LINE ALONG TOWN CREEK  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 20,479.24	\$ 20,479.24
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	368.12	368.12
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 20,847.36</b>	<b>\$ 20,847.36</b>

This project consist of approximately 5,100 linear feet of 15" wastewater line and associated appurtenances. The construction of this project is expected to begin August 2017 and will be completed by January 2018.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**WASTERWATER IMPROVEMENTS N. MAIN / FRONT/ EAST 8TH  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ 5,511.00	\$ 5,511.00
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	-	-
CAPITALIZED INTEREST	-	-	-
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 5,511.00</b>	<b>\$ 5,511.00</b>

This project consist of the replacement of approximately 5,860 linear feet of 8" and 12" wastewater line and associated appurtenances. It is unknown when the construction of this project will begin.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**LAKE WEATHERFORD SUBSTATION IMPROVEMENTS  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	708,808.88	708,808.88
CAPITALIZED INTEREST	-	12,741.05	12,741.05
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 721,549.93</b>	<b>\$ 721,549.93</b>

This project consists of purchasing and installing one transformer to convert from 18/24/30 MVA 138 to 13.09 kV 3 phase transformer with LTC. This project was completed by September 2016.

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
10/01/06-09/30/16**

**NORTH SUBSTATION IMPROVEMENTS  
(Unaudited)**

	<b>BALANCE 9/30/2015</b>	<b>FISCAL YEAR 2015-2016</b>	<b>BALANCE 9/30/2016</b>
<b><u>PROJECT EXPENDITURES</u></b>			
ENGINEERING SERVICES	\$ -	\$ -	\$ -
LAND EASEMENTS/RIGHT OF WAY	-	-	-
MISC. & CONSTRUCTION	-	708,808.88	708,808.88
CAPITALIZED INTEREST	-	12,741.05	12,741.05
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$ -</b>	<b>\$ 721,549.93</b>	<b>\$ 721,549.93</b>

This project consists of purchasing and installing one transformer to convert from 18/24/30 MVA 138 to 13.09 kV 3 phase transformer with LTC. This project was completed by September 2016.

# **BUDGET SECTION**

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**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
TRANSFER CALCULATION REPORT  
YEAR ENDED SEPTEMBER 30, 2016  
(Unaudited)**

**RETURN ON INVESTMENT TRANSFER CALCULATION**

As Adopted by City Council June 14, 2011

	Estimated <u>Volume</u>	Actual <u>Volume</u>	Rate of Return <u>Per Unit Sold</u>	Estimated <u>Transfer</u>	Actual <u>Transfer</u>
2015-16 Electric KWH Sales	388,850,000	387,044,014	\$0.0056	\$2,177,560	\$2,167,446
2015-16 Water (1,000 Gal.) Sales	1,157,100	1,259,371	\$0.2469	285,688	310,939
2015-16 Wastewater (1,000 Gal.) Treated	790,000	860,193	\$0.2716	214,564	233,628
				<u>\$2,677,812</u>	<u>\$2,712,013</u>

**GROSS RECEIPTS CHARGE CALCULATION**

As Adopted by City Council June 14, 2011

	Estimated <u>Volume</u>	Actual <u>Volume</u>	Gross Receipts <u>Per Unit Sold</u>	Estimated <u>Gross Receipts</u>	Actual <u>Gross Receipts</u>
2015-16 Electric KWH Sales	388,850,000	387,044,014	\$0.0044	\$1,710,940	\$1,702,994
2015-16 Water (1,000 Gal.) Sales	1,157,100	1,259,371	\$0.2223	257,223	279,958
2015-16 Wastewater (1,000 Gal.) Treated	790,000	860,193	\$0.1975	156,025	169,888
				<u>\$2,124,188</u>	<u>\$2,152,840</u>

**ADMINISTRATIVE SERVICES TRANSFER CALCULATION**

<u>Department</u>	Proposed Budget	Percent Allocated	Amount Allocated	Transfer Allocation Based on System Costs & Direct Expenditures			
				Electric	Water	Wastewater	Total
Administration	\$ 1,035,095	45.00%	\$ 465,793	\$ 293,450	\$ 130,422	\$ 41,921	\$ 465,793
OMB	122,913	50.00%	61,456	28,306	22,805	10,345	61,456
HR	357,423	40.00%	142,969	90,071	40,031	12,867	142,969
Finance	529,734	50.00%	264,867	187,431	53,126	24,310	264,867
City Attorney	151,490	33.33%	50,497	31,813	14,139	4,545	50,497
ED	240,796	50.00%	120,398	75,851	33,711	10,836	120,398
Fiber (credit)	(50,000)	100.00%	(50,000)	(50,000)	-	-	(50,000)
City Hall	(65,304)	100.00%	(65,304)	(41,142)	(18,285)	(5,877)	(65,304)
Graduate Engineer	(82,500)	33.33%	(27,500)	-	(13,750)	(13,750)	(27,500)
Lake Maintenance	280,000	100.00%	280,000	-	280,000	-	280,000
Information Technology	1,752,686	41.36%	724,984	421,865	152,360	150,759	724,984
Audit Svcs	66,500	40.00%	26,600	18,820	5,352	2,428	26,600
<b>Total</b>	<b>\$ 4,338,833</b>		<b>\$ 1,994,760</b>	<b>\$ 1,056,465</b>	<b>\$ 699,911</b>	<b>\$ 238,384</b>	<b>\$ 1,994,760</b>

**SUMMARY - ALL TRANSFERS**

	ACTUAL <u>2014-2015</u>	BUDGET <u>2015-2016</u>	ACTUAL <u>2015-2016</u>	ACTUAL INCREASE/ (DECREASE)
Gross Receipts Fee	\$2,113,091	\$2,124,188	\$2,152,840	\$39,749
Administrative Services	1,936,573	1,994,760	1,994,760	58,187
Return on Investment	2,664,364	2,677,812	2,712,013	47,649
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total Transfers	\$6,714,028	\$6,796,761	\$6,859,613	\$145,585
TRANSFERS AS % OF REVENUES	9.24%	13.08%	14.24%	5.00%

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**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**UTILITY SYSTEM REVENUES**  
**YEAR ENDED SEPTEMBER 30, 2016**  
**(Unaudited)**

