

CITY OF SNYDER, TEXAS

Comprehensive Annual Financial Report

For the Year Ended September 30, 2014

**Prepared by: Finance Department
Patricia Warren
Director of Finance**

CITY OF SNYDER, TEXAS
 Comprehensive Annual Financial Report
 Year Ended September 30, 2014

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THE CITY OF SNYDER, TEXAS

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325/573-4957 • 325/573-7505 Fax
www.ci.snyder.tx.us

February 16, 2015

Honorable Mayor, Members of the City Council,
and City Manager, and Citizens of the City of Snyder

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Snyder for the fiscal year ended September 30, 2014.

This report consists of management's representations concerning the finances of the City of Snyder. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Snyder 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 Snyder's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Snyder'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 Snyder's financial statements have been audited by Davis, Kinard & Co., P.C., 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 Snyder for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Snyder's financial statements for the fiscal year ended September 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Snyder's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Snyder, incorporated in 1907, is located in the northwestern part of the state. The City of Snyder currently occupies a land area of 8.73 square miles and serves a population of 11,400. The City of Snyder is empowered to levy a property 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 Snyder operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six 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 the various departments. The council is elected on a non-partisan basis. Council members serve two-year staggered terms, with four single-member district council members elected every two years, and the mayor and two at-large council members elected every two years also.

The City of Snyder provides a full range of services, including police and fire protection; animal control; the maintenance of highways, streets, and other infrastructure; water and sewer services; and sanitation services. The City of Snyder is also financially accountable for the Development Corporation of Snyder, which is funded by the City's additional sales tax of 3/8% to be used for economic development. The Development Corporation is reported separately within the City of Snyder's financial statements.

The annual budget serves as the foundation for the City of Snyder's financial planning and control. All agencies of the City of Snyder are required to submit requests for appropriation to the government's manager on or before the first Monday in May each year. The government's manager uses these requests as the starting point for developing a proposed budget. The government's manager then presents this proposed budget to the council for review prior to August 1. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 1. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the City Manager's approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as Exhibit B-3 as part of the basic financial statements for the governmental funds.

Factors Affecting Financial Condition

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

Local economy. The City of Snyder is located in the northwestern part of the state. Snyder is approximately 100 miles from four major cities: Lubbock, Abilene, Midland and San Angelo. The economic condition and outlook of the City of Snyder has improved with the stabilization of the local oil economy. The Price Daniel State Prison is now in its twenty sixth year of operation. This facility has provided employment for approximately 224 full time people. The Texas Department of Criminal Justice operates the Snyder Distribution Center, a distribution site for multiple prisons in the West Texas area. Snyder is also supported by the wind energy. Snyder and Scurry County are already home to a section of the second largest wind farm in the United States, the Roscoe Wind Farm. There are six wind farms located in the local area. There are approximately 400 wind turbines in the surrounding area, which would provide enough electricity to support 140,000 homes. Ranching and cotton farming also continue to employ a large part of the population.

The Economic Development Corporation developed a \$2.9 million dollar industrial rail park in 2012. This investment attracted W.L. Plastics to open their sixth North American location in Snyder. The Economic Development Corporation has sold eleven industrial lots to potential new companies in Snyder's Industrial Park.

The region (which includes the City of Snyder and the surrounding unincorporated area within the same county) has an employed labor force of approximately 9,410 with an unemployment rate of 3.2%. Meanwhile, there continues to be a discernable trend toward slow, steady growth.

While having a positive impact on the economic status of the City, the anticipated, gradual growth of the City presents significant challenges. If the current level of services is to be maintained, the City will need to explore new methods of obtaining financial resources.

Long-term financial planning. The governing council awarded contracts for the replacement of the cast iron water lines, and also for the construction of two new water storage tanks. These projects are being funded with \$9,000,000 Certificate of Obligation that was issued in 2013.

A contract has also been awarded to begin renovation of the old water treatment plant. This will produce an additional 4.5 million gallons of water a day. A portion of this cost will be funded through a loan from the General Fund to the Enterprise Fund.

The council also approved an Increment Financing Reinvestment Zone, 65% of the ad valorem taxes received from property within this area will go into this special TIF Fund that will be used for economic development.

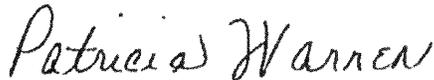
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financing Reporting to the City of Snyder for its comprehensive annual financial report for the fiscal year ending September, 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and City Council for their interest and unfailing support for maintaining the highest standards of professionalism in the management of the City of Snyder's finances.

Respectfully submitted,



Patricia Warren

Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Snyder
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

CITY OF SNYDER, TEXAS
ORGANIZATIONAL CHART

MAYOR & COUNCIL (7)----- BOARDS AND COMMISSIONS

- CITY MANAGER (1)
 - SECRETARY (1)
- CITY SECRETARY (1)
 - RECORDS CLERK/DEPUTY CITY SECRETARY (1)
- FINANCE DIRECTOR (1)
 - PERSONNEL/PAYROLL (1)
 - ACCOUNTING CLERK (1)
 - JANITOR (1)
- PURCHASING AGENT/INTERNET TECH. (1)
 - INTERNAL SERVICE (1)
- MUNICIPAL COURT ADMINISTRATOR (1)
 - COURT CLERKS (2)
- UTILITY BILLINGS AND COLLECTIONS (1)
 - UTILITY CLERKS (3)
 - METER CREW (2)
- PLANNING & ZONING
 - INSPECTOR (1)
 - DRAFTSPERSON/ENGR. AIDE (2)
- POLICE (23)
- ANIMAL CONTROL (3)
- FIRE (10)
- PUBLIC WORKS (1)
 - STREETS (4)
- SANITATION (1)
 - COLLECTION (5)
 - LANDFILL (5)
- WATER & WASTEWATER SUPERVISION
 - SANITARY SEWER (2)
 - SEWAGE TREATMENT (4)
 - WATER PRODUCTION (5)
 - WATER DISTRIBUTION (2)

(87) NUMBER OF FULL TIME EQUIVALENT POSITIONS, EXCLUDING COMMISSION

CITY OF SNYDER, TEXAS

Principal Officials

City Council

Terry Martin, Mayor
Bill Harris, Mayor Pro-Tem
Luann Burleson, Councilmember
Vernon Clay, Councilmember
Tom Strayhorn, Councilmember
Steve Highfield, Councilmember
Steve Rich, Councilmember

Administrative Staff

Merle Taylor, City Manager
Patricia Warren, Director of Finance
Julie Wilson, City Secretary
Terry Luecke, Police Chief
Perry Westmoreland, Fire Chief
Underwood Law Firm, City Attorney

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Snyder, Texas:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Snyder, Texas, as of and for the year ended September 30, 2014, 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. 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Snyder, Texas, as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and TMRS schedule of funding progress on pages 3-10 and 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Davis Kinard & Co., PC
Certified Public Accountants

Abilene, Texas
February 13, 2015

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Snyder, we offer readers of the City of Snyder's financial statements this narrative overview and analysis of the financial activities of the City of Snyder for the fiscal year ended September 30, 2014. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

Entity-Wide

- The assets of the City of Snyder exceeded its liabilities at the close of the most recent fiscal year by \$25,682 (*net position*). Of this amount, \$10,264 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,568. 78.59% of this increase is from governmental activities and an increase of 21.41% from the business-type activities.

Fund Statements

- As of the close of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,259, an increase of \$1,451 in comparison with the prior year. Approximately 92.29% of this total amount, \$7,623, is unassigned and *available for spending* at the government's discretion, and 7.71% is non-spendable for prepaid items and inventories and committed to economic development through Chapter 380 agreements.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,623 or 127% of total general fund expenditures, excluding capital outlay.
- The City of Snyder's total bond debt increased by \$8,535 (245%) during the current fiscal year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The *statement of net position* presents information on all of the City of Snyder's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Snyder is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Snyder that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Snyder include general government, public safety, public works, and culture and recreation. The business-type activities of the City of Snyder include a Water and Sewer Authority and Sanitation.

The government-wide financial statements can be found on pages 11-12 of this report.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FUND FINANCIAL STATEMENTS

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Snyder, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Snyder can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus on governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Snyder maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Individual fund data for the nonmajor governmental fund is provided in the form of *combining statements* elsewhere in this report.

The governmental fund financial statements can be found on pages 13-16 of this report.

The City of Snyder adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget on page 17.

Proprietary funds. The City of Snyder maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Snyder uses enterprise funds to account for its Water and Sewer Authority and for its sanitation operation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Snyder's various functions. The City of Snyder uses internal service funds to account for its garage and for its self-insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise fund financial statements provide separate information for the Water and Sewer Authority and for the sanitation operation, both of which are considered to be major funds of the City of Snyder. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 18-22 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-40 of this report.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Snyder's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 41 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Additional schedules related to major governmental and business-type funds are also included as supplementary information. Combining and individual fund statements and schedules can be found on pages 42-60 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Snyder, assets exceeded liabilities by \$25,682 at the close of the most recent fiscal year.

By far the largest portion of the City of Snyder's net position (60%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are outstanding. The City of Snyder uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Snyder'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.

CITY OF SNYDER'S Net Position

	Governmental Activities		Business Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Current and other assets	\$7,614	9,018	6,902	\$13,937	14,516	\$22,955
Capital assets	3,126	3,241	16,442	19,153	19,568	22,394
Total assets	10,740	12,259	23,344	33,090	34,084	45,349
Long-term liabilities outstanding	103	127	8,451	16,957	8,554	17,084
Other liabilities	667	931	657	1,653	1,324	2,584
Total liabilities	771	1,058	9,108	18,610	9,878	19,668
Net investment in capital assets	3,126	3,241	10,385	12,113	13,511	15,354
Restricted	-	64	-	-	-	64
Unrestricted	6,843	7,896	3,851	2,367	10,694	10,263
Total net position	\$ 9,969	\$11,201	\$14,236	\$14,480	\$24,205	\$25,681

The remaining balance of *unrestricted net position*, \$10,263, may be used to meet the government's ongoing obligations to citizens and creditors.

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

The government's net position increased by \$1,568 during the current fiscal year. The majority of this increase represents the degree to which increases in ongoing revenues have outstripped similar increases in ongoing expenses. The majority of the increase in revenues is due to an increase in property tax and sales tax revenues.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CITY OF SNYDER'S Changes in Net Position

	Governmental Activities		Business Type Activities		Total	
	2013	2014	2013	2014	2013	2014
	Restated		Restated		Restated	
Revenues:						
Program revenues:						
Charges for services	\$ 1,387	\$1,465	\$ 8,680	\$9,445	\$10,067	\$10,910
Operating grants and Contributions	328	126	-	-	328	126
Capital grants and Contributions	-	23	-	-	-	23
General revenues:						
Property taxes	1,895	1,961	-	-	1,895	1,961
Other taxes	4,276	4,518	-	-	4,276	4,518
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	30	46	19	305	49	351
Total revenues	7,916	8,139	8,699	9,750	16,615	17,889
Expenses:						
General government	1,852	1,879	-	-	1,852	1,879
Public safety	3,378	3,692	-	-	3,378	3,692
Public works	1,198	903	-	-	1,198	903
Culture and recreation	433	433	-	-	433	433
Water & sewer	-	-	6,174	7,006	6,174	7,006
Sanitation	-	-	2,678	2,409	2,678	2,409
Total expenses	6,861	6,907	8,852	9,415	15,713	16,322
Change in net position	1,055	1,232	(153)	335	902	1,567
Net position – beginning of year	8,991	9,969	14,433	14,236	23,424	24,205
Prior year adjustment	(76)	-	(44)	(91)	(120)	(91)
Net position – ending of year	\$ 9,969	\$11,201	\$14,236	\$14,480	\$24,205	\$25,681

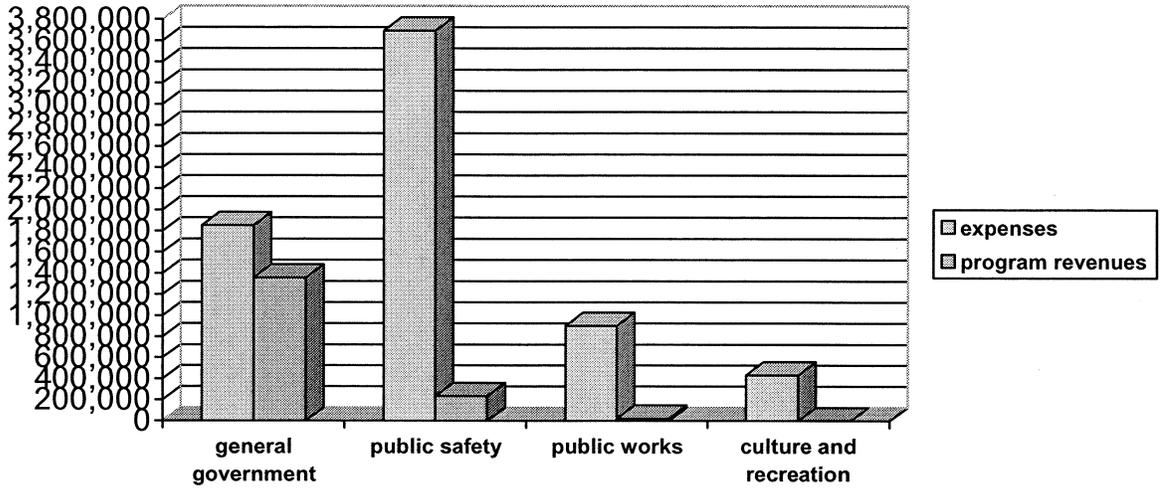
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City of Snyder's net position by \$1,232. Key elements of this increase are as follows:

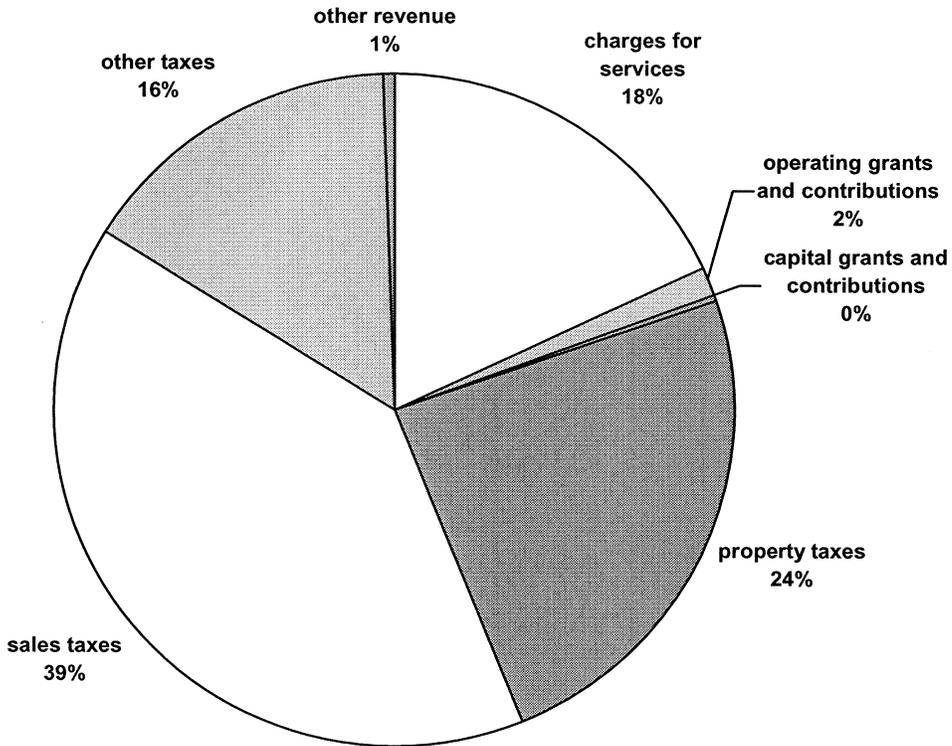
- Charges for services increased \$78 or 5.6% as the administrative fee charged to enterprise funds was increased.
- Property taxes increased \$66 or 3.5% from prior year. Property tax rates remained the same at \$.4445 per One Hundred Dollars from 2013 to 2014. Sales taxes increased \$186 or 6% from prior year, as the local economy is rebounding. Other increases include franchise taxes (\$59 or 7.8%).
- Public safety expenses were 53.45% of the City's governmental expenses. Public safety expenses increased \$314 from the prior year due to increase in pay for police officers and firefighters.
- Public works expenses decreased \$295 or 24.6% from prior year due to less seal coating done on streets this year and a nonrecurring lighting project was completed in 2013.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

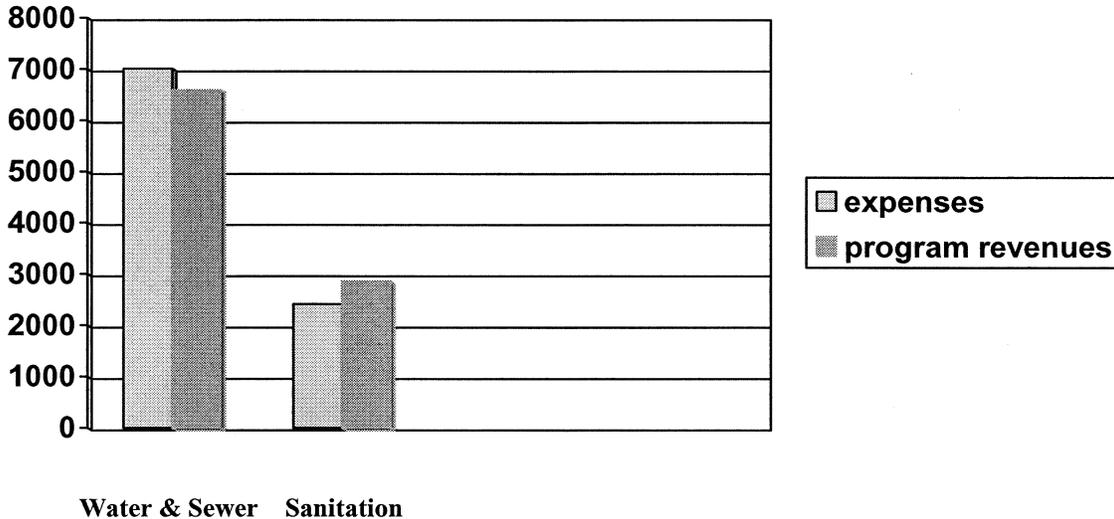


**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City of Snyder's net position by \$335. Key elements of this increase are as follows.

