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**CITY OF  
WEATHERFORD**

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*Texas*

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
SEPTEMBER 30, 2009**

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**CITY OF WEATHERFORD, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED SEPTEMBER 30, 2009**

Prepared by the  
**CITY OF WEATHERFORD**  
**FINANCE DEPARTMENT**

***CITY COUNCIL***

**Dennis Hooks, Mayor**  
**James Hamilton, Mayor Pro-Tem**

**Jerry Clinton**

**Waymon Hamilton**

**Craig Swancy**

***UTILITY BOARD***

**Sherry Watson, Chairman**

**Dennis Hooks, Mayor**

**Waymon Hamilton**

**Ken Davis**

**Craig Swancy**

**Therylene Helm**

**Heidi Wilder**

***CITY MANAGER***

**Jerry Blaisdell**

***ASSISTANT CITY MANAGERS***

**Robert Hanna**  
**Sharon Hayes**

***CHIEF FINANCIAL OFFICER***

**Janina Jewell**

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**CITY OF WEATHERFORD, TEXAS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED SEPTEMBER 30, 2009**

**TABLE OF CONTENTS**

<b><u>INTRODUCTORY SECTION</u></b>	<b><u>Page</u></b>
Letter of Transmittal	i
Organization Chart	vii
List of Principal Officials	viii
GFOA Certificate of Achievement	ix
<b><u>FINANCIAL SECTION</u></b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	19
Statement of Activities	20
Fund Financial Statements	
Balance Sheet – Governmental Funds	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	25
Statement of Net Assets – Enterprise Funds	26
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Enterprise Funds	29
Statement of Cash Flows – Enterprise Funds	30
Notes to Basic Financial Statements	33
Required Supplementary Information:	
Schedule of Funding Progress for the Retirement Plan for the Employees of the City of Weatherford	69
Schedule of Funding Progress for OPEB for the Retirees of the City of Weatherford	71
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Non-major Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	76
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
State Forfeiture Fund	78
Federal Forfeiture Fund	79
Weatherford Beautification Fund	80
Hotel/Motel Tax Fund	81
Chandor Gardens Fund	82
SFX Design Grant Fund	83
Weatherford Aerospace Grant Fund	84
Court Technology Fund	85
Court Security Fund	86
Library Fund	87

**CITY OF WEATHERFORD, TEXAS**  
**TABLE OF CONTENTS – continued**

	<u>Page</u>
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (continued):	
Animal Shelter Fund	88
General Capital Projects Fund	89
Street Improvements Bond Fund	90
Park Development Fund	91
Series 2003 C. O. Fund	92
Series 2006 C. O. Fund	93
Series 2007 G. O. Fund	94
Series 2008 C. O. Fund	95
Debt Service Fund	96
Doss Library Permanent Fund	97
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Series 2007 C. O. Fund	98
Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedules by Source	101
Schedule by Function and Activity	102
Schedule of Changes by Function and Activity	103
Supplementary Individual Fund Financial Statements and Schedules – General Fund	
Comparative Balance Sheets	107
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	109
Schedule of Revenues – Budget and Actual	110
Schedule of Departmental Expenditures Budget and Actual	112
Supplementary Individual Fund Financial Statements and Schedules – Enterprise Funds	
Municipal Utility System:	
Comparative Statements of Net Assets	114
Comparative Statements of Revenues, Expenses and Changes in Net Assets	116
Schedules of Capital Assets	117
Schedule of Changes in Capital Assets by Function and Activity	118
Schedule of Capital Assets by Function and Activity	119
Schedule of Revenues and Expenses – Budget and Actual	120
Schedule of Water Department Revenues Budget and Actual	121
Schedule of Electric Department Revenues Budget and Actual	122
Schedule of Wastewater Department Revenues Budget and Actual	123
Comparative Statements of Cash Flows	124
Solid Waste Fund:	
Comparative Statements of Net Assets	126
Comparative Statements of Revenues, Expenses and Changes in Net Assets	127
Schedule of Revenues and Expenses and Changes in Net Assets – Budget and Actual	128
Comparative Statements of Cash Flows	130

CITY OF WEATHERFORD, TEXAS

TABLE OF CONTENTS - continued

<b><u>STATISTICAL SECTION – Unaudited</u></b>	<b><u>Page</u></b>
Net Assets by Component	137
Changes in Net Assets	138
Fund Balances Governmental Funds	140
Changes in Fund Balances, Governmental Funds	142
Governmental Funds Tax Revenues by Source	145
Electric Rates	146
Number of Electric Customers by Type	148
Ten Largest Electric Customers	149
Assessed and Estimated Actual Value of Taxable Property	150
Direct and Overlapping Property Tax Rates	152
Principal Property Taxpayers	153
Property Tax Levies and Collections	155
Ratios of Outstanding Debt by Type	156
Ratios of Net General Bonded Debt Outstanding	158
Direct and Overlapping Governmental Activities Debt	160
Pledged-Revenue Coverage	161
Demographic and Economics Statistics	162
Principal Employers	163
Full-time Equivalent City Government Employees	
By Function/Program	165
Operating Indicators by Function/Program	166
Capital Asset Statistics by Function/Program	168
<b><u>COMPLIANCE AND INTERNAL CONTROLS</u></b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	173

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## **INTRODUCTORY SECTION**

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March 23, 2010

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, 2009, 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 Snow, Garrett & Company, 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, 2009, 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 unqualified opinion that the City of Weatherford's financial statements for the fiscal year ended September 30, 2009, 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 26,650. 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 ordinances, adopting the budget, appointing boards and committees, and hiring the City Manager. The Municipal Court Judge 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 two-year staggered terms. The City provides a full range of services including police and fire protection, street maintenance, sanitation, parks and recreation facilities, and public library.

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

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager prior to June 1 of each year. These requests are reviewed, prioritized and, based upon projected revenue availability, included in a proposed budget. The City Manager then presents the proposed budget to the City Council and Municipal Utility Board, respectively, for review prior to August 31. The Council and Board are required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The budget is prepared and appropriated by fund and department. Upon approval of the City Manager, department directors may make line-item transfers of appropriations within a department; however, appropriation transfers between departments require

approval of the Council or Board. A summary budget-to-actual comparison for the General Fund is provided on page 25 of this report, with more detailed revenue and departmental expenditure budget-to-actual comparisons on pages 109-112. Budget-to-actual comparison for the other governmental major fund is found on page 98. Budget-to-actual comparisons for each of the non-major governmental funds, the Municipal Utility Fund, and the Solid Waste Fund are found on pages 78-97, pages 120-123, and page 129, respectively.

### **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.** The City of Weatherford and Texas have been impacted by the recession and economic downturn that has hit the nation. As hard as both have been hit, the state had fared better than many other parts of the nation. Local manufacturing includes silicone rubber products, automotive fuel additives, and PVC plastic pipe; however, retail development, dairy, horse and cattle ranching, and agricultural crop production are the major economic contributors to the area. In addition, many local residents make the short commute to Lockheed-Martin, Bell Helicopter/Textron, Alliance Airport, the Federal Currency Center, and other major employers in the Fort Worth/Dallas metropolitan area. The local unemployment rate of 8.0%, while much higher than last year, continues to compare favorably with national levels. The City continues to develop as a major regional retail center along the IH-20 corridor. As a result of economic development incentive agreements negotiated with Target and Lowe's Home Centers in 2004, they and several other comparable retail stores and restaurants have either opened or are in the process of constructing stores in Weatherford at the intersection of IH-20 and State Highways 51/171. As mentioned above, the national economic downturn has affected the City. The Consumer Confidence Index, as reported by the Texas Comptroller, decreased 13.03% for the entire United States and decreased 11.29% for the State of Texas. Despite the economic growth, sales tax collections were down 5.72% from the prior fiscal year and continue to decrease as does the Consumer Confidence Index for the State of Texas. Another probable sign of the economic times is the fact that building permit revenue also decreased 45.5% over this last fiscal year after having experienced four consecutive years of increases.

**Long-term financial planning.** 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. As previously mentioned, the City's economic future is influenced by current challenges. Procedures recommended by the Financial Management Policy Statements have been enacted to reduce expenses and workforce to maintain the City's strong financial position.

Debt issuance is permitted in the Financial Management Policy Statements with certain stipulations. For example, to accommodate the growth of vehicular traffic within the City generated by increasing residential and retail development, the City Council is currently working with the Texas Department of Transportation (TxDOT) to fund design and construction of major thoroughfare improvements along IH-20 and State Highways 51/171. In mid-2003, the City issued \$3.5 million in certificates of obligation for design and initial funding of a major thoroughfare project to connect Fort Worth Street with Santa Fe Drive. Since this project would connect two state highways and is related to the state's planned reconstruction of the railroad overpass on Fort Worth Street, it has also been included in the TxDOT funding program. The estimated total cost of these projects was \$45.6 million. A Pass-Through Toll Agreement with TxDOT provides for the City to finance and construct the projects, with TxDOT reimbursing the City annually \$.15 for each vehicle-mile traveled on the highway improvements. Annual payments will be no less than \$3,496,235 or more than \$5,244,352. Total reimbursement will be \$52.4 million over a 10-15 year period based upon annual traffic estimates. In May 2007, the City issued \$46.5 million in certificates of obligation to fund the TxDOT projects. Many of these projects are currently under construction and Jack Borden Way has already been completed and opened.

The City issued \$10.8 million in general obligation bonds during 2007. Projects include \$3 million for the construction and equipping of a fourth fire station as well as \$7.8 million for major transportation and thoroughfare improvements. Many projects from this issuance have been completed with one road project under construction currently. In 2008 the City issued an additional \$3 million in certificates of obligation as part of their 2006 long-term plan for road, street, and highway improvements within the City. These projects are currently under construction. A refunding of previous issuance was also made due to favorable market conditions. In 2009 Tax Notes were issued for the Municipal Utility District in the amount of \$690 thousand for electrical substation construction that was completed during that calendar year.

**Cash management policies and practices.** Some cash temporarily idle or in reserves during the year was invested in direct obligations of the two state-wide investment pools available to local governments (TexPool and TexStar), certificates of deposit programs such as structured certificates of deposit and Certificate of Deposit Account Registry Services and a money market fund. The City's local depository bank agreement, effective July 1, 2009, provides for an overnight rate equal to the London Interbank Offered Rate (LIBOR) rate less .10%. Of the total \$83,827,436 in idle or reserve cash at year-end, \$4,504,134 was invested in money market funds with a year-end yield of 0.16%, \$15,642,791 was in TexPool yielding 0.23%, \$25,168,240 was in TexStar yielding 0.211%, investments in certificates of deposit totaled \$27,949,250 and yielded 0.995%-3.51%, and the remaining \$10,563,021 was in Compass Bank, the City's depository bank, with an overnight yield of 0.198%. Investment income presented in the financial statements includes any gain or loss as a result of the change in the fair market value of investments held during the year.

**Risk management.** The City currently maintains third-party coverage for workers' compensation, general liability, automobile liability, public officials (errors and

omissions) liability, law enforcement liability, and property damage by participating in a statewide, joint, self-insurance pool operated by the Texas Municipal League (TML). In an effort to prevent and/or minimize claims, management reviews all personal injury and vehicle-related accidents, promotes safety training and awareness programs (defensive driving, mandatory drug testing, etc.), and works with the TML loss prevention coordinator to implement safety recommendations. Utility department personnel also attend scheduled safety programs offered by Texas A&M Extension Service. A Risk Manager was also hired by the City this year to specifically handle all of these areas. Additional information on the City of Weatherford's risk management activity can be found in Note 9 of the notes to the financial statements.

**Pension and other post-employment benefits.** The City of Weatherford provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 833 administered by TMRS, an agent multiple-employer public employee retirement system. Under the state law governing TMRS, an independent actuary annually determines the City contribution rate. As of December 31, 2008, the City had funded 61.5% of the actuarial accrued liability for projected benefits earned by employees. The remaining unfunded amount is being systematically funded over a 30-year amortization period as part of the annual required contribution calculated by the actuary. Please review Note 7 for more information regarding TMRS and currently known facts with the administration of the plan.

The City also provides post-retirement health, dental and vision benefits for certain eligible retirees and the City has complied with the Governmental Accounting Standards Board (GASB) Statement 45, which requires governments to measure and report the net obligation and annual cost of post-retirement benefits on the accrual basis of accounting. The City has not placed funds that cover the net obligation in an irrevocable trust but has accumulated funds to cover that amount and are currently holding them in a designated fund balance/retained earnings account and have budgeted to do the same for the next fiscal year. As of the end of the current fiscal year, there were 35 retired employees receiving these benefits, which are financed on a pay-as-you-go basis. Please review Note 8 for more information regarding Other Post Employment Benefits.

### **Awards and Acknowledgements**

The Government Finance Officers Association (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, 2008. This was the twenty-first 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 satisfied 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; and Finance Analyst, Dahlia Wells. 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,

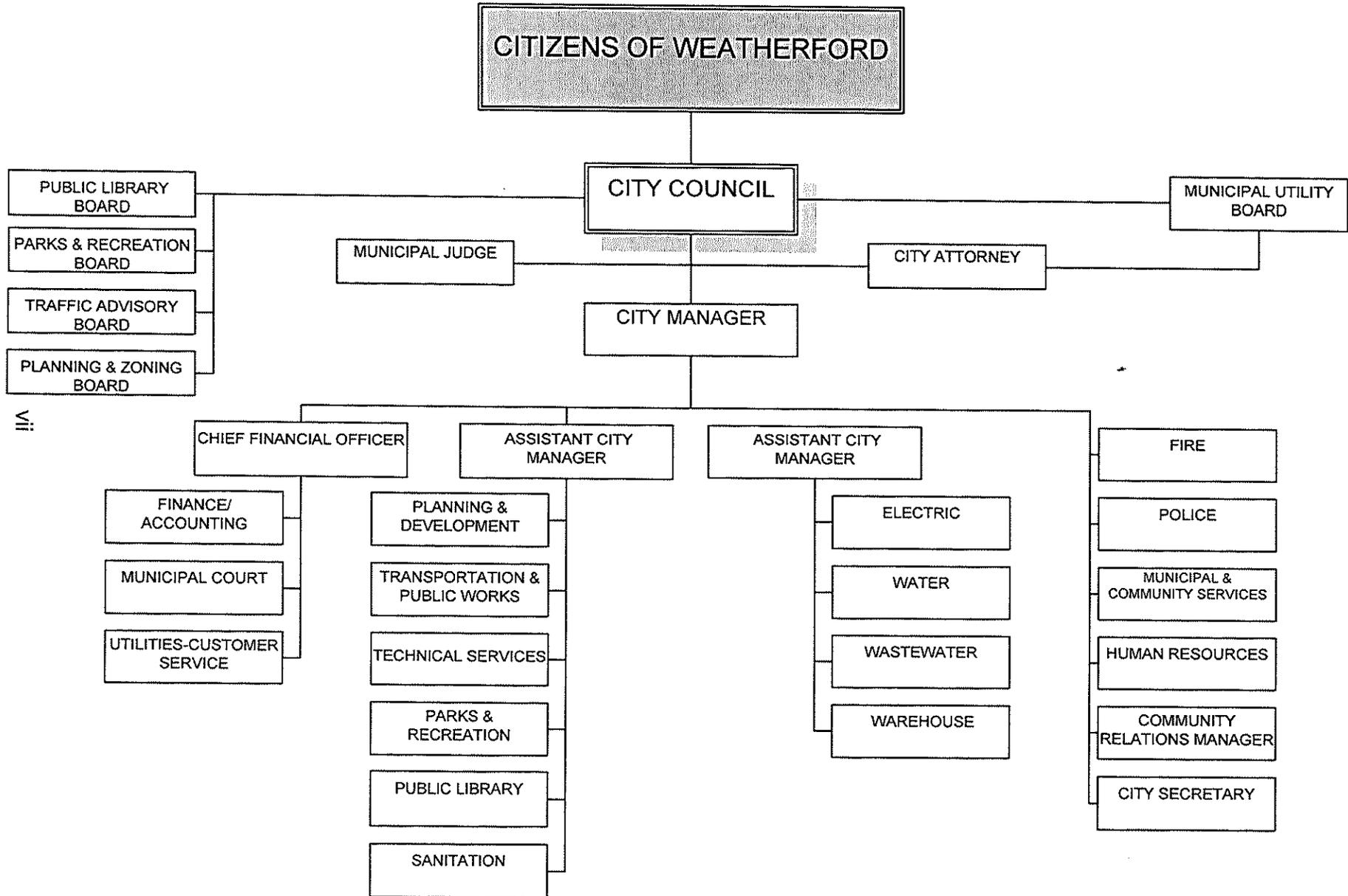


Jerry Blaisdell  
City Manager



Janina Jewell  
Chief Financial Officer

# CITY OF WEATHERFORD, TEXAS ORGANIZATION CHART



**CITY OF WEATHERFORD, TEXAS  
PRINCIPAL OFFICIALS  
YEAR ENDED SEPTEMBER 30, 2009**

**ELECTED  
CITY COUNCIL**

**Dennis Hooks - Mayor  
James Hamilton - Mayor Pro-Tem - Council Member  
Jerry Clinton - Council Member  
Waymon Hamilton - Council Member  
Craig Swancy - Council Member**

**APPOINTED/DESIGNATED  
MUNICIPAL UTILITY BOARD**

**Chairman – Sherry Watson - Appointed Public Member  
Dennis Hooks - Mayor  
Waymon Hamilton - Designated Council Member  
Craig Swancy - Designated Council Member  
Ken Davis - Appointed Public Member  
Therylene Helm - Appointed Public Member  
Heidi Wilder - Appointed Public Member**

**SENIOR STAFF**

**Jerry Blaisdell – City Manager  
Robert Hanna - Assistant City Manager  
Sharon Hayes – Assistant City Manager  
Laura Simonds - City Secretary    Ed Zellers - City Attorney  
Dale Fleeger – Library Director  
Terry Hughes – Transportation & Public Works Director  
Janina Jewell – Chief Financial Officer  
Mike Manning – Police Chief  
Kathy Mosby - Parks & Recreation Director  
Tammy Sinclair – Human Resources Director  
Brent Smith – Municipal & Community Services Director  
Don Stephens – Planning & Development Director  
George Teague – Fire Chief**

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Weatherford  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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## **FINANCIAL SECTION**

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# Snow, Garrett & Company

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council  
City of Weatherford, Texas

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, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Weatherford's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2010, on our consideration of the City of Weatherford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the schedule of pension funding progress for the retirement plan, and the schedule of other pension employee benefits funding progress for the retiree health plan are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Weatherford's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

*Snow, Garrett & Company*

Snow, Garrett & Company, CPA's  
March 19, 2010

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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, 2009. 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 of the City of Weatherford exceeded its liabilities at the close of the most recent fiscal year by \$126,395,240 (net assets). Of this amount, \$22,325,366 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$4,524,832. Positive operating results, together with investment earnings and capital contributions from developers in the utility and solid waste systems resulted in an increase in net assets related to business-type activities of \$4,549,486. Net assets related to governmental activities decreased by \$24,654, primarily as a result of reduced revenues from sales, franchise, and occupancy tax revenues.
- As of the close of the current fiscal year, the City of Weatherford's governmental funds reported combined ending fund balances of \$50,721,714, a decrease of \$25,363,247 in comparison with the prior year. This decrease is largely attributable to the various construction projects of the Series 2007 Certificates of Obligation transportation projects with the Texas Department of Transportation (TxDOT) as well as other transportation projects and the new public works facility. Approximately 19.2% of ending fund balances (\$9,735,031) is unreserved, undesignated, and available for spending at the City's discretion.
- At the end of the current fiscal year, unreserved and undesignated fund balance for the general fund was \$8,652,991, or 40% of total general fund expenditures.
- The City of Weatherford's total debt decreased by \$2,685,000 (-2.3%) during the current fiscal year as a result of principal retirement offset by the issuance of the \$690,000 in tax notes.

### Overview of the Financial Statements

This discussion and analysis are 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 assets presents information on all of the City's assets and liabilities, with the difference between the two

reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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. 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 19-21 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-two 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 series 2007 c.o. fund which are considered to be major funds. Data

from the other twenty 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 22-23 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 and for its solid waste collection operation. 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 the municipal utility system fund and the solid waste fund, both of which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 26-31 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 33-68 of this report.

Special attention should be paid this year to the Required Supplementary Information and Note 8 Other Post Employment Benefits as the City has implemented GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions." This supplementary information should provide the reader with a good foundation of changes.

**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 progress in funding its obligation to provide pension benefits to its employees and other postemployment benefits other than pension (OPEB). Required supplementary information can be found on pages 69-71 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets 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 \$126,395,240 at the close of the most recent fiscal year.

#### City of Weatherford's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$56,462,948	\$78,778,511	\$40,455,872	\$44,370,196	\$96,918,820	\$123,148,707
Capital assets	55,151,745	29,682,328	108,024,510	100,088,435	163,176,255	129,770,763
Total assets	111,614,693	108,460,839	148,480,382	144,458,631	260,095,075	252,919,470
Long-term liabilities	73,090,663	73,013,433	48,793,441	49,756,638	121,884,104	122,770,071
Other liabilities	4,956,941	1,855,663	6,858,790	6,423,328	11,815,731	8,278,991
Total liabilities	78,047,604	74,869,096	55,652,231	56,179,966	133,699,835	131,049,062
Net assets:						
Invested in capital assets, net of related debt	21,410,012	18,027,712	68,649,354	64,453,828	90,059,366	82,481,540
Restricted	6,381,977	9,041,116	7,628,531	7,563,464	14,010,508	16,604,580
Unrestricted	5,775,100	6,522,915	16,550,266	16,261,373	22,325,366	22,784,288
Total net assets	\$33,567,089	\$33,591,743	\$92,828,151	\$88,278,665	\$126,395,240	\$121,870,408

By far the largest portion of the City of Weatherford's net assets (71.3%) 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 assets (11.1%) 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 \$22,325,366 (17.6%) balance of net assets is unrestricted and may be used to meet the City's ongoing obligations to citizens, creditors and currently designated assets sufficient to cover the Net OPEB Obligation costs to date.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, 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 assets increased by \$4,524,832 during the current fiscal year. Net assets related to business-type activities increased by \$4,549,486. This increase is largely attributable to positive operating results as well as investment earnings and capital grants and contributions. Net assets related to governmental activities decreased by \$24,654, primarily as a result of unfavorable revenue and expenditure variances in the hotel/motel occupancy fund.

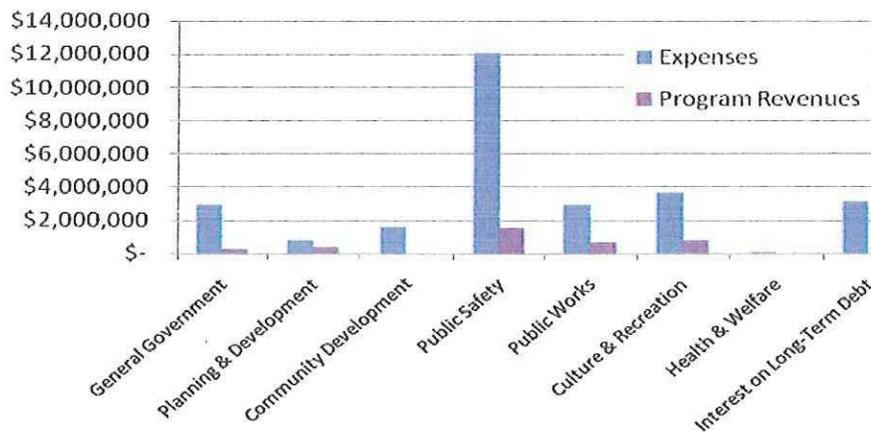
### City of Weatherford's Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$2,549,244	\$2,934,730	\$58,457,439	\$62,875,382	\$61,006,683	\$65,810,112
Operating grants & cont.	401,357	546,231	-	-	401,357	546,231
Capital grants & cont.	707,935	150,087	1,820,404	930,081	2,528,339	1,080,168
General revenues:						
Sales taxes	8,641,879	9,166,195	-	-	8,641,879	9,166,195
Property taxes	7,371,902	6,977,107	-	-	7,371,902	6,977,107
Other taxes	2,909,521	3,192,475	-	-	2,909,521	3,192,475
Other	1,905,231	2,860,881	429,282	1,286,580	2,334,513	4,147,461
Total revenues	24,487,069	25,827,706	60,707,125	65,092,043	85,194,194	90,919,749
Expenses:						
General government	2,928,150	2,866,557	-	-	2,928,150	2,866,557
Planning and development	825,967	1,094,289	-	-	825,967	1,094,289
Community development	1,627,371	798,054	-	-	1,627,371	798,054
Public safety	12,081,348	11,179,288	-	-	12,081,348	11,179,288
Public works	2,920,416	2,973,277	-	-	2,920,416	2,973,277
Culture and recreational	3,681,961	4,490,038	-	-	3,681,961	4,490,038
Health and welfare	45,000	40,000	-	-	45,000	40,000
Interest on long-term debt	3,109,094	3,749,754	-	-	3,109,094	3,749,754
Electric	-	-	41,197,102	45,275,598	41,197,102	45,275,598
Water	-	-	7,899,776	6,969,907	7,899,776	6,969,907
Wastewater	-	-	2,888,556	2,998,193	2,888,556	2,998,193
Solid waste	-	-	1,464,621	1,443,132	1,464,621	1,443,132
Total expenses	27,219,307	27,191,257	53,450,055	56,686,830	80,669,362	83,878,087
Increase (decrease) in net assets before transfers	(2,732,238)	(1,363,551)	7,257,070	8,405,213	4,524,832	7,041,662
Transfers	2,707,584	3,659,737	(2,707,584)	(3,659,737)	-	-
Increase (decrease) in net assets	(24,654)	2,296,186	4,549,486	4,745,476	4,524,832	7,041,662
Net assets October 1	33,591,743	31,295,557	88,278,665	83,533,189	121,870,408	114,828,746
Net assets September 30	\$33,567,089	\$33,591,743	\$92,828,151	\$88,278,665	\$126,395,240	\$121,870,408

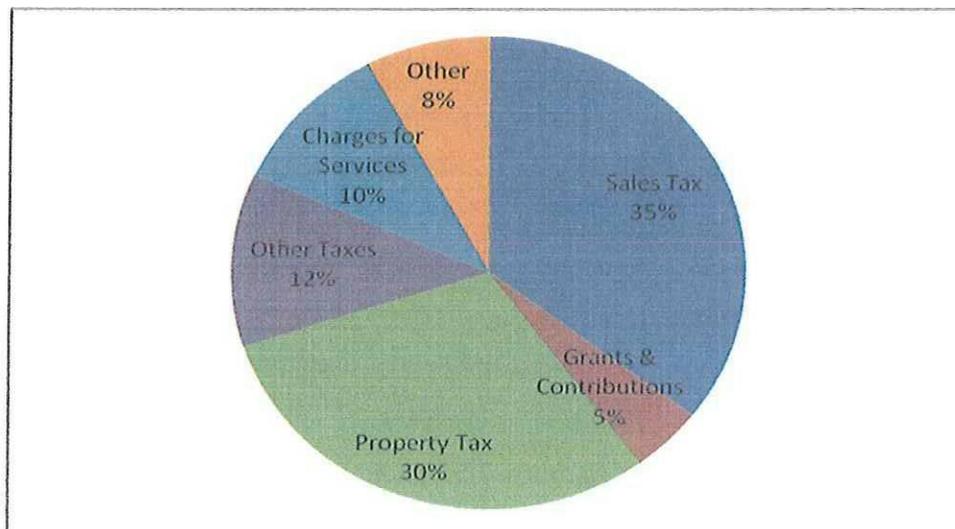
**Governmental activities.** The City of Weatherford's total net assets related to governmental activities decreased by \$24,654. Key elements of this decrease are as follows:

- Charges for services decreased by \$385,486 (13.1%) and from sales taxes by \$524,316 (5.7%) from the previous year. Such decreases are believed to exist because of the slowed economic situation facing the City as well as the nation at this time.
- As the economic condition started to deteriorate during fiscal year 2009, staff and City Council made immediate reduction adjustments to all budgets to operate within resources available. Obligations for funds from the hotel/motel occupancy tax fund had been made and fund balance was available for a planned drawdown to accomplish budget objectives even though significant reductions in the collections of the tax were realized. Reductions appear to be a result of the economic conditions as well as reduced natural gas drilling in the area.

