Comprehensive Annual Financial Report

For the Fiscal Year Ended
September 30, 2009

City of Plainview, Texas

PLAINVIEW, TX
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CITY OF PLAINVIEW, TEXAS

ANNUAL FINANCIAL REPORT

for the Year Ended September 30, 2009

CITY OF PLAINVIEW, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2009

TABLE OF CONTENTS

TABLE OF CONTENTS

CITY OF PLAINVIEW, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2009
TABLE OF CONTENTS

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OFFICE OF THE
CITY MANAGER

PLAINVIEW, TX
city of plainview

February 18, 2010

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

The City of Plainview's Comprehensive Annual Financial Report for the year ended September 30, 2009, is hereby submitted. This report consists of management's representations concerning the finances of the City of Plainview. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Plainview has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Plainview's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the City of Plainview'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 Plainview's financial statements have been audited by Williams, Meriwether, Smith & Co., 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 of Plainview 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 Plainview's financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles 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 Plainview's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Plainview, incorporated in 1907, is located on the Central Plains of Northwest Texas, 46 miles north of Lubbock and 75 miles south of Amarillo. The City of Plainview is the County Seat of Hale County, one of the most intensively farmed counties in the state with crops irrigated from water produced

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from the Ogallala Aquifer. Cotton is the major crop. Other crops include corn, soybeans, sorghum, wheat, peanuts, vegetables, as well as, dairy cows, swine, sheep, and beef cattle production. The City of Plainview is the agribusiness, financial and transportation center of this highly developed farming area.

The City of Plainview currently occupies a land area of 13 square miles and serves an estimated population of 21,884. The City of Plainview is empowered to levy tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Plainview, a home rule city, has operated under the council-manager form of government since 1964. Policy-making and legislative authority are vested in a governing council consisting of the mayor and seven other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The government's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms with four members elected every two years. The mayor is elected at large and the other seven members are elected by district.

The City of Plainview provides a full range of services. These services include police and fire protection, maintenance of streets and infrastructure, emergency medical service, parks and recreation, cultural events, library, health, vector control, zoning, code administration, building inspection, and general administrative services. The City of Plainview also provides utility services which include water supply and distribution, storm water, waste water collection and treatment, and solid waste collection and disposal.

The City of Plainview's accounting records for general government operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

The City charter provides that the City Council shall adopt the annual budget by the passage of a budget ordinance. This budget, prepared by City management, is reviewed by the City Council subsequent to a public hearing. The City Manager may transfer budgeted amounts among programs within a department or major organizational unit; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budgetary control has been established at the individual fund level. Financial reports are produced displaying budget and actual expenditures by line item, and are distributed monthly to City departmental and divisional management and to others upon request.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled item by item. Revenue projections are reviewed monthly.

Economic Outlook and Financial Condition

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

Local economy. The South Plains region of West Texas is nearing the completion of harvesting a cotton crop described as average in terms of yield. Production costs were down due to lower oil prices, which resulted in savings in not only fuel costs, but also in the areas of fertilizer and chemical costs. With cotton as the major crop and the agriculture support industries as the backbone of the local economy, the short term outlook is more stable than it was a year ago but the community is still dealing with some of the general economic malaise created by the national economic challenges facing the state and nation as a whole.

An ethanol plant with a 100 million gallon annual production capacity constructed three miles east of the city that had suspended operations due to the economic environment driving down fuel prices, has now resumed production and is ramping back up towards full production.

When we look at the overall national economy, the local economy is proving to be fairly resilient. While sales tax receipts through February are 2.9% below where they were over the same five month period last year, both January and February 2010 collections were ahead of where they were for the same period in 2009. Property tax collections are slightly ahead of last year as a percent of levy collected. However, there are some revenue sources that are in weaker positions than they were last year. Investment earnings are down and some franchise fees are down due to lower energy costs. The declines in all of these areas are attributed to the broader national and world economy rather than the local economy.

Long-term financial planning. In an ongoing effort to meet current needs and to position the City for the future, the City of Plainview has completed a number of capital projects. The City has completed a new lined disposal cell within the City's Type I landfill and installed a new battery of monitoring wells to meet the requirements of the Texas Commission on Environmental Quality. One new and two replacement water wells have been brought on line in the water system, and a new SCADA system has been installed at the Water Reclamation Plant.

The City of Plainview continues to work with the other ten member cities of the Canadian River Municipal Water Authority (CRMWA) to acquire and develop additional water resources to meet the long term needs of the eleven member cities. The City is also in the process of updating its individual long range water plan. Plainview is actively in the process of developing plans for needed improvements in its overhead storage system and having an engineering study done to accurately assess the cost of relocating or replacing utility lines that could result as a part of a Texas Department of Transportation (TxDOT) plan to resurface one of the major highways (Highway 70) going through Plainview. The debt for these projects will be serviced by the City's water and sewer utility enterprise fund.

The City of Plainview has continued to maintain a strong balance of cash reserves to help the community meet its current needs, avoid any disruptions in services due to fluctuations in the financial environment, and to be in a position to take advantage of economic opportunities that may present themselves.

Cash management. The City of Plainview awards its depository contract through official bidding procedures for a three year period with a provision for two one-year continuations under the same contract. The initial three year period of the current depository contract with Wells Fargo Bank expired September 30, 2009 and both the City and Wells Fargo Bank have agreed to exercise the first of the two one-year provisions to continue the contract.

The current contract with Wells Fargo Bank guarantees the City of Plainview the Federal Funds target rate on demand deposits with the remainder of idle cash placed in certificates of deposit in various banks. At the end of the first quarter of the current fiscal year the City held $16.9 million in certificates of deposit with an average maturity of 137 days and an average yield of 1.91%.

It is the City of Plainview's policy that all demand deposits and time deposits be secured by pledged collateral with a market value equal to no less than 102% of the deposits less an amount insured by FDIC. Evidence of the pledged collateral is maintained by the finance department and a third party financial institution. Collateral is reviewed monthly by the finance staff and quarterly by an independent consultant to assure the market value of the securities pledged is adequate.

All safekeeping arrangements are in accordance with a safekeeping agreement approved by the City Manager which defines the procedural steps for gaining access to pledged collateral on deposit should the City of Plainview determine that the City's funds are in jeopardy. The safekeeping institution, or Custodian, is the Federal Reserve Bank of Boston. The safekeeping agreement is a three-party contract between the City of Plainview, the depository bank, and the Federal Reserve Bank as Custodian. Additional information on the City's banking and investing activities can be found in Note B of the financial statements.

Risk management. The City of Plainview has joined together with other governmental agencies in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML-IRP) for insurance coverage. The City pays an annual premium for coverage of worker's compensation liability, general liability, law enforcement liability, errors and omissions liability, auto liability, and property damage. The City of Plainview is generally self-insured for physical damage to vehicles. Additional information on the City's risk management activities can be found in Note N of the financial statements.

Employee health plan. The City of Plainview provides and maintains an employee health care plan. The plan admits employee's dependents and retirees; however, the City provides no funding for any portion of these premiums. The plan is a modified self-insurance plan in that a third party administrator provides processing services and PPO contracts with service providers and excess loss coverage. Additional information on the City's health coverage can be found in Notes L and M of the financial statements.

Pension benefits. The City participates in two retirement plans. Firefighters are provided benefits through the City's single employer defined benefit pension plan and all other employees are provided benefits through a non-institutional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS).

The Firefighters Retirement System is administered by a board of trustees. The actuarial valuation for the System was completed as of December 31, 2007. The funded ratio of actuarial accrued liability of this plan was 54.9%. As a matter of policy the City currently contributes 15% of firefighter salaries toward pension financing, while firefighters individually contribute 14%.

Each year TMRS engages an independent actuary to study the plan and calculate the City's required contribution. The last available study was completed as of December 31, 2008 and reported the funded ratio of accrued liability was 68.7%. The City's contribution rate at year end was 12.78% of payroll and the employees individually contribute 7%. TMRS has changed the Plan's actuarial cost method to the Projected Unit Credit method and, due to the resulting increase in contribution rate; the City has opted to use an eight year phase-in period to gradually increase contributions to the full rate. TMRS also plans to diversify the fund's investment portfolio from the current all-bond policy to a mix of equities and bonds. The change in investment policy on the City's future contribution rate has not yet been determined. Additional information on the City's pension arrangements and post-employment benefits can be found in Notes K and S of the financial statements and in the required supplementary information.

Acknowledgements

The preparation of this report and the maintenance of the records upon which it is based could not have been accomplished without the efficient and dedicated services of the entire Finance Department. I would like to express my appreciation to staff members Tammy Adams and Vannesa Rincon for their insights and comments and to the independent auditors for their competent services.

In addition, I express my appreciation to the Mayor and the members of the City Council for their interest and support in planning and conducting the financial operation of the City of Plainview in a responsible and progressive manner.

Respectfully submitted,

Greg Ingham
City Manager

CITY OF PLAINVIEW, TEXAS

LISTING OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS	NAME	YEARS SERVICE	OCCUPATION
MAYOR	JOHN C. ANDERSON	6	RETIRED, BANKER
COUNCILMEMBER DISTRICT 1	KELVIN TIPTON	7	CONTROLLER
COUNCILMEMBER DISTRICT 2	CATHY WAGGONER	3	ASSISTANT, CUNNINGHAM CHIROPRACTIC
COUNCILMEMBER DISTRICT 3	BELINDA PENA	7	SOCIAL SECURITY CLAIMS REPRESENATIVE
COUNCILMEMBER DISTRICT 4	JOHN N. BERTSCH	7	CERITIFIED FINANCIAL PLANNER
COUNCILMEMBER DISTRICT 5	RON TRUSLER	4	CEO, MHMR
COUNCILMEMBER DISTRICT 6	WENDELL DUNLAP	4	PAINT CONTRACTOR
COUNCILMEMBER DISTRICT 7	ROLAND NASH	4	MECHANIC

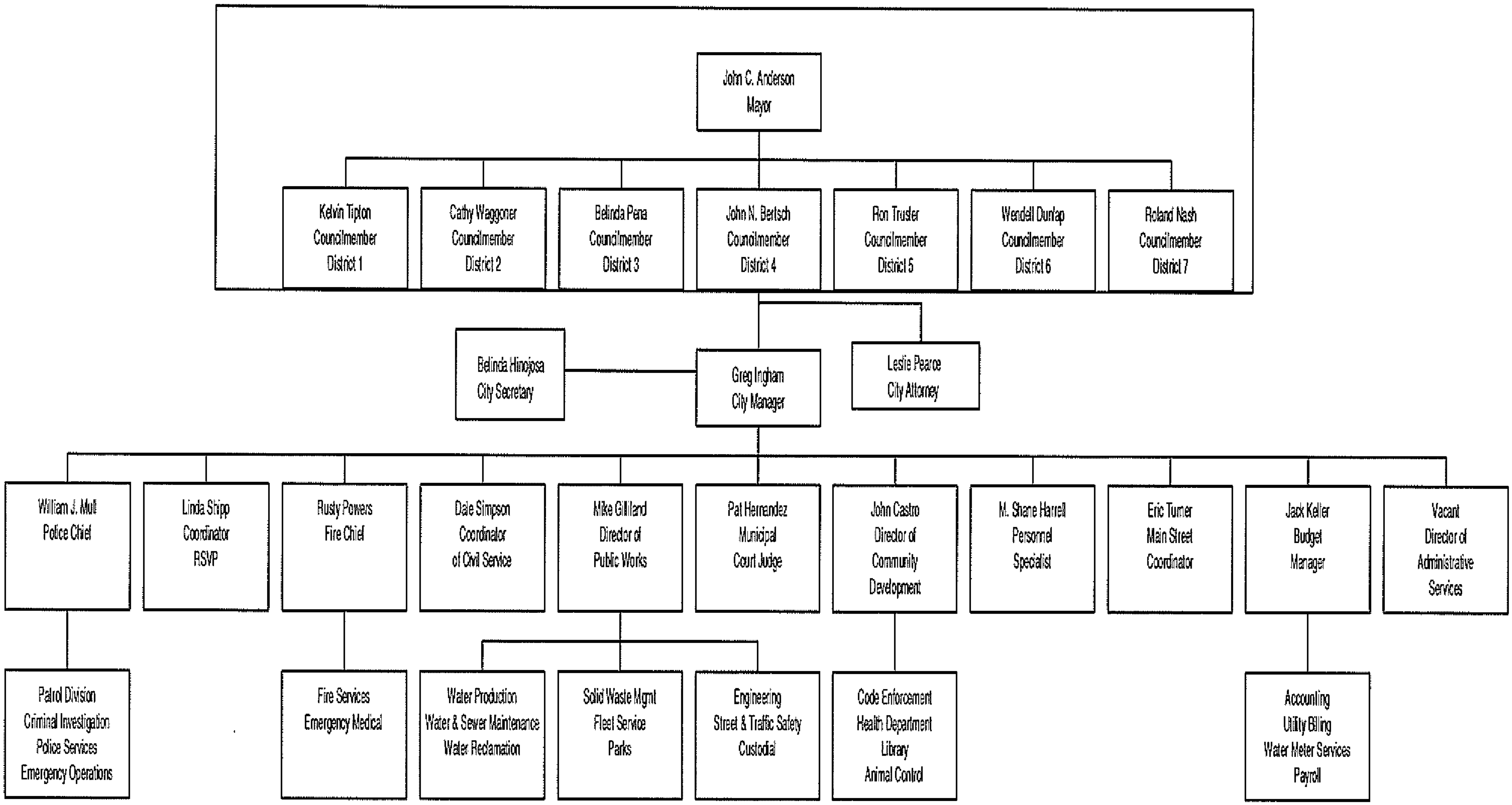
CITY OFFICIALS	NAME	# OF YEARS WITH CITY	# OF YEARS THIS POSITION
CITY MANAGER	GREG INGHAM	5	32
DIRECTOR PUBLIC WORKS	MIKE GILLILAND	1	1
DIRECTOR COMMUNITY SERVICES	JOHN CASTRO	15	13
DIRECTOR FIRE SERVICES	RUSTY POWERS	19	1
DIRECTOR POLICE SERVICES	WILLIAM MULL	39	12
BUDGET MANAGER	JACK KELLER	18	8
MUNICIPAL COURT JUDGE	PAT HERNANDEZ	24	11
CITY ATTORNEY	LESLIE PEARCE	3	9
CITY SECRETARY	BELINDA HINOJOSA	8	8

FINANCIAL CONSULTANT - SPECIALIZED PUBLIC FINANCE - AUSTIN, TEXAS

BOND COUNSEL - FULBRIGHT & JAWORSKI - DALLAS, TEXAS

INDEPENDENT AUDITORS - WILLIAMS, MERIWETHER, SMITH & CO LLP PLAINVIEW, TEXAS

City of Plainview
Organizational Chart



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Financial Section

WILLIAMS, MERIWETHER, SMITH & CO., L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Coleman Williams, CPA
George Meriwether, CPA, CFP®
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Plainview, Texas 79072-7830

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Plainview, 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 Plainview, Texas (the City), 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'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 the 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, as of September 30, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note M to the financial statements, the City adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, in fiscal year 2009.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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, budgetary comparison information, and schedule of funding progress on pages 2 through 12 and 53 through 56, are not a required part 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's basic financial statements. The introductory section, combining financial statements, individual nonmajor fund budgetary comparison schedules, supporting schedules, and general information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements, individual nonmajor fund budgetary comparison schedules, and the supporting 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 general information 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.

Williams, Meriwether, Smith & Co., L.L.P.

January 27, 2010

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Plainview's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2009. Please read it in conjunction with the City's financial statements and disclosure, which follow this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- The City's combined total assets were $75,682,766 at September 30, 2009 and $74,420,249 at September 30, 2008, increasing 1.7%.
- Total liabilities were $18,368,722 at September 30, 2009, a decrease of 1.5% from September 30, 2008.
- The total assets of the City exceeded its liabilities at the close of the fiscal year by $57,314,044, an increase of 2.8%. Of this amount, $27,753,201 in unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.
- During the year, the City's total revenues from all sources exceeded expenses by $1,539,995.

Governmental Funds

- Total current assets were $13,202,660 at September 30, 2009 and $12,090,539 at September 30, 2008, increasing 9.2%.
- All combined governmental funds reported an ending fund balance of $12,112,667, or a 7.5% increase from the previous year.
- For the period ended September 30, 2009, total revenues exceeded total expenditures by $645,167.

Proprietary Funds

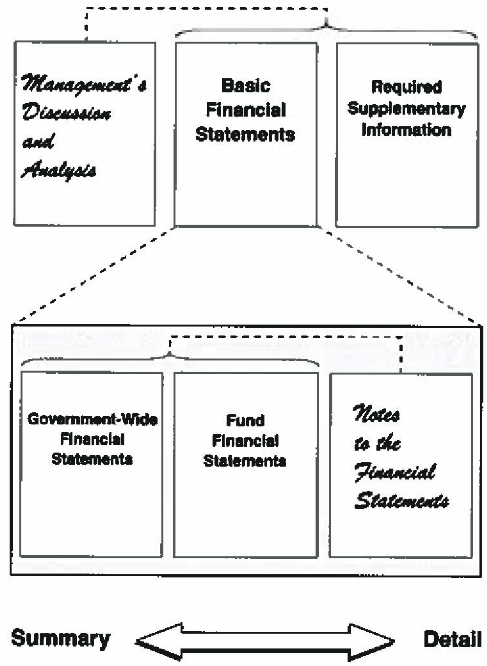
- Net assets for combined enterprise funds grew to $30,332,430, or 3.5%. Of this amount, $10,718,584 is unrestricted and available to be used to meet the ongoing obligations to citizens and creditors.
- The change in net assets or net income generated from operations of the combined enterprise funds during the period ended September 30, 2009 is reported at $1,038,320.
- A net decrease in cash and cash equivalents of $1,080,717 is reported for the combined enterprise funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Plainview's basic financial statements. This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements, and required supplementary information.* The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the City's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses.*

Figure A-1, Required Components of the City's Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2. Major Features of the City's Government-wide and Fund Financial Statements

		Fund Statements		
Type of Statements	**Government-wide**	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire City's government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private businesses	Instances in which the City is the trustee or agent for someone else's resources
Required financial statements	• Statement of net assets • Statement of activities	• Balance sheet • Statement of revenues, expenditures & changes in fund balances	• Statement of net assets • Statement of revenues, expenses and changes in fund net assets • Statement of cash flows	• Statement of fiduciary net assets • Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Figure A-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one way to measure the City's financial health or *position.*

- Over time, increases or decreases in the City's net assets may be an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City, one needs to consider additional nonfinancial factors such as changes in the City's tax base.

The government-wide financial statements of the City include the *Governmental activities.* Most of the City's basic services are included here, such as general government, public safety, streets, economic development, parks and recreation, and interest on long-term debt. Property taxes and sales taxes finance most of these activities. The government-wide financial statements of the City also include the *Business-type activities.* The most significant being a Water and Sewer operation and a Solid Waste Collection and Disposal operation. These are supported by user charges.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds*—not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

- The City Council or management establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kinds of funds:

- *Governmental funds*—Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

- *Proprietary funds*—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

- We use *internal service funds* to report activities that provide supplies and services for the City's other programs and activities.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net assets.

The City's combined net assets totaled $57,314,044 at September 30, 2009, $1.54 million higher than the prior year. (See Table A-1).

Table A-1

City's Net Assets

(In thousands dollars)

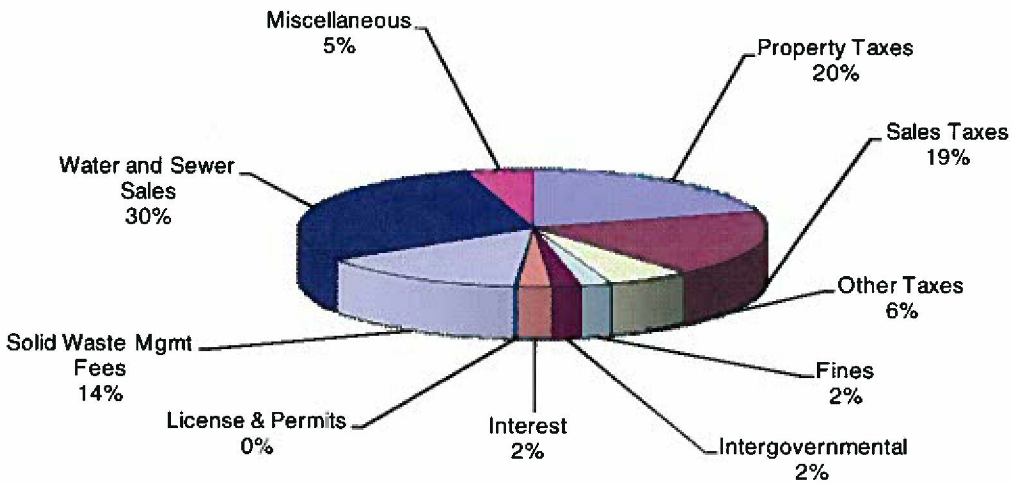
	Governmental Activities 2009	Governmental Activities 2008	Business -type Activities 2009	Business -type Activities 2008	Total 2009	Total 2008	Total Percent Change
Current assets							
Cash and cash equivalents	$ 6,413	$ 8,577	$ 3,642	$ 4,680	$ 10,055	$ 13,257	-24%
Investments	10,809	7,500	5,190	3,185	15,999	10,685	50%
Due from other governments	178	42	-	-	178	42	324%
Internal balances	34	(44)	(34)	44	-	-	0%
Other receivables	1,057	1,376	1,130	1,053	2,187	2,429	-10%
Inventories	87	93	153	154	240	247	-3%
Total current assets	18,578	17,544	10,081	9,116	28,659	26,660	7%
Noncurrent assets	1,316	1,364	9,703	9,878	11,019	11,242	-2%
Capital assets	26,659	26,345	45,118	44,540	71,777	70,885	1%
Less accumulated depreciation	17,570	17,185	18,202	17,181	35,772	34,366	4%
Total assets	28,983	28,068	46,700	46,353	75,683	74,421	2%
Accounts payable and accrued liabilities	901	787	614	382	1,515	1,169	30%
Deposits and escrow held	-	-	363	367	363	367	-1%
Deferred revenues	43	-	-	-	43	-	- %
Compensated absences	838	861	70	77	908	938	-3%
Post-employment obligations	202	-	41	-	243	-	- %
Landfill closure/postclosure	-	-	1,022	992	1,022	992	3%
Bonds payable	-	-	14,275	15,181	14,275	15,181	-6%
Total liabilities	1,984	1,648	16,385	16,999	18,369	18,647	-1%
Net assets							
Invested in capital assets	9,088	9,160	19,353	19,280	28,441	28,440	0%
Restricted	859	885	261	249	1,120	1,134	-1%
Unrestricted	17,052	16,375	10,701	9,825	27,753	26,200	6%
Total net assets	26,999	26,420	30,315	29,354	57,314	55,774	3%

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. A large portion of the City's net assets (50 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is 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.

