



**CITY OF WEATHERFORD, TEXAS**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2017**



**Created by:  
Finance Office**

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**CITY OF WEATHERFORD, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

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# **INTRODUCTORY SECTION**

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February 21, 2018

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

The City Charter requires that an annual audit of all records and transactions of the administration of the affairs of the City be made by a certified public accountant. Accordingly, the comprehensive annual financial report (CAFR) of the City of Weatherford, Texas, for the fiscal year ended September 30, 2017, is hereby submitted.

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

The City of Weatherford's financial statements have been audited by Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Weatherford's financial statements for the fiscal year ended September 30, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the City of Weatherford**

The City of Weatherford, incorporated in 1858, adopted its original charter and became a home rule city in 1918. The City is located 25 miles west of the Dallas/Fort Worth metropolitan area on Interstate Highway 20 (IH-20) and serves as the county seat of Parker County. The City currently occupies a land area of 27.58 square miles and serves an estimated population of 29,969 as of 2016 (U.S. Census Bureau). The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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

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

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager prior to June 1 of each year. These requests are reviewed, prioritized and, based upon projected revenue availability, included in a proposed budget. The City Manager then presents the proposed budget to the City Council and Municipal Utility Board, respectively, for review prior to August 31. The Council and Board are required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The budget is prepared and appropriated by fund and department. Upon approval of the City Manager, department directors may make line-item transfers of appropriations within a department; however, appropriation transfers between departments require approval of the Council or Board. A summary budget-to-actual comparison for the General Fund is provided on page 65-66 of this report. Budget-to-actual comparisons for each of the non-major special revenue governmental funds are found on pages 79-90.

## **Factors Affecting Financial Condition**

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

**Local Economy.** In 2017, the City of Weatherford experienced strong economic growth, as revenues to the City outmatched the previous record highs, set in 2016. The State and more so the North Texas Metroplex/MSA, that includes Weatherford, continues to lead the nation in employment, job creation, and new growth. Regional retail shopping, manufacturing and other business to business sales led Weatherford's strong sales tax figures for FY17. Having experienced expansive commercial and residential growth since the early 2000's, both retail and industrial establishments maintain significant economic presence in the City. Other economic indicators that showed improvement throughout the year are Texas' consumer confidence index as well as the unemployment rate, which continues to be favorable in Weatherford, the Fort Worth/Dallas Metroplex, and the State. In addition, 45 to 50 percent of local residents make the short commute east into the metropolitan area for jobs at major Fortune 500 companies, such as Lockheed-Martin, Bell Helicopter/Textron, Alliance Airport, the Federal Currency Center, and many other major Fortune 500/regional employers.

Fiscal year 2017 was the historic high in sales tax revenue collections for the City of Weatherford. The 2017 City sales tax was 11.5 percent above the 2016 \$11.6 million, at \$12.9 million. Because this revenue stream can be sensitive to economic fluctuations, Weatherford leaders are careful to only rely on approximately 90% of sales tax for operational purposes, allowing a healthy buffer to shield against declines.

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

The City continues to develop as a major regional retail center at the IH-20 and S. Main node, with over 905,000 square feet of retail construction completed since 2005. The Weatherford Marketplace Center at the south east intersection of IH-20 and S. Main St. (State Highways 51/171) has been fully leased. Some vacancies are common but they tend to rotate occupancy. Additionally, City leaders created Weatherford's first Tax Increment Reinvestment Zone during FY16. To date, two major retailers have occupied space in the TIRZ and opened their doors during FY17, with further development anticipated.

The local unemployment rate has declined substantially from its high of 8.5% in the midst of the Great Recession. While the rate does fluctuate monthly, the annual average hovers around 4%, comparing favorably with the State and national unemployment rates. September of 2017 was estimated at 3.5%, not seasonally adjusted.

Due in part to a stable local service area economy as well as strong financial management, Weatherford has maintained its "AA-" rating and stable outlook from Standard & Poor's. Additionally, the rating agency recently upgraded its underlying rating on Weatherford's utility system debt to A+ from A, with a stable outlook. The upgrade reflected Standard & Poor's view of the utility's strong financial profile, improved liquidity, and good financial metrics.

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

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

A focus of the City Council, as stated in the City's strategic plan, is up-to-date infrastructure. The City made some great improvements and enhancements to the City over the last several years with a huge emphasis on implementing the 2006 Capital Committee's recommendations as well as a massive Pass-Through Toll Agreement with TxDOT that has provided approximately \$60 million in new or improved transportation infrastructure. City staff has also maintained the annual street maintenance target set in 2013 in order to ensure proper and timely rehabilitation of its street infrastructure. Additional emphasis has been placed on maintenance and expansion of utility infrastructure, with large-scale improvements of the water and sewer system being funded through both debt and revenues earned off of the new rate structure, passed in 2015. As a part of these improvements, staff has replaced the City's old utility meters with automated meters, enabling staff to read them remotely and in real time. The automated meter installation is scheduled to be completed in the Spring of 2018, while other infrastructure projects will continue for the next several years.

With the new municipal storm water fee having been adopted in early 2013, the City has made several strides in updating its drainage infrastructure in the past three years, and has also issued revenue bonds backed by this revenue stream for further improvements, with further debt funding planned.

An additional focus for the City has been to start a vehicle rotation fund for major rolling assets in the General Fund. FY18 is the third year of this new rotation, with approximately 29 vehicles provided for with recurring funds. The goal is to add more vehicles onto this rotation as revenues provide.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Weatherford for its comprehensive annual financial report for the fiscal year ended September 30, 2016. This was the twenty-ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

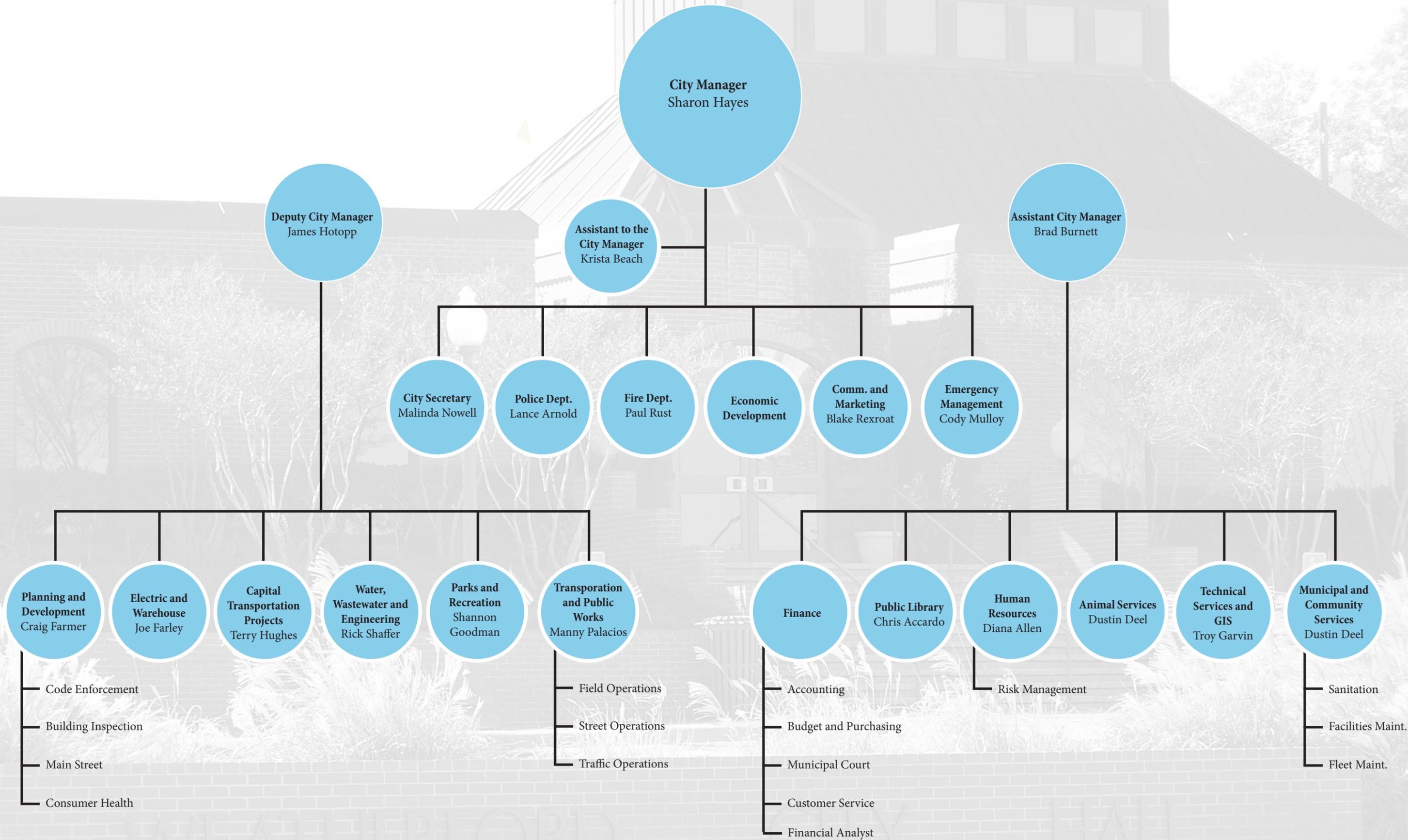
Respectfully submitted,



Sharon Hayes  
City Manager



Brad Burnett  
Assistant City Manager/CFO



**THE CITY OF  
WEATHERFORD, TEXAS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**YEAR ENDED  
SEPTEMBER 30, 2017**

**ELECTED  
CITY COUNCIL**

Craig Swancy – Mayor

Jeff Robinson – Mayor Pro Tem/Council Member

Dale Fleegeer – Council Member

Kevin Cleveland – Council Member

Heidi Wilder – Council Member

**APPOINTED/DESIGNATED  
MUNICIPAL UTILITY BOARD**

Craig Swancy – Mayor – Chair

Heidi Wilder – Vice Chair

Jeff Robinson – Designated Council Member

Howard McClurkin – Appointed Public Member

Ken Davis – Appointed Public Member

Lindsey Hester – Appointed Public Member

Paul Paschall – Appointed Public Member



Government Finance Officers Association

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Achievement  
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**City of Weatherford  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2016**

*Christopher P. Morill*

Executive Director/CEO

# **FINANCIAL SECTION**

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

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Texas ("City"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's, basic financial statements as listed in the table of contents.

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

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

### *Auditors' Responsibility*

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and the schedule of funding progress on pages 4 through 15 and 65 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2018, on our consideration of the City's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Waco, Texas  
February 21, 2018

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**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

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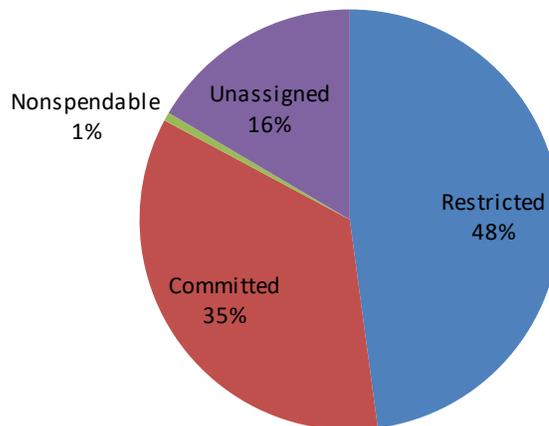
## Management's Discussion and Analysis

As management of the City of Weatherford, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Weatherford for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### Financial Highlights

- The assets and deferred outflows (a consumption of net assets by the City that is applicable to a future reporting period such as prepaid items and deferred charges) of resources of the City of Weatherford exceeded its liabilities and deferred inflows (an acquisition of net assets by the City that is applicable to a future reporting period such as deferred revenues and advance collections) at the close of the most recent fiscal year by \$231,919,583 (net position). Of this amount, \$37,439,085 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$10,788,755. Positive operating results along with capital contributions from developers in the utility and solid waste systems resulted in an increase in net position related to business-type activities of \$12,525,675. Net position related to governmental activities decreased by (\$1,736,920).
- As of the close of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$29,706,679, a decrease of (\$4,377,044) in comparison with the prior year. A variety of increases and decreases combine to make this decrease, but the majority can be attributed to debt service payments made with existing fund balance from TxDOT reimbursements in previous years. Approximately 17% of the total balance, \$4,906,858, is unassigned, which is primarily in the general fund. This is approximately 21% of total general fund expenditures.

### Governmental Funds Fund Balance by Type



- The City of Weatherford's total debt increased by \$1,367,158 (1%) during the current fiscal year. This increase is primarily attributed to the issuance of \$11.2 million of revenue bonds and principal payments of \$9.9 million.

## **Overview of the Financial Statements**

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

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

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

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

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

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

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

The City of Weatherford maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and the tax increment reinvestment zone, which are considered to be major funds. Data from the other 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

**Proprietary Funds.** Proprietary funds can be further classified into two different types of funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Weatherford uses enterprise funds to account for its combined electric, water and wastewater operations, also for its solid waste collection and storm water operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions.

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

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

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

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 – 64 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Weatherford’s General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance with a comparative display of budget to actual. This required supplementary information can be found on pages 65 – 67 of this report. Required supplementary information of pension information and other post employee benefit funding progress are also included on pages 68 – 70.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of Weatherford, assets and deferred outflows exceeded liabilities and deferred inflows by \$231,919,583 at the close of the most recent fiscal year.

**City of Weatherford's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 62,773,751	\$ 58,787,534	\$ 75,746,211	\$ 61,685,189	\$ 138,519,962	\$ 120,472,723
Capital assets	<u>94,304,676</u>	<u>104,932,539</u>	<u>141,438,401</u>	<u>134,503,563</u>	<u>235,743,077</u>	<u>239,436,102</u>
Total assets	<u>157,078,427</u>	<u>163,720,073</u>	<u>217,184,612</u>	<u>196,188,752</u>	<u>374,263,039</u>	<u>359,908,825</u>
Deferred outflows of resources	<u>5,964,570</u>	<u>7,123,116</u>	<u>2,516,612</u>	<u>2,928,259</u>	<u>8,481,182</u>	<u>10,051,375</u>
Long-term liabilities	75,571,569	81,015,847	59,620,978	53,034,692	135,192,547	134,050,539
Other liabilities	<u>7,991,485</u>	<u>8,322,899</u>	<u>6,620,844</u>	<u>5,051,227</u>	<u>14,612,329</u>	<u>13,374,126</u>
Total liabilities	<u>83,563,054</u>	<u>89,338,746</u>	<u>66,241,822</u>	<u>58,085,919</u>	<u>149,804,876</u>	<u>147,424,665</u>
Deferred inflows of resources	<u>761,456</u>	<u>1,049,036</u>	<u>258,306</u>	<u>355,671</u>	<u>1,019,762</u>	<u>1,404,707</u>
Net position:						
Net investment in capital assets	66,796,273	65,646,240	109,363,224	102,278,278	176,159,497	167,924,518
Restricted	8,155,809	11,866,006	10,165,192	20,064,415	18,321,001	31,930,421
Unrestricted	<u>3,766,405</u>	<u>2,943,161</u>	<u>33,672,680</u>	<u>18,332,728</u>	<u>37,439,085</u>	<u>21,275,889</u>
Total net position	<u>\$ 78,718,487</u>	<u>\$ 80,455,407</u>	<u>\$ 153,201,096</u>	<u>\$ 140,675,421</u>	<u>\$ 231,919,583</u>	<u>\$ 221,130,828</u>

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

An additional portion of the City of Weatherford’s net position (8%) represents resources that are subject to external restrictions on how they may be used. All restricted assets of the City relating to both governmental activities and business-type activities are being held for purposes established by state and local laws, future construction, and debt service/reserve requirements on the City’s outstanding debt. The remaining \$37,439,085 (16%) balance of net position is unrestricted and may be used to meet the City’s ongoing obligations to citizens and creditors.

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

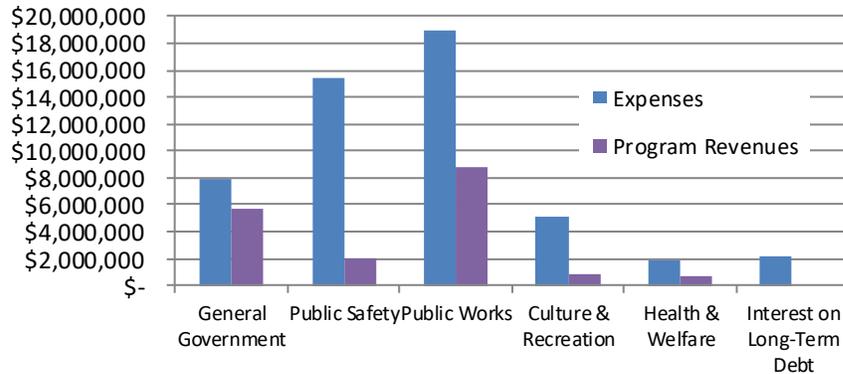
The City’s total net position increased by \$10,788,755 during the current fiscal year. Net position related to business-type activities increased by \$12,525,675. This increase is largely attributable to positive operating results as well as capital grants and contributions from developers. Net position related to governmental activities decreased by (\$1,736,920).

**City of Weatherford's Changes in Net Position**

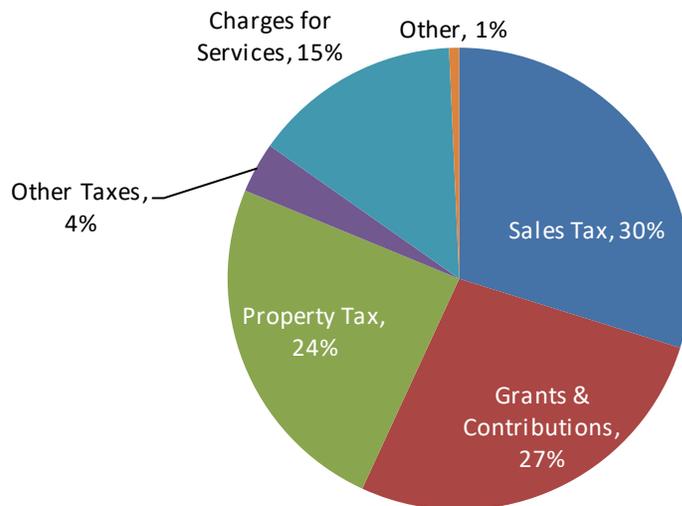
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 6,313,055	\$ 3,963,204	\$ 59,585,735	\$ 51,206,960	\$ 65,898,790	\$ 55,170,164
Operating grants and contributions	571,295	318,801	-	-	571,295	318,801
Capital grants and contributions	11,179,503	1,604,594	4,941,978	2,439,162	16,121,481	4,043,756
General revenues:						
Sales taxes	12,963,401	11,619,054	-	-	12,963,401	11,619,054
Property taxes	10,586,095	9,942,877	-	-	10,586,095	9,942,877
Other taxes	1,536,063	1,491,686	-	-	1,536,063	1,491,686
Other	305,792	322,563	1,145,670	941,491	1,451,462	1,264,054
Total revenues	<u>43,455,204</u>	<u>29,262,779</u>	<u>65,673,383</u>	<u>54,587,613</u>	<u>109,128,587</u>	<u>83,850,392</u>
<b>Expenses:</b>						
General government	7,921,911	7,005,789	-	-	7,921,911	7,005,789
Public safety	15,348,606	15,000,743	-	-	15,348,606	15,000,743
Public works	18,997,852	5,252,727	-	-	18,997,852	5,252,727
Health and welfare	1,813,923	1,587,636	-	-	1,813,923	1,587,636
Culture and recreational	5,087,524	4,761,634	-	-	5,087,524	4,761,634
Interest on long-term debt	2,089,046	2,176,497	-	-	2,089,046	2,176,497
Electric	-	-	33,142,615	23,013,754	33,142,615	23,013,754
Water	-	-	7,913,939	7,385,407	7,913,939	7,385,407
Wastewater	-	-	3,899,352	3,557,093	3,899,352	3,557,093
Solid waste	-	-	1,913,154	1,619,025	1,913,154	1,619,025
Stormwater	-	-	211,910	87,041	211,910	87,041
Total expenses	<u>51,258,862</u>	<u>35,785,026</u>	<u>47,080,970</u>	<u>35,662,320</u>	<u>98,339,832</u>	<u>71,447,346</u>
Increase (decrease) in net position before transfers	( 7,803,658)	( 6,522,247)	18,592,413	18,925,293	10,788,755	12,403,046
Transfers	<u>6,066,738</u>	<u>7,970,306</u>	<u>( 6,066,738)</u>	<u>( 7,970,306)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	( 1,736,920)	1,448,059	12,525,675	10,954,987	10,788,755	12,403,046
Prior period adjustment	<u>-</u>	<u>45,123,233</u>	<u>-</u>	<u>( 410,492)</u>	<u>-</u>	<u>44,712,741</u>
Net position, October 1, restated	<u>80,455,407</u>	<u>79,007,348</u>	<u>140,675,421</u>	<u>129,720,434</u>	<u>221,130,828</u>	<u>208,727,782</u>
Net position, September 30	<u>\$ 78,718,487</u>	<u>\$ 80,455,407</u>	<u>\$ 153,201,096</u>	<u>\$ 140,675,421</u>	<u>\$ 231,919,583</u>	<u>\$ 221,130,828</u>

**Governmental Activities.** The City of Weatherford’s total net position related to governmental activities decreased by (\$1,736,920).

**Expenses and Program Revenues – Governmental Activities**



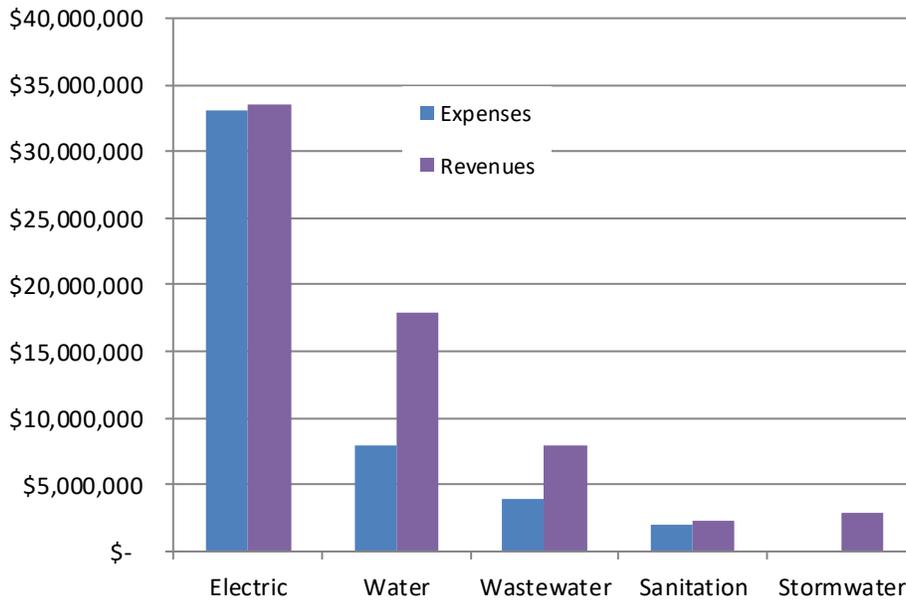
**Revenues by Source – Governmental Activities**



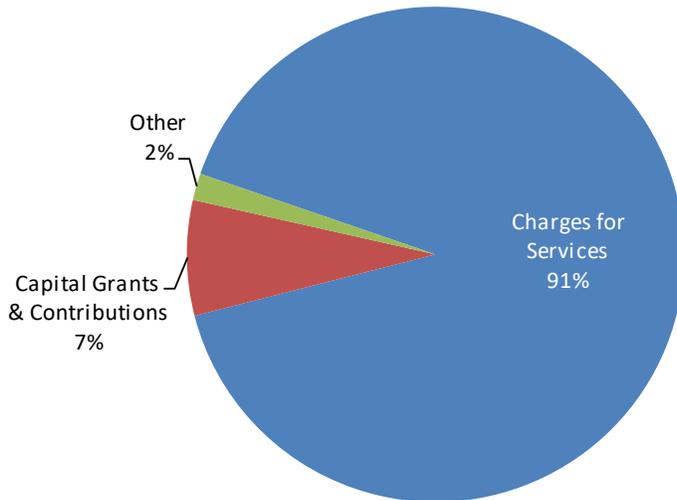
**Business-Type Activities.** Business-type activities increased the City of Weatherford’s net position by \$12,525,675. Key elements of this increase are as follows:

- Overall expenses increased \$11,418,650 (32%) compared to prior year for the business-type activities. The cost of electric operations saw the largest increase of \$10,128,861 (44%) due to increased consumption and cost of purchased power. The water utility also saw a minor increase of \$528,532 (7%).
- Revenues increased \$11,085,770 over prior year revenues. This is primarily due to higher electric revenues. The City purchases power from three providers, passing that cost through to customers. The cost to purchase that power was substantially higher in FY17, leading to a higher pass-through cost and, ultimately, higher revenues from the electric utility.