**Expenses and Program Revenues – Governmental Activities**



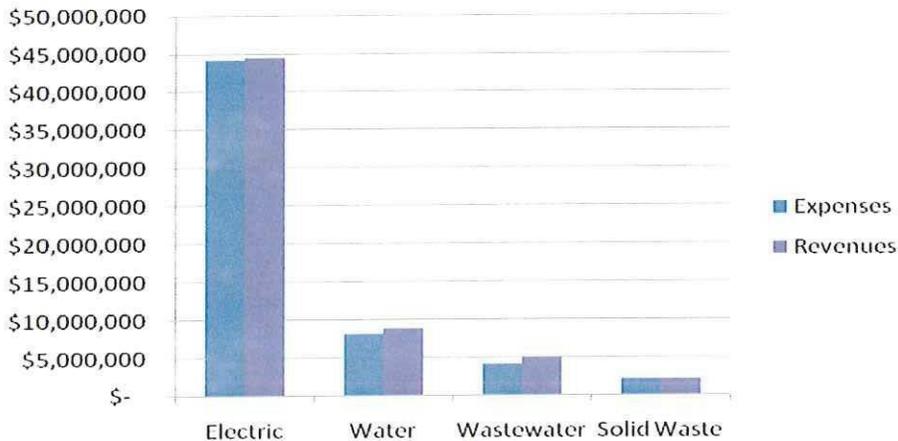
**Revenues by Source – Governmental Activities**



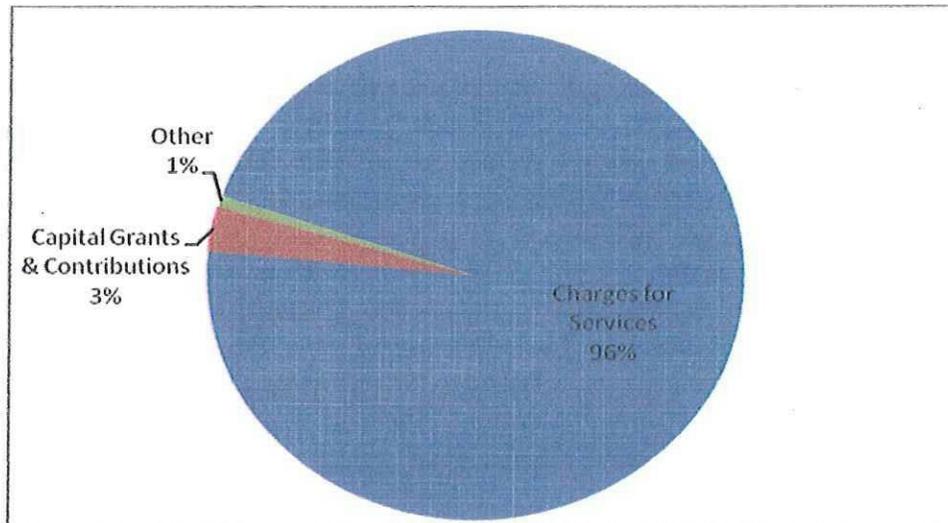
**Business-type activities.** Business-type activities increased the City of Weatherford’s net assets by \$4,549,486. Key elements of this increase are as follows:

- During the prior fiscal year the nation experienced a significant spike in the natural gas rate market over the summer of 2008. This had a direct impact on the electric function of the Weatherford Municipal Utility. The power that the City purchases is directly tied to this commodity price. The City has had a long standing power cost adjustment factor that directly passes the cost of the power to the actual customers that use the power. Such a spike in the market was the significant reason why electric expenses increased 34.3% and hence revenues increased 35.7% from 2007 to 2008. During 2009 the City implemented a rate stabilization reserve and a natural gas management strategy to better protect the utility to market volatility. During 2009 the electric expenses decreased 9% and hence revenues decreased 10.7%.
- Continued healthy growth of the utility customer base, as noted in schedule 20 of the Statistical Section, resulted in positive outcomes for the areas of water and sanitation. Wastewater had an approximately 3% decrease in both revenues and expenses from the prior year.

**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, unreserved 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 \$50,721,714, a decrease of \$25,363,247 in comparison with the prior year. This decrease is primarily attributable to the previously mentioned capital improvements being made from previously issued c.o.'s and g.o.'s. Approximately 20% (\$10,157,141) constitutes unreserved fund balance, of which \$9,735,031 is available for spending at the government's discretion and \$422,110 is designated for net OPEB obligation costs to date as detailed in Note 8. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to fund street, park, and other capital improvements (\$39,729,440), 2) to pay debt service on the City's general obligation debt (\$751,802), 3) for inventory (\$30,975), and 4) for other purposes (\$52,356).

The general fund is the chief operating fund of the City of Weatherford. At the end of the current fiscal year, unreserved fund balance of the general fund was \$9,067,892, while total fund balance was \$9,098,867. As a measure of the general fund's liquidity, it is useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 42%, or approximately 153 days of total general fund expenditures.

The fund balance of the City's general fund increased overall by \$400,863 during the current fiscal year. However, the general fund unreserved and undesignated fund balance

was only up \$15,359 due to the designation for OPEB liability coverage. Key factors in the ability to maintain a strong fund balance during these difficult times are as follows:

- The property tax rate for maintenance and operations remained the same at \$0.2920 per \$100 valuation. Increased values within the City did create a \$394,795 increase in revenues for current property taxes.
- The declining economy is believed to be the main reason for the decrease of \$524,316 in retail sales tax collections.
- The declining economy is also believed to be a significant cause in planning and development decreased revenues of \$256,468.
- Due to the national economy as well as significant construction activities, the City had fewer funds to invest at lower rates, and therefore, interest income in the general fund was down \$175,538 from the prior year.
- As mentioned previously, staff and City Council took immediate action in reducing budget appropriations to operate within our resources. Such actions resulted in actual expenses at year-end being \$2,860,260 or 11.7% lower than the originally adopted budget for the general fund.
- Various sweeping changes incurred in almost every area of the general fund over the last year including up to a 2.5% allowance for merit increases to all non-executive staff employees and a 2% increase in payroll for all non-executive staff employees for market adjustments.
- An additional 6.1% for increased health insurance premiums were also paid during the year for employees and qualified retirees.
- During fiscal year 2008 Fire Station 4 was only open for a few months but during 2009 the City had to staff all nine positions for the entire year.
- Additional increases and offsetting decreases were planned for fiscal year 2009 but by September 30, 2009, eight and-a-half positions were frozen from rehire after attrition and/or shifting workloads.
- Very few one-time purchases were approved for the fiscal year and even fewer were actually purchased. Items actually purchased included a vehicle exhaust capture system for the fire department, air conditioning units and roofing repairs for Old City Hall, a water truck, mowers, and various computers.

The debt service fund has a total fund balance of \$751,802, all of which is reserved for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$43,949. Total debt principal, interest and fiscal charges paid during the year equaled \$4,146,820 compared to \$4,818,832 in the prior year and \$937,562 from 2007 as interest charges are coming due on the 2007 c.o.'s.

At the end of the fiscal year, the City's eleven (11) active special revenue funds (state forfeiture, federal forfeiture, Weatherford beautification, hotel/motel tax, Chandor Gardens, SFX grant, Weatherford Aerospace grant, court technology, court security, library, and animal shelter) had combined fund balances totaling \$1,089,249, compared to prior year balances of \$1,129,821.

The eight active capital projects funds (general, street improvement, park development series 2003 c.o., series 2006 c.o., series 2007 g.o. bond, series 2007 c.o., and series 2008 c.o.) had combined ending fund balances of \$39,729,440 compared to prior year balances of \$65,490,090, all of which is reserved for transportation, building, and park improvement projects. The significant reduction in fund balance is due to the significant construction being performed in the City.

The Doss permanent library fund had an ending fund balance of \$52,356, compared to the prior year balance of \$59,193.

**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 assets of the municipal utility fund at the end of the year amounted to \$14,983,953, compared to the prior year balance of \$14,769,507. The total growth in net assets for the municipal utility fund was \$4,296,105. Unrestricted net assets of the solid waste fund amounted to \$1,566,313 compared to \$1,491,866 in the prior year.

### **General Fund Budgetary Highlights**

Amendments to the original 2008-09 general fund annual expenditure appropriations totaled \$1,701,633. The main components of this increase are briefly summarized as follows:

- \$376,413 additional transfer to the debt service fund was performed to cover needs of the TxDOT project related debt since the planned increase in property tax rates were waived for a year.
- \$45,126 reduction in the final calculation of the Net OPEB Obligation requirement.
- As discussed previously, numerous areas were reduced significantly to accommodate economic conditions including \$410,553 in General Government, \$150,345 in Public Safety, \$1,059,491 in Public Works, \$368,943 in Planning and Development, and \$114,411 in Culture and Recreation for all areas including personnel, supplies, capital and service expense.
- \$70,823 increase in Community Development which was mainly due to final costs and staffing for the newly completed Weatherford/Parker County Animal Shelter and the purchase of a mower.

These significant reductions in budgeted expenditures were based on \$1,547,430 projected reduction in revenues. The original budget included an increased property tax rate which was not implemented (\$295,293 after adjustments for values). Sales tax projections were

down \$413,317, licenses and permits issued were estimated down \$138,050 and First Monday rentals were projected down \$59,000 for allowances as results from the economic environment. In addition to economic concerns, municipal court fines and fees were projected down \$136,131, investment earnings were down \$253,500 due to national rates, and the old police department building did not sell as planned for \$210,000.

### **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, 2009 amounts to \$163,176,255 (net of accumulated depreciation) compared to \$129,770,763 in the prior year. Investment in capital assets related to governmental activities (\$55,151,745) 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 (\$108,024,510) 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:

- The expenditure of \$1,806,503 from the general capital projects fund for various park, building, and street construction improvement projects.
- \$16,098,144 expended from the series 2007 c.o. fund for design, easement acquisition, and construction of the TxDOT transportation projects.
- The expenditure of \$2,955,793 from the series 2007 general obligation bonds for constructing and equipping Fire Station No. 4 (\$7,671) and for design of the Spring Street (\$10,120), Franklin Street Bridge (\$1,955,235), BB Fielder Road West (\$788,147) improvement projects, and the purchase of the Jim Wright House for Fire Administration (\$194,621).
- \$1,898,853 expended from the series 2006 c.o. fund for completion of Holland Lake Park (\$1,896,846) and final budget allowed for BB Fielder Road East (\$2,007) the rest of which is budgeted in the 2008 c.o. fund.
- The expenditure of \$127,221 from park development fee revenue for major renovations to Cherry Park (\$122,040) and Weatherford Disk Golf Park (\$5,182).
- The expenditure of \$971,053 from the series 2003 c.o. fund for construction and completion of the South Denton/Santa Fe Drive project.
- \$1,436,953 expended from the series 2008 c.o. fund for BB Fielder Road East.

- Various system extensions and improvements to the City's water, wastewater, and electric distribution system totaled \$11,542,706, of which \$1,820,404 represented facilities constructed by developers and dedicated to the City or for which the City was reimbursed.

**City of Weatherford's Capital Assets**  
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$4,027,482	\$2,495,720	\$2,430,140	\$1,678,549	\$6,457,622	\$4,174,269
Buildings and systems	7,408,828	6,610,371	11,518,614	11,936,508	18,927,441	18,546,879
Improvements other than buildings	11,687,591	2,253,532	85,548,031	82,633,917	97,235,622	84,887,449
Machinery and equipment	2,613,876	2,980,776	1,922,148	1,644,468	4,536,024	4,625,244
Infrastructure	6,358,293	6,178,470	-	-	6,358,293	6,178,470
Construction in progress	23,055,675	9,163,459	6,605,577	2,194,993	29,661,253	11,358,452
<b>Total</b>	<b>\$55,151,745</b>	<b>\$29,682,328</b>	<b>\$108,024,510</b>	<b>\$100,088,435</b>	<b>\$163,176,255</b>	<b>\$129,770,763</b>

Additional information on the City of Weatherford's capital assets can be found in Note 4 on pages 47-49 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 and revenue certificates of obligation, of \$114,650,000. Of this amount, \$10,650,000 comprises general obligation debt secured by property tax collections and backed by the full faith and credit of the City, \$58,130,000 represents combination tax and revenue certificates of obligation debt, \$45,270,000 represents bonds secured solely by revenue from the City's combined electric, water and wastewater utility system, and \$600,000 in tax notes to be paid from electric revenues.

**City of Weatherford's Outstanding Debt**

General Obligation Bonds, Certificates of Obligation, Revenue Bonds, and Tax Notes

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$10,650,000	\$11,060,000	\$-	\$-	\$10,650,000	\$11,060,000
Certificates of obligation	58,130,000	58,605,000	-	-	58,130,000	58,605,000
Revenue bonds	-	-	45,270,000	47,670,000	45,270,000	47,670,000
Tax Notes	-	-	600,000	-	600,000	-
<b>Total</b>	<b>\$68,780,000</b>	<b>\$69,665,000</b>	<b>\$45,870,000</b>	<b>\$47,670,000</b>	<b>\$114,650,000</b>	<b>\$117,335,000</b>

The City of Weatherford's total debt decreased \$2,685,000 (-2.29%) during the current fiscal year. Governmental activities debt decreased by \$885,000 reflecting general obligation bonds and certificates of obligations retired during the fiscal year. Utility outstanding debt decreased during the year by \$1,800,000. This was due to the issuance of

\$690,000 of tax notes for the electric function, retirement of \$90,000 of those notes, and \$2,400,000 retirement of annual revenue bond principal obligations.

The City's general obligation bonds and certificates of obligation are rated "A2" by Moody's Investors Service and "AA-" by Standard and Poor's Corporation at September 30, 2009. The City's combined utility system revenue debt is rated "A3" by Moody's Investors Service and "AA-" by Standard and Poor's Corporation at September 30, 2009. State statutes limit the total property tax rate to \$2.50 per \$100 assessed valuation. The City's total property tax rate for 2008-09 was \$0.4386 per \$100 assessed valuation, of which \$0.1466 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. Net utility system revenues available for debt service for the fiscal year ended September 30, 2009 were 1.95 times the annual debt service, which approximates maximum debt service.

Additional information on the City of Weatherford's long-term debt can be found in Note 5 on pages 49-53 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 was 8.3%, up from 5.8% in the prior year due to nationwide economic conditions. This continues to compare favorably to national average unemployment rates.
- Sales tax collections for 2008-09 were down 5.7% from the prior year and monthly receipts have been down almost every month since March 2009. Such collection trends have been consistent across the state.
- New construction building permits issued dropped to 143 permits for 2008-09, the lowest in over ten years.
- Total assessed value of property within the City for the 2009 tax year increased by 6.3% from the 2008 assessed values, from \$1.675 billion to almost \$1.780 billion.
- As a result of economic development incentive agreements negotiated with Target and Lowe's Home Centers in 2003-04 as well as transportation developments with TxDOT, they and several other comparable retail stores and restaurants have either opened or are in the process of constructing stores in Weatherford at the intersection of Interstate Highway 20 and State Highways 51/171. The combined economic impact from these stores is expected to far exceed the original \$50 million estimated retail sales, \$20 million taxable property values, and the creation of more than 200 additional jobs.

All of the above factors were considered in preparing the City of Weatherford's budget for the 2009-10 fiscal year. The property tax rate increased to \$0.4636 per \$100 of assessed value with all of the increase, \$0.025 per \$100 valuation, going to debt service as originally planned for the TxDOT projections. Sales tax collections, accounting for

approximately 40% of general fund revenues and other financing sources, were preliminary projected to remain flat from the 2009 estimated collections with the continued concerns about the national economy and sliding consumer confidence. Further declines in the economy have pushed the City to almost a 20% expected reduction in sales tax revenue and those revenues strongly affected by the economy. Supplemental funding requests totaling \$52,241 was limited to continued funding of the Freedom House and the Parker County Committee on Aging and one part-time kennel technician. There is a planned draw down of fund balance of \$639,979, including \$16,156 in operations, \$250,000 for emergency contingencies, and \$406,135 for OPEB reserves. Constant adjustments are being made to the budget to adjust to available resources so to have an ending general fund balance at a level representing well over our target of 60 days of general fund expenditures.

There are no planned increases in electric, water, wastewater or solid waste collection service rates for the 2009-10 fiscal year, however, a rate study has begun to evaluate the appropriate adjustments for 2010-11.

### **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**

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CITY OF WEATHERFORD, TEXAS  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2009

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 14,672,343	\$ 14,591,066	\$ 29,263,409
Receivables (net, where applicable of allowances for uncollectibles)			
Taxes	243,647	0	243,647
Accounts	1,889,608	5,396,048	7,285,656
Other	19,534	155,674	175,208
Due from other governments	32,109	0	32,109
Internal balances	295,713	(303,057)	(7,344)
Inventories	30,975	3,901,619	3,932,594
Restricted assets			
Cash and cash equivalents	9,012,977	13,101,584	22,114,561
Investments	29,458,001	2,995,383	32,453,384
Due from other funds	0	7,344	7,344
Due from other governments	0	65,837	65,837
Accrued interest	0	1,696	1,696
Deferred debt issuance cost	808,041	542,678	1,350,719
Capital assets			
Land, improvements, and construction in progress	27,083,157	9,035,717	36,118,874
Other capital assets, net of depreciation	28,068,588	98,988,793	127,057,381
Total capital assets	<u>55,151,745</u>	<u>108,024,510</u>	<u>163,176,255</u>
Total assets	<u>111,614,693</u>	<u>148,480,382</u>	<u>260,095,075</u>
<b>LIABILITIES</b>			
Vouchers payable	0	3,173,948	3,173,948
Accounts payable	3,421,581	510,074	3,931,655
Accrued liabilities	288,202	88,989	377,191
Accrued interest payable	257,395	9,638	267,033
Taxes payable	0	334,834	334,834
Retainage payable	859,752	0	859,752
Due to other governments	16	0	16
Customer deposits and escrows	94,488	1,014,335	1,108,823
Payable from restricted assets			
Obligated liabilities	29,643	0	29,643
Accounts payable and accrued liabilities	0	548,474	548,474
Retainage payable	0	303,461	303,461
Accrued interest payable	0	177,750	177,750
Miscellaneous payable	0	98	98
Unearned revenue	5,864	697,189	703,053
Noncurrent liabilities			
Due within one year	1,541,039	2,822,029	4,363,068
Due in more than one year	71,549,624	45,971,412	117,521,036
Total liabilities	<u>78,047,604</u>	<u>55,652,231</u>	<u>133,699,835</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	21,410,012	68,649,354	90,059,366
Restricted for			
Capital projects	4,768,914	0	4,768,914
Debt service	494,407	4,794,860	5,289,267
Other purposes	1,068,656	2,833,671	3,902,327
Permanent fund - nonexpendable	50,000	0	50,000
Unrestricted	5,775,100	16,550,266	22,325,366
Total net assets	<u>\$ 33,567,089</u>	<u>\$ 92,828,151</u>	<u>\$ 126,395,240</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$2,928,150	\$247,258	\$0	\$0
Public safety	12,081,348	1,269,329	242,065	6,000
Public works	2,920,416	0	0	701,935
Planning and development	825,967	395,846	0	0
Community development	1,627,371	0	0	0
Health and welfare	45,000	0	0	0
Cultural and recreation	3,681,961	636,811	159,292	0
Interest on long-term debt	3,109,094	0	0	0
Total governmental activities	<u>27,219,307</u>	<u>2,549,244</u>	<u>401,357</u>	<u>707,935</u>
Business-type activities				
Electric	41,197,102	44,153,841	0	251,760
Water	7,899,776	8,078,376	0	738,922
Wastewater	2,888,556	4,035,449	0	829,722
Sanitation	1,464,621	2,189,773	0	0
Total business-type activities	<u>53,450,055</u>	<u>58,457,439</u>	<u>0</u>	<u>1,820,404</u>
Total primary government	<u>\$80,669,362</u>	<u>\$61,006,683</u>	<u>\$401,357</u>	<u>\$2,528,339</u>

General Revenues

Taxes
Property taxes
Retail sales tax
Mixed beverage tax
Franchise taxes
Hotel/motel tax
Grants and contributions not restricted to specific programs
Investment earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net assets
Net assets - beginning
Net assets - ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets  
Primary Government

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
(\$2,680,892)	\$0	(\$2,680,892)
(10,563,954)	0	(10,563,954)
(2,218,481)	0	(2,218,481)
(430,121)	0	(430,121)
(1,627,371)	0	(1,627,371)
(45,000)	0	(45,000)
(2,885,858)	0	(2,885,858)
(3,109,094)	0	(3,109,094)
<u>(23,560,771)</u>	<u>0</u>	<u>(23,560,771)</u>
0	3,208,499	3,208,499
0	917,522	917,522
0	1,976,615	1,976,615
0	725,152	725,152
<u>0</u>	<u>6,827,788</u>	<u>6,827,788</u>
<u>(\$23,560,771)</u>	<u>\$6,827,788</u>	<u>(\$16,732,983)</u>
7,371,902	0	7,371,902
8,641,879	0	8,641,879
53,505	0	53,505
2,403,704	0	2,403,704
452,312	0	452,312
3,373	0	3,373
1,463,358	228,337	1,691,695
438,500	200,945	639,445
2,707,584	(2,707,584)	0
<u>23,536,117</u>	<u>(2,278,302)</u>	<u>21,257,815</u>
(24,654)	4,549,486	4,524,832
33,591,743	88,278,665	121,870,408
<u>\$33,567,089</u>	<u>\$92,828,151</u>	<u>\$126,395,240</u>

CITY OF WEATHERFORD, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2009

ASSETS	General	Series 2007 C.O. Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$7,783,652	\$1,621,826	\$14,279,842	\$23,685,320
Investments	0	29,458,001	0	29,458,001
Receivables (net of allowance for uncollectibles)				
Delinquent taxes	243,647	0	0	243,647
Accounts	1,778,209	0	111,399	1,889,608
Other	0	19,534	0	19,534
Due from other funds	301,792	136	3,677	305,605
Due from other governments	32,109	0	0	32,109
Inventory	30,975	0	0	30,975
<b>TOTAL ASSETS</b>	<b>\$10,170,384</b>	<b>\$31,099,497</b>	<b>\$14,394,918</b>	<b>\$55,664,799</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$441,498	\$2,212,157	\$767,926	\$3,421,581
Retainage payable	0	682,346	177,406	859,752
Accrued liabilities	274,738	3,667	9,797	288,202
Deposits and escrows	78,188	0	16,300	94,488
Obligated liabilities	29,643	0	0	29,643
Due to other funds	9,803	75	14	9,892
Due to other governments	0	0	16	16
Deferred revenue	233,647	0	0	233,647
Unearned revenue	4,000	0	1,864	5,864
<b>Total liabilities</b>	<b>1,071,517</b>	<b>2,898,245</b>	<b>973,323</b>	<b>4,943,085</b>
<b>FUND BALANCES</b>				
Reserved for capital projects	0	28,201,252	11,528,188	39,729,440
Reserved for debt service	0	0	751,802	751,802
Reserved for other purposes	0	0	52,356	52,356
Reserved for inventory	30,975	0	0	30,975
Unreserved and designated for OPEB liability	414,901	0	7,209	422,110
Unreserved and undesignated, reported in:				
General fund	8,652,991	0	0	8,652,991
Special revenue funds	0	0	1,082,040	1,082,040
<b>Total fund balances</b>	<b>9,098,867</b>	<b>28,201,252</b>	<b>13,421,595</b>	<b>50,721,714</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$10,170,384</b>	<b>\$31,099,497</b>	<b>\$14,394,918</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

55,151,745

Other long-term assets are not available to pay for current-period expenditures, and, therefore are deferred in the funds.

233,647

Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

(72,540,017)

Total net assets

\$33,567,089

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	General	Series 2007 C.O. Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$16,231,683	\$0	\$2,693,051	\$18,924,734
Licenses and permits	431,330	0	0	431,330
Intergovernmental	331,035	0	0	331,035
Charges for services	953,815	0	8,752	962,567
Fines and forfeits	676,973	0	0	676,973
Investment earnings	55,471	1,252,615	155,729	1,463,815
Miscellaneous	292,355	0	714,033	1,006,388
Total revenues	<u>18,972,662</u>	<u>1,252,615</u>	<u>3,571,565</u>	<u>23,796,842</u>
<b>EXPENDITURES</b>				
Current				
General government	2,587,414	80,548	81,379	2,749,341
Public safety	10,972,391	0	94,860	11,067,251
Public works	2,175,270	0	0	2,175,270
Planning and development	818,460	0	0	818,460
Community development	1,519,717	0	0	1,519,717
Health and welfare	45,000	0	0	45,000
Cultural and recreational	3,557,263	0	576,226	4,133,489
Capital outlay				
General government	0	16,017,596	1,791,991	17,809,587
Public safety	0	0	98,561	98,561
Public works	0	0	5,280,110	5,280,110
Cultural and recreational	0	0	2,024,067	2,024,067
Debt service				
Principal retirement	0	0	1,030,242	1,030,242
Interest and fiscal charges	0	0	3,116,578	3,116,578
Total expenditures	<u>21,675,515</u>	<u>16,098,144</u>	<u>14,094,014</u>	<u>51,867,673</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,702,853)	(14,845,529)	(10,522,449)	(28,070,831)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
General fund	0	0	603,868	603,868
Hotel/Motel	0	0	250,616	250,616
2007 CO Fund	0	0	1,195,411	1,195,411
2008 CO Fund	0	0	85,696	85,696
Utility administrative services	813,051	0	0	813,051
Utility discretionary	2,411,905	0	0	2,411,905
Solid waste discretionary	350,000	0	0	350,000
Solid waste administrative services	132,628	0	0	132,628
Other	0	0	7,294	7,294
Transfers out				
General debt service	(603,868)	(1,195,411)	(232,726)	(2,032,005)
Other	0	0	(1,110,880)	(1,110,880)
Total other financing sources (uses)	<u>3,103,716</u>	<u>(1,195,411)</u>	<u>799,279</u>	<u>2,707,584</u>
NET CHANGE IN FUND BALANCES	400,863	(16,040,940)	(9,723,170)	(25,363,247)
FUND BALANCES, beginning of year	<u>8,698,004</u>	<u>44,242,192</u>	<u>23,144,765</u>	<u>76,084,961</u>
FUND BALANCES, end of year	<u>\$9,098,867</u>	<u>\$28,201,252</u>	<u>\$13,421,595</u>	<u>\$50,721,714</u>

The notes to the financial statements are an integral part of this statement.