	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<b>Electric</b>				
415-Sale of Electricity	34,238,897	32,739,592	27,163,416	(5,576,176)
508-NSF Check Charge	5,160	8,000	6,870	(1,130)
601-Interest - Non-Restricted	173,004	90,000	227,462	137,462
602-Net Change in Fair Value - Investments	82,465	-	(86,633)	(86,633)
604-Sale of Fixed Assets	52,980	-	1,073	1,073
612-Sale of Salvage	902	-	3,661	3,661
632-Pole Rental - CATV	106,276	110,000	106,630	(3,370)
634-Electric Fiber Lease Fee	125,888	140,000	165,091	25,091
644-Late Payment Fees	144,674	160,000	98,753	(61,247)
645-Temp. Connect & Reconnect Fees	66,585	60,000	72,930	12,930
646-Service Connection Fees	89,625	85,000	93,445	8,445
647 Service Transfer Fees	7,980	12,000	8,740	(3,260)
651-Miscellaneous	75,715	120,000	21,878	(98,122)
808-Contributions-Aid of Construction	352,616	100,000	212,664	112,664
Bond Proceeds	5,000,000	-	-	-
833-Transfer From Solid Waste	21,444	-	-	-
850-Proceeds From Insurance	18,080	1,308	39,874	38,566
<b>Total Electric</b>	<b>40,562,291</b>	<b>33,625,900</b>	<b>28,135,854</b>	<b>(5,490,046)</b>
<b>Water</b>				
404-Inspection Service Fee	13,073	15,000	16,059	1,059
416-Wholesale Water Sales	85,641	60,000	177,971	117,971
417-Retail Water Sales	10,487,030	11,865,000	12,873,504	1,008,504
418-Raw Water Sales	2,500	2,500	4,051	1,551
426-TRWD Pass-Through	328,833	-	-	-
467-Water Taps	1,160	3,500	1,160	(2,340)
469-Water Main Pro-Rata Fees	44,065	45,000	49,455	4,455
604-Sale of Fixed Assets	14,401	-	6,760	6,760
612-Sale of Salvage	6,512	-	3,061	3,061
625-Lake Lot Leases	932,019	917,000	939,898	22,898
627-Lake Lot Transfers	12,628	9,000	11,050	2,050
629-Lake Concession Rental	13,658	12,000	13,711	1,711
633-Water Tower License Fee	41,941	35,000	41,941	6,941
641-Cash Shortage/Overage	(260)	-	(7,062)	(7,062)
648-Maintenance Services	1,076	-	-	-
Bond Proceeds	9,250,000	-	-	-
651-Miscellaneous	16,263	6,000	84,348	78,348
810-Proceeds from Lease/Purchase Agreement	5,634	-	-	-
831-Transfer from Util Bond Fund	-	-	-	-
833-Transfer From Solid Waste	4,595	-	-	-
850-Proceeds From Insurance	182,954	1,160	3,006	1,846
<b>Total Water</b>	<b>21,443,723</b>	<b>12,971,160</b>	<b>14,218,913</b>	<b>1,247,753</b>
<b>Wastewater</b>				
419-Wastewater Service Fees	4,803,051	5,199,775	5,622,349	422,574
420-Pre-Treatment Fees	29,217	26,000	33,999	7,999
404-Inspection Service Fee	3,299	5,000	19,071	14,071
450-Sale of Salvage	413	-	-	-
463-Sewer Tap Fees	2,090	1,200	3,135	1,935
464-Non-system Wastewater Maint. Fees	-	-	-	-
Bond Proceeds	4,750,000	-	-	-
466-Non-system Wastewater Service Fees	125,771	130,000	141,890	11,890
612-Sale of Salvage	-	-	393	393
651-Miscellaneous	2,374	5,245	9,722	4,477
833-Transfer from Solid Waste	4,595	-	-	-
850-Proceeds from Insurance	1,589	-	-	-
<b>Total Wastewater</b>	<b>9,722,399</b>	<b>5,367,220</b>	<b>5,830,559</b>	<b>463,339</b>
<b>Miscellaneous</b>				
832-Transfer from Utility Reserve	928,924	-	-	-
<b>TOTAL UTILITY SYSTEMS FUND</b>	<b>72,657,337</b>	<b>51,964,280</b>	<b>48,185,326</b>	<b>(3,778,954)</b>

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**SUMMARY BUDGET REPORT**  
**YEAR ENDED SEPTEMBER 30, 2016**  
**(Unaudited)**

	<i>Actual</i> 2014-2015	<i>Amended</i> Budget 2015-2016	<i>Actual</i> 2015-2016	<i>Variance</i> <i>Positive</i> <i>(Negative)</i>
<b>REVENUES</b>				
<b>ELECTRIC</b>				
<i>Sales of Power</i>	34,238,897	32,739,592	27,163,416	(5,576,176)
<i>Bond Proceeds</i>	5,000,000	-	-	-
<i>Interest &amp; Other</i>	1,323,394	886,308	972,438	86,130
	<u>40,562,291</u>	<u>33,625,900</u>	<u>28,135,854</u>	<u>(5,490,046)</u>
<b>WATER</b>				
<i>Wholesale Water Sales</i>	85,641	60,000	177,971	117,971
<i>Retail Water Sales</i>	10,487,030	11,865,000	12,873,504	1,008,504
<i>Raw Water Sales</i>	2,500	2,500	4,051	1,551
<i>TRWD Pumping Pass-Through</i>	328,833	-	-	-
<i>Lake Lot Leases</i>	932,019	917,000	939,898	22,898
<i>Bond Proceeds</i>	-	-	-	-
<i>Interest &amp; Other</i>	9,607,700	126,660	223,489	96,829
	<u>21,443,723</u>	<u>12,971,160</u>	<u>14,218,913</u>	<u>1,247,753</u>
<b>WASTEWATER</b>				
<i>Wastewater Service Fees</i>	4,803,051	5,199,775	5,622,349	422,574
<i>Tap &amp; Pro-Rata Fees</i>	2,090	1,200	3,135	1,935
<i>Pre-Treatment Fees</i>	29,217	26,000	33,999	7,999
<i>Bond Proceeds</i>	4,750,000	-	-	-
<i>Interest &amp; Other</i>	138,041	140,245	171,076	30,831
	<u>9,722,399</u>	<u>5,367,220</u>	<u>5,830,559</u>	<u>463,339</u>
<b>MISCELLANEOUS</b>				
<i>Transfer from Utility Reserve</i>	928,924	-	-	-
<b>Total Revenues</b>	<u>72,657,337</u>	<u>51,964,280</u>	<u>48,185,326</u>	<u>(3,778,954)</u>
<b>EXPENDITURES</b>				
<b>ELECTRIC</b>				
<i>Administration</i>	243,493	237,832	239,253	(1,421)
<i>Customer Services</i>	462,166	487,048	498,119	(11,071)
<i>Utility Service Center</i>	301,297	624,354	426,477	197,877
<i>Technical Services</i>	-	-	-	-
<i>Electric Distribution</i>	5,702,125	7,211,782	5,644,917	1,566,865
<i>Fiber</i>	152,072	179,401	117,759	61,642
<i>Electric Production</i>	5,386	11,850	7,108	4,742
<i>Purchased Power</i>	20,201,084	20,077,422	16,443,771	3,633,651
<i>Purchased CRRs</i>	(40,944)	-	(50,550)	50,550
<i>Other/Contingency</i>	5,541	150,000	-	150,000
<i>Debt Service</i>	787,506	917,004	911,239	5,765
<i>Principal Expense</i>	-	33,733	-	33,733
<i>Interest Expense</i>	20,416	12,061	20,015	(7,954)
<i>Fiscal Agent/Rating Fees</i>	622	700	622	78
<i>OPEB Contribution</i>	61,686	-	65,546	(65,546)
<i>Other Professional Services</i>	16,420	-	16,843	(16,843)
<i>Loss on Disposal of Assets</i>	84,111	-	-	-
<i>Transfer-Admin. Services</i>	915,691	1,069,215	1,056,465	12,750
<i>Transfer to Capital Funds</i>	6,652,000	494,320	580,164	(85,844)
<i>Bond/Issuance Cost Amortization</i>	119,623	-	-	-
<i>Transfer-R.O.I.</i>	3,864,731	3,888,500	3,870,409	18,091
	<u>39,555,026</u>	<u>35,395,222</u>	<u>29,848,157</u>	<u>5,547,065</u>

