



PLAINVIEW, TX

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Comprehensive Annual Financial Report

For the Fiscal Year Ended
September 30, 2020

City of Plainview, Texas



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Financial Statements
September 30, 2020

City of Plainview, Texas

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Introductory Section



March 12, 2021

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

The City of Plainview's Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2020 is hereby submitted. This report consists of management's representations concerning the finances of the City of Plainview. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Plainview has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Plainview's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the City of Plainview's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Plainview's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Plainview for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Plainview's financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with generally accepted accounting principles in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Plainview had federal expenditures of \$1,567,049 for the fiscal year ended September 30, 2020, which exceeded the \$750,000 threshold requiring the City to have a Single Audit on the City's major federal program (COVID-19 Coronavirus Relief Fund) to determine if the City was in compliance with the requirements of the OMB Compliance Supplement. The independent auditor concluded, based upon the audit, that the City complied, in all material respects, with the compliance requirements for the major federal program for the year ended September 30, 2020. The report is included in the compliance section of this report.

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

Profile of the Government

The City of Plainview, incorporated in 1907, is located on the Central Plains of Northwest Texas, 46 miles north of Lubbock and 75 miles south of Amarillo. The City of Plainview is the County seat of Hale County, one of the most intensively farmed counties in the state with crops irrigated from water produced from the Ogallala Aquifer. Cotton is the major crop. Other crops include corn, soybeans, sorghum, wheat, peanuts, vegetables, as well as, dairy cows, swine, sheep, and beef cattle production. The City of Plainview is the agribusiness, financial and transportation center of this highly developed farming area.

The City of Plainview currently occupies a land area of 13 square miles and serves a population of 22,194. The City of Plainview is empowered to levy tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

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

City Services

The City of Plainview provides a full range of services. These services include police and fire protection, maintenance of streets and infrastructure, emergency medical service, parks and recreation, cultural events, library, health, vector control, zoning, code administration, building inspection, and general administrative services.

The City of Plainview also provides utility services which include water supply and distribution, storm water, waste water collection and treatment, and solid waste collection and disposal.

Financial Information

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

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

Budgetary control has been established at the individual fund level. Financial reports are produced displaying budget and actual expenditures by line item, and are distributed monthly to City departmental and divisional management and to others upon request. Summary financial reports for the operating funds are also displayed on the website.

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

Cash management. The City of Plainview awards its depository contract through official bidding procedures for a three-year period with a provision for two one-year continuations under the same contract. The current contract is with Centennial Bank commencing October 1, 2016 through September 30, 2019 with the option for two one-year renewals. The second one-year renewal has been obtained that goes through September 30, 2021 and is with Happy State Bank that acquired Centennial Bank.

The current contract with Happy State Bank guarantees the City of Plainview 25 basis points on all funds held on deposit. Idle cash is placed in certificates of deposit and TexPool. At the end of the first quarter of the current fiscal year the City held \$37.0 million in investments with an average maturity of 115 days and an average yield of 0.72%.

It is the City of Plainview's policy that all demand deposits and time deposits be secured by pledged collateral or other approved instruments with a market value equal to no less than 102% of the deposits less an amount insured by FDIC. Evidence of the pledged collateral is maintained by the finance department and a third party financial institution. The finance department retains the irrevocable letters of credit. Collateral and irrevocable letters of credit are reviewed monthly by the finance staff to assure the market value of the securities pledged and the letters of credit are adequate.

All safekeeping arrangements are in accordance with a safekeeping agreement approved by the City Manager which defines the procedural steps for gaining access to pledged collateral on deposit should the City of Plainview determine that the City's funds are in jeopardy. The safekeeping institution, or Custodian's, are Federal Home Loan Bank and TIB-The Independent Bankers Bank. The safekeeping agreement is a three-party contract between the City of

Plainview, the depository bank, and the Custodian. Additional information on the City's banking and investing activities can be found in Note 2 of the financial statements.

Risk management. The City of Plainview has joined together with other governmental agencies in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML-IRP) for insurance coverage. The City pays an annual premium for coverage of worker's compensation liability, general liability, law enforcement liability, errors and omissions liability, auto liability, and property damage. The City of Plainview is generally self-insured for physical damage to vehicles. Additional information on the City's risk management activities can be found in Note 12 of the financial statements.

Employee health plan. The City of Plainview provides health insurance for employees, their dependents and retirees and their dependents who are not eligible for Medicare or Medicaid. On January 1, 2015 the city switched from being self-insured to a fully insured health plan.

On October 1, 2017 the City adopted GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions(OPEB). This requires the City to report the cost and obligations associated with providing retirees access to the City's health insurance plan. The OPEB liability measured at December 31, 2019 was \$945,696.

Additional information on the City's health coverage can be found in Notes 10 and 11 of the financial statements.

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

The City implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, during the year ended September 30, 2015, which requires recognition of its net pension liability and a more comprehensive measure of pension expense.

The Firefighters Retirement System is administered by a board of trustees. The actuarial valuation for the System was completed as of December 31, 2019. The funded ratio of actuarial accrued liability of this plan was 34.0%. As a matter of policy the City contributed 15% of firefighter salaries toward pension financing, while firefighters individually contributed 14%. Effective January 1, 2017 the firefighters contribute 15%. In an effort to strengthen the Firefighter Pension Plan the City has instituted a series of increases to the employer's contributions. October 1, 2010 the city increased the employer portion to 16.61%; October 1, 2011 to 18.26%; October 1, 2012 to 19.84%; October 1, 2013 to 21.45%; October 1, 2014 to 23.07%; and October 1, 2015 to 24.68%. The fiduciary net position as a percentage of total pension liability was 35.4% at December 31, 2019.

Each year TMRS engages an independent actuary to study the plan and calculate the City's required contribution. The last available study was completed as of December 31, 2019 and reported the fiduciary net position as a percentage of total pension liability was 98.26% at

December 31, 2019. The City's contribution rate at year end was 12.27% of payroll and the employees individually contribute 7%.

Additional information on the City's pension arrangements and post-employment benefits can be found in Note 9 of the financial statements and in the required supplementary information.

Long-term financial planning.

The City meets annually to review the implementation of the Strategic Plan, Comprehensive Plan and evaluate the financial condition of the City. The City works to maintain a strong fund balance in its operating funds and sets aside funds to address major infrastructure projects.

Economic Condition and Outlook

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

Local economy

Plainview is located in the South Plains Region that serves as one of the most productive agricultural areas in the United States. The City serves as a small regional hub for employment opportunities, retail trade, healthcare, education and government services.

Economic indicators including sales tax collections, hotel occupancy rates, construction activity at the local level and regional level as well as the unemployment rate suggest that the Plainview economy is stable.

Sales Tax. Sales Tax receipts through February 2021 are 8.57% more than for the same five-month period last year.

Employment. The unemployment rate has increased from 4.0% in December 2019 to 7.3% in December 2020.

Healthcare. Covenant Hospital Plainview, as part of the Covenant Health System and Providence - St. Joseph Health System, serves as a small regional hub for medical care. The hospital is undergoing a \$40.0 million renovation and expansion project. The surgical wing expansion was completed in 2016. The new radiology department features include state of the art equipment with everything from nuclear medicine and cardiovascular tests to basic radiology services, ultrasound, echocardiography, vascular and mammograms was completed in 2019. The basement and third floor are currently being renovated.

Plainview Independent School District. Voters passed a bond proposition totaling \$76.62 million that includes two new elementary schools, renovation to an existing elementary and renovations to the two Junior High buildings that will convert them into a 5th-6th grade campus

and 7th-8th grade campus. The bond will provide for early childhood and pre-kindergarten programming at every elementary campus. All campuses will have secure entryways.

Higher Education. Wayland Baptist University (WBU), a four-year Christian university, has system wide enrollment of over 5,100 students; this includes the main campus and 16 satellite campuses located all over the United State. The main campus located in Plainview serves approximately 1,300 students. In addition, WBU is home to the Llano Estacado Museum and Jimmy Dean Museum.

South Plains College – Plainview Center is a part of the South Plains College System. Total enrollment is 300 students. The Center offers associate degrees, certification and skills training in the medical field, cosmetology, industrial manufacturing, wind and solar energy, welding, HVAC, electrical, plumbing, construction and other trades as well as customized workforce development training courses for businesses.

Construction Activity. Building Valuations totaled \$20.5 million in FY 2019 compared to \$15.1 million in FY 2020.

Economic Development

The City works in partnership with Hale County, the Chamber of Commerce and the Plainview-Hale County Economic Development Corporation to encourage business retention and expansion, business recruitment and workforce development. Funding provided for economic development activities is primarily through the City and County.

Business Park. The City and Hale County partnered together to develop the Plainview-Hale County Business Park. Construction was completed in March 2020. Phase 1 includes approximately 150 acres of shovel ready sites for business and industrial development. The first tenant, Western Equipment constructed a \$4.0 million facility and added 20 new jobs to our local economy.

Airport. The Plainview-Hale County Airport is a joint venture between the City and County. The Fixed Based Operator is Rocket Aviation. The Airport has two major runways; Runway 4-22 (6,000 feet long) and Runway 13-31 (4,000 feet long). The Airport completed a Master Plan in September 2014. The City and County completed the purchase of the privately-owned airport assets (Hangars, Terminal/Office Buildings, etc.). The City and County received \$600K from TXDOT Aviation to assist with the purchase of these assets.

Regional Wind Farm Construction. The City serves as a hub for wind farm construction in the region due to the large rail distribution center operated by BNSF Logistics in Plainview. This distribution center off loads wind turbine components for the planned wind farms. Xcel Energy started construction on a 478 MW wind farm in Hale County. The Xcel Hale Wind Farm has 239 turbines producing enough electricity to power 170,000 homes and created 22 new jobs for Hale County.

Downtown Revitalization. The City created a Downtown Tax Increment Reinvestment Zone (TIRZ) No. 1 in partnership with Hale County in May 2018. Conrad Lofts completed the

renovations to the Historic Hilton Hotel to serve as a new downtown apartment complex in 2019. This project received the 2020 Presidents Award from the Texas Main Street Program.

In addition, the Texas Department of Agriculture awarded a \$250,000 grant from the Texas Capital Fund – Main Street Program for downtown sidewalk improvements in January 2019. This funding will be included with the bond funds allocated for the Downtown Streetscape Project approved by voters in 2017. This project is currently under construction.

Water Planning. The City, through its membership in the Canadian River Municipal Water Authority (CRMWA), is in the planning process for more transmission lines to develop the additional water rights purchased in 2011. This acquisition doubled the amount of groundwater owned by CRMWA and available to its member cities including Plainview.

Water and Sewer. The Texas Department of Agriculture awarded a Community Development Block Grant in the amount of \$275,000 for sewer collection system improvements and water line replacements. Construction was completed in 2020.

In addition, the City has completed an assessment on the Water Treatment Plant and started the process to develop a new long-range Water Supply Plan to identify future upgrades to the Water System.

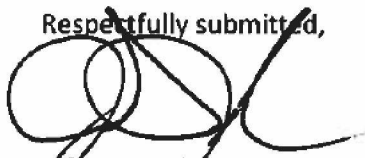
2018 General Obligation Bond Program. In November 2017, voters authorized \$25.0 million in General Obligations Bonds for various capital improvement projects. This includes the reconstruction of 24th Street, construction of a new Fire Station No. 2, renovation of a facility to serve as the new City Hall, renovation of the current City Hall facility to serve as the new Police Department, improvements to the baseball-softball fields, construction of a new aquatic complex and sidewalks improvements in the Downtown area.

Acknowledgements

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

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

Respectfully submitted,



Jeffrey Snyder, ICMA-CM
City Manager



Sarianne Beversdorf, CPA, CGFO
Director of Finance

**CITY OF PLAINVIEW, TEXAS
LISTING OF PRINCIPAL OFFICIALS**

<u>ELECTED OFFICIALS</u>	<u>NAME</u>	<u>YEARS SERVICE</u>	<u>OCCUPATION</u>
MAYOR	WENDELL DUNLAP	17	RETIRED/SELF-EMPLOYED
COUNCIL MEMBER DISTRICT 1	NELDA A VAN HOOSE	3	RETIRED EDUCATOR
COUNCIL MEMBER DISTRICT 2	LARRY WILLIAMS	7	SELF-EMPLOYED
COUNCIL MEMBER DISTRICT 3	NORMA JUAREZ	7	MANAGER, BEEHIVE HOMES
COUNCIL MEMBER DISTRICT 4	TERESSA KING	7	PRESIDENT, KING CARPET PLUS, INC. & FURNITURE EXPRESSIONS ROYAL SPLASH LLC MANAGING
MEMBER			
COUNCIL MEMBER DISTRICT 5	SUSAN BLACKERBY	7	RETIRED
COUNCIL MEMBER DISTRICT 6	EVAN WEISS	2	MINISTER
COUNCIL MEMBER DISTRICT 7	ERIC HASTY	2	SELF-EMPLOYED CRANE SERVICES

<u>CITY OFFICIALS</u>	<u>NAME</u>	<u># OF YEARS WITH CITY</u>	<u># OF YEARS THIS POSITION</u>
CITY MANAGER	JEFFREY SNYDER	10	11
ASSISTANT CITY MANAGER	JEFF JOHNSTON	3	3
DIRECTOR OF FINANCE	SARIANNE BEVERSDORF	11	20
DIRECTOR PUBLIC WORKS	TIM CROSSWHITE	9	5
FIRE CHIEF	TIM GIBSON	2	2
CHIEF OF POLICE	KEN COUGHLIN	7	12
MUNICIPAL COURT JUDGE	PAT HERNANDEZ	36	23
CITY SECRETARY	BELINDA HINOJOSA	20	20
DIRECTOR OF INFORMATION TECHNOLOGY	ISAURO GUTIERREZ	7	7
MAIN STREET MANAGER	MELINDA BROWN	6	6
DIRECTOR OF HUMAN RESOURCES	VACANT	0	0

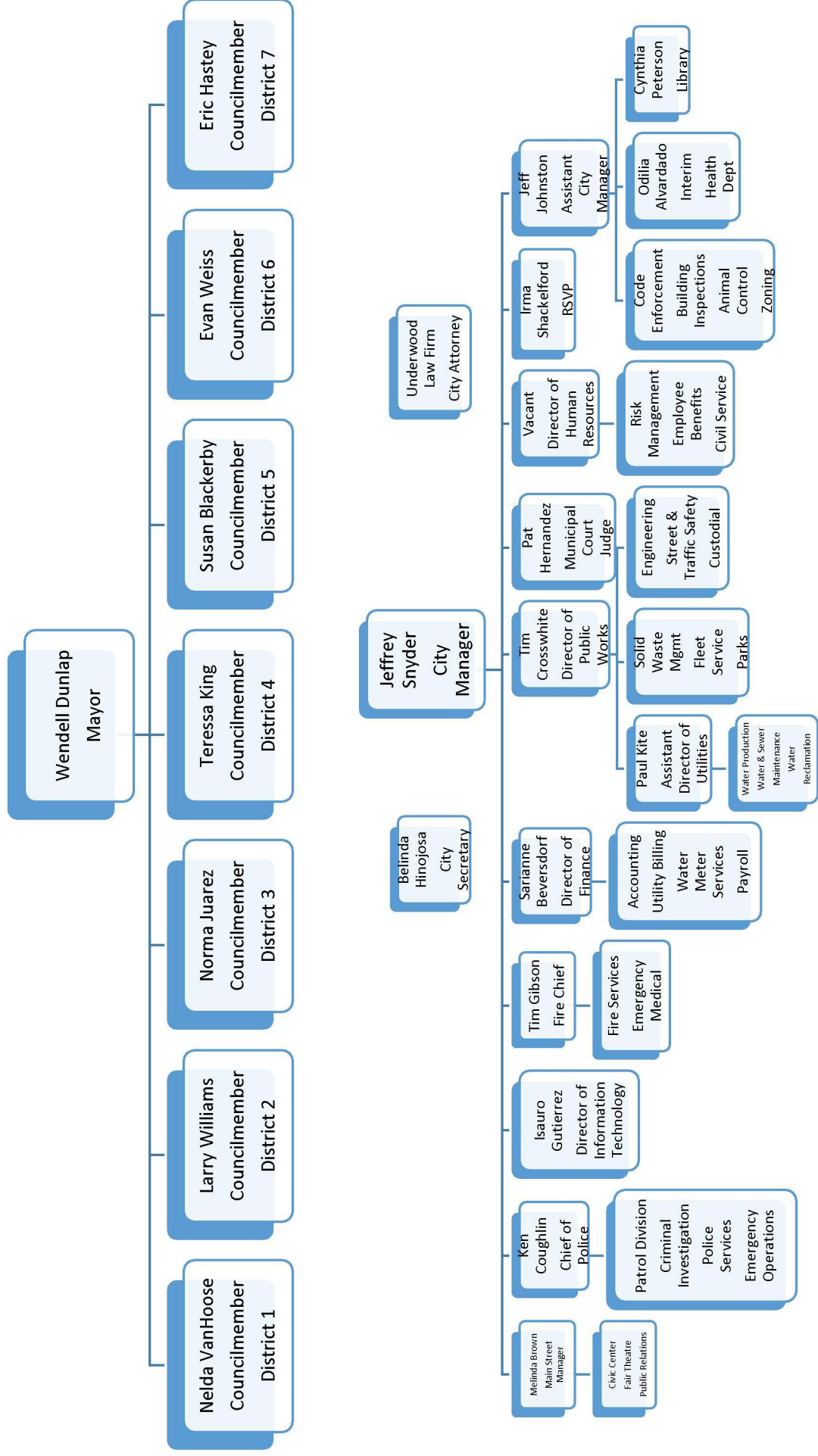
FINANCIAL CONSULTANT – SPECIALIZED PUBLIC FINANCE – AUSTIN, TEXAS

BOND COUNSEL – UNDERWOOD LAW FIRM – AMARILLO, TEXAS

INDEPENDENT AUDITORS – EIDE BAILLY, LLP PLAINVIEW, TEXAS

CITY ATTORNEY – UNDERWOOD LAW FIRM – AMARILLO, TEXAS

City of Plainview Organizational Chart





PLAINVIEW, TX

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Financial Section



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Plainview, Texas (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Plainview, Texas, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension plan schedules and OPEB plan schedule on pages 4-16 and 59-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The introductory section, combining financial statements, individual nonmajor fund budgetary comparison schedules, supporting schedules and general information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 12, 2021 on our consideration of City of Plainview, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Plainview, Texas
March 12, 2021

This section of the City of Plainview's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2020. Please read it in conjunction with the City's financial statements and disclosure, which follow this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- The City's combined total assets were \$132,200,134 at September 30, 2020 and \$128,077,184 at September 30, 2019, increasing 3.2%.
- Total liabilities were \$53,516,220 at September 30, 2020 and \$59,755,788 at September 30, 2019, decreasing 10.4%.
- The total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$77,859,119, an increase of 9.4%. Of this amount, \$30,974,704 in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the year, the City's total revenues from all sources exceeded expenses by \$6,660,553.

