City of Plainview, Texas

Comprehensive Annual Financial Report

PLAINVIEW, TX

explore the opportunities

For the Fiscal Year Ended
September 30, 2015

PLAINVIEW, TX

explore the opportunities

ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2015

CITY OF PLAINVIEW, TEXAS
Year Ended September 30, 2015
Table of Contents

CITY OF PLAINVIEW, TEXAS
Year Ended September 30, 2015
Table of Contents - Continued

PLAINVIEW, TX

explore the opportunities

Introductory Section

PLAINVIEW, TX
explore the opportunities

March 1, 2016

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 (CAFR) for the year ended September 30, 2015, 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 Davis Kinard & Co, PC, 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, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Plainview's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with generally accepted accounting principles in the United States of America. 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 the 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 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 a population of 22,194. 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. Summary financial reports for the operating funds are also displayed on the website.

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 has experienced a significant drought over the past several years that has directly affected local economies. It is important to highlight that moisture received in the last year consisting of both rain and snow has pulled the region out of drought status which may improve the local crop production in 2016.

As a small regional hub, the City continues to see new development activity in the commercial and industrial sectors. Overall, building permit activity has increased by 93% over last year. This included over $20.0 million in new retail construction projects, new multi-family apartment projects as well as the several adaptive reuse projects of previously vacant retail structures. In the industrial sector, Plainview is becoming a major distribution center for wind turbine components that will be transported to the various wind farm projects in the region. In addition, the City and County recently received $1.0 million from the U.S. Department of Commerce, Economic Development Administration to assist in the construction of a 100 acre business park. Construction on the business park will begin in 2016.

South Plains College received Economic Adjustment Assistance grant funds from the U.S. Department of Commerce Economic Development Administration to assist in the expansion of the South Plains College Plainview Campus with the construction of a new Technology Center. This new Center provides training in industrial manufacturing, welding technology, HVAC, electrical, plumbing, construction and other trades as well as customized workforce development training for businesses. Classes started in the Fall of 2014.

Wayland Baptist University (WBU) is a four-year Christian university with over 1,000 students on the main campus in Plainview. In addition there are over 5,800 students on their satellite campuses located all across the United States. WBU continues to make investments in their main campus with the construction of the new multimillion dollar Jimmy Dean Museum. WBU is planning to construct a new Flores Bible Building in the near future. In addition, WBU offers small business training for entrepreneurs through its Spark Business Accelerator program through the School of Business.

The Plainview/Hale County Airport completed its Airport Master Plan to guide the development of the Plainview/Hale County Airport. The airport has started construction on the $4.6 million rehabilitation/reconstruction project that includes the resurfacing of the runways, construction of new taxiways and lighting improvements. The City and County will each fund 5% and the Federal Aviation Administration will pay the remaining 90%.

Hale County approved two wind energy reinvestment zones where there are plans to construct two new wind farms; the construction of these farms will have a positive impact on the local economy.

Covenant Hospital Plainview is undergoing a $40 million hospital renovation and expansion project. In addition, there is the construction of a new Urgent Care Center in the community. Plainview serves a healthcare hub for the surrounding communities.

Sales tax receipts is a good indicator of the health of the local economy with receipts through February 2016 sitting at 9.06% more than for the same five month period last year. The unemployment rate is another indicator that shows improvement in the local economy. The unemployment rate peaked in June 2013 at 15% and is now sitting at 5.4% as of December 2015.

Long-term financial planning. In 2010, the City Council authorized the issuance of Certificates of Obligation to construct two new water towers, relocate and upgrade water and sewer lines in Highway 70 in conjunction with the rebuilding of this highway by the Texas Department of Transportation, rebuilding two major sewer lift stations, and installing an emergency power backup generator at the City's wastewater treatment plant. The City will complete the construction of the Milwee Lift Station project in 2016; this is the last project planned with the 2010 Certificates of Obligation.

The City completed the construction of a 10 acre Type I landfill cell without issuing any additional debt.

The City is studying the creation of a Tax Increment Finance District along Interstate 27 that would include infrastructure improvements to encourage new commercial and industrial development in this area.

The City and County have formed a joint venture to develop a business park that will have shovel ready sites for prospective businesses.

The City, through membership in the Canadian River Municipal Water Authority (CRMWA), is in the process of determining when the new well fields that were purchased will be tied into the existing water production assets in that area. This acquisition doubled the amount of groundwater owned by CRMWA and available to its member cities including Plainview.

The Texas Department of Transportation converted the frontage roads to one-way along Interstate 27 and constructed a new overpass at Southwest 3rd Street and the Interstate to improve traffic safety. In addition, TxDOT constructed a backage road (Kermit Street) to improve traffic flow in the area.

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 contract with Wells Fargo Bank expired September 30, 2011. After going through the bidding process, the City awarded the new contract to Happy State Bank for a three year period with the option for two one-year renewals.

The current contract with Happy State Bank guarantees the City of Plainview the 91 day t-bill rate plus 20 basis points or the CDARS rate whichever is higher on certificates of deposit in excess of $100,000 with 365 day maturity dates. The bank has public funds checking accounts that earn interest based on a rate determined by the bank based on the market at the time. Idle cash is placed in certificates of deposit, CDARS program, money market deposits through the ICS program and TexPool. At the end of the first quarter of the current fiscal year the City held $20.6 million in the CDARS program with an average maturity of 223 days and an average yield of .25%.

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 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 TIB-The Independent Bankers Bank. The safekeeping agreement is a three-party contract between the City of Plainview, the depository bank, and the TIB-The Independent Bankers Bank acting as Custodian. Additional information on the City's banking and investing activities can be found in Note 2 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 12 of the financial statements.

Employee health plan. The City of Plainview provides health insurance for employees, their dependents and retirees and their dependents who are not eligible for Medicare or Medicaid. On January 1, 2015 the city switched from being self- insured to a fully insured health plan. The rising costs of health care, claims and the restrictions and requirements of the Affordable Care Act made it necessary for the City to limit its exposure and switch from being self- insured to being fully insured. Until January 1, 2015 the plan was a grandfathered modified self-insurance plan in that a third party administrator provided 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 10 and 11 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 City implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, during the year ended September 30, 2015, which requires recognition of its net pension liability and a more comprehensive measure of pension expense.

The Firefighters Retirement System is administered by a board of trustees. The actuarial valuation for the System was completed as of December 31, 2013. The funded ratio of actuarial accrued liability of this plan was 39.0%. As a matter of policy the City contributed 15% of firefighter salaries toward pension financing, while firefighters individually contributed 14%. In an effort to strengthen the Firefighter Pension Plan the City has instituted a series of increases to the employer's contributions. October 1, 2010 the city increased the employer portion to 16.61%; October 1, 2011 to 18.26%; October 1, 2012 to 19.84%; October 1, 2013 to 21.45%; October 1, 2014 to 23.07%; and October 1, 2015 to 24.68%. The fiduciary net position as a percentage of total pension liability was 39.21% at September 30, 2015.

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, 2014 and reported the fiduciary net position as a percentage of total pension liability was 91.81% at September 30, 2015. The City's contribution rate at year end was 14.88% of payroll and the employees individually contribute 7%. TMRS restructured the funds and because of the restructuring contributions beginning January 1, 2012 were at the full rate.

Additional information on the City's pension arrangements and post-employment benefits can be found in Note 9 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. We would like to express our 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, we express our appreciation to the Mayor, 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,

Jeffrey Snyder
City Manager

Sarianne Beversdorf, CPA, CGFO
Director of Finance

CITY OF PLAINVIEW, TEXAS

LISTING OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS	NAME	YEARS SERVICE	OCCUPATION
MAYOR	WENDELL DUNLAP	12	RETIRED/SELF-EMPLOYED
COUNCIL MEMBER DISTRICT 1	DR. CHARLES N. STARNES	6	EDUCATOR
COUNCIL MEMBER DISTRICT 2	LARRY WILLIAMS	2	SELF-EMPLOYED
COUNCIL MEMBER DISTRICT 3	NORMA JUAREZ	2	MANAGER
COUNCIL MEMBER DISTRICT 4	TERESSA KING	2	PRESIDENT, KING CARPET PLUS, INC. & FURNITURE EXPRESSIONS
COUNCIL MEMBER DISTRICT 5	SUSAN BLACKERBY	2	RETIRED
COUNCIL MEMBER DISTRICT 6	LIONEL A. GARCIA	4	RETIRED
COUNCIL MEMBER DISTRICT 7	ERIC HASTEY	4	CONSTRUCTION

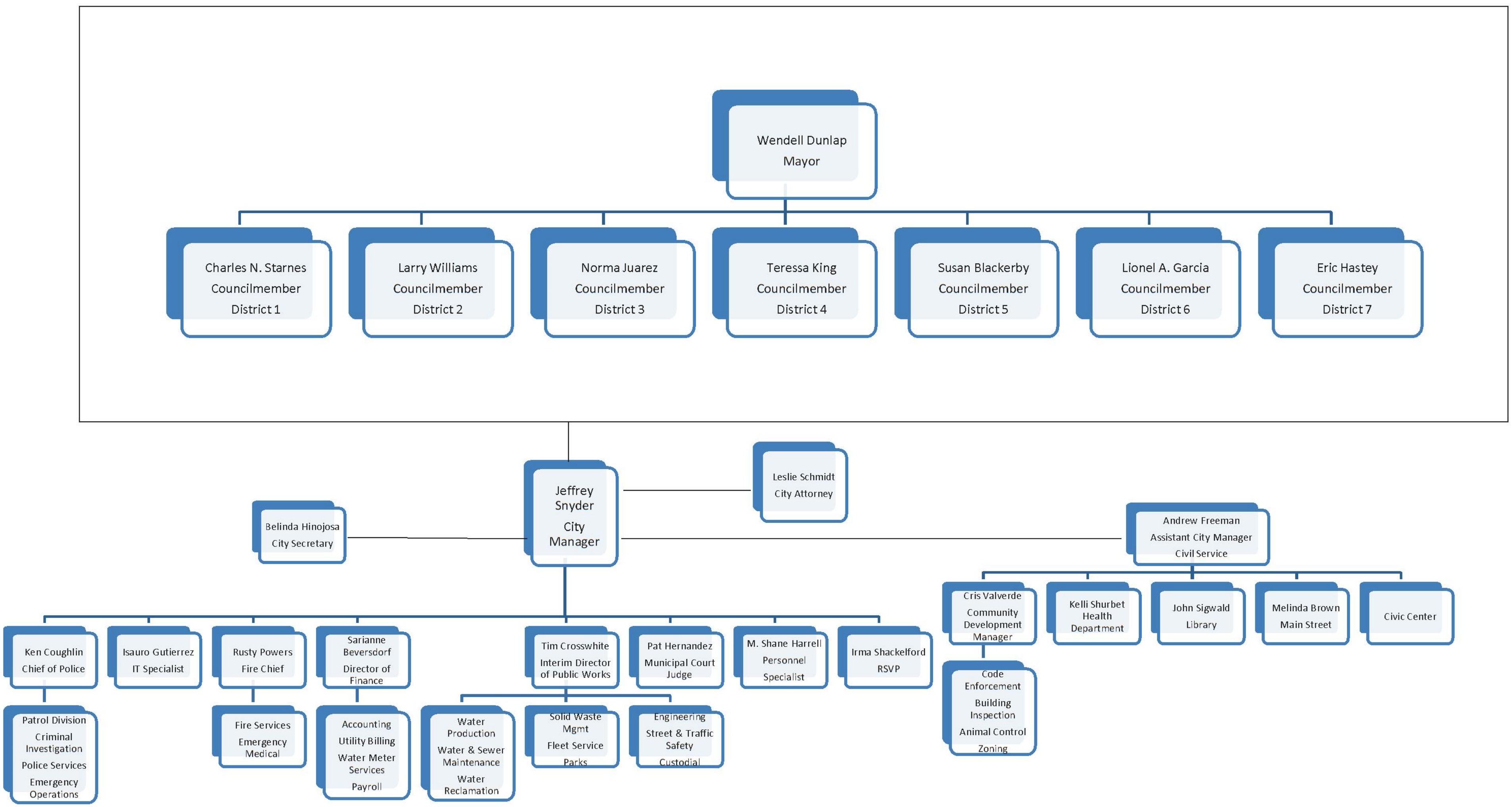
CITY OFFICIALS	NAME	# OF YEARS WITH CITY	# OF YEARS THIS POSITION
CITY MANAGER	JEFFREY SNYDER	5	6
ASSISTANT CITY MANAGER	ANDREW FREEMAN	2	2
DIRECTOR OF FINANCE	SARIANNE BEVERSDORF	6	15
INTERIM DIRECTOR PUBLIC WORKS	TIM CROSSWHITE	5	1
FIRE CHIEF	RUSTY POWERS	26	7
CHIEF OF POLICE	KEN COUGHLIN	2	7
MUNICIPAL COURT JUDGE	PAT HERNANDEZ	31	18
CITY ATTORNEY	LESLIE SCHMIDT	10	16
CITY SECRETARY	BELINDA HINOJOSA	15	15

FINANCIAL CONSULTANT – SPECIALIZED PUBLIC FINANCE – AUSTIN, TEXAS

BOND COUNSEL - FULBRIGHT & JAWORSKI - DALLAS, TEXAS

INDEPENDENT AUDITORS – DAVIS KINARD & CO, PC PLAINVIEW, TEXAS

City of Plainview
Organizational Chart



Financial Section

Plainview Office
1401 A West 5th Street, Plainview, TX 79072
806.293.4158 / 800.806.4158 / f: 806.296.5314

Independent Auditor's Report

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

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Plainview, Texas (the City), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter
As discussed in Note 9 to the basic financial statements, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, during the year ended September 30, 2015, which requires recognition of its net pension liability and a more comprehensive measure of pension expense. Our opinion is not modified with respect to this matter.

ABILENE • HASKELL • PLAINVIEW • SEYMOUR
www.dkcpa.com

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of funding progress (OPEB Plan), and pension plan schedules on pages 3 through 13 and 56 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 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 supporting schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, individual nonmajor fund budgetary comparison schedules and supporting schedules are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2016, 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* in considering the City's internal control over financial reporting and compliance.

Davis Kinard & Co, PC

Certified Public Accountants

Plainview, Texas

March 11, 2016

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, 2015. 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 $95,871,702 at September 30, 2015 and $93,418,381 at September 30, 2014, increasing 2.6%.
- Total liabilities were $35,736,862 at September 30, 2015, an increase of 37.9% from September 30, 2014.
- The total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by $61,810,111, a decrease of 8.7%. Of this amount, $25,484,887 in unrestricted net position 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 $3,635,249.

Governmental Funds

- Total current assets were $18,195,260 at September 30, 2015 and $17,771,683 at September 30, 2014, increasing 2.4%.
- All combined governmental funds reported an ending fund balance of $16,940,442 or a 2.7% increase from the previous year.
- For the year ended September 30, 2015, total revenues exceeded total expenditures by $440,369.

Proprietary Funds

- Net position for combined enterprise funds grew by 1.9% to $38,392,587. Of this amount, $13,795,999 is unrestricted and available to be used to meet the ongoing obligations to citizens and creditors.
- The change in net position or net income generated from operations of the combined enterprise funds during the year ended September 30, 2015 is reported at $1,483,565.
- A net decrease in cash and cash equivalents of $1,365,673 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.*

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, Required Components of the City's Annual Financial Report

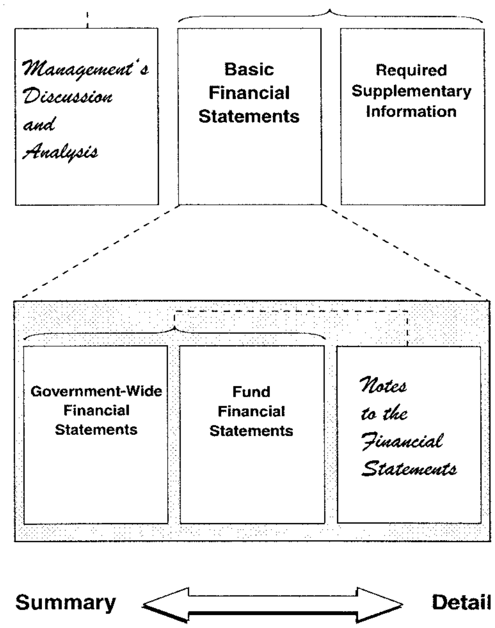


Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

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.

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 position • Statement of activities	• Balance sheet • Statement of revenues, expenditures & changes in fund balances	• Statement of net position • Statement of revenues, expenses and changes in fund net position • Statement of cash flows	• Statement of fiduciary net position • Statement of changes in fiduciary net position
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

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 position 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 position and how they have changed. Net position—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 position 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 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 position.

The City's combined net position totaled $61,810,111 at September 30, 2015, $5,889,000 less than the prior year. (See Table A-1). During the year GASB 68 was implemented retroactively, causing a prior period adjustment. The comparative information does not reflect this change.

Table A-1

City's Net Position

(In thousands dollars)

	Governmental Activities		Business -type Activities		Total		Total Percent
	2015	(Not restated) 2014	2015	(Not restated) 2014	2015	(Not restated) 2014	Change
Current assets							
Cash and cash equivalents	$ 8,803	$ 8,964	$ 6,212	$ 7,016	$ 15,015	$ 15,980	-6.0%
Investments	12,699	12,665	8,027	8,007	20,726	20,672	0.3%
Receivables	1,285	1,457	1,870	1,588	3,155	3,045	3.6%
Other assets	10	-	-	-	10	-	
Due from other governments	324	56	-	-	324	56	478.6%
Internal balances	476	511	(476)	(511)	-	-	0.0%
Inventories	90	93	137	126	227	219	3.7%
Total current assets	23,687	23,746	15,770	16,226	39,457	39,972	-1.3%
Noncurrent assets	1,901	1,719	13,600	14,309	15,501	16,028	-3.3%
Capital assets	32,258	28,667	55,562	53,452	87,820	82,119	6.9%
Less accumulated depreciation	(21,493)	(20,629)	(25,411)	(24,071)	(46,904)	(44,700)	4.9%
Total assets	36,353	33,503	59,521	59,916	95,874	93,419	2.6%
Deferred outflows of resources	1,301	-	618	204	1,919	204	100.0%
Total outflows of resources	1,301	-	618	204	1,919	204	100.0%
Accounts payable and accrued liabilities	1,060	715	303	325	1,363	1,040	31.1%
Deposits and escrow held	-	-	486	447	486	447	8.7%
Compensated absences	987	932	92	86	1,079	1,018	6.0%
Pension and OPEB obligations	11,545	1,442	959	58	12,504	1,500	733.6%
Water contract obligations	-	-	6,985	7,654	6,985	7,654	-8.7%
Landfill closure/postclosure	-	-	1,392	1,341	1,392	1,341	3.8%
Bonds payable	-	-	11,930	12,923	11,930	12,923	-7.7%
Total liabilities	13,592	3,089	22,147	22,834	35,739	25,923	37.9%
Deferred inflows of resources	168	-	75	-	243	-	0.0%
	168	-	75	-	243	-	0.0%
Net position							
Invested in capital assets, net of related debt	10,765	8,038	23,865	22,104	34,630	30,142	14.9%
Restricted	964	766	732	729	1,696	1,495	13.4%
Unrestricted	12,165	21,610	13,320	14,453	25,485	36,063	-29.3%
Total net position	$ 23,894	$ 30,414	$ 37,917	$ 37,286	$ 61,811	$ 67,700	-8.7%

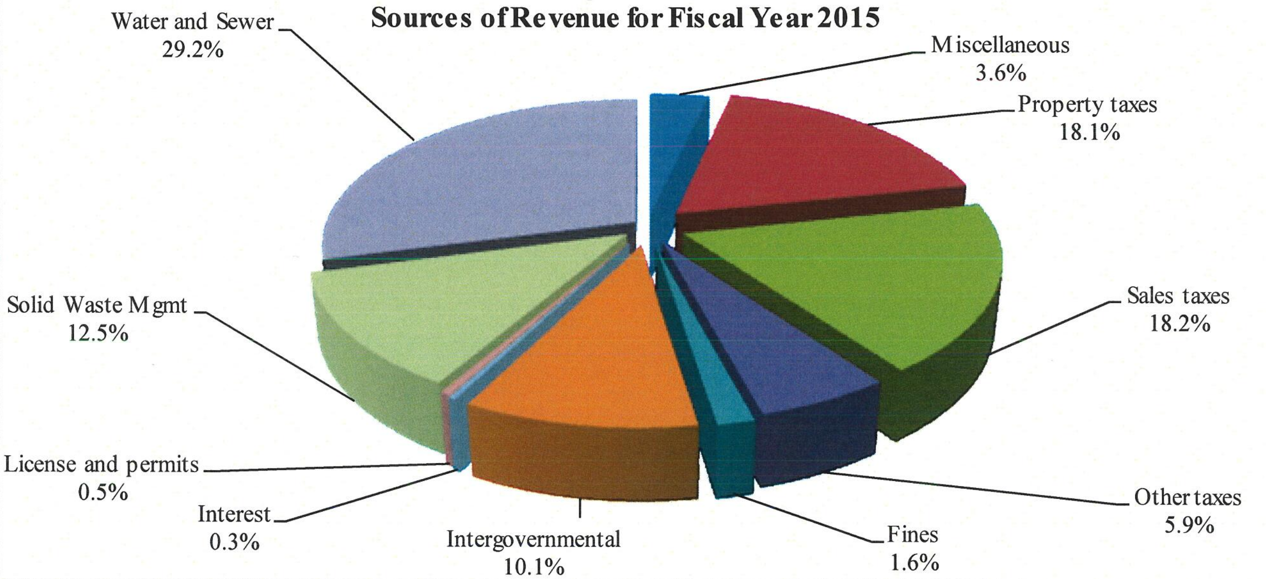
As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. A large portion of the City's net position (56 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City uses 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 position.