**SUMMARY BUDGET REPORT**

**(Cont.)**

	<i>Actual</i> 2014-2015	<i>Amended</i> <i>Budget</i> 2015-2016	<i>Actual</i> 2015-2016	<i>Variance</i> <i>Positive</i> <i>(Negative)</i>
<b>EXPENDITURES (Cont.)</b>				
<b>WATER</b>				
<i>Administration</i>	356,181	465,531	451,828	13,703
<i>Customer Services</i>	365,542	385,222	393,978	(8,756)
<i>Water Treatment Plant</i>	2,262,761	2,728,317	1,655,385	1,072,932
<i>Distribution Maintenance</i>	1,021,915	1,112,113	1,049,265	62,848
<i>Distribution Construction</i>	170,783	306,645	259,058	47,587
<i>Engineering</i>	316,829	433,952	299,409	134,543
<i>Debt Service</i>	3,218,682	3,809,034	3,688,655	120,379
<i>Fiscal Agent/Rating Fees</i>	3,630	3,700	3,630	70
<i>OPEB Contribution</i>	54,186	-	56,585	(56,585)
<i>Transfer-Admin. Services</i>	723,623	705,184	699,912	5,272
<i>Transfer-R.O.I.</i>	544,236	542,912	590,739	(47,827)
<i>Transfer-Street Maintenance</i>	7,113	20,000	9,678	10,322
<i>Transfer to Other Funds</i>	12,368,900	2,095,852	2,052,094	43,758
<i>Loss on Disposal of Assets</i>	58,377	-	-	-
<i>Bond Amortization/Issuance Cost</i>	151,859	-	(196,588)	196,588
<i>Principal</i>	191,324	95,761	96,117	(356)
<i>Interest Expense</i>	37,862	7,202	39,031	(31,829)
<i>Other/Contingency Expenses</i>	87,637	957,000	-	957,000
<i>Other Professional Services</i>	16,420	-	16,843	(16,843)
	<b>21,957,859</b>	<b>13,668,424</b>	<b>11,165,618</b>	<b>2,502,806</b>
<b>WASTEWATER</b>				
<i>Administration</i>	356,181	465,501	451,828	13,673
<i>Collection Maintenance</i>	1,106,476	1,100,113	1,069,984	30,128
<i>Customer Services</i>	336,439	354,551	362,611	(8,060)
<i>Collection Construction</i>	418,768	510,256	422,259	87,997
<i>Engineering</i>	151,016	207,812	167,096	40,716
<i>Treatment</i>	823,801	970,960	862,761	108,199
<i>Transfer-Admin. Services</i>	252,603	239,957	238,384	1,573
<i>Transfer-Capital Funds</i>	5,192,995	666,194	624,061	42,133
<i>Debt Service</i>	742,296	1,076,973	1,048,924	28,049
<i>Fiscal Agent/Rating Fees</i>	748	1,400	748	652
<i>Original Issue Disc Amort Expense</i>	(23,143)	-	(45,040)	45,040
<i>OPEB Contribution</i>	51,006	-	51,455	(51,455)
<i>Issuance Cost/Bond Amortization</i>	138,115	-	-	-
<i>Principal</i>	53,560	34,376	34,337	39
<i>Interest Expense</i>	12,015	2,764	12,220	(9,456)
<i>Transfer-R.O.I.</i>	375,856	370,589	403,517	(32,928)
<i>Other/Contingency Expenses</i>	11,224	40,000	-	40,000
	<b>10,013,386</b>	<b>6,041,445</b>	<b>5,705,145</b>	<b>336,300</b>
<b>Total Expenditures</b>	<b>71,526,270</b>	<b>55,105,091</b>	<b>46,718,919</b>	<b>8,386,172</b>
<b>Revenues Over (Under) Expenditures</b>	<b>1,131,067</b>	<b>(3,140,811)</b>	<b>1,466,407</b>	<b>4,607,218</b>

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY ELECTRIC ADMINISTRATION  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	180,236	179,772	189,486	(9,714)
Supplies	15,009	17,000	13,864	3,136
Services	48,248	41,060	35,903	5,157
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	243,493	237,832	239,253	(1,421)

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**ELECTRIC ADMINISTRATION**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**ELECTRIC ADMINISTRATION**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	120,761	114,251	127,686	(13,435)
102	Overtime	2,780	4,080	2,386	1,694
107	Group Health/Life Benefits	28,207	32,164	25,934	6,230
108	Fica	10,132	9,316	9,432	(116)
109	Retirement	14,678	16,139	20,761	(4,622)
110	Workers Compensation	1,588	1,721	1,622	99
111	Tec	778	877	517	360
112	Longevity	1,312	1,224	1,148	76
	Total Personal Services	180,236	179,772	189,486	(9,714)
<u>Supplies</u>					
202	General Office Supplies	5,728	6,000	3,438	2,562
204	Computer & Office Equip	-	1,000	346	654
215	Food/Meal Expense	6,763	6,400	6,640	(240)
219	Uniforms/Protective Clothing	490	1,000	243	757
220	Vehicle/Equip Fuel & Oil	42	500	62	438
221	Vehicle/Equip Parts & Labor	210	500	225	275
228	Safety Equipment	-	500	-	500
229	Miscellaneous Supplies	1,776	1,000	2,910	(1,910)
281	Small Tools & Equipment	-	100	-	100
	Total Supplies	15,009	17,000	13,864	3,136
<u>Services</u>					
304	Medical Services	-	60	-	60
305	Seminars & Training	801	1,000	425	575
306	Other Professional Services	21,713	15,000	7,129	7,871
308	Telephone/Communication Svcs	5,896	4,000	7,375	(3,375)
309	Postage	730	1,000	80	920
311	Travel Expense	752	2,000	438	1,562
314	Printing & Binding	-	250	574	(324)
318	Insurance	11,136	12,000	12,087	(87)
326	Office & Copy Equipment Rental	3,418	2,000	4,357	(2,357)
328	Other Rental	1,702	1,000	1,540	(540)
330	Dues/Memberships	-	250	148	102
336	Utility System Trustee	2,100	2,100	1,750	350
361	Awards & Recognition	-	400	-	400
	Total Services	48,248	41,060	35,903	5,157
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	243,493	237,832	239,253	(1,421)

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY UTILITY BILLING  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	650,853	649,876	664,776	(14,900)
Supplies	32,677	55,280	40,080	15,200
Services	443,559	474,282	502,612	(28,330)
Capital Outlay	37,058	47,383	47,240	143
<b>TOTAL EXPENDITURES</b>	<b>1,164,147</b>	<b>1,226,821</b>	<b>1,254,708</b>	<b>(27,887)</b>

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**UTILITY BILLING**

The Utility Billing Department is responsible for establishing and maintaining all residential and commercial utility customer inquiries regarding new construction, connection, disconnection and transfers of utility services. The department ensures accurate and timely readings of meters, management of billing accounts and maintaining financial records for the City of Weatherford utilities.

The Utility Billing Department prepares bill calculations for approximately 15,500 utility accounts (over twenty-five thousand meters) for electric, water, wastewater collections and solid waste. Annually they process approximately 60,000 mailed payments, 50,000 in person payments and 8,000 electronic payments. Of the utility accounts that are billed, approximately 250 require some degree of collection action monthly. The department issues approximately 17,000 work orders annually for customer requested services (connects, disconnects, transfers, etc.), as well as, the repairs and/or replacements of electric meters, water meters and sewer taps.

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**UTILITY BILLING**  
**2015-2016 ANNUAL BUDGET**  
**(Unaudited)**

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	445,676	445,665	443,684	1,981
102	Overtime	3,942	3,570	2,324	1,246
107	Group Health/Life Benefits	91,195	94,219	95,293	(1,074)
108	Fica	37,998	34,629	33,620	1,009
109	Retirement	56,889	59,174	77,999	(18,825)
110	Workers Compensation	6,120	5,982	5,921	61
111	Tec	3,701	3,210	2,499	711
112	Longevity	5,332	3,427	3,436	(9)
	Total Personal Services	650,853	649,876	664,776	(14,900)
<u>Supplies</u>					
202	General Office Supplies	5,574	6,700	5,322	1,378
203	Furniture & Fixtures	-	4,989	2,239	2,750
204	Computer & Office Equip	3,885	312	312	-
215	Food & Meal Expense	403	600	701	(101)
219	Uniforms/Protective Clothing	4,394	4,900	4,695	205
220	Vehicle/Equip Fuel & Oil	11,162	15,000	8,439	6,561
221	Vehicle Parts And Labor	3,356	8,400	4,310	4,090
229	Miscellaneous Supplies	113	9,629	11,595	(1,966)
281	Small Tools & Equipment	3,790	4,750	2,467	2,283
	Total Supplies	32,677	55,280	40,080	15,200
<u>Services</u>					
304	Medical Services	365	200	145	55
305	Seminars & Training	1,667	8,388	4,052	4,336
306	Other Professional Services	333,462	351,611	383,143	(31,532)
308	Telephone/Communication Svcs	4,720	5,665	6,521	(856)
309	Postage	96,434	101,000	97,375	3,625
311	Travel Expense	2,994	3,018	3,748	(730)
318	Insurance	2,010	2,500	2,518	(18)
324	R & M Of Office Equipment	1,689	1,800	-	1,800
326	Office & Copy Equipment Rent	218	100	110	(9)
391	Promotional Expenses	-	-	5,000	(5,000)
	Total Services	443,559	474,282	502,612	(28,330)
<u>Capital Outlay</u>					
420	Other Equipment	25,023	-	-	-
426	Other Improvements	12,035	47,383	47,240	143
	Total Capital Outlay	37,058	47,383	47,240	143
	<b>TOTAL EXPENDITURES</b>	1,164,147	1,226,821	1,254,708	(27,887)

