

**CITY OF
WEATHERFORD**

TEXAS

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED
SEPTEMBER 30, 2014**

**Created by:
Finance Office**

CITY OF WEATHERFORD, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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INTRODUCTORY SECTION

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March 24, 2015

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, 2014, 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 of 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, 2014, 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, 2014, 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 26.52 square miles and serves an estimated population of 26,940. 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 and ordinances, adopting the budget, appointing boards and committees, and hiring the City Manager. The Municipal Court Judge, City Secretary and City Attorney are also appointed by the City Council. The City Manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Mayor and council members are elected on a non-partisan, at-large basis for three-year staggered terms. The City provides a full range of services including police and fire protection, street maintenance, sanitation, parks and recreation facilities, and public library.

In accordance with Article IX of the City Charter, management, control and operation of the municipal utility system is vested with the board of trustees. The 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 59-60 of this report. Budget-to-actual comparisons for each of the non-major governmental funds are found on pages 74-86.

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 2014, the City of Weatherford continued thriving in its economic recovery, as revenues to the city reached record highs. The State and more so the North Texas Metroplex/MSA, that includes Weatherford, continues to stay ahead of the nation in job creation (recovery) and new growth. Regional retail shopping, manufacturing and other business to business sales led Weatherford's strong sales tax figures for FY14. Cutting-horse and cattle ranching, and agricultural crop production are still significant economic contributors to the area. Other economic indicators that showed improvement throughout the year are Texas' consumer confidence index as well as the unemployment rate, which continues to fall in both the state and in Weatherford. In addition, 45 to 50 percent of local residents make the short commute east into the Fort Worth/Dallas 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 2014 was the historic high in sales tax revenue collections for the City of Weatherford. The 2014 City sales tax was about 5 percent above the 2013 \$9.9 million, at close to \$10.6 million.

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

The City continues to develop as a major regional retail center at the IH-20 and S. Main node, with over 905,000 square feet of retail construction completed since 2005. The Weatherford Marketplace Center at the south east intersection of IH-20 and S. Main St. (State Highways 51/171) has been fully leased. Some vacancies are common but they tend to rotate occupancy.

The local unemployment rate has declined and fluctuated monthly for two years. The rate as of September of 2014 was 4.2%, not seasonally adjusted. The City high was 8.5% in July 2009. The long-term unemployed workforce moderates this improvement in the local rate. The city routinely has the lowest unemployment rate of the County, the Fort Worth-Dallas MSA and the State, and much lower than national levels.

Due in part to a stable local service area economy, Standard & Poor's Rating Services assigned and affirmed its "AA-" rating and stable outlook to the City of Weatherford's series 2012 general obligation refunding bonds and the City's general obligation bonds, respectively, during FY13.

Long-term Financial Planning and Major Initiatives. In 2009, City Council adopted Financial Management Policy Statements to provide a framework for fiscal decision-making to ensure that

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

This policy statement sets a desired fund balance reserve in the committed funds of the general and utility fund at 90 days of operations. At fiscal year end both funds had met this requirement of the policy statement as well as had a healthy unassigned fund balance, which was a desire of the City Council.

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

A focus of the City Council, as stated in the vision statement, is up-to-date infrastructure. The City made some great improvements and enhancements to the City over the last several years with a huge emphasis on implementing the 2006 Capital Committee's recommendations as well as a massive Pass-Through Toll Agreement with TxDOT that will provide approximately \$60 million in new or improved transportation infrastructure. However, this is no time to slow the progress of meeting the needs of the community. The streets department has undergone a pavement condition survey to determine where funds and efforts need to be focused and plan for them in the budget. The results of the survey suggested that the City was underfunding its annual street repairs by several hundred thousand dollars, and City management has determined that adequate street funding will be a priority in the future. As of fiscal year 2015, the City is within fifty thousand dollars of its annual street maintenance funding target. With the new municipal storm water fee having been adopted in early 2013, the City has made several strides in updating its drainage infrastructure in the past two years, and is currently evaluating the possibility of issuing revenue bonds backed by this revenue stream for further improvements. Staff recently completed a water plant master plan for future need evaluation, and has been implementing the existing wastewater treatment master plan as well. Funding for large scale capital projects as well as annual repair and replacement of utility assets is difficult, but the Utility Board just approved rate adjustments for fiscal year 2015 to assist with these needs. Finally, in the fall of 2014, Weatherford voters voted down a bond referendum that would have partially funded downtown improvements. However, given that the downtown area has been a consistent priority for the City Council, staff will continue to evaluate ways to implement the existing downtown master plan.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Weatherford for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2013. This was the twenty-sixth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

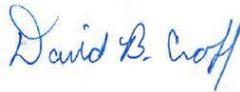
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report, but especially notable are the efforts and accomplishments of Assistant Finance Director, Sidney Kirk; Staff Accountant, Cathy Coffman; Finance Analyst, Tomara Holloway; Budget and Strategic Planning Manager, Kyle Lester; and Accounting Clerks Betty Hopson and Debbie Burrows. 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,

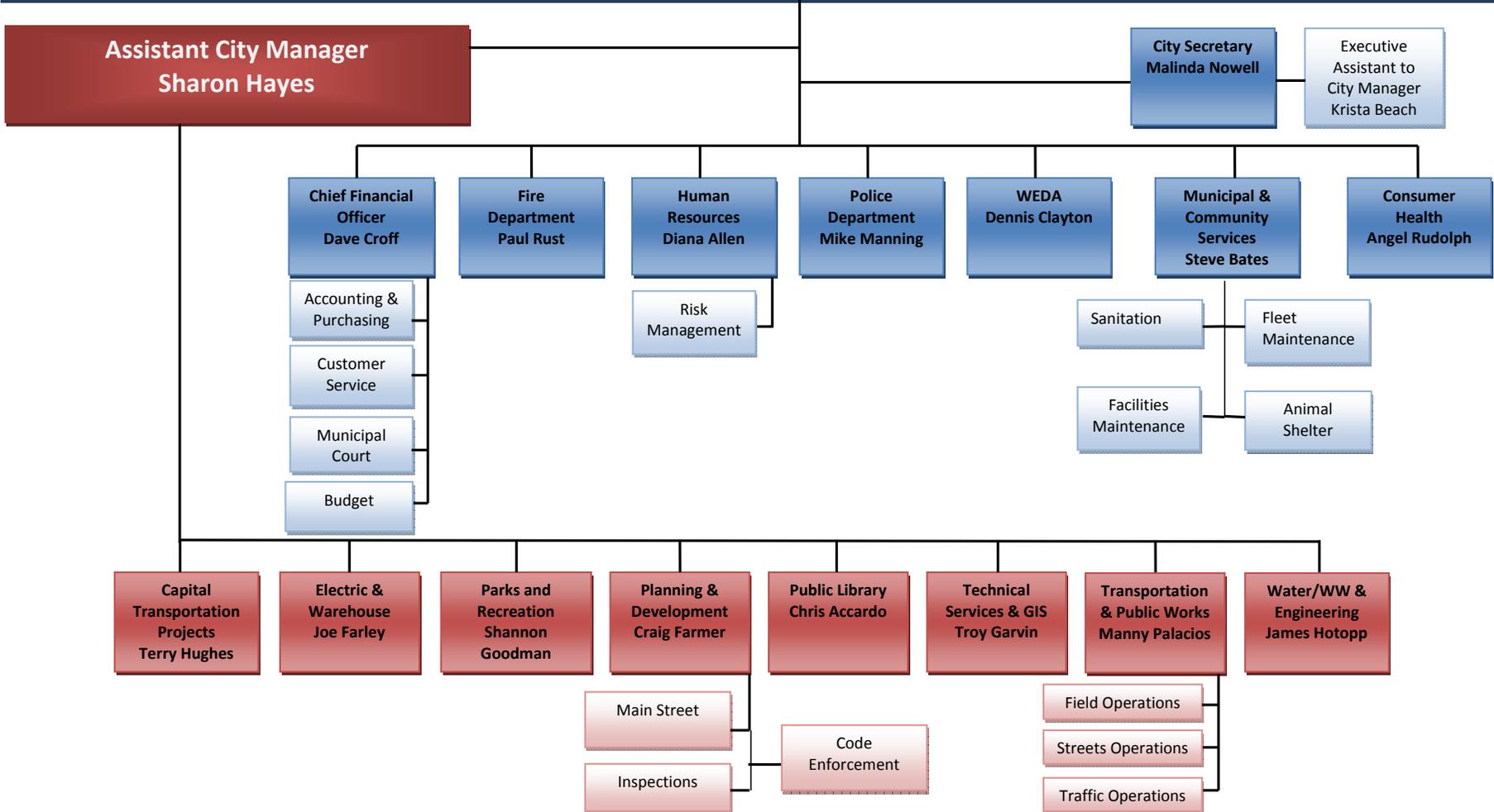


Jerry Blaisdell
City Manager



David B. Croff
Chief Financial Officer

City Manager – Jerry Blaisdell



City of Weatherford Organizational Structure



**THE CITY OF
WEATHERFORD, TEXAS**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**YEAR ENDED
SEPTEMBER 30, 2014**

**ELECTED
CITY COUNCIL**

Dennis Hooks – Mayor

Craig Swancy – Mayor Pro Tem/Council Member

Waymon Hamilton – Council Member

Jeff Robinson – Council Member

Heidi Wilder – Council Member

**APPOINTED/DESIGNATED
MUNICIPAL UTILITY BOARD**

Dennis Hooks – Mayor – Chair

Bob Glenn – Vice Chair

Craig Swancy – Designated Council Member

Heidi Wilder – Designated Council Member

Ken Davis – Appointed Public Member

James Dickason – Appointed Public Member

Howard McClurkin – Appointed Public Member



Government Finance Officers Association

Certificate of
Achievement
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Presented to

**City of Weatherford
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

FINANCIAL SECTION

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

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Texas, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Weatherford, Texas', basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weatherford, Texas, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of funding progress on pages 4 through 15 and 59 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of the City of Weatherford, Texas', internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Weatherford, Texas' internal control over financial reporting and compliance.

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

Waco, Texas
March 20, 2015

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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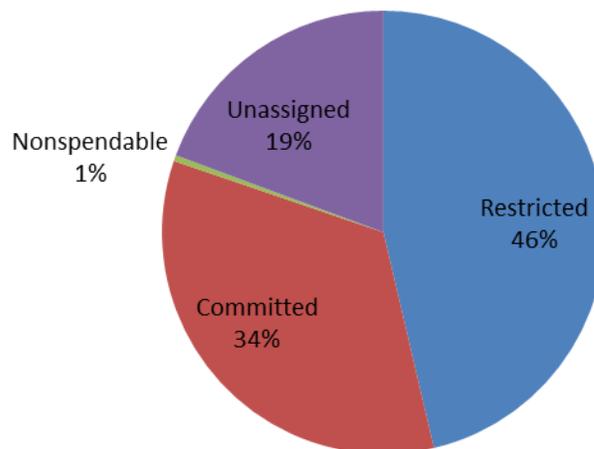
Management's Discussion and Analysis

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, 2014. 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 inflows of resources of the City of Weatherford exceeded its liabilities at the close of the most recent fiscal year by \$158,771,175 (net position). Of this amount, \$26,433,740 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$5,981,801. Positive operating results along with capital contributions from developers in the utility and solid waste systems resulted in an increase in net position related to business-type activities of \$6,102,607. Net position related to governmental activities decreased by \$120,806, as a result of a combination of multiple budgeted increases and decreases.
- As of the close of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$28,811,098, a decrease of \$3,127,411 in comparison with the prior year. A variety of increases and decreases combine to make this decrease, but the majority can be contributed to the new construction and maintenance of roads. Approximately 19% of the total balance, \$5,576,810, is unassigned, which is primarily in the general fund. This is approximately 21% of total general fund expenditures.

Government Funds Fund Balance by Type



- The City of Weatherford's total debt decreased by \$7,011,775 (6.5%) during the current fiscal year as a result of normal principal retirement.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 - 58 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 59 - 60 of this report. Required supplementary Information of pension and other post employee benefit funding progress are also included on pages 62 and 63.

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 exceeded liabilities by \$158,771,175 at the close of the most recent fiscal year.

City of Weatherford's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 56,398,051	\$ 36,445,271	\$ 43,546,651	\$ 43,879,739	\$ 99,944,702	\$ 80,325,010
Capital assets	<u>60,539,244</u>	<u>85,669,231</u>	<u>119,079,070</u>	<u>115,841,004</u>	<u>179,618,314</u>	<u>201,510,235</u>
Total assets	<u>116,937,295</u>	<u>122,114,502</u>	<u>162,625,721</u>	<u>159,720,743</u>	<u>279,563,016</u>	<u>281,835,245</u>
Deferred outflows of resources	<u>1,456,549</u>	<u>1,593,520</u>	<u>97,392</u>	<u>328,267</u>	<u>1,553,941</u>	<u>1,921,787</u>
Long-term liabilities	77,525,235	80,869,734	36,479,813	39,651,698	114,005,048	120,521,432
Other liabilities	<u>2,526,016</u>	<u>4,374,889</u>	<u>5,814,718</u>	<u>6,071,337</u>	<u>8,340,734</u>	<u>10,446,226</u>
Total liabilities	<u>80,051,251</u>	<u>85,244,623</u>	<u>42,294,531</u>	<u>45,723,035</u>	<u>122,345,782</u>	<u>130,967,658</u>
Net position:						
Net investment in capital assets	29,104,810	20,530,809	90,336,805	79,820,405	119,441,615	100,351,214
Restricted	3,267,974	6,571,469	9,627,846	12,052,281	12,895,820	18,623,750
Unrestricted	<u>5,969,809</u>	<u>11,361,121</u>	<u>20,463,931</u>	<u>22,453,289</u>	<u>26,433,740</u>	<u>33,814,410</u>
Total net position	<u>\$ 38,342,593</u>	<u>\$ 38,463,399</u>	<u>\$ 120,428,582</u>	<u>\$ 114,325,975</u>	<u>\$ 158,771,175</u>	<u>\$ 152,789,374</u>

By far the largest portion of the City of Weatherford's net position (75.2%) reflects its investment in capital assets (land, building, infrastructure, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Weatherford's net position (8.1%) 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 \$26,433,740 (16.7%) balance of net position is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

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

The City's total net position increased by \$5,981,801 during the current fiscal year. Net position related to business-type activities increased by \$6,102,607. This increase is largely attributable to positive operating results as well as capital grants and contributions from developers. Net position related to governmental activities decreased by \$120,806, as a result of a combination of multiple increases and decreases.

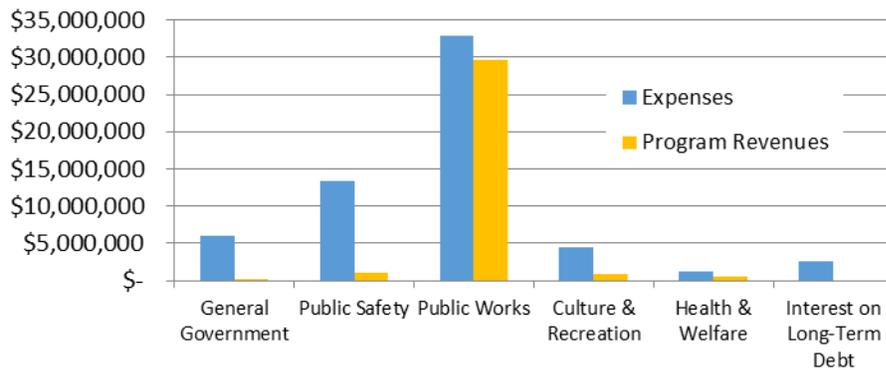
City of Weatherford's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 2,776,096	\$ 2,905,297	\$ 55,968,377	\$ 48,983,408	\$ 58,744,473	\$ 51,888,705
Operating grants and contributions	310,955	196,248	-	-	310,955	196,248
Capital grants and contributions	29,049,784	3,873,294	1,674,969	912,459	30,724,753	4,785,753
General revenues:						
Sales taxes	10,591,223	9,969,043	-	-	10,591,223	9,969,043
Property taxes	8,674,852	8,396,517	-	-	8,674,852	8,396,517
Other taxes	1,442,064	1,410,028	-	-	1,442,064	1,410,028
Other	378,319	299,211	723,497	643,824	1,101,816	943,035
Total revenues	<u>53,223,293</u>	<u>27,049,638</u>	<u>58,366,843</u>	<u>50,539,691</u>	<u>111,590,136</u>	<u>77,589,329</u>
Expenses:						
General government	6,035,033	5,464,305	-	-	6,035,033	5,464,305
Planning and development	-	755,272	-	-	-	755,272
Community development	-	1,031,282	-	-	-	1,031,282
Public safety	13,331,155	12,951,140	-	-	13,331,155	12,951,140
Public works	32,880,317	5,032,489	-	-	32,880,317	5,032,489
Health and welfare	1,269,608	152,181	-	-	1,269,608	152,181
Culture and recreational	4,442,143	4,217,332	-	-	4,442,143	4,217,332
Interest on long-term debt	2,534,057	2,633,532	-	-	2,534,057	2,633,532
Electric	-	-	32,064,046	25,082,339	32,064,046	25,082,339
Water	-	-	8,083,005	7,384,830	8,083,005	7,384,830
Wastewater	-	-	3,392,953	3,321,956	3,392,953	3,321,956
Solid waste	-	-	1,502,670	1,528,130	1,502,670	1,528,130
Stormwater	-	-	73,348	24,532	73,348	24,532
Total expenses	<u>60,492,313</u>	<u>32,237,533</u>	<u>45,116,022</u>	<u>37,341,787</u>	<u>105,608,335</u>	<u>69,579,320</u>
Increase (decrease) in net position before transfers	(7,269,020)	(5,187,895)	13,250,821	13,197,904	5,981,801	8,010,009
Transfers	7,148,214	7,595,012	(7,148,214)	(7,595,012)	-	-
Increase (decrease) in net position	(120,806)	2,407,117	6,102,607	5,602,892	5,981,801	8,010,009
Net position, October 1, restated	<u>38,463,399</u>	<u>36,056,282</u>	<u>114,325,975</u>	<u>108,723,083</u>	<u>152,789,374</u>	<u>144,779,365</u>
Net position, September 30	<u>\$ 38,342,593</u>	<u>\$ 38,463,399</u>	<u>\$ 120,428,582</u>	<u>\$ 114,325,975</u>	<u>\$ 158,771,175</u>	<u>\$ 152,789,374</u>

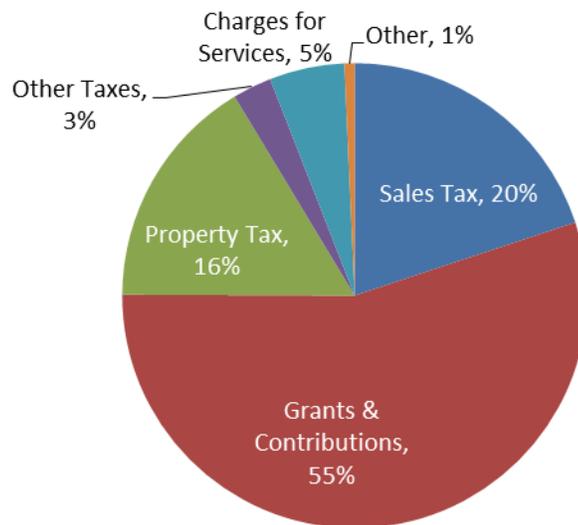
Governmental Activities. The City of Weatherford’s total net position related to governmental activities decreased by \$120,806. Key elements of this decrease are as follows:

- The large increase of governmental activities revenues was mitigated by offsetting expenses. The revenue increase is primarily due to an increase in grants related to the Texas Department of Transportation pass-thru toll program (\$25 million), which was offset by a corresponding amount of expenses as a result of the City transferring completed roads to the State. Additional contributing factors include a sales tax revenue increase of \$622,180 (6.2%) as well as property tax assessed value increases, yielding an additional \$278,335 over FY13.