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, 2009

Amounts reported by governmental activities in the statement of activities  
 are different because:

Net change in fund balances - total governmental funds	(\$25,363,247)
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. This is the amount by which capital outlays exceeded depreciation in the current period.	24,777,759
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets	691,658
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,432)
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 assets. 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,030,242
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.	(1,159,634)
Change in net assets of governmental activities	<u><u>(\$24,654)</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$16,715,355	\$15,918,072	\$16,231,683	\$313,611
Licenses and permits	604,869	466,819	431,330	(35,489)
Intergovernmental	245,583	292,453	331,035	38,582
Charges for services	988,121	930,742	953,815	23,073
Fines and forfeits	827,846	691,715	676,973	(14,742)
Investment earnings	315,000	61,500	55,471	(6,029)
Miscellaneous	261,000	49,468	288,983	239,515
Contributions	3,500	3,075	3,372	297
Total revenues	<u>19,961,274</u>	<u>18,413,844</u>	<u>18,972,662</u>	<u>558,818</u>
Expenditures				
General government	3,040,004	2,629,451	2,587,414	42,037
Public safety	11,373,225	11,222,880	10,972,391	250,489
Public works	3,776,832	2,717,341	2,175,270	542,071
Planning and development	1,205,004	836,061	818,460	17,601
Community development	1,520,280	1,591,103	1,519,717	71,386
Health and welfare	45,000	45,000	45,000	0
Cultural and recreational	3,575,430	3,461,019	3,557,263	(96,244)
Total expenditures	<u>24,535,775</u>	<u>22,502,855</u>	<u>21,675,515</u>	<u>827,340</u>
Deficiency of revenues under expenditures	<u>(4,574,501)</u>	<u>(4,089,011)</u>	<u>(2,702,853)</u>	<u>1,386,158</u>
Other financing sources (uses)				
Transfers in				
Utility admin services	765,510	813,051	813,051	0
Utility discretionary	2,300,102	2,389,800	2,411,905	22,105
Solid waste discretionary	350,000	350,000	350,000	0
Solid waste admin services	132,628	132,628	132,628	0
Transfers out				
General debt service	(227,456)	(603,869)	(603,868)	1
OPEB Contribution	(451,261)	(406,135)	0	406,135
Total other financing sources (uses)	<u>2,869,523</u>	<u>2,675,475</u>	<u>3,103,716</u>	<u>428,241</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(1,704,978)</u>	<u>(1,413,536)</u>	<u>400,863</u>	<u>1,814,399</u>
Fund balances, beginning of year	<u>8,698,004</u>	<u>8,698,004</u>	<u>8,698,004</u>	<u>0</u>
Fund balances, end of year	<u>\$6,993,026</u>	<u>\$7,284,468</u>	<u>\$9,098,867</u>	<u>\$1,814,399</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
STATEMENT OF NET ASSETS  
ENTERPRISE FUNDS  
SEPTEMBER 30, 2009

(1 of 2)

	Business-type Activities-Enterprise Funds		
	Municipal Utility System	Solid Waste Fund	Total
<b>ASSETS</b>			
Current assets			
Unrestricted assets			
Cash and cash equivalents	\$12,698,696	\$1,892,370	\$14,591,066
Receivables			
Accounts, net of allowances for uncollectible accounts of \$340,537	3,286,460	0	3,286,460
Earned but unbilled customer accounts	2,109,588	0	2,109,588
Other	153,788	1,886	155,674
Due from other funds	28,724	372	29,096
Inventory	3,870,347	31,272	3,901,619
Restricted assets			
Cash and cash equivalents			
Revenue bond debt service account	774,825	0	774,825
Revenue bond reserve account	1,024,652	0	1,024,652
Amounts held for future construction account	8,468,436	0	8,468,436
Water impact fee account	1,808,689	0	1,808,689
Wastewater impact fee account	1,024,982	0	1,024,982
Investments			
Revenue bond reserve account	2,995,383	0	2,995,383
Due from other funds	7,344	0	7,344
Due from government agencies	65,837	0	65,837
Accrued interest	1,696	0	1,696
Total current assets	38,319,447	1,925,900	40,245,347
Noncurrent assets			
Deferred debt issuance cost	542,678	0	542,678
Capital assets			
Land	2,430,140	0	2,430,140
Construction in progress	6,605,577	0	6,605,577
Buildings and improvements	18,926,187	0	18,926,187
Other improvements	123,143,628	10,577	123,154,205
Machinery and equipment	5,384,765	836,527	6,221,292
Less accumulated depreciation	(48,894,191)	(418,700)	(49,312,891)
Total noncurrent assets	108,138,784	428,404	108,567,188
Total assets	146,458,231	2,354,304	148,812,535

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
STATEMENT OF NET ASSETS  
ENTERPRISE FUNDS  
SEPTEMBER 30, 2009

(2 of 2)

	Business-type Activities-Enterprise Funds		
	Municipal Utility System	Solid Waste Fund	Total
<b>LIABILITIES</b>			
Current liabilities			
Vouchers payable	3,173,948	0	3,173,948
Accounts payable	304,490	205,584	510,074
Taxes payable	334,834	0	334,834
Accrued wages payable	88,989	0	88,989
Revenue bonds payable	2,395,417	0	2,395,417
Notes payable	60,397	0	60,397
Accrued interest payable	9,638	0	9,638
Due to other funds	309,508	22,645	332,153
Unearned revenue	697,189	0	697,189
Customer deposits	1,014,335	0	1,014,335
Liability for compensated absences	142,394	14,238	156,632
Payable from restricted assets			
Accounts payable and accrued liabilities	548,474	0	548,474
Retainage payable	303,461	0	303,461
Accrued interest payable	177,750	0	177,750
Revenue bonds payable	209,583	0	209,583
Miscellaneous payable	98	0	98
<b>Total current liabilities</b>	<b>9,770,505</b>	<b>242,467</b>	<b>10,012,972</b>
Noncurrent liabilities			
Notes payable	416,666	0	416,666
Revenue bonds payable	44,264,786	0	44,264,786
Liability for compensated absences	881,868	77,271	959,139
Liability for net pension obligation	124,041	11,592	135,633
Liability for OPEB	166,931	28,257	195,188
<b>Total noncurrent liabilities</b>	<b>45,854,292</b>	<b>117,120</b>	<b>45,971,412</b>
<b>Total liabilities</b>	<b>55,624,797</b>	<b>359,587</b>	<b>55,984,384</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	68,220,950	428,404	68,649,354
Restricted for			
Debt service	4,794,860	0	4,794,860
Construction	2,833,671	0	2,833,671
Unrestricted	14,983,953	1,566,313	16,550,266
<b>Total net assets</b>	<b>\$90,833,434</b>	<b>\$1,994,717</b>	<b>\$92,828,151</b>

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CITY OF WEATHERFORD, TEXAS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Business-type Activities-Enterprise Funds		
	Municipal Utility System	Solid Waste Fund	Total
Operating revenues			
Electric sales	\$43,696,733	\$0	\$43,696,733
Electric services	375,046	0	375,046
Water sales	6,167,440	0	6,167,440
Water pumping services	935,899	0	935,899
Water services	10,826	0	10,826
Wastewater services	3,914,995	0	3,914,995
Sanitation services	0	2,189,773	2,189,773
<b>Total operating revenues</b>	<b>55,100,939</b>	<b>2,189,773</b>	<b>57,290,712</b>
Operating expenses			
Personal services	6,026,523	702,030	6,728,553
Contractual services	4,143,353	515,581	4,658,934
Purchased power	32,575,974	0	32,575,974
Materials and supplies	1,479,574	210,838	1,690,412
Bad debt expense	17,246	0	17,246
Depreciation & amortization	3,852,770	86,172	3,938,942
Taxes	1,883,390	0	1,883,390
<b>Total operating expenses</b>	<b>49,978,830</b>	<b>1,514,621</b>	<b>51,493,451</b>
<b>Operating income</b>	<b>5,122,109</b>	<b>675,152</b>	<b>5,797,261</b>
Nonoperating revenues (expenses)			
Investment earnings	217,480	10,857	228,337
Rents	773,896	0	773,896
Lease/Purchase Agreement	37,180	0	37,180
Impact fee revenue	352,451	0	352,451
Miscellaneous	219,145	50,000	269,145
Interest and fiscal charges	(2,021,604)	0	(2,021,604)
<b>Total nonoperating revenues (expenses)</b>	<b>(421,452)</b>	<b>60,857</b>	<b>(360,595)</b>
Income before contributions and transfers	4,700,657	736,009	5,436,666
Capital contributions	1,820,404	0	1,820,404
Transfers in	1,000,000	0	1,000,000
Transfers out			
General administrative services	(813,051)	(132,628)	(945,679)
General discretionary	(2,411,905)	(350,000)	(2,761,905)
<b>Change in net assets</b>	<b>4,296,105</b>	<b>253,381</b>	<b>4,549,486</b>
<b>Net assets, beginning of year</b>	<b>86,537,329</b>	<b>1,741,336</b>	<b>88,278,665</b>
<b>Net assets, end of year</b>	<b>\$90,833,434</b>	<b>\$1,994,717</b>	<b>\$92,828,151</b>

The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

(1 of 2)

	Business-type Activities-Enterprise Funds		
	Municipal Utility System	Solid Waste Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$58,690,348	\$2,190,901	\$60,881,249
Cash paid to suppliers	(40,322,640)	(574,332)	(40,896,972)
Cash paid to employees	(5,553,701)	(630,266)	(6,183,967)
Net cash provided by operating activities	<u>12,814,007</u>	<u>986,303</u>	<u>13,800,310</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers to other funds	<u>(2,224,956)</u>	<u>(482,628)</u>	<u>(2,707,584)</u>
Net cash used in noncapital financing activities	<u>(2,224,956)</u>	<u>(482,628)</u>	<u>(2,707,584)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of capital assets	15,000	50,000	65,000
Proceeds from debt issuance	690,000	0	690,000
Proceeds from developers for contributions in aid of construction	251,760	0	251,760
Proceeds from TXDOT loan	390,000	0	390,000
Principal payments on long-term debt	(2,490,000)	0	(2,490,000)
Principal payments on notes payable	(19,617)	0	(19,617)
Payment for debt issuance cost	(19,337)	0	(19,337)
Capital expenditures	(9,417,636)	(265,106)	(9,682,742)
Interest paid	(2,246,453)	0	(2,246,453)
Net cash used in capital and related financing activities	<u>(12,846,283)</u>	<u>(215,106)</u>	<u>(13,061,389)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	251,775	10,857	262,632
U S Govt & Agency Securities sold	1,035,000	0	1,035,000
Reserve Govt Investment sold	505,000	0	505,000
Reserve Certificate of Deposit sold	3,000,000	0	3,000,000
Reserve Repurchase Agrmnt/Money Mkt purchased	(2,000,000)	0	(2,000,000)
Reserve Certificate of Deposit purchased	(4,000,602)	0	(4,000,602)
Net cash provided by (used in) investing activities	<u>(1,208,827)</u>	<u>10,857</u>	<u>(1,197,970)</u>
Net increase (decrease) in cash	(3,466,059)	299,426	(3,166,633)
Cash and cash equivalents at the beginning of the year	<u>29,266,339</u>	<u>1,592,944</u>	<u>30,859,283</u>
Cash and cash equivalents at the end of the year	<u>\$25,800,280</u>	<u>\$1,892,370</u>	<u>\$27,692,650</u>

Non-cash contributed capital for 2009 totaled \$1,568,644.  
The notes to the financial statements are an integral part of this statement.

CITY OF WEATHERFORD, TEXAS  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

(2 of 2)

	Unrestricted Current Assets	Restricted Current Assets	Statement of Cash Flows Total
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET ASSETS</b>			
Cash and cash equivalents, beginning	\$11,059,090	\$19,800,193	\$30,859,283
Net increase (decrease)	<u>3,531,976</u>	<u>(6,698,609)</u>	<u>(3,166,633)</u>
Cash and cash equivalents, ending	<u>\$14,591,066</u>	<u>\$13,101,584</u>	<u>\$27,692,650</u>

	<u>Business-type Activities-Enterprise Funds</u>		
	Municipal Utility System	Solid Waste Fund	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$5,122,109	\$675,152	\$5,797,261
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	3,785,565	86,172	3,871,737
Amortization	67,205	0	67,205
Rental and other revenue	1,367,672	0	1,367,672
(Increase) decrease in accounts receivable	1,562,085	1,500	1,563,585
(Increase) decrease in other receivables	162,139	0	162,139
(Increase) decrease in due from other funds	(23,324)	(372)	(23,696)
(Increase) decrease in inventory	333,008	(946)	332,062
Increase (decrease) in accounts payable	(123,891)	142,709	18,818
Increase (decrease) in taxes payable	(2,940)	0	(2,940)
Increase (decrease) in accrued liabilities	0	(175)	(175)
Increase (decrease) in accrued wages payable	56,352	0	56,352
Increase (decrease) in liability for compensated absences	125,498	25,153	150,651
Increase (decrease) in net pension obligation	124,041	11,592	135,633
Increase (decrease) in OPEB liability	166,931	28,257	195,188
Increase (decrease) in unearned revenue	7,622	0	7,622
Increase (decrease) in customer deposits	9,155	0	9,155
Increase (decrease) in due to other funds	<u>74,780</u>	<u>17,261</u>	<u>92,041</u>
Net cash provided by operating activities	<u>\$12,814,007</u>	<u>\$986,303</u>	<u>\$13,800,310</u>

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**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies

A. Reporting Entity

The City of Weatherford ("City") was chartered 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 issuance 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 assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Eliminating interfund activity related to interfund services provided and used would overstate the revenues of the selling function and expenses of the receiving function. Therefore, activity related to interfund services provided and used is not eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, 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 segments are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include: 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 revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual

**CITY OF WEATHERFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

B. Government-wide and Fund Financial Statements - continued

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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues 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. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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. The City has selected the option to not follow Financial Accounting Standards Board pronouncements issued subsequent to November 30, 1989, for its proprietary activities, in accordance with Statement 20 of the Governmental Accounting Standards Board.

In the governmental funds, the City reports deferred revenue 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.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

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

The City reports the following major governmental funds:

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

**2007 C.O. Fund:** The 2007 C.O. Fund is utilized to account for the proceeds from the issuance of \$46.5 million in certificates of obligation for the TXDOT project.

The City reports the following major proprietary funds:

**Municipal Utility System Fund:** 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.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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 non-operating revenues and expenses.

D. Budgets and Budgetary Accounting

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.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

D. Budgets and Budgetary Accounting - continued

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. Appropriations lapse at year-end.

Budgeted amounts in the accompanying financial statements include transfers and revisions to the original budget, none of which were significant.

4. Annual budgets are legally adopted for all funds. The budgets are prepared on an accrual basis consistent with the basis of accounting for each fund type, with the exception of depreciation, which is not budgeted in the proprietary fund types and capital expenditures and debt service principal, which are budgeted in the proprietary fund types. All governmental type funds are budgeted based on the modified accrual basis of accounting.

E. 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. Therefore, the City could generate a tax margin (additional taxes not presently generated) of \$36,226,241 for fiscal year ended September 30, 2009.

F. Capital Assets

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

**CITY OF WEATHERFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

F. Capital Assets – continued

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

Estimated useful lives are as follows:

Buildings	40 years
Infrastructure	20 years
Water, electric and sewer system	40 – 60 years
Machinery and equipment	5 – 10 years

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.

G. Cash, Cash Equivalents, and Investments

Cash includes amounts in demand deposits. Cash equivalents include investments in local government investment pools and other investments with maturities of three months or less from the date of purchase. 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 demand deposits are covered by federal depository insurance or by collateral held by the City's agent in the City's name. U.S. Treasury and U.S. Government Agency Securities purchased directly by the City were registered in the City's name and held by either the custodial bank or the City's broker-dealer. The City's investments at year-end are shown below.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

G. Cash, Cash Equivalents, and Investments - continued

As of September 30, 2009, the City had the following investments:

INVESTMENTS BY TYPE AND MATURITY

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>MKT VALUE 09/30/09</u>	<u>% OF TOTAL</u>	<u>S&amp;P RATING</u>
<u>LOCAL GOVERNMENT</u>				
<u>INVESTMENT POOLS (2a-7 like pools)</u>				
TexPool	10/01/09	\$15,642,791	21.35%	AAAm
TexSTAR	10/01/09	<u>25,168,240</u>	<u>34.35%</u>	AAAm
TOTAL		40,811,031	55.70%	
<u>CERTIFICATES OF DEPOSIT</u>				
Compass Bank	01/21/10	2,483,865	3.39%	NA
Plains Capital	09/30/10	<u>25,465,385</u>	<u>34.76%</u>	NA
TOTAL		27,949,250	38.15%	
<u>MONEY MARKET</u>				
Dreyfus	10/01/09	<u>4,504,134</u>	<u>6.15%</u>	NA
TOTAL		<u>4,504,134</u>	<u>6.15%</u>	
TOTAL ALL INVESTMENTS		<u>\$73,264,415</u>	<u>100.00%</u>	

*Interest Rate Risk:* In compliance with the City's Investment Policy, as of September 30, 2009, 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 5 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. At September 30, 2009, 100% of the City's portfolio had maturity dates less than one year.

*Credit Risk:* The City has no formal policy addressing credit risk. However, safety of principal is the primary objective of the City's investment policy. In accordance with this objective, the City limits its investments to those that have been issued one of the top ratings by a nationally recognized credit rating agency. As of September 30, 2009, the City's investment in TexPool and TexSTAR were rated AAAM by Standard & Poor's.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

G. Cash, Cash Equivalents, and Investments - continued

*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. treasury and agency securities and authorized pools. As of September 30, 2009, 38.22% of the City's portfolio was invested in certificates of deposit, 55.62% was in local government investment pools, and 6.16% was in money market investments.

All investments held by the City at September 30, 2009, were in certificates of deposit, money market accounts, the Texas Local Government Investment Pool, or the Texas Short Term Asset Reserve Program. 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 & Poors. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as the office of the Comptroller of Public Accounts for review. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

The Texas Short Term Asset Reserve Program, TexSTAR, is managed by a five-member Board of Directors in accordance with its bylaws which set forth procedures governing the selection of, and actions taken by the Board. Board oversight is maintained through daily, weekly, and monthly reporting contracts. Administration of TexSTAR is maintained by JPMorgan 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.

**CITY OF WEATHERFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

G. Cash, Cash Equivalents, and Investments - continued

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.

The City does not involuntarily participate in an external investment pool. All investment income is recorded and reported in the same fund as the investment.

H. Cash Flows Presentation

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.

I. 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.

J. 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. Unused vacation leave is carried forward from one year to the next without limit.

The City has accrued for 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. The City's estimated aggregate liability for accrued vacation and sick leave as of September 30, 2009, was \$3,920,535.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 1. Significant Accounting Policies – continued

K. Short-Term 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”.

L. Interfund Transfers

Interfund transfers represent the flow of assets without an equivalent flow of assets in return and without a requirement for repayment. Governmental funds report transfers received from other funds as other financing sources and transfers to other funds as other financing uses. Proprietary funds report transfers after non-operating revenues and expenses.

M. 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.

N. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts not appropriable for expenditure or legally segregated for specific future use. Designated fund balance represents tentative plans for future use of financial resources.

O. Concentration of Credit Risk

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

P. Deferred Debt Issuance Cost

The deferred debt issuance cost is being amortized over the life of the debt.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 2. 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 Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “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 \$72,540,017 difference are as follows:

Bonds and certificates of obligation payable	\$(68,780,000)
Less: deferred charge for issuance costs (to be amortized over life of debt)	808,041
Plus: issuance premium (to be amortized as interest expense)	(730,300)
Accrued interest payable	(257,395)
Compensated absences	(2,804,764)
Net pension obligation	(353,489)
OPEB liability	<u>(422,110)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u><u>\$(72,540,017)</u></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 reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities reconciles the difference between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported on the government-wide statement of activities.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 2. Reconciliation of Government-wide and Fund Financial Statements – continued

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 - continued

One element of the reconciliation explains that "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 \$24,777,759 difference are as follows:

Capital outlay	\$ 26,381,553
Depreciation expense	<u>(1,603,794)</u>
 Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	 <u><u>\$ 24,777,759</u></u>

Another element of the reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this \$691,658 difference are as follows:

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	<u>\$ 691,658</u>
 Net adjustment to increase net changes in fund Balances – total governmental funds to arrive at Changes in net assets of governmental activities.	 <u><u>\$ 691,658</u></u>

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds and 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 assets. Also, governmental funds report the issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 2. Reconciliation of Government-wide and Fund Financial Statements – continued

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 - continued

amortized in the statement of activities.” The details of this \$1,030,242 difference are as follows:

Principal repayments	
General obligation	\$ 410,000
Certificates of obligation	475,000
Capital leases	<u>145,242</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	  <u><u>\$ 1,030,242</u></u>

Another element of the reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$1,159,634 difference are as follows:

Compensated absences	\$ (388,373)
Net pension obligation	(353,489)
OPEB contribution	(422,110)
Accrued interest	6,025
Amortization of issuance costs	(58,186)
Amortization of bond premium	<u>56,499</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	  <u><u>\$ (1,159,634)</u></u>

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 3. Individual Fund Disclosures

A. Interfund Receivables and Payables

At September 30, 2009, interfund balances were as follows:

Due to general fund from:	
Municipal utility system fund	\$ 301,792
Total due to general fund	<u>\$ 301,792</u>
Due to series 2007 C.O. fund from:	
General fund	\$ 136
Total due to general debt service fund	<u>\$ 136</u>
Due to non-major governmental funds from:	
General fund	\$ 3,280
Court technology fund	230
Court security fund	167
Municipal utility system fund	7,344
Total due to non-major governmental funds	<u>\$ 3,677</u>
Due to municipal utility system fund from:	
General fund	\$ 5,990
Series 2007 C.O. fund	75
Solid waste fund	22,645
Non-major governmental funds	14
Municipal utility system fund	7,344
Total due to municipal utility system fund	<u>\$ 36,068</u>
Due to solid waste fund from:	
Municipal utility system fund	\$ 372
Total due to solid waste fund	<u>\$ 372</u>
Total interfund receivables	<u><u>\$ 342,045</u></u>

Interfund balances resulted from the timing difference between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 3. Individual Fund Disclosures – continued

B. Interfund Transfers

Interfund transfers during the year were as follows:

<u>Transfers Out</u>	
<u>Fund</u>	<u>Amount</u>
Municipal Utility System	\$ 3,224,956
Solid Waste	482,628
General	603,868
Series 2007 C.O. Fund	1,195,411
Non-major governmental	1,343,606
	<u>\$ 6,850,469</u>

<u>Transfers In</u>	
<u>Fund</u>	<u>Amount</u>
General	\$ 3,707,584
Non-major governmental	2,142,885
Municipal utility system	1,000,000
	<u>\$ 6,850,469</u>

Transfers are generally used 1) to transfer funds from the proprietary funds to the General Fund for administrative services provided by the General 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 interest earnings from the Series 2007 C.O. Fund to the Debt Service Fund for future debt service requirements related to the issuance of the 2007 Certificate of Obligations, and 6) to move receipts restricted to debt service from the General Fund to the Debt Service Fund.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 4. Capital Assets

Capital asset activity for the year ended September 30, 2009 was as follows:

	<u>Balance 9-30-08</u>	<u>Transfers and/or Additions</u>	<u>Transfers and/or Retirements</u>	<u>Balance 9-30-09</u>
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$2,495,720	\$ 1,531,762	\$ 0	\$ 4,027,482
Construction in progress	<u>9,163,459</u>	<u>23,117,951</u>	<u>(9,225,735)</u>	<u>23,055,675</u>
Total capital assets not being depreciated	<u>11,659,179</u>	<u>24,649,713</u>	<u>(9,225,735)</u>	<u>27,083,157</u>
Other capital assets				
Building and improvements	10,202,646	1,078,816	0	11,281,462
Infrastructure	2,186,559	701,934	0	12,888,493
Other improvements	3,042,220	9,604,456	0	12,646,676
Machinery and equipment	<u>7,005,429</u>	<u>264,027</u>	<u>0</u>	<u>7,269,456</u>
Total other capital assets	<u>32,436,854</u>	<u>11,649,233</u>	<u>0</u>	<u>44,086,087</u>
Less accumulated depreciation for:				
Building and improvements	(3,592,275)	(280,359)	0	(3,872,634)
Infrastructure	(6,008,089)	(522,111)	0	(6,530,200)
Other improvements	(788,688)	(170,397)	0	(959,085)
Machinery and equipment	<u>(4,024,653)</u>	<u>(630,927)</u>	<u>0</u>	<u>(4,655,580)</u>
Total accumulated depreciation	<u>(14,413,705)</u>	<u>(1,603,794)</u>	<u>0</u>	<u>(16,017,499)</u>
Other capital assets, net	<u>18,023,149</u>	<u>10,045,439</u>	<u>0</u>	<u>28,068,588</u>
Governmental activities capital assets, net	<u>\$29,682,328</u>	<u>\$34,695,152</u>	<u>\$(9,225,735)</u>	<u>\$55,151,745</u>

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 4. Capital Assets – continued

	<u>Balance 9-30-08</u>	<u>Transfers and/or Additions</u>	<u>Transfers and/or Retirements</u>	<u>Balance 9-30-09</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$1,678,549	\$ 751,591	\$ 0	\$2,430,140
Construction in progress	<u>2,194,993</u>	<u>5,588,621</u>	<u>(1,178,037)</u>	<u>6,605,577</u>
Total capital assets not being depreciated	<u>3,873,542</u>	<u>6,340,212</u>	<u>(1,178,037)</u>	<u>9,035,717</u>
Other capital assets				
Building and improvements	18,908,207	17,980	0	18,926,187
Other improvements	117,190,464	5,963,741	0	123,154,205
Machinery and equipment	<u>5,808,622</u>	<u>663,916</u>	<u>(251,247)</u>	<u>6,221,291</u>
Total other capital assets	<u>141,907,293</u>	<u>6,645,637</u>	<u>(251,247)</u>	<u>148,301,683</u>
Less accumulated depreciation for:				
Building and improvements	(6,971,699)	(435,874)	0	(7,407,573)
Other improvements	(34,556,547)	(3,049,627)	0	(37,606,174)
Machinery and equipment	<u>(4,164,154)</u>	<u>(386,236)</u>	<u>251,247</u>	<u>(4,299,143)</u>
Total accumulated depreciation	<u>(45,692,400)</u>	<u>(3,871,737)</u>	<u>251,247</u>	<u>(49,312,890)</u>
Other capital assets, net	<u>96,214,893</u>	<u>2,773,900</u>	<u>0</u>	<u>98,988,793</u>
Business-type activities capital assets, net	<u>\$100,088,435</u>	<u>\$9,114,112</u>	<u>\$(1,178,037)</u>	<u>\$108,024,510</u>

The City capitalized interest expense of \$209,136 on various construction projects in progress during the year. For the year ended September 30, 2009, the Municipal Utility System's total amount of interest expense was \$2,021,604.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 4. Capital Assets – continued

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

<b>Governmental activities:</b>	
General government	\$ 169,128
Public safety	455,650
Public works	692,176
Planning and development	7,970
Community development	40,945
Cultural and recreational	237,925
Total governmental activities	<u>\$1,603,794</u>
<b>Business-type activities</b>	
Electric	\$1,532,824
Water	1,602,405
Wastewater	650,336
Sanitation	86,172
Total business-type activities	<u>\$3,871,737</u>

Note 5. Bonds and Certificates of Obligation Payable

The following is a summary of transactions affecting bonds and certificates of obligation payable for the year ended September 30, 2009:

	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>General Obligation</u>	<u>Certificates of Obligation</u>	<u>Total</u>	<u>Revenue</u>	<u>Tax Note</u>	<u>Total</u>
Balance, beginning of year	\$ 11,060,000	\$ 58,605,000	\$ 69,665,000	\$ 48,684,838	\$ 0	\$ 48,684,838
Debt issued	0	0	0	0	690,000	690,000
Original issue discount/premium	0	0	0	(123,304)	0	(123,304)
Unamortized charge amortization	0	0	0	108,252	0	108,252
Debt retired	(410,000)	(475,000)	(885,000)	(2,400,000)	(90,000)	(2,490,000)
Balance, end of year	<u>\$ 10,650,000</u>	<u>\$ 58,130,000</u>	<u>\$ 68,780,000</u>	<u>\$ 46,269,786</u>	<u>\$ 600,000</u>	<u>\$ 46,869,786</u>
Amount due within one year	\$ 435,000	\$ 630,000	\$ 1,065,000	\$ 2,515,000	\$ 90,000	\$ 2,605,000

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 5. Bonds and Certificates of Obligation Payable – continued

Bonds and certificates of obligation payable at September 30, 2009, consist of the following individual issues:

**Governmental activities**

\$800,000 2000 General Obligation Bonds, for constructing and equipping Fire Station 3, due in annual installments through March 1, 2015, 5.20% - 6.50%.	\$ 390,000
\$1,000,000 2001 Certificates of Obligation, for street construction and improvements, due in annual installments through March 1, 2016, 4.50% - 5.30%.	580,000
\$1,800,000 2002 Certificates of Obligation, to acquire and improve property for a convention center, due in annual installments through March 1, 2022, 4.80% - 5.50%.	1,380,000
\$3,500,000 2003 Certificates of Obligation, for street improvement projects, due in annual installments through March 1, 2023, 2.50% - 4.625%.	2,960,000
\$4,000,000 2006 Certificates of Obligation, for constructing and improving park and recreational facilities and street improvements, due in annual installments through March 1, 2026, 4.00% - 5.00%.	3,820,000
\$46,490,000 2007 Certificates of Obligation, for street construction and improvements, due in annual installments through March 1, 2022, 4.00% - 5.00%.	46,490,000
\$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%.	10,260,000

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 5. Bonds and Certificates of Obligation Payable – continued

\$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%.

2,900,000

Total governmental activities

\$ 68,780,000

**Business-type activities**

\$10,085,000 1996 Combined Utility System Refunding Bonds, to refund a portion of the 1991 Utility System Revenue Bonds, due in annual installments through September 1, 2011, 3.30% - 5.00% net of bond discount of \$3,002 and unamortized charge of \$67,246.

\$ 969,752

\$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% net of bond premium of \$753,515 and unamortized charge of \$272,029.

18,781,486

\$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% net of bond premium of \$698,374.

20,343,374

\$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% net of unamortized charge of \$109,826.

6,175,174

\$690,000 2009 Tax Notes, for improvements to the City's electric system due in annual installments through March 1, 2015, 3.63%.

600,000

Total business-type activities

\$ 46,869,786

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 5. Bonds and Certificates of Obligation Payable – continued

The annual requirements to amortize the long-term debt as of September 30, 2009 are as follows:

Governmental activities

Fiscal Year	<u>General Obligation</u>		<u>Certificates of Obligation</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2010	\$ 435,000	\$ 464,311	\$ 630,000	\$ 2,602,086	\$ 4,131,397
2011	455,000	441,881	700,000	2,573,260	4,170,141
2012	480,000	418,287	770,000	2,541,401	4,209,688
2013	500,000	393,526	4,805,000	2,406,978	8,105,504
2014	530,000	367,471	5,000,000	2,188,428	8,085,899
2015-2019	2,700,000	1,476,125	28,280,000	7,282,002	39,738,127
2020-2024	3,240,000	867,332	16,335,000	1,403,615	21,845,947
2025-2028	2,310,000	154,656	1,610,000	128,941	4,203,597
	<u>\$10,650,000</u>	<u>\$ 4,583,589</u>	<u>\$ 58,130,000</u>	<u>\$ 21,126,711</u>	<u>\$ 94,490,300</u>

Business-type activities

Fiscal Year	<u>Revenue</u>		<u>Tax Note</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2010	\$ 2,515,000	\$ 2,111,215	\$ 90,000	\$ 20,146	\$ 4,736,361
2011	2,615,000	2,015,352	95,000	16,789	4,742,141
2012	2,715,000	1,912,988	100,000	13,250	4,741,238
2013	2,840,000	1,787,416	100,000	9,620	4,737,036
2014	2,985,000	1,655,952	105,000	5,899	4,751,851
2015-2019	15,580,000	6,139,962	110,000	1,997	21,831,959
2020-2024	11,570,000	2,816,312	0	0	14,386,312
2025-2026	4,450,000	344,912	0	0	4,794,912
	<u>\$45,270,000</u>	<u>\$18,784,109</u>	<u>\$ 600,000</u>	<u>\$ 67,701</u>	<u>\$ 64,721,810</u>

The unspent bond proceeds related to governmental activities are reported as restricted assets.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 5. Bonds and Certificates of Obligation Payable – continued

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 of September 30, 2009.