The City's total revenues for the period ended September 30, 2015 were $25,609,605. A significant portion, 42.2 percent, of the City's revenue comes from taxes (See Figure A-3) while 41.7 percent comes from charges for utility services. The total cost of all programs and services was $21,974,356.

Figure A-3
Sources of Revenue for Fiscal Year 2015



Expenses by Activity for Fiscal Year 2015

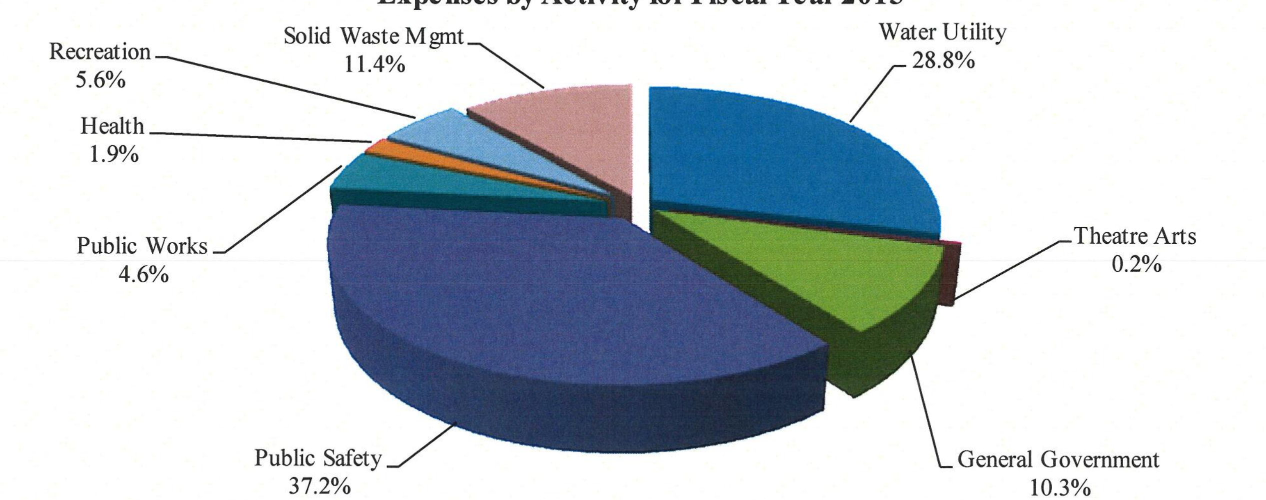


Table A-2
Changes in City's Net Position
(In thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2015	(Not restated) 2014	2015	(Not restated) 2014	2015	(Not restated) 2014	Change
Program revenues:							
Charges for services	$ 1,188	$ 1,174	$ 10,424	$ 10,496	$ 11,612	$ 11,670	-0.5%
Grants and contributions							
Operating	530	272	13	-	543	272	99.6%
Capital	2,091	20	233	84	2,324	104	100.0%
General revenues:							
Property taxes	4,646	4,663	-	-	4,646	4,663	-0.4%
Other taxes	6,176	5,745	-	-	6,176	5,745	7.5%
Other	184	183	127	64	311	247	25.9%
Total revenues	14,815	12,057	10,797	10,644	25,612	22,701	12.8%
Expenses:							
General government	2,257	1,742	-	-	2,257	1,742	29.6%
Public safety	8,168	7,261	-	-	8,168	7,261	12.5%
Public works	1,009	1,050	-	-	1,009	1,050	-3.9%
Recreation and culture	1,220	1,315	-	-	1,220	1,315	-7.2%
Health	414	525	-	-	414	525	-21.1%
Solid waste management	-	-	2,507	2,417	2,507	2,417	3.7%
Water and sewer	-	-	6,363	6,764	6,363	6,764	-5.9%
Theatre arts	-	-	37	46	37	46	-19.6%
Total expenses	13,068	11,893	8,907	9,227	21,975	21,120	4.0%
Transfers	521	655	(521)	(655)	-	-	0.0%
Change in net position	2,268	819	1,369	762	3,637	1,581	130.0%
Net position - beginning	21,626	29,595	36,548	36,524	58,174	66,119	-12.0%
Net position - ending	$ 23,894	$ 30,414	$ 37,917	$ 37,286	$ 61,811	$ 67,700	-8.7%

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

Due to the recently issued Governmental Accounting Standards Board (GASB) Statement No. 68, the City must assume its proportionate share of the net pension liability of the Texas Municipal Retirement System. Adoption of GASB No. 68 required a prior period adjustment to report the effect of GASB No. 68 retroactively. Thus, table A-2 reflects a $9,524,623 prior period adjustment in 2015. The comparative information presented for September 30, 2014 has not been restated to reflect this change.

Governmental Activities

As shown in Table A-2, governmental activities decreased net position by $6,520 thousand. This is composed of a prior period adjustment for the GASB No. 68 of $8,788 thousand and an increase in net position from current year activities by $2,268 thousand accounting for 62.4% of the change in net position for the year. 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 rate decreased from .6185 to .6038 per $100 valuation. There was a small increase in valuations and favorable collections but the decrease in the rates caused a decrease in property tax revenues of $17 thousand, or .4 %.
- The franchise tax on utilities decreased $39 thousand, or 2.64%, hotel occupancy tax increased $94 thousand, or 31.8%, and general sales tax increased $374 thousand, or 9.7%.
- The cost of all *governmental* activities this year was $13,068 thousand compared to the previous year of $11,893 thousand, a 9.9% increase.
- The amount that our taxpayers paid for these services was $9,258 thousand.
- Some of the cost was paid by those who directly benefited from the programs, $1,188 thousand, or by grants and contributions, $2,621 thousand.

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

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2015	2014 (Not restated)		2015	2014 (Not restated)	
General government	$ 2,257	$ 1,742	29.6%	$ 1,391	$ 1,232	12.9%
Public safety	8,168	7,261	12.5%	7,693	6,671	15.3%
Public works	1,009	1,050	-3.9%	(1,082)	1,031	-204.9%
Recreation and culture	1,220	1,315	-7.2%	1,168	1,269	-8.0%
Health	414	620	-33.2%	88	224	-60.7%
Total governmental activities	$ 13,068	$ 11,988	9.0%	$ 9,258	$ 10,427	-11.2%

Business-type Activities

As shown in Table A-2, business-type activities increased net position by $631 thousand. This is composed of a prior period adjustment for the GASB No. 68 of $737 thousand and an increase in net position from current year activities by $1,368 thousand accounting for 37.6% of the change in net position for the year.

- Charges for services generated revenues of $10,424 thousand for the period ended September 30, 2015 compared to $10,496 thousand for the previous period. This .6% decrease was derived from the decrease in water consumption due to the increase in rain. Both water and sewer revenues are based on water consumption. There was in increase in landfill gate fees that helped lessen this decrease. The water, sewer and refuse rates stayed the same.

- Expenses totaled $8,907 thousand for 2015 and $9,227 thousand for 2014, a 3.47% decrease. Last year expenses were up due to an increase in repairs and major rehabilitation work at the water reclamation plant and lift stations. This year because of the rainfall less water consumed by our citizens and treatment charges and water being purchased from CRMWA was less.

- Transfers from business-type activities to support general government activities were $521 thousand for the period, a 20.4% 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $16,940,442, an increase of $440,369. A combination of favorable budget variances for both general fund revenues and expenditures were the key elements of this increase.

- Total assets of the General Fund decreased .06 %. This decrease is mainly attributable to the decrease in cash, cash equivalents and investments from $ 15,672,435 at the end of the prior period to $15,632,420 at the end of fiscal year 2015.

- Total liabilities increased .08% from $913,706 in 2014 to $913,889 in 2015. The change was a combination of increases and decreases including an increase in accounts payable of $367,184 and a decrease in amounts due to other funds of $400,000.

- Of the combined ending fund balance, approximately $12.95 million constitutes unassigned 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 and activities for the government-wide financial statements. The internal service funds reflect a total net position amount of $7,293,191. Of this amount, $2,424,169 is invested in capital assets. The remainder of the unrestricted net position are generally used for property insurance and to replace capital assets.

Of the combined unrestricted net position of the enterprise funds at the end of fiscal year 2015, approximately $13.8 million was unrestricted. 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

The primary purpose of the General Fund is to account for general revenues such as property taxes, sales taxes and other taxes and expenditures related to essential city functions and programs. The General Fund is comprised of multiple departments that carry out many of the City's essential functions from street repair and maintenance, traffic, fire and police protection, health services and code compliance, and other administrative functions to name a few. The following is a brief review of the budgetary changes from the original to the final amended budget (See Exhibit B-1 of the Financial Statements).

- Significant budget amendments during the year included the following additional appropriations for interfund transfers:

    - $30,000 to the Fleet Services Fund
    - $500,000 to the Economic Development Fund

- During the year, actual receipts exceeded budgeted revenues and expenditures were less than budgetary estimates, thus allowing the City Council to approve the aforementioned interfund transfers.

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, 2015 amounts to $40,914,600 (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 thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2015	2014	2015	2014	2015	2014	Change
Land	$ 772	$ 552	$ 529	$ 529	$ 1,301	$ 1,081	20.4%
Buildings	4,048	3,803	2,696	2,668	6,744	6,471	4.2%
System improvements	-	-	45,441	44,150	45,441	44,150	2.9%
Infrastructure	18,033	15,580	-	-	18,033	15,580	15.7%
Machinery and equipment	9,381	8,709	6,881	6,091	16,262	14,800	9.9%
Construction in progress	23	23	14	14	37	37	0.0%
Totals at historical cost	32,257	28,667	55,561	53,452	87,818	82,119	6.9%
Accumulated depreciation	(21,493)	(20,629)	(25,411)	(24,071)	(46,905)	(44,700)	4.9%
Net capital assets	$ 10,764	$ 8,038	$ 30,150	$ 29,381	$ 40,913	$ 37,419	8.5%

Additional information on the City's capital assets can be found in the financial statements (Exhibits F-1 thru F-3) as well as the notes to the financial statements (Note 6) of this report.

Long Term Debt

At year end the City had $11,930 thousand outstanding in bonds and certificates of obligation outstanding. In addition, the City is one of 11 member cities of the Canadian River Municipal Water Authority (CRMWA), and is contractually obligated on its proportionate share of the Authority's debt (See Table A-5).

The CRMWA issued debt to finance the purchase of additional water rights of which, the City is contractually obligated for its portion of $6,984,518. More detail on the City's long-term obligations may be found in the notes to the financial statements (Note 8).

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 thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2015	2014	2015	2014	2015	2014	Change
Bond and certificates of obligation	$ -	$ -	$ 11,930	$ 12,923	$ 11,930	$ 12,923	-7.7%
Water Supply Contract obligation	-	-	6,985	7,654	6,985	7,654	-8.7%
Total outstanding debt	$ -	$ -	$ 18,915	$ 20,577	$ 18,915	$ 20,577	-8.1%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Plainview economy was impacted by the closure of the Cargill Meat Solutions plant in 2013. The City closely monitored the situation and made adjustments as needed in order for the Plainview economy to be competitive and viable. Since this time many changes have occurred with the main focus being the future of our community. The City continues to improve the facilities and infrastructure that provide the basic services to our citizens in order to put Plainview in a position to take advantage of future opportunities.

There are several economic indicators that are being monitored. Taking general sales tax as an indicator, receipts for the fiscal year now ended were 10.42% more than receipts from the previous year. Through February of this current year sales tax receipts have increased 9.06% over the same period in 2015. Using the unemployment rate as another indicator, the unemployment rate changed from 6.2% in 2012 to a peak of 15% in June 2013 to the current rate of 5.4% in December 2015; while the State, as a whole, was at 4.2%.

Also, consideration must be given to the fact that the City of Plainview is located in a highly developed agricultural region that has harvested fewer crops in previous years because of the drought. This year the area has received above average rain and snow that will have a positive impact on the local agriculture industry. The City has become a hub for regional wind energy development with rail distribution facilities for wind turbine components locating in our community. Covenant Hospital-Plainview has started a $40 million renovation and expansion project to provide the Plainview trade area with a state of the art medical facility. The City and County have partnered together in a joint venture to develop a community owned Business Park. The City and County recently received a U.S. Economic Development Administration Grant in the amount of $1.0 million to assist in the construction of roads and water and sewer lines in the park. The City purchased the old Peanut Corporation of America property to give the Plainview/Hale County Economic Development Corporation a building that can be marketed to bring a new potential employer to the community.

The City continues to take a conservative approach to the budget as the economic outlook improves and resources continue to be allocated for future development. The Strategic Plan developed by using the goals and strategies in the long-range Comprehensive Plan for the City and the Hale County Economic Development Plan and Targeted Industry Study is and will continue to be the guidepost over the next two to five year time frame for the investments made by the City to encourage new growth, development and diversification in the local economy.

The General Fund expenditure budget for the upcoming year decreased by 5.64% and the ad valorem property tax rate of $0.6288 per $100 valuation increased from $0.6038 per $100 valuation. There was a 2.52% increase in the assessed property valuations. The main decrease in expenditures was the $1.0 million that was allocated for an economic development project in the previous year. There is no budgeted reduction of services. Many of the costs such as health insurance, materials and supplies have increased. A classification and compensation study is underway to evaluate the City's organization and compensation structure for the employees going forward. The city is striving to stabilize employee healthcare costs as the City continues to make structural changes to the health insurance program.

The Capital Improvement Fund includes funds for the major Airport Rehabilitation Project as well as quality of life improvements in the City's Parks System.

The Economic Development Fund includes monies for the construction of the business park in a joint venture with Hale County. This fund also includes funding for the Plainview/Hale County EDC and other economic development marketing efforts.

The City continues to take steps to address infrastructure needs. Debt was issued in 2010 for $8.685 million for various projects. In this budget we will wrap up the projects by completing the wastewater treatment plant clarifiers and the Milwee lift station project as well as the demolition of the elevated storage tanks that are no longer in service within the City. Other facilities and infrastructure as well as means to finance these improvements are being evaluated. Funds have been allocated to plan the infrastructure along Interstate 27.

In the Water & Sewer Fund, the 2015-2016 operating budget increased slightly but still faces the challenges of increased costs for the maintenance at the wastewater treatment plant. The most significant challenge to revenues has been the reduction in water consumption due to the increase in rainfall and snow. Sewer service revenue is also partly based on water consumption. No increase in rates were budgeted for water this year but because of the significant repairs and future infrastructure needs sewer rates were increased to move this fund to a more secure position. These revenues are being monitored and will be evaluated as the year progresses.

In the Solid Waste Management Fund, the 2015-2016 operating budget was decreased by 8.61% from the year before. The debt consisting of Certificates of Obligation Bonds, Series 2008 was paid off in 2014-2015. Included in the budget are funds to replace several large pieces of equipment. The revenues from fees charged for refuse collections decreased and landfill gate fees have increased. No increase in rates was budgeted for this year. These revenues are being monitored and will be evaluated as the year progresses.

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: Sarianne Beversdorf, CPA, Director of Finance, 121 West 7th, Plainview, Texas 79072, call (806) 296-1130, or e-mail sbeversdorf@plainviewtx.org.

PLAINVIEW, TX

explore the opportunities

Basic Financial Statements

CITY OF PLAINVIEW, TEXAS

Exhibit A-1

Statement of Net Position
September 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 8,802,849	$ 6,210,780	$ 15,013,629
Investments	12,698,988	8,027,056	20,726,044
Receivables, net	1,284,667	1,869,648	3,154,315
Due from other governments	323,689	-	323,689
Internal balances	476,067	(476,067)	-
Inventories, at cost	90,500	137,418	227,918
Other assets	9,717	-	9,717
Investment in joint venture	981,818	-	981,818
Restricted assets:			
Cash and cash equivalents	919,498	3,495,011	4,414,509
Capital assets:			
Nondepreciable	794,350	543,713	1,338,063
Depreciable, net	9,970,197	29,606,340	39,576,537
Unamortized water contract costs and other assets	-	10,105,463	10,105,463
Total Assets	36,352,340	59,519,362	95,871,702
DEFERRED OUTFLOWS OF RESOURCES			
Pension	1,300,576	340,482	1,641,058
Deferred charge for debt refunding	-	277,168	277,168
Total Outflows of Resources	1,300,576	617,650	1,918,226
LIABILITIES			
Accounts payable	1,059,603	271,543	1,331,146
Accrued interest payable	-	31,251	31,251
Payable from restricted assets	-	485,765	485,765
Noncurrent liabilities:			
Due within one year	4,418	1,485,217	1,489,635
Due in more than one year	12,527,549	19,871,516	32,399,065
Total Liabilities	13,591,570	22,145,292	35,736,862
DEFERRED INTFLOWS OF RESOURCES			
Pension	167,755	75,200	242,955
Total Intflows of Resources	167,755	75,200	242,955
NET POSITION			
Net investment in capital assets	10,764,547	23,864,986	34,629,533
Restricted for:			
Debt service	-	731,602	731,602
Tourism	809,024	-	809,024
PEG fund	51,806	-	51,806
Law enforcement	49,446	-	49,446
Municipal Court	53,813	-	53,813
Unrestricted	12,164,955	13,319,932	25,484,887
Total Net Position	$ 23,893,591	$ 37,916,520	$ 61,810,111

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

CITY OF PLAINVIEW, TEXAS
Statement of Activities
Year Ended September 30, 2015

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government - administration	$ 1,627,928	$ 135,707	$ 260,118	$ -
General government - other	629,093	395,314	75,230	-
Public safety	8,168,151	466,488	8,725	-
Public works	1,008,914	-	-	2,091,336
Health	413,803	139,614	185,821	-
Recreation and culture	1,219,629	51,323	-	-
Total Governmental Activities	13,067,518	1,188,446	529,894	2,091,336
Business-Type Activities:				
Solid waste management	2,506,886	3,195,607	12,599	-
Water and sewer	6,363,440	7,217,371	-	233,093
Theatre arts	36,512	10,817	-	-
Total Business-Type Activities	8,906,838	10,423,795	12,599	233,093
Total Primary Government	$ 21,974,356	$ 11,612,241	$ 542,493	$ 2,324,429

General Revenues and Transfers
Taxes
Property, levied for general purposes
Sales
Selective sales and use
Franchise
Penalty and interest
Miscellaneous
Investment income
Gain on sale of capital assets
Transfers
Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning, as restated

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (1,232,103)		$ (1,232,103)
(158,549)		(158,549)
(7,692,938)		(7,692,938)
1,082,422		1,082,422
(88,368)		(88,368)
(1,168,306)		(1,168,306)
(9,257,842)		(9,257,842)
	$ 701,320	701,320
	1,087,024	1,087,024
	(25,695)	(25,695)
	1,762,649	1,762,649
	1,762,649	(7,495,193)
4,645,789	-	4,645,789
4,237,638	-	4,237,638
434,508	-	434,508
1,425,060	-	1,425,060
77,588	-	77,588
140,649	48,435	189,084
42,615	41,928	84,543
-	36,232	36,232
521,117	(521,117)	-
11,524,964	(394,522)	11,130,442
2,267,122	1,368,127	3,635,249
21,626,469	36,548,393	58,174,862
$ 23,893,591	$ 37,916,520	$ 61,810,111

CITY OF PLAINVIEW, TEXAS **Exhibit A-3**
Balance Sheet - Governmental Funds
September 30, 2015

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 5,736,955	$ -	$ 5,736,955
Investments	9,895,465	-	9,895,465
Accounts receivable (net)	231,814	-	231,814
Taxes receivable (net)	990,628	49,117	1,039,745
Due from other governments	85,123	238,566	323,689
Inventories	48,094	-	48,094
Restricted cash and cash equivalents	-	919,498	919,498
Total Assets	$ 16,988,079	$ 1,207,181	$ 18,195,260
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 429,694	$ 241,435	$ 671,129
Wages payable	236,685	1,657	238,342
Due to other funds	-	-	-
Compensated absences payable	4,418	-	4,418
Total Liabilities	670,797	243,092	913,889
Deferred Inflows of Resources			
Unavailable revenue			
Property taxes	194,692	-	194,692
Fines and fees	103,237	-	103,237
Emergency Medical Services	43,000	-	43,000
Total Deferred Inflows of Resources	340,929	-	340,929
Fund Balance			
Nonspendable	48,094	-	48,094
Restricted	-	964,089	964,089
Assigned	2,977,612	-	2,977,612
Unassigned	12,950,647	-	12,950,647
Total Fund Balance	15,976,353	964,089	16,940,442
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 16,988,079	$ 1,207,181	$ 18,195,260

