



CITY OF WEATHERFORD, TEXAS

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED
SEPTEMBER 30, 2018**



**Created by:
Finance Office**

CITY OF WEATHERFORD, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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INTRODUCTORY SECTION

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March 26, 2019

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

The City Charter requires that an annual audit of all records and transactions of the administration of the affairs of the City be made annually by a certified public accountant. Accordingly, the comprehensive annual financial report (CAFR) of the City of Weatherford, Texas, for the fiscal year ended September 30, 2018, 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, 2018, 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, 2018, 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 30,654 as of 2017 (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, transportation, 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 70 – 71 of this report. Budget-to-actual comparisons for each of the non-major special revenue governmental funds are found on pages 85 – 96.

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 2018, the City of Weatherford experienced strong economic growth, as revenues to the City outmatched the previous record highs, set in 2017. The State and the North Texas MSA continues to lead the nation in employment, job creation, and new growth, despite a slight slow-down from 2017. Regional retail shopping, manufacturing and other business to business sales led Weatherford's strong sales tax figures for FY18. Having experienced expansive commercial and residential growth since the early 2000's, both retail and industrial establishments maintain significant economic presence in the City. Prominent 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 2018 was the historic high in sales tax revenue collections for the City of Weatherford. At \$13.6 million, FY18 collections exceeded the previous year by 6.5%. 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 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. Both the Weatherford Ridge and Weatherford Marketplace retail centers have a few vacancies currently. These are common and tend to rotate occupancy. Additionally, City leaders created Weatherford's second Tax Increment Reinvestment Zone late in FY18. The first TIRZ was created to spur development along IH-20 and has been successful in procuring two major retail establishments as well as a new car dealership. The goal of the second TIRZ focuses on redevelopment.

As with the state and national rates, Weatherford's unemployment has continued to steadily decline since 2009. While the rate does fluctuate monthly, the annual average hovers between 3% and 4%. May of 2018 was estimated at 3.2%.

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. The City Council has 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. The policy is updated as-needed, and management of the City believes we are currently in compliance with them. The policy statements stipulate that current expenditures shall not exceed current revenues plus the planned use of fund balances for non-recurring expenditures. Additionally, they set 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.

Among the City's major initiatives is maintaining up-to-date infrastructure. Council and staff have made significant enhancements to the City over the last decade with an emphasis on road improvements, partially funded through TxDOT's Pass-Through Toll Agreement that has provided close to \$60 million in revenue. City staff has also maintained the annual street maintenance target 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. This meter installation project was completed in the Spring of 2018.

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 maintain its newly created vehicle rotation fund for major rolling assets in the General Fund. FY18 was the third year of this new rotation, with over 30 vehicles and major equipment provided for with recurring funds. The goal is to add more vehicles onto this rotation as revenues provide.

Finally, in an effort to maintain staff health benefits while managing their rising costs, the City switched to a self-funded health insurance plan as of January 1, 2018. This move has helped control costs much more so than the previous plan, managed by the Texas Municipal League, while keeping insurance benefits steady. Management believes this plan will continue to prove beneficial to the City.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to City of Weatherford for its comprehensive annual financial report for the fiscal year ended September 30, 2017. This was the 30th 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 Certificate of Achievement Program's requirements and we are submitting it to 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; Finance Director, Kyle Lester; Senior Finance Manager, Jessica Doss, Accounting Manager, Sidney Kirk; Purchasing Coordinator, Cathy Coffman; Staff Accountant, Alisha Starnes; and Accounting Clerk Jaqueline Clayton. 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,

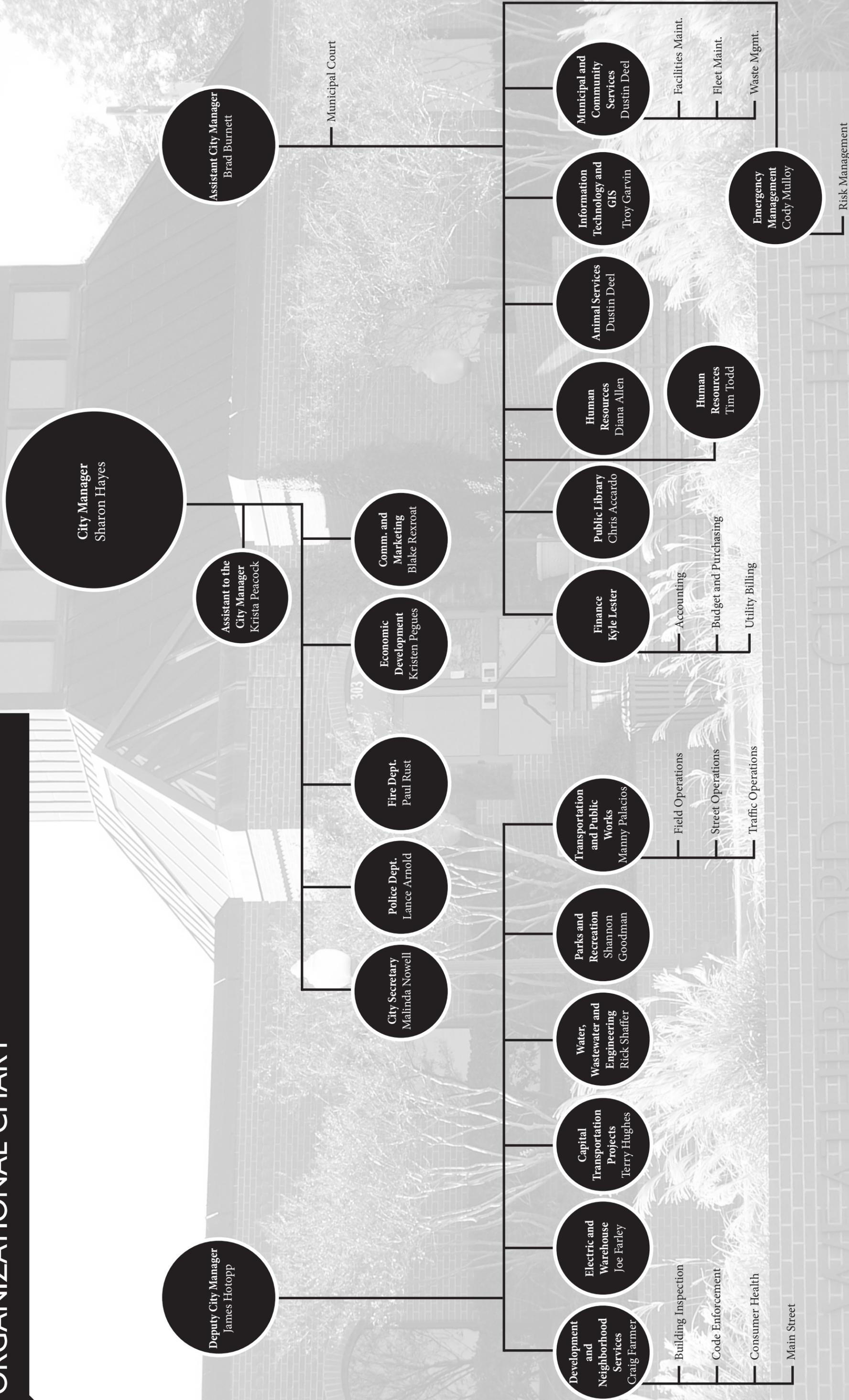


Sharon Hayes
City Manager



Brad Burnett
Assistant City Manager/CFO

ORGANIZATIONAL CHART



**THE CITY OF
WEATHERFORD, TEXAS**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**YEAR ENDED
SEPTEMBER 30, 2018**

**ELECTED
CITY COUNCIL**

Craig Swancy – Mayor

Jeff Robinson – Mayor Pro Tem/Council Member

Curtis Tucker – 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

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**City of Weatherford
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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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, 2018, 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.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in the notes to the financial statements, in fiscal year 2018 the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information 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 March 26, 2019, 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
March 26, 2019

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

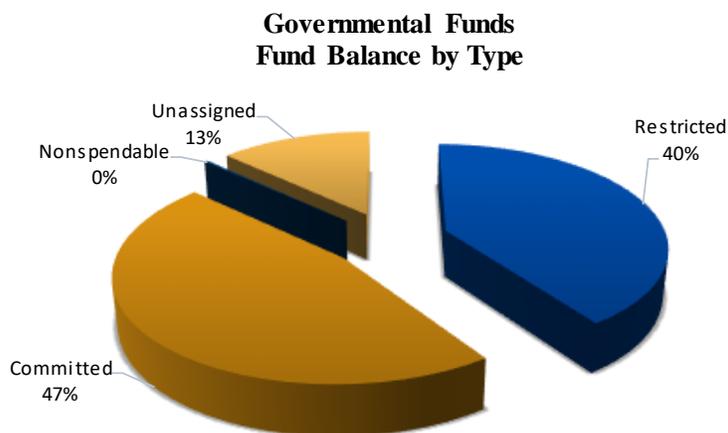
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Management's Discussion and Analysis

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, 2018. 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 \$240,298,312 (net position). Of this amount, \$31,243,230 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's change in total net position was an increase by \$20,140,449. Positive operating results due to higher water and electric consumption in the latter half of fiscal year 2018 resulted in an increase in net position related to business-type activities of \$16,896,051. Net position related to governmental activities increased by \$3,244,398 due to similar positive operating results.
- The City implemented a new accounting standard in fiscal year 2018. This new standard required the City to report its total OPEB liability of \$14.7 million and \$5.6 million in its governmental activities and business-type activities, respectively, as of year-end. Additionally, governmental activities and business-type activities net position was restated by \$8.7 million and \$3.1 million, respectively, as a result of this new accounting policy.
- As of the close of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$37,418,664, an increase of \$7,711,985 in comparison with the prior year. The majority of this increase can be attributed to the receipt of bond funds in the City's general capital projects fund along with a large increase in donations for the animal shelter as a result of its multi-year capital campaign. Approximately 13% of the total balance, \$4,858,849, is unassigned, which is primarily in the general fund. This is approximately 20% of total general fund expenditures.



- The City of Weatherford's total debt decreased by (\$1,315,523) (1%) during the current fiscal year. This decrease is primarily attributed to the issuance of \$4.5 million of certificates of obligation and \$5 million of tax notes, coupled with principal payments of \$11 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 – 69 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 70 – 72 of this report. Required supplementary information of pension and other post-employment benefit are included on pages 73 – 76.

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 \$240,298,312 at the close of the most recent fiscal year.

City of Weatherford's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 67,792,873	\$ 62,773,751	\$ 85,819,629	\$ 75,746,211	\$ 153,612,502	\$ 138,519,962
Capital assets	93,518,227	94,304,676	147,871,376	141,438,401	241,389,603	235,743,077
Total assets	<u>161,311,100</u>	<u>157,078,427</u>	<u>233,691,005</u>	<u>217,184,612</u>	<u>395,002,105</u>	<u>374,263,039</u>
Deferred outflows of resources	<u>4,077,384</u>	<u>5,964,570</u>	<u>1,883,180</u>	<u>2,516,612</u>	<u>5,960,564</u>	<u>8,481,182</u>
Long-term liabilities	86,337,638	75,571,569	61,284,818	59,620,978	147,622,456	135,192,547
Other liabilities	<u>3,147,980</u>	<u>7,991,485</u>	<u>6,400,050</u>	<u>6,620,844</u>	<u>9,548,030</u>	<u>14,612,329</u>
Total liabilities	<u>89,485,618</u>	<u>83,563,054</u>	<u>67,684,868</u>	<u>66,241,822</u>	<u>157,170,486</u>	<u>149,804,876</u>
Deferred inflows of resources	<u>2,640,318</u>	<u>761,456</u>	<u>853,553</u>	<u>258,306</u>	<u>3,493,871</u>	<u>1,019,762</u>
Net position:						
Net investment in capital assets	67,095,125	66,796,273	120,778,834	109,363,224	187,873,959	176,159,497
Restricted	8,933,030	8,155,809	12,248,093	10,165,192	21,181,123	18,321,001
Unrestricted	(2,765,607)	3,766,405	34,008,837	33,672,680	31,243,230	37,439,085
Total net position	\$ <u>73,262,548</u>	\$ <u>78,718,487</u>	\$ <u>167,035,764</u>	\$ <u>153,201,096</u>	\$ <u>240,298,312</u>	\$ <u>231,919,583</u>

By far the largest portion of the City of Weatherford’s net position (78%) 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 (9%) 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 \$31,243,230 (13%) 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, except for unrestricted net position for governmental activities. This category is negative for the first time as a result of including the City's total OPEB liability in the current year.

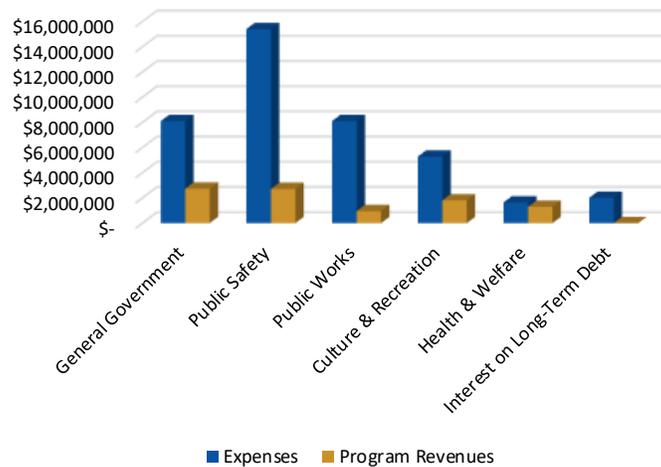
The City's change in total net position was \$20,140,449 during the current fiscal year. Net position related to business-type activities changed by \$16,896,051. This increase is largely attributable to positive operating results stemming from high water and electric consumption in the latter half of fiscal year 2018. Net position related to governmental activities changed by \$3,244,398.

City of Weatherford's Changes in Net Position

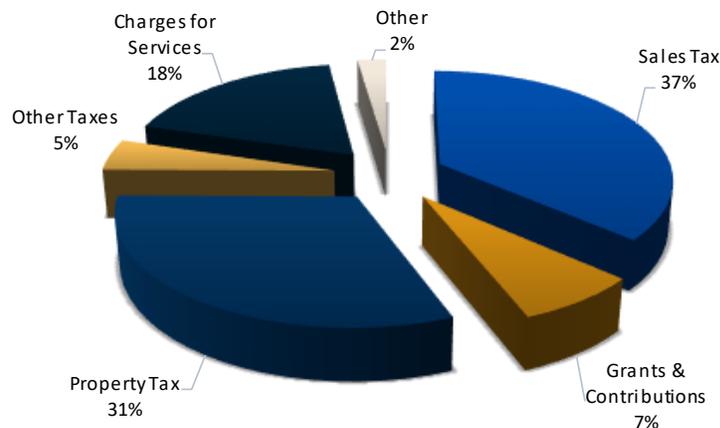
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 6,714,874	\$ 6,313,055	\$ 65,504,486	\$ 59,585,735	\$ 72,219,360	\$ 65,898,790
Operating grants and contributions	977,088	571,295	-	-	977,088	571,295
Capital grants and contributions	1,814,700	11,179,503	3,611,547	4,941,978	5,426,247	16,121,481
General revenues:						
Sales taxes	13,634,260	12,963,401	-	-	13,634,260	12,963,401
Property taxes	11,631,462	10,586,095	-	-	11,631,462	10,586,095
Other taxes	1,712,698	1,536,063	-	-	1,712,698	1,536,063
Other	849,895	305,792	1,412,388	1,145,670	2,262,283	1,451,462
Total revenues	<u>37,334,977</u>	<u>43,455,204</u>	<u>70,528,421</u>	<u>65,673,383</u>	<u>107,863,398</u>	<u>109,128,587</u>
Expenses:						
General government	8,106,437	7,921,911	-	-	8,106,437	7,921,911
Public safety	15,398,565	15,348,606	-	-	15,398,565	15,348,606
Public works	8,111,287	18,997,852	-	-	8,111,287	18,997,852
Health and welfare	1,638,085	1,813,923	-	-	1,638,085	1,813,923
Culture and recreational	5,286,663	5,087,524	-	-	5,286,663	5,087,524
Interest on long-term debt	2,015,638	2,089,046	-	-	2,015,638	2,089,046
Electric	-	-	31,259,686	33,142,615	31,259,686	33,142,615
Water	-	-	8,367,589	7,913,939	8,367,589	7,913,939
Wastewater	-	-	4,047,566	3,899,352	4,047,566	3,899,352
Solid waste	-	-	2,384,254	1,913,154	2,384,254	1,913,154
Stormwater	-	-	1,107,179	211,910	1,107,179	211,910
Total expenses	<u>40,556,675</u>	<u>51,258,862</u>	<u>47,166,274</u>	<u>47,080,970</u>	<u>87,722,949</u>	<u>98,339,832</u>
Increase (decrease) in net position before transfers	(3,221,698)	(7,803,658)	23,362,147	18,592,413	20,140,449	10,788,755
Transfers	<u>6,466,096</u>	<u>6,066,738</u>	<u>(6,466,096)</u>	<u>(6,066,738)</u>	-	-
Increase (decrease) in net position	3,244,398	(1,736,920)	16,896,051	12,525,675	20,140,449	10,788,755
Prior period adjustment	<u>(8,700,337)</u>	<u>-</u>	<u>(3,061,384)</u>	<u>-</u>	<u>(11,761,721)</u>	<u>-</u>
Net position, October 1, restated	<u>70,018,150</u>	<u>80,455,407</u>	<u>150,139,713</u>	<u>140,675,421</u>	<u>220,157,863</u>	<u>221,130,828</u>
Net position, September 30	<u>\$ 73,262,548</u>	<u>\$ 78,718,487</u>	<u>\$ 167,035,764</u>	<u>\$ 153,201,096</u>	<u>\$ 240,298,312</u>	<u>\$ 231,919,583</u>

Governmental Activities. The change in the City of Weatherford’s total governmental activities net position was \$3,244,398. A prior period adjustment to decrease beginning governmental activities net position was reported in the amount of \$8,700,337, as a result of the implementation of a new accounting standard which required the inclusion of the City’s total OPEB liability. Additionally, in the prior year the City transferred infrastructure to another governmental entity and earned grant funds for a bike and hike trail. Therefore, public works expenses and capital grants and contributions were significantly less in fiscal year 2018 compared to the prior year.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

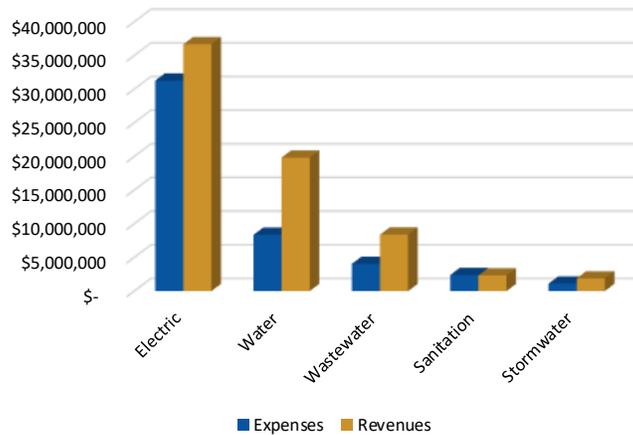


Business-Type Activities. Business-type activities changed the City of Weatherford’s net position by \$16,896,051. A prior period adjustment to decrease beginning business-type activities net position was reported in the amount of \$3,061,384, as a result of the City reporting its total OPEB liability. The City included the total OPEB liability in the current fiscal year as a result of implementing a new accounting standard. Key elements of the business-type activities change in net position are as follows:

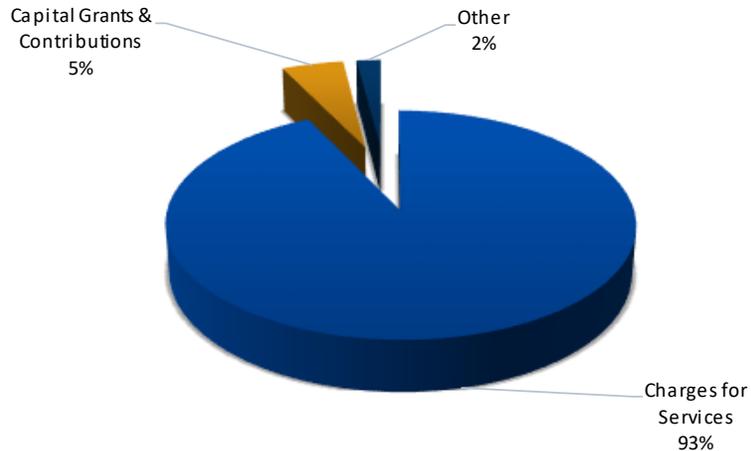
- Overall expenses increased \$85,304 (0.18%) compared to prior year for the business-type activities. Spending in Solid Waste increased significantly due to the cost of a rate study intended to improve operations. Additionally, expenses in Storm Water increased solely due to higher spending in capital projects. Both of these increases were offset by a decrease in Electric Utility expenses by \$1.88 million.

- Revenues increased \$4,855,038 over prior year revenues. This is primarily due to higher revenues from electric and water service charges as relates to higher overall consumption than the previous year. Additionally, the City purchases power from three providers, passing that cost through to customers. The cost to purchase that power was substantially higher in fiscal year 2018, 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.

At the end of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$37,418,664, an increase of \$7,711,985 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 for improvements to the City's public pool as well as upgrades to the City's public safety communication system. Also of note is the multi-year capital campaign on behalf of the City's animal shelter, which has resulted in an increase in donations. Approximately 59% (\$22,238,367) 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 \$4,858,849 (13%) of the total is unassigned. Of the committed funds \$1,250,884 is designated for OPEB obligation costs to date as detailed in Note 4, \$7,226,270 is committed to capital projects, \$307,539 is for parks development, \$1,149,361 is for culture and recreation and \$7,445,464 is the desired stabilization fund of 90 days' worth of general fund operation the Council retains for emergencies or unforeseen situations. The other \$15,180,297 (41%) of the fund balances are either non-spendable or restricted in use by an outside authority or covenant.