Governmental Funds

- Total assets were \$41,559,028 at September 30, 2020 and \$43,235,049 at September 30, 2019, decreasing 3.9%.
- All combined governmental funds reported an ending fund balance of \$39,679,240 or a 4.1% decrease from the previous year.
- For the year ended September 30, 2020, total expenditures exceeded total revenues and other financing sources (uses) by \$1,717,977.

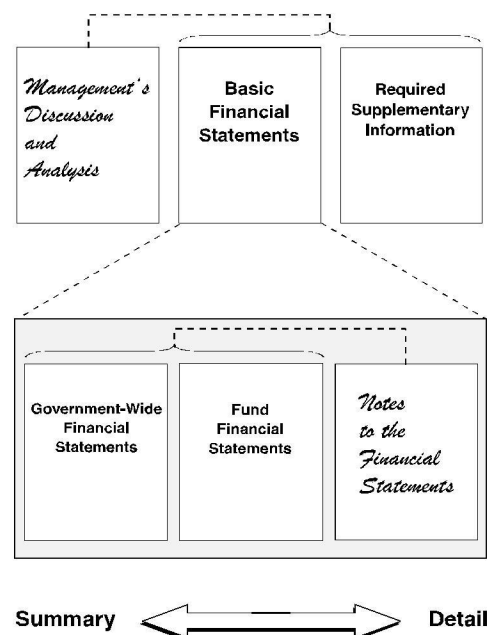
Proprietary Funds

- Net position for combined enterprise funds grew by 9.2% to \$47,873,996. Of this amount, \$17,224,141 is unrestricted and available to be used to meet the ongoing obligations to citizens and creditors.
- The change in net position or net income generated from operations of the combined enterprise funds during the year ended September 30, 2020 is reported at \$4,047,355.
- A net increase in cash and cash equivalents of \$812,714 is reported for the combined enterprise funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

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

Figure A-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover

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

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

and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

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

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

- Over time, increases or decreases in the City's net position may be an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, one needs to consider additional nonfinancial factors such as changes in the City's tax base.

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

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The City Council or management establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kinds of funds:

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position.

The City's combined net position totaled \$77,859,119 at September 30, 2020, \$6,660,553 more than the prior year. (See Table A-1).

(See Table A-1 Next Page)

Table A-1
City's Net Position
(In thousands dollars)

	Governmental Activities		Business -type Activities		Total		Total Percent
	2020	2019	2020	0	2020	0	Change
Current assets							
Cash and cash equivalents	\$ 21,069	\$ 24,010	\$ 5,379	\$ 4,612	\$ 26,448	\$ 28,622	-7.6%
Investments	23,859	23,345	13,070	12,789	36,929	36,134	2.2%
Receivables	1,513	1,946	1,440	1,377	2,953	3,323	-11.1%
Grant receivable	1,112	26	158	10	1,270	36	3427.8%
Prepaid expenses	31	-	9	-	40	-	100.0%
Other assets	8	6	-	-	8	6	33.3%
Due from other governments	640	40	-	-	640	40	1500.0%
Internal balances	(173)	(174)	173	174	-	-	0.0%
Inventories	134	140	133	141	267	281	-5.0%
Total current assets	48,193	49,339	20,362	19,103	68,555	68,442	0.2%
Noncurrent assets	3,643	3,905	10,953	11,082	14,596	14,987	-2.6%
Capital assets, net	18,055	15,073	30,995	29,578	49,050	44,651	9.9%
Total assets	69,891	68,317	62,310	59,763	132,201	128,080	3.2%
Deferred Outflows of Resources	1,391	3,010	403	1,014	1,794	4,024	-55.4%
Accounts payable and accrued liabilities	1,562	1,895	523	349	2,085	2,244	-7.1%
Deposits and escrow held	-	-	617	570	617	570	8.2%
Compensated absences	995	956	106	97	1,101	1,053	4.6%
Pension and OPEB obligations	12,835	15,445	249	1,363	13,084	16,808	-22.2%
Water contract obligations	-	-	4,307	4,847	4,307	4,847	-11.1%
Landfill closure/postclosure	-	-	1,684	1,627	1,684	1,627	3.5%
Bonds payable	24,104	24,986	6,535	7,624	30,639	32,610	-6.0%
Total liabilities	39,496	43,282	14,021	16,477	53,517	59,759	-10.4%
Deferred Inflows of Resources	1,974	847	644	300	2,618	1,147	128.2%
Net Position							
Net investment in capital assets	14,843	13,918	29,896	27,023	44,739	40,941	9.3%
Restricted	1,392	1,303	754	742	2,146	2,045	4.9%
Unrestricted	13,577	11,977	17,398	16,235	30,975	28,212	9.8%
Total net position	\$ 29,812	\$ 27,198	\$ 48,048	\$ 44,000	\$ 77,860	\$ 71,198	9.4%

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. A large portion of the City's net position (57.4 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Changes in net position.

The City's total revenues for the year ended September 30, 2020 were \$30,986,177. A significant portion, 43.1%, of the City's revenue comes from taxes (See Figure A-3) while 34.8% comes from charges for utility services. The total cost of all programs and services was \$24,325,624.

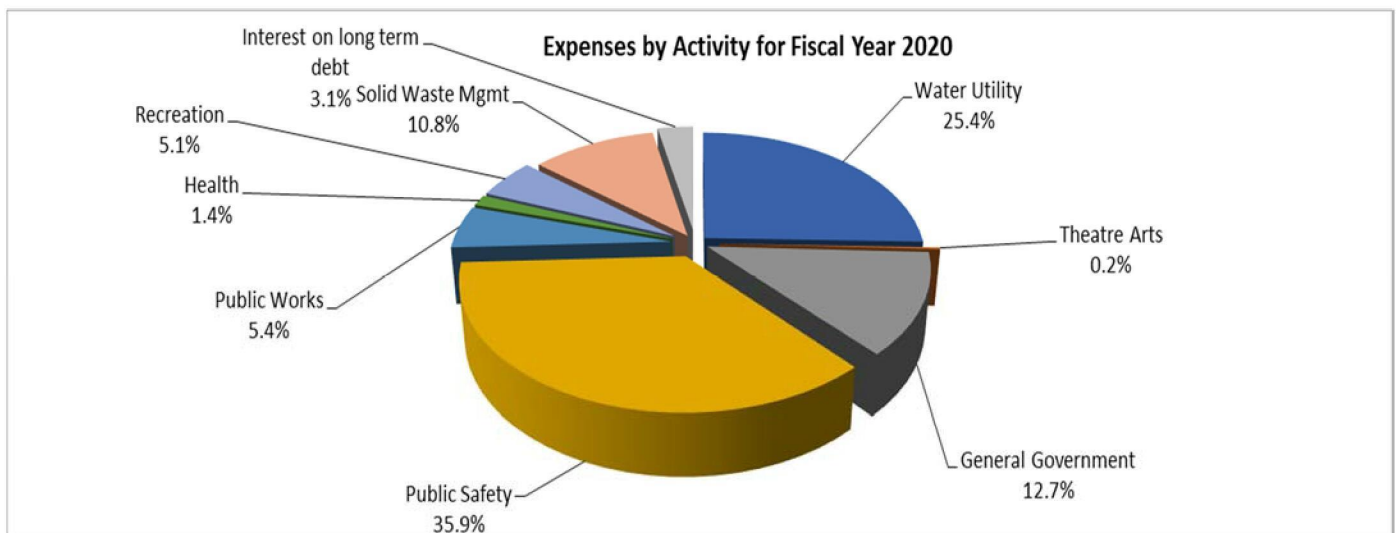
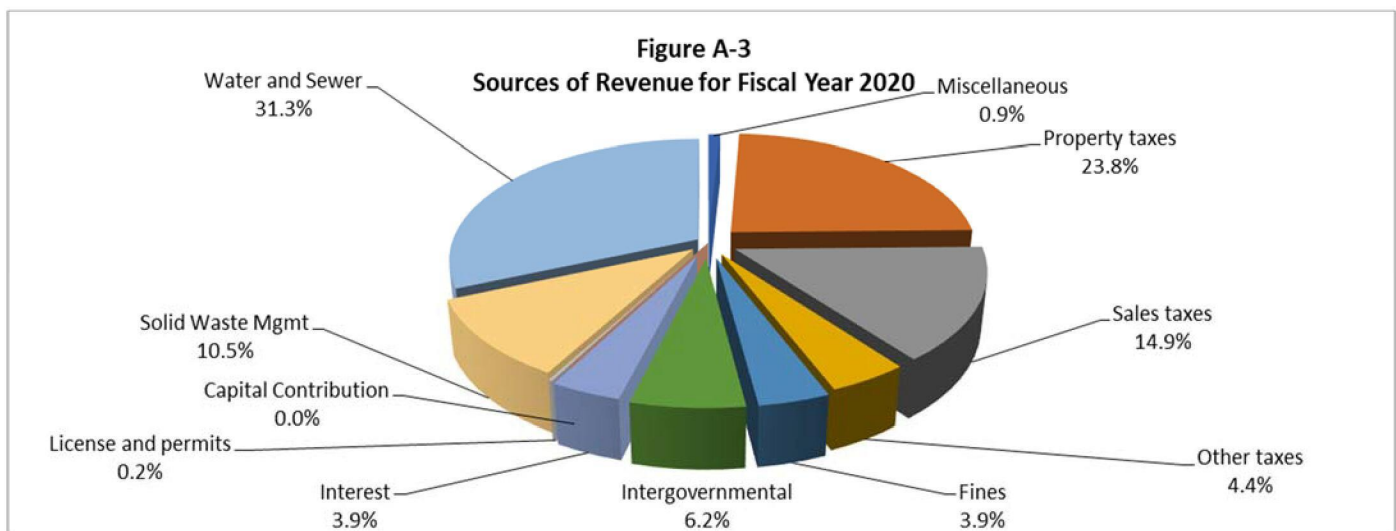


Table A-2
Changes in City's Net Position
(In thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent
	2020	0	2020	0	2020	0	Change
Program revenues							
Charges for services	\$ 1,270	\$ 1,020	\$11,614	\$ 11,013	\$ 12,884	\$ 12,033	7.1%
Grants and contributions							
Operating	1,480	277	231	60	1,711	337	407.7%
Capital	216	10	1,361	-	1,577	10	15670.0%
General revenues							
Property taxes	7,376	7,314	-	-	7,376	7,314	0.8%
Other taxes	5,966	6,044	-	-	5,966	6,044	-1.3%
Capital contribution	33	3,000	-	-	33	3,000	-98.9%
Other	984	2,185	458	592	1,442	2,777	-48.1%
Total revenues	17,325	19,850	13,664	11,665	30,989	31,515	-1.7%
Expenses							
General government	3,094	3,104	-	-	3,094	3,104	-0.3%
Public safety	8,723	8,726	-	-	8,723	8,726	0.0%
Public works	1,311	1,287	-	-	1,311	1,287	1.9%
Recreation and culture	1,241	1,323	-	-	1,241	1,323	-6.2%
Health	339	402	-	-	339	402	-15.7%
Interest on long-term debt	753	1,087	-	-	753	1,087	-30.7%
Solid waste management	-	-	2,618	2,740	2,618	2,740	-4.5%
Water and sewer	-	-	6,193	6,365	6,193	6,365	-2.7%
Theatre arts	-	-	55	70	55	70	-21.4%
Total expenses	15,461	15,929	8,866	9,175	24,327	25,104	-3.1%
Transfers	750	1,189	(750)	(1,189)	-	-	0.0%
Change in Net Position	2,614	5,110	4,048	1,301	6,662	6,411	3.9%
Net Position, Beginning	27,198	22,088	44,000	42,699	71,198	64,787	9.9%
Net Position, Ending	<u>\$ 29,812</u>	<u>\$ 27,198</u>	<u>\$48,048</u>	<u>\$ 44,000</u>	<u>\$ 77,860</u>	<u>\$ 71,198</u>	9.4%

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

Governmental Activities

As shown in Table A-2, governmental activities increased net position by \$2.6 million. Table A-3 presents the cost of each of the City's largest functions, as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars.

- Property tax rate increased to .8418 from .8318 per \$100 valuation, of which, .2106 was for debt service. There was an increase in property taxes of \$61,676 or 0.84%.
- The cost of all governmental activities this year was \$15.5 million compared to the previous year of \$15.9 million, a 3.03% decrease.
- The amount that our taxpayers paid for these services was \$12 million.
- Some of the cost was paid by those who directly benefited from the programs, \$1.3 million, or by grants and contributions.

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

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2020	0		2020	0	
General government	\$ 3,094	\$ 3,104	-0.3%	\$ 2,423	\$ 2,701	-10.3%
Public safety	8,723	8,726	0.0%	6,790	8,171	-16.9%
Public works	1,311	1,287	1.9%	1,254	1,287	-2.6%
Recreation and culture	1,241	1,323	-6.2%	1,218	1,286	-5.3%
Health	339	402	-15.7%	55	91	-39.6%
Interest on long-term debt	753	1,087	NA	753	1,087	-30.7%
Total governmental activities	<u>\$ 15,461</u>	<u>\$ 15,929</u>	-2.9%	<u>\$ 12,493</u>	<u>\$ 14,623</u>	-14.6%

Business-type Activities

As shown in Table A-2, business-type activities increased net position by \$4 million.

- Charges for services generated revenues of \$11.6 million for the period ended September 30, 2020 compared to \$11.0 million for the previous period.
- Expenses totaled \$8.8 million for 2020 and \$9.2 million for 2019, a 3.4% decrease.
- Transfers from business-type activities to support general government activities were \$750 thousand for the period, an 37% decrease from the previous period.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$39,679,240, a decrease of \$1.7 million. The decrease is mainly due to capital expenditures from bond proceeds.

Total assets of the Governmental Funds decreased 3.9%. This decrease is mainly attributable to the decrease in cash and cash equivalents, and account receivables of \$41,559,028 of the end of fiscal year 2020 to \$43,235,049 at the end of fiscal year 2019. This decrease is mainly due to the expenditure of bond proceeds.

Total liabilities of the Governmental Funds decreased 6.4% from \$1,439,764 in 2019 to \$1,347,800 in 2020. The change was mainly due to the decrease in accounts payable.

Of the combined ending fund balance, approximately \$14.4 million constitutes unassigned fund balance which is available for spending at the government's discretion.

Proprietary Funds

The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. There are two types of funds presented – the business-type (enterprise) funds and the internal service funds. The purpose of internal service funds is to provide services within a government on a break-even basis. The net income or loss from these internal service funds has been allocated back to the user departments and activities for the government-wide financial statements. The internal service funds reflect a total net position amount of \$8,641,035. Of this amount, \$2,470,885 is invested in capital assets. The remainder of the unrestricted net position is generally used for property insurance and to replace capital assets.

Of the combined unrestricted net position of the enterprise funds at the end of fiscal year 2020, approximately \$17.2 million was unrestricted. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

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

- Significant budget amendments during the year included the following additional appropriations for interfund transfers:
 - \$200,000 to Capital Improvement Fund
 - \$50,000 to Economic Development Fund
 - \$50,000 to Street Improvement Fund
 - \$25,000 to Health Insurance Fund
 - \$25,000 to Fleet Services Fund
 - \$274,200 to Equipment Replacement Fund
- During the year, actual receipts exceeded budgeted revenues and expenditures were less than budgetary estimates, thus allowing the City Council to approve the aforementioned interfund transfers.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of September 30, 2020 amounts to \$49,049,004 (net of accumulated depreciation). This investment in capital assets includes land, buildings, systems, system improvements, machinery, equipment, park facilities, and roadways (See Table A-4).

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

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2020	2019	2020	2019	2020	2019	
Land	\$ 674	\$ 670	\$ 552	\$ 552	\$ 1,226	\$ 1,222	0.3%
Buildings	7,029	6,999	2,753	2,735	9,782	9,734	0.5%
System improvements	-	-	50,447	48,597	50,447	48,597	3.8%
Infrastructure	20,096	19,716	-	-	20,096	19,716	1.9%
Machinery and equipment	10,786	10,331	9,071	8,130	19,857	18,461	7.6%
Construction in progress	5,305	2,148	158	60	5,463	2,208	147.4%
Totals at historical cost	43,890	39,864	62,981	60,074	106,871	99,938	6.9%
Accumulated depreciation	(25,835)	(24,791)	(31,987)	(30,496)	(57,822)	(55,287)	4.6%
Net capital assets	<u>\$ 18,055</u>	<u>\$ 15,073</u>	<u>\$ 30,994</u>	<u>\$ 29,578</u>	<u>\$ 49,049</u>	<u>\$ 44,651</u>	9.8%

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

Long Term Debt

At year end the City had \$30,639,000 outstanding in bonds and certificates of obligation outstanding. In addition, the City is one of 11 member cities of the Canadian River Municipal Water Authority (CRMWA) and is contractually obligated on its proportionate share of the Authority's debt (See Table A-5).