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

CITY OF PLAINVIEW, TEXAS **Exhibit A-4**

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2015

Total Fund Balances - Governmental Funds	$ 16,940,442
Amounts reported for *governmental activities* in the statement of net position are different because:	
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 position.	7,769,258
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 $25,408,003 and accumulated depreciation was $17,067,625.	8,340,378
The City's investment in joint venture is not reported in the governmental funds but is included in the statement of net position.	981,818
Other adjustments are necessary to convert the modified accrual basis of accounting to the accrual basis of accounting. Net property taxes receivable of $194,692, net fines receivable of $103,237 and net emergency medical services receivable of $43,000 were unavailable to pay for current period expenditures and are deferred in the governmental funds but included in the statement of net position.	340,929
Included in the items related to debt is the recognition of the City's proportionate share of the net pension liability in the amount of $10,629,656, a deferred outflow of resources of $1,300,228, and a deferred inflow of resources of $167,678. The net effect is to decrease net position.	(9,497,106)
Long-term liabilities for compensated absences 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 position.	(982,128)
Net Position of Governmental Activities	$ 23,893,591

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

CITY OF PLAINVIEW, TEXAS **Exhibit A-5**

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

Year Ended September 30, 2015

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes:			
Property taxes	$ 4,673,712	$ -	$ 4,673,712
Sales and use taxes	4,237,638	-	4,237,638
Selective sales and use taxes	43,184	391,324	434,508
Franchise tax	1,425,060	-	1,425,060
Penalty and interest on taxes	77,588	-	77,588
Licenses and permits	121,432	-	121,432
Intergovernmental revenue and grants	202,829	320,209	523,038
Charges for services	646,425	-	646,425
Fines, forfeitures and fees	342,244	73,397	415,641
Investment earnings	41,120	1,495	42,615
Rents and royalties	500	-	500
Contributions and donations	31,050	6,856	37,906
Other revenue	133,647	502	134,149
Total Revenues	11,976,429	793,783	12,770,212
EXPENDITURES			
Current			
General government - administration	1,313,521	407,951	1,721,472
General government - other	523,637	85,273	608,910
Public safety	7,399,843	31,183	7,431,026
Public works	684,113	-	684,113
Health	401,300	-	401,300
Recreation and culture	1,054,980	-	1,054,980
Capital outlay	1,071,499	40,993	1,112,492
Total Expenditures	12,448,893	565,400	13,014,293
Excess (Deficiency) of Revenue over Expenditures	(472,464)	228,383	(244,081)
OTHER FINANCING SOURCES (USES)			
Transfers in	744,721	729	745,450
Transfers out	(30,000)	(31,000)	(61,000)
Total Other Financing Sources (Uses)	714,721	(30,271)	684,450
Net Change in Fund Balance	242,257	198,112	440,369
Fund Balance - October 1	15,734,096	765,977	16,500,073
Fund Balance - September 30	$ 15,976,353	$ 964,089	$ 16,940,442

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

CITY OF PLAINVIEW, TEXAS **Exhibit A-6**

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities

Year Ended September 30, 2015

Total Net Change in Fund Balance - Governmental Funds	$ 440,369
Amounts reported for *governmental activities* in the statement of activities are different because:	
The City uses internal service funds to charge the costs of certain activities to individual funds. Net change in net position of the internal service funds is reported with governmental activities.	(519,764)
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements.	1,112,492
Assets donated to governmental funds by private parties are not recorded in the governmental fund financial statements whereas in the government-wide financial statements are recorded as capital contributions.	2,060,286
Assets were disposed of that were not fully depreciated. The loss is reported on the government-wide financial statements.	(4,458)
Depreciation is not recognized as an expenditure in governmental funds since it does not require the use of current financial resources.	(687,596)
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.	(13,232)
Long-term liabilities for compensated absences are accrued in the government-wide financial statements, but are not reported in the fund financial statements.	(54,770)
Certain expenditures for the pension that are recorded to the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the changes in net position to increase in the amount of $871,935. The City's share of the unrecognized deferred inflows and outflows as of the measurement date must be amortized and the City's proportionate shares of the pension expense must be recognized. These cause the change in net position to decrease in the amount of $921,165. The net effect is an increase in net position.	(49,230)
Revenues from property taxes are deferred in the fund financial statements until they are considered available to fund current expenditures, but such revenues are recognized in the government-wide statements. This adjustment includes a net decrease in property tax revenues of $27,923, a net increase in fine revenues of $4,448 and a net increase in emergency medical services of $6,500 which is a decrease to net position.	(16,975)
Change in Net Position of Governmental Activities	$ 2,267,122

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

CITY OF PLAINVIEW, TEXAS

Statement of Net Position - Proprietary Funds

September 30, 2015

	Business-type Activities	
	Solid Waste Management Fund	Water and Sewer Fund
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 3,053,820	$ 3,010,629
Investments	3,520,769	4,506,287
Interest receivable	-	659
Accounts receivable, net	490,044	1,378,945
Due from other funds	-	-
Other assets	-	-
Inventories, at cost	-	137,271
Total Current Assets	7,064,633	9,033,791
Noncurrent Assets:		
Restricted Assets		
Cash and cash equivalents	-	3,495,011
Capital Assets		
Nondepreciable	400,000	138,713
Depreciable, net	4,089,910	25,488,120
Unamortized water supply contract costs	-	10,105,463
Total Noncurrent Assets	4,489,910	39,227,307
Total Assets	11,554,543	48,261,098
DEFERRED OUTFLOWS OF RESOURCES		
Pension	126,754	211,871
Deferred charge for debt refunding		277,168
Total Outflows of Resources	126,754	489,039
LIABILITIES		
Current Liabilities:		
Accounts payable	38,834	154,501
Wages payable	26,858	48,696
Accrued interest payable	-	31,251
Due to other funds	-	-
Current portion of long-term liabilities		
Accrued compensated absences	2,085	3,185
Bonds and certificates of obligation	-	995,000
Water contract obligation	-	484,947
Total Current Liabilities	67,777	1,717,580

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

Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activities Total Internal Service Funds
$ 146,331	$ 6,210,780	$ 3,065,894
-	8,027,056	2,803,523
-	659	-
-	1,868,989	13,108
-	-	-
-	-	9,717
147	137,418	42,406
146,478	16,244,902	5,934,648
-	3,495,011	-
5,000	543,713	-
28,310	29,606,340	2,424,169
-	10,105,463	-
33,310	43,750,527	2,424,169
179,788	59,995,429	8,358,817
1,857	340,482	348
	277,168	-
1,857	617,650	348
2,474	195,809	145,870
180	75,734	4,262
-	31,251	-
-	-	-
-	5,270	-
-	995,000	-
-	484,947	-
2,654	1,788,011	150,132

CITY OF PLAINVIEW, TEXAS
Statement of Net Position - Proprietary Funds - continued
September 30, 2015

	Business-type Activities - Enterprise Funds	
	Solid Waste Management Fund	Water and Sewer Fund
Long-Term Liabilities (net of current portion):		
Accrued landfill closure / postclosure costs	1,392,251	-
Payable from restricted assets:		
Deposits and escrow	-	485,765
Noncurrent portion of long-term liabilities		
Accrued compensated absences	31,486	54,854
Net pension liability	356,934	596,618
Net other postemployment benefits obligation	-	-
Bonds and certificates of obligation	-	10,420,000
Unamortized premiums and deferred losses on bonds	-	514,573
Water contract obligations	-	6,499,571
Total Noncurrent Liabilities	1,780,671	18,571,381
Total Liabilities	1,848,448	20,288,961
Deferred Inflows of Resources		
Pensions	27,997	46,794
Total Deferred Inflows of Resources	27,997	46,794
NET POSITION		
Net investment in capital assets	4,489,910	19,341,766
Restricted for debt service	-	731,602
Unrestricted	5,314,942	8,341,014
Total Net Position	$ 9,804,852	$ 28,414,382

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

Net position of business type activities

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

Nonmajor Enterprise Fund		Total Enterprise Funds		Governmental Activities Total Internal Service Funds
-		1,392,251		-
-		485,765		-
-		86,340		-
5,229		958,781		979
-		-		914,786
-		10,420,000		-
-		514,573		-
-		6,499,571		-
5,229		20,357,281		915,765
7,883		22,145,292		1,065,897
409		75,200		77
409		75,200		77
33,310		23,864,986		2,424,169
-		731,602		-
140,043		13,795,999		4,869,022
$ 173,353		$ 38,392,587		$ 7,293,191
		(476,067)		
		$ 37,916,520		

CITY OF PLAINVIEW, TEXAS

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds

Year Ended September 30, 2015

	Business-type Activities	
	Solid Waste Management Fund	Water and Sewer Fund
OPERATING REVENUE		
Charges for services	$ 3,195,607	$ 7,217,371
Other revenue	33,812	14,124
Total Operating Revenues	3,229,419	7,231,495
OPERATING EXPENSES		
Personnel services - salaries and wages	668,207	1,172,533
Personnel services - employee benefits	302,538	483,584
Purchased professional & technical services	289,151	761,481
Purchased property services	211,350	463,826
Other operating expenses	157,799	964,983
Supplies	260,423	551,168
Depreciation and amortization	564,085	1,192,464
Total Operating Expenses	2,453,553	5,590,039
Operating Income (Loss)	775,866	1,641,456
NONOPERATING REVENUES (EXPENSES)		
Gain (loss) on sale of property	36,490	(258)
Investment earnings	13,362	28,258
Intergovernmental revenue and grants	12,599	-
Bond premium accretion	1,027	45,237
Interest expense	(3,573)	(705,543)
Refunding loss amortization	-	(26,385)
Bond issuance costs	-	(22,574)
Total Nonoperating Revenues (Expenses)	59,905	(681,265)
Income Before Contributions and Transfers	835,771	960,191
CONTRIBUTIONS AND TRANSFERS		
Capital contributions	-	233,093
Transfers in	15,307	21,868
Transfers out	(198,389)	(390,903)
Total Contributions and Transfers	(183,082)	(135,942)
Change in Net Position	652,689	824,249
Net Position - Beginning of Year, restated	9,152,163	27,590,133
Net Position - End of Year	$ 9,804,852	$ 28,414,382

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

Change in net position of business type activities

The accompanying notes are an integral part of these financial statements

		Governmental Activities
Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
$ 10,817	$ 10,423,795	$ 2,563,556
499	48,435	31,427
11,316	10,472,230	2,594,983
10,869	1,851,609	6,014
3,476	789,598	1,066
-	1,050,632	48,952
7,169	682,345	75,554
3,883	1,126,665	2,373,472
7,526	819,117	26,696
3,074	1,759,623	547,384
35,997	8,079,589	3,079,138
(24,681)	2,392,641	(484,155)
-	36,232	(1,055)
308	41,928	13,341
-	12,599	-
-	46,264	-
-	(709,116)	-
-	(26,385)	-
-	(22,574)	-
308	(621,052)	12,286
(24,373)	1,771,589	(471,869)
-	233,093	-
31,000	68,175	81,100
-	(589,292)	(244,433)
31,000	(288,024)	(163,333)
6,627	1,483,565	(635,202)
166,726	36,909,022	7,928,393
$ 173,353	$ 38,392,587	$ 7,293,191
	(115,438)	
	$ 1,368,127	

CITY OF PLAINVIEW, TEXAS
Statement of Cash Flows - Proprietary Funds
Year Ended September 30, 2015

	Business-type Activities	
	Solid Waste Management Fund	Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from user charges	$ 3,130,966	$ 6,998,813
Cash from operating transactions - other funds	-	-
Cash payments to employees for services	(1,000,946)	(1,705,469)
Cash payments for goods and services	(867,179)	(2,786,357)
Other operating cash receipts	33,812	14,124
Net Cash Provided (Used) by Operating Activities	1,296,653	2,521,111
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Increase (decrease) in deposits and escrow held	-	39,057
Transfers to other funds	(348,389)	(390,903)
Transfers from other funds	15,307	21,868
Net Cash (Used) Provided by Noncapital Financing Activities	(333,082)	(329,978)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(1,011,916)	(1,148,673)
Principal paid on long-term debt	(245,000)	(1,449,981)
Interest paid on long-term debt	(4,288)	(707,712)
Proceeds from inssuance of long term debt	-	2,051,775
Payments to bond refunding escrow agent	-	(2,079,425)
Bond issuance costs	-	(22,574)
Intergovernmental grants	12,599	-
Proceeds from the sale of capital assets	50,402	-
Net Cash Used by Capital and Related Financing Activities	(1,198,203)	(3,356,590)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(7,614)	(12,173)
Interest on investments	13,796	29,658
Net Cash Provided by Investing Activities	6,182	17,485
Net (Decrease) Increase in Cash and Restricted Cash	(228,450)	(1,147,972)
Cash and Cash Equivalents - October 1	3,282,270	7,653,612
Cash and Cash Equivalents - September 30	$ 3,053,820	$ 6,505,640

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

Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activities Total Internal Service Funds
$ 10,817	$ 10,140,596	$ -
-	-	2,727,155
(15,072)	(2,721,487)	(2,919)
(16,803)	(3,670,339)	(2,448,963)
499	48,435	31,373
(20,559)	3,797,205	306,646
-	39,057	-
-	(739,292)	(244,433)
31,000	68,175	631,100
31,000	(632,060)	386,667
-	(2,160,589)	(794,372)
-	(1,694,981)	-
-	(712,000)	-
-	2,051,775	-
-	(2,079,425)	-
-	(22,574)	-
-	12,599	-
-	50,402	-
-	(4,554,793)	(794,372)
-	(19,787)	(7,873)
308	43,762	13,703
308	23,975	5,830
10,749	(1,365,673)	(95,229)
135,582	11,071,464	3,161,123
$ 146,331	$ 9,705,791	$ 3,065,894

	Business-type Activities - Enterprise Funds	
	Solid Waste Management Fund	Water and Sewer Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	$ 775,866	$ 1,641,456
Adjustments to reconcile operating income to net cash		
Provided (used) by operating activities		
Depreciation and amortization	564,085	1,192,464
Landfill closure/postclosure	51,322	-
(Increase) decrease in operating assets and liabilities:		
Accounts receivable (net)	(64,641)	(218,558)
Prepaid expense	-	-
Inventories	-	(11,271)
Accounts payable	222	(33,628)
Wages payable	4,796	7,619
Net other postemployment benefits obligations	-	-
Net pension liability	62,366	104,246
Deferred Outflows - pensions	(126,754)	(211,871)
Deferred Inflows - pensions	27,997	46,794
Accrued compensated absences	1,394	3,860
Net Cash Provided (Used) by Operating Activities	$ 1,296,653	$ 2,521,111
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS		
Cash and cash equivalents - Statement of Net Position	$ 3,053,820	$ 3,010,629
Restricted Cash - Statement of Net Position	-	3,495,011
Total cash and cash equivalents	$ 3,053,820	$ 6,505,640
NONCASH CAPITAL & RELATED FINANCING ACTIVITY		
Capital assets contributed from private parties	$ -	$ 233,093
	$ -	$ 233,093

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

Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activities Total Internal Service Funds
$ (24,681)	$ 2,392,641	$ (484,155)
3,074	1,759,623	547,384
-	51,322	-
-	(283,199)	173,262
-	-	(9,717)
(22)	(11,293)	1,368
1,797	(31,609)	(60,507)
(193)	12,222	4,262
-	-	134,850
914	167,526	77
(1,857)	(340,482)	429
409	75,200	11
-	5,254	(618)
$ (20,559)	$ 3,797,205	$ 306,646
$ 146,331	$ 6,210,780	$ 3,065,894
-	3,495,011	-
$ 146,331	$ 9,705,791	$ 3,065,894
$ -	$ 233,093	$ -
$ -	$ 233,093	$ -

PLAINVIEW, TX

explore the opportunities

Note 1: 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.

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 accounting principles generally accepted in the United States of America (GAAP) include whether:

- the organization is legally separate (can sue and be sued in its name)
- the City holds the corporate 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. GAAP 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 GAAP.

Basis of Presentation

Government-wide Statements: The statement of net position 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.

Note 1: Summary of Significant Accounting Policies – continued

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 fund:

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 type:

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.

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.

Note 1: Summary of Significant Accounting Policies – continued

Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Equity

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.

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.

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.

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 $5,000 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

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 3.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred outflows/inflows of resources are separate elements of the financial statements. The City has deferred inflows of resources, which arises under the modified accrual basis of accounting, unavailable revenue from property taxes and for its proportionate share of TMRS's deferred inflow related to pensions as described in Note 9. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City only has one deferred inflow of resources, for its proportionate share of TMRS's deferred inflow related to pensions as described in Note 9.

Note 1: Summary of Significant Accounting Policies – continued

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 position.

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

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

Fund balance - Details of constraints on fund balances of governmental funds at September 30, 2015 are as follows:

	General Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Inventories	$ 48,094	$	$ 48,094
Restricted to:			
Tourism		809,024	809,024
PEG fund		51,806	51,806
Law Enforcement		49,446	49,446
Municipal Court		53,813	53,813
Assigned to:			
Capital Improvement	1,027,754		1,027,754
Street Improvement	286,030		286,030
Economic Development	1,663,828		1,663,828
Unassigned	12,950,647		12,950,647
	$ 15,976,353	$ 964,089	$ 16,940,442

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as Nonspendable at September 30, 2015 are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law through constitutional provisions or enabling legislation.

Assigned – includes amounts that are constrained by the City Council, or by another city official or the finance division to which the City has delegated authority, that are to be used for specific purposes but are neither restricted nor committed.

Note 1: Summary of Significant Accounting Policies – continued

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

Minimum Fund Balance Policy - The City's goal is to have a sufficient fund balance in the general fund to address local and regional emergencies without borrowing. In addition the City will strive to maintain a minimum three months of operating expenditures in the general fund unassigned fund balance.

When the City incurs expenditures that can be made from either restricted or unrestricted fund balances, the expenditures should be charged to restricted fund balances. When the City incurs expenditures that can be made from either committed, assigned, or unassigned balances, the expenditures should be charged first to committed fund balances, second to assigned fund balances, and third to unassigned fund balances.

Compensated Absences – 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. Details pertaining to both Sick Leave and Vacation are as follows:

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.

Note 2: Deposits and Investments

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, 2015, it had no custodial credit risk for deposits.

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.

Note 2: Deposits and Investments – continued

These policies authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) certificates of deposit by state and national banks doing business in Texas that are (a) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor or, (b) secured by obligations in a manner and amount provided by law for deposits of the City; (3) fully collateralized repurchase agreements with a bank in Texas or a primary dealer, executed under the Bond Market Master Repurchase Agreement in accordance with the PFIA not to exceed 120 days; (4) money market mutual funds that are (a) registered and regulated by the Securities and Exchange Commission, (b) have a dollar weighted average stated maturity of 90 days or less, (c) rated AAA by at least one nationally recognized rating service, and (d) seek to maintain a net asset value of $1.00 per share; (5) constant-dollar, Texas local government investment pools, which (a) meet the requirements of PFIA, (b) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, (c) are authorized by resolution or ordinance by the City Council.

As of September 30, 2015, and for the year then ended, the City had the following investments:

Investment Type	Fair Value	Percentage of Total	Credit Rating	Investment Maturity Less than 1 Year
TexPool	$ 100,361	0.48%	AAAm	$ 100,361
Certificate of Deposits	20,625,683	99.52%	N/A	20,625,683
Total Portfolio	$ 20,726,044	100.00%		$ 20,726,044

Investment pools are not categorized as to investment risk since specific securities relating to the government cannot be identified. The City utilizes Texas Local Government Investment Pool (TexPool). The reported value of the pools are the same as the fair value of the pool shares.

Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. The reported value of the pool is the same as the fair value of the pool shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. Audited financial statements of the Pool are available at First Public, 12008 Research Blvd., Austin, Texas 78759. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 365 days. The maximum allowable stated maturity of any individual investment owned by the City shall not exceed two years from the time of purchase.

Credit risk. State law and City policy limit investments in local government investment pools to those rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. The City's investments are rated as to credit quality as shown in the above table.

Concentration of credit risk. The City's investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools.