- Charges for water and sewer services increased due to increase in water usage and increase in water rates.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of the City of Snyder'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 of Snyder's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,259, an increase of \$1,451 in comparison with the prior year. Approximately 92% of this total amount, \$7,623, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is made up of \$67 in *nonspendable fund balance* for prepaid items and inventories, \$63 restricted for various purposes and \$506 committed to economic development through Chapter 380 agreements.

The general fund is the chief operating fund of the City of Snyder. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,623 while total fund balance reached \$8,260. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 117% of total general fund expenditures, while total fund balance represents 127% of that same amount.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The fund balance of the City of Snyder's general fund increased by \$1,451 during the current fiscal year and increased \$1,058 in the prior fiscal year.

- Budgeted sales tax was increased by 12.27% and the actual increase was 29.97% from sales tax budgeted in 2013.
- Budgeted franchise tax was decreased by 4.76% and the actual decrease was 2.77% from franchise budgeted in 2013.

Proprietary funds. The City of Snyder's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Authority at the end of the year amounted to \$1,806, and those for the Sanitation Fund amounted to \$562. The net decrease in unrestricted net position for the Water and Sewer Authority was \$406 and the net decrease for the Sanitation Fund was \$1,078. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Snyder's business-type activities.

General Fund Budgetary Highlights

Actual revenues were higher than final budgeted revenues by \$666 and actual expenditures were \$518 lower than final budgeted expenditures.

The key elements of actual expenditures below budget were as follows:

- Planning & Zoning \$37 below budget
- Police \$139 below budget
- Fire \$19 below budget
- Street maintenance \$520 below budget

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Snyder's investment in capital assets for its governmental and business type activities as of September 30, 2014, amounts to \$23,394 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

**CITY OF SNYDER'S Capital Assets
(net of depreciation)**

	Governmental Activities		Business Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Land	\$ 435	\$ 500	\$ 307	\$307	\$ 742	\$ 807
Buildings	267	259	4,107	3,785	4,374	4,044
Improvements other than buildings	1,182	1,152	4,593	9,325	5,775	10,477
Machinery and equipment	1,242	1,254	4,686	4,746	5,928	6,000
Construction in progress		76	2,749	990	2,749	1,066
Total	\$3,126	\$3,241	\$16,442	\$19,153	\$19,568	\$23,394

Additional information on the City of Snyder's capital assets can be found in note III.C on pages 29-31 of this report.

**CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

LONG-TERM DEBT

Long-term debt. At the end of the current fiscal year, the City of Snyder had bond debt outstanding of \$12,015. Of this amount, \$12,015 comprises debt backed by the full faith and credit of the government. These bonds are paid by revenues of the Water and Sewer Funds.

The City of Snyder's total debt increased by \$8,535 (245.26%) during the current fiscal year. The key factors in this increase was the additional \$9,000,000 Certificate of Obligation acquired for the replacement of water lines, and additional work on waste water system and construction of a new overhead storage tank.

Additional information on the City of Snyder's long-term debt can be found in note III.E on pages 32-35 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City of Snyder is currently 3.2 percent. This is below the state's average unemployment rate of 5.0 percent and below the national average rate of 6.0 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City of Snyder's budget for the 2015 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$7,623. The City of Snyder has appropriated \$506,100 to be used in economic development through Chapter 380 agreements.

The budget for general fund total revenue for fiscal year 2015 is \$7,530. This is an increase of 7.28% from fiscal year 2014.

The property tax rate is .4387 for fiscal year 2015. The water rates increased by 10%, sewer rates remained the same, and the sanitation collection rates remained the same for the 2015 budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Snyder's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, P.O. Box 1341, City of Snyder, Snyder, Texas, 79550.

CITY OF SNYDER, TEXAS
Statement of Net Position
September 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	DCOS
ASSETS				
Cash and cash equivalents	\$ 6,321,539	\$ 1,046,358	\$ 7,367,897	\$ 694,280
Investments	900,000	700,742	1,600,742	436,437
Receivables (net of allowance for uncollectibles)	1,623,718	1,072,473	2,696,191	411,384
Due from primary government	-	-	-	220,466
Inventories	50,825	184,145	234,970	-
Prepaid items	58,500	-	58,500	-
Restricted assets:				
Cash and cash equivalents	63,556	8,593,398	8,656,954	24,959
Investments	-	2,340,366	2,340,366	145,355
Capital assets (net of accumulated depreciation)				
Land	499,680	306,521	806,201	1,187,159
Buildings and system	259,413	3,785,210	4,044,623	-
Improvements other than buildings	1,152,494	9,324,709	10,477,203	2,733,525
Machinery and equipment	1,253,420	4,746,308	5,999,728	2,349
Construction in progress	76,242	990,101	1,066,343	-
Total assets	12,259,387	33,090,331	45,349,718	5,855,914
LIABILITIES				
Accounts payable and other liabilities	711,015	1,074,766	1,785,781	1,000
Accrued interest payable	-	40,848	40,848	798
Due to component unit	220,466	-	220,466	-
Retainage payable	-	40,625	40,625	-
Customer meter deposits	-	497,134	497,134	-
Noncurrent liabilities:				
Due within one year	31,669	669,963	701,632	466,446
Due in more than one year	95,006	16,286,649	16,381,655	3,624,679
Total liabilities	1,058,156	18,609,985	19,668,141	4,092,923
NET POSITION				
Net investment in capital assets	3,241,249	12,112,688	15,353,937	853,240
Restricted for various purposes	63,556	-	63,556	-
Restricted for debt service	-	-	-	170,314
Unrestricted	7,896,426	2,367,658	10,264,084	739,437
Total net position	\$ 11,201,231	\$ 14,480,346	\$ 25,681,577	\$ 1,762,991

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

CITY OF SNYDER, TEXAS
Statement of Activities
For the Year ended September 30, 2014

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit DCOS
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 1,879,404	\$ 1,357,010	\$ -	\$ -	\$ (522,394)		\$ (522,394)	
Public safety	3,691,936	108,421	125,681	-	(3,457,834)		(3,457,834)	
Public works	902,713	-	-	23,000	(879,713)		(879,713)	
Culture and recreation	432,968	-	-	-	(432,968)		(432,968)	
Total governmental activities	<u>6,907,021</u>	<u>1,465,431</u>	<u>125,681</u>	<u>23,000</u>	<u>(5,292,909)</u>		<u>(5,292,909)</u>	
Business-type activities:								
Water and sewer	7,005,718	6,592,796	-	-	-	\$ (412,922)	(412,922)	
Sanitation	2,409,061	2,852,578	-	-	-	443,517	443,517	
Total business-type activities	<u>9,414,779</u>	<u>9,445,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,595</u>	<u>30,595</u>	
Total primary government	<u>\$ 16,321,800</u>	<u>\$ 10,910,805</u>	<u>\$ 125,681</u>	<u>\$ 23,000</u>	<u>(5,292,909)</u>	<u>30,595</u>	<u>(5,262,314)</u>	
Component unit:								
Development Corporation of Snyder	<u>\$ 643,565</u>	<u>\$ -</u>	<u>\$ 108,000</u>	<u>\$ -</u>				<u>\$ (535,565)</u>
General revenues:								
Property taxes					1,961,319	-	1,961,319	-
Sales taxes					3,255,941	-	3,255,941	1,085,314
Franchise taxes					816,773	-	816,773	-
Alcoholic beverage taxes					12,082	-	12,082	-
Hotel/motel occupancy taxes					432,968	-	432,968	-
Miscellaneous					-	-	-	86,706
Unrestricted investment earnings					24,012	55,934	79,946	9,571
Gain on sale of capital assets					21,702	249,106	270,808	76,171
Total general revenues					<u>6,524,797</u>	<u>305,040</u>	<u>6,829,837</u>	<u>1,257,762</u>
Change in net position					1,231,888	335,635	1,567,523	722,197
Net position - beginning					9,969,343	14,236,027	24,205,370	928,163
Prior year adjustment						(91,316)	(91,316)	112,631
Net position - ending					<u>\$ 11,201,231</u>	<u>\$ 14,480,346</u>	<u>\$ 25,681,577</u>	<u>\$ 1,762,991</u>

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

CITY OF SNYDER, TEXAS
Balance Sheet
Governmental Funds
September 30, 2014

	General	Nonmajor Governmental	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 6,316,991	\$ 4,548	\$ 6,321,539
Investments	900,000	-	900,000
Receivables (net of allowance for uncollectibles)	1,488,294	135,424	1,623,718
Prepaid items	58,500	-	58,500
Inventories	8,653	-	8,653
Restricted cash and cash equivalents	63,556	-	63,556
Total assets	<u>\$ 8,835,994</u>	<u>\$ 139,972</u>	<u>\$ 8,975,966</u>
LIABILITIES			
Accounts payable	\$ 345,271	\$ 140,812	\$ 486,083
Due to component unit	220,466	-	220,466
Total liabilities	<u>565,737</u>	<u>140,812</u>	<u>706,549</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue- property taxes	<u>10,000</u>	<u>-</u>	<u>10,000</u>
FUND BALANCES			
Nonspendable for:			
Prepaid items	58,500	-	58,500
Inventories	8,653	-	8,653
Restricted for various purposes	63,556	-	63,556
Committed for economic development	506,100	-	506,100
Unassigned	7,623,448	(840)	7,622,608
Total fund balances	<u>8,260,257</u>	<u>(840)</u>	<u>8,259,417</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,835,994</u>	<u>\$ 139,972</u>	<u>\$ 8,965,966</u>

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

CITY OF SNYDER, TEXAS
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Position
September 30, 2014

Total Fund Balances - Governmental Funds	\$ 8,259,417
<p>Amounts reported for governmental activities in the statement of net position (A-1) are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. At the beginning of the year, the cost of these assets was \$9,715,363 and the accumulated depreciation was \$6,637,805. The net effect of the beginning balance of the net investment in capital assets in the governmental activities is an increase to net position.</p>	3,077,558
<p>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. The net effect of including capital outlays of \$512,176 is to increase net position.</p>	512,176
<p>Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$464,114 is to decrease net position.</p>	(464,114)
<p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds. Deferred property tax revenue of \$10,000 is recognized in the government-wide financial statements. This results in an increase in net position.</p>	10,000
<p>Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.</p>	(123,461)
<p>Internal service funds are used by management to charge the costs of the central garage to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. This results in a net decrease to net position.</p>	(70,345)
<p>Net Position of Governmental Activities</p>	<u>\$ 11,201,231</u>

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

CITY OF SNYDER, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2014

REVENUES	General	Nonmajor Governmental	Total Governmental Funds
Taxes:			
Property	\$ 1,961,319	\$ -	\$ 1,961,319
Sales	3,255,941	-	3,255,941
Franchise	816,773	-	816,773
Alcoholic beverage	12,082	-	12,082
Occupancy	-	432,968	432,968
Licenses and permits	56,419	-	56,419
Intergovernmental	125,681	-	125,681
Charges for services	1,149,667	-	1,149,667
Fines and forfeitures	108,421	-	108,421
Interest	24,012	-	24,012
Contributions	23,000	-	23,000
Miscellaneous	150,924	-	150,924
Total Revenues	<u>7,684,239</u>	<u>432,968</u>	<u>8,117,207</u>
EXPENDITURES			
Current:			
General government	1,940,919	-	1,940,919
Public safety	3,537,580	-	3,537,580
Public works	1,022,435	-	1,022,435
Culture and recreation	-	432,968	432,968
Total Expenditures	<u>6,500,934</u>	<u>432,968</u>	<u>6,933,902</u>
Excess (deficiency) of revenues over (under) expenditures	1,183,305	-	1,183,305
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	21,702	-	21,702
Transfers in	246,139	-	246,139
Total other financing sources and uses	<u>267,841</u>	<u>-</u>	<u>267,841</u>
Net change in fund balances	1,451,146	-	1,451,146
Fund balances -- beginning	6,809,111	(840)	6,808,271
Fund balances -- ending	<u>\$ 8,260,257</u>	<u>\$ (840)</u>	<u>\$ 8,259,417</u>

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

CITY OF SNYDER, TEXAS
Reconciliation of Statement of Revenues, Expenditures and Changes
In Fund Balances of governmental Funds to the Statement of Activities
For the Year Ended September 30, 2014

Net Change in Fund Balances - Governmental Funds	\$ 1,451,146
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>	
<p>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. The net effect of including capital outlays of \$512,176 is to increase net position.</p>	512,176
<p>Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$464,114 is to decrease net position.</p>	(464,114)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net increase in compensated absences payable.</p>	(21,181)
<p>Internal service funds are used by management to charge the costs of the central garage to individual funds. The change in net position of the internal service funds are included in governmental activities in the statement of activities. This results in a net decrease to net position.</p>	<u>(246,139)</u>
Change in net position of governmental activities	<u><u>\$ 1,231,888</u></u>

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

CITY OF SNYDER, TEXAS
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

REVENUES	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Taxes:				
Property	\$ 1,800,685	\$ 1,800,685	\$ 1,961,319	\$ 160,634
Sales	2,900,000	2,900,000	3,255,941	355,941
Franchise	800,000	800,000	816,773	16,773
Alcoholic beverage	10,000	10,000	12,082	2,082
Licenses and permits	53,410	53,410	56,419	3,009
Intergovernmental	120,000	120,000	125,681	5,681
Charges for services	1,143,830	1,143,830	1,149,667	5,837
Fines and forfeitures	115,000	115,000	108,421	(6,579)
Interest	20,000	20,000	24,012	4,012
Contributions	-	-	23,000	23,000
Miscellaneous	55,650	55,650	150,924	95,274
Total Revenues	<u>7,018,575</u>	<u>7,018,575</u>	<u>7,684,239</u>	<u>665,664</u>
EXPENDITURES				
Current:				
General government:				
Administration	293,030	293,030	295,214	(2,184)
Finance and personnel	367,475	367,475	369,964	(2,489)
Planning and zoning	335,400	335,400	298,785	36,615
Municipal court	255,300	255,300	255,317	(17)
Community service	408,495	408,495	419,116	(10,621)
Accounting	175,205	175,205	168,540	6,665
Data processing	118,380	118,380	133,983	(15,603)
Total general government	<u>1,953,285</u>	<u>1,953,285</u>	<u>1,940,919</u>	<u>12,366</u>
Public safety:				
Police	2,302,870	2,302,870	2,163,899	138,971
Animal control	223,265	223,265	196,569	26,696
Fire	1,196,210	1,196,210	1,177,112	19,098
Total public safety	<u>3,722,345</u>	<u>3,722,345</u>	<u>3,537,580</u>	<u>184,765</u>
Public works:				
Street maintenance	1,342,945	1,342,945	1,022,435	320,510
Total expenditures	<u>7,018,575</u>	<u>7,018,575</u>	<u>6,500,934</u>	<u>517,641</u>
Excess of revenues over expenditures	-	-	1,183,305	1,183,305
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	21,702	21,702
Transfers in	-	-	246,139	246,139
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>267,841</u>	<u>267,841</u>
Net change in fund balances	-	-	1,451,146	1,451,146
Fund balances - beginning	6,809,111	6,809,111	6,809,111	-
Fund balances - ending	<u>\$ 6,809,111</u>	<u>\$ 6,809,111</u>	<u>\$ 8,260,257</u>	<u>\$ 1,451,146</u>