Changes in net assets.

The City's total revenues for the period ended September 30, 2009 were $20,332,279. A significant portion, 45 percent, of the City's revenue comes from taxes (See Figure A-3) while 44 percent comes from charges for utility services. The total cost of all programs and services was $18,792,284.

Figure A-3
Sources of Revenue
for Fiscal Year 2009



Expenses by Activity
for Fiscal Year 2009

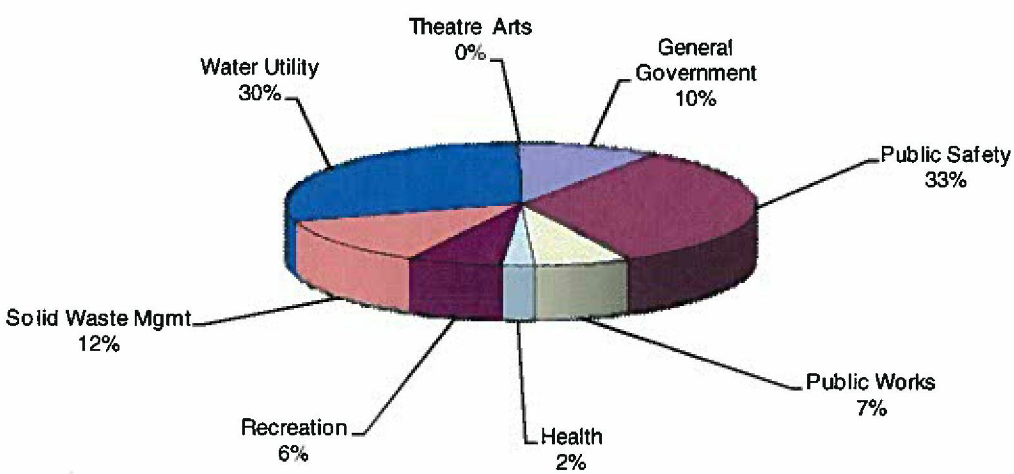


Table A-2 reflects a comparative detail of changes in net assets of the City. A more detailed presentation about current year activities may be found in the financial statements (Exhibit B-1) of this report.

Table A-2
Changes in City's Net Assets
(In thousands dollars)

	Governmental Activities 2009	Governmental Activities 2008	Business-type Activities 2009	Business-type Activities 2008	Total 2009	Total 2008	Total Percent Change
Program revenues:							
Charges for services	$ 1,138	$ 1,101	$ 8,965	$ 8,603	$ 10,103	$ 9,704	4%
Grants and contributions	425	295	42	1	467	296	58%
General revenues:							
Property taxes	4,149	3,839	-	-	4,149	3,839	8%
Other taxes	4,922	5,237	-	-	4,922	5,237	-6%
Other	363	607	328	653	691	1,260	-45%
Total revenues	10,997	11,079	9,335	9,257	20,332	20,336	0%
Expenses:							
General government	1,814	1,364	-	-	1,814	1,364	33%
Public safety	6,174	5,975	-	-	6,174	5,975	3%
Public works	1,234	1,197	-	-	1,234	1,197	3%
Recreation and culture	1,209	1,013	-	-	1,209	1,013	19%
Health	423	387	-	-	423	387	9%
Solid waste management	-	-	2,326	2,201	2,326	2,201	6%
Water and sewer	-	-	5,573	5,380	5,573	5,380	4%
Theatre arts	-	-	39	32	39	32	22%
Total expenses	10,854	9,936	7,938	7,613	18,792	17,549	7%
Special item	-	1,273	-	-	-	1,273	-100%
Transfers	436	460	(436)	(460)	-	-	0%
Total special items and transfers	436	1,733	(436)	(460)	-	1,273	-100%
Change in net assets	579	2,876	961	1,184	1,540	4,060	-62%
Net assets - beginning	26,420	23,544	29,354	28,170	55,774	51,714	8%
Net assets - ending	26,999	26,420	30,315	29,354	57,314	55,774	3%

Governmental Activities

As shown in Table A-2, governmental activities increased net assets by $579,526 accounting for 38% of the increase in total net assets. Table A-3 presents the cost of each of the City's largest functions, as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars.

- Property tax rates increased .0343 cents per $100 valuation. This increase coupled with a 2.4% increase in values enabled an increase in property tax revenues of $295,292, or 7.8%.
- The franchise tax on gas and electric utilities decreased $240,768, or 17.3%, and general sales tax decreased $34,035, or 1%.
- The cost of all *governmental* activities this year was $10,853,920 compared to the previous year of $9,936,396, a 9.2% increase.
- The amount that our taxpayers paid for these activities through taxes was $9,290,969.
- Some of the cost was paid by those who directly benefited from the programs, $1,137,724, or
- By grants and contributions, $425,227.

Table A-3
Net Cost of City's Governmental Activities
(In thousand dollars)

	Total Cost of Services 2009	Total Cost of Services 2008	Percent Change	Net Cost of Services 2009	Net Cost of Services 2008	Percent Change
General government	$ 1,814	$ 1,364	33%	$ 1,308	$ 1,061	23%
Public safety	6,174	5,975	3%	5,495	5,243	5%
Public works	1,234	1,197	3%	1,234	1,197	3%
Recreation and culture	1,209	1,013	19%	1,141	953	20%
Health	423	387	9%	113	87	30%
Total governmental activities	10,854	9,936	9%	9,291	8,541	9%

Business-type Activities

Business-type activities increased the City's net assets by $960,469 accounting for 62% of the total increase in the government's net assets.

- Charges for services generated revenues of $8,965,084 for the period ended September 30, 2009 compared to $8,603,467 for the previous period. This 4.2% increase was derived from a 5% increase in solid waste collection rates and a 5% increase in water and sewer rates.
- Expenses totaled $7,938,364 for 2009 and $7,613,163 for 2008, a 4.3% increase. Pressure from increasing costs associated with delivery of raw water and personal services costs were the main contributors to the increase.
- Transfers from business-type activities to support general government activities were $435,790 for the period, a 5.3% decrease from the previous period.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Plainview uses fund accounting to 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's governmental funds reported a combined ending fund balance of $12,112,667, an increase of $849,404. A combination of favorable budget variances for both general fund revenues and expenditures were the key elements of this increase. These variances were 3.2% and 8.8% respectively. As a result, the general fund accounted for 51.3% of the increase after inter-fund transfers.

- Total assets of the General Fund increased 6.1%. This increase is mainly attributable to the increase in cash, cash equivalents and investments from $8,003,708 at the end of the prior period to $8,683,552 at the end of fiscal year 2009.

- Total liabilities increased 31.8% due to delayed purchases of supplies and equipment in the third quarter of the fiscal year because of economic uncertainty, with the prior year reporting $827,276 and $1,089,993 in 2009.

- Of the combined ending fund balance, approximately $12 million constitutes unreserved fund balance which is available for spending at the government's discretion.

Proprietary Funds

The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. There are two types of funds presented – the business-type (enterprise) funds and the internal service funds. The purpose of internal service funds is to provide services within a government on a break-even basis. The net income or loss from these internal service funds has been allocated back to the user departments or funds for the government-wide financial statements. The internal service funds reflect a total net assets amount of $7,280,548. Of this amount, $2,214,416 is invested in capital assets and $1,580,643 is for health benefits for the City's employees. The remainder of the unrestricted net assets are generally used to replace capital assets.

Of the combined unrestricted net assets of the enterprise funds at the end of fiscal year 2009, approximately $10.7 million, was available for future spending. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

A primary goal for the General Fund operating budget is that current budgeted revenues will equal or exceed current budgeted expenditures. Only unforeseen or emergency circumstances will be considered justification for utilizing the fund balance. The following is a brief review of the budgetary changes from the original to the final amended budget (See Exhibit E-1 of the Financial Statements).

- An additional appropriation of $27,500 was approved to fund building repairs at the library building.

- An additional transfer of $50,000 to the fleet maintenance fund was approved to cover unbilled services.

- The budget was amended by $15,000 to provide a cash match for a Department of Housing and Urban Development, HOME Investment Partnerships grant.

- An additional appropriation of $12,500 was approved to fund website design and other promotional materials.

- The budget was amended by $3,210 to supplement funds provided by a Federal Bureau of Justice grant to acquire law enforcement equipment.

- During the year, actual receipts were exceeding budgeted revenues and expenditures were less than budgetary estimates, thus allowing the City Council to approve a transfer of $280,000 to an equipment replacement fund, a transfer of $400,000 to a capital improvements fund, and an additional transfer of $150,000 to an economic development fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of September 30, 2009 amounts to $36,004,065 (net of accumulated depreciation). This investment in capital assets includes land, buildings, systems, system improvements, machinery, equipment, park facilities, and roadways (See Table A-4).

Table A-4
City's Capital Assets
(In thousand dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2009	2008	2009	2008	2009	2008	Change
Land	$ 520	$ 520	$ 529	$ 529	$ 1,049	$ 1,049	0%
Buildings	3,409	3,335	2,615	2,615	6,024	5,950	1%
System improvements	-	-	35,897	35,149	35,897	35,149	2%
Infrastructure	14,999	14,940	-	-	14,999	14,940	0%
Machinery and equipment	7,724	7,543	5,419	5,332	13,143	12,875	2%
Construction in progress	7	7	658	914	665	921	-28%
Totals at historical cost	26,659	26,345	45,118	44,539	71,777	70,884	1%
Accumulated depreciation	17,571	17,185	18,202	17,181	35,773	34,366	4%
Net capital assets	9,088	9,160	26,916	27,358	36,004	36,518	-1%

Additional information on the City's capital assets can be found in the financial statements (Exhibits I-1 thru I-3) as well as the notes to the financial statements (Note F) of this report.

Long Term Debt

At year end the City had $8,445,000 in bonds and notes outstanding. In addition, the City is one of 11 member cities of the Canadian River Municipal Water Authority, and is obligated on its proportionate share of the Authority's debt (See Table A-5).

No refunding of existing debt occurred during the period ended September 30, 2009. However, subsequent to fiscal year-end, on October 22, 2009 the City sold $6,875,000 of General Obligation Refunding Bonds to advance refund $6,635,000 of General Obligation Bonds, Series 2001. More detail on the City's long-term obligations may be found in the notes to the financial statements (Note J & Note U).

Bond Ratings

The City's bonds presently carry "AA-" ratings from Standard & Poor's.

Table A-5

City's Outstanding Bond and Contract Debt

(In thousand dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2009	2008	2009	2008	2009	2008	Change
Certificates of obligation	$ -	$ -	$ 8,445	$ 9,065	$ 8,445	$ 9,065	-7%
Water supply contract obligation	-	-	5,821	6,106	5,821	6,106	-5%
Total outstanding debt	$ -	$ -	$ 14,266	$ 15,171	$ 14,266	$ 15,171	-6%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The global economic contraction has been slow in coming to the southern high plains region of Texas and its effect on the City of Plainview has thus far been less severe than the rest of the State. Taking general sales tax as an indicator, receipts for the fiscal year now ended were 1% less than receipts from the previous year. Although this decline was a manageable $34,000, it was the first year-over-year decline in more than ten years. Through February of this current year sales tax receipts have declined 2.9% over the same period in 2009. While unsettling, it is still over the 5% reduction anticipated in the 2009-2010 budget. Using the unemployment rate as another indicator, the unemployment rate increased from 4.4% in 2007 to a current rate of 5.9% while the State, as a whole, increased to 8.3%. Also, considering the City of Plainview is located in a highly developed agricultural region and with this region harvesting crop yields that are characterized as average along with reasonable commodity prices is a factor in mitigating the effects of the global economic decline. Still, the economic outlook is uncertain.

Due to this uncertainty, the General Fund expenditure budget for the upcoming year increased by less than 1% and the ad valorem property tax rate of .5685 per $100 valuation was unchanged. There is no budgeted reduction of services and there were no salary increases for the workforce. There is no budgeted reduction of General Fund reserves.

The City is undertaking an overall water utility study to determine future water supply needs, how best to meet those needs, and maintenance or improvement needs to existing infrastructure and how to best meet those needs. A good measure of the future water supply needs is being met through the eleven member cities Canadian River Municipal Water Authority. The Authority has purchased additional water rights and is in the latter phases of developing a new well field. The cost of any future projects identified by the study are not yet known, however management expects to fund these projects with one-third of the proceeds, approximately $500,000, of a bond issue made in the previous year, from reserve funds designated for system improvements, and a possible future bond sale. In accordance with the intent to partially self-fund these projects, water and sewer rates were increased 5%.

The 2009/2010 budget for the solid waste management operation was reduced 15.5% from the year now ended and collection and disposal fees were unchanged. There is no budgeted reduction in Solid Waste Management Fund reserves.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Financial Services Department, Attn: Interim Finance Director, 121 West 7th, Plainview, Texas 79072, call (806) 296-1130, or e-mail tadams@ci.plainview.tx.us.

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Basic Financial Statements

EXHIBIT A-1

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

	Primary Government		
	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 6,413,254	$ 3,641,761	$ 10,055,015
Investments - Current	10,809,269	5,190,170	15,999,439
Receivables (net of allowance for uncollectibles)	1,235,200	1,129,898	2,365,098
Internal Balances	34,169	(34,169)	-
Inventories	86,491	153,099	239,590
Investments - Joint Venture	1,316,314	-	1,316,314
Restricted Assets:			
Temporarily Restricted:			
Cash and Cash Equivalents	-	289,486	289,486
Permanently Restricted:			
Cash and Cash Equivalents	-	1,294,000	1,294,000
Investments	-	900,000	900,000
Capital Assets:			
Land	519,919	529,367	1,049,286
Infrastructure, net	4,473,197	-	4,473,197
Buildings, net	1,642,521	680,486	2,323,007
Improvements other than Buildings, net	-	22,710,427	22,710,427
Machinery and Equipment, net	2,445,943	2,337,626	4,783,569
Construction in Progress	6,760	657,819	664,579
Water Supply Contract Costs and Other Assets, net	-	7,219,759	7,219,759
Total Assets	28,983,037	46,699,729	75,682,766
LIABILITIES			
Accounts Payable	901,309	582,052	1,483,361
Accrued Interest Payable	-	32,404	32,404
Deferred Revenues	42,949	-	42,949
Payable from Restricted Assets	-	1,385,231	1,385,231
Noncurrent Liabilities			
Due Within One Year	-	928,239	928,239
Due in More Than One Year	1,039,385	13,457,153	14,496,538
Total Liabilities	1,983,643	16,385,079	18,368,722
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	9,088,340	19,352,797	28,441,137
Restricted for:			
Restricted for Debt Service	-	261,049	261,049
Restricted for Tourism	410,710	-	410,710
Restricted for Economic Development	296,929	-	296,929
Restricted for Law Enforcement	69,145	-	69,145
Restricted for Municipal Court	81,873	-	81,873
Unrestricted Net Assets	17,052,397	10,700,804	27,753,201
Total Net Assets	$ 26,999,394	$ 30,314,650	$ 57,314,044

The notes to the Financial Statements are an integral part of this statement.

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

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
General Government - Administration	$ 1,187,256	$ 9,608	$ 125,228	$ -
General Government - Other	627,009	268,596	103,465	-
Public Safety	6,174,194	656,572	18,025	4,205
Public Works	1,234,289	-	-	-
Health	422,516	148,168	161,216	-
Recreation and Culture	1,208,656	54,780	6,088	7,000
Total Governmental Activities:	10,853,920	1,137,724	414,022	11,205
BUSINESS-TYPE ACTIVITIES:				
Solid Waste Management Fund	2,325,580	2,904,631	-	-
Water and Sewer Fund	5,573,408	6,037,512	-	40,562
Theatre Arts Fund	39,376	22,941	1,000	-
Total Business-Type Activities:	7,938,364	8,965,084	1,000	40,562
TOTAL PRIMARY GOVERNMENT:	$ 18,792,284	$ 10,102,808	$ 415,022	$ 51,767

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes
Sales Taxes
Selective Sales and Use Tax
Franchise Taxes
Penalty and Interest
Miscellaneous Revenue
Investment Earnings
Transfers In (Out)
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		
Governmental Activities	Business-type Activities	Total
$ (1,052,420)	$ -	$ (1,052,420)
(254,948)	-	(254,948)
(5,495,392)	-	(5,495,392)
(1,234,289)	-	(1,234,289)
(113,132)	-	(113,132)
(1,140,788)	-	(1,140,788)
(9,290,969)	-	(9,290,969)
-	579,051	579,051
-	504,666	504,666
-	(15,435)	(15,435)
-	1,068,282	1,068,282
(9,290,969)	1,068,282	(8,222,687)
4,072,569	-	4,072,569
3,489,461	-	3,489,461
282,371	-	282,371
1,151,056	-	1,151,056
75,689	-	75,689
66,226	149,764	215,990
297,333	178,213	475,546
435,790	(435,790)	-
9,870,495	(107,813)	9,762,682
579,526	960,469	1,539,995
26,419,868	29,354,181	55,774,049
$ 26,999,394	$ 30,314,650	$ 57,314,044

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

	General Fund	Other Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 581,719	$ 3,222,008	$ 3,803,727
Investments - Current	8,101,833	-	8,101,833
Interest Receivable - Investments	9,744	-	9,744
Taxes Receivable	1,148,963	22,882	1,171,845
Allowance for Uncollectible Taxes (credit)	(318,357)	-	(318,357)
Receivables (Net)	115,310	-	115,310
Intergovernmental Receivables	45,330	132,534	177,864
Due from Other Funds	96,865	-	96,865
Inventories	43,829	-	43,829
Total Assets	$ 9,825,236	$ 3,377,424	$ 13,202,660
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 329,726	$ 52,710	$ 382,436
Wages and Salaries Payable	342,980	5,367	348,347
Compensated Absences Payable	5,470	-	5,470
Due to Other Funds	4,997	55,066	60,063
Deferred Revenues	250,728	42,949	293,677
Total Liabilities	933,901	156,092	1,089,993
Fund Balances:			
Reserved For:			
Inventories	43,829	-	43,829
Unreserved and Undesignated:			
Reported in the General Fund	8,847,506	-	8,847,506
Reported in the Special Revenue Fund	-	3,221,332	3,221,332
Total Fund Balances	8,891,335	3,221,332	12,112,667
Total Liabilities and Fund Balances	$ 9,825,236	$ 3,377,424	$ 13,202,660

The notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINVIEW, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2009

Total Fund Balances - Governmental Funds	$	12,112,667
The City uses internal service funds to charge the costs of certain activities, such as insurance, equipment replacement, and vehicle maintenance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		7,298,328
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. At the end of the year, the original cost of these assets was $21,585,856 and the accumulated depreciation was $14,711,932.		6,873,924
The City's investment in joint venture is not reported in the governmental funds but is included in the statement of net assets.		1,316,314
Other adjustments are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. Net property taxes receivable of $250,728 and net fines receivable of $73,935 were unavailable to pay for current period expenditures and are deferred in the governmental funds but included in the statement of net assets.		324,663
Long-term liabilities for compensated absences of $833,722 and net pension obligation of $92,780 are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds but are included in the statement of net assets.		(926,502)
Net Assets of Governmental Activities	$	26,999,394

The notes to the Financial Statements are an integral part of this statement.