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY WAREHOUSE  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	168,116	192,719	182,504	10,215
Supplies	18,701	100,175	14,910	85,265
Services	114,480	274,949	219,668	55,281
Capital Outlay	-	56,511	9,395	47,116
<b>TOTAL EXPENDITURES</b>	<b>301,297</b>	<b>624,354</b>	<b>426,477</b>	<b>197,877</b>

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**WAREHOUSE**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WAREHOUSE**  
**2015-2016 ANNUAL BUDGET**  
**(Unaudited)**

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	116,461	123,013	116,411	6,602
102	Overtime	5,123	8,160	2,337	5,823
107	Group Health/Life Benefits	18,159	26,582	23,994	2,588
108	Fica	8,515	10,170	10,257	(87)
109	Retirement	13,486	17,945	23,334	(5,389)
110	Workers Compensation	4,113	4,276	4,030	246
111	Tec	775	810	513	297
112	Longevity	1,484	1,763	1,628	135
	Total Personal Services	168,116	192,719	182,504	10,215
<u>Supplies</u>					
202	General Office Supplies	421	750	703	47
215	Food & Meals	5,075	8,500	6,346	2,154
217	Janitorial Supplies	3,363	4,500	3,989	511
219	Uniforms/Protective Clothing	336	1,125	661	464
222	Equipment Parts & Labor	453	2,550	1,887	663
223	Equipment Fuel & Oil	-	500	-	500
228	Safety Equipment	99	750	502	248
229	Miscellaneous Supplies	100	500	118	382
235	Building Maintenance Supplies	8,139	79,000	592	78,408
281	Small Tools & Equipment	715	2,000	112	1,888
	Total Supplies	18,701	100,175	14,910	85,265
<u>Services</u>					
304	Employee Physical	-	60	75	(15)
305	Seminars & Training	-	2,000	808	1,192
306	Other Professional Services	49,483	10,000	1,500	8,500
308	Telephone/Communication Svcs	1,221	2,100	1,476	624
311	Travel Expense	782	1,000	476	524
318	Insurance	4,582	5,700	5,741	(41)
319	Utility Services	52,257	50,000	42,207	7,793
320	R & M - Building & Structures	1,393	198,489	162,890	35,599
326	Office & Copy Equipment Rental	68	100	66	34
331	Laundry & Sanitation	4,694	5,500	4,429	1,071
	Total Services	114,480	274,949	219,668	55,281
<u>Capital Outlay</u>					
410	Motor Vehicles	-	10,000	9,395	605
426	Other Improvements	-	46,511	-	46,511
	Total Capital Outlay	-	56,511	9,395	47,116
<b>TOTAL EXPENDITURES</b>		<b>301,297</b>	<b>624,354</b>	<b>426,477</b>	<b>197,877</b>

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**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY ELECTRIC DISTRIBUTION  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	1,326,318	2,141,948	1,262,579	879,369
Supplies	499,984	573,594	423,206	150,388
Services	1,152,004	1,407,550	965,468	442,082
Capital Outlay	2,723,819	3,088,690	2,993,664	95,026
<b>TOTAL EXPENDITURES</b>	<b>5,702,125</b>	<b>7,211,782</b>	<b>5,644,917</b>	<b>1,566,865</b>

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**ELECTRIC DISTRIBUTION**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**ELECTRIC DISTRIBUTION**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	777,539	1,501,114	578,764	922,350
102	Overtime	91,520	100,980	104,081	(3,101)
107	Group Health/Life Benefits	160,206	169,369	162,439	6,930
108	Fica	102,919	123,506	116,859	6,647
109	Retirement	159,721	211,363	269,357	(57,994)
110	Workers Compensation	16,257	16,764	15,800	964
111	Tec	6,082	6,480	4,551	1,929
112	Longevity	12,074	12,372	10,728	1,644
	Total Personal Services	1,326,318	2,141,948	1,262,579	879,369
<u>Supplies</u>					
202	General Office Supplies	1,258	1,300	965	335
204	Computers & Office Equip	5,492	34,993	11,783	23,210
205	Radio & Communication Equip	2,844	1,500	928	572
215	Food/Meal Expense	906	1,000	680	320
219	Uniforms/Protective Clothing	31,871	30,000	24,617	5,383
220	Vehicle/Equip Fuel & Oil	39,023	54,000	37,160	16,840
221	Vehicle/Equip Parts & Labor	76,432	59,250	64,542	(5,292)
228	Safety Equipment	21,556	14,500	16,961	(2,461)
229	Miscellaneous Supplies	14,965	32,000	29,014	2,986
244	Elec/Water Meter Repair & Main	127	2,000	277	1,723
249	Overhead Elec Line Repair/Main	119,787	89,000	69,149	19,851
250	Underground Elec Line Repair	69,761	103,726	41,637	62,089
251	Elec Transformer Repair/Maint	1,495	2,500	2,576	(76)
252	Overhead Elec Svc Repair/Manit	12,003	19,500	20,149	(649)
253	Underground Elec Svc Repair	5,666	7,000	8,311	(1,311)
254	Line Equip & Control Repair	3,611	5,000	1,326	3,674
255	Substation R&M Supplies	36,051	36,517	24,718	11,799
257	Street & Public Light Repair	22,091	35,000	17,525	17,475
259	Security Lighting Repair/Maint	4,525	10,000	7,477	2,523
261	Tree Trimming Supplies	957	1,000	998	2
270	Scada Parts	1,612	10,000	13,389	(3,389)
281	Small Tools & Equipment	27,951	23,808	29,024	(5,216)
	Total Supplies	499,984	573,594	423,206	150,388

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	11,453	46,140	13,427	32,713
303	Legal Services	18,081	40,000	28,013	11,987
304	Medical Services	750	500	335	165
305	Seminars & Training	29,635	63,500	43,386	20,114
306	Other Professional Services	175,050	302,084	123,871	178,213
308	Telephone/Communication Svcs	21,058	12,000	20,591	(8,591)
309	Postage	303	1,500	475	1,025
310	Auto Allowance	4,800	4,800	4,400	400
311	Travel Expense	13,927	11,750	9,456	2,294
316	Tree Trimming	180,000	180,000	193,799	(13,799)
318	Insurance	8,521	9,376	9,444	(68)
321	R & M Of Radio & Comm Equip	-	3,000	-	3,000
325	Other Repair & Maint Service	6,819	13,145	11,454	1,691
327	Machinery & Equipment Rental	93,208	121,000	98,942	22,058
330	Dues/Memberships	34,958	36,500	36,763	(263)
331	Laundry & Sanitation	265	1,000	270	730
334	Regulatory Test/Monintoring	1,132	10,000	695	9,305
362	Meter Maintenance Services	-	500	-	500
363	Substation Maintenance	79,056	91,255	33,006	58,249
364	Overhead Elec Line Replacement	236,958	192,500	153,451	39,049
365	Underground Elec Line Repair	236,030	259,000	182,640	76,360
368	Equipment Repairs & Maint.	-	3,000	1,050	1,950
370	Scada Maintenance	-	5,000	-	5,000
	Total Services	1,152,004	1,407,550	965,468	442,082
<u>Capital Outlay</u>					
402	Land Easements/Right Of Way	3,337	4,184	-	4,184
410	Motor Vehicles	32,452	28,987	28,987	-
415	Heavy Construction Equip	100,904	475,000	-	475,000
420	Other Equipment	23,277	240,816	16,702	224,114
423	New Meters	83,158	60,000	51,317	8,683
426	Other Improvements	548,973	522,689	314,523	208,166
427	Street & Public Grd Lights	168,567	121,000	184,466	(63,466)
432	Above Ground Electric Lines	673,260	484,000	752,374	(268,374)
433	Below Ground Electric Lines	501,190	595,000	969,854	(374,854)
434	Transformers	303,259	355,000	393,988	(38,988)
435	Above Ground Electric Svc	12,359	20,000	21,014	(1,014)
436	Below Ground Electric Svc	106,906	96,000	234,604	(138,604)
437	Electric Line-Equip/Controls	82,294	66,014	17,130	48,884
441	Rent Lights	79,137	20,000	8,705	11,295
451	Specialized Equipment	4,746	-	-	-
	Total Capital Outlay	2,723,819	3,088,690	2,993,664	95,026
	TOTAL EXPENDITURES	5,702,125	7,211,782	5,644,917	1,566,865