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

CITY OF SNYDER, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2014

ASSETS	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Sewer Current Year	(memo only)	Sanitation Current Year	(memo only)	Totals Current Year	
		Water & Sewer Prior Year		Sanitation Prior Year		
Current assets:						
Cash and cash equivalents	\$ 1,046,358	\$ 990,330	\$ -	\$ 741,693	\$ 1,046,358	\$ -
Investments	100,000	100,000	600,742	600,742	700,742	-
Interest receivable	418	394	2,661	1,265	3,079	-
Accounts receivable	736,647	723,539	332,747	347,458	1,069,394	-
Inventories	175,645	265,919	8,500	3,782	184,145	42,172
Restricted cash and investments:						
Bond construction fund	7,910,382	-	-	-	7,910,382	-
Customer deposits	497,134	431,861	-	-	497,134	-
Municipal lease escrow	-	310,692	-	-	-	-
Certificate of obligation monthly deposits	573,148	571,098	-	-	573,148	-
Total current assets	<u>11,039,732</u>	<u>3,393,833</u>	<u>944,650</u>	<u>1,694,940</u>	<u>11,984,382</u>	<u>42,172</u>
Noncurrent assets:						
Deferred charges - bond issuance	-	91,318	-	-	-	-
Restricted cash and investments:						
Landfill closure/post closure	-	-	1,953,100	1,940,366	1,953,100	-
Capital assets:						
Land	185,765	185,765	120,756	120,756	306,521	-
Buildings	9,932,772	9,932,772	425,406	425,406	10,358,178	21,531
Improvements other than buildings	17,097,667	13,444,750	3,845,813	2,452,470	20,943,480	-
Machinery and equipment	6,036,154	5,782,897	3,961,435	3,724,290	9,997,589	120,462
Construction in progress	990,101	2,677,342	-	71,595	990,101	76,242
Less accumulated depreciation	(18,222,766)	(16,982,905)	(5,220,254)	(5,393,229)	(23,443,020)	(102,606)
Total capital assets (net of accumulated depreciation)	<u>16,019,693</u>	<u>15,040,621</u>	<u>3,133,156</u>	<u>1,401,288</u>	<u>19,152,849</u>	<u>115,629</u>
Total noncurrent assets	<u>16,019,693</u>	<u>15,131,939</u>	<u>5,086,256</u>	<u>3,341,654</u>	<u>21,105,949</u>	<u>115,629</u>
Total assets	<u>27,059,425</u>	<u>18,525,772</u>	<u>6,030,906</u>	<u>5,036,594</u>	<u>33,090,331</u>	<u>157,801</u>

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

CITY OF SNYDER, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2014

	Business-type Activities - Enterprise Funds				Totals Current Year	Governmental Activities- Internal Service Funds
	Water & Sewer Current Year	(memo only) Water & Sewer Prior Year	Sanitation Current Year	(memo only) Sanitation Prior Year		
LIABILITIES						
Current liabilities:						
Cash overdraft	\$ -	\$ -	\$ 146,582	\$ -	\$ 146,582	\$ 183,752
Accounts payable	705,725	166,301	222,459	43,208	928,184	41,180
Accrued compensated absences	9,803	9,852	3,435	3,012	13,238	3,214
Retainage payable	40,625	-	-	-	40,625	-
Payable from restricted assets:						
Customer meter deposits	497,134	431,861	-	-	497,134	-
Certificates of obligation payable	485,000	465,000	-	-	485,000	-
Municipal lease agreement payable	171,725	166,983	-	-	171,725	-
Accrued interest payable	40,848	16,031	-	-	40,848	-
Total current liabilities	<u>1,950,860</u>	<u>1,256,028</u>	<u>372,476</u>	<u>46,220</u>	<u>2,323,336</u>	<u>228,146</u>
Noncurrent liabilities:						
Accrued compensated absences	29,427	29,556	10,304	9,037	39,731	-
Certificates of obligation payable	11,687,458	3,049,063	-	-	11,687,458	-
Municipal lease agreement payable	2,606,360	2,778,085	-	-	2,606,360	-
Advances from other funds-General	-	217,984	-	-	-	-
Landfill closure/post closure care	-	-	1,953,100	1,940,366	1,953,100	-
Total noncurrent liabilities	<u>14,323,245</u>	<u>6,074,688</u>	<u>1,963,404</u>	<u>1,949,403</u>	<u>16,286,649</u>	<u>-</u>
Total liabilities	<u>16,274,105</u>	<u>7,330,716</u>	<u>2,335,880</u>	<u>1,995,623</u>	<u>18,609,985</u>	<u>228,146</u>
NET POSITION						
Net investment in capital assets	8,979,532	8,983,500	3,133,156	1,401,288	12,112,688	115,629
Unrestricted	1,805,788	2,211,556	561,870	1,639,683	2,367,658	(185,974)
Total net position	<u>\$ 10,785,320</u>	<u>\$ 11,195,056</u>	<u>\$ 3,695,026</u>	<u>\$ 3,040,971</u>	<u>\$ 14,480,346</u>	<u>\$ (70,345)</u>

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

CITY OF SNYDER, TEXAS
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	(memo only)		(memo only)		Totals	
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year		
Operating Revenues:						
Water sales	\$ 4,574,205	\$ 4,076,343	\$ -	\$ -	\$ 4,574,205	\$ -
Sewer charges	1,567,673	1,501,536	-	-	1,567,673	-
Charges for billing & collections	360,753	327,408	-	-	360,753	-
Sanitation charges	-	-	1,942,465	1,926,453	1,942,465	-
Landfill gate fees	-	-	904,779	750,199	904,779	-
Water & sewer taps	40,660	51,100	-	-	40,660	-
Plumbing permits & inspections	14,686	14,019	-	-	14,686	-
Other services	34,819	29,098	5,334	4,151	40,153	391,585
Total operating revenues	<u>6,592,796</u>	<u>5,999,504</u>	<u>2,852,578</u>	<u>2,680,803</u>	<u>9,445,374</u>	<u>391,585</u>
Operating Expenses:						
Personnel services	1,343,062	1,220,323	713,289	692,433	2,056,351	21,868
Supplies	372,858	432,522	262,006	296,904	634,864	312,278
Maintenance	812,139	601,468	130,597	263,178	942,736	18,850
Services	2,485,157	2,477,114	752,957	775,279	3,238,114	23,391
Sundry charges	107,941	49,186	56,427	189,788	164,368	1,819
Non capitalized equipment	1,117	-	-	-	1,117	-
Depreciation	1,314,666	1,160,377	493,785	460,178	1,808,451	13,379
Total operating expenses	<u>6,436,940</u>	<u>5,940,990</u>	<u>2,409,061</u>	<u>2,677,760</u>	<u>8,846,001</u>	<u>391,585</u>
Operating income	155,856	58,514	443,517	3,043	599,373	-
Nonoperating revenues (expenses):						
Investment earnings	49,951	9,222	5,983	5,366	55,934	-
Interest and fees expense	(435,359)	(214,530)	-	(630)	(435,359)	-
Gain (loss) on sale of assets	44,551	4,300	204,555	-	249,106	-
Bond issuance costs	(133,419)	(18,174)	-	-	(133,419)	-
Total nonoperating revenues (expenses)	<u>(474,276)</u>	<u>(219,182)</u>	<u>210,538</u>	<u>4,736</u>	<u>(263,738)</u>	<u>-</u>
Income before transfers	(318,420)	(160,668)	654,055	7,779	335,635	-
Transfers out	-	-	-	-	-	(246,139)
Change in net position	(318,420)	(160,668)	654,055	7,779	335,635	(246,139)
Total net position - beginning	11,195,056	11,383,703	3,040,971	3,049,550	14,236,027	175,794
Prior period adjustment	(91,316)	(27,979)	-	(16,358)	(91,316)	-
Total net position - ending	<u>\$ 10,785,320</u>	<u>\$ 11,195,056</u>	<u>\$ 3,695,026</u>	<u>\$ 3,040,971</u>	<u>\$ 14,480,346</u>	<u>\$ (70,345)</u>

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

CITY OF SNYDER
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Sewer Current Year	(memo only)	Sanitation Current Year	(memo only)	Totals	
		Water & Sewer Prior Year		Sanitation Prior Year		
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 6,309,185	\$ 5,579,736	\$ 2,880,023	\$ 2,821,942	\$ 9,189,208	\$ -
Receipts from interfund services provided	360,753	327,408	-	-	360,753	386,798
Miscellaneous receipts	-	-	-	-	-	4,787
Payments to suppliers	(2,312,898)	(2,755,399)	(666,701)	(1,182,063)	(2,979,599)	(298,144)
Payments to employees	(1,343,240)	(1,242,405)	(711,599)	(717,511)	(2,054,839)	(19,678)
Payments for interfund services used	(820,991)	(723,679)	(360,753)	(327,408)	(1,181,744)	-
Net cash provided (used) by operating activities	<u>2,192,809</u>	<u>1,185,661</u>	<u>1,140,970</u>	<u>594,960</u>	<u>3,333,779</u>	<u>73,763</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES						
Payments on interfund loan	(217,984)	-	-	-	(217,984)	-
Transfers out to other funds	-	-	-	-	-	(246,139)
Net cash used by noncapital financing activities	<u>(217,984)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(217,984)</u>	<u>(246,139)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets	(2,293,739)	(2,458,400)	(2,225,655)	(409,303)	(4,519,394)	(80,071)
Proceeds from sale of capital assets	44,551	4,300	204,555	-	249,106	-
Proceeds from issuance of certificates of obligation	9,000,000	-	-	-	9,000,000	-
Principal paid on certificates of obligation	(631,983)	(825,246)	-	-	(631,983)	-
Interest paid on debt obligations	(420,630)	(214,463)	-	(630)	(420,630)	-
Net cash provided (used) by capital and related financing activities	<u>5,698,199</u>	<u>(3,493,809)</u>	<u>(2,021,100)</u>	<u>(409,933)</u>	<u>3,677,099</u>	<u>(80,071)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	49,975	9,222	4,587	4,606	54,562	-
Net cash provided (used) by investing activities	<u>49,975</u>	<u>9,222</u>	<u>4,587</u>	<u>4,606</u>	<u>54,562</u>	<u>-</u>

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

CITY OF SNYDER
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water & Sewer Current Year	(memo only)	Sanitation Current Year	(memo only)	Totals	
		Water & Sewer Prior Year		Sanitation Prior Year		
Net increase (decrease) in cash and cash equivalents	\$ 7,722,999	\$ (2,298,926)	\$ (875,543)	\$ 189,633	\$ 6,847,456	\$ (252,447)
Cash and cash equivalents, October 1 (including \$913,651 and \$1,940,366 for the water & sewer and sanitation funds, respectively, reported in restricted accounts)	<u>1,903,981</u>	<u>4,202,907</u>	<u>2,682,059</u>	<u>2,492,426</u>	<u>4,586,040</u>	<u>68,695</u>
Cash and cash equivalents, September 30 (including \$8,580,622 and \$1,953,100 for the water & sewer and sanitation funds, respectively, reported in restricted accounts)	<u>\$ 9,626,980</u>	<u>\$ 1,903,981</u>	<u>\$ 1,806,516</u>	<u>\$ 2,682,059</u>	<u>\$ 11,433,496</u>	<u>\$ (183,752)</u>
Reconciliation of Operating Income to net cash provided by operating activities:						
Operating income	<u>\$ 155,856</u>	<u>\$ 58,514</u>	<u>\$ 443,517</u>	<u>\$ 3,043</u>	<u>\$ 599,373</u>	<u>\$ -</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation expense	1,314,666	1,160,377	493,785	460,178	1,808,451	13,379
(Increase) decrease in accounts receivable	(13,132)	(81,587)	14,711	(22,674)	1,579	-
(Increase) decrease in inventories/prepaid expenses	90,274	(10,773)	(4,718)	201	85,556	52,185
Increase (decrease) in retainage payable	40,625	-	-	-	40,625	-
Increase (decrease) in customer deposits	65,273	105,096	-	-	65,273	-
Increase (decrease) in accrued payroll	-	(27,979)	-	(16,358)	-	-
Increase (decrease) in accounts payable	539,425	(23,884)	179,251	15,477	718,676	6,009
Increase (decrease) in compensated absences	(178)	5,897	1,690	(8,720)	1,512	2,190
Increase in landfill closure/post closure cost	-	-	12,734	163,813	12,734	-
Total adjustments	<u>2,036,953</u>	<u>1,127,147</u>	<u>697,453</u>	<u>591,917</u>	<u>2,734,406</u>	<u>73,763</u>
Net cash provided by operating activities	<u>\$ 2,192,809</u>	<u>\$ 1,185,661</u>	<u>\$ 1,140,970</u>	<u>\$ 594,960</u>	<u>\$ 3,333,779</u>	<u>\$ 73,763</u>

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

CITY OF SNYDER, TEXAS

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

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CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2014

I. Summary of Significant Accounting Policies

The accounting and reporting policies of the City of Snyder, Texas, (City) included in the accompanying basic financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

A. Reporting Entity

The City of Snyder is a municipal corporation governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the City as the primary government and a component unit for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. The discretely presented component unit has a September 30 year-end.

Discretely Presented Component Unit

Development Corporation of Snyder. The City adopted (through the election process) an optional sales tax (3/8%) for economic development purposes and the Corporation was established to administer these funds. The Corporation is a non-profit corporation specifically governed by the Texas Development Corporation Act of 1979, as amended. The purpose of the Development Corporation of Snyder, Inc. (herein known as D.C.O.S.) is to promote, assist, and enhance economic development. The five member Board of Directors is appointed by the Mayor, with the approval of the Council. The Board is regularly accountable to the City Council for all activities undertaken by them or on their behalf. The unit is presented as a governmental fund type.

Complete financial statements for the D.C.O.S. may be obtained at the entity's administrative offices:

Development Corporation of Snyder
3610 College Ave., Ste. A
Snyder, TX 79549

B. Government-Wide and Fund Financial Statements

Government-wide financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

Fund financial statements. The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate “fund types”.

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

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

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

Property taxes, franchise taxes, licenses, interest revenue and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. Sales taxes collected and held by the state at year-end on behalf of the City also are recognized as revenue. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

The government reports the following major proprietary funds:

Water and Sewer Fund – This fund accounts for the provision of water and sewer services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collections.

Sanitation Fund – This fund accounts for the provision of garbage collection and disposal, including landfill operations for the residents of the City and some residents of the County.

Additionally, the City reports the following nonmajor fund types:

Special Revenue Funds – Special Revenue Funds, a governmental fund type, are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted, committed or assigned to expenditures for specified purposes.

Internal Service Funds – Internal Service Funds, a proprietary fund type, are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The internal service fund of the City is the Central Garage Fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government’s water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund, the sanitation fund, and of the City's internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

Cash includes amounts that are subject to immediate use by the entity. Examples of cash are as follows:

- a. Cash on hand
- b. Cash on (demand) deposit with financial institutions that can be withdrawn without prior notice or penalty.
- c. Other deposits or cash management pools that have characteristics similar to demand deposit accounts (that is, additional funds may be deposited to the account at any time and withdrawals can be made at any time without prior notice or penalty.)

Cash equivalents are short-term, highly liquid investments that have both of the following characteristics:

- a. Investments that are readily convertible to known amounts of cash.
- b. Investments that mature in such a short period of time (generally original maturity of three months or less from the date of purchase) that their values are effectively immune from changes in interest rates.

State statutes authorize the City to invest in 1) obligations of the U.S. or its agencies and instrumentalities; 2) obligations of the State of Texas or its agencies; 3) other obligations guaranteed by the U.S. or the State of Texas or their agencies and instrumentalities; 4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent; 5) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas, savings banks domiciled in Texas, or state or federal credit unions domiciled in Texas; 6) fully collateralized repurchase agreements; and 7) other securities as described in the Texas Local Government Code, Chapter 2256, Public Funds Investment Act. The City is authorized by its governing body to invest in all instruments authorized by the State statutes. Investments are stated at fair value.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds: (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectibles.

The City's property tax is levied each October 1, and payable before the first day of February, on 100 percent of assessed value listed for all real and personal property (business property) located in the City. Assessed values are established by the Scurry County Tax Appraisal District and certified by the Board of Equalization.

Property tax revenues are recognized in the fund financial statements when they become available. Available means collected within the current period and the amount expected to be collected soon after year-end to pay liabilities of the current period not to exceed 60 days. The amount of taxes collected in the period 60 days after year-end were deemed immaterial, therefore, the balance of taxes receivable, net of allowance, is reported as deferred inflows of resources. Property taxes attach as an enforceable lien on property as of January 1.

3. Inventories

Inventory is valued at cost using the first-in/first-out method. Inventory in the General Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed. Reported inventories are equally offset by nonspendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

4. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Funds set aside to cover landfill closure and postclosure costs and customer deposits are also classified as restricted assets.

5. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure and all other tangible and intangible assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. Infrastructure acquired beginning in 2004 has been capitalized. Infrastructure acquired prior to this date has not been capitalized. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair value on the date donated. The capitalization threshold for capital assets is \$1,000. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Depreciable capital assets are depreciated using the straight-line method over the asset's estimated useful life as follows:

Buildings and improvements	25-50 years
Improvements other than buildings	10-50 years
Machinery and equipment	3-10 years

6. Compensated Absences

Vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of GASB Statement No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

7. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

8. Comparative Data

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of those funds.

II. Stewardship, Compliance, and Accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for the governmental and proprietary fund types. All annual appropriations lapse at fiscal year-end. Encumbrances represent commitments related to unperformed contracts for goods or services.

Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are closed and re-budgeted in the following year.

Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. The City Council holds public hearings and may add to, subtract from or change appropriations. Any changes in the budget must be within the revenues reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

Prior to September 30, the budget is legally enacted through passage of an ordinance which appropriates totals by fund. Upon written recommendation of the City Manager, the Council may at any time transfer any unencumbered appropriation balance or any portion thereof within a department, office or agency to another department, office or agency. Any supplemental appropriations must be offset by an equal increase in estimated revenues. Management may amend line item budgeted amounts within a department without seeking the approval of the Council.

B. Excess of Expenditures over Appropriations

In the motel tax fund, culture and recreation expenditures were over appropriations by \$32,968. However, excess revenues were available to fund this overage. (See Exhibit C-3, page 44).

C. Deficit Fund Equity

The hourly rate charged for services performed by the internal service central garage fund is intended to result in a break-even operation which is reflected in the current year income. The net position is a deficit \$70,345 at September 30, 2014.

Motel tax fund revenue is remitted to the Chamber of Commerce and Western Texas College. Fund balance of the motel tax fund is a deficit \$840 at September 30, 2014.

III. Detailed Notes on All Funds

A. Deposits and Investments

Custodial credit risk- deposits. The City's deposits in financial institutions were entirely covered by federal depository insurance and by securities held by the pledging bank's agent for the City in the City's name. The City's investment policy requires that time deposits be collateralized by U.S. Treasury Obligations.

At year end, DCOS' deposits in financial institutions were entirely covered by federal depository insurance and by securities held by the pledging bank's agent for DCOS in DCOS' name.

At September 30, 2014, the City had the following investments:

	<u>Fair Value</u>	<u>Due Within Less Than 1 Year</u>
TexPool	\$2,502,928	\$2,502,928
Certificates of Deposit	4,940,366	4,940,366

Investments included on the statement of net position represent certificates of deposit that have a maturity of more than 90 days.

Interest rate risk. The City's investment policy does not currently limit the weighted average maturity of its investment portfolio; however, the City's time deposits all mature in staggered proportions within six months after yearend. TexPool manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 90 days.

Credit risk – State law limits investments in public funds investment pools to those rated no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2014, the City's investment in TexPool was rated AAAM, by Standard & Poor's, the highest rating a local government investment pool can achieve. 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 fair value of the City's position in this pool is the same as the value of the pool shares.

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 by security type and institution.

B. Receivables

Receivables in the fund financial statements at September 30, 2014 consist of the following:

	<u>General Fund</u>	<u>Water & Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Nonmajor & Other Funds</u>	<u>Total</u>
Delinquent Taxes Receivable	\$ 118,683	\$ -	\$ -	\$ -	\$ 118,683
Less: Allowance for Uncollectibles	<u>(108,683)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(108,683)</u>
Delinquent Taxes Receivable, net	10,000	-	-	-	10,000
Sales Tax Receivable	881,862	-	-	-	881,862
Franchise Tax Receivable	210,362	-	-	-	210,362
Other Receivables	385,902	736,647	332,747	135,424	1,590,720
Accrued Interest Receivable	<u>168</u>	<u>418</u>	<u>2,661</u>	<u>-</u>	<u>3,247</u>
Total Receivables, Net	<u>\$ 1,488,294</u>	<u>\$ 737,065</u>	<u>\$ 335,408</u>	<u>\$ 135,424</u>	<u>\$ 2,696,191</u>

Receivables for DCOS consist of \$220,466 from the primary government for sales tax and \$411,384 in notes receivable from businesses.

Revenues of the Water and Sewer Fund and Sanitation Fund are reported net of uncollectible amounts. Total estimated uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water sales:	\$21,979
Uncollectibles related to sewer charges:	<u>181</u>
Uncollectibles related to the Water and Sewer Fund:	\$22,160
Uncollectibles related to the Sanitation Fund:	\$ 6,410

C. Capital Assets

Governmental Activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 434,769	\$ 64,911	\$ -	\$ 499,680
Construction in progress	-	<u>76,242</u>	-	<u>76,242</u>
Total capital assets, not being depreciated	<u>434,769</u>	<u>141,153</u>	-	<u>575,922</u>
Capital assets, being depreciated:				
Buildings	674,159	10,841	-	685,000
Improvements other than buildings	3,615,407	-	-	3,615,407
Machinery and equipment	<u>5,132,643</u>	<u>440,252</u>	<u>(364,124)</u>	<u>5,208,771</u>
Total capital assets, being depreciated	<u>9,422,209</u>	<u>451,093</u>	<u>(364,124)</u>	<u>9,509,178</u>
Less accumulated depreciation for:				
Buildings	406,532	19,055	-	425,587
Improvements other than buildings	2,433,744	29,169	-	2,462,913
Machinery and equipment	<u>3,890,207</u>	<u>429,268</u>	<u>(364,124)</u>	<u>3,955,351</u>
Total accumulated depreciation	<u>6,730,483</u>	<u>477,492</u>	<u>(364,124)</u>	<u>6,843,851</u>
Total capital assets being depreciated, net	<u>2,691,726</u>	<u>(26,399)</u>	-	<u>2,665,327</u>
Governmental activities capital assets, net	<u>\$ 3,126,495</u>	<u>\$ 114,754</u>	<u>\$ -</u>	<u>\$ 3,241,249</u>
Business-Type Activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Water and sewer activities:				
Capital assets, not being depreciated:				
Land	\$ 185,765	\$ -	\$ -	\$ 185,765
Construction in progress	2,677,342	990,101	(2,677,342)	990,101
Total capital assets, not being depreciated	<u>2,863,107</u>	<u>990,101</u>	<u>(2,677,342)</u>	<u>1,175,866</u>
Capital assets, being depreciated:				
Buildings	9,932,772	-	-	9,932,772
Improvements other than buildings	13,444,750	3,652,917	-	17,097,667
Machinery and equipment	<u>5,782,896</u>	<u>328,064</u>	<u>(74,806)</u>	<u>6,036,154</u>
Total capital assets, being depreciated	<u>29,160,418</u>	<u>3,980,981</u>	<u>(74,806)</u>	<u>33,066,593</u>
Less accumulated depreciation for:				
Buildings	6,027,816	312,282	-	6,340,098
Improvements other than buildings	8,613,532	486,851	-	9,100,383
Machinery and equipment	<u>2,341,558</u>	<u>515,533</u>	<u>(74,806)</u>	<u>2,782,285</u>
Total accumulated depreciation	<u>16,982,906</u>	<u>1,314,666</u>	<u>(74,806)</u>	<u>18,222,766</u>
Total capital assets being depreciated, net	<u>12,177,512</u>	<u>2,666,315</u>	-	<u>14,843,827</u>
Water and sewer activities capital assets, net	<u>\$ 15,040,619</u>	<u>\$ 3,656,416</u>	<u>\$ (2,677,342)</u>	<u>\$ 16,019,693</u>

Sanitation activities:	<u>Balance</u>	<u>Completions</u>	<u>Adjustments</u>	<u>Balance</u>
Capital assets, not being depreciated:				
Land	\$ 120,756	\$ -	\$ -	\$ 120,756
Construction in progress	71,595	-	(71,595)	-
Total capital assets, not being depreciated	<u>192,351</u>	<u>-</u>	<u>(71,595)</u>	<u>120,756</u>
Capital assets, being depreciated:				
Buildings	425,406	-	-	425,406
Improvements other than buildings	2,452,470	1,393,343	-	3,845,813
Machinery and equipment	3,724,290	903,906	(666,761)	3,961,435
Total capital assets, being depreciated	<u>6,602,166</u>	<u>2,297,249</u>	<u>(666,761)</u>	<u>8,232,654</u>
Less accumulated depreciation for:				
Buildings	223,584	9,281	-	232,865
Improvements other than buildings	2,453,952	64,438	-	2,518,390
Machinery and equipment	2,715,694	420,066	(666,761)	2,468,999
Total accumulated depreciation	<u>5,393,230</u>	<u>493,785</u>	<u>(666,761)</u>	<u>5,220,254</u>
Total capital assets being depreciated, net	<u>1,208,936</u>	<u>1,803,464</u>	<u>-</u>	<u>3,012,400</u>
Sanitation activities capital assets, net	<u>\$ 1,401,287</u>	<u>\$ 1,803,464</u>	<u>\$ (71,595)</u>	<u>\$ 3,133,156</u>

Total Business-Type Activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 306,521	\$ -	\$ -	\$ 306,521
Construction in progress	2,748,937	990,101	(2,748,937)	990,101
Total capital assets, not being depreciated	<u>3,055,458</u>	<u>990,101</u>	<u>(2,748,937)</u>	<u>1,296,622</u>
Capital assets, being depreciated:				
Buildings	10,358,178	-	-	10,358,178
Improvements other than buildings	15,897,220	5,046,260	-	20,943,480
Machinery and equipment	9,507,186	1,231,970	(741,567)	9,997,589
Total capital assets, being depreciated	<u>35,762,584</u>	<u>6,278,230</u>	<u>(741,567)</u>	<u>41,299,247</u>
Less accumulated depreciation for:				
Buildings	6,251,400	321,563	-	6,572,963
Improvements other than buildings	11,067,484	551,289	-	11,618,773
Machinery and equipment	5,057,251	935,600	(741,567)	5,251,284
Total accumulated depreciation	<u>22,376,135</u>	<u>1,808,452</u>	<u>(741,567)</u>	<u>23,443,020</u>
Total capital assets being depreciated, net	<u>13,386,449</u>	<u>4,469,778</u>	<u>-</u>	<u>17,856,227</u>
Business-type activities capital assets, net	<u>\$ 16,441,907</u>	<u>\$ 5,459,879</u>	<u>\$ (2,748,937)</u>	<u>\$ 19,152,849</u>

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

Governmental activities:

General government	\$ 43,120
Public safety	312,135
Public works	108,858
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of assets	13,379
Total depreciation expense – governmental activities	<u>\$ 477,492</u>

Business-type activities:

Water and sewer	\$ 1,314,666
Sanitation	493,785
Total depreciation expense – business-type activities	<u>\$ 1,808,451</u>

Discretely presented component unit

Development Corporation of Snyder:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 1,202,187	\$ -	\$ 15,028	\$ 1,187,159
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>1,202,187</u>	<u>-</u>	<u>15,028</u>	<u>1,187,159</u>
Capital assets, being depreciated:				
Buildings and improvements	2,856,941	14,000	-	2,870,941
Furniture and equipment	43,244	-	-	43,244
Total capital assets, being depreciated	<u>2,900,185</u>	<u>14,000</u>	<u>-</u>	<u>2,914,185</u>
Less accumulated depreciation for:				
Buildings and improvements	22,586	114,830	-	137,416
Furniture and equipment	37,336	3,559	-	40,895
Total accumulated depreciation, net	<u>59,922</u>	<u>118,389</u>	<u>-</u>	<u>178,311</u>
Total capital assets being depreciated, net	<u>2,840,263</u>	<u>(104,389)</u>	<u>-</u>	<u>2,735,874</u>
DCOS capital assets, net	<u>\$ 4,042,450</u>	<u>\$ (104,389)</u>	<u>\$ 15,028</u>	<u>\$ 3,923,033</u>

D. Interfund Transfers

The Self-insurance internal service fund transferred \$246,139 to the general fund to close out the fund since the City is no longer fully self-insured.

E. Long-Term Debt

Changes in long-term liabilities

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

	October 1, 2013	Increase	Decrease	September 30, 2014	Due Within One year
Governmental Activities:					
Compensated absences	\$ 103,304	\$ 49,965	\$ (26,594)	\$ 126,675	\$ 31,669
Governmental activity					
Long-term liabilities	<u>\$ 103,304</u>	<u>\$ 49,965</u>	<u>\$ (26,594)</u>	<u>\$ 126,675</u>	<u>\$ 31,669</u>
Business Type Activities:					
Revenue bonds	\$ 3,480,000	\$ 9,000,000	\$ (465,000)	\$ 12,015,000	\$ 485,000
Unamortized bond premiums	34,063	134,907	(11,512)	157,458	-
Municipal lease purchase	2,945,068	-	(166,983)	2,778,085	171,725
Closure/postclosure care	1,940,366	12,734	-	1,953,100	-
Compensated absences	51,457	14,376	(12,864)	52,969	13,238
Business-type activity					
Long-term liabilities	<u>\$ 8,450,954</u>	<u>\$ 9,162,017</u>	<u>\$ (656,359)</u>	<u>\$ 16,956,612</u>	<u>\$ 669,963</u>

For the governmental activities, the general fund has typically been used to liquidate the liability for compensated absences.

Revenue bonds

The annual requirements to retire all revenue bonds outstanding as of September 30, 2014 including interest payments are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2015	\$ 485,000	\$ 408,948	\$ 893,948
2016	400,000	394,753	794,753
2017	405,000	383,564	788,564
2018	415,000	371,545	786,545
2019	425,000	358,765	783,765
2020-2024	2,290,000	1,561,682	3,851,682
2025-2034	<u>7,595,000</u>	<u>1,600,418</u>	<u>9,195,418</u>
	<u>\$ 12,015,000</u>	<u>\$ 5,079,675</u>	<u>\$ 17,094,675</u>

A summary of Revenue Bonds outstanding at September 30, 2014 follows:

\$3,495,000, 2010 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$165,000 to \$295,000 through March 1, 2025; interest at 0.75 – 4.0%; payable from income derived from the water and sewer enterprise fund; tax revenues serve as collateral \$ 2,740,000

\$1,340,000, 2010 Combination Tax and Surplus Revenue Refunding bonds Due in annual installments of \$25,000 to \$280,000 through September 1, 2015; interest at 0.7 - 2.15%; payable from income derived from the water and sewer enterprise fund; tax revenues serve as collateral 275,000

\$9,000,000, 2013 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$180,000 to \$1,005,000 through March 1, 2034; interest at 3 – 4.00%; payable from income derived from the water and sewer enterprise fund; tax revenues serve as collateral \$ 9,000,000

Total outstanding Revenue Bonds \$12,015,000

Municipal lease agreement

In August 2012, the City acquired \$2,985,314 in energy-saving equipment for use in the Water and Sewer enterprise fund through a lease purchase agreement. Related amortization expense is included in depreciation expense.

The annual requirements to retire the municipal lease agreement outstanding as of September 30, 2014 including interest payments are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2015	\$ 171,725	\$ 77,140	\$ 248,865
2016	176,602	72,263	248,865
2017	181,617	67,248	248,865
2018	186,775	62,090	248,865
2019	192,079	56,786	248,865
2020-2024	1,045,382	198,943	1,244,325
2025-2028	823,905	47,119	871,024
	<u>\$ 2,778,085</u>	<u>\$ 581,589</u>	<u>\$ 3,359,674</u>

A summary of the Municipal Lease Agreement outstanding at September 30, 2014 follows:

\$2,985,314, Municipal Lease Purchase Agreement due in semi-annual installments of \$40,246 to \$122,702 through February 2028; interest at 2.82%; payable from income derived from the water and sewer enterprise fund \$2,778,085

Total outstanding Municipal Lease Agreement \$2,778,085

Discretely Presented Component Unit

The following is a summary of long-term debt activity of the Development Corporation of Snyder for the fiscal year ended September 30, 2014:

	Balance at September 30, 2013	Increase	Decrease	Balance at September 30, 2014	Due Within One Year
Sales tax revenue bonds	\$ 260,000	\$ -	\$ 125,000	\$ 135,000	\$ 135,000
Notes payable	4,281,302	-	325,177	3,956,125	331,446
Total long-term debt	\$ 4,541,302	\$ -	\$ 450,177	\$ 4,091,125	\$ 466,446

The annual requirements to retire all debt outstanding of the Development Corporation of Snyder as of September 30, 2014 including interest payments are as follows:

Fiscal Year Ending September 30,	Sales Tax Revenue Bonds	Notes Payable	Interest	Total
2015	\$ 135,000	\$ 331,446	\$ 94,923	\$ 561,369
2016		338,051	88,318	426,369
2017		344,873	81,496	426,369
2018		343,920	74,449	418,369
2019		343,202	67,169	410,371
2020-2024		1,569,605	217,965	1,787,570
2025-2027		685,028	28,181	713,209
	\$ 135,000	\$ 3,956,125	\$ 652,501	\$ 4,743,626

Revenue Bonds

The Development Corporation of Snyder, Inc. (DCOS) issued bonds where the DCOS pledges the income derived from the 3/8% Sales Tax, adopted by the citizens of Snyder for economic development, to pay debt service. Revenue bonds outstanding at September 30, 2014, are as follows:

Purpose	Maturity Dates	Interest Rates	Amount
Sales Tax Revenue Bonds Series 1995	9-1-2015	4.00 – 5.75%	\$45,000
Sales Tax Revenue Bonds Series 1996	9-1-2015	6.00 – 7.75%	\$90,000

Notes Payable

The Development Corporation of Snyder entered into an agreement with Big Country Electric Cooperative to provide services in order to improve the utility infrastructure for the UCO Spinning Plant. The Development Corporation agreed to reimburse Big Country \$279,000 through a non-interest bearing note. The note is payable in annual installments of \$22,500 for the first six years followed by nine annual installments of \$16,000 each, maturing in 2018. The payments are due annually on January 31 and the note is secured by the gross revenues and receipts of the 3/8% Sales Tax. The note provides for alternate payment schedules if the property known as UCO Spinning Plant is vacant for a period exceeding six months. The outstanding balance of this note is \$56,000.