### Expenses and Program Revenues – Business-type Activities



### Revenues by Source – Business-type Activities



### Financial Analysis of the City’s Funds

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

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

As of the end of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$29,706,679, a decrease of (\$4,377,044) in comparison with the prior year. A variety of increases and decreases combine to make this happen. However, the largest single contributing factor is the receipt of tax notes intended to finance infrastructure projects in conjunction with the new tax increment financing district. Approximately 51% (\$15,290,656) of the fund balances constitutes either committed or unassigned fund balance, of which is available for spending at the government's discretion. Of that amount \$4,906,858 (17%) of the total is unassigned. Of the committed funds \$1,250,884 is designated for net OPEB obligation costs to date as detailed in Note 4, \$1,553,299 is committed to capital projects, \$213,426 is for Parks development, \$457,732 is for culture and recreation and \$6,908,457 is the desired stabilization fund of 90 days' worth of general fund operation the Council retains for emergencies or unforeseen situations. The other \$14,416,023 (49%) of the fund balances are either non-spendable or restricted in use by an outside authority or covenant. This amount decreased by approximately \$4.0 million when compared to the prior year. This decrease occurred as a result of certain bond payments being funded with Texas Department of Transportation pass-thru toll program funds that were collected in a previous year.

The general fund is the chief operating fund of the City of Weatherford. At the end of the current fiscal year, spendable and unrestricted fund balance of the general fund was \$14,761,293, while total fund balance was \$14,906,203. The City of Weatherford's financial management policies stipulate that the general fund shall maintain a balance equivalent to 90 days' worth of the average daily operational cost contained in that fund, with a Council preference for 120 days. To determine the average daily cost of operations for the general fund, staff divides all recurring operational funding, less any program costs supported by grants or other explicitly associated revenues, by 365. For FY17, this figure was budgeted at \$28,017,632, yielding an average daily operations cost of \$76,761. Multiplying that figure by 90, the stabilization arrangement as mandated by Weatherford's policy comes out to \$6,908,457. As a measure of the general fund's liquidity, it is useful to compare spendable, unreserved fund balance to total fund expenditures. This is equivalent to approximately 192 days' worth of the calculated average daily operational cost.

The fund balance of the City's general fund increased overall by \$739,975 during the current fiscal year. This increase in fund balance is due primarily to better than anticipated sales tax revenue.

The debt service fund has a fund balance of \$13,419,102, which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was (\$3,162,232). This decrease occurred as a result of certain bond payments being funded with Texas Department of Transportation pass-thru toll program funds that were collected in a previous year.

The TIRZ fund has a total fund balance of (\$1,695,094). The net decrease in fund balance during the current year was a result of expenditures that relate to planning for development within the TIRZ.

At the end of the fiscal year, the City's 13 active nonmajor special revenue funds (state forfeiture, federal forfeiture, Weatherford beautification, hotel/motel tax, Chandor Gardens, SFX grant, court technology, main street project, court security, library, animal shelter, court juvenile case manager, and Heritage Park) had combined fund balances totaling \$1,259,382, compared to prior year balances of \$1,649,513.

The two active capital projects funds (general capital and park development) had combined ending fund balances of \$1,766,725 compared to prior year balances of \$2,024,780, all of which is restricted for transportation, building, and park improvement projects. The decrease in the capital projects funds is contributed to the expenditure of bond dollars on road capital projects.

The Doss permanent library fund had an ending fund balance of \$50,361, compared to the prior year balance of \$50,143. This fund has a non-spendable fund balance of \$50,000.

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

Unrestricted net position of the municipal utility fund at the end of the year amounted to \$30,008,816, compared to the prior year unrestricted balance of \$14,992,668. The total increase in net position for the municipal utility fund was \$10,078,222. Unrestricted net position of the solid waste fund amounted to \$1,964,129 compared to \$2,181,741 in the prior year. Unrestricted net position of the storm water fund amounted to \$1,699,735 compared to \$1,158,319 in the prior year.

### **General Fund Budgetary Highlights**

Increasing amendments to the original 16-17 general fund annual expenditure appropriations netted to \$2,397,828, or approximately 7.9% of the original budget. A large portion of that, or \$584,073, were to re-appropriate unspent funds for the 2015-2016 approved projects into 2016-2017. Other major mid-year adjustments included a total of \$752,182 covered through miscellaneous donations, grants, insurance proceeds, or other revenue, using \$334,251 in the City's retiree reserve to fund compensated absences related to retirements, \$245,948 from accumulated fund balance for additional legal fees, and a \$481,374 in accumulated fund balance for other non-recurring services, installation of restrooms in two areas of the City, and professional services related to the search for a new ERP system.

### **General Fund Budget Comparison**

This document's General Fund Budget and Actual summary (found on pages 65 and 66) details differences between budgetary authority and actual spending for the 2017 fiscal year. A review of this schedule yields several significant variances. Overall, the fund left over \$1.4 million worth of appropriations unspent as of September 30, 2017. Of that, approximately \$1.2 million came from projects that had to be deferred until the following fiscal year, and those have since been re-appropriated for FY18. This includes \$500,000 in capital program funding, \$157,000 for a remodel of a City building, and \$150,000 in potential economic development agreement payments.

In addition to these variances, there were several other circumstances affecting budgetary spending across the general fund in FY17. Personnel savings due to vacancies across the City yielded over \$290,000 in savings for the general fund, and lower fuel prices resulted in over \$70,000 in associated savings. Other notable cost saving areas were unused funds in the City Manager's non-recurring contingency budget, deferring planned facilities maintenance projects, unused budget for land acquisition, and unused budget for economic development agreements. Council's formal budgetary level of control is by department, and while most departments remained within their fiscal constraints, Emergency Management did exceed appropriations by \$1,193 due to a slight variation in payroll costs, which are not discretionary.

## Capital Asset and Debt Administration

**Capital Assets.** The City of Weatherford’s investment in total capital assets for its governmental and business-type activities as of year-end amounts to \$235,743,077 (net of accumulated depreciation) compared to \$239,436,102 in the prior year. Investment in capital assets related to governmental activities (\$94,304,676) includes land and improvements, city hall, old city hall, public library, police station, animal shelter, fire stations, community centers, swimming pool, public market, other buildings and systems, vehicles, machinery and equipment, park facilities, streets, sidewalks and bridges. The City’s investment in capital assets related to business-type activities (\$141,438,401) includes land and improvements, electric distribution facilities (substations, poles, wires, transformers, etc.), water supply reservoir, raw water transmission lines and pumping facilities, water purification plant and distribution system, wastewater treatment plant and collection system, utility service center and warehouse, other buildings and systems, vehicles, machinery and equipment.

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

- Vehicle and other capital equipment purchases in the general fund and fleet management fund amounted over \$1.2 million. The police department had the lion’s share of these purchases, with \$350,000 in associated expenses.
- Improvements on Heritage Park continued for the fourth year, and those reached a total FY17 cost of \$288,000. Improvements to the City’s hike and bike trail in the amount of \$193,000 were also expensed in the General Capital Projects fund.
- Projects related to the Tax Increment Reinvestment Zone (TIRZ) in the amount of \$1.35 million was the largest general city capital asset event for FY17.
- Various system extensions and improvements to the City’s water, wastewater, and electric distribution system, as well as equipment purchases, approximated \$10.8 million. Similarly, the storm water utility spent \$1.9 million for infrastructure improvements.

### City of Weatherford's Capital Assets

(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 14,757,704	\$ 14,741,923	\$ 4,321,200	\$ 3,548,273	\$ 19,078,904	\$ 18,290,196
Buildings and systems	8,166,536	8,508,857	8,800,649	9,244,573	16,967,185	17,753,430
Improvements other than buildings	24,888,966	25,115,863	118,675,684	108,476,013	143,564,650	133,591,876
Machinery and equipment	4,065,467	4,061,731	2,579,479	2,934,682	6,644,946	6,996,413
Infrastructure	41,766,240	41,046,291	-	-	41,766,240	41,046,291
Construction in progress	659,763	11,457,874	7,061,389	10,300,022	7,721,152	21,757,896
Total	\$ 94,304,676	\$ 104,932,539	\$ 141,438,401	\$ 134,503,563	\$ 235,743,077	\$ 239,436,102

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

**Long-Term Debt.** At the end of the current fiscal year the City of Weatherford had total bonded debt outstanding, including combination tax, revenue certificates of obligation, tax notes, notes payable, and leases payable of \$110,153,284. While \$43,260,000 of this carries with it a legal pledge by property tax collections and backed by the full faith and credit of the City, pass-through toll revenues from an interlocal agreement with the Texas Department of Transportation will be sufficient to cover the majority of that debt service over the life of those bonds, rendering those issuances primarily self-supporting. \$11,680,000 represents combination tax and revenue certificates of obligation debt, \$48,115,000 represents bonds secured solely by revenue from the City’s combined electric, water and wastewater utility system, a combined \$5,923,886 in tax notes, notes payable and State infrastructure loans payable from the utility system revenues. A total of \$1,174,398 represents leases payable from performance contracting improvements and computer.

### City of Weatherford’s Outstanding Debt

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

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 43,260,000	\$ 46,735,000	\$ -	\$ -	\$ 43,260,000	\$ 46,735,000
Certificates of obligations	11,680,000	12,330,000	-	-	11,680,000	12,330,000
Revenue bonds	-	-	48,115,000	41,415,000	48,115,000	41,415,000
Tax notes	5,850,000	6,780,000	-	-	5,850,000	6,780,000
Notes payable	-	-	73,886	167,365	73,886	167,365
Lease obligations	775,810	925,617	398,588	433,144	1,174,398	1,358,761
Total	\$ 61,565,810	\$ 66,770,617	\$ 48,587,474	\$ 42,015,509	\$ 110,153,284	\$ 108,786,126

The City of Weatherford’s total debt increased by \$1,367,158 (1%) during the current fiscal year as a result of normal principal retirement along with the issuance of \$11,220,000 Revenue Certificates of Obligation.

The City’s general obligation bonds and certificates of obligation are rated “Aa3” by Moody’s Investors Service and “AA-“ by Standard and Poor’s Corporation at September 30, 2017. The City’s combined utility system revenue debt is rated “A1” by Moody’s Investors Service and “A+” by Standard and Poor’s Corporation at September 30, 2017.

State statutes limit the total property tax rate to \$2.50 per \$100 of assessed valuation. The City’s total property tax rate for 2016-2017 was \$0.5116 per \$100 of assessed valuation, of which \$0.1716 was for annual debt service. As a condition for issuance of additional debt, utility revenue bond covenants require net revenues of the system to be no less than 1.25 the average annual debt requirements and 1.10 times the maximum annual requirements.

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

## **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for Weatherford is currently sitting at 3.5% as of September of 2017. This does represent a significant decrease from 4.5% in September 2016, and compares favorably to national and state averages.
- Sales tax collections had another strong year in FY17, with actual collections exceeding the original budget by 15%, or \$1.7 million. Collections also exceeded FY16 by 11%. For FY18, staff has placed the City's budget in a strategically favorable position, to the extent that the City could successfully absorb a large decrease in this revenue stream without drastically effecting operations.
- Final total taxable assessed value increased by approximately 15% over 2017, from \$2.128 billion to \$2.449 billion. This total includes new construction as well as values captured for the TIRZ district.
- As a result of the newly created tax-increment reinvestment zone and its associated projects, we expect increased economic activity over the next several years.

All of the above factors were considered in preparing the City of Weatherford's budget for the 2017-2018 fiscal year. The property tax rate decreased by 2.2 cents to \$0.4899 per \$100 of assessed value, allowing the City to capitalize on value increases while softening their effect on homeowners and businesses. Sales tax collections, accounting for approximately 38% of general fund revenues and other financing sources, are anticipated to continue modest gains to fiscal year 2016-2017 receipts after accounting for expected rebates for economic development incentive agreements. Approved non-recurring expenditures for 2017-2018 total \$2.1 million, and there is a planned draw down of fund balance of \$722,000. This is projected to leave the General Fund with a balance equating to 130 of operations, which is well over the 90-day requirement. A large portion of this balance, totaling \$707,000, will be dedicated to future costs of retirements.

## **Requests for Information**

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

**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF NET POSITION**

**SEPTEMBER 30, 2017**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 29,165,317	\$ 42,007,102	\$ 71,172,419
Receivables (net of allowance for uncollectibles):			
Taxes	297,318	-	297,318
Accounts	553,935	6,863,049	7,416,984
Other	-	30,586	30,586
Due from other governments	32,612,271	-	32,612,271
Prepaid items	36,028	336,928	372,956
Inventories	108,882	3,301,234	3,410,116
Restricted assets:			
Cash and investments	-	23,207,312	23,207,312
Capital assets:			
Land	14,757,704	4,321,200	19,078,904
Buildings	15,141,388	19,379,594	34,520,982
Improvements other than buildings	37,556,803	185,729,950	223,286,753
Infrastructure	56,176,217	-	56,176,217
Machinery and equipment	12,959,257	9,312,275	22,271,532
Construction in progress	659,763	7,061,389	7,721,152
Less: accumulated depreciation	<u>( 42,946,456)</u>	<u>( 84,366,007)</u>	<u>( 127,312,463)</u>
Total capital assets	<u>94,304,676</u>	<u>141,438,401</u>	<u>235,743,077</u>
Total assets	<u>157,078,427</u>	<u>217,184,612</u>	<u>374,263,039</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	938,095	811,505	1,749,600
Deferred outflow related to pensions	<u>5,026,475</u>	<u>1,705,107</u>	<u>6,731,582</u>
Total deferred outflows of resources	<u>5,964,570</u>	<u>2,516,612</u>	<u>8,481,182</u>

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

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**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF NET POSITION**

**SEPTEMBER 30, 2017**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 520,376	\$ 3,310,803	\$ 3,831,179
Accrued liabilities	432,655	9,416	442,071
Retainage payable	-	118,238	118,238
Accrued interest	196,878	14,444	211,322
Due to other governments	34,421	-	34,421
Customer deposits and escrows	456,732	1,401,813	1,858,545
Unearned revenue	1,864	1,612,670	1,614,534
Payable from restricted assets:			
Accrued interest	-	153,460	153,460
Noncurrent liabilities:			
Due within one year-payable from restricted assets	-	324,583	324,583
Due within one year	6,348,559	4,822,808	11,171,367
Due in more than one year	<u>75,571,569</u>	<u>54,473,587</u>	<u>130,045,156</u>
Total liabilities	<u>83,563,054</u>	<u>66,241,822</u>	<u>149,804,876</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow related to pensions	<u>761,456</u>	<u>258,306</u>	<u>1,019,762</u>
Total deferred inflows of resources	<u>761,456</u>	<u>258,306</u>	<u>1,019,762</u>
<b>NET POSITION</b>			
Net investment in capital assets	66,796,273	109,363,224	176,159,497
Restricted for:			
Construction	-	3,866,171	3,866,171
Debt service	7,303,798	3,607,021	10,910,819
Rate stabilization	-	2,692,000	2,692,000
Culture and recreation:			
Nonexpendable	50,000	-	50,000
Public safety	482,990	-	482,990
Community development	319,021	-	319,021
Unrestricted	<u>3,766,405</u>	<u>33,672,680</u>	<u>37,439,085</u>
Total net position	<u>\$ 78,718,487</u>	<u>\$ 153,201,096</u>	<u>\$ 231,919,583</u>

**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 7,921,911	\$ 2,442,189	\$ 1,100	\$ 3,258,453
Public safety	15,348,606	1,480,750	517,820	-
Public works	18,997,852	936,009	-	7,897,617
Health and welfare	1,813,923	630,807	-	-
Cultural and recreation	5,087,524	823,300	52,375	23,433
Interest on long-term debt	2,089,046	-	-	-
<b>Total governmental activities</b>	<u>51,258,862</u>	<u>6,313,055</u>	<u>571,295</u>	<u>11,179,503</u>
<b>Business-type activities:</b>				
Electric	33,142,615	32,807,183	-	732,148
Water	7,913,939	16,381,903	-	1,572,722
Wastewater	3,899,352	6,791,526	-	1,155,424
Sanitation	1,913,154	2,270,380	-	-
Stormwater utility	211,910	1,334,743	-	1,481,684
<b>Total business-type activities</b>	<u>47,080,970</u>	<u>59,585,735</u>	<u>-</u>	<u>4,941,978</u>
<b>Total primary government</b>	<u>\$ 98,339,832</u>	<u>\$ 65,898,790</u>	<u>\$ 571,295</u>	<u>\$ 16,121,481</u>

**General revenues:**

Taxes:

Property

Sales

Other

Grants and contributions not restricted  
to specific programs

Investment earnings

Royalties

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$( 2,220,169)	\$ -	\$( 2,220,169)
( 13,350,036)	-	( 13,350,036)
( 10,164,226)	-	( 10,164,226)
( 1,183,116)	-	( 1,183,116)
( 4,188,416)	-	( 4,188,416)
<u>( 2,089,046)</u>	<u>-</u>	<u>( 2,089,046)</u>
<u>( 33,195,009)</u>	<u>-</u>	<u>( 33,195,009)</u>
-	396,716	396,716
-	10,040,686	10,040,686
-	4,047,598	4,047,598
-	357,226	357,226
<u>-</u>	<u>2,604,517</u>	<u>2,604,517</u>
<u>-</u>	<u>17,446,743</u>	<u>17,446,743</u>
<u>( 33,195,009)</u>	<u>17,446,743</u>	<u>( 15,748,266)</u>
10,586,095	-	10,586,095
12,963,401	-	12,963,401
1,536,063	-	1,536,063
4,407	-	4,407
155,995	440,796	596,791
23,842	569,498	593,340
121,548	135,376	256,924
<u>6,066,738</u>	<u>( 6,066,738)</u>	<u>-</u>
<u>31,458,089</u>	<u>( 4,921,068)</u>	<u>26,537,021</u>
( 1,736,920)	12,525,675	10,788,755
<u>80,455,407</u>	<u>140,675,421</u>	<u>221,130,828</u>
<u>\$ 78,718,487</u>	<u>\$ 153,201,096</u>	<u>\$ 231,919,583</u>

**CITY OF WEATHERFORD, TEXAS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2017**

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 13,053,233	\$ 7,417,712	\$ 4,716,756	\$ 3,037,220	\$ 28,224,921
Receivables (net of allowance for uncollectibles of \$312,412):					
Taxes	215,744	81,574	-	-	297,318
Accounts	419,044	138	-	134,753	553,935
Due from other governments	2,230,002	30,382,269	-	-	32,612,271
Prepaid	36,028	-	-	-	36,028
Advance to other funds	-	6,000,000	-	-	6,000,000
Inventories	108,882	-	-	-	108,882
Total assets	<u>16,062,933</u>	<u>43,881,693</u>	<u>4,716,756</u>	<u>3,171,973</u>	<u>67,833,355</u>
<b>LIABILITIES</b>					
Accounts payable	388,368	-	7,787	66,941	463,096
Accrued liabilities	419,955	-	-	12,700	432,655
Deposits and escrows	38,669	-	404,063	14,000	456,732
Due to other governments	34,421	-	-	-	34,421
Advance from other funds	-	-	6,000,000	-	6,000,000
Unearned revenue	-	-	-	1,864	1,864
Total liabilities	<u>881,413</u>	<u>-</u>	<u>6,411,850</u>	<u>95,505</u>	<u>7,388,768</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	275,317	30,462,591	-	-	30,737,908
Total deferred inflows of resources	<u>275,317</u>	<u>30,462,591</u>	<u>-</u>	<u>-</u>	<u>30,737,908</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Doss library	-	-	-	50,000	50,000
Prepaid	36,028	-	-	-	36,028
Inventory	108,882	-	-	-	108,882
Restricted for:					
Debt service	-	13,419,102	-	-	13,419,102
Public safety	-	-	-	482,990	482,990
Community development	-	-	-	319,021	319,021
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	6,908,457	-	-	-	6,908,457
Capital projects	-	-	-	1,553,299	1,553,299
Park development	-	-	-	213,426	213,426
Culture and recreation	-	-	-	457,732	457,732
Unassigned	6,601,952	-	( 1,695,094)	-	4,906,858
Total fund balances	<u>14,906,203</u>	<u>13,419,102</u>	<u>( 1,695,094)</u>	<u>3,076,468</u>	<u>29,706,679</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,062,933</u>	<u>\$ 43,881,693</u>	<u>\$ 4,716,756</u>	<u>\$ 3,171,973</u>	<u>\$ 67,833,355</u>

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

**CITY OF WEATHERFORD, TEXAS**

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

**SEPTEMBER 30, 2017**

Total fund balances - governmental funds balance sheet	\$ 29,706,679
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	93,710,075
Certain items are not available to pay for current period expenditures, and, therefore are deferred inflows of resources in the funds.	30,737,908
The assets and liabilities of certain Internal Service Funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	1,477,717
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. Also, the loss on refunding of bonds, the premium on issuance of bonds and deferred resource outflow and inflows related to the net pension liability are not reported in the funds.	<u>( 76,913,892)</u>
Net position of governmental activities - statement of net position	\$ <u>78,718,487</u>

**CITY OF WEATHERFORD, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 20,786,329	\$ 3,556,001	\$ -	\$ 758,005	\$ 25,100,335
Licenses and permits	743,713	-	-	363	744,076
Intergovernmental	1,286,332	3	-	23,681	1,310,016
Charges for services	3,594,138	-	-	252,294	3,846,432
Fines and forfeitures	493,060	-	-	69,405	562,465
Contributions	18,529	-	-	170,964	189,493
Royalties and rental	-	-	-	23,842	23,842
Investment earnings	61,870	25,196	49,183	16,111	152,360
Miscellaneous	197,929	-	-	186,307	384,236
Total revenues	<u>27,181,900</u>	<u>3,581,200</u>	<u>49,183</u>	<u>1,500,972</u>	<u>32,313,255</u>
<b>EXPENDITURES</b>					
Current:					
General government	7,131,510	-	360,399	129,318	7,621,227
Public safety	14,354,039	-	-	64,980	14,419,019
Public works	4,046,791	-	-	-	4,046,791
Health and welfare	1,557,476	-	-	109,065	1,666,541
Cultural and recreation	3,049,606	-	-	943,394	3,993,000
Capital outlay	900,619	-	995,603	1,255,739	3,151,961
Debt service:					
Principal	88,049	5,116,566	-	-	5,204,615
Interest and other	5,591	2,328,866	-	-	2,334,457
Total expenditures	<u>31,133,681</u>	<u>7,445,432</u>	<u>1,356,002</u>	<u>2,502,496</u>	<u>42,437,611</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 3,951,781)</u>	<u>( 3,864,232)</u>	<u>( 1,306,819)</u>	<u>( 1,001,524)</u>	<u>( 10,124,356)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of general capital assets	29,215	-	-	-	29,215
Insurance recoveries	98,779	-	-	-	98,779
Transfers in	5,296,935	702,000	-	1,212,574	7,211,509
Transfers out	( 733,173)	-	-	( 859,018)	( 1,592,191)
Total other financing sources and uses	<u>4,691,756</u>	<u>702,000</u>	<u>-</u>	<u>353,556</u>	<u>5,747,312</u>
<b>NET CHANGE IN FUND BALANCES</b>	739,975	( 3,162,232)	( 1,306,819)	( 647,968)	( 4,377,044)
<b>FUND BALANCES, BEGINNING</b>	<u>14,166,228</u>	<u>16,581,334</u>	<u>( 388,275)</u>	<u>3,724,436</u>	<u>34,083,723</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 14,906,203</u>	<u>\$ 13,419,102</u>	<u>\$( 1,695,094)</u>	<u>\$ 3,076,468</u>	<u>\$ 29,706,679</u>