Note 3: Receivables

The receivables detailed below are reported net of allowances for doubtful accounts in the fund financial statements as of September 30, 2015:

	General Fund	Nonmajor Governmental Funds	Solid Waste Management Fund	Water and Sewer Fund	Internal Service Funds	Total
Receivables:						
Taxes	$ 1,081,362	$ 49,117	$ -	$ -	$ -	$ 1,130,479
Accounts	265,662	90,897	492,260	1,385,563	13,108	2,247,490
Fines	688,244	-	-	-	-	688,244
Due from other governments	85,123	238,566	-	-	-	323,689
Interest	-	-	-	659	-	659
Gross receivables	2,120,391	378,580	492,260	1,386,222	13,108	4,390,561
Less: allowance for uncollectibles	(812,826)	(90,897)	(2,216)	(6,618)	-	(912,557)
Net total receivables	$ 1,307,565	$ 287,683	$ 490,044	$ 1,379,604	$ 13,108	$ 3,478,004

Note 4: Interfund Balances and Activity

Transfers To and From Other Funds

Transfer From	Transfer To	Amount	Purpose
General fund	Internal service fund	$ 30,000	Fleet Services
Water and sewer fund	Internal service fund	30,000	Economic development
Water and sewer fund	General fund	335,353	Transfer in lieu of franchise fees
Water and sewer fund	Internal service fund	25,550	Fleet Services
Solid waste mgmt. fund	Internal service fund	15,000	Economic development
Solid waste mgmt. fund	General fund	157,839	Transfer in lieu of franchise fees
Solid waste mgmt. fund	Internal service fund	25,550	Fleet Services
Nonmajor governmental fund	Nonmajor busn. type activities	31,000	Theatre arts
Internal service fund	General fund	96,946	Health insurance
Internal service fund	Nonmajor governmental fund	729	Health insurance
Internal service fund	Solid waste mgmt. fund	15,307	Health insurance
Internal service fund	Water and sewer fund	21,868	Health insurance
Internal service fund	General fund	109,583	Assets purchsed with insurance
		$ 894,725	

Note 5: Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consisted of the following at September 30, 2015:

Nonmajor governmental funds		
Special revenue funds cash	$	919,498
		919,498
Water and Sewer Fund		
Debt Service	$	762,853
Customer Deposits / Escrow		485,765
Capital Projects (Unspent Bond Proceeds)		2,246,393
		3,495,011

Note 6: Capital Assets

Capital asset activity for the period ended September 30, 2015 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	$ 552,202	$ 219,351	$ -	$ 771,553
Construction in progress	22,533	22,797	(22,533)	22,797
Total capital assets not being depreciated	574,735	242,148	(22,533)	794,350
Capital assets being depreciated				
Building and improvements	3,803,862	245,499	-	4,049,361
Machinery and equipment	8,708,562	1,047,041	(374,348)	9,381,255
Infrastructure	15,580,074	2,452,632	-	18,032,706
Total capital assets being depreciated	28,092,498	3,745,172	(374,348)	31,463,322
Less accumulated depreciation for:				
Building and improvements	(2,259,147)	(109,992)	-	(2,369,139)
Machinery and equipment	(6,106,396)	(692,469)	371,198	(6,427,667)
Infrastructure	(12,263,800)	(432,519)	-	(12,696,319)
Total accumulated depreciation	(20,629,343)	(1,234,980)	371,198	(21,493,125)
Capital assets being depreciated, net	7,463,155	2,510,192	(3,150)	9,970,197
Governmental activities capital assets, net	$ 8,037,890	$ 2,752,340	$ (25,683)	$ 10,764,547

Note 6: Capital Assets – continued

	Beginning Balance	Additions	Retirements	Ending Balance
Business-Type Activities				
Capital assets not being depreciated				
Land	$ 529,367	$ -	$ -	$ 529,367
Construction in progress	13,646	700	-	14,346
Total capital assets not being depreciated	543,013	700	-	543,713
Capital assets being depreciated				
Building and improvements	2,668,198	28,023	-	2,696,221
Machinery and equipment	6,090,807	1,074,228	(284,034)	6,881,001
Improvements and system	44,149,874	1,290,731	-	45,440,605
Total capital assets being depreciated	52,908,879	2,392,982	(284,034)	55,017,827
Less accumulated depreciation for:				
Building and improvements	(2,094,719)	(29,622)	-	(2,124,341)
Machinery and equipment	(4,095,259)	(506,692)	269,865	(4,332,086)
Improvements and system	(17,880,758)	(1,074,302)	-	(18,955,060)
Total accumulated depreciation	(24,070,736)	(1,610,616)	269,865	(25,411,487)
Capital assets being depreciated, net	28,838,143	782,366	(14,169)	29,606,340
Business-type activities capital assets, net	$ 29,381,156	$ 783,066	$ (14,169)	$ 30,150,053

Depreciation was charged to functions as follows:

Governmental Activities	
General government - administration	$ 28,107
General government - other	3,221
Public safety	180,165
Public works	326,416
Health	957
Recreation and culture	148,730
Depreciation for capital assets of internal service funds is allocated to various functions based on usage of the assets	547,384
	$ 1,234,980
Business-type Activities	
Solid Waste Management Fund	$ 564,085
Water and Sewer Fund	1,043,457
Theatre Arts	3,074
	$ 1,610,616

Note 7: Other Assets

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

	Water and Sewer Fund
Water Supply Contract Costs	$ 12,665,987
(Less) Accumulated Amortization	(2,560,524)
Water Supply Contract Costs, net	$ 10,105,463

Note 8: Long-Term Obligations

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the period ended September 30, 2015 are as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 931,912	$ 54,634	$ -	$ 986,546	$ 4,418
Net Pension Liability	10,323,792	1,765,209	(1,458,366)	10,630,635	-
Net OPEB Obligation	779,936	194,407	(59,557)	914,786	-
Total Governmental Activities	$ 12,035,640	$ 2,014,250	$ (1,517,923)	$ 12,531,967	$ 4,418
Business-Type Activities					
Certificates of Obligation and bonds	$ 12,625,000	$ -	$ (1,210,000)	$ 11,415,000	$ 995,000
Bond premium, net	298,210	262,627	(46,264)	514,573	-
Subtotal	12,923,210	262,627	(1,256,264)	11,929,573	995,000
Water contract obligations	7,654,326	-	(669,808)	6,984,518	484,947
Accrued landfill closure / postclosure costs	1,340,929	51,322	-	1,392,251	-
Compensated Absences	86,356	5,254	-	91,610	5,270
Net Pension Liability	1,031,047	362,376	(434,642)	958,781	-
Total Business-Type Activities	$ 23,035,868	$ 681,579	$ (2,360,714)	$ 21,356,733	$ 1,485,217

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

Note 8: Long-Term Obligations – continued

Debt service requirements for long-term debt as of September 30, 2015 are as follows:

Year Ended September 30,	Bonds Payable and Water Contract Obligations Principal	Interest	Total
2016	$ 1,479,947	$ 685,649	$ 2,165,596
2017	1,515,804	637,912	2,153,716
2018	1,625,160	586,219	2,211,379
2019	1,594,010	525,940	2,119,950
2020	1,646,421	465,606	2,112,027
2021-2025	6,010,852	1,529,137	7,539,989
2026-2030	4,448,622	487,552	4,936,174
2031	78,702	3,439	82,141
	$ 18,399,518	$ 4,921,454	$ 23,320,972

Long-term debt interest cost incurred for Business-type Activities for the year ended September 30, 2015 was as follows:

Interest charged to expense	$ 709,116
Interest capitalized	700
Total interest incurred	$ 709,816

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

Refunding Bonds and Tax and Revenue Certificates of Obligation

While the 2009 General Obligation Refunding Bonds and the 2008 and 2010 Tax and Revenue Certificates of Obligation are secured by ad valorem taxes levied by the City, the City intends to service the debts entirely from the net revenues of the Enterprise Funds. Accordingly, the liabilities for the debt are recorded in the Business-type Activities rather than the Governmental Activities of the City.

The 2008 and 2010 Tax and Revenue Certificates of Obligation are additionally secured by a limited pledge of the net revenues of the City's Water and Sewer and Sanitation systems.

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

Details pertaining to the outstanding Certificates of Obligation and Bonds as of September 30, 2015 are as follows:

Description	Purpose	Maturity	Interest Rates	Balance
2009 General Obligation Refunding Bonds	Refunding - waste water treatment plant bonds	3/1/2021	2.0 to 3.625%	$ 3,920,000
2010 Tax and Revenue Certificates of Obligation	Water and sewer system improvements	3/1/2030	3.0 to 3.8%	7,495,000
				$ 11,415,000

Note 8: Long-Term Obligations – continued

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.

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
Refunding Series 2010 (CUA)	2/15/2020	3.0% to 3.5%	142,930
Refunding Series 2010 (BUREC)	10/1/2018	3.0% to 5.0%	223,627
Refunding Series 2012	2/15/2025	4.50%	1,604,058
Series 2006	2/15/2027	4.25 to 5.0%	34,401
Series 2009	2/15/2029	4.16%	614,798
Series 2011	2/15/2031	3.0% to 5.0%	2,649,496
Refunding Series 2014	2/15/2027	2.0% to 5.0%	1,103,425
Refunding Series 2014	2/15/2027	2.0% to 5.0%	611,783
			$ 6,984,518

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.

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, 2015:

Costs of operations	$	169,772
Water pumping and chemical costs		321,562
Debt service		830,165
Total	$	1,321,499

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, 2015 are as follows:

Capitalized contract costs	$	12,665,987
Accumulated amortization		(2,560,524)
Net unamortized costs	$	10,105,463

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.

Note 8: Long-Term Obligations – continued

In November 2014 the Canadian River Municipal Water Authority (CRMWA) issued Subordinate lien Contract Revenue Refunding Bonds, Series 2014 in the amount of $42,165,000 with interest rates ranging from 2% - 5%. The proceeds were used to advance refund $32,670,000 of outstanding Contract Revenue Bonds, Series 2006 which had interest rates ranging from 4.25% - 5.25% and to current refund $12,605,000 of outstanding Contract Revenue Refunding Bonds, Series 2005 which had interest rates ranging from 3% - 5%. The net proceeds of $48,491,932 (including a $6,326,932 premium less $529,819 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The CRMWA has refunded these bond issues to reduce its total debt service payments over the next 12 years by $5,157,098 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $4,468,378. The City of Plainview's portion of the principal is $1,820,215 and interest $524,499 for a total of 4.239% of the total debt payments.

The financial statements of CRMWA as of September 30, 2015, and for the year then ended, reflect the following:

		9/30/2015
Assets:		
Current assets	$	27,413,072
Noncurrent assets		508,999,228
Deferred Outflows of Resources:		
Deferred charge on refunding		496,124
Liabilities:		
Current liabilities		14,671,035
Noncurrent liabilities		186,062,853
Net Position:		
Net investment in capital assets		137,903,819
Restricted		183,221,813
Unrestricted		15,048,904
Total Net Position		336,174,536
Operating revenues		13,465,083
Operating expenses		(16,916,146)
Nonoperating revenues and expenses, net		(3,133,126)
Increase (decrease) in net position		(6,584,189)

Note 9: Employee Retirement Benefits

Texas Municipal Retirement System

Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com.*

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

Benefits Provided

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

Note 9: Employee Retirement Benefits – continued

Texas Municipal Retirement System – continued

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest. A member city may elect to increase the annuities of its retirees, either annually or on an annually repeating basis, effective January 1 of a calendar year. The City has adopted annuity increases as a rate equal to 70% of the increase (if any) in the Consumer Price Index – all Urban Consumers (CPI-U) between the December preceding the member's retirement date and the December one year before the effective date of the increase, minus any previously granted increases.

The plan provisions are adopted by the governing body of each city, within the options available in the state statutes governing TMRS. The City has elected that members can retire at age 60 and above with 5 or more years of service or with 25 years of service regardless of age. The City does not provide supplemental death benefits. Members may work for more than one TMRS city during their career. If a member is vested in one TMRS city, he or she is immediately vested upon employment with another TMRS city. Similarly, once a member has met the eligibility requirements for retirement in a TMRS city, he or she is eligible in other TMRS cities as well.

Employees covered by benefit terms: At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	99
Inactive employees entitled to but not yet receiving benefits	44
Active employees	138
Total	281

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The City did not change its employee contribution rate during the year. The contribution rates for the City were 15.59% and 14.88% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015, were $965,416, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Note 9: Employee Retirement Benefits – continued

Texas Municipal Retirement System – continued

Actuarial assumptions: The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	7.0% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. Based on the size of the city, rates are multiplied by a factor or 100%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	17.50%	4.80%
International Equity	17.50%	6.04%
Core Fixed Income	30.00%	1.50%
Non-Core Fixed Income	10.00%	3.50%
Real Return	5.00%	1.75%
Real Estate	10.00%	5.25%
Absolute Return	5.00%	4.25%
Private Equity	5.00%	8.50%
Total	100.00%	

Discount Rate: The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Note 9: Employee Retirement Benefits – continued

Texas Municipal Retirement System – continued

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2013	$ 36,804,054	$ 33,472,960	$ 3,331,094
Changes for the year:			
Service Cost	836,912	-	836,912
Interest	2,535,501	-	2,535,501
Difference between expected and actual experience	(335,859)	-	(335,859)
Contributions - employer	-	982,725	(982,725)
Contributions - employee	-	394,106	(394,106)
Net investment income	-	1,914,838	(1,914,838)
Benefit payments, including refunds of employee contributions	(2,002,126)	(2,002,126)	-
Administrative expense	-	(19,992)	19,992
Other changes	-	(1,644)	1,644
Net changes	1,034,428	1,267,907	(233,479)
Balance at 12/31/2014	$ 37,838,482	$ 34,740,867	$ 3,097,615

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease in Discount Rate (6.0%)	Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's net pension liability (asset)	$ 8,231,879	$ 3,097,615	$ (1,129,544)

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at *www.tmrs.com*.

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

For the year ended September 30, 2015, the City recognized pension expense of $649,586.

Note 9: Employee Retirement Benefits – continued

Texas Municipal Retirement System – continued

At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual econmic experience	$ -	$ 242,955
Difference between projected and actual investment earnings	342,617	-
Contributions subsequent to the measurment date	757,406	
Total	$ 1,100,023	$ 242,955

$757,406 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2016	$ (7,250)
2017	(7,250)
2018	28,507
2019	85,655
2020	-
Thereafter	-
	$ 99,662

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 effective October 1, 2009. The table below summarizes the membership of the Plan included in the actuarial valuation as of December 31, 2013, which is the date of the latest actuarial valuation.

Retirees and beneficiaries currently receiving benefits	35
Active members:	
Vested	10
Nonvested	26
Total membership	71

Note 9: Employee Retirement Benefits – continued

Firemen's Relief and Retirement Fund - continued

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, 2014 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", plus a "longevity" benefit equal to $78 per month for each whole year of service in excess of 20 years, subject to a 15 year maximum. 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.

Actuarial assumptions were as follows:

Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Asset Valuation Method	5-years Smoothing Actuarial Value
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	35.2 years, closed period
Actuarial Assumptions:	
Investment Rate of Return	7.75%
Projected Salary Increases	5.0%
Payroll growth	4.0%
Amortization Increases	4.0%
Cost-of-living Adjustments	None

Changes in Net Pension Liability

At September 30, 2015, the City reported a Net Pension Liability amount of $8,491,801. The Net Pension Liability was measured as of December 31, 2014, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of December 31, 2013. Under this method, the City's fiscal year end September 30, 2015 reporting period uses the Fund's December 31, 2013 Total Pension Liability valuation results rolled forward to December 31, 2014, but the Plan's Fiduciary Net Position is reported at fair value.

Note 9: Employee Retirement Benefits – continued

Firemen's Relief and Retirement Fund – continued

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 9/30/2014	$ 13,493,203	$ 5,469,459	$ 8,023,744
Changes for the year:			
Service Cost	238,404	-	238,404
Interest	1,033,343	-	1,033,343
Contributions - employer	-	440,812	(440,812)
Contributions - employee	-	261,936	(261,936)
Net investment income	-	177,500	(177,500)
Benefit payments, including refunds of employee contributions	(796,307)	(796,307)	-
Administrative expense	-	(76,558)	76,558
Net changes	475,440	7,383	468,057
Balance at 9/30/2015	$ 13,968,643	$ 5,476,842	$ 8,491,801

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability, calculated using he discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease in Discount Rate (6.75%)	Discount Rate (7.75%)	1% Increase in Discount Rate (8.75%)
Firefighters' Fund Net Pension Liability	$ 10,097,160	$ 8,491,801	$ 7,145,238

<u>Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

Pension Expense Components	FYE 9/30/2015
Service Cost	$ 238,404
Interest on TPL	1,033,343
Employee Contributions	(261,936)
Projected Earnings on Pension Plan Investments	(417,291)
Differences between projected and actual earnings on plan investments	47,958
Pension Plan Administrative Expenses	76,558
Total Pension Expense	$ 717,036

For the year ended September 30, 2015, the City should recognize a pension expense of $717,036. At September 30, 2015, the City should report deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual econmic experience	$ -	$ -
Difference between projected and actual investment earnings	190,367	-
Contributions subsequent to the measurment date	350,668	
Total	$ 541,035	$ -

Note 9: Employee Retirement Benefits – continued

Firemen's Relief and Retirement Fund – continued

$350,668 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2016.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2016	$ 47,958
2017	47,958
2018	47,958
2019	46,493
2020	-
Thereafter	-
	$ 190,367

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.

Note 10: 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 were filed with a third party administrator, who investigates and processes the claims and provides administrative claims payment services for the plan. For the period through December 31, 2014 the City contracted with Texas Municipal League (TML) 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:

Year Ending	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
9/30/2013	$ 133,419	$ 1,450,506	$ (1,450,460)	$ 133,465
9/30/2014	133,465	2,074,177	(2,034,115)	173,527
9/30/2015	173,527	338,423	(511,950)	-

The City contributes $643.5 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 TML with individual limits established at $50,000 per participant but not to exceed a maximum point of attachment of $1,950,000 per participant for the policy period.

Note 10: Health Care Coverage – continued

The aggregate stop loss insurance provides that in no event shall the City's point of attachment be less than $1,073,601. Aggregate stop loss payments shall not exceed $1,000,000. As aforementioned, City is fully protected by health insurance loss effective January 1, 2015.

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

Note 11: Other Postemployment Benefits

Plan Participants:

Full-time employees, their spouse, and dependents, and retirees, their spouse, and dependents are eligible to participate in the City's single-employer health care plan. Eligible retirees choosing to participate in the plan pay premiums to the plan. Retiree coverage terminates at the end of the month that the retiree becomes eligible for Medicare or Medicaid.

Normal Retirement Benefit Eligibility are as follows:

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 are as follows:

80%/20% Medical with $500 Deductible and $1,500 OOP
$10, $20, $35 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 group health plan. Eligibility to participate ceases if surviving spouse re-marries. Eligibility to participate as a dependent extends to age 26.

Non-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.

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.

Note 11: Other Postemployment Benefits – continued

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:

	Monthly Premium		
Category	Copay Plan	HDHP	Paid By:
Retiree (under 65)	$ 782	604	Retiree
Active Employee	782	604	City
Spouse	860	664	Employee
1 Child	704	543	Employee
2+ Children	704	543	Employee
Full Family	1,485	1147	Employee
COBRA	797	616	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 year ended September 30, 2015 is as follows:

Annual required contribution (ARC)	$ 191,827
Interest on OPEB obligation	35,097
Adjustment to ARC	(32,517)
Annual OPEB cost at end of year	194,407
Net employer contributions	(59,557)
Increase in net OPEB obligation	134,850
Net OPEB obligation at beginning of year	779,936
Net OPEB obligation at end of year	$ 914,786

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended September 30, 2015 and the preceding two fiscal years were as follows:

Fiscal Year Ended	Net Employer Contributions	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation	Annual Required Contribution	Percentage of ARC Contributed
9/30/2013	$ 239,287	$ 311,682	76.8%	$ 685,049	$ 311,682	76.8%
9/30/2014	93,619	188,506	49.7%	779,936	188,506	49.7%
9/30/2015	59,557	194,407	30.6%	914,786	194,407	30.6%

Note 11: Other Postemployment Benefits – continued

The funded status of the City's retiree health care plan is as follows:

	12/31/2013
Actuarial value of assets	-
Actuarial accrued liability (AAL)	2,102,393
Funded ratio	0.0%
Unfunded (over-funded) AAL (UAAL)	2,102,393

Under the reporting parameters, the City's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by $2,102,393 at December 31, 2013, which is the date of the last actuarial valuation.

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 assumptions were as follows:

Inflation rate	3% per year
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
Amortization period	30 years, open period
Salary growth rate	3.0% per year
Healthcare cost trend rate	Initial rate of 7.5% declining to an ultimate rate of 4.5% after 12 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information (RSI) following the notes to the financial statements provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The plan does not issue separate stand-alone financial statements.

Note 12: 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. 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.

Note 12: Risk Management – continued

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.

Note 13: 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 collectability 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.