	<u>Required</u>	<u>Actual</u>
Reserve Fund		
Total, September 30, 2009	<u>\$3,987,280</u>	<u>\$4,021,731</u>
Bond Fund		
Total, September 30, 2009	<u>\$ 439,833</u>	<u>\$ 774,395</u>

In addition to the above, there are certain other restricted asset accounts pertaining to customer meter deposits.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 6. Capital Leases Payable, Notes Payable, and Compensated Absences**

The following is a summary of transactions affecting capital leases for the year ended September 30, 2009:

**Governmental activities:**

<u>Description and Terms</u>	<u>Balance 9-30-08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9-30-09</u>	<u>Due Within One Year</u>
Bank of America Payable in annual installments of \$95,746 including interest at 3.62%, secured by vehicles in various departments.	\$ 92,401	\$ 0	\$ 92,401	\$ 0	\$ 0
Bank of America Payable in annual installments of \$54,936 including interest at 3.96%, secured by a Tymco street sweeper and a 2007 Chevrolet C4500 brush truck.	<u>52,841</u>	<u>0</u>	<u>52,841</u>	<u>0</u>	<u>0</u>
	<u>\$145,242</u>	<u>\$ 0</u>	<u>\$145,242</u>	<u>\$ 0</u>	<u>\$ 0</u>

The following is a summary of the net changes in the liability for compensated absences for the year ended September 30, 2009:

	<u>Balance 9-30-08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9-30-09</u>	<u>Due Within One Year</u>
Governmental activities	\$2,416,391	\$1,676,105	\$1,287,732	\$2,804,764	\$ 419,540
Business-type activities	<u>965,120</u>	<u>520,395</u>	<u>369,744</u>	<u>1,115,771</u>	<u>156,632</u>
	<u>\$3,381,511</u>	<u>\$2,196,500</u>	<u>\$1,657,476</u>	<u>\$3,920,535</u>	<u>\$ 576,172</u>

Compensated absences for governmental activities have typically been liquidated by the general fund.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 6. Capital Leases Payable, Notes Payable, and Compensated Absences – continued

**Business-type activities:**

<u>Description and Terms</u>	<u>Balance 9-30-08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9-30-09</u>	<u>Due Within One Year</u>
Texas Department of Transportation May 2003, the City received a State Infrastructure Bank Loan in the amount of \$193,525. Payable in ten annual installments of \$24,098 including interest at 4.2%. For assistance in funding the relocation of the water line located in Santa Fe Drive.	\$106,680	\$ 0	\$ 19,617	\$ 87,063	\$ 20,441
Texas Department of Transportation March 2009, the City received a State Infrastructure Bank Loan in the amount of \$320,000. Payable in ten annual installments of \$39,061 including interest at 3.8%. To fund utility relocations in connection with replacement of two bridges over railroad tracks on US 180.	0	320,000	0	320,000	26,902
Texas Department of Transportation March 2009, the City received a State Infrastructure Bank Loan in the amount of \$70,000. Payable in five annual installments of \$15,504 including interest at 3.5%. For sewer line relocation along FM 51.	<u>0</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>	<u>13,054</u>
	<u>\$106,680</u>	<u>\$390,000</u>	<u>\$ 19,617</u>	<u>\$477,063</u>	<u>\$ 60,397</u>

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 7. Employee's Retirement System

A. Plan Description

The City provides pension benefits for all of its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system.

TMRS issues a publically 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 by writing to TMRS, P.O. Box 149153, Austin, TX 78714-9153 or by calling 800-924-8677; in addition, the report is available on TMRS' website at [www.TMRS.com](http://www.TMRS.com).

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. City-financed monetary credits are composed of three sources: prior service credits, current service credits, and updated service credits. At the date the plan began, the City granted monetary credits for service rendered before the plan began (or prior service credits) of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest (3% annual), prior to the establishment of the plan. Monetary credits for service since the plan began (or current service credits) are 100% of the employee's accumulated contributions. In addition, the City can grant, either annually or on an annually repeating basis, another type of monetary credit referred to as an Updated Service Credit. This monetary credit is determined by hypothetically recomputing the member's account balance by assuming that the current member deposit rate of the City (7%) has always been in effect. The computation also assumes that the member's salary has always been the member's average salary – using a salary calculation based on the 36-month period ending a year before the effective date of calculation. This hypothetical account balance is increased by 3% each year, not the actual interest credited to member accounts in previous years, and increased by the City match currently in effect (200%). The resulting sum is then compared to the member's actual account balance increased by the actual City match and actual interest credited. If the hypothetical calculation exceeds the actual calculation, the member is granted a monetary credit (or Updated Service Credit) equal to the difference between the hypothetical calculation and the actual calculation. At retirement, the benefit is calculated as if the sum of the employee's contributions with interest and the City-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service regardless of age. A member is vested after 5 years. The plan provisions are adopted by the City Council, within the options available in the State statutes governing TMRS.

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 7. Employee's Retirement System – continued

A. Plan Description - continued

A summary of plan provisions for the City were as follows:

PLAN PROVISIONS	2006	2007	2008	2009
Total number of participating entities	821	827	833	N/A
<u>City Specific:</u>				
Employee deposit rate	7.0%	7.0%	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1	2 to 1	2 to 1
Years required for vesting	5	5	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20	60/5, 0/20	60/5, 0/20
Updated service credit	100%	100%	100%	100%
annually repeating (Yes/No)	Yes	Yes	Yes	Yes
Annuity increase to retirees	70%	70%	70%	70%

B. Funding Policy

Under the State law that governs TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. 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 finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for the City. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Credits and Annuity Increases.

C. Contributions

Both the employees and the City make contributions monthly. Eligible City employees are required to contribute 7 percent of their annual gross earnings. The City contributes to the TMRS Plan at an actuarially determined rate. 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. For example, the January 1, 2009 contribution rate is based on the December 31, 2007 valuation results. The 2009 full rate was 18.29%; however, the City paid the authorized phase in rate of 14.54%. The actuary determines contribution rates on a calendar year basis. The City discloses the annual pension

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 7. Employee's Retirement System – continued

C. Contributions - continued

costs (which equal the required contributions) based on the calculated rate for the City's fiscal year per GAAP.

Due to the City's contribution rate being the authorized phase in rate rather than the full rate, the City has a net pension obligation. The annual pension cost and net pension obligation/ (asset) are as follows:

Annual Required Contribution (ARC)	\$ 2,931,096
Interest on Net Pension Obligation	0
Adjustment to the ARC	<u>0</u>
Annual Pension Cost (APC)	2,931,096
Contribution Made	<u>(2,441,974)</u>
Increase (decrease) in Net Pension Obligation	489,122
Net Pension Obligation/(Asset), beginning of Yr	<u>0</u>
Net Pension Obligation/(Asset), end of year	<u><u>\$ 489,122</u></u>

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation (Asset)
09/30/2007	\$ 2,097,604	\$ 2,097,604	100%	\$ 0
09/30/2008	2,334,704	2,334,704	100%	0
09/30/2009	2,931,096	2,441,974	83%	489,122

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 7. Employee's Retirement System – continued

C. Contributions - continued

The required contribution rates for fiscal year 2009 were determined as part of the December 31, 2006 and 2007 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2008 also follows:

Valuation Date	12/31/2006	12/31/2007	12/31/2008
Actuarial Cost Method	Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining Amortization Period	25 years; open period	30 years; closed period	29 years; closed period
Asset Valuation Method	Amortized Cost	Amortized Cost	Amortized Cost
Actuarial Assumptions:			
Investment Rate of Return *	7.00%	7.00%	7.50%
Projected Salary Increases *	Varies by age and service	Varies by age and service	Varies by age and service
* Includes Inflation at	3.00%	3.00%	3.00%
Cost-of-Living Adjustments	N/A	2.10%	2.10%

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 7. Employee's Retirement System – continued

D. Funding Status and Funding Progress

As of December 31, 2008; the most recent actuarial valuation date, the plan was 61.5% funded where the Actuarial Value of Assets was \$32,648,294, the Actuarial Accrued Liability (AAL) was \$53,115,834, so the Unfunded Actuarial Accrued Liability (UAAL) was \$20,467,540. The covered payroll (annual payroll of active employees covered by the plan) was \$16,389,033, and the ratio of the UAAL to the covered payroll was 124.9%.

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 the plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Note 8. Other Post Employment Benefits (OPEB)

The City has implemented Governmental Accounting Standards Board (GASB) Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions."

A. Retiree Health Plan

1. Plan Description

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

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

- Employed by the City of Weatherford in a full-time status for a period of at least twenty years continuously prior to retirement;
- Meet eligibility requirements under TMRS; and
- Attain minimum age 55 at retirement date

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 8. Other Post Employment Benefits (OPEB) – continued

A. Retiree Health Plan - continued

1. Plan Description – continued

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

2. 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 thirty 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, 2009, is as follows:

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 8. Other Post Employment Benefits (OPEB) – continued

A. Retiree Health Plan - continued

2. Funding Policy - continued

Annual required contribution	\$920,094
Interest on OPEB obligation	0
Adjustment to ARC	<u>0</u>
Annual OPEB cost (expense) end of year	920,094
Net estimated employer contributions	<u>(302,796)</u>
Increase in net OPEB obligation	(617,298)
Net OPEB obligation – as of beginning of the year	<u>0</u>
Net OPEB obligation (asset)– as of end of year	<u><u>\$(617,298)</u></u>

3. Funding Status and Funding Progress

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of December 31, 2008 is as follows:

Actuarial Valuation Date as of <u>December 31</u>	Actuarial Value of <u>Assets (a)</u>	Actuarial Accrued <u>Liability (AAL) (b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>
2008	\$ 0	\$10,339,130	\$10,339,130	0%

Under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$10,339,130 at December 31, 2008.

As of September 30, 2009, the City has internally funded, through designated fund balance/retained earnings, amounts sufficient to cover the Net OPEB Obligation cost to date.

4. 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

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 8. Other Post Employment Benefits (OPEB) – continued

A. Retiree Health Plan - continued

4. Actuarial Methods and Assumptions - continued

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:

*Actuarial Methods and Assumptions*

Investment rate of return	4.5%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of payroll
Growth Rate	3.0% per annum

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

B. Supplemental Death Benefits Plan for Retirees

1. Plan Description

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

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

Note 8. Other Post Employment Benefits (OPEB) – continued

B. Supplemental Death Benefits Plan for Retirees - continued

1. Plan Description – continued

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.

<b>Weatherford Offers SDBF for:</b>	<b>Plan Year 2008</b>	<b>Plan Year 2009</b>
Active Employees	Yes	Yes
Retirees	Yes	Yes

2. Funding Policy

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.

3. Contributions

Contributions are made on a monthly basis on the covered payroll of employee members of the City.

**City of Weatherford Schedule of Contribution Rates:  
(RETIREE – Only portion of the rate)**

<u>Plan/Calendar Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Actual Contribution</u>	<u>Percentage of ARC Contributed</u>
2006	0.04%	0.04%	100.0%
2007	0.05%	0.05%	100.0%
2008	0.05%	0.05%	100.0%

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 9. 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	\$ 2,500
Law Enforcement Liability	\$ 2,000,000	\$ 4,000,000	\$ 2,500
Errors & Omissions Liability	\$ 1,000,000	\$ 2,000,000	\$25,000
Auto Liability	\$ 2,000,000	N/A	\$ 2,500
Auto Physical Damage	ACV*	N/A	\$ 1,000
Real & Personal Property**	\$53,691,332	\$53,691,332	\$ 2,500
Mobile Equipment*	\$ 1,501,167	\$ 1,501,167	\$ 2,500
Boiler & Machinery	\$ 100,000	N/A	\$10,000
Sewage Backup	\$ 50,000	N/A	\$ 1,000

\*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 three fiscal years. On October 1, 2010, the City's insurance deductibles increased significantly from prior years.

**Note 10. Contingencies**

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

**CITY OF WEATHERFORD  
NOTES TO BASIC FINANCIAL STATEMENTS**

**Note 11. Other Long-Term Commitments**

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 November 2007, the City signed a five-year agreement with AEP Energy Partners, Inc. (AEP) beginning January 1, 2008. Under terms of the contract, the City agreed to purchase the full requirements for its retail customer base. The contract assumes normal retail growth and, subject to the agreement of both parties, can be amended to include requirements in excess of normal growth. During the Winter/Spring of 2008 energy congestion charges exceeded expectations of this contract so the City and AEP negotiated a new contract. This contract, which removed the energy congestion charges from a 40% coal generation in the west zone, is now based on natural gas rates and generation. This was signed May 16, 2008, with an effective date of May 16, 2008.

In an effort to stabilize rates, the City has begun to lock in gas rates for extended periods of time. On September 30, 2009, no rates had been locked in further out than the upcoming fiscal year.

During the year ended September 30, 2009, the total KWH's purchased, total cost, and cost per KWH were as follows:

<u>Power Supplier</u>	<u>KWH Purchased</u>	<u>Total Cost</u>	<u>Cost per KWH</u>
American Electric Power	<u>357,185,312</u>	<u>\$ 32,574,914</u>	<u>0.0912</u>

**Note 12. Construction and Other Significant Commitments**

On March 20, 2008, the Municipal Utility Board of Trustees approved a contract with Landmark Structures in the amount of \$1,595,000 for the West Park elevated storage tank. This project is being funded with utility revenue bond funds and is scheduled for completion in April 2010. As of September 30, 2009, work completed and billed totaled \$1,592,000.

On December 16, 2008, the City Council approved a contract with Imperial Construction LTD in the amount of \$1,181,000 for the new public works service center. This project is being funded with general capital project funds and is scheduled for completion in November 2009. As of September 30, 2009, work completed and billed totaled \$1,064,575.

**CITY OF WEATHERFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Note 12. Construction and Other Significant Commitments – continued

On February 26, 2009, the Municipal Utility Board of Trustees approved a contract with Circle "C" Construction Co. in the amount of \$923,270 for a 24" sanitary sewer line from Interstate 20 to the wastewater treatment plant. This project is being funded with utility revenue bond funds and is scheduled for completion in January 2010. As of September 30, 2009, work completed and billed totaled \$654,952.

On December 18, 2008, the Municipal Utility Board of Trustees approved a contract with Gilco Contracting in the amount of \$358,285 for an 18" sanitary sewer line from Interstate 20 to Highway 171 (BB Fielder Rd.). This project is being funded with utility revenue bond funds and is scheduled for completion in January 2010. As of September 30, 2009, work completed and billed totaled \$165,609.

On June 25, 2009, the Municipal Utility Board of Trustees approved a contract with Utilitex Construction, LLP in the amount of \$864,330 for the 20" water line construction of segment A-1. This project is being funded with utility revenue bond funds and is scheduled for completion in March 2010. As of September 30, 2009, work completed and billed totaled \$344,830.

On April 30, 2009, the Municipal Utility Board of Trustees approved a contract with Wright Construction Co., Inc. in the amount of \$1,292,408 for a 36" water line extension at the water purification plant. This project is being funded with utility revenue bond funds and is scheduled for completion in April 2010. As of September 30, 2009, work completed and billed totaled \$579,131.

On February 24, 2009, the City Council approved a contract with Ed Bell Construction in the amount of \$12,343,954, for the Interstate 20 frontage road between Highway 171/FM51 to FM 2552. This project is being funded with certificate of obligation bonds and is scheduled for completion in August 2011. As of September 30, 2009, work completed and billed totaled \$8,233,340.

On October 14, 2008, the City Council approved a contract with L.H. Lacy Company in the amount of \$6,962,394 for construction to re-route S. Denton St./FM 2552. This project is being funded with certificate of obligation bonds and is scheduled for completion in February 2010. As of September 30, 2009, work completed and billed totaled \$4,640,456.

On February 24, 2009, the City Council approved a contract with Prater Equipment in the amount of \$3,620,735 to reconstruct and widen Highway 171/FM 51 from Interstate 20. This project is being funded with certificate of obligation bonds and is scheduled for completion in June 2010. As of September 30, 2009, work completed and billed totaled \$1,345,926.

**CITY OF WEATHERFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

Note 12. Construction and Other Significant Commitments – continued

On November 18, 2008, the City Council approved a contract with Orval Hall Excavating, LTD in the amount of \$1,798,799 for the Franklin Street Bridge. This project was funded with general obligation bonds and was completed in August 2009. However, as of September 30, 2009, there were a few items to be finalized; therefore, the final bill was not received until November 2009. As of September 30, 2009, work completed and billed totaled \$1,788,467.

On January 13, 2009, the City Council approved a contract with Gilco Contracting in the amount of \$1,382,406 for the BB Fielder Road East construction. This project is being funded with certificate of obligation bonds and is scheduled for completion in February 2010. As of September 30, 2009, work completed and billed totaled \$615,108.

No other major construction or significant commitments of a general nature were outstanding as of September 30, 2009.

Note 13. Restricted Net Assets

The government-wide statement of net assets reports \$14,010,508 of restricted net assets, of which \$822,384 is restricted by enabling legislation.

Note 14. Accounting Changes

Two statements for the Governmental Accounting Standards Board (GASB) were effective for the City in the fiscal year ending September 30, 2009.

The GASB has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension," which provides guidance on all aspects of OPEB reporting by employers. As discussed in detail in Note 8, the City has implemented this Statement as of September 30, 2009.

The GASB has issued Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations," which provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. The City has no obligation events requiring pollution remediation at September 30, 2009, and thus, it is not affected by this statement.

**CITY OF WEATHERFORD  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PENSION FUNDING PROGRESS - TMRS PLAN**

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)
12/31/03	\$ 23,010,999	\$ 32,016,722	\$ 9,005,723	71.9%	\$ 11,706,313	76.9%
12/31/04	\$ 25,834,733	\$ 34,573,179	\$ 8,738,446	74.7%	\$ 12,620,432	69.2%
12/31/05	\$ 26,887,441	\$ 36,431,860	\$ 9,544,419	73.8%	\$ 13,188,951	72.4%
12/31/06	\$ 29,932,522	\$ 40,427,681	\$ 10,495,159	74.0%	\$ 14,041,584	74.7%
12/31/07 *	\$ 32,463,128	\$ 52,144,117	\$ 19,680,989	62.3%	\$ 15,408,514	127.7%
12/31/08	\$ 32,648,294	\$ 53,115,834	\$ 20,467,540	61.5%	\$ 16,389,033	124.9%

The Schedule of Funding Progress summarizes the actuarial value of the plan's assets and actuarial accrued liability as of December 31, 2008 and each of the five preceding calendar years. The data presented in the schedule were obtained annually from TMRS and were based upon the annual actuarial valuation for the years represented. The City is financially responsible for its own portion of the plan. Therefore, the numbers shown above reflect only the condition of the City's plan.

The schedule is presented to provide a consistent basis for measuring the plan's annual progress toward funding its actuarial accrued liability in accordance with its actuarial funding method. The primary measure of funding progress is the plan's funded ratio (i.e. actuarial value of assets expressed as a percentage of the actuarial accrued liability). An increase in the funded ratio indicates improvement in the plan's ability to pay all projected benefits as they come due. The plan is fully funded if the funded ratio is greater than or equal to 100%. During the year ended December 31, 2008, the plan's funded ratio dropped to 61.5%.

The Schedule of Funding Progress also discloses the relationship between the plan's covered payroll (i.e. all elements included in compensation paid to active members on which contributions are based) and the unfunded actuarial accrued liability ("UAAL"). This relationship, expressed as a ratio, is a measure of the significance of the UAAL relative to the capacity to pay all contributions required to fund the liability. During the year ended December 31, 2008, the plan's ratio of the UAAL to its covered payroll decreased to 124.9%.

For a complete description of the Employees Retirement System, see Note 7 in the accompanying notes to the financial statements.

**\*Change in the Actuarial Cost Method from Traditional Unit Credit to Projected Unit Credit**

Since its inception, TMRS has used the Unit Credit actuarial funding method. This method accounts for liability accrued as of the valuation date, but does not project the potential future liability of provisions adopted by a city. Two-thirds of the cities participating in TMRS have adopted the Updated Service Credit and Annuity increases provisions on an annually

**CITY OF WEATHERFORD  
REQUIRED SUPPLEMENTARY INFORMATION**

**\*Change in the Actuarial Cost Method from Traditional Unit Credit to Projected Unit Credit - continued**

repeating basis. For the December 31, 2007 valuation, the TMRS Board determined that the Projected Unit Credit (PUC) funding method should be used, which facilitates advance funding for future updated service credits and annuity increases that are adopted on an annually repeating basis. In addition, the Board also adopted a change in the amortization period from a 25-year "open" to a 25-year "closed" period. TMRS Board of Trustee rules provide that, whenever a change in actuarial assumptions or methods results in a contribution rate increase in an amount greater than 0.5%, the amortization period will be increased to 30 years, unless a city requests that the period remain at 25 years. Weatherford has chosen the 30 year amortization. For cities with repeating features, which Weatherford has, these changes would likely result initially in higher required contributions and lower funded ratios; however, the funded ratio should show steady improvement over time. To assist in this transition to higher rates, the Board also approved an eight-year phase-in period, which will allow cities the opportunity to increase their contributions gradually (approximately 12.5% each year) to their full rate (or their required contribution rate).

**CITY OF WEATHERFORD  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF OPEB FUNDING PROGRESS - RETIREE HEALTH PLAN**

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)
12/31/08	\$ 0	\$ 10,339,130	\$ 10,339,130	0.0%	\$ 6,311,246	163.80%

\* As of December 31, 2008, the date of the actuarial valuation.

\*\* Annual covered payroll is the payroll related to those grandfathered employees who will be able to retire and continue health coverage at a subsidized premium.

For a complete description of the OPEB – Retiree Health Plan, see Note 8 in the accompanying notes to the financial statements.

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## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

State/Federal Forfeiture Fund - This fund is used to account for funds received from 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 tour and rental fees and transfer of funds from hotel/motel occupancy tax collections.

TCDP Grant Funds - These funds were established for the receipt and reimbursement of lease payments from SFX Design, Inc. and 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.

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 restricted to expenditures at the public library.

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

### 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 general government resources.

Street Improvements Bond Fund - This fund was established to account for transactions relating to the \$2,500,000 in general obligation bonds issued in 1990 and 1992 for street improvement projects.

Park Development Fund - This fund was established to account for funds set aside by the City Council from general revenues for future acquisition of park and open space areas.

Series 2003 C.O. Fund - This fund was established to account for proceeds from the issuance of \$3,500,000 of certificates of obligation. The certificates were issued to fund planned thoroughfare improvements.

Series 2006 C.O. Fund - This fund was established to account for proceeds from the issuance of \$4,000,000 of certificates of obligation for Holland Lake Park improvements and Hwy 51/171 improvements from Causbie Road to the City Limits.

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

Series 2008 C.O. Bond Fund - This fund was established to account for proceeds from the issuance of \$3,000,000 of certificates of obligation issued to complete the 2006 capital projects goals for parks and street improvement projects.

### DEBT SERVICE

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.

### 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  
 NON-MAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2009

	Special Revenue									
	State Forfeiture	Federal Forfeiture	Weatherford Beautification	Hotel/Motel Tax	Chandor Gardens	SFX Grant	Weatherford Aerospace Grant	Court Technology	Court Security	Library
<b>ASSETS</b>										
Cash and cash equivalents	\$53,935	\$176,873	\$2,386	\$489,481	\$202,013	\$3,728	\$0	\$5,040	\$20,328	\$84,627
Accounts receivable	0	0	0	109,535	0	1,864	0	0	0	0
Due from other funds	0	0	0	0	0	0	0	230	167	0
<b>TOTAL ASSETS</b>	<b>\$53,935</b>	<b>\$176,873</b>	<b>\$2,386</b>	<b>\$599,016</b>	<b>\$202,013</b>	<b>\$5,592</b>	<b>\$0</b>	<b>\$5,270</b>	<b>\$20,495</b>	<b>\$84,627</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts payable	\$726	\$0	\$0	\$29,621	\$7,160	\$3,728	\$0	\$0	\$0	\$18,499
Retainage payable	0	0	0	0	0	0	0	0	0	0
Accrued liabilities	0	0	0	2,858	6,939	0	0	0	0	0
Deposits and escrows	0	0	0	0	16,300	0	0	0	0	0
Due to other funds	0	0	0	0	14	0	0	0	0	0
Due to other governments	0	0	0	0	16	0	0	0	0	0
Unearned revenue	0	0	0	0	0	1,864	0	0	0	0
<b>Total liabilities</b>	<b>726</b>	<b>0</b>	<b>0</b>	<b>32,479</b>	<b>30,429</b>	<b>5,592</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,499</b>
<b>FUND BALANCES</b>										
Reserved for capital projects	0	0	0	0	0	0	0	0	0	0
debt service	0	0	0	0	0	0	0	0	0	0
other purposes	0	0	0	0	0	0	0	0	0	0
Unreserved and designated for OPEB liability	0	0	0	2,403	4,806	0	0	0	0	0
Unreserved and undesignated	53,209	176,873	2,386	564,134	166,778	0	0	5,270	20,495	66,128
<b>Total fund balances</b>	<b>53,209</b>	<b>176,873</b>	<b>2,386</b>	<b>566,537</b>	<b>171,584</b>	<b>0</b>	<b>0</b>	<b>5,270</b>	<b>20,495</b>	<b>66,128</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$53,935</b>	<b>\$176,873</b>	<b>\$2,386</b>	<b>\$599,016</b>	<b>\$202,013</b>	<b>\$5,592</b>	<b>\$0</b>	<b>\$5,270</b>	<b>\$20,495</b>	<b>\$84,627</b>

Animal Shelter	Capital Projects							Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
	General	Street Improvements	Park Development	Series 2003 C.O.	Series 2006 C.O.	Series 2007 G.O.	Series 2008 C.O.	Debt Service	Doss Library	
\$26,767	\$4,962,289	\$0	\$60,346	\$0	\$537,345	\$4,961,891	\$1,891,915	\$748,522	\$52,356	\$14,279,842
0	0	0	0	0	0	0	0	0	0	111,399
0	0	0	0	0	0	0	0	3,280	0	3,677
<u>\$26,767</u>	<u>\$4,962,289</u>	<u>\$0</u>	<u>\$60,346</u>	<u>\$0</u>	<u>\$537,345</u>	<u>\$4,961,891</u>	<u>\$1,891,915</u>	<u>\$751,802</u>	<u>\$52,356</u>	<u>\$14,394,918</u>
0	\$191,884	\$0	\$4,610	\$0	\$185,292	\$21,128	\$305,278	\$0	\$0	\$767,926
0	57,227	0	0	0	0	89,424	30,755	0	0	177,406
0	0	0	0	0	0	0	0	0	0	9,797
0	0	0	0	0	0	0	0	0	0	16,300
0	0	0	0	0	0	0	0	0	0	14
0	0	0	0	0	0	0	0	0	0	16
0	0	0	0	0	0	0	0	0	0	1,864
0	249,111	0	4,610	0	185,292	110,552	336,033	0	0	973,323
0	4,713,178	0	55,736	0	352,053	4,851,339	1,555,882	0	0	11,528,188
0	0	0	0	0	0	0	0	751,802	0	751,802
0	0	0	0	0	0	0	0	0	52,356	52,356
0	0	0	0	0	0	0	0	0	0	7,209
26,767	0	0	0	0	0	0	0	0	0	1,082,040
<u>26,767</u>	<u>4,713,178</u>	<u>0</u>	<u>55,736</u>	<u>0</u>	<u>352,053</u>	<u>4,851,339</u>	<u>1,555,882</u>	<u>751,802</u>	<u>52,356</u>	<u>13,421,595</u>
<u>\$26,767</u>	<u>\$4,962,289</u>	<u>\$0</u>	<u>\$60,346</u>	<u>\$0</u>	<u>\$537,345</u>	<u>\$4,961,891</u>	<u>\$1,891,915</u>	<u>\$751,802</u>	<u>\$52,356</u>	<u>\$14,394,918</u>