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

## CITY OF WEATHERFORD, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

Net change in fund balances - total governmental funds:	\$( 4,377,044)
Amounts reported for governmental activities in the Statement of Activities are different	
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost and accumulated depreciation of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	( 2,132,897)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	( 8,176,518)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	( 14,776)
Court fines	( 2,977)
Grant - Texas Department of Transportation	7,897,614
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	5,450,026
An Internal Service Fund is used by management to charge the costs of certain activities, such as vehicle acquisition to individual funds. The net revenue (expense) of certain Internal Service Funds is reported with governmental activities.	765,870
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>( 1,146,218)</u>
Change in net position of governmental activities	<u>\$( 1,736,920)</u>

**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

**SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Fund
<b>ASSETS</b>					
Current assets					
Unrestricted assets					
Cash and cash equivalents	\$ 23,358,085	\$ 2,395,244	\$ 1,718,089	\$ 27,471,418	\$ 940,396
Investments	14,535,684	-	-	14,535,684	-
Receivables:					
Accounts, net of allowances for uncollectible accounts of \$91,695	3,120,677	92,196	-	3,212,873	-
Earned but unbilled customer accounts	3,448,353	128,202	73,621	3,650,176	-
Other	30,586	-	-	30,586	-
Prepays	336,928	-	-	336,928	-
Inventory	3,280,855	20,379	-	3,301,234	-
Restricted assets					
Cash and cash equivalents	18,527,412	-	-	18,527,412	-
Investments	4,679,900	-	-	4,679,900	-
Total current assets	<u>71,318,480</u>	<u>2,636,021</u>	<u>1,791,710</u>	<u>75,746,211</u>	<u>940,396</u>
Noncurrent assets					
Capital assets					
Land	2,745,492	-	1,575,708	4,321,200	-
Construction in progress	5,866,129	-	1,195,260	7,061,389	-
Buildings and improvements	19,181,985	197,609	-	19,379,594	-
Other improvements	182,237,854	10,577	3,481,519	185,729,950	-
Machinery and equipment	7,985,009	1,306,644	20,622	9,312,275	728,060
Less: accumulated depreciation	( 83,245,669)	( 1,007,229)	( 113,109)	( 84,366,007)	( 133,459)
Total noncurrent assets	<u>134,770,800</u>	<u>507,601</u>	<u>6,160,000</u>	<u>141,438,401</u>	<u>594,601</u>
Total assets	<u>206,089,280</u>	<u>3,143,622</u>	<u>7,951,710</u>	<u>217,184,612</u>	<u>1,534,997</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding	811,505	-	-	811,505	-
Deferred outflow related to pensions	1,497,776	195,888	11,443	1,705,107	-
Total deferred outflows of resources	<u>2,309,281</u>	<u>195,888</u>	<u>11,443</u>	<u>2,516,612</u>	<u>-</u>

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

**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

**SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Funds
<b>LIABILITIES</b>					
Current liabilities (payable from current assets):					
Accounts payable	\$ 3,200,959	\$ 39,289	\$ 70,555	\$ 3,310,803	\$ 57,280
Accrued wages	1,926	6,140	1,350	9,416	-
Retainage payable	118,238	-	-	118,238	-
Accrued interest	10,577	-	3,867	14,444	-
Unearned revenue	1,612,670	-	-	1,612,670	-
Customer deposits	1,401,813	-	-	1,401,813	-
Notes payable	36,254	-	-	36,254	-
Capital lease payable	35,447	-	-	35,447	-
Revenue bonds payable	4,373,389	-	190,000	4,563,389	-
Compensated absences	165,645	22,073	-	187,718	-
Current liabilities (payable from restricted assets):					
Accrued interest	153,460	-	-	153,460	-
Revenue bonds payable- current	324,583	-	-	324,583	-
Total current liabilities	<u>11,434,961</u>	<u>67,502</u>	<u>265,772</u>	<u>11,768,235</u>	<u>57,280</u>
Noncurrent liabilities					
Notes payable	37,632	-	-	37,632	-
Capital lease payable	363,141	-	-	363,141	-
Revenue bonds payable	46,095,283	-	1,485,000	47,580,283	-
Compensated absences	768,959	48,164	-	817,123	-
Net pension liability	3,391,472	443,559	25,912	3,860,943	-
Net OPEB obligation	1,535,585	278,880	-	1,814,465	-
Total noncurrent liabilities	<u>52,192,072</u>	<u>770,603</u>	<u>1,510,912</u>	<u>54,473,587</u>	<u>-</u>
Total liabilities	<u>63,627,033</u>	<u>838,105</u>	<u>1,776,684</u>	<u>66,241,822</u>	<u>57,280</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflow related to pensions	226,897	29,675	1,734	258,306	-
Total deferred inflows of resources	<u>226,897</u>	<u>29,675</u>	<u>1,734</u>	<u>258,306</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	104,370,623	507,601	4,485,000	109,363,224	594,601
Restricted for:					
Construction	3,866,171	-	-	3,866,171	-
Debt service	3,607,021	-	-	3,607,021	-
Rate stabilization	2,692,000	-	-	2,692,000	-
Unrestricted	30,008,816	1,964,129	1,699,735	33,672,680	883,116
Total net position	<u>\$ 144,544,631</u>	<u>\$ 2,471,730</u>	<u>\$ 6,184,735</u>	<u>\$ 153,201,096</u>	<u>\$ 1,477,717</u>

**CITY OF WEATHERFORD, TEXAS**

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

**PROPRIETARY FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Solid Waste	Storm Water	Total	Internal
	Utility		Utility		Service
	System				Fund
<b>OPERATING REVENUES</b>					
Electric sales	\$ 32,240,670	\$ -	\$ -	\$ 32,240,670	\$ -
Electric services	457,908	-	-	457,908	-
Water sales	15,144,874	-	-	15,144,874	-
Water services	139,069	-	-	139,069	-
Wastewater services	6,791,526	-	-	6,791,526	-
Sanitation services	-	2,270,380	-	2,270,380	-
Stormwater fees	-	-	1,334,599	1,334,599	-
Charges for services	-	-	-	-	476,438
Other	62,923	-	144	63,067	-
Total operating revenues	<u>54,836,970</u>	<u>2,270,380</u>	<u>1,334,743</u>	<u>58,442,093</u>	<u>476,438</u>
<b>OPERATING EXPENSES</b>					
Personnel services	6,617,954	1,006,269	63,718	7,687,941	-
Contractual services	5,763,512	470,620	435	6,234,567	-
Purchased power	19,851,986	-	-	19,851,986	-
Materials and supplies	1,763,028	280,502	-	2,043,530	67,581
Depreciation	5,833,729	155,763	98,092	6,087,584	94,042
Total operating expenses	<u>39,830,209</u>	<u>1,913,154</u>	<u>162,245</u>	<u>41,905,608</u>	<u>161,623</u>
<b>OPERATING INCOME</b>	<u>15,006,761</u>	<u>357,226</u>	<u>1,172,498</u>	<u>16,536,485</u>	<u>314,815</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings	411,900	9,401	19,495	440,796	3,635
Proceeds from insurance	6,493	3,155	-	9,648	-
Rentals	1,143,642	-	-	1,143,642	-
Royalties	-	569,498	-	569,498	-
Gain (loss) on disposal of assets	( 2,988,084)	572	-	( 2,987,512)	-
Interest and other	( 2,012,457)	-	( 49,665)	( 2,062,122)	-
Total nonoperating revenues (expenses)	<u>( 3,438,506)</u>	<u>582,626</u>	<u>( 30,170)</u>	<u>( 2,886,050)</u>	<u>3,635</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	11,568,255	939,852	1,142,328	13,650,435	318,450
Capital contributions	3,460,294	-	1,481,684	4,941,978	-
Transfers in	-	-	-	-	447,420
Transfers out	( 4,950,327)	( 1,116,411)	-	( 6,066,738)	-
<b>CHANGE IN NET POSITION</b>	10,078,222	( 176,559)	2,624,012	12,525,675	765,870
<b>NET POSITION, BEGINNING</b>	<u>134,466,409</u>	<u>2,648,289</u>	<u>3,560,723</u>	<u>140,675,421</u>	<u>711,847</u>
<b>NET POSITION, ENDING</b>	<u>\$ 144,544,631</u>	<u>\$ 2,471,730</u>	<u>\$ 6,184,735</u>	<u>\$ 153,201,096</u>	<u>\$ 1,477,717</u>

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

# CITY OF WEATHERFORD, TEXAS

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Internal	
	Utility System	Solid Waste	Storm Water Utility	Total	Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 55,203,787	\$ 2,224,799	\$ 1,330,337	\$ 58,758,923	\$ 476,438
Cash paid to employees for services	( 6,216,239)	( 935,992)	( 40,713)	( 7,192,944)	-
Cash paid to suppliers for goods and services	( 27,355,445)	( 769,594)	( 435)	( 28,125,474)	( 29,119)
Net cash provided by operating activities	<u>21,632,103</u>	<u>519,213</u>	<u>1,289,189</u>	<u>23,440,505</u>	<u>447,319</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Cash received from rentals	1,143,642	-	-	1,143,642	-
Cash received from royalties	-	569,498	-	569,498	-
Cash received from insurance	-	3,155	-	3,155	-
Transfers from other funds	-	-	-	-	447,420
Transfers to other funds	( 4,950,327)	( 1,116,411)	-	( 6,066,738)	-
Net cash used by noncapital financing activities	<u>( 3,806,685)</u>	<u>( 543,758)</u>	<u>-</u>	<u>( 4,350,443)</u>	<u>447,420</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from disposal of capital assets	131,648	571	-	132,219	-
Proceeds from long-term debt	11,220,000	-	-	11,220,000	-
Proceeds from developers for contributions in aid of construction	1,770,204	-	1,481,684	3,251,888	-
Principal payments on long-term debt	( 4,463,035)	-	( 185,000)	( 4,648,035)	-
Acquisition and construction of capital assets	( 11,088,518)	( 196,815)	( 3,096,773)	( 14,382,106)	( 258,325)
Interest and other charges on debt	( 2,209,687)	-	( 50,092)	( 2,259,779)	-
Net cash used by capital and related financing activities	<u>( 4,639,388)</u>	<u>( 196,244)</u>	<u>( 1,850,181)</u>	<u>( 6,685,813)</u>	<u>( 258,325)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	825,491	9,520	19,495	854,506	3,635
Purchase of investments	( 11,394,305)	-	-	( 11,394,305)	-
Net cash provided (used) by investing activities	<u>( 10,568,814)</u>	<u>9,520</u>	<u>19,495</u>	<u>( 10,539,799)</u>	<u>3,635</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	2,617,216	( 211,269)	( 541,497)	1,864,450	640,049
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<u>39,268,281</u>	<u>2,606,513</u>	<u>2,259,586</u>	<u>44,134,380</u>	<u>300,347</u>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u>\$ 41,885,497</u>	<u>\$ 2,395,244</u>	<u>\$ 1,718,089</u>	<u>\$ 45,998,830</u>	<u>\$ 940,396</u>
<b>RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS</b>					
Current assets - cash and cash equivalents	\$ 23,358,085	\$ 2,395,244	\$ 1,718,089	\$ 27,471,418	\$ 940,396
Restricted assets - cash and cash equivalents	<u>18,527,412</u>	<u>-</u>	<u>-</u>	<u>18,527,412</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 41,885,497</u>	<u>\$ 2,395,244</u>	<u>\$ 1,718,089</u>	<u>\$ 45,998,830</u>	<u>\$ 940,396</u>

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

**CITY OF WEATHERFORD, TEXAS**

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Solid Waste	Storm Water	Total	Internal
	Utility		Utility		Service
	System				Fund
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>					
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>					
Operating income	\$ 15,006,761	\$ 357,226	\$ 1,172,498	\$ 16,536,485	\$ 314,815
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	5,833,729	155,763	98,092	6,087,584	94,042
(Increase) decrease in accounts receivable	( 351,453)	( 45,581)	-	( 397,034)	-
(Increase) decrease in unbilled accounts	( 602,179)	( 10,868)	( 4,406)	( 617,453)	-
(Increase) decrease in inventory	( 58,673)	1,733	-	( 56,940)	-
(Increase) decrease in prepaids	( 144,550)	-	-	( 144,550)	-
(Increase) decrease in deferred outflows - pensions	333,358	34,226	( 6,545)	361,039	-
Increase (decrease) in accounts payable	226,304	( 9,337)	10,407	227,374	38,462
Increase (decrease) in accrued wages payable	( 37,055)	( 623)	1,301	( 36,377)	-
Increase (decrease) in unearned revenue	1,380,021	-	-	1,380,021	-
Increase (decrease) in customer deposits	( 59,572)	-	-	( 59,572)	-
Increase (decrease) in compensated absences	( 38,753)	( 12,679)	-	( 51,432)	-
Increase (decrease) in deferred inflows - pensions	( 88,320)	( 9,938)	893	( 97,365)	-
Increase (decrease) in net pension liability	39,279	22,294	16,949	78,522	-
Increase (decrease) in net OPEB obligation	193,206	36,997	-	230,203	-
Net cash provided by operating activities	<u>\$ 21,632,103</u>	<u>\$ 519,213</u>	<u>\$ 1,289,189</u>	<u>\$ 23,440,505</u>	<u>\$ 447,319</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>					
Contributions of capital assets	\$ 1,690,090	\$ -	\$ -	\$ 1,690,090	\$ -
Change in fair value of investments	411,900	-	-	411,900	-

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

# CITY OF WEATHERFORD, TEXAS

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

##### **Primary Government**

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

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

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

## **B. Government-wide and Fund Financial Statements**

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

The City reports the following major proprietary funds:

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

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

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

The City reports the following internal service funds:

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

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

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

Investments for the City are reported at fair value, except for the position in investment pools. The City's investment in pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

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

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

### **2. Property Taxes**

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

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

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2017, was \$.5115 per \$100 of assessed valuation. The assessed value upon which the completed 2016 levy was based was approximately \$2,127,391,906.

### **3. Restricted assets**

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

### **4. Inventory**

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

5. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Infrastructure	20
Water, electric and sewer system	40 - 60
Machinery and equipment	5 - 10

Renewals and betterments of property and equipment are capitalized, whereas normal repairs and maintenance are charged to expense as incurred. Individual items with an initial cost greater than \$5,000 and with an estimated useful life of at least two years following the date of acquisition are capitalized. Purchased or constructed assets are recorded at historical cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

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

Employees are paid for up to 720 hours of unused sick leave upon retirement or annually for one-half of the accumulated sick leave in excess of 720 hours. With the exception of sick leave for employees eligible for retirement, sick leave less than 720 hours is expensed when paid. Vacation is earned in varying amounts. Employees may accrue up to 320 hours of vacation or 480 hours for certified Fire personnel. If the employee reaches the maximum accrual limit future accruals will cease until the vacation leave balance is below the established maximum accrual.

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

7. Long-term Obligations

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

8. Interfund Receivables/Payables

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

9. Interfund Services Provided and Used

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

10. Pensions

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

## 11. Deferred Outflows/Inflows of Resources

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

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

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

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

## 12. Fund Balance

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

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

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

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

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

	General	Debt Service	TIRZ	Other Governmental	Totals
<b>FUND BALANCE</b>					
Nonspendable:					
Doss library	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Prepays	36,028	-	-	-	36,028
Inventory	108,882	-	-	-	108,882
Restricted for:					
Debt service	-	13,419,102	-	-	13,419,102
Public safety:					
Police operations and equipment	-	-	-	374,459	374,459
Municipal court technology	-	-	-	61,886	61,886
Municipal court security	-	-	-	22,762	22,762
Juvenile case manager	-	-	-	23,883	23,883
Community development:					
Beautification of City	-	-	-	2,402	2,402
Promotion of tourism and hotel industry	-	-	-	296,855	296,855
Doss library	-	-	-	361	361
Texas Community Development Program	-	-	-	1,864	1,864
Main Street project	-	-	-	17,539	17,539
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	6,908,457	-	-	-	6,908,457
Capital projects	-	-	-	1,553,299	1,553,299
Future acquisition of parks	-	-	-	213,426	213,426
Culture and recreation:					
Chandor Gardens	-	-	-	138,618	138,618
Library operations	-	-	-	150,610	150,610
Animal shelter improvements	-	-	-	108,606	108,606
Heritage park	-	-	-	59,898	59,898
Unassigned	<u>6,601,952</u>	<u>-</u>	<u>( 1,695,094)</u>	<u>-</u>	<u>4,906,858</u>
Totals	<u>\$ 14,906,203</u>	<u>\$ 13,419,102</u>	<u>\$ ( 1,695,094)</u>	<u>\$ 3,076,468</u>	<u>\$ 29,706,679</u>

### 13. Net Position

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

### 14. Use of Estimates

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

### 15. Concentration of Credit Risk

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

## II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$76,913,892 difference are as follows:

Bonds payable	\$	54,940,000
Capital lease		775,810
Tax notes		5,850,000
Deferred loss on refunding	(	938,095)
Issuance premium (to be amortized as interest expense)		1,566,611
Accrued interest payable		196,878
Compensated absences		3,341,121
Deferred outflow related to pensions	(	5,026,475)
Deferred inflow related to pensions		761,456
Net pension liability		11,381,624
Net OPEB obligation		<u>4,064,962</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$	<u>76,913,892</u>

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this (\$2,132,897) difference are as follows:

Capital outlay	\$ 3,484,880
Depreciation expense	<u>( 5,617,777)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$( <u>2,132,897</u> )

Another element of that reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this (\$8,176,518) difference are as follows:

Donated capital assets	\$ 3,258,453
Disposal of capital assets	<u>( 11,434,971)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$( <u>8,176,518</u> )

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$5,450,026 difference are as follows:

Principal repayments	\$ 5,204,807
Accrued interest	14,184
Amortization of deferred loss on refunding	( 91,033)
Amortization of bond premium	<u>322,068</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u>5,450,026</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this (\$1,146,218) difference are as follows:

Compensated absences	\$	383,413
Pension cost	(	1,005,507)
OPEB cost	(	<u>524,124)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>		<u>\$( 1,146,218)</u>

### III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### A. Deficit Fund Balance

At year-end the TIRZ fund, a major fund, has a deficit fund balance of \$1,695,094. The Debt Service Fund advanced funds to the TIRZ fund for capital projects which resulted in an advance from the Debt Service Fund. As the TIRZ fund expends the cash, expenditures are reported and fund balance is reduced. Because these funds are the main source of resources for the fund, the result is an overall fund deficit. This deficit will be eliminated as resources are obtained to make scheduled installments to the Debt Service Fund.

### IV. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

#### A. Deposits and Investments

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

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

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

Description	Maturity Date	Fair Value Measurements Used	Carrying Value 09/30/17	% of Total	Weighted Average Maturity (Days)
Local Government Investment					
Pools:					
TexPool	N/A	N/A	\$ 3,630,848	5.10%	37
TexStar	N/A	N/A	7,533,638	10.59%	27
Texas Class	N/A	N/A	<u>24,989,202</u>	35.12%	53
Total			<u>36,153,689</u>		
Certificates of Deposit:					
Legacy Texas (1)	9/5/18	Level 2	1,500,000	2.10%	6
Legacy Texas (1)	9/5/19	Level 2	<u>3,000,000</u>	4.21%	26
Total			<u>4,500,000</u>		
Municipal Securities:					
Altoona WI-Municipal Bonds (1)	12/1/17	Level 2	580,760	0.82%	1
Altoona WI-Municipal Bonds (1)	12/1/18	Level 2	<u>296,634</u>	0.42%	2
Total			<u>877,394</u>		
U. S. Government Securities:					
Fannie Mae (2)	10/9/19	Level 1	1,927,920	2.71%	1
Freddie Mac (3)	12/26/17	Level 2	1,000,170	1.41%	4
Freddie Mac (2)	7/27/18	Level 2	997,200	1.40%	7
Federal Farm Credit Bonds (1)	7/27/18	Level 2	1,991,060	2.80%	4
Federal Farm Credit Bonds (3)	8/8/18	Level 2	996,390	1.40%	13
Federal Farm Credit Bonds (2)	11/16/18	Level 2	4,969,750	6.99%	25
Federal Home Loan Bank Bonds (2)	9/14/18	Level 1	3,016,740	4.24%	15
Federal Home Loan Bank Bonds (1)	6/28/19	Level 2	1,974,680	2.78%	17
Fannie Mae (2)	10/7/21	Level 1	2,943,390	4.14%	50
Fannie Mae (3)	8/24/20	Level 2	3,889,520	5.47%	28
Fannie Mae (2)	11/30/20	Level 1	1,986,600	2.79%	66
Federal Home Loan Bank Bonds (2)	7/14/21	Level 1	<u>3,907,480</u>	5.49%	53
Total			<u>29,600,900</u>		
Total investments			<u>\$ 71,131,983</u>	<u>100.0%</u>	

The following pricing models were used to value securities:

- (1) Present value of expected future cash flow model.
- (2) Documented trade history in exact security.
- (3) Option-adjusted discounted cash flow model.

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

*Custodial Credit Risk - Deposits:* This is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City was not exposed to custodial credit risk since its deposits at year-end were covered by depository insurance or by pledged collateral held by the City's agent bank in the City's name.

*Custodial Credit Risk - Investments:* Safety of principal is the primary objective of the City's investment policy. To address this objective the City tries to mitigate credit risk (or default risk) by limiting its investments to only those investments that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2017, the City's investment in TexPool, TexStar, and Texas Class were rated AAAm by Standard & Poor's and the U. S. Government Securities were rated AA+ and the Altoona, WI Municipal Bonds were rated AA- by Standard and Poor's.

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

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. 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, Standard & Poor's rate TexPool AAAm. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the Office of the Comptroller of Public Accounts for review. TexPool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

The Texas Short-term Reserve Fund ("TexStar") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexStar was created in April 2002 by contract among its participating governmental units and is governed by a board of directors. J. P. Morgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators, providing investment management services, participant services, and marketing, respectively. J. P. Morgan Chase Bank and/or its subsidiary, J. P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services. TexStar has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity.

The Cooperative Liquid Assets Securities System – Texas (“CLASS”) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Chapter 2256, Texas Government Code. CLASS is created under an Amended and Restated Trust Agreement, dated as of May 1, 2001 (the “Agreement”) among certain Texas governmental entities investing in the pool (the “Participants”), Municipal Investors Services Corporation (“MBIA-MISC”) as program administrator, and Wells Fargo as custodian. CLASS is not SEC-registered and is not subject to regulation by the State of Texas. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the “Board”), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with MBIA-MISC to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained by contacting MBIA Asset Management at 815-A Brazos Street, Suite 345, Austin, Texas 78701-9996 or by calling (800) 707-6242. CLASS has a redemption notice period of one day and may redeem daily. The investment pool’s authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool’s liquidity.