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

	General Fund	Other Funds	Total Governmental Funds
REVENUES:			
Taxes:			
Property Taxes	$ 4,064,140	$ -	$ 4,064,140
General Sales and Use Taxes	3,489,461	-	3,489,461
Selective Sales and Use Tax	30,329	252,042	282,371
Franchise Tax	1,151,056	-	1,151,056
Penalty and Interest on Taxes	75,689	-	75,689
Licenses and Permits	47,497	-	47,497
Intergovernmental Revenue and Grants	185,851	214,853	400,704
Charges for Services	636,325	-	636,325
Fines	355,360	85,297	440,657
Investment Earnings	199,001	20,223	219,224
Rents and Royalties	360	-	360
Contributions & Donations	125	20,194	20,319
Other Revenue	7,319	815	8,134
Total Revenues	10,242,513	593,424	10,835,937
EXPENDITURES:			
Current:			
General Government - Administration	593,339	566,874	1,160,213
General Government - Other	447,137	111,639	558,776
Public Safety	5,952,624	680	5,953,304
Public Works	910,141	-	910,141
Health	406,096	-	406,096
Recreation and Culture	1,029,665	6,915	1,036,580
Capital Outlay:			
Capital Outlay	82,936	82,724	165,660
Total Expenditures	9,421,938	768,832	10,190,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	820,575	(175,408)	645,167
OTHER FINANCING SOURCES (USES):			
Sale of Real and Personal Property	100	-	100
Transfers In	538,559	619,788	1,158,347
Transfers Out (Use)	(923,210)	(31,000)	(954,210)
Total Other Financing Sources (Uses)	(384,551)	588,788	204,237
Net Change in Fund Balances	436,024	413,380	849,404
Fund Balance - October 1 (Beginning)	8,455,311	2,807,952	11,263,263
Fund Balance - September 30 (Ending)	$ 8,891,335	$ 3,221,332	$ 12,112,667

The notes to the Financial Statements are an integral part of this statement.

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

Total Net Change in Fund Balances - Governmental Funds	$	849,404
The city uses internal service funds to charge the costs of certain activities primarily to the governmental funds. The net income of those activities not allocated to business-type activities is reported with the governmental activities.		197,485
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are reported as increases in capital assets.		165,660
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources.		(536,487)
Losses on the retirement of capital assets are not reported in the governmental funds since they do not require the use of current financial resources.		(606)
The net decrease for the year in the investment in joint venture is not reported in the governmental funds but is included in the statement of activities.		(48,043)
The decrease in the long-term liability for compensated absences of $23,218 and the increase in the net pension obligation liability of $(92,780) are not reported in the governmental funds but are included in the statement of activities.		(69,562)
Various reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing certain deferred revenues as revenue, adjusting current year revenue to include the revenue earned from the current year's tax levy, and eliminating interfund transactions. This adjustment includes a net increase in property tax revenues of $8,429 and a net increase in fine revenues of $13,246.		21,675
Change in Net Assets of Governmental Activities	$	579,526

The notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINVIEW, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2009

	Business-Type Activities -	
	Solid Waste Management Fund	Water and Sewer Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 1,315,518	$ 2,219,870
Investments - Current	1,989,816	3,200,354
Restricted Assets - Current:		
Restricted Cash and Cash Equivalents	-	289,486
Interest Receivable - Investments	3,593	4,113
Accounts Receivable-Net of Uncollectible Allowance	369,590	752,602
Due from Other Funds	-	-
Inventories	-	152,870
Total Current Assets	3,678,517	6,619,295
Noncurrent Assets:		
Restricted Assets - Noncurrent:		
Restricted Cash and Cash Equivalents	930,991	363,009
Restricted Investments	900,000	-
Capital Assets:		
Land	400,000	124,367
Buildings	319,902	2,265,398
Accumulated Depreciation - Buildings	(110,444)	(1,818,745)
Improvements other than Buildings	5,235,412	30,661,618
Accumulated Depreciation - Other Improvements	(3,560,383)	(9,626,220)
Machinery and Equipment	4,358,992	1,046,669
Accumulated Depreciation - Machinery & Equipment	(2,262,566)	(808,088)
Construction in Progress	45,157	612,662
Water Supply Contract Costs, net	-	7,126,345
Unamortized Bond Issuance Costs	52,273	41,141
Total Noncurrent Assets	6,309,334	29,988,156
Total Assets	9,987,851	36,607,451

The notes to the Financial Statements are an integral part of this statement.

		Governmental Activities -
Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
$ 106,373	$ 3,641,761	$ 2,609,527
-	5,190,170	2,707,436
-	289,486	-
-	7,706	2,988
-	1,122,192	1,871
-	-	21,385
229	153,099	42,662
106,602	10,404,414	5,385,869
-	1,294,000	-
-	900,000	-
5,000	529,367	-
30,000	2,615,300	496,284
(5,625)	(1,934,814)	(359,411)
-	35,897,030	-
-	(13,186,603)	-
13,278	5,418,939	4,576,766
(10,659)	(3,081,313)	(2,499,223)
-	657,819	-
-	7,126,345	-
-	93,414	-
31,994	36,329,484	2,214,416
138,596	46,733,898	7,600,285

CITY OF PLAINVIEW, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2009

	Business-Type Activities -	
	Solid Waste Management Fund	Water and Sewer Fund
LIABILITIES		
Current Liabilities:		
Accounts Payable	335,805	137,565
Wages and Salaries Payable	40,112	61,584
Compensated Absences Payable	3,081	2,122
Net OPEB Obligation	-	-
Due to Other Funds	14,377	2,012
Accrued Interest Payable	3,967	28,437
Bonds Payable - Current:		
Certificates of Obligation	205,000	450,000
Water Contract Obligations	-	273,239
Total Current Liabilities	602,342	954,959
NonCurrent Liabilities:		
Bonds Payable - Non-Current:		
Certificates of Obligation	1,155,000	6,635,000
Water Contract Obligations	-	5,548,048
Unamortized Premiums (Discounts) on Bonds	7,874	-
Net OPEB Obligation	-	-
Net Pension Obligation	15,469	25,148
Payable from Restricted Assets - Noncurrent:		
Landfill Closure/Postclosure Costs	1,022,222	-
Deposits and Escrow	-	363,009
Compensated Absences Payable	25,065	45,316
Total Noncurrent Liabilities	2,225,630	12,616,521
Total Liabilities	2,827,972	13,571,480
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	3,919,240	15,401,563
Restricted for Debt Service	-	261,049
Unrestricted Net Assets	3,240,639	7,373,359
Total Net Assets	$ 7,159,879	$ 23,035,971

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net assets of business type activities

The notes to the Financial Statements are an integral part of this statement.

		Governmental Activities -
Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
1,218	474,588	114,408
565	102,261	6,069
-	5,203	-
-	-	44,578
-	16,389	41,799
-	32,404	-
-	655,000	-
-	273,239	-
1,783	1,559,084	206,854
-	7,790,000	-
-	5,548,048	-
-	7,874	-
-	-	106,137
233	40,850	2,686
-	1,022,222	-
-	363,009	-
-	70,381	4,060
233	14,842,384	112,883
2,016	16,401,468	319,737
31,994	19,352,797	2,214,416
-	261,049	-
104,586	10,718,584	5,066,132
$ 136,580	$ 30,332,430	$ 7,280,548
	(17,780)	
	$ 30,314,650	

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

	Business-Type Activities -	
	Solid Waste Management Fund	Water and Sewer Fund
OPERATING REVENUES:		
Charges for Services	$ 2,904,631	$ 6,037,512
Other Revenue	74,780	71,338
Total Operating Revenues	2,979,411	6,108,850
OPERATING EXPENSES:		
Personnel Services - Salaries and Wages	632,363	996,559
Personnel Services - Employee Benefits	276,772	418,342
Purchased Professional & Technical Services	253,353	504,258
Purchased Property Services	157,320	482,517
Other Operating Expenses	162,644	827,710
Supplies	249,355	640,278
Depreciation and Amortization	474,430	1,035,052
Total Operating Expenses	2,206,237	4,904,716
Operating Income (Loss)	773,174	1,204,134
NON-OPERATING REVENUES (EXPENSES):		
Gain on Sale of Property	2,277	-
Contributions - Private Source	-	-
Investment Earnings	78,286	99,489
Bond Premium Accretion	1,369	-
Interest Expense	(47,402)	(650,647)
Bond Issuance Cost Amortization	(8,501)	(3,634)
Total Non-operating Revenue (Expenses)	26,029	(554,792)
Income (Loss) Before Contributions & Transfers	799,203	649,342
Capital Contributions	-	40,562
Transfers In	16,571	23,672
Transfers Out	(169,444)	(337,589)
Change in Net Assets	646,330	375,987
Total Net Assets - October 1 (Beginning)	6,513,549	22,659,984
Total Net Assets - September 30 (Ending)	$ 7,159,879	$ 23,035,971
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		
Change in net assets of business type activities on Exhibit B-1		

The notes to the Financial Statements are an integral part of this statement.

Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activities - Total Internal Service Funds
$ 22,941	$ 8,965,084	$ 2,078,356
-	146,118	116,549
22,941	9,111,202	2,194,905
9,360	1,638,282	110,325
3,081	698,195	47,605
-	757,611	7,470
8,887	648,724	44,131
4,243	994,597	1,729,920
11,813	901,446	64,965
1,992	1,511,474	443,058
39,376	7,150,329	2,447,474
(16,435)	1,960,873	(252,569)
-	2,277	58,237
1,000	1,000	-
438	178,213	78,108
-	1,369	-
-	(698,049)	-
-	(12,135)	-
1,438	(527,325)	136,345
(14,997)	1,433,548	(116,224)
-	40,562	4,205
31,000	71,243	382,367
-	(507,033)	(150,714)
16,003	1,038,320	119,634
120,577	29,294,110	7,160,914
$ 136,580	$ 30,332,430	$ 7,280,548
	(77,851)	
	$ 960,469	

CITY OF PLAINVIEW, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Business-Type Activities	
	Solid Waste Management Fund	Water and Sewer Fund
Cash Flows from Operating Activities:		
Cash Received from User Charges	$ 2,887,393	$ 5,979,613
Cash from Operating Transactions-Other Funds	-	-
Cash Payments to Employees for Services	(889,731)	(1,396,032)
Cash Payments for Suppliers	(570,102)	(2,436,517)
Other Operating Cash Receipts (Payments)	74,780	71,338
Net Cash Provided by (Used for) Operating Activities	1,502,340	2,218,402
Cash Flows from Non-Capital Financing Activities:		
Repayment of Interfund Payables	-	-
Transfers (to) Other Funds	(152,873)	(313,917)
Transfers from Other Funds	-	-
Contributions and Donations from Private Sources	-	-
Increase (decrease) in Deposits and Escrow Held	-	(4,216)
Net Cash Provided by (Used for) Non-Capital Financing Activities	(152,873)	(318,133)
Cash Flows from Capital & Related Financing Activities:		
Acquisition of Capital Assets	(434,073)	(484,447)
Capital Contributions Received	-	-
Proceeds from Sale of Capital Assets	-	-
Principal and Interest Paid on Long-Term Debt	(249,965)	(1,367,576)
Refund of Bond Issuance Costs Received	16,512	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	(667,526)	(1,852,023)
Cash Flows from Investing Activities:		
Purchase of Certificates of Deposit	(1,307,725)	(697,927)
Redemption of Certificates of Deposit	-	-
Interest and Dividends on Investments	77,499	98,877
Net Cash Provided by (Used for) Investing Activities	(1,230,226)	(599,050)
Net Increase(Decrease) in Cash and Cash Equivalents	(548,285)	(550,804)
Cash and Cash Equivalents at Beginning of the Year:	2,794,794	3,423,169
Cash and Cash Equivalents at the End of the Year:	$ 2,246,509	$ 2,872,365

The notes to the Financial Statements are an integral part of this statement.

		Governmental Activities -
Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
$ 23,016	$ 8,890,022	$ -
-	-	2,079,884
(12,171)	(2,297,934)	(156,618)
(24,911)	(3,031,530)	(1,781,711)
-	146,118	116,549
(14,066)	3,706,676	258,104
-	-	(53,164)
-	(466,790)	(150,714)
31,000	31,000	382,367
1,000	1,000	-
-	(4,216)	-
32,000	(439,006)	178,489
-	(918,520)	(740,675)
-	-	4,205
-	-	55,746
-	(1,617,541)	-
-	16,512	-
-	(2,519,549)	(680,724)
-	(2,005,652)	(313,430)
-	-	3,279
438	176,814	77,654
438	(1,828,838)	(232,497)
18,372	(1,080,717)	(476,628)
88,001	6,305,964	3,086,155
$ 106,373	$ 5,225,247	$ 2,609,527

CITY OF PLAINVIEW, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Business-Type Activities	
	Solid Waste Management Fund	Water and Sewer Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
Operating Income (Loss):	$ 773,174	$ 1,204,134
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation and Amortization	474,430	1,035,052
Landfill Closure/Postclosure Costs	30,166	-
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	(17,238)	(57,899)
Decrease (increase) in Inventories	-	504
Decrease (increase) in Interfund Receivables	-	-
Increase (decrease) in Accounts Payable	219,730	20,308
Increase (decrease) in Wages and Salaries Payable	2,834	1,692
Increase (decrease) in Net OPEB Obligation	-	-
Increase (decrease) in Net Pension Obligation	15,469	25,148
Increase (decrease) in Comp. Absences Payable	1,101	(7,971)
Increase (decrease) in Interfund Payables	2,674	(2,566)
Net Cash Provided by (Used for) Operating Activities	$ 1,502,340	$ 2,218,402
Reconciliation of Total Cash and Cash Equivalents:		
Cash & Cash Equiv. - Statement of Net Assets	$ 1,315,518	$ 2,219,870
Restricted Cash - Statement of Net Assets	930,991	652,495
Total Cash and Cash Equivalents	$ 2,246,509	$ 2,872,365
Noncash Investing, Capital and Financing Activities:		
Contributions of Capital Assets - Private Parties	$ -	$ 40,562
Bond Issuance Premium Accretion	1,369	-
Bond Issuance Cost Amortization	(8,501)	(3,634)

The notes to the Financial Statements are an integral part of this statement.

		Governmental Activities -
Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
$ (16,435)	$ 1,960,873	$ (252,569)
1,992	1,511,474	443,058
-	30,166	-
76	(75,061)	(576)
29	533	1,201
-	-	2,104
2	240,040	(87,141)
37	4,563	(1,055)
-	-	150,715
233	40,850	2,686
-	(6,870)	(319)
-	108	-
$ (14,066)	$ 3,706,676	$ 258,104
$ 106,373	$ 3,641,761	$ 2,609,527
-	1,583,486	-
$ 106,373	$ 5,225,247	$ 2,609,527
$ -	$ 40,562	$ -
-	1,369	-
-	(12,135)	-

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A. Summary of Significant Accounting Policies

The accompanying financial statements of the City of Plainview (the "City") have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The City's financial statements include the accounts of all its operations. The City evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the City's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," (as amended by GASB Statement No. 39) include whether:

- the organization is legally separate (can sue and be sued in its name)
- the City holds the corporation powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City
- the exclusion of the organization would result in misleading or incomplete financial statements

The City also evaluated any legally separate tax-exempt organizations whose resources are used principally to provide support to the City to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 (as amended by GASB Statement No. 39) requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the City, its component units or its constituents; and 2) The City or its component units are entitled to, or have the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the City.

Based on these criteria, the City has no component units. Additionally, the City is not a component unit of any other reporting entity as defined by the GASB Statements.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund: This is the City's primary operating fund. It accounts for all financial resources of the City except those required to be accounted for in another fund.

The City reports the following major enterprise funds:

Solid Waste Management Fund: This fund accounts for the solid waste and disposal activities of the City, including the activities of the City of Plainview Municipal Solid Waste Landfill.

Water and Sewer Fund: This fund accounts for the water supply and distribution, sanitary sewer, storm water, and waste water treatment activities of the City.

In addition, the City reports the following fund types:

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the City. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the City's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

b. Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the City incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the City's policy to use restricted resources first, then unrestricted resources.

Under GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," all proprietary funds continue to follow Financial Accounting Standards Board ("FASB") standards issued on or before November 30, 1989. However, from that date forward, proprietary funds have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements unless they conflict with GASB guidance. The City has chosen not to apply future FASB standards.

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Allowances for uncollectible tax receivables within the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

c. Inventories

Inventories are stated at lower of cost or market value using the first-in, first-out method. Inventory items are recorded as expenditures when they are consumed.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of $2,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Infrastructure	20
Buildings	40
Building Improvements	20
System and Improvements	33-60
Vehicles	5-7
Office Equipment	10
Computer Equipment	3-5

e. Receivable and Payable Balances

The City believes that sufficient detail of payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances. Details of receivable balances are presented in Note C.

f. Compensated Absences

Sick Leave:

All full-time employees (except Police, Fire and EMS employees) accumulate sick leave at the rate of one day per month for the first year of employment. Thereafter, six days per year are eligible for accumulation up to a maximum of 60 days. Employees are paid annually for unused sick leave days not eligible for accumulation at the rate of $30 per day. However, since no payment for accumulated unused sick leave days is made upon termination of employment and, therefore does not vest, no liability for such accumulated unused sick leave is recorded.

Certified Police officers accrue sick leave at the rate of ten hours per month, the equivalent of 15 days per year and may accumulate up to a maximum of 720 hours. Fire and EMS personnel accrue sick leave at the rate of 15 hours per month, the equivalent of 15 days per year, and may accumulate a maximum of 1,080 hours. Police, Fire and EMS employees are paid for unused accumulated sick leave upon termination of employment.

Vacation:

Certified Police officers, Fire and EMS personnel accrue vacation leave at the rate of 15 days per year. All other eligible employees with less than five years of continuous service accrue ten days per year, while those employees with five or more years of continuous service accrue 15 days per year. Generally, such vacation leave may be accumulated up to 20 days for employees with less than five years of continuous service and up to 25 days for employees with five or more years of continuous service.

The estimated current portion of the liability for vested sick leave and vacation benefits attributable to the City's governmental funds is recorded as an expenditure and liability in the respective funds, while the non-current portion is not reflected in the governmental fund financial statements, but is reflected as a liability and expense in the Government-wide financial statements. Both the current and non-current amounts attributable to proprietary funds are charged to expense and a corresponding liability is recorded in the applicable funds.

g. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Interfund Balances" line on the government-wide statement of net assets.

B. Deposits and Investments

City Policies and Legal and Contractual Provisions Governing Deposits:

Custodial Credit Risk for Deposits: State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the City complied with this law for the year ended September 30, 2009, it had no custodial credit risk for deposits.

City Policies and Legal and Contractual Provisions Governing Investments:

Compliance with the Public Funds Investment Act: The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. Management believes that the City is in substantial compliance with the requirements of the Act and with local policies.

As of September 30, 2009, and for the year then ended, the City had no investments other than nonmarketable certificates of deposit.

C. Receivables

The receivables detailed below are reported net of allowances for doubtful accounts on the Government-wide Statement of Net Assets as of September 30, 2009:

Description	Receivable	Allowance	Amount
Governmental Activities:			
Property Taxes	$ 569,085	$ (318,357)	$ 250,728
Sales Taxes	269,399	-	269,399
Franchise Taxes	289,062	-	289,062
Special Assessments	93,560	(93,560)	-
Other Taxes	44,299		44,299
Accounts:			
Emergency Medical Services	254,635	(145,142)	109,493
Municipal Court Fines	492,901	(418,966)	73,935
Other	7,688	-	7,688
Accrued Interest Receivable	12,732	-	12,732
Intergovernmental	177,864	-	177,864
Economic Development Loans	121,428	(121,428)	-
Total	$ 2,332,653	$ (1,097,453)	$ 1,235,200
Business-type Activities:			
Accounts	$ 1,127,471	$ (5,279)	$ 1,122,192
Accrued Interest Receivable	7,706	-	7,706
Total	$ 1,135,177	$ (5,279)	$ 1,129,898
Total	$ 3,467,830	$ (1,102,732)	$ 2,365,098

Significant receivables that are not expected to be collected within one year include property taxes receivable, accounts receivable and notes receivable amounting to approximately $315,000.

D. Interfund Balances and Activity

1. Due To and From Other Funds

Balances due to and due from other funds, at the fund level, at September 30, 2009, consisted of the following:

Due To Fund	Due From Fund	Amount	Purpose
General Fund	Non-major Governmental Fund	$ 55,066	Home Grant activities
General Fund	Internal Service Fund	41,799	Service Center Fund activities
Internal Service Fund	General Fund	4,997	Internal services
Internal Service Fund	Solid Waste Management Fund	14,376	Internal services
Internal Service Fund	Water and Sewer Fund	2,012	Internal services
	Total	$ 118,250	

All of the above amounts are scheduled to be repaid within one year.

An additional $17,780 is included in internal balances in the government-wide statement of net assets to reflect the cumulative amount of "crossover" adjustments made to consolidate the allocable portion of Internal Service Fund activities related to the Business-type Activities.