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY ELECTRIC PRODUCTION  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	51	-	-	-
Supplies	588	6,000	761	5,239
Services	4,747	5,850	6,347	(497)
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>5,386</b>	<b>11,850</b>	<b>7,108</b>	<b>4,742</b>

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**ELECTRIC PRODUCTION**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**ELECTRIC PRODUCTION**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
110	Workers Compensation	51	-	-	-
	Total Personal Services	51	-	-	-
<u>Supplies</u>					
204	Computers & Office Equipment	-	250	-	250
217	Janitorial Supplies	-	100	-	100
220	Vehicle/Equip Fuel & Oil	-	200	-	200
221	Vehicle/Equip Parts & Labor	-	100	-	100
222	Equipment Parts & Labor	-	1,000	-	1,000
223	Equipment Fuel & Oil	-	1,000	-	1,000
224	Fuel For Electric Generation	433	1,000	493	507
228	Safety Equipment	-	100	-	100
229	Miscellaneous Supplies	135	500	268	232
235	Building Maintenance Supplies	-	750	-	750
247	Pumps & Controls Repair/Maint	-	500	-	500
281	Small Tools & Equipment	20	500	-	500
	Total Supplies	588	6,000	761	5,239
<u>Services</u>					
308	Telephone/Communication Svcs	706	1,000	724	276
318	Insurance	1,648	2,050	2,065	(15)
319	Utility Services	2,393	2,500	3,558	(1,058)
322	R & M Of Fixed Plant Equip	-	100	-	100
325	Other Repair & Maint Service	-	100	-	100
335	Regulatory Permit Fees	-	100	-	100
	Total Services	4,747	5,850	6,347	(497)
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	5,386	11,850	7,108	4,742

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**ELECTRIC NON DEPARTMENTAL**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
332	Inter-Fund Service Charges	915,691	1,069,215	1,056,465	12,750
343	Trans To General Fund	3,864,731	3,888,500	3,870,409	18,091
346	Trans To Debt Service	787,506	917,004	911,239	5,765
347	Trans To Other Funds	6,652,000	494,320	580,164	(85,844)
350	Trans - Offsite Wtr Sales	61,686	-	65,546	(65,546)
351	Bond Amortization	(24,017)	-	(42,425)	42,425
352	Interest Expense	20,416	12,061	20,015	(7,954)
355	Issuance Cost Amortization	143,640	-	-	-
371	Fiscal Agent / Rating Fees	622	700	622	78
373	Purchased Kwh	20,201,084	20,077,422	16,443,771	3,633,651
376	Purchased Crrs	(40,944)	-	(50,550)	50,550
380	Loss On Disposal Of Assets	84,111	-	-	-
382	Principal	-	33,733	-	33,733
383	Lease/Purchase	32,839	-	33,686	(33,686)
399	Other / Contingency Expenses	5,541	150,000	-	150,000
	Total Services	32,704,906	26,642,955	22,888,942	3,754,013
	TOTAL EXPENDITURES	32,704,906	26,642,955	22,888,942	3,754,013

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WATER NON DEPARTMENTAL**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
306	Other Professional Services	-	10,000	-	10,000
332	Inter-Fund Service Charges	723,623	705,184	699,912	5,272
343	Trans To General Fund	544,236	542,912	590,739	(47,827)
346	Trans To Debt Service Fund	3,218,682	3,809,034	3,688,655	120,379
347	Trans To Other Funds	12,368,900	2,095,852	2,052,094	43,758
350	Trans - Offsite Wtr Sales	7,113	20,000	9,678	10,322
351	Bond Amortization	(118,141)	-	(196,588)	196,588
352	Interest Expense	37,862	7,202	39,031	(31,829)
353	OPEB Contribution	54,186	-	56,585	(56,585)
355	Issuance Cost Amortization	270,706	-	-	-
371	Fiscal Agent / Rating Fees	3,630	3,700	3,630	70
380	Loss On Disposal Of Assets	58,377	-	-	-
382	Principal	191,324	95,761	96,117	(356)
399	Other / Contingency Expenses	87,637	957,000	-	957,000
	Total Services	17,448,135	8,246,645	7,039,853	1,206,792
	TOTAL EXPENDITURES	17,448,135	8,246,645	7,039,853	1,206,792

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WASTEWATER NON DEPARTMENTAL**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
332	Interfund Service Charges	252,603	239,957	238,384	1,573
343	Trans To General Fund	375,856	370,589	403,517	(32,928)
346	Trans To Debt Service Fund	742,296	1,076,973	1,048,924	28,049
347	Transfer To Other Funds	5,192,995	666,194	624,061	42,133
351	Orig Iss Disc Amort Exp	(23,143)	-	(45,040)	45,040
352	Interest Expense	12,015	2,764	12,220	(9,456)
353	OPEB Contribution	51,006	-	51,455	(51,455)
355	Issuance Cost Amortization	138,115	-	-	-
371	Fiscal Agent / Rating Fees	748	1,400	748	652
382	Principal	53,560	34,376	34,337	39
399	Other / Contingency Expenses	11,224	40,000	-	40,000
	Total Services	6,807,275	2,432,253	2,368,606	63,647
	TOTAL EXPENDITURES	6,807,275	2,432,253	2,368,606	63,647

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY WATER/WW ADMINISTRATION  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	652,288	831,953	835,634	(3,681)
Supplies	45,177	66,849	49,969	16,880
Services	14,897	32,200	18,053	14,147
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	712,362	931,002	903,656	27,346

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**WATER/WW ADMINISTRATION**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WATER/WW ADMINISTRATION**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	479,906	593,486	589,929	3,557
102	Overtime	7,213	8,670	5,755	2,915
103	Education/Certification Pay	194	11,703	12,180	(477)
107	Group Health/Life Benefits	52,281	73,450	54,773	18,677
108	Fica	36,192	45,518	47,095	(1,577)
109	Retirement	56,874	80,352	108,533	(28,181)
110	Workers Compensation	12,015	12,574	11,851	723
111	Tec	2,717	2,430	1,710	720
112	Longevity	4,896	3,770	3,808	(38)
	Total Personal Services	652,288	831,953	835,634	(3,681)
<u>Supplies</u>					
202	General Office Supplies	1,902	500	243	257
204	Computers & Office Equipment	850	1,587	495	1,092
205	Radio & Communication Equip	-	63	62	1
215	Food/Meal Expense	282	562	561	1
219	Uniforms/Protective Clothing	3,334	3,000	2,400	600
220	Vehicle/Equip Fuel & Oil	8,743	12,500	7,426	5,074
221	Vehicle/Equip Parts & Labor	3,580	6,088	5,185	903
228	Safety Equipment	408	1,500	737	763
229	Miscellaneous Supplies	553	700	1,319	(619)
230	Community Program Supplies	19,597	17,000	17,276	(276)
270	Scada Parts	1,391	1,500	1,340	160
281	Small Tools & Equipment	4,537	21,849	12,925	8,924
	Total Supplies	45,177	66,849	49,969	16,880
<u>Services</u>					
304	Medical Services	185	50	-	50
305	Seminars & Training	2,473	5,000	2,491	2,509
306	Other Professional Services	-	2,801	662	2,139
308	Telephone/Communication Svcs	6,368	4,000	6,552	(2,552)
309	Postage	857	1,000	921	79
310	Auto Allowance	1,200	4,800	4,400	400
311	Travel Expense	764	2,000	550	1,450
314	Printing & Binding	6	200	30	170
318	Insurance	1,407	1,750	1,763	(13)
321	R & M Of Radio & Comm Equip	-	400	-	400
330	Dues/Memberships	512	684	684	-
370	Scada Maintenance	1,125	9,515	-	9,515
	Total Services	14,897	32,200	18,053	14,147
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	712,362	931,002	903,656	27,346