As of September 30, 2017, the City held restricted cash and investments of \$23,207,312 for the following purposes:

Business-type activities:	
Revenue bond debt service	\$ 889,871
Revenue bond reserve	3,195,193
Construction	301,181
Water impact fee	1,522,296
Wastewater impact fee	2,047,885
Constructing improvements and extensions to the wastewater and reclaimed water system - TWDB program	12,558,886
Rate stabilization	<u>2,692,000</u>
Total business-type activities	<u>23,207,312</u>
Total restricted cash and investments	<u>\$ 23,207,312</u>

**B. Interfund Balances and Transfers**

Interfund balances as of year-end were as follows:

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

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

Interfund transfers during the year were as follows:

	Transfers In				Total
	General	Debt Service	Other Governmental	Internal Service Fund	
Transfers Out:					
General	\$ -	\$ 152,000	\$ 133,753	\$ 447,420	\$ 733,173
Municipal utility system	4,950,327	-	-	-	4,950,327
Solid waste	346,608	-	769,803	-	1,116,411
Other governmental	-	550,000	309,018	-	859,018
Total Transfers	\$ 5,296,935	\$ 702,000	\$ 1,212,574	\$ 447,420	\$ 7,658,929

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

## C. Capital Assets

Capital asset activity for the year ended September 30, 2017, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 14,741,923	\$ 15,781	\$ -	\$ 14,757,704
Construction in progress	<u>11,457,874</u>	<u>1,537,682</u>	<u>( 12,335,793)</u>	<u>659,763</u>
Total assets not being depreciated	<u>26,199,797</u>	<u>1,553,463</u>	<u>( 12,335,793)</u>	<u>15,417,467</u>
Capital assets, being depreciated:				
Buildings and improvements	15,117,380	24,008	-	15,141,388
Infrastructure	52,917,764	3,258,453	-	56,176,217
Other improvements	36,042,606	1,514,197	-	37,556,803
Machinery and equipment	<u>11,917,941</u>	<u>1,201,428</u>	<u>( 160,112)</u>	<u>12,959,257</u>
Total capital assets being depreciated	<u>115,995,691</u>	<u>5,998,086</u>	<u>( 160,112)</u>	<u>121,833,665</u>
Less accumulated depreciation:				
Buildings and improvements	( 6,608,523)	( 366,329)	-	( 6,974,852)
Infrastructure	( 11,871,473)	( 2,538,504)	-	( 14,409,977)
Other improvements	( 10,926,743)	( 1,741,094)	-	( 12,667,837)
Machinery and equipment	<u>( 7,856,210)</u>	<u>( 1,065,892)</u>	<u>28,312</u>	<u>( 8,893,790)</u>
Total accumulated depreciation	<u>( 37,262,949)</u>	<u>( 5,711,819)</u>	<u>28,312</u>	<u>( 42,946,456)</u>
Total capital assets being depreciated, net	<u>78,732,742</u>	<u>286,267</u>	<u>( 131,800)</u>	<u>78,887,209</u>
Governmental activities capital assets, net	<u>\$ 104,932,539</u>	<u>\$ 1,839,730</u>	<u>\$( 12,467,593)</u>	<u>\$ 94,304,676</u>
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,548,273	\$ 772,927	\$ -	\$ 4,321,200
Construction in progress	<u>10,300,021</u>	<u>6,042,544</u>	<u>( 9,281,176)</u>	<u>7,061,389</u>
Total assets not being depreciated	<u>13,848,294</u>	<u>6,815,471</u>	<u>( 9,281,176)</u>	<u>11,382,589</u>
Capital assets, being depreciated:				
Buildings and improvements	19,371,444	8,150	-	19,379,594
Other improvements	170,984,167	8,796,994	5,948,789	185,729,950
Machinery and equipment	<u>8,994,537</u>	<u>515,046</u>	<u>( 197,308)</u>	<u>9,312,275</u>
Total capital assets being depreciated	<u>199,350,148</u>	<u>9,320,190</u>	<u>5,751,481</u>	<u>214,421,819</u>
Less accumulated depreciation:				
Buildings and improvements	( 10,126,875)	( 452,070)	-	( 10,578,945)
Other improvements	( 62,508,149)	( 4,734,467)	188,350	( 67,054,266)
Machinery and equipment	<u>( 6,059,855)</u>	<u>( 828,964)</u>	<u>156,023</u>	<u>( 6,732,796)</u>
Total accumulated depreciation	<u>( 78,694,879)</u>	<u>( 6,015,501)</u>	<u>344,373</u>	<u>( 84,366,007)</u>
Total capital assets being depreciated, net	<u>120,655,269</u>	<u>3,304,689</u>	<u>6,095,854</u>	<u>130,055,812</u>
Business-type activities capital assets, net	<u>\$ 134,503,563</u>	<u>\$ 10,120,160</u>	<u>\$( 3,185,322)</u>	<u>\$ 141,438,401</u>

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

Governmental activities:	
General government	\$ 372,848
Public safety	654,331
Public works	3,733,189
Health and welfare	50,735
Cultural and recreational	<u>900,716</u>
Total depreciation expense - governmental activities	<u>\$ 5,711,819</u>
Business-type activities:	
Electric	\$ 2,105,385
Water	2,346,070
Wastewater	1,263,268
Solid waste	180,467
Storm water	<u>120,311</u>
Total depreciation expense - business-type activities	<u>\$ 6,015,501</u>

#### **D. Deferred Inflows of Resources**

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

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
Delinquent property taxes	\$ 149,111	\$ 81,574	\$ 230,685
Intergovernmental-TxDOT grant	-	30,381,017	30,381,017
Court fines	<u>126,206</u>	<u>-</u>	<u>126,206</u>
Totals	<u>\$ 275,317</u>	<u>\$ 30,462,591</u>	<u>\$ 30,737,908</u>

## **E. Bonds, Certificates of Obligation and Tax Notes Payable**

Bonds, certificates of obligation and tax notes payable at September 30, 2017, consist of the following individual issues:

### **Governmental activities**

\$4,000,000 2006 Certificates of Obligation, for constructing and improving park and recreational facilities and street improvements, due in annual installments through March 1, 2022, 4.00% - 5.00%.	\$ 2,660,000
\$3,000,000 2008 Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through September 1, 2028, 4.27%.	1,955,000
\$25,130,000 2010 General Obligation Refunding Bonds, to refund and restructure the City's General Obligation Bonds, Series 2000, Tax and Utility System Surplus Revenue Certificates of Obligation, Series 2001, and a portion of the Tax and Utility System Revenue Certificates of Obligation, Series 2007, due in annual installments through March 1, 2028, 2.00% - 4.35%.	24,270,000
\$8,345,000 2011 Combination Tax & Revenue Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through March 1, 2034, 3.00 - 4.50%.	7,065,000
\$25,110,000 2012 General Obligation Refunding Bonds, to refund and restructure the City's Certificates of Obligation Bonds, Series 2007, Certificates of Obligation, Series 2002, and Certificates of Obligation, Series 2003, due in annual installments through March 1, 2021, 2.00% - 4.00%.	12,760,000
\$7,345,000 2014 General Obligation Refunding Bonds, to refund and restructure the City's Certificates of Obligation Bonds, Series 2007, due in annual installments through March 1, 2027, 2.00% - 4.00%.	6,230,000
\$985,000 2014 Tax Notes, to purchase and equip two fire trucks, due in annual installments through March 1, 2021, 2.00%.	580,000
\$6,065,000 2015 Tax Notes, to fund TIRZ projects, due in annual installments through March 1, 2023, 1.485%.	<u>5,270,000</u>
Total governmental activities	<u>\$ 60,790,000</u>

### **Business-type activities**

\$6,575,000 2008 Utility System Refunding Bonds, to refund a portion of the 1996 Utility System Refunding Bonds and to refund the 1999 Utility System Refunding/Improvement Bonds due in annual installments through September 1, 2018, 3.46%.	\$ 700,000
\$41,565,000 2015 Utility System Revenue Refunding and Improvement Bonds, to refund the 2005 Utility System Refunding Bonds, to refund a portion of the 2006 Utility System Refunding Bonds and for improvements and extensions to the City's water, wastewater, and electric systems, due in annual installments through September 1, 2035, 2.00% - 5.00%.	35,080,000
\$2,035,000 2015 Municipal Storm Water Utility System Revenue Bonds, for improvements to the City's storm water system, due in annual installments through September 1, 2025, 2.77%.	1,675,000
\$11,220,000 Tax & Utility System (Surplus Pledge) Revenue Certificates of Obligation, Series 2016 Texas Water Development Board Clean Water SRF Loan, due in semi-annual installments through September 30, 2036	<u>10,660,000</u>
Total business-type activities	<u>\$ 48,115,000</u>

The annual debt payment requirements for bonds payable as of September 30, 2017, are as follows:

### Governmental Activities

Fiscal Year	General Obligation		Certificates of Obligation		Tax Notes		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2018	\$ 3,725,000	\$ 1,537,875	\$ 675,000	\$ 489,084	\$ 985,000	\$ 82,185	\$ 7,494,144
2019	3,870,000	1,427,300	700,000	462,470	1,005,000	66,676	7,531,446
2020	4,015,000	1,308,288	730,000	433,023	1,015,000	50,931	7,552,242
2021	3,385,000	1,193,913	755,000	402,324	1,035,000	34,950	6,806,187
2022	3,150,000	1,080,688	795,000	370,187	900,000	20,196	6,316,071
2023-2027	23,040,000	2,652,382	4,435,000	1,274,998	910,000	6,757	32,319,137
2028-2032	2,075,000	45,131	2,720,000	488,473	-	-	5,328,604
2033-2037	-	-	870,000	33,075	-	-	903,075
	<u>\$ 43,260,000</u>	<u>\$ 9,245,577</u>	<u>\$ 11,680,000</u>	<u>\$ 3,953,634</u>	<u>\$ 5,850,000</u>	<u>\$ 261,695</u>	<u>\$ 74,250,906</u>

### Business-type Activities

Fiscal Year	Revenue Bonds		
	Principal	Interest	Total
2018	\$ 4,645,000	\$ 1,034,074	\$ 5,679,074
2019	3,400,000	923,965	4,323,965
2020	3,535,000	851,689	4,386,689
2021	3,685,000	775,388	4,460,388
2022	3,830,000	694,528	4,524,528
2023-2027	14,860,000	2,307,779	17,167,779
2028-2032	8,000,000	1,171,174	9,171,174
2033-2037	6,160,000	293,994	6,453,994
	<u>\$ 48,115,000</u>	<u>\$ 8,052,591</u>	<u>\$ 56,167,591</u>

On December 15, 2016 the City issued \$11,220,000 Tax & Utility System Revenue Certificates of Obligation, Series 2016 Texas Water Development Board Clean Water SRF Loan. The bonds have a stated interest rate of 0.120%-1.740% and mature on September 1, 2036. The bonds were issued as part of a grant agreement with the Texas Water Development Board to construct improvements and extensions to the City's wastewater and reclaimed water system. As part of the overall grant package, the City was issued an additional \$1,550,433 in principal forgiveness from the Clean Water State Revolving Fund Program that does not need to be paid back as long as the grant conditions are met. Proceeds from the loans have been restricted in the financial statements.

The revenue bonds are collateralized by the revenue of the combined utility system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system and, second, to establish and maintain the revenue bond funds.

Any remaining revenues may then be used for any lawful purpose. The ordinances also contain provisions, which, among other items, restrict the issuance of additional revenue bonds unless the special funds noted above contain the required amounts and certain financial ratios are met. The City is in compliance with these financial requirements.

Below is a summary of the various restricted asset accounts required by the bond ordinances along with the actual cash reserved as September 30, 2017.

	<u>Required</u>	<u>Actual</u>
Reserve fund	\$ <u>3,067,616</u>	\$ <u>3,195,193</u>
Total, September 30, 2017	\$ <u>3,067,616</u>	\$ <u>3,195,193</u>
Bond fund	\$ <u>524,710</u>	\$ <u>889,871</u>
Total, September 30, 2017	\$ <u>524,710</u>	\$ <u>889,871</u>

**Defeased Debt Outstanding**

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City’s financial statements. As of September 30, 2017, the City does not have any bonds considered defeased.

**F. Notes Payable**

Business-type activity notes payable at September 30, 2017, consisted of the following:

Texas Department of Transportation:

March 2009, the City received a State Infrastructure Bank loan in the amount of \$320,000. Payable in 10 annual installments of \$39,061, including interest at 3.8%. To fund utility relocations in connection with replacement of two bridges over railroad tracks on U. S. 180.	\$ <u>73,886</u>
	\$ <u>73,886</u>

The annual debt payment requirements for the business-type activity notes payable as of September 30, 2017, are as follows:

Fiscal Year	Notes Payable		Totals
	Principal	Interest	
2018	\$ 36,254	\$ 2,808	\$ 39,062
2019	<u>37,632</u>	<u>1,431</u>	<u>39,063</u>
	<u>\$ 73,886</u>	<u>\$ 4,239</u>	<u>\$ 78,125</u>

### G. Capital Lease Obligation

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2017, were as follows:

	Governmental Activities
2018	\$ 149,264
2019	81,476
2020	81,476
2021	81,476
2022	81,476
2023-2027	<u>407,378</u>
Total minimum lease payments	882,546
Less: amount representing interest	( 106,736)
Present value of minimum lease payments	<u>\$ 775,810</u>
	Business-type Activities
2018	\$ 45,731
2019	45,731
2020	45,731
2021	45,731
2022	45,731
2023-2027	<u>228,653</u>
Total minimum lease payments	457,308
Less: amount representing interest	( 58,720)
Present value of minimum lease payments	<u>\$ 398,588</u>

## H. Long-term Liability Activity

Long-term liability activity for the year ended September 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligations	\$ 46,735,000	\$ -	\$ 3,475,000	\$ 43,260,000	\$ 3,725,000
Certificates of obligation	12,330,000	-	650,000	11,680,000	675,000
Tax notes	6,780,000	-	930,000	5,850,000	985,000
Issuance premium	<u>1,888,680</u>	<u>-</u>	<u>322,069</u>	<u>1,566,611</u>	<u>322,068</u>
Total bonds payable	<u>67,733,680</u>	<u>-</u>	<u>5,377,069</u>	<u>62,356,611</u>	<u>5,707,068</u>
Capital lease obligation	925,617	-	149,807	775,810	128,821
Net OPEB obligation	3,540,838	752,581	228,457	4,064,962	-
Net pension liability	11,156,049	2,195,686	1,970,111	11,381,624	-
Compensated absences	<u>3,724,534</u>	<u>1,775,038</u>	<u>2,158,451</u>	<u>3,341,121</u>	<u>512,670</u>
Governmental activities long-term liabilities	<u>\$ 87,080,718</u>	<u>\$ 4,723,305</u>	<u>\$ 9,883,895</u>	<u>\$ 81,920,128</u>	<u>\$ 6,348,559</u>

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 41,415,000	\$ 11,220,000	\$ 4,520,000	\$ 48,115,000	\$ 4,645,000
Issuance premium	<u>4,596,227</u>	<u>-</u>	<u>242,972</u>	<u>4,353,255</u>	<u>242,972</u>
Total bonds payable	<u>46,011,227</u>	<u>11,220,000</u>	<u>4,762,972</u>	<u>52,468,255</u>	<u>4,887,972</u>
State infrastructure loans	167,365	-	93,479	73,886	36,254
Capital lease obligation	433,144	-	34,556	398,588	35,447
Net OPEB obligation	1,584,262	330,545	100,342	1,814,465	-
Net pension liability	3,782,421	746,834	668,312	3,860,943	-
Compensated absences	<u>1,056,273</u>	<u>674,437</u>	<u>725,869</u>	<u>1,004,841</u>	<u>187,718</u>
Business-type activities long-term liabilities	<u>\$ 53,034,692</u>	<u>\$ 12,971,816</u>	<u>\$ 6,385,530</u>	<u>\$ 59,620,978</u>	<u>\$ 5,147,391</u>

## V. OTHER INFORMATION

### A. Defined Benefit Pension Plan

**Plan Descriptions.** The City participates as one of 872 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

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

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

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

The City grants monetary credits for service rendered of a theoretical amount equal to two times what would have been contributed by the employee, with interest. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity.

Beginning in 2000, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that 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, initiated in 2014, the City 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 for the City are as follows:

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

Employees covered by benefit terms

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries current receiving benefits	201
Inactive employees entitled to but not yet received benefits	154
Active employees	<u>362</u>
	<u><u>717</u></u>

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 12.85% and 13.37% in calendar years 2016 and 2017, respectively. The City’s contributions to TMRS for the year ended September 30, 2017, were \$2,805,505, and were equal to the required contributions.

**Net Pension Liability** The City’s Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

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

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

Actuarial assumptions used in the December 31, 2016 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering the 2009 through 2011, and the dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. 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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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). The target allocation and best estimates of real rates of return for each major assets class in fiscal year 2017 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%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	7.75%
Total	<u>100.0%</u>	

### 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 periods of projected benefit payments to determine the Total Pension Liability.

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2015	\$ 102,994,810	\$ 88,056,340	\$ 14,938,470
Changes for the year:			
Service cost	3,369,525	-	3,369,525
Interest	6,932,314	-	6,932,314
Difference between expected and actual experience	( 43,096)	-	( 43,096)
Contributions - employer	-	2,636,933	( 2,636,933)
Contributions - employee	-	1,436,460	( 1,436,460)
Net investment income	-	5,952,083	( 5,952,083)
Benefits payments, including refunds of employee contributions	( 3,957,236)	( 3,957,236)	-
Administrative expense	-	( 67,209)	67,209
Other change	-	( 3,621)	3,621
Net changes	<u>6,301,507</u>	<u>5,997,410</u>	<u>304,097</u>
Balance at 12/31/2016	<u>\$ 109,296,317</u>	<u>\$ 94,053,750</u>	<u>\$ 15,242,567</u>

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

	1% Decrease in in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in in Discount Rate (7.75%)
City's net pension liability	\$ 31,228,135	\$ 15,242,567	\$ 2,163,068

## Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

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

For the year ended September 30, 2017, the City recognized pension expense of \$4,151,717. At September 30, 2017, the City 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	\$ -	\$ 1,019,762
Changes in actuarial assumptions	568,987	-
Difference between projected and actual investment earnings	3,996,987	-
Contributions subsequent to the measurement date	<u>2,165,608</u>	<u>-</u>
Totals	<u>\$ 6,731,582</u>	<u>\$ 1,019,762</u>

\$2,165,608 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, 2018. 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>	
2018	\$ 1,159,311
2019	1,159,311
2020	1,230,717
2021	( 1,952)
2022	( 1,175)

**B. Other Postemployment Benefits (OPEB)**

**Retiree Health Plan**

Plan Description

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

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

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

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

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

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

## Funding Policy

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB Statement No. 45. The ARC represents a level of accrual that if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City's annual OPEB cost for the fiscal year ending September 30, 2017, is as follows:

Annual required contribution	\$ 1,077,830
Interest on OPEB obligation	205,004
Adjustment to ARC	<u>( 199,708)</u>
Annual OPEB cost	1,083,126
Net estimated employer contributions	<u>( 328,799)</u>
Increase in net OPEB obligation	754,327
Net OPEB obligation, beginning of year	<u>5,125,100</u>
Net OPEB obligation, end of year	<u><u>\$ 5,879,427</u></u>

The City's annual OPEB cost, the amount contributed by the employer, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the prior three years (4.0% 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</u>
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
9/30/2017	1,083,126	328,799	30.4%	5,879,427

## Funded Status and Funding Progress

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

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2016	\$ -	\$ 16,495,612	\$ 16,495,612	- %	\$ 20,520,859	80.38%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress presented as Required Supplementary Information following the notes to the financial statements, presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

## Actuarial Methods and Assumptions

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

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

Inflation rate	2.50% per annum
Investment rate of return	4.00%, net of expenses
Actuarial cost method	Individual entry age normal cost method
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year, open amortization
Payroll growth	3.00% per annum
Pre-65 Medical Trend	Initial rate of 7.50% declining to an ultimate rate of 4.75% after 13 years
Post-65 Medical Trend	Initial rate of 6.00%, declining to an ultimate rate of 4.25% after 13 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

### Plan Description

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

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

## Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. The City's contributions to the TMRS SDBF for the years ended 2017, 2016 and 2015, were \$33,368, \$37,346 and \$32,008, respectively, which equaled the required contributions each year.

## **C. Deferred Compensation Plan**

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

## **D. Risk Management**

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

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

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

\*Actual cash value

\*\*Blanket limit

There have been no reductions in coverage from the coverage in the prior year, and there have been no settlements that exceeded coverage in the current or past four fiscal years.

## **E. Contingencies**

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

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

## **F. Construction Commitments**

On May 25, 2017, the Municipal Utility Board approved a contract with CJB Construction in the amount of \$1,026,939 for the construction of approximately 3,850 linear feet of 16" water line along Mineral Wells Highway from Ric Williamson Memorial Highway to intersection of Pogue Branch Court and Burette Drive. This project is being funded with Utility System Revenue Refunding and Improvement Bonds, Series 2015. As of September 30, 2017, work completed and billed totaled \$179,293.

On May 25, 2017, the Municipal Utility Board approved a contract with Reytech Services, LLC in the amount of \$902,699 for the construction of the 8" and 12" water line along I-20 from Teskey's to Ric Williamson Memorial Highway. This project is being funded with Utility System Revenue Refunding and Improvements Bonds, Series 2015. As of September 30, 2017, work completed and billed totaled \$686,339.

On June 29, 2017, the Municipal Utility Board approved a contract with B & L Construction in the amount of \$379,513 for the construction of 196 linear feet of 8" water line, 1,652 linear feet of 12" water line, 881 linear feet of 8" wastewater line, 609 linear feet of 12" of wastewater line, and associated manholes, valves, hydrants and appurtenances along I-20 between Bethel Road and Magnolia Drive. This project is being funded with the 2015 Series Bond Funds. As of September 30, 2017, work completed and billed totaled \$348,417.

On July 27, 2017, the Municipal Utility Board approved a contract with Santa Clara Construction in the amount of \$4,196,682 for the construction of the 30" Oak Street Water Transmission Main project. This project is being funded with the Utility System Revenue Refunding and Improvement Bonds, Series 2015. This project began in September 2017.

On September 28, 2017, the Municipal Utility Board approved a contract with C. Green Scaping, LP in the amount of \$140,703 for the materials and labor to install drainage and landscaping at the Weatherford West Loop Substation. This project is being funded with monies from the Electric Utility. This project began in October 2017.

## **G. Tax Abatements**

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. This program reduces the assessed property values and refunds sales tax as authorized under Chapter 380 of the Texas Local Government Code.

The City has entered into various agreements that reduce property and sales taxes. Agreements for a reduction of taxable property values on incremental values call for a reduction of 15% to 100% for 5 to 9 years. The agreements for sales tax provide rebates of 15% to 100% for 5 to 9 years. Each agreement requires a developer commitment of \$250 thousand to \$12 million in improvements and minimum employment requirements. For fiscal year 2017, the City rebated property taxes of \$376 and sales taxes of \$170,233.

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

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

Congestion Revenue Rights (CRRs) function as financial hedges against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. These instruments allow the City to hedge expected future congestion that may arise during a certain period. CRRs are purchased at auction, semi-annually and monthly at market value. These CRRs are expected to be settled upon the City taking delivery of the commodity which meet the requirements of a normal purchase of the City. As of September 30, 2017, the City held CRRs with a cost of \$335,448, 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 2020, 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.

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. As a result, the City agrees to purchase power generated by this facility in accordance with the terms of the agreement for fourteen years beginning 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. As a result, the City agrees to purchase power generated by this facility in accordance with the terms of the agreement for fifteen years beginning in April 2017.

## **I. New Accounting Principles**

Significant new accounting standards not yet implemented by the City include the following.

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

Statement No. 84, *Fiduciary Activities* – This statement establishes criteria for identifying fiduciary activities of governments and for identifying fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The statement will become effective for the City in fiscal year 2020.