2. Transfers To and From Other Funds

Transfers to and from other funds for the year ended September 30, 2009, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Non-major Governmental Fund	$ 400,000	Capital improvements
General Fund	Non-major Governmental Fund		Street improvements
General Fund	Non-major Governmental Fund	175,000	Economic development
General Fund	Non-major Governmental Fund	15,000	Home Program
General Fund	Non-major Governmental Fund	3,210	JAG Grant activities
General Fund	Internal Service Fund	280,000	Equipment replacement
General Fund	Internal Service Fund	50,000	Service center operations
Water and Sewer Fund	General Fund	287,589	Transfer in lieu of taxes
Water and Sewer Fund	Non-major Governmental Fund	25,000	Economic development
Water and Sewer Fund	Internal Service Fund	25,000	Service center operations
Solid Waste Mgmt. Fund	General Fund	144,444	Transfer in lieu of taxes
Solid Waste Mgmt. Fund	Internal Service Fund	25,000	Service center operations
Internal Service Fund	General Fund	106,526	Health insurance
Internal Service Fund	Non-major Governmental Fund	1,578	Health insurance
Internal Service Fund	Internal Service Fund	2,367	Health insurance
Internal Service Fund	Solid Waste Mgmt. Fund	16,571	Health insurance
Internal Service Fund	Water and Sewer Fund	23,672	Health insurance
Non-major Governmental Fund	Non-major Busn. Type Activities	31,000	Theatre arts
	Total	$ 1,611,957	

E. Restricted Cash and Cash Equivalents and Restricted Investments

Restricted cash and cash equivalents and investments consisted of the following at September 30, 2009:

Description	Amount
Business-type Activities:	
Restricted Cash and Cash Equivalents:	
Short-Term	
Water and Sewer Fund	
Debt Service	$ 289,486
Long-Term	
Solid Waste Management Fund	
Capital Projects (Unspent Bond Proceeds)	$ 808,769
Landfill Closure and Postclosure	122,222
Total Solid Waste Management Fund	$ 930,991
Water & Sewer Fund	
Customer Deposits/Escrow	$ 363,009
Total Long-Term	$ 1,294,000
Restricted Investments:	
Long-Term	
Solid Waste Management Fund	
Landfill Closure and Postclosure	$ 900,000

F. Capital Assets

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 519,919	$ -	$ -	$ 519,919
Construction in progress	6,760	-	-	6,760
Total capital assets not being depreciated	$ 526,679	$ -	$ -	$ 526,679
Capital assets being depreciated:				
Buildings and improvements	$ 3,334,887	$ 74,179	$ -	$ 3,409,066
Machinery and equipment	7,543,227	777,756	596,929	7,724,054
Infrastructure	14,939,706	59,400	-	14,999,106
Total capital assets being depreciated	$ 25,817,820	$ 911,335	$ 596,929	$ 26,132,226
Less accumulated depreciation for:				
Buildings and improvements	$ (1,675,432)	$ (91,113)	$ -	$ (1,766,545)
Machinery and equipment	(5,322,560)	(549,365)	(593,814)	(5,278,111)
Infrastructure	(10,186,843)	(339,066)	-	(10,525,909)
Total accumulated depreciation	$ (17,184,835)	$ (979,544)	$ (593,814)	$ (17,570,565)
Total capital assets being depreciated, net	$ 8,632,985	$ (68,209)	$ 3,115	$ 8,561,661
Governmental activities capital assets, net	$ 9,159,664	$ (68,209)	$ 3,115	$ 9,088,340

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 529,367	$ -	$ -	$ 529,367
Construction in progress	913,729	388,175	644,085	657,819
Total capital assets not being depreciated	$ 1,443,096	$ 388,175	$ 644,085	$ 1,187,186
Capital assets being depreciated:				
Buildings and improvements	$ 2,615,300	$ -	$ -	$ 2,615,300
Improvements and system	35,149,164	747,866	-	35,897,030
Machinery and equipment	5,332,318	473,293	386,672	5,418,939
Total capital assets being depreciated	$ 43,096,782	$ 1,221,159	$ 386,672	$ 43,931,269
Less accumulated depreciation for:				
Buildings and improvements	$ (1,868,262)	$ (66,552)	$ -	$ (1,934,814)
Improvements and system	(12,256,164)	(930,439)	-	(13,186,603)
Machinery and equipment	(3,056,957)	(410,105)	(385,749)	(3,081,313)
Total accumulated depreciation	$ (17,181,383)	$ (1,407,096)	$ (385,749)	$ (18,202,730)
Total capital assets being depreciated, net	$ 25,915,399	$ (185,937)	$ 923	$ 25,728,539
Business-type activities capital assets, net	$ 27,358,495	$ 202,238	$ 645,008	$ 26,915,725

Depreciation was charged to functions as follows:

Governmental Activities:	
General Government - Administration	$ 26,085
General Government - Other	312
Public Safety	84,301
Public Works	291,858
Health	1,293
Recreation and Culture	132,637
Depreciation for capital assets of internal service funds is allocated to various functions based on usage of the assets	443,058
Total Depreciation - Governmental Activities	$ 979,544
Business-type Activities:	
Solid Waste Management	$ 474,430
Water and Sewer	930,674
Theatre Arts	1,992
Total Depreciation - Business-type Activities	$ 1,407,096

G. Other Assets

Other assets of the City's business-type activities consisted of the following at year end:

	Solid Waste Management Fund	Water and Sewer Fund	Total
Water Supply Contract Costs (Note J)	$ -	$ 8,872,253	$ 8,872,253
(Less) Accumulated Amortization	-	(1,745,908)	(1,745,908)
Water Supply Contract Costs, net	-	7,126,345	7,126,345
Bond Issuance Costs	63,637	66,980	130,617
(Less) Accumulated Amortization	(11,364)	(25,839)	(37,203)
Unamortized Bond Issuance Costs	52,273	41,141	93,414
Total	$ 52,273	$ 7,167,486	$ 7,219,759

H. Deferred Revenues

Deferred revenues reported on the Government-wide Statement of Net Assets consisted of the following at year end:

Description	Fund	Deferred Amount
Unearned Grant Revenues	Governmental Activities	$ 42,949

Deferred revenues reported on the Balance Sheet-Governmental Funds consisted of the following at year end:

Description	Fund	Deferred Amount
Property Taxes	General Fund	$ 250,728
Unearned Grant Revenues	Non-major Special Revenue Fund	42,949
Total		$ 293,677

I. Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets consisted of the following as of September 30, 2009:

Description	Amount
Business-type Activities:	
Water and Sewer Fund	
Customer Deposits/Escrow	$ 363,009
Solid Waste Management Fund	
Landfill Closure and Postclosure	1,022,222
Total	$ 1,385,231

J. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the period ended September 30, 2009 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences	$ 866,611	$ -	$ 23,359	$ 843,252	$ 5,470
Net pension obligation	-	95,466	-	95,466	-
Net OPEB obligation	-	150,715	-	150,715	44,578
Total governmental activities	$ 866,611	$ 246,181	$ 23,359	$ 1,089,433	$ 50,048
Business-type activities:					
Tax and revenue certificates of obligation	$ 9,065,000	$ -	$ 620,000	$ 8,445,000	$ 655,000
Bond premium, net	9,243	-	1,369	7,874	-
Water contract obligations	6,106,514	-	285,227	5,821,287	273,239
Compensated absences	82,454	-	6,871	75,583	5,202
Net pension obligation	-	40,850	-	40,850	-
Total business-type activities	$ 15,263,211	$ 40,850	$ 913,467	$ 14,390,594	$ 933,441

The funds primarily used to liquidate liabilities for compensated absences, net pension obligations and net OPEB obligations are as follows:

Activity Type	Fund
Governmental	General Fund
Business-type	Solid Waste Management Fund
Business-type	Water and Sewer Fund

2. Debt Service Requirements

Debt service requirements for long-term debt at September 30, 2009 are as follows:

	Business-type Activities		
Year Ended September 30,	Principal	Interest	Total
2010	$ 928,239	$ 663,747	$ 1,591,986
2011	970,575	623,687	1,594,262
2012	1,014,145	581,021	1,595,166
2013	1,058,529	535,979	1,594,508
2014	1,109,565	488,091	1,597,656
2015-2019	5,165,065	1,677,805	6,842,870
2020-2024	3,362,305	517,037	3,879,342
2025-2027	657,864	37,486	695,350
Totals	$ 14,266,287	$ 5,124,853	$ 19,391,140

3. Interest Costs Incurred

Long-term debt interest cost incurred for Business-type Activities for the year ended September 30, 2009 was as follows:

Interest Charged to Expense	$ 701,017
Interest Capitalized	(2,968)
Total Interest Cost Incurred	$ 698,049

The interest charged to expense was included as a direct non-operating expense in the Statement of Activities in the Business-type activities.

4. Tax and Revenue Certificates of Obligation

While the Tax and Revenue Certificates of Obligation are secured by ad valorem taxes levied by the City, they are additionally payable from and secured by a lien on and pledge of the net revenues of the Enterprise Funds. Since it is the intent of the City to service the debt entirely from the net revenues of the Enterprise Funds, the liabilities for the debt are recorded in the Business-type Activities rather than the Governmental Activities of the City.

There are a number of limitations and restrictions contained in the bond indenture. Management has indicated that the City is in compliance with all significant limitations and restrictions.

Details pertaining to the outstanding Tax and Revenue Certificates of Obligation as of September 30, 2009 are as follows:

Description	Purpose	Maturity	Interest Rates	Balance	
2001 Tax and Revenue Certificates of Obligation	Waste water treatment plant	03/01/2021	4.5 to 5.0%	$ 7,085,000	*
2008 Tax and Revenue Certificates of Obligation	Landfill cell and water and sewer system improvements	03/01/2015	3.50%	1,360,000	
				$ 8,445,000	

*As more fully discussed at Note U, in fiscal year 2010, the City issued $6,875,000 of General Obligation Refunding Bonds, Series 2009 to advance refund the 2001 Tax and Revenue Certificates of Obligation.

5. Continuing Disclosure

The City has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the City.

6. Surface Water Supply Contract Obligations

A significant portion of the City's water is supplied by a series of underground wells, together with surface water, which is purchased from the Canadian River Municipal Water Authority (CRMWA). CRMWA is a water district that was created in 1953 by the Texas legislature to construct a dam, water reservoir, and aqueduct system for the purpose of supplying water to surrounding cities. Its geographic area includes the surface water in the Texas Panhandle known as Lake Meredith, a series of underground wells, and the aqueduct system, which supplies 11 cities. In connection with the financing of the initial construction project and subsequent projects undertaken by CRMWA, the City is obligated for its proportionate share of CRMWA debt as follows:

Description	Maturity	Interest Rates	Balance
USBR, Series 1999	10/01/2018	3.8 to 3.9%	$ 477,540
1999 Groundwater Second Series	02/15/2020	4.4 to 4.5%	1,877,601
Series 2005 Conjunctive Supply Project	02/15/2025	3.0 to 5.25%	1,768,875
Series 2006 Conjunctive Supply Project	02/15/2027	4.25% to 5.0%	1,697,271
Total			$ 5,821,287

The 11 cities that are members of the aqueduct system have the right to elect the 19 members of the CRMWA governing board. The City's contractual share of the available water is approximately 3.691%. Each member may sell part or all of its rights under the contract to other members of the aqueduct system. Each member city is assessed its proportionate share of operating costs, which are accounted for by the City as operating costs. Although member cities have the right to elect the members of the CRMWA board, the City does not report this contract as a joint venture due to the following factors: 1) CRMWA was created by the State of Texas and is a subdivision thereof, as opposed to having been created by the members of CRMWA. 2) The City has no vested rights to the assets of CRMWA, nor responsibility for its liabilities, other than the City's proportionate share of the contractual construction obligations.

The financial statements of CRMWA as of September 30, 2009, and for the year then ended, reflect the following:

	9/30/2009
Assets:	
Current assets	$ 19,479,097
Noncurrent assets	377,508,114
Liabilities:	
Current liabilities	12,414,226
Noncurrent liabilities	133,947,794
Net Assets:	
Invested in capital assets, net of related debt	89,187,377
Restricted	147,809,182
Unrestricted	13,628,632
Total Net Assets	250,625,191
Operating revenues	11,825,568
Operating expenses	13,755,978
Nonoperating revenues and expenses, net	192,182
Transfer from reserve	(43,382)
Increase (decrease) in net assets	(1,781,610)

Transactions between CRMWA and the City consisted of payments to CRMWA for the City's share of costs of operations, water pumping and chemical costs, and debt service as follows for the year ended September 30, 2009:

Costs of operations	$ 160,044
Water pumping and chemical costs	333,436
Debt service	577,143
Total	$ 1,070,623

The City's costs of its rights to the surface and ground water are recorded in the Water and Sewer Enterprise Fund and are being amortized over 85 years, which is the estimated useful life of the CRMWA facilities and water basis. Such costs that have been capitalized by the City as of September 30, 2009 are as follows:

Capitalized contract costs	$ 8,872,253
Accumulated amortization	(1,745,908)
Net unamortized costs	$ 7,126,345

K. Employee Retirement Benefits

1. Texas Municipal Retirement System

Plan Description:

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

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

The plan provisions adopted by the City were as follows:

	Plan Year 2008	Plan Year 2009
Employee deposit rate	7%	7%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/25	60/5, 0/25
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase to retirees	70% of CPI Repeating	70% of CPI Repeating

Contributions:

Under the state law governing 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 that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

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

	9/30/2009
Net Pension Obligation (NPO) at beginning of year	$ -
Annual Pension Cost:	
Annual Required Contribution (ARC)	879,248
Contributions made	(742,932)
NPO at end of year	$ 136,316

Three-year trend information is as follows:

Fiscal Year Ended	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation (NPO)
09/30/07	$ 607,061	$ 607,061	100%	$ -
09/30/08	645,695	645,695	100%	-
09/30/09	879,248	742,932	84%	136,316

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, is as follows:

	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%	7%	7.5%
Projected salary increases*	Varies by age and service	Varies by age and service	Varies by age and service
*Includes Inflation at	3.0%	3.0%	3.0%
Cost-of-living adjustments	N/A	2.10%	2.1%

The funded status as of December 31, 2008, the most recent actuarial valuation date, is as follows:

Actuarial value of assets	$	14,721,858
Actuarial accrued liability (AAL)	$	21,421,436
Funded ratio		68.7%
Unfunded (over-funded) AAL (UAAL)	$	6,699,578
Covered payroll	$	5,252,377
UAAL as a percentage of covered payroll		127.6%

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

2. *Firemen's Relief and Retirement Fund:*

Plan Description

The Board of Trustees of the Firemen's Relief and Retirement Fund of Plainview, Texas (the Plan) is the administrator of a single-employer defined benefit pension plan. The Board of Trustees consists of three firemen elected by the members, two citizens elected by the board, and the City Mayor and Finance Director serving as ex-officio members. Substantially all firefighters in the Plainview Fire Department are covered by the Plan. The plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and was amended and restated during 2005. The table below summarizes the membership of the Plan included in the actuarial valuation as of December 31, 2007, which is the date of the latest actuarial valuation.

Retirees and beneficiaries currently receiving benefits	26
Vested terminated members	4
Active members:	
Electing DROP	-
Vested	5
Nonvested	28
Total	63

The Plan provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service with partial vesting available with 10 years of service. Members hired before October 1, 1994 may retire at age 50 with 20 years of service. Members hired on or after October 1, 1994 may retire at age 53 with 20 years of service. As of the December 31, 2007 actuarial valuation date, the Plan provided a monthly normal service retirement benefit, payable in a joint and two-thirds to spouse form of annuity, equal to 63.75% of "highest 60-month average salary", which is defined as the average biweekly pay multiplied by 2.167. Average biweekly pay is the average of the firefighter's total pay, including regular, longevity and overtime pay, of the 130 consecutive biweekly pay periods during which his/her total pay was highest, plus an additional service benefit of $78 per month for each whole year of service in excess of 20 years, subject to a 15 year maximum. A partial year of service is given partial credit based on the number of months completed in excess of whole years.

There is no provision for automatic postretirement benefit increases. The Plan has the authority to provide, and has in the past provided for, ad hoc postretirement benefit increases. The benefit provisions of this plan are authorized by the Texas Local Fire Fighter's Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions.

The contribution provisions of this plan are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City. The costs of administering the Plan are financed from the trust.

Schedule of Actuarial Liabilities and Funding Progress:

Actuarial valuation date		12/31/2007
Actuarial value of assets	$	5,828,076
Actuarial accrued liability	$	10,625,354
Percentage funded		54.9%
Unfunded (over-funded) actuarial accrued liability (UAAL)	$	4,797,278
Annual covered payroll	$	1,480,909
UAAL as a percentage of covered payroll		323.9%

		9/30/2009
Net pension obligation (NPO) at the beginning of period	$	-
Annual pension cost:		
Annual required contribution (ARC)		242,062
Contributions made		(242,062)
NPO at the end of period	$	-

Annual Contribution Requirement:

Employer:

Fiscal Year Ended	Annual Pension Cost (APC)	Amount of Contribution Made	Percentage of APC Contributed	Net Pension Obligation NPO
09/30/07	220,005	220,005	100%	-
09/30/08	225,061	225,061	100%	-
09/30/09	242,062	242,062	100%	-

Employees:

Currently active members are required to contribute 14% of covered pay. For the fiscal year ended September 30, 2009, the employees contributed $233,715 in addition to the employer 14.5% matching contribution shown above.

Actuarial assumptions were as follows:

Actuarial Cost Method	Variation of Aggregate Entry Age Normal Method
Amortization Method	Level Percentage of Pay
Remaining Amortization Period	28.7 Years
Asset Valuation Method	As of 12/31/07: Fair market value of the fund. Prior to 12/31/07: Smoothed value based on a deferral recognition method recognizing 20% of the actual investment return each year during the last five years
Investment Rate of Return	8%
Projected Salary Increases	5.25%
Amortization Increase	4.00%
Cost of Living Adjustments	None

3. Other Retirement and Miscellaneous Benefits

The City makes available to all of its full-time employees a custom benefit plan (cafeteria plan) under Internal Revenue Code Section 125 and a deferred compensation plan under Internal Revenue Code Section 457. The City does not contribute to these plans. All contributions are made by employees who elect to participate in the plans. The City remits employee contributions to the plan trustees on a regular basis. The City does not administer the Section 457 plan, nor does it provide investment advice to the plan. Accordingly, the Section 457 plan is not a part of the City's reporting entity.

L. Health Care Coverage

The City sponsors a modified self-insurance plan to provide health care benefits to employees and their dependents. Transactions related to the plan are accounted for as a Proprietary Fund in the Internal Service Fund. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

All claims against the City are filed with a third party administrator, Blue Cross and Blue Shield of Texas, who investigates and processes the claims and provides administrative claims payment services for the plan. The City contracts with Blue Cross and Blue Shield of Texas for processing services and PPO contracts with doctors and hospitals. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Changes in the City's recorded claim liability were as follows:

Fiscal Year Ended:	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
9/30/07	$ 25,872	$ 756,550	$ (750,065)	$ 32,357
9/30/08	32,357	1,027,206	(979,826)	79,737
9/30/09	79,737	1,195,849	(1,240,752)	34,834

The City contributes $398 per month per employee to the Plan, which includes comprehensive health care coverage. Employees, at their option, authorize payroll withholdings to pay contributions for dependent coverage. In accordance with state statute, the City was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage. Excess loss coverage was provided by Blue Cross and Blue Shield of Texas with individual limits established at $50,000 per participant but not to exceed a maximum point of attachment of $950,000 per participant for the policy period. The aggregate stop loss insurance provides that in no event shall the City's point of attachment be less than $1,201,366. Aggregate stop loss payments shall not exceed $1,000,000.

The contract between the City and Blue Cross and Blue Shield of Texas was renewed on June 1, 2009.

The latest financial statements of the insurance company are filed with the Texas State Board of Insurance, Austin, Texas, and are available public records.

The plan also includes a $10,000 death benefit for eligible employees. The City contributes $4.06 per month per eligible employee to the aforementioned Internal Service Fund to fund the benefit. The death benefit is provided on a self-insured basis.

M. Other Postemployment Benefits – GASB Statement No. 45

The City prospectively adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, during the year ended September 30, 2009 for its single-employer health care plan.

Plan Participants:

Full-time employees, their spouse, and dependents, and retirees, their spouse, and dependents are eligible to participate in the City's health care plan. Eligible retirees choosing to participate in the plan pay premiums to the plan.

Normal Retirement Benefit Eligibility:

Firefighters:
Hires before October 1, 1994 – age 50 with 20 years of service
Hires at and after October 1, 1994 – age 53 with 20 years of service

TMRS Full-time Employees, Other than Firefighters:
Age 60 with 5 years of service or 25 years of service at any age

Health Care Benefits Provided by Plan:

80%/20% Medical with $500 Deductible and $1,500 OOP
$10, $20, $30 Co-pay Drug Program

Duty and Non-Duty Death in Service Retirement Benefits:

Surviving spouse and dependents are eligible to participate in the group health care plan if the deceased employee meets the eligibility requirements for normal retirement from either the Firemen's Relief and Retirement Fund or TMRS and if the surviving spouse and dependents are current participants in the City's health plan. Eligibility to participate ceases if surviving spouse re-marries. Eligibility to participate as a dependent extends to age 25 if not married.

Non-Duty Disabled Retirement Benefits:

To participate in the health plan, the employee must meet the requirements for disability retirement from either the Firemen's Relief and Retirement Fund or TMRS.

Duty Disabled Retirement Benefits:

To participate in the group health plan the employee must meet the requirements for disability retirement from either the Firemen's Relief and Retirement Fund or TMRS.

Benefits for Spouses of Retired Employees:

Surviving spouse of retired employee may continue to participate in the group health plan provided the spouse was an enrolled participant at the time the employee retired and remained so at the time of the retiree's death.

Retiree Opt-Out:

At the time an employee separates from service with the City and begins to receive pension benefits the employee must exercise an option to either participate in the group health plan or not participate. This option extends to spouse and dependents. If at any time the retiree, spouse or dependents elect not to participate, they cannot return to the plan at any time in the future.

Schedule of Monthly Premiums:

Category	Monthly Premium	Paid by:
Retiree (under 65)	$ 315	Retiree
Retiree (65+)	255	Retiree
Active Employee	398	City
Spouse	292	Employee
1 Child	171	Employee
2+ Children	236	Employee
Full Family	481	Employee
COBRA	398	Former Employee

Funding Policy and Annual OPEB Cost:

The City's annual other post employment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City currently funds the plan on a pay-as-you-go basis. 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 current year is as follows:

Annual required contribution (ARC)	$ 190,438
Interest on OPEB obligation	-
Adjustment to ARC	-
Annual OPEB cost at end of year	190,438
Net employer contributions	(39,723)
Increase in net OPEB obligation	150,715
Net OPEB obligation at beginning of year	-
Net OPEB obligation at end of year	$ 150,715

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of December 31, 2007 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
12/31/2007	$ -	$ 2,630,977	$ 2,630,977	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 $2,630,977 at December 31, 2007.