Expenses and Program Revenues – Governmental Activities



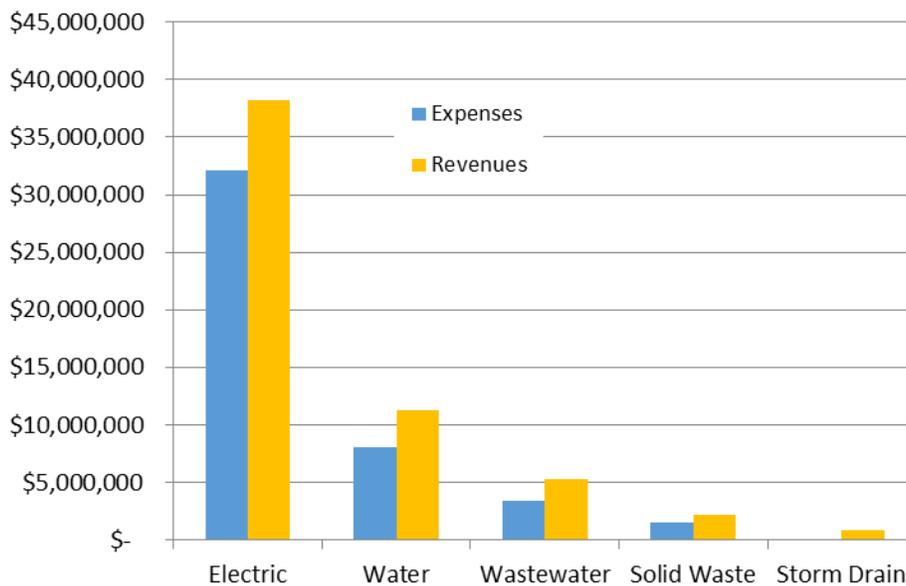
Revenues by Source – Governmental Activities



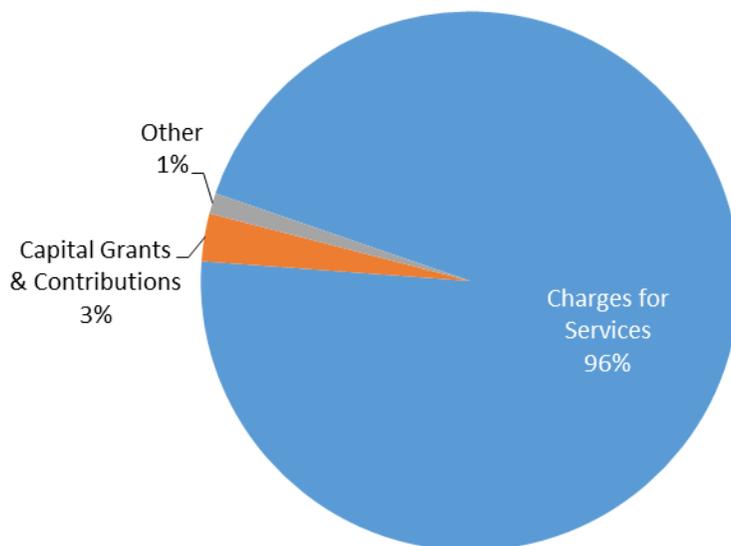
Business-Type Activities. Business-type activities increased the City of Weatherford’s net position by \$6,102,607. Key elements of this increase are as follows:

- Revenues increased \$7,827,152 or 15.5% over prior year revenues. This is primarily due the increased consumption in electric revenues, instituting a pass-through for the cost of pumping water from the Tarrant Regional Water District, and rate increases in the newly created storm water utility fund. Had the Utility not passed through the cost of pumping water, the net position would have experienced a more modest increase, as water and wastewater consumption were both down from the previous fiscal year.
- Overall expenses increased \$7,774,235 (20.8%) compared to prior year for the business-type activities. The cost of electric operations saw the largest increase of \$6,981,707 (27.8%) due to increased consumption and cost of purchased power. The water utility also saw an increase of \$698,175 (9.5%) due to purchased water. Other areas saw a nominal increase.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the City’s Funds

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

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

As of the end of the current fiscal year, the City of Weatherford’s governmental funds reported combined ending fund balances of \$28,811,098, a decrease of \$3,127,411 in comparison with the prior year. A variety of increases and decreases combine to make this decrease. The largest decrease in fund balance came in the capital project accounts due to the normal infrastructure capital improvements decreasing debt proceeds. Approximately 53.2% (\$15,340,330) 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 \$5,576,810 (36.4%) of the total is unassigned. Of the committed funds \$1,250,884 is designated for net OPEB obligation costs to date as detailed in Note 4, \$5,346,816 is committed to capital projects, \$282,846 is for Parks development, \$259,115 is for culture and recreation, \$769,134 is for community development and \$6,423,899 is the desired stabilization fund of 90 days’ worth of general fund operation the Council retains for emergencies or unforeseen situations. The other \$13,470,768 (46.8%) of the fund balances are either nonspendable or restricted in use by an outside authority or covenant.

The general fund is the chief operating fund of the City of Weatherford. At the end of the current fiscal year, spendable and unrestricted fund balance of the general fund was \$12,000,723, while total fund balance was \$13,320,678. As a measure of the general fund’s liquidity, it is useful to compare spendable, unreserved fund balance to total fund expenditures. Spendable, unrestricted fund balance represents 45%, or approximately 164 days of total general fund expenditures.

The fund balance of the City's general fund increased overall by \$516,989 during the current fiscal year. This increase in fund balance is due primarily to better than anticipated sales tax revenue.

The debt service fund has a total fund balance of \$6,405,510, all of 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 \$1,196,414. This is due to an increase in intergovernmental revenues.

At the end of the fiscal year, the City's fourteen active special revenue funds (state forfeiture, federal forfeiture, Weatherford beautification, hotel/motel tax, Chandor Gardens, SFX grant, Weatherford Aerospace grant, court technology, main street project, court security, library, animal shelter, court juvenile case manager, and park) had combined fund balances totaling \$1,858,486, compared to prior year balances of \$1,721,389.

The series 2011 C.O. bond fund was classified as a major fund in the prior year. Including this fund, the seven active capital projects funds (general capital, park development, series 2006 C.O., series 2007 G.O. bond, series 2007 C.O., series 2008 C.O., and series 2011 C.O.) had combined ending fund balances of \$7,176,438 compared to prior year balances of \$12,154,266, all of which is restricted for transportation, building, and park improvement projects. The decrease in the capital projects funds is contributed to the expenditure of bond dollars on road capital projects.

The Doss permanent library fund had an ending fund balance of \$49,986, compared to the prior year balance of \$50,069. This fund must carry a balance of \$50,000. As such, the City will not spend out of this fund until that balance is replenished.

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 \$18,063,326, compared to the prior year unrestricted balance of \$20,645,374. The total increase in net position for the municipal utility fund was \$5,036,874. Unrestricted net position of the solid waste fund amounted to \$1,798,011 compared to \$1,656,027 in the prior year. Unrestricted net position of the storm water fund amounted to \$602,594 compared to \$151,888 in the prior year.

General Fund Budgetary Highlights

Increasing amendments to the original 2013-14 general fund annual expenditure appropriations netted to \$780,312, or less than 3% of the original budget. A small portion of the budget amendments (\$89,915, or 11.5%) were to roll over unspent funds for 2012-13 approved projects into 2013-14. Additionally, there were some mid-year adjustments as well. The largest such adjustment was to purchase land in the amount of \$190,000. The city also opted to use General Fund dollars to pay off the remaining \$121,776 in debt for the Solider Springs baseball field lights. Some of these adjustments were for unforeseen pressures to the city, such as increased overtime costs for Transportation and Public Works (\$10,000), one-time vacation buy back (\$1,922) and an emergency vehicle replacement for Planning and Development (\$24,000). The remaining amounts were offset through revenue coming into the City. Those include the approved agreement with Emergency Services District 3, which added \$176,353 in reimbursable budget to the Fire department, a total of \$88,027 which was offset by miscellaneous donations, insurance reimbursements, grants, and items sold, and \$68,563 for vehicle trade-ins.

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 September 30, 2014 amounts to \$179,618,314 (net of accumulated depreciation) compared to \$201,510,235 in the prior year. Investment in capital assets related to governmental activities (\$60,539,244) 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 (\$119,079,070) 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:

- Road construction of \$4,136,313 was the largest capital asset event for the City. This was for infrastructure improvements on FM 51 (South Main) and the I-20 corridor.
- Vehicle and equipment purchases in the General Fund amounted to \$535,063.
- Land acquisition and ongoing improvements for Heritage Park totaled \$350,446.
- Various system extensions and improvements to the City's water, wastewater, and electric distribution system, as well as, equipment purchases totaled \$5,278,028.

City of Weatherford's Capital Assets

(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 5,488,126	\$ 5,488,126	\$ 2,540,233	\$ 2,514,254	\$ 8,028,359	\$ 8,002,380
Buildings and systems	8,808,811	8,975,093	10,065,178	10,521,979	18,873,989	19,497,072
Improvements other than buildings	24,945,878	25,993,109	99,599,434	97,564,024	124,545,312	123,557,133
Machinery and equipment	2,806,472	2,863,827	2,810,365	2,531,077	5,616,837	5,394,904
Infrastructure	4,128,221	4,626,960	-	-	4,128,221	4,626,960
Construction in progress	14,361,736	37,722,116	4,063,860	2,709,670	18,425,596	40,431,786
Total	\$ <u>60,539,244</u>	\$ <u>85,669,231</u>	\$ <u>119,079,070</u>	\$ <u>115,841,004</u>	\$ <u>179,618,314</u>	\$ <u>201,510,235</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, notes payable, and leases payable of \$100,921,658. Of this amount, \$53,615,000 comprises general obligation debt secured by property tax collections and backed by the full faith and credit of the City, \$13,485,000 represents combination tax and revenue certificates of obligation debt, \$31,600,000 represents bonds secured solely by revenue from the City’s combined electric, water and wastewater utility system, a combined \$663,428 in notes payable and State infrastructure loans payable from the utility system revenues. A total of \$1,558,230 represents leases payable from performance contracting improvements and computers.

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	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 53,615,000	\$ 56,610,000	\$ -	\$ -	\$ 53,615,000	\$ 56,610,000
Certificates of obligations	13,485,000	14,035,000	-	-	13,485,000	14,035,000
Revenue bonds	-	-	31,600,000	34,585,000	31,600,000	34,585,000
Notes payable	-	-	663,428	905,267	663,428	905,267
Lease obligations	<u>1,058,560</u>	<u>1,266,483</u>	<u>499,670</u>	<u>531,683</u>	<u>1,558,230</u>	<u>1,798,166</u>
Total	<u>\$ 68,158,560</u>	<u>\$ 71,911,483</u>	<u>\$ 32,763,098</u>	<u>\$ 36,021,950</u>	<u>\$ 100,921,658</u>	<u>\$ 107,933,433</u>

The City of Weatherford’s total debt decreased by \$7,011,775 (7.0%) during the current fiscal year as a result of normal principal retirement.

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, 2014. 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, 2014.

State statutes limit the total property tax rate to \$2.50 per \$100 assessed valuation. The City’s total property tax rate for 2013-14 was \$0.4636 per \$100 assessed valuation, of which \$0.1716 was for annual debt service. As a condition for issuance of additional debt, utility revenue bond covenants require net revenues of the system to be not less than 1.25 times average annual debt requirements and 1.10 times 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 the City of Weatherford as of the fiscal year-end declined for the second year in a row. At the end of September, 2014, the unemployment rate was 4.2%, not seasonally adjusted, for Weatherford’s metropolitan area. This continues to compare favorably to national average unemployment rates as well as rates over the Dallas/Fort Worth Metroplex.

- Sales tax collections for 2013-14 were up 6.2% from the prior year. Except for February, every month during the fiscal year had increased retail sales receipts compared to the prior year. As of the printing of this document, collections for 2014-15 are above prior levels.
- The final total taxable assessed value of property within the City for the 2014 tax year increased by 2.1% from the 2013 assessed values, from \$1.909 billion to \$1.949 billion. This total includes new construction.
- As a result of transportation developments with TxDOT at the intersection of Interstate Highway 20 and State Highways 51/171, we expect increased economic activity.

All of the above factors were considered in preparing the City of Weatherford's budget for the 2014-2015 fiscal year. The property tax rate was increased to \$0.4866 per \$100 of assessed value. Sales tax collections, accounting for approximately 37.8% of general fund revenues and other financing sources, were projected to be relatively flat to fiscal year 2012-13 projected receipts after accounting for expected rebates for economic development incentive agreements. One-time approved expenditures in the general fund total \$2,687,658. There is a planned draw down of fund balance of \$2,084,722, which covers the majority of these one-time expenses. This still leaves the City with fund balance covering more than 120 days of operating costs, which well exceeds our target of 90 days of general fund expenditures.

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 Office of the Chief Financial Officer, P.O. Box 255, Weatherford, Texas, 76086.

**BASIC
FINANCIAL STATEMENTS**

CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 28,711,075	\$ 18,786,100	\$ 47,497,175
Receivables (net of allowance for uncollectibles):			
Taxes	290,657	-	290,657
Accounts	516,302	6,024,905	6,541,207
Other	-	57,431	57,431
Due from other governments	26,806,066	-	26,806,066
Prepays	14,686	149,076	163,762
Inventories	59,265	3,401,876	3,461,141
Restricted assets:			
Cash and investments	-	15,114,837	15,114,837
Accrued interest	-	12,426	12,426
Capital assets:			
Land	5,488,126	2,540,233	8,028,359
Buildings	14,746,965	19,304,185	34,051,150
Improvements other than buildings	32,788,448	154,288,841	187,077,289
Infrastructure	13,182,232	-	13,182,232
Machinery and equipment	10,105,957	8,017,795	18,123,752
Construction in progress	14,361,736	4,063,860	18,425,596
Less: accumulated depreciation	<u>(30,134,220)</u>	<u>(69,135,844)</u>	<u>(99,270,064)</u>
Total capital assets	<u>60,539,244</u>	<u>119,079,070</u>	<u>179,618,314</u>
Total assets	<u>116,937,295</u>	<u>162,625,721</u>	<u>279,563,016</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	<u>1,456,549</u>	<u>97,392</u>	<u>1,553,941</u>
Total deferred outflows of resources	<u>1,456,549</u>	<u>97,392</u>	<u>1,553,941</u>

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

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable	\$ 1,367,086	\$ 4,100,105	\$ 5,467,191
Accrued liabilities	299,384	56,576	355,960
Retainage payable	522,820	41,995	564,815
Accrued interest	223,486	16,474	239,960
Due to other governments	77,701	-	77,701
Customer deposits and escrows	33,675	1,470,692	1,504,367
Unearned revenue	1,864	2,083	3,947
Payable from restricted assets:			
Accrued interest	-	126,793	126,793
Noncurrent liabilities:			
Due within one year-payable from restricted assets	-	261,250	261,250
Due within one year	4,634,217	3,407,198	8,041,415
Due in more than one year	72,891,018	32,811,365	105,702,383
Total liabilities	<u>80,051,251</u>	<u>42,294,531</u>	<u>122,345,782</u>
NET POSITION			
Net investment in capital assets	29,104,810	90,336,805	119,441,615
Restricted for:			
Construction	-	1,231,265	1,231,265
Debt service	1,618,603	4,484,538	6,103,141
Rate stabilization	-	3,912,043	3,912,043
Culture and recreation:			
Nonexpendable	50,000	-	50,000
Public safety	825,357	-	825,357
Community development	774,014	-	774,014
Unrestricted	<u>5,969,809</u>	<u>20,463,931</u>	<u>26,433,740</u>
Total net position	<u>\$ 38,342,593</u>	<u>\$ 120,428,582</u>	<u>\$ 158,771,175</u>

CITY OF WEATHERFORD, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 6,035,033	\$ 29,617	\$ 50	\$ -
Public safety	13,331,155	976,746	165,209	-
Public works	32,880,317	571,551	-	29,037,373
Health and welfare	1,269,608	501,722	-	-
Cultural and recreation	4,442,143	696,460	145,696	12,411
Interest on long-term debt	2,534,057	-	-	-
Total governmental activities	<u>60,492,313</u>	<u>2,776,096</u>	<u>310,955</u>	<u>29,049,784</u>
Business-type activities:				
Electric	32,064,046	38,114,195	-	72,377
Water	8,083,005	10,340,475	-	873,690
Wastewater	3,392,953	4,533,122	-	728,902
Sanitation	1,502,670	2,140,988	-	-
Stormwater utility	73,348	839,597	-	-
Total business-type activities	<u>45,116,022</u>	<u>55,968,377</u>	<u>-</u>	<u>1,674,969</u>
Total primary government	<u>\$ 105,608,335</u>	<u>\$ 58,744,473</u>	<u>\$ 310,955</u>	<u>\$ 30,724,753</u>
General revenues:				
Taxes:				
Property				
Sales				
Other				
Grants and contributions not restricted to specific programs				
Investment earnings				
Royalties				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning, restated				
Net position, ending				

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$(6,005,366)	\$ -	\$(6,005,366)
(12,189,200)	-	(12,189,200)
(3,271,393)	-	(3,271,393)
(767,886)	-	(767,886)
(3,587,576)	-	(3,587,576)
(2,534,057)	-	(2,534,057)
<u>(28,355,478)</u>	<u>-</u>	<u>(28,355,478)</u>
-	6,122,526	6,122,526
-	3,131,160	3,131,160
-	1,869,071	1,869,071
-	638,318	638,318
-	766,249	766,249
<u>-</u>	<u>12,527,324</u>	<u>12,527,324</u>
<u>(28,355,478)</u>	<u>12,527,324</u>	<u>(15,828,154)</u>
8,674,852	-	8,674,852
10,591,223	-	10,591,223
1,442,064	-	1,442,064
16,749	-	16,749
66,346	35,548	101,894
198,695	648,400	847,095
96,529	39,549	136,078
<u>7,148,214</u>	<u>(7,148,214)</u>	<u>-</u>
<u>28,234,672</u>	<u>(6,424,717)</u>	<u>21,809,955</u>
(120,806)	6,102,607	5,981,801
<u>38,463,399</u>	<u>114,325,975</u>	<u>152,789,374</u>
<u>\$ 38,342,593</u>	<u>\$ 120,428,582</u>	<u>\$ 158,771,175</u>

CITY OF WEATHERFORD, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 12,211,276	\$ 6,403,639	\$ 10,096,160	\$ 28,711,075
Receivables (net of allowance for uncollectibles of \$265,687):				
Taxes	211,698	78,959	-	290,657
Accounts	330,457	-	185,845	516,302
Due from other governments	1,848,360	24,957,706	-	26,806,066
Prepays	9,806	-	4,880	14,686
Inventories	59,265	-	-	59,265
Total assets	<u>\$ 14,670,862</u>	<u>\$ 31,440,304</u>	<u>\$ 10,286,885</u>	<u>\$ 56,398,051</u>
LIABILITIES				
Accounts payable	724,019	-	643,067	1,367,086
Retainage payable	-	-	522,820	522,820
Accrued liabilities	273,380	-	26,004	299,384
Deposits and escrows	25,455	-	8,220	33,675
Due to other governments	77,701	-	-	77,701
Unearned revenue	-	-	1,864	1,864
Total liabilities	<u>1,100,555</u>	<u>-</u>	<u>1,201,975</u>	<u>2,302,530</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	249,629	25,034,794	-	25,284,423
Total deferred inflows of resources	<u>249,629</u>	<u>25,034,794</u>	<u>-</u>	<u>25,284,423</u>
FUND BALANCES				
Nonspendable:				
Doss library	-	-	50,000	50,000
Prepays	9,806	-	4,880	14,686
Inventory	59,265	-	-	59,265
Restricted for:				
Capital projects	-	-	5,346,816	5,346,816
Debt service	-	6,405,510	-	6,405,510
Public safety	-	-	825,357	825,357
Community development	-	-	769,134	769,134
Committed:				
Other post employee benefits	1,250,884	-	-	1,250,884
Stabilization arrangement	6,423,899	-	-	6,423,899
Capital projects	-	-	1,546,776	1,546,776
Park development	-	-	282,846	282,846
Culture and recreation	-	-	259,115	259,115
Unassigned	5,576,824	-	(14)	5,576,810
Total fund balances	<u>13,320,678</u>	<u>6,405,510</u>	<u>9,084,910</u>	<u>28,811,098</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,670,862</u>	<u>\$ 31,440,304</u>	<u>\$ 10,286,885</u>	<u>\$ 56,398,051</u>

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

CITY OF WEATHERFORD, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Total fund balances - governmental funds balance sheet	\$ 28,811,098
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.	60,539,244
Certain items are not available to pay for current period expenditures, and, therefore are deferred inflows of resources in the funds.	25,284,423
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(76,292,172)</u>
Net position of governmental activities - statement of net position	<u>\$ 38,342,593</u>

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

CITY OF WEATHERFORD, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 16,858,355	\$ 3,228,914	\$ 676,407	\$ 20,763,676
Licenses and permits	564,609	-	-	564,609
Intergovernmental	626,682	4,081,538	12,411	4,720,631
Charges for services	1,079,111	-	60,116	1,139,227
Fines and forfeitures	477,087	-	99,153	576,240
Contributions	7,708	-	53,004	60,712
Royalties and rental	-	-	198,695	198,695
Investment earnings	58,554	2,394	5,398	66,346
Miscellaneous	<u>74,162</u>	<u>-</u>	<u>129,003</u>	<u>203,165</u>
Total revenues	<u>19,746,268</u>	<u>7,312,846</u>	<u>1,234,187</u>	<u>28,293,301</u>
EXPENDITURES				
Current:				
General government	5,493,736	-	145,188	5,638,924
Public safety	12,458,789	-	48,410	12,507,199
Public works	3,140,483	-	88,020	3,228,503
Health and welfare	1,154,628	-	24,036	1,178,664
Cultural and recreation	3,222,027	-	506,090	3,728,117
Capital outlay	975,445	-	4,948,236	5,923,681
Debt service:				
Principal	235,968	3,602,037	-	3,838,005
Interest and other	<u>10,628</u>	<u>2,647,027</u>	<u>-</u>	<u>2,657,655</u>
Total expenditures	<u>26,691,704</u>	<u>6,249,064</u>	<u>5,759,980</u>	<u>38,700,748</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(6,945,436)</u>	<u>1,063,782</u>	<u>(4,525,793)</u>	<u>(10,407,447)</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	85,080	-	-	85,080
Sale of general capital assets	32,966	-	-	32,966
Insurance recoveries	13,776	-	-	13,776
Transfers in	7,366,356	132,632	8,211,720	15,710,708
Transfers out	<u>(35,753)</u>	<u>-</u>	<u>(8,526,741)</u>	<u>(8,562,494)</u>
Total other financing sources and uses	<u>7,462,425</u>	<u>132,632</u>	<u>(315,021)</u>	<u>7,280,036</u>
NET CHANGE IN FUND BALANCES	516,989	1,196,414	(4,840,814)	(3,127,411)
FUND BALANCES, BEGINNING	<u>12,803,689</u>	<u>5,209,096</u>	<u>13,925,724</u>	<u>31,938,509</u>
FUND BALANCES, ENDING	<u>\$ 13,320,678</u>	<u>\$ 6,405,510</u>	<u>\$ 9,084,910</u>	<u>\$ 28,811,098</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, 2014

Net change in fund balances - total governmental funds:			\$(3,127,411)
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost and accumulated depreciation of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.			2,767,116
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.			(27,897,103)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Property taxes	(55,537)		
Court fines	14,037		
Grant - TX Dot	<u>24,955,835</u>		
			24,914,335
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.			3,876,523
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			(<u>654,266</u>)
Change in net position of governmental activities			<u>\$(120,806)</u>