The CRMWA issued debt to finance the purchase of additional water rights, of which the City is contractually obligated for its portion of \$4,306,554. More detail on the City's long-term obligations may be found in the notes to the financial statements (Note 8).

Table A-5
City's Outstanding Bond and Contract Debt
(In thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2020	2019	2020	2019	2020	2019	
Bond and certificates of obligation	\$ 24,104	\$ 24,986	\$ 6,535	\$ 7,624	\$ 30,639	\$ 32,610	-6.0%
Water Supply Contract obligation	-	-	4,307	4,847	4,307	4,847	-11.1%
Total outstanding debt	<u>\$ 24,104</u>	<u>\$ 24,986</u>	<u>\$ 10,842</u>	<u>\$ 12,471</u>	<u>\$ 34,946</u>	<u>\$ 37,457</u>	-6.7%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

This year has been unlike any other year for local governments across the United States as we saw the novel coronavirus (COVID-19) recognized globally as a contagious respiratory virus pandemic hit communities across the United States. State and local declarations of disaster were made in response to the COVID-19 Public Health Pandemic that resulted in stay at home orders, mandated business closures, occupancy restrictions for businesses and social distancing guidelines for the public to try to limit the spread of the disease in our communities.

Economic indicators including sales tax collections, hotel occupancy rates, construction activity at the local level and regional level as well as the unemployment rate are typically indicators of the local economy and are closely monitored for variances:

- The unemployment rate was 4.0% in December 2019 compared to 7.3% in December 2020.
- Sales Tax Collections totaled \$4,270,560 in FY 2019 compared to \$4,301,103 in FY 2020.
- Hotel Occupancy Tax Collections totaled \$352,323 in FY 2019 compared to \$282,545 in FY 2020.
- Building Valuations totaled \$20.5 million in FY 2019 compared to \$15.1 million in FY 2020.

The City continues to take a conservative approach to the budget as the economic outlook continues to improve. The Strategic Plan, Economic Development Plan and the long-range Comprehensive Plan continue to guide the investments made by the City to encourage new growth, development and diversification in the local economy.

The following factors were considered when preparing the FYE 2021 Budget:

- The primary goal this year was to hold expenditures to the previous year as the City managed through the COVID-19. The budget does include the step increases for all eligible employees and continues with plans for equipment replacement. There is no budgeted reduction for services.
- The Property Tax Rate included in this budget is \$0.6312 per \$100 valuation for maintenance and operations and \$0.2106 per \$100 valuation for debt service for a total of \$0.8418 per \$100 valuation. The rate for maintenance and operations and debt service remained the same as last year. The No-New Revenue Tax Rate (Effective Tax Rate) this year was \$ 0.9215.
- The General Fund expenditure budget for the upcoming year increased by 0.08%.
- In the Solid Waste Management Fund, the 2020-2021 operating budget decreased by 5.00% from the previous year. In the Utility (Water & Sewer) Fund, the 2020-2021 operating budget decreased by 0.59%. The City increased the tiered water conservation rate structure and sewer usage rates by three percent (3%) this year as a part of a water conservation strategy.

The following major projects are incorporated into the FY 2021 Budget:

2018 General Obligation Bond Projects

- In November 2017, voters authorized \$25.0 million in General Obligations Bonds for various capital improvement projects. This includes the reconstruction of 24th Street, construction of a new Fire Station No. 2, renovation of a facility to serve as the new City Hall, renovation of the current City Hall facility to serve as the new Police Department, improvements to the baseball-softball fields, construction of a new aquatic complex and sidewalks improvements in the Downtown area. These projects are either in design or under construction

Capital Improvement

- Funds for a future renovation project to Kidsville in Regional Park as well as a new play structure for City (Broadway) Park
- Miscellaneous park improvements in cooperation with the Parks Advisory Board
- Golf Course and Swimming Pool (This serves as a new reserve account to set funds aside for future maintenance)
- Facility improvements including the renovation of Fire Station No. 1, additional HVAC work in the Library, a study for a Joint Public Safety Training Facility at the old National Guard Armory and renovations at the Animal Shelter
- Downtown Streetscape Construction Project
- Airport Improvement Projects in cooperation with Hale County and TXDOT Aviation

Economic Development

- Funding for the Plainview-Hale County Economic Development Corporation, Covenant Hospital Capital Campaign Project, Retail Recruitment efforts as well as increased economic development marketing efforts.

Water and Sewer Improvements

- Strategic Water Supply Plan (ongoing)
- 2-inch water main replacements in the City (ongoing)
- Water and Sewer Main Infrastructure Replacement and Extensions
- Replacement of the East Basin Mixer at the Wastewater Treatment Plant
- Engineering for Quincy Street Water and Sewer Main replacements as a part of the TXDOT Quincy Street Reconstruction Project
- Rehabilitate 1.0 million gallon ground storage tank at Kokomo Pump Station
- SCADA Upgrades at the Water Treatment Plant

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

**Basic Financial
Statements**

City of Plainview, Texas
Statement of Net Position (Exhibit A-1)
September 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 21,068,627	\$ 5,378,560	\$ 26,447,187
Investments	23,858,693	13,069,596	36,928,289
Receivables, net	1,512,937	1,439,467	2,952,404
Due from other governments	640,214	-	640,214
Grant receivable	1,111,944	158,114	1,270,058
Internal balances	(173,394)	173,394	-
Prepaid expenses	30,756	9,110	39,866
Inventories, at cost	134,164	132,639	266,803
Other assets	8,282	-	8,282
Investment in joint venture	3,063,885	-	3,063,885
Restricted assets			
Cash and cash equivalents	579,774	1,714,413	2,294,187
Capital assets			
Nondepreciable	5,979,320	710,519	6,689,839
Depreciable, net	12,075,358	30,283,807	42,359,165
Unamortized water contract costs and other assets	-	9,239,955	9,239,955
Total assets	69,890,560	62,309,574	132,200,134
Deferred outflows of resources			
Pension	1,233,305	222,196	1,455,501
OPEB	157,483	-	157,483
Deferred charge for debt refunding	-	181,136	181,136
Total deferred outflows of resources	1,390,788	403,332	1,794,120
Liabilities			
Accounts and wages payable	1,451,883	503,972	1,955,855
Accrued interest payable	110,027	18,783	128,810
Payable from restricted assets	-	617,324	617,324
Noncurrent liabilities			
Due within one year	890,849	1,658,264	2,549,113
Due in more than one year	37,042,389	11,222,729	48,265,118
Total liabilities	39,495,148	14,021,072	53,516,220
Deferred inflows of resources			
Pension	1,664,196	644,444	2,308,640
OPEB	310,275	-	310,275
Total deferred inflows of resources	1,974,471	644,444	2,618,915
Net position			
Net investment in capital assets	14,842,579	29,896,168	44,738,747
Restricted for			
Debt service	77,245	753,687	830,932
Downtown TIRZ	160,428	-	160,428
Tourism	772,469	-	772,469
PEG fund	242,510	-	242,510
Law enforcement	7,395	-	7,395
Municipal court	131,934	-	131,934
Unrestricted	13,577,169	17,397,535	30,974,704
Total net position	\$ 29,811,729	\$ 48,047,390	\$ 77,859,119

Primary Government	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government - administration	\$ 2,395,699	\$ 73,911	\$ 20,791	\$ 160,545
General government - other	697,883	327,937	87,705	-
Public safety	8,723,456	744,366	1,188,823	-
Public works	1,310,635	-	-	55,200
Health	338,901	101,495	182,520	-
Recreation and culture	1,240,565	22,564	-	-
Interest on long-term debt	753,204	-	-	-
Total governmental activities	15,460,343	1,270,273	1,479,839	215,745
Business-Type Activities				
Solid waste management	2,617,549	3,244,445	-	-
Water and sewer	6,193,082	8,365,727	230,601	1,361,258
Theatre arts	54,650	3,361	-	-
Total business-type activities	8,865,281	11,613,533	230,601	1,361,258
Total primary government	<u>\$ 24,325,624</u>	<u>\$ 12,883,806</u>	<u>\$ 1,710,440</u>	<u>\$ 1,577,003</u>
General revenues and transfers				
Taxes				
Property				
Sales				
Selective sales and use				
Franchise				
Penalty and interest				
Contribution not restricted for specific programs				
Miscellaneous				
Investment income				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Net position, ending				

See Notes to Financial Statements

City of Plainview, Texas
Statement of Activities (Exhibit A-2)
Year Ended September 30, 2020

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (2,140,452)		\$ (2,140,452)
(282,241)		(282,241)
(6,790,267)		(6,790,267)
(1,255,435)		(1,255,435)
(54,886)		(54,886)
(1,218,001)		(1,218,001)
(753,204)		(753,204)
<u>(12,494,486)</u>		<u>(12,494,486)</u>
	\$ 626,896	626,896
	3,764,504	3,764,504
	<u>(51,289)</u>	<u>(51,289)</u>
	4,340,111	4,340,111
	<u>4,340,111</u>	<u>(8,154,375)</u>
7,375,524	-	7,375,524
4,301,103	-	4,301,103
304,649	-	304,649
1,208,630	-	1,208,630
151,777	-	151,777
32,813	-	32,813
163,082	81,964	245,046
820,486	374,900	1,195,386
750,138	<u>(750,138)</u>	<u>-</u>
<u>15,108,202</u>	<u>(293,274)</u>	<u>14,814,928</u>
2,613,716	4,046,837	6,660,553
<u>27,198,013</u>	<u>44,000,553</u>	<u>71,198,566</u>
<u>\$ 29,811,729</u>	<u>\$ 48,047,390</u>	<u>\$ 77,859,119</u>

City of Plainview, Texas
Balance Sheet – Governmental Funds (Exhibit A-3)
September 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 7,691,072	\$ 68,282	\$ 10,889,027	\$ -	\$ 18,648,381
Investments	7,934,363	-	10,355,861	697,378	18,987,602
Interest receivable	2,618	-	3,417	230	6,265
Accounts receivable (net)	388,880	-	-	-	388,880
Taxes receivable (net)	1,032,222	41,296	-	41,412	1,114,930
Due from other governments	640,214	-	-	-	640,214
Grant receivable	945,170	-	-	166,774	1,111,944
Prepaid expense	29,652	-	-	552	30,204
Inventories	50,834	-	-	-	50,834
Restricted cash and cash equivalents	-	-	-	579,774	579,774
Total assets	\$ 18,715,025	\$ 109,578	\$ 21,248,305	\$ 1,486,120	\$ 41,559,028
Liabilities, deferred inflows of resources and fund balance					
Liabilities					
Accounts payable	\$ 352,198	\$ -	\$ 356,578	\$ 165,630	\$ 874,406
Wages payable	463,261	-	-	5,597	468,858
Compensated absences payable	4,379	-	-	157	4,536
Total liabilities	819,838	-	356,578	171,384	1,347,800
Deferred inflows of resources					
Unavailable revenue					
Property taxes	269,831	32,333	-	-	302,164
Fines and fees	92,324	-	-	-	92,324
Emergency medical services	137,500	-	-	-	137,500
Total deferred inflows of resources	499,655	32,333	-	-	531,988
Fund balance					
Nonspendable	80,486	-	-	552	81,038
Restricted	-	77,245	20,891,727	1,314,736	22,283,708
Assigned	2,960,196	-	-	-	2,960,196
Unassigned	14,354,850	-	-	(552)	14,354,298
Total fund balance	17,395,532	77,245	20,891,727	1,314,736	39,679,240
Total liabilities, deferred inflows of resources and fund balance	\$ 18,715,025	\$ 109,578	\$ 21,248,305	\$ 1,486,120	\$ 41,559,028

Total Fund Balances - Governmental Funds	\$ 39,679,240
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
The City uses internal service funds to charge the costs of certain activities, such as insurance, equipment replacement, and vehicle maintenance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	8,467,641
Capital assets used in governmental activities, net of assets included in internal service funds, are not financial resources and, therefore, are not reported in governmental funds.	15,583,793
The City's investment in joint ventures is not reported in the governmental funds but is included in the statement of net position.	3,063,885
Other adjustments are necessary to convert the modified accrual basis of accounting to the accrual basis of accounting. Net property taxes receivable of \$302,164, net fines receivable of \$92,324 and net emergency medical services receivable of \$137,500 were unavailable to pay for current period expenditures and are deferred in the governmental funds but included in the statement of net position.	531,988
Included in the items related to debt is the recognition of the City's net pension liability in the amount of \$11,887,877, a deferred outflow of resources of \$1,233,172, and a deferred inflow of resources of \$1,657,247. This is net of the portion recorded in the internal service fund. The net effect is to decrease net position.	(12,311,952)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds but are included in the statement of net position. At the end of the year, the liability for compensated absences was \$989,013, the bond payable was \$23,455,000, and unamortized bond premiums were \$648,826.	(25,092,839)
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(110,027)
Net Position of Governmental Activities	<u>\$ 29,811,729</u>

City of Plainview, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance -Governmental Funds (Exhibit A-5)

Year Ended September 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes					
Property taxes	\$ 5,503,500	\$ 1,837,874	\$ -	\$ 12,385	\$ 7,353,759
Sales and use taxes	4,301,103	-	-	-	4,301,103
Selective sales and use taxes	22,104	-	-	282,545	304,649
Franchise tax	1,208,630	-	-	-	1,208,630
Penalty and interest on taxes	151,777	-	-	-	151,777
Licenses and permits	65,615	-	-	-	65,615
Intergovernmental revenue and grants	1,392,127	-	-	239,453	1,631,580
Charges for services	855,575	-	-	-	855,575
Fines, forfeitures and fees	273,779	-	-	76,649	350,428
Investment earnings	290,422	2,990	382,306	20,509	696,227
Rents and royalties	600	-	-	-	600
Contributions and donations	55,200	-	-	8,804	64,004
Other revenue	48,932	-	-	50	48,982
Total revenues	14,169,364	1,840,864	382,306	640,395	17,032,929
Expenditures					
Current					
General government - administration	1,931,092	-	-	206,599	2,137,691
General government - other	482,811	-	-	247,072	729,883
Public safety	8,352,435	-	-	6,505	8,358,940
Public works	842,089	-	89,590	-	931,679
Health	353,454	-	-	-	353,454
Recreation and culture	1,109,442	-	-	-	1,109,442
Debt Service					
Principal	-	845,000	-	-	845,000
Interest and other fees	-	908,860	-	-	908,860
Capital outlay	347,525	-	3,231,914	126,873	3,706,312
Total expenditures	13,418,848	1,753,860	3,321,504	587,049	19,081,261
Excess (Deficiency) of revenue over expenditures	750,516	87,004	(2,939,198)	53,346	(2,048,332)
Other financing sources (uses)					
Transfers in	372,395	-	-	-	372,395
Transfers out	-	-	-	(42,040)	(42,040)
Total other financing sources (uses)	372,395	-	-	(42,040)	330,355
Net change in fund balance	1,122,911	87,004	(2,939,198)	11,306	(1,717,977)
Fund balance, October 1	16,272,621	(9,759)	23,830,925	1,303,430	41,397,217
Fund balance, September 30	<u>\$ 17,395,532</u>	<u>\$ 77,245</u>	<u>\$ 20,891,727</u>	<u>\$ 1,314,736</u>	<u>\$ 39,679,240</u>

City of Plainview, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities (Exhibit A-6)
Year Ended September 30, 2020

Total Net Change in Fund Balance - Governmental Funds	\$ (1,717,977)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
The City uses internal service funds to charge the costs of certain activities to individual funds. Net change in net position of the internal service funds is reported with governmental activities.	616,008
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.	3,706,312
Assets donated to governmental funds by private parties are not recorded in the governmental fund financial statements whereas in the government-wide financial statements are recorded as capital contributions.	32,813
Depreciation is not recognized as an expenditure in governmental funds since it does not require the use of current financial resources.	(789,013)
The net decrease for the year in the investment in joint venture is not reported in the governmental funds but is included in the statement of activities.	(240,996)
Long-term liabilities for compensated absences are accrued in the government-wide financial statements, but are not reported in the fund financial statements.	(38,860)
Certain expenditures for the pension that are recorded to the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the changes in net position to increase. The City's unrecognized deferred inflows and outflows as of the measurement date must be amortized and the City's pension expense must be recognized. These cause the change in net position to decrease. The net effect is a decrease in net position.	(126,399)
Principal paid on long-term debt is expended in the governmental funds but is a reduction of debt in the government-wide financial statements.	845,000
Revenues from property taxes are deferred in the fund financial statements until they are considered available to fund current expenditures, but such revenues are recognized in the government-wide statements. This adjustment includes a net increase in property tax revenues of \$21,765, a net decrease in fine revenues of \$1,345 and a net increase in emergency medical services of \$113,500 which is an increase to net position.	133,920
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the governmental funds. This is the decrease in accrued interest payable.	155,656
Bond premiums are recorded as other financing sources when received in the fund financial statements but are capitalized and amortized in the government-wide financial statements. This is the current year amortization.	37,252
Change in Net Position of Governmental Activities	<u><u>\$ 2,613,716</u></u>

City of Plainview, Texas
Statement of Net Position – Proprietary Funds (Exhibit A-7)
September 30, 2020