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 funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

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

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 employee payroll
Salary growth rate	3.0% per year

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 (RSI) 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. The plan does not issue separate stand-alone financial statements.

N. Risk Management

The City is exposed to various risks of loss related to torts, theft, damage or destruction of assets, error and omission, injuries to employees, and natural disasters. During fiscal year 2009, the City obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for the aforementioned insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

The City is generally self-insured for physical damage to vehicles. An Internal Service Fund provides group health insurance for City employees. The City has a maximum annual retention of $1,201,366 under its contract with Blue Cross and Blue Shield of Texas for group health insurance.

O. Contingencies and Litigation

Contingencies:

The City participates in grant programs which are governed by various regulations and rules of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to the compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

Litigation and Claims:

Certain claims have been made against the City. The City intends to vigorously defend such claims or any suit. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect on the financial condition of the City.

P. Closure and Postclosure Care Cost

State and federal laws and regulations require the City to place a final cover on its City of Plainview Municipal Solid Waste Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $1,022,222 reported as landfill closure and postclosure care liability as of September 30, 2009, represents the cumulative amount reported to date based on the use of 17.83 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure of $4,710,935 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. The City expects to close the landfill in the year 2087. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

It is the policy of the City to satisfy the EPA financial assurance requirements using the financial test method. Additionally, the Solid Waste Management Fund has restricted cash and investments equal to the recorded liability for landfill closure and postclosure costs, which amounted to $1,022,222 as of September 30, 2009.

Q. Investment in Joint Venture

The Plainview/Hale County Airport is under equal joint ownership by the City of Plainview and the County of Hale. General administration is accomplished by an Airport Board composed of seven members. Three members are appointed by the City and three members are appointed by the County. The seventh board member is selected by the other six board members and is approved by both the City and County. The degree of control of each government consists of its representation on the Board. Hale County is the fiscal agent for the joint venture. General airport operations are funded by user charges and typically require support for major improvements only.

Summary Financial Information:

Year Ending Date	12/31/2008
Total current assets	$ 54,778
Total property and equipment	2,562,820
Total current liabilities	3,439
Net assets invested in capital assets, net of related debt	2,562,820
Unrestricted net assets	51,339
Total net assets	2,614,159
Total operating revenues	47,266
Total operating expenses	113,637
Non-operating revenues	612
Net increase (decrease) in net assets	(65,759)

Complete financial statements for the joint venture can be obtained from:

Maretta Smithson, County Auditor
County of Hale
500 Broadway
Plainview, TX 79072

Transactions with the Plainview/Hale County Airport for the year ended September 30, 2009 included those related to routine water, sewer and solid waste utility services and the City made a capital contribution of $9,235. The City's interest in the joint venture is accounted for using the equity method.

R. Jointly Governed Organizations

The City is a member of the Canadian River Municipal Water Authority. The City's participation in the authority is described in Note J under the subheading "Surface Water Supply Contract Obligations".

S. Related Organizations

City of Plainview Housing Authority:

While the Mayor of the City of Plainview has the authority to appoint members of the governing body of the City of Plainview Housing Authority (CPHA), the City's accountability for the CPHA does not extend beyond the Mayor's authority to make such appointments. Accordingly, CPHA is not included in the City's reporting entity. The City had no transactions with CPHA for the year ended September 30, 2009, other than those related to routine water, sewer and solid waste utility services.

Firemen's Relief and Retirement Fund:

As more fully discussed in Note K, the City participates in funding a single-employer defined benefit pension plan for the purpose of providing retirement benefits for the City's firemen. The Board of Trustees (the Board) of the Firemen's Relief and Retirement Fund (the Fund) consists of three firemen elected by the members, two citizens elected by the Board, and the City Mayor and Finance Director serving as ex-officio members. The plan is funded by contributions from the firemen, which are matched by the City. While the Fund benefits employees of the City and two City officials serve on the Board, the Fund is not included in the City's reporting entity due to the following factors: 1) As provided by enabling legislation, the City's responsibility is limited to matching contributions made by members. Pension benefits are periodically adjusted to the amount of available assets and the City has no legal responsibility should deficit funding occur, nor does the City have the right to any surplus should the Fund be terminated. 2) Title to assets is vested in the fund and not in the City. 3) The City Council has no authority to appoint members of the Board, and those City officials serving on the Board in ex-officio capacity constitute a minority of the Board. 4) Significant operations of the Fund generally consist of investing and actuarial activities carried out by professional consultants and advisors under the supervision of the

Board. The Texas Pension Review Board has general oversight responsibility for the Fund. Thus, the City Council does not significantly influence operations of the Fund.

T. Commitments

At September 30, 2009, the City was committed to the completion of a project involving the excavation and lining of a cell and the installation of a monitoring well at the City's landfill. The total cost of the project is expected to amount to approximately $936,000, of which approximately $735,000 had been expended as of September 30, 2009, leaving $201,000 to be expended to complete the project during fiscal year 2010. Additionally, approximately $614,000 is expected to be expended during fiscal 2010 and subsequent years on improvements and extensions to the City's water and sewer system. These expenditures are being financed from the proceeds of the $1,550,000 Combination Tax and Revenue Certificates of Obligation, Series 2008 issued by the City during the year ended September 30, 2008.

U. Subsequent Event – Defeased Debt

On October 22, 2009, the City issued $6,875,000 of General Obligation Refunding Bonds, Series 2009 (2009 Bonds) with interest rates ranging from 2.0% to 3.5% to advance refund the 2001 Tax and Revenue Certificates of Obligation (2001 Certificates of Obligation) with interest rates ranging from 4.5% to 5.0%. The 2001 Certificates of Obligation mature on March 1, 2021 and are callable on March 1, 2010, when the outstanding principal balance will be $6,635,000 after the scheduled March 1, 2010 principal payment is applied. The 2009 Bonds were issued at a slight reoffering premium and, after paying issuance costs of $133,745, the net proceeds were $6,812,361, of which $19,765 was deposited to the City's debt service fund and $6,792,596 was used to purchase U.S. Government Securities. Such U.S. Government Securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments when the bonds are called on March 1, 2010. The advance refunding will meet the requirements of an in-substance debt defeasance and the 2001 Certificates of Obligation will be removed from the City's financial statements in fiscal year 2010.

As the result of the refunding, the City will reduce its total debt service requirements by $654,171, which will result in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $530,235.

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Required Supplementary Information

Required Supplementary Information

CITY OF PLAINVIEW, TEXAS

EXHIBIT E-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on GAAP Basis	Adjustments to Budget Basis	Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final				
REVENUES:						
Taxes:						
Property Taxes	$ 4,045,500	$ 4,045,500	$ 4,064,140	$ -	$ 4,064,140	$ 18,640
General Sales and Use Taxes	3,275,000	3,275,000	3,489,461	-	3,489,461	214,461
Selective Sales and Use Tax	26,000	26,000	30,329	-	30,329	4,329
Franchise Tax	1,287,700	1,287,700	1,151,056	-	1,151,056	(136,644)
Penalty and Interest on Taxes	50,500	50,500	75,689	-	75,689	25,189
Licenses and Permits	39,500	39,500	47,497	-	47,497	7,997
Intergovernmental Revenue and Grants	178,600	178,600	185,851	-	185,851	7,251
Charges for Services	606,080	606,080	636,325	-	636,325	30,245
Fines	234,400	234,400	355,360	-	355,360	120,960
Investment Earnings	150,000	150,000	199,001	-	199,001	49,001
Rents and Royalties	360	360	360	-	360	-
Contributions & Donations	500	500	125	-	125	(375)
Other Revenue	688,800	688,800	7,319	683,000	690,319	1,519
Total Revenues	10,582,940	10,582,940	10,242,513	683,000	10,925,513	342,573
EXPENDITURES:						
Current:						
General Government - Administration:						
City Council	58,655	58,655	(3,455)	48,560	45,105	13,550
City Manager	250,795	250,795	82,655	160,015	242,670	8,125
Non-Departmental	367,270	367,270	266,544	-	266,544	100,726
Legal	194,920	194,920	78,702	114,945	193,647	1,273
Finance	60,955	60,955	(55,542)	107,780	52,238	8,717
Human Resources	64,650	64,650	62,819	-	62,819	1,831
Civil Service	78,480	78,480	77,375	-	77,375	1,105
Property Tax Appraisal/Collection	87,000	87,000	84,241	-	84,241	2,759
General Government - Other:						
Municipal Court	172,175	172,175	178,631	-	178,631	(6,456)
Community Development	133,240	133,240	49,429	-	49,429	83,811
Code Enforcement	158,760	158,760	150,891	-	150,891	7,869
Main Street	85,540	98,040	58,951	43,230	102,181	(4,141)
Airport	11,000	11,000	9,235	-	9,235	1,765
Public Safety:						
Police	3,076,215	3,076,215	2,856,463	-	2,856,463	219,752
Fire	2,186,650	2,186,650	2,090,399	-	2,090,399	96,251
Emergency Medical Services	596,885	596,885	556,992	-	556,992	39,893
Traffic Control	187,880	187,880	155,106	-	155,106	32,774
Emergency Operations Center	2,440	2,440	2,809	-	2,809	(369)
Street Lighting	195,000	195,000	169,767	-	169,767	25,233
Animal Control	117,905	117,905	121,088	-	121,088	(3,183)
Public Works:						
Public Works - General	263,890	263,890	(42,176)	208,470	166,294	97,596
Street Cleaning	205,080	205,080	187,739	-	187,739	17,341
Streets - Other	746,960	746,960	681,638	-	681,638	65,322
Building Operations	94,490	94,490	81,552	-	81,552	12,938
Custodial Services	-	-	1,388	-	1,388	(1,388)
Health:						
City-County Health Department	187,555	187,555	176,123	-	176,123	11,432
Health OPHP/LPHS (BRHLO)	81,035	81,035	73,116	-	73,116	7,919
Health TDH-IMM	151,550	151,550	156,857	-	156,857	(5,307)
Recreation and Culture:						
Parks	714,110	714,110	627,862	-	627,862	86,248
Swimming Pool	22,000	22,000	21,260	-	21,260	740
Library	379,395	379,395	380,543	-	380,543	(1,148)
Capital Outlay:						
Capital Outlay	24,800	52,300	82,936	-	82,936	(30,636)
Total Expenditures	10,957,280	10,997,280	9,421,938	683,000	10,104,938	892,342

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

	Budgeted Amounts		Actual Amounts on GAAP Basis	Adjustments to Budget Basis	Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final				
Excess (Deficiency) of Revenues Over (Under) Expenditures	(374,340)	(414,340)	820,575	-	820,575	1,234,915
OTHER FINANCING SOURCES (USES):						
Sale of Real and Personal Property	1,000	1,000	100	-	100	(900)
Transfers In	411,375	411,375	538,559	-	538,559	127,184
Transfers Out (Use)	(25,000)	(923,210)	(923,210)	-	(923,210)	-
Total Other Financing Sources (Uses)	387,375	(510,835)	(384,551)	-	(384,551)	126,284
Change in Fund Balance	13,035	(925,175)	436,024	-	436,024	1,361,199
Fund Balance - October 1 (Beginning)	8,455,311	8,455,311	8,455,311	-	8,455,311	-
						-
Fund Balance - September 30 (Ending)	$ 8,468,346	$ 7,530,136	$ 8,891,335	$ -	$ 8,891,335	$ 1,361,199

CITY OF PLAINVIEW, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS - PENSION AND OPEB PLANS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION PLAN:						
12/31/06	$ 14,198,909	$ 17,878,570	$ 3,679,661	79.4%	$ 4,892,979	75.2%
12/31/07	14,823,076	20,891,460	6,068,384	71.0%	5,045,994	120.3%
12/31/08	14,721,858	21,421,436	6,699,578	68.7%	5,252,377	127.6%
FIREMEN'S RELIEF AND RETIREMENT FUND PENSION PLAN:						
12/31/03	$ 4,041,054	$ 8,086,413	$ 4,045,359	50.0%	$ 1,291,928	313.1%
12/31/05	4,186,628	8,975,448	4,788,820	46.6%	1,383,609	346.1%
12/31/07 *	5,828,076	10,625,354	4,797,278	54.9%	1,480,909	323.9%
CITY OF PLAINVIEW RETIREE HEALTH CARE OPEB PLAN:						
12/31/07 *	$ -	$ 2,630,977	$ 2,630,977	0.0%	N/A	N/A

* most recent available actuarial valuation report

Budgetary Data

A. Explanation of Differences Between Budget Basis and GAAP Basis Actual Amounts for the General Fund

The General Fund incurs certain expenditures that are subsequently reimbursed by the Enterprise Funds. Such reimbursements are reported as revenues for budgetary purposes, but are eliminated by crediting the reimbursements against the applicable departmental (functional) expenditure accounts for GAAP basis reporting.

Total Revenues, GAAP Basis	$ 10,242,513
Interfund Reimbursements	683,000
Total Revenues, Budget Basis	$ 10,925,513
Total Expenditures, GAAP Basis	$ 9,421,938
Interfund Reimbursements	683,000
Total Expenditures, Budget Basis	$ 10,104,938

B. Budgetary Process

The official budget was prepared for adoption for the General Fund and certain Special Revenue Funds. The following procedures are followed in establishing the budgetary data reflected in the required supplementary information:

a. Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.

b. A meeting of the City Council is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must have been given.

c. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the City Council.

d. Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council.

e. As required by law, such amendments are made before the fact, are reflected in the official minutes of the City Council and are not made after fiscal year end.

f. During the year, the budget was amended as necessary. The following budget amendments were significant for the general fund: the budget was amended to provide for a $280,000 transfer from the General Fund to the Equipment Replacement Fund Internal Service Fund, for a $400,000 transfer from the General Fund to the Capital Improvement Special Revenue Fund, and for an additional $150,000 transfer from the General Fund to the Economic Development Special Revenue Fund.

g. All budget appropriations lapse at year end.

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Combining Statements & Budget Comparisons

Combining Statements and Budget Comparisons
as Supplementary Information

CITY OF PLAINVIEW, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2009

	Capital Improvement Fund	Hotel-Motel Occupancy Tax Fund	Street Improvement Fund
ASSETS			
Cash and Cash Equivalents	$ 1,194,110	$ 394,874	$ 495,925
Taxes Receivable	-	22,882	-
Intergovernmental Receivables	-	-	-
Total Assets	$ 1,194,110	$ 417,756	$ 495,925
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 1,980	$ 5,110	$ -
Wages and Salaries Payable	-	1,936	-
Due to Other Funds	-	-	-
Deferred Revenues	-	-	-
Total Liabilities	1,980	7,046	-
Fund Balances:			
Unreserved and Undesignated:			
Reported in the Special Revenue Fund	1,192,130	410,710	495,925
Total Fund Balances	1,192,130	410,710	495,925
Total Liabilities and Fund Balances	$ 1,194,110	$ 417,756	$ 495,925

Economic Dev. Revolving Loan Fund	Police Seizures Fund	Federal Shared Forfeit Fund	Police Pending Seizures Fund	RSVP Fund	Bio-Terrorism Grant Fund	Economic Development Fund	Municipal Court Sec. Fee Fund
$ 296,929	$ 66,727	$ 2,418	$ 3,985	$ 7,379	$ 1,392	$ 629,289	$ 41,849
-	-	-	-	-	-	-	-
-	-	-	-	7,952	-	-	-
$ 296,929	$ 66,727	$ 2,418	$ 3,985	$ 15,331	$ 1,392	$ 629,289	$ 41,849
$ -	$ -	$ -	$ 3,985	$ 11,900	$ 1,392	$ 5,500	$ -
-	-	-	-	3,431	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	3,985	15,331	1,392	5,500	-
296,929	66,727	2,418	-	-	-	623,789	41,849
296,929	66,727	2,418	-	-	-	623,789	41,849
$ 296,929	$ 66,727	$ 2,418	$ 3,985	$ 15,331	$ 1,392	$ 629,289	$ 41,849

CITY OF PLAINVIEW, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2009

	Municipal Court Tech. Fee Fund	TSLAC PAC HUG Library Grant Fund	Home Program 2006-0174 Fund	JAG Federal 2009SBB9-1602 Fund
ASSETS				
Cash and Cash Equivalents	$ 40,972	$ -	$ -	$ 42,949
Taxes Receivable	-	-	-	-
Intergovernmental Receivables	-	-	124,582	-
Total Assets	$ 40,972	$ -	$ 124,582	$ 42,949
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 948	$ -	$ 21,895	$ -
Wages and Salaries Payable	-	-	-	-
Due to Other Funds	-	-	55,066	-
Deferred Revenues	-	-	-	42,949
Total Liabilities	948	-	76,961	42,949
Fund Balances:				
Unreserved and Undesignated:				
Reported in the Special Revenue Fund	40,024	-	47,621	-
Total Fund Balances	40,024	-	47,621	-
Total Liabilities and Fund Balances	$ 40,972	$ -	$ 124,582	$ 42,949

JAG Federal 2009DJBX-1207 Fund	Total Nonmajor Governmental Funds
$ 3,210	$ 3,222,008
-	22,882
-	132,534
$ 3,210	$ 3,377,424
$ -	$ 52,710
-	5,367
-	55,066
-	42,949
-	156,092
3,210	3,221,332
3,210	3,221,332
$ 3,210	$ 3,377,424

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

	Capital Improvement Fund	Hotel-Motel Occupancy Tax Fund	Street Improvement Fund
REVENUES:			
Taxes:			
Selective Sales and Use Tax	$ -	$ 252,042	$ -
Intergovernmental Revenue and Grants	-	-	-
Fines	-	-	-
Investment Earnings	3,873	1,825	2,226
Contributions & Donations	7,000	-	-
Other Revenue	-	815	-
Total Revenues	10,873	254,682	2,226
EXPENDITURES:			
Current:			
General Government - Administration	22,684	203,993	-
General Government - Other	-	-	-
Public Safety	-	-	-
Recreation and Culture	-	-	-
Capital Outlay:			
Capital Outlay	76,670	4,359	-
Total Expenditures	99,354	208,352	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(88,481)	46,330	2,226
OTHER FINANCING SOURCES (USES):			
Transfers In	400,000	789	-
Transfers Out (Use)	-	(31,000)	-
Total Other Financing Sources (Uses)	400,000	(30,211)	-
Net Change in Fund Balance	311,519	16,119	2,226
Fund Balance - October 1 (Beginning)	880,611	394,591	493,699
Fund Balance - September 30 (Ending)	$ 1,192,130	$ 410,710	$ 495,925

Economic Dev. Revolving Loan Fund	Police Seizures Fund	Federal Shared Forfeit Fund	Police Pending Seizures Fund	RSVP Fund	Bio-Terrorism Grant Fund	Economic Development Fund	Municipal Court Sec. Fee Fund
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	90,271	-	-	-
-	65,143	-	-	-	-	-	8,719
10,016	-	-	-	-	-	2,277	-
-	-	-	-	13,194	-	-	-
-	-	-	-	-	-	-	-
10,016	65,143	-	-	103,465	-	2,277	8,719
121,428	-	-	-	-	-	94,187	-
-	-	-	-	104,254	-	-	6,202
-	680	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
121,428	680	-	-	104,254	-	94,187	6,202
(111,412)	64,463	-	-	(789)	-	(91,910)	2,517
-	-	-	-	789	-	200,000	-
-	-	-	-	-	-	-	-
-	-	-	-	789	-	200,000	-
(111,412)	64,463	-	-	-	-	108,090	2,517
408,341	2,264	2,418	-	-	-	515,699	39,332
$ 296,929	$ 66,727	$ 2,418	$ -	$ -	$ -	$ 623,789	$ 41,849

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

	Municipal Court Tech. Fee Fund	TSLAC PAC HUG Library Grant Fund	Home Program 2006-0174 Fund	JAG Federal 2009SBB9-1602 Fund
REVENUES:				
Taxes:				
Selective Sales and Use Tax	$ -	$ -	$ -	$ -
Intergovernmental Revenue and Grants	-	-	124,582	-
Fines	11,435	-	-	-
Investment Earnings	-	6	-	-
Contributions & Donations	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	11,435	6	124,582	-
EXPENDITURES:				
Current:				
General Government - Administration	-	-	124,582	-
General Government - Other	1,183	-	-	-
Public Safety	-	-	-	-
Recreation and Culture	-	6,915	-	-
Capital Outlay:				
Capital Outlay	1,695	-	-	-
Total Expenditures	2,878	6,915	124,582	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,557	(6,909)	-	-
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	15,000	-
Transfers Out (Use)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	15,000	-
Net Change in Fund Balance	8,557	(6,909)	15,000	-
Fund Balance - October 1 (Beginning)	31,467	6,909	32,621	-
Fund Balance - September 30 (Ending)	$ 40,024	$ -	$ 47,621	$ -

JAG Federal 2009DJBX-1207 Fund	Total Nonmajor Governmental Funds
$ -	$ 252,042
-	214,853
-	85,297
-	20,223
-	20,194
-	815
-	593,424
-	566,874
-	111,639
-	680
-	6,915
-	82,724
-	768,832
-	(175,408)
3,210	619,788
-	(31,000)
3,210	588,788
3,210	413,380
-	2,807,952
$ 3,210	$ 3,221,332