Note 14: 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 $1,392,251 reported as landfill closure and postclosure care liability as of September 30, 2015, represents the cumulative amount reported to date based on the use of 21.86 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure of $4,976,692 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2015. The City expects to close the landfill in the year 2095. 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 cash and investments equal to the recorded liability for landfill closure and postclosure costs, which amounted to $1,392,251 as of September 30, 2015.

Note 15: 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.

Note 15: Investment in Joint Venture – continued

Year Ending Date	12/31/2014
Total current assets	$ 124,155
Total property and equipment	1,839,851
Total current liabilities	372
Net position invested in capital assets	1,839,851
Unrestricted net position	123,782
Total net position	1,963,633
Total operating revenues	96,600
Total operating expenses	(123,065)
Net increase (decrease) in net position	(26,465)
City's 50% share of increase (decrease) in net position	(13,233)

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, 2015 included those related to routine water, sewer and solid waste utility services. The City's interest in the joint venture is accounted for using the equity method.

Note 16: Prior Period Adjustment

During fiscal year 2015, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No, 27.* Upon adoption of GASB No. 68, the City must assume its proportionate share of the net pension liability or asset of the Texas Municipal Retirement System. Adoption of GASB No. 68 required a prior period adjustment to report the effect of GASB No. 68 retroactively. The amount of the prior period adjustment is as follows:

	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Allocation of Internal Service Funds	Business-type Activities	Governmental Activities
As previously stated September 30, 2014	$ 9,450,712	$ 28,025,792	$ 170,038	$ (360,629)	$ 37,285,913	$ 30,413,572
Record Net Pension Liability in accordance with GASB 68	(298,549)	(435,659)	(3,312)	-	(737,520)	(8,787,103)
Beginning fund balance October 1, 2014 as restated	$ 9,152,163	$ 27,590,133	$ 166,726	$ (360,629)	$ 36,548,393	$ 21,626,469

Note 17: Upcoming Accounting Pronouncements

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* This Statement addresses reporting by OPEB plans that administer benefits on behalf of governments. This Statement replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* Statement No. 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement No. 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position.

Note 17: Upcoming Accounting Pronouncements – continued

The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement No. 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The provisions in Statement No. 74 are effective for fiscal years beginning after June 15, 2016.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This Statement addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. This Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* Statement No. 75 requires governments to rep01i a liability on the face of the financial statements for the OPEB that they provide and requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. The provisions in Statement No. 75 are effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged.

The County will fully analyze the impact of these new Statements prior to the effective dates for the Statements listed above.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLAINVIEW, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual - General Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual
	Original	Final	GAAP Basis
REVENUES			
Taxes			
Property taxes	$ 4,565,500	$ 4,565,500	$ 4,673,712
General sales and use tax	3,590,000	3,590,000	4,237,638
Selective sales and use tax	30,000	30,000	43,184
Franchise tax	1,330,000	1,330,000	1,425,060
Penalty and interest on taxes	71,000	71,000	77,588
Licenses and permits	53,450	53,450	121,432
Intergovernmental revenue and grants	208,095	208,095	202,829
Charges for services	618,330	618,330	646,425
Fines and forfeitures	340,760	340,760	342,244
Investment earnings	25,000	25,000	34,399
Rents and royalties	360	360	500
Other revenue	919,700	919,700	133,451
Total Revenues	11,752,195	11,752,195	11,938,462
EXPENDITURES			
Current			
General government - administration			
City council	58,250	73,250	2,601
City manager	286,060	286,060	86,837
Nondepartmental	1,416,140	1,417,040	369,818
Legal	239,540	257,740	124,527
Finance	71,575	71,575	(59,378)
Human resources	72,545	72,545	70,731
Administrative Services	247,765	249,315	228,046
Property tax appraisal / collection	104,350	110,700	111,209
Total general government - admin	2,496,225	2,538,225	934,391
General government - other			
Municipal court	148,050	148,050	149,571
Community development	143,125	143,925	115,161
Code compliance	269,480	274,480	243,036
Main Street	100,300	108,947	15,869
Airport	3,000	3,000	
Total general government - other	663,955	678,402	523,637
Health			
City-county health department	146,715	149,965	151,393
Health TDH - ORAS	77,550	77,550	77,564
Health TDH-IMM	168,750	171,850	172,343
Total Health	393,015	399,365	401,300

Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget
$	$ 4,673,712	$ 108,212
	4,237,638	647,638
	43,184	13,184
	1,425,060	95,060
	77,588	6,588
	121,432	67,982
	202,829	(5,266)
	646,425	28,095
	342,244	1,484
	34,399	9,399
	500	140
820,400	953,851	34,151
820,400	12,758,862	1,006,667
55,325	57,926	15,324
180,900	267,737	18,323
	369,818	1,047,222
128,800	253,327	4,413
126,465	67,087	4,488
	70,731	1,814
	228,046	21,269
	111,209	(509)
491,490	1,425,881	1,112,344
	149,571	(1,521)
	115,161	28,764
	243,036	31,444
77,425	93,294	15,653
		3,000
77,425	601,062	77,340
	151,393	(1,428)
	77,564	(14)
	172,343	(493)
-	401,300	(1,935)

CITY OF PLAINVIEW, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual - General Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis
	Original	Final	
EXPENDITURES - continued			
Current - continued			
Public safety			
Police	3,610,690	3,673,615	3,536,524
Fire	3,430,485	3,493,770	3,368,700
Traffic control	194,030	194,030	136,265
Emergency operations center	18,700	18,700	15,368
Street lighting	194,500	194,500	185,561
Animal control	153,450	157,000	157,425
Total public safety	7,601,855	7,731,615	7,399,843
Public works			
Public works - general	219,950	219,950	(121,848)
Street cleaning	217,965	217,965	198,265
Streets - other	729,445	729,445	493,095
Building operations	102,575	111,880	113,145
Custodial services	-	5,000.00	1,456
Total public works	1,269,935	1,284,240	684,113
Recreation and culture			
Parks	774,135	782,135	597,095
Swimming pool	24,500	24,500	24,406
Library	429,080	442,320	433,479
Total Parks and Recreation	1,227,715	1,248,955	1,054,980
Capital outlay	7,500	130,090	699,324
Total Expenditures	13,660,200	14,010,892	11,697,588
Excess of Revenues Over (Under) Expenditures	(1,908,005)	(2,258,697)	240,874
Other Financing Sources (Uses)			
Transfers in	494,000	494,000	699,721
Transfers out	(30,000)	(560,000)	(560,000)
Total Other Financing Sources (Uses)	464,000	(66,000)	139,721
Change in Fund Balance	(1,444,005)	(2,324,697)	380,595
Fund Balance - October 1	12,618,146	12,618,146	12,618,146
Fund Balance - September 30	$ 11,174,141	$ 10,293,449	$ 12,998,741

Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget
	3,536,524	137,091
	3,368,700	125,070
	136,265	57,765
	15,368	3,332
	185,561	8,939
	157,425	(425)
-	7,399,843	331,772
251,485	129,637	90,313
	198,265	19,700
	493,095	236,350
	113,145	(1,265)
	1,456	3,544
251,485	935,598	348,642
	597,095	185,040
	24,406	94
	433,479	8,841
-	1,054,980	193,975
	699,324	(569,234)
820,400	12,517,988	1,492,904
-	240,874	2,499,571
	699,721	205,721
	(560,000)	-
-	139,721	205,721
-	380,595	2,705,292
-	12,618,146	-
$ -	$ 12,998,741	$ 2,705,292

CITY OF PLAINVIEW, TEXAS

Required Supplementary Information

Schedule of Funding Progress - OPEB Plan

Year Ended September 30, 2015

Exhibit B-2

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
CITY OF PLAINVIEW RETIREE HEALTH CARE OPEB PLAN:						
12/31/09	$ -	$ 3,036,824	$ 3,036,824	0.0%	N/A	N/A
12/31/11	-	3,965,033	3,965,033	0.0%	N/A	N/A
12/31/13	-	2,102,393	2,102,393	0.0%	N/A	N/A

CITY OF PLAINVIEW, TEXAS **Exhibit B-3**

Schedule of Changes in Net Position Liabiltiy and Related Ratios

Texas Municipal Retirement System

Year Ended September 30, 2015

		Year Ended December 31, 2014
Total Pension Liability		
Service cost	$	836,912
Interest on total pension liability		2,535,501
Changes of benefit terms		-
Differences between expected and actual experience		(335,859)
Change of assumptions		-
Benefit payments/refunds of contributions		(2,002,126)
Net change in total pension liability		1,034,428
Total pension liability, beginning		36,804,054
Total pension liability, ending (a)	$	37,838,482
Fiduciary Net Position		
Contributions - Employer	$	982,725
Contributions - Employee		394,106
Net investment income		1,914,838
Benefit payments/refunds of contributions		(2,002,126)
Administrative expenses		(19,992)
Other		(1,644)
Net change in fiduciary net position		1,267,907
Fiduciary net position, beginning		33,472,960
Fiduciary net position, ending (b)	$	34,740,867
Net pension liability / (asset), ending = (a) - (b)		3,097,615
Fiduciary net position as a percentage of total pension liability		91.81%
Pensionable covered payroll	$	5,630,088
Net pension liability as a percentage of covered payroll		55.02%

CITY OF PLAINVIEW, TEXAS **Exhibit B-4**

Schedule of Changes in Net Position Liabiltiy and Related Ratios

Firemen's Relief and Retirment Fund Pension Plan

Year Ended September 30, 2015

		Year Ended December 31 2014
Total Pension Liability		
Service cost	$	238,404
Interest on total pension liability		1,033,343
Changes of benefit terms		-
Differences between expected and actual experience		-
Change of assumptions		-
Benefit payments/refunds of contributions		(796,307)
Net change in total pension liability		475,440
Total pension liability, beginning		13,493,203
Total pension liability, ending (a)	$	13,968,643
Fiduciary Net Position		
Contributions - Employer	$	440,812
Contributions - Employee		261,936
Net investment income		177,500
Benefit payments/refunds of contributions		(796,307)
Administrative expenses		(76,558)
Other		-
Net change in fiduciary net position		7,383
Fiduciary net position, beginning		5,469,459
Fiduciary net position, ending (b)	$	5,476,842
Net pension liability / (asset), ending = (a) - (b)		8,491,801
Fiduciary net position as a percentage of total pension liability		39.21%
Pensionable covered payroll	$	1,836,743
Net pension liability as a percentage of covered payroll		462.33%

Exhibit B-5

CITY OF PLAINVIEW, TEXAS

Schedule of Employer Contributions
Texas Municipal Retirement System
For Fiscal Year 2015

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2015	$ 891,149	$ 965,416	$ (74,267)	$ 5,988,907	$ 16.1%

Exhibit B-6

CITY OF PLAINVIEW, TEXAS

Schedule of Employer Contributions

Firemen's Relief and Retirment Fund Pension Plan

For Fiscal Year 2015

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2013	$ 621,787	$ 653,563	$ (31,776)	$ 1,836,743	$ 35.6%

Note 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.

Additionally, for financial reporting purposes Exhibit A-5 includes amounts from the General Fund and other nonmajor funds which no longer qualify as Special Revenue Funds under the definitions outlined in GASB 54. Exhibit B-1 includes budget and actual amounts for the General Fund only. Following is a reconciliation of actual figures on a GAAP basis:

Change in Fund Balance Exhibit B-1	$	380,595
Investment earnings		6,721
Other revenue		196
General government - administration		(379,130)
Intergovernmental grants		31,050
Capital outlay		(372,175)
Net transfers		575,000
Change in Fund Balance Exhibit A-5	$	242,257

Note 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:

1. 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.

2. 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.

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

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

5. 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.

6. 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 $500,000 transfer to the Economic Development Fund.

7. All budget appropriations lapse at year end.

Note C: Net Pension Liability – Texas Municipal Retirement System

Assumptions

The following methods and assumptions were used to determine contribution rates:

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	10-year smoothed market; 15% soft corridor
Inflation	3.00%
Salary increases	3.50% to 12.00%, including inflation
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the 2005 – 2009.
Mortality	RP-2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Changes of Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes in the Size or Composition of the Population Covered by the Benefit Terms

There were no changes in the size or composition of the population covered by the benefit terms during the measurement period.

Changes of Assumptions

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

Note D: Net Pension Liability – Firemen's Relief and Retirement Pension Plan

Assumptions

The following methods and assumptions were used to determine contribution rates:

Valuation date	December 31, 2013
Actuarially determined contribution rates	Calculated in the year contributions are reported based on 40 year (open)period amortization
Actuarial cost method	Entry age
Amortization method	Open period level percent of pay
Remaining amortization period	31.4 years
Asset valuation method	Actuarial value of assets
Salary increases	5.00%
Investment rate of return	7.75%, net of plan expenses

There were no changes or methods or plan provisions since the prior valuation. The mortality assumption is based on the RP 2000 mortality with Blue Collar adjustment with mortality improvements projected to 2014 using Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of December 31, 2013 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Equity	6.50%
Fixed Income	4.00%
Cash	0.00%

Discount rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that the City contribution would equal the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension investments was applied to all period of benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the Discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.75% as well as what the City's net pension liability would be if it were to be calculated using the discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

Note D: Net Pension Liability – Firemen's Relief and Retirement Pension Plan – continued

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's net pension liability	$ 9,574,464	$ 8,023,745	$ 6,723,014

Schedule of Investment Returns
Fiscal Year Ending December 31

	2011	2012	2013
Annual money-weighted rate of return, net of investment expense	2.00%	8.75%	14.96%

Combining Statements &
Budget Comparisons

COMBINING STATEMENTS AND BUDGETARY COMPARISONS

CITY OF PLAINVIEW, TEXAS
Combining Balance Sheet
General Funds
September 30, 2015

	General Fund	Capital Improvement Fund	Street Improvement Fund
ASSETS			
Cash and cash equivalents	$ 3,149,452	$ 624,923	$ 298,719
Investments	9,389,379	506,086	-
Interest receivable	-	-	-
Accounts receivable (net)	231,814	-	-
Taxes receivable (net)	990,628	-	-
Due from other governments	85,123	-	-
Inventories	48,094	-	-
Total Assets	$ 13,894,490	$ 1,131,009	$ 298,719
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 313,717	$ 103,255	$ 12,689
Wages payable	236,685	-	-
Due to other funds	-	-	-
Compensated absences payable	4,418	-	-
Total Liabilities	554,820	103,255	12,689
Deferred Inflows of Resources			
Unavailable revenue			
Property taxes	194,692	-	-
Fines and fees	103,237	-	-
Emergency Medical Services	43,000	-	-
Total Deferred Inflows of Resources	340,929	-	-
Fund Balances			
Nonspendable	48,094	-	-
Assigned	-	1,027,754	286,030
Unassigned	12,950,647	-	-
Total Fund Balance	12,998,741	1,027,754	286,030
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 13,894,490	$ 1,131,009	$ 298,719

Exhibit C-1

Economic Development Fund	Total General Funds
$ 1,663,861	$ 5,736,955
-	9,895,465
-	-
-	231,814
-	990,628
-	85,123
-	48,094
$ 1,663,861	$ 16,988,079
$ 33	$ 429,694
-	236,685
-	-
-	4,418
33	670,797
-	194,692
-	103,237
-	43,000
-	340,929
-	48,094
1,663,828	2,977,612
-	12,950,647
1,663,828	15,976,353
$ 1,663,861	$ 16,988,079

CITY OF PLAINVIEW, TEXAS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - General Funds
Year Ended September 30, 2015

	General Fund	Capital Improvement Fund	Street Improvement Fund
REVENUES			
Taxes:			
Property taxes	$ 4,673,712	$ -	$ -
Sales and use taxes	4,237,638	-	-
Selective sales and use taxes	43,184	-	-
Franchise tax	1,425,060	-	-
Penalty and interest on taxes	77,588	-	-
Licenses and permits	121,432	-	-
Intergovernmental revenue and grants	202,829	-	-
Charges for services	646,425	-	-
Fines and fees	342,244	-	-
Investment earnings	34,399	3,285	739
Rents and royalties	500	-	-
Contributions and donations	-	31,050	-
Other revenue	133,451	-	196
Total Revenues	11,938,462	34,335	935
EXPENDITURES			
Current			
General government - administration	934,391	283,547	-
General government - other	523,637	-	-
Public safety	7,399,843	-	-
Public works	684,113	-	-
Health	401,300	-	-
Recreation and culture	1,054,980	-	-
Capital outlay	699,324	355,838	16,337
Total Expenditures	11,697,588	639,385	16,337
Excess (Deficiency) of Revenue over Expenditures	240,874	(605,050)	(15,402)
OTHER FINANCING SOURCES (USES)			
Transfers in	699,721	-	-
Transfers out	(560,000)	-	-
Total Other Financing Sources (Uses)	139,721	-	-
Net Change in Fund Balance	380,595	(605,050)	(15,402)
Fund Balance - October 1	12,618,146	1,632,804	301,432
Fund Balance - September 30	$ 12,998,741	$ 1,027,754	$ 286,030

Economic Development Fund	Elimination	Total General Funds
$ -	$ -	$ 4,673,712
-	-	4,237,638
-	-	43,184
-	-	1,425,060
-	-	77,588
-	-	121,432
-	-	202,829
-	-	646,425
-	-	342,244
2,697	-	41,120
-	-	500
-	-	31,050
-	-	133,647
2,697	-	11,976,429
95,583	-	1,313,521
-	-	523,637
-	-	7,399,843
-	-	684,113
-	-	401,300
-	-	1,054,980
-	-	1,071,499
95,583	-	12,448,893
(92,886)	-	(472,464)
575,000	(530,000)	744,721
-	530,000	(30,000)
575,000	-	714,721
482,114	-	242,257
1,181,714	-	15,734,096
$ 1,663,828	$ -	$ 15,976,353

CITY OF PLAINVIEW, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015

	Hotel - Motel Occupancy Tax Fund	Police Seizure Fund	Federal Shared Forfeited Fund	Police Pending Seizures Fund
ASSETS				
Taxes receivable	$ 39,299	$ -	$ -	$ -
Due from other governments	-	-	-	-
Restricted cash and cash equivalents	771,270	45,487	3,959	448
Total Assets	$ 810,569	$ 45,487	$ 3,959	$ 448
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 1,545	$ -	$ -	$ 448
Wages payable	-	-	-	-
Total Liabilities	1,545	-	-	448
Fund Balances				
Restricted	809,024	45,487	3,959	-
Total Fund Balances	809,024	45,487	3,959	-
TOTAL LIABILITIES AND FUND BALANCE	$ 810,569	$ 45,487	$ 3,959	$ 448

Exhibit C-3

RSVP Fund	Municipal Court Security Fee Fund	Municipal Court Technology Fund	PEG Fund	HRA Home RSP 2011 Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 9,818	$ -	$ 49,117
5,900	-	-	-	232,666	238,566
2,611	23,032	40,525	41,988	(9,822)	919,498
$ 8,511	$ 23,032	$ 40,525	$ 51,806	$ 222,844	$ 1,207,181
$ 6,854	$ -	9,744	$ -	222,844	$ 241,435
1,657	-	-	-	-	1,657
8,511	-	9,744	-	222,844	243,092
-	23,032	30,781	51,806	-	964,089
-	23,032	30,781	51,806	-	964,089
$ 8,511	$ 23,032	$ 40,525	$ 51,806	$ 222,844	$ 1,207,181

CITY OF PLAINVIEW, TEXAS
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended September 30, 2015

	Hotel - Motel Occupancy Tax Fund	Police Seizure Fund	Federal Shared Forfeited Fund	Police Pending Seizures Fund
REVENUE				
Selective sales and use tax	$ 391,324	$ -	$ -	$ -
Intergovernmental revenue and grants	-	-	-	-
Fines, forfeitures and fees	-	15,426	-	-
Investment earnings	1,457	-	-	-
Contributions and donations	-	-	-	-
Other revenue	313	-	-	-
Total Revenues	393,094	15,426	-	-
EXPENDITURES				
Current				
General government - administration	155,927	-	-	-
General government - other	-	-	-	-
Public safety	-	29,999	1,184	-
Capital outlay	22,797	-	-	-
Total Expenditures	178,724	29,999	1,184	-
Excess (Deficiency) of Revenues over Expenditures	214,370	(14,573)	(1,184)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(31,000)	-	-	-
Total Other Financing Sources (Uses)	(31,000)	-	-	-
Net Change in Fund Balance	183,370	(14,573)	(1,184)	-
Fund Balance - October 1	625,654	60,060	5,143	-
Fund Balance - September 30	$ 809,024	$ 45,487	$ 3,959	$ -