In February 2012, DCOS authorized the issuance of a loan through the Office of the Governor Economic Development and Tourism Division in the aggregate principal amount of \$3,500,000 to fund land acquisition, rail spur construction, infrastructure improvements and a program loan to WLP Holdings. The loan is scheduled to mature on March 20, 2027 and bears a variable interest rate of the federal funds rate plus 3%. The loan is secured by sales tax revenues. The outstanding balance of the loan is \$3,013,793.

In November 2012, DCOS entered into two agreements with Big Country Electric Cooperative to provide services in order to develop 74 acres of the Rail Park. The Corporation agreed to reimburse Big Country \$740,000 and \$300,000 through a non-interest bearing note. The note is payable in One Hundred eight (108) monthly installments of \$6,852 and \$2,752.29 each and a One Hundred Ninth (109th) final installment of remaining principal and interest, if any. The first installment was due June 20, 2013 and subsequent installments are due on or before the same day of each month thereafter until the principal amount (and any default interest) is paid in full with the final installment of principal and any default interest being due on or before June 20, 2022. The outstanding balance of this note is \$886,332.

Conduit Debt Obligations

In December 2011, DCOS issued Industrial Development Revenue Bonds, Series 2011A and 2011B, in the amounts of \$7.5 million and \$2.5 million, to provide funds to WL Plastics Corporation (“Corporation”) to finance the construction and equipping of a manufacturing facility to be located in the City. The bonds are secured by the property financed and are payable solely from payments received from Corporation on the underlying mortgage loans. Neither DCOS, the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

IV. Other Information

A. Risk Management

The City’s insurance protection includes multi-peril coverage for building and valuable papers, general liability, auto general liability coverage for bodily injury and property damage, public officials’ liability, police liability, volunteer fire and police reserve accidental death and disability, and airport bodily injury and property damage.

In February 2012, the City became fully insured by the Texas Municipal League (TML). The City purchases worker’s compensation insurance and is a tax paying employer for unemployment insurance. Medical benefits are provided through a fully funded Intergovernmental Employee Benefits Pool administered by the Texas Municipal League.

B. Contingent Liabilities

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of September 30, 2014, no significant amounts of grant expenditures are open to grantor review, and the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

C. Landfill Closure Costs

State and federal laws and regulations require that the City of Snyder place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$1,953,100 as of September 30, 2014, which is based on 11.1% usage (filled) of the landfill. It is estimated that an additional \$2,265,515 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2155). The current estimated total cost of the landfill closure and postclosure care (\$4,218,615) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2014. However, the actual cost of closure and postclosure care may be different due to inflation, changes in technology, or changes in landfill laws and regulations.

The City of Snyder is required by state and federal laws and regulations to make annual contributions to finance closure and postclosure care; however, the City began using the landfill on July 1, 1995; and therefore the first annual contribution was not made until Fiscal Year 1995 – 1996. Investments of \$1,953,100 are held for these purposes. These investments are reported as restricted assets. It is anticipated that future inflation costs will be financed in part from earnings on investments. The remaining portion of anticipated future installation costs (including inadequate earnings on investments, if any) and additional costs that may arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

D. Texas Municipal Retirement System (TMRS)

Plan Description

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

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS. The report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. The report may be obtained by writing to TMRS, P.O. Box 149153, Austin, TX 78714-9153 or by calling 800-924-8677. In addition, the report is available on TMRS' website at www.TMRS.com.

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

Employee Deposit Rate:	7%
Matching Ratio (City to Employee):	2 to 1
A member is vested after	5 years

Members can retire at certain ages, based on the years of service with the City.

The Service Retirement Eligibilities for the City are:	5 yrs/age 60; 20 yrs/any age
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Updated service credit	100% repeating, transfers
Annuity increase (to retirees)	70% of CPI repeating

Contributions

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

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

The annual pension cost and net pension obligation are as follows:

Three Year Trend Information				
<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Actual</u> <u>Contribution</u> <u>Made</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u> <u>(Asset)</u>
2012 \$	734,667	\$ 734,667	100%	-
2013	746,267	746,267	100%	-
2014	790,755	790,755	100%	-

The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013 also follows:

Actuarial Assumptions

Valuation Date	12/31/2011	12/31/2012	12/31/2013
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age Normal
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining Amortization Period	26.1 years; Closed Period	25.2 years; Closed Period	26.0 years; Closed period
Amortization Period for New Gains/Losses	30 years	30 years	30 years
Asset Valuation Method	10-Year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Investment Rate of Return*	7.0%	7.0%	7.0%
Projected Salary Increases*	Varies by age and service	Varies by age and service	Varies by age and service
*Includes Inflation at	3.0%	3.0%	3.0%
Cost-of-Living Adjustments	2.1%	2.1%	2.1%

Funding Status and Funding Progress

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

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(1)	(2)	(3)	(4)	(5)	(6)
			(1)/(2)	(2) - (1)		(4)/(5)
12/31/2013	\$ 22,279,095	\$ 27,161,823	82.0%	\$ 4,882,728	\$ 4,246,320	115.0%

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

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

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

Supplemental Death Benefits Plan

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

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

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the years ended 2014, 2013 and 2013 were \$10,215, \$9,252 and \$8,895, respectively, which equaled the required contributions each year.

E. Fund Balance

The City classifies governmental fund balances in the following categories:

Nonspendable fund balance includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain intact such as the principal of an endowment. The City has nonspendable fund balance of \$8,653 for inventories and \$58,500 for prepaid items as of September 30, 2014.

Restricted fund balance includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. The City has \$63,556 in fund balance restricted for various purposes such as municipal court, LEOSE funds, building security, and court efficiency.

Committed fund balance includes the portion of net resources upon which the City Council, the City's highest level of decision-making authority, has imposed limitations on use. Amounts that can be used only for the specific purposes are determined by a formal action of the City Council in form of a resolution. Commitments may be changed or lifted only by the Council taking the same formal action that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements. The City has \$506,100 in fund balance committed for economic development at September 30, 2014.

Assigned fund balance includes the portion of net resources for which an intended use has been established by the City Council or the City Manager authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification. The City had \$7,622,608 in unassigned fund balance at September 30, 2014.

The City will typically use restricted, committed and/or assigned fund balances, in that order, prior to using unassigned resources, but it reserves the right to deviate from this general strategy when appropriate.

F. Reinvestment Zones

In December 2011, the City approved the creation of Tax Abatement Reinvestment Zone Number Two (“Zone”). The City also approved a seven year, 100% property tax abatement to WL Plastics Corporation for property in the Zone. There was no financial activity for the Zone in fiscal year 2014.

In November 2013, the City Council approved the creation of Tax Increment Financing (TIF) Reinvestment Zone Number 1. 65% of the ad valorem taxes received from property within the zone will go into a special revenue TIF fund that will be used for economic development within the zone. There was no financial activity for the TIF Zone Number 1 in fiscal year 2014.

G. Prior Period Adjustments

The City implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended September 30, 2014. Prior to implementation, the City capitalized bond and other debt issuance costs in the government wide and proprietary fund financial statements when incurred and subsequently amortized the resulting asset over the life of the bonds. The Statement requires that such items now be expensed as incurred, including writing off balances previously capitalized. As a result, net position of the business-type activities and water and sewer fund was decreased by \$91,316 at September 30, 2013 to write off previously unamortized bond issuance costs.

DCOS’ prior fiscal years’ financial statements included an allowance for doubtful accounts of \$112,791 which was created as a result of a customer’s bankruptcy. DCOS in 2012 directly wrote-off to bad debts expense the portion of these accounts that were uncollectible, rendering the allowance unnecessary. DCOS also reclassified a prior year’s charge of \$160 for janitorial expenses to net position. The following table illustrates the effect of these prior period adjustments.

	<u>Net Position</u>
As previously stated	
September 30, 2013	\$ 928,163
Allowance for doubtful accounts	112,791
Janitorial expense	<u>(160)</u>
Beginning net position	
October 1, 2013, as restated	<u>\$ 1,040,794</u>

H. Upcoming Accounting Pronouncement

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement 27*. This Statement requires governments providing defined benefit pension plans to recognize their long-term obligation for pension benefits as a liability on the statement of net position and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement will require the City to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the TMRS plan. This Statement requires the use of the entry age normal method to be used with each period’s service cost determined as a level percentage of pay and requires certain other changes to compute the pension liability and expense. This Statement also requires revised and new note disclosures and required supplementary information (RSI) to be reported by employers. The provisions of this Statement are effective for periods beginning after June 15, 2014. The City will fully analyze the impact of this new Statement prior to the effective date for the Statement.

I. Subsequent Events

In December 2014 the City of Snyder’s City Council approved an inter fund loan from the General Fund to the Water and Sewer Fund for \$850,000 for a portion of the cost of the old water treatment plant renovation. The loan will be repaid over seven years at 2.5% interest.

CITY OF SNYDER, TEXAS

**Required Supplemental Information
Texas Municipal Retirement System
Schedule of Funding Process
Last Ten Calendar Years**

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)
2004	\$ 11,267,669	\$ 13,817,241	\$ 2,549,572	81.5%	\$ 2,859,035	89.2%
2005	9,072,489	11,784,456	2,711,967	77.0%	2,608,785	104.0%
2006	8,875,150	11,853,848	2,978,698	74.9%	2,867,349	103.9%
2007	8,891,427	13,879,518	4,988,091	64.1%	2,900,676	172.0%
2008	9,698,015	14,990,699	5,292,684	64.7%	3,284,830	161.1%
2009	9,226,327	15,001,380	5,775,053	61.5%	3,571,388	161.7%
2010(1)	9,973,883	15,745,820	5,771,937	63.3%	3,763,844	153.4%
2010(2)	18,659,350	23,058,349	4,398,999	80.9%	3,763,844	116.9%
2011	20,076,542	24,438,253	4,361,711	82.2%	3,956,597	110.2%
2012	21,337,536	25,238,614	3,901,078	84.5%	3,972,755	98.2%
2013	22,279,095	27,161,823	4,882,728	82.0%	4,246,320	115.0%

Source: Texas Municipal Retirement System (TMRS) Annual Report and City payroll reports

Notes: Trend data presented is information as of December 31 of the previous year, which is the fiscal year of the TMRS.

(1) Actuarial valuation performed under the original fund structure.

(2) Actuarial valuation performed under the new fund structure.

Nonmajor Governmental Funds

Special Revenue Fund

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Motel Tax Fund – This fund is used to account for the tax upon the occupancy of any sleeping room furnished by any hotel, where the occupancy is the rate of \$2 or more per day.

Tax Increment Financing – This fund is used to account for 65% of the ad valorem taxes collected within the Increment Financing Reinvestment Zone.

CITY OF SNYDER, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2014

	<u>Special Revenue</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Motel Tax Fund</u>	<u>Tax Increment Financing</u>	
ASSETS			
Cash and cash equivalents	\$ 4,548	\$ -	\$ 4,548
Accounts receivable, net	<u>135,424</u>	<u>-</u>	<u>135,424</u>
Total assets	<u>\$ 139,972</u>	<u>\$ -</u>	<u>\$ 139,972</u>
LIABILITIES			
Accounts payable	\$ <u>140,812</u>	\$ -	\$ <u>140,812</u>
Total liabilities	<u>140,812</u>	<u>-</u>	<u>140,812</u>
FUND BALANCES			
Unassigned, designated for tourism	<u>(840)</u>	<u>-</u>	<u>(840)</u>
Total liabilities and fund balances	<u>\$ 139,972</u>	<u>\$ -</u>	<u>\$ 139,972</u>

CITY OF SNYDER, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2014

	<u>Special Revenue</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Motel Tax Fund</u>	<u>Tax Increment Financing</u>	
REVENUES			
Occupancy Tax	\$ 432,968	\$ -	\$ 432,968
Total revenues	<u>432,968</u>	<u>-</u>	<u>432,968</u>
EXPENDITURES			
Current:			
Culture and recreation	432,968	-	432,968
Total expenditures	<u>432,968</u>	<u>-</u>	<u>432,968</u>
Net change in fund balances	-	-	-
Fund balances - beginning	<u>(840)</u>	<u>-</u>	<u>(840)</u>
Fund balances - ending	<u>\$ (840)</u>	<u>\$ -</u>	<u>\$ (840)</u>

CITY OF SNYDER, TEXAS
Motel Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES				
Occupancy Tax	\$ 400,000	\$ 400,000	\$ 432,968	\$ 32,968
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>432,968</u>	<u>32,968</u>
EXPENDITURES				
Culture and recreation	<u>400,000</u>	<u>400,000</u>	<u>432,968</u>	<u>(32,968)</u>
Total expenditures	<u>400,000</u>	<u>400,000</u>	<u>432,968</u>	<u>(32,968)</u>
Net change in fund balance	-	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>(840)</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (840)</u>	<u>\$ -</u>

Supplementary Individual Fund Financial Statements and Schedules

General Fund

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014		Variance- Favorable (Unfavorable)	2013
	Budget	Actual		Actual
Taxes:				
Sales Taxes	\$ 2,900,000	\$ 3,255,941	\$ 355,941	\$ 3,069,630
Ad valorem Taxes	1,800,685	1,961,319	160,634	1,895,078
Franchise Taxes	800,000	816,773	16,773	758,122
Liquor Taxes	10,000	12,082	2,082	11,903
Total Taxes	5,510,685	6,046,115	535,430	5,734,733
Licenses and Permits	53,410	56,419	3,009	146,025
Intergovernmental:				
Texas Department of Transportation	-	28,556	28,556	-
LEOSE - Police	-	1,873	1,873	-
School Resource Officer	78,000	79,600	1,600	72,260
Homeland Security Grant	-	7,519	7,519	25,060
Juvenile Case Manager Fee	42,000	7,483	(34,517)	8,214
LEOSE - Fire	-	650	650	-
Total Intergovernmental	120,000	125,681	5,681	105,534
Charges for Services:				
Administrative Fees	1,079,565	1,082,239	2,674	1,009,935
Municipal Court Fees	64,265	67,428	3,163	59,228
Total Charges for Services	1,143,830	1,149,667	5,837	1,069,163
Fines and Forfeitures	115,000	108,421	(6,579)	108,867
Miscellaneous:				
Interest	20,000	24,012	4,012	24,452
Miscellaneous	55,650	172,626	116,976	63,079
Total Miscellaneous	75,650	196,638	120,988	87,531
Contributions	-	23,000	23,000	223,000
Total Revenues	\$ 7,018,575	\$ 7,705,941	\$ 687,366	\$ 7,474,853

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014		Variance- Favorable (Unfavorable)	2013
	Budget	Actual		Actual
GENERAL GOVERNMENT:				
Administration:				
Personnel Services	\$ 227,510	\$ 229,291	\$ (1,781)	\$ 216,091
Supplies	4,500	2,456	2,044	2,753
Maintenance	5,510	5,725	(215)	4,397
Services	48,205	51,868	(3,663)	52,628
Sundry Charges	6,405	5,874	531	6,693
Capital Outlay	900	-	900	1,626
Totals	293,030	295,214	(2,184)	284,188
Finance:				
Personnel Services	305,485	305,953	(468)	312,282
Supplies	4,150	5,210	(1,060)	4,833
Maintenance	15,755	15,667	88	18,373
Services	38,710	40,408	(1,698)	33,337
Sundry Charges	3,375	2,725	650	4,193
Capital Outlay	-	-	-	449
Totals	367,475	369,963	(2,488)	373,467
Planning & Zoning				
Personnel Services	252,875	217,283	35,592	164,171
Supplies	5,600	6,925	(1,325)	5,467
Maintenance	18,055	10,085	7,970	9,765
Services	10,435	38,945	(28,510)	62,940
Sundry Charges	1,395	929	466	623
Capital Outlay	47,040	24,618	22,422	-
Totals	335,400	298,785	36,615	242,966
Municipal Court:				
Personnel Services	209,300	208,114	1,186	195,458
Supplies	4,300	3,698	602	4,212
Maintenance	9,270	8,857	413	14,384
Services	27,870	26,029	1,841	22,352
Sundry Charges	3,010	4,479	(1,469)	2,671
Capital Outlay	1,550	4,140	(2,590)	18,829
Totals	255,300	255,317	(17)	257,906