Statement No. 87, *Leases* – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2021.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

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**CITY OF WEATHERFORD, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 18,939,365	\$ 18,985,863	\$ 20,786,329	\$ 1,800,466
Licenses and permits	503,417	505,303	743,713	238,410
Intergovernmental	899,794	1,121,747	1,286,332	164,585
Charges for services	3,342,095	3,658,431	3,594,138	( 64,293)
Fines and forfeitures	490,000	490,000	493,060	3,060
Contributions	3,550	3,975	18,529	14,554
Investment earnings	110,000	110,000	61,870	( 48,130)
Miscellaneous	68,467	63,467	197,929	134,462
Total revenues	<u>24,356,688</u>	<u>24,938,786</u>	<u>27,181,900</u>	<u>2,243,114</u>
<b>EXPENDITURES</b>				
Current:				
General government				
City council	68,410	64,361	54,166	10,195
Administration	709,855	896,983	813,875	83,108
City secretary	118,623	182,137	174,183	7,954
Economic development	244,294	318,408	266,989	51,419
Human resources	398,504	367,233	360,108	7,125
Finance	832,391	757,153	754,132	3,021
Purchasing	97,392	156,214	156,404	( 190)
Facilities maintenance	865,542	887,940	694,357	193,583
City attorney	137,490	383,438	362,816	20,622
Municipal court	369,692	344,692	312,641	32,051
Information technology	2,027,474	2,242,356	2,110,603	131,753
Planning and development	883,833	1,062,323	1,029,080	33,243
Non-departmental	1,265,176	1,127,282	559,458	567,824
Total general government	<u>8,018,676</u>	<u>8,790,520</u>	<u>7,648,812</u>	<u>1,141,708</u>
Public safety				
Police services	7,805,092	8,211,472	8,178,781	32,691
Fire	5,946,948	6,338,870	6,412,628	( 73,758)
Total public safety	<u>13,752,040</u>	<u>14,550,342</u>	<u>14,591,409</u>	<u>( 41,067)</u>
Public works				
Transportation and public works	554,479	689,445	661,481	27,964
Field operations/inspections	87,761	340,373	149,636	190,737
Traffic control	222,351	217,333	194,823	22,510
Street maintenance	2,756,069	2,911,427	2,883,240	28,187
Vehicle/equipment maintenance	177,138	184,399	186,329	( 1,930)
Total public works	<u>3,797,798</u>	<u>4,342,977</u>	<u>4,075,509</u>	<u>267,468</u>

**CITY OF WEATHERFORD, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Health and welfare				
Environmental health	\$ 154,287	\$ 149,287	\$ 110,455	\$ 38,832
Animal shelter	1,166,453	1,186,453	1,186,201	252
Code enforcement	216,006	226,006	216,911	9,095
Community grants	<u>58,350</u>	<u>84,350</u>	<u>87,842</u>	( 3,492)
Total health and welfare	<u>1,595,096</u>	<u>1,646,096</u>	<u>1,601,409</u>	<u>44,687</u>
Cultural and recreation				
Parks	1,346,049	1,568,592	1,529,958	38,634
Recreation	617,113	624,184	617,414	6,770
Municipal and community services	-	8,239	6,794	1,445
Library	<u>1,081,973</u>	<u>1,075,623</u>	<u>1,062,376</u>	<u>13,247</u>
Total cultural and recreation	<u>3,045,135</u>	<u>3,276,638</u>	<u>3,216,542</u>	<u>60,096</u>
Total expenditures	<u>30,208,745</u>	<u>32,606,573</u>	<u>31,133,681</u>	<u>1,472,892</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 5,852,057)</u>	<u>( 7,667,787)</u>	<u>( 3,951,781)</u>	<u>3,716,006</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital lease proceeds	95,000	95,000	-	( 95,000)
Sale of general capital assets	-	5,000	29,215	24,215
Insurance recoveries	-	-	98,779	98,779
Transfers in	5,148,870	5,226,998	5,296,935	69,937
Transfers out	<u>( 1,095,236)</u>	<u>( 1,145,236)</u>	<u>( 733,173)</u>	<u>412,063</u>
Total other financing sources and uses	<u>4,148,634</u>	<u>4,181,762</u>	<u>4,691,756</u>	<u>509,994</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 1,703,423)</u>	<u>( 3,486,025)</u>	<u>739,975</u>	<u>4,226,000</u>
<b>FUND BALANCE, BEGINNING</b>	<u>14,166,228</u>	<u>14,166,228</u>	<u>14,166,228</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 12,462,805</u>	<u>\$ 10,680,203</u>	<u>\$ 14,906,203</u>	<u>\$ 4,226,000</u>

**CITY OF WEATHERFORD, TEXAS**

**NOTES TO BUDGETARY SCHEDULES**

**SEPTEMBER 30, 2017**

**Budgetary Information**

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

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

**Excess of Expenditures Over Appropriations**

During the year ended September 30, 2017, the City incurred expenditures in excess of appropriations within the following funds:

General fund:	
General Government - Purchasing	\$ 190
Public safety - Fire	73,758
Public works - Vehicle/equipment maintenance	1,930
Health and welfare - Community grants	3,492
Special revenue fund:	
Animal Shelter Fund	39,065

## CITY OF WEATHERFORD, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

Plan Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>A. Total pension liability</b>			
Service cost	\$ 2,866,608	\$ 3,136,322	\$ 3,369,525
Interest (on the Total Pension Liability)	6,404,452	6,708,124	6,932,314
Difference between expected and actual experience	( 1,735,526)	( 424,862)	( 43,096)
Change of assumptions	-	938,459	-
Benefit payments, including refunds of employee contributions	( 3,413,647)	( 3,250,818)	( 3,957,236)
Net change in total pension liability	4,121,887	7,107,225	6,301,507
Total pension liability - beginning	<u>91,765,698</u>	<u>95,887,585</u>	<u>102,994,810</u>
Total pension liability - ending (a)	<u>\$ 95,887,585</u>	<u>\$ 102,994,810</u>	<u>\$ 109,296,317</u>
<b>B. Plan fiduciary net position</b>			
Contributions - employer	\$ 2,903,602	\$ 2,681,302	\$ 2,636,933
Contributions - employee	1,304,964	1,379,411	1,436,460
Net investment income	4,678,525	128,674	5,952,083
Benefit payments, including refunds of employee contributions	( 3,413,647)	( 3,250,818)	( 3,957,236)
Administrative expenses	( 48,843)	( 78,372)	( 67,209)
Other	( 4,016)	( 3,871)	( 3,621)
Net change in plan fiduciary net position	5,420,585	856,326	5,997,410
Plan fiduciary net position - beginning	<u>81,779,429</u>	<u>87,200,014</u>	<u>88,056,340</u>
Plan fiduciary net position - ending (b)	<u>\$ 87,200,014</u>	<u>\$ 88,056,340</u>	<u>\$ 94,053,750</u>
<b>C. Net pension liability - ending (a) - (b)</b>	\$ 8,687,571	\$ 14,938,470	\$ 15,242,567
<b>D. Plan fiduciary net position as a percentage of total pension liability</b>	90.94%	85.50%	86.05%
<b>E. Covered employee payroll</b>	\$ 18,642,345	\$ 19,638,837	\$ 20,520,859
<b>F. Net position liability as a percentage of covered employee payroll</b>	46.60%	76.07%	74.28%

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

**CITY OF WEATHERFORD, TEXAS**

**SCHEDULE OF CONTRIBUTIONS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<b>Fiscal Year</b>	<u><b>2014</b></u>	<u><b>2015</b></u>	<u><b>2016</b></u>	<u><b>2017</b></u>
Actuarial determined contribution	\$ 2,934,671	\$ 2,726,094	\$ 2,747,999	\$ 2,805,505
determined contribution	<u>( 2,934,671)</u>	<u>( 2,726,094)</u>	<u>( 2,747,999)</u>	<u>( 2,805,505)</u>
Contribution deficiency (excess)	-	-	-	-
Covered employee payroll	18,418,209	19,339,291	21,053,077	21,165,660
Contributions as a percentage of covered	15.93%	14.10%	13.05%	13.25%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

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

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

**CITY OF WEATHERFORD, TEXAS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<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>
12/31/2012	\$ -	\$ 11,451,759	\$ 11,451,759	0.0%	\$ 17,909,673	63.94%
12/31/2014	-	11,915,747	11,915,747	0.0%	21,053,077	56.60%
12/31/2016	-	16,495,612	16,495,612	0.0%	20,520,859	80.38%

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

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# **NONMAJOR GOVERNMENTAL FUNDS**

## NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

## **CAPITAL PROJECTS FUNDS**

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

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

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

## **PERMANENT FUND**

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

**CITY OF WEATHERFORD, TEXAS**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2017**

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
<b>ASSETS</b>				
Cash and investments	\$ 112,972	\$ 265,631	\$ 2,402	\$ 174,427
Accounts receivable	-	-	-	131,025
Total assets	112,972	265,631	2,402	305,452
<b>LIABILITIES</b>				
Accounts payable	-	4,144	-	884
Accrued liabilities	-	-	-	7,713
Deposits and escrows	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	4,144	-	8,597
<b>FUND BALANCES</b>				
Nonspendable:				
Doss library	-	-	-	-
Restricted:				
Public safety	112,972	261,487	-	-
Community development	-	-	2,402	296,855
Committed:				
Capital projects	-	-	-	-
Park development	-	-	-	-
Culture and recreation	-	-	-	-
Total fund balances	112,972	261,487	2,402	296,855
Total liabilities and fund balances	\$ 112,972	\$ 265,631	\$ 2,402	\$ 305,452

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ 158,333	\$ -	\$ 61,887	\$ 17,539	\$ 22,762	\$ 150,929
-	3,728	-	-	-	-
<u>158,333</u>	<u>3,728</u>	<u>61,887</u>	<u>17,539</u>	<u>22,762</u>	<u>150,929</u>
2,000	-	1	-	-	319
3,715	-	-	-	-	-
14,000	-	-	-	-	-
-	1,864	-	-	-	-
<u>19,715</u>	<u>1,864</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>319</u>
-	-	-	-	-	-
-	-	61,886	-	22,762	-
-	1,864	-	17,539	-	-
-	-	-	-	-	-
-	-	-	-	-	-
138,618	-	-	-	-	150,610
<u>138,618</u>	<u>1,864</u>	<u>61,886</u>	<u>17,539</u>	<u>22,762</u>	<u>150,610</u>
<u>\$ 158,333</u>	<u>\$ 3,728</u>	<u>\$ 61,887</u>	<u>\$ 17,539</u>	<u>\$ 22,762</u>	<u>\$ 150,929</u>

**CITY OF WEATHERFORD, TEXAS**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2017**

	Special Revenue Funds		
	Animal Shelter	Juvenile Case Manager	Heritage Park
<b>ASSETS</b>			
Cash and investments	\$ 109,939	\$ 23,883	\$ 61,076
Accounts receivable	-	-	-
Total assets	109,939	23,883	61,076
<b>LIABILITIES</b>			
Accounts payable	1,333	-	28
Accrued liabilities	-	-	1,150
Deposits and escrows	-	-	-
Unearned revenue	-	-	-
Total liabilities	1,333	-	1,178
<b>FUND BALANCES</b>			
Nonspendable:			
Doss library	-	-	-
Restricted:			
Public safety	-	23,883	-
Community development	-	-	-
Committed:			
Capital projects	-	-	-
Park development	-	-	-
Culture and recreation	108,606	-	59,898
Total fund balances	108,606	23,883	59,898
 Total liabilities and fund balances	 \$ 109,939	 \$ 23,883	 \$ 61,076

<u>Capital Projects Funds</u>		<u>Permanent</u>		<u>Total Nonmajor Governmental Funds</u>
<u>General Capital Projects</u>	<u>Park Development</u>	<u>Doss Library</u>		
1,609,848	\$ 215,231	\$ 50,361	\$ 3,037,220	
-	-	-	134,753	
<u>1,609,848</u>	<u>215,231</u>	<u>50,361</u>	<u>3,171,973</u>	
56,427	1,805	-	66,941	
122	-	-	12,700	
-	-	-	14,000	
-	-	-	1,864	
<u>56,549</u>	<u>1,805</u>	<u>-</u>	<u>95,505</u>	
-	-	50,000	50,000	
-	-	-	482,990	
-	-	361	319,021	
1,553,299	-	-	1,553,299	
-	213,426	-	213,426	
-	-	-	457,732	
<u>1,553,299</u>	<u>213,426</u>	<u>50,361</u>	<u>3,076,468</u>	
<u>\$ 1,609,848</u>	<u>\$ 215,231</u>	<u>\$ 50,361</u>	<u>\$ 3,171,973</u>	

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 758,005
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	6,157	30,219	-	-
Contributions	-	-	-	1,000
Royalties and rental	-	-	-	-
Investment earnings	-	2,065	-	2,971
Miscellaneous	-	-	-	4,312
Total revenues	<u>6,157</u>	<u>32,284</u>	<u>-</u>	<u>766,288</u>
<b>EXPENDITURES</b>				
Current:				
General government	4,995	-	-	100,582
Public safety	13,449	51,531	-	-
Health and welfare	-	-	-	-
Cultural and recreational	-	-	-	230,781
Capital outlay	-	132,794	-	-
Total expenditures	<u>18,444</u>	<u>184,325</u>	<u>-</u>	<u>331,363</u>
<b>EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 12,287)</u>	<u>( 152,041)</u>	<u>-</u>	<u>434,925</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	( 858,889)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 858,889)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 12,287)</u>	<u>( 152,041)</u>	<u>-</u>	<u>( 423,964)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>125,259</u>	<u>413,528</u>	<u>2,402</u>	<u>720,819</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 112,972</u>	<u>\$ 261,487</u>	<u>\$ 2,402</u>	<u>\$ 296,855</u>

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	248
80,063	-	-	-	-	11,025
-	-	10,622	-	7,959	-
150	-	-	-	-	6,877
-	22,368	-	1,300	-	-
56	-	-	-	-	368
<u>1</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>14,145</u>
<u>80,270</u>	<u>22,368</u>	<u>10,622</u>	<u>1,400</u>	<u>7,959</u>	<u>32,663</u>
-	20,504	1,713	-	1,524	-
-	-	-	-	-	-
-	-	-	-	-	-
364,000	-	-	-	-	21,026
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>364,000</u>	<u>20,504</u>	<u>1,713</u>	<u>-</u>	<u>1,524</u>	<u>21,026</u>
( 283,730)	1,864	8,909	1,400	6,435	11,637
344,642	-	-	-	-	129
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>344,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129</u>
60,912	1,864	8,909	1,400	6,435	11,766
<u>77,706</u>	<u>-</u>	<u>52,977</u>	<u>16,139</u>	<u>16,327</u>	<u>138,844</u>
<u>\$ 138,618</u>	<u>\$ 1,864</u>	<u>\$ 61,886</u>	<u>\$ 17,539</u>	<u>\$ 22,762</u>	<u>\$ 150,610</u>

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Special Revenue Funds		
	Animal Shelter	Juvenile Case Manager	Heritage Park
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	363
Intergovernmental	-	-	-
Charges for services	-	-	161,206
Fines and forfeitures	-	14,448	-
Contributions	162,937	-	-
Royalties and rental	-	-	-
Investment earnings	-	-	-
Miscellaneous	23,422	-	38,277
Total revenues	<u>186,359</u>	<u>14,448</u>	<u>199,846</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Health and welfare	109,065	-	-
Cultural and recreational	-	-	282,713
Capital outlay	-	-	-
Total expenditures	<u>109,065</u>	<u>-</u>	<u>282,713</u>
<b>EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>77,294</u>	<u>14,448</u>	<u>( 82,867)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	98,000
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>98,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	77,294	14,448	15,133
<b>FUND BALANCES, BEGINNING</b>	<u>31,312</u>	<u>9,435</u>	<u>44,765</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 108,606</u>	<u>\$ 23,883</u>	<u>\$ 59,898</u>

Capital Projects Fund		Permanent	Total Nonmajor Governmental Funds
General Capital Projects	Park Development	Doss Library	
\$ -	\$ -	\$ -	\$ 758,005
-	-	-	363
23,433	-	-	23,681
-	-	-	252,294
-	-	-	69,405
-	-	-	170,964
174	-	-	23,842
9,254	1,050	347	16,111
-	106,050	-	186,307
<u>32,861</u>	<u>107,100</u>	<u>347</u>	<u>1,500,972</u>
-	-	-	129,318
-	-	-	64,980
-	-	-	109,065
-	44,874	-	943,394
<u>481,763</u>	<u>78,182</u>	<u>-</u>	<u>1,255,739</u>
<u>481,763</u>	<u>123,056</u>	<u>-</u>	<u>2,502,496</u>
( <u>448,902</u> )	( <u>15,956</u> )	<u>347</u>	( <u>1,001,524</u> )
550,000	-	-	1,212,574
-	-	(129)	(859,018)
<u>550,000</u>	<u>-</u>	<u>(129)</u>	<u>353,556</u>
101,098	(15,956)	218	(647,968)
<u>1,452,201</u>	<u>229,382</u>	<u>50,143</u>	<u>3,724,436</u>
<u>\$ 1,553,299</u>	<u>\$ 213,426</u>	<u>\$ 50,361</u>	<u>\$ 3,076,468</u>

**CITY OF WEATHERFORD, TEXAS**

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

**STATE FORFEITURE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 6,157	\$( 3,843)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>6,157</u>	<u>( 3,843)</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	4,995	( 4,995)
Public safety	<u>66,000</u>	<u>66,000</u>	<u>13,449</u>	<u>52,551</u>
Total expenditures	<u>66,000</u>	<u>66,000</u>	<u>18,444</u>	<u>47,556</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 56,000)</u>	<u>( 56,000)</u>	<u>( 12,287)</u>	<u>43,713</u>
<b>FUND BALANCE, BEGINNING</b>	<u>125,259</u>	<u>125,259</u>	<u>125,259</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 69,259</u>	<u>\$ 69,259</u>	<u>\$ 112,972</u>	<u>\$ 43,713</u>

**CITY OF WEATHERFORD, TEXAS**

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

**FEDERAL FORFEITURE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 40,000	\$ 40,000	\$ 30,219	\$( 9,781)
Investment earnings	<u>800</u>	<u>800</u>	<u>2,065</u>	<u>1,265</u>
Total revenues	<u>40,800</u>	<u>40,800</u>	<u>32,284</u>	<u>( 8,516)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	-	-	51,531	( 51,531)
Capital outlay	<u>320,000</u>	<u>320,000</u>	<u>132,794</u>	<u>187,206</u>
Total expenditures	<u>320,000</u>	<u>320,000</u>	<u>184,325</u>	<u>135,675</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 279,200)	( 279,200)	( 152,041)	127,159
<b>FUND BALANCE, BEGINNING</b>	<u>413,528</u>	<u>413,528</u>	<u>413,528</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 134,328</u>	<u>\$ 134,328</u>	<u>\$ 261,487</u>	<u>\$ 127,159</u>

**CITY OF WEATHERFORD, TEXAS**

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

**WEATHERFORD BEAUTIFICATION FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

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

**CITY OF WEATHERFORD, TEXAS**

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

**HOTEL/MOTEL TAX FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 645,000	\$ 665,000	\$ 758,005	\$ 93,005
Contributions	-	-	1,000	1,000
Investment earnings	1,000	1,000	2,971	1,971
Miscellaneous	4,000	4,000	4,312	312
Total revenues	<u>650,000</u>	<u>670,000</u>	<u>766,288</u>	<u>96,288</u>
<b>EXPENDITURES</b>				
Current:				
General government	76,045	76,045	70,516	5,529
Cultural and recreational:				
Tourism program	96,000	96,000	96,000	-
Doss Historic and Cultural Center	25,000	25,000	25,000	-
Other	141,572	161,572	139,847	21,725
Total expenditures	<u>338,617</u>	<u>358,617</u>	<u>331,363</u>	<u>27,254</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>311,383</u>	<u>311,383</u>	<u>434,925</u>	<u>123,542</u>
<b>OTHER FINANCING USES</b>				
Transfers out	( 858,889)	( 858,889)	( 858,889)	-
Total other financing uses	<u>( 858,889)</u>	<u>( 858,889)</u>	<u>( 858,889)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 547,506)	( 547,506)	( 423,964)	123,542
<b>FUND BALANCE, BEGINNING</b>	<u>720,819</u>	<u>720,819</u>	<u>720,819</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 173,313</u>	<u>\$ 173,313</u>	<u>\$ 296,855</u>	<u>\$ 123,542</u>

**CITY OF WEATHERFORD, TEXAS**

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

**CHANDOR GARDENS FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 69,600	\$ 69,600	\$ 80,063	\$ 10,463
Contributions	-	-	150	150
Investment earnings	-	-	56	56
Total revenues	<u>69,600</u>	<u>69,600</u>	<u>80,270</u>	<u>10,670</u>
<b>EXPENDITURES</b>				
Current:				
Cultural and recreational	396,236	396,236	364,000	32,236
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>401,236</u>	<u>401,236</u>	<u>364,000</u>	<u>37,236</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 331,636)</u>	<u>( 331,636)</u>	<u>( 283,730)</u>	<u>47,906</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>344,642</u>	<u>344,642</u>	<u>344,642</u>	<u>-</u>
Total other financing sources	<u>344,642</u>	<u>344,642</u>	<u>344,642</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	13,006	13,006	60,912	47,906
<b>FUND BALANCE, BEGINNING</b>	<u>77,706</u>	<u>77,706</u>	<u>77,706</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 90,712</u>	<u>\$ 90,712</u>	<u>\$ 138,618</u>	<u>\$ 47,906</u>

**CITY OF WEATHERFORD, TEXAS**

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

**SFX DESIGN GRANT FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Rental	\$ 22,368	\$ 22,368	\$ 22,368	\$ -
Total revenues	<u>22,368</u>	<u>22,368</u>	<u>22,368</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>22,368</u>	<u>22,368</u>	<u>20,504</u>	<u>1,864</u>
Total expenditures	<u>22,368</u>	<u>22,368</u>	<u>20,504</u>	<u>1,864</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	1,864	1,864
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,864</u>	<u>\$ 1,864</u>

**CITY OF WEATHERFORD, TEXAS**

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

**COURT TECHNOLOGY FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 13,000	\$ 13,000	\$ 10,622	\$( 2,378)
Investment earnings	<u>20</u>	<u>20</u>	<u>-</u>	<u>( 20)</u>
Total revenues	<u>13,020</u>	<u>13,020</u>	<u>10,622</u>	<u>( 2,398)</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>50,000</u>	<u>50,000</u>	<u>1,713</u>	<u>48,287</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>1,713</u>	<u>48,287</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 36,980)	( 36,980)	8,909	45,889
<b>FUND BALANCE, BEGINNING</b>	<u>52,977</u>	<u>52,977</u>	<u>52,977</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 15,997</u>	<u>\$ 15,997</u>	<u>\$ 61,886</u>	<u>\$ 45,889</u>

**CITY OF WEATHERFORD, TEXAS**

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

**COURT SECURITY FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 7,959	\$( 2,041)
Investment earnings	<u>30</u>	<u>30</u>	<u>-</u>	<u>( 30)</u>
Total revenues	<u>10,030</u>	<u>10,030</u>	<u>7,959</u>	<u>( 2,071)</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>10,000</u>	<u>11,000</u>	<u>1,524</u>	<u>9,476</u>
Total expenditures	<u>10,000</u>	<u>11,000</u>	<u>1,524</u>	<u>9,476</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	30	( 970)	6,435	7,405
<b>FUND BALANCE, BEGINNING</b>	<u>16,327</u>	<u>16,327</u>	<u>16,327</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 16,357</u></u>	<u><u>\$ 15,357</u></u>	<u><u>\$ 22,762</u></u>	<u><u>\$ 7,405</u></u>