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

CITY OF WEATHERFORD, TEXAS

STATEMENT OF NET POSITION

ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds			
	Municipal Utility System	Solid Waste	Storm Water Utility	Total
ASSETS				
Current assets				
Unrestricted assets				
Cash and cash equivalents	\$ 9,434,168	\$ 1,986,692	\$ 598,823	\$ 12,019,683
Investments	6,766,417	-	-	6,766,417
Receivables:				
Accounts, net of allowances for uncollectible accounts of \$104,300	2,978,901	49,218	-	3,028,119
Earned but unbilled customer accounts	2,833,142	116,268	47,376	2,996,786
Other	57,431	-	-	57,431
Prepays	149,076	-	-	149,076
Inventory	3,378,164	23,712	-	3,401,876
Restricted assets				
Cash and cash equivalents	7,314,826	-	-	7,314,826
Investments	7,800,011	-	-	7,800,011
Accrued interest	12,426	-	-	12,426
Total current assets	40,724,562	2,175,890	646,199	43,546,651
Noncurrent assets				
Capital assets				
Land	2,540,233	-	-	2,540,233
Construction in progress	3,436,970	-	626,890	4,063,860
Buildings and improvements	19,106,576	197,609	-	19,304,185
Other improvements	154,278,264	10,577	-	154,288,841
Machinery and equipment	6,865,750	1,152,045	-	8,017,795
Less: accumulated depreciation	(68,400,195)	(735,649)	-	(69,135,844)
Total noncurrent assets	117,827,598	624,582	626,890	119,079,070
Total assets	158,552,160	2,800,472	1,273,089	162,625,721
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	97,392	-	-	97,392
Total deferred outflows of resources	97,392	-	-	97,392

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

Business-type Activities - Enterprise Funds

	Municipal Utility System	Solid Waste	Storm Water Utility	Total
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts payable	\$ 4,001,223	\$ 57,055	\$ 41,827	\$ 4,100,105
Accrued wages	47,600	7,618	1,358	56,576
Retainage payable	41,995	-	-	41,995
Accrued interest	16,474	-	-	16,474
Unearned revenue	2,083	-	-	2,083
Customer deposits	1,470,692	-	-	1,470,692
Notes payable	235,308	-	-	235,308
Capital lease payable	32,839	-	-	32,839
Revenue bonds payable	2,978,555	-	-	2,978,555
Compensated absences	142,406	18,090	-	160,496
Current liabilities (payable from restricted assets):				
Accrued interest	126,793	-	-	126,793
Revenue bonds payable- current	261,250	-	-	261,250
Total current liabilities	<u>9,357,218</u>	<u>82,763</u>	<u>43,185</u>	<u>9,483,166</u>
Noncurrent liabilities				
Notes payable	428,120	-	-	428,120
Capital lease payable	466,831	-	-	466,831
Revenue bonds payable	29,188,060	-	-	29,188,060
Compensated absences	951,309	61,197	-	1,012,506
Net pension obligation	479,593	56,271	420	536,284
Net OPEB obligation	1,001,916	177,648	-	1,179,564
Total noncurrent liabilities	<u>32,515,829</u>	<u>295,116</u>	<u>420</u>	<u>32,811,365</u>
Total liabilities	<u>41,873,047</u>	<u>377,879</u>	<u>43,605</u>	<u>42,294,531</u>
NET POSITION				
Net investment in capital assets	89,085,333	624,582	626,890	90,336,805
Restricted for:				
Construction	1,231,265	-	-	1,231,265
Debt service	4,484,538	-	-	4,484,538
Rate stabilization	3,912,043	-	-	3,912,043
Unrestricted	<u>18,063,326</u>	<u>1,798,011</u>	<u>602,594</u>	<u>20,463,931</u>
Total net position	<u>\$ 116,776,505</u>	<u>\$ 2,422,593</u>	<u>\$ 1,229,484</u>	<u>\$ 120,428,582</u>

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CITY OF WEATHERFORD, TEXAS

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

ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds			
	Municipal Utility System	Solid Waste	Storm Water Utility	Total
OPERATING REVENUES				
Electric sales	\$ 37,460,704	\$ -	\$ -	\$ 37,460,704
Electric services	546,596	-	-	546,596
Water sales	9,324,360	-	-	9,324,360
Water services	28,129	-	-	28,129
Wastewater services	4,533,122	-	-	4,533,122
Sanitation services	-	2,103,078	-	2,103,078
Stormwater fees	-	-	839,597	839,597
Total operating revenues	<u>51,892,911</u>	<u>2,103,078</u>	<u>839,597</u>	<u>54,835,586</u>
OPERATING EXPENSES				
Personal services	5,349,965	813,920	71,747	6,235,632
Contractual services	5,610,783	219,598	1,261	5,831,642
Purchased power	24,419,128	-	-	24,419,128
Materials and supplies	1,760,193	311,742	340	2,072,275
Depreciation	4,814,552	157,410	-	4,971,962
Total operating expenses	<u>41,954,621</u>	<u>1,502,670</u>	<u>73,348</u>	<u>43,530,639</u>
OPERATING INCOME	<u>9,938,290</u>	<u>600,408</u>	<u>766,249</u>	<u>11,304,947</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	30,549	4,807	192	35,548
Miscellaneous	53,479	-	-	53,479
Rentals	1,041,402	-	-	1,041,402
Royalties	-	648,400	-	648,400
Gain/(loss) on disposal of assets	37,493	39,966	-	77,459
Interest and other	(1,585,383)	-	-	(1,585,383)
Total nonoperating revenues (expenses)	<u>(422,460)</u>	<u>693,173</u>	<u>192</u>	<u>270,905</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	9,515,830	1,293,581	766,441	11,575,852
Capital contributions	1,674,969	-	-	1,674,969
Transfers in	681,068	-	-	681,068
Transfers out	(6,834,993)	(994,289)	-	(7,829,282)
CHANGE IN NET POSITION	5,036,874	299,292	766,441	6,102,607
NET POSITION, BEGINNING, RESTATED	<u>111,739,631</u>	<u>2,123,301</u>	<u>463,043</u>	<u>114,325,975</u>
NET POSITION, ENDING	<u>\$ 116,776,505</u>	<u>\$ 2,422,593</u>	<u>\$ 1,229,484</u>	<u>\$ 120,428,582</u>

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

CITY OF WEATHERFORD, TEXAS

STATEMENT OF CASH FLOWS

ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds			
	Municipal Utility System	Solid Waste	Storm Water Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 51,437,806	\$ 2,054,258	\$ 832,590	\$ 54,324,654
Cash paid to employees for services	(5,240,405)	(804,555)	(69,969)	(6,114,929)
Cash paid to suppliers for goods and services	(31,181,359)	(531,177)	(4,887)	(31,717,423)
Net cash provided by operating activities	<u>15,016,042</u>	<u>718,526</u>	<u>757,734</u>	<u>16,492,302</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from rentals	1,041,402	-	-	1,041,402
Cash received from royalties	-	648,400	-	648,400
Cash received from miscellaneous items	53,479	-	-	53,479
Transfers from other funds	681,068	-	-	681,068
Transfers to other funds	(6,834,993)	(994,289)	-	(7,829,282)
Net cash used by noncapital financing activities	<u>(5,059,044)</u>	<u>(345,889)</u>	<u>-</u>	<u>(5,404,933)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from disposal of capital assets	37,493	39,966	-	77,459
Proceeds from developers for contributions in aid of construction	1,079,517	-	-	1,079,517
Principal payments on long-term debt	(3,090,000)	-	-	(3,090,000)
Acquisition and construction of capital assets	(6,968,085)	(314,718)	(315,735)	(7,598,538)
Interest and other charges on debt	(1,848,250)	-	-	(1,848,250)
Net cash used by capital and related financing activities	<u>(10,789,325)</u>	<u>(274,752)</u>	<u>(315,735)</u>	<u>(11,379,812)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	98,259	4,807	192	103,258
Purchase of investments	(6,884,478)	-	-	(6,884,478)
Net cash provided (used) by investing activities	<u>(6,786,219)</u>	<u>4,807</u>	<u>192</u>	<u>(6,781,220)</u>
NET INCREASE (DECREASE) IN CASH	(7,618,546)	102,692	442,191	(7,073,663)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>24,367,540</u>	<u>1,884,000</u>	<u>156,632</u>	<u>26,408,172</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 16,748,994</u>	<u>\$ 1,986,692</u>	<u>\$ 598,823</u>	<u>\$ 19,334,509</u>
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS				
Current assets - cash and cash equivalents	\$ 9,434,168	\$ 1,986,692	\$ 598,823	\$ 12,019,683
Restricted assets - cash and cash equivalents	7,314,826	-	-	7,314,826
Total cash and cash equivalents	<u>\$ 16,748,994</u>	<u>\$ 1,986,692</u>	<u>\$ 598,823</u>	<u>\$ 19,334,509</u>

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

Business-type Activities - Enterprise Funds

	Municipal Utility System	Solid Waste	Storm Water Utility	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income	\$ 9,938,290	\$ 600,408	\$ 766,249	\$ 11,304,947
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	4,814,552	157,410	-	4,971,962
(Increase) decrease in accounts receivable	641,309	(48,820)	-	592,489
(Increase) decrease in unbilled accounts	(421,893)	(16,470)	(7,007)	(445,370)
(Increase) decrease in inventory	(5,403)	(541)	-	(5,944)
(Increase) decrease in prepaids	(34,214)	-	-	(34,214)
Increase (decrease) in accounts payable	648,362	17,174	(3,286)	662,250
Increase (decrease) in accrued wages payable	(75,615)	(16,812)	1,358	(91,069)
Increase (decrease) in unearned revenue	(738,573)	-	-	(738,573)
Increase (decrease) in customer deposits	64,052	-	-	64,052
Increase (decrease) in compensated absences	77,032	2,435	-	79,467
Increase (decrease) in net pension obligation	(56,172)	(4,354)	420	(60,106)
Increase (decrease) in net OPEB obligation	164,315	28,096	-	192,411
Net cash provided by operating activities	<u>\$ 15,016,042</u>	<u>\$ 718,526</u>	<u>\$ 757,734</u>	<u>\$ 16,492,302</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contributions of capital assets	\$ 595,452	\$ -	\$ -	\$ 595,452
Change in fair value of investments	30,549	-	-	30,549

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CITY OF WEATHERFORD, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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, these financial statements include all funds of the City of Weatherford (primary government). There are no legally separate entities that meet the criteria for inclusion in these statements as component units (entities for which the primary government is considered to be financially accountable.)

B. Government-wide and Fund Financial Statements

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

The **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.

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

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

The City maintains a cash and investment pool that is available for use by all funds. 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, 2014, was \$.4636 per \$100 of assessed valuation. The assessed value upon which the completed 2013 levy was based was approximately \$1,909,269,370.

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. Assets acquired by donation are recorded at fair market value at the date of acquisition.

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

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

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

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

7. Long-term Obligations

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

8. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to 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. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City is reporting balances for deferred losses on bond refundings in both the government-wide Statement of Net Position and the Statement of Net Position – Proprietary Funds. A deferred loss on a bond refunding results when the reacquisition price of the refunded debt exceeds the carrying value. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of this item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, grants, and court fines and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. This amount is reported as a deferred inflow of resources for future reductions of charges to customers.

11. Fund Balance

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- City Special Revenue Funds that fall in this category shall maintain a positive restricted fund balance and those same funds that pay any personnel services shall maintain 20% of operating budget in restricted fund balance. This 20% fund balance should only be used in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise. Should the use reduce the balance below the appropriate level, recommendations will be made to restore the fund balance to its appropriate level within one fiscal year.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by the ordinance of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
 - Other Post Employee Benefit – Committed Fund Balance: This amount is annually and formally set aside by the amount appropriated through the budget ordinance for each fund applicable for use to pay current and/or future other post-employment benefits.
 - Stabilization Arrangement for General Fund: It is the goal of the City to achieve and maintain a minimum of committed fund balance for that fiscal year. This amount is annually and formally set aside for use in emergency situations where mid-year unanticipated budgetary shortfalls in excess of 10% of fund revenues arise or an unforeseen event occurs that costs the City more than 5% of budget appropriations. Should the use reduce the balance below the appropriate level of committed funds the balance must be restored within one fiscal year. This arrangement was approved through City Ordinance by City Council.
- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The City Council has by City Ordinance authorized City Manager to assign fund balance. The Council may also assign fund balance.
- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

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

FUND BALANCE	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Totals</u>
Nonspendable:				
Doss library	\$ -	\$ -	\$ 50,000	\$ 50,000
Prepays	9,806	-	4,880	14,686
Inventory	59,265	-	-	59,265
Restricted for:				
Capital projects	-	-	5,346,816	5,346,816
Debt service	-	6,405,510	-	6,405,510
Public safety:				
Police operations and equipment	-	-	727,758	727,758
Municipal court technology	-	-	44,448	44,448
Municipal court security	-	-	49,670	49,670
Juvenile case manager	-	-	3,481	3,481
Community development:				
Beautification of City	-	-	2,402	2,402
Promotion of tourism and hotel industry	-	-	754,337	754,337
Development	-	-	1,864	1,864
Main Street project	-	-	10,531	10,531
Committed:				
Other post employee benefits	1,250,884	-	-	1,250,884
Stabilization arrangement	6,423,899	-	-	6,423,899
Capital projects	-	-	1,546,776	1,546,776
Future acquisition of parks	-	-	282,846	282,846
Culture and recreation:				
Chandor Gardens	-	-	64,214	64,214
Library operations	-	-	108,863	108,863
Animal shelter improvements	-	-	86,038	86,038
Unassigned	<u>5,576,824</u>	<u>-</u>	<u>(14)</u>	<u>5,576,810</u>
Totals	<u>\$ 13,320,678</u>	<u>\$ 6,405,510</u>	<u>\$ 9,084,910</u>	<u>\$ 28,811,098</u>

12. 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.

The Utility Board formally set aside for use in emergency situations \$6,945,300 of unrestricted net position.

13. 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.

14. 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.

15. Prior Period Adjustment

In the prior year, the City reported a liability in the Municipal Utility System Fund Statement of Net Position for amounts billed customers that were to stabilize future power costs. It was determined that there are not identifiable cost that will probably be recovered by these deferred inflows, therefore, beginning net position was restated by \$2,555,500 for the year ended September 30, 2014.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$76,292,172 difference are as follows:

Bonds payable	\$ 67,100,000
Capital lease	1,058,560
Deferred loss on refunding	(1,456,549)
Issuance premium (to be amortized as interest expense)	1,866,138
Accrued interest payable	223,486
Compensated absences	3,499,126
Net pension obligation	1,423,789
Net OPEB obligation	<u>2,577,622</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 76,292,172</u>

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$2,767,116 difference are as follows:

Capital outlay	\$ 5,931,234
Depreciation expense	(3,164,118)
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>2,767,116</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 (\$27,897,103) difference are as follows:

Transfer of capital assets from business-type activities	\$ 15,657
Disposal of capital assets	(27,912,760)
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>	\$ (27,897,103)

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 \$3,876,523 difference are as follows:

Principal repayments	\$ 3,838,004
Issuance of capital lease	(85,080)
Accrued interest	14,729
Amortization of deferred loss on refunding	(136,971)
Amortization of bond premium	<u>245,841</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>3,876,523</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 (\$654,266) difference are as follows:

Compensated absences	\$(268,726)
Pension cost	80,592
OPEB cost	<u>(466,132)</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>\$(654,266)</u></u>

III. 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’s investments at year-end are shown below.

Description	Maturity Date	Fair Value 09/30/14	% of Total	Weighted Average Maturity (Days)
Local Government Investment				
Pools (2a-7 like pools):				
TexPool	N/A	\$ 2,431,840	4.33%	48
TexStar	N/A	10,805,307	19.26%	83
Texas Class	N/A	21,224,194	37.83%	60
U. S. Government Securities:				
Federal Home Loan Bank	05/27/15	1,012,103	1.80%	239
U.S. Treasury Note	05/31/15	1,925,903	3.43%	243
Federal Home Loan Mortgage Corp	03/27/17	998,836	1.78%	909
Federal Home Loan Mortgage Corp	12/26/17	996,803	1.78%	1183
Federal Home Loan Bank	12/27/17	2,000,892	3.57%	1184
Federal Farm Credit Bank	06/26/18	995,174	1.77%	1365
Federal Home Loan Bank	09/14/18	3,093,335	5.51%	1445
Fannie Mae	09/26/18	4,351,790	7.75%	1457
Fannie Mae	09/26/18	1,279,326	2.28%	1457
Fannie Mae	09/26/18	3,012,759	5.37%	1457
Federal Home Loan Bank	06/10/19	<u>1,987,858</u>	<u>3.54%</u>	1714
Total		<u>21,654,779</u>	<u>38.58%</u>	
Total all investments		<u>\$ 56,116,120</u>	<u>100.00%</u>	

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

Credit Risk: Safety of principal is the primary objective of the City's investment policy. To address this objective the City tries to mitigate credit risk (or default risk) by limiting its investments to only those investments that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2014, the City's investment in TexPool, TexStar, and Texas Class were rated AAAM by Standard & Poor's and the U. S. Government Securities were rated AAA by Moody.

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.

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

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

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

As of September 30, 2014, the City held restricted cash and investments of \$15,114,837 for the following purposes:

Business-type activities:	
Revenue bond debt service	\$ 845,929
Revenue bond reserve	4,018,387
Construction	5,107,213
Water impact fee	590,272
Wastewater impact fee	640,993
Rate stabilization	<u>3,912,043</u>
Total business-type activities	<u>15,114,837</u>
Total restricted cash and investments	<u>\$ 15,114,837</u>

B. Interfund Transfers

Interfund transfers during the year were as follows:

	Transfers In				Total
	General	Debt Service	Other Governmental	Municipal Utility System	
Transfers Out:					
General	\$ -	\$ -	\$ 35,753	\$ -	\$ 35,753
Municipal utility system	6,834,993	-	-	-	6,834,993
Solid waste	502,705	-	450,000	41,584	994,289
Other governmental	<u>28,658</u>	<u>132,632</u>	<u>7,725,967</u>	<u>639,484</u>	<u>8,526,741</u>
Total Transfers	<u>\$ 7,366,356</u>	<u>\$ 132,632</u>	<u>\$ 8,211,720</u>	<u>\$ 681,068</u>	<u>\$ 16,391,776</u>

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

C. Capital Assets

Capital asset activity for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 5,488,126	\$ -	\$ -	\$ 5,488,126
Construction in progress	37,722,116	4,552,380	(27,912,760)	14,361,736
Total assets not being depreciated	43,210,242	4,552,380	(27,912,760)	19,849,862
Capital assets, being depreciated:				
Buildings and improvements	14,168,442	189,969	388,554	14,746,965
Infrastructure	13,182,232	-	-	13,182,232
Other improvements	31,841,409	503,554	443,485	32,788,448
Machinery and equipment	9,905,507	685,331	(484,881)	10,105,957
Total capital assets being depreciated	69,097,590	1,378,854	347,158	70,823,602
Less accumulated depreciation:				
Buildings and improvements	(5,193,349)	(356,335)	(388,470)	(5,938,154)
Infrastructure	(8,555,272)	(498,739)	-	(9,054,011)
Other improvements	(5,848,300)	(1,563,292)	(430,978)	(7,842,570)
Machinery and equipment	(7,041,680)	(745,752)	487,947	(7,299,485)
Total accumulated depreciation	(26,638,601)	(3,164,118)	(331,501)	(30,134,220)
Total capital assets being depreciated, net	42,458,989	(1,785,264)	15,657	40,689,382
Governmental activities capital assets, net	\$ 85,669,231	\$ 2,767,116	\$(27,897,103)	\$ 60,539,244
	Beginning Balance	Additions	Transfers/ Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,514,254	\$ 25,979	\$ -	\$ 2,540,233
Construction in progress	2,709,670	3,197,260	(1,843,070)	4,063,860
Total assets not being depreciated	5,223,924	3,223,239	(1,843,070)	6,604,093
Capital assets, being depreciated:				
Buildings and improvements	19,702,739	-	(398,554)	19,304,185
Other improvements	149,094,758	4,016,908	1,177,175	154,288,841
Machinery and equipment	7,309,452	985,538	(277,195)	8,017,795
Total capital assets being depreciated	176,106,949	5,002,446	501,426	181,610,821
Less accumulated depreciation:				
Buildings and improvements	(9,180,760)	(456,717)	398,470	(9,239,007)
Other improvements	(51,530,734)	(3,812,061)	653,388	(54,689,407)
Machinery and equipment	(4,778,375)	(703,184)	274,129	(5,207,430)
Total accumulated depreciation	(65,489,869)	(4,971,962)	1,325,987	(69,135,844)
Total capital assets being depreciated, net	110,617,080	30,484	1,827,413	112,474,977
Business-type activities capital assets, net	\$ 115,841,004	\$ 3,253,723	\$(15,657)	\$ 119,079,070

The City capitalized interest expense of \$20,744 on various construction projects in progress during the year. For the year ended September 30, 2014, the Municipal Utility System's total amount of interest expense was \$1,585,383.