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY WATER TREATMENT PLANT  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	413,875	490,590	468,139	22,451
Supplies	524,228	570,260	482,705	87,555
Services	1,062,962	1,523,871	641,862	882,009
Capital Outlay	261,696	143,596	62,679	80,917
<b>TOTAL EXPENDITURES</b>	<b>2,262,761</b>	<b>2,728,317</b>	<b>1,655,385</b>	<b>1,072,932</b>

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**WATER TREATMENT PLANT**

The Weatherford Water Purification Plant is responsible for safely treating water and delivering, under sufficient pressure, an adequate supply of water for the City of Weatherford customers. This includes meeting all current and proposed state and federal regulations and preparing appropriate reports. The Water Purification Plant treated 1,442 MG in FY 2016.

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WATER TREATMENT PLANT**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	271,056	316,937	282,435	34,502
102	Overtime	27,144	25,500	39,139	(13,639)
103	Education/Certification Pay	-	8,285	4,950	3,335
107	Group Health/Life Benefits	48,060	54,240	47,588	6,652
108	Fica	21,910	26,328	25,387	941
109	Retirement	33,602	46,460	57,053	(10,593)
110	Workers Compensation	8,702	8,966	8,450	516
111	Tec	2,205	2,160	1,525	635
112	Longevity	1,196	1,714	1,612	102
	Total Personal Services	413,875	490,590	468,139	22,451
<u>Supplies</u>					
202	General Office Supplies	2,867	2,450	2,705	(255)
204	Computer & Office Equip	-	300	719	(419)
212	Chemicals	382,307	416,000	315,563	100,437
215	Food/Meal Expense	1,281	2,400	1,462	938
217	Janitorial Supplies	1,635	3,000	1,381	1,619
218	Medical/Laboratory Supplies	41,443	46,000	50,802	(4,802)
219	Uniforms/Protective Clothing	2,351	3,600	2,550	1,050
220	Vehicle/Equip Fuel & Oil	1,715	3,000	1,097	1,903
221	Vehicle/Equip Parts & Labor	919	3,000	2,982	18
222	Equipment Parts & Labor	57,601	58,175	55,005	3,170
223	Equipment Fuel & Oil	-	750	-	750
228	Safety Equipment	2,285	5,200	1,175	4,025
229	Miscellaneous Supplies	124	885	885	0
235	Building Maintenance Supplies	3,353	3,500	3,095	405
241	Benbrook Pipeline Supplies	43	1,000	-	1,000
247	Pumps & Controls Repair/Maint	14,586	15,000	32,896	(17,896)
270	Scada Parts	9,560	2,000	6,592	(4,592)
281	Small Tools & Equipment	2,158	4,000	3,796	204
	Total Supplies	524,228	570,260	482,705	87,555

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	93,847	33,560	7,500	26,060
304	Medical Services	150	435	360	75
305	Seminars & Training	480	5,000	3,178	1,822
306	Other Professional Services	19,979	20,410	15,296	5,114
308	Telephone/Communication Svcs	3,791	5,000	4,777	223
309	Postage	2,707	4,100	1,552	2,548
311	Travel Expense	-	482	481	1
312	Legal Advertising	-	500	-	500
314	Printing & Binding	149	120	119	1
318	Insurance	20,901	23,000	23,166	(166)
319	Utility Services	334,576	370,000	264,130	105,870
320	R & M Bldgs & Structures	3,505	7,364	5,694	1,670
321	R & M Of Radio & Comm Equip	-	600	-	600
322	R & M Of Fixed Plant Equip	29,330	208,427	47,651	160,776
324	R & M Of Office Equipment	-	2,000	-	2,000
327	Equipment Rental	4,562	8,815	7,286	1,529
330	Dues/Memberships	222	1,200	644	556
331	Laundry & Sanitation	1,512	1,500	1,562	(62)
333	Pump Maintenance	33,916	30,892	-	30,892
334	Regulatory Testing & Monitoring	32,545	58,844	20,904	37,940
335	Regulatory Permit Fees	28,882	35,037	33,699	1,338
354	Benbrook Pipeline Services	161,081	66,000	34,073	31,927
370	Scada Maintenance	7,656	30,000	41,762	(11,762)
375	Purchased Water	283,171	610,585	128,028	482,557
	Total Services	1,062,962	1,523,871	641,862	882,009
<u>Capital Outlay</u>					
405	Engineering & Scientific Equipment	-	39,955	-	39,955
410	Motor Vehicles	-	30,000	26,318	3,682
414	Plant Equipment	47,332	19,428	27,361	(7,933)
420	Other Equipment	8,272	-	-	-
426	Other Improvements	187,954	45,213	-	45,213
443	Pumps	18,138	9,000	9,000	-
	Total Capital Outlay	261,696	143,596	62,679	80,917
	<b>TOTAL EXPENDITURES</b>	<b>2,262,761</b>	<b>2,728,317</b>	<b>1,655,385</b>	<b>1,072,932</b>

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**CITY OF WEATHERFORD**  
**MUNICIPAL UTILITY SYSTEM**  
**BUDGET SUMMARY WATER/WASTEWATER MAINTENANCE**  
**2015-2016 ANNUAL BUDGET**  
**(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	947,450	1,140,629	1,045,942	94,687
Supplies	460,407	425,850	493,253	(67,403)
Services	288,719	354,130	268,686	85,444
Capital Outlay	431,815	291,616	311,368	(19,752)
<b>TOTAL EXPENDITURES</b>	<b>2,128,391</b>	<b>2,212,225</b>	<b>2,119,249</b>	<b>92,976</b>

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**WATER/WASTEWATER MAINTENANCE**

The Water/Wastewater Maintenance division is responsible for the maintenance of 274 miles of water lines, 208 miles of wastewater lines, 1,509 fire hydrants, 24 lift stations, 10 water sites, 1 well system, and over 400 grinder pumps. This department includes a pump and motor maintenance crew which is responsible for the preventative maintenance and repairs of the lift stations, raw water pump station, distribution pump stations, and the water and wastewater treatment plants. Also included is a water meter shop which is responsible for the installation, repair, and testing of 11,497 commercial and residential meters.