**CITY OF WEATHERFORD, TEXAS**

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

**LIBRARY FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 10,500	\$ 10,500	\$ 11,025	\$ 525
Intergovernmental	-	-	248	248
Contributions	10,000	10,000	6,877	( 3,123)
Investment earnings	100	100	368	268
Miscellaneous	-	-	14,145	14,145
Total revenues	<u>20,600</u>	<u>20,600</u>	<u>32,663</u>	<u>12,063</u>
<b>EXPENDITURES</b>				
Current:				
Cultural and recreational	<u>144,750</u>	<u>144,750</u>	<u>21,026</u>	<u>123,724</u>
Total expenditures	<u>144,750</u>	<u>144,750</u>	<u>21,026</u>	<u>123,724</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 124,150)</u>	<u>( 124,150)</u>	<u>11,637</u>	<u>135,787</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>100</u>	<u>100</u>	<u>129</u>	<u>29</u>
Total other financing sources	<u>100</u>	<u>100</u>	<u>129</u>	<u>29</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 124,050)</u>	<u>( 124,050)</u>	<u>11,766</u>	<u>135,816</u>
<b>FUND BALANCE, BEGINNING</b>	<u>138,844</u>	<u>138,844</u>	<u>138,844</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 14,794</u>	<u>\$ 14,794</u>	<u>\$ 150,610</u>	<u>\$ 135,816</u>

**CITY OF WEATHERFORD, TEXAS**

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

**ANIMAL SHELTER FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Contributions	\$ 30,000	\$ 30,000	\$ 162,937	\$ 132,937
Miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>23,422</u>	<u>( 1,578)</u>
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>186,359</u>	<u>131,359</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>70,000</u>	<u>70,000</u>	<u>109,065</u>	<u>( 39,065)</u>
Total expenditures	<u>70,000</u>	<u>70,000</u>	<u>109,065</u>	<u>( 39,065)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 15,000)	( 15,000)	77,294	92,294
<b>FUND BALANCE, BEGINNING</b>	<u>31,312</u>	<u>31,312</u>	<u>31,312</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 16,312</u>	<u>\$ 16,312</u>	<u>\$ 108,606</u>	<u>\$ 92,294</u>

**CITY OF WEATHERFORD, TEXAS**

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

**DOSS LIBRARY PERMANENT FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 65	\$ 65	\$ 347	\$ 282
Total revenues	<u>65</u>	<u>65</u>	<u>347</u>	<u>282</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>65</u>	<u>65</u>	<u>347</u>	<u>282</u>
<b>OTHER FINANCING USES</b>				
Transfers out	( 129)	( 129)	( 129)	-
Total other financing uses	<u>( 129)</u>	<u>( 129)</u>	<u>( 129)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 64)	( 64)	218	282
<b>FUND BALANCE, BEGINNING</b>	<u>50,143</u>	<u>50,143</u>	<u>50,143</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 50,079</u>	<u>\$ 50,079</u>	<u>\$ 50,361</u>	<u>\$ 282</u>

**CITY OF WEATHERFORD, TEXAS**

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

**DEBT SERVICE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,424,137	\$ 3,424,137	\$ 3,556,001	\$ 131,864
Intergovernmental	4,100,000	4,100,000	3	( 4,099,997)
Investment earnings	<u>4,300</u>	<u>4,300</u>	<u>25,196</u>	<u>20,896</u>
Total revenues	<u>7,528,437</u>	<u>7,528,437</u>	<u>3,581,200</u>	<u>( 3,947,237)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	5,110,000	5,110,000	5,116,566	( 6,566)
Interest and other	<u>2,385,328</u>	<u>2,385,328</u>	<u>2,328,866</u>	<u>56,462</u>
Total expenditures	<u>7,495,328</u>	<u>7,495,328</u>	<u>7,445,432</u>	<u>49,896</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>33,109</u>	<u>33,109</u>	<u>( 3,864,232)</u>	<u>( 3,897,341)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>280,437</u>	<u>280,437</u>	<u>702,000</u>	<u>421,563</u>
Total other financing sources (uses)	<u>280,437</u>	<u>280,437</u>	<u>702,000</u>	<u>421,563</u>
<b>NET CHANGE IN FUND BALANCE</b>	313,546	313,546	( 3,162,232)	( 3,475,778)
<b>FUND BALANCE, BEGINNING</b>	<u>16,581,334</u>	<u>16,581,334</u>	<u>16,581,334</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 16,894,880</u>	<u>\$ 16,894,880</u>	<u>\$ 13,419,102</u>	<u>\$ ( 3,475,778)</u>

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# **CAPITAL ASSET SCHEDULES**

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**CITY OF WEATHERFORD, TEXAS**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**

**COMPARATIVE SCHEDULES BY SOURCE**

**SEPTEMBER 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS</b>		
Land	\$ 14,757,704	\$ 14,741,923
Buildings and improvements	15,141,388	15,117,380
Infrastructure	56,176,217	52,917,764
Other improvements	37,556,803	36,042,606
Machinery and equipment	12,959,257	11,917,941
Construction in progress	<u>659,763</u>	<u>11,457,874</u>
Total governmental funds capital assets	\$ <u>137,251,132</u>	\$ <u>142,195,488</u>
<b>INVESTMENTS IN GOVERNMENTAL FUNDS</b>		
<b>CAPITAL ASSETS BY SOURCE</b>		
General fund revenues	\$36,003,901	\$ 34,539,097
Special revenue fund revenues	81,804	81,804
Capital projects fund general obligation bonds	37,130,608	47,194,766
Contributions	60,578,316	57,294,772
Grants	<u>3,456,503</u>	<u>3,085,049</u>
Total governmental funds capital assets	\$ <u>137,251,132</u>	\$ <u>142,195,488</u>

# CITY OF WEATHERFORD, TEXAS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

### SCHEDULE BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2017

Function and Activity	Total	Land	Buildings and Improvements	Infrastructure and Other Improvements	Machinery and Equipment	Construction in Progress
<b>General government</b>						
City Council	\$ 8,414,352	\$ 358,871	\$ 6,229,094	\$ 180,714	\$ 1,631,832	\$ 13,841
Finance	168,976	-	-	81,323	87,653	-
Facilities Maintenance	104,343	-	-	-	104,343	-
Municipal court	37,406	-	-	-	37,406	-
Planning and development	109,049	-	-	-	109,049	-
Total	<u>8,834,126</u>	<u>358,871</u>	<u>6,229,094</u>	<u>262,037</u>	<u>1,970,283</u>	<u>13,841</u>
<b>Public safety</b>						
Fire	8,417,786	467,884	3,054,398	549,793	4,345,711	-
Police	3,629,872	16,619	1,318,317	37,050	2,257,886	-
Total	<u>12,047,658</u>	<u>484,503</u>	<u>4,372,715</u>	<u>586,843</u>	<u>6,603,597</u>	<u>-</u>
<b>Public works</b>						
Administration	1,827,232	-	1,406,378	46,505	374,349	-
Street maintenance	91,732,397	11,378,442	6,077	77,434,415	2,490,184	423,279
Vehicle/equipment maintenance	118,218	-	50,833	23,007	44,378	-
Total	<u>93,677,847</u>	<u>11,378,442</u>	<u>1,463,288</u>	<u>77,503,927</u>	<u>2,908,911</u>	<u>423,279</u>
Health & Welfare	1,218,420	-	964,818	15,552	238,050	-
<b>Cultural and Recreational</b>						
Library	1,061,678	7,850	900,554	23,475	129,799	-
Parks and properties	20,351,191	2,528,038	1,210,919	15,316,394	1,073,197	222,643
Public market	24,792	-	-	24,792	-	-
Recreation	35,420	-	-	-	35,420	-
Total	<u>21,473,081</u>	<u>2,535,888</u>	<u>2,111,473</u>	<u>15,364,661</u>	<u>1,238,416</u>	<u>222,643</u>
Total governmental funds capital assets	<u>\$ 137,251,132</u>	<u>\$ 14,757,704</u>	<u>\$ 15,141,388</u>	<u>\$ 93,733,020</u>	<u>\$ 12,959,257</u>	<u>\$ 659,763</u>

**CITY OF WEATHERFORD, TEXAS**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**

**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

Function and Activity	Balance 09/30/2016	Additions	Deletions	Balance 09/30/2017
<b>General government</b>				
City Council	\$ 8,190,342	\$ 224,010	\$ -	\$ 8,414,352
Finance	104,343	-	-	104,343
Facilities maintenance	168,976	-	-	168,976
Municipal court	37,406	-	-	37,406
Planning and development	98,448	21,961	( 11,360)	109,049
Total	<u>8,599,515</u>	<u>245,971</u>	<u>( 11,360)</u>	<u>8,834,126</u>
<b>Public Safety</b>				
Fire	8,092,951	363,780	( 38,945)	8,417,786
Police	3,258,813	461,029	( 89,970)	3,629,872
Total	<u>11,351,764</u>	<u>824,809</u>	<u>( 128,915)</u>	<u>12,047,658</u>
<b>Public works</b>				
Administration	1,766,403	74,148	( 13,319)	1,827,232
Street maintenance	98,441,879	5,585,475	( 12,294,957)	91,732,397
Vehicle/equipment maintenance	118,218	-	-	118,218
Total	<u>100,326,500</u>	<u>5,659,623</u>	<u>( 12,308,276)</u>	<u>93,677,847</u>
Health & Welfare	<u>1,207,819</u>	<u>43,922</u>	<u>( 33,321)</u>	<u>1,218,420</u>
<b>Parks and recreation</b>				
Library	1,028,678	33,000	-	1,061,678
Public market	24,792	-	-	24,792
Parks and properties	19,615,444	744,224	( 8,477)	20,351,191
Recreation	40,976	-	( 5,556)	35,420
Total	<u>20,709,890</u>	<u>777,224</u>	<u>( 14,033)</u>	<u>21,473,081</u>
<b>Total governmental funds</b>				
capital assets	<u>\$ 142,195,488</u>	<u>\$ 7,551,549</u>	<u>\$( 12,495,905)</u>	<u>\$ 137,251,132</u>

**CITY OF WEATHERFORD, TEXAS**

**MUNICIPAL UTILITY SYSTEM**

**SCHEDULES OF CAPITAL ASSETS**

**SEPTEMBER 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Land	\$ 2,745,492	\$ 2,600,202
Buildings and improvements	19,181,985	19,173,835
Other improvements	182,237,854	169,485,862
Machinery and equipment	7,985,009	7,768,368
Construction in progress	<u>5,866,129</u>	<u>9,580,106</u>
	218,016,469	208,608,373
Less accumulated depreciation	<u>( 83,245,669)</u>	<u>( 77,732,677)</u>
	<u>\$ 134,770,800</u>	<u>\$ 130,875,696</u>

**CITY OF WEATHERFORD, TEXAS**  
**MUNICIPAL UTILITY SYSTEM**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

<u>Function and Activity</u>	<u>Balance 09/30/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2017</u>
Administration	\$ 5,409,418	\$ 15,645	\$( 32,424)	\$ 5,392,639
Water production	27,210,538	1,104,356	( 907,459)	27,407,435
Water distribution	61,563,292	5,669,688	( 555,242)	66,677,738
Wastewater	45,877,750	6,205,724	( 2,492,493)	49,590,981
Electric production	1,192,894	-	-	1,192,894
Electric distribution	<u>67,354,481</u>	<u>8,203,574</u>	<u>( 7,803,273)</u>	<u>67,754,782</u>
Total municipal utility capital assets	<u>\$ 208,608,373</u>	<u>\$ 21,198,987</u>	<u>\$( 11,790,891)</u>	<u>\$ 218,016,469</u>

**CITY OF WEATHERFORD, TEXAS**

**MUNICIPAL UTILITY SYSTEM**

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

**SEPTEMBER 30, 2017**

<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	\$ 5,392,639	\$ 326,764	\$ 3,431,676	\$ 1,168,200	\$ 465,999	\$ -
Water production	27,407,435	1,055,502	12,146,429	12,703,488	1,502,016	-
Water distribution	66,677,738	842,513	35,619	61,199,458	864,880	3,735,268
Wastewater	49,590,981	180,339	3,231,643	41,837,519	2,223,584	2,117,896
Electric production	1,192,894	11,334	336,618	13,203	831,739	-
Electric distribution	<u>67,754,782</u>	<u>329,040</u>	<u>-</u>	<u>65,315,986</u>	<u>2,096,791</u>	<u>12,965</u>
Total Municipal Utility System capital assets	<u>\$ 218,016,469</u>	<u>\$ 2,745,492</u>	<u>\$ 19,181,985</u>	<u>\$ 182,237,854</u>	<u>\$ 7,985,009</u>	<u>\$ 5,866,129</u>

# **STATISTICAL SECTION**

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# STATISTICAL SECTION

## (Unaudited)

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.	97 – 105
<b>Revenue Capacity</b> These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its electric utility, sales tax and property tax revenues.	106 – 119
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.	120 – 124
<b>Economic and Demographic Indicators</b> These schedules contain economic and demographic information to help the reader understand the environment within which the City's financial activities take place.	125 – 127
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	128 – 130

## CITY OF WEATHERFORD, TEXAS

### NET POSITION BY COMPONENT

#### LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 18,027,712	\$ 21,410,012	\$ 19,852,401	\$ 17,759,659
Restricted	9,041,116	6,381,977	6,101,207	2,933,914
Unrestricted	<u>6,522,915</u>	<u>5,775,100</u>	<u>8,725,158</u>	<u>13,417,930</u>
Total governmental activities net position	<u>\$ 33,591,743</u>	<u>\$ 33,567,089</u>	<u>\$ 34,678,766</u>	<u>\$ 34,111,503</u>
Business-type activities:				
Net investment in capital assets	\$ 64,453,828	\$ 68,649,354	\$ 67,232,594	\$ 70,468,654
Restricted	7,563,464	7,628,531	13,003,448	8,363,543
Unrestricted	<u>16,261,373</u>	<u>16,550,266</u>	<u>15,069,828</u>	<u>21,839,839</u>
Total business-type activities net position	<u>\$ 88,278,665</u>	<u>\$ 92,828,151</u>	<u>\$ 95,305,870</u>	<u>\$ 100,672,036</u>
Primary government:				
Net investment in capital assets	\$ 82,481,540	\$ 90,059,366	\$ 87,084,995	\$ 88,228,313
Restricted	16,604,580	14,010,508	19,104,655	11,297,457
Unrestricted	<u>22,784,288</u>	<u>22,325,366</u>	<u>23,794,986</u>	<u>35,257,769</u>
Total primary government net position	<u>\$ 121,870,408</u>	<u>\$ 126,395,240</u>	<u>\$ 129,984,636</u>	<u>\$ 134,783,539</u>

**TABLE 1**

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 17,007,106	\$ 20,530,809	\$ 29,104,810	\$ 26,052,538	\$ 65,646,240	\$ 66,796,273
5,331,525	6,571,469	3,267,974	3,712,803	11,866,006	8,155,809
<u>14,511,974</u>	<u>11,361,121</u>	<u>5,969,809</u>	<u>4,118,774</u>	<u>2,943,161</u>	<u>3,766,405</u>
<u>\$ 36,850,605</u>	<u>\$ 38,463,399</u>	<u>\$ 38,342,593</u>	<u>\$ 33,884,115</u>	<u>\$ 80,455,407</u>	<u>\$ 78,718,487</u>
\$ 75,402,883	\$ 79,820,405	\$ 90,336,805	\$ 94,113,483	\$ 102,278,278	\$ 109,363,224
8,841,879	9,496,781	9,627,846	10,064,992	20,064,415	10,165,192
<u>22,596,145</u>	<u>22,453,289</u>	<u>20,463,931</u>	<u>25,952,451</u>	<u>18,332,728</u>	<u>33,672,680</u>
<u>\$ 106,840,907</u>	<u>\$ 111,770,475</u>	<u>\$ 120,428,582</u>	<u>\$ 130,130,926</u>	<u>\$ 140,675,421</u>	<u>\$ 153,201,096</u>
\$ 92,409,989	\$ 100,351,214	\$ 119,441,615	\$ 120,166,021	\$ 167,924,518	\$ 176,159,497
14,173,404	16,068,250	12,895,820	13,777,795	31,930,421	18,321,001
<u>37,108,119</u>	<u>33,814,410</u>	<u>26,433,740</u>	<u>30,071,225</u>	<u>21,275,889</u>	<u>37,439,085</u>
<u>\$ 143,691,512</u>	<u>\$ 150,233,874</u>	<u>\$ 158,771,175</u>	<u>\$ 164,015,041</u>	<u>\$ 221,130,828</u>	<u>\$ 231,919,583</u>

# CITY OF WEATHERFORD, TEXAS

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
<b>EXPENSES</b>				
Governmental activities:				
General government	\$ 2,866,557	\$ 2,928,150	\$ 3,160,927	\$ 3,398,442
Public safety	11,179,288	12,081,348	11,877,757	12,532,399
Public works	2,973,277	2,920,416	2,997,970	7,985,977
Planning and development	1,094,289	825,967	677,682	698,162
Community development	798,054	1,627,371	1,314,302	926,855
Health and welfare	40,000	45,000	45,000	46,764
Cultural and recreation	4,490,038	3,681,961	4,088,694	3,442,335
Interest on long-term debt	3,749,754	3,109,094	2,996,869	2,758,163
Total governmental activities expenses	<u>27,191,257</u>	<u>27,219,307</u>	<u>27,159,201</u>	<u>31,789,097</u>
Business-type activities:				
Electric	45,275,598	41,197,102	30,670,906	28,530,839
Water	6,969,907	7,899,776	6,433,439	7,404,975
Wastewater	2,998,193	2,888,556	3,281,199	2,994,124
Sanitation	1,443,132	1,464,621	1,434,931	1,450,234
Stormwater utility	-	-	-	-
Total business-type activities expenses	<u>56,686,830</u>	<u>53,450,055</u>	<u>41,820,475</u>	<u>40,380,172</u>
Total primary government program expenses	<u>\$ 83,878,087</u>	<u>\$ 80,669,362</u>	<u>\$ 68,979,676</u>	<u>\$ 72,169,269</u>
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services:				
General government	\$ 240,282	\$ 247,258	\$ 260,293	\$ 275,022
Public safety	1,316,499	1,269,329	1,112,838	1,008,551
Public works	-	-	25,603	21,278
Planning and development	652,314	395,846	256,563	385,256
Community development	-	-	427,224	496,987
Health and welfare	-	-	31,607	49,660
Cultural and recreational	725,635	636,811	636,120	675,256
Operating grants and contributions	546,231	401,357	234,710	218,060
Capital grants and contributions	150,087	707,935	1,191,580	2,244,834
Total governmental activities program revenues	<u>3,631,048</u>	<u>3,658,536</u>	<u>4,176,538</u>	<u>5,374,904</u>
Business-type activities:				
Charges for services:				
Electric	49,463,235	44,153,842	35,217,275	35,024,442
Water	7,313,082	8,078,376	6,592,204	9,427,936
Wastewater	4,168,752	4,035,449	3,858,895	5,031,535
Sanitation	1,930,313	2,189,772	2,560,822	2,636,671
Stormwater utility	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	930,081	1,820,404	1,068,437	485,997
Total business-type activities program revenues	<u>63,805,463</u>	<u>60,277,843</u>	<u>49,297,633</u>	<u>52,606,581</u>
Total primary government program revenues	<u>\$ 67,436,511</u>	<u>\$ 63,936,379</u>	<u>\$ 53,474,171</u>	<u>\$ 57,981,485</u>

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 4,688,501	\$ 5,464,305	\$ 6,035,033	\$ 5,915,168	\$ 7,005,789	\$ 7,921,911
12,426,881	12,951,140	13,331,155	13,676,879	15,000,743	15,348,606
4,116,662	5,032,489	32,880,317	13,686,840	5,252,727	18,997,852
738,534	755,272	-	-	-	-
991,922	1,031,282	-	-	-	-
160,169	152,181	1,269,608	1,392,938	1,587,636	1,813,923
3,579,674	4,217,332	4,442,143	4,485,475	4,761,634	5,087,524
3,584,869	2,633,532	2,534,057	2,682,224	2,176,497	2,089,046
<u>30,287,212</u>	<u>32,237,533</u>	<u>60,492,313</u>	<u>41,839,524</u>	<u>35,785,026</u>	<u>51,258,862</u>
21,532,861	25,082,339	32,064,046	26,787,470	23,013,754	33,142,615
6,441,878	7,384,830	8,083,005	7,376,079	7,385,407	7,913,939
3,195,794	3,321,956	3,392,953	3,533,092	3,557,093	3,899,352
1,481,557	1,528,130	1,502,670	1,498,046	1,619,025	1,913,154
-	24,532	73,348	173,055	87,041	211,910
<u>32,652,090</u>	<u>37,341,787</u>	<u>45,116,022</u>	<u>39,367,742</u>	<u>35,662,320</u>	<u>47,080,970</u>
\$ <u>62,939,302</u>	\$ <u>69,579,320</u>	\$ <u>105,608,335</u>	\$ <u>81,207,266</u>	\$ <u>71,447,346</u>	\$ <u>98,339,832</u>
\$ 195,897	\$ 202,029	\$ 29,617	\$ 47,433	\$ 59,969	\$ 2,442,189
770,585	944,532	976,746	1,003,391	1,550,142	1,480,750
7,240	177,938	571,551	586,304	937,918	936,009
263,220	370,782	-	-	-	-
438,947	422,703	-	-	-	-
49,010	51,813	501,722	575,818	620,341	630,807
621,955	735,500	696,460	719,869	794,834	823,300
584,783	196,248	310,955	175,705	318,801	571,295
4,114,054	3,873,294	29,049,784	8,582,987	1,604,594	11,179,503
<u>7,045,691</u>	<u>6,974,839</u>	<u>32,136,835</u>	<u>11,691,507</u>	<u>5,886,599</u>	<u>18,063,853</u>
27,763,091	31,300,347	38,114,195	34,860,799	27,737,753	32,807,183
9,675,600	10,058,874	10,340,475	11,984,185	14,206,086	16,381,903
4,719,203	4,663,157	4,533,122	4,985,923	5,830,166	6,791,526
2,081,818	2,058,004	2,140,988	2,132,203	2,195,297	2,270,380
-	594,526	839,597	852,004	1,237,658	1,334,743
-	-	-	-	-	-
409,143	912,459	1,674,969	2,273,567	2,439,162	4,941,978
<u>44,648,855</u>	<u>49,587,367</u>	<u>57,643,346</u>	<u>57,088,681</u>	<u>53,646,122</u>	<u>64,527,713</u>
\$ <u>51,694,546</u>	\$ <u>56,562,206</u>	\$ <u>89,780,181</u>	\$ <u>68,780,188</u>	\$ <u>59,532,721</u>	\$ <u>82,591,566</u>

# CITY OF WEATHERFORD, TEXAS

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
<b>NET (EXPENSE) REVENUES</b>				
Governmental activities	\$( 23,560,209)	\$( 23,560,771)	\$( 22,982,663)	\$( 26,414,193)
Business-type activities	<u>7,118,633</u>	<u>6,827,788</u>	<u>7,477,158</u>	<u>12,226,409</u>
Total primary government net expense	<u>( 16,441,576)</u>	<u>( 16,732,983)</u>	<u>( 15,505,505)</u>	<u>( 14,187,784)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes				
Property	6,977,107	7,371,902	8,108,727	8,095,074
Retail sales	9,166,195	8,641,879	8,236,286	8,832,088
Franchise	2,439,677	2,403,704	581,566	620,052
Hotel/motel	707,136	452,312	474,607	588,225
Mixed beverage	45,662	53,505	57,822	57,593
Unrestricted grants and contributions	10,226	3,373	155,092	1,944
Investment earnings	2,575,000	1,463,358	763,500	72,783
Gain on sale of capital assets	76,548	-	-	-
Miscellaneous	199,107	438,500	474,809	454,317
Transfers	<u>3,659,737</u>	<u>2,707,584</u>	<u>5,241,931</u>	<u>7,124,854</u>
Total governmental activities	<u>25,856,395</u>	<u>23,536,117</u>	<u>24,094,340</u>	<u>25,846,930</u>
Business-type activities:				
Investment earnings	1,140,045	228,337	64,432	43,834
Miscellaneous	146,535	200,945	178,060	220,777
Transfers	<u>( 3,659,737)</u>	<u>( 2,707,584)</u>	<u>( 5,241,931)</u>	<u>( 7,124,854)</u>
Total business-type activities	<u>( 2,373,157)</u>	<u>( 2,278,302)</u>	<u>( 4,999,439)</u>	<u>( 6,860,243)</u>
Total primary government	<u>23,483,238</u>	<u>21,257,815</u>	<u>19,094,901</u>	<u>18,986,687</u>
<b>CHANGE IN NET POSITION</b>				
Governmental activities	2,296,186	( 24,654)	1,111,677	( 567,263)
Business-type activities	<u>4,745,476</u>	<u>4,549,486</u>	<u>2,477,719</u>	<u>5,366,166</u>
Total primary government	<u>\$ 7,041,662</u>	<u>\$ 4,524,832</u>	<u>\$ 3,589,396</u>	<u>\$ 4,798,903</u>