RSVP Fund	Municipal Court Security Fee Fund	Municipal Court Technology Fund	PEG Fund	HRA Home RSP 2011 Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 391,324
68,374	-	-		251,835	320,209
-	7,980	10,554	39,437	-	73,397
-	-	-	38	-	1,495
6,856	-	-	-	-	6,856
-	-	-	-	189	502
75,230	7,980	10,554	39,475	252,024	793,783
-	-	-	-	252,024	407,951
74,925	-	10,348	-	-	85,273
-	-	-	-	-	31,183
1,034	-	17,162	-	-	40,993
75,959	-	27,510	-	252,024	565,400
(729)	7,980	(16,956)	39,475	-	228,383
729	-	-	-	-	729
-	-	-	-	-	(31,000)
729	-	-	-	-	(30,271)
-	7,980	(16,956)	39,475	-	198,112
-	15,052	47,737	12,331	-	765,977
$ -	$ 23,032	$ 30,781	$ 51,806	$ -	$ 964,089

Exhibit D-1

CITY OF PLAINVIEW, TEXAS

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Hotel-Motel Occupancy Tax Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
REVENUE				
Selective sales and use tax	$ 250,000	$ 250,000	$ 391,324	$ 141,324
Investment earnings	650	650	1,457	807
Other revenue	-	-	313	313
Total Revenues	250,650	250,650	393,094	142,444
EXPENDITURES				
Current				
General government - administration	175,180	175,180	155,927	19,253
Capital outlay	327,000	327,000	22,797	304,203
Total Expenditures	502,180	502,180	178,724	323,456
Excess (Deficiency) of Revenue over Expenditures	(251,530)	(251,530)	214,370	465,900
OTHER FINANCING SOURCES (USES)				
Transfers out	(31,000)	(31,000)	(31,000)	-
Total Other Financing Sources (Uses)	(31,000)	(31,000)	(31,000)	-
Net Change in Fund Balance	(282,530)	(282,530)	183,370	465,900
Fund Balance - October 1	625,654	625,654	625,654	-
Fund Balance - September 30	$ 343,124	$ 343,124	$ 809,024	$ 465,900

CITY OF PLAINVIEW, TEXAS **Exhibit D-2**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Seizure Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Fines, forfeitures and fees	$ 4,000	$ 4,000	$ 15,426	$ 11,426
Total Revenues	4,000	4,000	15,426	11,426
EXPENDITURES				
Current				
Public safety	3,600	3,600	29,999	(26,399)
Capital outlay	50,000	50,000	-	50,000
Total Expenditures	53,600	53,600	29,999	23,601
Excess (Deficiency) of Revenue over Expenditures	(49,600)	(49,600)	(14,573)	35,027
Fund Balance - October 1	60,060	60,060	60,060	-
Fund Balance - September 30	$ 10,460	$ 10,460	$ 45,487	$ 35,027

Exhibit D-3

CITY OF PLAINVIEW, TEXAS
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Federal Shared Forfeited Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Other revenue	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Current				
Public safety			1,184	(1,184)
Capital outlay	2,420	2,420	-	2,420
Total Expenditures	2,420	2,420	1,184	1,236
Excess (Deficiency) of Revenue over Expenditures	(2,420)	(2,420)	(1,184)	1,236
Fund Balance - October 1	5,143	5,143	5,143	-
Fund Balance - September 30	$ 2,723	$ 2,723	$ 3,959	$ 1,236

CITY OF PLAINVIEW, TEXAS **Exhibit D-4**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - RSVP Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Intergovernmental revenue and grants	$ 66,815	$ 66,815	$ 68,374	$ 1,559
Contributions and donations	26,785	26,785	6,856	(19,929)
Total Revenues	93,600	93,600	75,230	(18,370)
EXPENDITURES				
Current				
General government - other	93,600	94,677	74,925	19,752
Capital outlay	-	-	1,034	(1,034)
Total Expenditures	93,600	94,677	75,959	18,718
Excess (Deficiency) of Revenue over Expenditures	-	(1,077)	(729)	348
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	729	729
Total Other Financing Sources (Uses)	-	-	729	729
Net Change in Fund Balance	-	(1,077)	-	1,077
Fund Balance - October 1	-	-	-	-
Fund Balance - September 30	$ -	$ (1,077)	$ -	$ 1,077

CITY OF PLAINVIEW, TEXAS **Exhibit D-5**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Municipal Court Security Fee Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Fines, forfeitures and fees	$ 7,000	$ 7,000	$ 7,980	$ 980
Total Revenues	7,000	7,000	7,980	980
EXPENDITURES				
Current				
General government - other	10,000	10,000	-	10,000
Total Expenditures	10,000	10,000	-	10,000
Excess (Deficiency) of Revenue over Expenditures	(3,000)	(3,000)	7,980	10,980
Fund Balance - October 1	15,052	15,052	15,052	-
Fund Balance - September 30	$ 12,052	$ 12,052	$ 23,032	$ 10,980

CITY OF PLAINVIEW, TEXAS

Exhibit D-6

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Municipal Court Technology Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Fines, forfeitures and fees	$ 8,500	$ 8,500	$ 10,554	$ 2,054
Total Revenues	8,500	8,500	10,554	2,054
EXPENDITURES				
Current				
General government - other	1,000	1,000	10,348	(9,348)
Capital outlay	40,000	40,000	17,162	22,838
Total Expenditures	41,000	41,000	27,510	13,490
Excess (Deficiency) of Revenue over Expenditures	(32,500)	(32,500)	(16,956)	15,544
Fund Balance - October 1	47,737	47,737	47,737	-
Fund Balance - September 30	$ 15,237	$ 15,237	$ 30,781	$ 15,544

CITY OF PLAINVIEW, TEXAS **Exhibit D-7**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - PEG Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
REVENUE				
Fines, forfeitures and fees	$ 1,200	$ 1,200	$ 39,437	$ 38,237
Investment earnings	5	5	38	33
Total Revenues	1,205	1,205	39,475	38,270
EXPENDITURES				
General government - administration	1,600	1,600	-	1,600
Total Expenditures	1,600	1,600	-	1,600
Excess (Deficiency) of Revenue over Expenditures	(395)	(395)	39,475	39,870
Fund Balance - October 1	12,331	12,331	12,331	-
Fund Balance - September 30	$ 11,936	$ 11,936	$ 51,806	$ 39,870

CITY OF PLAINVIEW, TEXAS **Exhibit D-8**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - HRA - HOME RSP 2011
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Intergovernmental revenue and grants	$ 300,000	$ 482,430	$ 251,835	$ (230,595)
Other revenues	-	-	189	189
Total Revenues	300,000	482,430	252,024	(230,406)
EXPENDITURES				
General government - administration	300,000	482,610	252,024	230,586
Total Expenditures	300,000	482,610	252,024	230,586
Excess (Deficiency) of Revenue over Expenditures	-	(180)	-	180
Fund Balance - October 1	-	-	-	-
Fund Balance - September 30	$ -	$ (180)	$ -	$ 180

CITY OF PLAINVIEW, TEXAS **Exhibit D-9**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Capital Improvement Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Intergovernmental revenue and grants	$ -	$ -	$ 31,050	$ 31,050
Investment earnings	2,300	2,300	3,285	985
Total Revenues	2,300	2,300	34,335	32,035
EXPENDITURES				
Current				
General government - administration	105,000	105,000	283,547	(178,547)
Capital outlay	1,045,000	1,098,590	355,838	742,752
Total Expenditures	1,150,000	1,203,590	639,385	564,205
Excess (Deficiency) of Revenue over Expenditures	(1,147,700)	(1,201,290)	(605,050)	596,240
Fund Balance - October 1	1,632,804	1,632,804	1,632,804	-
Fund Balance - September 30	$ 485,104	$ 431,514	$ 1,027,754	$ 596,240

CITY OF PLAINVIEW, TEXAS **Exhibit D-10**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Street Improvement Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Investment earnings	$ 500	$ 500	$ 739	$ 239
Other revenue	-	-	196	196
Total Revenues	500	500	935	435
EXPENDITURES				
Current				
Capital outlay	150,000	150,000	16,337	133,663
Total Expenditures	150,000	150,000	16,337	133,663
Excess (Deficiency) of Revenue over Expenditures	(149,500)	(149,500)	(15,402)	134,098
Fund Balance - October 1	301,432	301,432	301,432	-
Fund Balance - September 30	$ 151,932	$ 151,932	$ 286,030	$ 134,098

CITY OF PLAINVIEW, TEXAS **Exhibit D-11**

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Economic Development Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget
	Original	Final		
REVENUE				
Investment earnings	$ 1,500	$ 1,500	$ 2,697	$ 1,197
Total Revenues	1,500	1,500	2,697	1,197
EXPENDITURES				
Current				
General government - administration	130,000	130,000	95,583	34,417
Total Expenditures	130,000	130,000	95,583	34,417
Excess (Deficiency) of Revenue over Expenditures	(128,500)	(128,500)	(92,886)	35,614
OTHER FINANCING SOURCES (USES)				
Transfer in	75,000	575,000	575,000	-
Total Other Financing Sources (Uses)	75,000	575,000	575,000	-
Net Change in Fund Balance	(53,500)	446,500	482,114	35,614
Fund Balance - October 1	1,181,714	1,181,714	1,181,714	-
Fund Balance - September 30	$ 1,128,214	$ 1,628,214	$ 1,663,828	$ 35,614

PLAINVIEW, TX

explore the opportunities

CITY OF PLAINVIEW, TEXAS
Combining Statement of Net Position
Internal Service Funds
September 30, 2015

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 97,930	$ 606,503	$ 1,045,102
Investments	-	1,214,606	809,737
Accounts receivable, net	268	-	-
Other assets	-	-	-
Inventories	-	-	-
Total current assets	98,198	1,821,109	1,854,839
Noncurrent Assets:			
Capital assets:			
Depreciable, net	-	2,422,999	-
Total noncurrent assets	-	2,422,999	-
Total Assets	98,198	4,244,108	1,854,839
DEFERRED OUTFLOWS OF RESOURCES			
Pensions			
Total Deferred Outflows of Resources	-	-	-
LIABILITIES			
Current Liabilities:			
Accounts payable	-	12,563	-
Wages payable	-	-	-
Total current liabilities	-	12,563	-
Noncurrent Liabilities:			
Noncurrent portion of long-term liabilities			
Net pension liability	-	-	-
Net other postemployment benefits obligation	-	-	-
Total noncurrent liabilities	-	-	-
Total Liabilities	-	12,563	-
Deferred Inflows of Resources			
Pensions			
Total Deferred Inflows of Resources	-	-	-
NET POSITION			
Investment in capital assets	-	2,422,999	-
Unrestricted	98,198	1,808,546	1,854,839
Total Net Position	$ 98,198	$ 4,231,545	$ 1,854,839

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
$ 1,125,932	$ 21,444	$ 168,983	$ 3,065,894
779,180	-	-	2,803,523
12,838	-	2	13,108
1,235	8,482	-	9,717
-	-	42,406	42,406
1,919,185	29,926	211,391	5,934,648
-	-	1,170	2,424,169
-	-	1,170	2,424,169
1,919,185	29,926	212,561	8,358,817
		348	348
-	-	348	348
131,411	105	1,791	145,870
-	-	4,262	4,262
131,411	105	6,053	150,132
-	-	979	979
914,786	-	-	914,786
914,786	-	979	915,765
1,046,197	105	7,032	1,065,897
		77	77
-	-	77	77
-	-	1,170	2,424,169
872,988	29,821	204,630	4,869,022
$ 872,988	$ 29,821	$ 205,800	$ 7,293,191

CITY OF PLAINVIEW, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Internal Service Funds

Year Ended September 30, 2015

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
OPERATING REVENUES			
Charges for services	$ 9,950	$ 610,111	$ 207,086
Other revenue	54	-	-
Total Operating Revenues	10,004	610,111	207,086
OPERATING EXPENSES			
Personnel services - salaries and wages	-	-	-
Personnel services - employee benefits	-	-	-
Purchased professional & technical services	670	-	-
Purchased property services	-	47,935	-
Other operating expenses	-	-	96,340
Supplies	-	-	-
Depreciation and amortization	-	535,940	-
Total Operating Expenses	670	583,875	96,340
Operating Income (Loss)	9,334	26,236	110,746
NONOPERATING REVENUES (EXPENSES)			
Loss on disposition of property	-	-	-
Investment earnings	-	5,163	4,422
Total Nonoperating Revenues (Expenses)	-	5,163	4,422
Income (Loss) Before Transfers	9,334	31,399	115,168
Transfer in	-	-	-
Transfers out	-	-	(109,583)
Total Transfers	-	-	(109,583)
Change in Net Position	9,334	31,399	5,585
Net Position - October 1, restated	88,864	4,200,146	1,849,254
Net Position - September 30	$ 98,198	$ 4,231,545	$ 1,854,839

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
$ 1,666,645	$ 31,339	$ 38,425	$ 2,563,556
30,719	654	-	31,427
1,697,364	31,993	38,425	2,594,983
-	-	6,014	6,014
-	-	1,066	1,066
47,392	890	-	48,952
-	-	27,619	75,554
2,236,845	31,952	8,335	2,373,472
-	-	26,696	26,696
-	-	11,444	547,384
2,284,237	32,842	81,174	3,079,138
(586,873)	(849)	(42,749)	(484,155)
-	-	(1,055)	(1,055)
3,751	5	-	13,341
3,751	5	(1,055)	12,286
(583,122)	(844)	(43,804)	(471,869)
-	-	81,100	81,100
(134,850)	-	-	(244,433)
(134,850)	-	81,100	(163,333)
(717,972)	(844)	37,296	(635,202)
1,590,960	30,665	168,504	7,928,393
$ 872,988	$ 29,821	$ 205,800	$ 7,293,191

CITY OF PLAINVIEW, TEXAS
Combining Statement of Cash Flows
Internal Service Funds
Year Ended September 30, 2015

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash from operating transactions - other funds	$ 9,736	$ 610,111	$ 210,558
Cash payments to employees for services	-	-	-
Cash payments for goods and services	(3,676)	(47,972)	(104,085)
Other operating cash receipts	-	-	-
Net Cash Provided (Used) by Operating Activities	6,060	562,139	106,473
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	(109,583)
Net Cash (Used) Provided by Noncapital Financing Activities	-	-	(109,583)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(794,372)	-
Net Cash (Used) by Capital and Related Financing Activities	-	(794,372)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(3,522)	(2,293)
Interest on investments	-	5,286	4,541
Net Cash Provided (Used) by Investing Activities	-	1,764	2,248
Net Increase (Decrease) in Cash and Cash Equivalents	6,060	(230,469)	(862)
Cash and Cash Equivalents - October 1	91,870	836,972	1,045,964
Cash and Cash Equivalents - September 30	$ 97,930	$ 606,503	$ 1,045,102

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
$ 1,835,470	$ 22,857	$ 38,423	$ 2,727,155
-	-	(2,919)	(2,919)
(2,194,463)	(35,676)	(63,091)	(2,448,963)
30,719	654	-	31,373
(328,274)	(12,165)	(27,587)	306,646
550,000	-	81,100	631,100
(134,850)	-	-	(244,433)
415,150	-	81,100	386,667
-	-	-	(794,372)
-	-	-	(794,372)
(2,058)	-	-	(7,873)
3,871	5	-	13,703
1,813	5	-	5,830
88,689	(12,160)	53,513	(95,229)
1,037,243	33,604	115,470	3,161,123
$ 1,125,932	$ 21,444	$ 168,983	$ 3,065,894

CITY OF PLAINVIEW, TEXAS
Combining Statement of Cash Flows
Internal Service Funds
Year Ended September 30, 2015

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 9,334	$ 26,236	$ 110,746
Adjustments to reconcile operating income to net cash			
Provided (used) by operating activities			
Depreciation and amortization	-	535,940	-
(Increase) decrease in operating assets and liabilities:			
Accounts receivable (net)	(268)	-	3,472
Prepaid expense	-	-	-
Inventories	-	-	-
Accounts payable	(3,006)	(37)	(7,745)
Wages payable	-	-	-
Net other postemployment benefits obligation	-	-	-
Net pension liability	-	-	-
Deferred Outflows - pensions	-	-	-
Deferred Inflows - pensions	-	-	-
Accrued compensated absences	-	-	-
Net Cash Provided (Used) by Operating Activities	$ 6,060	$ 562,139	$ 106,473

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
$ (586,873)	$ (849)	$ (42,749)	$ (484,155)
-	-	11,444	547,384
170,060	-	(2)	173,262
(1,235)	(8,482)	-	(9,717)
-	-	1,368	1,368
(45,076)	(2,834)	(1,809)	(60,507)
-	-	4,262	4,262
134,850	-	-	134,850
-	-	77	77
-	-	429	429
-	-	11	11
-	-	(618)	(618)
$ (328,274)	$ (12,165)	$ (27,587)	$ 306,646

PLAINVIEW, TX

explore the opportunities

Capital Assets -
Governmental Funds

CITY OF PLAINVIEW, TEXAS **Exhibit F-1**

Schedule of Capital Assets Used in the Operation
Of Governmental Funds by Sources*
September 30, 2015

Capital Assets Used in the Operation of Governmental Funds:		
Land		$ 771,553
Buildings		3,556,022
Improvements other than buildings		18,032,705
Machinery and equipment		3,024,926
Construction in progress		22,797
Total		$ 25,408,003
Investment in Capital Assets:		
Acquired prior to October 1, 1990		$ 10,338,327
Acquired after September 30, 1990		
General fund		
General revenues	$ 3,128,439	
Capital improvements	4,105,237	
Street improvements	6,566,541	
Special revenue funds		
Hotel/Motel tax fund	569,054	
Police seizure	24,449	
Homeland security grant	333,527	
RSVP fund	5,784	
SECO grant	84,346	
Justice assistance grant	129,116	
Criminal justice division equipment grant	10,186	
Municipal court security fund	55,861	
Municipal court technology fund	57,136	
		15,069,676
Total		$ 25,408,003

* 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 **Exhibit F-2**

Schedule of Capital Assets Used in the Operation
Of Governmental Funds by Function and Activity*
For the Year Ended September 30, 2015

	Land		Buildings		Improvements Other Than Buildings	
From General Fund						
General government	$	668,255	$	592,051	$	7,265,414
Police				247,676		10,500
Fire / EMS				257,252		10,423
Traffic and Safety						64,810
Animal control				149,754		11,739
Civil defense		10,500		168,599		
Engineering						
Street				16,223		
Recreation				50,490		497,145
Library				326,135		
Health						
Capital improvement fund		70,215		1,161,040		2,706,774
Street improvement fund		18,503		-		7,465,900
Total General Fund		767,473		2,969,220		18,032,705
From Special Revenue Funds						
Hotel/Motel tax fund	$	4,080	$	506,969	$	-
Police seizure fund						
Homeland security grant						
RSVP fund						
SECO grant				73,640		
Justice assistance grant						
Criminal justice division equipment grant						
Municipal court security fund				6,193		
Municipal court technology fund		-		-		-
Total Special Revenue Funds	$	4,080	$	586,802	$	-
Total	$	771,553	$	3,556,022	$	18,032,705

* 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.

Exhibit F-2

Machinery and Equipment	Construction in Progress	Total
$ 190,036	$ -	$ 8,715,756
342,570		600,746
525,373		793,048
216,432		281,242
5,082		166,575
8,195		187,294
8,848		8,848
380,240		396,463
366,972		914,607
128,695		454,830
28,059		28,059
167,208		4,105,237
1,435	-	7,485,838
2,369,145	-	24,138,543
$ 35,209	$ 22,797	$ 569,055
24,449		24,449
333,527		333,527
5,784		5,784
10,706		84,346
129,116		129,116
10,186		10,186
49,668		55,861
57,136	-	57,136
$ 655,781	$ 22,797	$ 1,269,460
$ 3,024,926	$ 22,797	$ 25,408,003

CITY OF PLAINVIEW, TEXAS

Exhibit F-3

Schedule of Changes in Capital Assets Used in the Operation
Of Governmental Funds by Function and Activity*
For the Year Ended September 30, 2015

	Capital Assets 9/30/14	Additions (Deletions)	Capital Assets 9/30/15
From General Fund			
General government	$ 8,240,777	$ 474,979	$ 8,715,756
Police	541,084	59,662	600,746
Fire / EMS	778,165	14,883	793,048
Traffic and safety	281,242		281,242
Animal control	166,575		166,575
Civil defense	188,057	(763)	187,294
Engineering	8,848		8,848
Street	396,463		396,463
Recreation	842,759	71,848	914,607
Library	454,830		454,830
Health	30,244	(2,185)	28,059
Capital improvements	3,751,762	353,475	4,105,237
Street improvements	5,409,214	2,076,624	7,485,838
Total General Fund	$ 21,090,020	$ 3,048,523	$ 24,138,543
From Special Revenue Funds			
Hotel/Motel tax fund	$ 550,250	$ 18,805	$ 569,055
Police seizure fund	24,449		24,449
Homeland security grant	333,527		333,527
LLEBG grant	-		-
RSVP fund	4,751	1,033	5,784
SECO grant	84,346		84,346
Justice assistance grant	134,936	(5,820)	129,116
Criminal justice division equipment grant	10,186		10,186
Municipal court security fund	55,861		55,861
Municipal court technology fund	44,154	12,982	57,136
Total Special Revenue Funds	$ 1,242,460	$ 27,000	$ 1,269,460
Total	$ 22,332,480	$ 3,075,523	$ 25,408,003

* 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. accumulated depreciation is not included in this schedule.