The general fund is the chief operating fund of the City of Weatherford. At the end of the current fiscal year, spendable and unrestricted fund balance of the general fund was \$15,375,492, while total fund balance was \$15,431,249. 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 fiscal year 2018, this figure was budgeted at \$30,195,491, yielding an average daily operations cost of \$82,727. Multiplying that figure by 90, the stabilization arrangement as mandated by Weatherford's policy comes out to \$7,445,464. 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 186 days' worth of the calculated average daily operational cost.

The fund balance of the City's general fund increased overall by \$525,046 during the current fiscal year. This increase in fund balance is due primarily to better than anticipated revenue from sales tax and the return-on-investment/gross receipts tax calculation charged to the Utility Fund (this is based on consumption.) Spending increases combined with the revenue overage to yield the fund balance increase.

The debt service fund has a fund balance of \$14,247,483, which is restricted for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$828,381. This increase occurred as a result of certain bond payments being funded with Texas Department of Transportation pass-thru toll program funds that were collected in the current year.

The TIRZ fund has a total fund balance of (\$1,820,295). 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 \$1,975,635, compared to prior year balances of \$1,259,382.

The two active capital projects funds (general capital and park development) had combined ending fund balances of \$7,533,809 compared to prior year balances of \$1,766,725, all of which is restricted for transportation, building, and park improvement projects. The increase in the capital projects funds is contributed to the issuance of \$5 million of tax notes and a transfer from the general and solid waste funds for \$1.46 million.

The Doss permanent library fund had an ending fund balance of \$50,783, compared to the prior year balance of \$50,361. 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 \$30,848,966, compared to the prior year unrestricted balance of \$30,008,816. The total increase in net position for the municipal utility fund was \$16,302,159. Unrestricted net position of the solid waste fund amounted to \$1,430,114 compared to \$1,964,129 in the prior year. Unrestricted net position of the storm water fund amounted to \$1,729,757 compared to \$1,699,735 in the prior year.

General Fund Budgetary Highlights

Increasing amendments to the original fiscal year 2018 general fund annual expenditure appropriations netted to \$2,118,356, or approximately 6.5% of the original budget. A large portion of that, or \$1,495,963, were to re-appropriate unspent funds for the fiscal year 2017 approved projects into fiscal year 2018. Other major mid-year adjustments included a total of \$641,000 for three major, non-recurring programs unable to be funded in the previous year. Other adjustments include donations and grants from state agencies for public safety and the use of the City's compensated absences reserve in conjunction with retirement costs.

General Fund Budget Comparison

This document's General Fund Budget and Actual summary (found on pages 70 and 71) details differences between budgetary authority and actual spending for the 2018 fiscal year. A review of this schedule yields several significant variances. Overall, the fund left over \$2 million worth of appropriations unspent as of September 30, 2018. Of that, approximately \$850,000 came from projects that had to be deferred until the following fiscal year, and those have since been re-appropriated for fiscal year 2019. This includes \$270,000 in facilities improvements, \$187,000 in technical services, \$152,000 in developer-funded inspections, \$87,000 in public safety related programs, \$70,000 in miscellaneous consulting services, \$56,000 for projects related to marketing the City, and \$28,000 in other various programs.

In addition to these variances, there were several other circumstances affecting budgetary spending across the general fund in fiscal year 2018. Among them were personnel savings due to vacancies across the City, which yielded over \$375,000 in savings for the general fund. It should also be noted that \$646,000 in budgetary savings represents amounts that the City will reserve for specific future costs. Council's formal budgetary level of control is by department, and while most departments remained within their fiscal constraints, the City Council and Municipal and Community Services exceeded their appropriated authority due primarily to non-discretionary insurance costs. While Fleet Services, Parks, and Municipal Court experienced a minor overage in supplies costs, all three of these cost centers are part of departments with savings in other divisions, meaning the department itself did not exceed budgetary authority. Additionally, several departments (most notably Police, Fire, and Street Maintenance) show overages in this document's General Fund Budget and Actual summary. However, this is due to items that were budgeted as transfers but expensed as service charges, meaning the budget resides in a separate allocation from the stated departmental expenses.

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 \$241,389,603 (net of accumulated depreciation) compared to \$235,743,076 in the prior year. Investment in capital assets related to governmental activities (\$93,518,227) 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 (\$147,871,376) 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 purchase in the general fund and fleet management fund amounted over \$746,000. Transportation/Public Works and the Police department had the lion's share of these purchases, with \$523,000 in associated expenses.
- Improvements on Marshall Park were financed by solid waste royalty revenues this year, and the costs amounted to over \$467,000. Additional improvements at the Cherry Park pool were initiated in fiscal year 2018, although those only amounted to \$79,000 through the fiscal year. The City also began construction on a new public safety radio tower system, which will ultimately cost over \$3 million. During fiscal year 2018, only \$67,000 had been spent on that project. Finally, the City received grant revenue intended to fund hike and bike project improvements and spent \$711,000 on that project in fiscal year 2018.
- Projects related to the Tax Increment Reinvestment Zone (TIRZ) in the amount of \$641,000 were also a major capital expenditure for the City's component unit in fiscal year 2018.
- Various system extensions and improvements to the City's water, wastewater, and electric distribution system, as well as equipment purchases, approximated \$10.4 million. Similarly, the storm water utility spent \$860,000 for infrastructure improvements.

City of Weatherford's Capital Assets

(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 14,779,541	\$ 14,757,704	\$ 3,761,566	\$ 4,321,200	\$ 18,541,107	\$ 19,078,904
Buildings and systems	7,781,660	8,166,536	8,350,713	8,800,649	16,132,373	16,967,185
Improvements other than buildings	24,038,916	24,888,966	123,146,844	118,675,684	147,185,760	143,564,650
Machinery and equipment	4,208,971	4,065,467	2,189,524	2,579,478	6,398,495	6,644,945
Infrastructure	40,198,542	41,766,240	-	-	40,198,542	41,766,240
Construction in progress	<u>2,510,597</u>	<u>659,763</u>	<u>10,422,729</u>	<u>7,061,389</u>	<u>12,933,326</u>	<u>7,721,152</u>
Total	\$ <u>93,518,227</u>	\$ <u>94,304,676</u>	\$ <u>147,871,376</u>	\$ <u>141,438,400</u>	\$ <u>241,389,603</u>	\$ <u>235,743,076</u>

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

Long-Term Debt. At the end of the current fiscal year the City of Weatherford had total bonded debt outstanding, including combination tax, revenue certificates of obligation, tax notes, notes payable, and leases payable of \$108,837,761. While \$39,535,000 of this carry 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. \$11,005,000 represents combination tax and revenue certificates of obligation debt, \$48,035,000 represents bonds secured solely by revenue from the City's combined electric, water and wastewater utility system, a combined \$9,252,632 in tax notes, notes payable and State infrastructure loans payable from the utility system revenues. A total of \$1,010,129 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	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 39,535,000	\$ 43,260,000	\$ -	\$ -	\$ 39,535,000	\$ 43,260,000
Certificates of obligations	11,005,000	11,680,000	-	-	11,005,000	11,680,000
Revenue bonds	-	-	48,035,000	48,115,000	48,035,000	48,115,000
Tax notes	9,215,000	5,850,000	-	-	9,215,000	5,850,000
Notes payable	-	-	37,632	73,886	37,632	73,886
Lease obligations	<u>646,988</u>	<u>775,810</u>	<u>363,141</u>	<u>398,588</u>	<u>1,010,129</u>	<u>1,174,398</u>
Total	\$ <u>60,401,988</u>	\$ <u>61,565,810</u>	\$ <u>48,435,773</u>	\$ <u>48,587,474</u>	\$ <u>108,837,761</u>	\$ <u>110,153,284</u>

The City of Weatherford's total debt decreased by (\$1,315,523) (1%) during the current fiscal year as a result of normal principal retirement along with the issuance of \$4.5 million of certificates of obligation and \$5 million of tax notes.

The City's general obligation bonds and certificates of obligation are rated "Aa3" by Moody's Investors Service and "AA-" by Standard and Poor's Corporation at September 30, 2018. 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, 2018.

State statutes limit the total property tax rate to \$2.50 per \$100 of assessed valuation. The City's total property tax rate for 2017-2018 was \$0.4899 per \$100 of assessed valuation, of which \$0.1555 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 3.2% as of May of 2018. This does represent a slight decrease from 3.7% in May 2017 and compares favorably to national and state averages.
- Sales tax collections had another strong year in fiscal year 2018, with actual collections exceeding the original budget by 8.7%, or \$1.08 million. Collections also exceeded fiscal year 2017 by 6.6%. For fiscal year 2019, 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 6% over the previous year, from \$2.450 billion to \$2.621 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 2018-2019 fiscal year. The property tax rate remained static at \$0.4899 per \$100 of assessed value, allowing the City to capitalize on value increases. Sales tax collections, accounting for approximately 40% of general fund revenues and other financing sources, are anticipated to continue modest gains to fiscal year 2017-2018 receipts after accounting for expected rebates for economic development incentive agreements. Approved non-recurring expenditures for 2018-2019 total \$1.5 million, which is projected to leave the General Fund with a balance equating to 150 days of operations, well over the 90-day requirement. A large portion of this balance, totaling \$1.08 million, will be dedicated to future costs of compensated absences.

Requests for Information

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

**BASIC
FINANCIAL STATEMENTS**

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CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 39,193,941	\$ 44,049,544	\$ 83,243,485
Receivables (net of allowance for uncollectibles):			
Taxes	316,417	-	316,417
Accounts	484,130	7,759,098	8,243,228
Other	-	137,744	137,744
Due from other governments	27,739,050	31,624	27,770,674
Prepaid items	29,624	466,645	496,269
Inventories	29,711	3,447,893	3,477,604
Restricted assets:			
Cash and investments	-	29,881,842	29,881,842
Accrued interest	-	45,239	45,239
Capital assets:			
Land	14,779,541	3,761,566	18,541,107
Buildings	14,734,956	19,379,594	34,114,550
Improvements other than buildings	38,524,665	195,035,332	233,559,997
Infrastructure	57,160,896	-	57,160,896
Machinery and equipment	13,818,481	9,478,696	23,297,177
Construction in progress	2,510,597	10,422,729	12,933,326
Less: accumulated depreciation	<u>(48,010,909)</u>	<u>(90,206,541)</u>	<u>(138,217,450)</u>
Total capital assets	<u>93,518,227</u>	<u>147,871,376</u>	<u>241,389,603</u>
Total assets	<u>161,311,100</u>	<u>233,691,005</u>	<u>395,002,105</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	847,060	763,533	1,610,593
Deferred outflow related to pensions	1,955,753	632,247	2,588,000
Deferred outflow related to OPEBs	<u>1,274,571</u>	<u>487,400</u>	<u>1,761,971</u>
Total deferred outflows of resources	<u>4,077,384</u>	<u>1,883,180</u>	<u>5,960,564</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, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
LIABILITIES			
Accounts payable	\$ 1,642,336	\$ 2,769,467	\$ 4,411,803
Accrued liabilities	482,398	145,746	628,144
Retainage payable	64,411	237,414	301,825
Accrued interest	191,510	24,919	216,429
Due to other governments	32,650	-	32,650
Customer deposits and escrows	732,811	1,467,384	2,200,195
Unearned revenue	1,864	1,617,116	1,618,980
Payable from restricted assets:			
Accrued interest	-	138,004	138,004
Noncurrent liabilities:			
Due within one year:			
Long-term debt payable from restricted assets	-	220,417	220,417
Long-term debt	6,864,242	3,600,525	10,464,767
Total OPEB liability	326,845	125,535	452,380
Due in more than one year:			
Long-term debt	58,261,286	49,744,062	108,005,348
Net pension liability	6,506,121	2,103,275	8,609,396
Total OPEB liability	<u>14,379,144</u>	<u>5,491,004</u>	<u>19,870,148</u>
Total liabilities	<u>89,485,618</u>	<u>67,684,868</u>	<u>157,170,486</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	<u>2,640,318</u>	<u>853,553</u>	<u>3,493,871</u>
Total deferred inflows of resources	<u>2,640,318</u>	<u>853,553</u>	<u>3,493,871</u>
NET POSITION			
Net investment in capital assets	67,095,125	120,778,834	187,873,959
Restricted for:			
Construction	-	4,605,905	4,605,905
Debt service	8,055,973	3,823,285	11,879,258
Rate stabilization	-	3,818,903	3,818,903
Culture and recreation:			
Nonexpendable	50,000	-	50,000
Public safety	428,270	-	428,270
Community development	398,787	-	398,787
Unrestricted	<u>(2,765,607)</u>	<u>34,008,837</u>	<u>31,243,230</u>
Total net position	<u>\$ 73,262,548</u>	<u>\$ 167,035,764</u>	<u>\$ 240,298,312</u>

CITY OF WEATHERFORD, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 8,106,437	\$ 2,731,701	\$ -	\$ -
Public safety	15,398,565	1,475,522	255,385	984,679
Public works	8,111,287	955,168	-	-
Health and welfare	1,638,085	655,218	636,574	-
Cultural and recreation	5,286,663	897,265	85,129	830,021
Interest on long-term debt	2,015,638	-	-	-
Total governmental activities	<u>40,556,675</u>	<u>6,714,874</u>	<u>977,088</u>	<u>1,814,700</u>
Business-type activities:				
Electric	31,259,686	36,476,388	-	198,587
Water	8,367,589	18,104,281	-	1,732,220
Wastewater	4,047,566	7,232,787	-	1,167,300
Sanitation	2,384,254	2,321,957	-	-
Stormwater utility	1,107,179	1,369,073	-	513,440
Total business-type activities	<u>47,166,274</u>	<u>65,504,486</u>	<u>-</u>	<u>3,611,547</u>
Total primary government	<u>\$ 87,722,949</u>	<u>\$ 72,219,360</u>	<u>\$ 977,088</u>	<u>\$ 5,426,247</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				
Prior period adjustment				
Net position, ending				

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$(5,374,736)	\$ -	\$(5,374,736)
(12,682,979)	-	(12,682,979)
(7,156,119)	-	(7,156,119)
(346,293)	-	(346,293)
(3,474,248)	-	(3,474,248)
<u>(2,015,638)</u>	<u>-</u>	<u>(2,015,638)</u>
<u>(31,050,013)</u>	<u>-</u>	<u>(31,050,013)</u>
-	5,415,289	5,415,289
-	11,468,912	11,468,912
-	4,352,521	4,352,521
-	(62,297)	(62,297)
<u>-</u>	<u>775,334</u>	<u>775,334</u>
<u>-</u>	<u>21,949,759</u>	<u>21,949,759</u>
<u>(31,050,013)</u>	<u>21,949,759</u>	<u>(9,100,254)</u>
11,631,462	-	11,631,462
13,634,260	-	13,634,260
1,712,698	-	1,712,698
7,158	-	7,158
558,857	766,287	1,325,144
22,451	525,302	547,753
261,429	120,799	382,228
<u>6,466,096</u>	<u>(6,466,096)</u>	<u>-</u>
<u>34,294,411</u>	<u>(5,053,708)</u>	<u>29,240,703</u>
<u>3,244,398</u>	<u>16,896,051</u>	<u>20,140,449</u>
78,718,487	153,201,097	231,919,584
<u>(8,700,337)</u>	<u>(3,061,384)</u>	<u>(11,761,721)</u>
<u>\$ 73,262,548</u>	<u>\$ 167,035,764</u>	<u>\$ 240,298,312</u>

CITY OF WEATHERFORD, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
ASSETS					
Cash and investments	\$ 14,485,308	\$ 8,240,235	\$ 4,781,898	\$ 9,762,955	\$ 37,270,396
Receivables (net of allowance for uncollectibles of \$312,412):					
Taxes	230,529	63,705	22,183	-	316,417
Accounts	434,749	138	-	46,248	481,135
Due from other governments	2,340,965	25,143,776	-	254,309	27,739,050
Prepaid	26,046	-	-	3,578	29,624
Advance to other funds	-	6,000,000	-	-	6,000,000
Inventories	29,711	-	-	-	29,711
Total assets	17,547,308	39,447,854	4,804,081	10,067,090	71,866,333
LIABILITIES					
Accounts payable	1,022,175	-	157,610	222,853	1,402,638
Retainage payable	23,891	-	40,520	-	64,411
Accrued liabilities	465,811	-	-	16,587	482,398
Deposits and escrows	317,498	-	404,063	11,250	732,811
Due to other governments	32,650	-	-	-	32,650
Advance from other funds	-	-	6,000,000	-	6,000,000
Unearned revenue	-	-	-	1,864	1,864
Total liabilities	1,862,025	-	6,602,193	252,554	8,716,772
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	254,034	25,200,371	22,183	254,309	25,730,897
Total deferred inflows of resources	254,034	25,200,371	22,183	254,309	25,730,897
FUND BALANCES					
Nonspendable:					
Doss library	-	-	-	50,000	50,000
Prepaid	26,046	-	-	-	26,046
Inventory	29,711	-	-	-	29,711
Restricted for:					
Debt service	-	14,247,483	-	-	14,247,483
Public safety	-	-	-	428,270	428,270
Community development	-	-	-	398,787	398,787
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	7,445,464	-	-	-	7,445,464
Capital projects	-	-	-	7,226,270	7,226,270
Park development	-	-	-	307,539	307,539
Culture and recreation	-	-	-	1,149,361	1,149,361
Unassigned	6,679,144	-	(1,820,295)	-	4,858,849
Total fund balances	15,431,249	14,247,483	(1,820,295)	9,560,227	37,418,664
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,547,308	\$ 39,447,854	\$ 4,804,081	\$ 10,067,090	\$ 71,866,333

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, 2018

Total fund balances - governmental funds balance sheet	\$ 37,418,664
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.	92,787,751
Certain items are not available to pay for current period expenditures, and, therefore are deferred inflows of resources in the funds.	25,730,897
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.	2,417,318
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 and total OPEB liability are not reported in the funds.	<u>(85,092,082)</u>
Net position of governmental activities - statement of net position	\$ <u><u>73,262,548</u></u>

CITY OF WEATHERFORD, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	General	Debt Service	TIRZ	Other Governmental	Total Governmental Funds
REVENUES					
Taxes	\$ 22,414,121	\$ 3,653,032	\$ 151,470	\$ 784,399	\$ 27,003,022
Licenses and permits	909,230	-	-	-	909,230
Intergovernmental	1,217,287	5,244,352	-	575,960	7,037,599
Charges for services	3,767,349	-	-	254,726	4,022,075
Fines and forfeitures	451,181	-	-	77,978	529,159
Contributions	19,017	-	-	676,355	695,372
Royalties and rental	-	-	-	22,451	22,451
Investment earnings	220,724	124,670	67,866	123,701	536,961
Miscellaneous	187,455	-	-	328,075	515,530
Total revenues	<u>29,186,364</u>	<u>9,022,054</u>	<u>219,336</u>	<u>2,843,645</u>	<u>41,271,399</u>
EXPENDITURES					
Current:					
General government	7,657,293	-	206,779	105,607	7,969,679
Public safety	14,818,287	-	-	109,220	14,927,507
Public works	4,371,441	-	-	-	4,371,441
Health and welfare	1,502,651	-	-	22,557	1,525,208
Cultural and recreation	3,288,834	-	-	976,683	4,265,517
Capital outlay	1,452,833	-	434,187	1,780,099	3,667,119
Debt service:					
Principal	65,668	6,158,154	-	-	6,223,822
Interest and other	2,120	2,187,519	-	60,000	2,249,639
Total expenditures	<u>33,159,127</u>	<u>8,345,673</u>	<u>640,966</u>	<u>3,054,166</u>	<u>45,199,932</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,972,763)</u>	<u>676,381</u>	<u>(421,630)</u>	<u>(210,521)</u>	<u>(3,928,533)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of long-term debt	-	-	-	5,060,000	5,060,000
Sale of general capital assets	69,949	-	-	-	69,949
Insurance recoveries	38,599	-	-	5,874	44,473
Transfers in	5,669,667	152,000	296,429	2,033,536	8,151,632
Transfers out	<u>(1,280,406)</u>	<u>-</u>	<u>-</u>	<u>(405,130)</u>	<u>(1,685,536)</u>
Total other financing sources and uses	<u>4,497,809</u>	<u>152,000</u>	<u>296,429</u>	<u>6,694,280</u>	<u>11,640,518</u>
NET CHANGE IN FUND BALANCES	<u>525,046</u>	<u>828,381</u>	<u>(125,201)</u>	<u>6,483,759</u>	<u>7,711,985</u>
FUND BALANCES, BEGINNING	<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>
FUND BALANCES, ENDING	<u>\$ 15,431,249</u>	<u>\$ 14,247,483</u>	<u>\$(1,820,295)</u>	<u>\$ 9,560,227</u>	<u>\$ 37,418,664</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, 2018

Net change in fund balances - total governmental funds: \$ 7,711,985

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

Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost and accumulated depreciation of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,856,595)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. 934,271

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

Property taxes (24,602)

Court fines 7,634

Grant - Texas Department of Transportation (4,990,043)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,400,222

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. 939,601

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. (878,075)