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$( 23,241,521)	\$( 25,262,694)	\$( 28,355,478)	\$( 30,148,017)	\$( 29,898,427)	\$( 33,195,009)
<u>11,996,765</u>	<u>12,245,580</u>	<u>12,527,324</u>	<u>17,720,939</u>	<u>17,983,802</u>	<u>17,446,743</u>
( 11,244,756)	( 13,017,114)	( 15,828,154)	( 12,427,078)	( 11,914,625)	( 15,748,266)
8,232,881	8,396,517	8,674,852	9,238,347	9,942,877	10,586,095
9,648,458	9,969,043	10,591,223	11,303,850	11,619,054	12,963,401
697,980	681,611	673,641	777,549	723,275	656,053
602,256	659,759	676,407	687,665	655,350	758,005
57,519	68,658	92,016	94,465	113,061	122,005
18,626	21,637	16,749	15,153	23,301	4,407
57,691	39,617	66,346	125,353	149,661	155,995
-	-	-	-	-	-
264,797	237,957	295,224	221,976	149,601	145,390
<u>6,400,415</u>	<u>7,595,012</u>	<u>7,148,214</u>	<u>7,659,883</u>	<u>7,970,306</u>	<u>6,066,738</u>
<u>25,980,623</u>	<u>27,669,811</u>	<u>28,234,672</u>	<u>30,124,241</u>	<u>31,346,486</u>	<u>31,458,089</u>
49,858	46,514	35,548	352,023	278,695	440,796
523,014	597,310	687,949	777,280	662,796	704,874
( 6,400,415)	( 7,595,012)	( 7,148,214)	( 7,659,883)	( 7,970,306)	( 6,066,738)
( 5,827,543)	( 6,951,188)	( 6,424,717)	( 6,530,580)	( 7,028,815)	( 4,921,068)
<u>20,153,080</u>	<u>20,718,623</u>	<u>21,809,955</u>	<u>23,593,661</u>	<u>24,317,671</u>	<u>26,537,021</u>
2,739,102	2,407,117	( 120,806)	( 23,776)	1,448,059	( 1,736,920)
<u>6,169,222</u>	<u>5,294,392</u>	<u>6,102,607</u>	<u>11,190,359</u>	<u>10,954,987</u>	<u>12,525,675</u>
<u>\$ 8,908,324</u>	<u>\$ 7,701,509</u>	<u>\$ 5,981,801</u>	<u>\$ 11,166,583</u>	<u>\$ 12,403,046</u>	<u>\$ 10,788,755</u>

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**TABLE 3**

**CITY OF WEATHERFORD, TEXAS**

**FUND BALANCES  
GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund:										
Reserved	\$ 60,372	\$ 30,975	\$ 39,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	8,637,632	9,067,892	11,162,818	-	-	-	-	-	-	-
Nonspendable	-	-	-	132,112	75,623	44,476	69,071	64,270	57,083	144,910
Committed	-	-	-	6,989,273	7,350,364	7,395,691	7,674,783	7,679,715	7,679,715	8,159,341
Unassigned	-	-	-	6,517,546	6,693,692	5,363,522	5,576,824	6,103,365	6,429,430	6,601,952
<b>Total general fund</b>	<b>\$ 8,698,004</b>	<b>\$ 9,098,867</b>	<b>\$ 11,202,330</b>	<b>\$ 13,638,931</b>	<b>\$ 14,119,679</b>	<b>\$ 12,803,689</b>	<b>\$ 13,320,678</b>	<b>\$ 13,847,350</b>	<b>\$ 14,166,228</b>	<b>\$ 14,906,203</b>
All other governmental funds										
Reserved	\$ 66,257,136	\$ 40,533,598	\$ 21,061,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	1,129,821	1,089,249	1,187,400	-	-	-	-	-	-	-
Nonspendable	-	-	-	50,000	50,000	50,000	54,880	50,000	50,204	50,000
Restricted	-	-	-	19,057,261	18,625,654	15,061,112	13,346,817	10,739,340	18,281,356	14,221,113
Committed	-	-	-	3,807,639	3,887,347	4,023,708	2,088,737	2,198,963	1,974,210	2,224,457
Unassigned	-	-	-	-	-	-	( 14)	-	( 388,275)	( 1,695,094)
<b>Total all other governmental funds</b>	<b>\$ 67,386,957</b>	<b>\$ 41,622,847</b>	<b>\$ 22,249,052</b>	<b>\$ 22,914,900</b>	<b>\$ 22,563,001</b>	<b>\$ 19,134,820</b>	<b>\$ 15,490,420</b>	<b>\$ 12,988,303</b>	<b>\$ 19,917,495</b>	<b>\$ 14,800,476</b>

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

**CITY OF WEATHERFORD, TEXAS**

**CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>REVENUES</b>										
Taxes	\$ 19,299,272	\$ 18,924,734	\$ 17,374,844	\$ 18,222,977	\$ 19,256,063	\$ 19,799,001	\$ 20,763,676	\$ 22,124,979	\$ 22,977,000	\$ 25,100,335
Licenses and permits	663,464	431,330	355,842	560,150	421,801	524,009	564,609	690,194	832,935	744,076
Intergovernmental	362,008	331,035	777,266	2,650,196	4,728,575	4,240,008	4,720,631	5,600,417	7,496,220	1,310,016
Charges for services	931,540	962,567	1,119,403	1,114,756	1,086,564	1,336,189	1,139,227	1,127,917	1,421,114	3,846,432
Fines and forfeitures	857,715	676,973	715,865	917,547	615,624	851,088	576,240	521,768	639,394	562,465
Contributions	-	-	34,546	22,344	125,387	63,482	60,712	29,455	119,245	189,493
Investment earnings	2,576,899	1,463,815	763,500	72,783	57,691	39,617	66,346	125,353	149,661	152,360
Miscellaneous	972,491	1,006,388	718,914	615,158	342,123	353,929	401,860	364,282	346,376	408,078
Total revenues	<u>25,663,389</u>	<u>23,796,842</u>	<u>21,860,180</u>	<u>24,175,911</u>	<u>26,633,828</u>	<u>27,207,323</u>	<u>28,293,301</u>	<u>30,584,365</u>	<u>33,981,945</u>	<u>32,313,255</u>
<b>EXPENDITURES</b>										
General government	2,947,667	2,749,341	2,836,078	3,174,872	4,474,348	5,228,111	5,638,924	6,062,131	7,471,688	7,621,227
Public safety	10,888,448	11,067,251	10,929,713	11,431,423	11,692,263	12,234,522	12,507,199	12,946,043	13,778,617	14,419,019
Public works	2,510,164	2,175,270	1,704,727	2,569,515	2,640,284	3,279,511	3,228,503	3,608,978	3,681,953	4,046,791
Planning and development	1,099,526	818,460	638,591	660,440	717,003	716,295	-	-	-	-
Community development	766,573	1,519,717	1,136,814	849,250	933,216	980,108	-	-	-	-
Health and welfare	40,000	45,000	45,000	45,000	122,774	150,072	1,178,664	1,309,641	1,504,303	1,666,541
Cultural and recreational	4,360,890	4,133,489	3,574,460	2,842,956	2,997,049	3,496,386	3,728,117	3,750,855	3,989,948	3,993,000
Debt service										
Principal	3,940,724	3,116,578	3,069,221	1,175,000	1,166,194	2,834,648	3,838,005	4,124,085	4,343,123	5,204,615
Interest	923,458	1,030,242	1,065,000	3,261,816	3,466,410	2,786,382	2,657,655	2,537,352	2,419,130	2,334,457
Capital outlay	8,108,038	25,212,325	19,390,595	11,130,204	6,068,108	7,315,532	5,923,681	7,669,247	3,905,307	3,151,961
Total expenditures	<u>35,585,488</u>	<u>51,867,673</u>	<u>44,390,199</u>	<u>37,140,476</u>	<u>34,277,649</u>	<u>39,021,567</u>	<u>38,700,748</u>	<u>42,008,332</u>	<u>41,094,069</u>	<u>42,437,611</u>

**TABLE 4**

**CITY OF WEATHERFORD, TEXAS**

**CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$( 9,922,099)</u>	<u>\$( 28,070,831)</u>	<u>\$( 22,530,019)</u>	<u>\$( 12,964,565)</u>	<u>\$( 7,643,821)</u>	<u>\$( 11,814,244)</u>	<u>\$( 10,407,447)</u>	<u>\$( 11,423,967)</u>	<u>\$( 7,112,124)</u>	<u>\$( 10,124,356)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of debt	57,290,000	3,000,000	-	-	33,475,000	1,267,959	85,080	7,638,924	85,151	-
Premium on debt issuance	827,448	-	-	-	255,694	-	-	698,462	-	-
Payment to escrow agent	-	-	-	-	( 24,793,931)	-	-	( 7,857,973)	-	-
Tax notes issued	-	-	-	-	-	-	-	985,000	6,065,000	-
Proceeds from insurance	-	-	-	-	-	93,842	13,776	120,344	38,141	98,779
Lease purchase proceeds	-	-	-	-	-	-	-	-	-	-
Sale of assets	-	-	-	17,756	5,397	10,454	32,966	203,882	201,596	29,215
Transfers in	5,293,472	6,115,459	5,850,469	7,276,196	7,882,888	6,849,355	15,710,708	8,058,368	8,662,201	7,211,509
Transfers out	<u>( 1,790,025)</u>	<u>( 2,455,722)</u>	<u>( 3,142,885)</u>	<u>( 2,034,265)</u>	<u>( 758,034)</u>	<u>( 448,940)</u>	<u>( 8,562,494)</u>	<u>( 398,485)</u>	<u>( 691,895)</u>	<u>( 1,592,191)</u>
Total other financing sources (uses)	<u>61,620,895</u>	<u>6,659,737</u>	<u>2,707,584</u>	<u>5,259,687</u>	<u>16,067,014</u>	<u>7,772,670</u>	<u>7,280,036</u>	<u>9,448,522</u>	<u>14,360,194</u>	<u>5,747,312</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 51,698,796</u>	<u>\$( 21,411,094)</u>	<u>\$( 19,822,435)</u>	<u>\$( 7,704,878)</u>	<u>\$ 8,423,193</u>	<u>\$( 4,041,574)</u>	<u>\$( 3,127,411)</u>	<u>\$( 1,975,445)</u>	<u>\$ 7,248,070</u>	<u>\$( 4,377,044)</u>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<u>7.74%</u>	<u>18.18%</u>	<u>15.90%</u>	<u>16.57%</u>	<u>17.13%</u>	<u>16.55%</u>	<u>19.82%</u>	<u>20.40%</u>	<u>18.52%</u>	<u>20.84%</u>

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

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

Fiscal Year	Property Tax	Sales Tax	Franchise Tax <sup>(1)</sup>	Hotel/Motel Occupancy Tax	Mixed Beverage Tax	Totals
2008	\$ 6,940,602	\$ 9,166,195	\$ 2,439,677	\$ 707,136	\$ 45,662	\$ 19,299,272
2009	7,373,334	8,641,879	2,403,704	452,312	53,505	18,924,734
2010	8,024,563	8,236,286	581,566	474,607	57,822	17,374,844
2011	8,135,036	8,832,088	620,052	588,225	57,593	18,232,994
2012	8,249,851	9,648,458	697,980	602,256	57,519	19,256,064
2013	8,419,930	9,969,043	681,611	659,759	68,658	19,799,001
2014	8,730,389	10,591,223	673,641	676,407	92,016	20,763,676
2015	9,261,450	11,303,851	777,549	687,665	94,465	22,124,980
2016	9,866,260	11,619,054	723,275	655,350	113,061	22,977,000
2017	10,600,871	12,963,401	656,053	758,005	122,005	25,100,335

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

**CITY OF WEATHERFORD, TEXAS**  
**ELECTRIC RATES**  
**LAST TEN FISCAL YEARS**

	Fiscal Year			
	2008	2009	2010	2011
<b>Residential</b>				
Base rate	\$ 4.25	\$ 4.25	\$ 4.25	\$ 6.17
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0481
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0443
<b>Residential - All Electric</b>				
Base rate	4.25	4.25	4.25	6.17
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0481
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0443
<b>Small General Service</b>				
(Demand does not exceed 20 KW)				
Base rate	16.00	16.00	16.00	19.55
Per KWH	0.0765	0.0765	0.0765	0.0490
<b>Large General Service 1</b>				
(Demand 20 - 200 KW)				
Base rate	21.00	21.00	21.00	28.17
Per KWH	0.0605	0.0605	0.0605	0.0322
Per KVA demand	3.25	3.25	3.25	3.43
<b>Large General Service 2</b>				
(Demand 200 KW - 1000 KVA)				
Base rate	22.25	22.25	22.25	48.17
Per KWH	0.0565	0.0565	0.0565	0.0297
Per KWH (if primary metered)	0.0545	0.0545	0.0545	0.0297
Per KVA demand	2.55	2.55	2.55	2.96
<b>Large General Service 3</b>				
(Demand 20 - 200 KW)				
Base rate	22.25	22.25	22.25	79.83
Per KWH for first 2500 KWH	0.0860	0.0860	0.0860	0.0194 (2)
Per KWH for next 3500 KWH	0.0520 (1)	0.0520 (1)	0.0520 (1)	0.0194 (2)
Per KWH for all additional KWH	0.0260	0.0260	0.0260	0.0194 (2)
Per KVA demand > 10 KVA	8.10	8.10	8.10	6.62 (2)
<b>Municipal</b>				
Base rate	12.25	12.25	12.25	(3)
Per KWH	0.0665	0.0665	0.0665	(3)
<b>School/Church</b>				
Base rate	16.00	16.00	16.00	(3)
Per KWH	0.0645	0.0645	0.0645	(3)
Per KW demand	2.25	2.25	2.25	(3)
<b>Security Lights</b>				
Per light	10.00	10.00	10.00	10.00

Notes:

The energy charges stated in all rate schedules applicable for the current billing month will be increased or decreased by the amount by which the average cost of purchased power plus production costs per KWH exceeds \$0.0150.

<sup>(1)</sup>Add 215 KWH per KVA of demand in excess of 10 KVA.

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

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

**TABLE 6**

Fiscal Year						
2012	2013	2014	2015	2016	2017	
\$ 8.08	\$ 10.08	\$ 10.08	\$ 11.75	\$ 13.50	\$ 15.00	
0.0462	0.0443	0.0443	0.0432	0.0424	0.0412	
0.0443	0.0443	0.0443	0.0432	0.0424	0.0412	
8.08	10.08	10.08	11.75	13.50	15.00	
0.0462	0.0443	0.0443	0.0432	0.0424	0.0412	
0.0443	0.0443	0.0443	0.0432	0.0424	0.0412	
19.55	19.55	19.55	19.55	19.55	19.55	
0.0490	0.0490	0.0490	0.0467	0.0446	0.0424	
35.33	42.50	42.50	42.50	42.50	42.50	
0.0289	0.0265	0.0265	0.0244	0.0238	0.0232	
3.62	3.80	3.80	3.96	3.96	3.96	
74.08	100.00	100.00	100.00	100.00	100.00	
0.0278	0.0260	0.0260	0.0256	0.0249	0.0240	
0.0278	0.0260	0.0260	0.0256	0.0249	0.0240	
3.38	3.79	3.79	4.00	4.30	4.65	
137.42	195.00	195.00	195.00	195.00	195.00	
0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	0.0223 (2)	0.0220 (2)	
0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	0.0223 (2)	0.0220 (2)	
0.0212 (2)	0.0230 (2)	0.0230 (2)	0.0225 (2)	0.0223 (2)	0.0220 (2)	
5.13 (2)	3.65 (2)	3.65 (2)	4.05 (2)	4.35 (2)	4.75 (2)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
(3)	(3)	(3)	(3)	(3)	(3)	
10.00	10.00	10.00	10.00	10.90	10.90	

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

Fiscal Year	Residential	Commercial <sup>(2)</sup>	Industrial	Other <sup>(1)</sup>	Total
2008	11,143	1,723	44	256	13,166
2009	11,223	1,770	45	259	13,297
2010	11,314	1,801	48	255	13,418
2011	11,420	2,087	53	-	13,560
2012	11,586	2,128	53	-	13,767
2013	11,754	2,146	53	-	13,953
2014	11,818	2,156	53	-	14,027
2015	12,104	2,183	56	-	14,343
2016	12,202	2,197	57	-	14,456
2017	12,401	2,225	60	-	14,686

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

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

TABLE 8

## CITY OF WEATHERFORD, TEXAS

## TEN LARGEST ELECTRIC CUSTOMERS

## CURRENT YEAR AND NINE YEARS AGO

Customer	2017	
	Revenue	Percentage of Electric Revenue
Atkore Plastic Pipe Co	\$ 1,064,153	3.36%
Jamak, Inc.	544,007	1.72%
W'ford Texas Hospital Corp.	494,505	1.56%
WISD-High School	455,980	1.44%
Wal-Mart	391,286	1.23%
LaSalle/Parker Co Jail	316,021	1.00%
Weatherford Regional Medical	298,070	0.94%
Albertson's	243,886	0.77%
Lowe's	218,255	0.69%
Cypress View Villas	207,131	0.64%
	<u>4,233,294</u>	<u>13.35%</u>
Revenue from other customers	<u>27,483,152</u>	<u>86.65%</u>
Total	<u>\$ 31,716,446</u>	<u>100.00%</u>
Customer	2008	
	Revenue	Percentage of Electric Revenue
Weatherford ISD	\$ 2,034,918	4.15%
Heritage Plastic	1,613,235	3.29%
Jamak, Inc.	1,189,540	2.42%
W'ford Texas Hospital Corp.	824,811	1.68%
Wal-Mart	704,441	1.44%
Weatherford Aerospace	538,214	1.10%
Weatherford College	513,196	1.05%
Albertson's	372,412	0.76%
Lowe's	356,745	0.73%
Home Depot	332,948	0.68%
	<u>8,480,460</u>	<u>17.30%</u>
Revenue from other customers	<u>40,543,379</u>	<u>82.70%</u>
Total	<u>\$ 49,023,839</u>	<u>100.00%</u>

## CITY OF WEATHERFORD, TEXAS

### ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY<sup>(1)</sup>

#### LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2008		2009	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 884,837,500	52.16%	\$ 931,787,310	49.58%
Real, residential, multi-family	49,119,090	2.90%	63,259,650	3.37%
Real, vacant lots/tracts	28,945,620	1.71%	34,935,360	1.86%
Real, acreage (land only)	97,859,020	5.77%	114,848,250	6.11%
Real, farm and ranch improvements	19,102,150	1.13%	22,318,830	1.19%
Real, commercial	431,045,000	25.41%	504,549,930	26.85%
Real, industrial	5,685,760	0.34%	9,751,120	0.52%
Real, oil, gas and other minerals	1,381,770	0.08%	785,960	0.04%
Total real property	1,517,975,910	89.50%	1,682,236,410	89.52%
Real and tangible personal, utilities	18,661,510	1.10%	17,684,650	0.94%
Tangible personal, commercial	119,755,350	7.06%	129,570,820	6.89%
Tangible personal, industrial	32,721,880	1.93%	34,733,290	1.85%
Tangible, personal, mobile homes	1,563,200	0.09%	1,379,840	0.07%
Intangible personal	36,210	- %	37,620	- %
Inventory	5,833,900	0.32%	13,786,420	0.73%
Total personal property	178,572,050	10.50%	197,192,640	10.48%
Constitutional exempt <sup>(3)</sup>	-	- %	-	- %
Total actual value	1,696,547,960	<u>100.00%</u>	1,879,429,050	<u>100.00%</u>
Less: exemptions/reductions	131,475,380		141,624,420	
Total	<u>\$ 1,565,072,580</u>		<u>\$ 1,737,804,630</u>	
Total direct rate <sup>(2)</sup>	\$ 0.4386		\$ 0.4386	

Notes:

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

Source: Parker County Appraisal District

**TABLE 9**

Fiscal Year					
2010		2011		2012	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 966,262,300	49.35%	\$ 982,593,310	50.07%	\$ 972,512,560	43.63%
66,142,950	3.38%	60,050,380	3.06%	80,671,490	3.62%
32,079,260	1.64%	31,012,210	1.58%	32,176,140	1.44%
132,053,460	6.74%	127,192,770	6.48%	128,278,870	5.75%
21,383,540	1.09%	23,630,120	1.20%	23,116,890	1.04%
522,311,300	26.68%	525,936,480	26.80%	531,927,220	23.86%
10,348,560	0.53%	11,655,760	0.59%	12,505,740	0.56%
566,870	0.03%	7,210,230	0.37%	5,683,360	0.25%
<u>1,751,148,240</u>	<u>89.44%</u>	<u>1,769,281,260</u>	<u>90.15%</u>	<u>1,786,872,270</u>	<u>80.15%</u>
16,470,860	0.84%	16,699,920	0.85%	16,174,680	0.73%
139,204,420	7.11%	130,474,700	6.65%	127,511,850	5.72%
35,221,400	1.80%	32,101,270	1.64%	37,029,220	1.66%
1,469,130	0.08%	1,505,490	0.08%	1,229,600	0.06%
68,300	- %	45,610	- %	14,880	- %
<u>14,240,990</u>	<u>0.73%</u>	<u>12,406,480</u>	<u>0.63%</u>	<u>13,787,850</u>	<u>0.62%</u>
206,675,100	10.56%	193,233,470	9.85%	195,748,080	8.79%
<u>-</u>	<u>- %</u>	<u>-</u>	<u>- %</u>	<u>246,451,960</u>	<u>11.06%</u>
1,957,823,340	<u>100.00%</u>	1,962,514,730	<u>100.00%</u>	2,229,072,310	<u>100.00%</u>
<u>157,276,330</u>		<u>156,813,562</u>		<u>408,409,581</u>	
<u>\$ 1,800,547,010</u>		<u>\$ 1,805,701,168</u>		<u>\$ 1,820,662,729</u>	
\$ 0.4636		\$ 0.4636		\$ 0.4636	

## CITY OF WEATHERFORD, TEXAS

### ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY<sup>(1)</sup>

#### LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2013		2014	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 982,550,650	43.23%	\$ 1,006,337,454	43.35%
Real, residential, multi-family	84,299,640	3.71%	90,319,170	3.89%
Real, vacant lots/tracts	34,086,840	1.50%	38,125,306	1.64%
Real, acreage (land only)	134,640,710	5.92%	94,742,100	4.08%
Real, farm and ranch improvements	22,225,190	0.98%	51,873,530	2.23%
Real, commercial	548,072,350	24.11%	571,460,670	24.62%
Real, industrial	12,501,170	0.55%	13,008,950	0.56%
Real, oil, gas and other minerals	4,664,840	0.21%	2,275,350	0.10%
Total real property	<u>1,823,041,390</u>	80.21%	<u>1,868,142,530</u>	80.47%
Real and tangible personal, utilities	16,355,940	0.72%	17,262,560	0.74%
Tangible personal, commercial	126,788,970	5.58%	131,917,910	5.68%
Tangible personal, industrial	40,321,640	1.77%	39,526,310	1.70%
Tangible, personal, mobile homes	1,213,240	0.05%	1,215,030	0.05%
Intangible personal	18,570	- %	42,500	- %
Inventory	<u>11,958,300</u>	<u>0.53%</u>	<u>12,057,760</u>	<u>0.53%</u>
Total personal property	196,656,660	8.65%	202,022,070	8.70%
Constitutional exempt <sup>(3)</sup>	<u>253,109,550</u>	<u>11.14%</u>	<u>251,257,370</u>	<u>10.83%</u>
Total actual value	2,272,807,600	<u>100.00%</u>	2,321,421,970	<u>100.00%</u>
Less: exemptions/reductions	<u>418,378,500</u>		<u>412,152,600</u>	
Total	<u>\$ 1,854,429,100</u>		<u>\$ 1,909,269,370</u>	
Total direct rate <sup>(2)</sup>	\$ 0.4636		\$ 0.4636	