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WATER/WASTEWATER MAINTENANCE**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries & Wages	521,878	676,441	538,281	138,160
102	Overtime	120,473	102,000	121,548	(19,548)
103	Education/Certification Pay	-	14,988	8,435	6,553
107	Group Medical/Life Insur	118,715	131,682	139,052	(7,370)
108	Fica	54,795	60,000	58,959	1,041
109	Retirement	84,367	105,933	135,256	(29,323)
110	Workers Compensation	37,450	38,550	36,050	2,500
111	Unemployment Tax	4,836	5,160	3,377	1,783
112	Longevity	4,936	5,875	4,984	891
	Total Personal Services	947,450	1,140,629	1,045,942	94,687
<u>Supplies</u>					
202	General Office Supplies	209	400	312	88
204	Computers & Office Equip	1,050	389	388	1
212	Chemicals	13,894	12,000	16,159	(4,159)
215	Food & Meals	25	600	292	308
218	Medical & Laboratory Supplies	2,718	11,111	4,490	6,621
219	Uniforms & Protective Cloth	5,145	8,150	5,809	2,341
220	Vehicle Fuel & Oil	55,471	85,000	53,290	31,710
221	Vehicle Parts & Labor	81,172	73,750	89,865	(16,115)
228	Safety Equipment	10,258	9,000	11,401	(2,401)
229	Miscellaneous	7,499	4,000	8,425	(4,425)
233	Street & Road Materials	-	10,500	63	10,437
234	Traffic & Street Signs	2,208	2,500	2,393	107
235	Bldg Maint. Supplies	6,650	3,000	2,149	851
242	Water Mains	52,495	45,000	77,892	(32,892)
243	Water Services	12,904	17,000	15,453	1,547
244	Meters	16,940	15,000	10,587	4,413
245	Sanitary Sewers	69,454	40,000	96,010	(56,010)
247	Pump & Controls	36,075	39,000	42,595	(3,595)
260	Valves & Hydrants	26,839	20,000	25,580	(5,580)
270	Scada Parts	9,783	10,000	10,528	(528)
281	Small Tools & Equipment	49,618	19,450	19,572	(122)
	Total Supplies	460,407	425,850	493,253	(67,403)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
304	Employment Physicals	300	100	225	(125)
305	Seminars & Training	6,591	10,100	7,240	2,860
306	Other Prof. Services	25,499	9,900	27,726	(17,826)
308	Telephone/Communications	4,673	5,280	7,576	(2,296)
309	Postage	114	750	119	631
311	Travel Expense	71	400	21	379
318	Insurance	31,655	28,000	32,136	(4,136)
319	Utilities	184,957	260,000	168,477	91,523
320	R & M Buildings & Structures	8,048	-	-	-
321	Radio & Comm Equip Maint	100	500	-	500
322	Plant Equip Maintenance	-	10,000	2,533	7,467
327	Equipment Rental	12,203	6,000	9,273	(3,273)
328	Other Rental	3,600	3,600	3,600	-
329	Claims & Damages	312	-	-	-
330	Membership Dues/Subscriptions	777	1,500	1,135	365
333	Pump Maintenance	8,428	10,000	3,901	6,099
335	Regulatory Permit Fees	1,391	2,000	1,462	538
370	Scada Maintenance	-	6,000	3,262	2,738
	Total Services	288,719	354,130	268,686	85,444
<u>Capital Outlay</u>					
420	Other Equipment	86,565	104,000	103,100	900
421	Water Mains	5,007	20,000	26,411	(6,411)
422	Water Services	17,531	10,000	12,717	(2,717)
423	New Water Meters	157,045	83,867	54,369	29,498
424	Sanitary Sewer Mains	88,928	20,000	13,456	6,544
425	Sanitary Sewer Services	8,518	5,000	15,186	(10,186)
426	Other Improvements	22,243	-	-	-
443	Pumps	11,471	32,133	59,476	(27,343)
445	Valves & Hydrants	34,507	16,616	26,653	(10,037)
	Total Capital Outlay	431,815	291,616	311,368	(19,752)
	TOTAL EXPENDITURES	2,128,391	2,212,225	2,119,249	92,976

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**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY WATER/WASTEWATER REHABILITATION  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	168,604	263,090	115,595	147,495
Supplies	54,816	83,750	82,027	1,723
Services	32,133	39,060	46,411	(7,351)
Capital Outlay	333,997	431,000	437,283	(6,283)
<b>TOTAL EXPENDITURES</b>	<b>589,550</b>	<b>816,900</b>	<b>681,316</b>	<b>135,584</b>

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**WATER/WASTEWATER REHABILITATION**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WATER/WASTEWATER REHABILITATION**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	87,053	162,005	25,519	136,486
102	Overtime	2,862	12,240	7,128	5,112
103	Education/Certification Pay	-	753	393	360
107	Group Health/Life Benefits	38,272	38,900	30,838	8,062
108	Fica	11,496	13,431	12,507	924
109	Retirement	17,378	23,702	28,001	(4,299)
110	Workers Compensation	9,243	9,387	8,847	540
111	Unemployment Tax	1,252	1,350	1,058	292
112	Longevity	1,048	1,322	1,304	18
	Total Personal Services	168,604	263,090	115,595	147,495
<u>Supplies</u>					
202	General Office Supplies	28	200	103	97
212	Chemicals	-	700	-	700
215	Food & Meals	-	100	68	32
219	Uniforms & Protective Clothing	720	2,250	1,687	563
220	Vehicle/Equip Fuel & Oil	14,722	25,000	14,590	10,410
221	Vehicle/Equip Parts & Labor	28,463	40,000	52,792	(12,792)
228	Safety Equipment	1,792	4,500	3,410	1,090
229	Miscellaneous Supplies	943	2,000	909	1,091
234	Traffic & Street Signs	1,587	1,500	1,591	(91)
235	Building Maint Supplies	195	500	108	392
281	Small Tools & Equipment	6,366	7,000	6,769	231
	Total Supplies	54,816	83,750	82,027	1,723
<u>Services</u>					
304	Employee Physicals	150	100	225	(125)
305	Seminar & Training Fees	360	1,500	508	992
306	Other Professional Svcs	20,904	15,000	19,219	(4,219)
308	Telephone/Communications	79	860	2,806	(1,946)
311	Travel Expense	-	100	-	100
318	Insurance	804	1,000	1,007	(7)
319	Utility Services	5,519	5,000	6,169	(1,169)
327	Equipment Rental	3,893	15,000	16,477	(1,477)
329	Claims & Damages	230	-	-	-
330	Membership Dues/Subscriptions	-	500	-	500
331	Laundry & Sanitation	194	-	-	-
	Total Services	32,133	39,060	46,411	(7,351)

<b>Account Number</b>	<b>Account Title</b>	<b>Actual 2014-2015</b>	<b>Amended Budget 2015-2016</b>	<b>Actual 2015-2016</b>	<b>Variance Positive (Negative)</b>
<u>Capital Outlay</u>					
421	Water Mains	74,785	183,612	232,154	(48,542)
424	Sanitary Sewer Mains	247,985	203,611	163,201	40,410
426	Other Improvements	-	32,777	32,546	231
445	Valves & Hydrants	11,227	11,000	9,382	1,618
	Total Capital Outlay	333,997	431,000	437,283	(6,283)
	TOTAL EXPENDITURES	589,550	816,900	681,316	135,584

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY ENGINEERING  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	267,883	339,471	279,771	59,700
Supplies	2,155	22,662	19,798	2,864
Services	197,807	279,631	166,936	112,695
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	467,845	641,764	466,505	175,259

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**ENGINEERING**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**ENGINEERING**  
**2015-2016 ANNUAL BUDGET**  
**(Unaudited)**

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	203,129	249,122	202,062	47,060
102	Overtime	-	102	-	102
103	Education/Certification Pay	-	4,519	5,389	(870)
107	Group Health / Life Benefits	21,939	27,120	18,378	8,742
108	Fica	15,643	20,007	15,423	4,584
109	Retirement	24,480	35,244	36,188	(944)
110	Workers Compensation	998	1,151	1,084	67
111	Tec	810	1,080	603	477
112	Longevity	884	1,126	644	482
	Total Personal Services	267,883	339,471	279,771	59,700
<u>Supplies</u>					
202	General Office Supplies	244	-	-	-
204	Computer & Office Equipment	700	17,851	17,851	0
219	Uniforms/Protective Clothing	171	330	324	6
220	Vehicle/Equip.Fuel & Oil	439	1,800	492	1,308
221	Vehicle/Equip.Parts & Labor	253	1,144	512	632
228	Safety Equipment	-	300	118	182
229	Miscellaneous Supplies	269	500	202	298
281	Small Tools & Equipment	79	737	299	438
	Total Supplies	2,155	22,662	19,798	2,864
<u>Services</u>					
302	Architect & Engineering	165,813	226,139	132,312	93,827
303	Legal Services	22,153	20,500	21,952	(1,452)
304	Medical Services	35	-	-	-
305	Seminars & Training	1,530	7,418	7,418	0
306	Other Professional Services	2,718	19,824	3,324	16,500
308	Telephone/Communication Svcs	774	2,100	953	1,147
310	Auto Allowance	2,400	-	-	-
311	Travel Expenses	1,235	2,000	37	1,963
318	Insurance	523	650	655	(5)
330	Dues/Memberships	626	1,000	285	715
	Total Services	197,807	279,631	166,936	112,695
<u>Capital Outlay</u>					
	TOTAL EXPENDITURES	467,845	641,764	466,505	175,259