Change in net position of governmental activities \$ 3,244,398

CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Fund
ASSETS					
Current assets					
Unrestricted assets					
Cash and cash equivalents	\$ 13,199,798	\$ 2,084,881	\$ 1,688,689	\$ 16,973,368	\$ 1,228,198
Investments	26,690,748	385,428	-	27,076,176	695,347
Receivables:					
Accounts, net of allowances for uncollectible accounts of \$62,711	3,949,446	41,856	-	3,991,302	-
Earned but unbilled customer accounts	3,544,438	139,747	83,611	3,767,796	-
Other	137,744	-	-	137,744	2,995
Due from other governments	31,624	-	-	31,624	-
Prepays	465,845	800	-	466,645	-
Inventory	3,426,939	20,954	-	3,447,893	-
Restricted assets					
Cash and cash equivalents	18,622,711	-	543,828	19,166,539	-
Investments	6,715,303	-	4,000,000	10,715,303	-
Accrued interest	45,239	-	-	45,239	-
Total current assets	<u>76,829,835</u>	<u>2,673,666</u>	<u>6,316,128</u>	<u>85,819,629</u>	<u>1,926,540</u>
Noncurrent assets					
Capital assets					
Land	2,877,235	-	884,331	3,761,566	-
Construction in progress	9,251,945	-	1,170,784	10,422,729	-
Buildings and improvements	19,181,985	197,609	-	19,379,594	-
Other improvements	190,054,882	10,577	4,969,873	195,035,332	-
Machinery and equipment	8,151,430	1,306,644	20,622	9,478,696	1,015,175
Less: accumulated depreciation	(88,793,666)	(1,147,494)	(265,381)	(90,206,541)	(284,699)
Total noncurrent assets	<u>140,723,811</u>	<u>367,336</u>	<u>6,780,229</u>	<u>147,871,376</u>	<u>730,476</u>
Total assets	<u>217,553,646</u>	<u>3,041,002</u>	<u>13,096,357</u>	<u>233,691,005</u>	<u>2,657,016</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	763,533	-	-	763,533	-
Deferred outflow related to pensions	553,573	73,499	5,175	632,247	-
Deferred outflow related to OPEBs	413,617	73,629	154	487,400	-
Total deferred outflows of resources	<u>1,730,723</u>	<u>147,128</u>	<u>5,329</u>	<u>1,883,180</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, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Municipal			Total	Internal
	Utility System	Solid Waste	Storm Water Utility		Service Funds
LIABILITIES					
Current liabilities (payable from current assets):					
Accounts payable	\$ 2,660,363	\$ 104,474	\$ 4,630	\$ 2,769,467	\$ 239,698
Accrued wages	125,445	19,281	1,020	145,746	-
Retainage payable	237,414	-	-	237,414	-
Accrued interest	8,984	-	15,935	24,919	-
Unearned revenue	1,617,116	-	-	1,617,116	-
Customer deposits	1,467,384	-	-	1,467,384	-
Notes payable	37,632	-	-	37,632	-
Capital lease payable	36,362	-	-	36,362	-
Revenue bonds payable	2,984,583	-	360,000	3,344,583	-
Compensated absences	158,548	23,400	-	181,948	-
Total OPEB liability	106,450	19,069	16	125,535	-
Current liabilities (payable from restricted assets):					
Accrued interest	138,004	-	-	138,004	-
Revenue bonds payable- current	220,417	-	-	220,417	-
Total current liabilities	<u>9,798,702</u>	<u>166,224</u>	<u>381,601</u>	<u>10,346,527</u>	<u>239,698</u>
Noncurrent liabilities					
Capital lease payable	326,779	-	-	326,779	-
Revenue bonds payable	42,890,282	-	5,699,305	48,589,587	-
Compensated absences	775,016	52,680	-	827,696	-
Net pension liability	1,841,550	244,507	17,218	2,103,275	-
Total OPEB liability	<u>4,660,896</u>	<u>828,044</u>	<u>2,064</u>	<u>5,491,004</u>	<u>-</u>
Total noncurrent liabilities	<u>50,494,523</u>	<u>1,125,231</u>	<u>5,718,587</u>	<u>57,338,341</u>	<u>-</u>
Total liabilities	<u>60,293,225</u>	<u>1,291,455</u>	<u>6,100,188</u>	<u>67,684,868</u>	<u>239,698</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow related to pensions	<u>747,339</u>	<u>99,225</u>	<u>6,989</u>	<u>853,553</u>	<u>-</u>
Total deferred inflows of resources	<u>747,339</u>	<u>99,225</u>	<u>6,989</u>	<u>853,553</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	115,146,746	367,336	5,264,752	120,778,834	730,476
Restricted for:					
Construction	4,605,905	-	-	4,605,905	-
Debt service	3,823,285	-	-	3,823,285	-
Rate stabilization	3,818,903	-	-	3,818,903	-
Unrestricted	<u>30,848,966</u>	<u>1,430,114</u>	<u>1,729,757</u>	<u>34,008,837</u>	<u>1,686,842</u>
Total net position	<u>\$ 158,243,805</u>	<u>\$ 1,797,450</u>	<u>\$ 6,994,509</u>	<u>\$ 167,035,764</u>	<u>\$ 2,417,318</u>

CITY OF WEATHERFORD, TEXAS

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

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Solid Waste	Storm Water	Total	Internal
	Utility		Utility		Service
	System				Fund
OPERATING REVENUES					
Electric sales	\$ 35,822,817	\$ -	\$ -	\$ 35,822,817	\$ -
Electric services	547,575	-	-	547,575	-
Water sales	16,791,511	-	-	16,791,511	-
Water services	181,465	-	-	181,465	-
Wastewater services	7,232,787	-	-	7,232,787	-
Sanitation services	-	2,321,957	-	2,321,957	-
Stormwater fees	-	-	1,368,853	1,368,853	-
Charges for services	-	-	-	-	3,284,957
Other	129,468	-	220	129,688	-
Total operating revenues	<u>60,705,623</u>	<u>2,321,957</u>	<u>1,369,073</u>	<u>64,396,653</u>	<u>3,284,957</u>
OPERATING EXPENSES					
Personnel services	6,261,299	981,180	55,190	7,297,669	-
Contractual services	5,713,800	923,545	72,505	6,709,850	224,458
Purchased power	21,625,408	-	-	21,625,408	-
Materials and supplies	1,911,151	339,264	-	2,250,415	32,040
Claims	-	-	-	-	1,957,115
Depreciation	5,950,138	140,265	152,273	6,242,676	151,240
Total operating expenses	<u>41,461,796</u>	<u>2,384,254</u>	<u>279,968</u>	<u>44,126,018</u>	<u>2,364,853</u>
OPERATING INCOME	<u>19,243,827</u>	<u>(62,297)</u>	<u>1,089,105</u>	<u>20,270,635</u>	<u>920,104</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	703,315	26,749	36,223	766,287	21,896
Insurance recoveries	45,529	-	-	45,529	-
Rentals	1,220,240	-	-	1,220,240	-
Royalties	-	525,302	-	525,302	-
Gain (loss) on disposal of assets	(639,371)	39,100	(694,441)	(1,294,712)	-
Interest and other	(1,649,911)	-	(132,770)	(1,782,681)	(2,399)
Total nonoperating revenues (expenses)	<u>(320,198)</u>	<u>591,151</u>	<u>(790,988)</u>	<u>(520,035)</u>	<u>19,497</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS					
	<u>18,923,629</u>	<u>528,854</u>	<u>298,117</u>	<u>19,750,600</u>	<u>939,601</u>
Capital contributions	3,098,107	-	513,440	3,611,547	-
Transfers out	(5,719,577)	(746,519)	-	(6,466,096)	-
CHANGE IN NET POSITION	<u>16,302,159</u>	<u>(217,665)</u>	<u>811,557</u>	<u>16,896,051</u>	<u>939,601</u>
NET POSITION, BEGINNING	144,544,631	2,471,730	6,184,736	153,201,097	1,477,717
PRIOR PERIOD ADJUSTMENT	<u>(2,602,985)</u>	<u>(456,615)</u>	<u>(1,784)</u>	<u>(3,061,384)</u>	<u>-</u>
NET POSITION, ENDING	<u>\$ 158,243,805</u>	<u>\$ 1,797,450</u>	<u>\$ 6,994,509</u>	<u>\$ 167,035,764</u>	<u>\$ 2,417,318</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, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Storm Water		Total	Internal
	Utility System	Solid Waste	Utility		Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 59,743,628	\$ 2,372,297	\$ 1,359,083	\$ 63,475,008	\$ 3,281,962
Cash paid to employees for services	(6,008,938)	(931,320)	(118,473)	(7,058,731)	-
Cash paid to suppliers and service providers	(30,065,956)	(1,210,544)	(72,505)	(31,349,005)	(2,031,195)
Net cash provided by operating activities	<u>23,668,734</u>	<u>230,433</u>	<u>1,168,105</u>	<u>25,067,272</u>	<u>1,250,767</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash received from rentals	1,220,240	-	-	1,220,240	-
Cash received from royalties	-	525,302	-	525,302	-
Transfers to other funds	(5,719,577)	(746,519)	-	(6,466,096)	-
Net cash used by noncapital financing activities	<u>(4,499,337)</u>	<u>(221,217)</u>	<u>-</u>	<u>(4,720,554)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from disposal of capital assets	73,198	39,100	-	112,298	-
Proceeds from long-term debt	-	-	4,574,384	4,574,384	-
Proceeds from developers for contributions in aid of construction	1,907,357	-	513,440	2,420,797	-
Principal payments on long-term debt	(4,526,701)	-	(190,000)	(4,716,701)	-
Acquisition and construction of capital assets	(11,291,887)	-	(1,466,943)	(12,758,830)	(287,115)
Interest and other charges on debt	(1,861,961)	-	(120,781)	(1,982,742)	(2,399)
Net cash used by capital and related financing activities	<u>(15,699,994)</u>	<u>39,100</u>	<u>3,310,100</u>	<u>(12,350,794)</u>	<u>(289,514)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	1,361,391	26,749	36,223	1,424,363	21,896
Purchase of investments	(14,893,782)	(385,428)	(4,000,000)	(19,279,210)	(695,347)
Net cash provided (used) by investing activities	<u>(13,532,391)</u>	<u>(358,679)</u>	<u>(3,963,777)</u>	<u>(17,854,847)</u>	<u>(673,451)</u>
NET INCREASE (DECREASE) IN CASH	<u>(10,062,988)</u>	<u>(310,363)</u>	<u>514,428</u>	<u>(9,858,923)</u>	<u>287,802</u>
CASH AND CASH EQUIVALENTS, BEGINNING	<u>41,885,497</u>	<u>2,395,244</u>	<u>1,718,089</u>	<u>45,998,830</u>	<u>940,396</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 31,822,509</u>	<u>\$ 2,084,881</u>	<u>\$ 2,232,517</u>	<u>\$ 36,139,907</u>	<u>\$ 1,228,198</u>
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS					
Current assets - cash and cash equivalents	\$ 13,199,798	\$ 2,084,881	\$ 1,688,689	\$ 16,973,368	\$ 1,228,198
Restricted assets - cash and cash equivalents	<u>18,622,711</u>	<u>-</u>	<u>543,828</u>	<u>19,166,539</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 31,822,509</u>	<u>\$ 2,084,881</u>	<u>\$ 2,232,517</u>	<u>\$ 36,139,907</u>	<u>\$ 1,228,198</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, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Municipal	Storm Water		Total	Internal
	Utility System	Solid Waste	Utility		Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 19,243,827	\$(62,297)	\$ 1,089,105	\$ 20,270,635	\$ 920,104
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	5,950,138	140,265	152,273	6,242,676	151,240
(Increase) decrease in accounts receivable	(935,927)	50,340	-	(885,587)	(2,995)
(Increase) decrease in unbilled accounts	(96,085)	(11,545)	(9,990)	(117,620)	-
(Increase) decrease in inventory	(146,084)	(575)	-	(146,659)	-
(Increase) decrease in prepaids	(128,917)	-	-	(128,917)	-
(Increase) decrease in deferred outflows for benefits	595,598	60,455	6,114	662,167	-
Increase (decrease) in accounts payable	(540,596)	64,385	(65,925)	(542,136)	182,418
Increase (decrease) in accrued wages payable	123,519	13,141	(330)	136,330	-
Increase (decrease) in unearned revenue	4,446	-	-	4,446	-
Increase (decrease) in customer deposits	65,571	-	-	65,571	-
Increase (decrease) in compensated absences	(1,040)	5,843	-	4,803	-
Increase (decrease) in deferred inflows for benefits	520,442	69,550	5,256	595,248	-
Increase (decrease) in net pension liability	(1,549,922)	(199,052)	(8,678)	(1,757,652)	-
Increase (decrease) in total OPEB liability	<u>563,764</u>	<u>99,923</u>	<u>280</u>	<u>663,967</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 23,668,734</u>	<u>\$ 230,433</u>	<u>\$ 1,168,105</u>	<u>\$ 25,067,272</u>	<u>\$ 1,250,767</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Contributions of capital assets	\$ 1,159,126	\$ -	\$ -	\$ 1,159,126	\$ -
Change in fair value of investments	(135,664)	(4,422)	-	(140,086)	(131)

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

CITY OF WEATHERFORD, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2018

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 Parker County Hospital District agreed on March 24, 2016, to participate in TIRZ #1 with the City. 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 of the City. The TIRZ is governed by a board comprised of five members appointed by the City Council and one member appointed by the Board of Directors for the Parker County Hospital District. The Council approves recommendations from the Board regarding 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 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 and the City self-insured health insurance plan.

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, 2018, was \$.5115 per \$100 of assessed valuation. The assessed value upon which the completed 2017 levy was based was approximately \$2,348,036,802.

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.

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.

Full-time status employees hired after March 1, 2017 shall participate in the City's Paid Time Off (PTO) program in lieu of traditional paid vacation and sick leave. Benefits will accrue as follows:

1 month thru 9 years:	13.34 hours/month
10 thru 19 years:	16.67 hours/month
20 years and over:	20.00 hours/month

Upon termination of employment, an employee who has completed at least six months of continuous service and successful completion of an initiation period will be paid for all unused and accrued PTO up to 480 hours.

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. Post-Employment Benefits Other Than Pensions (OPEB)

Supplemental Death Benefit. For purposes of measuring the total Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF) OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company.

12. 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 and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in actuarial assumptions and other inputs – 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 the following 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 projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension and OPEB experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

13. 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:

- Non-spendable: 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
 - City Special Revenue Funds that fall in this category shall maintain a positive restricted fund balance and those same funds that pay any personnel services shall maintain 20% of operating budget in restricted fund balance. This 20% fund balance should only be used in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise. Should the use reduce the balance below the appropriate level, recommendations will be made to restore the fund balance to its appropriate level within one fiscal year.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by the ordinance of the City Council, the City's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
 - Other Post Employee Benefit – Committed Fund Balance: This amount is annually and formally set aside by the amount appropriated through the budget ordinance for each fund applicable for use to pay current and/or future other post-employment benefits.
 - Stabilization Arrangement for General Fund: It is the goal of the City to achieve and maintain a minimum of committed fund balance for that fiscal year. This amount is annually and formally set aside for use in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise or an unforeseen event occurs that costs the City more than 5% of budget appropriations. Should the use reduce the balance below the appropriate level of committed funds the balance must be restored within one fiscal year. This arrangement was approved through City Ordinance by City Council.
- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The City Council has by City Ordinance authorized City Manager to assign fund balance. The Council may also assign fund balance.
- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

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

	General	Debt Service	TIRZ	Other Governmental	Totals
FUND BALANCE					
Nonspendable:					
Doss library	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Prepays	26,046	-	-	-	26,046
Inventory	29,711	-	-	-	29,711
Restricted for:					
Debt service	-	14,247,483	-	-	14,247,483
Public safety:					
Police operations and equipment	-	-	-	298,528	298,528
Municipal court technology	-	-	-	63,654	63,654
Municipal court security	-	-	-	29,125	29,125
Juvenile case manager	-	-	-	36,963	36,963
Community development:					
Beautification of City	-	-	-	-	-
Promotion of tourism and hotel industry	-	-	-	378,467	378,467
Doss library	-	-	-	783	783
Texas Community Development Program	-	-	-	1,864	1,864
Main Street project	-	-	-	17,673	17,673
Committed:					
Other post employee benefits	1,250,884	-	-	-	1,250,884
Stabilization arrangement	7,445,464	-	-	-	7,445,464
Capital projects	-	-	-	7,226,270	7,226,270
Future acquisition of parks	-	-	-	307,539	307,539
Culture and recreation:					
Chandor Gardens	-	-	-	178,743	178,743
Library operations	-	-	-	197,821	197,821
Animal shelter improvements	-	-	-	700,166	700,166
Heritage park	-	-	-	72,631	72,631
Unassigned	6,679,144	-	(1,820,295)	-	4,858,849
Totals	<u>\$ 15,431,249</u>	<u>\$ 14,247,483</u>	<u>\$ (1,820,295)</u>	<u>\$ 9,560,227</u>	<u>\$ 37,418,664</u>

14. 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.

15. 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.

16. 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 \$85,092,082 difference are as follows:

Bonds payable	\$	50,540,000
Capital lease		646,988
Tax notes		9,215,000
Deferred loss on refunding	(847,060)
Issuance premium (to be amortized as interest expense)		1,244,544
Accrued interest payable		191,510
Compensated absences		3,478,996
Deferred outflow related to pensions	(1,955,753)
Deferred outflow related to OPEBs	(1,274,571)
Deferred inflow related to pensions		2,640,318
Net pension liability		6,506,121
Total OPEB liability		<u>14,705,989</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$	<u>85,092,082</u>

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this (\$1,856,595) difference are as follows:

Capital outlay	\$ 3,816,259
Depreciation expense	<u>(5,672,854)</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><u>\$(1,856,595)</u></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 \$934,271 difference are as follows:

Donated capital assets	\$ 984,679
Disposal of capital assets	<u>(50,408)</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><u>\$ 934,271</u></u>

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,400,222 difference are as follows:

Principal repayments	\$ 6,223,822
Issuance of long-term debt	<u>(5,060,000)</u>
Accrued interest	5,368
Amortization of deferred loss on refunding	<u>(91,035)</u>
Amortization of bond premium	<u>322,067</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><u>\$ 1,400,222</u></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 (\$878,075) difference are as follows:

Compensated absences	\$(137,875)
Pension cost	(74,081)
OPEB cost	<u>(666,119)</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>\$(878,075)</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 \$1,820,295. 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 09/30/18	% of Total	Weighted Average Maturity (Years)
Local Government Investment					
Pools:					
TexPool	N/A	N/A	\$ 4,814,915	5.29%	0.08
TexStar	N/A	N/A	7,589,704	8.34%	0.09
Texas Class	N/A	N/A	<u>17,191,395</u>	18.89%	0.14
Total			<u>29,596,014</u>		
Certificates of Deposit:					
Legacy Texas	12/21/18	N/A	4,600,000	5.06%	0.22
Texas Bank	12/23/18	N/A	300,000	0.33%	0.23
Texas Bank	12/27/18	N/A	2,000,000	2.20%	0.24
Texas Bank	02/27/19	N/A	4,000,000	4.39%	0.14
Texas Bank	03/24/19	N/A	3,200,000	3.51%	0.48
Texas Bank	04/29/19	N/A	2,000,000	2.19%	0.58
Legacy Texas	09/05/19	N/A	3,000,000	3.29%	0.93
Legacy Texas	09/24/21	N/A	<u>4,000,000</u>	4.39%	2.99
Total			<u>23,100,000</u>		
Municipal Securities:					
Altoona WI-Municipal Bonds (1)	12/1/18	Level 2	<u>294,829</u>	0.32%	0.17
Total			<u>294,829</u>		
U. S. Government Securities:					
US Treasury Bonds (2)	3/31/19	Level 1	298,818	0.33%	0.50
US Treasury Bonds (2)	10/31/19	Level 1	4,344,472	4.77%	1.08
Freddie Mac (2)	10/2/19	Level 1	4,931,100	5.42%	1.01
Federal Farm Credit Bonds (2)	11/16/18	Level 2	4,991,000	5.48%	0.13
Federal Home Loan Bank Bonds (2)	9/11/20	Level 1	7,002,100	7.70%	1.95
Federal Home Loan Bank Bonds (2)	7/14/21	Level 1	3,814,200	4.19%	2.79
Federal Home Loan Bank Bonds (1)	6/28/19	Level 2	1,973,720	2.17%	0.74
Fannie Mae (2)	11/30/20	Level 1	1,943,800	2.14%	2.17
Fannie Mae (2)	10/7/21	Level 1	2,866,050	3.15%	3.02
Fannie Mae (2)	8/24/20	Level 2	3,894,360	4.28%	1.90
Fannie Mae (2)	10/9/19	Level 1	<u>1,944,880</u>	<u>2.14%</u>	0.74
Total			<u>38,004,500</u>		
Total investments			<u>\$ 90,995,343</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, 2018, 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 Asset Reserve Program, TexSTAR, is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity and competitive yield. TexSTAR is overseen by a Governing Board consisting of individuals from participating government entities in the pool. The business and affairs of TexSTAR are managed by the Board. J.P. Morgan Investment Management, Inc. provides investment management, fund accounting, transfer agency and custodial services for the pool and Hilltop Securities Inc. provides administrative, marketing and participant services. The fund seeks to maintain a constant dollar objective and fulfills all requirements of the Texas PFIA for local government investment pools. The fund is rated AAAM by Standard and Poor's and maintains a maturity of 60 days or less, with a maximum maturity of 13 months for an individual security.

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, 2018, the City held restricted cash and investments of \$29,881,842 for the following purposes:

Business-type activities:	
Revenue bond debt service	\$ 942,045
Revenue bond reserve	3,239,661
Construction	4,843,555
Water impact fee	1,813,620
Wastewater impact fee	2,492,558
Constructing improvements and extensions to the wastewater and reclaimed water system - TWDB program	12,731,500
Rate stabilization	<u>3,818,903</u>
Total restricted cash and investments	<u>\$ 29,881,842</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 2017, the City issued tax notes to loan funds to the TIRZ (a blended component unit) for certain construction projects. The TIRZ will repay the Debt Service Fund in annual installments through 2023.