	Business-Type Activities				Governmental Activities
	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
Assets					
Current assets					
Cash and cash equivalents	\$ 1,963,819	\$ 3,328,693	\$ 86,048	\$ 5,378,560	\$ 2,420,246
Investments	7,440,616	5,628,980	-	13,069,596	4,871,091
Interest receivable	2,455	1,823	-	4,278	1,607
Accounts receivable, net	355,925	1,079,264	-	1,435,189	1,255
Grants receivable	-	158,114	-	158,114	-
Prepaid expense	2,207	6,625	278	9,110	552
Other assets	-	-	-	-	8,282
Inventories, at cost	-	132,490	149	132,639	83,330
Total current assets	<u>9,765,022</u>	<u>10,335,989</u>	<u>86,475</u>	<u>20,187,486</u>	<u>7,386,363</u>
Noncurrent Assets					
Restricted Assets					
Cash and cash equivalents	-	1,714,413	-	1,714,413	-
Capital Assets					
Nondepreciable	400,000	305,519	5,000	710,519	-
Depreciable, net	4,453,700	25,797,678	32,429	30,283,807	2,470,885
Unamortized water supply contract costs	-	9,239,955	-	9,239,955	-
Total noncurrent assets	<u>4,853,700</u>	<u>37,057,565</u>	<u>37,429</u>	<u>41,948,694</u>	<u>2,470,885</u>
Total assets	<u>14,618,722</u>	<u>47,393,554</u>	<u>123,904</u>	<u>62,136,180</u>	<u>9,857,248</u>
Deferred Outflows of Resources					
Pension	82,204	136,273	3,719	222,196	133
OPEB	-	-	-	-	157,483
Deferred charge for debt refunding	-	181,136	-	181,136	-
Total deferred outflows of resources	<u>82,204</u>	<u>317,409</u>	<u>3,719</u>	<u>403,332</u>	<u>157,616</u>
Liabilities					
Current liabilities					
Accounts payable	52,043	320,264	1,365	373,672	105,751
Wages payable	46,412	83,390	498	130,300	2,868
Accrued interest payable	-	18,783	-	18,783	-
Current portion of long-term liabilities					
Accrued compensated absences	2,078	2,658	-	4,736	-
Bonds and certificates of obligation	-	1,105,000	-	1,105,000	-
Water contract obligation	-	548,528	-	548,528	-
Total current liabilities	<u>100,533</u>	<u>2,078,623</u>	<u>1,863</u>	<u>2,181,019</u>	<u>108,619</u>

City of Plainview, Texas
Statement of Net Position – Proprietary Funds (Exhibit A-7)
September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
Long-Term Liabilities (net of current portion)					
Accrued landfill closure / postclosure costs	1,684,236	-	-	1,684,236	-
Payable from restricted assets					
Deposits and escrow	-	617,324	-	617,324	-
Noncurrent portion of long-term liabilities					
Accrued compensated absences	33,383	67,537	-	100,920	1,313
Net pension liability	95,597	152,909	977	249,483	977
Total other postemployment benefits obligation	-	-	-	-	945,696
Bonds and certificates of obligation	-	4,530,000	-	4,530,000	-
Unamortized premiums	-	900,064	-	900,064	-
Water contract obligations	-	3,758,026	-	3,758,026	-
Total noncurrent liabilities	1,813,216	10,025,860	977	11,840,053	947,986
Total liabilities	1,913,749	12,104,483	2,840	14,021,072	1,056,605
Deferred Inflows of Resources					
Pensions	235,846	404,911	3,687	644,444	6,949
OPEB	-	-	-	-	310,275
Total deferred inflows of resources	235,846	404,911	3,687	644,444	317,224
Net Position					
Net investment in capital assets	4,853,700	25,005,039	37,429	29,896,168	2,470,885
Restricted for debt service	-	753,687	-	753,687	-
Unrestricted	7,697,631	9,442,843	83,667	17,224,141	6,170,150
Total net position	\$ 12,551,331	\$ 35,201,569	\$ 121,096	\$ 47,873,996	\$ 8,641,035
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				173,394	
Net position of business type activities				\$ 48,047,390	

City of Plainview, Texas

Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds (Exhibit A-8)

Year Ended September 30, 2020

	Business-Type Activities				Governmental Activities
	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
Operating revenue					
Charges for services	\$ 3,244,445	\$ 8,365,727	\$ 3,361	\$ 11,613,533	\$ 3,180,645
Other revenue	30,103	51,509	352	81,964	246
Total operating revenues	3,274,548	8,417,236	3,713	11,695,497	3,180,891
Operating expenses					
Personnel services - salaries and wages	671,098	1,259,884	7,929	1,938,911	36,396
Personnel services - employee benefits	323,036	500,848	718	824,602	2,077,409
Purchased professional & technical services	317,973	679,152	-	997,125	43,648
Purchased property services	259,014	499,432	8,017	766,463	131,058
Other operating expenses	159,526	957,300	26,323	1,143,149	255,523
Supplies	202,483	478,854	8,901	690,238	22,351
Depreciation and amortization	714,350	1,343,966	2,764	2,061,080	598,458
Total operating expenses	2,647,480	5,719,436	54,652	8,421,568	3,164,843
Operating income (loss)	627,068	2,697,800	(50,939)	3,273,929	16,048
Nonoperating revenues (expenses)					
Gain (loss) on sale of property	30,000	15,010	-	45,010	55,400
Investment earnings	181,557	192,283	1,060	374,900	124,259
Bond premium accretion	-	97,836	-	97,836	-
Interest expense	-	(414,584)	-	(414,584)	-
Refunding loss amortization	-	(27,982)	-	(27,982)	-
Bond issuance costs	-	(143,475)	-	(143,475)	-
Grant revenue	-	230,601	-	230,601	-
Total nonoperating revenues (expenses)	211,557	(50,311)	1,060	162,306	179,659
Income (loss) before contributions and transfers	838,625	2,647,489	(49,879)	3,436,235	195,707
Contributions and transfers					
Capital contributions	-	1,361,258	-	1,361,258	-
Transfers in	-	273,217	35,250	308,467	473,800
Transfers out	(296,983)	(761,622)	-	(1,058,605)	(54,017)
Total contributions and transfers	(296,983)	872,853	35,250	611,120	419,783
Change in net position	541,642	3,520,342	(14,629)	4,047,355	615,490
Net position, beginning of year	12,009,689	31,681,227	135,725	43,826,641	8,025,545
Net position, end of year	\$ 12,551,331	\$ 35,201,569	\$ 121,096	47,873,996	\$ 8,641,035
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(518)	
Change in net position of business type activities				\$ 4,046,837	



PLAINVIEW, TX

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City of Plainview, Texas
Statement of Cash Flows – Proprietary Funds (Exhibit A-9)
Year Ended September 30, 2020

	Business-Type Activities				Governmental Activities
	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
Operating activities					
Cash received from user charges	\$ 3,249,903	\$ 8,296,545	\$ 3,361	\$ 11,549,809	\$ -
Cash from operating transactions - other funds	-	-	-	-	3,180,335
Cash payments to employees for services	(1,044,449)	(1,837,055)	(10,631)	(2,892,135)	(2,103,331)
Cash payments for goods and services	(894,309)	(2,432,686)	(43,215)	(3,370,210)	(548,731)
Other operating cash receipts	30,103	51,509	352	81,964	246
Net cash from (used for) operating activities	1,341,248	4,078,313	(50,133)	5,369,428	528,519
Cash flows from noncapital financing activities					
Increase in deposits and escrow held	-	47,772	-	47,772	-
Noncapital grants	-	82,737	-	82,737	-
Transfers to other funds	(296,983)	(761,622)	-	(1,058,605)	473,800
Transfers from other funds	-	273,217	35,250	308,467	(54,017)
Net cash (used for) from noncapital financing activities	(296,983)	(357,896)	35,250	(619,629)	419,783
Capital and related financing activities					
Acquisition of capital assets	(914,930)	(2,400,418)	-	(3,315,348)	(630,922)
Proceeds from sale of capital assets	30,000	-	-	30,000	55,959
Capital contributions	-	1,361,258	-	1,361,258	-
Principal paid on long-term debt	-	(1,655,069)	-	(1,655,069)	-
Interest paid on long-term debt	-	(461,760)	-	(461,760)	-
Proceeds from refinancing of long term debt	-	5,635,000	-	5,635,000	-
Payments to bond refunding escrow agent	-	(6,151,392)	-	(6,151,392)	-
Bond issuance costs	-	(143,475)	-	(143,475)	-
Premiums received on long-term debt	-	668,840	-	668,840	-
Net cash used for capital and related financing activities	(884,930)	(3,147,016)	-	(4,031,946)	(574,963)
Investing activities					
Purchase of investments	(160,320)	(119,956)	-	(280,276)	(104,956)
Interest on investments	181,694	192,383	1,060	375,137	124,348
Net cash from investing activities	21,374	72,427	1,060	94,861	19,392
Net change in cash and restricted cash	180,709	645,828	(13,823)	812,714	392,731
Cash and cash equivalents, October 1	1,783,110	4,397,278	99,871	6,280,259	2,027,515
Cash and cash equivalents, September 30	<u>\$ 1,963,819</u>	<u>\$ 5,043,106</u>	<u>\$ 86,048</u>	<u>\$ 7,092,973</u>	<u>\$ 2,420,246</u>

City of Plainview, Texas
Statement of Cash Flows – Proprietary Funds (Exhibit A-9)
Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Solid Waste Management Fund	Water and Sewer Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Total Internal Service Funds
Reconciliation of operating income to net cash from (used for) operating activities					
Operating income (loss)	\$ 627,068	\$ 2,697,800	\$ (50,939)	\$ 3,273,929	\$ 16,048
Adjustments to reconcile operating income to net cash from (used for) operating activities					
Depreciation and amortization	714,350	1,343,966	2,764	2,061,080	598,458
Landfill closure/postclosure	57,603	-	-	57,603	-
(Increase) decrease in operating assets and liabilities					
Accounts receivable (net)	5,458	(69,182)	-	(63,724)	(310)
Prepaid expense	(2,207)	(6,625)	(278)	(9,110)	(3,229)
Inventories	-	8,413	207	8,620	3,012
Accounts payable	(10,709)	180,264	97	169,652	(95,934)
Wages payable	(759)	6,446	54	5,741	469
Net other postemployment benefits obligations	-	-	-	-	(189,820)
Net pension liability	(406,560)	(702,679)	(4,011)	(1,113,250)	(10,266)
Deferred outflows - pensions	230,297	396,174	(615)	625,856	6,789
Deferred outflows - OPEB	-	-	-	-	198,804
Deferred inflows - pensions	125,188	216,370	2,588	344,146	4,498
Accrued compensated absences	1,519	7,366	-	8,885	-
Net cash from (used for) operating activities	<u>\$ 1,341,248</u>	<u>\$ 4,078,313</u>	<u>\$ (50,133)</u>	<u>\$ 5,369,428</u>	<u>\$ 528,519</u>
Reconciliation of total cash and cash equivalents					
Cash and cash equivalents - statement of net position	\$ 1,963,819	\$ 3,328,693	\$ 86,048	\$ 5,378,560	\$ 2,420,246
Restricted cash - statement of net position	<u>-</u>	<u>1,714,413</u>	<u>-</u>	<u>1,714,413</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 1,963,819</u>	<u>\$ 5,043,106</u>	<u>\$ 86,048</u>	<u>\$ 7,092,973</u>	<u>\$ 2,420,246</u>

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

The City's financial statements include the accounts of all its operations. The City evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the City's reporting entity, as set forth in accounting principles generally accepted in the United States of America (GAAP) include whether:

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

The City also evaluated any legally separate tax-exempt organizations whose resources are used principally to provide support to the City to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GAAP requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the City, its component units or its constituents; and 2) The City or its component units are entitled to, or have the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the City. Based on these criteria, the City has no component units. Additionally, the City is not a component unit of any other reporting entity as defined by GAAP.

Basis of Presentation

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

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

The City does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

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

The City reports the following major governmental funds:

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

Debt Service Fund: This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund: This fund accounts for the financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City reports the following major enterprise funds:

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

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

In addition, the City reports the following fund types:

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

Special revenue funds: These funds account for specific revenue sources that are legally restricted to expenditures for specialized purposes.

Measurement Focus, Basis of Accounting

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

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

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

Cash and Cash Equivalents

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

Fair Value Measurements

The City has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

The City has no recurring fair value measurements as of September 30, 2020 as the City's investments are not measured at fair value but rather the investment in TexPool and certificates of deposit are valued at amortized cost.

Property Taxes

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

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

Inventories

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

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

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

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

Receivable and Payable Balances

The City believes that sufficient detail of payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances. Details of receivable balances are presented in Note 3.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources, included on the proprietary fund financial statements and government wide financial statements, for deferred charges on bond refundings, pension related items as described in Note 9 and OPEB related items as described in Note 11.

Deferred outflows/inflows of resources are separate elements of the financial statements. The City has deferred inflows of resources, included on the governmental fund financial statements, for unavailable revenue from property taxes and fines. Additionally, the City has deferred inflows of resources, included on the proprietary fund financial statements and government wide financial statements, for pension related items as described in Note 9 and OPEB related items as described in Note 11.

Interfund Activity

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

Use of Estimates

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

Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS.

For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB

The fiduciary net position has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources relating to other post employment benefits, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Fund Balance

Details of constraints on fund balances of governmental funds at September 30, 2020 are as follows:

	General Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Inventories	\$ 50,834	\$ -	\$ -	\$ -	\$ 50,834
Prepays	29,652	-	-	552	30,204
Restricted to					
Capital projects	-	20,891,727	-	-	20,891,727
Debt service	-	-	77,245	-	77,245
Tourism	-	-	-	772,469	772,469
PEG fund	-	-	-	242,510	242,510
Law Enforcement	-	-	-	7,395	7,395
Municipal Court	-	-	-	127,230	127,230
Truancy Prevention	-	-	-	4,704	4,704
Downtown TIRZ	-	-	-	160,428	160,428
Assigned to					
CARES	771,369	-	-	-	771,369
Capital Improvement	1,588,505	-	-	-	1,588,505
Street Improvement	153,579	-	-	-	153,579
Economic Development	446,743	-	-	-	446,743
Unassigned	14,354,850	-	-	(552)	14,354,298
	<u>\$ 17,395,532</u>	<u>\$ 20,891,727</u>	<u>\$ 77,245</u>	<u>\$ 1,314,736</u>	<u>\$ 39,679,240</u>

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

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as Nonspendable at September 30, 2020 are nonspendable in form.

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

Committed – includes amounts that can be used only for the specific purposes as established by the City Council's resolution. The City Council is the City's highest level of decision-making authority; and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City's Council at the City Council's board meeting. As of September 30, 2020, the City had no committed funds.

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

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

Minimum Fund Balance Policy

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

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

Compensated Absences

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

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

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

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

Note 2 - Deposits and Investments

Custodial Credit Risk for Deposits

State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the City complied with this law for the year ended September 30, 2020, it had no custodial credit risk for deposits.

Compliance with the Public Funds Investment Act

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

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

As of September 30, 2020, the City had the following investments:

Investment Type	Amount	Credit Rating	Weighted Average Maturity	Investment Maturity Less than 1 Year
TexPool	\$ 106,285	AAAm	37 days	\$ 106,285
Certificates of Deposit	36,822,004	N/A	N/A	36,822,004
Total Portfolio	<u>\$ 36,928,289</u>			<u>\$ 36,928,289</u>

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

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

In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

Note 3 - Receivables

The receivables detailed below are reported net of allowances for doubtful accounts in the fund financial statements as of September 30, 2020:

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Solid Waste Management Fund	Water and Sewer Fund	Internal Service Funds	Total
Receivables								
Taxes	\$ 1,140,062	\$ 41,296	\$ -	\$ 41,412	\$ -	\$ -	\$ -	\$ 1,222,770
Accounts	938,832	-	-	-	357,447	1,084,651	1,255	2,382,185
Fines	615,494	-	-	-	-	-	-	615,494
Grants	945,170	-	-	166,774	-	158,114	-	1,270,058
Due from other governments	640,214	-	-	-	-	-	-	640,214
Interest	2,618	-	3,417	230	2,455	1,823	1,607	12,150
Gross receivable:	4,282,390	41,296	3,417	208,416	359,902	1,244,588	2,862	6,142,871
Less allowance for uncollectibles	(1,273,286)	-	-	-	(1,522)	(5,387)	-	(1,280,195)
Net total receivables	<u>\$ 3,009,104</u>	<u>\$ 41,296</u>	<u>\$ 3,417</u>	<u>\$ 208,416</u>	<u>\$ 358,380</u>	<u>\$ 1,239,201</u>	<u>\$ 2,862</u>	<u>\$ 4,862,676</u>

Note 4 - Interfund Balances and Activity

Due to and from other funds:

Due To Fund	Due From Fund	Amount	Purpose
General fund	CARES fund	\$ 119,201	Short-term loans
		<u>\$ 119,201</u>	

Transfers to and from other funds:

Fund	Transfers in	Transfers out	Purpose
General fund	\$ 372,395	\$ -	Equipment
Nonmajor governmental fund	-	42,040	Theatre arts
Water and sewer fund	273,217	761,622	Transfer in lieu of franchise fees
Solid waste mgmt. fund	-	296,983	Transfer in lieu of franchise fees
Nonmajor enterprise fund	35,250	-	Theatre arts
Internal service funds	473,800	54,017	Fleet services and insurance premiums
	<u>\$ 1,154,662</u>	<u>\$ 1,154,662</u>	

Note 5 - Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consisted of the following at September 30, 2020:

Nonmajor governmental funds	
Special revenue funds cash	\$ 579,774
	<u>\$ 579,774</u>
Water and Sewer Fund	
Debt Service	\$ 772,470
Customer Deposits / Escrow	619,574
Capital Projects (Unspent Bond Proceeds)	<u>322,369</u>
	<u>\$ 1,714,413</u>

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2020 was as follows:

Governmental Activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated				
Land	\$ 669,969	\$ 4,320	\$ -	\$ 674,289
Construction in progress	<u>2,148,347</u>	<u>3,231,917</u>	<u>(75,233)</u>	<u>5,305,031</u>
Total capital assets not being depreciated	<u>2,818,316</u>	<u>3,236,237</u>	<u>(75,233)</u>	<u>5,979,320</u>
Capital assets being depreciated				
Building and improvements	6,999,066	29,783	-	7,028,849
Machinery and equipment	10,331,084	797,806	(342,607)	10,786,283
Infrastructure	<u>19,715,530</u>	<u>381,457</u>	<u>(1,371)</u>	<u>20,095,616</u>
Total capital assets being depreciated	<u>37,045,680</u>	<u>1,209,046</u>	<u>(343,978)</u>	<u>37,910,748</u>
Less accumulated depreciation for				
Building and improvements	(2,830,345)	(164,441)	-	(2,994,786)
Machinery and equipment	(7,451,286)	(736,600)	342,045	(7,845,841)
Infrastructure	<u>(14,509,704)</u>	<u>(486,430)</u>	<u>1,371</u>	<u>(14,994,763)</u>
Total accumulated depreciation	<u>(24,791,335)</u>	<u>(1,387,471)</u>	<u>343,416</u>	<u>(25,835,390)</u>
Capital assets being depreciated, net	<u>12,254,345</u>	<u>(178,425)</u>	<u>(562)</u>	<u>12,075,358</u>
Governmental activities capital assets, net	<u>\$ 15,072,661</u>	<u>\$ 3,057,812</u>	<u>\$ (75,795)</u>	<u>\$ 18,054,678</u>

Business-Type Activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated				
Land	\$ 552,359	\$ -	-	\$ 552,359
Construction in progress	59,585	125,575	(27,000)	158,160
Total capital assets not being depreciated	611,944	125,575	(27,000)	710,519
Capital assets being depreciated				
Building and improvements	2,735,005	18,413	-	2,753,418
Machinery and equipment	8,129,874	1,363,133	(422,046)	9,070,961
Improvements and system	48,597,084	1,849,674	-	50,446,758
Total capital assets being depreciated	59,461,963	3,231,220	(422,046)	62,271,137
Less accumulated depreciation for				
Building and improvements	(2,244,383)	(29,730)	-	(2,274,113)
Machinery and equipment	(4,845,778)	(702,656)	422,610	(5,125,824)
Improvements and system	(23,406,163)	(1,181,230)	-	(24,587,393)
Total accumulated depreciation	(30,496,324)	(1,913,616)	422,610	(31,987,330)
Capital assets being depreciated, net	28,965,639	1,317,604	564	30,283,807
Business-type activities capital assets, net	<u>\$ 29,577,583</u>	<u>\$ 1,443,179</u>	<u>\$ (26,436)</u>	<u>\$ 30,994,326</u>

Depreciation was charged to functions as follows:

Governmental Activities	
General government - administration	\$ 80,637
General government - other	34,612
Public safety	347,238
Public works	638,327
Health	12,653
Recreation and culture	274,004
	<u>\$ 1,387,471</u>
Business-type Activities	
Solid Waste Management Fund	\$ 714,350
Water and Sewer Fund	1,196,502
Theatre Arts	2,764
	<u>\$ 1,913,616</u>

The estimated cost to complete the construction in progress as of September 30, 2020 was \$165,679.

Note 7 - Water Supply Contract Costs

Water supply contract costs of the City's business-type activities consisted of the following at year end:

	Water and Sewer Fund
Water Supply Contract Costs	\$ 12,525,834
(Less) Accumulated Amortization	<u>(3,285,879)</u>
Water Supply Contract Costs, net	<u><u>\$ 9,239,955</u></u>

Note 8 - Long-Term Obligations

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended September 30, 2020 are as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Bond payable	\$ 24,300,000	\$ -	\$ (845,000)	\$ 23,455,000	\$ 885,000
Bond premium, net	686,078	-	(37,252)	648,826	-
Compensated absences	955,906	310,262	(271,306)	994,862	5,849
Total governmental activities	<u>\$ 25,941,984</u>	<u>\$ 310,262</u>	<u>\$ (1,153,558)</u>	<u>\$ 25,098,688</u>	<u>\$ 890,849</u>
Business-Type Activities					
Bonds payable	\$ 7,265,000	5,635,000	\$ (7,265,000)	\$ 5,635,000	\$ 1,105,000
Bond premium, net	358,533	668,840	(127,309)	900,064	-
Subtotal	7,623,533	6,303,840	(7,392,309)	6,535,064	1,105,000
Water contract obligations	4,846,623	-	(540,069)	4,306,554	548,528
Accrued landfill closure / postclosure costs	1,626,633	57,603	-	1,684,236	-
Compensated absences	96,771	29,603	(20,718)	105,656	4,736
Total business-type activities	<u>\$ 14,193,560</u>	<u>\$ 6,391,046</u>	<u>\$ (7,953,096)</u>	<u>\$ 12,631,510</u>	<u>\$ 1,658,264</u>

The funds primarily used to liquidate liabilities for compensated absences are as follows:

<u>Activity Type</u>	<u>Fund</u>
Governmental	General Fund
Business-type	Solid Waste Management Fund
Business-type	Water and Sewer Fund

The Solid Waste Management Fund includes funds used to liquidate the liability for accrued landfill closure post-closure cost.

Debt service requirements for long-term debt as of September 30, 2020 are as follows:

<u>Year Ended September 30,</u>	<u>Bonds Payable and Water Contract Obligations</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,538,528	\$ 1,274,095	\$ 3,812,623
2022	1,920,449	1,171,534	3,091,983
2023	2,009,026	1,078,662	3,087,688
2024	2,124,763	980,646	3,105,409
2025	2,047,504	877,132	2,924,636
2026-2030	10,352,571	3,004,028	13,356,599
2031-2035	7,408,713	1,428,567	8,837,280
2036-2038	4,995,000	255,578	5,250,578
	<u>\$ 33,396,554</u>	<u>\$ 10,070,242</u>	<u>\$ 43,466,796</u>

Long-term debt interest cost incurred for Business-type Activities for the year ended September 30, 2020 was as follows:

Interest charged to expense	<u>\$ 414,584</u>
Total interest incurred	<u>\$ 414,584</u>

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

General Obligation and Refunding Bonds

The 2018 General Obligation Bonds are secured by ad valorem taxes levied by the City. The projects for this bond include 24th Street Reconstruction, City Hall/police department relocation and renovation, fire station no. 2 relocation, 16th Street pool reconstruction, downtown improvements and baseball field improvements.

The City issued \$5,635,000 in General Obligation Refunding Bonds, Series 2020, to defease or refund a portion of the City's outstanding debt in order to reduce the overall debt service requirements of the City and to pay off the costs of issuance. This series refunds Certificates of Obligation Series 2010 for \$5,435,000 for years maturing 2021 through 2030 and General Obligation Refunding Bond Series 2009 for \$715,000 for year 2021. The net proceeds from the sale of the bonds were used to purchase U.S. Government securities and those securities were deposited with an escrow agent to provide debt service payments until the bonds are called. Such refunded bonds are no longer payable from the net revenue of the City but are payable solely from principal and interest on federal securities held for such purpose by the escrow agent. The reacquisition price exceeded the net carrying amount of the old debt by \$45,366. This refunding was undertaken to reduce total debt service payments by \$482,703 and resulted in an economic gain of \$435,126. The Bonds are secured by ad valorem taxes levied by the City.

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

Details pertaining to the outstanding General Obligation Bonds as of September 30, 2020 are as follows:

Description	Purpose	Maturity	Interest Rates	Balance
2018 General Obligation Bonds	Improvements and reconstruction	2/15/2038	3.0 to 5.0%	\$ 23,455,000
2020 General Obligation Refunding Bonds	Refund prior bond issues	3/1/2030	4.0%	5,635,000
				<u>\$ 29,090,000</u>

Continuing Disclosure

The City has entered into a continuing disclosure undertaking to provide Annual Continuing Disclosure Reports to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access website. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the City.

Surface Water Supply Contract Obligations

A significant portion of the City's water is supplied by a series of underground wells, together with surface water, which is purchased from the Canadian River Municipal Water Authority (CRMWA). CRMWA is a water district that was created in 1953 by the Texas legislature to construct a dam, water reservoir, and aqueduct system for the purpose of supplying water to surrounding cities. Its geographic area includes the surface water in the Texas Panhandle known as Lake Meredith, a series of underground wells, and the aqueduct system, which supplies 11 cities.

In connection with the financing of the initial construction project and subsequent projects undertaken by CRMWA, the City is obligated for its proportionate share of CRMWA debt as follows:

Description	Maturity	Interest Rates	Balance
Refunding Series 2012	2/15/2025	2.586%	\$ 1,254,932
Series 2017	2/15/2029	3.0% to 5.0%	355,751
Series 2011	2/15/2031	3.0% to 5.0%	1,982,970
Refunding Series 2014	2/15/2027	2.0% to 5.0%	712,901
			<u>\$ 4,306,554</u>

The 11 cities that are members of the aqueduct system have the right to elect the 19 members of the CRMWA governing board. The City's contractual share of the available water is approximately 3.691%. Each member may sell part or all of its rights under the contract to other members of the aqueduct system. Each member city is assessed its proportionate share of operating costs, which are accounted for by the City as operating costs.

Transactions between CRMWA and the City consisted of payments to CRMWA for the City's share of costs of operations, water pumping and chemical costs, and debt service as follows for the year ended September 30, 2020:

Costs of operations	\$ 336,767
Water pumping and chemical costs	190,551
Debt service	<u>716,529</u>
Total	<u>\$ 1,243,847</u>

The City's costs of its rights to the surface and ground water are recorded in the Water and Sewer Enterprise Fund and are being amortized over 85 years, which is the estimated useful life of the CRMWA facilities and water basis. Such costs that have been capitalized by the City as of September 30, 2020 are as follows:

Capitalized contract costs	\$ 12,525,834
Accumulated amortization	<u>(3,285,879)</u>
Net unamortized costs	<u>\$ 9,239,955</u>

Although member cities have the right to elect the members of the CRMWA board, the City does not report this contract as a joint venture due to the following factors: 1) CRMWA was created by the State of Texas and is a subdivision thereof, as opposed to having been created by the members of CRMWA. 2) The City has no vested rights to the assets of CRMWA, nor responsibility for its liabilities, other than the City's proportionate share of the contractual construction obligations.

The financial statements of CRMWA as of September 30, 2020, and for the year then ended, reflect the following:

Assets	
Current assets	\$ 35,120,419
Noncurrent assets	434,718,390
Total Assets	<u>469,838,809</u>
Liabilities	
Current liabilities	16,660,995
Noncurrent liabilities	114,529,375
Total Liabilities	<u>131,190,370</u>
Net Position	
Net investment in capital assets	201,087,885
Restricted	117,440,962
Unrestricted	20,119,592
Total Net Position	<u>338,648,439</u>
Operating revenues	12,772,582
Operating expenses	(15,029,631)
Nonoperating revenues and expenses, net	1,196,619
Decrease in net position	<u>\$ (1,060,430)</u>

Note 9 - Employee Retirement Benefits

Texas Municipal Retirement System

Plan Description

The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	115
Inactive employees entitled to but not yet receiving benefits	58
Active employees	<u>137</u>
 Total	 <u><u>310</u></u>

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The City did not change its employee contribution rate during the year. The contribution rates for the City were 12.27% and 13.07% in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2020, were \$877,836, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.45% per year
Investment rate of return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4- year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2018	\$ 41,930,838	\$ 37,617,785	\$ 4,313,053
Changes for the year			
Service cost	998,127	-	998,127
Interest	2,791,749	-	2,791,749
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(299,073)	-	(299,073)
Changes of assumptions	31,021	-	31,021
Contributions - employer	-	870,719	(870,719)
Contributions - employee	-	429,170	(429,170)
Net investment income	-	5,813,173	(5,813,173)
Benefit payments, including refunds of employee contributions	(2,141,309)	(2,141,309)	-
Administrative expense	-	(32,861)	32,861
Other changes	-	(986)	986
Net changes	1,380,515	4,937,906	(3,557,391)
Balance at 12/31/2019	\$ 43,311,353	\$ 42,555,691	\$ 755,662

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	\$ 6,420,899	\$ 755,662	\$ (3,920,361)

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2020, the City recognized pension expense of \$418,874.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 721,433
Changes in actual assumptions	22,258	-
Difference between projected and actual investment earnings	-	1,324,403
Contributions subsequent to the measurement date	658,941	-
	<hr/>	<hr/>
Total	\$ 681,199	\$ 2,045,836
	<hr/>	<hr/>

\$658,941 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2021	\$ (775,790)
2022	(668,500)
2023	75,505
2024	(654,793)
	<hr/>
	\$ (2,023,578)
	<hr/>

Firemen's Relief and Retirement Fund:

Plan Description

The Board of Trustees of the Firemen's Relief and Retirement Fund of Plainview, Texas (the Plan) is the administrator of a single-employer defined benefit pension plan. The Board of Trustees consists of three firemen elected by the members, two citizens elected by the board, and the City Mayor and Finance Director serving as ex-officio members. Substantially all firefighters in the Plainview Fire Department are covered by the Plan. The plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and was amended effective October 1, 2009.

The table below summarizes the membership of the Plan included in the actuarial valuation as of December 31, 2019, which is the date of the latest actuarial valuation.

Retirees and beneficiaries currently receiving benefits	39
Terminated members with deferred benefits	2
Active members	32
	<hr/>
Total membership	73
	<hr/>

The Plan provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service with partial vesting available with 10 years of service. Members hired before October 1, 1994 may retire at age 50 with 20 years of service. Members hired on or after October 1, 1994 may retire at age 53 with 20 years of service if vested on January 1, 2017. Members hired on or after October 1, 1994 may retire at age 54 with 20 years of service if not vested on January 1, 2018. As of the December 31, 2019 actuarial valuation date, the Plan provided a monthly normal service retirement benefit, payable in a joint and two-thirds to spouse form of annuity, equal to 63.75% of "highest 60-month average salary", plus a "longevity" benefit equal to \$78 per month for each whole year of service in excess of 20 years, subject to a 15 year maximum. There is no provision for automatic postretirement benefit increases. The Plan has the authority to provide, and has in the past provided for, ad hoc postretirement benefit increases. The benefit provisions of this plan are authorized by the Texas Local Fire Fighter's Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions.

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

Actuarial assumptions were as follows:

Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Asset Valuation Method	Market value of assets
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	35 years, closed period
Investment Rate of Return	7.50%
Projected Salary Increases	Service Graded
Payroll growth	3.25%
Amortization Increases	4.0%

Changes in Net Pension Liability

At September 30, 2020, the City reported a Net Pension Liability amount of \$11,383,820. The Net Pension Liability was measured as of December 31, 2019, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of December 31, 2019.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2018	\$ 16,795,966	\$ 5,436,791	\$ 11,359,175
Changes for the year			
Service cost	272,731	-	272,731
Interest	1,204,407	-	1,204,407
Changes of benefit terms	-	-	-
Difference between expected and actual experience	179,846	-	179,846
Changes of assumptions	303,416	-	303,416
Contributions - employer	-	536,416	(536,416)
Contributions - employee	-	300,986	(300,986)
Net investment income	-	1,106,970	(1,106,970)
Benefit payments, including refunds of employee contributions	(1,133,779)	(1,133,779)	-
Administrative expense	-	(8,617)	8,617
Net changes	826,621	801,976	24,645
Balance at 12/31/2019	<u>\$ 17,622,587</u>	<u>\$ 6,238,767</u>	<u>\$ 11,383,820</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Firefighters' Fund Net Pension Liability	\$ 13,412,329	\$ 11,383,820	\$ 9,701,613

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

Pension Expense Components	
Service Cost	\$ 272,731
Interest on TPL	1,204,407
Differences between expected and actual experience	(89,739)
Changes in Assumptions	174,592
Changes in Benefit Terms	-
Employee Contributions	(300,986)
Projected Earnings on Pension Plan Investments	(396,322)
Differences between projected and actual earnings on plan investments	94,035
Pension Plan Administrative Expenses	8,617
	<u> </u>
Total pension expense	<u><u>\$ 967,335</u></u>

For the year ended September 30, 2020, the City recognized a pension expense of \$967,335. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 134,886	\$ 13,470
Changes in actual assumptions	237,436	-
Difference between projected and actual investment earnings	-	249,334
Contributions subsequent to the measurement date	401,980	-
	<u> </u>	<u> </u>
Total	<u><u>\$ 774,302</u></u>	<u><u>\$ 262,804</u></u>

\$401,980 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:

2021	\$ 73,725
2022	40,602
2023	137,321
2024	(142,130)
	<u> </u>
	<u><u>\$ 109,518</u></u>

Other Retirement and Miscellaneous Benefits

The City makes available to all of its full-time employees a custom benefit plan (cafeteria plan) under Internal Revenue Code Section 125 and a deferred compensation plan under Internal Revenue Code Section 457.

The City does not contribute to these plans. All contributions are made by employees who elect to participate in the plans. The City remits employee contributions to the plan trustees on a regular basis. The City does not administer the Section 457 plan, nor does it provide investment advice to the plan. Accordingly, the Section 457 plan is not a part of the City's reporting entity.

Note 10 - Health Care Coverage

The City provided health insurance benefits to eligible employees who chose to participate. Employees, at their option, authorize payroll withholdings to pay contributions for dependent coverage. Blue Cross Blue Shield, a licensed insurer, provided the health insurance coverage.

Note 11 - Other Postemployment Benefits

Plan Description

The City participates in the City of Plainview Retiree Health Care Plan. This is a single employer plan that is not administered by a trust. There are no assets accumulated in a trust. Texas Local Government Code Section 177.001 assigns the authority to establish and amend benefit provisions to the City Council.

Plan Benefits

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

Plan Membership

The following table provides a summary of the number of participants in the plan as of December 31, 2019:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	7
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	169
Total Plan Members	<u>176</u>

Contributions

The funding policy of the plan is to ensure that adequate resources are available to meet the required insurance premiums for the upcoming year. It is not the intent of the funding policy to pre-fund retiree life insurance during employees' entire careers. The City's contributions, which equaled the required contribution, were based upon a factor of 1.58 which equals the ratio of the expected retiree claims to the expected retiree contributions. Total contributions paid by the City equaled \$52,874 for the year ended December 31, 2019.