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**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY WASTEWATER TREATMENT PLANT  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	295,457	308,956	320,006	(11,050)
Supplies	119,320	181,900	145,839	36,061
Services	365,801	435,287	352,099	83,188
Capital Outlay	43,223	44,817	44,817	-
<b>TOTAL EXPENDITURES</b>	<b>823,801</b>	<b>970,960</b>	<b>862,761</b>	<b>108,198</b>

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**WASTEWATER TREATMENT PLANT**

The Wastewater Treatment Plant is responsible for the treatment of wastewater collected from residences, businesses and industries. Treatment includes the removal of suspended solids and organic contaminants as well as an ultra-violet disinfection process in order to meet Texas Commission on Environmental Quality discharge standards. Chemical and biological tests are performed by state certified plant personnel and contract laboratories to assure compliance with discharge permit limits. The Wastewater Treatment Plant treated and released to the receiving stream a total of 860 MG in the FY 2016.

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**WASTEWATER TREATMENT PLANT**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	202,110	203,886	207,133	(3,247)
102	Overtime	10,539	10,200	7,654	2,546
103	Education/Certification Pay	240	6,174	5,188	986
107	Group Health/Life Benefits	33,769	33,900	35,406	(1,506)
108	Fica	16,052	16,614	17,261	(647)
109	Retirement	24,280	29,318	39,043	(9,725)
110	Workers Compensation	4,561	4,576	4,313	263
111	Tec	1,350	1,350	1,020	330
112	Longevity	2,556	2,938	2,988	(50)
	Total Personal Services	295,457	308,956	320,006	(11,050)
<u>Supplies</u>					
202	General Office Supplies	742	1,250	368	882
204	Computers & Office Equipment	100	194	194	-
212	Chemicals	38,836	60,296	32,975	27,321
215	Food/Meal Expense	70	200	68	132
217	Janitorial Supplies	740	725	489	236
218	Medical/Laboratory Supplies	22,917	20,100	26,040	(5,940)
219	Uniforms/Protective Clothing	1,071	2,250	1,468	782
220	Vehicle/Equip Fuel & Oil	8,779	7,500	8,465	(965)
221	Vehicle/Equip Parts & Labor	6,205	12,389	15,031	(2,642)
222	Equipment Parts & Labor	31,759	44,886	44,093	793
223	Equipment Fuel & Oil	228	3,806	-	3,806
228	Safety Equipment	1,300	3,000	2,932	68
229	Miscellaneous Supplies	437	500	429	71
233	Street & Road Materials	-	1,804	1,803	1
235	Building Maintenance Supplies	183	3,500	3,253	247
247	Pumps & Controls Repair/Maint	4,586	15,000	6,161	8,839
270	Scada Parts	-	2,500	130	2,370
281	Small Tools & Equipment	1,367	2,000	1,940	60
	Total Supplies	119,320	181,900	145,839	36,061

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Services</u>					
302	Architect & Engineering Svcs	-	6,835	1,394	5,441
303	Legal Services	265	3,400	1,908	1,492
304	Medical Services	-	50	75	(25)
305	Seminars & Training	235	3,125	973	2,152
308	Telephone/Communication Svcs	1,540	1,500	1,526	(26)
309	Postage	39	1,000	940	60
311	Travel Expense	-	300	15	285
312	Legal Advertising	-	5,000	945	4,055
318	Insurance	6,029	7,500	7,554	(54)
319	Utility Services	201,424	222,964	149,075	73,889
320	R & M Buildings & Structures	13,069	16,600	14,402	2,198
322	R & M Of Fixed Plant Equip	7,102	43,000	38,026	4,974
330	Dues/Memberships	1,311	600	1,422	(822)
331	Laundry & Sanitation Svcs	46,758	47,787	48,817	(1,030)
334	Regulatory Testing & Monitorin	60,015	43,126	57,632	(14,506)
335	Regulatory Permit Fees	28,014	29,500	27,395	2,105
370	Scada Maintenance	-	3,000	-	3,000
	Total Services	365,801	435,287	352,099	83,188
<u>Capital Outlay</u>					
414	Plant Equipment	20,012	37,898	37,898	-
420	Other Equipment	14,211	-	-	-
443	Pumps	9,000	6,919	6,919	-
	Total Capital Outlay	43,223	44,817	44,817	-
	<b>TOTAL EXPENDITURES</b>	<b>823,801</b>	<b>970,960</b>	<b>862,761</b>	<b>108,198</b>

**CITY OF WEATHERFORD  
MUNICIPAL UTILITY SYSTEM  
BUDGET SUMMARY FIBER  
2015-2016 ANNUAL BUDGET  
(Unaudited)**

Expenditure Classification	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
Personal Services	16,021	65,101	65,841	(740)
Supplies	3,647	11,450	1,661	9,789
Services	9,087	29,850	14,341	15,509
Capital Outlay	123,317	73,000	35,916	37,084
<b>TOTAL EXPENDITURES</b>	<b>152,072</b>	<b>179,401</b>	<b>117,759</b>	<b>61,642</b>

**FIBER**

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

**City of Weatherford**  
**MUNICIPAL UTILITY SYSTEM**  
**FIBER**  
**2015-2016 ANNUAL BUDGET**  
(Unaudited)

Account Number	Account Title	Actual 2014-2015	Amended Budget 2015-2016	Actual 2015-2016	Variance Positive (Negative)
<u>Personal Services</u>					
101	Salaries Of Regular Employees	2,302	45,975	46,233	(258)
102	Overtime	613	1,020	284	736
107	Group Health/Life Benefits	3,940	6,780	6,854	(74)
108	Fica	3,178	3,633	3,252	381
109	Retirement	5,142	6,410	8,280	(1,870)
110	Workers Compensation	450	523	493	30
111	Tec	-	270	-	270
112	Longevity	396	490	445	45
	Total Personal Services	16,021	65,101	65,841	(740)
<u>Supplies</u>					
202	General Office Supplies	66	200	-	200
204	Computers & Office Equip	290	-	-	-
219	Uniforms/Protective Clothing	143	1,000	154	846
220	Vehicle/Equip Fuel & Oil	296	1,000	215	785
221	Vehicle/Equip Parts & Labor	510	750	84	666
228	Safety Equipment	231	500	-	500
229	Miscellaneous Supplies	474	3,000	83	2,917
281	Small Tools & Equipment	1,637	5,000	1,125	3,875
	Total Supplies	3,647	11,450	1,661	9,789
<u>Services</u>					
305	Seminars & Training	-	1,500	-	1,500
306	Other Professional Services	1,288	7,000	-	7,000
308	Telephone/Communication Svcs	50	600	275	325
311	Travel Expense	-	750	-	750
316	Tree Trimming	7,749	20,000	14,066	5,934
	Total Services	9,087	29,850	14,341	15,509
<u>Capital Outlay</u>					
410	Motor Vehicles	30,304	-	-	-
420	Other Equipment	-	10,000	8,474	1,526
426	Other Improvements	12,637	10,500	-	10,500
439	Fiber Optic System	80,376	52,500	27,442	25,058
	Total Capital Outlay	123,317	73,000	35,916	37,084
<b>TOTAL EXPENDITURES</b>		152,072	179,401	117,759	61,642

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