Interfund transfers during the year were as follows:

	<u>Transfers In</u>				
	<u>General</u>	<u>Debt Service</u>	<u>TIRZ</u>	<u>Other Governmental</u>	<u>Total</u>
Transfers Out:					
General	\$ -	\$ 152,000	\$ -	\$ 1,128,406	\$ 1,280,406
Municipal utility system	5,423,148	-	-	296,429	5,719,577
Solid waste	246,519	-	-	500,000	746,519
Other governmental	<u>-</u>	<u>-</u>	<u>296,429</u>	<u>108,701</u>	<u>405,130</u>
Total Transfers	<u>\$ 5,669,667</u>	<u>\$ 152,000</u>	<u>\$ 296,429</u>	<u>\$ 2,033,536</u>	<u>\$ 8,151,632</u>

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

C. Capital Assets

Capital asset activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 14,757,704	\$ 21,837	\$ -	\$ 14,779,541
Construction in progress	659,763	1,850,834	-	2,510,597
Total assets not being depreciated	<u>15,417,467</u>	<u>1,872,671</u>	<u>-</u>	<u>17,290,138</u>
Capital assets, being depreciated:				
Buildings and improvements	15,141,388	21,969	(428,401)	14,734,956
Infrastructure	56,176,217	984,679	-	57,160,896
Other improvements	37,556,803	990,869	(23,007)	38,524,665
Machinery and equipment	12,959,257	1,217,865	(358,641)	13,818,481
Total capital assets being depreciated	<u>121,833,665</u>	<u>3,215,382</u>	<u>(810,049)</u>	<u>124,238,998</u>
Less accumulated depreciation:				
Buildings and improvements	(6,974,852)	(370,256)	391,812	(6,953,296)
Infrastructure	(14,409,977)	(2,552,377)	-	(16,962,354)
Other improvements	(12,667,837)	(1,829,080)	11,168	(14,485,749)
Machinery and equipment	(8,893,790)	(1,072,381)	356,661	(9,609,510)
Total accumulated depreciation	<u>(42,946,456)</u>	<u>(5,824,094)</u>	<u>759,641</u>	<u>(48,010,909)</u>
Total capital assets being depreciated, net	<u>78,887,209</u>	<u>(2,608,712)</u>	<u>(50,408)</u>	<u>76,228,089</u>
Governmental activities capital assets, net	<u>\$ 94,304,676</u>	<u>\$(736,041)</u>	<u>\$(50,408)</u>	<u>\$ 93,518,227</u>
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 4,321,200	\$ 134,806	\$(694,440)	\$ 3,761,566
Construction in progress	7,061,389	8,911,570	(5,550,230)	10,422,729
Total assets not being depreciated	<u>11,382,589</u>	<u>9,046,376</u>	<u>(6,244,670)</u>	<u>14,184,295</u>
Capital assets, being depreciated:				
Buildings and improvements	19,379,594	-	-	19,379,594
Other improvements	185,729,950	4,697,371	4,608,011	195,035,332
Machinery and equipment	9,312,275	271,855	(105,434)	9,478,696
Total capital assets being depreciated	<u>214,421,819</u>	<u>4,969,226</u>	<u>4,502,577</u>	<u>223,893,622</u>
Less accumulated depreciation:				
Buildings and improvements	(10,578,945)	(449,936)	-	(11,028,881)
Other improvements	(67,054,266)	(5,137,258)	303,036	(71,888,488)
Machinery and equipment	(6,732,797)	(655,482)	99,107	(7,289,172)
Total accumulated depreciation	<u>(84,366,008)</u>	<u>(6,242,676)</u>	<u>402,143</u>	<u>(90,206,541)</u>
Total capital assets being depreciated, net	<u>130,055,811</u>	<u>(1,273,450)</u>	<u>4,904,720</u>	<u>133,687,081</u>
Business-type activities capital assets, net	<u>\$ 141,438,400</u>	<u>\$ 7,772,926</u>	<u>\$(1,339,950)</u>	<u>\$ 147,871,376</u>

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

Governmental activities:	
General government	\$ 385,653
Public safety	576,010
Public works	3,729,680
Health and welfare	63,062
Cultural and recreational	918,449
Capital assets held by the City's internal service funds are charged to the various functions	<u>151,240</u>
Total depreciation expense - governmental activities	<u>\$ 5,824,094</u>
Business-type activities:	
Electric	\$ 2,092,266
Water	2,431,352
Wastewater	1,426,520
Solid waste	140,265
Storm water	<u>152,273</u>
Total depreciation expense - business-type activities	<u>\$ 6,242,676</u>

D. Deferred Outflows and 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:

	General	Debt Service	TIRZ	Other Governmental	Totals
Delinquent property taxes	\$ 120,195	\$ 63,705	\$ 22,183	\$ -	\$ 206,083
Intergovernmental-TxDOT grant	-	25,136,666	-	254,309	25,390,975
Court fines	<u>133,839</u>	-	-	-	<u>133,839</u>
Total - unavailable	<u>\$ 254,034</u>	<u>\$ 25,200,371</u>	<u>\$ 22,183</u>	<u>\$ 254,309</u>	<u>\$ 25,730,897</u>

Amounts are aggregated into a single deferred outflows or inflows of resources for certain columns. Below is the detail of deferred outflows and inflows of resources for governmental and business-type activities.

	Governmental Activities	Business-type Activities			Totals
		Municipal Utility System	Solid Waste	Storm Water Utility	
Deferred outflows:					
Charge on refunding	\$ 847,060	\$ 763,533	\$ -	\$ -	\$ 1,610,593
Related to pensions	1,955,753	553,573	73,499	5,175	2,588,000
Related to OPEB - TMRS SDBF	58,213	16,477	2,188	154	77,032
Related to OPEB - Retiree Health Plan	<u>1,216,358</u>	<u>397,140</u>	<u>71,441</u>	<u>-</u>	<u>1,684,939</u>
Total deferred outflow	<u>\$ 4,077,384</u>	<u>\$ 1,730,723</u>	<u>\$ 147,128</u>	<u>\$ 5,329</u>	<u>\$ 5,960,564</u>
Deferred inflows:					
Related to pensions	\$ 2,640,318	\$ 747,339	\$ 99,225	\$ 6,989	\$ 3,493,871
Total deferred inflow	<u>\$ 2,640,318</u>	<u>\$ 747,339</u>	<u>\$ 99,225</u>	<u>\$ 6,989</u>	<u>\$ 3,493,871</u>

E. Bonds, Certificates of Obligation and Tax Notes Payable

Bonds, certificates of obligation and tax notes payable at September 30, 2018, 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, 2026, 4.00% - 5.00%.	\$ 2,440,000
\$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%.	1,810,000
\$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%.	6,755,000
\$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%.	9,570,000
\$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%.	5,695,000
\$985,000 2014 Tax Notes, to purchase and equip two fire trucks, due in annual installments through March 1, 2021, 2.00%.	440,000
\$6,065,000 2015 Tax Notes, to fund TIRZ projects, due in annual installments through March 1, 2023, 1.485%.	4,425,000
\$5,060,000 2017 Tax Notes, for radio upgrades and dispatch console, and pool repairs and upgrades, due in semi-annual installments through March 1, 2024, 1.77%.	<u>4,350,000</u>
Total governmental activities	<u>\$ 59,755,000</u>

Business-type activities

\$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%.	\$ 31,855,000
\$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%.	1,485,000
\$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.	10,130,000
\$4,565,000 Tax and Utility System Certificates of Obligation, Series 2018 for improvements to the Utility System due in semi-annual installments through March 1, 2038, 3.0% - 3.5%.	<u>4,565,000</u>
Total business-type activities	<u>\$ 48,035,000</u>

Annual debt payment requirements for general obligation, certificates of obligation and tax notes as of September 30, 2018, are as follows:

Governmental Activities:

Fiscal Year	General Obligation		Certificates of Obligation		Tax Notes		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2019	\$ 3,870,000	\$ 1,427,300	\$ 700,000	\$ 462,470	\$ 1,700,000	\$ 137,521	\$ 8,297,291
2020	4,015,000	1,308,288	730,000	433,023	1,720,000	109,386	8,315,697
2021	3,385,000	1,194,413	755,000	402,324	1,755,000	80,794	7,572,531
2022	3,150,000	1,080,688	795,000	370,187	1,635,000	53,163	7,084,038
2023	4,555,000	929,663	830,000	336,238	1,650,000	26,670	8,327,571
2024-2028	20,560,000	1,767,850	4,280,000	1,085,796	755,000	6,682	28,455,328
2029-2033	-	-	2,615,000	367,763	-	-	2,982,763
2034	-	-	300,000	6,750	-	-	306,750
	<u>\$ 39,535,000</u>	<u>\$ 7,708,202</u>	<u>\$ 11,005,000</u>	<u>\$ 3,464,551</u>	<u>\$ 9,215,000</u>	<u>\$ 414,216</u>	<u>\$ 71,341,969</u>

Business-type Activities:

Fiscal Year	Revenue Bonds		
	Principal	Interest	Total
2019	\$ 3,565,000	\$ 1,841,223	\$ 5,406,223
2020	3,710,000	1,693,398	5,403,398
2021	3,865,000	1,541,647	5,406,647
2022	4,015,000	1,381,562	5,396,562
2023	3,400,000	1,213,606	4,613,606
2024-2028	14,195,000	3,993,747	18,188,747
2029-2033	9,475,000	2,077,710	11,552,710
2034-2038	<u>5,810,000</u>	<u>381,735</u>	<u>6,191,735</u>
	<u>\$ 48,035,000</u>	<u>\$ 14,124,628</u>	<u>\$ 62,159,628</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, 2018.

	Required	Actual
Reserve fund	\$ <u>3,067,616</u>	\$ <u>3,239,661</u>
Total, September 30, 2018	\$ <u>3,067,616</u>	\$ <u>3,239,661</u>
Bond fund	\$ <u>405,087</u>	\$ <u>942,045</u>
Total, September 30, 2018	\$ <u>405,087</u>	\$ <u>942,045</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, 2018, the City does not have any bonds considered defeased.

F. Notes Payable

Business-type activity notes payable at September 30, 2018, 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.

\$ 37,632

The annual debt payment requirements for the business-type activity notes payable as of September 30, 2018, are as follows:

Fiscal Year	Notes Payable		Totals
	Principal	Interest	
2019	\$ 37,632	\$ 1,430	\$ 39,062

G. Capital Lease Obligation

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2018, were as follows:

	<u>Governmental Activities</u>
2019	\$ 81,476
2020	81,476
2021	81,476
2022	81,476
2023	81,476
2024-2027	<u>325,903</u>
Total minimum lease payments	733,283
Less: amount representing interest	<u>(86,295)</u>
Present value of minimum lease payments	<u>\$ 646,988</u>

	<u>Business-type Activities</u>
2019	\$ 45,731
2020	45,731
2021	45,731
2022	45,731
2023	45,731
2024-2028	<u>182,932</u>
Total minimum lease payments	411,587
Less: amount representing interest	<u>(48,446)</u>
Present value of minimum lease payments	<u>\$ 363,141</u>

H. Long-term Liability Activity

Long-term liability activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds and Certificates of Obligations:					
General obligations	\$ 43,260,000	\$ -	\$ 3,725,000	\$ 39,535,000	\$ 3,870,000
Certificates of obligation	11,680,000	-	675,000	11,005,000	700,000
Issuance premium	1,566,611	-	322,067	1,244,544	-
Totals	<u>56,506,611</u>	<u>-</u>	<u>4,722,067</u>	<u>51,784,544</u>	<u>4,570,000</u>
Tax notes	5,850,000	5,060,000	1,695,000	9,215,000	1,700,000
Capital lease obligation	775,810	-	128,822	646,988	64,783
Compensated absences	<u>3,341,121</u>	<u>1,576,659</u>	<u>1,438,784</u>	<u>3,478,996</u>	<u>529,459</u>
Governmental activities long-term liabilities	<u>\$ 9,966,931</u>	<u>\$ 6,636,659</u>	<u>\$ 7,984,673</u>	<u>\$ 65,125,528</u>	<u>\$ 6,864,242</u>

The General Fund has typically been used to liquidate governmental activities compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 48,115,000	\$ 4,565,000	\$ 4,645,000	\$ 48,035,000	\$ 3,565,000
Issuance premium	4,353,255	9,384	243,052	4,119,587	-
Totals	<u>52,468,255</u>	<u>4,574,384</u>	<u>4,888,052</u>	<u>52,154,587</u>	<u>3,565,000</u>
State infrastructure loans	73,886	-	36,254	37,632	37,632
Capital lease obligation	398,588	-	35,447	363,141	36,362
Compensated absences	<u>1,004,841</u>	<u>501,173</u>	<u>496,370</u>	<u>1,009,644</u>	<u>181,948</u>
Business-type activities long-term liabilities	<u>\$ 53,945,570</u>	<u>\$ 5,075,557</u>	<u>\$ 5,456,123</u>	<u>\$ 53,565,004</u>	<u>\$ 3,820,942</u>

V. OTHER INFORMATION

A. Defined Benefit Pension Plan

Plan Descriptions. The City participates as one of 883 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.

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 payment 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, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries current receiving benefits	209
Inactive employees entitled to but not yet received benefits	167
Active employees	<u>360</u>
	<u><u>736</u></u>

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.36% and 13.35% in calendar years 2017 and 2018, respectively. The City's contributions to TMRS for the year ended September 30, 2018, were \$2,846,847, and were equal to the required contributions.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2017, 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, 2017 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.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. 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 asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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%	3.90%
Real Return	10.0%	3.80%
Real Estate	10.0%	4.50%
Absolute Return	10.0%	3.75%
Private Equity	5.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all 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 12/31/2016	\$ 109,296,317	\$ 94,053,750	\$ 15,242,567
Changes for the year:			
Service cost	3,441,922	-	3,441,922
Interest	7,351,508	-	7,351,508
Difference between expected and actual experience	(181,752)	-	(181,752)
Contributions - employer	-	2,807,485	(2,807,485)
Contributions - employee	-	1,470,907	(1,470,907)
Net investment income	-	13,037,437	(13,037,437)
Benefits payments, including refunds of employee contributions	(4,212,111)	(4,212,111)	-
Administrative expense	-	(67,556)	67,556
Other change	-	(3,424)	3,424
Net changes	<u>6,399,567</u>	<u>13,032,738</u>	<u>(6,633,171)</u>
Balance at 12/31/2017	<u>\$ 115,695,884</u>	<u>\$ 107,086,488</u>	<u>\$ 8,609,396</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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%) or 1-percentage-point 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 (asset)	\$ 25,449,752	\$ 8,609,396	\$(5,719,251)

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.tmr.com*.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2018, the City recognized pension expense of \$2,830,146. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 737,195
Changes in actuarial assumptions	384,250	-
Difference between projected and actual investment earnings	-	2,756,676
Contributions subsequent to the measurement date	<u>2,203,750</u>	<u>-</u>
Totals	<u>\$ 2,588,000</u>	<u>\$ 3,493,871</u>

\$2,203,750 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, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended September 30,	
2019	\$(214,730)
2020	(143,322)
2021	(1,375,992)
2022	(1,375,213)
2023	(364)

B. Postemployment Benefits Other Than Pensions (OPEB) - TMRS Supplemental Death Benefits Fund

Plan Description. The City voluntarily participates in a single-employer other postemployment benefit (OPEB) plan administered by TMRS. The Plan is a group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). The Plan is established and administered in accordance with the TMRS Act identically to the City’s pension plan. SDBF includes coverage for both active and retired members, and assets are commingled for the payment of such benefits. Therefore, the Plan does not qualify as an OPEB Trust in accordance with paragraph 4 of GASB Statement No. 75.

Benefits Provided. The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and 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.

Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. 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). The death benefit for retirees is considered an other employment benefit and is a fixed amount of \$7,500.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	157
Inactive employees entitled to but not yet receiving benefits	45
Active employees	<u>360</u>
Total	<u><u>562</u></u>

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.17% for 2018 and 0.18% for 2017, of which 0.03% and 0.04%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. 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 prefund retiree term life insurance during employees’ entire careers. The City’s contributions to the SDBF for the years ended September 30, 2018 and 2017 were \$8,047 and \$6,350, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Total OPEB Liability

The City’s total OPEB liability of \$1,040,089 was measured as of December 31, 2017 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The Total OPEB Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

Inflation rate	2.5% per annum
Actuarial cost method	Entry age normal
Discount rate	3.31%
Projected salary increases	3.5% to 10.5% including inflation

Administrative expenses for the SDBF are paid through the TMRS Pension Trust Fund and are wholly accounted for under the provisions of GASB Statement No. 68.

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 male 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 became disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 3.31% was used to measure the total OPEB liability. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2017.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.31%) in measuring the total OPEB liability.

	<u>1% Decrease in Discount Rate (2.31%)</u>	<u>Discount Rate (3.31%)</u>	<u>1% Increase in Discount Rate (4.31%)</u>
Total OPEB Liability	\$ 1,254,929	\$ 1,040,089	\$ 873,195

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 12/31/2016	\$ 896,949
Changes for the year:	
Service cost	31,519
Interest	34,381
Changes of assumptions and other inputs	83,544
Benefit payments	<u>(6,304)</u>
Net changes	<u>143,140</u>
Balance at 12/31/2017	<u>\$ 1,040,089</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.78% to 3.3%.

OPEB Expense and Deferred Outflows of Resources Related to OPEB. For the year ended September 30, 2018, the City recognized OPEB expense of \$79,015. There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

At September 30, 2018, the City reported deferred outflows of resources related to other post-employment benefits from the following sources:

	<u>Deferred Outflows of Resources</u>
Changes in actuarial assumptions	\$ 70,428
Contributions subsequent to the measurement date	<u>6,603</u>
Totals	<u>\$ 77,031</u>

\$6,603 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2019. Other amounts of the reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>For the Year Ended September 30,</u>	
2019	\$ 13,115
2020	13,115
2021	13,115
2022	13,115
2023	13,115
Thereafter	4,853

C. Postemployment Benefits Other Than Pensions (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 it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits and Contributions. 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.

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. Retirees who decide to opt-out of the health care plan are not eligible to opt back.

Retirees are responsible for payment of premiums for any dependent coverage, and the City pays the retirees premiums. The City's contributions to the OPEB for the year ended September 30, 2018, were \$444,333, which equal benefit payments for retirees.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	47
Active members	<u>361</u>
Total	<u><u>408</u></u>

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial Valuation Date	December 31, 2016
Actuarial Cost Method	Individual Entry Age
Inflation Rate	2.50%
Salary Increases	3.50% to 10.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used 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.
Health care cost trend rates	For Pre-65, initial rate of 7.00% declining to an ultimate rate of 4.75% after 12 years; Ultimate trend rate includes a .50% adjustment for the excise tax. For post-65, initial rate of 6.00% declining to an ultimate rate of 4.25% after 14 years.
Participation rates	It was assumed that 90% of retirees who are eligible for the City subsidy and 3% of those who are not eligible for the City subsidy would choose to receive health care benefits through the City.
Discount rate	The discount rate changed from 3.81% as of December 31, 2016 to 3.31% as of December 31, 2017.

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 its 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.

A Single Discount Rate of 3.31% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2017.

Changes in the Total OPEB Liability

The City's total OPEB liability of \$19,282,439 was measured as of December 31, 2017 and was determined by an actuarial valuation as of December 31, 2016.

	<u>Total OPEB Liability</u>
Balance at 12/31/2016	\$ 17,024,884
Changes for the year:	
Service cost	482,988
Interest on the total liability	650,767
Difference between expected and actual experience	43,502
Changes in assumptions and other inputs	1,452,073
Benefit payments	(371,775)
Net changes	<u>2,257,555</u>
Balance at 12/31/2017	<u>\$ 19,282,439</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.78% to 3.3%.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.31%) in measuring the total OPEB liability.

	<u>1% Decrease in Discount Rate (2.31%)</u>	<u>Discount Rate (3.31%)</u>	<u>1% Increase in Discount Rate (4.31%)</u>
City's total OPEB liability	\$ 22,707,997	\$ 19,282,439	\$ 16,524,598

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
City's total OPEB liability	\$ 15,954,134	\$ 19,282,439	\$ 23,607,480

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2018, the City recognized OPEB expense of \$1,292,772. At September 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 38,877
Changes in actuarial assumptions	1,297,681
Contributions subsequent to the measurement date	<u>348,382</u>
Total	<u>\$ 1,684,940</u>

\$348,382 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2019. Other amounts of the reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>For the Year Ended September 30,</u>	
2019	\$ 159,017
2020	159,017
2021	159,017
2022	159,017
2023	159,017
Thereafter	541,473

D. 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.

E. 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. TMLIRD is a self-sustaining risk pool 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.

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	93,541,224	93,541,224	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

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.

The City has a self-insured employee and retiree health plans, effective January 1, 2018. TML Multistate Intergovernmental Employee Benefits Pool (IEBP) is the third-party administrator for the employee and pre-65 retiree health plans. Claims and other plan administration services are performed by TML Multistate IEBP. All participating funds make payments to an Internal Service Fund for their portion of health plan cost.

Financial responsibility in a self-insured funding arrangement is on the City, the risk of losses exceeding an affordable threshold is transferred to an insurance company through the purchase of stop-loss insurance with Companion Life Insurance Company. Stop-loss insurance protects the City from plan claims costs exceeding a specified deductible during the plan year.

Specific and Aggregate Excess Loss Insurance

The City has specific excess loss insurance to cover specific claims incurred by plan participants. The City has a \$125,000 specific deductible for each medical plan member.

The City also has coverage for aggregate claims incurred under the self-insured health plan. Under this coverage, aggregate claims in excess of an estimate annual aggregate attachment point of \$3,544,807 would be covered up to an aggregate benefit period reimbursement maximum of \$1,000,000.

The City establishes the insurance claim liability based on estimates of the ultimate cost of claims reported but unsettled and of claims incurred but not reported. Activity is as follows:

	<u>2018</u>
Claims payable, beginning of year	\$ -
Current year claims and changes in estimates	1,957,115
Payments on claims	<u>(1,717,417)</u>
Claims payable at end of year	<u>\$ 239,698</u>

F. 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.

G. Commitments

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. As of September 30, 2018, work was completed, and the total was \$3,941,874.

On September 22, 2017, the City Council approved a contract with Curtis C. Gunn, Ltd. in the amount of \$655,210 for the construction of Kaitlyn Drive. This project is being funded with TIRZ monies. As of September 30, 2018, work was completed, and the total was \$378,962.

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. As of September 30, 2018, work was completed, and the total was \$17,960.

On January 25, 2018, City Council approved a contract with Blackrock Construction in the amount of \$1,179,579 for the construction of 16” and 12” water line along Ric Williamson Highway from Interstate Highway 20 to Garner Road project. This project is being funded with monies from utility rate revenues. As of September 30, 2018, work was completed, and the total was \$970,339.

On April 10, 2018, City Council approved a contract with Joe R. Jones Construction in the amount of \$313,000 for renovation of Old City Hall. On September 11, 2018, an amendment was approved by City Council in the amount of \$35,138 making the total approved contract amount to \$348,138 This project is funded with General Fund Budget in the amount of \$121,000 and additional funds will be funded from the Capital Project Fund. As of September 30, 2018, work was completed, and the total was \$238,909.