Debt Service
Requirements

DEBT SERVICE REQUIREMENTS – SCHEDULES OF MATURITIES

Water and Sewer Utility Fund **Exhibit G-1**

General Obligation Refunding Bonds, Series 2009
Debt Service Requirements
Schedule of Maturities
2016-2021

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
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		$ 3,920,000	$ 418,378	$ 4,338,378
Annual Average Requirements		$ 653,333	$ 69,730	$ 723,063

Proceeds used for construction of a Water Reclamation and Treatment Facility

Water and Sewer Utility Fund **Exhibit G-2**

Tax and Waterworks and Sewer System Revenue
Certificates of Obligation, Series 2010
Debt Service Requirements
Schedule of Maturities
2016-2030

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 7,495,000	$ 395,000	$ 240,230	$ 635,230
2017	7,100,000	395,000	228,380	623,380
2018	6,705,000	410,000	216,305	626,305
2019	6,295,000	430,000	203,705	633,705
2020	5,865,000	430,000	190,805	620,805
2021	5,435,000	450,000	177,605	627,605
2022	4,985,000	465,000	163,880	628,880
2023	4,520,000	480,000	149,465	629,465
2024	4,040,000	515,000	133,785	648,785
2025	3,525,000	535,000	116,717	651,717
2026	2,990,000	550,000	98,540	648,540
2027	2,440,000	570,000	79,215	649,215
2028	1,870,000	600,000	58,440	658,440
2029	1,270,000	620,000	36,170	656,170
2030	650,000	650,000	12,350	662,350
Total		$ 7,495,000	$ 2,105,592	$ 9,600,592
Annual Average Requirements		$ 499,667	$ 140,373	$ 640,039

Proceeds used for construction of 2 Water Towers, Sewer Lift Station and Hwy 70 Water and Sewer Line Relocation.

Water and Sewer Utility Fund

Water Supply Contract Obilgation
Contract Revenue Bonds, Series 1999
and Series 2010 Refunding
(CRMWA Prepayment of USBR Debt)
Debt Service Requirements
Schedule of Maturities
2016-2018

Exhibit G-3

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 223,627	$ 55,276	$ 7,267	$ 62,543
2017	168,351	56,790	5,608	62,398
2018	111,561	111,561	3,905	115,466
Total		$ 223,627	$ 16,780	$ 240,407
Annual Average Requirements		$ 74,542	$ 5,593	$ 80,136

Water and Sewer Utility Fund **Exhibit G-4**

Water Supply Contract Obilgation
Contract Revenue Bonds, Series 2005 refunded Series 2012
(CRMWA Conjuctive Use Groundwater Supply Project)
Debt Service Requirements
Schedule of Maturities
2016-2025

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 1,604,059	$ 42,539	$ 78,887	$ 121,426
2017	1,561,520	44,250	77,266	121,516
2018	1,517,270	46,058	75,676	121,734
2019	1,471,212	48,110	73,561	121,671
2020	1,423,102	168,178	71,155	239,333
2021	1,254,924	260,856	62,746	323,602
2022	994,068	274,099	49,704	323,803
2023	719,969	288,100	35,998	324,098
2024	431,869	302,980	21,593	324,573
2025	128,889	128,888	6,444	135,332
Total		$ 1,604,058	$ 553,030	$ 2,157,088
Annual Average Requirements		$ 160,406	$ 55,303	$ 215,709

Water and Sewer Utility Fund **Exhibit G-5**

Water Supply Contract Obilgation
Contract Revenue Bonds, Series 2006 (Defeased 2/15/2016)
(CRMWA Conjuctive Use Groundwater Supply Project)
Debt Service Requirements
Schedule of Maturities
2016

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 34,401	$ 34,401	$ 1,720	$ 36,121
Total		$ 34,401	$ 1,720	$ 36,121
Annual Average Requirements		$ 34,401	$ 1,720	$ 36,121

Water and Sewer Utility Fund **Exhibit G-6**

Water Supply Contract Obilgation
Contract Revenue Bonds, Series 1999 Remainder
and Series 2010 Refunding
(CRMWA Conjuctive Use Groundwater Supply Project)
Debt Service Requirements
Schedule of Maturities
2016-2020

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 142,930	$ 23,921	$ 4,831	$ 28,752
2017	119,009	24,564	4,114	28,678
2018	94,445	25,455	3,304	28,759
2019	68,990	44,701	2,413	47,114
2020	24,289	24,289	848	25,137
Total		$ 142,930	$ 15,510	$ 158,440
Annual Average Requirements		$ 28,586	$ 3,102	$ 31,688

Water and Sewer Utility Fund **Exhibit G-7**

Water Supply Contract Obilgation
Subordinate Lien Contract Revenue Bonds, Series 2011
(CRMWA Conjuctive Use Groundwater Supply Project)
Debt Service Requirements
Schedule of Maturities
2016-2031

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 2,649,496	$ 121,447	$ 125,039	$ 246,486
2017	2,528,049	127,482	118,966	246,448
2018	2,400,567	133,019	113,456	246,475
2019	2,267,548	139,241	107,237	246,478
2020	2,128,307	145,338	101,218	246,556
2021	1,982,969	152,120	94,422	246,542
2022	1,830,849	159,524	86,970	246,494
2023	1,671,325	167,363	79,072	246,435
2024	1,503,962	175,762	70,704	246,466
2025	1,328,200	184,597	61,915	246,512
2026	1,143,603	193,805	52,686	246,491
2027	949,798	203,511	42,995	246,506
2028	746,287	213,154	33,381	246,535
2029	533,133	222,051	24,446	246,497
2030	311,082	232,379	14,065	246,444
2031	78,703	78,703	3,439	82,142
Total		$ 2,649,496	$ 1,130,011	$ 3,779,507
Annual Average Requirements		$ 165,594	$ 70,626	$ 236,219

Water and Sewer Utility Fund **Exhibit G-8**

Water Supply Contract Obilgation
Contract Revenue Bonds, Series 2009
(CRMWA Conjuctive Use Groundwater Supply Project)
Debt Service Requirements
Schedule of Maturities
2016-2029

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 614,798	$ 32,604	$ 26,546	$ 59,150
2017	582,194	33,896	25,242	59,138
2018	548,298	35,311	23,886	59,197
2019	512,987	36,910	22,474	59,384
2020	476,077	38,694	20,748	59,442
2021	437,383	40,540	18,813	59,353
2022	396,843	42,262	17,060	59,322
2023	354,581	43,923	15,370	59,293
2024	310,658	45,707	15,407	61,114
2025	264,951	47,675	11,746	59,421
2026	217,276	49,829	9,681	59,510
2027	167,447	52,166	7,488	59,654
2028	115,281	82,740	5,178	87,918
2029	32,541	32,541	1,465	34,006
Total		$ 614,798	$ 221,104	$ 835,902
Annual Average Requirements		$ 43,914	$ 15,793	$ 59,707

Water and Sewer Utility Fund **Exhibit G-9**

Water Supply Contract Obilgation
Subordinate Lien Contract Revenue Refunding Bonds, Series 2014
(CRMWA Conjuctive Use Groundwater Supply Project - Refunding 2005 and 2006 Issues)
Debt Service Requirements
Schedule of Maturities
2016-2027

Fiscal Year	Outstanding Debt Beginning of Year	Principal	Interest	Total
2016	$ 1,715,208	$ 174,759	$ 80,523	$ 255,282
2017	1,540,449	213,822	75,280	289,102
2018	1,326,627	223,756	66,331	290,087
2019	1,102,871	235,048	55,144	290,192
2020	867,823	154,922	43,391	198,313
2021	712,901	97,104	35,645	132,749
2022	615,797	101,902	30,790	132,692
2023	513,895	106,916	25,695	132,611
2024	406,979	112,406	20,349	132,755
2025	294,573	118,127	14,729	132,856
2026	176,446	123,849	8,822	132,671
2027	52,597	52,597	2,630	55,227
Total		$ 1,715,208	$ 459,329	$ 2,174,537
Annual Average Requirements		$ 142,934	$ 38,277	$ 181,211

General Information

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 *
Governmental activities										
Invested in capital assets, net of related debt	$ 8,148,900	$ 7,922,852	$ 9,159,664	$ 9,088,340	$ 8,878,102	$ 8,917,698	$ 8,858,640	$ 8,755,160	$ 8,037,890	$ 10,764,547
Restricted	673,728	762,030	885,322	858,657	708,954	719,471	809,694	736,423	765,977	964,089
Unrestricted	13,068,762	14,859,033	16,374,882	17,052,397	18,120,254	19,206,004	19,692,463	20,103,431	21,609,705	12,164,955
Total governmental activities net position	$ 21,891,390	$ 23,543,915	$ 26,419,868	$ 26,999,394	$ 27,707,310	$ 28,843,173	$ 29,360,797	$ 29,595,014	$ 30,413,572	$ 23,893,591
Business-type activities										
Invested in capital assets, net of related debt	$ 18,330,951	$ 19,118,182	$ 19,280,212	$ 19,352,797	$ 19,454,647	$ 19,250,791	$ 19,844,796	$ 21,674,455	$ 22,103,566	$ 23,864,986
Restricted	259,615	269,494	249,382	261,049	295,291	457,277	725,569	727,406	729,431	731,602
Unrestricted	8,198,944	8,782,742	9,824,587	10,700,804	11,878,515	13,940,331	15,460,905	14,123,242	14,452,916	13,319,932
Total business-type activities net position	$ 26,789,510	$ 28,170,418	$ 29,354,181	$ 30,314,650	$ 31,628,453	$ 33,648,399	$ 36,031,270	$ 36,525,103	$ 37,285,913	$ 37,916,520
Primary government										
Invested in capital assets, net of related debt	$ 26,479,851	$ 27,041,034	$ 28,439,876	$ 28,441,137	$ 28,332,749	$ 28,168,489	$ 28,703,436	$ 30,429,615	$ 30,141,456	$ 34,629,533
Restricted	933,343	1,031,524	1,134,704	1,119,706	1,004,245	1,176,748	1,535,263	1,463,829	1,495,408	1,695,691
Unrestricted	21,267,706	23,641,775	26,199,469	27,753,201	29,998,769	33,146,335	35,153,368	34,226,673	36,062,621	25,484,887
Total primary government net position	$ 48,680,900	$ 51,714,333	$ 55,774,049	$ 57,314,044	$ 59,335,763	$ 62,491,572	$ 65,392,067	$ 66,120,117	$ 67,699,485	$ 61,810,111

*The City implemented Gasb 68 during the fiscal year ending September 30, 2015 to record its net pension libility, deferred outflow of resources, and deferred inflows of resources for its pension plans. This information was not available for previous years, and accordingly, the financial inforamtion presended for previous fiscal years has not been restated.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 *
Expenses										
Governmental activities										
General government	$ 1,260,970	$ 1,204,382	$ 1,364,075	$ 1,814,265	$ 1,966,824	$ 1,762,080	$ 1,663,084	$ 2,216,373	$ 1,741,234	$ 2,257,021
Public safety	5,298,067	5,570,288	5,975,267	6,174,194	6,498,010	6,857,257	7,195,991	7,222,195	7,259,542	8,168,151
Public works	1,249,822	1,193,044	1,197,307	1,234,289	1,200,917	965,223	1,417,063	1,139,508	1,050,131	1,008,914
Health	351,502	335,592	386,649	422,516	400,138	458,362	415,163	620,373	525,068	413,803
Recreation and culture	966,803	911,388	1,013,098	1,208,656	1,148,095	1,260,092	1,198,777	1,215,322	1,315,218	1,219,629
Total government activities expenses	9,127,164	9,214,694	9,936,396	10,853,920	11,213,984	11,303,014	11,890,078	12,413,771	11,891,193	13,067,518
Business-type activities										
Solid waste management	1,991,817	1,957,093	2,201,151	2,325,580	2,520,166	2,573,083	2,416,578	2,556,595	2,417,951	2,506,886
Water and sewer	5,170,010	5,025,576	5,379,624	5,573,408	5,226,035	5,634,722	6,087,341	6,169,041	6,765,124	6,363,440
Theatre arts	31,848	38,315	32,388	39,376	37,434	39,255	37,899	33,725	46,169	36,512
Total business-type activities expenses	7,193,675	7,020,984	7,613,163	7,938,364	7,783,635	8,247,060	8,541,818	8,759,361	9,229,244	8,906,838
Total primary government expenses	$ 16,320,839	$ 16,235,678	$ 17,549,559	$ 18,792,284	$ 18,997,619	$ 19,550,074	$ 20,431,896	$ 21,173,132	$ 21,120,437	$ 21,974,356
Program revenues										
Governmental activities										
Charges for services										
General government	$ 181,134	$ 184,703	$ 205,781	$ 278,204	$ 260,553	$ 479,984	$ 400,227	$ 410,689	$ 426,245	$ 531,021
Public safety	534,098	560,576	701,235	656,572	660,570	546,086	444,024	527,576	581,150	466,488
Public works	-	-	-	-	-	-	-	-	-	-
Health	134,345	120,623	140,023	148,168	139,729	147,724	141,787	122,711	119,701	139,614
Recreation and culture	52,729	48,969	53,713	54,780	54,859	44,073	45,166	45,071	46,425	51,323
Operating grants and contributions	263,039	277,027	294,822	414,022	499,170	400,536	361,486	284,691	271,801	529,894
Capital grants and contributions	86,062	35,628	-	11,205	146,896	240,810	283,519	35,000	19,591	2,091,336
Total governmental activities program revenues	1,251,407	1,227,526	1,395,574	1,562,951	1,761,777	1,859,213	1,676,209	1,425,738	1,464,913	3,809,676
Business-type activities										
Charges for services										
Solid waste management	2,434,545	2,591,363	2,731,076	2,904,631	2,999,883	2,905,358	3,101,968	2,975,870	2,949,538	3,195,607
Water and sewer	5,656,733	5,435,089	5,852,233	6,037,512	6,097,265	7,615,276	7,920,904	6,972,714	7,538,997	7,217,371
Theatre arts	11,320	21,449	20,158	22,941	22,697	21,163	9,940	7,106	7,781	10,817
Operating grants and contributions	1,000	-	1,000	1,000	-	-	-	-	-	12,599
Capital grants and contributions	79,296	11,390	-	40,562	58,000	-	128,755	242,851	84,220	233,093
Total business-type activities program revenues	8,182,894	8,059,291	8,604,467	9,006,646	9,177,845	10,541,797	11,161,567	10,198,541	10,580,536	10,669,487
Total primary government program revenues	$ 9,434,301	$ 9,286,817	$ 10,000,041	$ 10,569,597	$ 10,939,622	$ 12,401,010	$ 12,837,776	$ 11,624,279	$ 12,045,449	$ 14,479,163

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 *
Net (expenses) / revenues										
Governmental activities	$ (7,875,757)	$ (7,987,168)	$ (8,540,822)	$ (9,290,969)	$ (9,452,207)	$ (9,443,801)	$ (10,213,869)	$ (10,988,033)	$ (10,426,280)	$ (9,257,842)
Business-type activities	989,219	1,038,307	991,304	1,068,282	1,394,210	2,294,737	2,619,749	1,439,180	1,351,292	1,762,649
Total primary government net expense	$ (6,886,538)	$ (6,948,861)	$ (7,549,518)	$ (8,222,687)	$ (8,057,997)	$ (7,149,064)	$ (7,594,120)	$ (9,548,853)	$ (9,074,988)	$ (7,495,193)
General revenues and other changes in net assets										
Governmental activities										
Taxes										
Property taxes	$ 3,459,565	$ 3,751,688	$ 3,777,277	$ 4,072,569	$ 4,121,886	$ 4,269,904	$ 4,286,822	$ 4,377,687	$ 4,662,566	$ 4,645,789
Sales taxes	3,066,386	3,428,684	3,523,496	3,489,461	3,533,785	3,688,408	3,790,688	3,829,054	3,864,922	4,237,638
Franchise taxes	1,012,923	923,477	1,391,824	1,151,056	1,393,606	1,397,897	1,347,673	1,344,875	1,463,657	1,425,060
Penalty and interest	57,051	60,334	61,680	75,689	75,093	75,788	86,664	83,552	91,107	77,588
Other taxes	249,567	292,902	322,021	282,371	296,271	318,044	341,798	349,135	325,207	434,508
Miscellaneous	99,221	30,416	39,827	66,226	107,740	70,018	137,196	328,539	145,607	140,649
Investment earnings	650,117	769,389	567,919	297,333	203,399	144,265	104,558	46,805	37,069	42,615
Special item	-	-	1,272,713	-	-	32,687	56,284	-	-	
Transfers	242,260	382,803	460,018	435,790	428,343	605,683	579,810	862,603	654,703	521,117
Total governmental activities	8,837,090	9,639,693	11,416,775	9,870,495	10,160,123	10,602,694	10,731,493	11,222,250	11,244,838	11,524,964
Business-type activities										
Investment earnings	384,840	445,198	319,079	178,213	228,396	113,624	87,932	53,593	38,149	41,928
Miscellaneous	259,902	280,206	333,397	149,764	119,542	217,268	136,938	79,585	76,691	48,435
Special and extraordinary items	-	-	-	-	-	-	118,062	-	-	
Gain on sale of capital assets	-	-	-	-	-	-	-	-	(50,619)	36,232
Transfers	(242,260)	(382,803)	(460,018)	(435,790)	(428,343)	(605,683)	(579,810)	(862,603)	(654,703)	(521,117)
Total business-type activities	402,482	342,601	192,458	(107,813)	(80,405)	(274,791)	(236,878)	(729,425)	(590,482)	(394,522)
Total primary government	$ 9,239,572	$ 9,982,294	$ 11,609,233	$ 9,762,682	$ 10,079,718	$ 10,327,903	$ 10,494,615	$ 10,492,825	$ 10,654,356	$ 11,130,442
Change in net position										
Governmental activities	$ 961,333	$ 1,652,525	$ 2,875,953	$ 579,526	$ 707,916	$ 1,158,893	$ 517,624	$ 234,217	$ 818,558	$ 2,267,122
Business-type activities	1,391,701	1,380,908	1,183,762	960,469	1,313,805	2,019,946	2,382,871	709,755	760,810	1,368,127
Total primary government	$ 2,353,034	$ 3,033,433	$ 4,059,715	$ 1,539,995	$ 2,021,721	$ 3,178,839	$ 2,900,495	$ 943,972	$ 1,579,368	$ 3,635,249

*The City implemented Gasb 68 during the fiscal year ending September 30, 2015 to record its net pension libility, deferred outflow of resources, and deferred inflows of resources for its pension plans. This information was not available for previous years, and accordingly, the financial inforamtion presended for previous fiscal years has not been restated.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund										
Nonspendable	$ 44,973	$ 44,460	$ 49,183	$ 43,829	$ 40,223	$ 42,453	$ 42,022	$ 38,470	$ 48,866	$ 48,094
Assigned	1,026,074	1,361,073	1,890,009	2,311,844	2,598,099	2,917,945	2,984,676	2,796,741	3,115,950	2,977,612
Unassigned	6,533,987	7,478,159	8,406,128	8,847,506	9,869,544	10,780,206	11,544,224	11,924,496	12,569,280	12,950,647
Total general fund	$ 7,605,034	$ 8,883,692	$ 10,345,320	$ 11,203,179	$ 12,507,866	$ 13,740,604	$ 14,570,922	$ 14,759,707	$ 15,734,096	$ 15,976,353
All other governmental funds										
Restricted	$ 286,989	$ 249,385	$ 211,258	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted, reported in										
Special revenue funds:										
Hotel occupancy tax fund	239,413	293,598	394,591	410,710	434,157	483,846	568,494	539,048	625,654	809,024
Revolving loan fund	91,542	150,322	197,083	296,929	114,758	115,501	116,351	45,882	-	-
Police seizure funds	8,243	6,452	4,682	69,145	58,938	34,343	55,385	66,298	65,203	49,446
Local law enforcement block grants	-	-	-	-	-	-	-	-	-	-
RSVP fund	60	-	-	-	-	-	-	-	-	-
Court security fee fund	29,573	35,017	39,332	41,849	48,875	33,787	40,304	46,432	15,052	23,032
Court technology fee fund	11,614	20,555	31,467	40,024	52,226	51,994	29,160	37,605	47,737	30,781
TLSAC library grant fund	6,354	6,701	6,909	-	-	-	-	-	-	-
Home program grant fund	-	-	32,621	47,621	-	-	-	-	-	-
PEG fund								1,158	12,331	51,806
JAG law enforcement grant funds	-	-	-	3,210	-	-	-	-	-	-
Total all other governmental funds	$ 673,788	$ 762,030	$ 917,943	$ 909,488	$ 708,954	$ 719,471	$ 809,694	$ 736,423	$ 765,977	$ 964,089