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

Governmental activities:	
General government	\$ 246,790
Public safety	464,013
Public works	1,733,308
Health and welfare	42,007
Cultural and recreational	<u>678,000</u>
Total depreciation expense - governmental activities	<u>\$ 3,164,118</u>
Business-type activities:	
Electric	\$ 1,905,864
Water	1,939,608
Wastewater	969,080
Solid waste	<u>157,410</u>
Total depreciation expense - business-type activities	<u>\$ 4,971,962</u>

D. Deferred Inflows of Resources

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

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
Delinquent property taxes	\$ 112,988	\$ 78,959	\$ 191,947
Intergovernmental-TxDOT grant	-	24,955,835	24,955,835
Court fines	<u>136,641</u>	<u>-</u>	<u>136,641</u>
Totals	<u>\$ 249,629</u>	<u>\$ 25,034,794</u>	<u>\$ 25,284,423</u>

E. Bonds and Certificates of Obligation Payable

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

Governmental activities

\$4,000,000 2006 Certificates of Obligation, for constructing and improving park and recreational facilities and street improvements, due in annual installments through March 1, 2022, 4.00% - 5.00% .	\$ 3,190,000
\$10,800,000 2007 General Obligation Bonds, for constructing and equipping Fire Station 4 and street improvements, due in annual installments through March 1, 2027, 4.00% - 5.00% .	8,180,000
\$3,000,000 2008 Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through September 1, 2028, 4.27% .	2,345,000
\$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% -	24,510,000
\$8,345,000 2011 Combination Tax & Revenue Certificates of Obligation, for acquiring, constructing and improving roads, streets, and highways within the City due in annual installments through March 1, 2034, 3.00 - 4.50% .	7,950,000
\$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% .	<u>20,925,000</u>
Total governmental activities	<u>\$ 67,100,000</u>

Business-type activities

\$21,055,000 2005 Utility System Refunding Bonds, to refund a portion of the 1999 Utility System Revenue Bonds, due in annual installments through September 1, 2018, 3.00% - 5.00% .	\$ 9,975,000
\$20,000,000 2006 Utility System Revenue Bonds, for improvements and extensions to the City's water, wastewater, and electric systems, due in annual installments through September 1, 2026, 4.00% - 5.125% .	18,955,000
\$6,575,000 2008 Utility System Refunding Bonds, to refund a portion of the 1996 Utility System Refunding Bonds and to refund the 1999 Utility System Refunding/Improvement Bonds due in annual installments through September 1, 2018, 3.46% .	<u>2,670,000</u>
	<u>\$ 31,600,000</u>

The annual debt payment requirements for bonds payable as of September 30, 2014, are as follows:

Governmental Activities

Fiscal Year	General Obligation		Certificates of Obligation		Total
	Principal	Interest	Principal	Interest	
2015	\$ 3,100,000	\$ 1,970,321	\$ 565,000	\$ 555,324	\$ 6,190,645
2016	3,345,000	1,865,537	590,000	534,912	6,335,449
2017	3,475,000	1,729,721	650,000	512,836	6,367,557
2018	3,735,000	1,601,471	675,000	489,083	6,500,554
2019	3,890,000	1,479,090	700,000	462,470	6,531,560
2020-2024	20,295,000	5,410,807	4,055,000	1,839,826	31,600,633
2025-2029	15,775,000	1,052,681	3,815,000	905,736	21,548,417
2030-2034	-	-	2,435,000	256,518	2,691,518
	<u>\$ 53,615,000</u>	<u>\$ 15,109,628</u>	<u>\$ 13,485,000</u>	<u>\$ 5,556,705</u>	<u>\$ 87,766,333</u>

Business-type Activities

Fiscal Year	Revenue Bonds		
	Principal	Interest	Total
2015	\$ 3,115,000	\$ 1,517,523	\$ 4,632,523
2016	3,255,000	1,372,909	4,627,909
2017	3,390,000	1,243,486	4,633,486
2018	3,545,000	1,085,733	4,630,733
2019	2,275,000	920,313	3,195,313
2020-2024	11,570,000	2,816,315	14,386,315
2025-2029	<u>4,450,000</u>	<u>344,913</u>	<u>4,794,913</u>
	<u>\$ 31,600,000</u>	<u>\$ 9,301,192</u>	<u>\$ 40,901,192</u>

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

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

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

	<u>Required</u>	<u>Actual</u>
Reserve fund	\$ <u>3,987,280</u>	\$ <u>4,018,387</u>
Total, September 30, 2014	\$ <u>3,987,280</u>	\$ <u>4,018,387</u>
Bond fund	\$ <u>450,543</u>	\$ <u>845,929</u>
Total, September 30, 2014	\$ <u>450,543</u>	\$ <u>845,929</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, 2014, no bonds were defeased.

F. Notes Payable

Business-type activity notes payable at September 30, 2014, consisted of the following:

Bank of America:

2009 Tax Notes, for improvements to the City's electric system due in annual installments through March 1, 2015, 3.63%. \$ 110,000

Texas Department of Transportation:

March 2009, the City received a State Infrastructure Bank loan in the amount of \$320,000. Payable in 10 annual installments of \$39,061, including interest at 3.8%. To fund utility relocations in connection with replacement of two bridges over railroad tracks on U. S. 180. 174,875

February 2012, the City received a State Infrastructure Bank Loan in the amount of \$650,000. Payable in five annual installments of \$101,034, including interest at 2.45% for sewer line relocation along FM 51/SH 171. 378,553

\$ 663,428

The annual debt payment requirements for the business-type activity notes payable as of September 30, 2014, are as follows:

Fiscal Year	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$ 235,308	\$ 16,785	\$ 252,093
2016	128,844	11,252	140,096
2017	132,483	7,612	140,095
2018	129,163	3,949	133,112
2019	<u>37,630</u>	<u>1,430</u>	<u>39,060</u>
	<u>\$ 663,428</u>	<u>\$ 41,028</u>	<u>\$ 704,456</u>

G. Capital Lease Obligation

The City has entered into a lease agreement as lessee for financing the acquisition of computers and building improvements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of minimum lease payments as of the inception date. The computers were acquired through a capital lease and were below the City's capitalization threshold; therefore, the computers were not capitalized.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2014, were as follows:

	<u>Governmental Activities</u>
2015	\$ 226,407
2016	111,294
2017	81,476
2018	81,476
2019	81,476
2020-2024	407,378
2025-2029	<u>244,427</u>
Total minimum lease payments	1,233,934
Less: amount representing interest	<u>(175,374)</u>
Present value of minimum lease payments	<u>\$ 1,058,560</u>

	<u>Business-type Activities</u>
2015	\$ 45,731
2016	45,731
2017	45,731
2018	45,731
2019	45,731
2020-2024	228,653
2025-2029	<u>137,192</u>
Total minimum lease payments	594,500
Less: amount representing interest	<u>(94,830)</u>
Present value of minimum lease payments	<u>\$ 499,670</u>

H. Long-term Liability Activity

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligations	\$ 56,610,000	\$ -	\$ 2,995,000	\$ 53,615,000	\$ 3,100,000
Certificates of obligation	14,035,000	-	550,000	13,485,000	565,000
Issuance premium	<u>2,111,979</u>	<u>-</u>	<u>245,841</u>	<u>1,866,138</u>	<u>245,841</u>
Total bonds payable	72,756,979	-	3,790,841	68,966,138	3,910,841
Capital lease obligation	1,266,484	85,080	293,004	1,058,560	198,507
OPEB obligation	2,111,490	692,269	226,137	2,577,622	-
Pension obligation	1,504,381	2,015,179	2,095,771	1,423,789	-
Compensated absences	<u>3,230,400</u>	<u>1,736,205</u>	<u>1,467,479</u>	<u>3,499,126</u>	<u>524,869</u>
Governmental activities long-term liabilities	<u>\$ 80,869,734</u>	<u>\$ 4,528,733</u>	<u>\$ 7,873,232</u>	<u>\$ 77,525,235</u>	<u>\$ 4,634,217</u>

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 34,585,000	\$ -	\$ 2,985,000	\$ 31,600,000	\$ 3,115,000
Issuance premium	<u>952,670</u>	<u>-</u>	<u>124,805</u>	<u>827,865</u>	<u>124,805</u>
Total bonds payable	35,537,670	-	3,109,805	32,427,865	3,239,805
Tax note	215,000	-	105,000	110,000	110,000
State infrastructure loans	690,281	-	136,853	553,428	125,308
Capital lease obligation	531,669	-	31,999	499,670	32,839
OPEB obligation	987,153	295,895	103,484	1,179,564	-
Pension obligation	596,390	780,112	840,218	536,284	-
Compensated absences	<u>1,093,535</u>	<u>577,537</u>	<u>498,070</u>	<u>1,173,002</u>	<u>160,496</u>
Business-type activities long-term liabilities	<u>\$ 39,651,698</u>	<u>\$ 1,653,544</u>	<u>\$ 4,825,429</u>	<u>\$ 36,479,813</u>	<u>\$ 3,668,448</u>

IV. OTHER INFORMATION

A. Retirement Plan

Plan Description

The City provides pension benefits for all of its eligible employees through a nontraditional, joint contributory, hybrid defined benefit plan in the statewide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.TMRS.com.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>Plan Year 2013</u>	<u>Plan Year 2014</u>
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% repeating, transfers	100% repeating, transfers
Annuity increase (to retirees)	70% of CPI repeating	50% of CPI repeating

Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) cost method (EAN was first used in the December 31, 2013 valuation; previously, the Projected Unit Credit actuarial cost method had been used). This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate for an employee is the contribution rate which, if applied to a member's compensation throughout their period of anticipated covered service with the municipality, would be sufficient to meet all benefits payable on their behalf. The salary-weighted average of the individual rates is the total normal cost rate. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that City. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. The annual pension cost and net pension obligation/(asset) are as follows:

Fiscal Year	<u>2014</u>
Annual required contribution (ARC)	\$ 2,780,470
Interest on net pension obligation	147,054
Adjustment to ARC	<u>(132,232)</u>
Annual pension cost	2,795,292
Contributions made	<u>(2,935,990)</u>
Change in net pension obligation	<u>(140,698)</u>
Net pension obligation, beginning of year	<u>2,100,771</u>
Net pension obligation, end of year	<u>\$ 1,960,073</u>
Percentage of APC contributed	105%

Three-year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Annual Contribution Made	Percentage of APC Contributed	Net Pension Obligation
09/30/2012	\$ 3,165,797	\$ 2,909,441	92%	\$ 2,013,192
09/30/2013	3,144,970	3,057,391	97%	2,100,771
09/30/2014	2,795,292	2,935,990	105%	1,960,073

The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2013 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013, also follows:

Actuarial Valuation Date	12/31/11	12/31/12	12/31/13
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Entry Age Normal
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll
GASB 25 equivalent single amortization period	26.2 years; closed period	25.3 years; closed period	26.0 years; closed period
Amortization period for new gains/losses	30 years	30 years	30 years
Asset valuation method	10-year smoothed market	10-year smoothed market	10-year smoothed market
Actuarial Assumptions:			
Investment rate of return*	7.0%	7.0%	7.0%
Projected salary increases*	varies by age and service	varies by age and service	varies by age and service
*Includes inflation at	3.0%	3.0%	3.0%
Cost-of-living adjustments	2.1%	1.5%	1.5%

Funded Status and Funding Progress

In October 2013, the TMRS Board approved actuarial changes in (a) the funding method from Projected Unit Credit to Entry Age Normal, (b) the post-retirement mortality assumptions used in calculating liabilities and contribution rates and in the development of the Annuity Purchase Rate factors, and (c) the amortization policy. These actuarial changes were effective with the December 31, 2013 actuarial valuation. For a complete description of the actuarial cost method and assumptions, please see the December 31, 2013 TMRS Comprehensive Annual Financial Report (CAFR).

The funded status as of December 31, 2013, the most recent actuarial date, is presented as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 77,129,250	\$ 91,765,698	\$ 14,636,448	84.1%	\$ 18,155,976	80.6%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The schedule of funding progress presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

B. Other Postemployment Benefits (OPEB)

Retiree Health Plan

Plan Description

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

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

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

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

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

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

Funding Policy

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

Annual required contribution	\$ 977,914
Interest on OPEB obligation	139,439
Adjustment to ARC	<u>(129,189)</u>
Annual OPEB cost	988,164
Net estimated employer contributions	<u>(329,621)</u>
Increase in net OPEB obligation	658,543
Net OPEB obligation, beginning of year	<u>3,098,643</u>
Net OPEB obligation, end of year	<u>\$ 3,757,186</u>

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation End of Year</u>
9/30/2012	\$ 929,403	\$ 310,683	33.4%	\$ 2,469,404
9/30/2013	957,600	328,361	34.3%	3,098,643
9/30/2014	988,164	329,621	33.4%	3,757,186

Funded Status and Funding Progress

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

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2012	\$ -	\$ 11,451,759	\$ 11,451,759	- %	\$ 17,909,673	63.94%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress presented as Required Supplementary Information following the notes to the financial statements, presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The 2012 actuarial valuation is the most recent actuarial valuation available, and the 2008, 2010, and 2012 actuarial valuations are the only one’s performed.

Actuarial Methods and Assumptions

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

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

Inflation rate	3.00% per annum
Investment rate of return	4.50%, net of expenses
Actuarial cost method	Projected unit credit cost
Amortization method	Level as a percentage of employee payroll
Amortization period	30-year, open amortization
Payroll growth	3.00% per annum
Healthcare cost trend rate	Initial rate of 7.50% declining to an ultim rate of 4.50% after 8 years

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

Supplemental Death Benefits Plan for Retirees

Plan Description

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

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

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. The City's contributions to the TMRS SDBF for the years ended 2014, 2013 and 2012, were \$29,312, \$29,374 and \$31,129, respectively, which equaled the required contributions each year.

C. Deferred Compensation Plan

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

D. Risk Management

The City is exposed to various risks of loss related to theft or damage of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the City's participation in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for liability, property, and workers' compensation and in the Texas Municipal League Intergovernmental Employee Benefits Pool (TMLIEBP) for employee health insurance. These are self-sustaining risk pools operated on a state-wide basis for the benefit of several hundred Texas cities and other public entities. The City pays annual premiums to the TMLIRP, which retains risk of loss up to \$3,000,000 and obtains independent coverage for losses in excess of that amount. Monthly premiums are paid to the TMLIEBP, which retains risk of loss up to \$500,000 per individual and obtains independent coverage for losses in excess of that amount. The City retains no risk except for the deductible amounts as shown below:

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

*Actual cash value

**Blanket limit

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

E. Contingencies

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

F. Construction Commitments

On November 22, 2011, the City Council approved a contract with Jay Mills Contracting in the amount of \$7,675,026 for the widening of State Highway 171, South Main Street from Interstate Highway 20 to a point 0.127 miles north of Farm to Market Highway 1884. This project is being funded with certificate of obligation bonds and is scheduled for completion in December 2014. As of September 30, 2014, work completed and billed totaled \$7,688,349.

On December 10, 2013, the City Council approved a contract with Lone Star Civil Construction, Inc. in the amount of \$9,473,837 for the construction of frontage roads and ramps along IH20 between Farm to Market Highway 1884 and South Bowie Drive. This project is being funded with certificate of obligation bonds and is scheduled for completion in August 2015. As of September 30, 2014, work completed and billed total \$2,668,057.

G. Economic Development Commitments

The City entered into an economic development agreement dated September 9, 2014, with a developer to reimburse the developer for the cost of purchasing, improving, redeveloping, and renovating a commercial/retail building. The agreement requires the City to rebate to the developer 30% of the sales taxes for up to six years. The maximum amount to be rebated by the City from sales tax revenues generated by the development is \$5,000. Nothing has been paid as of year-end.

The City entered into a tax abatement agreement dated August 12, 2014, with a company to reduce property taxes for constructing and equipping a new corporate office building, warehouse, and lease space. The agreement requires the City to reduce 40% of the taxes assessed upon the increased value of the land and improvements of the project for six years. No amounts were abated in the current year and no liability has been accrued as of September 30, 2014 as the project has not yet been completed.

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

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

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

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

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

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

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

H. Power Wholesale Supplier Agreements and Derivative Instruments

The City owns and operates its own electric distribution system and purchases all of its power from a wholesale supplier with the exception of small amounts generated by City-owned gas/diesel-fired generators during emergencies. In an effort to mitigate the financial and market risk associated with the purchase of energy and congestion price volatility, the City has established a Risk Management Program. This program was authorized by the Weatherford Municipal Utility Board and is led by the 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, 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, 2014, the City held CRRs with a cost of \$147,725, and are reported as prepaid items within the Utility System Fund.

The City has entered into an electric service and wholesale supplier agreement with Garland Power and Light (GPL) through 2018. Additionally, the City has power wholesale supplier agreements with American Electric Power (AEP) and Bryan Texas Utilities (BTU) through 2015 and 2016, respectively. Under the terms of the agreements, the City has agreed to purchase the full requirements for its retail customer base. As of year-end, the City entered into forward purchase contracts with GPL and BTU extending through April 2015, which are expected to be settled upon delivery of the commodity. These contracts are considered normal purchase agreements and are reported when the exchange occurs.

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

<u>Power Supplier</u>	<u>KWH Purchased</u>	<u>Total Cost</u>	<u>Cost Per KWH</u>
American Electric Power	212,348,871	\$ 10,713,455	\$ 0.0505
Garland Power and Light	91,418,240	8,318,606	0.0910
Bryan Texas Utilities	<u>113,063,000</u>	<u>5,310,804</u>	0.0470
	<u>416,830,111</u>	<u>\$ 24,342,865</u>	

I. New Accounting Principles

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

Statement No. 68 (“GASB 68”), Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27, is effective for periods beginning after June 15, 2014. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

J. Subsequent Event

On December 2, 2014 the City issued \$7,345,000, General Obligation Refunding Bonds, Series 2014 and \$985,000, Tax Notes, Series 2014. The bonds and notes carry interest rates of 2.00% - 4.00% and 2.00%, respectively. Principal is payable on March 1 of each year beginning in 2015 while interest is payable on March 1 and September 1. The bonds mature in 2027, while the notes mature in 2021.

**REQUIRED
SUPPLEMENTARY INFORMATION**

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CITY OF WEATHERFORD, TEXAS

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

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 15,835,237	\$ 15,835,237	\$ 16,858,355	\$ 1,023,118
Licenses and permits	437,000	437,000	564,609	127,609
Intergovernmental	276,279	452,632	626,682	174,050
Charges for services	1,013,087	1,040,587	1,079,111	38,524
Fines and forfeitures	495,000	495,000	477,087	(17,913)
Contributions	-	-	7,708	7,708
Investment earnings	50,000	50,000	58,554	8,554
Miscellaneous	212,000	211,414	74,162	(137,252)
Total revenues	<u>18,318,603</u>	<u>18,521,870</u>	<u>19,746,268</u>	<u>1,224,398</u>
EXPENDITURES				
Current:				
General government				
City council	74,000	74,000	47,925	26,075
Administration	637,228	666,702	640,696	26,006
Economic development	185,254	185,456	174,255	11,201
Human resources	335,360	338,182	345,454	(7,272)
Management and budget	263,102	219,770	118,136	101,634
Finance	471,662	479,059	482,336	(3,277)
Facilities maintenance	605,161	621,948	589,700	32,248
City attorney	151,490	153,041	126,981	26,060
Municipal court	352,757	355,170	324,936	30,234
Information technology	1,714,274	1,766,319	1,685,771	80,548
Planning and development	801,201	829,832	790,268	39,564
Non-departmental	667,643	582,994	604,467	(21,473)
Total general government	<u>6,259,132</u>	<u>6,272,473</u>	<u>5,930,925</u>	<u>341,548</u>
Public safety				
Police services	7,373,838	7,442,129	7,328,550	113,579
Fire	4,903,188	5,198,652	5,251,801	(53,149)
Total public safety	<u>12,277,026</u>	<u>12,640,781</u>	<u>12,580,351</u>	<u>60,430</u>
Public works				
Transportation and public works	374,560	372,984	375,630	(2,646)
Field operations/inspections	134,817	177,076	154,176	22,900
Traffic control	197,674	203,521	204,293	(772)
Street maintenance	2,628,013	2,704,782	2,611,057	93,725
Vehicle/equipment maintenance	170,950	171,353	165,211	6,142
Total public works	<u>3,506,014</u>	<u>3,629,716</u>	<u>3,510,367</u>	<u>119,349</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Health and welfare				
Environmental health	\$ 106,365	\$ 106,567	\$ 99,046	\$ 7,521
Animal shelter	780,026	841,654	832,497	9,157
Code enforcement	254,634	254,634	177,013	77,621
Parker County committee on aging	60,000	60,000	30,000	30,000
Rape crisis program	-	-	30,000	(30,000)
Total health and welfare	<u>1,201,025</u>	<u>1,262,855</u>	<u>1,168,556</u>	<u>94,299</u>
Cultural and recreation				
Parks	1,427,262	1,568,156	1,596,135	(27,979)
Recreation	431,770	478,970	459,423	19,547
Municipal and community services	154,045	159,613	156,533	3,080
Library	1,124,597	1,148,417	1,153,774	(5,357)
First Monday	149,000	149,202	135,640	13,562
Total cultural and recreation	<u>3,286,674</u>	<u>3,504,358</u>	<u>3,501,505</u>	<u>2,853</u>
Total expenditures	<u>26,529,871</u>	<u>27,310,183</u>	<u>26,691,704</u>	<u>618,479</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,211,268)</u>	<u>(8,788,313)</u>	<u>(6,945,436)</u>	<u>1,842,877</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	-	-	85,080	85,080
Sale of general capital assets	-	-	32,966	32,966
Insurance recoveries	-	-	13,776	13,776
Transfers in	7,475,449	7,475,449	7,366,356	(109,093)
Transfers out	(35,753)	(277,383)	(35,753)	241,630
Total other financing sources and uses	<u>7,439,696</u>	<u>7,198,066</u>	<u>7,462,425</u>	<u>264,359</u>
NET CHANGE IN FUND BALANCE	<u>(771,572)</u>	<u>(1,590,247)</u>	<u>516,989</u>	<u>2,107,236</u>
FUND BALANCE, BEGINNING	<u>12,803,689</u>	<u>12,803,689</u>	<u>12,803,689</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 12,032,117</u>	<u>\$ 11,213,442</u>	<u>\$ 13,320,678</u>	<u>\$ 2,107,236</u>

CITY OF WEATHERFORD, TEXAS

NOTES TO BUDGETARY SCHEDULES

SEPTEMBER 30, 2014

Budgetary Information

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

- 1) The City Manager is required to submit to the City Council and Municipal Utility Board a proposed budget for the fiscal year beginning on the following October 1.
- 2) Public hearings are conducted to obtain taxpayer comments.
- 3) The City Manager is authorized to transfer budgeted amounts between accounts within any department. However, any revisions that alter total expenditures of any department must be approved by the City Council or Municipal Utility Board. Expenditures may not legally exceed budgeted appropriations at the department level for the General. The legal level of adopted budget for all other governmental funds is the fund. Appropriations lapse at year-end.
- 4) Annual budgets are legally adopted for all funds, except for the Main Street Project, Juvenile Case Manager, General Capital Projects, Parks, Park Development, Series 2006 C.O., Series 2007 C.O., Series 2007 G.O., Series 2008 C.O. and Series 2011 C.O. Funds, which adopt project-length budgets. 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, 2014, the City incurred expenditures in excess of appropriations within the following funds:

General fund:	
Human resources	\$ 7,272
Finance	3,277
Non-departmental	21,473
Fire	53,149
Transportation and public works	2,646
Traffic control	772
Rape crisis program	30,000
Parks	27,979
Library	5,357
Special revenue fund:	
State foreclosure fund	5,784
Aerospace grant fund	40,915

CITY OF WEATHERFORD, TEXAS

**REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

<u>Year</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/2011	64,824,032	83,255,041	18,431,009	77.9%	17,280,980	106.7%
12/31/2012	70,899,980	82,879,913	11,979,933	85.5%	17,909,673	66.9%
12/31/2013	77,129,250	91,765,698	14,636,448	84.1%	18,155,976	80.6%

CITY OF WEATHERFORD, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2008	\$ -	\$ 10,339,130	\$ 10,339,130	0.0%	\$ 16,311,246	63.39%
12/31/2010	-	10,420,335	10,420,335	0.0%	18,077,202	57.64%
12/31/2012	-	11,451,759	11,451,759	0.0%	17,909,673	63.94%

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**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.