On April 26, 2018, the Municipal Utility Board approved a contract with Reytech Services, LLC in the amount of \$268,653 for the construction of 2,560 linear feet of 8-inch wastewater pipeline. This project is funded with utility rate revenues. As of September 30, 2018, work was completed, and the total was \$266,370.

On June 28, 2018, the Municipal Utility Board approved a contract with Reytech Services, LLC in the amount of \$186,624 for the construction of 2,080 linear feet of 6” and 8” water line at the 100-200 block West Oak Street and the 200-300 block of East Oak Street. This project is funded with utility rate revenues. As of September 30, 2018, work was completed, and the total was \$118,876.

On September 25, 2018 the City Council approved a contract with Reytech Services, LLC in the amount of \$1,587,703 for the construction and stabilization of Black Warrior Creek in the Heritage Park area. This project is funded with storm water fund. This project will begin in November 2018.

In October 2017, the City entered into an agreement with Motorola to purchase and finance equipment for \$3,113,117. The equipment will be transferred to the City in fiscal year 2019.

H. 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 2018, the City rebated sales taxes of \$218,209.

I. 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, 2018, the City held CRRs with a cost of \$460,580, and are reported as prepaid items within the Utility System Fund.

The City has entered into wholesale power supply agreements with Garland Power and Light (GP&L), Bryan Texas Utilities and EDF Trading North America, LLC, through 2021, 2020, and 2019, respectively. Under the terms of the agreements, the City purchases its full power requirements for its retail customer base. 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.

J. New Accounting Principles

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

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.

K. Prior Period Adjustment – Change in Accounting Principles

During fiscal year 2018, the City adopted GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*. With GASB 75, the City must assume its total OPEB liability in connection with the TMRS SDBF and Retiree Health Insurance Plan. Adoption of GASB 75 required a prior period adjustment to report the effect of the standard retroactively. As such, beginning net position was restated by \$8,700,337 and \$3,061,384 in the governmental and business-type activities, respectively.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF WEATHERFORD, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 21,170,643	\$ 21,583,643	\$ 22,414,121	\$ 830,478
Licenses and permits	832,728	832,728	909,230	76,502
Intergovernmental	973,897	1,211,203	1,217,287	6,084
Charges for services	3,716,863	3,793,681	3,767,349	(26,332)
Fines and forfeitures	550,000	550,000	451,181	(98,819)
Contributions	9,565	17,295	19,017	1,722
Investment earnings	13,392	13,392	220,724	207,332
Miscellaneous	75,638	63,638	187,455	123,817
Total revenues	<u>27,342,726</u>	<u>28,065,580</u>	<u>29,186,364</u>	<u>1,120,784</u>
EXPENDITURES				
Current:				
General government				
City council	62,650	52,650	60,876	(8,226)
Administration	845,220	892,147	860,637	31,510
Marketing and communications	215,619	225,619	200,367	25,252
Economic development	208,666	208,666	145,921	62,745
Human resources	318,150	349,150	324,642	24,508
Finance	894,097	822,453	799,520	22,933
Facilities maintenance	858,146	1,404,781	1,213,913	190,868
City attorney	137,190	259,664	244,765	14,899
Municipal court	324,756	301,246	303,845	(2,599)
Information technology	2,909,180	2,933,182	2,616,994	316,188
Planning and development	1,234,687	1,099,127	931,869	167,258
Non-departmental	1,407,799	1,097,799	801,198	296,601
Total general government	<u>9,416,160</u>	<u>9,646,484</u>	<u>8,504,547</u>	<u>1,141,937</u>
Public safety				
Police services	7,914,748	8,080,445	8,196,239	(115,794)
Fire	6,054,429	6,408,267	6,466,211	(57,944)
Emergency management	236,248	472,089	393,636	78,453
Total public safety	<u>14,205,425</u>	<u>14,960,801</u>	<u>15,056,086</u>	<u>(95,285)</u>
Public works				
Transportation and public works	581,464	725,249	645,750	79,499
Field operations/inspections	89,731	438,041	302,052	135,989
Traffic control	232,935	277,930	262,067	15,863
Street maintenance	2,836,932	3,193,856	3,219,526	(25,670)
Vehicle/equipment maintenance	173,147	151,109	153,058	(1,949)
Storm water drainage	-	-	662	(662)
Total public works	<u>3,914,209</u>	<u>4,786,185</u>	<u>4,583,115</u>	<u>203,070</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, 2018

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Health and welfare				
Environmental health	\$ 150,419	\$ 120,419	\$ 87,573	\$ 32,846
Animal shelter	1,288,273	1,345,773	1,248,217	97,556
Code enforcement	172,853	246,464	227,350	19,114
Community grants	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total health and welfare	<u>1,631,545</u>	<u>1,732,656</u>	<u>1,583,140</u>	<u>149,516</u>
Cultural and recreation				
Parks	1,476,207	1,631,331	1,562,111	69,220
Recreation	794,182	766,567	760,261	6,306
Municipal and community services	-	-	11,413	(11,413)
Library	<u>1,078,096</u>	<u>1,110,156</u>	<u>1,098,454</u>	<u>11,702</u>
Total cultural and recreation	<u>3,348,485</u>	<u>3,508,054</u>	<u>3,432,239</u>	<u>75,815</u>
Total expenditures	<u>32,515,824</u>	<u>34,634,180</u>	<u>33,159,127</u>	<u>1,475,053</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,173,098)</u>	<u>(6,568,600)</u>	<u>(3,972,763)</u>	<u>2,595,837</u>
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	95,000	95,000	-	(95,000)
Sale of general capital assets	24,700	32,200	69,949	37,749
Insurance recoveries	13,250	28,230	38,599	10,369
Transfers in	5,172,568	5,172,568	5,669,667	497,099
Transfers out	<u>(878,597)</u>	<u>(1,873,597)</u>	<u>(1,280,406)</u>	<u>593,191</u>
Total other financing sources and uses	<u>4,426,921</u>	<u>3,454,401</u>	<u>4,497,809</u>	<u>1,043,408</u>
NET CHANGE IN FUND BALANCE	<u>(746,177)</u>	<u>(3,114,199)</u>	<u>525,046</u>	<u>3,639,245</u>
FUND BALANCE, BEGINNING	<u>14,906,203</u>	<u>14,906,203</u>	<u>14,906,203</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 14,160,026</u>	<u>\$ 11,792,004</u>	<u>\$ 15,431,249</u>	<u>\$ 3,639,245</u>

CITY OF WEATHERFORD, TEXAS

NOTES TO BUDGETARY SCHEDULES

SEPTEMBER 30, 2018

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, 2018, the City incurred expenditures in excess of appropriations within the following funds:

General fund:	
General government - City council	\$ 8,226
General government - Municipal court	2,599
Public safety - Police services	115,794
Public safety - Fire	57,944
Public works - Street maintenance	25,670
Public works - Vehicle/equipment maintenance	1,949
Public works - Storm water drainage	662
Cultural and recreation - Municipal and community services	3,492
Special revenue fund:	
Animal shelter fund - Health and welfare	39,065
Debt service fund	732,460

CITY OF WEATHERFORD, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

Measurement Date December 31,	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
A. Total pension liability				
Service cost	\$ 2,866,608	\$ 3,136,322	\$ 3,369,525	\$ 3,441,922
Interest (on the Total Pension Liability)	6,404,452	6,708,124	6,932,314	7,351,508
Difference between expected and actual experience	(1,735,526)	(424,862)	(43,096)	(181,752)
Change of assumptions	-	938,459	-	-
Benefit payments, including refunds of employee contributions	(3,413,647)	(3,250,818)	(3,957,236)	(4,212,111)
Net change in total pension liability	<u>4,121,887</u>	<u>7,107,225</u>	<u>6,301,507</u>	<u>6,399,567</u>
Total pension liability - beginning	<u>91,765,698</u>	<u>95,887,585</u>	<u>102,994,810</u>	<u>109,296,317</u>
Total pension liability - ending (a)	<u>\$ 95,887,585</u>	<u>\$ 102,994,810</u>	<u>\$ 109,296,317</u>	<u>\$ 115,695,884</u>
B. Plan fiduciary net position				
Contributions - employer	\$ 2,903,602	\$ 2,681,302	\$ 2,636,933	\$ 2,807,485
Contributions - employee	1,304,964	1,379,411	1,436,460	1,470,907
Net investment income	4,678,525	128,674	5,952,083	13,037,437
Benefit payments, including refunds of employee contributions	(3,413,647)	(3,250,818)	(3,957,236)	(4,212,111)
Administrative expenses	(48,843)	(78,372)	(67,209)	(67,556)
Other	(4,016)	(3,871)	(3,621)	(3,424)
Net change in plan fiduciary net position	<u>5,420,585</u>	<u>856,326</u>	<u>5,997,410</u>	<u>13,032,738</u>
Plan fiduciary net position - beginning	<u>81,779,429</u>	<u>87,200,014</u>	<u>88,056,340</u>	<u>94,053,750</u>
Plan fiduciary net position - ending (b)	<u>\$ 87,200,014</u>	<u>\$ 88,056,340</u>	<u>\$ 94,053,750</u>	<u>\$ 107,086,488</u>
C. Net pension liability - ending (a) - (b)	\$ 8,687,571	\$ 14,938,470	\$ 15,242,567	\$ 8,609,396
D. Plan fiduciary net position as a percentage of total pension liability	90.94%	85.50%	86.05%	92.56%
E. Covered payroll	\$ 18,642,345	\$ 19,638,837	\$ 20,520,859	\$ 21,012,952
F. Net position liability as a percentage of covered payroll	46.60%	76.07%	74.28%	40.97%

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 PENSION CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Fiscal Year Ended September 30,	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarial determined contribution	\$ 2,934,671	\$ 2,726,094	\$ 2,747,999	\$ 2,805,505	\$ 2,846,847
Contributions in relation to the actuarially determined contribution	<u>(2,934,671)</u>	<u>(2,726,094)</u>	<u>(2,747,999)</u>	<u>(2,805,505)</u>	<u>(2,846,847)</u>
Contribution deficiency (excess)	-	-	-	-	-
Covered payroll	18,418,209	19,339,291	21,053,077	21,165,660	21,321,091
Contributions as a percentage of covered payroll	15.93%	14.10%	13.05%	13.25%	13.35%

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	28 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

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS**

TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFIT PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2018

Measurement Date December 31,	<u>2017</u>
A. Total OPEB liability	
Service Cost	\$ 31,519
Interest on the total OPEB liability	34,381
Changes of assumptions and other inputs	83,544
Benefit payments	<u>(6,304)</u>
Net change in Total OPEB liability	<u>143,140</u>
Total OPEB liability - beginning	<u>896,949</u>
Total OPEB liability - ending	<u><u>\$ 1,040,089</u></u>
B. Covered-employee payroll	\$ 21,012,952
C. Total OPEB liability as a percentage of covered-employee payroll	4.95%

Notes to Schedule:

- No assets are accumulated in a trust for the SDB plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.
- Included in the changes of assumptions was a reduction to the discount rate from 3.81% to 3.31%.

CITY OF WEATHERFORD, TEXAS

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
RETIREE HEALTH CARE BENEFIT PLAN**

FOR THE YEAR ENDED SEPTEMBER 30, 2018

Measurement Date December 31,	<u>2017</u>
A. Total OPEB liability	
Service Cost	\$ 482,988
Interest on the total OPEB liability	650,767
Difference between expected and actual experience	43,502
Changes of assumptions and other inputs	1,452,073
Benefit payments	<u>(371,775)</u>
Net change in total OPEB liability	<u>2,257,555</u>
Total OPEB liability - beginning	<u>17,024,884</u>
Total OPEB liability - ending	<u>\$ 19,282,439</u>
B. Covered-employee payroll	\$ 18,416,233
C. Total OPEB liability as a percentage of covered-employee payroll	104.70%

Notes to Schedule:

- No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.
- Included in the changes of assumptions was a reduction to the discount rate from 3.81% to 3.31%.

**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, 2018

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
ASSETS				
Cash and investments	\$ 36,770	\$ 266,468	\$ -	\$ 364,903
Accounts receivable	-	-	-	39,405
Prepays	3,178	-	-	100
Due from other governments	-	-	-	-
Total assets	39,948	266,468	-	404,408
LIABILITIES				
Accounts payable	-	7,888	-	17,932
Accrued liabilities	-	-	-	8,009
Deposits and escrows	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	7,888	-	25,941
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable:				
Doss library	-	-	-	-
Restricted:				
Public safety	39,948	258,580	-	-
Community development	-	-	-	378,467
Capital projects	-	-	-	-
Park development	-	-	-	-
Culture and recreation	-	-	-	-
Total fund balances	39,948	258,580	-	378,467
Total liabilities, deferred inflows and fund balances	\$ 39,948	\$ 266,468	\$ -	\$ 404,408

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ 209,344	\$ -	\$ 63,654	\$ 17,673	\$ 29,125	\$ 197,821
-	3,728	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>209,344</u>	<u>3,728</u>	<u>63,654</u>	<u>17,673</u>	<u>29,125</u>	<u>197,821</u>
13,509	-	-	-	-	-
5,842	-	-	-	-	-
11,250	-	-	-	-	-
-	1,864	-	-	-	-
<u>30,601</u>	<u>1,864</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	63,654	-	29,125	-
-	1,864	-	17,673	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>178,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,821</u>
<u>178,743</u>	<u>1,864</u>	<u>63,654</u>	<u>17,673</u>	<u>29,125</u>	<u>197,821</u>
<u>\$ 209,344</u>	<u>\$ 3,728</u>	<u>\$ 63,654</u>	<u>\$ 17,673</u>	<u>\$ 29,125</u>	<u>\$ 197,821</u>

CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2018

	Special Revenue Funds		
	Animal Shelter	Juvenile Case Manager	Heritage Park
ASSETS			
Cash and investments	\$ 725,686	\$ 36,963	\$ 76,802
Accounts receivable	-	-	-
Prepays	-	-	300
Due from other governments	-	-	-
Total assets	725,686	36,963	77,102
LIABILITIES			
Accounts payable	25,520	-	1,857
Accrued liabilities	-	-	2,614
Deposits and escrows	-	-	-
Unearned revenue	-	-	-
Total liabilities	25,520	-	4,471
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - grants	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Nonspendable:			
Doss library	-	-	-
Restricted:			
Public safety	-	36,963	-
Community development	-	-	-
Capital projects	-	-	-
Park development	-	-	-
Culture and recreation	700,166	-	72,631
Total fund balances	700,166	36,963	72,631
Total liabilities, deferred inflows and fund balances	\$ 725,686	\$ 36,963	\$ 77,102

<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>		
7,371,624	\$ 315,339	\$ 50,783	\$ 9,762,955	
3,115	-	-	46,248	
-	-	-	3,578	
<u>254,309</u>	<u>-</u>	<u>-</u>	<u>254,309</u>	
<u>7,629,048</u>	<u>315,339</u>	<u>50,783</u>	<u>10,067,090</u>	
148,347	7,800	-	222,853	
122	-	-	16,587	
-	-	-	11,250	
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,864</u>	
<u>148,469</u>	<u>7,800</u>	<u>-</u>	<u>252,554</u>	
<u>254,309</u>	<u>-</u>	<u>-</u>	<u>254,309</u>	
<u>254,309</u>	<u>-</u>	<u>-</u>	<u>254,309</u>	
-	-	50,000	50,000	
-	-	-	428,270	
-	-	783	398,787	
7,226,270	-	-	7,226,270	
-	307,539	-	307,539	
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,149,361</u>	
<u>7,226,270</u>	<u>307,539</u>	<u>50,783</u>	<u>9,560,227</u>	
<u>\$ 7,629,048</u>	<u>\$ 315,339</u>	<u>\$ 50,783</u>	<u>\$ 10,067,090</u>	

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Special Revenue Funds			
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 784,399
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	12,438	36,979	-	-
Contributions	-	-	-	-
Royalties and rental	-	-	-	-
Investment earnings	493	3,827	7	2,965
Miscellaneous	-	-	-	437
Total revenues	<u>12,931</u>	<u>40,806</u>	<u>7</u>	<u>787,801</u>
EXPENDITURES				
Current:				
General government	-	-	-	71,733
Public safety	71,260	37,960	-	-
Health and welfare	-	-	-	-
Cultural and recreational	-	-	-	232,108
Capital outlay	14,695	5,753	-	-
Debt service:				
Interest and other	-	-	-	-
Total expenditures	<u>85,955</u>	<u>43,713</u>	<u>-</u>	<u>303,841</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>(73,024)</u>	<u>(2,907)</u>	<u>7</u>	<u>483,960</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	-	-
Insurance recoveries	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(2,409)	(402,348)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,409)</u>	<u>(402,348)</u>
NET CHANGE IN FUND BALANCES	<u>(73,024)</u>	<u>(2,907)</u>	<u>(2,402)</u>	<u>81,612</u>
FUND BALANCES, BEGINNING	<u>112,972</u>	<u>261,487</u>	<u>2,402</u>	<u>296,855</u>
FUND BALANCES, ENDING	<u>\$ 39,948</u>	<u>\$ 258,580</u>	<u>\$ -</u>	<u>\$ 378,467</u>

Special Revenue Funds

Chandor Gardens	SFX Grant	Court Technology	Main Street Project	Court Security	Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	248
78,199	-	-	-	-	11,314
-	-	8,985	-	6,739	-
5,270	-	-	-	-	34,511
-	22,368	-	-	-	-
1,172	-	480	134	202	2,139
1,533	-	-	-	-	20,533
<u>86,174</u>	<u>22,368</u>	<u>9,465</u>	<u>134</u>	<u>6,941</u>	<u>68,745</u>
-	22,368	7,697	-	578	-
-	-	-	-	-	-
-	-	-	-	-	-
429,574	-	-	-	-	21,907
53,140	-	-	-	-	-
-	-	-	-	-	-
<u>482,714</u>	<u>22,368</u>	<u>7,697</u>	<u>-</u>	<u>578</u>	<u>21,907</u>
(396,540)	-	1,768	134	6,363	46,838
-	-	-	-	-	-
5,874	-	-	-	-	-
430,791	-	-	-	-	373
-	-	-	-	-	-
<u>436,665</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373</u>
40,125	-	1,768	134	6,363	47,211
<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>\$ 178,743</u>	<u>\$ 1,864</u>	<u>\$ 63,654</u>	<u>\$ 17,673</u>	<u>\$ 29,125</u>	<u>\$ 197,821</u>

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

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Special Revenue Funds		
	Animal Shelter	Juvenile Case Manager	Heritage Park
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	165,213
Fines and forfeitures	-	12,837	-
Contributions	636,574	-	-
Royalties and rental	-	-	-
Investment earnings	10,537	243	390
Miscellaneous	2,355	-	40,917
Total revenues	<u>649,466</u>	<u>13,080</u>	<u>206,520</u>
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Health and welfare	22,557	-	-
Cultural and recreational	-	-	283,750
Capital outlay	85,349	-	-
Debt service:			
Interest and other	-	-	-
Total expenditures	<u>107,906</u>	<u>-</u>	<u>283,750</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>541,560</u>	<u>13,080</u>	<u>(77,230)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of long-term debt	-	-	-
Insurance recoveries	-	-	-
Transfers in	50,000	-	89,963
Transfers out	-	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>-</u>	<u>89,963</u>
NET CHANGE IN FUND BALANCES	591,560	13,080	12,733
FUND BALANCES, BEGINNING	<u>108,606</u>	<u>23,883</u>	<u>59,898</u>
FUND BALANCES, ENDING	<u>\$ 700,166</u>	<u>\$ 36,963</u>	<u>\$ 72,631</u>