CITY OF WEATHERFORD, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue									
	State Forfeiture	Federal Forfeiture	Weatherford Beauti- fication	Hotel/Motel Tax	Chandor Gardens	SFX Grant	Weatherford Aerospace Grant	Court Technology	Court Security	Library
Revenues										
Hotel/motel tax	\$0	\$0	\$0	\$452,312	\$0	\$0	\$0	\$0	\$0	\$0
Property tax	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	149,821	22,368	13,875	0	0	0
Charges for services	0	0	0	0	0	0	0	0	0	8,752
Investment earnings	168	936	16	4,023	952	0	0	108	60	435
Contributions	0	0	0	0	430	0	0	0	0	26,050
Park development fees	0	0	0	0	0	0	0	0	0	0
Miscellaneous	61,291	110,816	0	0	7,649	0	0	19,935	13,937	0
Total revenues	61,459	111,752	16	456,335	158,852	22,368	13,875	20,043	13,997	35,237
Expenditures										
General government	0	0	0	0	0	22,368	13,875	30,624	0	0
Cultural and recreational	0	0	0	315,405	226,806	0	0	0	0	34,015
Public safety	22,343	72,517	0	0	0	0	0	0	0	0
Capital outlay										
General government	0	0	0	0	0	0	0	0	0	0
Public safety	0	0	0	0	0	0	0	0	0	0
Public works	0	0	0	0	0	0	0	0	0	0
Cultural and recreational	0	0	0	0	0	0	0	0	0	0
Debt service										
Principal retirement	0	0	0	0	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0	0	0	0	0
Total expenditures	22,343	72,517	0	315,405	226,806	22,368	13,875	30,624	0	34,015
Excess (deficiency) of revenues over (under) expenditures	39,116	39,235	16	140,930	(67,954)	0	0	(10,581)	13,997	1,222
Other financing sources (uses)										
Transfers in	0	0	0	0	103,586	0	0	0	0	7,294
Transfers out	0	0	0	(250,616)	0	0	0	0	0	0
Total other financing sources (uses)	0	0	0	(250,616)	103,586	0	0	0	0	7,294
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	39,116	39,235	16	(109,686)	35,632	0	0	(10,581)	13,997	8,516
Fund balances, beginning of year	14,093	137,638	2,370	676,223	135,952	0	0	15,851	6,498	57,612
Fund balances, end of year	\$53,209	\$176,873	\$2,386	\$566,537	\$171,584	\$0	\$0	\$5,270	\$20,495	\$66,128

Animal Shelter	Capital Projects							Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
	General	Street Improvements	Park Development	Series 2003 C.O.	Series 2006 C.O.	Series 2007 G.O.	Series 2008 C.O.	Debt Service	Doss Library	
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$452,312
0	0	0	0	0	0	0	0	2,240,739	0	2,240,739
0	0	0	0	0	0	0	0	0	0	186,064
0	0	0	0	0	0	0	0	0	0	8,752
584	54,085	0	720	4,435	10,064	53,626	21,339	3,721	457	155,729
41,160	0	0	2,682	0	0	0	0	0	0	70,322
0	0	0	78,225	0	0	0	0	0	0	78,225
0	153,034	0	0	0	0	0	12,760	0	0	379,422
<u>41,744</u>	<u>207,119</u>	<u>0</u>	<u>81,627</u>	<u>4,435</u>	<u>10,064</u>	<u>53,626</u>	<u>34,099</u>	<u>2,244,460</u>	<u>457</u>	<u>3,571,565</u>
0	14,512	0	0	0	0	0	0	0	0	81,379
0	0	0	0	0	0	0	0	0	0	576,226
0	0	0	0	0	0	0	0	0	0	94,860
0	1,791,991	0	0	0	0	0	0	0	0	1,791,991
98,561	0	0	0	0	0	0	0	0	0	98,561
0	0	0	0	971,053	2,007	2,955,793	1,351,257	0	0	5,280,110
0	0	0	127,221	0	1,896,846	0	0	0	0	2,024,067
0	0	0	0	0	0	0	0	1,030,242	0	1,030,242
0	0	0	0	0	0	0	0	3,116,578	0	3,116,578
<u>98,561</u>	<u>1,806,503</u>	<u>0</u>	<u>127,221</u>	<u>971,053</u>	<u>1,898,853</u>	<u>2,955,793</u>	<u>1,351,257</u>	<u>4,146,820</u>	<u>0</u>	<u>14,094,014</u>
<u>(56,817)</u>	<u>(1,599,384)</u>	<u>0</u>	<u>(45,594)</u>	<u>(966,618)</u>	<u>(1,888,789)</u>	<u>(2,902,167)</u>	<u>(1,317,158)</u>	<u>(1,902,360)</u>	<u>457</u>	<u>(10,522,449)</u>
0	0	0	0	0	85,696	0	0	1,946,309	0	2,142,885
0	(1,000,000)	0	0	0	0	0	(85,696)	0	(7,294)	(1,343,606)
0	(1,000,000)	0	0	0	85,696	0	(85,696)	1,946,309	(7,294)	799,279
(56,817)	(2,599,384)	0	(45,594)	(966,618)	(1,803,093)	(2,902,167)	(1,402,854)	43,949	(6,837)	(9,723,170)
<u>83,584</u>	<u>7,312,562</u>	<u>0</u>	<u>101,330</u>	<u>966,618</u>	<u>2,155,146</u>	<u>7,753,506</u>	<u>2,958,736</u>	<u>707,853</u>	<u>59,193</u>	<u>23,144,765</u>
<u>\$26,767</u>	<u>\$4,713,178</u>	<u>\$0</u>	<u>\$55,736</u>	<u>\$0</u>	<u>\$352,053</u>	<u>\$4,851,339</u>	<u>\$1,555,882</u>	<u>\$751,802</u>	<u>\$52,356</u>	<u>\$13,421,595</u>

CITY OF WEATHERFORD, TEXAS  
STATE FORFEITURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$700	\$71	\$168	\$97	\$1,329
Miscellaneous	10,000	8,389	61,291	52,902	8,674
Total revenues	10,700	8,460	61,459	52,999	10,003
Expenditures					
Public safety	24,000	18,500	22,343	(3,843)	22,406
Total expenditures	24,000	18,500	22,343	(3,843)	22,406
Excess (deficiency) of revenues over (under) expenditures	(13,300)	(10,040)	39,116	49,156	(12,403)
Fund balance, beginning of the year	14,093	14,093	14,093	0	26,496
Fund balance, end of the year	\$793	\$4,053	\$53,209	\$49,156	\$14,093

CITY OF WEATHERFORD, TEXAS  
 FEDERAL FORFEITURE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES-BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$4,200	\$400	\$936	\$536	\$6,582
Miscellaneous	50,000	110,816	110,816	0	78,231
Total revenues	54,200	111,216	111,752	536	84,813
Expenditures					
Public safety	100,000	100,000	72,517	27,483	33,464
Total expenditures	100,000	100,000	72,517	27,483	33,464
Excess (deficiency) of revenues over (under) expenditures	(45,800)	11,216	39,235	28,019	51,349
Other financing uses					
Transfers out	0	0	0	0	(23,008)
Total other financing uses	0	0	0	0	(23,008)
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(45,800)	11,216	39,235	28,019	28,341
Fund balance, beginning of the year	137,638	137,638	137,638	0	109,297
Fund balance, end of the year	\$91,838	\$148,854	\$176,873	\$28,019	\$137,638

CITY OF WEATHERFORD, TEXAS  
 WEATHERFORD BEAUTIFICATION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	<u>\$100</u>	<u>\$7</u>	<u>\$16</u>	<u>\$9</u>	<u>\$110</u>
Total revenues	<u>100</u>	<u>7</u>	<u>16</u>	<u>9</u>	<u>110</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	100	7	16	9	110
Fund balance, beginning of the year	<u>2,370</u>	<u>2,370</u>	<u>2,370</u>	<u>0</u>	<u>2,260</u>
Fund balance, end of the year	<u>\$2,470</u>	<u>\$2,377</u>	<u>\$2,386</u>	<u>\$9</u>	<u>\$2,370</u>

CITY OF WEATHERFORD, TEXAS  
HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Taxes	\$731,303	\$490,000	\$452,312	(\$37,688)	\$707,136
Interest	13,175	2,243	4,023	1,780	17,186
Total revenues	<u>744,478</u>	<u>492,243</u>	<u>456,335</u>	<u>(35,908)</u>	<u>724,322</u>
Expenditures					
Cultural and recreational	30,838	90,047	132,005	(41,958)	0
Historic Downtown project	0	0	0	0	495,113
Tourism program	121,400	121,400	121,400	0	121,400
Parker County Fine Arts	32,000	32,000	32,000	0	32,000
Doss Historic & Cultural Center	75,000	30,000	30,000	0	30,000
Total expenditures	<u>259,238</u>	<u>273,447</u>	<u>315,405</u>	<u>(41,958)</u>	<u>678,513</u>
Excess of revenues over expenditures	485,240	218,796	140,930	(77,866)	45,809
Other financing uses					
Transfers out	<u>(250,616)</u>	<u>(250,616)</u>	<u>(250,616)</u>	0	<u>(216,155)</u>
Total other financing uses	<u>(250,616)</u>	<u>(250,616)</u>	<u>(250,616)</u>	0	<u>(216,155)</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	234,624	(31,820)	(109,686)	(77,866)	(170,346)
Fund balance, beginning of the year	<u>676,223</u>	<u>676,223</u>	<u>676,223</u>	0	<u>846,569</u>
Fund balance, end of the year	<u>\$910,847</u>	<u>\$644,403</u>	<u>\$566,537</u>	<u>(\$77,866)</u>	<u>\$676,223</u>

CITY OF WEATHERFORD, TEXAS  
 CHANDOR GARDENS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Facility rental fees	\$150,000	\$150,000	\$149,821	(\$179)	\$156,995
Tour fees	7,000	7,000	6,830	(170)	7,417
Sale of goods	250	760	818	58	321
Contributions	0	430	430	0	1,500
Interest	4,728	459	952	493	5,837
Miscellaneous	0	0	1	1	0
Total revenues	<u>161,978</u>	<u>158,649</u>	<u>158,852</u>	<u>203</u>	<u>172,070</u>
Expenditures					
Cultural and recreational	<u>263,762</u>	<u>251,661</u>	<u>226,806</u>	<u>24,855</u>	<u>216,075</u>
Total expenditures	<u>263,762</u>	<u>251,661</u>	<u>226,806</u>	<u>24,855</u>	<u>216,075</u>
Deficiency of revenues under expenditures	(101,784)	(93,012)	(67,954)	25,058	(44,005)
Other financing sources					
Transfers in	<u>103,586</u>	<u>103,586</u>	<u>103,586</u>	<u>0</u>	<u>65,000</u>
Total other financing sources	<u>103,586</u>	<u>103,586</u>	<u>103,586</u>	<u>0</u>	<u>65,000</u>
Excess of revenues and other financing sources over expenditures	1,802	10,574	35,632	25,058	20,995
Fund balance, beginning of the year	<u>135,952</u>	<u>135,952</u>	<u>135,952</u>	<u>0</u>	<u>114,957</u>
Fund balance, end of the year	<u>\$137,754</u>	<u>\$146,526</u>	<u>\$171,584</u>	<u>\$25,058</u>	<u>\$135,952</u>

CITY OF WEATHERFORD, TEXAS  
 SFX DESIGN GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009		Variance with Final Budget- Positive (Negative)	2008
	Original and Final Budgeted Amounts	Actual		Actual
Revenues				
Rent income	\$22,368	\$22,368	\$0	\$22,368
Total revenues	22,368	22,368	0	22,368
Expenditures				
General government	22,368	22,368	0	22,368
Total expenditures	22,368	22,368	0	22,368
Excess of revenues over expenditures	0	0	0	0
Fund balance, beginning of the year	0	0	0	0
Fund balance, end of the year	\$0	\$0	\$0	\$0

CITY OF WEATHERFORD, TEXAS  
 WEATHERFORD AEROSPACE GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009		Variance with Final Budget- Positive (Negative)	2008
	Original and Final Budgeted Amounts	Actual		Actual
Revenues				
Rent income	\$13,875	\$13,875	\$0	\$13,875
Total revenues	13,875	13,875	0	13,875
Expenditures				
General government	13,875	13,875	0	13,875
Total expenditures	13,875	13,875	0	13,875
Excess of revenues over expenditures	0	0	0	0
Fund balance, beginning of the year	0	0	0	0
Fund balance, end of the year	\$0	\$0	\$0	\$0

CITY OF WEATHERFORD, TEXAS  
 COURT TECHNOLOGY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Municipal Court fees	\$25,000	\$19,679	\$19,935	\$256	\$24,909
Interest	1,000	55	108	53	1,109
Total revenues	<u>26,000</u>	<u>19,734</u>	<u>20,043</u>	<u>309</u>	<u>26,018</u>
Expenditures					
General government	<u>23,877</u>	<u>34,877</u>	<u>30,624</u>	<u>4,253</u>	<u>30,095</u>
Total expenditures	<u>23,877</u>	<u>34,877</u>	<u>30,624</u>	<u>4,253</u>	<u>30,095</u>
Excess (deficiency) of revenues over (under) expenditures	2,123	(15,143)	(10,581)	4,562	(4,077)
Fund balance, beginning of the year	<u>15,851</u>	<u>15,851</u>	<u>15,851</u>	<u>0</u>	<u>19,928</u>
Fund balance, end of the year	<u>\$17,974</u>	<u>\$708</u>	<u>\$5,270</u>	<u>\$4,562</u>	<u>\$15,851</u>

CITY OF WEATHERFORD, TEXAS  
 COURT SECURITY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Municipal Court fees	\$18,750	\$13,425	\$13,937	\$512	\$6,459
Interest	200	25	60	35	39
Total revenues	<u>18,950</u>	<u>13,450</u>	<u>13,997</u>	<u>547</u>	<u>6,498</u>
Expenditures					
General government	<u>26,989</u>	<u>3,672</u>	<u>0</u>	<u>3,672</u>	<u>0</u>
Total expenditures	<u>26,989</u>	<u>3,672</u>	<u>0</u>	<u>3,672</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	(8,039)	9,778	13,997	4,219	6,498
Fund balance, beginning of the year	<u>6,498</u>	<u>6,498</u>	<u>6,498</u>	<u>0</u>	<u>0</u>
Fund balance, end of the year	<u>(\$1,541)</u>	<u>\$16,276</u>	<u>\$20,495</u>	<u>\$4,219</u>	<u>\$6,498</u>

CITY OF WEATHERFORD, TEXAS  
LIBRARY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Charges for services	\$7,500	\$9,634	\$8,752	(\$882)	\$11,005
Interest	1,500	442	435	(7)	1,884
Contributions	1,300	29,574	26,050	(3,524)	20,517
Other	7,294	0	0	0	0
Total revenues	<u>17,594</u>	<u>39,650</u>	<u>35,237</u>	<u>(4,413)</u>	<u>33,406</u>
Expenditures					
Cultural and recreational	<u>14,889</u>	<u>37,280</u>	<u>34,015</u>	<u>3,265</u>	<u>40,187</u>
Total expenditures	<u>14,889</u>	<u>37,280</u>	<u>34,015</u>	<u>3,265</u>	<u>40,187</u>
Excess (deficiency) of revenues over (under) expenditures	2,705	2,370	1,222	(1,148)	(6,781)
Other financing sources					
Transfers in	<u>0</u>	<u>7,294</u>	<u>7,294</u>	<u>0</u>	<u>0</u>
Total other financing sources	<u>0</u>	<u>7,294</u>	<u>7,294</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	2,705	9,664	8,516	(1,148)	(6,781)
Fund balances, beginning of the year	<u>57,612</u>	<u>57,612</u>	<u>57,612</u>	<u>0</u>	<u>64,393</u>
Fund balances, end of the year	<u>\$60,317</u>	<u>\$67,276</u>	<u>\$66,128</u>	<u>(\$1,148)</u>	<u>\$57,612</u>

CITY OF WEATHERFORD, TEXAS  
ANIMAL SHELTER FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Contributions	\$0	\$37,798	\$41,160	\$3,362	\$162,206
Interest	2,000	294	584	290	12,154
Total revenues	2,000	38,092	41,744	3,652	174,360
Expenditures					
Capital outlay					
Public safety	184,467	102,377	98,561	3,816	257,951
Total expenditures	184,467	102,377	98,561	3,816	257,951
Deficiency of revenues under expenditures	(182,467)	(64,285)	(56,817)	7,468	(83,591)
Fund balance, beginning of the year	83,584	83,584	83,584	0	167,175
Fund balance, end of the year	<u>(\$98,883)</u>	<u>\$19,299</u>	<u>\$26,767</u>	<u>\$7,468</u>	<u>\$83,584</u>

CITY OF WEATHERFORD, TEXAS  
GENERAL CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$110,000	\$56,318	\$54,085	(\$2,233)	\$245,001
Intergovernmental	0	2,871,223	0	(2,871,223)	4,019
Royalties	0	0	40,339	40,339	0
Natural gas lease	0	18,470	32,695	14,225	68,130
Miscellaneous	0	0	80,000	80,000	0
Total revenues	110,000	2,946,011	207,119	(2,738,892)	317,150
Expenditures					
General government	0	9,104	14,512	(5,408)	0
Capital outlay					
General government	4,622,367	6,405,768	1,791,991	4,613,777	1,221,076
Total expenditures	4,622,367	6,414,872	1,806,503	4,608,369	1,221,076
Deficiency of revenues under expenditures	(4,512,367)	(3,468,861)	(1,599,384)	1,869,477	(903,926)
Other financing sources (uses)					
Transfers in	0	0	0	0	561,692
Transfers out	0	(1,000,000)	(1,000,000)	0	0
Total other financing sources (uses)	0	(1,000,000)	(1,000,000)	0	561,692
Deficiency of revenues and other financing sources under expenditures and other financing uses	(4,512,367)	(4,468,861)	(2,599,384)	1,869,477	(342,234)
Fund balance, beginning of the year	7,312,562	7,312,562	7,312,562	0	7,654,796
Fund balance, end of the year	\$2,800,195	\$2,843,701	\$4,713,178	\$1,869,477	\$7,312,562

CITY OF WEATHERFORD, TEXAS  
STREET IMPROVEMENTS BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$0	\$0	\$0	\$0	\$2,842
Total revenues	0	0	0	0	2,842
Expenditures					
Capital outlay					
Public works	0	0	0	0	117,070
Total expenditures	0	0	0	0	117,070
Deficiency of revenues under expenditures	0	0	0	0	(114,228)
Fund balance, beginning of the year	0	0	0	0	114,228
Fund balance, end of the year	\$0	\$0	\$0	\$0	\$0

CITY OF WEATHERFORD, TEXAS  
 PARK DEVELOPMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Park development fees	\$158,550	\$76,125	\$78,225	\$2,100	\$160,863
Interest	3,000	340	720	380	6,417
Contributions	0	0	2,682	2,682	0
Total revenues	<u>161,550</u>	<u>76,465</u>	<u>81,627</u>	<u>5,162</u>	<u>167,280</u>
Expenditures					
Capital outlay					
Cultural and recreational	<u>115,000</u>	<u>125,000</u>	<u>127,221</u>	<u>(2,221)</u>	<u>167,630</u>
Total expenditures	<u>115,000</u>	<u>125,000</u>	<u>127,221</u>	<u>(2,221)</u>	<u>167,630</u>
Excess (deficiency) of revenues revenues over (under) expenditures	46,550	(48,535)	(45,594)	2,941	(350)
Fund balance, beginning of the year	<u>101,330</u>	<u>101,330</u>	<u>101,330</u>	<u>0</u>	<u>101,680</u>
Fund balance, end of the year	<u>\$147,880</u>	<u>\$52,795</u>	<u>\$55,736</u>	<u>\$2,941</u>	<u>\$101,330</u>

CITY OF WEATHERFORD, TEXAS  
 SERIES 2003 C.O. FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$12,000	\$5,145	\$4,435	(\$710)	\$33,870
Total revenues	12,000	5,145	4,435	(710)	33,870
Expenditures					
Capital outlay					
Public works	994,538	971,764	971,053	711	20,708
Total expenditures	994,538	971,764	971,053	711	20,708
Excess (deficiency) of revenues over (under) expenditures	(982,538)	(966,619)	(966,618)	1	13,162
Fund balance, beginning of the year	966,618	966,618	966,618	0	953,456
Fund balance, end of the year	<u>(\$15,920)</u>	<u>(\$1)</u>	<u>\$0</u>	<u>\$1</u>	<u>\$966,618</u>

CITY OF WEATHERFORD, TEXAS  
 SERIES 2006 C.O. FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$40,000	\$9,900	\$10,064	\$164	\$109,697
Miscellaneous	0	0	0	0	1,100
Total revenues	40,000	9,900	10,064	164	110,797
Expenditures					
Capital outlay					
Cultural and recreational	2,889,982	1,947,289	1,896,846	50,443	1,453,126
Public works	11,653	0	2,007	(2,007)	128,286
Total expenditures	2,901,635	1,947,289	1,898,853	48,436	1,581,412
Deficiency of revenues under expenditures	(2,861,635)	(1,937,389)	(1,888,789)	48,600	(1,470,615)
Other financing sources					
Transfers in	0	85,696	85,696	0	0
Total other financing sources	0	85,696	85,696	0	0
Deficiency of revenues and other financing sources under expenditures	(2,861,635)	(1,851,693)	(1,803,093)	48,600	(1,470,615)
Fund balance, beginning of the year	2,155,146	2,155,146	2,155,146	0	3,625,761
Fund balance, end of the year	<u>(\$706,489)</u>	<u>\$303,453</u>	<u>\$352,053</u>	<u>\$48,600</u>	<u>\$2,155,146</u>

CITY OF WEATHERFORD, TEXAS  
 SERIES 2007 G.O. FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$49,000	\$63,868	\$53,626	(\$10,242)	\$305,997
Total revenues	49,000	63,868	53,626	(10,242)	305,997
Expenditures					
Capital outlay					
Public works	8,223,732	7,655,429	2,955,793	4,699,636	2,742,777
Fiscal charges	350	0	0	0	350
Total expenditures	8,224,082	7,655,429	2,955,793	4,699,636	2,743,127
Deficiency of revenues under expenditures	(8,175,082)	(7,591,561)	(2,902,167)	4,689,394	(2,437,130)
Fund balance, beginning of the year	7,753,506	7,753,506	7,753,506	0	10,190,636
Fund balance, end of the year	(\$421,576)	\$161,945	\$4,851,339	\$4,689,394	\$7,753,506

CITY OF WEATHERFORD, TEXAS  
 SERIES 2008 C.O. FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$45,000	\$22,957	\$21,339	(\$1,618)	\$3,736
Refund of debt issuance cost	0	12,760	12,760	0	0
Total revenues	45,000	35,717	34,099	(1,618)	3,736
Expenditures					
Debt issuance costs	0	0	0	0	45,000
Capital outlay					
Public works	2,945,000	2,869,304	1,351,257	1,518,047	0
Total expenditures	2,945,000	2,869,304	1,351,257	1,518,047	45,000
Deficiency of revenues under expenditures	(2,900,000)	(2,833,587)	(1,317,158)	1,516,429	(41,264)
Other financing sources (uses)					
Proceeds from sale of certificates of obligation	0	0	0	0	3,000,000
Transfers out	0	(85,696)	(85,696)	0	0
Total other financing sources (uses)	0	(85,696)	(85,696)	0	3,000,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,900,000)	(2,919,283)	(1,402,854)	1,516,429	2,958,736
Fund balance, beginning of the year	2,958,736	2,958,736	2,958,736	0	0
Fund balance, end of the year	\$58,736	\$39,453	\$1,555,882	\$1,516,429	\$2,958,736

CITY OF WEATHERFORD, TEXAS  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Taxes					
General property tax	\$2,583,694	\$2,249,000	\$2,240,739	(\$8,261)	\$2,096,707
Total taxes	2,583,694	2,249,000	2,240,739	(8,261)	2,096,707
Interest	28,486	3,763	3,721	(42)	37,335
Total revenues	2,612,180	2,252,763	2,244,460	(8,303)	2,134,042
Expenditures					
Principal retirement	1,025,242	1,030,242	1,030,242	0	923,458
Interest and fiscal charges	3,156,835	3,113,992	3,116,578	(2,586)	3,895,374
Total expenditures	4,182,077	4,144,234	4,146,820	(2,586)	4,818,832
Deficiency of revenues under expenditures	(1,569,897)	(1,891,471)	(1,902,360)	(10,889)	(2,684,790)
Other financing sources					
Transfers in	1,569,897	1,946,310	1,946,309	(1)	1,829,030
Total other financing sources	1,569,897	1,946,310	1,946,309	(1)	1,829,030
Excess (deficiency) of revenues and other financing sources over (under) expenditures	0	54,839	43,949	(10,890)	(855,760)
Fund balance, beginning of the year	707,853	707,853	707,853	0	1,563,613
Fund balance, end of the year	\$707,853	\$762,692	\$751,802	(\$10,890)	\$707,853

CITY OF WEATHERFORD, TEXAS  
DOSS LIBRARY PERMANENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	<u>\$2,000</u>	<u>\$478</u>	<u>\$457</u>	<u>(\$21)</u>	<u>\$1,899</u>
Total revenues	2,000	478	457	(21)	1,899
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	2,000	478	457	(21)	1,899
Other financing uses					
Transfers out	<u>(7,294)</u>	<u>(7,294)</u>	<u>(7,294)</u>	<u>0</u>	<u>0</u>
Total other financing uses	<u>(7,294)</u>	<u>(7,294)</u>	<u>(7,294)</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(5,294)	(6,816)	(6,837)	(21)	1,899
Fund balances, beginning of the year	<u>59,193</u>	<u>59,193</u>	<u>59,193</u>	<u>0</u>	<u>57,294</u>
Fund balances, end of the year	<u>\$53,899</u>	<u>\$52,377</u>	<u>\$52,356</u>	<u>(\$21)</u>	<u>\$59,193</u>

CITY OF WEATHERFORD, TEXAS  
 SERIES 2007 C.O. FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 WITH COMPARATIVE ACTUAL AMOUNTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Interest	\$1,600,000	\$1,187,173	\$1,252,615	\$65,442	\$1,552,866
Miscellaneous	0	0	0	0	2,975
Total revenues	1,600,000	1,187,173	1,252,615	65,442	1,555,841
Expenditures					
Personnel Services	0	39,358	47,356	(7,998)	0
Supplies	0	0	30,936	(30,936)	0
Contractual Services	0	0	2,256	(2,256)	0
Capital outlay					
General government	51,875,871	51,557,601	16,017,596	35,540,005	1,999,414
Total expenditures	51,875,871	51,596,959	16,098,144	35,498,815	1,999,414
Deficiency of revenues under expenditures	(50,275,871)	(50,409,786)	(14,845,529)	35,564,257	(443,573)
Other financing uses					
Transfers out	(1,195,411)	(1,195,411)	(1,195,411)	0	(1,303,569)
Total other financing uses	(1,195,411)	(1,195,411)	(1,195,411)	0	(1,303,569)
Deficiency of revenues under expenditures and other financing uses	(51,471,282)	(51,605,197)	(16,040,940)	35,564,257	(1,747,142)
Fund balance, beginning of the year	44,242,192	44,242,192	44,242,192	0	45,989,334
Fund balance, end of the year	<u>(\$7,229,090)</u>	<u>(\$7,363,005)</u>	<u>\$28,201,252</u>	<u>\$35,564,257</u>	<u>\$44,242,192</u>

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

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CITY OF WEATHERFORD, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 COMPARATIVE SCHEDULES BY SOURCE  
 SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS</b>		
Land	\$4,027,482	\$2,495,720
Buildings and improvements	11,281,461	10,202,646
Infrastructure	12,888,493	12,186,559
Other improvements	12,646,676	3,042,220
Machinery and equipment	7,269,456	7,005,429
Construction in progress	<u>23,055,676</u>	<u>9,163,459</u>
Total governmental funds capital assets	<u><u>\$71,169,244</u></u>	<u><u>\$44,096,033</u></u>
 <b>INVESTMENTS IN GOVERNMENTAL FUNDS    CAPITAL ASSETS BY SOURCE</b>		
General fund revenues	\$16,904,559	\$13,730,081
Special revenue fund revenues	81,804	81,804
Capital projects fund		
General obligation bonds	45,090,502	21,912,226
Contributions	6,434,955	5,733,021
Grants	<u>2,657,424</u>	<u>2,638,901</u>
Total governmental funds capital assets	<u><u>\$71,169,244</u></u>	<u><u>\$44,096,033</u></u>

CITY OF WEATHERFORD, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 SEPTEMBER 30, 2009

Function and Activity	Total	Land	Buildings and Improvements	Infrastructure and Other Improvements	Machinery and Equipment	Construction in Progress
General Government						
City Council	\$5,078,193	\$174,673	\$4,576,913	\$25,449	\$301,158	\$0
Finance	93,662	0	0	0	93,662	0
Municipal Court	21,536	0	0	0	21,536	0
Total	5,193,391	174,673	4,576,913	25,449	416,356	0
Public Works						
Administration	1,331,621	0	50,000	0	84,565	1,197,056
Street Maintenance	43,191,456	2,183,397	6,077	17,937,360	1,787,072	21,277,550
Vehicle/Equipment Maint.	118,218	0	50,833	23,007	44,378	0
Total	44,641,295	2,183,397	106,910	17,960,367	1,916,015	22,474,606
Planning & Development	92,313	0	0	0	92,313	0
Community Development	1,155,361	0	846,704	0	308,657	0
Police	2,790,048	16,619	1,295,697	0	1,477,732	0
Fire	5,484,921	467,884	2,621,240	2,721	2,393,076	0
Parks and Recreation						
First Monday	295,891	192,730	80,469	22,692	0	0
Public Market	24,792	0	0	24,792	0	0
Parks and Properties	10,335,651	984,329	852,974	7,475,673	441,605	581,070
Recreation	65,159	0	0	0	65,159	0
Facilities Maintenance	46,158	0	0	0	46,158	0
Total	10,767,651	1,177,059	933,443	7,523,157	552,922	581,070
Library	1,044,264	7,850	900,554	23,475	112,385	0
Total Governmental Funds Capital Assets	\$71,169,244	\$4,027,482	\$11,281,461	\$25,535,169	\$7,269,456	\$23,055,676