Weatherford Aerospace Grant Fund – This fund was established for the receipt and reimbursement of lease payments from Weatherford Aerospace 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.

Park Fund – This fund is used to account for resources for the purchase of, and debt service on, a new lighting system at the Solider Spring Sports complex.

CAPITAL PROJECTS FUNDS

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

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

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

Series 2006 C.O. Fund – This fund is used to account for proceeds from the issuance of \$4,000,000 of certificates of obligation for Holland Lake Park Improvements, BB Fielder Road east of 171 and all other transportation improvements.

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

Series 2007 G.O. Fund – This fund is used to account for the proceeds from the issuance of \$10,800,000 in general obligation bonds issued to construct and equip Fire Station No. 4 and for street improvement projects.

Series 2008 C.O. Fund – This fund is used to account for proceeds from the issuance of \$3,000,000 of certificates of obligation issued to complete the 2006 capital projects goals for street improvement projects.

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

PERMANENT FUND

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

CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	State Forfeiture	Federal Forfeiture	Weatherford Beautification
ASSETS			
Cash and investments	\$ 59,570	\$ 676,151	\$ 2,402
Accounts receivable	-	-	-
Prepays	-	-	-
Total assets	\$ 59,570	\$ 676,151	\$ 2,402
LIABILITIES			
Accounts payable	\$ 5,417	\$ 2,546	\$ -
Retainage payable	-	-	-
Accrued liabilities	-	-	-
Deposits and escrows	-	-	-
Unearned revenue	-	-	-
Total liabilities	5,417	2,546	-
FUND BALANCES			
Nonspendable:			
Doss library	-	-	-
Prepaid items	-	-	-
Restricted:			
Capital projects	-	-	-
Public safety	54,153	673,605	-
Community development	-	-	2,402
Committed:			
Capital projects	-	-	-
Park development	-	-	-
Culture and recreation	-	-	-
Unassigned	-	-	-
Total fund balances	54,153	673,605	2,402
Total liabilities and fund balances	\$ 59,570	\$ 676,151	\$ 2,402

Special Revenue Funds

Hotel/Motel Tax	Chandor Gardens	SFX Grant	Weatherford Aerospace Grant	Court Technology	Main Street Project	Court Security
\$ 625,114	\$ 84,445	\$ 1,864	\$ -	\$ 44,448	\$ 10,531	\$ 49,670
175,648	-	1,864	-	-	-	-
4,880	-	-	-	-	-	-
<u>\$ 805,642</u>	<u>\$ 84,445</u>	<u>\$ 3,728</u>	<u>\$ -</u>	<u>\$ 44,448</u>	<u>\$ 10,531</u>	<u>\$ 49,670</u>
\$ 26,271	\$ 4,734	\$ -	\$ -	\$ -	\$ -	\$ -
5,000	-	-	-	-	-	-
15,154	7,277	-	-	-	-	-
-	8,220	-	-	-	-	-
-	-	1,864	-	-	-	-
<u>46,425</u>	<u>20,231</u>	<u>1,864</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
4,880	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	44,448	-	49,670
754,337	-	1,864	-	-	10,531	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	64,214	-	-	-	-	-
-	-	-	-	-	-	-
<u>759,217</u>	<u>64,214</u>	<u>1,864</u>	<u>-</u>	<u>44,448</u>	<u>10,531</u>	<u>49,670</u>
<u>\$ 805,642</u>	<u>\$ 84,445</u>	<u>\$ 3,728</u>	<u>\$ -</u>	<u>\$ 44,448</u>	<u>\$ 10,531</u>	<u>\$ 49,670</u>

CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTMEBER 30, 2014

	Special Revenue Funds			
	Library	Animal Shelter	Juvenile Case Manager	Park
ASSETS				
Cash and investments	\$ 108,863	\$ 93,438	\$ 3,481	\$ -
Accounts receivable	-	-	-	-
Prepays	-	-	-	-
Total assets	<u>\$ 108,863</u>	<u>\$ 93,438</u>	<u>\$ 3,481</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 7,400	\$ -	\$ -
Retainage payable	-	-	-	-
Accrued liabilities	-	-	-	-
Deposits and escrows	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>7,400</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable:				
Doss library	-	-	-	-
Prepaid items	-	-	-	-
Restricted:				
Capital projects	-	-	-	-
Public safety	-	-	3,481	-
Community development	-	-	-	-
Committed:				
Capital projects	-	-	-	-
Park development	-	-	-	-
Culture and recreation	108,863	86,038	-	-
Unassigned	-	-	-	-
Total fund balances	<u>108,863</u>	<u>86,038</u>	<u>3,481</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 108,863</u>	<u>\$ 93,438</u>	<u>\$ 3,481</u>	<u>\$ -</u>

Capital Projects Fund

General Capital Projects	Park Development	Series 2006 C. O.	Series 2007 C. O.	Series 2007 G. O.	Series 2008 C. O.	Series 2011 C. O.
\$ 1,544,033	\$ 283,008	\$ 19	\$ 14,718	\$ 85	\$ 44	\$ 6,444,290
8,333	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,552,366</u>	<u>\$ 283,008</u>	<u>\$ 19</u>	<u>\$ 14,718</u>	<u>\$ 85</u>	<u>\$ 44</u>	<u>\$ 6,444,290</u>
\$ 4,138	\$ 162	\$ -	\$ 650	\$ -	\$ -	\$ 591,749
-	-	-	-	-	-	517,820
1,452	-	-	2,121	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,590</u>	<u>162</u>	<u>-</u>	<u>2,771</u>	<u>-</u>	<u>-</u>	<u>1,109,569</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	19	11,947	85	44	5,334,721
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,546,776	-	-	-	-	-	-
-	282,846	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,546,776</u>	<u>282,846</u>	<u>19</u>	<u>11,947</u>	<u>85</u>	<u>44</u>	<u>5,334,721</u>
<u>\$ 1,552,366</u>	<u>\$ 283,008</u>	<u>\$ 19</u>	<u>\$ 14,718</u>	<u>\$ 85</u>	<u>\$ 44</u>	<u>\$ 6,444,290</u>

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CITY OF WEATHERFORD, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Permanent</u>	
	Doss Library	<u>Total Nonmajor Governmental Funds</u>
ASSETS		
Cash and investments	\$ 49,986	\$ 10,096,160
Accounts receivable	-	185,845
Prepays	-	4,880
Total assets	<u>\$ 49,986</u>	<u>\$ 10,286,885</u>
LIABILITIES		
Accounts payable	\$ -	\$ 643,067
Retainage payable	-	522,820
Accrued liabilities	-	26,004
Deposits and escrows	-	8,220
Unearned revenue	-	1,864
Total liabilities	<u>-</u>	<u>1,201,975</u>
FUND BALANCES		
Nonspendable:		
Doss library	50,000	50,000
Prepaid items	-	4,880
Restricted:		
Capital projects	-	5,346,816
Public safety	-	825,357
Community development	-	769,134
Committed:		
Capital projects	-	1,546,776
Park development	-	282,846
Culture and recreation	-	259,115
Unassigned	<u>(14)</u>	<u>(14)</u>
Total fund balances	<u>49,986</u>	<u>9,084,910</u>
Total liabilities and fund balances	<u>\$ 49,986</u>	<u>\$ 10,286,885</u>

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	State Forfeiture	Federal Forfeiture	Weatherford Beautification
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	10,472	64,163	-
Contributions	-	-	-
Royalties and rental	-	-	-
Investment earnings	30	188	1
Miscellaneous	-	-	-
Total revenues	10,502	64,351	1
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	20,784	27,626	-
Public works	-	-	-
Health and welfare	-	-	-
Cultural and recreational	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest and other	-	-	-
Total expenditures	20,784	27,626	-
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	(10,282)	36,725	1
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCES	(10,282)	36,725	1
FUND BALANCES, BEGINNING	64,435	636,880	2,401
FUND BALANCES, ENDING	\$ 54,153	\$ 673,605	\$ 2,402

Special Revenue Funds

Hotel/Motel Tax	Chandor Gardens	SFX Grant	Weatherford Aerospace Grant	Court Technology	Main Street Project	Court Security
\$ 676,407	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	48,914	-	-	-	428	-
-	-	-	-	13,916	-	10,402
-	1,867	-	-	-	-	-
-	-	22,368	54,790	-	5,425	-
202	26	-	-	20	3	23
-	1	-	-	-	50	-
<u>676,609</u>	<u>50,808</u>	<u>22,368</u>	<u>54,790</u>	<u>13,936</u>	<u>5,906</u>	<u>10,425</u>
64,101	-	22,368	54,790	2,509	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
172,916	320,363	-	-	-	-	-
-	12,996	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>237,017</u>	<u>333,359</u>	<u>22,368</u>	<u>54,790</u>	<u>2,509</u>	<u>-</u>	<u>-</u>
<u>439,592</u>	<u>(282,551)</u>	<u>-</u>	<u>-</u>	<u>11,427</u>	<u>5,906</u>	<u>10,425</u>
-	250,753	-	-	-	-	-
<u>(347,632)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(347,632)</u>	<u>250,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
91,960	(31,798)	-	-	11,427	5,906	10,425
<u>667,257</u>	<u>96,012</u>	<u>1,864</u>	<u>-</u>	<u>33,021</u>	<u>4,625</u>	<u>39,245</u>
<u>\$ 759,217</u>	<u>\$ 64,214</u>	<u>\$ 1,864</u>	<u>\$ -</u>	<u>\$ 44,448</u>	<u>\$ 10,531</u>	<u>\$ 49,670</u>

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds			
	Library	Animal Shelter	Juvenile Case Manager	Park
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	10,424	-	-	-
Fines and forfeitures	-	-	200	-
Contributions	35,394	15,743	-	-
Royalties and rental	-	-	-	-
Investment earnings	32	41	2	-
Miscellaneous	-	26,302	-	-
Total revenues	<u>45,850</u>	<u>42,086</u>	<u>202</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	24,036	-	-
Cultural and recreational	12,811	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Total expenditures	<u>12,811</u>	<u>24,036</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>33,039</u>	<u>18,050</u>	<u>202</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	100	-	-	-
Transfers out	-	-	-	(28,658)
Total other financing sources (uses)	<u>100</u>	<u>-</u>	<u>-</u>	<u>(28,658)</u>
NET CHANGE IN FUND BALANCES	33,139	18,050	202	(28,658)
FUND BALANCES, BEGINNING	<u>75,724</u>	<u>67,988</u>	<u>3,279</u>	<u>28,658</u>
FUND BALANCES, ENDING	<u>\$ 108,863</u>	<u>\$ 86,038</u>	<u>\$ 3,481</u>	<u>\$ -</u>

Capital Projects Fund

General Capital Projects	Park Development	Series 2006 C. O.	Series 2007 C. O.	Series 2007 G. O.	Series 2008 C. O.	Series 2011 C. O.
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12,411	-	-	-	-	-	-
-	-	-	-	-	-	350
-	-	-	-	-	-	-
-	-	-	-	-	-	-
116,112	-	-	-	-	-	-
1,521	92	105	1,003	483	241	1,368
-	102,650	-	-	-	-	-
<u>130,044</u>	<u>102,742</u>	<u>105</u>	<u>1,003</u>	<u>483</u>	<u>241</u>	<u>1,718</u>
1,420	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	88,020	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
350,445	97,141	-	351,340	-	-	4,136,314
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>351,865</u>	<u>97,141</u>	<u>-</u>	<u>439,360</u>	<u>-</u>	<u>-</u>	<u>4,136,314</u>
(221,821)	<u>5,601</u>	<u>105</u>	(438,357)	<u>483</u>	<u>241</u>	(4,134,596)
450,000	-	-	-	-	-	7,510,867
(2,159,484)	-	(354,472)	(3,195,673)	(1,620,322)	(820,400)	-
(1,709,484)	-	(354,472)	(3,195,673)	(1,620,322)	(820,400)	7,510,867
(1,931,305)	5,601	(354,367)	(3,634,030)	(1,619,839)	(820,159)	3,376,271
<u>3,478,081</u>	<u>277,245</u>	<u>354,386</u>	<u>3,645,977</u>	<u>1,619,924</u>	<u>820,203</u>	<u>1,958,450</u>
<u>\$ 1,546,776</u>	<u>\$ 282,846</u>	<u>\$ 19</u>	<u>\$ 11,947</u>	<u>\$ 85</u>	<u>\$ 44</u>	<u>\$ 5,334,721</u>

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Permanent	Total Nonmajor Governmental Funds
	Doss Library	
REVENUES		
Taxes	\$ -	\$ 676,407
Intergovernmental	-	12,411
Charges for services	-	60,116
Fines and forfeitures	-	99,153
Contributions	-	53,004
Royalties and rental	-	198,695
Investment earnings	17	5,398
Miscellaneous	-	129,003
Total revenues	17	1,234,187
EXPENDITURES		
Current:		
General government	-	145,188
Public safety	-	48,410
Public works	-	88,020
Health and welfare	-	24,036
Cultural and recreational	-	506,090
Capital outlay	-	4,948,236
Debt service:		
Principal	-	-
Interest and other	-	-
Total expenditures	-	5,759,980
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	17	(4,525,793)
OTHER FINANCING SOURCES (USES)		
Transfers in	-	8,211,720
Transfers out	(100)	(8,526,741)
Total other financing sources (uses)	(100)	(315,021)
NET CHANGE IN FUND BALANCES	(83)	(4,840,814)
FUND BALANCES, BEGINNING	50,069	13,925,724
FUND BALANCES, ENDING	\$ 49,986	\$ 9,084,910

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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 10,472	\$ 5,472
Investment earnings	60	60	30	(30)
Total revenues	5,060	5,060	10,502	5,442
EXPENDITURES				
Current:				
Public safety	15,000	15,000	20,784	(5,784)
Total expenditures	15,000	15,000	20,784	(5,784)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,940)	(9,940)	(10,282)	(342)
FUND BALANCE, BEGINNING	64,435	64,435	64,435	-
FUND BALANCE, ENDING	\$ 54,495	\$ 54,495	\$ 54,153	\$(342)

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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 64,163	\$ 34,163
Investment earnings	<u>500</u>	<u>500</u>	<u>188</u>	<u>(312)</u>
Total revenues	<u>30,500</u>	<u>30,500</u>	<u>64,351</u>	<u>33,851</u>
EXPENDITURES				
Current:				
Public safety	90,000	90,000	27,626	62,374
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total expenditures	<u>240,000</u>	<u>240,000</u>	<u>27,626</u>	<u>212,374</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(209,500)	(209,500)	36,725	246,225
FUND BALANCE, BEGINNING	<u>636,880</u>	<u>636,880</u>	<u>636,880</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 427,380</u>	<u>\$ 427,380</u>	<u>\$ 673,605</u>	<u>\$ 246,225</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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 1	\$ 1
Total revenues	-	-	1	1
EXPENDITURES				
Current:				
Community development	2,401	2,401	-	2,401
Total expenditures	2,401	2,401	-	2,401
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,401)	(2,401)	1	2,402
FUND BALANCE, BEGINNING	2,401	2,401	2,401	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ 2,402	\$ 2,402

CITY OF WEATHERFORD, TEXAS

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

HOTEL/MOTEL TAX FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 600,000	\$ 600,000	\$ 676,407	\$ 76,407
Investment earnings	<u>500</u>	<u>500</u>	<u>202</u>	(298)
Total revenues	<u>600,500</u>	<u>600,500</u>	<u>676,609</u>	<u>76,109</u>
EXPENDITURES				
Current:				
General government	110,768	82,890	64,101	18,789
Cultural and recreational:				
Tourism program	114,529	114,529	114,529	-
Doss Historic and Cultural Center	13,471	13,471	13,471	-
Other	<u>47,100</u>	<u>70,478</u>	<u>44,916</u>	<u>25,562</u>
Total expenditures	<u>285,868</u>	<u>281,368</u>	<u>237,017</u>	<u>44,351</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>314,632</u>	<u>319,132</u>	<u>439,592</u>	<u>120,460</u>
OTHER FINANCING USES				
Transfers out	(334,632)	(347,632)	(347,632)	-
Total other financing uses	<u>(334,632)</u>	<u>(347,632)</u>	<u>(347,632)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(20,000)	(28,500)	91,960	120,460
FUND BALANCE, BEGINNING	<u>667,257</u>	<u>667,257</u>	<u>667,257</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 647,257</u>	<u>\$ 638,757</u>	<u>\$ 759,217</u>	<u>\$ 120,460</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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 103,500	\$ 103,500	\$ 48,914	\$(54,586)
Contributions	-	-	1,867	1,867
Investment earnings	300	300	26	(274)
Miscellaneous	-	-	1	1
Total revenues	<u>103,800</u>	<u>103,800</u>	<u>50,808</u>	<u>(52,992)</u>
EXPENDITURES				
Current:				
Cultural and recreational	317,141	328,063	320,363	7,700
Capital outlay	-	13,000	12,996	4
Total expenditures	<u>317,141</u>	<u>341,063</u>	<u>333,359</u>	<u>7,704</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(213,341)</u>	<u>(237,263)</u>	<u>(282,551)</u>	<u>(45,288)</u>
OTHER FINANCING SOURCES				
Transfers in	236,112	251,034	250,753	(281)
Total other financing sources	<u>236,112</u>	<u>251,034</u>	<u>250,753</u>	<u>(281)</u>
NET CHANGE IN FUND BALANCE	22,771	13,771	(31,798)	(45,569)
FUND BALANCE, BEGINNING	<u>96,012</u>	<u>96,012</u>	<u>96,012</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 118,783</u>	<u>\$ 109,783</u>	<u>\$ 64,214</u>	<u>\$(45,569)</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, 2014

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

WEATHERFORD AEROSPACE GRANT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>			Variance With Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Rental	\$ 13,875	\$ 13,875	\$ 54,790	\$ 40,915
Total revenues	<u>13,875</u>	<u>13,875</u>	<u>54,790</u>	<u>40,915</u>
EXPENDITURES				
Current:				
General government	<u>13,875</u>	<u>13,875</u>	<u>54,790</u>	(<u>40,915</u>)
Total expenditures	<u>13,875</u>	<u>13,875</u>	<u>54,790</u>	(<u>40,915</u>)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 13,000	\$ 13,000	\$ 13,916	\$ 916
Investment earnings	20	20	20	-
Total revenues	13,020	13,020	13,936	916
EXPENDITURES				
Current:				
General government	16,500	16,500	2,509	13,991
Total expenditures	16,500	16,500	2,509	13,991
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,480)	(3,480)	11,427	14,907
FUND BALANCE, BEGINNING	33,021	33,021	33,021	-
FUND BALANCE, ENDING	\$ 29,541	\$ 29,541	\$ 44,448	\$ 14,907

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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 10,402	\$ 402
Investment earnings	30	30	23	(7)
Total revenues	10,030	10,030	10,425	395
EXPENDITURES				
Current:				
General government	13,500	13,500	-	13,500
Total expenditures	13,500	13,500	-	13,500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,470)	(3,470)	10,425	13,895
FUND BALANCE, BEGINNING	39,245	39,245	39,245	-
FUND BALANCE, ENDING	\$ 35,775	\$ 35,775	\$ 49,670	\$ 13,895

CITY OF WEATHERFORD, TEXAS

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

LIBRARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 10,500	\$ 10,500	\$ 10,424	\$(76)
Contributions	3,000	3,000	35,394	32,394
Investment earnings	<u>75</u>	<u>75</u>	<u>32</u>	<u>(43)</u>
Total revenues	<u>13,575</u>	<u>13,575</u>	<u>45,850</u>	<u>32,275</u>
EXPENDITURES				
Current:				
Cultural and recreational	<u>70,141</u>	<u>70,141</u>	<u>12,811</u>	<u>57,330</u>
Total expenditures	<u>70,141</u>	<u>70,141</u>	<u>12,811</u>	<u>57,330</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(56,566)</u>	<u>(56,566)</u>	<u>33,039</u>	<u>89,605</u>
OTHER FINANCING SOURCES				
Transfers in	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
Total other financing sources	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(56,466)	(56,466)	33,139	89,605
FUND BALANCE, BEGINNING	<u>75,724</u>	<u>75,724</u>	<u>75,724</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 19,258</u>	<u>\$ 19,258</u>	<u>\$ 108,863</u>	<u>\$ 89,605</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, 2014