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2019
Actuarial Cost Method	Entry Age Normal Individual
Discount Rate	2.75%
Inflation	2.50%
Projected Salary Increases	3.50% to 11.50% for TMRS employees and 3.50% to 8.00% for Firefighters, including inflation
Health Care Trend Rates	Initial rate of 7.0% declining to an ultimate rate of 4.15% after 15 years

Mortality rate- service retirees 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. For healthy TMRS retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements. For healthy firefighter retirees, the gender-distinct 2010 Pub-S mortality tables projected generationally with Scale MP-2018.

Mortality rate- disabled retirees 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018.

There was a change in discount rate from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019.

Discount Rate

A discount rate of 2.75% based on the daily rate closest but not later than the measurement date for the Fidelity 20-Year Municipal GO AA Index is used as of the measurement date December 31, 2019. The discount rate was 3.71% as of the prior measurement date.

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2020, the City reported a total OPEB liability of \$945,696 measured at December 31, 2019.

For the year ended September 30, 2020, the City recognized OPEB expense of \$46,393.

Changes of assumptions reflect a change in discount rate from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019, revised TMRS demographic and salary increase assumptions, revised Fire mortality assumptions, and updates to the health care trend assumption to better reflect the plan's anticipated experience.

Changes in the total OPEB liability for the measurement year ended December 31, 2019 are as follows:

	Total OPEB Liability
Changes in Total OPEB Liability	
Balance at December 31, 2018	\$ 1,135,516
Changes for the year	
Service cost	35,144
Interest on total OPEB liability	41,799
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	(312,392)
Changes of assumptions	98,503
Benefit payments	(52,874)
Balance as of December 31, 2019	<u>\$ 945,696</u>

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.75%) or 1 percentage point higher (3.75%) than the current rate.

1% Decrease (1.75%)	Current Discount Rate Assumption (2.75%)	1% Increase (3.75%)
\$ 1,035,368	\$ 945,696	\$ 865,643

Healthcare Cost Trend Rate Sensitivity Analysis

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the assumed healthcare cost trend rate.

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 852,835	\$ 945,696	\$ 1,055,028

At September 30, 2020 the City reported its deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 281,160
Changes in assumptions	114,417	29,115
Contributions subsequent to the measurement date	43,066	-
Total	<u>\$ 157,483</u>	<u>\$ 310,275</u>

\$43,066 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2021. The balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year Ending September 30	Net Deferred Outflows/(Inflows)
2021	\$ (30,550)
2022	(30,550)
2023	(30,550)
2024	(30,550)
2025	(33,375)
Thereafter	(40,283)
Total	<u>\$ (195,858)</u>

Note 12 - Risk Management

The City is exposed to various risks of loss related to torts, theft, damage or destruction of assets, error and omission, injuries to employees, and natural disasters. The City obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for the aforementioned insurance coverage.

The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss.

There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years. The City is generally self-insured for physical damage to vehicles.

Note 13 - Contingencies and Litigation

Contingencies

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

Litigation and Claims

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

Note 14 - Closure and Postclosure Care Cost

State and federal laws and regulations require the City to place a final cover on its City of Plainview Municipal Solid Waste Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$1,684,236 reported as landfill closure and postclosure care liability as of September 30, 2020, represents the cumulative amount reported to date based on the use of 24.38% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure of \$5,224,035 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2020. The City expects to close the landfill in the year 2095. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

It is the policy of the City to satisfy the EPA financial assurance requirements using the financial test method. Additionally, the Solid Waste Management Fund has cash and investments equal to the recorded liability for landfill closure and postclosure costs, which amounted to \$1,684,236 as of September 30, 2020.

Note 15 - Investment in Joint Venture

Plainview/Hale County Airport

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

Year Ending Date	<u>12/31/2019</u>
Total current assets	\$ 152,131
Total capital assets	1,725,776
Total current liabilities	983
Net position invested in capital assets	1,725,776
Unrestricted net position	151,148
Total net position	1,876,924
Total operating revenues	95,757
Total operating expenses	121,901
Net increase (decrease) in net position	(26,144)
City's 50% share of increase (decrease) in net position	(13,072)

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

Melinda Silvas, County Auditor
County of Hale
500 Broadway
Plainview, TX 79072

Transactions with the Plainview/Hale County Airport for the year ended September 30, 2020 included those related to routine water, sewer and solid waste utility services. The City's interest in the joint venture is accounted for using the equity method.

City of Plainview/Hale County Business Park

The City of Plainview/Hale County Business Park is under equal joint ownership by the City of Plainview and the County of Hale. General administration is accomplished by the Community Development Program Committee composed of five members. Two members are appointed by the City and two members are appointed by the County. The fifth board member is the Plainview Hale County Economic Development Corporation. The degree of control of each government consists of its representation on the Board. The City of Plainview is the fiscal agent for the joint venture.

Year Ending Date	<u>9/30/2020</u>
Total current assets	\$ 226,775
Total capital assets	4,090,302
Total current liabilities	66,229
Net position invested in capital assets	4,090,302
Unrestricted net position	160,546
Total net position	4,250,848
Total operating revenues	921,937
Total operating expenses	1,427,335
Net increase (decrease) in net position	(505,398)
City's 50% share of increase (decrease) in net position	(252,699)

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

Sarianne Beversdorf, Director of Finance
City of Plainview
121 W. Seventh St.
Plainview, TX 79072

The City's interest in the joint venture is accounted for using the equity method.

Note 16 - Related Parties

At September 30, 2020, the City of Plainview has a payable to the City of Plainview / Hale County Business Park (Business Park) for \$193,660. The City of Plainview has a receivable from the Business Park for \$66,229. The contributions made from the City to the Business Park were \$380,036. The Business Park donated \$1,361,258 in capital contributions to the City related to utilities.

The City of Plainview paid \$225,000 to the Plainview/Hale County Airport for its portion of expenses.

**Required Supplementary
Information**



PLAINVIEW, TX

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Required Supplementary Information
September 30, 2020

City of Plainview, Texas

	Budgeted Amounts		Actual
	Original	Final	GAAP Basis
Revenues			
Taxes			
Property taxes	\$ 5,415,415	\$ 5,415,415	\$ 5,503,500
General sales and use tax	3,892,000	3,892,000	4,301,103
Selective sales and use tax	30,000	30,000	22,104
Franchise tax	1,344,000	1,344,000	1,208,630
Penalty and interest on taxes	67,500	67,500	151,777
Licenses and permits	78,850	78,850	65,615
Intergovernmental revenue and grants	188,785	251,620	251,427
Charges for services	768,405	768,405	855,575
Fines and forfeitures	343,160	343,160	273,779
Investment earnings	125,000	125,000	248,741
Rents and royalties	600	600	600
Other revenue	882,435	903,915	48,932
Total revenues	13,136,150	13,220,465	12,931,783
Expenditures			
Current			
General government - administration			
City council	62,790	62,790	(13,615)
City manager	484,115	484,115	293,991
Nondepartmental	474,550	531,085	437,687
Legal	184,835	184,835	(31,601)
Finance	79,045	79,295	(62,864)
Human resources	194,450	196,400	143,191
Information technology	206,505	206,505	204,494
Property tax appraisal / collection	127,000	222,580	131,544
Total general government - admin	1,813,290	1,967,605	1,102,827
General government - other			
Municipal court	166,810	166,810	156,518
Community development	400,325	401,825	265,559
Main Street	130,100	137,600	60,309
Airport	3,000	3,000	425
Total general government - other	700,235	709,235	482,811
Health			
City-county health department	128,090	128,090	96,228
Health TDH - ORAS	92,410	92,410	69,595
Health TDH-IMM	204,100	204,100	187,631
Total health	424,600	424,600	353,454

See Notes to Required Supplementary Information

City of Plainview, Texas
 Budgetary Comparison Schedule – General Fund (Exhibit B-1)
 Year Ended September 30, 2020

Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget
\$ -	\$ 5,503,500	\$ 88,085
-	4,301,103	409,103
-	22,104	(7,896)
-	1,208,630	(135,370)
-	151,777	84,277
-	65,615	(13,235)
-	251,427	(193)
-	855,575	87,170
-	273,779	(69,381)
-	248,741	123,741
-	600	-
873,185	922,117	18,202
873,185	13,804,968	584,503
59,020	45,405	17,385
192,855	486,846	(2,731)
-	437,687	93,398
137,365	105,764	79,071
134,910	72,046	7,249
-	143,191	53,209
-	204,494	2,011
-	131,544	91,036
524,150	1,626,977	340,628
-	156,518	10,292
-	265,559	136,266
80,585	140,894	(3,294)
-	425	2,575
80,585	563,396	145,839
-	96,228	31,862
-	69,595	22,815
-	187,631	16,469
-	353,454	71,146

	Budgeted Amounts		Actual
	Original	Final	GAAP Basis
Public safety			
Police	3,879,530	3,998,770	3,713,268
Fire	3,822,110	3,983,045	3,773,829
Traffic control	229,970	229,970	195,128
Emergency operations center	27,715	39,705	29,557
Street lighting	223,935	223,935	204,114
Animal control	164,085	170,545	150,579
Total public safety	8,347,345	8,645,970	8,066,475
Public works			
Public works - general	170,060	172,910	(102,282)
Street cleaning	185,460	188,810	138,360
Streets - other	792,220	800,720	717,676
Building operations	100,815	109,815	88,335
Total public works	1,248,555	1,272,255	842,089
Recreation and culture			
Parks	822,375	839,865	690,174
Swimming pool	52,500	52,500	10,000
Library	460,390	474,370	409,268
Total recreation and culture	1,335,265	1,366,735	1,109,442
Capital outlay	6,800	106,115	100,790
Total expenditures	13,876,090	14,492,515	12,057,888
Excess of Revenues (Under) Over Expenditures	(739,940)	(1,272,050)	873,895
Other Financing Sources (Uses)			
Transfers in	533,790	533,790	571,595
Transfers out	(40,000)	(664,200)	(664,200)
Total other financing sources (uses)	493,790	(130,410)	(92,605)
Change in Fund Balance	(246,150)	(1,402,460)	781,290
Fund Balance, October 1	13,654,046	13,654,046	13,654,046
Fund Balance, September 30	\$ 13,407,896	\$ 12,251,586	\$ 14,435,336

See Notes to Required Supplementary Information

City of Plainview, Texas
 Budgetary Comparison Schedule – General Fund (Exhibit B-1)
 Year Ended September 30, 2020

Adjustments to Budget Basis	Actual Budget Basis	Variance with Final Budget
-	3,713,268	285,502
-	3,773,829	209,216
-	195,128	34,842
-	29,557	10,148
-	204,114	19,821
-	150,579	19,966
-	8,066,475	579,495
268,450	166,168	6,742
-	138,360	50,450
-	717,676	83,044
-	88,335	21,480
268,450	1,110,539	161,716
-	690,174	149,691
-	10,000	42,500
-	409,268	65,102
-	1,109,442	257,293
-	100,790	5,325
873,185	12,931,073	1,561,442
-	873,895	2,145,945
-	571,595	37,805
-	(664,200)	-
-	(92,605)	37,805
-	781,290	2,183,750
-	13,654,046	-
\$ -	\$ 14,435,336	\$ 2,183,750

City of Plainview, Texas

Schedule of Changes in Net Position Liability and Related Ratios – Texas Municipal Retirement System (Exhibit B-2)

Year Ended September 30, 2020

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total Pension Liability						
Service cost	\$ 998,127	\$ 1,012,414	\$ 990,927	\$ 1,001,561	\$ 967,833	\$ 836,912
Interest on total pension liability	2,791,749	2,747,274	2,665,352	2,623,657	2,620,150	2,535,501
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(299,073)	(1,011,071)	(155,319)	(569,418)	(374,526)	(335,859)
Change of assumptions	31,021	-	-	-	246,279	-
Benefit payments/refunds of contributions	(2,141,309)	(2,023,844)	(2,572,246)	(2,293,310)	(1,783,357)	(2,002,126)
Net change in total pension liability	1,380,515	724,773	928,714	762,490	1,676,379	1,034,428
Total pension liability, beginning	41,930,838	41,206,065	40,277,351	39,514,861	37,838,482	36,804,054
Total pension liability, ending (a)	<u>\$ 43,311,353</u>	<u>\$ 41,930,838</u>	<u>\$ 41,206,065</u>	<u>\$ 40,277,351</u>	<u>\$ 39,514,861</u>	<u>\$ 37,838,482</u>
Fiduciary Net Position						
Contributions - Employer	\$ 870,719	\$ 842,843	\$ 968,397	\$ 958,277	\$ 999,335	\$ 982,725
Contributions - Employee	429,170	438,003	427,387	432,506	439,639	394,106
Net investment income	5,813,173	(1,184,982)	4,962,819	2,325,769	51,262	1,914,838
Benefit payments/refunds of contributions	(2,141,309)	(2,023,844)	(2,572,246)	(2,293,310)	(1,783,357)	(2,002,126)
Administrative expenses	(32,861)	(22,908)	(25,722)	(26,267)	(31,224)	(19,992)
Other	(986)	(1,198)	(1,304)	(1,416)	(1,541)	(1,644)
Net change in fiduciary net position	4,937,906	(1,952,086)	3,759,331	1,395,559	(325,886)	1,267,907
Fiduciary net position, beginning	37,617,785	39,569,871	35,810,540	34,414,981	34,740,867	33,472,960
Fiduciary net position, ending (b)	<u>\$ 42,555,691</u>	<u>\$ 37,617,785</u>	<u>\$ 39,569,871</u>	<u>\$ 35,810,540</u>	<u>\$ 34,414,981</u>	<u>\$ 34,740,867</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 755,662</u>	<u>\$ 4,313,053</u>	<u>\$ 1,636,194</u>	<u>\$ 4,466,811</u>	<u>\$ 5,099,880</u>	<u>\$ 3,097,615</u>
Fiduciary net position as a percentage of total pension liability	98.26%	89.71%	96.03%	88.91%	87.09%	91.81%
Pensionable covered payroll	\$ 6,131,004	\$ 6,257,191	\$ 6,105,526	\$ 6,178,661	\$ 6,280,553	\$ 5,630,088
Net pension liability as a percentage of covered payroll	12.33%	68.93%	26.80%	72.29%	81.20%	55.02%

See Notes to Required Supplementary Information

City of Plainview, Texas

Schedule of Changes in Net Position Liability and Related Ratios – Firemen’s Relief and Retirement Fund Pension Plan (Exhibit B-3)
Year Ended September 30, 2020

	Year Ended December 31 2019	Year Ended December 31 2018	Year Ended December 31 2017	Year Ended December 31 2016	Year Ended December 31 2015	Year Ended December 31 2014
Total Pension Liability						
Service cost	\$ 272,731	\$ 268,578	\$ 270,937	\$ 214,415	\$ 247,001	\$ 238,404
Interest on total pension liability	1,204,407	1,215,971	1,162,768	1,193,655	1,032,210	1,033,343
Changes of benefit terms	-	-	(45,183)	-	-	-
Differences between expected and actual experience	179,846	-	(417,567)	-	229,642	-
Change of assumptions	303,416	-	306,088	-	824,918	-
Benefit payments/refunds of contributions	(1,133,779)	(1,198,272)	(942,137)	(841,741)	(693,960)	(796,307)
Net change in total pension liability	826,621	286,277	334,906	566,329	1,639,811	475,440
Total pension liability, beginning	16,795,966	16,509,689	16,174,783	15,608,454	13,968,643	13,493,203
Total pension liability, ending (a)	<u>\$ 17,622,587</u>	<u>\$ 16,795,966</u>	<u>\$ 16,509,689</u>	<u>\$ 16,174,783</u>	<u>\$ 15,608,454</u>	<u>\$ 13,968,643</u>
Fiduciary Net Position						
Contributions - Employer	\$ 536,416	\$ 546,889	\$ 507,975	\$ 486,198	\$ 496,188	\$ 440,812
Contributions - Employee	300,986	301,628	283,992	275,801	285,079	261,936
Net investment income	1,106,970	(345,550)	897,626	223,344	(260,075)	177,500
Benefit payments/refunds of contributions	(1,133,779)	(1,198,272)	(942,137)	(841,741)	(693,960)	(796,307)
Administrative expenses	(8,617)	(22,329)	(20,975)	(12,556)	(7,176)	(76,558)
Other	-	-	-	-	-	-
Net change in fiduciary net position	801,976	(717,634)	726,481	131,046	(179,944)	7,383
Fiduciary net position, beginning	5,436,791	6,154,425	5,427,944	5,296,898	5,476,842	5,469,459
Fiduciary net position, ending (b)	<u>\$ 6,238,767</u>	<u>\$ 5,436,791</u>	<u>\$ 6,154,425</u>	<u>\$ 5,427,944</u>	<u>\$ 5,296,898</u>	<u>\$ 5,476,842</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 11,383,820</u>	<u>\$ 11,359,175</u>	<u>\$ 10,355,264</u>	<u>\$ 10,746,839</u>	<u>\$ 10,311,556</u>	<u>\$ 8,491,801</u>
Fiduciary net position as a percentage of total pension liability	35.40%	32.37%	37.28%	33.56%	33.94%	39.21%
Pensionable covered payroll	\$ 2,006,573	\$ 2,010,853	\$ 2,028,514	\$ 1,970,007	\$ 2,036,279	\$ 1,836,743
Net pension liability as a percentage of covered payroll	567.33%	564.89%	510.49%	545.52%	506.39%	462.33%

See Notes to Required Supplementary Information

City of Plainview, Texas

Schedule of Employer Contributions – Texas Municipal Retirement System (Exhibit B-4)

September 30, 2020

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2015	\$ 891,149	\$ 965,416	\$ (74,267)	\$ 5,988,907	16.1%
2016	840,196	964,940	(124,744)	6,097,216	15.8%
2017	856,829	977,353	(120,524)	6,217,914	15.7%
2018	835,845	949,351	(113,506)	6,205,237	15.3%
2019	804,511	873,507	(68,996)	6,105,002	14.3%
2020	776,863	877,836	(100,973)	6,222,281	14.1%

<u>Year Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll</u>	<u>Actual Contribution as a Percentage of Covered Payroll</u>
2015	\$ 621,787	\$ 449,830	\$ 171,957	\$ 1,836,743	24.5%
2016	702,748	500,465	202,283	1,965,212	25.5%
2017	781,267	504,960	276,307	2,016,713	25.0%
2018	507,975	526,060	(18,085)	2,042,388	25.8%
2019	481,681	522,875	(41,194)	1,951,707	26.8%
2020	519,872	540,815	(20,943)	2,106,451	25.7%

City of Plainview, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios (Exhibit B-6)
September 30, 2020

	Measurement Date		
	December 31, 2019	December 31, 2018	December 31, 2017
Total OPEB Liability			
Service cost	\$ 35,144	\$ 39,447	\$ 34,287
Interest on the OPEB liability	41,799	38,509	41,690
Changes in benefit terms	-	-	-
Difference between expected and actual experience of the total OPEB liability	(312,392)	(16,373)	-
Changes of assumptions	98,503	(39,579)	48,991
Benefit payments	(52,874)	(60,342)	(56,285)
Net change in total OPEB liability	(189,820)	(38,338)	68,683
Total OPEB liability-beginning	1,135,516	1,173,854	1,105,271
Total OPEB liability-ending	<u>\$ 945,696</u>	<u>\$ 1,135,516</u>	<u>\$ 1,173,954</u>
Covered payroll	\$ 8,677,253	\$ 8,052,349	\$ 7,982,109
Total OPEB liability as a percentage of covered payroll	10.90%	14.10%	14.71%

Note: No assets are accumulated in a trust fund for the OPEB plan.