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, 2009

FUNCTION AND ACTIVITY	BALANCE 09/30/2008	ADDITIONS	DELETIONS	BALANCE 09/30/2009
General Government				
City Council	\$4,884,423	\$193,770	\$0	\$5,078,193
Finance	107,505	0	(13,843)	93,662
Municipal Court	21,536	0	0	21,536
Total	<u>5,013,464</u>	<u>193,770</u>	<u>(13,843)</u>	<u>\$5,193,391</u>
Public Works				
Administration	106,802	1,224,819	0	1,331,621
Street Maintenance	20,737,293	22,465,663	(11,500)	43,191,456
Vehicle/Equipment Maint.	118,218	0	0	118,218
Total	<u>20,962,313</u>	<u>23,690,482</u>	<u>(11,500)</u>	<u>44,641,295</u>
Planning & Development	<u>116,913</u>	<u>16,897</u>	<u>(41,497)</u>	<u>92,313</u>
Community Development	<u>201,026</u>	<u>975,338</u>	<u>(21,003)</u>	<u>1,155,361</u>
Police	<u>3,517,577</u>	<u>37,270</u>	<u>(764,799)</u>	<u>2,790,048</u>
Fire	<u>5,044,404</u>	<u>544,031</u>	<u>(103,514)</u>	<u>5,484,921</u>
Parks & Recreation				
First Monday	295,891	0	0	295,891
Public Market	24,792	0	0	24,792
Parks & Properties	7,776,580	2,791,661	(232,590)	10,335,651
Recreation	52,651	12,508	0	65,159
Facilities Maintenance	46,158	0	0	46,158
Total	<u>8,196,072</u>	<u>2,804,169</u>	<u>(232,590)</u>	<u>10,767,651</u>
Library	<u>1,044,264</u>	<u>0</u>	<u>0</u>	<u>1,044,264</u>
Total Governmental Funds Capital Assets	<u>\$44,096,033</u>	<u>\$28,261,957</u>	<u>(\$1,188,746)</u>	<u>\$71,169,244</u>

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**SUPPLEMENTARY INDIVIDUAL FUND  
FINANCIAL STATEMENTS  
AND  
SCHEDULES  
  
GENERAL FUND**

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CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
SEPTEMBER 30, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$7,783,652	\$7,333,040
Receivables (net of allowance for estimated uncollectibles of \$40,731 in 2009 and \$31,869 in 2008)		
Delinquent taxes	243,647	245,079
Accounts	1,778,209	2,001,005
Due from other funds	301,792	227,384
Due from other governments	32,109	24,288
Inventory	<u>30,975</u>	<u>60,372</u>
<b>TOTAL ASSETS</b>	<u><b>\$10,170,384</b></u>	<u><b>\$9,891,168</b></u>
 <b>LIABILITIES AND FUND BALANCE</b>  		
<b>LIABILITIES</b>		
Accounts payable	\$441,498	\$588,626
Accrued liabilities	274,738	104,817
Customer deposits	78,188	75,072
Obligated liabilities	29,643	179,029
Due to other funds	9,803	6,541
Deferred revenue	233,647	235,079
Unearned revenue	<u>4,000</u>	<u>4,000</u>
Total liabilities	<u>1,071,517</u>	<u>1,193,164</u>
<b>FUND BALANCE</b>		
Reserved for inventory	30,975	60,372
Unreserved and designated for OPEB liability	414,901	0
Unreserved and undesignated	<u>8,652,991</u>	<u>8,637,632</u>
	<u>9,098,867</u>	<u>8,698,004</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><b>\$10,170,384</b></u>	<u><b>\$9,891,168</b></u>

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CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget- Positive (Negative)	2008
	Budgeted Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Revenues					
Taxes	\$16,715,355	\$15,918,072	\$16,231,683	\$313,611	\$16,495,429
Licenses and permits	604,869	466,819	431,330	(35,489)	663,464
Intergovernmental	245,583	292,453	331,035	38,582	357,989
Charges for services	988,121	930,742	953,815	23,073	920,535
Fines and forfeitures	827,846	691,715	676,973	(14,742)	857,715
Investment earnings	315,000	61,500	55,471	(6,029)	231,009
Miscellaneous	261,000	49,468	288,983	239,515	225,725
Contributions	3,500	3,075	3,372	297	10,226
Total revenues	<u>19,961,274</u>	<u>18,413,844</u>	<u>18,972,662</u>	<u>558,818</u>	<u>19,762,092</u>
Expenditures					
General government	3,040,004	2,629,451	2,587,414	42,037	2,881,329
Public safety	11,373,225	11,222,880	10,972,391	250,489	10,832,578
Public works	3,776,832	2,717,341	2,175,270	542,071	2,510,164
Planning and development	1,205,004	836,061	818,460	17,601	1,099,526
Community development	1,520,280	1,591,103	1,519,717	71,386	766,573
Health and welfare	45,000	45,000	45,000	0	40,000
Cultural and recreational	3,575,430	3,461,019	3,557,263	(96,244)	3,426,115
Total expenditures	<u>24,535,775</u>	<u>22,502,855</u>	<u>21,675,515</u>	<u>827,340</u>	<u>21,556,285</u>
Deficiency of revenues under expenditures	<u>(4,574,501)</u>	<u>(4,089,011)</u>	<u>(2,702,853)</u>	<u>1,386,158</u>	<u>(1,794,193)</u>
Other financing sources (uses)					
Transfers in					
Utility admin services	765,510	813,051	813,051	0	766,944
Utility discretionary	2,300,102	2,389,800	2,411,905	22,105	2,423,486
Solid waste discretionary	350,000	350,000	350,000	0	350,000
Solid waste admin services	132,628	132,628	132,628	0	119,307
Transfers out					
General debt service	(227,456)	(603,869)	(603,868)	1	(351,298)
OPEB Contribution	(451,261)	(406,135)	0	406,135	0
General capital projects	0	0	0	0	(561,692)
Total other financing sources (uses)	<u>2,869,523</u>	<u>2,675,475</u>	<u>3,103,716</u>	<u>428,241</u>	<u>2,746,747</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(1,704,978)</u>	<u>(1,413,536)</u>	<u>400,863</u>	<u>1,814,399</u>	<u>952,554</u>
Fund balances, beginning of year	<u>8,698,004</u>	<u>8,698,004</u>	<u>8,698,004</u>	<u>0</u>	<u>7,745,450</u>
Fund balances, end of year	<u>\$6,993,026</u>	<u>\$7,284,468</u>	<u>\$9,098,867</u>	<u>\$1,814,399</u>	<u>\$8,698,004</u>

CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR YEAR ENDED SEPTEMBER 30, 2008

(1 OF 2)

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Taxes</b>					
General property taxes					
Current	\$5,294,425	\$4,999,132	\$4,978,136	(\$20,996)	\$4,662,503
Delinquent	81,432	73,923	75,667	1,744	84,822
Penalty and interest	62,858	74,198	78,792	4,594	96,570
Retail sales tax	8,982,243	8,568,926	8,641,879	72,953	9,166,195
Mixed beverage tax	38,877	45,625	53,505	7,880	45,662
Franchise tax	2,255,520	2,156,268	2,403,704	247,436	2,439,677
Total taxes	16,715,355	15,918,072	16,231,683	313,611	16,495,429
<b>Licenses and permits</b>					
Building	500,000	333,475	298,817	(34,658)	548,975
Alcoholic beverage	0	3,755	3,755	0	0
Health	56,654	40,535	48,489	7,954	50,255
Occupational	500	2,325	2,325	0	1,963
Animal pound	47,565	81,028	71,143	(9,885)	61,724
Fire	0	4,075	5,175	1,100	0
Solicitor	150	1,626	1,626	0	547
Total licenses and permits	604,869	466,819	431,330	(35,489)	663,464
<b>Intergovernmental</b>					
Federal grants	8,280	0	0	0	112,153
State grants	14,000	69,150	111,121	41,971	40,732
Grants from local units	223,303	223,303	219,914	(3,389)	205,104
Total intergovernmental	245,583	292,453	331,035	38,582	357,989
<b>Charges for services</b>					
Zoning and subdivision fees	40,000	47,898	40,834	(7,064)	50,574
Sale of maps and publications	323	66	151	85	300
Certification, photostats	4,597	5,949	7,132	1,183	4,820
Economic development services	204,952	183,332	176,532	(6,800)	171,734
Animal shelter	364,735	364,735	364,735	0	331,577
Swimming pool fees	73,000	83,000	85,947	2,947	84,259
Community center fees	21,000	26,921	32,058	5,137	25,144
Public market rental	100,414	100,414	100,414	0	84,981
First Monday rental	150,000	91,000	104,871	13,871	136,978
Athletic activity fees	20,000	19,530	33,465	13,935	20,977
Recreation program fees	7,000	4,870	4,523	(347)	6,013
Parking fees	1,000	2,045	2,045	0	2,028
Loading zone rentals	600	600	600	0	600
Interlibrary loan fees	500	382	508	126	550
Total charges for services	988,121	930,742	953,815	23,073	920,535

CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR YEAR ENDED SEPTEMBER 30, 2008

(2 OF 2)

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Fines and forfeits					
Municipal Court fines	800,000	662,824	646,392	(16,432)	828,844
Other fines	27,846	28,891	30,581	1,690	28,871
Total fines and forfeits	<u>827,846</u>	<u>691,715</u>	<u>676,973</u>	<u>(14,742)</u>	<u>857,715</u>
Investment earnings					
Interest	315,000	61,500	55,471	(6,029)	230,322
Net increase (decrease) in fair value of investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>687</u>
Total investment earnings	<u>315,000</u>	<u>61,500</u>	<u>55,471</u>	<u>(6,029)</u>	<u>231,009</u>
Miscellaneous					
Sale or trade of capital assets	210,000	0	102	102	98,823
Miscellaneous	<u>51,000</u>	<u>49,468</u>	<u>288,881</u>	<u>239,413</u>	<u>126,902</u>
Total miscellaneous	<u>261,000</u>	<u>49,468</u>	<u>288,983</u>	<u>239,515</u>	<u>225,725</u>
Contributions from private sources	<u>3,500</u>	<u>3,075</u>	<u>3,372</u>	<u>297</u>	<u>10,226</u>
Total revenues	<u>\$19,961,274</u>	<u>\$18,413,844</u>	<u>\$18,972,662</u>	<u>\$558,818</u>	<u>\$19,762,092</u>

CITY OF WEATHERFORD, TEXAS  
GENERAL FUND  
SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
General Government					
City Council	\$88,828	\$67,774	\$61,816	\$5,958	\$65,693
Administration	939,154	819,601	798,077	21,524	0
City Manager	0	0	0	0	671,130
City Secretary	0	0	0	0	177,870
Economic Development	414,379	430,612	425,616	4,996	420,313
Human Resources	219,032	223,619	211,542	12,077	197,108
Finance	631,674	642,949	663,005	(20,056)	594,601
City Attorney	176,000	136,755	130,931	5,824	124,499
Municipal Court	320,937	308,141	296,427	11,714	321,181
Non-departmental	250,000	0	0	0	308,934
Total general government	3,040,004	2,629,451	2,587,414	42,037	2,881,329
Public Safety					
Police					
Police Services	6,743,380	6,678,982	6,487,263	191,719	6,388,630
Animal Shelter	0	0	0	0	510,818
Total police	6,743,380	6,678,982	6,487,263	191,719	6,899,448
Fire	4,629,845	4,543,898	4,485,128	58,770	3,933,130
Total public safety	11,373,225	11,222,880	10,972,391	250,489	10,832,578
Public Works					
Administration	117,541	120,629	119,865	764	123,051
Street Maintenance	3,486,935	2,437,403	1,906,685	530,718	2,237,954
Vehicle/Equipment Maintenance	172,356	159,309	148,720	10,589	149,159
Total public works	3,776,832	2,717,341	2,175,270	542,071	2,510,164
Planning and Development	1,205,004	836,061	818,460	17,601	1,099,526
Community Development	1,520,280	1,591,103	1,519,717	71,386	766,573
Health and Welfare					
Parker County Committee on Aging	25,000	25,000	25,000	0	25,000
Rape Crisis program	20,000	20,000	20,000	0	15,000
Total health and welfare	45,000	45,000	45,000	0	40,000
Cultural and Recreational					
Market Activities					
First Monday	101,649	93,536	84,417	9,119	84,702
Public Market	4,900	3,266	1,226	2,040	141,009
Total market activities	106,549	96,802	85,643	11,159	225,711
Parks and Recreation					
Parks	1,137,019	1,107,579	1,207,549	(99,970)	1,130,118
Recreation	479,858	457,467	441,130	16,337	469,169
Facilities Maintenance	665,472	648,418	718,131	(69,713)	548,988
Total parks and recreation	2,282,349	2,213,464	2,366,810	(153,346)	2,148,275
Public Library	1,186,532	1,150,753	1,104,810	45,943	1,052,129
Total cultural and recreational	3,575,430	3,461,019	3,557,263	(96,244)	3,426,115
Total expenditures	\$24,535,775	\$22,502,855	\$21,675,515	\$827,340	\$21,556,285

**SUPPLEMENTARY INDIVIDUAL FUND  
FINANCIAL STATEMENTS  
AND  
SCHEDULES  
  
ENTERPRISE FUNDS**

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
COMPARATIVE STATEMENTS OF NET ASSETS  
SEPTEMBER 30, 2009 AND 2008

(1 of 2)

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Unrestricted assets		
Cash and cash equivalents	\$12,698,696	\$9,466,146
Receivables		
Accounts, net of allowances for uncollectible		
accounts of \$340,537 in 2009 and \$232,972 in 2008	3,286,460	3,732,908
Earned but unbilled customer accounts	2,109,588	3,225,225
Other	153,788	315,927
Due from other funds	28,724	5,400
Inventory	3,870,347	4,203,355
Restricted assets		
Cash and cash equivalents		
Revenue bond debt service account	774,825	837,488
Revenue bond reserve account	1,024,652	3,504,683
Amounts held for future construction account	8,468,436	12,743,135
Water impact fee account	1,808,689	1,715,135
Wastewater impact fee account	1,024,982	999,752
Due from other funds	7,344	0
Due from government agencies	65,837	65,837
Investments		
Revenue bond reserve account	2,995,383	506,406
Amounts held for future construction account	0	1,036,581
Accrued interest	1,696	27,784
	<u>38,319,447</u>	<u>42,385,762</u>
Total current assets		
Noncurrent assets		
Deferred debt issuance cost	542,678	590,546
Capital assets		
Property, plant and equipment, at cost,		
less accumulated depreciation of \$48,894,191		
in 2009 and \$45,174,533 in 2008	<u>107,596,106</u>	<u>99,838,965</u>
Total noncurrent assets	108,138,784	100,429,511
Total assets	<u>146,458,231</u>	<u>142,815,273</u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
COMPARATIVE STATEMENTS OF NET ASSETS  
SEPTEMBER 30, 2009 AND 2008

(2 of 2)

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Vouchers payable	3,173,948	0
Accounts payable	304,490	3,602,329
Taxes payable	334,834	337,774
Accrued wages payable	88,989	32,637
Revenue bonds payable	2,395,417	2,200,000
Notes payable	60,397	19,617
Accrued interest payable	9,638	1,854
Due to other funds	309,508	227,384
Unearned revenue	697,189	689,567
Customer deposits	1,014,335	1,005,180
Liability for compensated absences	142,394	135,941
Payable from restricted assets		
Accounts payable and accrued liabilities	548,474	456,703
Retainage payable	303,461	48,039
Accrued interest payable	177,750	186,195
Revenue bonds payable	209,583	200,000
Miscellaneous payable	98	0
Total current liabilities	<u>9,770,505</u>	<u>9,143,220</u>
Noncurrent liabilities		
Notes payable	416,666	87,063
Revenue bonds payable	44,264,786	46,284,838
Liability for compensated absences	881,868	762,823
Net pension obligation	124,041	0
OPEB Liability	166,931	0
Total noncurrent liabilities	<u>45,854,292</u>	<u>47,134,724</u>
Total liabilities	<u>55,624,797</u>	<u>56,277,944</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	68,220,950	64,204,358
Restricted for		
Debt service	4,794,860	4,848,577
Construction	2,833,671	2,714,887
Unrestricted	<u>14,983,953</u>	<u>14,769,507</u>
Total net assets	<u>\$90,833,434</u>	<u>\$86,537,329</u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Operating revenues		
Electric sales	\$43,696,733	\$49,023,839
Electric services	375,046	318,875
Water sales	6,167,440	6,391,809
Water pumping services	935,899	0
Water services	10,826	18,862
Wastewater services	3,914,995	3,935,498
Total operating revenues	<u>55,100,939</u>	<u>59,688,883</u>
Operating expenses		
Personal services	6,026,523	5,890,186
Contractual services	4,143,353	3,560,211
Purchased power	32,575,974	36,294,939
Materials and supplies	1,479,574	1,594,446
Depreciation & amortization	3,852,770	3,712,932
Bad debt expense	17,246	7,672
Taxes	1,883,390	1,903,775
Total operating expenses	<u>49,978,830</u>	<u>52,964,161</u>
Operating income	<u>5,122,109</u>	<u>6,724,722</u>
Nonoperating revenues (expenses)		
Net decrease in fair value of investments	(8,207)	(7,599)
Interest revenue	225,687	1,094,636
Impact fee revenue	352,451	561,958
Intergovernmental	0	240,600
Rents	773,896	684,927
Lease/Purchase Agreement	37,180	0
Miscellaneous	219,145	192,197
Interest and fiscal charges	(2,021,604)	(2,315,899)
Total nonoperating revenues (expenses)	<u>(421,452)</u>	<u>450,820</u>
Income before contributions and transfers	4,700,657	7,175,542
Capital contributions	1,820,404	689,482
Transfers in	1,000,000	0
Transfers out		
General administrative services	(813,051)	(766,944)
General discretionary	(2,411,905)	(2,423,486)
Change in net assets	4,296,105	4,674,594
Net assets, beginning of year	<u>86,537,329</u>	<u>81,862,735</u>
Net assets, end of year	<u>\$90,833,434</u>	<u>\$86,537,329</u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULES OF CAPITAL ASSETS  
SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Land	\$2,430,140	\$1,678,549
Buildings and improvements	18,926,187	18,908,207
Other improvements	123,143,628	117,179,887
Machinery and equipment	5,384,765	5,051,862
Construction in progress	<u>6,605,577</u>	<u>2,194,993</u>
	156,490,297	145,013,498
Less accumulated depreciation	<u>(48,894,191)</u>	<u>(45,174,533)</u>
	<u><u>\$107,596,106</u></u>	<u><u>\$99,838,965</u></u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF CHANGES IN CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY  
YEAR ENDED SEPTEMBER 30, 2009

Function and Activity	Balance 09/30/2008	Additions	Deletions	Balance 09/30/2009
Administration	\$5,108,336	\$28,253	(\$14,387)	\$5,122,202
Water production	24,945,963	116,441	0	\$25,062,404
Water distribution	42,532,939	5,531,887	(88,433)	\$47,976,393
Wastewater	30,992,266	2,053,415	0	\$33,045,681
Electric production	1,192,893	0	0	\$1,192,893
Electric distribution	<u>40,241,101</u>	<u>3,930,418</u>	<u>(80,795)</u>	<u>\$44,090,724</u>
Total capital assets	<u>\$145,013,498</u>	<u>\$11,660,414</u>	<u>(\$183,615)</u>	<u>\$156,490,297</u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
SEPTEMBER 30, 2009

Function and Activity	Total	Land	Buildings and Improvements	Other Improvements	Machinery and Equipment	Construction in Progress
Administration	5,122,202	\$326,764	\$2,767,323	\$1,052,970	\$975,145	\$0
Water production	25,062,404	1,055,502	12,534,984	11,111,132	360,786	0
Water distribution	47,976,393	854,643	55,619	41,215,524	720,749	5,129,858
Wastewater	33,045,681	151,518	3,231,643	27,249,516	937,285	1,475,719
Electric production	1,192,893	11,333	336,618	13,203	831,739	0
Electric distribution	44,090,724	30,380	0	42,501,283	1,559,061	0
<b>Total capital assets</b>	<b><u>\$156,490,297</u></b>	<b><u>\$2,430,140</u></b>	<b><u>\$18,926,187</u></b>	<b><u>\$123,143,628</u></b>	<b><u>\$5,384,765</u></b>	<b><u>\$6,605,577</u></b>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Water sales and service	\$6,471,378	\$6,471,378	\$7,114,165	\$642,787	\$6,410,671
Electric sales and service	54,549,468	54,549,468	44,071,779	(10,477,689)	49,342,714
Wastewater sales and service	4,082,557	4,082,557	3,914,995	(167,562)	3,935,498
Interest-unrestricted	350,000	350,000	63,112	(286,888)	313,534
Net decrease in fair value of investments - unrestricted	0	0	0	0	(9,687)
Other	1,228,207	1,228,207	1,281,981	53,774	1,132,423
Total revenues	66,681,610	66,681,610	56,446,032	(10,235,578)	61,125,153
Expenditures					
Finance					
Metering/Billing/Collections	1,045,608	1,045,608	1,056,859	(11,251)	995,054
Water					
Administration	3,480,141	3,480,141	3,743,199	(263,058)	3,667,979
Treatment	1,448,856	2,514,323	2,292,615	221,708	1,495,253
Distribution Maintenance	1,121,290	1,323,489	1,258,467	65,022	1,166,740
Distribution Construction	400,349	403,849	409,241	(5,392)	370,463
Wastewater					
Administration	1,800,997	1,773,517	1,378,725	394,792	1,320,347
Collection Maintenance	883,329	1,071,130	812,400	258,730	871,463
Collection Construction	391,849	388,349	178,351	209,998	360,160
Treatment	869,029	911,029	851,702	59,327	829,063
Electric					
Administration	3,319,993	3,247,971	3,075,290	172,681	3,203,990
Technical services	638,640	638,640	581,874	56,766	839,881
Distribution	5,169,156	5,463,522	5,504,702	(41,180)	5,280,131
Generation	20,711	20,711	6,826	13,885	11,699
Warehouse	275,315	293,295	278,124	15,171	257,468
Purchased power	42,734,561	34,522,841	32,575,974	1,946,867	36,294,939
Property maintenance	223,355	223,355	220,531	2,824	212,395
Total expenditures	63,823,179	57,321,770	54,224,880	3,096,890	57,177,025
Excess of revenues over expenditures	2,858,431	9,359,840	2,221,152	(7,138,688)	3,948,128
Transfers in	0	1,000,000	1,000,000	0	0
Transfers out					
General administrative services	(813,051)	(813,051)	(813,051)	0	(766,944)
General discretionary	(2,529,487)	(2,400,817)	(2,411,905)	(11,088)	(2,423,486)
Adjustment of actual expenditures/revenues to arrive at net income					
Capital outlay	2,854,463	3,613,712	3,567,569	(46,143)	3,291,071
Depreciation & amortization	0	0	(3,852,770)	(3,852,770)	(3,712,932)
Restricted interest	0	0	162,575	162,575	781,102
Net increase (decrease) in fair value of investments - restricted	0	0	(8,207)	(8,207)	2,088
Non-budgeted impact fee revenue	0	0	352,451	352,451	561,958
Non-budgeted intergovernmental	0	0	0	0	240,600
Non-cash contributions in aid of construction	0	0	1,568,644	1,568,644	434,182
Debt principal	2,318,827	2,318,827	2,509,647	190,820	2,318,827
Net income	\$4,689,183	\$13,078,511	\$4,296,105	(\$8,782,406)	\$4,674,594

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF WATER DEPARTMENT REVENUES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget <sup>†</sup> Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Operating revenues					
Sales					
Water sales	\$6,450,265	\$6,450,265	\$6,167,440	(\$282,825)	\$6,391,809
TRWD pumping pass-through	0	0	935,899	935,899	0
Total sales	<u>6,450,265</u>	<u>6,450,265</u>	<u>7,103,339</u>	<u>653,074</u>	<u>6,391,809</u>
Services					
Water taps	6,113	6,113	1,466	(4,647)	5,272
Water connection fee	15,000	15,000	9,360	(5,640)	13,590
Total services	<u>21,113</u>	<u>21,113</u>	<u>10,826</u>	<u>(10,287)</u>	<u>18,862</u>
Total operating revenues	<u>6,471,378</u>	<u>6,471,378</u>	<u>7,114,165</u>	<u>642,787</u>	<u>6,410,671</u>
Nonoperating revenues					
Rents					
Lake lot leases	590,807	590,807	691,834	101,027	564,407
Total rents	<u>590,807</u>	<u>590,807</u>	<u>691,834</u>	<u>101,027</u>	<u>564,407</u>
Miscellaneous					
Lake lot transfers	7,000	7,000	3,200	(3,800)	9,300
Lease/Purchase agreement	0	0	37,180	37,180	0
Impact fee revenue	0	0	231,997	231,997	328,704
Intergovernmental	0	0	0	0	240,600
Other income	32,457	32,457	27,022	(5,435)	70,830
Total miscellaneous	<u>39,457</u>	<u>39,457</u>	<u>299,399</u>	<u>259,942</u>	<u>649,434</u>
Transfers in					
General capital projects	0	500,000	500,000	0	0
Total transfers in	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>	<u>0</u>
Capital contributions					
Contributions in aid of construction	16,000	16,000	738,922	722,922	217,091
Total capital contributions	<u>16,000</u>	<u>16,000</u>	<u>738,922</u>	<u>722,922</u>	<u>217,091</u>
Total nonoperating revenues	<u>646,264</u>	<u>1,146,264</u>	<u>2,230,155</u>	<u>1,083,891</u>	<u>1,430,932</u>
Total water department revenues	<u>\$7,117,642</u>	<u>\$7,617,642</u>	<u>\$9,344,320</u>	<u>\$1,726,678</u>	<u>\$7,841,603</u>

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF ELECTRIC DEPARTMENT REVENUES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Operating revenues					
Sales					
Electric sales	\$54,253,468	\$54,253,468	\$43,696,733	(\$10,556,735)	\$49,023,839
Services					
Late payment fees	100,000	100,000	174,658	74,658	126,757
Re-connection fees	85,000	85,000	91,948	6,948	72,643
Service initiation fees	90,000	90,000	84,915	(5,085)	96,060
Miscellaneous	21,000	21,000	23,525	2,525	23,415
Total services	296,000	296,000	375,046	79,046	318,875
Total operating revenues	54,549,468	54,549,468	44,071,779	(10,477,689)	49,342,714
Nonoperating revenues					
Interest					
Unrestricted	350,000	350,000	63,112	(286,888)	313,534
Total interest	350,000	350,000	63,112	(286,888)	313,534
Rents					
Pole rental (CATV)	125,943	125,943	82,062	(43,881)	120,520
Total rents	125,943	125,943	82,062	(43,881)	120,520
Miscellaneous					
Other income	55,000	55,000	175,418	120,418	105,645
Total miscellaneous	55,000	55,000	175,418	120,418	105,645
Transfers in					
General capital projects	0	500,000	500,000	0	0
Total transfers in	0	500,000	500,000	0	0
Capital contributions					
Contributions in aid of construction	400,000	400,000	251,760	(148,240)	255,299
Total capital contributions	400,000	400,000	251,760	(148,240)	255,299
Total nonoperating revenues	930,943	1,430,943	1,072,352	(358,591)	794,998
Total electric department revenues	\$55,480,411	\$55,980,411	\$45,144,131	(\$10,836,280)	\$50,137,712

CITY OF WEATHERFORD, TEXAS  
MUNICIPAL UTILITY SYSTEM  
SCHEDULE OF WASTEWATER DEPARTMENT REVENUES - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Operating revenues					
Services					
Wastewater	\$4,053,557	\$4,053,557	\$3,884,223	(\$169,334)	\$3,905,838
Pre-treatment	24,000	24,000	27,479	3,479	25,121
Wastewater taps and extensions	5,000	5,000	2,540	(2,460)	4,445
Wastewater maintenance	0	0	753	753	94
Total operating revenues	4,082,557	4,082,557	3,914,995	(167,562)	3,935,498
Nonoperating revenues					
Contributions in aid of construction	0	0	829,722	829,722	217,091
Impact fee revenue	0	0	120,454	120,454	233,254
Other income	1,000	1,000	12,589	11,589	6,421
Total nonoperating revenues	1,000	1,000	962,765	961,765	456,766
Total wastewater department revenues	<u>\$4,083,557</u>	<u>\$4,083,557</u>	<u>\$4,877,760</u>	<u>\$794,203</u>	<u>\$4,392,264</u>

CITY OF WEATHERFORD, TEXAS  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 MUNICIPAL UTILITY SYSTEM  
 FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

(1 of 2)

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$58,690,348	\$59,955,632
Cash paid to suppliers	(40,322,640)	(42,494,059)
Cash paid to employees	<u>(5,553,701)</u>	<u>(5,915,413)</u>
Net cash provided by operating activities	<u>12,814,007</u>	<u>11,546,160</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to other funds	<u>(2,224,956)</u>	<u>(3,190,430)</u>
Net cash used in noncapital financing activities	<u>(2,224,956)</u>	<u>(3,190,430)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of capital assets	15,000	83,217
Proceeds from debt issuance	690,000	0
Proceeds from developers for contributions in aid of construction	251,760	255,300
Proceeds from TXDOT loan	390,000	0
Principal payments on long-term debt	(2,490,000)	(2,300,000)
Principal payments on notes payable	(19,617)	(18,826)
Escrow payment on bond refunding	0	(185,041)
Payment for debt issuance cost	(19,337)	0
Capital expenditures	(9,417,636)	(5,304,564)
Interest paid on notes and revenue bonds	<u>(2,246,453)</u>	<u>(2,421,625)</u>
Net cash used in capital and related financing activities	<u>(12,846,283)</u>	<u>(9,891,539)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	251,775	1,140,114
U S Govt & Agency Securities sold	1,035,000	4,980,000
Reserve Govt Investment sold	505,000	0
Reserve Certificate of Deposit sold	3,000,000	0
U S Govt & Agency Securities purchased	0	(1,035,323)
Reserve Repurchase Agrmnt/Money Mkt purchased	(2,000,000)	0
Reserve Certificate of Deposit purchased	<u>(4,000,602)</u>	<u>0</u>
Net cash provided by (used in) investing activities	<u>(1,208,827)</u>	<u>5,084,791</u>
Net increase (decrease) in cash	(3,466,059)	3,548,982
Cash and cash equivalents at the beginning of the year	<u>29,266,339</u>	<u>25,717,357</u>
Cash and cash equivalents at the end of the year	<u>\$25,800,280</u>	<u>\$29,266,339</u>

Non-cash capital contributed for 2009 and 2008 totaled \$1,568,644 and \$434,182, respectively.  
 Non-cash change in the fair value of investments for 2009 and 2008 totaled \$(4,616) and \$9,539, respectively.