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Contributions	\$ -	\$ -	\$ 15,743	\$ 15,743
Investment earnings	50	50	41	(9)
Miscellaneous	<u>-</u>	<u>-</u>	<u>26,302</u>	<u>26,302</u>
Total revenues	<u>50</u>	<u>50</u>	<u>42,086</u>	<u>42,036</u>
EXPENDITURES				
Current:				
Health and welfare	6,000	6,000	24,036	(18,036)
Capital outlay	<u>-</u>	<u>32,305</u>	<u>-</u>	<u>32,305</u>
Total expenditures	<u>6,000</u>	<u>38,305</u>	<u>24,036</u>	<u>14,269</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,950)	(38,255)	18,050	56,305
FUND BALANCE, BEGINNING	<u>67,988</u>	<u>67,988</u>	<u>67,988</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 62,038</u>	<u>\$ 29,733</u>	<u>\$ 86,038</u>	<u>\$ 56,305</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, 2014

	<u>Budgeted Amounts</u>			Variance With Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
REVENUES				
Investment earnings	\$ 50	\$ 50	\$ 17	\$(33)
Total revenues	<u>50</u>	<u>50</u>	<u>17</u>	<u>(33)</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>50</u>	<u>50</u>	<u>17</u>	<u>(33)</u>
OTHER FINANCING USES				
Transfers out	(100)	(100)	(100)	<u>-</u>
Total other financing uses	<u>(100)</u>	<u>(100)</u>	<u>(100)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(50)	(50)	(83)	(33)
FUND BALANCE, BEGINNING	<u>50,069</u>	<u>50,069</u>	<u>50,069</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 50,019</u>	<u>\$ 50,019</u>	<u>\$ 49,986</u>	<u>\$(33)</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 3,117,208	\$ 3,117,208	\$ 3,228,914	\$ 111,706
Intergovernmental	4,000,000	4,000,000	4,081,538	81,538
Investment earnings	<u>4,000</u>	<u>4,000</u>	<u>2,394</u>	(1,606)
Total revenues	<u>7,121,208</u>	<u>7,121,208</u>	<u>7,312,846</u>	<u>191,638</u>
EXPENDITURES				
Debt service:				
Principal	3,672,207	3,672,207	3,602,037	70,170
Interest and other	<u>2,620,588</u>	<u>2,620,588</u>	<u>2,647,027</u>	(26,439)
Total expenditures	<u>6,292,795</u>	<u>6,292,795</u>	<u>6,249,064</u>	<u>43,731</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>828,413</u>	<u>828,413</u>	<u>1,063,782</u>	<u>235,369</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>143,555</u>	<u>143,555</u>	<u>132,632</u>	(10,923)
Total other financing sources (uses)	<u>143,555</u>	<u>143,555</u>	<u>132,632</u>	(10,923)
NET CHANGE IN FUND BALANCE	971,968	971,968	1,196,414	224,446
FUND BALANCE, BEGINNING	<u>5,209,096</u>	<u>5,209,096</u>	<u>5,209,096</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 6,181,064</u>	<u>\$ 6,181,064</u>	<u>\$ 6,405,510</u>	<u>\$ 224,446</u>

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CAPITAL ASSET SCHEDULES

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CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULES BY SOURCE

SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 5,488,126	\$ 5,488,126
Buildings and improvements	14,746,965	14,168,442
Infrastructure	13,182,232	13,182,232
Other improvements	32,788,448	31,841,409
Machinery and equipment	10,105,957	9,905,507
Construction in progress	<u>14,361,736</u>	<u>37,722,116</u>
Total governmental funds capital assets	<u>\$ 90,673,464</u>	<u>\$ 112,307,832</u>
INVESTMENTS IN GOVERNMENTAL FUNDS		
CAPITAL ASSETS BY SOURCE		
General fund revenues	\$ 28,102,314	\$ 26,383,595
Special revenue fund revenues	81,804	81,804
Capital projects fund general obligation bonds	52,376,538	75,741,625
Contributions	7,143,665	7,131,665
Grants	<u>2,969,143</u>	<u>2,969,143</u>
Total governmental funds capital assets	<u>\$ 90,673,464</u>	<u>\$ 112,307,832</u>

CITY OF WEATHERFORD, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2014

Function and Activity	Total	Land	Buildings and Improvements	Infrastructure and Other Improvements	Machinery and Equipment	Construction in Progress
General government						
City Council	\$ 7,218,594	\$ 176,762	\$ 5,904,094	\$ 36,986	\$ 1,100,752	\$ -
Finance	104,343	-	-	-	104,343	-
Facilities Maintenance	61,949	-	-	-	61,949	-
Municipal court	21,536	-	-	-	21,536	-
Planning and development	94,948	-	-	-	94,948	-
Total	<u>7,501,370</u>	<u>176,762</u>	<u>5,904,094</u>	<u>36,986</u>	<u>1,383,528</u>	<u>-</u>
Public safety						
Fire	6,929,548	467,885	3,054,398	469,108	2,938,157	-
Police	3,256,486	16,619	1,318,317	37,050	1,884,500	-
Total	<u>10,186,034</u>	<u>484,504</u>	<u>4,372,715</u>	<u>506,158</u>	<u>4,822,657</u>	<u>-</u>
Public works						
Administration	1,673,242	-	1,406,378	27,272	239,592	-
Street maintenance	50,797,448	2,353,354	6,077	33,398,709	2,340,462	12,698,846
Vehicle/equipment maintenance	118,218	-	50,833	23,007	44,378	-
Total	<u>52,588,908</u>	<u>2,353,354</u>	<u>1,463,288</u>	<u>33,448,988</u>	<u>2,624,432</u>	<u>12,698,846</u>
Health & Welfare	<u>1,066,513</u>	<u>-</u>	<u>847,871</u>	<u>15,552</u>	<u>203,090</u>	<u>-</u>
Parks and recreation						
First Monday	2,608,314	1,341,778	80,469	22,693	26,984	1,136,390
Library	1,015,176	7,850	900,554	23,475	83,297	-
Public market	24,792	-	-	24,792	-	-
Parks and properties	15,636,183	1,123,878	1,177,974	11,892,036	915,795	526,500
Recreation	46,174	-	-	-	46,174	-
Total	<u>19,330,639</u>	<u>2,473,506</u>	<u>2,158,997</u>	<u>11,962,996</u>	<u>1,072,250</u>	<u>1,662,890</u>
Total governmental funds capital assets	<u>\$ 90,673,464</u>	<u>\$ 5,488,126</u>	<u>\$ 14,746,965</u>	<u>\$ 45,970,680</u>	<u>\$ 10,105,957</u>	<u>\$ 14,361,736</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, 2014

<u>Function and Activity</u>	<u>Balance 09/30/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2014</u>
General government				
City Council	\$ 7,183,365	\$ 285,462	\$(250,233)	\$ 7,218,594
Finance	104,343	-	-	104,343
Facilities maintenance	51,348	10,601	-	61,949
Municipal court	21,536	-	-	21,536
Planning and development	63,432	54,546	(23,030)	94,948
Total	<u>7,424,024</u>	<u>350,609</u>	<u>(273,263)</u>	<u>7,501,370</u>
Public Safety				
Fire	6,133,869	857,197	(61,518)	6,929,548
Police	3,210,240	121,562	(75,316)	3,256,486
Total	<u>9,344,109</u>	<u>978,759</u>	<u>(136,834)</u>	<u>10,186,034</u>
Public works				
Administration	1,659,658	21,584	(8,000)	1,673,242
Street maintenance	73,961,604	4,838,953	(28,003,109)	50,797,448
Vehicle/equipment maintenance	118,218	-	-	118,218
Total	<u>75,739,480</u>	<u>4,860,537</u>	<u>(28,011,109)</u>	<u>52,588,908</u>
Health & Welfare	<u>1,052,585</u>	<u>13,928</u>	<u>-</u>	<u>1,066,513</u>
Parks and recreation				
First Monday	2,608,846	-	(532)	2,608,314
Library	1,069,231	-	(54,055)	1,015,176
Public market	24,792	-	-	24,792
Parks and properties	14,998,594	637,589	-	15,636,183
Recreation	46,174	-	-	46,174
Total	<u>18,747,637</u>	<u>637,589</u>	<u>(54,587)</u>	<u>19,330,639</u>
Total governmental funds capital assets	<u>\$ 112,307,835</u>	<u>\$ 6,841,422</u>	<u>\$(28,475,793)</u>	<u>\$ 90,673,464</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULES OF CAPITAL ASSETS

SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Land	\$ 2,540,233	\$ 2,514,254
Buildings and improvements	19,106,576	19,505,130
Other improvements	154,278,264	149,084,181
Machinery and equipment	6,865,750	6,340,329
Construction in progress	<u>3,436,970</u>	<u>2,398,515</u>
	186,227,793	179,842,409
Less accumulated depreciation	<u>(68,400,195)</u>	<u>(64,779,834)</u>
	<u>\$ 117,827,598</u>	<u>\$ 115,062,575</u>

CITY OF WEATHERFORD, TEXAS
MUNICIPAL UTILITY SYSTEM
SCHEDULE OF CHANGES IN CAPITAL ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

<u>Function and Activity</u>	<u>Balance 09/30/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 09/30/2014</u>
Administration	\$ 5,251,093	\$ 109,914	\$(52,178)	\$ 5,308,829
Water production	26,165,560	425,804	(1,209,242)	25,382,122
Water distribution	54,112,115	2,683,542	(59,294)	56,736,363
Wastewater	39,114,538	3,313,708	(1,464,192)	40,964,054
Electric production	1,192,893	-	-	1,192,893
Electric distribution	<u>54,006,210</u>	<u>2,643,095</u>	<u>(5,773)</u>	<u>56,643,532</u>
Total municipal utility capital assets	<u>\$ 179,842,409</u>	<u>\$ 9,176,063</u>	<u>\$(2,790,679)</u>	<u>\$ 186,227,793</u>

CITY OF WEATHERFORD, TEXAS

MUNICIPAL UTILITY SYSTEM

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2014

<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	\$ 5,308,829	\$ 326,764	\$ 3,346,267	\$ 1,108,248	\$ 527,550	\$ -
Water production	25,382,122	1,055,502	12,146,429	11,556,326	608,205	15,660
Water distribution	56,736,363	682,707	45,619	53,257,754	676,399	2,073,884
Wastewater	40,964,054	149,291	3,231,643	34,152,361	2,153,553	1,277,206
Electric production	1,192,893	11,334	336,618	13,203	831,738	-
Electric distribution	<u>56,643,532</u>	<u>314,635</u>	<u>-</u>	<u>54,190,372</u>	<u>2,068,305</u>	<u>70,220</u>
Total Municipal Utility System capital assets	<u>\$ 186,227,793</u>	<u>\$ 2,540,233</u>	<u>\$ 19,106,576</u>	<u>\$ 154,278,264</u>	<u>\$ 6,865,750</u>	<u>\$ 3,436,970</u>

STATISTICAL SECTION

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STATISTICAL SECTION

(Unaudited)

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.	93 – 101
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.	102 – 115
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.	116 – 120
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.	121 – 123
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.	124 – 126

CITY OF WEATHERFORD, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities:				
Net investment in capital assets	\$ 11,681,836	\$ 12,874,433	\$ 15,219,107	\$ 18,027,712
Restricted	2,502,827	9,520,793	10,318,427	9,041,116
Unrestricted	<u>4,040,021</u>	<u>5,555,691</u>	<u>5,758,023</u>	<u>6,522,915</u>
Total governmental activities net position	<u>\$ 18,224,684</u>	<u>\$ 27,950,917</u>	<u>\$ 31,295,557</u>	<u>\$ 33,591,743</u>
Business-type activities:				
Net investment in capital assets	\$ 55,677,157	\$ 59,676,685	\$ 61,396,213	\$ 64,453,828
Restricted	5,480,674	6,221,761	7,291,875	7,563,464
Unrestricted	<u>17,183,561</u>	<u>13,774,237</u>	<u>14,845,101</u>	<u>16,261,373</u>
Total business-type activities net position	<u>\$ 78,341,392</u>	<u>\$ 79,672,683</u>	<u>\$ 83,533,189</u>	<u>\$ 88,278,665</u>
Primary government:				
Net investment in capital assets	\$ 67,358,993	\$ 72,551,118	\$ 76,615,320	\$ 82,481,540
Restricted	7,983,501	15,742,554	17,610,302	16,604,580
Unrestricted	<u>21,223,582</u>	<u>19,329,928</u>	<u>20,603,124</u>	<u>22,784,288</u>
Total primary government net position	<u>\$ 96,566,076</u>	<u>\$ 107,623,600</u>	<u>\$ 114,828,746</u>	<u>\$ 121,870,408</u>

TABLE 1

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 21,410,012	\$ 19,852,401	\$ 17,759,659	\$ 17,007,106	\$ 20,530,809	\$ 29,104,810
6,381,977	6,101,207	2,933,914	5,331,525	6,571,469	3,267,974
<u>5,775,100</u>	<u>8,725,158</u>	<u>13,417,930</u>	<u>14,511,974</u>	<u>11,361,121</u>	<u>5,969,809</u>
<u>\$ 33,567,089</u>	<u>\$ 34,678,766</u>	<u>\$ 34,111,503</u>	<u>\$ 36,850,605</u>	<u>\$ 38,463,399</u>	<u>\$ 38,342,593</u>
\$ 68,649,354	\$ 67,232,594	\$ 70,468,654	\$ 75,402,883	\$ 79,820,405	\$ 90,336,805
7,628,531	13,003,448	8,363,543	8,841,879	9,496,781	9,627,846
<u>16,550,266</u>	<u>15,069,828</u>	<u>21,839,839</u>	<u>22,596,145</u>	<u>22,453,289</u>	<u>20,463,931</u>
<u>\$ 92,828,151</u>	<u>\$ 95,305,870</u>	<u>\$ 100,672,036</u>	<u>\$ 106,840,907</u>	<u>\$ 111,770,475</u>	<u>\$ 120,428,582</u>
\$ 90,059,366	\$ 87,084,995	\$ 88,228,313	\$ 92,409,989	\$ 100,351,214	\$ 119,441,615
14,010,508	19,104,655	11,297,457	14,173,404	16,068,250	12,895,820
<u>22,325,366</u>	<u>23,794,986</u>	<u>35,257,769</u>	<u>37,108,119</u>	<u>33,814,410</u>	<u>26,433,740</u>
<u>\$ 126,395,240</u>	<u>\$ 129,984,636</u>	<u>\$ 134,783,539</u>	<u>\$ 143,691,512</u>	<u>\$ 150,233,874</u>	<u>\$ 158,771,175</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2005	2006	2007	2008
EXPENSES				
Governmental activities:				
General government	\$ 2,320,668	\$ 2,320,569	\$ 2,466,022	\$ 2,866,557
Public safety	9,181,870	9,340,908	10,602,348	11,179,288
Public works	2,161,749	2,743,092	2,790,615	2,973,277
Planning and development	776,426	616,598	973,236	1,094,289
Community development	530,473	773,029	698,315	798,054
Health and welfare	35,000	35,000	40,000	40,000
Cultural and recreation	2,981,119	3,193,738	3,626,826	4,490,038
Interest on long-term debt	422,013	346,758	600,668	3,749,754
Total governmental activities expenses	<u>18,409,318</u>	<u>19,369,692</u>	<u>21,798,030</u>	<u>27,191,257</u>
Business-type activities:				
Electric	29,522,755	35,636,539	33,712,309	45,275,598
Water	5,174,495	5,737,688	6,947,460	6,969,907
Wastewater	2,649,235	2,816,465	2,887,183	2,998,193
Sanitation	1,050,072	1,019,713	1,094,631	1,443,132
Stormwater utility	-	-	-	-
Total business-type activities expenses	<u>38,396,557</u>	<u>45,210,405</u>	<u>44,641,583</u>	<u>56,686,830</u>
Total primary government program expenses	<u>\$ 56,805,875</u>	<u>\$ 64,580,097</u>	<u>\$ 66,439,613</u>	<u>\$ 83,878,087</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 228,809	\$ 1,712,909	\$ 234,430	\$ 240,282
Public safety	751,447	861,969	1,208,676	1,316,499
Public works	-	-	-	-
Planning and development	559,971	623,468	642,624	652,314
Community development	-	-	-	-
Health and welfare	-	-	-	-
Cultural and recreational	583,179	652,519	689,070	725,635
Operating grants and contributions	728,420	488,795	292,214	546,231
Capital grants and contributions	369,678	308,755	298,032	150,087
Total governmental activities program revenues	<u>3,221,504</u>	<u>4,648,415</u>	<u>3,365,046</u>	<u>3,631,048</u>
Business-type activities:				
Charges for services:				
Electric	34,016,204	38,781,055	36,441,699	49,463,235
Water	5,882,325	7,698,682	6,553,467	7,313,082
Wastewater	3,436,449	3,845,422	3,926,120	4,168,752
Sanitation	1,697,366	1,765,007	1,824,906	1,930,313
Stormwater utility	-	-	-	-
Operating grants and contributions	-	-	477,013	-
Capital grants and contributions	1,723,027	1,610,619	788,632	930,081
Total business-type activities program revenues	<u>46,755,371</u>	<u>53,700,785</u>	<u>50,011,837</u>	<u>63,805,463</u>
Total primary government program revenues	<u>\$ 49,976,875</u>	<u>\$ 58,349,200</u>	<u>\$ 53,376,883</u>	<u>\$ 67,436,511</u>

TABLE 2

		Fiscal Year									
		2009	2010	2011	2012	2013	2014				
\$	2,928,150	\$	3,160,927	\$	3,398,442	\$	4,688,501	\$	5,464,305	\$	6,035,033
	12,081,348		11,877,757		12,532,399		12,426,881		12,951,140		13,331,155
	2,920,416		2,997,970		7,985,977		4,116,662		5,032,489		32,880,317
	825,967		677,682		698,162		738,534		755,272		-
	1,627,371		1,314,302		926,855		991,922		1,031,282		-
	45,000		45,000		46,764		160,169		152,181		1,269,608
	3,681,961		4,088,694		3,442,335		3,579,674		4,217,332		4,442,143
	3,109,094		2,996,869		2,758,163		3,584,869		2,633,532		2,534,057
	<u>27,219,307</u>		<u>27,159,201</u>		<u>31,789,097</u>		<u>30,287,212</u>		<u>32,237,533</u>		<u>60,492,313</u>
	41,197,102		30,670,906		28,530,839		21,532,861		25,082,339		32,064,046
	7,899,776		6,433,439		7,404,975		6,441,878		7,384,830		8,083,005
	2,888,556		3,281,199		2,994,124		3,195,794		3,321,956		3,392,953
	1,464,621		1,434,931		1,450,234		1,481,557		1,528,130		1,502,670
	-		-		-		-		24,532		73,348
	<u>53,450,055</u>		<u>41,820,475</u>		<u>40,380,172</u>		<u>32,652,090</u>		<u>37,341,787</u>		<u>45,116,022</u>
\$	<u>80,669,362</u>	\$	<u>68,979,676</u>	\$	<u>72,169,269</u>	\$	<u>62,939,302</u>	\$	<u>69,579,320</u>	\$	<u>105,608,335</u>
\$	247,258	\$	260,293	\$	275,022	\$	195,897	\$	202,029	\$	29,617
	1,269,329		1,112,838		1,008,551		770,585		944,532		976,746
	-		25,603		21,278		7,240		177,938		571,551
	395,846		256,563		385,256		263,220		370,782		-
	-		427,224		496,987		438,947		422,703		-
	-		31,607		49,660		49,010		51,813		501,722
	636,811		636,120		675,256		621,955		735,500		696,460
	401,357		234,710		218,060		584,783		196,248		310,955
	707,935		1,191,580		2,244,834		4,114,054		3,873,294		29,049,784
	<u>3,658,536</u>		<u>4,176,538</u>		<u>5,374,904</u>		<u>7,045,691</u>		<u>6,974,839</u>		<u>32,136,835</u>
	44,153,842		35,217,275		35,024,442		27,763,091		31,300,347		38,114,195
	8,078,376		6,592,204		9,427,936		9,675,600		10,058,874		10,340,475
	4,035,449		3,858,895		5,031,535		4,719,203		4,663,157		4,533,122
	2,189,772		2,560,822		2,636,671		2,081,818		2,058,004		2,140,988
	-		-		-		-		594,526		839,597
	-		-		-		-		-		-
	1,820,404		1,068,437		485,997		409,143		912,459		1,674,969
	<u>60,277,843</u>		<u>49,297,633</u>		<u>52,606,581</u>		<u>44,648,855</u>		<u>49,587,367</u>		<u>57,643,346</u>
\$	<u>63,936,379</u>	\$	<u>53,474,171</u>	\$	<u>57,981,485</u>	\$	<u>51,694,546</u>	\$	<u>56,562,206</u>	\$	<u>89,780,181</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2005	2006	2007	2008
NET (EXPENSE) REVENUES				
Governmental activities	\$(15,187,814)	\$(14,721,277)	\$(18,432,984)	\$(23,560,209)
Business-type activities	8,358,814	8,490,380	5,370,254	7,118,633
Total primary government net expense	<u>(6,829,000)</u>	<u>(6,230,897)</u>	<u>(13,062,730)</u>	<u>(16,441,576)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	3,791,801	4,351,788	4,749,712	6,977,107
Retail sales	6,932,094	7,628,658	8,097,754	9,166,195
Franchise	2,032,325	2,254,202	2,272,898	2,439,677
Hotel/motel	455,894	570,854	684,782	707,136
Mixed beverage	30,386	39,803	43,571	45,662
Unrestricted grants and contributions	18,750	17,963	9,021	10,226
Investment earnings	261,843	704,988	2,299,115	2,575,000
Gain on sale of capital assets	-	399,656	6,650	76,548
Miscellaneous	97,095	68,384	110,674	199,107
Transfers	3,146,253	8,411,214	3,503,447	3,659,737
Total governmental activities	<u>16,766,441</u>	<u>24,447,510</u>	<u>21,777,624</u>	<u>25,856,395</u>
Business-type activities:				
Investment earnings	536,644	1,102,832	1,810,807	1,140,045
Miscellaneous	79,600	149,293	182,892	146,535
Transfers	<u>(3,146,253)</u>	<u>(8,411,214)</u>	<u>(3,503,447)</u>	<u>(3,659,737)</u>
Total business-type activities	<u>(2,530,009)</u>	<u>(7,159,089)</u>	<u>(1,509,748)</u>	<u>(2,373,157)</u>
Total primary government	<u>14,236,432</u>	<u>17,288,421</u>	<u>20,267,876</u>	<u>23,483,238</u>
CHANGE IN NET POSITION				
Governmental activities	1,578,627	9,726,233	3,344,640	2,296,186
Business-type activities	<u>5,828,805</u>	<u>1,331,291</u>	<u>3,860,506</u>	<u>4,745,476</u>
Total primary government	<u>\$ 7,407,432</u>	<u>\$ 11,057,524</u>	<u>\$ 7,205,146</u>	<u>\$ 7,041,662</u>

Notes:

The City of Weatherford sold its sanitary landfill in fiscal year 2003.