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014		Variance- Favorable (Unfavorable)	2013
	Budget	Actual		Actual
Community Services:				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Supplies	7,450	11,313	(3,863)	3,186
Maintenance	1,720	1,029	691	795
Services	229,540	325,974	(96,434)	316,852
Sundry Charges	6,305	5,048	1,257	1,292
Capital Outlay	163,480	75,752	87,728	66,479
Totals	408,495	419,116	(10,621)	388,604
Accounting:				
Personnel Services	151,350	153,196	(1,846)	143,480
Supplies	3,450	3,346	104	2,281
Maintenance	4,025	1,555	2,470	4,584
Services	15,765	9,949	5,816	14,215
Sundry Charges	615	494	121	811
Capital Outlay	-	-	-	330
Totals	175,205	168,540	6,665	165,701
Data Processing:				
Personnel Services	84,055	93,709	(9,654)	85,824
Supplies	1,750	2,221	(471)	2,055
Maintenance	9,920	17,650	(7,730)	9,301
Services	10,290	8,242	2,048	8,169
Sundry Charges	365	576	(211)	456
Capital Outlay	12,000	11,585	415	1,231
Totals	118,380	133,983	(15,603)	107,036
TOTAL GENERAL GOVERNMENT	1,953,285	1,940,918	12,367	1,819,868

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2013		Variance- Favorable (Unfavorable)	2013
	Budget	Actual		Actual
PUBLIC SAFETY:				
Police:				
Personnel Services	\$ 1,810,015	\$ 1,706,832	\$ 103,183	\$ 1,487,908
Supplies	103,350	90,083	13,267	104,442
Maintenance	57,700	64,894	(7,194)	49,387
Services	61,750	53,687	8,063	47,455
Sundry Charges	126,345	141,088	(14,743)	30,151
Capital Outlay	143,710	107,315	36,395	129,787
Totals	<u>2,302,870</u>	<u>2,163,899</u>	<u>138,971</u>	<u>1,849,130</u>
Animal Control:				
Personnel Services	156,155	157,506	(1,351)	148,709
Supplies	17,800	14,360	3,440	16,134
Maintenance	8,175	4,875	3,300	5,564
Services	33,360	15,197	18,163	15,290
Sundry Charges	4,875	3,685	1,190	3,051
Non capitalized equipment	-	946	(946)	-
Capital Outlay	2,900	-	2,900	-
Totals	<u>223,265</u>	<u>196,569</u>	<u>26,696</u>	<u>188,748</u>
Fire:				
Personnel Services	807,495	846,335	(38,840)	751,408
Supplies	81,500	61,260	20,240	69,253
Maintenance	82,300	78,875	3,425	70,473
Services	128,075	101,993	26,082	94,079
Sundry Charges	24,690	23,832	858	16,384
Non capitalized equipment	-	2,889	(2,889)	-
Capital Outlay	72,150	61,929	10,221	281,473
Totals	<u>1,196,210</u>	<u>1,177,113</u>	<u>19,097</u>	<u>1,283,070</u>
TOTAL PUBLIC SAFETY	<u>3,722,345</u>	<u>3,537,581</u>	<u>184,764</u>	<u>3,320,948</u>

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014			2013
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
PUBLIC WORKS:				
Street Maintenance:				
Personnel Services	\$ 255,345	\$ 198,929	\$ 56,416	\$ 227,170
Supplies	69,370	78,908	(9,538)	52,760
Maintenance	442,355	201,893	240,462	281,918
Services	319,420	300,992	18,428	494,312
Sundry Charges	14,955	12,410	2,545	6,982
Capital Outlay	241,500	229,303	12,197	143,172
Totals	<u>1,342,945</u>	<u>1,022,435</u>	<u>320,510</u>	<u>1,206,314</u>
TOTAL PUBLIC WORKS	<u>1,342,945</u>	<u>1,022,435</u>	<u>320,510</u>	<u>1,206,314</u>
TOTAL EXPENDITURES	<u>\$ 7,018,575</u>	<u>\$ 6,500,934</u>	<u>\$ 517,641</u>	<u>\$ 6,347,130</u>

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Central Garage Fund – This fund is used to account for the costs of operating a maintenance facility for automotive equipment used by other City departments. The automotive equipment itself is acquired by the various user departments which are also responsible for financing replacement vehicles as necessary.

CITY OF SNYDER, TEXAS
Internal Service Funds
Combining Statement of Net Position
September 30, 2014

ASSETS	Central Garage	Self Insurance	Total
Current assets:			
Inventory	\$ 42,172	\$ -	\$ 42,172
Total current assets	<u>42,172</u>	<u>-</u>	<u>42,172</u>
Noncurrent assets:			
Capital assets:			
Buildings	21,531	-	21,531
Machinery and equipment	120,462	-	120,462
Construction in progress	76,242	-	76,242
Less accumulated depreciation	<u>(102,606)</u>	<u>-</u>	<u>(102,606)</u>
Total capital assets (net of accumulated depreciation)	<u>115,629</u>	<u>-</u>	<u>115,629</u>
Total assets	<u>157,801</u>	<u>-</u>	<u>157,801</u>
LIABILITIES			
Current liabilities:			
Cash overdraft	183,752	-	183,752
Accounts payable	41,180	-	41,180
Accrued compensated absences	<u>3,214</u>	<u>-</u>	<u>3,214</u>
Total current liabilities	<u>228,146</u>	<u>-</u>	<u>228,146</u>
NET POSITION			
Net investment in capital assets	115,629	-	115,629
Unrestricted	<u>(185,974)</u>	<u>-</u>	<u>(185,974)</u>
Total net position (deficit)	<u>\$ (70,345)</u>	<u>\$ -</u>	<u>\$ (70,345)</u>

CITY OF SNYDER, TEXAS
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2014

	<u>Central Garage</u>	<u>Self Insurance</u>	<u>Total</u>
Operating revenues:			
Billings to departments	\$ 386,798	\$ -	\$ 386,798
Miscellaneous	4,787	-	4,787
Total operating revenues	<u>391,585</u>	<u>-</u>	<u>391,585</u>
Operating expenses:			
Personnel services	21,868	-	21,868
Supplies	312,278	-	312,278
Maintenance	18,850	-	18,850
Services	23,391	-	23,391
Sundry charges	1,819	-	1,819
Depreciation	13,379	-	13,379
Total operating expenses	<u>391,585</u>	<u>-</u>	<u>391,585</u>
Operating income	-	-	-
Nonoperating revenues:			
Investment earnings	-	-	-
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>
Income before transfers	-	-	-
Transfers out	<u>-</u>	<u>(246,139)</u>	<u>(246,139)</u>
Change in net position	-	(246,139)	(246,139)
Total net position (deficit) - beginning	(70,345)	246,139	175,794
Total net position (deficit) - ending	<u>\$ (70,345)</u>	<u>\$ -</u>	<u>\$ (70,345)</u>

CITY OF SNYDER, TEXAS
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2014

	<u>Central Garage</u>	<u>Self Insurance</u>	<u>Total</u>
CASH FLOWS FOR OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 386,798	\$ -	\$ 386,798
Miscellaneous receipts	4,787	-	4,787
Payments to suppliers	(329,038)	30,894	(298,144)
Payments to employees	(19,678)	-	(19,678)
Net cash provided by operating activities	<u>42,869</u>	<u>30,894</u>	<u>73,763</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	-	(246,139)	(246,139)
Change in interfund payables	(89,975)	89,975	-
Net cash used by noncapital financing activities	<u>(89,975)</u>	<u>(156,164)</u>	<u>(246,139)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(80,071)	-	(80,071)
Net cash used by capital and related financing activities	<u>(80,071)</u>	<u>-</u>	<u>(80,071)</u>
Net change in cash and cash equivalents	(127,177)	(125,270)	(252,447)
Cash and cash equivalents - October 1	(56,575)	125,270	68,695
Cash and cash equivalents - September 30	<u>\$ (183,752)</u>	<u>\$ -</u>	<u>\$ (183,752)</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ -	\$ -	\$ -
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	13,379	-	13,379
Decrease in inventories	2,185	-	2,185
Decrease in prepaid expenses	-	50,000	50,000
Increase (decrease) in vouchers payable	25,115	(19,106)	6,009
Increase in accrued compensated absences	2,190	-	2,190
Total adjustments	<u>42,869</u>	<u>30,894</u>	<u>73,763</u>
Net cash provided by operating activities	<u>\$ 42,869</u>	<u>\$ 30,894</u>	<u>\$ 73,763</u>

Supplementary Individual Fund Financial Statements and Schedules

Enterprise Funds

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended September 30, 2014

With Comparative Actual Amounts for Year Ended September 30, 2013

	2014		Variance- Favorable (Unfavorable)	2013
	Final Budget	Actual		Actual
Revenues:				
Water sales	\$ 4,500,000	\$ 4,574,205	\$ 74,205	\$ 4,076,343
Sewer charges	1,498,145	1,567,673	69,528	1,501,536
Charges for billing & collections	354,320	360,753	6,433	327,408
Water taps	25,000	29,300	4,300	32,700
Sewer taps	15,000	11,360	(3,640)	18,400
Plumbing permits & inspections	14,000	14,686	686	14,019
Miscellaneous	30,900	34,819	3,919	29,098
Interest	10,000	49,951	39,951	9,222
Gain (loss) on sale of assets	-	44,551	44,551	4,300
Total Revenues	6,447,365	6,687,298	239,933	6,013,026
Expenses:				
Personnel services	1,406,080	1,343,062	63,018	1,220,323
Supplies	580,270	372,858	207,412	432,522
Maintenance	673,885	812,139	(138,254)	601,468
Services	2,323,290	2,485,157	(161,867)	2,477,114
Sundry charges	101,795	107,941	(6,146)	49,186
Non capitalized equipment	-	1,117	(1,117)	-
Depreciation	1,188,260	1,314,666	(126,406)	1,160,377
Interest expense	187,900	435,359	(247,459)	214,530
Bond issuance costs	-	133,419	(133,419)	18,174
Total Expenses	6,461,480	7,005,718	(544,238)	6,173,694
Net Income (Loss)	\$ (14,115)	\$ (318,420)	\$ (304,305)	\$ (160,668)

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014		Variance- Favorable (Unfavorable)	2013
	Final Budget	Actual		Actual
SEWER:				
Sanitary Sewer:				
Personnel Services	\$ 187,520	\$ 173,062	\$ 14,458	\$ 132,235
Supplies	42,500	22,758	19,742	57,390
Maintenance	14,730	31,939	(17,209)	41,230
Services	58,245	60,297	(2,052)	53,244
Sundry Charges	20,545	33,924	(13,379)	7,824
Depreciation	71,840	71,565	275	70,894
Totals	<u>395,380</u>	<u>393,545</u>	<u>1,835</u>	<u>362,817</u>
Sewage Treatment:				
Personnel Services	275,790	253,243	22,547	322,429
Supplies	39,450	46,159	(6,709)	57,172
Maintenance	150,145	213,069	(62,924)	161,213
Services	254,695	324,018	(69,323)	298,132
Sundry Charges	8,330	10,223	(1,893)	12,060
Depreciation	194,955	245,151	(50,196)	198,901
Totals	<u>923,365</u>	<u>1,091,863</u>	<u>(168,498)</u>	<u>1,049,907</u>
WATER:				
Water Production:				
Personnel Services	384,590	388,209	(3,619)	307,275
Supplies	399,900	201,919	197,981	210,153
Maintenance	298,450	155,535	142,915	188,549
Services	1,723,805	1,760,213	(36,408)	1,870,722
Sundry Charges	17,155	21,879	(4,724)	16,963
Non capitalized equipment	-	783	(783)	-
Depreciation	255,980	343,091	(87,111)	248,948
Totals	<u>3,079,880</u>	<u>2,871,629</u>	<u>208,251</u>	<u>2,842,610</u>

	2014			2013
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Water Distribution:				
Personnel Services	\$ 189,990	\$ 173,063	\$ 16,927	\$ 132,234
Supplies	64,220	56,338	7,882	78,185
Maintenance	147,130	313,542	(166,412)	140,675
Services	141,395	171,885	(30,490)	113,567
Sundry Charges	20,825	36,820	(15,995)	7,927
Depreciation	301,400	294,527	6,873	281,078
Totals	<u>864,960</u>	<u>1,046,175</u>	<u>(181,215)</u>	<u>753,666</u>
Utility Department:				
Personnel Services	368,190	355,485	12,705	326,150
Supplies	34,200	45,684	(11,484)	29,622
Maintenance	63,430	98,054	(34,624)	69,801
Services	145,150	168,744	(23,594)	141,449
Sundry Charges	34,940	5,095	29,845	4,412
Non capitalized equipment	-	334	(334)	-
Depreciation	364,085	360,332	3,753	360,556
Totals	<u>1,009,995</u>	<u>1,033,728</u>	<u>(23,733)</u>	<u>931,990</u>
Non-Operating:				
Interest and fees	187,900	435,359	(247,459)	214,530
Bond issuance costs	-	133,419	(133,419)	18,174
Totals	<u>187,900</u>	<u>568,778</u>	<u>(380,878)</u>	<u>232,704</u>
TOTAL EXPENSES	<u>\$ 6,461,480</u>	<u>\$ 7,005,718</u>	<u>\$ (544,238)</u>	<u>\$ 6,173,694</u>

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended September 30, 2014

With Comparative Actual Amounts for Year Ended September 30, 2013

	2014			2013
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues:				
Sanitation charges	\$ 2,000,000	\$ 1,942,465	\$ (57,535)	\$ 1,926,453
Landfill gate fees	700,000	904,779	204,779	750,199
Miscellaneous	4,350	5,334	984	4,151
Interest	-	5,983	5,983	5,366
Gain (loss) on sale of asset	-	204,555	204,555	-
Total Revenues	2,704,350	3,063,116	358,766	2,686,169
Expenses:				
Personnel	713,490	713,289	201	692,433
Supplies	306,700	262,006	44,694	296,904
Maintenance	202,970	130,597	72,373	263,178
Services	896,525	752,957	143,568	775,279
Sundry charges	203,065	56,427	146,638	189,788
Depreciation	745,360	493,785	251,575	460,178
Interest	-	-	-	630
Total Expenses	3,068,110	2,409,061	659,049	2,678,390
Net Income (Loss)	\$ (363,760)	\$ 654,055	\$ 1,017,815	\$ 7,779

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2014
With Comparative Actual Amounts for Year Ended September 30, 2013

	2014			2013
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Collection:				
Personnel Services	\$ 323,260	\$ 301,702	\$ 21,558	\$ 290,169
Supplies	115,700	115,670	30	116,716
Maintenance	117,700	53,530	64,170	131,052
Services	282,710	281,253	1,457	267,743
Sundry Charges	17,190	10,568	6,622	14,514
Depreciation	172,250	151,969	20,281	127,434
Total Expenses	<u>1,028,810</u>	<u>914,692</u>	<u>114,118</u>	<u>947,628</u>
Landfill:				
Personnel Services	390,230	411,587	(21,357)	402,264
Supplies	191,000	146,336	44,664	180,188
Maintenance	85,270	77,067	8,203	132,126
Services	613,815	471,704	142,111	507,536
Sundry Charges	185,875	45,859	140,016	175,274
Depreciation	573,110	341,816	231,294	332,744
Total Expenses	<u>2,039,300</u>	<u>1,494,369</u>	<u>544,931</u>	<u>1,730,132</u>
Interest expense	-	-	-	630
TOTAL EXPENSES	<u>\$ 3,068,110</u>	<u>\$ 2,409,061</u>	<u>\$ 659,049</u>	<u>\$ 2,678,390</u>

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source¹
September 30, 2014 and 2013

Governmental funds capital assets:	<u>2014</u>	<u>2013</u>
Land	\$ 499,680	\$ 434,769
Buildings	663,469	652,627
Improvements Other than Buildings	3,615,407	3,615,406
Machinery and Equipment	5,088,309	5,012,562
Construction in Progress	-	-
Total governmental funds capital assets	<u>\$ 9,866,865</u>	<u>\$ 9,715,364</u>
Investments in governmental funds capital assets by source:		
General fund	<u>\$ 9,866,865</u>	<u>\$ 9,715,364</u>
Total governmental funds capital assets	<u>\$ 9,866,865</u>	<u>\$ 9,715,364</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity¹
September 30, 2014