Note 1 - Explanation of Differences Between Budget Basis and GAAP Basis Actual Amounts for the General Fund

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

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

Change in Fund Balance Exhibit B-1	\$	781,290
Investment earnings		41,681
Intergovernmental revenue and grants		1,140,700
Contributions and donations		55,200
General government - administration		(828,265)
Public safety		(285,960)
Capital outlay		(246,735)
Net transfers in		465,000
Change in Fund Balance Exhibit A-5	\$	<u>1,122,911</u>

Note 2 - Budgetary Process

The official budget was prepared for adoption for the General Fund and certain Special Revenue Funds. The CARES Act fund does not have a legally adopted budget. The following procedures are followed in establishing the budgetary data reflected in the required supplementary information:

1. Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the City Council is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must have been given.
3. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the City Council.
4. Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council.
5. As required by law, such amendments are made before the fact, are reflected in the official minutes of the City Council and are not made after fiscal year end.
6. During the year, the budget was amended as necessary. The following budget amendments were significant for the General Fund: the budget was amended to provide for transfers of \$10,000 to the Economic Development project, transfer of \$200,000 to capital improvements, transfer of \$50,000 to street improvements, transfer of \$25,000 to health insurance, transfer of \$25,000 to fleet services, and transfer of \$274,200 to equipment replacement.
7. All budget appropriations lapse at year end.

Note 3 - Net Pension Liability – Texas Municipal Retirement System

Assumptions

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

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	10-year smoothed market; 12% soft corridor
Inflation	2.5%
Salary increases	3.50% to 11.5%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the 2014 – 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Changes of Benefit Terms

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

Note 4 - Net Pension Liability – Firemen's Relief and Retirement Pension Plan

Assumptions

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

Valuation date	December 31, 2019
Actuarially determined contribution rates	Contributions to the fund are based on negotiations between the members and the City rather than an actuarially determined rate. The funding policy of the Plainview Firemen's Relief and Retirement Fund requires contributions from both the City and the firefighters. The City's contribution rate is currently 24.68% of member payroll for firefighters. Each active member contributes 15% of member payroll effective January 1, 2018.

Actuarial cost method	Entry age normal
Amortization method	Closed period level percent of pay
Remaining amortization period	79.7 years
Asset valuation method	Market value of assets
Salary increases	Service Graded
Investment rate of return	7.5%, net of plan expenses
Retirement	Active firefighters are assumed to retire at the later of age 54 or 20 years of service (age 53 for firefighters with 10 years of service as of January 1, 2018). Terminated firefighters entitled to deferred benefits are assumed to retire at age 53 or age on valuation date, if older. All members hired prior to October 1, 1994 are assumed to elect DROP for the maximum period allowed. Post October 1, 1994 hires are assumed to retire prior to DROP eligibility.
Mortality	2010 Pub-S mortality tables projected generationally with Scale MP-2018.
Changes of Benefit Terms	None
Changes in the size or composition of the population covered by the benefit term	None
Changes of Assumptions	The mortality assumption was updated from the RP-2014 blue collar mortality tables projected with Scale MP-2016 to the 2010 Pub-S mortality tables projected generationally using Scale MP-2018. The payroll growth assumption was lowered from 3.50% to 3.25%. There have been no other changes in principal actuarial assumptions from the prior valuation.

Note 5 - Total OPEB Liability

Assumptions

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

Valuation date	December 31, 2019
Actuarial cost method	Individual Entry-Age

Inflation	2.50%
Discount rate	2.75%
Salary increases	3.50% to 11.50% for TMRS employees and 3.50% to 8.00% for Firefighters, including inflation
Retirees' share- benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Changes in Benefits:	The discount rate changed from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019. Additionally, the demographic assumptions for TMRS actives and retirees were updated to reflect the 2019 TMRS Experience Study, the mortality assumptions for firefighter actives and retirees were updated to reflect the assumptions used in the most recent pension valuation, and the health care trend rates were updated to better reflect the plan's anticipated experience.
Mortality rate- service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. For healthy TMRS retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements. For healthy firefighter retirees, the gender-distinct 2010 Pub-S mortality tables projected generationally with Scale MP-2018.
Mortality rate- disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions used in the December 31 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

**Combining Statements &
Budget Comparisons**



PLAINVIEW, TX

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Combining Statements and Budgetary Comparisons
September 30, 2020

City of Plainview, Texas

	General	Capital Improvement	Street Improvement	Economic Development	CARES Fund
Assets					
Cash and cash equivalents	\$ 6,887,322	\$ 231,200	\$ 155,829	\$ 416,319	\$ 402
Investments	7,109,606	761,239	-	63,518	-
Interest receivable	2,346	251	-	21	-
Accounts receivable (net)	388,880	-	-	-	-
Taxes receivable (net)	1,032,222	-	-	-	-
Due from other funds	119,201	-	-	-	-
Due from other governments	40,214	600,000	-	-	-
Grant receivable	32,610	-	-	-	912,560
Prepaid expense	29,652	-	-	-	-
Inventories	50,834	-	-	-	-
Total assets	\$ 15,692,887	\$ 1,592,690	\$ 155,829	\$ 479,858	\$ 912,962
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$ 291,700	\$ 4,185	\$ 2,250	\$ 33,115	\$ 20,948
Wages payable	461,817	-	-	-	1,444
Due to other funds	-	-	-	-	119,201
Compensated absences payable	4,379	-	-	-	-
Total liabilities	757,896	4,185	2,250	33,115	141,593
Deferred inflows of resources					
Unavailable revenue					
Property taxes	269,831	-	-	-	-
Fines and fees	92,324	-	-	-	-
Emergency medical services	137,500	-	-	-	-
Total deferred inflows of resources	499,655	-	-	-	-
Fund Balances					
Nonspendable	80,486	-	-	-	-
Assigned	-	1,588,505	153,579	446,743	771,369
Unassigned	14,354,850	-	-	-	-
Total fund balance	14,435,336	1,588,505	153,579	446,743	771,369
Total liabilities, deferred inflows of resources and fund balances	\$ 15,692,887	\$ 1,592,690	\$ 155,829	\$ 479,858	\$ 912,962

City of Plainview, Texas
Combining Balance Sheet – General Fund (Exhibit C-1)
September 30, 2020

Elimination	Total General Fund
\$ -	\$ 7,691,072
-	7,934,363
-	2,618
-	388,880
-	1,032,222
(119,201)	-
-	640,214
-	945,170
-	29,652
-	50,834
<u>\$ (119,201)</u>	<u>\$ 18,715,025</u>

\$ -	\$ 352,198
-	463,261
(119,201)	-
-	4,379
<u>(119,201)</u>	<u>819,838</u>

-	269,831
-	92,324
-	137,500

-	499,655
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-	80,486
-	2,960,196
-	14,354,850

-	17,395,532
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<u>\$ (119,201)</u>	<u>\$ 18,715,025</u>
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	General	Capital Improvement	Street Improvement	Economic Development	CARES Fund
Revenues					
Taxes					
Property taxes	\$ 5,503,500	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	4,301,103	-	-	-	-
Selective sales and use taxes	22,104	-	-	-	-
Franchise tax	1,208,630	-	-	-	-
Penalty and interest on taxes	151,777	-	-	-	-
Licenses and permits	65,615	-	-	-	-
Intergovernmental revenue and grants	251,427	-	-	-	1,140,700
Charges for services	855,575	-	-	-	-
Fines and fees	273,779	-	-	-	-
Investment earnings	248,741	30,943	1,293	9,445	-
Rents and royalties	600	-	-	-	-
Contributions and donations	-	55,200	-	-	-
Other revenue	48,932	-	-	-	-
Total revenues	<u>12,931,783</u>	<u>86,143</u>	<u>1,293</u>	<u>9,445</u>	<u>1,140,700</u>
Expenditures					
Current					
General government - administration	1,102,827	247,871	-	580,394	-
General government - other	482,811	-	-	-	-
Public safety	8,066,475	-	-	-	285,960
Public works	842,089	-	-	-	-
Health	353,454	-	-	-	-
Recreation and culture	1,109,442	-	-	-	-
Capital outlay	100,790	163,364	-	-	83,371
Total expenditures	<u>12,057,888</u>	<u>411,235</u>	<u>-</u>	<u>580,394</u>	<u>369,331</u>
Excess (deficiency) of revenue over expenditures	<u>873,895</u>	<u>(325,092)</u>	<u>1,293</u>	<u>(570,949)</u>	<u>771,369</u>
Other financing sources (uses)					
Transfers in	571,595	200,000	50,000	215,000	-
Transfers out	(664,200)	-	-	-	-
Total other financing sources (uses)	<u>(92,605)</u>	<u>200,000</u>	<u>50,000</u>	<u>215,000</u>	<u>-</u>
Net change in fund balance	781,290	(125,092)	51,293	(355,949)	771,369
Fund balance, October 1	<u>13,654,046</u>	<u>1,713,597</u>	<u>102,286</u>	<u>802,692</u>	<u>-</u>
Fund balance, September 30	<u>\$ 14,435,336</u>	<u>\$ 1,588,505</u>	<u>\$ 153,579</u>	<u>\$ 446,743</u>	<u>\$ 771,369</u>

City of Plainview, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – General Fund

(Exhibit C-2)

Year Ended September 30, 2020

Elimination	Total General Fund
\$ -	\$ 5,503,500
-	4,301,103
-	22,104
-	1,208,630
-	151,777
-	65,615
-	1,392,127
-	855,575
-	273,779
-	290,422
-	600
-	55,200
-	48,932
-	14,169,364
-	1,931,092
-	482,811
-	8,352,435
-	842,089
-	353,454
-	1,109,442
-	347,525
-	13,418,848
-	750,516
(664,200)	372,395
664,200	-
-	372,395
-	1,122,911
-	16,272,621
\$ -	\$ 17,395,532

	Hotel - Motel Occupancy Tax Fund	Police Seizure Fund	RSVP Fund	Municipal Court Security Fee Fund	Truancy Prevention and Diversion Fund
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	697,378	-	-	-	-
Interest receivable	230	-	-	-	-
Taxes receivable	31,796	-	-	-	-
Grants receivable	-	-	6,229	-	-
Prepaid expense	-	-	552	-	-
Restricted cash and cash equivalents	46,650	7,395	473	58,392	4,704
Total assets	<u>\$ 776,054</u>	<u>\$ 7,395</u>	<u>\$ 7,254</u>	<u>\$ 58,392</u>	<u>\$ 4,704</u>
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 1,119	\$ -	\$ 3,966	\$ -	\$ -
Wages payable	2,466	-	3,131	-	-
Compensated absences payable	-	-	157	-	-
Total liabilities	<u>3,585</u>	<u>-</u>	<u>7,254</u>	<u>-</u>	<u>-</u>
Fund balances					
Nonspendable	-	-	552	-	-
Restricted	772,469	7,395	-	58,392	4,704
Unassigned	-	-	(552)	-	-
Total fund balances	<u>772,469</u>	<u>7,395</u>	<u>-</u>	<u>58,392</u>	<u>4,704</u>
Total liabilities and fund balance	<u>\$ 776,054</u>	<u>\$ 7,395</u>	<u>\$ 7,254</u>	<u>\$ 58,392</u>	<u>\$ 4,704</u>

City of Plainview, Texas
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit C-3)
September 30, 2020

Municipal Court Technology Fund	PEG Fund	Downtown TIRZ Fund	Main Street Grant Fund	EDA P/W Fin Assistance Grant Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	697,378
-	-	-	-	-	230
-	9,035	581	-	-	41,412
-	-	-	-	160,545	166,774
-	-	-	-	-	552
68,838	233,475	159,847	-	-	579,774
<u>\$ 68,838</u>	<u>\$ 242,510</u>	<u>\$ 160,428</u>	<u>\$ -</u>	<u>\$ 160,545</u>	<u>\$ 1,486,120</u>
\$ -	\$ -	\$ -	\$ -	\$ 160,545	\$ 165,630
-	-	-	-	-	5,597
-	-	-	-	-	157
-	-	-	-	160,545	171,384
-	-	-	-	-	552
68,838	242,510	160,428	-	-	1,314,736
-	-	-	-	-	(552)
<u>68,838</u>	<u>242,510</u>	<u>160,428</u>	<u>-</u>	<u>-</u>	<u>1,314,736</u>
<u>\$ 68,838</u>	<u>\$ 242,510</u>	<u>\$ 160,428</u>	<u>\$ -</u>	<u>\$ 160,545</u>	<u>\$ 1,486,120</u>

	Hotel - Motel Occupancy Tax Fund	Police Seizure Fund	RSVP Fund	Municipal Court Security Fee Fund
Revenue				
Property taxes	\$ -	\$ -	\$ -	\$ -
Selective sales and use tax	282,545	-	-	-
Intergovernmental revenue and grants	-	-	67,658	-
Fines, forfeitures and fees	-	12,341	-	11,125
Investment earnings	16,083	-	-	-
Contributions and donations	2,288	-	6,516	-
Other revenue	-	-	50	-
	<u>300,916</u>	<u>12,341</u>	<u>74,224</u>	<u>11,125</u>
Total revenues				
Expenditures				
Current				
General government - administration	206,599	-	-	-
General government - other	-	-	74,224	-
Public safety	-	6,505	-	-
Capital outlay	126,873	-	-	-
	<u>333,472</u>	<u>6,505</u>	<u>74,224</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(32,556)</u>	<u>5,836</u>	<u>-</u>	<u>11,125</u>
Other financing sources (uses)				
Transfers out	<u>(35,250)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(35,250)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balance	(67,806)	5,836	-	11,125
Fund balance, October 1	<u>840,275</u>	<u>1,559</u>	<u>-</u>	<u>47,267</u>
Fund balance, September 30	<u>\$ 772,469</u>	<u>\$ 7,395</u>	<u>\$ -</u>	<u>\$ 58,392</u>

City of Plainview, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit C-4)
Year Ended September 30, 2020

Truancy Prevention and Diversion Fund	Municipal Court Technology Fund	PEG Fund	Downtown TIRZ Fund	Main Street Grant Fund	EDA P/W Fin Assistance Grant Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 12,385	\$ -	\$ -	\$ 12,385
-	-	-	-	-	-	282,545
-	-	-	-	11,250	160,545	239,453
4,704	12,424	36,055	-	-	-	76,649
-	-	2,565	1,861	-	-	20,509
-	-	-	-	-	-	8,804
-	-	-	-	-	-	50
<u>4,704</u>	<u>12,424</u>	<u>38,620</u>	<u>14,246</u>	<u>11,250</u>	<u>160,545</u>	<u>640,395</u>
-	-	-	-	-	-	206,599
-	-	-	1,053	11,250	160,545	247,072
-	-	-	-	-	-	6,505
-	-	-	-	-	-	126,873
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,053</u>	<u>11,250</u>	<u>160,545</u>	<u>587,049</u>
<u>4,704</u>	<u>12,424</u>	<u>38,620</u>	<u>13,193</u>	<u>-</u>	<u>-</u>	<u>53,346</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,790)</u>	<u>-</u>	<u>-</u>	<u>(42,040)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,790)</u>	<u>-</u>	<u>-</u>	<u>(42,040)</u>
4,704	12,424	38,620	6,403	-	-	11,306
-	56,414	203,890	154,025	-	-	1,303,430
<u>\$ 4,704</u>	<u>\$ 68,838</u>	<u>\$ 242,510</u>	<u>\$ 160,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,314,736</u>

City of Plainview, Texas
 Budgetary Comparison Schedule – Hotel-Motel Occupancy Tax Fund (Exhibit D-1)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Selective sales and use tax	\$ 300,000	\$ 300,000	\$ 282,545	\$ (17,455)
Investment earnings	7,000	7,000	16,083	9,083
Other revenues	-	-	2,288	2,288
Total revenues	<u>307,000</u>	<u>307,000</u>	<u>300,916</u>	<u>(6,084)</u>
Expenditures				
Current				
General government - administration	291,030	291,030	206,599	84,431
Capital outlay	<u>179,000</u>	<u>187,600</u>	<u>126,873</u>	<u>60,727</u>
Total expenditures	<u>470,030</u>	<u>478,630</u>	<u>333,472</u>	<u>145,158</u>
(Deficiency) Excess of revenue over expenditures	<u>(163,030)</u>	<u>(171,630)</u>	<u>(32,556)</u>	<u>139,074</u>
Other financing (uses) sources				
Transfers out	<u>(35,250)</u>	<u>(35,250)</u>	<u>(35,250)</u>	<u>-</u>
Total other financing sources (uses)	<u>(35,250)</u>	<u>(35,250)</u>	<u>(35,250)</u>	<u>-</u>
Net change in fund balance	(198,280)	(206,880)	(67,806)	139,074
Fund balance, October 1	<u>840,275</u>	<u>840,275</u>	<u>840,275</u>	<u>-</u>
Fund balance, September 30	<u>\$ 641,995</u>	<u>\$ 633,395</u>	<u>\$ 772,469</u>	<u>\$ 139,074</u>