EXHIBIT G-1

CITY OF PLAINVIEW, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Investment Earnings	$ 1,500	$ 1,500	$ 3,873	$ 2,373
Contributions & Donations	-	-	7,000	7,000
Total Revenues	1,500	1,500	10,873	9,373
EXPENDITURES:				
Current:				
General Government - Administration:				
Non-Departmental	27,000	27,000	22,684	4,316
Capital Outlay:				
Capital Outlay	821,635	821,635	76,670	744,965
Total Expenditures	848,635	848,635	99,354	749,281
Excess (Deficiency) of Revenues Over (Under) Expenditures	(847,135)	(847,135)	(88,481)	758,654
OTHER FINANCING SOURCES (USES):				
Transfers In	-	400,000	400,000	-
Total Other Financing Sources (Uses)	-	400,000	400,000	-
Change in Fund Balance	(847,135)	(447,135)	311,519	758,654
Fund Balance - October 1 (Beginning)	880,611	880,611	880,611	-
				-
Fund Balance - September 30 (Ending)	$ 33,476	$ 433,476	$ 1,192,130	$ 758,654

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOTEL-MOTEL OCCUPANCY TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Taxes:				
Selective Sales and Use Tax	$ 235,000	$ 235,000	$ 252,042	$ 17,042
Investment Earnings	6,600	6,600	1,825	(4,775)
Other Revenue	-	-	815	815
Total Revenues	241,600	241,600	254,682	13,082
EXPENDITURES:				
Current:				
General Government - Administration:				
Non-Departmental	207,220	207,220	203,993	3,227
Capital Outlay:				
Capital Outlay	3,000	3,000	4,359	(1,359)
Total Expenditures	210,220	210,220	208,352	1,868
Excess of Revenues Over Expenditures	31,380	31,380	46,330	14,950
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	789	789
Transfers Out (Use)	(31,000)	(31,000)	(31,000)	-
Total Other Financing Sources (Uses)	(31,000)	(31,000)	(30,211)	789
Change in Fund Balance	380	380	16,119	15,739
Fund Balance - October 1 (Beginning)	394,591	394,591	394,591	-
				-
Fund Balance - September 30 (Ending)	$ 394,971	$ 394,971	$ 410,710	$ 15,739

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - STREET IMPROVEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Investment Earnings	$ 5,500	$ 5,500	$ 2,226	$ (3,274)
Total Revenues	5,500	5,500	2,226	(3,274)
EXPENDITURES:				
Current:				
Capital Outlay:				
Capital Outlay	150,000	150,000	-	150,000
Total Expenditures	150,000	150,000	-	150,000
Change in Fund Balance	(144,500)	(144,500)	2,226	146,726
Fund Balance - October 1 (Beginning)	493,699	493,699	493,699	-
				-
Fund Balance - September 30 (Ending)	$ 349,199	$ 349,199	$ 495,925	$ 146,726

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ECONOMIC DEVELOPMENT REVOLVING LOAN FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Investment Earnings	$ 13,000	$ 13,000	$ 10,016	$ (2,984)
Total Revenues	13,000	13,000	10,016	(2,984)
EXPENDITURES:				
Current:				
General Government - Administration:				
Non-Departmental	50,000	50,000	121,428	(71,428)
Total Expenditures	50,000	50,000	121,428	(71,428)
Change in Fund Balance	(37,000)	(37,000)	(111,412)	(74,412)
Fund Balance - October 1 (Beginning)	408,341	408,341	408,341	-
				-
Fund Balance - September 30 (Ending)	$ 371,341	$ 371,341	$ 296,929	$ (74,412)

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-5

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - POLICE SEIZURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Fines	$ 100	$ 100	$ 65,143	$ 65,043
Total Revenues	100	100	65,143	65,043
EXPENDITURES:				
Current:				
Public Safety:				
Police	-	-	680	(680)
Capital Outlay:				
Capital Outlay	2,000	2,000	-	2,000
Total Expenditures	2,000	2,000	680	1,320
Change in Fund Balance	(1,900)	(1,900)	64,463	66,363
Fund Balance - October 1 (Beginning)	2,264	2,264	2,264	-
				-
Fund Balance - September 30 (Ending)	$ 364	$ 364	$ 66,727	$ 66,363

EXHIBIT G-6

CITY OF PLAINVIEW, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FEDERAL SHARED FORFEITED FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
EXPENDITURES:				
Current:				
Capital Outlay:				
Capital Outlay	$ 1,950	$ 1,950	$ -	$ 1,950
Total Expenditures	1,950	1,950	-	1,950
Change in Fund Balance	(1,950)	(1,950)	-	1,950
Fund Balance - October 1 (Beginning)	2,418	2,418	2,418	-
				-
Fund Balance - September 30 (Ending)	$ 468	$ 468	$ 2,418	$ 1,950

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-7

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - RSVP FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Intergovernmental Revenue and Grants	$ 88,160	$ 88,160	$ 90,271	$ 2,111
Contributions & Donations	5,000	5,000	13,194	8,194
Total Revenues	93,160	93,160	103,465	10,305
EXPENDITURES:				
Current:				
General Government - Other:				
RSVP	93,160	93,160	104,254	(11,094)
Total Expenditures	93,160	93,160	104,254	(11,094)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(789)	(789)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	789	789
Total Other Financing Sources (Uses)	-	-	789	789
Change in Fund Balance	-	-	-	-
Fund Balance - October 1 (Beginning)	-	-	-	-
				-
Fund Balance - September 30 (Ending)	$ -	$ -	$ -	$ -

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-8

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Investment Earnings	$ 5,000	$ 5,000	$ 2,277	$ (2,723)
Total Revenues	5,000	5,000	2,277	(2,723)
EXPENDITURES:				
Current:				
General Government - Administration:				
Non-Departmental	75,000	75,000	94,187	(19,187)
Total Expenditures	75,000	75,000	94,187	(19,187)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,000)	(70,000)	(91,910)	(21,910)
OTHER FINANCING SOURCES (USES):				
Transfers In	50,000	200,000	200,000	-
Total Other Financing Sources (Uses)	50,000	200,000	200,000	-
Change in Fund Balance	(20,000)	130,000	108,090	(21,910)
Fund Balance - October 1 (Beginning)	515,699	515,699	515,699	-
				-
Fund Balance - September 30 (Ending)	$ 495,699	$ 645,699	$ 623,789	$ (21,910)

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-9

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - MUNICIPAL COURT SECURITY FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Fines	$ 5,000	$ 5,000	$ 8,719	$ 3,719
Total Revenues	5,000	5,000	8,719	3,719
EXPENDITURES:				
Current:				
General Government - Other:				
Municipal Court	10,000	10,000	6,202	3,798
Total Expenditures	10,000	10,000	6,202	3,798
Change in Fund Balance	(5,000)	(5,000)	2,517	7,517
Fund Balance - October 1 (Beginning)	39,332	39,332	39,332	-
				-
Fund Balance - September 30 (Ending)	$ 34,332	$ 34,332	$ 41,849	$ 7,517

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-10

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - MUNICIPAL COURT TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Fines	$ 8,000	$ 8,000	$ 11,435	$ 3,435
Total Revenues	8,000	8,000	11,435	3,435
EXPENDITURES:				
Current:				
General Government - Other:				
Municipal Court	1,000	1,000	1,183	(183)
Capital Outlay:				
Capital Outlay	7,500	7,500	1,695	5,805
Total Expenditures	8,500	8,500	2,878	5,622
Change in Fund Balance	(500)	(500)	8,557	9,057
Fund Balance - October 1 (Beginning)	31,467	31,467	31,467	-
				-
Fund Balance - September 30 (Ending)	$ 30,967	$ 30,967	$ 40,024	$ 9,057

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-11

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TSLAC PAC HUG LIBRARY GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Investment Earnings	$ -	$ -	$ 6	$ 6
Total Revenues	-	-	6	6
EXPENDITURES:				
Current:				
Recreation and Culture:				
Library	-	-	6,915	(6,915)
Capital Outlay:				
Capital Outlay	6,940	6,940	-	6,940
Total Expenditures	6,940	6,940	6,915	25
Change in Fund Balance	(6,940)	(6,940)	(6,909)	31
Fund Balance - October 1 (Beginning)	6,909	6,909	6,909	-
				-
Fund Balance - September 30 (Ending)	$ (31)	$ (31)	$ -	$ 31

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-12

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOME PROGRAM 2006-0174 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Intergovernmental Revenue and Grants	$ 312,000	$ 312,000	$ 124,582	$ (187,418)
Total Revenues	312,000	312,000	124,582	(187,418)
EXPENDITURES:				
Current:				
General Government - Administration:				
Non-Departmental	377,875	377,875	124,582	253,293
Total Expenditures	377,875	377,875	124,582	253,293
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,875)	(65,875)	-	65,875
OTHER FINANCING SOURCES (USES):				
Transfers In	-	15,000	15,000	-
Total Other Financing Sources (Uses)	-	15,000	15,000	-
Change in Fund Balance	(65,875)	(50,875)	15,000	65,875
Fund Balance - October 1 (Beginning)	32,621	32,621	32,621	-
				-
Fund Balance - September 30 (Ending)	$ (33,254)	$ (18,254)	$ 47,621	$ 65,875

CITY OF PLAINVIEW, TEXAS

EXHIBIT G-13

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - JAG-FED-2009-DJ-BX-1207 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts on Budget Basis	Variance With Final Budget Positive or (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES):				
Transfers In	$ -	$ 3,210	$ 3,210	$ -
Total Other Financing Sources (Uses)	-	3,210	3,210	-
Change in Fund Balance	-	3,210	3,210	-
Fund Balance - October 1 (Beginning)	-	-	-	-
				-
Fund Balance - September 30 (Ending)	$ -	$ 3,210	$ 3,210	$ -

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CITY OF PLAINVIEW, TEXAS
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2009

	Unemployment Compensation Fund	Equipment Replacement Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 105,390	$ 573,922
Investments - Current	-	1,186,712
Interest Receivable - Investments	-	812
Accounts Receivable-Net of Uncollectible Allowance	-	-
Due from Other Funds	-	-
Inventories	-	-
Total Current Assets	105,390	1,761,446
Noncurrent Assets:		
Capital Assets:		
Buildings	-	85,448
Accumulated Depreciation - Buildings	-	(7,325)
Machinery and Equipment	-	4,421,116
Accumulated Depreciation - Machinery & Equipment	-	(2,363,256)
Total Noncurrent Assets	-	2,135,983
Total Assets	105,390	3,897,429
LIABILITIES		
Current Liabilities:		
Accounts Payable	3,911	7,042
Wages and Salaries Payable	-	-
Net OPEB Obligation	-	-
Due to Other Funds	-	-
Total Current Liabilities	3,911	7,042
NonCurrent Liabilities:		
Net OPEB Obligation	-	-
Net Pension Obligation	-	-
Compensated Absences Payable	-	-
Total Noncurrent Liabilities	-	-
Total Liabilities	3,911	7,042
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	-	2,135,983
Unrestricted Net Assets	101,479	1,754,404
Total Net Assets	$ 101,479	$ 3,890,387

Property Insurance Fund	Health Insurance Fund	Cafeteria Plan Fund	Service Center Fund	Total Internal Service Funds
$ 837,691	$ 1,061,174	$ 31,350	$ -	$ 2,609,527
760,681	760,043	-	-	2,707,436
1,105	1,071	-	-	2,988
-	897	-	974	1,871
-	-	-	21,385	21,385
-	-	-	42,662	42,662
1,599,477	1,823,185	31,350	65,021	5,385,869
-	-	-	410,836	496,284
-	-	-	(352,086)	(359,411)
-	-	-	155,650	4,576,766
-	-	-	(135,967)	(2,499,223)
-	-	-	78,433	2,214,416
1,599,477	1,823,185	31,350	143,454	7,600,285
-	91,827	6,631	4,997	114,408
-	-	-	6,069	6,069
-	44,578	-	-	44,578
-	-	-	41,799	41,799
-	136,405	6,631	52,865	206,854
-	106,137	-	-	106,137
-	-	-	2,686	2,686
-	-	-	4,060	4,060
-	106,137	-	6,746	112,883
-	242,542	6,631	59,611	319,737
-	-	-	78,433	2,214,416
1,599,477	1,580,643	24,719	5,410	5,066,132
$ 1,599,477	$ 1,580,643	$ 24,719	$ 83,843	$ 7,280,548

CITY OF PLAINVIEW, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Unemployment Compensation Fund	Equipment Replacement Fund
OPERATING REVENUES:		
Charges for Services	$ 5,200	$ 493,795
Other Revenue	-	-
Total Operating Revenues	5,200	493,795
OPERATING EXPENSES:		
Personnel Services - Salaries and Wages	-	-
Personnel Services - Employee Benefits	-	-
Purchased Professional & Technical Services	1,112	-
Purchased Property Services	-	12,297
Other Operating Expenses	9,208	-
Supplies	-	42,775
Depreciation and Amortization	-	427,788
Total Operating Expenses	10,320	482,860
Operating Income (Loss)	(5,120)	10,935
NON-OPERATING REVENUES (EXPENSES):		
Gain on Sale of Property	-	2,491
Investment Earnings	-	29,586
Total Non-operating Revenue (Expenses)	-	32,077
Income (Loss) Before Contributions & Transfers	(5,120)	43,012
Capital Contributions	-	4,205
Transfers In	-	280,000
Transfers Out	-	-
Change in Net Assets	(5,120)	327,217
Total Net Assets - October 1 (Beginning)	106,599	3,563,170
Total Net Assets - September 30 (Ending)	$ 101,479	$ 3,890,387

Property Insurance Fund	Health Insurance Fund	Cafeteria Plan Fund	Service Center Fund	Total Internal Service Funds
$ 100,890	$ 1,312,337	$ 46,126	$ 120,008	$ 2,078,356
27,846	88,642	41	20	116,549
128,736	1,400,979	46,167	120,028	2,194,905
-	-	-	110,325	110,325
-	-	-	47,605	47,605
-	6,324	-	34	7,470
-	-	-	31,834	44,131
58,915	1,610,137	42,973	8,687	1,729,920
-	-	-	22,190	64,965
-	-	-	15,270	443,058
58,915	1,616,461	42,973	235,945	2,447,474
69,821	(215,482)	3,194	(115,917)	(252,569)
-	-	-	55,746	58,237
24,890	23,498	134	-	78,108
24,890	23,498	134	55,746	136,345
94,711	(191,984)	3,328	(60,171)	(116,224)
-	-	-	-	4,205
-	-	-	102,367	382,367
-	(150,714)	-	-	(150,714)
94,711	(342,698)	3,328	42,196	119,634
1,504,766	1,923,341	21,391	41,647	7,160,914
$ 1,599,477	$ 1,580,643	$ 24,719	$ 83,843	$ 7,280,548

CITY OF PLAINVIEW, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Unemployment Compensation Fund	Equipment Replacement Fund
Cash Flows from Operating Activities:		
Cash from Operating Transactions-Other Funds	$ 5,200	$ 493,795
Cash Payments to Employees for Services	-	-
Cash Payments for Suppliers	(6,409)	(76,104)
Other Operating Cash Receipts (Payments)	-	-
Net Cash Provided by (Used for) Operating Activities	(1,209)	417,691
Cash Flows from Non-Capital Financing Activities:		
Repayment of Interfund Payables	-	-
Transfers (to) Other Funds	-	-
Transfers from Other Funds	-	280,000
Net Cash Provided by (Used for) Non-Capital Financing Activities	-	280,000
Cash Flows from Capital & Related Financing Activities:		
Acquisition of Capital Assets	-	(730,471)
Capital Contributions Received	-	4,205
Proceeds from Sale of Capital Assets	-	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	-	(726,266)
Cash Flows from Investing Activities:		
Purchase of Certificates of Deposit	-	(61,910)
Redemption of Certificates of Deposit	-	-
Interest and Dividends on Investments	-	30,262
Net Cash Provided by (Used for) Investing Activities	-	(31,648)
Net Increase(Decrease) in Cash and Cash Equivalents	(1,209)	(60,223)
Cash and Cash Equivalents at Beginning of the Year:	106,599	634,145
Cash and Cash Equivalents at the End of the Year:	$ 105,390	$ 573,922

Property Insurance Fund	Health Insurance Fund	Cafeteria Plan Fund	Service Center Fund	Total Internal Service Funds
$ 100,890	$ 1,311,440	$ 46,126	$ 122,433	$ 2,079,884
-	-	-	(156,618)	(156,618)
(58,915)	(1,536,223)	(43,480)	(60,580)	(1,781,711)
27,846	88,642	41	20	116,549
69,821	(136,141)	2,687	(94,745)	258,104
-	-	-	(53,164)	(53,164)
-	(150,714)	-	-	(150,714)
-	-	-	102,367	382,367
-	(150,714)	-	49,203	178,489
-	-	-	(10,204)	(740,675)
-	-	-	-	4,205
-	-	-	55,746	55,746
-	-	-	45,542	(680,724)
-	(251,520)	-	-	(313,430)
3,279	-	-	-	3,279
24,750	22,508	134	-	77,654
28,029	(229,012)	134	-	(232,497)
97,850	(515,867)	2,821	-	(476,628)
739,841	1,577,041	28,529	-	3,086,155
$ 837,691	$ 1,061,174	$ 31,350	$ -	$ 2,609,527

CITY OF PLAINVIEW, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Unemployment Compensation Fund	Equipment Replacement Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
Operating Income (Loss):	$ (5,120)	$ 10,935
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation and Amortization	-	427,788
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	-	-
Decrease (increase) in Inventories	-	-
Decrease (increase) in Interfund Receivables	-	-
Increase (decrease) in Accounts Payable	3,911	(21,032)
Increase (decrease) in Wages and Salaries Payable	-	-
Increase (decrease) in Net OPEB Obligation	-	-
Increase (decrease) in Net Pension Obligation	-	-
Increase (decrease) in Comp. Absences Payable	-	-
Net Cash Provided by (Used for) Operating Activities	$ (1,209)	$ 417,691

Property Insurance Fund		Health Insurance Fund		Cafeteria Plan Fund		Service Center Fund		Total Internal Service Funds	
$	69,821	$	(215,482)	$	3,194	$	(115,917)	$	(252,569)
	-		-		-		15,270		443,058
	-		(897)		-		321		(576)
	-		-		-		1,201		1,201
	-		-		-		2,104		2,104
	-		(70,477)		(507)		964		(87,141)
	-		-		-		(1,055)		(1,055)
	-		150,715		-		-		150,715
	-		-		-		2,686		2,686
	-		-		-		(319)		(319)
$	69,821	$	(136,141)	$	2,687	$	(94,745)	$	258,104

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Compliance and Internal Control

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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 City Council
City of Plainview, 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 Plainview, Texas (the City) 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 January 27, 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'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 the 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'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.*

This report is intended solely for the information and use of management, the City Council, others within the City, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Williams, Meriwether, Smith & Co., L.L.P.

January 27, 2010

CITY OF PLAINVIEW, TEXAS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2009

A. Summary of Auditor's Results:

1. Financial Statements:

Type of auditor's report issued	**Unqualified**
Internal control over financial reporting:	
Material weakness(es) identified?	**No**
Significant deficiencies identified that are not considered to be material weaknesses?	**None reported**
Noncompliance material to financial statements noted?	**No**

2. Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	**Not applicable**
Significant deficiencies identified that are not considered to be material weaknesses?	**Not applicable**
Type of auditor's report issued on compliance for major programs:	**Not applicable**
Any audit findings disclosed that are required to be reported in accordance with Section 501(a) of Circular A-133?	**Not applicable**
Identification of major programs:	
CFDA Number(s):	**None**
Name of Federal program or cluster:	**None**
Dollar threshold used to distinguish between type A and Type B programs:	**$500,000**
Auditee qualified as low-risk auditee?	**Not applicable**

B. Financial Statement Findings:

None.

C. Federal Award Findings and Questioned Costs

Not applicable.

CITY OF PLAINVIEW, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

None.

CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Not applicable.

Capital Assets - Governmental Funds

CITY OF PLAINVIEW, TEXAS
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY SOURCES*
SEPTEMBER 30, 2009

Capital Assets Used in the Operation of Governmental Funds:				
Land			$	519,919
Buildings				2,912,782
Improvements other than buildings				14,999,108
Machinery and equipment				3,147,288
Construction in progress				6,760
Total			$	21,585,857
Investment in Capital Assets:				
Acquired prior to October 1, 1990			$	10,635,947
Acquired after September 30, 1990				
General fund				
General revenues	$	2,705,552		
Special revenue funds				
Capital improvements		3,438,048		
Street improvements		4,030,735		
Hotel/Motel tax fund		494,000		
Police seizure		36,380		
RSVP fund		4,858		
Homeland security grant		127,679		
LLEBG grant		80,927		
Bio-terrorism grant		5,585		
Municipal court security fund		16,481		
Municipal court technology fund		9,665		
				10,949,910
Total			$	21,585,857

* This schedule presents only the capital assets related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. However, the capital assets of the internal service funds are included in the governmental activities column of the government-wide statement of net assets. Additionally, accumulated depreciation is not included in this schedule.