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Total
General Government:					
Manager	\$ -	\$ 1,812	\$ -	\$ 58,478	\$ 60,290
City Clerk/Finance	-	-	-	23,956	23,956
Records / City Secretary	-	-	-	49,491	49,491
Data Processing	-	-	-	42,049	42,049
Community Service/Council	336,464	370,962	496,536	95,283	1,299,245
Municipal Court	-	-	-	41,879	41,879
Total general government	<u>336,464</u>	<u>372,774</u>	<u>496,536</u>	<u>311,136</u>	<u>1,516,910</u>
Public Safety:					
Police	-	25,260	-	1,184,049	1,209,309
Animal Control	-	129,572	-	85,339	214,911
Fire	-	132,066	-	2,093,186	2,225,252
Inspection	-	-	-	64,250	64,250
Total public safety	<u>-</u>	<u>286,898</u>	<u>-</u>	<u>3,426,824</u>	<u>3,713,722</u>
Public Works:					
Street system	<u>163,216</u>	<u>3,797</u>	<u>3,118,871</u>	<u>1,350,349</u>	<u>4,636,233</u>
Total public works	<u>163,216</u>	<u>3,797</u>	<u>3,118,871</u>	<u>1,350,349</u>	<u>4,636,233</u>
Total governmental funds capital assets	<u>\$ 499,680</u>	<u>\$ 663,469</u>	<u>\$ 3,615,407</u>	<u>\$ 5,088,309</u>	<u>\$ 9,866,865</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity ¹
For the Year Ended September 30, 2014

Function and Activity	Governmental Funds Capital Assets October 1, 2013	Additions	Deductions	Governmental Funds Capital Assets September 30, 2014
General Government:				
Manager	\$ 60,290	\$ -	-	\$ 60,290
City Clerk/Finance	15,973	-	260	15,713
Accounting/Personnel	24,405	-	-	24,405
Records	41,970	-	164	41,806
Data Processing	22,965	11,585	-	34,550
Community Service/Council	1,223,496	75,752	-	1,299,248
Municipal Court	38,183	3,121	-	41,304
Total general government	<u>1,427,282</u>	<u>90,458</u>	<u>424</u>	<u>1,517,316</u>
Public Safety:				
Police	1,207,696	107,313	163,901	1,151,108
Animal Control	214,910	-	-	214,910
Fire	2,250,731	60,484	28,164	2,283,051
Inspection	39,632	24,617	-	64,249
Total public safety	<u>3,712,969</u>	<u>192,414</u>	<u>192,065</u>	<u>3,713,318</u>
Public Works:				
Street system	4,575,113	229,304	168,186	4,636,231
Total public works	<u>4,575,113</u>	<u>229,304</u>	<u>168,186</u>	<u>4,636,231</u>
Total governmental funds capital assets	\$ <u>9,715,364</u>	\$ <u>512,176</u>	\$ <u>360,675</u>	\$ <u>9,866,865</u>

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Statistical Section

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	61
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the sales tax.	67
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	73
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	78
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	80

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Snyder, Texas
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 1,813,878	\$ 1,655,998	\$ 2,367,514	\$ 2,304,225	\$ 2,705,813	\$ 2,662,052	\$ 2,705,813	\$ 2,932,876	\$ 3,126,495	\$ 3,241,249
Restricted	21,550	29,279	12,438	18,109	28,940	38,875	28,940	-	-	63,556
Unrestricted	3,194,932	3,608,749	4,234,799	5,328,134	5,496,272	5,269,815	5,496,272	6,057,594	6,842,848	7,896,426
Total governmental activities net position	\$ 5,030,360	\$ 5,294,026	\$ 6,614,751	\$ 7,650,468	\$ 8,231,025	\$ 7,970,742	\$ 8,231,025	\$ 8,990,470	\$ 9,969,343	\$ 11,201,231
Business-type activities										
Net investment in capital assets	\$ 9,756,811	\$ 9,622,889	\$ 9,847,422	\$ 9,714,522	\$ 10,405,374	\$ 10,278,269	\$ 10,405,374	\$ 10,174,101	\$ 10,384,788	\$ 12,112,688
Unrestricted	1,740,363	2,622,196	3,013,452	3,685,041	2,820,996	2,931,718	2,820,996	4,259,152	3,851,239	2,367,658
Total business-type activities net position	\$ 11,497,174	\$ 12,245,085	\$ 12,860,874	\$ 13,399,563	\$ 13,226,370	\$ 13,209,987	\$ 13,226,370	\$ 14,433,253	\$ 14,236,027	\$ 14,480,346
Primary government										
Net investment in capital assets	\$ 11,570,689	\$ 11,278,887	\$ 12,214,936	\$ 12,018,747	\$ 13,111,187	\$ 12,940,321	\$ 13,111,187	\$ 13,106,977	\$ 13,511,283	\$ 15,353,937
Restricted	21,550	29,279	12,438	18,109	28,940	38,875	28,940	--	--	63,556
Unrestricted	4,935,295	6,230,945	7,248,251	9,013,175	8,317,268	8,201,533	8,317,268	10,316,746	10,694,087	10,264,084
Total primary government net position	\$ 16,527,534	\$ 17,539,111	\$ 19,475,625	\$ 21,050,031	\$ 21,457,395	\$ 21,180,729	\$ 21,457,395	\$ 23,423,723	\$ 24,205,370	\$ 25,681,577

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Snyder, Texas
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	\$ 991,065	\$ 1,009,469	\$ 1,022,022	\$ 1,046,631	\$ 1,175,111	\$ 1,462,938	\$ 1,613,685	\$ 1,584,187	\$ 1,851,500	\$ 1,879,404
Public safety	2,183,969	2,098,644	2,332,849	2,457,143	2,557,987	2,889,310	3,334,049	3,262,081	3,378,246	3,691,936
Public works	623,166	732,315	729,010	733,408	829,240	988,021	1,057,328	1,074,849	1,197,706	902,713
Culture and recreation	162,010	188,834	237,280	249,778	269,714	249,666	330,846	409,941	433,360	432,968
Total governmental activities expenses	3,960,210	4,029,262	4,321,161	4,486,960	4,832,052	5,589,935	6,335,907	6,331,058	6,860,812	6,907,021
Business-type activities:										
Water and sewer	3,700,820	3,770,340	3,890,563	4,070,465	4,202,249	4,453,234	4,840,082	5,359,047	5,959,164	6,570,359
Sanitation	1,706,174	1,784,203	1,841,592	1,988,643	2,185,031	2,143,949	2,478,742	2,473,142	2,678,390	2,409,061
Interest expense	290,853	207,604	183,811	159,727	159,896	139,842	55,728	147,973	214,530	435,359
Total business-type activities expenses	5,697,847	5,762,147	5,915,966	6,218,835	6,547,176	6,737,025	7,374,552	7,980,162	8,852,084	9,414,779
Total primary government expenses	\$ 9,658,057	\$ 9,791,409	\$ 10,237,127	\$ 10,705,795	\$ 11,379,228	\$ 12,326,960	\$ 13,710,459	\$ 14,311,220	\$ 15,712,896	\$ 16,321,800
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 422,497	\$ 389,137	\$ 752,496	\$ 740,131	\$ 881,765	\$ 694,770	\$ 1,050,803	\$ 1,034,499	\$ 1,278,267	\$ 1,357,010
Public safety	99,894	129,907	131,822	89,598	64,408	102,716	110,432	107,594	108,867	108,421
Public works	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	100,302	55,083	50,976	71,731	80,124	93,355	88,371	127,482	328,534	125,681
Capital grants and contributions	-	-	639,019	-	-	-	-	496,536	-	23,000
Total governmental activities program revenues	\$ 622,693	\$ 574,127	\$ 1,574,313	\$ 901,460	\$ 1,026,297	\$ 890,841	\$ 1,249,606	\$ 1,766,111	\$ 1,715,668	\$ 1,614,112
Business-type activities:										
Charges for services:										
Water and sewer	\$ 4,092,291	\$ 4,412,806	\$ 4,309,073	\$ 4,439,340	\$ 4,323,192	\$ 4,642,289	\$ 5,397,767	\$ 6,023,918	\$ 5,999,504	\$ 6,592,796
Sanitation	1,752,723	1,934,285	2,038,732	2,062,580	1,991,976	2,018,784	2,251,576	2,312,820	2,680,803	2,852,578
Operating grants and contributions	-	-	-	-	400	-	-	-	-	-
Capital grants and contributions	181,821	68,179	-	-	-	27,000	252,092	37,908	-	-
Total business-type activities program revenues	6,026,835	6,415,270	6,347,805	6,501,920	6,315,568	6,688,073	7,901,435	8,374,646	8,680,307	9,445,374
Total primary government program revenues	\$ 6,649,528	\$ 6,989,397	\$ 7,922,118	\$ 7,403,380	\$ 7,341,865	\$ 7,578,914	\$ 9,151,041	\$ 10,140,757	\$ 10,395,975	\$ 11,059,486

City of Snyder, Texas
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (expense) revenue										
Governmental activities	\$ (3,337,517)	\$ (3,455,135)	\$ (2,746,848)	\$ (3,585,500)	\$ (3,805,755)	\$ (4,699,094)	\$ (5,086,301)	\$ (4,564,947)	\$ (5,145,144)	\$ (5,292,909)
Business-type activities	328,988	653,123	431,839	283,085	(231,608)	(48,952)	526,883	394,484	(171,777)	30,595
Total primary government net expense	<u>\$ (3,008,529)</u>	<u>\$ (2,802,012)</u>	<u>\$ (2,315,009)</u>	<u>\$ (3,302,415)</u>	<u>\$ (4,037,363)</u>	<u>\$ (4,748,046)</u>	<u>\$ (4,559,418)</u>	<u>\$ (4,170,463)</u>	<u>\$ (5,316,921)</u>	<u>\$ (5,262,314)</u>
General Revenues and Other Changes in Net Position										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Taxes										
Property taxes	\$ 1,006,731	\$ 1,163,180	\$ 1,269,279	\$ 1,331,243	\$ 1,416,014	\$ 1,499,673	\$ 1,667,672	\$ 1,761,229	\$ 1,895,078	\$ 1,961,319
Sales taxes	1,310,517	1,504,884	1,732,137	2,106,473	1,888,290	1,951,708	2,375,209	2,511,844	3,069,630	3,255,941
Franchise taxes	639,762	712,207	642,230	700,267	753,814	699,926	842,262	757,649	758,122	816,773
Alcoholic beverage	6,415	5,776	7,853	8,146	8,007	6,112	5,384	5,359	11,903	12,082
Hotel/motel occupancy taxes	168,103	196,563	219,997	255,449	280,544	259,601	327,731	371,089	435,612	432,968
Investment earnings	95,716	136,181	184,067	167,299	41,632	21,791	23,901	23,223	24,677	24,012
Gain on sale of capital assets	5,630	10	12,010	52,335	(1,991)	-	(1,479)	(98)	4,977	21,702
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>3,232,874</u>	<u>3,718,801</u>	<u>4,067,573</u>	<u>4,621,212</u>	<u>4,386,310</u>	<u>4,438,811</u>	<u>5,240,680</u>	<u>5,430,295</u>	<u>6,199,999</u>	<u>6,524,797</u>
Business-type activities:										
Investment earnings	70,782	100,439	164,598	127,894	39,235	33,311	31,296	13,206	14,588	55,934
Gain on sales of capital assets	2,960	(5,651)	19,352	127,710	19,179	(741)	1,456	171,424	4,300	249,106
Total business-type activities	<u>73,742</u>	<u>94,788</u>	<u>183,950</u>	<u>255,604</u>	<u>58,414</u>	<u>32,570</u>	<u>32,752</u>	<u>184,630</u>	<u>18,888</u>	<u>305,040</u>
Total primary government	<u>\$ 3,306,616</u>	<u>\$ 3,813,589</u>	<u>\$ 4,251,523</u>	<u>\$ 4,876,816</u>	<u>\$ 4,444,724</u>	<u>\$ 4,471,381</u>	<u>\$ 5,273,432</u>	<u>\$ 5,614,925</u>	<u>\$ 6,218,887</u>	<u>\$ 6,829,837</u>
Change in Net Position										
Governmental activities	\$ (104,643)	\$ 263,666	\$ 1,320,725	\$ 1,035,712	\$ 580,555	\$ (260,283)	\$ 154,379	\$ 865,349	\$ 1,054,855	\$ 1,231,888
Business-type activities	402,730	747,911	615,789	538,689	(173,194)	(16,382)	559,635	579,114	(152,889)	335,635
Total primary government	<u>\$ 298,087</u>	<u>\$ 1,011,577</u>	<u>\$ 1,936,514</u>	<u>\$ 1,574,401</u>	<u>\$ 407,361</u>	<u>\$ (276,665)</u>	<u>\$ 714,014</u>	<u>\$ 1,444,463</u>	<u>\$ 901,966</u>	<u>\$ 1,567,523</u>

City of Snyder, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable	\$ 237	\$ 239	\$ 238	\$ 237	\$ 232	\$ 232	232	233	230	67
Restricted	-	-	-	-	-	-	-	-	-	64
Committed	-	-	-	-	-	-	-	-	251	506
Unassigned	1,279	2,071	2,747	3,865	4,114	3,921	4,574	5,518	6,328	7,623
Total general fund	<u>\$ 1,516</u>	<u>\$ 2,310</u>	<u>\$ 2,985</u>	<u>\$ 4,102</u>	<u>\$ 4,346</u>	<u>\$ 4,153</u>	<u>\$ 4,806</u>	<u>\$ 5,751</u>	<u>\$ 6,809</u>	<u>\$ 8,260</u>
 All other governmental funds										
Reserved										
Unreserved, reported in:										
Special revenue funds	<u>\$ 22</u>	<u>\$ 29</u>	<u>\$ 12</u>	<u>\$ 18</u>	<u>\$ 29</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>

Note: As the oil industry has boomed in the last few years in West Texas, the City Council has approved several Chapter 380 economic development agreements. As a result, fund balance has been committed for the financial effect of those Chapter 380 agreements.

City of Snyder, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 3,237	\$ 3,924	\$ 3,871	\$ 4,402	\$ 4,347	\$ 4,417	\$ 5,218	\$ 5,407	\$ 6,171	\$ 6,479
Licenses and permits	14	25	29	43	37	23	30	34	146	56
Intergovernmental	100	55	51	72	80	93	88	127	106	126
Charges for services	339	373	680	679	778	641	966	945	1,069	1,150
Fines and forfeitures	100	121	103	102	79	103	110	108	108	108
Interest	62	91	132	134	34	20	23	22	24	24
Contributions and donations	-	83	-	-	-	-	-	497	223	23
Miscellaneous	69	-	73	65	55	42	55	55	63	151
Total Revenues	3,921	4,672	4,939	5,497	5,410	5,339	6,490	7,195	7,910	8,117
Expenditures										
General government	946	976	977	1,016	1,118	1,446	1,474	1,438	1,731	1,826
Public safety	1,934	1,876	2,011	1,924	2,325	2,896	2,816	2,744	2,914	3,370
Public works	628	667	674	698	737	934	915	892	1,063	793
Culture and recreation	162	189	237	250	270	250	331	410	433	433
Capital outlay	547	163	394	538	708	362	302	806	639	512
Debt service										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	4,217	3,871	4,293	4,426	5,158	5,888	5,838	6,290	6,780	6,934
Excess of revenues over (under) expenditures	(296)	801	646	1,071	252	(549)	652	905	1,130	1,183

City of Snyder, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Other financing sources (uses)										
Proceeds from sale of assets	6	-	12	52	8	(1)	(1)	-	5	22
Transfers in	-	-	-	-	-	-	-	-	-	246
Total other financing sources (uses)	6	-	12	52	8	(1)	(1)	-	5	268
Net change in fund balances	<u>\$ (290)</u>	<u>\$ 801</u>	<u>\$ 658</u>	<u>\$ 1,123</u>	<u>\$ 260</u>	<u>\$ (550)</u>	<u>\$ 651</u>	<u>\$ 905</u>	<u>\$ 1,135</u>	<u>\$ 1,451</u>
Debt service as a percentage of noncapital expenditures	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.00%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>

City of Snyder, Texas
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property	Sales & Use	Occupancy	Franchise	Alcoholic Beverage	Total
2005	\$ 1,100	\$ 1,311	\$ 168	\$ 652	\$ 6	3,237
2006	1,186	1,505	197	1,031	6	3,925
2007	1,269	1,732	220	642	8	3,871
2008	1,331	2,106	255	700	8	4,400
2009	1,416	1,888	281	754	8	4,347
2010	1,500	1,952	260	700	6	4,418
2011	1,668	2,375	328	842	5	5,218
2012	1,761	2,512	371	758	5	5,407
2013	1,895	3,070	436	758	12	6,171
2014	1,961	3,256	433	817	12	6,479

City of Snyder, Texas
Assessed Value and Estimated Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended	Total Assessed	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value¹ as a Percentage of Actual Value
2005	\$ 288,237,698	\$ 24,059,465	\$ 264,178,233	0.4388	\$ 264,178,233	109.11%
2006	309,552,578	29,490,934	280,061,644	0.4288	280,061,644	110.53%
2007	349,163,837	39,683,193	309,480,644	0.4102	309,480,644	112.82%
2008	309,480,644	46,857,621	262,623,023	0.3843	262,623,023	117.84%
2009	294,652,169	4,949,824	289,702,345	0.4038	289,702,345	101.71%
2010	336,212,168	10,236,424	325,975,744	0.4310	325,975,744	103.14%
2011	332,838,865	4,636,829	328,202,036	0.4445	328,202,036	101.41%
2012	343,818,578	1,696,835	342,121,743	0.4445	342,121,743	100.50%
2013	365,340,602	14,487,492	350,853,110	0.4445	350,853,110	104.13%
2014	385,179,707	4,232,603	380,947,104	0.4445	380,947,104	101.11%

Source: Scurry County Appraisal District

Note: Assessed values are determined as of January 1, and relate to taxes levied on the first day of the following fiscal year. Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

¹Includes tax-exempt property.