Notes:

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

Source: Parker County Appraisal District

**TABLE 9**

Fiscal Year					
2015		2016		2017	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 1,034,971,854	43.80%	\$ 1,142,303,188	44.72%	\$ 1,178,862,188	45.55%
104,811,750	4.44%	129,924,745	5.09%	132,609,745	5.12%
33,652,737	1.42%	42,550,667	1.67%	44,070,837	1.70%
93,952,512	3.98%	95,950,433	3.76%	95,581,570	3.69%
54,556,426	2.31%	56,815,663	2.22%	56,543,451	2.19%
560,405,830	23.72%	588,309,410	23.03%	586,963,740	22.68%
13,008,950	0.55%	13,250,790	0.52%	13,250,790	0.51%
5,985,920	0.25%	5,525,550	0.22%	2,653,410	0.10%
<u>1,901,345,979</u>	<u>80.47%</u>	<u>2,074,630,446</u>	<u>81.23%</u>	<u>2,110,535,731</u>	<u>81.56%</u>
21,042,270	0.89%	24,183,510	0.95%	25,457,720	0.98%
138,816,860	5.87%	150,602,440	5.90%	139,508,400	5.39%
36,339,910	1.54%	41,708,130	1.63%	40,884,120	1.58%
1,349,900	0.06%	1,269,000	0.05%	1,258,280	0.05%
42,500	- %	85,750	- %	113,750	- %
<u>11,708,460</u>	<u>0.51%</u>	<u>9,238,900</u>	<u>0.36%</u>	<u>9,062,060</u>	<u>0.35%</u>
209,299,900	8.86%	227,087,730	8.89%	216,284,330	8.36%
<u>252,218,540</u>	<u>10.67%</u>	<u>252,440,020</u>	<u>9.88%</u>	<u>260,974,435</u>	<u>10.08%</u>
2,362,864,419	<u>100.00%</u>	2,554,158,196	<u>100.00%</u>	2,587,794,496	<u>100.00%</u>
<u>413,851,642</u>		<u>439,147,037</u>		<u>458,355,853</u>	
<u>\$ 1,949,012,777</u>		<u>\$ 2,115,011,159</u>		<u>\$ 2,129,438,643</u>	
\$ 0.4636		\$ 0.4866		\$ 0.5116	

**CITY OF WEATHERFORD, TEXAS**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES<sup>(1)</sup>**

**LAST TEN FISCAL YEARS**

Fiscal Year	City Direct Rates			Overlapping Rates <sup>(2)</sup>				
	Operating	Debt Service	Total Direct	Parker County	Weatherford School District	Parker County Hospital District	Parker County Junior College	Peaster School District
2008	\$ 0.2920	\$ 0.1466	\$ 0.4386	\$ 0.3372	\$ 1.4000	\$ 0.1250	\$ 0.1053	\$ 1.3528
2009	0.2920	0.1466	0.4386	0.3545	1.4000	0.1150	0.1053	1.3528
2010	0.2920	0.1716	0.4636	0.3754	1.4000	0.1136	0.1049	1.3528
2011	0.2920	0.1716	0.4636	0.3897	1.4000	0.1130	0.1049	1.3528
2012	0.2920	0.1716	0.4636	0.4102	1.4000	0.1130	0.1119	1.3528
2013	0.2920	0.1716	0.4636	0.4123	1.4000	0.1120	0.1129	1.3528
2014	0.2920	0.1716	0.4636	0.4123	1.3900	0.1179	0.1146	1.3528
2015	0.3150	0.1716	0.4866	0.4183	1.3800	0.1118	0.1074	1.4000
2016	0.3400	0.1716	0.5116	0.3338	1.4690	0.1118	0.1202	1.4000
2017	0.3400	0.1716	0.5116	0.3117	1.4540	0.1115	0.1195	1.4400

Notes: <sup>(1)</sup> Expressed in dollars per \$100 assessed value.

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

Source: Representatives of the taxing jurisdictions

## CITY OF WEATHERFORD, TEXAS

## PRINCIPAL PROPERTY TAXPAYERS

## CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2017	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Parker County Hospital	\$35,480,542	1.45%
Weatherford Dunhill	27,084,630	1.11%
Holland Lake Partners	27,084,630	1.11%
Power Service Products	25,376,534	1.04%
LB-UBS 2006-C7	18,666,040	0.76%
Brown Southgate	18,097,846	0.74%
Target Stores	11,346,660	0.46%
Lowes Home Stores	11,224,560	0.46%
Walmart Stores	10,733,570	0.44%
Home Depot	10,125,050	0.41%
Total	\$ 195,220,062	7.97%

Taxpayer	2008	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Weatherford Capital	\$24,398,900	1.56%
Parker County Hospital	20,179,220	1.29%
Wal-Mart Stores, Inc.	17,907,830	1.14%
Lowes Home Centers	15,792,270	1.10%
JAMAK, Inc.	15,194,310	0.97%
Holland Lake Partners	13,357,610	0.85%
Home Depot	12,246,750	0.78%
Power Service Products	11,556,090	0.74%
Target Corporation	11,523,770	0.74%
Brown Southgate Glen	10,299,820	0.66%
Total	\$ 152,456,570	9.83%

Source: Parker County Appraisal District

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

<u>Fiscal Year Ended</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Adjustments</u>	<u>Total Adjusted Levies</u>	<u>Collected With the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2008	\$ 6,919,281	\$( 63,717)	\$ 6,855,564	\$ 6,759,210	97.69%	\$ 87,047	\$ 6,846,257	99.86%
2009	7,366,860	( 40,279)	7,326,581	7,218,875	97.99%	97,490	7,316,365	99.86%
2010	8,016,933	( 45,681)	7,971,252	7,837,978	97.77%	121,380	7,959,358	99.85%
2011	8,085,420	( 42,361)	8,043,059	7,942,051	98.23%	89,913	8,031,964	99.86%
2012	8,201,957	( 28,805)	8,173,152	8,074,208	98.44%	79,852	8,154,060	99.77%
2013	8,351,358	( 11,380)	8,339,979	8,237,331	98.63%	79,944	8,317,275	99.73%
2014	8,616,369	( 9,821)	8,606,548	8,537,374	99.08%	43,959	8,581,333	99.71%
2015	9,217,917	( 15,184)	9,202,733	9,118,352	98.92%	42,399	9,160,751	99.54%
2016	9,953,115	( 152,913)	9,800,202	9,739,379	97.85%	33,742	9,773,121	99.72%
2017	10,496,784	2,012	10,498,796	10,424,412	99.31%	-	10,424,412	99.29%

Source: Parker County Appraisal District

# CITY OF WEATHERFORD, TEXAS

## TAXABLE SALES BY CATEGORY

### LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
Agriculture/Forestry/Fishing/Hunting	\$ -	\$ -	\$ -	\$ 17,350
Mining/Quarrying/Oil and Gas Extraction	1,252,092	14,326,698	88,530,759	2,708,174
Utilities	-	-	-	1,564
Construction	6,957,885	4,357,116	4,005,474	4,479,619
Manufacturing	11,006,653	8,052,901	9,179,698	10,344,074
Wholesale Trade	22,472,139	18,984,569	17,613,952	21,158,427
Retail Trade	319,784,449	306,397,750	296,338,740	318,843,374
Transportation/Warehousing	298,219	-	-	-
Information	2,056,382	2,168,761	3,007,895	5,614,520
Finance/Insurance	2,173,493	1,238,663	1,007,196	884,715
Real Estate/Rental/Leasing	10,905,094	5,856,372	3,780,111	2,894,047
Professional/Scientific/Technical Services	3,351,088	3,173,971	2,525,977	2,248,780
Admin/Support/Waste Mgmt/Remediation Services	3,855,420	3,966,809	4,142,197	4,703,324
Educational Services	331,207	388,591	2,053,012	1,569,743
Health Care/Social Assistance	53,933	4,169	189,402	62,584
Arts/Entertainment/Recreation	1,202,157	1,199,394	1,333,491	1,278,258
Accommodations/Food Services	67,976,752	69,513,396	66,627,927	72,763,277
Other Services ( except Public Administration)	19,215,998	18,010,209	17,911,085	20,237,260
Public Administration	3,228,818	16,587,342	13,610,308	12,573,279
Other Services	18,261	-	-	-
Unclassified	<u>16,359,816</u>	<u>2,696,208</u>	<u>1,163,476</u>	<u>9,584</u>
<b>Total</b>	<b><u>\$ 492,499,856</u></b>	<b><u>\$ 476,922,919</u></b>	<b><u>\$ 533,020,700</u></b>	<b><u>\$ 482,391,953</u></b>
City direct sales tax rate	1.50%	1.50%	1.50%	1.50%

Source: Texas Comptroller

<sup>(1)</sup> The third quarter (July 2017 - September 2017) was not available at the time of issuing this document.

TABLE 13

Fiscal Year					
2012	2013	2014	2015	2016	2017 <sup>(1)</sup>
\$ 18,620	\$ 18,470	\$ 20,710	\$ 38,271	\$ 21,805	\$ 21,605
2,713,403	2,531,239	5,581,565	9,450,845	6,034,468	6,207,450
10,963	11,992	14,806	29,277	116,189	81,327
4,190,173	8,613,306	8,888,143	10,711,347	7,980,552	9,951,396
9,892,982	14,477,480	22,793,527	17,724,630	14,446,761	13,633,362
23,204,529	22,230,671	24,108,087	28,378,471	37,428,143	28,398,552
343,724,417	365,801,041	380,622,776	400,578,606	419,237,212	332,020,692
868	36,051	39,413	67,779	70,319	43,837
4,177,775	3,752,266	7,149,200	11,098,495	14,935,800	17,944,759
757,758	733,579	729,685	768,147	723,736	532,098
4,792,747	7,236,213	7,252,145	8,157,086	7,067,849	5,329,490
1,959,793	2,348,015	2,667,218	3,012,331	3,623,350	2,947,800
4,805,924	4,917,272	5,813,773	6,562,417	5,991,476	5,133,573
646,524	480,843	320,397	668,197	689,863	614,594
85,603	173,433	120,471	256,777	474,103	253,391
998,428	829,047	966,239	1,859,886	2,739,694	2,370,791
77,679,707	84,374,406	90,204,897	97,331,847	105,951,222	83,335,909
19,931,337	21,107,648	15,024,627	16,956,498	17,741,942	14,243,436
11,017,187	11,667,511	13,458,787	12,811,345	10,422,945	8,887,940
-	-	-	-	-	-
8,220	( 308,467)	2,676,246	( 457,885)	-	-
<u>\$ 510,616,958</u>	<u>\$ 551,032,016</u>	<u>\$ 583,406,783</u>	<u>\$ 626,004,367</u>	<u>\$ 655,697,429</u>	<u>\$ 531,952,002</u>
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

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

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita <sup>(1)</sup>
	General Obligation Bonds	Certificates of Obligation	Tax Note	Capital Leases	Revenue Bonds	Tax Note	Term Loan	Capital Leases			
2008	\$ 11,060,000	\$ 58,605,000	\$ -	\$ 145,242	\$ 48,684,838	\$ -	\$ 106,680	\$ -	\$ 118,601,760	13.73%	\$ 4,570
2009	10,650,000	58,130,000	-	-	46,269,786	600,000	477,063	-	116,126,849	11.30%	4,357
2010	10,215,000	57,500,000	-	-	43,739,876	510,000	416,667	41,094	112,422,637	11.00%	4,156
2011	34,465,000	42,225,000	-	-	41,098,654	415,000	353,933	71,916	118,629,503	12.18%	4,698
2012	34,041,416	42,067,031	-	1,241,765	38,502,473	315,000	846,416	589,017	116,853,705	9.49%	4,431
2013	58,571,448	14,185,531	-	1,266,484	35,537,670	215,000	690,281	531,669	110,998,083	10.09%	4,199
2014	55,338,662	13,627,476	-	1,058,560	32,427,865	110,000	553,428	499,670	103,615,661	8.39%	3,846
2015	52,146,413	13,054,421	869,915	1,103,399	50,125,280	-	297,819	466,830	118,064,077	8.84%	4,252
2016	48,481,077	12,456,365	6,796,238	925,617	46,011,227	-	167,365	433,144	115,271,033	7.98%	4,011
2017	44,695,740	11,798,309	5,862,562	775,810	52,468,255	-	73,885	398,588	116,073,149	7.95%	3,873

<sup>(1)</sup>Personal income and population data located on Table 18.

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

## CITY OF WEATHERFORD, TEXAS

### RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

#### LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding				Less: Amounts Available in Debt Service Fund <sup>(2)</sup>	Net Bonded Debt
	General Obligation Bonds	Certificates of Obligation	Tax Note	Total		
2008	\$ 11,060,000	\$ 58,605,000	\$ -	\$ 69,665,000	\$ 707,853	\$ 68,957,147
2009	10,650,000	58,130,000	-	68,780,000	751,802	68,028,198
2010	10,215,000	57,500,000	-	67,715,000	1,271,889	66,443,111
2011	34,465,000	42,225,000	-	76,690,000	1,857,403	74,832,597
2012	34,041,416	42,067,031	-	76,108,447	4,130,215	71,978,232
2013	58,571,448	14,185,531	-	72,756,979	5,068,393	67,688,586
2014	55,338,662	13,627,476	-	68,966,138	1,618,603	67,347,535
2015	52,146,413	13,054,421	869,915	66,070,749	2,069,856	64,000,893
2016	48,481,077	12,456,365	6,796,238	67,733,680	10,458,977	57,274,703
2017	44,695,741	11,798,309	5,862,562	62,356,612	13,303,798	49,052,814

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

(1) Population data located on Table 18

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

**TABLE 15**

Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita <sup>(1)</sup>
\$ 1,565,072,580	4.41%	\$ 2,657
1,737,804,630	3.91%	2,553
1,800,547,010	3.69%	2,456
1,805,701,168	4.14%	2,964
1,820,662,729	3.95%	2,730
1,854,429,100	3.65%	2,613
1,909,269,370	3.53%	2,500
1,949,012,777	3.28%	2,305
2,128,986,143	2.69%	1,993
2,129,438,643	2.30%	1,637

## CITY OF WEATHERFORD, TEXAS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2017

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Aledo Independent School District	\$ 176,258,122	0.46%	\$ 810,787
Parker County	125,055,000	20.11%	25,148,561
Parker County Junior College District	9,653,782	0.20%	19,414
Peaster Independent School District	17,720,000	0.03%	5,015
Weatherford Independent School District	126,434,074	0.47%	598,160
Other debt			
Parker County Junior College, note payable	5,297,868	0.20%	<u>10,654</u>
Subtotal overlapping debt			26,592,590
City of Weatherford direct debt	63,132,421	100.00%	<u>63,132,421</u>
Total direct and overlapping debt			<u>\$ 89,725,011</u>

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

Source: Representatives of taxing jurisdictions

## CITY OF WEATHERFORD, TEXAS

## PLEDGED REVENUE COVERAGE

## LAST TEN FISCAL YEARS

Fiscal Year	Utility System and Storm Water Utility Revenue Obligations					
	Gross Revenue <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	\$ 60,783,520	\$ 49,251,229	\$ 11,532,291	\$ 2,400,000	\$ 2,408,986	2.45%
2009	55,326,626	46,126,060	9,200,566	2,605,000	2,235,174	1.95%
2010	44,648,091	34,190,600	10,457,491	2,615,000	2,121,884	2.21%
2011	48,143,263	32,655,996	15,487,267	2,715,000	2,015,352	3.34%
2012	40,639,256	24,787,800	15,851,456	2,840,000	1,912,988	3.43%
2013	44,969,078	29,429,195	15,539,883	2,985,000	1,787,416	3.36%
2014	51,923,460	37,140,069	14,783,391	3,115,000	1,517,523	3.19%
2015	51,902,458	31,326,472	20,575,986	3,830,000	2,049,007	3.50%
2016	48,168,116	27,060,795	21,107,321	3,960,000	1,930,757	3.58%
2017	56,603,108	34,060,633	22,542,475	4,645,000	1,034,074	3.97%

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

<sup>(1)</sup> Total operating revenues plus interest

<sup>(2)</sup> Total operating expenses excluding depreciation and amortization.

**CITY OF WEATHERFORD, TEXAS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

Calendar Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Per Capita Income <sup>(2)</sup>	School Enrollment <sup>(3)</sup>	Unemployment Rate <sup>(4)</sup>
2008	25,950	\$ 863,667,900	\$ 33,282	7,155	5.8%
2009	26,650	1,028,023,750	38,575	7,394	7.4%
2010	27,050	1,021,786,700	37,774	7,672	6.9%
2011	25,250	974,018,750	38,575	7,543	7.1%
2012	26,370	1,230,977,970	46,681	7,529	7.0%
2013	25,900	1,100,465,100	42,489	7,741	5.8%
2014	26,940	1,235,348,257	45,856	7,709	4.2%
2015	27,769	1,336,184,153	48,118	7,734	4.2%
2016	28,742	1,444,486,694	48,692 *	7,861	4.4%
2017	29,969	1,459,250,548	48,692 *	8,021	3.2%

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

TABLE 19

## CITY OF WEATHERFORD, TEXAS

## PRINCIPAL EMPLOYERS

## CURRENT AND NINE YEARS AGO

Employer	2017		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	945	1	7.12%
Weatherford Regional Medical Center	585	2	4.41%
Parker County	485	3	3.65%
City of Weatherford	371	4	2.80%
Walmart	350	5	2.64%
Weatherford College	298	6	2.25%
CD Hartnett	276	7	2.08%
Jamak Inc.	240	8	1.81%
Weatherford Aerospace	142	9	1.07%
Lowe's	125	10	0.94%
Total	3,817		28.76%

Employer	2008		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	1,050	1	9.44%
Weatherford Regional Medical Center	560	2	5.04%
Weatherford College	475	3	4.27%
Parker County	413	4	3.71%
Wal-Mart Stores, Inc.	381	5	3.43%
JAMAK, Inc.	370	6	3.33%
Compass Bank	300	7	2.70%
City of Weatherford	285	8	2.56%
C.D. Hartnett	275	9	2.47%
Petro	236	10	2.12%
Total	4,345		39.08%

Source: Weatherford Economic Development Authority

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**TABLE 20**

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

Function/Program	Fulltime Equivalent Employees as of September 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	23	24	24	24	24	24	42	45	45	49
Public safety	128	130	130	132	138	137	139	135	138	141
Public works	20	22	22	23	26	27	29	30	31	24
Planning and development	16	10	10	10	9	10	-	-	-	-
Community development	9	24	24	23	21	23	-	-	-	-
Health and welfare							15	17	18	18
Cultural and recreational	55	50	51	52	56	56	55	54	54	47
Electric	55	54	54	55	55	55	34	36	35	39
Water	25	28	28	28	28	28	28	28	29	31
Wastewater	16	16	16	16	16	16	26	26	27	28
Sanitation	15	19	19	19	19	17	20	20	20	18
<b>Total</b>	<u>362</u>	<u>377</u>	<u>378</u>	<u>382</u>	<u>392</u>	<u>393</u>	<u>387</u>	<u>391</u>	<u>396</u>	<u>395</u>

Source: City's Human Resource Department

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

Function/Program	Fiscal Year			
	2008	2009	2010	2011
<b>Public safety</b>				
<b>Police</b>				
Police personnel and officers	79	77	76	80
Arrests	1,597	1,604	1,591	1,104
Violations other than parking	10,078	7,823	6,855	6,628
Parking violations	231	114	88	71
<b>Fire</b>				
Paid fire personnel and officers	52	51	51	55
Calls answered	3,167	3,897	3,985	4,142
<b>Planning and development</b>				
New construction permits issued	341	143	120	186
<b>Cultural and recreation</b>				
Library holdings	97,232	98,596	98,241	102,847
<b>Electric</b>				
Service connections	13,166	13,297	13,418	13,560
Total system peak demand (KW)	82,317	83,385	90,289	96,681
Annual kilo-watt hour sales (KWH)	354,818,755	341,457,244	365,673,529	381,826,440
<b>Water</b>				
Service connections	10,418	10,507	10,604	10,722
Daily average consumption (thousands of gallons)	3,555	3,494	3,072	3,884
Annual water sales (thousands of gallons)	1,297,535	1,275,433	1,121,197	1,417,482
<b>Wastewater</b>				
Service connections	9,902	(2) 9,660	(2) 9,769	(2) 9,881
Daily average consumption (thousands of gallons)	2,079	1,936	2,261	2,133
<b>Sanitation</b>				
Refuse collected (tons)	9,189	8,780	8,951	8,789
Brush pickups (tons)	2,459	1,832	1,601	1,936
Special pickups (tons)	(1)	(1)	(1)	(1)

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

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

Source: Various City Departments

**TABLE 21**

Fiscal Year						
2012	2013	2014	2015	2016	2017	
80	80	78	78	76	76	
957	1,132	1,302	1,404	1,793	1,766	
4,455	5,691	4,488	4,675	3,948	2,969	
87	133	57	89	94	81	
58	66	56	56	59	59	
4,360	4,505	5,201	4,660	5,239	5,041	
116	211	220	204	211	244	
101,404	104,834	104,834	103,028	100,809	95,921	
13,767	13,953	14,115	14,161	14,292	14,844	
92,466	94,161	96,681	94,249	96,067	101,300	
371,081,397	371,982,863	389,421,402	386,452,762	387,044,014	392,239,811	
10,845	11,084	11,138	11,350	11,497	11,907	
3,649	3,493	3,277	3,058	3,328	3,232	
1,331,738	1,227,698	1,179,691	1,116,010	1,214,712	1,179,666	
(2) 9,994	10,201	10,251	10,481	10,761	11,239	
2,242	2,115	2,148	2,195	2,357	2,115	
8,881	9,239	9,565	10,218	10,242	11,416	
1,882	1,792	1,612	1,605	2,330	1,786	
(1)	(1)	(1)	(1)	(1)	(1)	

TABLE 22

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

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	22	22	22	22	22	22	22	23	26	25
Fire										
Fire stations	4	4	4	4	4	4	4	3	3	3
Fire trucks	14	16	17	18	18	18	18	17	17	14
Fire boat	-	-	-	-	-	-	-	1	1	1
Cultural and recreation										
Parks and recreation										
Community centers	2	2	2	2	2	2	2	2	3	3
Parks	10	10	10	10	10	10	10	10	26	26
Park acreage	300	300	300	301	301	301	301	301	501	501
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	3	3	3	3	3	3	3	3	7	7
Soccer fields	8	8	8	8	8	8	8	8	11	11
Softball/baseball fields	10	10	13	11	11	12	12	12	12	12
Multipurpose fields and courts	9	9	9	7	7	3	3	3	5	5
Electric										
Miles of distribution lines	304	313	316	326	326	326	342	342	346	355
Water										
Miles of water mains	241	249	254	266	272	272	268	275	274	277
Number of fire hydrants	1,213	1,244	1,320	1,342	1,355	1,384	1,447	1,450	1,509	1,557
Maximum daily capacity of plant (thousands of gallons)	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	1,400
Total water storage capacity (thousands of gallons)	7,100	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Wastewater										
Miles of sanitary sewers	187	192	195	202	207	233	233	208	208	212
Permitted daily capacity of plant (thousands of gallons)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500

Source: Various City Departments