CITY OF PLAINVIEW, TEXAS
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY*
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Construction in Progress	Total
From General Fund						
General government	$ 448,904	$ 346,553	$ 7,265,413	$ 188,396	$ -	$ 8,249,266
Police	-	247,676	-	437,042	-	684,718
Fire	-	251,793	10,423	558,499	-	820,715
Traffic and Safety	-	-	64,810	216,432	-	281,242
Animal control	-	149,754	11,739	16,207	-	177,700
Civil defense	-	-	-	10,604	-	10,604
Engineering	-	-	-	9,365	-	9,365
Street	-	16,223	-	715,087	-	731,310
Recreation	-	50,490	497,145	299,504	-	847,139
Library	-	307,552	-	159,124	-	466,676
Health	-	-	-	30,270	-	30,270
Emergency medical services	-	14,486	-	98,711	-	113,197
Total General Fund	448,904	1,384,527	7,849,530	2,739,241	-	12,422,202
From Special Revenue Funds						
Capital improvement fund	$ 68,715	$ 1,047,533	$ 2,203,281	$ 111,759	$ 6,760	$ 3,438,048
Street improvement fund	2,300	-	4,946,297	1,435	-	4,950,032
Hotel/Motel tax fund	-	473,729	-	20,271	-	494,000
Police seizure fund	-	800	-	35,580	-	36,380
RSVP fund	-	-	-	4,858	-	4,858
Homeland security grant	-	-	-	127,679	-	127,679
LLEBG grant	-	-	-	80,927	-	80,927
Bio-terrorism grant	-	-	-	5,585	-	5,585
Municipal court security fund	-	6,193	-	10,288	-	16,481
Municipal court technology fund	-	-	-	9,665	-	9,665
Total Special Revenue Funds	$ 71,015	$ 1,528,255	$ 7,149,578	$ 408,047	$ 6,760	$ 9,163,655
Total	$ 519,919	$ 2,912,782	$ 14,999,108	$ 3,147,288	$ 6,760	$ 21,585,857

* This schedule presents only the capital assets related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. However, the capital assets of the internal service funds are included in the governmental activities column of the government-wide statement of net assets. Additionally, accumulated depreciation is not included in this schedule.

CITY OF PLAINVIEW, TEXAS
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY*
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Capital Assets 9/30/08	Additions (Deletions)	Capital Assets 9/30/09
From General Fund			
General government	$ 8,250,431	$ (1,165)	$ 8,249,266
Police	677,855	6,863	684,718
Fire	807,811	12,904	820,715
Traffic and safety	279,514	1,728	281,242
Animal control	177,700		177,700
Civil defense	10,604		10,604
Engineering	16,451	(7,086)	9,365
Street	828,914	(97,604)	731,310
Recreation	850,040	(2,901)	847,139
Library	504,903	(38,227)	466,676
Health	26,413	3,857	30,270
Emergency medical services	181,525	(68,328)	113,197
Total General Fund	$ 12,612,161	$ (189,959)	$ 12,422,202
From Special Revenue Funds			
Capital improvements	$ 3,364,368	$ 73,680	$ 3,438,048
Street improvements	4,950,032		4,950,032
Hotel/Motel tax fund	489,641	4,359	494,000
Police seizure fund	36,380		36,380
RSVP fund	5,697	(839)	4,858
Homeland security grant	127,679		127,679
LLEBG grant	80,927		80,927
Bio-terrorism grant	5,585		5,585
Municipal court security fund	16,481		16,481
Municipal court technology fund	7,970	1,695	9,665
Total Special Revenue Funds	$ 9,084,760	$ 78,895	$ 9,163,655
Total	$ 21,696,921	$ (111,064)	$ 21,585,857

* This schedule presents only the capital assets related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. However, the capital assets of the internal service funds are included in the governmental activities column of the government-wide statement of net assets. Additionally, accumulated depreciation is not included in this schedule.

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Debit Service Requirements

Debt Service Requirements - Schedules of Maturities

CITY OF PLAINVIEW, TEXAS
SOLID WASTE MANAGEMENT ENTERPRISE FUND
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2008
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2015

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 1,550,000	$ 190,000	$ 59,967	$ 249,967
2010	1,360,000	205,000	44,012	249,012
2011	1,155,000	215,000	36,662	251,662
2012	940,000	225,000	28,963	253,963
2013	715,000	230,000	21,000	251,000
2014	485,000	240,000	12,775	252,775
2015	245,000	245,000	4,288	249,288
Total		$ 1,550,000	$ 207,667	$ 1,757,667
Annual average requirements		$ 221,429	$ 29,667	$ 251,096

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
TAX AND WATERWORKS AND SEWER SYSTEM SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2001
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2021

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 7,515,000	$ 430,000	$ 351,459	$ 781,459
2010	7,085,000	450,000	331,121	781,121
2011	6,635,000	470,000	310,422	780,422
2012	6,165,000	490,000	288,699	778,699
2013	5,675,000	515,000	265,642	780,642
2014	5,160,000	540,000	241,043	781,043
2015	4,620,000	565,000	214,792	779,792
2016	4,055,000	595,000	186,804	781,804
2017	3,460,000	625,000	157,062	782,062
2018	2,835,000	655,000	125,375	780,375
2019	2,180,000	690,000	91,750	781,750
2020	1,490,000	725,000	56,375	781,375
2021	765,000	765,000	19,125	784,125
Total		$ 7,515,000	$ 2,639,669	$ 10,154,669
Annual average requirements		$ 578,077	$ 203,051	$ 781,128

Note: These certificates of obligation were refunded on October 22, 2009 by the issuance of the General Obligation Refunding Bonds, Series 2009.

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2010-2021

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2010	$ 6,875,000	$ 155,000	$ 183,278	$ 338,278
2011	6,720,000	540,000	183,806	723,806
2012	6,180,000	545,000	172,956	717,956
2013	5,635,000	560,000	161,906	721,906
2014	5,075,000	570,000	149,894	719,894
2015	4,505,000	585,000	136,169	721,169
2016	3,920,000	600,000	120,606	720,606
2017	3,320,000	620,000	103,056	723,056
2018	2,700,000	640,000	83,356	723,356
2019	2,060,000	660,000	61,406	721,406
2020	1,400,000	685,000	37,441	722,441
2021	715,000	715,000	12,513	727,513
Total		$ 6,875,000	$ 1,406,387	$ 8,281,387
Annual average requirements		$ 572,917	$ 117,199	$ 690,116

Note: These refunding bonds were issued on October 22, 2009 to refund the Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2001.

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
WATER SUPPLY CONTRACT OBLIGATION
SALINITY CONTROL, SERIES 1999
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2010

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 23,761	$ 23,761	$ 1,039	$ 24,800
2010	-	-	-	-
Total		$ 23,761	$ 1,039	$ 24,800
Annual average requirements		$ 23,761	$ 1,039	$ 24,800

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
WATER SUPPLY CONTRACT OBLIGATION
USBR, SERIES 1999
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2018

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 519,691	$ 42,151	$ 24,394	$ 66,545
2010	477,540	43,917	22,560	66,477
2011	433,623	45,937	20,606	66,543
2012	387,686	47,956	18,516	66,472
2013	339,730	50,228	16,308	66,536
2014	289,502	52,751	13,974	66,725
2015	236,751	55,023	11,494	66,517
2016	181,728	57,799	8,881	66,680
2017	123,929	60,576	6,136	66,712
2018	63,353	63,353	3,168	66,521
Total		$ 519,691	$ 146,037	$ 665,728
Annual average requirements		$ 51,969	$ 14,604	$ 66,573

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
WATER SUPPLY CONTRACT OBLIGATION
1999 GROUNDWATER, SECOND SERIES (PARTIALLY REFUNDED IN 2005)
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2020

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 2,035,920	$ 158,320	$ 98,022	$ 256,342
2010	1,877,600	165,766	90,126	255,892
2011	1,711,834	173,113	83,049	256,162
2012	1,538,721	181,350	75,219	256,569
2013	1,357,371	189,959	66,908	256,867
2014	1,167,412	199,780	57,837	257,617
2015	967,632	178,258	47,611	225,869
2016	789,374	164,381	38,527	202,908
2017	624,993	172,742	30,191	202,933
2018	452,251	181,351	10,325	191,676
2019	270,900	190,132	13,138	203,270
2020	80,768	80,768	4,116	84,884
Total		$ 2,035,920	$ 615,069	$ 2,650,989
Annual average requirements		$ 169,660	$ 51,256	$ 220,916

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
WATER SUPPLY CONTRACT OBLIGATION
CONTRACT REVENUE BONDS, SERIES 2005
CONJUNCTIVE USE GROUNDWATER SUPPLY PROJECT
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2025

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 1,768,875	$ -	$ 91,263	$ 91,263
2010	1,768,875	-	91,263	91,263
2011	1,768,875	-	91,263	91,263
2012	1,768,875	-	91,263	91,263
2013	1,768,875	-	91,263	91,263
2014	1,768,875	-	91,263	91,263
2015	1,768,875	-	91,263	91,263
2016	1,768,875	50,430	89,939	140,369
2017	1,718,445	53,362	87,215	140,577
2018	1,665,083	56,294	84,336	140,630
2019	1,608,789	59,226	81,304	140,530
2020	1,549,563	62,158	78,117	140,275
2021	1,487,405	267,399	69,466	336,865
2022	1,220,006	281,765	55,051	336,816
2023	938,241	297,012	39,858	336,870
2024	641,229	312,551	24,248	336,799
2025	328,678	328,678	8,217	336,895
Total		$ 1,768,875	$ 1,256,592	$ 3,025,467
Annual average requirements		$ 104,051	$ 73,917	$ 177,968

CITY OF PLAINVIEW, TEXAS
WATER AND SEWER ENTERPRISE FUND
WATER SUPPLY CONTRACT OBLIGATION
CONTRACT REVENUE BONDS, SERIES 2006
CONJUNCTIVE USE GROUNDWATER SUPPLY PROJECT
DEBT SERVICE REQUIREMENTS
SCHEDULE OF MATURITIES
2009-2027

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2009	$ 1,758,265	$ 60,995	$ 87,313	$ 148,308
2010	1,697,270	63,556	84,665	148,221
2011	1,633,714	66,525	81,685	148,210
2012	1,567,189	69,839	78,361	148,200
2013	1,497,350	73,342	74,858	148,200
2014	1,424,008	77,034	71,199	148,233
2015	1,346,974	80,914	67,348	148,262
2016	1,266,060	84,982	63,304	148,286
2017	1,181,078	89,239	59,057	148,296
2018	1,091,839	93,685	54,590	148,275
2019	998,154	98,318	49,907	148,225
2020	899,836	103,251	44,991	148,242
2021	796,585	108,450	39,829	148,279
2022	688,135	113,838	34,404	148,242
2023	574,297	119,525	28,715	148,240
2024	454,772	125,588	22,742	148,330
2025	329,184	131,919	16,461	148,380
2026	197,265	138,438	9,865	148,303
2027	58,827	58,827	2,943	61,770
Total		$ 1,758,265	$ 972,237	$ 2,730,502
Annual average requirements		$ 92,540	$ 51,170	$ 143,710

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Schedule 1
City of Plainview
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	$ 8,147,031	$ 7,805,176	$ 7,702,738	$ 8,148,900	$ 7,922,852	$ 9,159,664	$ 9,088,340
Restricted	822,054	470,807	627,451	673,728	762,030	885,322	858,657
Unrestricted	9,682,284	11,581,894	12,599,869	13,068,762	14,859,033	16,374,882	17,052,397
Total governmental activities net assets	$ 18,651,369	$ 19,857,877	$ 20,930,058	$ 21,891,390	$ 23,543,915	$ 26,419,868	$ 26,999,394
Business-type activities							
Invested in capital assets, net of related debt	$ 17,166,111	$ 17,326,054	$ 17,768,845	$ 18,330,951	$ 19,118,182	$ 19,280,212	$ 19,352,797
Restricted	620,675	243,921	249,644	259,615	269,494	249,382	261,049
Unrestricted	5,625,024	6,843,537	7,379,322	8,198,944	8,782,742	9,824,587	10,700,804
Total business-type activities net assets	$ 23,411,810	$ 24,413,512	$ 25,397,811	$ 26,789,510	$ 28,170,418	$ 29,354,181	$ 30,314,650
Primary government							
Invested in capital assets, net of related debt	$ 25,313,142	$ 25,131,230	$ 25,471,583	$ 26,479,851	$ 27,041,034	$ 28,439,876	$ 28,441,137
Restricted	1,442,729	714,728	877,095	933,343	1,031,524	1,134,704	1,119,706
Unrestricted	15,307,308	18,425,431	19,979,191	21,267,706	23,641,775	26,199,469	27,753,201
Total primary government net assets	$ 42,063,179	$ 44,271,389	$ 46,327,869	$ 48,680,900	$ 51,714,333	$ 55,774,049	$ 57,314,044

Note: the city began to report accrual information when it implemented GASB 34 in fiscal year 2003.

Schedule 2
City of Plainview
Changes in Net Assets, Last Seven Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities							
General government	$ 1,477,223	$ 1,359,098	$ 1,340,761	$ 1,260,970	$ 1,204,382	$ 1,364,075	$ 1,814,265
Public safety	5,099,977	4,875,499	5,056,519	5,298,067	5,570,288	5,975,267	6,174,194
Public works	909,308	996,242	1,155,224	1,249,822	1,193,044	1,197,307	1,234,289
Recreation	584,359	580,855	532,765	596,726	547,645	638,924	814,776
Library	320,478	329,461	366,102	370,077	363,743	374,174	393,880
Health	342,184	320,044	326,638	351,502	335,592	386,649	422,516
Total government activities expenses	8,733,529	8,461,199	8,778,009	9,127,164	9,214,694	9,936,396	10,853,920
Business-type activities							
Solid waste management	1,963,684	1,934,292	1,997,364	1,991,817	1,957,093	2,201,151	2,325,580
Water and sewer	3,751,350	4,786,631	4,682,119	5,170,010	5,025,576	5,379,624	5,573,408
Theatre arts	76,685	51,908	37,130	31,848	38,315	32,388	39,376
Total business-type activities expenses	5,791,719	6,772,831	6,716,613	7,193,675	7,020,984	7,613,163	7,938,364
Total primary government expenses	$ 14,525,248	$ 15,234,030	$ 15,494,622	$ 16,320,839	$ 16,235,678	$ 17,549,559	$ 18,792,284
Program revenues							
Governmental activities							
Charges for services							
General government	$ 220,379	$ 237,434	$ 190,086	$ 181,134	$ 184,703	$ 205,781	$ 278,204
Public safety	521,984	425,066	615,622	534,098	560,576	701,235	656,572
Public works	3,522	-	-	-	-	-	-
Recreation	33,308	36,533	42,552	43,576	40,607	44,047	43,911
Library	17,126	12,632	7,348	9,153	8,362	9,666	10,869
Health	127,204	138,774	127,251	134,345	120,623	140,023	148,168
Operating grants and contributions	290,609	309,221	407,355	263,039	277,027	294,822	414,022
Capital grants and contributions	-	305,363	290,667	86,062	35,628	-	11,205
Total governmental activities program revenues	1,214,132	1,465,023	1,680,881	1,251,407	1,227,526	1,395,574	1,562,951
Business-type activities							
Charges for services							
Solid waste management	2,400,063	2,303,587	2,412,223	2,434,545	2,591,363	2,731,076	2,904,631
Water and sewer	4,759,243	5,093,875	4,969,225	5,656,733	5,435,089	5,852,233	6,037,512
Theatre arts	31,664	21,376	14,457	11,320	21,449	20,158	22,941
Operating grants and contributions	61,925	4,180	220	1,000	-	1,000	1,000
Capital grants and contributions	-	177,125	167,927	79,296	11,390	-	40,562
Total business-type activities program revenues	7,252,895	7,600,143	7,564,052	8,182,894	8,059,291	8,604,467	9,008,646
Total primary government program revenues	$ 8,467,027	$ 9,065,166	$ 9,244,933	$ 9,434,301	$ 9,286,817	$ 10,000,041	$ 10,569,597

Schedule 2 (continued)
City of Plainview
Changes in Net Assets, Last Six Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Net (expenses) / revenues							
Governmental activities	$ (7,519,397)	$ (6,996,176)	$ (7,097,128)	$ (7,875,757)	$ (7,987,168)	$ (8,540,822)	$ (9,290,969)
Business-type activities	1,461,176	827,312	847,439	989,219	1,038,307	991,304	1,068,282
Total primary government net expense	$ (6,058,221)	$ (6,168,864)	$ (6,249,689)	$ (6,886,538)	$ (6,948,861)	$ (7,549,518)	$ (8,222,687)
General revenues and other changes in net assets							
Governmental activities							
Taxes							
Property taxes	$ 2,804,542	$ 2,994,774	$ 3,213,515	$ 3,459,565	$ 3,751,688	$ 3,777,277	$ 4,072,569
Sales taxes	2,874,628	2,993,451	3,024,917	3,066,386	3,428,684	3,523,496	3,489,461
Franchise taxes	779,683	815,836	874,602	1,012,923	923,477	1,391,824	1,151,056
Penalty and interest	55,672	47,639	60,141	57,051	60,334	61,680	75,689
Other taxes	212,526	217,864	246,688	249,567	292,902	322,021	282,371
Miscellaneous	33,900	33,136	109,604	99,221	30,416	39,827	66,226
Investment earnings	370,828	404,997	363,218	650,117	769,389	567,919	297,333
Special item	-	444,757	-	-	-	1,272,713	-
Transfers	342,234	250,231	276,625	242,260	382,803	460,018	435,790
Total governmental activities	7,474,013	8,202,685	8,169,310	8,837,090	9,639,693	11,416,775	9,870,495
Business-type activities							
Investment earnings	217,678	176,913	228,151	384,840	445,198	319,079	178,213
Miscellaneous	-	247,710	185,333	259,902	280,206	333,397	149,764
Special and extraordinary items	(1,592,019)	-	-	-	-	-	-
Transfers	(342,234)	(250,231)	(276,625)	(242,260)	(382,803)	(460,018)	(435,790)
Total business-type activities	(1,716,575)	174,392	136,859	402,482	342,601	192,458	(107,813)
Total primary government	$ 5,757,438	$ 8,377,077	$ 8,306,169	$ 9,239,572	$ 9,982,294	$ 11,609,233	$ 9,762,682
Change in net assets							
Governmental activities	$ (45,384)	$ 1,206,509	$ 1,072,182	$ 961,333	$ 1,652,525	$ 2,875,953	$ 579,526
Business-type activities	(255,399)	1,001,704	984,298	1,391,701	1,380,908	1,183,762	960,469
Total primary government	$ (300,783)	$ 2,208,213	$ 2,056,480	$ 2,353,034	$ 3,033,433	$ 4,059,715	$ 1,539,995

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Schedule 3
City of Plainview
Fund Balances, Governmental Funds
Last Seven Fiscal Years
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
General fund							
Reserved	$ 41,852	$ 38,782	$ 38,224	$ 44,973	$ 44,460	$ 49,183	$ 43,829
Unreserved	4,790,805	5,354,055	5,887,583	6,533,987	7,478,159	8,406,128	8,847,506
Total general fund	$ 4,832,657	$ 5,392,837	$ 5,925,807	$ 6,578,960	$ 7,522,619	$ 8,455,311	$ 8,891,335
All other governmental funds							
Reserved	$ 822,054	$ 162,440	$ 154,005	$ 286,989	$ 249,385	$ 211,258	$ -
Unreserved, reported in							
Special revenue funds:							
Capital improvement fund	434,816	438,739	550,629	518,775	661,069	880,611	1,192,130
Hotel occupancy tax fund	-	57,932	197,332	239,413	293,598	394,591	410,710
Street improvement fund	-	362,635	367,311	361,966	356,961	493,699	495,925
Revolving loan fund	-	183,188	206,875	91,542	150,322	197,083	296,929
Police seizure funds	-	19,177	19,240	8,243	6,452	4,682	69,145
Local law enforcement block grants	-	11,642	7,605	-	-	-	-
Economic development fund	70,806	94,387	117,915	145,333	343,043	515,699	623,789
RSVP fund	(430)	(339)	(339)	60	-	-	-
Court security fee fund	-	33,274	34,103	29,573	35,017	39,332	41,849
Court technology fee fund	-	3,154	8,291	11,614	20,555	31,467	40,024
TLSAC library grant fund	-	-	-	6,354	6,701	6,909	-
Home program grant fund						32,621	47,621
JAG law enforcement grant funds							3,210
Total all other governmental funds	$ 1,327,246	$ 1,366,229	$ 1,662,967	$ 1,699,862	$ 2,123,103	$ 2,807,952	$ 3,221,332

Note: The city has elected to begin this schedule with the implementation of GASB Statement 34 in fiscal year 2003.