CITY OF WEATHERFORD, TEXAS  
 COMPARATIVE STATEMENTS OF CASH FLOWS  
 MUNICIPAL UTILITY SYSTEM  
 FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

(2 of 2)

	<u>Unrestricted Current Assets</u>	<u>Restricted Current Assets</u>	<u>Statement Total</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO STATEMENT OF NET ASSETS</b>			
Cash and cash equivalents, beginning	\$9,466,146	\$19,800,193	\$29,266,339
Net increase (decrease)	<u>3,232,550</u>	<u>(6,698,609)</u>	<u>(3,466,059)</u>
Cash and cash equivalents, ending	<u>\$12,698,696</u>	<u>\$13,101,584</u>	<u>\$25,800,280</u>
		<u>2009</u>	<u>2008</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income		\$5,122,109	\$6,724,722
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation		3,785,565	3,646,809
Amortization		67,205	66,123
Rental and other revenue		1,367,672	1,643,319
(Increase) decrease in accounts receivable		1,562,085	(1,763,048)
(Increase) decrease in other receivables		162,139	(44,845)
(Increase) decrease in due from other funds		(23,324)	11,917
(Increase) decrease in grant receivable		0	(65,837)
(Increase) decrease in inventory		333,008	(227,555)
Increase (decrease) in accounts payable		(123,891)	1,304,966
Increase (decrease) in taxes payable		(2,940)	60,380
Increase (decrease) in accrued wages payable		56,352	(8,344)
Increase (decrease) in liability for compensated absences		125,498	(16,883)
Increase (decrease) in net pension obligation		124,041	0
Increase (decrease) in OPEB liability		166,931	0
Increase (decrease) in unearned revenue		7,622	100,336
Increase (decrease) in customer deposits		9,155	147,336
Increase (decrease) in due to other funds		<u>74,780</u>	<u>(33,236)</u>
Net cash provided by operating activities		<u>\$12,814,007</u>	<u>\$11,546,160</u>

CITY OF WEATHERFORD  
SOLID WASTE FUND  
COMPARATIVE STATEMENTS OF NET ASSETS  
SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$1,892,370	\$1,592,944
Receivables	1,886	3,386
Due from other funds	372	0
Inventory, at cost	<u>31,272</u>	<u>30,326</u>
Total current assets	1,925,900	1,626,656
Capital assets:		
Other Improvements	10,577	10,577
Machinery and equipment	836,527	756,760
Less accumulated depreciation	<u>(418,700)</u>	<u>(517,867)</u>
Capital assets, net	<u>428,404</u>	<u>249,470</u>
Total assets	<u>2,354,304</u>	<u>1,876,126</u>
<b>LIABILITIES</b>		
Current liabilities:		
Payable from current assets-		
Accounts payable and accrued expenses	205,584	63,050
Due to other funds	22,645	5,384
Liability for compensated absences	<u>14,238</u>	<u>12,708</u>
Total current liabilities	242,467	81,142
Noncurrent liabilities:		
Liability for net pension obligation	11,592	0
Liability for OPEB	28,257	0
Liability for compensated absences	<u>77,271</u>	<u>53,648</u>
Total noncurrent liabilities	117,120	53,648
Total liabilities	<u>359,587</u>	<u>134,790</u>
<b>NET ASSETS</b>		
Invested in capital assets	428,404	249,470
Unrestricted	<u>1,566,313</u>	<u>1,491,866</u>
Total net assets	<u>\$1,994,717</u>	<u>\$1,741,336</u>

CITY OF WEATHERFORD, TEXAS  
SOLID WASTE FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Operating revenues:		
Sanitation fees	\$1,812,728	\$1,803,887
Brush pick-up fees	51,001	68,482
Special pick-up fees	27,614	38,377
Refuse bag sales	16,519	16,940
Haz Mat vouchers	47	0
Royalties	281,006	0
Miscellaneous	858	2,627
Total operating revenues	<u>2,189,773</u>	<u>1,930,313</u>
Operating expenses:		
Personal service	702,030	691,561
Contractual services	515,581	307,134
Materials and supplies	210,838	229,564
Depreciation	86,172	214,764
Total operating expenses	<u>1,514,621</u>	<u>1,443,023</u>
Operating income	<u>675,152</u>	<u>487,290</u>
Nonoperating revenues (expenses):		
Interest revenue	10,857	53,008
Gain (loss) on sale of capital asset	50,000	(109)
Total nonoperating revenues (expenses)	<u>60,857</u>	<u>52,899</u>
Income before transfers	736,009	540,189
Transfers out:		
General admin services	(132,628)	(119,307)
General discretionary	(350,000)	(350,000)
Total transfers out	<u>(482,628)</u>	<u>(469,307)</u>
Change in net assets	253,381	70,882
Net assets, beginning of year	<u>1,741,336</u>	<u>1,670,454</u>
Net assets, end of year	<u>\$1,994,717</u>	<u>\$1,741,336</u>

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CITY OF WEATHERFORD, TEXAS  
SOLID WASTE FUND  
SCHEDULE OF REVENUES AND EXPENSES AND  
CHANGES IN NET ASSETS - BUDGET AND ACTUAL  
FOR YEAR ENDED SEPTEMBER 30, 2009  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR YEAR ENDED SEPTEMBER 30, 2008

	2009			Variance with Final Budget Positive (Negative)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues					
Charges for services	\$1,938,611	\$1,906,967	\$1,907,909	\$942	\$1,927,686
Interest	48,530	9,874	10,857	983	53,008
Royalties	0	282,551	281,006	(1,545)	0
Miscellaneous	780	661	50,858	50,197	2,518
Total revenues	1,987,921	2,200,053	2,250,630	50,577	1,983,212
Expenses					
Collection	1,474,366	1,713,153	1,693,556	19,597	1,348,313
Total expenses	1,474,366	1,713,153	1,693,556	19,597	1,348,313
Income before transfers	513,555	486,900	557,074	70,174	634,899
Transfers out					
General administrative services	(132,628)	(132,628)	(132,628)	0	(119,307)
General discretionary	(350,000)	(350,000)	(350,000)	0	(350,000)
Total transfers out	(482,628)	(482,628)	(482,628)	0	(469,307)
Net income before adjustments	30,927	4,272	74,446	70,174	165,592
Adjustment of budgeted expenses/revenues to arrive at net income					
Depreciation	(58,424)	(58,424)	(86,172)	(27,748)	(214,764)
Capital outlay	126,000	214,929	265,107	50,178	120,054
Capital lease principal	0	0	0	0	0
Change in net assets	98,503	160,777	253,381	92,604	70,882
Net assets, beginning of year	1,741,336	1,741,336	1,741,336	0	1,670,454
Net assets, end of year	\$1,839,839	\$1,902,113	\$1,994,717	\$92,604	\$1,741,336

CITY OF WEATHERFORD, TEXAS  
SOLID WASTE FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

(1 of 2)

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$2,190,901	\$1,926,927
Cash paid to suppliers	(574,332)	(544,788)
Cash paid to employees	<u>(630,266)</u>	<u>(663,238)</u>
Net cash provided by operating activities	<u>986,303</u>	<u>718,901</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to other funds	<u>(482,628)</u>	<u>(469,307)</u>
Net cash used in noncapital financing activities	<u>(482,628)</u>	<u>(469,307)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of capital assets	50,000	0
Capital expenditures	<u>(265,106)</u>	<u>(120,053)</u>
Net cash used in capital and related financing activities	<u>(215,106)</u>	<u>(120,053)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>10,857</u>	<u>53,008</u>
Net cash provided by investing activities	<u>10,857</u>	<u>53,008</u>
Net increase in cash	299,426	182,549
Cash and cash equivalents at the beginning of the year	<u>1,592,944</u>	<u>1,410,395</u>
Cash and cash equivalents at the end of the year	<u><u>\$1,892,370</u></u>	<u><u>\$1,592,944</u></u>

CITY OF WEATHERFORD, TEXAS  
SOLID WASTE FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR YEARS ENDED SEPTEMBER 30, 2009 AND 2008

(2 of 2)

	<u>Current Assets</u>	
	<u>2009</u>	<u>2008</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET ASSETS		
Cash and cash equivalents, beginning	\$1,592,944	\$1,410,395
Net increase	<u>299,426</u>	<u>182,549</u>
Cash and cash equivalents, ending	<u>\$1,892,370</u>	<u>\$1,592,944</u>
	<u>2009</u>	<u>2008</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$675,152	\$487,290
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	86,172	214,764
Increase in inventory	(946)	(1,048)
Increase in accounts payable and accrued expenses	142,709	4,396
Increase in liability for compensated absences	25,153	28,813
Increase in net pension obligation	11,592	0
Increase in OPEB liability	28,257	0
(Increase) Decrease in accounts receivable	1,500	(3,386)
Increase in due from other funds	(372)	0
Decrease in accrued liabilities	(175)	0
Increase (decrease) in due to other funds	<u>17,261</u>	<u>(11,928)</u>
Net cash provided by operating activities	<u>\$986,303</u>	<u>\$718,901</u>

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## **STATISTICAL SECTION (Unaudited)**

This part of the City of Weatherford's 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 governments overall financial health.

### **Financial Trends**

These schedules contain information to assist the reader in understanding how the City's financial position has changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its electric utility and property tax revenues.

### **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.

### **Demographic and Economic Information**

These schedules offer demographic and economic information intended to help the reader understand the socioeconomic environment within which the City operates and to help make comparisons over time with other governments.

### **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.

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## **Statistical Section**

### **COMMENTS RELATIVE TO STATISTICAL SECTION**

The Computation of the Legal Debt Margin statistical table that is recommended for inclusion by the Government Finance Officers Association is not included for the reason stated below:

Texas Statutes and the Charter of the City of Weatherford, Texas, set no legal debt margin.

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CITY OF WEATHERFORD, TEXAS  
NET ASSETS BY COMPONENT (1)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Unaudited)

	Fiscal Year						
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
<b>Governmental activities</b>							
Invested in capital assets, net of related debt	\$11,895,401	\$11,125,732	\$11,681,836	\$12,874,433	\$15,219,107	\$18,027,712	\$21,410,012
Restricted	2,565,820	2,547,731	2,502,827	9,520,793	10,318,427	9,041,116	6,381,977
Unrestricted	<u>2,770,928</u>	<u>2,972,594</u>	<u>4,040,021</u>	<u>5,555,691</u>	<u>5,758,023</u>	<u>6,522,915</u>	<u>5,775,100</u>
Total governmental activities net assets	<u>\$17,232,149</u>	<u>\$16,646,057</u>	<u>\$18,224,684</u>	<u>\$27,950,917</u>	<u>\$31,295,557</u>	<u>\$33,591,743</u>	<u>\$33,567,089</u>
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$50,327,398	\$52,257,166	\$55,677,157	\$59,676,685	\$61,396,213	\$64,453,828	\$68,649,354
Restricted	5,430,600	5,752,573	5,480,674	6,221,761	7,291,875	7,563,464	7,628,531
Unrestricted	<u>13,920,676</u>	<u>14,502,848</u>	<u>17,183,561</u>	<u>13,774,237</u>	<u>14,845,101</u>	<u>16,261,373</u>	<u>16,550,266</u>
Total business-type activities net assets	<u>\$69,678,674</u>	<u>\$72,512,587</u>	<u>\$78,341,392</u>	<u>\$79,672,683</u>	<u>\$83,533,189</u>	<u>\$88,278,665</u>	<u>\$92,828,151</u>
<b>Primary government</b>							
Invested in capital assets, net of related debt	\$62,222,799	\$63,382,898	\$67,358,993	\$72,551,118	\$76,615,320	\$82,481,540	\$90,059,366
Restricted	7,996,420	8,300,304	7,983,501	15,742,554	17,610,302	16,604,580	14,010,508
Unrestricted	<u>16,691,604</u>	<u>17,475,442</u>	<u>21,223,582</u>	<u>19,329,928</u>	<u>20,603,124</u>	<u>22,784,288</u>	<u>22,325,366</u>
Total primary government net assets	<u>\$86,910,823</u>	<u>\$89,158,644</u>	<u>\$96,566,076</u>	<u>\$107,623,600</u>	<u>\$114,828,746</u>	<u>\$121,870,408</u>	<u>\$126,395,240</u>

Note: (1) The City of Weatherford implemented GASB Statement No. 34 in fiscal year 2002/03.  
Accrual basis information is not available for years prior to 2002/03.

CITY OF WEATHERFORD, TEXAS  
CHANGES IN NET ASSETS (1)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Unaudited)

	Fiscal Year						
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
<b>Expenses</b>							
<b>Governmental activities</b>							
General government	\$ 1,403,747	\$ 1,848,399	\$ 2,320,668	\$ 2,320,569	\$ 2,466,022	\$ 2,866,557	\$ 2,928,150
Public safety	7,688,963	8,424,444	9,181,870	9,340,908	10,602,348	11,179,288	12,081,348
Public works	2,040,289	2,331,718	2,161,749	2,743,092	2,790,615	2,973,277	2,920,416
Community development	528,749	508,310	530,473	773,029	698,315	798,054	1,627,371
Planning and development	546,498	614,529	776,426	616,598	973,236	1,094,289	825,967
Health and welfare	48,000	48,000	35,000	35,000	40,000	40,000	45,000
Cultural and recreational	2,765,978	3,000,985	2,981,119	3,193,738	3,626,826	4,490,038	3,681,961
Interest on long-term debt	352,025	416,381	422,013	346,758	600,668	3,749,754	3,109,094
<b>Total governmental activities expenses</b>	<b>15,374,249</b>	<b>17,192,766</b>	<b>18,409,318</b>	<b>19,369,692</b>	<b>21,798,030</b>	<b>27,191,257</b>	<b>27,219,307</b>
<b>Business-type activities</b>							
Electric	23,195,898	24,167,228	29,522,755	35,636,539	33,712,309	45,275,598	41,197,102
Water	5,132,653	5,209,604	5,174,495	5,737,688	6,947,460	6,969,907	7,899,776
Wastewater	2,743,571	2,576,454	2,649,235	2,816,465	2,887,183	2,998,193	2,888,556
Sanitation	1,152,985	938,603	1,050,072	1,019,713	1,094,631	1,443,132	1,464,621
<b>Total business-type activities expenses</b>	<b>32,225,107</b>	<b>32,891,889</b>	<b>38,396,557</b>	<b>45,210,405</b>	<b>44,641,583</b>	<b>56,686,830</b>	<b>53,450,055</b>
<b>Total primary government expenses</b>	<b>\$ 47,599,356</b>	<b>\$ 50,084,655</b>	<b>\$ 56,805,875</b>	<b>\$ 64,580,097</b>	<b>\$ 66,439,613</b>	<b>\$ 83,878,087</b>	<b>\$ 80,669,362</b>
<b>Program Revenues</b>							
<b>Governmental activities</b>							
<b>Charges for services</b>							
General government	\$ 61,888	\$ 84,252	\$ 228,809	\$ 1,712,909	\$ 234,430	\$ 240,282	\$ 247,258
Public safety	720,593	734,678	751,447	861,969	1,208,676	1,316,499	1,269,329
Public works	0	180,472	0	0	0	0	0
Planning and development	589,075	579,248	559,971	623,468	642,624	652,314	395,846
Cultural and recreational	550,075	678,716	583,179	652,519	689,070	725,635	636,811
Operating grants and contributions	355,994	593,895	728,420	488,795	292,214	546,231	401,357
Capital grants and contributions	590,282	259,637	369,678	308,755	298,032	150,087	707,935
<b>Total governmental activities program revenues</b>	<b>2,867,907</b>	<b>3,110,898</b>	<b>3,221,504</b>	<b>4,648,415</b>	<b>3,365,046</b>	<b>3,631,048</b>	<b>3,658,536</b>
<b>Business-type activities</b>							
<b>Charges for services</b>							
Electric	26,552,520	27,615,959	34,016,204	38,781,055	36,441,699	49,463,235	44,153,842
Water	5,044,964	4,948,134	5,882,325	7,698,682	6,553,467	7,313,082	8,078,376
Wastewater	3,260,586	3,029,033	3,436,449	3,845,422	3,926,120	4,168,752	4,035,449
Sanitation	1,595,241	1,664,656	1,697,366	1,765,007	1,824,906	1,930,313	2,189,772
Operating grants and contributions	0	0	0	0	477,013	0	0
Capital grants and contributions	2,066,625	838,489	1,723,027	1,610,619	788,632	930,081	1,820,404
<b>Total business-type activities program revenues</b>	<b>38,519,936</b>	<b>38,096,271</b>	<b>46,755,371</b>	<b>53,700,785</b>	<b>50,011,837</b>	<b>63,805,463</b>	<b>60,277,843</b>
<b>Total primary government program revenues</b>	<b>\$ 41,387,843</b>	<b>\$ 41,207,169</b>	<b>\$ 49,976,875</b>	<b>\$ 58,349,200</b>	<b>\$ 53,376,883</b>	<b>\$ 67,436,511</b>	<b>\$ 63,936,379</b>
<b>Net (Expense)/Revenue</b>							
Governmental activities	\$(12,506,342)	\$(14,081,868)	\$(15,187,814)	\$(14,721,277)	\$ (18,432,984)	\$ (23,560,209)	\$ (23,560,771)
Business-type activities	6,294,829	5,204,382	8,358,814	8,490,380	5,370,254	7,118,633	6,827,788
<b>Total primary government net expense</b>	<b>\$ (6,211,513)</b>	<b>\$ (8,877,486)</b>	<b>\$ (6,829,000)</b>	<b>\$ (6,230,897)</b>	<b>\$ (13,062,730)</b>	<b>\$ (16,441,576)</b>	<b>\$ (16,732,983)</b>

	Fiscal Year						
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
<b>General Revenues and Other Changes in Net Assets</b>							
<b>Governmental activities</b>							
<b>Taxes</b>							
Property taxes	\$ 3,290,317	\$ 3,574,036	\$ 3,791,801	\$ 4,351,788	\$ 4,749,712	\$ 6,977,107	\$ 7,371,902
Retail sales tax	5,454,299	5,943,635	6,932,094	7,628,658	8,097,764	9,166,195	8,641,879
Franchise taxes	1,829,627	1,847,829	2,032,325	2,254,202	2,272,898	2,439,677	2,403,704
Hotel/motel tax	319,252	360,699	455,894	570,854	684,782	707,136	452,312
Mixed beverage tax	15,609	19,639	30,386	39,803	43,571	45,662	53,505
<b>Unrestricted grants and contributions</b>	16,120	6,378	18,750	17,963	9,021	10,226	3,373
Investment earnings	190,174	123,200	261,843	704,988	2,299,115	2,575,000	1,463,358
Gain on sale of capital assets	0	0	0	399,656	6,650	76,548	0
Miscellaneous	23,880	41,559	97,095	68,384	110,674	199,107	438,500
Special item	0	(1,346,466) (3)	0	0	0	0	0
Transfers	2,537,130	2,925,267	3,146,253	8,411,214	3,503,447	3,659,737	2,707,584
<b>Total governmental activities</b>	<u>\$ 13,676,408</u>	<u>\$ 13,495,776</u>	<u>\$ 16,766,441</u>	<u>\$ 24,447,510</u>	<u>\$ 21,777,624</u>	<u>\$ 25,856,395</u>	<u>\$ 23,536,117</u>
<b>Business-type activities</b>							
Investment earnings	\$ 379,361	\$ 292,748	\$ 536,644	\$ 1,102,832	\$ 1,810,807	\$ 1,140,045	\$ 228,337
Miscellaneous	204,746	262,050	79,600	149,293	182,892	146,535	200,945
Special item	5,337,507 (2)	0	0	0	0	0	0
Transfers	(2,537,130)	(2,925,267)	(3,146,253)	(8,411,214)	(3,503,447)	(3,659,737)	(2,707,584)
<b>Total business-type activities</b>	<u>3,384,484</u>	<u>(2,370,469)</u>	<u>(2,530,009)</u>	<u>(7,159,089)</u>	<u>(1,509,748)</u>	<u>(2,373,157)</u>	<u>(2,278,302)</u>
<b>Total primary government</b>	<u>\$ 17,060,892</u>	<u>\$ 11,125,307</u>	<u>\$ 14,236,432</u>	<u>\$ 17,288,421</u>	<u>\$ 20,267,876</u>	<u>\$ 23,483,238</u>	<u>\$ 21,257,815</u>
<b>Change in Net Assets</b>							
Governmental activities	\$ 1,170,066	\$ (586,092)	\$ 1,578,827	\$ 9,726,233	\$ 3,344,640	\$ 2,296,186	\$ (24,654)
Business-type activities	9,679,313	2,833,913	5,828,805	1,331,291	3,860,506	4,745,476	4,549,486
<b>Total primary government</b>	<u>\$ 10,849,379</u>	<u>\$ 2,247,821</u>	<u>\$ 7,407,632</u>	<u>\$ 11,057,524</u>	<u>\$ 7,205,146</u>	<u>\$ 7,041,662</u>	<u>\$ 4,524,832</u>

Notes: (1) The City of Weatherford implemented GASB Statement No. 34 in fiscal year 2002/03. Accrual basis information is not available for years prior to 2002/03.

(2) The City of Weatherford sold its sanitary landfill in fiscal year 2002/03.

(3) In fiscal year 2003/04 the City changed its policy for capitalizing library collection items and realized a one-time loss on the write down of the library collection.

CITY OF WEATHERFORD, TEXAS  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (Unaudited)

	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>
<b>General Fund</b>				
Reserved	\$ 45,458	\$ 57,612	\$ 36,886	\$ 55,702
Unreserved	<u>3,529,215</u>	<u>3,429,850</u>	<u>3,451,337</u>	<u>3,852,326</u>
Total general fund	<u>\$ 3,574,673</u>	<u>\$ 3,487,462</u>	<u>\$ 3,488,223</u>	<u>\$ 3,908,028</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 1,240,384	\$ 2,496,502	\$ 2,761,093	\$ 5,481,606
Unreserved, reported in:				
Special revenue funds	<u>458,353</u>	<u>440,327</u>	<u>555,746</u>	<u>509,085</u>
Total all other governmental funds	<u>\$ 1,698,737</u>	<u>\$ 2,936,829</u>	<u>\$ 3,316,839</u>	<u>\$ 5,990,691</u>

Fiscal Year					
<u>2003/04</u>	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>
\$ 47,929	\$ 44,393	\$ 51,821	\$ 71,041	\$ 60,372	\$ 30,975
4,490,806	5,590,721	7,237,347	7,674,409	8,637,632	9,067,892
<u>\$ 4,538,735</u>	<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>
\$ 5,205,557	\$ 4,172,001	\$ 13,592,170	\$ 70,250,798	\$ 66,257,136	\$ 40,533,598
456,382	701,240	1,086,524	1,351,075	1,129,821	1,089,249
<u>\$ 5,661,939</u>	<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>

**CITY OF WEATHERFORD, TEXAS**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(Unaudited)**

	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>
<b>Revenues</b>				
Taxes	\$ 9,394,398	\$ 9,900,925	\$ 10,225,212	\$ 10,931,364
License and permits	316,089	466,874	452,953	567,419
Intergovernmental	463,056	435,573	374,311	344,281
Charges for services	307,412	496,782	589,329	603,070
Fines and forfeits	358,272	379,756	319,304	499,568
Investment earnings	279,126	335,288	212,834	190,174
Miscellaneous	91,297	75,540	126,322	309,762
Total revenues	<u>11,209,650</u>	<u>12,090,738</u>	<u>12,300,265</u>	<u>13,445,638</u>
<b>Expenditures</b>				
General government	1,353,508	1,319,727	1,369,681	1,400,503
Public safety	5,830,772	6,947,426	6,890,055	7,403,954
Public works	2,217,167	1,778,572	1,612,953	1,631,665
Planning and development	326,591	416,978	502,233	537,984
Community development	248,180	536,490	536,093	559,829
Health and welfare	7,200	10,000	48,000	48,000
Cultural and recreational	1,745,422	2,400,501	2,537,972	2,640,362
Debt service				
Principal retirement	579,545	699,303	800,619	836,986
Interest and fiscal charges	196,343	267,827	304,182	436,481
Capital outlay	258,235	706,940	2,071,201	954,517
Total expenditures	<u>12,762,963</u>	<u>15,083,764</u>	<u>16,672,989</u>	<u>16,450,281</u>
Deficiency of revenues under expenditures	(1,553,313)	(2,993,026)	(4,372,724)	(3,004,643)
<b>Other Financing Sources (Uses)</b>				
General obligation bond proceeds	800,000	0	0	0
Premium on general obligation bonds	0	0	0	0
Certificate of obligation proceeds	0	1,000,000	1,800,000	3,500,000
Premium on certificates of obligation	0	0	0	7,515
Lease purchase proceeds	174,973	612,858	81,489	177,173
Transfers in	2,647,025	3,751,100	3,268,924	3,127,775
Transfers out	(264,674)	(1,220,051)	(935,392)	(590,645)
Total other financing sources (uses)	<u>3,357,324</u>	<u>4,143,907</u>	<u>4,215,021</u>	<u>6,221,818</u>
Net change in fund balances	<u>\$ 1,804,011</u>	<u>\$ 1,150,881</u>	<u>\$ (157,703)</u>	<u>\$ 3,217,175</u>
Debt service as a percentage of noncapital expenditures	6.40%	7.19%	7.69%	8.39%

Fiscal Year					
2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
\$ 11,734,586	\$ 13,256,164	\$ 14,829,390	\$ 15,840,133	\$ 19,299,272	\$ 18,924,734
566,880	554,940	631,400	637,735	663,464	431,330
593,895	567,188	394,449	266,261	362,008	331,035
672,813	847,331	870,669	917,528	931,540	962,567
434,764	435,458	491,957	729,794	857,715	676,973
123,200	261,843	704,988	2,302,034	2,576,899	1,463,815
638,662	586,169	2,097,305	639,122	972,491	1,006,388
<u>14,764,800</u>	<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>
1,764,420	1,967,561	2,163,428	2,370,333	2,947,667	2,749,341
7,968,188	9,191,013	9,177,082	10,389,397	10,888,448	11,067,251
1,829,989	1,725,247	2,601,040	2,402,659	2,510,164	2,175,270
612,498	742,634	762,914	990,770	1,099,526	818,460
478,954	495,353	610,699	670,973	766,573	1,519,717
48,000	35,000	35,000	40,000	40,000	45,000
2,955,251	2,877,673	3,104,893	3,517,497	4,360,890	4,133,489
751,707	818,084	898,809	689,381	923,458	1,030,242
427,628	384,074	438,428	967,696	3,940,724	3,116,578
651,201	1,357,026	1,784,982	3,535,335	8,108,038	25,212,325
<u>17,487,836</u>	<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>
(2,723,036)	(3,084,572)	(1,557,117)	(4,241,434)	(9,922,099)	(28,070,831)
0	0	0	10,800,000	0	0
0	0	0	66,260	0	0
0	0	4,000,000	46,490,000	3,000,000	0
0	0	34,543	761,188	0	0
99,724	246,000	570,867	0	0	0
3,443,072	3,740,638	9,041,701	5,293,472	6,115,459	5,850,469
(517,805)	(594,385)	(630,487)	(1,790,025)	(2,455,722)	(3,142,885)
<u>3,024,991</u>	<u>3,392,253</u>	<u>13,016,624</u>	<u>61,620,895</u>	<u>6,659,737</u>	<u>2,707,584</u>
<u>\$ 301,955</u>	<u>\$ 307,681</u>	<u>\$ 11,459,507</u>	<u>\$ 57,379,461</u>	<u>\$ (3,262,362)</u>	<u>\$ (25,363,247)</u>
7.17%	6.74%	7.02%	7.74%	18.18%	15.90%

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**CITY OF WEATHERFORD, TEXAS  
 GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (Unaudited)**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Hotel/Motel Occupancy Tax</u>	<u>Mixed Beverage Tax</u>	<u>Total</u>
1999/00	\$ 2,493,601	\$ 4,894,015	\$ 1,759,869	\$ 237,604	\$ 9,309	\$ 9,394,398
2000/01	2,721,550	5,094,488	1,797,587	274,936	12,364	9,900,925
2001/02	2,847,318	5,284,126	1,774,327	305,890	13,551	10,225,212
2002/03	3,312,577	5,454,299	1,829,627	319,252	15,609	10,931,364
2003/04	3,562,784	5,943,635	1,847,829	360,699	19,639	11,734,586
2004/05	3,805,465	6,932,094	2,032,325	455,894	30,386	13,256,164
2005/06	4,335,873	7,628,658	2,254,202	570,854	39,803	14,829,390
2006/07	4,741,128	8,097,754	2,272,898	684,782	43,571	15,840,133
2007/08	6,940,602	9,166,195	2,439,677	707,136	45,662	19,299,272
2008/09	7,373,334	8,641,879	2,403,704	452,312	53,505	18,924,734

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

	1999/00	2000/01	2001/02
<b>Residential</b>			
Base rate	\$ 4.05	\$ 4.25	\$ 4.25
Per KWH (May - October)	0.0719	0.0750	0.0750
Per KWH (November - April)	0.0658	0.0690	0.0690
<b>Residential - All Electric</b>			
Base rate	5.25	5.50	5.50
Per KWH (May - October)	0.0719	0.0750	0.0750
Per KWH (November - April)	0.0528	0.0550	0.0550
<b>Small General Service</b> (Demand does not exceed 20 KW)			
Base rate	15.25	16.00	16.00
Per KWH	0.0736	0.0765	0.0765
<b>Large General Service 1</b> (Demand 20 - 200 KW)			
Base rate	19.70	21.00	21.00
Per KWH	0.0580	0.0605	0.0605
Per KW demand	3.12	3.25	3.25
<b>Large General Service 2</b> (Demand 200 KW - 1000 KVA)			
Base rate	21.35	22.25	22.25
Per KWH	0.0542	0.0565	0.0565
Per KWH (if primary metered)	0.0523	0.0545	0.0545
Per KVA demand	2.41	2.55	2.55
<b>Large General Service 3</b> (Demand 1000 KVA or more)			
Base rate	21.35	22.25	22.25
Per KWH for first 2500 KWH	0.0821	0.0860	0.0860
Per KWH for next 3500 KWH (1)	0.0500	0.0520	0.0520
Per KWH for all additional KWH	0.0248	0.0260	0.0260
Per KVA demand > 10 KVA	7.78	8.10	8.10
<b>Municipal</b>			
Base rate	9.80	10.25	10.25
Per KWH	0.0573	0.0600	0.0600
<b>School/Church</b>			
Base rate	15.35	16.00	16.00
Per KWH	0.0619	0.0645	0.0645
Per KW demand	2.15	2.25	2.25
<b>Security Lights</b>			
Per light	8.95	9.35	9.35

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 \$0.0400.