Capital Projects Fund		Permanent	Total Nonmajor Governmental Funds
General Capital Projects	Park Development	Doss Library	
\$ -	\$ -	\$ -	\$ 784,399
575,712	-	-	575,960
-	-	-	254,726
-	-	-	77,978
-	-	-	676,355
83	-	-	22,451
96,765	3,552	795	123,701
<u>-</u>	<u>262,300</u>	<u>-</u>	<u>328,075</u>
<u>672,560</u>	<u>265,852</u>	<u>795</u>	<u>2,843,645</u>
3,231	-	-	105,607
-	-	-	109,220
-	-	-	22,557
-	9,344	-	976,683
1,456,358	164,804	-	1,780,099
<u>60,000</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
<u>1,519,589</u>	<u>174,148</u>	<u>-</u>	<u>3,054,166</u>
<u>(847,029)</u>	<u>91,704</u>	<u>795</u>	<u>(210,521)</u>
5,060,000	-	-	5,060,000
-	-	-	5,874
1,460,000	2,409	-	2,033,536
<u>-</u>	<u>-</u>	<u>(373)</u>	<u>(405,130)</u>
<u>6,520,000</u>	<u>2,409</u>	<u>(373)</u>	<u>6,694,280</u>
5,672,971	94,113	422	6,483,759
<u>1,553,299</u>	<u>213,426</u>	<u>50,361</u>	<u>3,076,468</u>
<u>\$ 7,226,270</u>	<u>\$ 307,539</u>	<u>\$ 50,783</u>	<u>\$ 9,560,227</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 12,438	\$ 2,438
Investment earnings	-	-	493	493
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>12,931</u>	<u>2,931</u>
EXPENDITURES				
Current:				
Public safety	120,258	120,258	71,260	48,998
Capital outlay	-	-	14,695	(14,695)
Total expenditures	<u>120,258</u>	<u>120,258</u>	<u>85,955</u>	<u>34,303</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(110,258)</u>	<u>(110,258)</u>	<u>(73,024)</u>	<u>37,234</u>
FUND BALANCE, BEGINNING	<u>112,972</u>	<u>112,972</u>	<u>112,972</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 2,714</u>	<u>\$ 2,714</u>	<u>\$ 39,948</u>	<u>\$ 37,234</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 40,000	\$ 40,000	\$ 36,979	\$(3,021)
Investment earnings	<u>800</u>	<u>800</u>	<u>3,827</u>	<u>3,027</u>
Total revenues	<u>40,800</u>	<u>40,800</u>	<u>40,806</u>	<u>6</u>
EXPENDITURES				
Current:				
Public safety	-	-	37,960	(37,960)
Capital outlay	<u>245,027</u>	<u>245,027</u>	<u>5,753</u>	<u>239,274</u>
Total expenditures	<u>245,027</u>	<u>245,027</u>	<u>43,713</u>	<u>201,314</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(204,227)</u>	<u>(204,227)</u>	<u>(2,907)</u>	<u>201,320</u>
FUND BALANCE, BEGINNING	<u>261,487</u>	<u>261,487</u>	<u>261,487</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 57,260</u>	<u>\$ 57,260</u>	<u>\$ 258,580</u>	<u>\$ 201,320</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
Community development	\$ 2,402	\$ 2,402	\$ -	\$ 2,402
Total expenditures	<u>2,402</u>	<u>2,402</u>	<u>-</u>	<u>2,402</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,402)</u>	<u>(2,402)</u>	<u>7</u>	<u>2,409</u>
OTHER FINANCING USES				
Transfers out	<u>-</u>	<u>-</u>	<u>(2,409)</u>	<u>(2,409)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(2,409)</u>	<u>(2,409)</u>
NET CHANGE IN FUND BALANCE	<u>(2,402)</u>	<u>(2,402)</u>	<u>(2,402)</u>	<u>-</u>
FUND BALANCE, BEGINNING	<u>2,402</u>	<u>2,402</u>	<u>2,402</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 680,000	\$ 728,200	\$ 784,399	\$ 56,199
Investment earnings	1,000	1,000	2,965	1,965
Miscellaneous	<u>6,500</u>	<u>6,500</u>	<u>437</u>	<u>(6,063)</u>
Total revenues	<u>687,500</u>	<u>735,700</u>	<u>787,801</u>	<u>52,101</u>
EXPENDITURES				
Current:				
General government	72,523	77,723	71,733	5,990
Cultural and recreational:				
Tourism program	96,000	96,000	88,376	7,624
Doss Historic and Cultural Center	25,000	25,000	20,000	5,000
Other	<u>134,930</u>	<u>147,930</u>	<u>123,732</u>	<u>24,198</u>
Total expenditures	<u>328,453</u>	<u>346,653</u>	<u>303,841</u>	<u>42,812</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>359,047</u>	<u>389,047</u>	<u>483,960</u>	<u>94,913</u>
OTHER FINANCING USES				
Transfers out	(372,348)	(402,348)	(402,348)	-
Total other financing uses	<u>(372,348)</u>	<u>(402,348)</u>	<u>(402,348)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(13,301)</u>	<u>(13,301)</u>	<u>81,612</u>	<u>94,913</u>
FUND BALANCE, BEGINNING	<u>296,855</u>	<u>296,855</u>	<u>296,855</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 283,554</u>	<u>\$ 283,554</u>	<u>\$ 378,467</u>	<u>\$ 94,913</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 58,600	\$ 58,600	\$ 78,199	\$ 19,599
Contributions	-	5,270	5,270	-
Investment earnings	50	50	1,172	1,122
Miscellaneous	-	-	1,533	1,533
Total revenues	<u>58,650</u>	<u>63,920</u>	<u>86,174</u>	<u>22,254</u>
EXPENDITURES				
Current:				
Cultural and recreational	451,135	440,134	429,574	10,560
Capital outlay	<u>5,000</u>	<u>46,000</u>	<u>53,140</u>	<u>(7,140)</u>
Total expenditures	<u>456,135</u>	<u>486,134</u>	<u>482,714</u>	<u>3,420</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(397,485)</u>	<u>(422,214)</u>	<u>(396,540)</u>	<u>25,674</u>
OTHER FINANCING SOURCES				
Insurance recoveries	-	5,874	5,874	-
Transfers in	<u>400,791</u>	<u>430,791</u>	<u>430,791</u>	<u>-</u>
Total other financing sources	<u>400,791</u>	<u>436,665</u>	<u>436,665</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>3,306</u>	<u>14,451</u>	<u>40,125</u>	<u>25,674</u>
FUND BALANCE, BEGINNING	<u>138,618</u>	<u>138,618</u>	<u>138,618</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 141,924</u>	<u>\$ 153,069</u>	<u>\$ 178,743</u>	<u>\$ 25,674</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, 2018

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

CITY OF WEATHERFORD, TEXAS

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

COURT TECHNOLOGY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 13,000	\$ -	\$ 8,985	\$ 8,985
Investment earnings	<u>20</u>	<u>10,000</u>	<u>480</u>	<u>(9,520)</u>
Total revenues	<u>13,020</u>	<u>10,000</u>	<u>9,465</u>	<u>(535)</u>
EXPENDITURES				
Current:				
General government	<u>60,977</u>	<u>60,977</u>	<u>7,697</u>	<u>53,280</u>
Total expenditures	<u>60,977</u>	<u>60,977</u>	<u>7,697</u>	<u>53,280</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(47,957)</u>	<u>(50,977)</u>	<u>1,768</u>	<u>52,745</u>
FUND BALANCE, BEGINNING	<u>61,886</u>	<u>61,886</u>	<u>61,886</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 13,929</u>	<u>\$ 10,909</u>	<u>\$ 63,654</u>	<u>\$ 52,745</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 6,739	\$(3,261)
Investment earnings	<u>30</u>	<u>-</u>	<u>202</u>	<u>202</u>
Total revenues	<u>10,030</u>	<u>10,000</u>	<u>6,941</u>	<u>(3,059)</u>
EXPENDITURES				
Current:				
General government	<u>23,827</u>	<u>23,827</u>	<u>578</u>	<u>23,249</u>
Total expenditures	<u>23,827</u>	<u>23,827</u>	<u>578</u>	<u>23,249</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,797)</u>	<u>(13,827)</u>	<u>6,363</u>	<u>20,190</u>
FUND BALANCE, BEGINNING	<u>22,762</u>	<u>22,762</u>	<u>22,762</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ 8,965</u></u>	<u><u>\$ 8,935</u></u>	<u><u>\$ 29,125</u></u>	<u><u>\$ 20,190</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 10,500	\$ 10,500	\$ 11,314	\$ 814
Intergovernmental	-	-	248	248
Contributions	10,000	10,000	34,511	24,511
Investment earnings	100	100	2,139	2,039
Miscellaneous	-	-	20,533	20,533
Total revenues	<u>20,600</u>	<u>20,600</u>	<u>68,745</u>	<u>48,145</u>
EXPENDITURES				
Current:				
Cultural and recreational	<u>126,093</u>	<u>126,093</u>	<u>21,907</u>	<u>104,186</u>
Total expenditures	<u>126,093</u>	<u>126,093</u>	<u>21,907</u>	<u>104,186</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(105,493)</u>	<u>(105,493)</u>	<u>46,838</u>	<u>152,331</u>
OTHER FINANCING SOURCES				
Transfers in	<u>100</u>	<u>373</u>	<u>373</u>	<u>-</u>
Total other financing sources	<u>100</u>	<u>373</u>	<u>373</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(105,393)</u>	<u>(105,120)</u>	<u>47,211</u>	<u>152,331</u>
FUND BALANCE, BEGINNING	<u>150,610</u>	<u>150,610</u>	<u>150,610</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 45,217</u>	<u>\$ 45,490</u>	<u>\$ 197,821</u>	<u>\$ 152,331</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Contributions	\$ 30,000	\$ 30,000	\$ 636,574	\$ 606,574
Investment earnings	-	-	10,537	10,537
Miscellaneous	<u>25,000</u>	<u>70,000</u>	<u>2,355</u>	<u>(67,645)</u>
Total revenues	<u>55,000</u>	<u>100,000</u>	<u>649,466</u>	<u>549,466</u>
EXPENDITURES				
Current:				
Health and welfare	-	-	22,557	(22,557)
Capital outlay	<u>152,257</u>	<u>152,257</u>	<u>85,349</u>	<u>66,908</u>
Total expenditures	<u>152,257</u>	<u>152,257</u>	<u>107,906</u>	<u>44,351</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(97,257)</u>	<u>(52,257)</u>	<u>541,560</u>	<u>593,817</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCE	<u>(97,257)</u>	<u>(52,257)</u>	<u>591,560</u>	<u>643,817</u>
FUND BALANCE, BEGINNING	<u>108,606</u>	<u>108,606</u>	<u>108,606</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 11,349</u>	<u>\$ 56,349</u>	<u>\$ 700,166</u>	<u>\$ 643,817</u>

CITY OF WEATHERFORD, TEXAS

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

HERITAGE PARK FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 182,000	\$ 182,000	\$ 165,213	\$(16,787)
Investment earnings	-	-	390	390
Miscellaneous	<u>20</u>	<u>39,370</u>	<u>40,917</u>	<u>1,547</u>
Total revenues	<u>182,020</u>	<u>221,370</u>	<u>206,520</u>	<u>(14,850)</u>
EXPENDITURES				
Current:				
Cultural and recreational	<u>236,480</u>	<u>308,480</u>	<u>283,750</u>	<u>24,730</u>
Total expenditures	<u>236,480</u>	<u>308,480</u>	<u>283,750</u>	<u>24,730</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(54,460)</u>	<u>(87,110)</u>	<u>(77,230)</u>	<u>9,880</u>
OTHER FINANCING SOURCES				
Transfers in	<u>54,963</u>	<u>89,963</u>	<u>89,963</u>	<u>-</u>
Total other financing sources	<u>54,963</u>	<u>89,963</u>	<u>89,963</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>503</u>	<u>2,853</u>	<u>12,733</u>	<u>9,880</u>
FUND BALANCE, BEGINNING	<u>59,898</u>	<u>59,898</u>	<u>59,898</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 60,401</u>	<u>\$ 62,751</u>	<u>\$ 72,631</u>	<u>\$ 9,880</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 120	\$ 120	\$ 795	\$ 675
Total revenues	<u>120</u>	<u>120</u>	<u>795</u>	<u>675</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>120</u>	<u>120</u>	<u>795</u>	<u>675</u>
OTHER FINANCING USES				
Transfers out	(373)	(373)	(373)	-
Total other financing uses	<u>(373)</u>	<u>(373)</u>	<u>(373)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(253)	(253)	422	675
FUND BALANCE, BEGINNING	<u>50,361</u>	<u>50,361</u>	<u>50,361</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 50,108</u>	<u>\$ 50,108</u>	<u>\$ 50,783</u>	<u>\$ 675</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, 2018

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,619,965	\$ 3,619,965	\$ 3,653,032	\$ 33,067
Intergovernmental	4,800,000	4,800,000	5,244,352	444,352
Investment earnings	<u>60,000</u>	<u>60,000</u>	<u>124,670</u>	<u>64,670</u>
Total revenues	<u>8,479,965</u>	<u>8,479,965</u>	<u>9,022,054</u>	<u>542,089</u>
EXPENDITURES				
Debt service:				
Principal	5,435,000	5,435,000	6,158,154	(723,154)
Interest and other	<u>2,178,213</u>	<u>2,178,213</u>	<u>2,187,519</u>	<u>(9,306)</u>
Total expenditures	<u>7,613,213</u>	<u>7,613,213</u>	<u>8,345,673</u>	<u>(732,460)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>866,752</u>	<u>866,752</u>	<u>676,381</u>	<u>(190,371)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>702,000</u>	<u>702,000</u>	<u>152,000</u>	<u>550,000</u>
Total other financing sources (uses)	<u>702,000</u>	<u>702,000</u>	<u>152,000</u>	<u>550,000</u>
NET CHANGE IN FUND BALANCE				
	<u>1,568,752</u>	<u>1,568,752</u>	<u>828,381</u>	<u>(740,371)</u>
FUND BALANCE, BEGINNING				
	<u>13,419,102</u>	<u>13,419,102</u>	<u>13,419,102</u>	<u>-</u>
FUND BALANCE, ENDING				
	<u>\$ 14,987,854</u>	<u>\$ 14,987,854</u>	<u>\$ 14,247,483</u>	<u>\$ (740,371)</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for services provided to other departments or agencies of the City on a cost-reimbursement basis.

Fleet Management Fund – to account for the City’s transportation fleet including fleet acquisition and disposal, preventative maintenance, repairs, and the rental of motor vehicles to other departments and related costs.

Health Insurance Fund – to account for the central management and billing of the City’s self-insured health insurance plan.

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2018

	Governmental-type Activities		
	Fleet Management	Health Insurance	Total
ASSETS			
Current assets			
Unrestricted assets			
Cash and cash equivalents	\$ 475,701	\$ 752,497	\$ 1,228,198
Investments	695,347	-	695,347
Accounts receivables	-	2,995	2,995
Total current assets	1,171,048	755,492	1,926,540
Noncurrent assets			
Capital assets			
Machinery and equipment	1,015,175	-	1,015,175
Less: accumulated depreciation	(284,699)	-	(284,699)
Total noncurrent assets	730,476	-	730,476
Total assets	1,901,524	755,492	2,657,016
LIABILITIES			
Current liabilities			
Accounts payable	-	239,698	239,698
Total liabilities	-	239,698	239,698
NET POSITION			
Net investment in capital assets	730,476	-	730,476
Unrestricted	1,171,048	515,794	1,686,842
Total net position	\$ 1,901,524	\$ 515,794	\$ 2,417,318

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Governmental-type Activities		
	Fleet Management	Health Insurance	Total
OPERATING REVENUES			
Charges for services	591,644	2,693,313	3,284,957
Total operating revenues	591,644	2,693,313	3,284,957
OPERATING EXPENSES			
Contractual services	-	224,458	224,458
Materials and supplies	32,040	-	32,040
Claims	-	1,957,115	1,957,115
Depreciation	151,240	-	151,240
Total operating expenses	183,280	2,181,573	2,364,853
OPERATING INCOME	408,364	511,740	920,104
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	17,842	4,054	21,896
Interest and other	(2,399)	-	(2,399)
Total nonoperating revenues (expenses)	15,443	4,054	19,497
CHANGE IN NET POSITION	423,807	515,794	939,601
NET POSITION, BEGINNING	1,477,717	-	1,477,717
NET POSITION, ENDING	\$ 1,901,524	\$ 515,794	\$ 2,417,318

CITY OF WEATHERFORD, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Governmental-type Activities		
	Fleet Management	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 591,644	\$ 2,690,318	\$ 3,281,962
Cash paid to suppliers and service providers	(89,320)	(1,941,875)	(2,031,195)
Net cash provided by operating activities	502,324	748,443	1,250,767
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(287,115)	-	(287,115)
Interest and other charges on debt	(2,399)	-	(2,399)
Net cash used by capital and related financing activities	(289,514)	-	(289,514)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	17,842	4,054	21,896
Purchase of investments	(695,347)	-	(695,347)
Net cash provided by investing activities	(677,505)	4,054	(673,451)
NET INCREASE (DECREASE) IN CASH	(464,695)	752,497	287,802
CASH AND CASH EQUIVALENTS, BEGINNING	940,396	-	940,396
CASH AND CASH EQUIVALENTS, ENDING	\$ 475,701	\$ 752,497	\$ 1,228,198
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 408,364	\$ 511,740	\$ 920,104
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	151,240	-	151,240
(Increase) decrease in accounts receivable	-	(2,995)	(2,995)
Increase (decrease) in accounts payable	(57,280)	239,698	182,418
Net cash provided by operating activities	\$ 502,324	\$ 748,443	\$ 1,250,767
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Change in fair value of investments	\$(131)	-	\$(131)

CAPITAL ASSET SCHEDULES

CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULES BY SOURCE

SEPTEMBER 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 14,779,541	\$ 14,757,704
Buildings and improvements	14,734,956	15,141,388
Infrastructure	57,160,896	56,176,217
Other improvements	38,524,665	37,556,803
Machinery and equipment	13,818,481	12,959,257
Construction in progress	<u>2,510,597</u>	<u>659,763</u>
Total governmental funds capital assets	<u>\$ 141,529,136</u>	<u>\$ 137,251,132</u>
INVESTMENTS IN GOVERNMENTAL FUNDS		
CAPITAL ASSETS BY SOURCE		
General fund revenues	\$38,706,054	\$36,003,901
Special revenue fund revenues	81,804	81,804
Capital projects fund general obligation bonds	37,671,072	37,130,608
Contributions	61,562,995	60,578,316
Grants	<u>3,507,211</u>	<u>3,456,503</u>
Total governmental funds capital assets	<u>\$ 141,529,136</u>	<u>\$ 137,251,132</u>

CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2018

Function and Activity	Total	Land	Buildings and Improvements	Infrastructure and Other Improvements	Machinery and Equipment	Construction in Progress
General government						
City Council	\$ 9,153,140	\$ 358,871	\$ 6,229,094	\$ 361,891	\$ 1,900,563	\$ 302,721
Facilities Maintenance	168,976	-	-	81,323	87,653	-
Finance	104,343	-	-	-	104,343	-
Municipal court	37,406	-	-	-	37,406	-
Planning and development	112,894	-	-	-	112,894	-
Total	<u>9,576,759</u>	<u>358,871</u>	<u>6,229,094</u>	<u>443,214</u>	<u>2,242,859</u>	<u>302,721</u>
Public safety						
Emergency management	154,378	-	-	-	152,362	2,016
Fire	8,035,300	467,884	2,625,997	549,793	4,391,626	-
Police	3,685,622	16,619	1,318,317	74,750	2,275,936	-
Total	<u>11,875,300</u>	<u>484,503</u>	<u>3,944,314</u>	<u>624,543</u>	<u>6,819,924</u>	<u>2,016</u>
Public works						
Administration	2,010,119	-	1,406,378	74,466	415,846	113,429
Street maintenance	93,507,332	11,400,280	6,077	78,419,094	2,729,473	952,408
Vehicle/equipment maintenance	57,541	-	50,833	-	6,708	-
Total	<u>95,574,992</u>	<u>11,400,280</u>	<u>1,463,288</u>	<u>78,493,560</u>	<u>3,152,027</u>	<u>1,065,837</u>
Health & Welfare	1,364,330	-	964,818	38,234	276,588	84,690
Cultural and Recreational						
Library	1,061,678	7,850	900,554	23,475	129,799	-
Parks and properties	21,988,834	2,528,037	1,232,888	16,037,743	1,134,833	1,055,333
Public market	24,792	-	-	24,792	-	-
Recreation	62,451	-	-	-	62,451	-
Total	<u>23,137,755</u>	<u>2,535,887</u>	<u>2,133,442</u>	<u>16,086,010</u>	<u>1,327,083</u>	<u>1,055,333</u>
Total governmental funds						
capital assets	<u>\$ 141,529,136</u>	<u>\$ 14,779,541</u>	<u>\$ 14,734,956</u>	<u>\$ 95,685,561</u>	<u>\$ 13,818,481</u>	<u>\$ 2,510,597</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, 2018

<u>Function and Activity</u>	<u>Balance 09/30/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2018</u>
General government				
City Council	\$ 8,414,352	\$ 738,788	\$ -	\$ 9,153,140
Facilities maintenance	168,976	-	-	168,976
Finance	104,343	-	-	104,343
Municipal court	37,406	-	-	37,406
Planning and development	<u>109,049</u>	<u>15,990</u>	<u>(12,145)</u>	<u>112,894</u>
Total	<u>8,834,126</u>	<u>754,778</u>	<u>(12,145)</u>	<u>9,576,759</u>
Public Safety				
Emergency management	-	154,378	-	154,378
Fire	8,417,786	61,526	(444,012)	8,035,300
Police	<u>3,629,872</u>	<u>249,812</u>	<u>(194,062)</u>	<u>3,685,622</u>
Total	<u>12,047,658</u>	<u>465,716</u>	<u>(638,074)</u>	<u>11,875,300</u>
Public works				
Administration	1,827,232	182,887	-	2,010,119
Street maintenance	91,732,397	1,825,935	(51,000)	93,507,332
Vehicle/equipment maintenance	<u>118,218</u>	<u>-</u>	<u>(60,677)</u>	<u>57,541</u>
Total	<u>93,677,847</u>	<u>2,008,822</u>	<u>(111,677)</u>	<u>95,574,992</u>
Health & Welfare	<u>1,218,420</u>	<u>180,177</u>	<u>(34,267)</u>	<u>1,364,330</u>
Parks and recreation				
Library	1,061,678	-	-	1,061,678
Public market	24,792	-	-	24,792
Parks and properties	20,351,191	1,682,544	(44,901)	21,988,834
Recreation	<u>35,420</u>	<u>27,031</u>	<u>-</u>	<u>62,451</u>
Total	<u>21,473,081</u>	<u>1,709,575</u>	<u>(44,901)</u>	<u>23,137,755</u>
Total governmental funds capital assets	<u>\$ 137,251,132</u>	<u>\$ 5,119,068</u>	<u>\$(841,064)</u>	<u>\$ 141,529,136</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULES OF CAPITAL ASSETS

SEPTEMBER 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Land	\$ 2,877,235	\$ 2,745,492
Buildings and improvements	19,181,985	19,181,985
Other improvements	190,054,882	182,237,854
Machinery and equipment	8,151,430	7,985,009
Construction in progress	<u>9,251,945</u>	<u>5,866,129</u>
	229,517,477	218,016,469
Less accumulated depreciation	<u>(88,793,666)</u>	<u>(83,245,669)</u>
	<u>\$ 140,723,811</u>	<u>\$ 134,770,800</u>

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SCHEDULE OF CHANGES IN CAPITAL ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

<u>Function and Activity</u>	<u>Balance 09/30/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2018</u>
Administration	\$ 5,392,639	\$ 89,237	\$(41,695)	\$ 5,440,181
Water production	27,407,435	399,173	-	27,806,608
Water distribution	66,677,738	7,818,448	(981,054)	73,515,132
Wastewater	49,590,981	2,283,324	(66,748)	51,807,557
Electric production	1,192,894	-	-	1,192,894
Electric distribution	<u>67,754,782</u>	<u>2,013,289</u>	<u>(12,966)</u>	<u>69,755,105</u>
Total municipal utility capital assets	<u>\$ 218,016,469</u>	<u>\$ 12,603,471</u>	<u>\$(1,102,463)</u>	<u>\$ 229,517,477</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2018