TABLE 2

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$(23,560,771)	\$(22,982,663)	\$(26,414,193)	\$(23,241,521)	\$(25,262,694)	\$(28,355,478)
6,827,788	7,477,158	12,226,409	11,996,765	12,245,580	12,527,324
<u>(16,732,983)</u>	<u>(15,505,505)</u>	<u>(14,187,784)</u>	<u>(11,244,756)</u>	<u>(13,017,114)</u>	<u>(15,828,154)</u>
7,371,902	8,108,727	8,095,074	8,232,881	8,396,517	8,674,852
8,641,879	8,236,286	8,832,088	9,648,458	9,969,043	10,591,223
2,403,704	581,566	620,052	697,980	681,611	673,641
452,312	474,607	588,225	602,256	659,759	676,407
53,505	57,822	57,593	57,519	68,658	92,016
3,373	155,092	1,944	18,626	21,637	16,749
1,463,358	763,500	72,783	57,691	39,617	66,346
-	-	-	-	-	-
438,500	474,809	454,317	264,797	237,957	295,224
<u>2,707,584</u>	<u>5,241,931</u>	<u>7,124,854</u>	<u>6,400,415</u>	<u>7,595,012</u>	<u>7,148,214</u>
<u>23,536,117</u>	<u>24,094,340</u>	<u>25,846,930</u>	<u>25,980,623</u>	<u>27,669,811</u>	<u>28,234,672</u>
228,337	64,432	43,834	49,858	46,514	35,548
200,945	178,060	220,777	523,014	597,310	687,949
<u>(2,707,584)</u>	<u>(5,241,931)</u>	<u>(7,124,854)</u>	<u>(6,400,415)</u>	<u>(7,595,012)</u>	<u>(7,148,214)</u>
<u>(2,278,302)</u>	<u>(4,999,439)</u>	<u>(6,860,243)</u>	<u>(5,827,543)</u>	<u>(6,951,188)</u>	<u>(6,424,717)</u>
<u>21,257,815</u>	<u>19,094,901</u>	<u>18,986,687</u>	<u>20,153,080</u>	<u>20,718,623</u>	<u>21,809,955</u>
(24,654)	1,111,677	(567,263)	2,739,102	2,407,117	(120,806)
<u>4,549,486</u>	<u>2,477,719</u>	<u>5,366,166</u>	<u>6,169,222</u>	<u>5,294,392</u>	<u>6,102,607</u>
<u>\$ 4,524,832</u>	<u>\$ 3,589,396</u>	<u>\$ 4,798,903</u>	<u>\$ 8,908,324</u>	<u>\$ 7,701,509</u>	<u>\$ 5,981,801</u>

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CITY OF WEATHERFORD, TEXAS

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General fund:										
Reserved	\$ 44,393	\$ 51,821	\$ 71,041	\$ 60,372	\$ 30,975	\$ 39,512	\$ -	\$ -	\$ -	\$ -
Unreserved	5,590,721	7,237,347	7,674,409	8,637,632	9,067,892	11,162,818	-	-	-	-
Nonspendable	-	-	-	-	-	-	132,112	75,623	44,476	69,071
Committed	-	-	-	-	-	-	6,989,273	7,350,364	7,395,691	7,674,783
Unassigned	-	-	-	-	-	-	6,517,546	6,693,692	5,363,522	5,576,824
Total general fund	<u>\$ 5,635,114</u>	<u>\$ 7,289,168</u>	<u>\$ 7,745,450</u>	<u>\$ 8,698,004</u>	<u>\$ 9,098,867</u>	<u>\$ 11,202,330</u>	<u>\$ 13,638,931</u>	<u>\$ 14,119,679</u>	<u>\$ 12,803,689</u>	<u>\$ 13,320,678</u>
All other governmental funds										
Reserved	\$ 4,172,001	\$ 13,592,170	\$ 70,250,798	\$ 66,257,136	\$ 40,533,598	\$ 21,061,652	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	701,240	1,086,524	1,351,075	1,129,821	1,089,249	1,187,400	-	-	-	-
Nonspendable	-	-	-	-	-	-	50,000	50,000	50,000	54,880
Restricted	-	-	-	-	-	-	19,057,261	18,625,654	15,061,112	13,346,817
Committed	-	-	-	-	-	-	3,807,639	3,887,347	4,023,708	2,088,737
Unassigned	-	-	-	-	-	-	-	-	-	(14)
Total all other governmental funds	<u>\$ 4,873,241</u>	<u>\$ 14,678,694</u>	<u>\$ 71,601,873</u>	<u>\$ 67,386,957</u>	<u>\$ 41,622,847</u>	<u>\$ 22,249,052</u>	<u>\$ 22,914,900</u>	<u>\$ 22,563,001</u>	<u>\$ 19,134,820</u>	<u>\$ 15,490,420</u>

CITY OF WEATHERFORD, TEXAS

**CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
REVENUES										
Taxes	\$ 13,256,164	\$ 14,829,390	\$ 15,840,133	\$ 19,299,272	\$ 18,924,734	\$ 17,374,844	\$ 18,222,977	\$ 19,256,063	\$ 19,799,001	\$ 20,763,676
Licenses and permits	554,940	631,400	637,735	663,464	431,330	355,842	560,150	421,801	524,009	564,609
Intergovernmental	567,188	394,449	266,261	362,008	331,035	777,266	2,650,196	4,728,575	4,240,008	4,720,631
Charges for services	847,331	870,669	917,528	931,540	962,567	1,119,403	1,114,756	1,086,564	1,336,189	1,139,227
Fines and forfeitures	435,458	491,957	729,794	857,715	676,973	715,865	917,547	615,624	851,088	576,240
Contributions	-	-	-	-	-	34,546	22,344	125,387	63,482	60,712
Investment earnings	261,843	704,988	2,302,034	2,576,899	1,463,815	763,500	72,783	57,691	39,617	66,346
Miscellaneous	586,169	2,097,305	639,122	972,491	1,006,388	718,914	615,158	342,123	353,929	401,860
Total revenues	<u>16,509,093</u>	<u>20,020,158</u>	<u>21,332,607</u>	<u>25,663,389</u>	<u>23,796,842</u>	<u>21,860,180</u>	<u>24,175,911</u>	<u>26,633,828</u>	<u>27,207,323</u>	<u>28,293,301</u>
EXPENDITURES										
General government	1,967,561	2,163,428	2,370,333	2,947,667	2,749,341	2,836,078	3,174,872	4,474,348	5,228,111	5,638,924
Public safety	9,191,013	9,177,082	10,389,397	10,888,448	11,067,251	10,929,713	11,431,423	11,692,263	12,234,522	12,507,199
Public works	1,725,247	2,601,040	2,402,659	2,510,164	2,175,270	1,704,727	2,569,515	2,640,284	3,279,511	3,228,503
Planning and development	742,634	762,914	990,770	1,099,526	818,460	638,591	660,440	717,003	716,295	-
Community development	495,353	610,699	670,973	766,573	1,519,717	1,136,814	849,250	933,216	980,108	-
Health and welfare	35,000	35,000	40,000	40,000	45,000	45,000	45,000	122,774	150,072	1,178,664
Cultural and recreational	2,877,673	3,104,893	3,517,497	4,360,890	4,133,489	3,574,460	2,842,956	2,997,049	3,496,386	3,728,117
Debt service										
Principal	384,074	438,428	967,696	3,940,724	3,116,578	3,069,221	1,175,000	1,166,194	2,834,648	3,838,005
Interest	818,084	898,809	689,381	923,458	1,030,242	1,065,000	3,261,816	3,466,410	2,786,382	2,657,655
Capital outlay	<u>1,357,026</u>	<u>1,784,982</u>	<u>3,535,335</u>	<u>8,108,038</u>	<u>25,212,325</u>	<u>19,390,595</u>	<u>11,130,204</u>	<u>6,068,108</u>	<u>7,315,532</u>	<u>5,923,681</u>
Total expenditures	<u>19,593,665</u>	<u>21,577,275</u>	<u>25,574,041</u>	<u>35,585,488</u>	<u>51,867,673</u>	<u>44,390,199</u>	<u>37,140,476</u>	<u>34,277,649</u>	<u>39,021,567</u>	<u>38,700,748</u>

CITY OF WEATHERFORD, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$(3,084,572)	\$(1,557,117)	\$(4,241,434)	\$(9,922,099)	\$(28,070,831)	\$(22,530,019)	\$(12,964,565)	\$(12,964,565)	\$(7,643,821)	\$(10,407,447)
OTHER FINANCING SOURCES (USES)										
Issuance of debt	-	-	4,000,000	57,290,000	3,000,000	-	-	33,475,000	1,267,959	85,080
Premium on debt issuance	-	-	34,543	827,448	-	-	-	255,694	-	-
Payment to escrow agent	-	-	-	-	-	-	-	(24,793,931)	-	-
Proceeds from insurance	-	-	-	-	-	-	-	-	93,842	13,776
Lease purchase proceeds	99,724	246,000	570,867	-	-	-	-	-	-	-
Sale of assets	-	-	-	-	-	-	17,756	5,397	10,454	32,966
Transfers in	3,443,072	3,740,638	9,041,701	5,293,472	6,115,459	5,850,469	7,276,196	7,882,888	6,849,355	15,710,708
Transfers out	(517,805)	(594,385)	(630,487)	(1,790,025)	(2,455,722)	(3,142,885)	(2,034,265)	(758,034)	(448,940)	(8,562,494)
Total other financing sources (uses)	3,024,991	3,392,253	13,016,624	61,620,895	6,659,737	2,707,584	5,259,687	16,067,014	7,772,670	7,280,036
NET CHANGE IN FUND BALANCES	\$(59,581)	\$ 1,835,136	\$ 8,775,190	\$ 51,698,796	\$(21,411,094)	\$(19,822,435)	\$(7,704,878)	\$ 3,102,449	\$ 128,849	\$(3,127,411)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	7.17%	6.74%	7.02%	7.74%	18.18%	15.90%	16.57%	17.13%	16.55%	19.82%

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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
2005	\$ 3,805,465	\$ 6,932,094	\$ 2,032,325	\$ 455,894	\$ 30,386	\$ 13,256,164
2006	4,335,873	7,628,658	2,254,202	570,854	39,803	14,829,390
2007	4,741,128	8,097,754	2,272,898	684,782	43,571	15,840,133
2008	6,940,602	9,166,195	2,439,677	707,136	45,662	19,299,272
2009	7,373,334	8,641,879	2,403,704	452,312	53,505	18,924,734
2010	8,024,563	8,236,286	581,566	474,607	57,822	17,374,844
2011	8,135,036	8,832,088	620,052	588,225	57,593	18,232,994
2012	8,249,851	9,648,458	697,980	602,256	57,519	19,256,064
2013	8,419,930	9,969,043	681,611	659,759	68,658	19,799,001
2014	8,730,389	10,591,223	673,641	676,407	92,016	20,763,676

(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			
	2005	2006	2007	2008
Residential				
Base rate	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0750
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0690
Residential - All Electric				
Base rate	4.25	4.25	4.25	4.25
Per KWH (May - October)	0.0750	0.0750	0.0750	0.0750
Per KWH (November - April)	0.0690	0.0690	0.0690	0.0690
Small General Service				
(Demand does not exceed 20 KW)				
Base rate	16.00	16.00	16.00	16.00
Per KWH	0.0765	0.0765	0.0765	0.0765
Large General Service 1				
(Demand 20 - 200 KW)				
Base rate	21.00	21.00	21.00	21.00
Per KWH	0.0605	0.0605	0.0605	0.0605
Per KVA demand	3.25	3.25	3.25	3.25
Large General Service 2				
(Demand 200 KW - 1000 KVA)				
Base rate	22.25	22.25	22.25	22.25
Per KWH	0.0565	0.0565	0.0565	0.0565
Per KWH (if primary metered)	0.0545	0.0545	0.0545	0.0545
Per KVA demand	2.55	2.55	2.55	2.55
Large General Service 3				
(Demand 20 - 200 KW)				
Base rate	22.25	22.25	22.25	22.25
Per KWH for first 2500 KWH	0.0860	0.0860	0.0860	0.0860
Per KWH for next 3500 KWH	0.0520 (1)	0.0520 (1)	0.0520	0.0520 (1)
Per KWH for all additional KWH	0.0260	0.0260	0.0260	0.0260
Per KVA demand > 10 KVA	8.10	8.10	8.10	8.10
Municipal				
Base rate	12.25	12.25	12.25	12.25
Per KWH	0.0665	0.0665	0.0665	0.0665
School/Church				
Base rate	16.00	16.00	16.00	16.00
Per KWH	0.0645	0.0645	0.0645	0.0645
Per KW demand	2.25	2.25	2.25	2.25
Security Lights				
Per light	10.00	10.00	10.00	10.00

Notes:

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

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

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

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

TABLE 6

Fiscal Year						
2009	2010	2011	2012	2013	2014	
\$ 4.25	\$ 4.25	\$ 6.17	\$ 8.08	\$ 10.08	\$ 10.08	
0.0750	0.0750	0.0481	0.0462	0.0443	0.0443	
0.0690	0.0690	0.0443	0.0443	0.0443	0.0443	
4.25	4.25	6.17	8.08	10.08	10.08	
0.0750	0.0750	0.0481	0.0462	0.0443	0.0443	
0.0690	0.0690	0.0443	0.0443	0.0443	0.0443	
16.00	16.00	19.55	19.55	19.55	19.55	
0.0765	0.0765	0.0490	0.0490	0.0490	0.0490	
21.00	21.00	28.17	35.33	42.50	42.50	
0.0605	0.0605	0.0322	0.0289	0.0265	0.0265	
3.25	3.25	3.43	3.62	3.80	3.80	
22.25	22.25	48.17	74.08	100.00	100.00	
0.0565	0.0565	0.0297	0.0278	0.0260	0.0260	
0.0545	0.0545	0.0297	0.0278	0.0260	0.0260	
2.55	2.55	2.96	3.38	3.79	3.79	
22.25	22.25	79.83	137.42	195.00	195.00	
0.0860	0.0860	0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	
0.0520 (1)	0.0520	0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	
0.0260	0.0260	0.0194 (2)	0.0212 (2)	0.0230 (2)	0.0230 (2)	
8.10	8.10	6.62 (2)	5.13 (2)	3.65 (2)	3.65 (2)	
12.25	12.25	(3)	(3)	(3)	(3)	
0.0665	0.0665	(3)	(3)	(3)	(3)	
16.00	16.00	(3)	(3)	(3)	(3)	
0.0645	0.0645	(3)	(3)	(3)	(3)	
2.25	2.25	(3)	(3)	(3)	(3)	
10.00	10.00	10.00	10.00	10.00	10.00	

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

Fiscal Year	Residential	Commercial ⁽²⁾	Industrial	Other ⁽¹⁾	Total
2005	10,198	1,586	37	239	12,060
2006	10,525	1,642	39	237	12,443
2007	10,891	1,644	41	247	12,823
2008	11,143	1,723	44	256	13,166
2009	11,223	1,770	45	259	13,297
2010	11,314	1,801	48	255	13,418
2011	11,420	2,087	53	-	13,560
2012	11,586	2,128	53	-	13,767
2013	11,754	2,146	53	-	13,953
2014	11,818	2,156	53	-	14,027

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

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

CITY OF WEATHERFORD, TEXAS

TEN LARGEST ELECTRIC CUSTOMERS

CURRENT YEAR AND NINE YEARS AGO

Customer	2014	
	Revenue	Percentage of Electric Revenue
Atkore Plastic Pipe Co	\$ 1,060,491	3.84%
Jamak, Inc.	608,880	2.76%
W'ford Texas Hospital Corp.	562,280	2.27%
Wal-Mart	454,702	1.52%
WISD-High School	422,072	1.10%
City-Water Plant	278,476	1.17%
Weatherford Regional Medical	272,005	1.09%
Albertson's	260,379	0.58%
Lowe's	238,293	0.59%
Home Depot	226,694	0.55%
	<u>4,892,607</u>	15.47%
Revenue from other customers	<u>32,041,951</u>	<u>84.53%</u>
Total	<u>\$ 36,934,558</u>	<u>100.00%</u>
Customer	2005	
	Revenue	Percentage of Electric Revenue
Heritage Plastic	\$ 1,006,585	3.13%
Jamak, Inc.	870,713	2.71%
Wal-Mart	732,118	2.28%
WISD-High School	614,765	1.91%
Campbell Health System	436,838	1.36%
Home Depot	315,355	0.98%
City-Water Plant	277,521	0.86%
Weatherford College	271,694	0.85%
Albertson's	261,212	0.81%
Brookshire	249,608	0.78%
	<u>5,036,409</u>	15.67%
Total	<u>27,105,754</u>	<u>84.33%</u>
	<u>\$ 32,142,163</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			
	2005		2006	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 650,194,940	54.19%	\$ 744,845,930	53.65%
Real, residential, multi-family	31,489,910	2.62%	38,787,970	2.79%
Real, vacant lots/tracts	19,016,140	1.58%	28,465,230	2.05%
Real, acreage (land only)	50,936,150	4.25%	61,611,030	4.44%
Real, farm and ranch improvements	16,761,180	1.40%	19,390,740	1.40%
Real, commercial	276,298,640	23.03%	328,022,860	23.63%
Real, industrial	7,823,290	0.65%	8,466,210	0.61%
Real, oil, gas and other minerals	-	- %	-	- %
Total real property	1,052,520,250	87.72%	1,229,589,970	88.57%
Real and tangible personal, utilities	16,690,530	1.39%	17,714,320	1.28%
Tangible personal, commercial	94,586,120	7.88%	107,923,090	7.77%
Tangible personal, industrial	24,378,430	2.03%	22,895,960	1.65%
Tangible, personal, mobile homes	1,948,360	0.16%	1,681,410	0.12%
Intangible personal	21,990	- %	-	- %
Inventory	9,686,950	0.82%	8,601,290	0.61%
Total personal property	147,312,380	12.28%	158,816,070	11.43%
Constitutional exempt ⁽³⁾	-	- %	-	- %
Total actual value	1,199,832,630	<u>100.00%</u>	1,388,406,040	<u>100.00%</u>
Less: exemptions/reductions	89,072,576		107,831,010	
Total	<u>\$ 1,110,760,054</u>		<u>\$ 1,280,575,030</u>	
Total direct rate ⁽²⁾	\$ 0.3403		\$ 0.3403	

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					
2007		2008		2009	
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total
\$ 786,575,270	52.41%	\$ 884,837,500	52.16%	\$ 931,787,310	49.58%
50,422,550	3.36%	49,119,090	2.90%	63,259,650	3.37%
31,371,500	2.09%	28,945,620	1.71%	34,935,360	1.86%
66,543,860	4.43%	97,859,020	5.77%	114,848,250	6.11%
19,971,440	1.33%	19,102,150	1.13%	22,318,830	1.19%
355,833,000	23.71%	431,045,000	25.41%	504,549,930	26.85%
8,176,550	0.54%	5,685,760	0.34%	9,751,120	0.52%
<u>665,540</u>	<u>0.04%</u>	<u>1,381,770</u>	<u>0.08%</u>	<u>785,960</u>	<u>0.04%</u>
1,319,559,710	87.91%	1,517,975,910	89.50%	1,682,236,410	89.52%
17,359,850	1.16%	18,661,510	1.10%	17,684,650	0.94%
122,749,210	8.18%	119,755,350	7.06%	129,570,820	6.89%
27,607,560	1.84%	32,721,880	1.93%	34,733,290	1.85%
1,539,060	0.10%	1,563,200	0.09%	1,379,840	0.07%
-	- %	36,210	- %	37,620	- %
<u>11,868,130</u>	<u>0.81%</u>	<u>5,833,900</u>	<u>0.32%</u>	<u>13,786,420</u>	<u>0.73%</u>
181,123,810	12.09%	178,572,050	10.50%	197,192,640	10.48%
-	- %	-	- %	-	- %
1,500,683,520	<u>100.00%</u>	1,696,547,960	<u>100.00%</u>	1,879,429,050	<u>100.00%</u>
<u>102,744,790</u>		<u>131,475,380</u>		<u>141,624,420</u>	
\$ <u>1,397,938,730</u>		\$ <u>1,565,072,580</u>		\$ <u>1,737,804,630</u>	
\$ 0.3403		\$ 0.4386		\$ 0.4386	