Schedule 4
City of Plainview
Changes in Fund Balances, Governmental Funds
Last Seven Fiscal Years

(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Revenues							
Taxes (see Schedule 5)	$ 6,722,502	$ 7,051,986	$ 7,411,970	$ 7,854,623	$ 8,440,707	$ 9,067,033	$ 9,062,717
Licenses and permits	36,613	107,659	76,844	57,398	50,425	48,800	47,497
Intergovernmental	378,680	309,222	533,698	264,301	268,840	288,410	400,704
Charges for services	478,275	497,985	690,488	606,311	605,751	742,441	636,325
Fines	283,683	244,796	215,528	238,595	258,696	305,692	440,657
Investment earnings	254,988	285,868	242,723	433,018	518,355	388,711	219,224
Rents and Royalties	-	360	360	360	360	360	360
Contributions and donations	-	7,468	4,736	4,988	8,186	6,412	20,319
Other revenues	567,258	18,085	105,531	26,368	25,774	40,527	8,134
Total revenues	8,721,999	8,523,429	9,281,878	9,485,962	10,177,094	10,888,386	10,835,937
Expenditures							
General Government	1,670,414	1,238,733	1,293,466	1,220,384	1,196,732	1,314,345	1,718,989
Public safety	4,724,521	4,714,896	4,982,170	5,157,281	5,478,839	5,828,529	5,953,304
Public works	848,996	701,590	832,083	833,754	814,880	830,318	910,141
Health	339,149	329,416	329,285	357,498	341,897	381,296	406,096
Recreation	523,083	544,814	509,707	573,553	534,328	592,958	659,838
Library	294,725	314,809	336,188	354,903	351,835	362,202	376,742
Capital outlay	532,211	88,554	195,895	431,418	225,289	171,215	165,660
Total expenditures	8,933,099	7,932,812	8,478,794	8,928,791	8,943,800	9,480,863	10,190,770
Excess of revenues over (under) expenditures	(211,100)	590,617	803,084	557,171	1,233,294	1,407,523	645,167
Other financing sources (uses)							
Sale of property	-	-	-	2,037	802	-	100
Transfers in	451,883	347,389	437,625	716,847	863,804	1,000,018	1,158,347
Transfers out	(109,649)	(338,843)	(411,000)	(586,007)	(731,000)	(790,000)	(954,210)
Total other financing sources (uses)	342,234	8,546	26,625	132,877	133,606	210,018	204,237
Net change in fund balances	$ 131,134	$ 599,163	$ 829,709	$ 690,048	$ 1,366,900	$ 1,617,541	$ 849,404
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%

Note: The city has elected to begin this schedule with the implementation of GASB Statement 34 in fiscal year 2003.

Schedule 5
City of Plainview
Tax Revenues by Source, Governmental Funds
Last Seven Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Sales & Use	Franchise	Occupancy	Mixed Beverage	Interest and Penalty	Total
2003	$ 2,804,541	$ 2,874,628	$ 779,683	$ 195,392	$ 17,134	$ 51,124	$ 6,722,502
2004	2,977,196	2,993,451	815,836	201,739	16,125	47,639	7,051,986
2005	3,205,622	3,024,917	874,602	224,569	22,119	60,141	7,411,970
2006	3,468,696	3,066,386	1,012,923	226,650	22,917	57,051	7,854,623
2007	3,735,310	3,428,684	923,477	265,952	26,950	60,334	8,440,707
2008	3,768,012	3,523,496	1,391,824	293,850	28,171	61,680	9,067,033
2009	4,064,140	3,489,461	1,151,056	252,042	30,329	75,689	9,062,717
Percent Change 2003-2008	44.9%	21.4%	47.6%	29.0%	77.0%	48.0%	34.8%

Note: The city has elected to begin this schedule with the implementation of GASB Statement 34 in fiscal year 2003.

Schedule 6
City of Plainview
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2000	$ 310,058,683	$ 239,473,508	$ 98,714,231	$ 96,774,881	$ 551,471,541	0.4424
2001	324,643,158	242,840,657	103,670,313	95,804,069	575,350,059	0.4375
2002	333,353,142	255,540,831	101,960,096	94,702,000	596,152,069	0.4375
2003	342,674,242	278,188,351	100,231,426	99,750,644	621,343,375	0.4575
2004	352,513,111	278,401,661	99,207,870	104,002,515	626,120,127	0.4775
2005	370,111,441	265,003,476	108,632,079	106,244,000	637,502,996	0.5049
2006	382,502,242	278,304,888	123,162,726	106,684,498	677,285,358	0.5149
2007	399,663,677	285,629,500	128,627,118	110,398,777	703,521,518	0.5349
2008	415,014,053	264,587,043	133,058,257	104,264,066	708,395,287	0.5342
2009	431,325,292	272,486,153	129,275,369	107,516,218	725,570,596	0.5685

Source: Hale County Appraisal District.

Note: Property in Hale County is reassessed once every three years on average.
State statute requires all property to be appraised at 100% of assumed market value. The tax rates are per $100 of assessed value.

Schedule 7
City of Plainview
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per $100 of assessed value)

	City Direct Rates			Overlapping Rates		
	Operating & Maintenace	General Obligation Debt Service	Total Direct Rate	Plainview Independent School District	High Plains Water District	Hale County
2000	0.4424	-	0.4424	1.2800	0.00840	0.460900
2001	0.4375	-	0.4375	1.3100	0.00840	0.463205
2002	0.4375	-	0.4375	1.3100	0.00830	0.463205
2003	0.4575	-	0.4575	1.3700	0.00840	0.463205
2004	0.4775	-	0.4775	1.3700	0.00830	0.463205
2005	0.5049	-	0.5049	1.4500	0.00830	0.483205
2006	0.5149	-	0.5149	1.5000	0.00830	0.495219
2007	0.5349	-	0.5349	1.3700	0.00830	0.492519
2008	0.5342	-	0.5342	1.0400	0.00794	0.495219
2009	0.5685	-	0.5685	1.0400	0.00794	0.492100

Source: Hale County Appraisal District

Schedule 8
City of Plainview
Principal Property Tax Payers
Current Year and Nine Years Ago

	2009			2000		
	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value
Wal-Mart - Inventory	$ 87,989,710	1	12.13	$ 82,538,170	1	14.97
Wal-Mart Distribution	16,421,900	2	2.26	9,885,905	2	1.79
Acher Daniels Midland	13,149,281	3	1.81	3,452,111	6	0.63
Wal-Mart Stores	8,102,218	4	1.12	2,675,330	9	0.49
Wal-Mart Stores - Inventory	7,685,296	5	1.06	4,115,293	5	0.75
Excel Energy	4,710,482	6	0.65	8,223,152	3	1.49
Southwestern Bell	4,234,417	7	0.58	6,207,157	4	1.13
BNSF Railway	3,689,126	8	0.51	-	-	-
Stonegate Center	3,400,860	9	0.47	-	-	-
Westview Center	3,080,602	10	0.42	2,697,885	8	0.49
Kmart - Inventory				2,872,222	7	0.52
Hale County State Bank				2,439,651	10	0.44
Total	$ 152,463,892		21.01	$ 125,106,876		22.69

Source: Hale County Appraisal District

Schedule 9
City of Plainview
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended Sept 30	Taxes Levied for the Fiscal Year	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
				Amount	Percentage of Levy		Amount	Percentage of Adjusted Levy
2000	$ 2,439,130	$ (5,193)	$ 2,433,937	$ 2,359,379	96.73	$ 68,686	$ 2,428,065	99.76
2001	2,517,949	(10,955)	2,506,994	2,441,579	96.97	58,300	2,499,879	99.72
2002	2,606,560	(7,813)	2,598,747	2,520,523	96.70	70,286	2,590,809	99.69
2003	2,841,513	(27,272)	2,814,241	2,730,645	96.10	73,308	2,803,953	99.63
2004	2,992,076	2,284	2,994,360	2,908,427	97.20	73,053	2,981,480	99.57
2005	3,217,884	(15,799)	3,202,085	3,125,829	97.14	57,954	3,183,783	99.43
2006	3,574,242	(91,256)	3,482,986	3,393,539	94.94	60,172	3,453,711	99.16
2007	3,762,550	(5,180)	3,757,370	3,667,112	97.46	57,552	3,724,664	99.13
2008	3,784,098	(2,885)	3,781,213	3,691,589	97.56	27,007	3,718,596	98.34
2009	4,124,614	(47,427)	4,077,187	3,969,938	96.25	-	3,969,938	97.37

Source: Hale County Appraisal District

Schedule 10
City of Plainview
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities		Business-type Activities					
Fiscal Year	General Obligation Bonds	Certificates of Obligation Bonds	Revenue Bonds	General Obligation Refunding Bonds	Water Authority Indebtedness	Total Primary Government	Percentage of Personal Income	Per Capita
2000	$ -	$ -	$ 2,910,000	$ -	$ 3,976,691	$ 6,886,691	0.91%	$ 308
2001	-	-	12,565,000	-	3,826,014	16,391,014	2.12%	737
2002	-	-	11,895,000	-	3,669,141	15,564,141	1.98%	707
2003	-	-	9,375,000	1,830,000	3,505,700	14,710,700	1.85%	666
2004	-	-	9,040,000	1,400,000	3,334,951	13,774,951	1.73%	628
2005	-	-	8,685,000	950,000	4,942,495	14,577,495	1.74%	666
2006	-	-	8,315,000	485,000	6,603,975	15,403,975	1.82%	704
2007	-	-	7,925,000	-	6,372,024	14,297,024	1.69%	660
2008	-	-	9,065,000	-	6,106,514	15,171,514	N/A	711
2009	-	-	8,445,000	-	5,821,287	14,266,287	N/A	652

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Water authority indebtedness is the city's proportionate share of revenue bonds issued by the Canadian River Municipal Water Authority.
Personel income data for fiscal years 2008 and 2009 are unavailable.
See Schedule of Demographic and Economic Statistics for Population data.

Schedule 11
City of Plainview
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

	General Bonded Debt Outstanding				
Fiscal Year	General Obligation Bonds	Certificates of Obligation Bonds	Total	Percentage of Actual TaxableValue of Property	Per Capita
2000	$ -	$ -	$ -	- %	$ -
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
See Schedule of Demographic and Economic Statistics for Population data.

Schedule 12
City of Plainview
Direct and Overlapping Governmental Activities Debt
As of September 30, 2009

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Plainview Independent School District	$ -	76.443 %	$ -
County of Hale	-	50.947	-
Other debt			
Plainview Independent School District	1,830,736	76.443	1,399,470
County of Hale	-	50.947	-
Subtotal overlapping debt			1,399,470
City direct debt			-
Total direct and overlapping debt			$ 1,399,470

Sources: Assessed value data used to estimate applicable percentages provided by the Hale County Appraisal District. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic bounderies of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Plainview. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

Schedule 13
City of Plainview
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Water and Sewer Revenue Bonds						Solid Waste Management Revenue Bonds					
Fiscal Year	Utility Operating Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2000	$ 4,196,258	$ 2,779,499	$ 1,416,759	$ 130,000	$ 64,700	7.28	$ 2,081,394	$ 1,730,691	$ 350,703	$ 195,000	$ 97,050	1.20
2001	4,423,240	3,179,329	1,243,911	138,000	58,200	6.34	1,986,117	1,399,022	587,095	207,000	87,300	1.99
2002	4,584,714	3,344,269	1,240,445	451,000	538,389	1.25	2,063,420	1,861,426	201,994	219,000	76,950	0.68
2003	4,759,242	3,212,067	1,547,175	488,000	494,301	1.58	2,400,063	1,544,349	855,714	252,000	36,600	2.97
2004	5,184,875	3,556,553	1,628,322	507,000	472,089	1.66	2,401,145	1,496,362	904,783	258,000	30,300	3.14
2005	5,043,446	3,480,034	1,563,412	535,000	448,814	1.59	2,508,308	1,563,551	944,757	270,000	23,850	3.22
2006	5,731,970	3,981,831	1,750,139	556,000	424,376	1.79	2,527,008	1,597,849	929,159	279,000	17,100	3.14
2007	5,495,629	3,874,419	1,621,210	584,000	397,896	1.65	2,692,496	1,606,164	1,086,332	291,000	8,730	3.62
2008	5,912,084	4,241,912	1,670,172	410,000	371,511	2.14	2,858,367	1,742,492	1,115,875	-	-	-
2009	6,108,850	4,456,922	1,651,928	430,000	351,459	2.11	2,979,411	1,731,807	1,247,604	190,000	59,967	4.99

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Operating expenses include the annual payments on the city's proportionate share of Canadian River Municipal Water Authority indebtedness.
Operating expenses include an accrual for future landfill closure and postclosure costs.
Operating expenses do not include bond interest, depreciation or amortization expenses.

Schedule 14
City of Plainview
Demograghic and Economic Statistics
Last Ten Calendar Years

Calendar Year	City Population	County Population	County Personal Income	County Per Capita Personal Income	School Enrollment	County Unemployment Rate
2000	22,336	36,602	$ 756,827,000	$ 20,677	6,167	4.5%
2001	22,234	35,961	772,701,000	21,487	5,951	4.7%
2002	22,011	35,710	774,876,000	21,699	5,906	5.7%
2003	22,084	36,605	795,007,000	21,719	5,858	6.3%
2004	21,935	36,303	796,747,000	21,947	6,085	6.1%
2005	21,893	36,171	836,282,000	23,120	6,058	5.4%
2006	21,887	35,862	847,210,000	23,624	6,028	5.3%
2007	21,656	35,731	845,130,000	23,653	5,942	4.4%
2008	21,324	35,326	N/A	N/A	5,784	4.9%
2009	21,884	35,294	N/A	N/A	5,846	5.9%

Sources: Bureau of Economic Analysis, Texas State Data Center, Texas Workforce Commission, and Plainview Independent School District.

Note: Personal income data for calendar years 2008 and 2009 are unavailable.

Schedule 15
City of Plainview
Principal Employers *
Last Ten Years

2000
Azteca Milling
Central Plains MHMR Center
City of Plainview
Excell Corporation
Methodist Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2001
Azteca Milling
Central Plains MHMR Center
City of Plainview
Excell Corporation
Methodist Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2002
Azteca Milling
Central Plains MHMR Center
City of Plainview
Excell Corporation
Methodist Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2003
Azteca Milling
Central Plains MHMR Center
City of Plainview
Excell Corporation
Methodist Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2004
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2005
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2006
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2007
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2008
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

2009
Azteca Milling
Cargill Meat Solutions
Central Plains MHMR Center
City of Plainview
Covenant Hospital
Plainview Independent School District
Texas Department of Criminal Justice
United Supermarkets
Wal-Mart Associates
Wayland Baptist University

* Employers are listed alphabetically with no ranking intended. The number of employees is not disclosed due to confidentiality.
Sources: Texas Workforce Commission.

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Schedule 16
City of Plainview
Full-time-Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years

	Full-time-Equivalent Employees as of September 30									
Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
City Manager	2	2	2	2	2	2	2	2	2	2
Legal	2	2	2	2	2	2	2	2	2	2
Finance	2	2	2	2	1	1	1	1	1	1
Human Resources	2	2	2	1	1	1	1	1	1	1
Civil Service	1	1	1	1	1	1	1	1	1	1
Muncipal Court	3	3	3	3	3	3	3	3	3	3
Community Development	2	2	2	2	2	2	2	2	2	2
Code Enforcement	3	3	3	3	3	3	3	3	3	3
Main Street	1	1	1	1	1	1	1	1	1	1
RSVP				3	3	2	2	2	2	2
Public Safety										
Police	45	45	44	44	44	44	45	45	45	45
Fire / EMS	37	37	37	36	36	36	36	36	36	36
Traffic Control	4	4	4	4	4	4	3	3	3	3
Animal Control	3	3	3	3	2	2	2	2	2	2
Public Works										
Public Works	3	3	3	3	3	3	3	3	3	3
Street Cleaning	2	2	2	2	2	2	2	2	2	2
Street Department	8	8	8	7	7	7	7	7	7	7
Custodial Services	2	2	2	2	2	2	2	2	2	2
Health	7	7	7	7	6	6	6	6	7	7
Recreation and Culture										
Parks	12	12	12	12	12	12	12	12	12	12
Library	6	6	6	6	6	6	6	5	5	5
Convention and Tourism									1	1

Solid Waste Management										
Collection	12	12	12	12	11	11	11	11	11	11
Landfill	8	8	8	8	8	8	8	8	8	8
Recycling		1	1	1	1	1	1	1	1	1
Vector Mowing	1	1	1	1	1	1	1	1	1	1
Vector Spraying	1	1	1	1	1	1	1	1	1	1
Water & Sewer										
Utility Accounting	5	5	5	6	6	6	6	6	6	6
Meter Services	3	3	3	3	3	3	3	3	3	3
Water Production	7	7	7	7	7	7	7	7	7	7
Wastewater Treatment	5	5	5	5	5	5	5	5	5	5
Water Distribution	7	7	7	7	7	6	6	6	6	6
Water Collection	3	3	3	3	3	3	3	3	3	3
Service Center	6	6	6	6	5	5	5	4	4	4
Theatre Arts				1	1	1				
Total	205	206	205	207	202	200	199	197	199	199

Source: City of Plainview Annual Budget Personnel Summary

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080

Schedule 17
City of Plainview
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Building permits issued	268	243	240	228	220	290	182	140	184	154
Building inspections	5,993	5,289	4,233	5,003	6,019	6,030	4,695	4,059	2,284	2,057
Public safety										
Police										
Calls for service	19,947	19,577	19,342	18,797	19,492	16,815	15,796	14,898	13,997	15,378
Citations issued	4,656	6,015	3,617	4,589	3,255	2,767	3,363	3,052	4,290	3,307
Arrests	2,496	2,625	2,366	2,248	1,690	1,474	1,493	1,570	1,712	1,659
Fire/EMS										
Ambulance calls	1,663	1,731	1,828	1,859	1,985	2,094	1,916	1,841	2,027	1,915
Fire calls	1,093	1,204	1,270	1,249	1,400	1,492	1,509	1,400	1,634	1,560
Inspections	200	200	400	400	400	400	400	237	96	122
Public works										
Street seal coating (lane miles)	36.73	36.24	39.42	42.74	53.31	49.53	36.17	25.32	23.08	19.97
Street patch material used (tons)	316.4	263.9	237.5	234.9	300.5	366.4	222.4	490.0	487.0	184.6
Health										
Immunizations	5,966	5,510	5,835	6,379	4,340	4,205	3,952	3,379	5,462	6,452
Inspections	380	352	332	321	318	302	300	302	288	156
Recreation and culture										
Parks										
Shelter house permits	178	172	189	170	179	156	173	177	216	192
Library										
Volumes in collection	49,371	48,530	50,034	50,670	52,119	51,512	46,763	50,661	52,109	48,244
Volumes borrowed	55,371	49,530	52,299	48,390	53,464	51,775	53,231	47,925	51,418	55,319
Visitors	74,188	76,131	82,937	85,604	85,606	88,286	89,781	85,545	88,993	92,247

Solid waste management										
Refuse collected (annual tonage)	28,301	27,555	32,098	27,435	27,768	29,243	27,461	29,218	28,317	31,200
Recyclables collected (annual tonage)	1,646	1,630	1,331	1,353	1,583	1,440	1,255	1,971	592	1,061
Water										
New connections	43	54	36	46	44	24	107	18	12	13
Main line repairs	280	151	62	70	52	103	97	103	86	124
Average daily production (thousands of gallons)	4,745	4,601	4,735	5,257	4,517	4,438	4,964	4,297	4,298	4,442
Peak daily production (thousands of gallons)	8,884	11,037	9,757	10,761	8,557	9,572	9,422	8,017	10,659	8,647
Wastewater										
Average daily sewage treatment (thousands of gallons)	1,840	1,850	1,880	1,890	1,970	2,020	2,090	2,200	2,000	1,800
Theatre										
Events scheduled	N/A	N/A	N/A	30	34	51	53	97	108	101
Attendees	N/A	N/A	N/A	4,925	4,446	8,061	5,703	10,554	13,623	10,622

Sources: Various city departments

Notes: The operation of the Fair Theatre became a city function in fiscal year 2001.
Operating indicators for fiscal years 2001 and 2002 for the Theatre function are unavailable.

Schedule 18
City of Plainview
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	22	22	22	22	22	22	22	22	22	22
Staff and detective units	12	12	12	12	12	12	12	12	12	12
Fire/EMS										
Stations	3	3	3	3	3	3	3	3	3	3
Ambulances	2	2	2	2	2	2	2	2	2	2
Public works										
Paved streets (miles)	130	130	130	130	130	136	137	137	137	137
Streetlights	1,333	1,333	1,337	1,337	1,337	1,337	1,337	1,337	1,337	1,337
Traffic signals	27	23	23	23	23	22	22	22	23	23
Recreation and culture										
Parks										
Developed parks acreage	286	286	286	286	286	286	286	286	286	286
Open spaces acreage	243	243	243	243	243	243	243	243	243	243
Playgrounds	14	14	14	14	14	14	14	14	14	14
Baseball/softball diamonds	19	19	19	19	19	19	19	19	19	19
Football/soccer fields	3	3	3	3	3	3	3	3	3	3
Multi-purpose athletic courts	6	6	6	6	6	6	6	6	6	6
Community centers and open pavilions	5	5	5	5	5	5	5	5	5	5
Library										
Internet access workstations	10	10	10	10	10	10	10	11	15	15

Solid waste management										
Residential collection trucks	3	3	3	3	3	3	3	3	3	3
Commercial collection trucks	2	2	2	2	2	2	2	2	2	2
Recyclables collection trucks	2	2	2	2	2	2	2	2	2	2
Landfill remaining capacity										
(thousands of cubic yards)	11,244	11,147	11,067	10,972	10,818	10,836	10,756	10,674	10,593	10,495
Water										
Water mains (miles)	179	193	193	193	193	193	201	201	201	201
Fire hydrants	733	745	745	745	745	745	745	745	745	747
Storage capacity (thousands of gallons)	7,590	7,590	7,590	7,590	7,590	7,590	7,590	7,590	7,590	7,590
Wastewater										
Collection lines (miles)	123	135	135	135	135	135	140	140	140	140
Treatment capacity										
(thousands of gallons per day)	3,000	3,000	3,000	3,300	3,300	3,300	3,300	3,300	3,300	3,300

Sources: Various city departments

Notes: No capital asset indicators are available for the general government, health or Theatre function.

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