<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	\$ 5,440,181	\$ 326,764	\$ 3,431,676	\$ 1,231,015	\$ 450,726	\$ -
Water production	27,806,608	1,055,502	12,146,429	12,703,488	1,627,334	273,855
Water distribution	73,515,132	949,364	35,619	65,456,394	876,016	6,197,739
Wastewater	51,807,557	181,986	3,231,643	43,344,753	2,268,824	2,780,351
Electric production	1,192,894	11,334	336,618	13,203	831,739	-
Electric distribution	<u>69,755,105</u>	<u>352,285</u>	<u>-</u>	<u>67,306,029</u>	<u>2,096,791</u>	<u>-</u>
Total Municipal Utility System capital assets	<u>\$ 229,517,477</u>	<u>\$ 2,877,235</u>	<u>\$ 19,181,985</u>	<u>\$ 190,054,882</u>	<u>\$ 8,151,430</u>	<u>\$ 9,251,945</u>

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STATISTICAL SECTION

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STATISTICAL SECTION

(Unaudited)

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.	107 – 115
Revenue Capacity These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its electric utility, sales tax and property tax revenues.	116 – 129
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.	130 – 134
Economic and Demographic Indicators These schedules contain economic and demographic information to help the reader understand the environment within which the City's financial activities take place.	135 – 137
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	138 – 140

CITY OF WEATHERFORD, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year			
	2009	2010	2011	2012
Governmental activities:				
Net investment in capital assets	\$ 21,410,012	\$ 19,852,401	\$ 17,759,659	\$ 17,007,106
Restricted	6,381,977	6,101,207	2,933,914	5,331,525
Unrestricted	<u>5,775,100</u>	<u>8,725,158</u>	<u>13,417,930</u>	<u>14,511,974</u>
Total governmental activities net position	<u>\$ 33,567,089</u>	<u>\$ 34,678,766</u>	<u>\$ 34,111,503</u>	<u>\$ 36,850,605</u>
Business-type activities:				
Net investment in capital assets	\$ 68,649,354	\$ 67,232,594	\$ 70,468,654	\$ 75,402,883
Restricted	7,628,531	13,003,448	8,363,543	8,841,879
Unrestricted	<u>16,550,266</u>	<u>15,069,828</u>	<u>21,839,839</u>	<u>22,596,145</u>
Total business-type activities net position	<u>\$ 92,828,151</u>	<u>\$ 95,305,870</u>	<u>\$ 100,672,036</u>	<u>\$ 106,840,907</u>
Primary government:				
Net investment in capital assets	\$ 90,059,366	\$ 87,084,995	\$ 88,228,313	\$ 92,409,989
Restricted	14,010,508	19,104,655	11,297,457	14,173,404
Unrestricted	<u>22,325,366</u>	<u>23,794,986</u>	<u>35,257,769</u>	<u>37,108,119</u>
Total primary government net position	<u>\$ 126,395,240</u>	<u>\$ 129,984,636</u>	<u>\$ 134,783,539</u>	<u>\$ 143,691,512</u>

TABLE 1

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 20,530,809	\$ 29,104,810	\$ 26,052,538	\$ 65,646,240	\$ 66,796,273	\$ 67,095,125
6,571,469	3,267,974	3,712,803	11,866,006	8,155,809	8,933,030
<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>(2,765,607)</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>	<u>\$ 73,262,548</u>
\$ 79,820,405	\$ 90,336,805	\$ 94,113,483	\$ 102,278,278	\$ 109,363,224	\$ 120,778,834
9,496,781	9,627,846	10,064,992	20,064,415	10,165,192	12,248,093
<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>34,008,837</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>	<u>\$ 167,035,764</u>
\$ 100,351,214	\$ 119,441,615	\$ 120,166,021	\$ 167,924,518	\$ 176,159,497	\$ 187,873,959
16,068,250	12,895,820	13,777,795	31,930,421	18,321,001	21,181,123
<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>31,243,230</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>	<u>\$ 240,298,312</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year			
	2009	2010	2011	2012
EXPENSES				
Governmental activities:				
General government	\$ 2,928,150	\$ 3,160,927	\$ 3,398,442	\$ 4,688,501
Public safety	12,081,348	11,877,757	12,532,399	12,426,881
Public works	2,920,416	2,997,970	7,985,977	4,116,662
Planning and development	825,967	677,682	698,162	738,534
Community development	1,627,371	1,314,302	926,855	991,922
Health and welfare	45,000	45,000	46,764	160,169
Cultural and recreation	3,681,961	4,088,694	3,442,335	3,579,674
Interest on long-term debt	3,109,094	2,996,869	2,758,163	3,584,869
Total governmental activities expenses	<u>27,219,307</u>	<u>27,159,201</u>	<u>31,789,097</u>	<u>30,287,212</u>
Business-type activities:				
Electric	41,197,102	30,670,906	28,530,839	21,532,861
Water	7,899,776	6,433,439	7,404,975	6,441,878
Wastewater	2,888,556	3,281,199	2,994,124	3,195,794
Sanitation	1,464,621	1,434,931	1,450,234	1,481,557
Stormwater utility	-	-	-	-
Total business-type activities expenses	<u>53,450,055</u>	<u>41,820,475</u>	<u>40,380,172</u>	<u>32,652,090</u>
Total primary government program expenses	<u>\$ 80,669,362</u>	<u>\$ 68,979,676</u>	<u>\$ 72,169,269</u>	<u>\$ 62,939,302</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 247,258	\$ 260,293	\$ 275,022	\$ 195,897
Public safety	1,269,329	1,112,838	1,008,551	770,585
Public works	-	25,603	21,278	7,240
Planning and development	395,846	256,563	385,256	263,220
Community development	-	427,224	496,987	438,947
	-	31,607	49,660	49,010
Cultural and recreational	636,811	636,120	675,256	621,955
Operating grants and contributions	401,357	234,710	218,060	584,783
Capital grants and contributions	707,935	1,191,580	2,244,834	4,114,054
Total governmental activities program revenues	<u>3,658,536</u>	<u>4,176,538</u>	<u>5,374,904</u>	<u>7,045,691</u>
Business-type activities:				
Charges for services:				
Electric	44,153,842	35,217,275	35,024,442	27,763,091
Water	8,078,376	6,592,204	9,427,936	9,675,600
Wastewater	4,035,449	3,858,895	5,031,535	4,719,203
Sanitation	2,189,772	2,560,822	2,636,671	2,081,818
Stormwater utility	-	-	-	-
Capital grants and contributions	1,820,404	1,068,437	485,997	409,143
Total business-type activities program revenues	<u>60,277,843</u>	<u>49,297,633</u>	<u>52,606,581</u>	<u>44,648,855</u>
Total primary government program revenues	<u>\$ 63,936,379</u>	<u>\$ 53,474,171</u>	<u>\$ 57,981,485</u>	<u>\$ 51,694,546</u>

TABLE 2

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 5,464,305	\$ 6,035,033	\$ 5,915,168	\$ 7,005,789	\$ 7,921,911	\$ 8,106,437
12,951,140	13,331,155	13,676,879	15,000,743	15,348,606	15,398,565
5,032,489	32,880,317	13,686,840	5,252,727	18,997,852	8,111,287
755,272	-	-	-	-	-
1,031,282	-	-	-	-	-
152,181	1,269,608	1,392,938	1,587,636	1,813,923	1,638,085
4,217,332	4,442,143	4,485,475	4,761,634	5,087,524	5,286,663
<u>2,633,532</u>	<u>2,534,057</u>	<u>2,682,224</u>	<u>2,176,497</u>	<u>2,089,046</u>	<u>2,015,638</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>	<u>40,556,675</u>
25,082,339	32,064,046	26,787,470	23,013,754	33,142,615	31,259,686
7,384,830	8,083,005	7,376,079	7,385,407	7,913,939	8,367,589
3,321,956	3,392,953	3,533,092	3,557,093	3,899,352	4,047,566
1,528,130	1,502,670	1,498,046	1,619,025	1,913,154	2,384,254
<u>24,532</u>	<u>73,348</u>	<u>173,055</u>	<u>87,041</u>	<u>211,910</u>	<u>1,107,179</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>47,166,274</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>	\$ <u>87,722,949</u>
\$ 202,029	\$ 29,617	\$ 47,433	\$ 59,969	\$ 2,442,189	\$ 2,731,701
944,532	976,746	1,003,391	1,550,142	1,480,750	1,475,522
177,938	571,551	586,304	937,918	936,009	955,168
370,782	-	-	-	-	-
422,703	-	-	-	-	-
51,813	501,722	575,818	620,341	630,807	655,218
735,500	696,460	719,869	794,834	823,300	897,265
196,248	310,955	175,705	318,801	571,295	977,088
<u>3,873,294</u>	<u>29,049,784</u>	<u>8,582,987</u>	<u>1,604,594</u>	<u>11,179,503</u>	<u>1,814,700</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>	<u>9,506,662</u>
31,300,347	38,114,195	34,860,799	27,737,753	32,807,183	36,476,388
10,058,874	10,340,475	11,984,185	14,206,086	16,381,903	18,104,281
4,663,157	4,533,122	4,985,923	5,830,166	6,791,526	7,232,787
2,058,004	2,140,988	2,132,203	2,195,297	2,270,380	2,321,957
594,526	839,597	852,004	1,237,658	1,334,743	1,369,073
<u>912,459</u>	<u>1,674,969</u>	<u>2,273,567</u>	<u>2,439,162</u>	<u>4,941,978</u>	<u>3,611,547</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>69,116,033</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>	\$ <u>78,622,695</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2009	2010	2011	2012
NET (EXPENSE) REVENUES				
Governmental activities	\$(23,560,771)	\$(22,982,663)	\$(26,414,193)	\$(23,241,521)
Business-type activities	<u>6,827,788</u>	<u>7,477,158</u>	<u>12,226,409</u>	<u>11,996,765</u>
Total primary government net expense	<u>(16,732,983)</u>	<u>(15,505,505)</u>	<u>(14,187,784)</u>	<u>(11,244,756)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	7,371,902	8,108,727	8,095,074	8,232,881
Retail sales	8,641,879	8,236,286	8,832,088	9,648,458
Franchise	2,403,704	581,566	620,052	697,980
Hotel/motel	452,312	474,607	588,225	602,256
Mixed beverage	53,505	57,822	57,593	57,519
Unrestricted grants and contributions	3,373	155,092	1,944	18,626
Investment earnings	1,463,358	763,500	72,783	57,691
Gain on sale of capital assets	-	-	-	-
Miscellaneous	438,500	474,809	454,317	264,797
Transfers	<u>2,707,584</u>	<u>5,241,931</u>	<u>7,124,854</u>	<u>6,400,415</u>
Total governmental activities	<u>23,536,117</u>	<u>24,094,340</u>	<u>25,846,930</u>	<u>25,980,623</u>
Business-type activities:				
Investment earnings	228,337	64,432	43,834	49,858
Miscellaneous	200,945	178,060	220,777	523,014
Transfers	<u>(2,707,584)</u>	<u>(5,241,931)</u>	<u>(7,124,854)</u>	<u>(6,400,415)</u>
Total business-type activities	<u>(2,278,302)</u>	<u>(4,999,439)</u>	<u>(6,860,243)</u>	<u>(5,827,543)</u>
Total primary government	<u>21,257,815</u>	<u>19,094,901</u>	<u>18,986,687</u>	<u>20,153,080</u>
CHANGE IN NET POSITION				
Governmental activities	(24,654)	1,111,677	(567,263)	2,739,102
Business-type activities	<u>4,549,486</u>	<u>2,477,719</u>	<u>5,366,166</u>	<u>6,169,222</u>
Total primary government	<u>\$ 4,524,832</u>	<u>\$ 3,589,396</u>	<u>\$ 4,798,903</u>	<u>\$ 8,908,324</u>

TABLE 2

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$(25,262,694)	\$(28,355,478)	\$(30,148,017)	\$(29,898,427)	\$(33,195,009)	\$(31,050,013)
<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>	<u>21,949,759</u>
(13,017,114)	(15,828,154)	(12,427,078)	(11,914,625)	(15,748,266)	(9,100,254)
8,396,517	8,674,852	9,238,347	9,942,877	10,586,095	11,631,462
9,969,043	10,591,223	11,303,850	11,619,054	12,963,401	13,634,260
681,611	673,641	777,549	723,275	656,053	795,939
659,759	676,407	687,665	655,350	758,005	784,399
68,658	92,016	94,465	113,061	122,005	132,360
21,637	16,749	15,153	23,301	4,407	7,158
39,617	66,346	125,353	149,661	155,995	558,857
-	-	-	-	-	-
237,957	295,224	221,976	149,601	145,390	283,880
<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>6,466,096</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>	<u>34,294,411</u>
46,514	35,548	352,023	278,695	440,796	766,287
597,310	687,949	777,280	662,796	704,874	646,101
(7,595,012)	(7,148,214)	(7,659,883)	(7,970,306)	(6,066,738)	(6,466,096)
(6,951,188)	(6,424,717)	(6,530,580)	(7,028,815)	(4,921,068)	(5,053,708)
<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>	<u>29,240,703</u>
2,407,117	(120,806)	(23,776)	1,448,059	(1,736,920)	3,244,398
<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>16,896,051</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>	<u>\$ 20,140,449</u>

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CITY OF WEATHERFORD, TEXAS

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General fund:										
Reserved	\$ 30,975	\$ 39,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	9,067,892	11,162,818	-	-	-	-	-	-	-	-
Nonspendable	-	-	132,112	75,623	44,476	69,071	64,270	57,083	144,910	55,757
Committed	-	-	6,989,273	7,350,364	7,395,691	7,674,783	7,679,715	7,679,715	8,159,341	8,696,348
Unassigned	-	-	6,517,546	6,693,692	5,363,522	5,576,824	6,103,365	6,429,430	6,601,952	6,679,144
Total general fund	\$ 9,098,867	\$ 11,202,330	\$ 13,638,931	\$ 14,119,679	\$ 12,803,689	\$ 13,320,678	\$ 13,847,350	\$ 14,166,228	\$ 14,906,203	\$ 15,431,249
All other governmental funds										
Reserved	\$ 40,533,598	\$ 21,061,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	1,089,249	1,187,400	-	-	-	-	-	-	-	-
Nonspendable	-	-	50,000	50,000	50,000	54,880	50,000	50,204	50,000	50,000
Restricted	-	-	19,057,261	18,625,654	15,061,112	13,346,817	10,739,340	18,281,356	14,221,113	15,074,540
Committed	-	-	3,807,639	3,887,347	4,023,708	2,088,737	2,198,963	1,974,210	2,224,457	8,683,170
Unassigned	-	-	-	-	-	(14)	-	(388,275)	(1,695,094)	(1,820,295)
Total all other governmental funds	\$ 41,622,847	\$ 22,249,052	\$ 22,914,900	\$ 22,563,001	\$ 19,134,820	\$ 15,490,420	\$ 12,988,303	\$ 19,917,495	\$ 14,800,476	\$ 21,987,415

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES										
Taxes	\$ 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	\$ 27,003,022
Licenses and permits	431,330	355,842	560,150	421,801	524,009	564,609	690,194	832,935	744,076	909,230
Intergovernmental	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	7,037,599
Charges for services	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	4,022,075
Fines and forfeitures	676,973	715,865	917,547	615,624	851,088	576,240	521,768	639,394	562,465	529,159
Contributions	-	34,546	22,344	125,387	63,482	60,712	29,455	119,245	189,493	695,372
Investment earnings	1,463,815	763,500	72,783	57,691	39,617	66,346	125,353	149,661	152,360	536,961
Miscellaneous	1,006,388	718,914	615,158	342,123	353,929	401,860	364,282	346,376	408,078	537,981
Total revenues	<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>	<u>41,271,399</u>
EXPENDITURES										
General government	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	7,969,679
Public safety	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	14,927,507
Public works	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	4,371,441
Planning and development	818,460	638,591	660,440	717,003	716,295	-	-	-	-	-
Community development	1,519,717	1,136,814	849,250	933,216	980,108	-	-	-	-	-
Health and welfare	45,000	45,000	45,000	122,774	150,072	1,178,664	1,309,641	1,504,303	1,666,541	1,525,208
Cultural and recreational	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	4,265,517
Debt service										
Principal	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	6,223,822
Interest	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	2,249,639
Capital outlay	<u>25,212,325</u>	<u>19,390,595</u>	<u>11,130,204</u>	<u>6,068,108</u>	<u>7,315,532</u>	<u>5,923,681</u>	<u>7,669,247</u>	<u>3,905,307</u>	<u>3,151,961</u>	<u>3,667,119</u>
Total expenditures	<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>	<u>45,199,932</u>

TABLE 4

CITY OF WEATHERFORD, TEXAS

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<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>	<u>\$(3,928,533)</u>
OTHER FINANCING SOURCES (USES)										
Issuance of debt	3,000,000	-	-	33,475,000	1,267,959	85,080	7,638,924	85,151	-	5,060,000
Premium on debt issuance	-	-	-	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	44,473
Sale of assets	-	-	17,756	5,397	10,454	32,966	203,882	201,596	29,215	69,949
Transfers in	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	8,151,632
Transfers out	(2,455,722)	(3,142,885)	(2,034,265)	(758,034)	(448,940)	(8,562,494)	(398,485)	(691,895)	(1,592,191)	(1,685,536)
Total other financing sources (uses)	<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>	<u>11,640,518</u>
NET CHANGE IN FUND BALANCES	<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>	<u>\$ 7,711,985</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<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>19.35%</u>	<u>17.29%</u>

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

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

Fiscal Year	Property Tax	Sales Tax	Franchise Tax ⁽¹⁾	Hotel/Motel Occupancy Tax	Mixed Beverage Tax	Totals
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
2018	11,632,110	13,534,041	685,605	784,399	132,360	26,768,515

(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			
	2009	2010	2011	2012
Residential				
Base rate	\$ 4.25	\$ 4.25	\$ 6.17	\$ 8.08
Per KWH (May - October)	0.0750	0.0750	0.0481	0.0462
Per KWH (November - April)	0.0690	0.0690	0.0443	0.0443
Small General Service (Demand does not exceed 20 KW)				
Base rate	16.00	16.00	19.55	19.55
Per KWH	0.0765	0.0765	0.0490	0.0490
Large General Service 1 (Demand 20 - 200 KW)				
Base rate	21.00	21.00	28.17	35.33
Per KWH	0.0605	0.0605	0.0322	0.0289
Per KVA demand	3.25	3.25	3.43	3.62
Large General Service 2 (Demand 200 KW - 1000 KVA)				
Base rate	22.25	22.25	48.17	74.08
Per KWH	0.0565	0.0565	0.0297	0.0278
Per KWH (if primary metered)	0.0545	0.0545	0.0297	0.0278
Per KVA demand	2.55	2.55	2.96	3.38
Large General Service 3 (Demand 20 - 200 KW)				
Base rate	22.25	22.25	79.83	137.42
Per KWH for first 2500 KWH	0.0860	0.0860	0.0194 (2)	0.0212 (2)
Per KWH for next 3500 KWH	0.0520 (1)	0.0520 (1)	0.0194 (2)	0.0212 (2)
Per KWH for all additional KWH	0.0260	0.0260	0.0194 (2)	0.0212 (2)
Per KVA demand > 10 KVA	8.10	8.10	6.62 (2)	5.13 (2)
Municipal				
Base rate	12.25	12.25	(3)	(3)
Per KWH	0.0665	0.0665	(3)	(3)
School/Church				
Base rate	16.00	16.00	(3)	(3)
Per KWH	0.0645	0.0645	(3)	(3)
Per KW demand	2.25	2.25	(3)	(3)
Security Lights				
Per light	10.00	10.00	10.00	10.00

Notes:

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

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

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

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

TABLE 6

		Fiscal Year									
		2013	2014	2015	2016	2017	2018				
\$	10.08	\$	10.08	\$	11.75	\$	13.50	\$	15.00	\$	15.00
	0.0443		0.0443		0.0432		0.0424		0.0412		0.0412
	0.0443		0.0443		0.0432		0.0424		0.0412		0.0412
	19.55		19.55		19.55		19.55		19.55		19.55
	0.0490		0.0490		0.0467		0.0446		0.0424		0.0424
	42.50		42.50		42.50		42.50		42.50		42.50
	0.0265		0.0265		0.0244		0.0238		0.0232		0.0232
	3.80		3.80		3.96		3.96		3.96		3.96
	100.00		100.00		100.00		100.00		100.00		100.00
	0.0260		0.0260		0.0256		0.0249		0.0240		0.0240
	0.0260		0.0260		0.0256		0.0249		0.0240		0.0240
	3.79		3.79		4.00		4.30		4.65		4.65
	195.00		195.00		195.00		195.00		195.00		195.00
	0.0230 (2)		0.0230 (2)		0.0225 (2)		0.0223 (2)		0.0220 (2)		0.0220 (2)
	0.0230 (2)		0.0230 (2)		0.0225 (2)		0.0223 (2)		0.0220 (2)		0.0220 (2)
	0.0230 (2)		0.0230 (2)		0.0225 (2)		0.0223 (2)		0.0220 (2)		0.0220 (2)
	3.65 (2)		3.65 (2)		4.05 (2)		4.35 (2)		4.75 (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		10.90		10.90		10.90

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

Fiscal Year	Residential	Commercial ⁽²⁾	Industrial	Other ⁽¹⁾	Total
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
2018	12,601	2,232	58	-	14,892

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

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

TABLE 8

CITY OF WEATHERFORD, TEXAS

TEN LARGEST ELECTRIC CUSTOMERS

CURRENT YEAR AND NINE YEARS AGO

Customer	2018	
	Revenue	Percentage of Electric Revenue
Atkore Plastic Pipe Co	\$ 1,062,006	2.99%
Jamak, Inc.	536,732	1.51%
WISD-High School	445,051	1.25%
Wal-Mart	376,368	1.06%
City-Water Plant	209,966	0.59%
Medical City Weatherford	210,334	0.59%
Albertson's	209,966	0.59%
Lowe's	181,467	0.51%
The Home Depot	159,889	0.45%
Weatherford College	160,795	0.45%
	<u>3,552,574</u>	<u>10.01%</u>
Revenue from other customers	<u>31,935,260</u>	<u>89.99%</u>
Total	<u>\$ 35,487,834</u>	<u>100.00%</u>
Customer	2009	
	Revenue	Percentage of Electric Revenue
Weatherford ISD	\$ 1,809,341	4.14%
Heritage Plastic	1,209,477	2.77%
Jamak, Inc.	884,779	2.02%
W'ford Texas Hospital Corp.	802,487	1.84%
Wal-Mart	658,902	1.51%
Weatherford College	542,460	1.24%
Weatherford Aerospace	515,874	1.18%
Albertson's	343,425	0.79%
Lowe's	334,189	0.76%
Home Depot	296,887	0.68%
	<u>7,397,821</u>	<u>16.93%</u>
Revenue from other customers	<u>36,298,912</u>	<u>83.07%</u>
Total	<u>\$ 43,696,733</u>	<u>100.00%</u>