CITY OF WEATHERFORD, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY⁽¹⁾

LAST TEN FISCAL YEARS

Category	Fiscal Year			
	2010		2011	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, residential, single family	\$ 966,262,300	49.35%	\$ 982,593,310	50.07%
Real, residential, multi-family	66,142,950	3.38%	60,050,380	3.06%
Real, vacant lots/tracts	32,079,260	1.64%	31,012,210	1.58%
Real, acreage (land only)	132,053,460	6.74%	127,192,770	6.48%
Real, farm and ranch improvements	21,383,540	1.09%	23,630,120	1.20%
Real, commercial	522,311,300	26.68%	525,936,480	26.80%
Real, industrial	10,348,560	0.53%	11,655,760	0.59%
Real, oil, gas and other minerals	566,870	0.03%	7,210,230	0.37%
Total real property	1,751,148,240	89.44%	1,769,281,260	90.15%
Real and tangible personal, utilities	16,470,860	0.84%	16,699,920	0.85%
Tangible personal, commercial	139,204,420	7.11%	130,474,700	6.65%
Tangible personal, industrial	35,221,400	1.80%	32,101,270	1.64%
Tangible, personal, mobile homes	1,469,130	0.08%	1,505,490	0.08%
Intangible personal	68,300	- %	45,610	- %
Inventory	14,240,990	0.73%	12,406,480	0.63%
Total personal property	206,675,100	10.56%	193,233,470	9.85%
Constitutional exempt ⁽³⁾	-	- %	-	- %
Total actual value	1,957,823,340	<u>100.00%</u>	1,962,514,730	<u>100.00%</u>
Less: exemptions/reductions	157,276,330		156,813,562	
Total	\$ 1,800,547,010		\$ 1,805,701,168	
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					
2012		2013		2014			
Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total		
\$ 972,512,560	43.63%	\$ 982,550,650	43.23%	\$ 1,006,337,454	43.35%		
80,671,490	3.62%	84,299,640	3.71%	90,319,170	3.89%		
32,176,140	1.44%	34,086,840	1.50%	38,125,306	1.64%		
128,278,870	5.75%	134,640,710	5.92%	94,742,100	4.08%		
23,116,890	1.04%	22,225,190	0.98%	51,873,530	2.23%		
531,927,220	23.86%	548,072,350	24.11%	571,460,670	24.62%		
12,505,740	0.56%	12,501,170	0.55%	13,008,950	0.56%		
5,683,360	0.25%	4,664,840	0.21%	2,275,350	0.10%		
<u>1,786,872,270</u>	80.15%	<u>1,823,041,390</u>	80.21%	<u>1,868,142,530</u>	80.47%		
16,174,680	0.73%	16,355,940	0.72%	17,262,560	0.74%		
127,511,850	5.72%	126,788,970	5.58%	131,917,910	5.68%		
37,029,220	1.66%	40,321,640	1.77%	39,526,310	1.70%		
1,229,600	0.06%	1,213,240	0.05%	1,215,030	0.05%		
14,880	- %	18,570	- %	42,500	- %		
<u>13,787,850</u>	0.62%	<u>11,958,300</u>	0.53%	<u>12,057,760</u>	0.53%		
195,748,080	8.79%	196,656,660	8.65%	202,022,070	8.70%		
<u>246,451,960</u>	11.06%	<u>253,109,550</u>	11.14%	<u>251,257,370</u>	10.83%		
2,229,072,310	<u>100.00%</u>	2,272,807,600	<u>100.00%</u>	2,321,421,970	<u>100.00%</u>		
<u>408,409,581</u>		<u>418,378,500</u>		<u>412,152,600</u>			
\$ <u>1,820,662,729</u>		\$ <u>1,854,429,100</u>		\$ <u>1,909,269,370</u>			
\$ 0.4636		\$ 0.4636		\$ 0.4636			

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
2005	\$ 0.2740	\$ 0.0663	\$ 0.3403	\$ 0.3417	\$ 1.7400	\$ 0.1618	\$ 0.1298	\$ 1.6980
2006	0.2758	0.0645	0.3403	0.3399	1.7800	0.1590	0.1170	1.6980
2007	0.2782	0.0621	0.3403	0.3386	1.6900	0.1454	0.1138	1.6100
2008	0.2920	0.1466	0.4386	0.3372	1.4000	0.1250	0.1053	1.3528
2009	0.2920	0.1466	0.4386	0.3545	1.4000	0.1150	0.1053	1.3528
2010	0.2920	0.1716	0.4636	0.3754	1.4000	0.1136	0.1049	1.3528
2011	0.2920	0.1716	0.4636	0.3897	1.4000	0.1130	0.1049	1.3528
2012	0.2920	0.1716	0.4636	0.4102	1.4000	0.1130	0.1119	1.3528
2013	0.2920	0.1716	0.4636	0.4123	1.4000	0.1120	0.1129	1.3528
2014	0.2920	0.1716	0.4636	0.4123	1.3900	0.1179	0.1146	1.3528

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

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

Source: Representatives of the taxing jurisdictions

TABLE 11

CITY OF WEATHERFORD, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2014	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Parker County Hospital	\$ 61,144,180	3.62%
Weatherford I-20/Main St.	24,642,700	1.46%
Weatherford Capital	19,132,240	1.13%
Wal-Mart Stores, Inc.	18,620,220	1.10%
Power Service Products	12,603,620	0.75%
Brown Southgate Glen	12,121,910	0.72%
Target Stores	11,214,420	0.66%
Lowes Home Centers	11,004,760	0.65%
Home Depot	10,413,500	0.62%
Weatherford Regional Medical	10,050,020	0.59%
Total	<u>\$ 190,947,570</u>	<u>11.30%</u>

Taxpayer	2005	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Wal-Mart Stores, Inc.	\$ 16,448,800	1.48%
JAMAK, Inc.	12,759,170	1.15%
Home Depot	11,995,910	1.08%
Southwestern Bell	8,485,390	0.76%
Albertson's	8,269,960	0.75%
Power Service Products	7,448,800	0.67%
Cypress View Villas	6,487,200	0.59%
Southgate Glen Apts	5,700,620	0.51%
CD Hartnett	5,572,110	0.50%
Holland Lake Partners	5,473,550	0.49%
Total	<u>\$ 88,641,510</u>	<u>7.98%</u>

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CITY OF WEATHERFORD, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST NINE 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>
2005	\$ 3,780,244	\$(39,792)	3,740,452	\$ 3,666,354	96.99%	\$ 68,907	\$ 3,735,261	99.86%
2006	4,315,877	(20,650)	4,295,227	4,215,124	97.67%	72,880	4,288,004	99.83%
2007	4,696,326	(20,909)	4,675,417	4,590,807	97.75%	77,712	4,668,519	99.85%
2008	6,919,281	(63,129)	6,856,152	6,759,210	97.69%	85,431	6,844,641	99.83%
2009	7,366,860	(39,059)	7,327,801	7,218,875	97.99%	96,347	7,315,222	99.83%
2010	8,016,933	(43,931)	7,973,002	7,837,978	97.77%	119,469	7,957,447	99.80%
2011	8,085,420	(40,592)	8,044,828	7,942,051	98.23%	87,108	8,029,159	99.81%
2012	8,201,957	(46,502)	8,155,455	8,074,208	98.44%	61,034	8,135,242	99.75%
2013	8,351,358	(25,296)	8,326,062	8,237,331	98.63%	54,952	8,292,283	99.59%
2014	8,616,369	(14,211)	8,602,158	8,537,374	99.08%	-	8,537,374	99.25%

Source: Parker County Appraisal District

CITY OF WEATHERFORD, TEXAS

TAXABLE SALES BY CATEGORY

LAST TEN FISCAL YEARS

	Fiscal Year			
	2005	2006	2007	2008
Agriculture/Forestry/Fishing/Hunting	\$ -	\$ -	\$ -	\$ -
Mining/Quarrying/Oil and Gas Extraction	515,558	2,347,140	1,244,207	1,252,092
Utilities	-	-	-	-
Construction	7,713,482	8,813,942	7,275,865	6,957,885
Manufacturing	11,417,424	12,266,814	10,892,575	11,006,653
Wholesale Trade	16,865,888	19,404,659	20,932,822	22,472,139
Retail Trade	259,551,137	274,468,277	307,054,524	319,784,449
Transportation/Warehousing	13,065	114,637	299,029	298,219
Information	1,782,692	2,269,814	1,902,312	2,056,382
Finance/Insurance	2,489,713	2,643,196	2,744,766	2,173,493
Real Estate/Rental/Leasing	2,906,602	5,988,307	12,909,665	10,905,094
Professional/Scientific/Technical Services	2,987,497	3,435,823	2,492,222	3,351,088
Admin/Support/Waste Mgmt/Remediation Services	3,467,818	3,184,939	2,974,145	3,855,420
Educational Services	238,871	369,212	339,063	331,207
Health Care/Social Assistance	323,278	331,275	53,634	53,933
Arts/Entertainment/Recreation	1,199,103	1,689,930	1,423,230	1,202,157
Accommodations/Food Services	53,593,119	59,244,910	63,045,572	67,976,752
Other Services (except Public Administration)	14,291,440	13,628,435	14,648,835	19,215,998
Public Administration	2,452,113	9,624,417	3,019,642	3,228,818
Other Services	47,085	22,410	19,874	18,261
Unclassified	<u>10,542,942</u>	<u>5,869,106</u>	<u>12,328,558</u>	<u>16,359,816</u>
Total	<u>\$ 392,398,827</u>	<u>\$ 425,717,243</u>	<u>\$ 465,600,540</u>	<u>\$ 492,499,856</u>
City direct sales tax rate	1.50%	1.50%	1.50%	1.50%

Source: Texas Comptroller

N/A - Not available

TABLE 13

Fiscal Year						
2009	2010	2011	2012	2013	2014	
\$ -	\$ -	\$ 17,350	\$ 24,360	\$ 18,470	\$ 20,710	
14,326,698	88,530,759	2,708,174	2,553,162	2,340,426	5,581,565	
-	-	1,564	9,523	11,992	14,806	
4,357,116	4,005,474	4,473,269	4,148,485	8,418,496	8,525,422	
8,052,901	9,179,698	10,344,074	9,891,554	14,542,183	22,889,147	
18,984,569	17,613,952	20,606,904	23,196,315	22,230,671	24,108,087	
306,397,750	296,338,740	318,942,141	343,180,554	363,367,515	371,925,862	
-	-	-	868	27,302	18,396	
2,168,761	3,007,895	5,614,520	4,177,775	3,752,266	7,149,200	
1,238,663	1,007,196	884,706	754,614	733,579	729,685	
5,856,372	3,398,093	3,083,776	4,792,747	7,236,213	7,252,145	
3,173,971	2,525,977	2,248,780	1,947,381	2,343,895	2,669,527	
3,966,809	4,142,197	4,641,626	4,759,341	4,898,493	5,820,476	
388,591	2,053,012	1,569,743	646,524	663,346	320,397	
4,169	189,402	55,855	85,603	42,094	129,698	
1,199,394	1,333,491	1,278,258	1,606,896	1,447,586	975,763	
69,513,396	66,627,927	72,763,277	77,272,234	82,452,449	88,209,831	
18,010,209	17,911,085	20,237,260	19,899,170	21,063,717	23,228,121	
16,587,342	13,610,308	12,573,279	11,017,187	11,691,775	13,479,254	
-	-	-	-	-	-	
<u>2,696,208</u>	<u>1,163,476</u>	<u>9,584</u>	<u>3,920</u>	<u>24,998</u>	<u>358,691</u>	
<u>\$ 476,922,919</u>	<u>\$ 532,638,682</u>	<u>\$ 482,054,140</u>	<u>\$ 509,968,213</u>	<u>\$ 547,307,466</u>	<u>\$ 583,406,783</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	Capital Leases	Revenue Bonds	Tax Note	Term Loan	Capital Leases			
2005	\$ 1,210,000	\$ 5,875,000	\$ 376,023	\$ 34,598,839	\$ -	\$ 160,914	\$ 101,095	\$ 42,321,871	6.50%	\$ 1,836
2006	840,000	9,690,000	603,081	53,391,977	-	143,574	20,738	64,689,370	9.45%	2,695
2007	11,450,000	55,920,000	363,700	51,208,106	-	125,506	-	119,067,312	15.96%	4,763
2008	11,060,000	58,605,000	145,242	48,684,838	-	106,680	-	118,601,760	13.73%	4,570
2009	10,650,000	58,130,000	-	46,269,786	600,000	477,063	-	116,126,849	11.30%	4,357
2010	10,215,000	57,500,000	-	43,739,876	510,000	416,667	41,094	112,422,637	11.00%	4,156
2011	34,465,000	42,225,000	-	41,098,654	415,000	353,933	71,916	118,629,503	12.18%	4,698
2012	34,041,416	42,067,031	1,241,765	38,502,473	315,000	846,416	589,017	116,853,705	9.49%	4,431
2013	58,571,448	14,185,531	1,266,484	35,537,670	215,000	690,281	531,669	110,998,083	10.09%	4,199
2014	55,338,662	13,627,476	1,058,560	32,427,865	110,000	553,428	499,670	103,615,661	8.39%	3,846

⁽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	Total		
2005	\$ 1,210,000	\$ 5,875,000	\$ 7,085,000	\$ 415,985	\$ 6,669,015
2006	840,000	9,690,000	10,530,000	484,855	10,045,145
2007	11,450,000	55,920,000	67,370,000	1,563,613	65,806,387
2008	11,060,000	58,605,000	69,665,000	707,853	68,957,147
2009	10,650,000	58,130,000	68,780,000	751,802	68,028,198
2010	10,215,000	57,500,000	67,715,000	1,271,889	66,443,111
2011	34,465,000	42,225,000	76,690,000	1,857,403	74,832,597
2012	34,041,416	42,067,031	76,108,447	4,130,215	71,978,232
2013	58,571,448	14,185,531	72,756,979	5,068,393	67,688,586
2014	55,338,662	13,627,476	68,966,138	1,618,603	67,347,535

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

<u>Actual Taxable Value of Property</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita⁽¹⁾</u>
\$ 1,110,760,054	0.60%	\$ 289
1,280,575,030	0.78%	419
1,397,938,730	4.71%	2,632
1,565,072,580	4.41%	2,657
1,737,804,630	3.91%	2,553
1,800,547,010	3.69%	2,456
1,805,701,168	4.14%	2,964
1,820,662,729	3.95%	2,730
1,854,429,100	3.65%	2,613
1,909,269,370	3.53%	2,500

CITY OF WEATHERFORD, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2014

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Parker County	\$ 147,713,044	19.78%	\$ 29,217,640
Weatherford Independent School District	66,330,495	53.78%	35,672,540
Parker County Junior College District	4,655,000	19.78%	920,759
Peaster Independent School District	20,406,897	2.73%	557,108
Other debt			
Parker County Junior College, note payable	6,373,703	19.78%	<u>1,260,718</u>
Subtotal overlapping debt			67,628,765
City of Weatherford direct debt	70,024,698	100.00%	<u>70,024,698</u>
Total direct and overlapping debt			<u><u>\$ 137,653,463</u></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 Revenue Bonds						Coverage
	Gross Revenue ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service			
				Principal	Interest		
2005	\$ 42,666,318	\$ 32,453,744	\$ 10,212,574	\$ 1,955,000	\$ 1,820,361	2.71%	
2006	50,133,799	39,001,632	11,132,167	2,035,000	2,089,058	2.70%	
2007	47,313,004	37,605,675	9,707,329	2,215,000	2,495,105	2.06%	
2008	60,783,520	49,251,229	11,532,291	2,300,000	2,408,986	2.45%	
2009	55,326,626	46,126,060	9,200,566	2,490,000	2,235,174	1.95%	
2010	44,648,091	34,190,600	10,457,491	2,605,000	2,121,884	2.21%	
2011	48,143,263	32,655,996	15,487,267	2,615,000	2,015,352	3.34%	
2012	40,639,256	24,787,800	15,851,456	2,715,000	1,912,988	3.43%	
2013	44,969,078	29,429,195	15,539,883	2,840,000	1,787,416	3.36%	
2014	51,923,460	37,140,069	14,783,391	2,985,000	1,655,952	3.19%	

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

⁽¹⁾ Total operating revenues plus interest

⁽²⁾ Total operating expenses excluding depreciation and amortization.

CITY OF WEATHERFORD, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

Calendar Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Income ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2005	23,050	\$ 651,369,950	\$ 28,259	7,220	4.3%
2006	24,000	684,312,000	28,513	7,281	4.3%
2007	25,000	745,850,000	29,834	7,243	4.2%
2008	25,950	863,667,900	33,282	7,155	5.8%
2009	26,650	1,028,023,750	38,575	7,394	7.4%
2010	27,050	1,021,786,700	37,774	7,672	6.9%
2011	25,250	974,018,750	38,575	7,543	7.1%
2012	26,370	1,230,977,970	46,681	7,529	7.0%
2013	25,900	1,100,465,100	42,489	7,741	5.8%
2014	26,940	1,235,348,257	45,856	7,709	4.2%

Sources: (1) Bureau of Census and North Central Texas Council of Governments.
(2) Bureau of Economic Analysis
(3) Weatherford Independent School District
(4) Texas Workforce Commission

CITY OF WEATHERFORD, TEXAS

PRINCIPAL EMPLOYERS

CURRENT AND NINE YEARS AGO

Employer	2014		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	945	1	7.74%
Weatherford Regional Medical Center	585	2	4.79%
Parker County	485	3	3.97%
City of Weatherford	356	4	2.91%
Wal-Mart	350	5	2.86%
Weatherford College	298	6	2.44%
C.D. Hartnett	276	7	2.26%
JAMAK, Inc.	240	8	1.96%
Weatherford Aerospace	140	9	1.15%
Lowe's	120	10	0.98%
Total	<u>3,795</u>		<u>31.06%</u>

Employer	2005		
	Employees	Rank	Percentage of Total City Employment
Weatherford ISD	955	1	9.29%
Campbell Health System	560	2	5.44%
Texas Bank	460	3	4.47%
Weatherford College	450	4	4.38%
Wal-Mart	447	5	4.35%
JAMAK, Inc.	350	6	3.40%
City of Weatherford	348	7	3.38%
Parker County	334	8	3.25%
C.D. Harnett Co.	296	9	2.88%
Home Depot	200	10	1.94%
Total	<u>4,400</u>		<u>42.78%</u>

Source: Weatherford Economic Development Authority

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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,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	21	22	22	23	24	24	24	24	24	25
Public safety	114	119	124	128	130	130	132	138	137	133
Public works	19	19	18	20	22	22	23	26	27	21
Planning and development	12	13	16	16	10	10	10	9	10	8
Community development	8	8	9	9	24	24	23	21	23	26
Cultural and recreational	48	48	52	55	50	51	52	56	56	49
Electric	49	49	54	55	54	54	55	55	55	45
Water	27	27	27	25	28	28	28	28	28	28
Wastewater	15	15	15	16	16	16	16	16	16	12
Sanitation	13	13	13	15	19	19	19	19	17	17
Total	326	333	350	362	377	378	382	392	393	364

Source: City's Human Resource Department

CITY OF WEATHERFORD, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2005	2006	2007	2008
Public safety				
Police				
Police personnel and officers	71	71	75	79
Arrests	1,652	1,689	1,512	1,597
Violations other than parking	8,483	9,744	10,160	10,078
Parking violations	357	193	281	231
Fire				
Paid fire personnel and officers	42	473	43	52
Calls answered	3,169	3,724	3,505	3,167
Planning and development				
New construction permits issued	270	345	289	341
Cultural and recreation				
Library holdings	93,895	91,422	90,745	97,232
Electric				
Service connections	12,060	12,443	12,823	13,166
Total system peak demand (KW)	78,273	82,721	81,859	82,317
Annual kilo-watt hour sales (KWH)	315,001,959	338,176,662	334,246,819	354,818,755
Water				
Service connections	9,345	9,769	10,108	10,418
Daily average consumption (thousands of gallons)	3,141	4,142	3,091	3,555
Annual water sales (thousands of gallons)	1,146,612	1,511,964	1,128,377	1,297,535
Wastewater				
Service connections	8,503	8,835	9,254	9,902
Daily average consumption (thousands of gallons)	2,165	2,118	2,223	2,079
Sanitation				
Refuse collected (tons)	9,259	8,865	9,130	9,189
Brush pickups (tons)	2,396	1,016	509	2,459
Special pickups (tons)	2,732	1,154	1,541	(1)

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

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

Source: Various City Departments

TABLE 21

Fiscal Year						
2009	2010	2011	2012	2013	2014	
77	76	80	80	80	78	
1,604	1,591	1,104	957	1,132	1,302	
7,823	6,855	6,628	4,455	5,691	4,488	
114	88	71	87	133	57	
51	51	55	58	66	56	
3,897	3,985	4,142	4,360	4,505	5,201	
143	120	186	116	211	220	
98,596	98,241	102,847	101,404	104,834	104,834	
13,297	13,418	13,560	13,767	13,953	14,115	
83,385	90,289	96,681	92,466	94,161	96,681	
341,457,244	365,673,529	381,826,440	371,081,397	371,982,863	408,450,225	
10,507	10,604	10,722	10,845	11,084	11,138	
3,494	3,072	3,884	3,649	3,493	3,277	
1,275,433	1,121,197	1,417,482	1,331,738	1,227,698	1,179,691	
(2) 9,660	(2) 9,769	(2) 9,881	(2) 9,994	10,201	10,251	
1,936	2,261	2,133	2,242	2,115	2,148	
8,780	8,951	8,789	8,881	9,239	9,565	
1,832	1,601	1,936	1,882	1,792	1,612	
(1)	(1)	(1)	(1)	(1)	(1)	

TABLE 22

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

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public safety										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	21	22	21	22	22	22	22	22	22	22
Fire										
Fire stations	3	3	3	4	4	4	4	4	4	4
Fire trucks	11	11	12	14	16	17	18	18	18	18
Cultural and recreation										
Parks and recreation										
Community centers	2	2	2	2	2	2	2	2	2	2
Parks	9	10	10	10	10	10	10	10	10	10
Park acreage	294	300	300	300	300	300	301	301	301	301
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	3	3	3	3	3	3	3	3	3	3
Soccer fields	8	8	8	8	8	8	8	8	8	8
Softball/baseball fields	7	7	7	10	10	13	11	11	12	12
Multipurpose fields and courts	8	8	8	9	9	9	7	7	3	3
Electric										
Miles of distribution lines	283	288	302	304	313	316	326	326	326	342
Water										
Miles of water mains	236	236	236	241	249	254	266	272	272	268
Number of fire hydrants	993	1,123	1,170	1,213	1,244	1,320	1,342	1,355	1,384	1,447
Maximum daily capacity of plant (thousands of gallons)	8,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Total water storage capacity (thousands of gallons)	7,100	7,100	7,100	7,100	7,600	7,600	7,600	7,600	7,600	7,600
Wastewater										
Miles of sanitary sewers	180	180	182	187	192	195	202	207	233	233
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