**City of Snyder, Texas
Property Tax Rates¹
Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	City of Snyder Tax Rate			Overlapping Tax Rates												Total Direct & Overlapping Rates
				Scurry County			S I S D			Western Texas College			Scurry County Hospital			
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	
2005	0.4388	0.000	0.4388	0.4872	0.004	0.4909	1.5000	0.1900	1.6900	0.1263	0.000	0.1263				2.7460
2006	0.4288	0.000	0.4288	0.4884	0.002	0.4909	1.5000	0.1800	1.6800	0.1341	0.000	0.1341				2.7338
2007	0.4102	0.000	0.4102	0.2780	0.0174	0.2954	1.0400	0.0750	1.1150	0.1282	0.000	0.1282				1.9488
2008	0.4123	0.000	0.4123	0.2470	0.000	0.2470	1.1015	0.0615	1.1630	0.1174	0.000	0.1174				1.9397
2009	0.4038	0.000	0.4038	0.5910	0.0467	0.6377	1.0400	0.1240	1.1640	0.1520	0.000	0.1520	0.2700	0.0000	0.2700	2.6275
2010	0.4310	0.000	0.4310	0.3375	0.0435	0.3810	1.0400	0.1240	1.1640	0.1523	0.000	0.1523	0.2700	0.0000	0.2700	2.3983
2011	0.4445	0.000	0.4445	0.3559	0.0430	0.3989	1.0400	0.1240	1.1640	0.2114	0.000	0.2114	0.2700	0.0000	0.2700	2.4888
2012	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.000	0.1858	0.2100	0.0000	0.2100	2.3179
2013	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.000	0.2000	0.2064	0.0000	0.2064	2.3285
2014	0.4445	0.000	0.4445	0.2841	0.0287	0.3128	1.0400	0.1240	1.1640	0.2457	0.000	0.2457	0.2064	0.0000	0.2064	2.3734

Source: Scurry County Tax Collector, Snyder Independent School District, and Western Texas College

¹Tax rate is per \$100 of taxable assessed value

²Overlapping rates are those of local and county governments that apply to property owners within the City of Snyder. Not all overlapping rates apply to all City of Snyder property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

The Hospital District's M&O is included in with Scurry County in 2009. Their rate was 0.2700 and they had no debt service.

City of Snyder, Texas
Principal Property Taxpayers
Fiscal Year End 2014 and 2005
(amounts expressed in thousands)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Wal-Mart Stores	\$ 8,539	1	2.2%	\$ 2,654	5	1.0%
Wal-Mart Real Estate Bus	8,500	2	2.2%			
Baker Hughes Oilfield Sol.	7,283	3	1.9%			
H I E Hotel LLC	4,750	4	1.2%			
Cudd Pumping Services	4,735	5	1.2%			
Oncor Electric Delivery Co.	3,971	6	1.0%			
Rocky Mountain Holdings LLC	3,359	7	0.9%			
Spirit SPE US Snyder LP	3,350	8	0.9%	3,059	4	1.2%
Borger Hospitality, Inc.	2,950	9	0.8%			
Matthies Investments, LLC	2,900	10	0.8%			
Southwestern Bell				3,688	1	1.4%
TXU Electric Delivery				3,617	2	1.4%
Cox Communications				3,377	3	1.3%
Y-Z Industries, Inc.				2,149	6	0.8%
United Supermarket				1,832	7	0.7%
UCO Spinning LP Partners				1,781	8	0.7%
UCO spinning LTD Partners				1,754	9	0.7%
Big Country GM Autoland				1,559	10	0.6%
Totals	\$ 50,337		13.2%	\$ 25,470		9.64%

Source: Scurry County Appraisal District

City of Snyder, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 1,081,100	\$ 1,037,433	95.96%	\$ 41,258	\$ 1,078,691	99.8%
2006	1,146,301	1,109,974	96.83%	33,616	1,143,590	99.8%
2007	1,208,128	1,175,245	97.28%	30,205	1,205,450	99.8%
2008	1,274,579	1,243,278	97.54%	28,323	1,271,601	99.8%
2009	1,383,865	1,347,968	97.41%	31,549	1,379,517	99.7%
2010	1,618,718	1,431,099	88.41%	183,334	1,614,433	99.7%
2011	1,719,293	1,569,380	91.28%	145,139	1,714,519	99.7%
2012	1,719,042	1,676,668	97.54%	35,294	1,711,962	99.6%
2013	1,822,737	1,781,214	97.72%	29,813	1,811,027	99.4%
2014	1,918,640	1,875,104	97.73%	-	1,875,104	97.7%

City of Snyder, Texas
Taxable Sales by Category
Last Ten Calendar Years
(amounts expressed in thousands)

	Calendar Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Construction	\$ 3,510	\$ 3,917	\$ 4,739	\$ 5,940	\$ 5,310	\$ 6,444	\$ 7,441	\$ 7,759	\$ 8,695	\$ 5,038
Mining/Quarrying/Oil & Gas Extraction	311,339	518,219	642,397	389,733	158,386	588,193	703,643	733,093	508,852	363,635
Manufacturing	1,276	2,500	6,736	7,422	7,407	85,262	13,818	16,898	21,513	10,315
Wholesale Trade	7,441	8,107	10,183	12,946	9,475	8,341	12,003	11,730	12,167	6,951
Transportation/Warehousing	26	15	9	-	251	70	123	56	130	14
Retail Trade	52,762	59,116	60,896	71,108	63,205	66,797	73,668	78,338	82,832	42,644
Information	8,151	7,351	4,447	3,661	3,279	3,292	3,765	4,005	4,315	2,384
Finance/Insurance	27	-	28	36	35	41	92	130	1,947	4,469
Real Estate/Rental/Leasing	6,369	5,794	4,179	4,894	4,458	4,215	5,096	6,508	8,336	3,992
Professional/Scientific/Technical Services	547	602	596	507	386	354	557	561	626	789
Admin/Support/Waste mgmg/Remediation Serv.	903	934	1,315	1,435	1,089	1,274	1,157	762	681	452
Educational Services	1	6	5	23	13	9	6	3	2	-
Health Care/Social Assistance	28	34	43	177	185	238	150	186	126	163
Arts/Entertainment/Recreation	148	77	200	139	216	120	109	308	431	246
Accommodation/Food Services	12,691	14,095	15,744	16,949	16,069	17,044	18,293	20,077	21,445	10,941
Other Services (except Public Administration)	6,039	6,394	7,398	8,047	6,819	7,934	8,717	9,535	9,692	4,741
Total	\$ 411,258	\$ 627,161	\$ 758,915	\$ 523,017	\$ 276,583	\$ 789,628	\$ 848,638	\$ 889,949	\$ 681,790	\$ 456,774
City direct sales tax	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Source: State Comptroller of Texas
(information available for current year is only for first two quarters)

City of Snyder, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income¹	Per Capita¹
	General Obligation Bonds	Capital Leases	Water Sewer Bonds	Capital Leases			
2005	-	-	\$ 5,310	-	\$ 5,310	2.96%	\$ 492
2006	-	-	4,745	-	4,745	2.64%	440
2007	-	-	4,155	-	4,155	2.31%	385
2008	-	-	3,545	-	3,545	1.97%	329
2009	-	-	2,905	-	2,905	1.62%	269
2010	-	-	5,812	-	5,812	2.59%	519
2011	-	-	5,063	-	5,063	2.25%	452
2012	-	-	4,304	2,985	7,289	2.68%	639
2013	-	-	3,514	2,945	6,459	2.38%	567
2014	-	-	12,172	2,778	14,950	5.60%	1,335

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Snyder, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligations Bonds	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita²
2005	-	0.00%	-
2006	-	0.00%	-
2007	-	0.00%	-
2008	-	0.00%	-
2009	-	0.00%	-
2010	-	0.00%	-
2011	-	0.00%	-
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

City of Snyder, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2014
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
City of Snyder direct debt	\$ -	100.00%	\$ -
Scurry County	14,930	13.23%	1,975
Western Texas College	14,815	13.01%	1,927
Snyder Independent School District	34,216	14.70%	5,030
Scurry County Hospital District	-	-	-
Total direct and overlapping debt	\$ <u>63,961</u>		\$ <u>8,932</u>

Sources:

- Assessed value data used to estimate applicable percentages provided by the Scurry County Appraisal District.
- Debt outstanding data provided by the individual entities.

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries 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 the city of Snyder. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

City of Snyder, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 25,441	\$ 26,418	\$ 28,006	\$ 31,886	\$ 35,020	\$ 34,645	\$ 33,748	\$ 34,552	\$ 36,534	\$ 38,518
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 25,441</u>	<u>\$ 26,418</u>	<u>\$ 28,006</u>	<u>\$ 31,886</u>	<u>\$ 35,020</u>	<u>\$ 34,645</u>	<u>\$ 33,748</u>	<u>\$ 34,552</u>	<u>\$ 36,534</u>	<u>\$ 38,518</u>
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Value	\$ 380,947
Add Back: exempt property	4,233
Total Assessed Value	<u>\$ 385,180</u>
Debt limit (10% of total assessed value)	38,518
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u>\$ 38,518</u>

Note: Under state finance law, the City of Snyder's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**City of Snyder, Texas
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Water & Sewer Revenue Bonds

Fiscal Year	Water & Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2005	\$ 4,303,167	\$ 2,999,714	\$ 1,303,453	\$ 540,000	\$ 230,198	1.69
2006	4,502,854	3,749,224	753,630	565,000	207,604	0.98
2007	4,557,246	3,114,195	1,443,051	590,000	183,812	1.86
2008	4,521,210	3,299,151	1,222,059	610,000	159,282	1.59
2009	4,320,129	3,473,424	846,705	640,000	137,786	1.09
2010	4,647,640	3,617,898	1,029,742	325,000	42,218	2.80
2011	5,399,028	4,055,157	1,343,871	755,000	188,560	1.42
2012	6,012,799	4,188,779	1,824,020	755,000	138,303	2.04
2013	5,957,620	4,780,613	1,177,007	785,000	116,281	1.31
2014	6,602,087	5,122,274	1,479,813	465,000	327,237	1.87

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Water & Sewer Charges and Other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

**City of Snyder, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	(in thousands) Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2005	10,783	\$ 179,505	\$ 16,647	36.0	4,290	4.20%
2006	10,783	179,505	16,647	36.0	4,606	5.00%
2007	10,783	179,505	16,647	36.0	4,816	4.80%
2008	10,783	179,505	16,647	36.0	5,306	4.10%
2009	10,783	179,505	16,647	36.0	5,244	6.80%
2010	11,202	224,813	20,069	34.5	5,066	6.42%
2011	11,202	224,813	20,069	34.5	5,027	5.40%
2012	11,400	271,913	23,852	33.9	7,216	4.30%
2013	11,400	271,913	23,852	33.6	7,573	4.60%
2014	11,202	267,190	23,852	33.0	5,017	3.20%

Data Sources: U.S. Census, Snyder Independent School District, Western Texas College, Texas Workforce Commission.

Note: Population, median age, education level information and personal income are based on 2010 census. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census as of September 30.

**City of Snyder, Texas
Principal Employers
Fiscal Year End 2014 and 2005**

<u>Employer</u>	<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Texas Department of Criminal Justice	369	1	2.25%
Snyder ISD	349	2	2.12%
Patterson UTI	242	3	1.47%
Cogdell Memorial Hospital	176	4	1.07%
Wal-Mart	130	5	0.79%
Walton Construction	130	6	0.79%
United Supermarket	128	7	0.78%
Western Texas College	126	8	0.77%
Scurry County	126	9	0.77%
Key Energy Services, Inc.	120	10	0.73%
Total	1,527		9.29%

	<u>2005*</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
	-	-	0.00%
Total	-		0.00%

Source: Snyder Chamber of Commerce

* Information was not tracked to provide stated information.

City of Snyder, Texas
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL FUND										
Administration	2	2	2	2	2	2	2	2	2	2
Finance	5	5	5	5	2	2	2	2	4	4
Planning & Zoning	2	2	2	2	2	2	2	2	2	3
Municipal Court	2	2	2	3	3	3	3	3	3	3
Community Service	0	0	0	0	0	0	0	0	0	0
Accounting	0	0	0	0	3	3	3	2	0	0
Data Processing	0	0	0	0	2	2	2	2	1	1
City Sec./Records Management	0	0	0	0	2	2	2	0	0	2
Police	20	20	20	21	22	22	22	22	22	23
Animal Control	3	3	3	3	3	3	3	3	3	3
Fire	9	9	9	9	9	10	10	10	10	10
Street	4	4	4	4	4	4	4	4	4	4
Total General Fund	47	47	47	48	52	53	53	52	51	55
WATER & SEWER										
Sanitary Sewer	3	2	2	2	2	2	2	2	2	2
Wastewater Treatment	5	5	5	5	5	5	5	5	5	5
Treatment - Water	5	5	5	5	5	5	5	5	5	5
Distribution - Water	4	2	2	2	2	2	2	2	2	2
Utility	9	9	9	9	7	7	7	6	6	6
Total Water & Sewer Fund	26	23	23	23	21	21	21	20	20	20
SANITATION										
Sanitation/Collection	5	5	5	5	5	5	5	5	5	5
Sanitation/Landfill	6	6	6	6	6	6	6	6	6	6
Total Sanitation Fund	11									
INTERNAL SERVICE										
Central Garage	2	1	1	1	1	1	1	1	1	1
Total Central Garage	2	1								
TOTAL	81	82	82	83	85	86	86	86	86	87

Source: City of Snyder Human Resources Office

City of Snyder, Texas
Operating Indicators by Function
Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Physical arrests	916	903	834	827	884	812	868	535	478	588
Traffic violations	6,591	6,650	6,479	6,057	5,180	6,157	4,829	6,434	5,601	5,299
Fire										
Number of calls answered	363	380	341	523	407	393	550	372	439	452
Inspections	195	132	132	132	149	115	87	63	113	72
Highways and streets										
Street resurfacing (blocks)	114	64	79	115	144			80	100	0
Sanitation										
Refuse collected (tons/day)	101	132	135	119	125	144	114	117	150	175
Recyclables collected (tons/mo)	11	13	16	29	30	20	29	27	27	24
Water										
New connections		1,403	1,387	1,562	1,192	1,033	1,156	1,325	1,510	1,561
Water mains breaks		87	63	46	37	55	82	33	25	48
Average daily consumption (millions of gallons)		2	2	2	2	2	2	2	2	2
Wastewater										
Average daily sewage treatment (thousands of gallons)	876	930	1,119	1,094	1,089	1,184	984	923	991	1,400

Sources: Various government departments.

City of Snyder, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	16	16	19	19	20	21	21	21	21	22
Fire stations	1	1	1	1	1	1	1	1	1	1
Sanitation										
Collection trucks	6	6	6	6	6	6	6	6	6	6
Highways and streets										
Streets (miles)	111	111	111	111	111	111	111	111	111	111
Streetlights	1,175	1,168	1,168	1,180	1,180	1,177	1,177	1,177	1,177	1,177
Traffic signals (controlled by City)	1	1	1	-	-	-	-	-	-	-
Culture and recreation										
Parks acreage	126	126	126	126	126	126	126	126	126	126
Swimming pools	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	91	91	91	91	91	91	91	91	91	91
Fire hydrants	330	330	330	331	334	424	424	424	424	424
Maximum daily capacity (thousands of gallons)	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Sewer										
Sanitary sewers (miles)	87	87	87	87	87	87	87	87	87	87
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2
Maximum daily treatment capacity (thousands of gallons)	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310

Sources: Various city departments.