CITY OF WEATHERFORD, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY⁽¹⁾

LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2009		2010	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 931,787,310	49.58%	\$ 966,262,300	49.35%
Real, residential, multi-family	63,259,650	3.37%	66,142,950	3.38%
Real, vacant lots/tracts	34,935,360	1.86%	32,079,260	1.64%
Real, acreage (land only)	114,848,250	6.11%	132,053,460	6.74%
Real, farm and ranch improvements	22,318,830	1.19%	21,383,540	1.09%
Real, commercial	504,549,930	26.85%	522,311,300	26.68%
Real, industrial	9,751,120	0.52%	10,348,560	0.53%
Real, oil, gas and other minerals	785,960	0.04%	566,870	0.03%
Total real property	1,682,236,410	89.52%	1,751,148,240	89.44%
Real and tangible personal, utilities	17,684,650	0.94%	16,470,860	0.84%
Tangible personal, commercial	129,570,820	6.89%	139,204,420	7.11%
Tangible personal, industrial	34,733,290	1.85%	35,221,400	1.80%
Tangible, personal, mobile homes	1,379,840	0.07%	1,469,130	0.08%
Intangible personal	37,620	- %	68,300	- %
Inventory	13,786,420	0.73%	14,240,990	0.73%
Total personal property	197,192,640	10.48%	206,675,100	10.56%
Constitutional exempt ⁽³⁾	-	- %	-	- %
Total actual value	1,879,429,050	<u>100.00%</u>	1,957,823,340	<u>100.00%</u>
Less: exemptions/reductions	141,624,420		157,276,330	
Total	\$ <u>1,737,804,630</u>		\$ <u>1,800,547,010</u>	
Total direct rate ⁽²⁾	\$ 0.4386		\$ 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					
2011		2012		2013	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 982,593,310	50.07%	\$ 972,512,560	43.63%	\$ 982,550,650	43.23%
60,050,380	3.06%	80,671,490	3.62%	84,299,640	3.71%
31,012,210	1.58%	32,176,140	1.44%	34,086,840	1.50%
127,192,770	6.48%	128,278,870	5.75%	134,640,710	5.92%
23,630,120	1.20%	23,116,890	1.04%	22,225,190	0.98%
525,936,480	26.80%	531,927,220	23.86%	548,072,350	24.11%
11,655,760	0.59%	12,505,740	0.56%	12,501,170	0.55%
7,210,230	0.37%	5,683,360	0.25%	4,664,840	0.21%
<u>1,769,281,260</u>	<u>90.15%</u>	<u>1,786,872,270</u>	<u>80.15%</u>	<u>1,823,041,390</u>	<u>80.21%</u>
16,699,920	0.85%	16,174,680	0.73%	16,355,940	0.72%
130,474,700	6.65%	127,511,850	5.72%	126,788,970	5.58%
32,101,270	1.64%	37,029,220	1.66%	40,321,640	1.77%
1,505,490	0.08%	1,229,600	0.06%	1,213,240	0.05%
45,610	- %	14,880	- %	18,570	- %
<u>12,406,480</u>	<u>0.63%</u>	<u>13,787,850</u>	<u>0.62%</u>	<u>11,958,300</u>	<u>0.53%</u>
193,233,470	9.85%	195,748,080	8.79%	196,656,660	8.65%
<u>-</u>	<u>- %</u>	<u>246,451,960</u>	<u>11.06%</u>	<u>253,109,550</u>	<u>11.14%</u>
1,962,514,730	<u>100.00%</u>	2,229,072,310	<u>100.00%</u>	2,272,807,600	<u>100.00%</u>
<u>156,813,562</u>		<u>408,409,581</u>		<u>418,378,500</u>	
\$ <u>1,805,701,168</u>		\$ <u>1,820,662,729</u>		\$ <u>1,854,429,100</u>	
\$ 0.4636		\$ 0.4636		\$ 0.4636	

CITY OF WEATHERFORD, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY⁽¹⁾

LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2014		2015	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 1,006,337,454	43.35%	\$ 1,034,971,854	43.80%
Real, residential, multi-family	90,319,170	3.89%	104,811,750	4.44%
Real, vacant lots/tracts	38,125,306	1.64%	33,652,737	1.42%
Real, acreage (land only)	94,742,100	4.08%	93,952,512	3.98%
Real, farm and ranch improvements	51,873,530	2.23%	54,556,426	2.31%
Real, commercial	571,460,670	24.62%	560,405,830	23.72%
Real, industrial	13,008,950	0.56%	13,008,950	0.55%
Real, oil, gas and other minerals	2,275,350	0.10%	5,985,920	0.25%
Total real property	1,868,142,530	80.47%	1,901,345,979	80.47%
Real and tangible personal, utilities	17,262,560	0.74%	21,042,270	0.89%
Tangible personal, commercial	131,917,910	5.68%	138,816,860	5.87%
Tangible personal, industrial	39,526,310	1.70%	36,339,910	1.54%
Tangible, personal, mobile homes	1,215,030	0.05%	1,349,900	0.06%
Intangible personal	42,500	- %	42,500	- %
Inventory	12,057,760	0.53%	11,708,460	0.50%
Total personal property	202,022,070	8.70%	209,299,900	8.86%
Constitutional exempt ⁽³⁾	251,257,370	10.83%	252,218,540	10.67%
Total actual value	2,321,421,970	100.00%	2,362,864,419	100.00%
Less: exemptions/reductions	412,152,600		413,851,642	
Total	\$ 1,909,269,370		\$ 1,949,012,777	
Total direct rate ⁽²⁾	\$ 0.4636		\$ 0.4636	

Notes:

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

Source: Parker County Appraisal District

TABLE 9

Fiscal Year					
2016		2017		2018	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 1,142,303,188	44.72%	\$ 1,178,862,188	45.56%	\$ 1,399,133,725	46.93%
129,924,745	5.09%	132,609,745	5.13%	153,525,192	5.15%
42,550,667	1.67%	44,070,837	1.70%	44,244,134	1.48%
95,950,433	3.76%	95,581,570	3.69%	107,261,732	3.60%
56,815,663	2.22%	56,543,451	2.19%	75,380,199	2.53%
588,309,410	23.03%	586,963,740	22.68%	683,321,436	22.92%
13,250,790	0.52%	13,250,790	0.51%	13,306,330	0.45%
5,525,550	0.22%	2,653,410	0.10%	3,333,370	0.11%
<u>2,074,630,446</u>	81.23%	<u>2,110,535,731</u>	81.56%	<u>2,479,506,118</u>	83.17%
24,183,510	0.95%	25,457,720	0.99%	27,733,550	0.93%
150,602,440	5.90%	139,508,400	5.39%	155,689,290	5.22%
41,708,130	1.63%	40,884,120	1.58%	44,631,700	1.50%
1,269,000	0.05%	1,258,280	0.05%	1,331,130	0.04%
85,750	- %	113,750	- %	-	- %
9,238,900	0.36%	9,062,060	0.35%	9,741,664	0.33%
<u>227,087,730</u>	8.89%	<u>216,284,330</u>	8.36%	<u>239,127,334</u>	8.02%
<u>252,440,020</u>	<u>9.88%</u>	<u>260,974,435</u>	<u>10.08%</u>	<u>262,500,707</u>	<u>8.81%</u>
2,554,158,196	<u>100.00%</u>	2,587,794,496	<u>100.00%</u>	2,981,134,159	<u>100.00%</u>
<u>439,147,037</u>		<u>458,355,853</u>		<u>531,197,724</u>	
<u>\$ 2,115,011,159</u>		<u>\$ 2,129,438,643</u>		<u>\$ 2,449,936,435</u>	
\$ 0.4866		\$ 0.5116		\$ 0.4899	

CITY OF WEATHERFORD, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES⁽¹⁾

LAST TEN FISCAL YEARS

Fiscal Year	City Direct Rates			Overlapping Rates ⁽²⁾				
	Operating	Debt Service	Total Direct	Parker County	Weatherford School District	Parker County Hospital District	Parker County Junior College	Peaster School District
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
2018	0.3343	0.1553	0.4899	0.3117	1.4540	0.1150	0.1195	1.4400

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

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

Source: Representatives of the taxing jurisdictions

CITY OF WEATHERFORD, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2018	
	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 Glen	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	7.98%

Taxpayer	2009	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Weatherford Capital	\$24,398,900	1.36%
Parker County Hospital	21,334,950	1.19%
Wal-Mart Stores, Inc.	18,452,480	1.03%
Lowes Home Centers	17,470,610	0.97%
JAMAK, Inc.	13,870,190	0.77%
Holland Lake Partners	13,227,030	0.73%
Home Depot	12,114,640	0.67%
Power Service Products	11,469,550	0.64%
Target Corporation	11,426,440	0.63%
Brown Southgate Glen	10,440,410	0.58%
Total	\$ 154,205,200	8.57%

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>
2009	\$ 7,366,860	\$(40,692)	\$ 7,326,168	\$ 7,218,875	97.99%	\$ 99,983	\$ 7,318,858	99.90%
2010	8,016,933	(46,264)	7,970,669	7,837,978	97.77%	124,172	7,962,150	99.89%
2011	8,085,420	(43,084)	8,042,336	7,942,051	98.23%	92,430	8,034,481	99.90%
2012	8,201,957	(29,689)	8,172,268	8,074,208	98.44%	90,235	8,164,443	99.90%
2013	8,351,358	(3,814)	8,347,544	8,237,331	98.63%	99,961	8,337,292	99.88%
2014	8,616,369	1,769	8,618,138	8,537,374	99.08%	70,179	8,607,553	99.88%
2015	9,217,917	(4,722)	9,213,195	9,118,352	98.92%	78,508	9,196,860	99.82%
2016	9,953,115	(150,132)	9,802,983	9,739,379	97.85%	49,793	9,789,172	99.86%
2017	10,496,784	(1,178)	10,495,606	10,424,412	99.31%	49,495	10,424,412	99.32%
2018	11,547,532	(43,951)	11,503,581	11,425,551	98.94%	-	11,425,551	99.32%

Source: Parker County Appraisal District

CITY OF WEATHERFORD, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

	Fiscal Year			
	2009	2010	2011	2012
Agriculture/Forestry/Fishing/Hunting	\$ -	\$ -	\$ 17,350	\$ 18,620
Mining/Quarrying/Oil and Gas Extraction	14,326,698	88,530,759	2,708,174	2,713,403
Utilities	-	-	1,564	10,963
Construction	4,357,116	4,005,474	4,479,619	4,190,173
Manufacturing	8,052,901	9,179,698	10,344,074	9,892,982
Wholesale Trade	18,984,569	17,613,952	21,158,427	23,204,529
Retail Trade	306,397,750	296,338,740	318,843,374	343,724,417
Transportation/Warehousing	-	-	-	868
Information	2,168,761	3,007,895	5,614,520	4,177,775
Finance/Insurance	1,238,663	1,007,196	884,715	757,758
Real Estate/Rental/Leasing	5,856,372	3,780,111	2,894,047	4,792,747
Professional/Scientific/Technical Services	3,173,971	2,525,977	2,248,780	1,959,793
Admin/Support/Waste Mgmt/Remediation Services	3,966,809	4,142,197	4,703,324	4,805,924
Educational Services	388,591	2,053,012	1,569,743	646,524
Health Care/Social Assistance	4,169	189,402	62,584	85,603
Arts/Entertainment/Recreation	1,199,394	1,333,491	1,278,258	998,428
Accommodations/Food Services	69,513,396	66,627,927	72,763,277	77,679,707
Other Services (except Public Administration)	18,010,209	17,911,085	20,237,260	19,931,337
Public Administration	16,587,342	13,610,308	12,573,279	11,017,187
Other Services	-	-	-	-
Unclassified	<u>2,696,208</u>	<u>1,163,476</u>	<u>9,584</u>	<u>8,220</u>
Total	<u>\$ 476,922,919</u>	<u>\$ 533,020,700</u>	<u>\$ 482,391,953</u>	<u>\$ 510,616,958</u>
City direct sales tax rate	1.50%	1.50%	1.50%	1.50%

Source: Texas Comptroller

⁽¹⁾ The third quarter (July 2018 - September 2018) was not available at the time of issuing this document.

TABLE 13

Fiscal Year					
2013	2014	2015	2016	2017	2018 ⁽¹⁾
\$ 18,470	\$ 20,710	\$ 38,271	\$ 21,805	\$ 21,605	\$ 19,550
2,531,239	5,581,565	9,450,845	6,034,468	6,207,450	6,590,388
11,992	14,806	29,277	116,189	81,327	81,360
8,613,306	8,888,143	10,711,347	7,980,552	9,951,396	14,965,544
14,477,480	22,793,527	17,724,630	14,446,761	13,633,362	15,346,805
22,230,671	24,108,087	28,378,471	37,428,143	28,398,552	34,205,787
365,801,041	380,622,776	400,578,606	419,237,212	332,020,692	359,931,354
36,051	39,413	67,779	70,319	43,837	53,848
3,752,266	7,149,200	11,098,495	14,935,800	17,944,759	14,341,356
733,579	729,685	768,147	723,736	532,098	570,992
7,236,213	7,252,145	8,157,086	7,067,849	5,329,490	9,400,862
2,348,015	2,667,218	3,012,331	3,623,350	2,947,800	3,127,759
4,917,272	5,813,773	6,562,417	5,991,476	5,133,573	5,607,772
480,843	320,397	668,197	689,863	614,594	567,421
173,433	120,471	256,777	474,103	253,391	2,087,612
829,047	966,239	1,859,886	2,739,694	2,370,791	2,449,264
84,374,406	90,204,897	97,331,847	105,951,222	83,335,909	87,279,498
21,107,648	15,024,627	16,956,498	17,741,942	14,243,436	16,856,639
11,667,511	13,458,787	12,811,345	10,422,945	8,887,940	9,065,382
-	-	-	-	-	-
(308,467)	2,676,246	(457,885)	-	-	-
<u>\$ 551,032,016</u>	<u>\$ 588,452,712</u>	<u>\$ 626,004,367</u>	<u>\$ 655,697,429</u>	<u>\$ 531,952,002</u>	<u>\$ 582,549,193</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 ⁽¹⁾
	General Obligation Bonds	Certificates of Obligation	Tax Note	Capital Leases	Revenue Bonds	Tax Note	Term Loan	Capital Leases			
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	117,603,118	9.55%	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
2018	40,293,351	11,115,254	9,223,885	646,988	45,320,282	-	37,631	363,141	107,000,532	6.72%	3,491

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

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

CITY OF WEATHERFORD, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding				Less: Amounts Available in Debt Service Fund ⁽²⁾	Net Bonded Debt
	General Obligation Bonds	Certificates of Obligation	Tax Note	Total		
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	7,303,798	55,052,814
2018	40,293,351	11,115,254	9,223,885	60,632,490	8,055,973	52,576,517

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

(1) Population data located on Table 18

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

TABLE 15

Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita ⁽¹⁾
\$ 1,737,804,630	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	2.59%	1,837
2,449,936,435	2.15%	1,715

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CITY OF WEATHERFORD, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2018

<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	\$ 171,024,087	0.46%	\$ 786,711
Parker County	121,435,000	20.62%	25,039,897
Parker County Junior College District	4,385,000	20.71%	908,134
Peaster Independent School District	22,122,306	2.83%	626,061
Weatherford Independent School District	123,011,636	47.31%	58,196,805
Other debt			
Parker County Junior College, note payable	4,594,470	20.71%	<u>951,515</u>
Subtotal overlapping debt			86,509,123
City of Weatherford direct debt	61,279,477	100.00%	<u>61,279,477</u>
Total direct and overlapping debt			<u>\$ 147,788,600</u>

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

Source: Representatives of taxing jurisdictions

CITY OF WEATHERFORD, TEXAS

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year	Utility System and Storm Water Utility Revenue Obligations					
	Gross Revenue ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service ⁽³⁾		Coverage
				Principal	Interest	
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	2,053,006	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	1,887,917	3.45
2018	62,814,234	35,639,353	27,174,881	3,565,000	1,841,223	5.03

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

⁽¹⁾ Total operating revenues plus interest.

⁽²⁾ Total operating expenses excluding depreciation and amortization.

⁽³⁾ Principal and interest payments due for the following fiscal year.

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

Calendar Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Income ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
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%
2018	30,654	1,591,862,220	51,930 *	8,116	3.0%

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	2018		
	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		28.77%

Employer	2009		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	1,017	1	8.76%
Weatherford Regional Medical Center	486	2	4.19%
Weatherford College	483	3	4.16%
Parker County	394	4	3.40%
Wal-Mart Stores, Inc.	336	5	2.90%
JAMAK, Inc.	326	6	2.81%
Compass Bank	298	7	2.57%
City of Weatherford	276	8	2.38%
C.D. Hartnett	251	9	2.16%
Petro	200	10	1.72%
Total	4,067		35.05%

Source: Weatherford Economic Development Authority

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,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government	24	24	24	24	24	42	45	45	49	49
Public safety	130	130	132	138	137	139	135	138	141	141
Public works	22	22	23	26	27	29	30	31	24	24
Planning and development	10	10	10	9	10	-	-	-	-	-
Community development	24	24	23	21	23	-	-	-	-	-
Health and welfare	-	-	-	-	-	15	17	18	18	19
Cultural and recreational	50	51	52	56	56	55	54	54	47	48
Electric	54	54	55	55	55	34	36	35	39	39
Water	28	28	28	28	28	28	28	29	31	31
Wastewater	16	16	16	16	16	26	26	28	28	28
Sanitation	19	19	19	19	17	20	20	20	18	18
Total	<u>377</u>	<u>378</u>	<u>382</u>	<u>392</u>	<u>393</u>	<u>388</u>	<u>391</u>	<u>398</u>	<u>395</u>	<u>396</u>

Source: City's Human Resource Department

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

Function/Program	Fiscal Year			
	2009	2010	2011	2012
Public safety				
Police				
Police personnel and officers	77	76	80	80
Arrests	1,604	1,591	1,104	957
Violations other than parking	7,823	6,855	6,628	4,455
Parking violations	114	88	71	87
Fire				
Paid fire personnel and officers	51	51	55	58
Calls answered	3,897	3,985	4,142	4,360
Planning and development				
New construction permits issued	143	120	186	116
Cultural and recreation				
Library holdings	98,596	98,241	102,847	101,404
Electric				
Service connections	13,297	13,418	13,560	13,767
Total system peak demand (KW)	83,385	90,289	96,681	92,466
Annual kilo-watt hour sales (KWH)	341,457,244	365,673,529	381,826,440	371,081,397
Water				
Service connections	10,507	10,604	10,722	10,845
Daily average consumption (thousands of gallons)	3,494	3,072	3,884	3,649
Annual water sales (thousands of gallons)	1,275,433	1,121,197	1,417,482	1,331,738
Wastewater				
Service connections	(2) 9,660	(2) 9,769	(2) 9,881	(2) 9,994
Daily average consumption (thousands of gallons)	1,936	2,261	2,133	2,242
Sanitation				
Refuse collected (tons)	8,780	8,951	8,789	8,881
Brush pickups (tons)	1,832	1,601	1,936	1,882
Special pickups (tons)	(1)	(1)	(1)	(1)

Source: Various City Departments

TABLE 21

Fiscal Year					
2013	2014	2015	2016	2017	2018
80	78	78	76	76	81
1,132	1,302	1,404	1,793	1,766	1,613
5,691	4,488	4,675	3,948	2,969	3,710
133	57	89	94	81	47
66	56	56	59	59	60
4,505	5,201	4,660	5,239	5,041	4,577
211	220	204	211	244	217
104,834	104,834	103,028	100,809	95,921	93,702
13,953	14,115	14,161	14,292	14,844	15,036
94,161	96,681	94,249	96,067	101,300	114,570
371,982,863	389,421,402	386,452,762	387,044,014	392,239,811	432,494,992
11,084	11,138	11,350	11,497	11,907	12,161
3,493	3,277	3,058	3,328	3,232	3,808
1,227,698	1,179,691	1,116,010	1,214,712	1,179,666	1,389,963
10,201	10,251	10,481	10,761	11,239	11,619
2,115	2,148	2,195	2,357	2,115	1,948
9,239	9,565	10,218	10,242	11,416	11,430
1,792	1,612	1,605	2,330	1,786	1,397
(1)	(1)	(1)	(1)	(1)	(1)

TABLE 22

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

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public safety										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	22	22	22	22	22	22	23	26	25	26
Fire										
Fire stations	4	4	4	4	4	4	3	3	3	3
Fire trucks	16	17	18	18	18	18	17	17	14	21
Fire boat	-	-	-	-	-	-	1	1	1	1
Cultural and recreation										
Parks and recreation										
Community centers	2	2	2	2	2	2	2	3	3	3
Parks	10	10	10	10	10	10	10	26	26	26
Park acreage	300	300	301	301	301	301	301	501	501	501
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	3	3	3	3	3	3	3	7	7	7
Soccer fields	8	8	8	8	8	8	8	11	11	11
Softball/baseball fields	10	13	11	11	12	12	12	12	12	12
Multipurpose fields and courts	9	9	7	7	3	3	3	5	5	5
Electric										
Miles of distribution lines	313	316	326	326	326	342	342	346	355	362
Water										
Miles of water mains	249	254	266	272	272	268	275	274	277	285
Number of fire hydrants	1,244	1,320	1,342	1,355	1,384	1,447	1,450	1,509	1,557	1,633
Maximum daily capacity of plant (thousands of gallons)	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	1,400	14,000
Total water storage capacity (thousands of gallons)	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Wastewater										
Miles of sanitary sewers	192	195	202	207	233	233	208	208	212	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