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

2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
\$ 4.25 0.0750 0.0690						
4.25 0.0750 0.0690	4.25 0.0750 0.0690	4.25 0.0750 0.0690	4.25 0.0750 0.0690	\$ 4.25 0.0750 0.0690	\$ 4.25 0.0750 0.0690	\$ 4.25 0.0750 0.0690
16.00 0.0765						
21.00 0.0605 3.25						
22.25 0.0565 0.0545 2.55						
22.25 0.0860 0.0520 0.0260 8.10						
12.25 0.0665						
16.00 0.0645 2.25						
10.00	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  
(Unaudited)**

<u>Fiscal Year *</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Other (1)</u>	<u>Total</u>
1999/00	8,542	1,303	31	220	10,096
2000/01	8,683	1,344	31	231	10,289
2001/02	9,023	1,351	32	253	10,659
2002/03	9,250	1,423	33	252	10,958
2003/04	9,980	1,502	32	244	11,758
2004/05	10,198	1,586	37	239	12,060
2005/06	10,525	1,642	39	237	12,443
2006/07	10,891	1,644	41	247	12,823
2007/08	11,143	1,723	44	256	13,166
2008/09	11,223	1,770	45	259	13,297

Note: (1) Includes municipal governments, schools, and churches.

CITY OF WEATHERFORD, TEXAS  
 TEN LARGEST ELECTRIC CUSTOMERS  
 CURRENT YEAR AND NINE YEARS AGO  
 (Unaudited)

2009			2000		
<u>Customer</u>	<u>Revenue</u>	<u>Percentage of Electric Revenue</u>	<u>Customer</u>	<u>Revenue</u>	<u>Percentage of Electric Revenue</u>
Weatherford ISD	\$ 1,809,341	4.14%	Jamak, Inc.	\$ 636,925	3.25%
Heritage Plastic	1,209,477	2.77%	Weatherford ISD	752,933	3.84%
Jamak, Inc.	884,779	2.02%	Wal-Mart	475,460	2.42%
W'ford Texas Hospital Corp.	802,487	1.84%	Campbell Health System	339,977	1.73%
Wal-Mart	658,902	1.51%	Weatherford Aerospace	229,665	1.17%
Weatherford College	542,460	1.24%	Weatherford College	192,741	0.98%
Weatherford Aerospace	515,874	1.18%	Parker County	192,717	0.98%
Albertson's	343,425	0.79%	Home Depot	191,304	0.98%
Lowe's	334,189	0.76%	Winn Dixie	187,330	0.95%
Home Depot	296,887	0.68%	Petro Truck Stop	183,536	0.94%
	<u>7,397,821</u>	<u>16.93%</u>		<u>3,382,588</u>	<u>17.24%</u>
Revenue from other customers	<u>36,298,912</u>	<u>83.07%</u>	Revenue from other customers	<u>16,235,622</u>	<u>82.76%</u>
Total	<u>\$43,696,733</u>	<u>100.00%</u>	Total	<u>\$19,618,210</u>	<u>100.00%</u>

**CITY OF WEATHERFORD, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL  
 VALUE OF TAXABLE PROPERTY (1)  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

Category	1999/00		2000/01	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total
Real, Residential, Single-Family	\$ 402,961,812	53.17%	\$ 430,846,107	53.14%
Real, Residential, Multi-Family	22,266,130	2.93%	24,162,960	2.98%
Real, Vacant Lots/Tracts	15,317,190	2.02%	15,716,340	1.94%
Real, Acreage (Land Only)	30,898,310	4.08%	28,845,640	3.56%
Real, Farm & Ranch Improvements	14,041,870	1.85%	15,681,910	1.93%
Real, Commercial	155,168,310	20.48%	169,114,920	20.86%
Real, Industrial	9,438,770	1.25%	7,080,730	0.88%
Real, Oil, Gas & Other Minerals	6,400	0.00%	17,440	0.00%
Total Real Property	650,098,792	85.78%	691,466,047	85.29%
Real and Tangible Personal, Utilities	16,780,250	2.21%	17,024,920	2.10%
Tangible Personal, Commercial	69,029,154	9.11%	83,292,715	10.27%
Tangible Personal, Industrial	16,272,146	2.15%	12,755,026	1.57%
Tangible Personal, Mobile Homes	1,792,080	0.24%	1,740,550	0.22%
Intangible Personal	0	0.00%	0	0.00%
Inventory	3,860,820	0.51%	4,464,780	0.55%
Total Personal Property	107,734,450	14.22%	119,277,991	14.71%
Total Actual Value	757,833,242	100.00%	810,744,038	100.00%
Less: Exemptions/Reductions	68,053,180		68,859,184	
Total Taxable Assessed Value	\$689,780,062		\$741,884,854	
<b>Total Direct Rate (2)</b>	<b>\$ 0.3600</b>		<b>\$ 0.3600</b>	

Category	2004/05		2005/06	
	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 & Ranch Improvements	16,761,180	1.40%	19,390,740	1.40%
Real, Commercial	276,298,640	23.03%	328,022,860	23.62%
Real, Industrial	7,823,290	0.65%	8,466,210	0.61%
Real, Oil, Gas & Other Minerals	0	0.00%	0	0.00%
Total Real Property	1,052,520,250	87.72%	1,229,589,970	88.56%
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	0.17%	1,681,410	0.12%
Intangible Personal	21,990	0.00%	0	0.00%
Inventory	9,686,950	0.81%	8,601,290	0.62%
Total Personal Property	147,312,380	12.28%	158,816,070	11.44%
Total Actual Value	1,199,832,630	100.00%	1,388,406,040	100.00%
Less: Exemptions/Reductions	89,072,576		107,831,010	
Total Taxable Assessed Value	\$1,110,760,054		\$1,280,575,030	
<b>Total Direct Rate (2)</b>	<b>\$ 0.3403</b>		<b>\$ 0.3403</b>	

Source: Parker County Appraisal District

Notes: (1) Property is assessed at market value.

(2) Per \$100 of assessed value.

Fiscal Year		2001/02		2002/03		2003/04	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total	
	\$ 448,254,190	52.11%	\$ 573,235,680	53.31%	\$ 611,816,260	54.46%	
	25,317,200	2.94%	30,423,790	2.83%	31,268,020	2.78%	
	15,147,090	1.76%	19,903,290	1.85%	18,094,880	1.61%	
	30,138,550	3.50%	47,895,100	4.45%	48,892,850	4.35%	
	15,845,170	1.84%	18,686,180	1.74%	16,646,290	1.48%	
	188,457,270	21.91%	238,291,820	22.15%	247,264,810	22.01%	
	7,080,730	0.83%	7,542,010	0.70%	7,823,290	0.70%	
	16,450	0.00%	0	0.00%	0	0.00%	
	<u>730,256,650</u>	<u>84.89%</u>	<u>935,977,870</u>	<u>87.03%</u>	<u>981,806,400</u>	<u>87.39%</u>	
	18,418,040	2.14%	20,382,350	1.90%	18,129,460	1.61%	
	85,437,400	9.93%	88,283,950	8.21%	89,775,290	7.99%	
	19,091,830	2.22%	23,000,330	2.14%	22,977,010	2.05%	
	1,910,640	0.23%	1,785,570	0.17%	1,852,430	0.16%	
	0	0.00%	0	0.00%	28,580	0.01%	
	5,060,660	0.59%	5,927,220	0.55%	8,896,290	0.79%	
	<u>129,918,570</u>	<u>15.11%</u>	<u>139,379,420</u>	<u>12.97%</u>	<u>141,659,060</u>	<u>12.61%</u>	
	<u>860,175,220</u>	<u>100.00%</u>	<u>1,075,357,290</u>	<u>100.00%</u>	<u>1,123,465,460</u>	<u>100.00%</u>	
	<u>70,699,941</u>		<u>119,668,828</u>		<u>97,494,013</u>		
	<u>\$789,475,279</u>		<u>\$ 955,688,462</u>		<u>\$ 1,025,971,447</u>		
	\$ 0.3600		\$ 0.3403		\$ 0.3403		

Fiscal Year		2006/07		2007/08		2008/09	
	Actual Value	Percentage of Total	Actual Value	Percentage of Total	Actual Value	Percentage of Total	
	\$ 786,575,270	52.42%	\$ 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	25.40%	504,549,930	26.85%	
	8,176,550	0.55%	5,685,760	0.33%	9,751,120	0.52%	
	665,540	0.04%	1,381,770	0.08%	785,960	0.04%	
	<u>1,319,559,710</u>	<u>87.93%</u>	<u>1,517,975,910</u>	<u>89.48%</u>	<u>1,682,236,410</u>	<u>89.52%</u>	
	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%	
	0	0.00%	36,210	0.00%	37,620	0.00%	
	11,868,130	0.79%	5,833,900	0.34%	13,786,420	0.73%	
	<u>181,123,810</u>	<u>12.07%</u>	<u>178,572,050</u>	<u>10.52%</u>	<u>197,192,640</u>	<u>10.48%</u>	
	<u>1,500,683,520</u>	<u>100.00%</u>	<u>1,696,547,960</u>	<u>100.00%</u>	<u>1,879,429,050</u>	<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  
DIRECT AND OVERLAPPING  
PROPERTY TAX RATES (1)  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	CITY DIRECT RATES			OVERLAPPING RATES (2)				
	<u>Operating</u>	<u>Debt Service</u>	<u>Total Direct</u>	<u>Parker County</u>	<u>Weather- ford School District</u>	<u>Parker County Hospital District</u>	<u>Parker County Junior College</u>	<u>Peaster School District</u>
1999/00	0.2643	0.0957	0.3600	0.3937	1.4190	0.1650	0.1250	1.3099
2000/01	0.2693	0.0907	0.3600	0.3857	1.5990	0.1740	0.1289	1.4900
2001/02	0.2707	0.0893	0.3600	0.3789	1.6800	0.1840	0.1338	1.4972
2002/03	0.2624	0.0779	0.3403	0.3418	1.6600	0.1710	0.1278	1.7440
2003/04	0.2691	0.0712	0.3403	0.3425	1.7000	0.1667	0.1299	1.7500
2004/05	0.2740	0.0663	0.3403	0.3417	1.7400	0.1618	0.1298	1.6980
2005/06	0.2758	0.0645	0.3403	0.3399	1.7800	0.1590	0.1170	1.6980
2006/07	0.2782	0.0621	0.3403	0.3386	1.6900	0.1454	0.1138	1.6100
2007/08	0.2920	0.1466	0.4386	0.3372	1.4000	0.1250	0.1053	1.3528
2008/09	0.2920	0.1466	0.4386	0.3545	1.4000	0.1150	0.1053	1.3528

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

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

Source: Representatives of the taxing jurisdictions.

**CITY OF WEATHERFORD, TEXAS  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

2009		
Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Value
Weatherford Capital	\$ 24,398,900	1.36%
Parker County Hospital	21,334,950	1.19%
Weatherford I-20/Main St.	18,452,480	1.03%
Wal-Mart Stores, Inc.	17,470,610	0.97%
Lowes Home Centers	13,870,190	0.77%
Holland Lake Partners	13,227,030	0.73%
Power Service Products	12,114,640	0.67%
Home Depot	11,469,550	0.64%
Target Corporation	11,426,440	0.63%
JAMAK, Inc.	10,440,410	0.58%
	<u>\$ 154,205,200</u>	<u>8.57%</u>

2000		
Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Value
Wal-mart Stores, Inc.	\$ 15,410,730	2.07%
Home Depot	12,558,460	1.68%
Southwestern Bell	9,974,660	1.34%
JAMAK, Inc.	8,584,180	1.15%
C.D. Hartnett Company	7,382,160	0.90%
Power Service Products	6,642,830	0.89%
Southgate Glen Apartments	5,928,050	0.80%
Westward Way Estates	4,375,000	0.59%
Roger Williams	3,998,950	0.54%
Richard Ball Shopping Center	3,533,310	0.47%
	<u>\$ 78,388,330</u>	<u>10.43%</u>

Source: Parker County Appraisal District.

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**CITY OF WEATHERFORD, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST FIVE FISCAL YEARS  
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year Original Levy	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	% of Original Levy		Amount	% of Adjusted Levy
2004/05	\$ 3,780,244	\$ (28,983)	\$ 3,751,261	\$3,666,354	96.99%	\$ 116,661	\$ 3,783,015	100.85%
2005/06	4,315,877	(19,144)	4,296,733	4,215,124	97.67%	72,286	4,287,410	99.78%
2006/07	4,696,326	(17,090)	4,679,236	4,590,807	97.75%	73,094	4,663,901	99.67%
2007/08	6,919,281	(61,729)	6,857,552	6,759,210	97.69%	76,218	6,835,428	99.68%
2008/09	7,366,860	(30,213)	7,336,647	7,218,875	97.99%	0	7,218,875	98.39%

Source: Parker County Appraisal District.

Note: (1) The City of Weatherford implemented GASB Statement No. 44 in fiscal year 2005/06. Detailed information is not available for years prior to 2004/05.

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

Fiscal Year	Governmental Activities			Business-type Activities			
	General Obligation Bonds	Certificates of Obligation	Capital Leases	Revenue Bonds	Tax Note	Term Loan	Capital Leases
1999/00	\$ 3,295,000	\$0	\$ 565,963	\$ 43,316,788	\$0	\$0	\$184,834
2000/01	2,840,000	1,000,000	924,031	41,845,560	0	0	461,705
2001/02	2,365,000	2,800,000	679,902	40,288,421	0	0	451,483
2002/03	1,870,000	6,230,000	585,090	38,649,672	0	193,525	274,302
2003/04	1,550,000	6,060,000	423,107	36,923,916	0	177,555	189,993
2004/05	1,210,000	5,875,000	376,023	34,598,839	0	160,914	101,095
2005/06	840,000	9,690,000	603,081	53,391,977	0	143,574	20,738
2006/07	11,450,000	55,920,000	363,700	51,208,106	0	125,506	0
2007/08	11,060,000	58,605,000	145,242	48,684,838	0	106,680	0
2008/09	10,650,000	58,130,000	0	46,269,786	600,000	477,063	0

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

(1) Personal income and population data located on Schedule 17.

<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 47,362,585	10.00%	\$ 2,492.77
47,071,296	9.26%	2,428.73
46,584,806	8.24%	2,340.95
47,802,589	8.34%	2,326.16
45,324,571	7.39%	2,069.62
42,321,871	6.50%	1,836.09
64,689,370	9.45%	2,695.39
119,067,312	15.96%	4,762.69
118,601,760	13.73%	4,570.40
116,126,849	11.30%	4,357.48

**CITY OF WEATHERFORD, TEXAS**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	General Bonded Debt Outstanding			Debt Service Assets Available	Net Bonded Debt
	General Obligation Bonds	Certificates of Obligation	Total		
1999/00	\$ 3,295,000	\$0	\$ 3,295,000	\$ 321,018	\$ 2,973,982
2000/01	2,840,000	1,000,000	3,840,000	391,324	3,448,676
2001/02	2,365,000	2,800,000	5,165,000	335,643	4,829,357
2002/03	1,870,000	6,230,000	8,100,000	383,166	7,716,834
2003/04	1,550,000	6,060,000	7,610,000	391,639	7,218,361
2004/05	1,210,000	5,875,000	7,085,000	415,985	6,669,015
2005/06	840,000	9,690,000	10,530,000	484,855	10,045,145
2006/07	11,450,000	55,920,000	67,370,000	1,563,613	65,806,387
2007/08	11,060,000	58,605,000	69,665,000	707,853	68,957,147
2008/09	10,650,000	58,130,000	68,780,000	751,802	68,028,198

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

(1) Population data located on Schedule 17.

<u>Actual Taxable Value of Property</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Net Bonded Debt per Capita (1)</u>
\$ 689,780,062	0.43	\$ 156.53
741,884,854	0.46	177.94
789,475,279	0.61	242.68
955,688,462	0.81	375.51
1,025,971,447	0.70	329.61
1,110,760,054	0.60	289.33
1,280,575,030	0.78	418.55
1,397,938,730	4.71	2,632.26
1,565,072,580	4.41	2,657.31
1,737,804,630	3.91	2,552.65

**CITY OF WEATHERFORD, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL  
ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2009  
(Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Parker County	\$ 82,604,975	19.78%	\$ 16,339,264
Weatherford Independent School District	97,793,407	45.73	44,720,925
Parker County Junior College District	6,225,000	19.78	1,231,305
Peaster Independent School District	15,540,135	2.73	424,246
Other debt			
Parker County Junior College, note payable	1,006,856	19.78	199,156
Subtotal, overlapping debt			<u>62,914,896</u>
City of Weatherford direct debt	68,780,000	100.00	68,780,000
Total direct and overlapping debt			<u><u>\$ 131,694,896</u></u>

Source: Representatives of taxing jurisdictions.

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.

**CITY OF WEATHERFORD, TEXAS  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1999/00	\$ 29,656,242	\$ 20,962,060	\$ 8,694,182	\$ 1,605,000	\$ 2,204,724	2.28%
2000/01	34,262,541	25,770,164	8,492,377	1,640,000	2,130,049	2.25
2001/02	29,730,212	20,509,421	9,220,791	1,725,000	2,049,184	2.44
2002/03	34,839,032	25,867,740	8,971,292	1,795,000	1,977,878	2.38
2003/04	35,042,210	26,856,979	8,185,231	1,870,000	1,901,654	2.17
2004/05	42,666,318	32,453,744	10,212,574	1,955,000	1,820,361	2.71
2005/06	50,133,799	39,001,632	11,132,167	2,035,000	2,089,058	2.70
2006/07	47,313,004	37,605,675	9,707,329	2,215,000	2,495,105	2.06
2007/08	60,783,520	49,251,229	11,532,291	2,300,000	2,408,986	2.45
2008/09	55,326,626	46,126,060	9,200,566	2,490,000	2,235,174	1.95

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  
(Unaudited)**

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2000	19,000	473,784,000	24,936	6,832	2.8
2001	19,381	508,383,011	26,231	6,930	3.3
2002	19,900	565,210,800	28,403	7,114	4.5
2003	20,550	572,913,450	27,879	6,981	4.5
2004	21,900	613,375,200	28,008	7,142	5.1
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

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 YEAR AND NINE YEARS AGO  
(Unaudited)**

<u>Employer</u>	2009		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Weatherford ISD	1017	1	8.76%
Weatherford Regional Medical Center	486	2	4.19%
Parker County	483	3	4.16%
City of Weatherford	394	4	3.40%
Jerry's Transportation Center	336	5	2.90%
Wal-Mart	326	6	2.81%
Weatherford College	298	7	2.57%
C.D. Hartnett	276	8	2.38%
JAMAK, Inc.	251	9	2.16%
Petro Stopping Center	200	10	1.72%
Total	<u>4,067</u>		<u>35.05%</u>
<u>Employer</u>	2000		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Weatherford ISD	815	1	9.03%
Weatherford College	492	2	5.45%
Texas Bank	460	3	5.09%
Campbell Health System	450	4	4.98%
Wal-Mart	447	5	4.95%
JAMAK, Inc.	400	6	4.43%
Parker County	334	7	3.70%
C.D. Hartnett	296	8	3.28%
City of Weatherford	275	9	3.05%
JumpKing	160	10	1.77%
Total	<u>4,129</u>		<u>45.73%</u>

Source: Weatherford Economic Development Authority.

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**CITY OF WEATHERFORD, TEXAS**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES**  
**BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<u>Function/Program</u>	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>	<u>2003/04</u>	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>
General government	22	23	21	19	20	21	22	22	23	24
Public safety (1)	99	106	106	106	114	114	119	124	128	130
Public works	23	22	22	19	19	19	19	18	20	22
Planning and development	8	8	9	9	9	12	13	16	16	10
Community development	5	9	8	8	8	8	8	9	9	24
Cultural and recreational	44	44	47	48	48	48	48	52	55	50
Electric	43	44	45	46	48	49	49	54	55	54
Water	25	25	24	27	27	27	27	27	25	28
Wastewater	15	15	15	17	15	15	15	15	16	16
Sanitation	13	13	13	13	13	13	13	13	15	19
Total	<u>297</u>	<u>309</u>	<u>310</u>	<u>312</u>	<u>321</u>	<u>326</u>	<u>333</u>	<u>350</u>	<u>362</u>	<u>377</u>

Note: (1) The City added 12 additional firefighters to staff a new fire station in fiscal year 1999/00.

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

<u>Function/Program</u>	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>
Public safety				
Police				
Police personnel and officers	66	66	66	71
Arrests	1,199	1,235	1,094	1,158
Violations other than parking	5,668	7,739	7,739	12,110
Parking violations	990	548	548	283
Fire				
Paid fire personnel and officers	35	35	35	36
Calls answered	2,302	2,755	2,614	2,589
Planning and development				
New construction permits issued	209	224	305	234
Cultural and recreation				
Library				
Library holdings	123,500	123,620	123,620	128,790
Electric				
Service connections	10,096	10,297	10,550	10,958
Total system peak demand (KW)	65,746	64,300	68,419	73,205
Annual kilo-watt hour sales (KWH)	265,524,531	279,482,773	273,997,234	289,085,021
Water				
Service connections	7,930	8,220	8,575	8,847
Daily average consumption (1,000 gallons)	2,848	2,769	2,687	2,858
Annual water sales (1,000 gallons)	1,039,822	1,010,513	980,843	1,043,353
Wastewater				
Service connections	7,409	7,597	7,923	8,149
Daily average treatment (1,000 gallons)	2,096	2,380	2,040	2,320
Sanitation				
Refuse collected (tons)	8,823	8,810	9,567	9,257
Brush pickups (tons)	1,110	957	595	635
Special pickups (tons)	1,359	1,401	2,045	2,216

Note: (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.

<u>2003/04</u>	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>
71	71	71	75	79	77
1,271	1,652	1,689	1,512	1,597	1,604
8,720	8,483	9,744	10,160	10,078	7,823
325	357	193	281	231	114
42	42	43	43	52	51
2,773	3,169	3,724	3,505	3,167	3,897
198	270	345	289	341	143
93,979	93,895	91,422	90,712	97,232	98,596
11,758	12,060	12,443	12,823	13,166	13,297
71,857	78,273	82,721	81,859	82,317	83,385
289,880,920	315,001,959	338,176,662	334,246,819	354,818,755	341,457,244
9,113	9,345	9,769	10,108	10,418	10,507
2,695	3,141	4,142	3,091	3,555	3,494
983,680	1,146,612	1,511,964	1,128,377	1,297,535	1,275,433
8,342	8,503	8,835	9,254	9,902	(2) 9,660
2,429	2,165	2,118	2,223	2,079	1,936
8,512	9,259	8,865	9,130	9,189	8,780
841	2,396	1,016	509	2,459	1,832
1,076	2,732	1,154	1,541	(1)	(1)

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

<u>Function/Program</u>	<u>1999/00</u>	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>
Public safety				
Police				
Police stations	1	1	1	1
Police patrol units	19	19	19	21
Fire				
Fire stations	2	3	3	3
Fire trucks	9	12	12	12
Cultural and recreation				
Parks and recreation				
Community centers	2	2	2	2
Parks	9	9	9	9
Park acreage	282	294	294	294
Swimming pools	1	1	1	1
Tennis courts	3	3	3	3
Soccer fields	8	8	8	8
Softball/baseball fields	8	9	9	9
Multipurpose fields and courts	7	7	7	7
Electric				
Miles of distribution lines	224	243	257	267
Water				
Miles of water mains	183	192	196	200
Number of fire hydrants	803	832	871	884
Maximum daily capacity of plant (1,000 gallons)	8,000	8,000	8,000	8,000
Total water storage capacity (1,000 gallons)	5,850	7,100	7,100	7,100
Wastewater				
Miles of sanitary sewers	158	161	168	171
Permitted daily capacity of plant (1,000 gallons)	2,700	2,700	2,700	2,700

Fiscal Year					
<u>2003/04</u>	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>
1	1	1	1	1	1
21	21	22	21	22	22
3	3	3	3	4	4
12	11	11	12	14	16
2	2	2	2	2	2
9	9	10	10	10	10
294	294	300	300	300	300
1	1	1	1	1	1
3	3	3	3	3	3
8	8	8	8	8	8
9	7	7	7	10	10
7	8	8	8	9	9
272	283	288	302	304	313
200	236	236	236	241	249
884	993	1,123	1,170	1,213	1,244
8,000	8,000	14,000	14,000	14,000	14,000
7,100	7,100	7,100	7,100	7,100	7,600
171	180	180	182	187	192
2,700	4,500	4,500	4,500	4,500	4,500

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## **COMPLIANCE AND INTERNAL CONTROLS**

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# Snow, Garrett & Company

CERTIFIED PUBLIC ACCOUNTANTS

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and City Council  
City of Weatherford, Texas

We have audited the 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, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 19, 2010. 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.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Weatherford's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Weatherford's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.