Schedule 4
City of Plainview
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes (see Schedule 5)	$ 7,854,623	$ 8,440,707	$ 9,067,033	$ 9,062,717	$ 9,417,000	$ 9,736,285	$ 9,900,447	$ 9,992,489	$ 10,397,981	$ 10,848,506
Licenses and permits	57,398	50,425	48,800	47,497	53,328	93,757	81,473	65,776	76,469	121,432
Intergovernmental	264,301	268,840	288,410	400,704	618,872	387,245	351,219	273,780	258,428	523,038
Charges for services	606,311	605,751	742,441	636,325	654,049	732,318	627,144	614,684	734,498	646,425
Fines	238,595	258,696	305,692	440,657	402,484	387,513	314,082	341,591	360,889	415,641
Investment earnings	433,018	518,355	388,711	219,224	154,808	108,277	79,479	46,805	37,069	42,615
Rents and Royalties	360	360	360	360	360	360	360	360	360	500
Contributions and donations	4,988	8,186	6,412	20,319	15,234	13,291	10,267	45,911	18,873	37,906
Other revenues	26,368	25,774	40,527	8,134	58,472	70,018	137,196	328,539	187,107	134,149
Total revenues	9,485,962	10,177,094	10,888,386	10,835,937	11,374,607	11,529,064	11,501,667	11,709,935	12,071,674	12,770,212
Expenditures										
General Government	1,220,384	1,196,732	1,314,345	1,718,989	1,836,624	1,649,313	1,530,785	2,114,446	1,733,808	2,330,382
Public safety	5,157,281	5,478,839	5,828,529	5,953,304	6,062,813	6,389,636	6,696,344	6,893,442	7,095,090	7,431,026
Public works	833,754	814,880	830,318	910,141	904,783	662,859	1,142,860	897,896	801,562	684,113
Health	357,498	341,897	381,296	406,096	389,144	419,261	405,574	377,067	369,804	401,300
Recreation and Culture	928,456	886,163	955,160	1,036,580	995,397	1,085,960	1,030,000	1,047,655	1,146,519	1,054,980
Capital outlay	431,418	225,289	171,215	165,660	291,537	521,325	357,832	86,867	167,276	1,112,492
Total expenditures	8,928,791	8,943,800	9,480,863	10,190,770	10,480,298	10,728,354	11,163,395	11,417,373	11,314,059	13,014,293
Excess of revenues over (under) expenditures	557,171	1,233,294	1,407,523	645,167	894,309	800,710	338,272	292,562	757,615	(244,081)
Other financing sources (uses)										
Sale of property	2,037	802	-	100	-	-	-	-	-	-
Transfers in	716,847	863,804	1,000,018	1,158,347	1,017,904	1,395,280	785,769	563,932	790,857	745,450
Transfers out	(586,007)	(731,000)	(790,000)	(954,210)	(808,061)	(952,735)	(203,500)	(740,980)	(544,529)	(61,000)
Total other financing sources (uses)	132,877	133,606	210,018	204,237	209,843	442,545	582,269	(177,048)	246,328	684,450
Net change in fund balances	$ 690,048	$ 1,366,900	$ 1,617,541	$ 849,404	$ 1,104,152	$ 1,243,255	$ 920,541	$ 115,514	$ 1,003,943	$ 440,369
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

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

Fiscal Year	Property	Sales & Use	Franchise	Occupancy	Mixed Beverage	Interest and Penalty	Total
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
2010	4,118,245	3,533,785	1,393,606	263,933	32,338	75,093	9,417,000
2011	4,256,148	3,688,408	1,397,897	282,670	35,374	75,788	9,736,285
2012	4,333,624	3,790,688	1,347,673	311,718	30,080	86,664	9,900,447
2013	4,385,873	3,829,054	1,344,875	321,718	27,417	83,552	9,992,489
2014	4,653,088	3,864,922	1,463,657	296,899	28,308	91,107	10,397,981
2015	4,673,712	4,237,638	1,425,060	391,324	43,184	77,588	10,848,506
Percent Change 2006-2015	34.7%	38.2%	40.7%	72.7%	88.4%	36.0%	38.1%

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
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
2010	535,517,490	191,231,337	112,155,171	112,877,410	726,026,588	0.5685
2011	553,758,570	194,864,064	110,147,649	120,318,815	738,451,468	0.5785
2012	562,212,709	203,686,243	107,244,019	124,849,328	748,293,643	0.5785
2013	573,318,449	202,986,230	109,325,033	128,471,037	757,158,675	0.5785
2014	575,850,019	209,670,673	96,690,063	128,572,126	753,638,629	0.6185
2015	580,460,871	225,574,773	97,012,823	131,372,562	771,675,905	0.6038

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
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
2010	0.5685	-	0.5685	1.0400	0.00794	0.492100
2011	0.5785	-	0.5785	1.0400	0.00785	0.492100
2012	0.5785	-	0.5785	1.0400	0.00776	0.492100
2013	0.5785	-	0.5785	1.0400	0.00754	0.492100
2014	0.6185	-	0.6185	1.0400	0.00810	0.492100
2015	0.6038	-	0.6038	1.0400	0.00826	0.492100

Source: Hale County Appraisal District

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

	2015			2006		
	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value
Wal-Mart - Inventory	$ 77,854,540	1	10.09	$ 100,334,240	1	14.81
Wal-Mart Distribution	13,879,200	2	1.80	16,324,020	2	2.41
Wal-Mart Stores - Inventory	12,754,802	3	1.65	9,309,703	3	1.37
Excel Energy	11,089,422	4	1.44	6,428,422	5	0.95
Wal-Mart Stores	7,890,000	5	1.02	8,184,347	4	1.21
BNSF Railway	6,179,929	6	0.80	2,744,556	10	0.41
Atmos Energy	4,392,310	7	0.57	3,020,800	9	0.45
Reagor Dykes Auto Company	5,642,108	8	0.73			
United Supermarkets	3,499,104	9	0.45			
Redi Marketing	3,377,862	10	0.44			
Southwestern Bell				5,281,787	6	0.78
Acher Daniels Midland				4,298,064	7	0.63
Stonegate Center				3,046,851	8	0.45
Total	$ 146,559,277		18.99	$ 158,972,790		23.47

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: Amount	Collected within the Fiscal Year of the Levy: Percentage of Levy	Collections in Subsequent Years	Total Collections To Date: Amount	Total Collections To Date: Percentage of Adjusted Levy
2006	$ 3,574,242	$ (95,501)	$ 3,478,741	$ 3,393,539	94.94	$ 76,660	$ 3,470,199	99.75
2007	3,762,550	(6,337)	3,756,213	3,667,112	97.46	81,026	3,748,138	99.79
2008	3,784,098	(20,102)	3,763,996	3,691,589	97.56	64,958	3,756,547	99.80
2009	4,124,614	(51,556)	4,073,058	3,969,938	96.25	94,974	4,064,912	99.80
2010	4,127,462	(5,898)	4,121,564	4,022,367	97.45	89,126	4,111,493	99.76
2011	4,271,943	(5,156)	4,266,787	4,162,047	97.43	93,327	4,255,374	99.73
2012	4,328,879	(10,970)	4,317,909	4,217,584	97.43	83,009	4,300,593	99.60
2013	4,380,163	(6,036)	4,374,127	4,274,369	97.58	71,586	4,345,955	99.36
2014	4,661,548	(3,358)	4,658,190	4,546,796	97.54	55,926	4,602,722	98.81
2015	4,659,380	(8,916)	4,650,464	4,560,197	97.87	-	4,560,197	98.06

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	Certificates of Obligation Bonds	General Obligation Refunding Bonds	Water Authority Indebtedness	Total Primary Government	Percentage of Personal Income	Per Capita
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	1.69%	711
2009	-	-	1,570,000	6,875,000	5,821,287	14,266,287	1.51%	652
2010	-	-	1,155,000	6,720,000	6,379,585	14,254,585	1.38%	642
2011	-	-	9,625,000	6,180,000	6,062,818	21,867,818	2.13%	985
2012	-	-	9,330,000	5,635,000	8,713,148	23,678,148	2.26%	1,067
2013	-	-	8,740,000	5,075,000	8,123,989	21,938,989	2.07%	988
2014	-	-	8,120,000	4,505,000	7,654,326	20,279,326	1.88%	914
2015	-	-	7,495,000	3,920,000	6,984,518	18,399,518	n/a	829

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 year 2015 is 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
2006	$ -	$ -	$ -	-	$ -
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-

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, 2015

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Plainview Independent School District	$ -	75.39 %	$ -
County of Hale	-	38.26	-
Other debt			
Plainview Independent School District	784,876	75.39	591,718
County of Hale	-	38.26	-
Subtotal overlapping debt			591,718
City direct debt			-
Total direct and overlapping debt			$ 591,718

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
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
2010	6,193,488	4,192,542	2,000,946	605,000	325,464	2.15	3,125,995	1,887,998	1,237,997	205,000	44,012	4.97
2011	7,706,153	4,527,963	3,178,190	540,000	183,806	4.39	3,031,524	1,905,573	1,125,951	215,000	36,662	4.47
2012	7,964,800	4,915,329	3,049,471	615,000	724,655	2.28	3,194,854	1,757,067	1,437,787	225,000	28,963	5.66
2013	7,226,537	5,165,632	2,060,905	920,000	436,261	1.52	3,044,358	1,892,207	1,152,151	230,000	21,000	4.59
2014	7,555,713	5,712,418	1,843,295	950,000	413,149	1.35	3,008,243	1,847,416	1,160,827	240,000	12,775	4.59
2015	7,231,495	5,227,740	2,003,755	965,000	388,024	1.48	3,229,419	1,889,468	1,339,951	245,000	4,288	5.38

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
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	898,285,000	25,428	5,784	4.9%
2009	21,884	35,408	941,923,000	26,602	5,846	5.9%
2010	22,194	36,273	1,033,528,000	28,493	5,842	7.1%
2011	22,194	36,273	1,026,334,000	28,295	5,780	7.4%
2012	22,194	36,273	1,048,790,000	28,914	5,801	6.6%
2013	22,194	36,273	1,058,817,000	29,190	5,522	11.0%
2014	22,194	36,273	1,081,292,000	29,810	5,559	6.3%
2015	22,194	36,273	N/A	N/A	5,659	5.4%

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

Note: Personal income data for calendar year 2015 is unavailable.

Schedule 15
City of Plainview
Principal Employers *
Last Ten Years

2006	2007	2008	2009
Azteca Milling	Azteca Milling	Azteca Milling	Azteca Milling
Cargill Meat Solutions	Cargill Meat Solutions	Cargill Meat Solutions	Cargill Meat Solutions
Central Plains MHMR Center	Central Plains MHMR Center	Central Plains MHMR Center	Central Plains MHMR Center
City of Plainview	City of Plainview	City of Plainview	City of Plainview
Covenant Hospital	Covenant Hospital	Covenant Hospital	Covenant Hospital
Plainview Independent School District	Plainview Independent School District	Plainview Independent School District	Plainview Independent School District
Texas Department of Criminal Justice	Texas Department of Criminal Justice	Texas Department of Criminal Justice	Texas Department of Criminal Justice
United Supermarkets	United Supermarkets	United Supermarkets	United Supermarkets
Wal-Mart Associates	Wal-Mart Associates	Wal-Mart Associates	Wal-Mart Associates
Wayland Baptist University	Wayland Baptist University	Wayland Baptist University	Wayland Baptist University

2010	2011	2012	2013
Azteca Milling	Azteca Milling	Azteca Milling	Azteca Milling
Cargill Meat Solutions	Cargill Meat Solutions	Cargill Meat Solutions	Central Plains MHMR Center
Central Plains MHMR Center	Central Plains MHMR Center	Central Plains MHMR Center	City of Plainview
City of Plainview	City of Plainview	City of Plainview	Covenant Hospital
Covenant Hospital	Covenant Hospital	Covenant Hospital	Hale County
Plainview Independent School District	Plainview Independent School District	Plainview Independent School District	Plainview Independent School District
Texas Department of Criminal Justice	Texas Department of Criminal Justice	Texas Department of Criminal Justice	Texas Department of Criminal Justice
United Supermarkets	United Supermarkets	United Supermarkets	United Supermarkets
Wal-Mart Associates	Wal-Mart Associates	Wal-Mart Associates	Wal-Mart Associates
Wayland Baptist University	Wayland Baptist University	Wayland Baptist University	Wayland Baptist University

2014	2015
Azteca Milling	Azteca Milling
Central Plains MHMR Center	Central Plains MHMR Center
City of Plainview	City of Plainview
Covenant Hospital	Covenant Hospital
Hale County	Hale County
Plainview Independent School District	Plainview Independent School District
Texas Department of Criminal Justice	Texas Department of Criminal Justice
United Supermarkets	United Supermarkets
Wal-Mart Associates	Wal-Mart Associates
Wayland Baptist University	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, Workforce Solutions South Plains, Plainview Chamber of Commerce, and Plainview/ Hale County Economic Development Corporation.

PLAINVIEW, TX
explore the opportunities

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

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	1	1	1	1	1	1	1	1	1	1
Human Resources	1	1	1	1	1	1	1	1	1	1
Civil Service	1	1	1	1	1	1				
Administrative Services							2	2	2	2
Muncipal Court	3	3	3	3	3	2	2	2	2	2
Community Development	2	2	2	2	2	2	2	2	2	2
Code Compliance	3	3	3	3	3	3	3	4	4	4
Main Street	1	1	1	1	1	1	1	1	1	1
RSVP	2	2	2	2	2	2	2	2	2	2
Public Safety										
Police	45	45	45	45	45	45	46	46	46	46
Fire / EMS	36	36	36	36	36	36	36	36	36	36
Traffic Control	3	3	3	3	3	3	3	3	3	3
Animal Control	2	2	2	2	2	2	2	2	2	2
Public Works										
Public Works	3	3	3	3	3	3	3	3	2	2
Street Cleaning	2	2	2	2	2	2	2	2	2	2
Street Department	7	7	7	7	7	7	7	5	5	5
Custodial Services	2	2	2	2	2	2	2	2	2	2
Health	6	6	7	7	7	7	7	6	6	6
Recreation and Culture										
Parks	12	12	12	12	12	11	11	11	11	11
Library	6	5	5	5	5	5	5	5	5	5

Convention and Tourism			1	1	1	1	1	1	1	0
Solid Waste Management										
Collection	11	11	11	11	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	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	6	6	6	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	6	6	6	6	6	6	6	6	6	6
Water Collection	3	3	3	3	3	3	3	3	3	3
Service Center	5	4	4	4	4	4	4	3	3	3
Theatre Arts										
Total	199	197	199	199	199	197	199	196	195	194

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Building permits issued	182	140	184	154	266	208	226	228	158	169
Building inspections	4,695	4,059	2,284	2,057	2,494	1,524	1,058	976	690	1,265
Public safety										
Police										
Calls for service	15,796	14,898	13,997	15,378	14,403	14,313	19,225	20,946	26,103	26,670
Citations issued	3,363	3,052	4,290	3,307	3,377	2,642	2,243	2,310	2,191	2,920
Arrests	1,493	1,570	1,712	1,659	1,593	1,594	1,346	1,309	1,285	1,170
Fire/EMS										
Total Fire calls	1,509	1,400	1,634	1,560	1,656	1,878	1,673	1,888	1,784	352
Fire-EMS Assists										1,558
Total EMS calls	1,916	1,841	2,027	1,915	1,949	2,139	2,067	2,367	2,194	2,107
Inspections	400	237	96	122	137	45	86	168	119	98
Public works										
Street seal coating (lane miles)	36.17	25.32	23.08	19.97	21.18	-	23.39	12.12	15.83	-
Street patch material used (tons)	222.4	490.0	487.0	184.6	437.7	335.8	279.3	266.5	179.2	213.0
Health										
Immunizations	3,952	3,379	5,462	6,452	5,018	4,739	2,892	2,296	1,585	1,374
Inspections	300	302	288	156	253	231	243	284	290	396
Recreation and culture										
Parks										
Shelter house permits	173	177	216	192	235	303	294	306	227	167
Library										
Volumes in collection	46,763	50,661	52,109	48,244	53,593	46,473	52,566	53,358	54,788	55,113
Volumes borrowed	53,231	47,925	51,418	55,319	55,019	48,543	47,277	42,339	40,624	40,613
Visitors	89,781	85,545	88,993	92,247	93,761	83,630	76,541	71,643	71,592	71,928

Solid waste management										
Refuse collected (annual tonage)	27,461	29,218	28,317	31,200	31,200	28,099	27,789	20,535	22,458	24,556
Recyclables collected (annual tonage)	1,255	1,971	592	1,061	646	841	636	382	652	379
Water										
New connections	107	18	12	13	14	18	25	3	21	22
Main line repairs	97	103	86	124	124	72	112	163	160	171
Average daily production (thousands of gallons)	4,964	4,297	4,298	4,442	4,406	5,463	5,037	4,089	3,234	2,719
Peak daily production (thousands of gallons)	9,422	8,017	10,659	8,647	8,561	10,048	8,766	6,539	5,949	3,532
Wastewater										
Average daily sewage treatment (thousands of gallons)	2,090	2,200	2,000	1,800	1,928	1,560	1,510	1,566	1,320	1,320
Theatre										
Events scheduled	53	97	108	101	102	85	40	37	38	40
Attendees	5,703	10,554	13,623	10,622	10,665	9,760	5,280	5,611	4,262	5,794

Sources: Various city departments

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

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	22	22	22	22	24	24	21	23	23	22
Staff and detective units, SWAT Van	12	12	12	12	13	14	16	14	14	16
Fire/EMS										
Stations	3	3	3	3	3	3	3	3	3	3
Ambulances	4	4	4	4	4	4	4	4	4	4
Public works										
Paved streets (miles)	137	137	137	137	137	137	137	137	137	138
Streetlights	1,337	1,337	1,356	1,356	1,357	1,358	1,356	1,356	1,356	1,356
Traffic signals - City	7	7	7	7	7	7	7	7	7	7
Traffic signals - State	16	16	16	16	16	16	17	18	18	18
Recreation and culture										
Parks										
Developed parks acreage	286	286	286	286	286	286	286	286	286	286
Open spaces acreage	243	243	243	301	301	301	301	301	301	301
Playgrounds	14	14	14	14	14	14	14	14	14	14
Baseball/softball diamonds	19	19	19	19	21	21	21	21	21	21
Football/soccer fields	3	3	3	3	3	3	3	3	3	3
Skatepark										1
Multi-purpose athletic courts	6	6	6	6	6	6	6	6	6	6
Community centers, pavilions, covered tables	5	5	5	5	7	7	7	26	26	26
Library										
Internet access workstations	10	11	15	15	15	15	15	15	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)	10,756	10,674	10,593	10,495	10,495	10,303	10,216	10,136	10,051	9,975
Water										
Water mains (miles)	201	201	201	201	208	208	197	197	197	197
Fire hydrants	745	745	745	747	731	736	736	744	744	744
Storage capacity (thousands of gallons)	7,590	7,590	7,590	7,590	7,590	7,590	7,590	9,590	8,340	8,200
Wastewater										
Collection lines (miles)	140	140	140	140	164	164	164	164	164	164
Treatment capacity (thousands of gallons per day)	3,300	3,300	3,300	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.

PLAINVIEW, TX

explore the opportunities

Compliance and Internal Control

Plainview Office
1401 A West 5th Street, Plainview, TX 79072
806.293.4158 / 800.806.4158 / f: 806.296.5314

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Plainview, Texas (the City), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 11, 2016.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in finding 2015-001 in the accompanying Schedule of Findings that we consider to be significant deficiencies.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether City's financial statements are free from 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 no disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City of Plainview's Response to Findings
The City of Plainview's response to the findings identified in our audit is described in finding 2015-001. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Davis Kinard & Co, PC

Certified Public Accountants

Plainview, Texas

March 11, 2016

CITY OF PLAINVIEW, TEXAS
Schedule of Findings
For the Year Ended September 30, 2015

Significant Deficiency

2015-001 Meter Readings Error

Condition: During the course of our audit, it was brought to our attention that radio meters were incorrectly inputting the readings into the billing software causing utility customers with radio meters to be under billed.

Criteria: When new meters are placed in service, the meter type, model and size should be provided to the billing department so that it is properly set up in the billing software to read the correct number of digits.

Cause: Incorrect set up of radio meters in the billing software.

Effect: A few customers whose meters are read by radio meters were under billed.

Recommendation: The City should resolve this issue by verifying that meter readings are accurately read and accurately transferred to the billing software with the correct number of digits based on the meter type, model and size.

Views of Responsible Officials and Planned Corrective Action: City staff noticed the error prior to the audit and notified the auditors. Additionally they assisted in corrective action and have worked to enhance the internal control procedures for the Utility Billing System.