City of Plainview, Texas
 Budgetary Comparison Schedule – Police Seizure Fund (Exhibit D-2)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Fines, forfeitures and fees	\$ 4,000	\$ 9,815	\$ 12,341	\$ 2,526
Total revenues	4,000	9,815	12,341	2,526
Expenditures				
Current				
Public safety	1,500	10,910	6,505	4,405
Total expenditures	1,500	10,910	6,505	4,405
Excess (Deficiency) of revenue over expenditures	2,500	(1,095)	5,836	6,931
Net change in fund balance	2,500	(1,095)	5,836	6,931
Fund balance - October 1	1,559	1,559	1,559	-
Fund balance - September 30	\$ 4,059	\$ 464	\$ 7,395	\$ 6,931

City of Plainview, Texas
 Budgetary Comparison Schedule – RSVP Fund (Exhibit D-3)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Intergovernmental revenue and grants	\$ 66,815	\$ 66,815	\$ 67,658	\$ 843
Contributions and donations	32,265	32,265	6,516	(25,749)
Other revenues	-	-	50	50
Total revenues	99,080	99,080	74,224	(24,856)
Expenditures				
Current				
General government - other	99,080	99,080	74,224	24,856
Capital outlay	-	-	-	-
Total expenditures	99,080	99,080	74,224	24,856
Excess (Deficiency) of revenue over Expenditures	-	-	-	-
Fund balance - October 1	-	-	-	-
Fund balance - September 30	\$ -	\$ -	\$ -	\$ -

City of Plainview, Texas

Budgetary Comparison Schedule – Municipal Court Security Fee Fund (Exhibit D-4)

Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Fines, forfeitures and fees	\$ 7,000	\$ 7,000	\$ 11,125	\$ 4,125
Total revenues	7,000	7,000	11,125	4,125
Expenditures				
Current				
General government - other	12,000	12,000	-	12,000
Capital outlay	15,000	15,000	-	15,000
Total expenditures	27,000	27,000	-	27,000
(Deficiency) Excess of revenue over expenditures	(20,000)	(20,000)	11,125	31,125
Fund balance, October 1	47,267	47,267	47,267	-
Fund balance, September 30	\$ 27,267	\$ 27,267	\$ 58,392	\$ 31,125

City of Plainview, Texas

Budgetary Comparison Schedule – Truancy Prevention and Diversion Fund (Exhibit D-5)

Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Fines, forfeitures and fees	\$ -	\$ -	\$ 4,704	\$ 4,704
Total revenues	-	-	4,704	4,704
Expenditures				
Current				
General government - other	-	-	-	-
Total expenditures	-	-	-	-
(Deficiency) Excess of revenue over expenditures	-	-	4,704	4,704
Fund balance, October 1	-	-	-	-
Fund balance, September 30	\$ -	\$ -	\$ 4,704	\$ 4,704

City of Plainview, Texas
 Budgetary Comparison Schedule – Municipal Court Technology Fund (Exhibit D-6)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Fines, forfeitures and fees	\$ 7,000	\$ 7,000	\$ 12,424	\$ 5,424
Total revenues	7,000	7,000	12,424	5,424
Expenditures				
Current				
General government - other	2,320	2,320	-	2,320
Capital outlay	30,000	30,000	-	30,000
Total expenditures	32,320	32,320	-	32,320
(Deficiency) Excess of revenue over expenditures	(25,320)	(25,320)	12,424	37,744
Fund balance, October 1	56,414	56,414	56,414	-
Fund balance, September 30	<u>\$ 31,094</u>	<u>\$ 31,094</u>	<u>\$ 68,838</u>	<u>\$ 37,744</u>

City of Plainview, Texas
 Budgetary Comparison Schedule – PEG Fund (Exhibit D-7)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Fines, forfeitures and fees	\$ 37,000	\$ 37,000	\$ 36,055	\$ (945)
Investment earnings	500	500	2,565	2,065
Total revenues	37,500	37,500	38,620	1,120
Expenditures				
Capital outlay	200,000	200,000	-	200,000
Total expenditures	200,000	200,000	-	200,000
(Deficiency) Excess of revenue over expenditures	(162,500)	(162,500)	38,620	201,120
Fund balance, October 1	203,890	203,890	203,890	-
Fund balance, September 30	\$ 41,390	\$ 41,390	\$ 242,510	\$ 201,120

City of Plainview, Texas
 Budgetary Comparison Schedule – Capital Improvement (Exhibit D-8)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Investment earnings	\$ 6,000	\$ 6,000	\$ 30,943	\$ 24,943
Contributions and donations	-	50,000	55,200	5,200
Total revenues	6,000	56,000	86,143	30,143
Expenditures				
Current				
General government - administration	150,000	155,000	247,871	(92,871)
Capital outlay	1,175,000	1,295,720	163,364	1,132,356
Total expenditures	1,325,000	1,450,720	411,235	1,039,485
(Deficiency) Excess of revenue over expenditures	(1,319,000)	(1,394,720)	(325,092)	1,069,628
Other financing sources (uses)				
Transfer in	-	200,000	200,000	-
Total other financing sources (uses)	-	200,000	200,000	-
Net change in fund balance	(1,319,000)	(1,194,720)	(125,092)	1,069,628
Fund balance, October 1	1,713,597	1,713,597	1,713,597	-
Fund balance, September 30	\$ 394,597	\$ 518,877	\$ 1,588,505	\$ 1,069,628

City of Plainview, Texas
 Budgetary Comparison Schedule – Street Improvement (Exhibit D-9)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Investment earnings	\$ 35	\$ 35	\$ 1,293	\$ 1,258
Total revenues	35	35	1,293	1,258
Excess (Deficiency) of revenue over expenditures	35	35	1,293	1,258
Other Financing Sources (Uses)				
Transfer in	-	50,000	50,000	-
Total other financing sources (uses)	-	50,000	50,000	-
Net change in fund balance	35	50,035	51,293	1,258
Fund balance, October 1	102,286	102,286	102,286	-
Fund balance, September 30	<u>\$ 102,321</u>	<u>\$ 152,321</u>	<u>\$ 153,579</u>	<u>\$ 1,258</u>

City of Plainview, Texas
 Budgetary Comparison Schedule – Economic Development Fund (Exhibit D-10)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Investment earnings	\$ 500	\$ 500	\$ 9,445	\$ 8,945
Total revenues	500	500	9,445	8,945
Expenditures				
Current				
General government - administration	150,000	660,000	580,394	79,606
Total expenditures	150,000	660,000	580,394	79,606
(Deficiency) Excess of revenue over expenditures	(149,500)	(659,500)	(570,949)	88,551
Other financing sources (uses)				
Transfer in	115,000	215,000	215,000	-
Total other financing sources (uses)	115,000	215,000	215,000	-
Net change in fund balance	(34,500)	(444,500)	(355,949)	88,551
Fund balance, October 1	802,692	802,692	802,692	-
Fund balance, September 30	\$ 768,192	\$ 358,192	\$ 446,743	\$ 88,551

City of Plainview, Texas
 Budgetary Comparison Schedule – Downtown TIRZ (Exhibit D-11)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Property taxes	\$ 11,850	\$ 11,850	\$ 12,385	\$ 535
Investment income	200	200	1,861	1,661
Total revenues	12,050	12,050	14,246	2,196
Expenditures				
Current				
General government - other	60,000	60,000	1,053	58,947
Total expenditures	60,000	60,000	1,053	58,947
(Deficiency) Excess of revenue over expenditures	(47,950)	(47,950)	13,193	61,143
Other financing sources (uses)				
Transfer out	(6,790)	(6,790)	(6,790)	-
Total other financing sources (uses)	(6,790)	(6,790)	(6,790)	-
Net change in fund balance	(54,740)	(54,740)	6,403	61,143
Fund balance, October 1	154,025	154,025	154,025	-
Fund balance, September 30	\$ 99,285	\$ 99,285	\$ 160,428	\$ 61,143

City of Plainview, Texas
 Budgetary Comparison Schedule – Main Street Grant Fund (Exhibit D-12)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Intergovernmental revenue and grants	\$ 250,000	\$ 250,000	\$ 11,250	\$ (238,750)
Contribution	-	-	-	-
Total revenues	250,000	250,000	11,250	(238,750)
Expenditures				
General government - other	250,000	250,000	11,250	238,750
Total expenditures	250,000	250,000	11,250	238,750
Excess (Deficiency) of revenue over expenditures	-	-	-	-
Other financing sources (uses)				
Transfer in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance, October 1	-	-	-	-
Fund balance, September 30	\$ -	\$ -	\$ -	\$ -

City of Plainview, Texas

Budgetary Comparison Schedule – EDA P/W Fin Assistance Grant Fund (Exhibit D-13)

Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Intergovernmental revenue and grants	\$ -	\$ 160,545	\$ 160,545	\$ -
Total revenues	-	160,545	160,545	-
Expenditures				
Current				
General government - other	-	160,545	160,545	-
Total expenditures	-	160,545	160,545	-
(Deficiency) Excess of revenue over expenditures	-	-	-	-
Fund balance, October 1	-	-	-	-
Fund balance, September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Plainview, Texas
 Budgetary Comparison Schedule – Debt Service Fund (Exhibit D-14)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Property taxes	\$ 1,783,545	\$ 1,783,545	\$ 1,837,874	\$ 54,329
Investment income	5,000	5,000	2,990	(2,010)
Total revenues	1,788,545	1,788,545	1,840,864	52,319
Expenditures				
Debt Service				
Principal payments	845,000	845,000	845,000	-
Interest and other fees	908,815	945,885	908,860	37,025
Total expenditures	1,753,815	1,790,885	1,753,860	37,025
Excess (Deficiency) of revenue over expenditures	34,730	(2,340)	87,004	89,344
Net change in fund balance	34,730	(2,340)	87,004	89,344
Fund balance, October 1	(9,759)	(9,759)	(9,759)	-
Fund balance, September 30	\$ 24,971	\$ (12,099)	\$ 77,245	\$ 89,344

City of Plainview, Texas
 Budgetary Comparison Schedule – Capital Projects Fund (Exhibit D-15)
 Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	GAAP Basis	with Final Budget
Revenue				
Investment earnings	\$ 235,000	\$ 235,000	\$ 382,306	\$ 147,306
Total revenues	235,000	235,000	382,306	147,306
Expenditures				
Current				
Public works	-	-	89,590	(89,590)
Capital outlay	18,505,720	18,505,720	3,231,914	15,273,806
Total expenditures	18,505,720	18,505,720	3,321,504	15,184,216
Excess (Deficiency) of revenue over expenditures	(18,270,720)	(18,270,720)	(2,939,198)	15,331,522
Net change in fund balance	(18,270,720)	(18,270,720)	(2,939,198)	15,331,522
Fund balance, October 1	23,830,925	23,830,925	23,830,925	-
Fund balance, September 30	<u>\$ 5,560,205</u>	<u>\$ 5,560,205</u>	<u>\$ 20,891,727</u>	<u>\$ 15,331,522</u>



PLAINVIEW, TX

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	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
Assets			
Current assets			
Cash and cash equivalents	\$ 69,223	\$ 979,179	\$ 211,480
Investments	-	1,832,912	1,667,121
Interest receivable	-	605	550
Accounts receivable, net	-	-	-
Other assets	-	-	-
Prepaid expenses	-	-	-
Inventories	-	-	-
Total current assets	69,223	2,812,696	1,879,151
Noncurrent assets			
Capital assets			
Depreciable, net	-	2,457,718	280
Total noncurrent assets	-	2,457,718	280
Total assets	69,223	5,270,414	1,879,431
Deferred outflows of resources			
Pensions	-	-	-
OPEB	-	-	-
Total deferred outflows of resources	-	-	-
Liabilities			
Current liabilities			
Accounts payable	2,996	98,615	304
Wages payable	-	-	-
Total current liabilities	2,996	98,615	304
Noncurrent liabilities			
Noncurrent portion of long-term liabilities			
Compensated absences	-	-	-
Net pension liability	-	-	-
Total other postemployment benefits obligation	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	2,996	98,615	304
Deferred inflows of resources			
Pensions	-	-	-
OPEB	-	-	-
Total deferred inflows of resources	-	-	-
Net position			
Investment in capital assets	-	2,457,718	280
Unrestricted	66,227	2,714,081	1,878,847
Total net position	\$ 66,227	\$ 5,171,799	\$ 1,879,127

City of Plainview, Texas
Combining Statement of Net Position – Internal Service Funds (Exhibit E-1)
September 30, 2020

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
\$ 798,789	\$ 24,103	\$ 337,472	\$ 2,420,246
1,371,058	-	-	4,871,091
452	-	-	1,607
727	-	528	1,255
-	8,282	-	8,282
-	-	552	552
-	-	83,330	83,330
<u>2,171,026</u>	<u>32,385</u>	<u>421,882</u>	<u>7,386,363</u>
-	-	12,887	2,470,885
-	-	12,887	2,470,885
<u>2,171,026</u>	<u>32,385</u>	<u>434,769</u>	<u>9,857,248</u>
-	-	133	133
157,483	-	-	157,483
<u>157,483</u>	<u>-</u>	<u>133</u>	<u>157,616</u>
292	-	3,544	105,751
-	-	2,868	2,868
<u>292</u>	<u>-</u>	<u>6,412</u>	<u>108,619</u>
-	-	1,313	1,313
-	-	977	977
945,696	-	-	945,696
<u>945,696</u>	<u>-</u>	<u>2,290</u>	<u>947,986</u>
945,988	-	8,702	1,056,605
-	-	6,949	6,949
310,275	-	-	310,275
<u>310,275</u>	<u>-</u>	<u>6,949</u>	<u>317,224</u>
-	-	12,887	2,470,885
1,072,246	32,385	406,364	6,170,150
<u>\$ 1,072,246</u>	<u>\$ 32,385</u>	<u>\$ 419,251</u>	<u>\$ 8,641,035</u>

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
Operating revenues			
Charges for services	\$ 14,400	\$ 655,020	\$ 106,511
Other revenue	-	-	-
Total operating revenues	<u>14,400</u>	<u>655,020</u>	<u>106,511</u>
Operating expenses			
Personnel services - salaries and wages	-	-	-
Personnel services - employee benefits	-	-	-
Purchased professional & technical services	776	-	-
Purchased property services	-	93,163	-
Other operating expenses	22,890	-	117,136
Supplies	-	-	-
Depreciation and amortization	-	594,584	-
Total operating expenses	<u>23,666</u>	<u>687,747</u>	<u>117,136</u>
Operating (loss) income	<u>(9,266)</u>	<u>(32,727)</u>	<u>(10,625)</u>
Nonoperating revenues (expenses)			
Gain (loss) on disposition of property	-	14,000	-
Investment earnings	-	48,342	38,394
Total nonoperating revenues (expenses)	<u>-</u>	<u>62,342</u>	<u>38,394</u>
(Loss) income before transfers	(9,266)	29,615	27,769
Transfer in	-	323,800	-
Transfer out	-	(559)	(53,458)
Total transfers	<u>-</u>	<u>323,241</u>	<u>(53,458)</u>
Change in net position	(9,266)	352,856	(25,689)
Net position, beginning of year	<u>75,493</u>	<u>4,818,943</u>	<u>1,904,816</u>
Net position, end of year	<u>\$ 66,227</u>	<u>\$ 5,171,799</u>	<u>\$ 1,879,127</u>

City of Plainview, Texas

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds
(Exhibit E-2)
Year Ended September 30, 2020

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
\$ 2,322,959 203	\$ 21,399 -	\$ 60,356 43	\$ 3,180,645 246
<u>2,323,162</u>	<u>21,399</u>	<u>60,399</u>	<u>3,180,891</u>
-	-	36,396	36,396
2,057,078	-	20,331	2,077,409
42,620	252	-	43,648
-	-	37,895	131,058
87,169	23,404	4,924	255,523
-	-	22,351	22,351
-	-	3,874	598,458
<u>2,186,867</u>	<u>23,656</u>	<u>125,771</u>	<u>3,164,843</u>
<u>136,295</u>	<u>(2,257)</u>	<u>(65,372)</u>	<u>16,048</u>
-	-	41,400	55,400
<u>37,190</u>	<u>333</u>	<u>-</u>	<u>124,259</u>
<u>37,190</u>	<u>333</u>	<u>41,400</u>	<u>179,659</u>
173,485	(1,924)	(23,972)	195,707
75,000	-	75,000	473,800
-	-	-	(54,017)
<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>419,783</u>
248,485	(1,924)	51,028	615,490
<u>823,761</u>	<u>34,309</u>	<u>368,223</u>	<u>8,025,545</u>
<u>\$ 1,072,246</u>	<u>\$ 32,385</u>	<u>\$ 419,251</u>	<u>\$ 8,641,035</u>

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
Operating activities			
Cash from operating transactions - other funds	\$ 14,400	\$ 655,020	\$ 106,511
Cash payments to employees for services	-	-	-
Cash payments for goods and services	(25,947)	(14,980)	(117,432)
Other operating cash receipts	-	-	-
Net cash (used for) from operating activities	(11,547)	640,040	(10,921)
Noncapital financing activities			
Transfers in other funds	-	323,800	-
Transfers out to other funds	-	(559)	(53,458)
Net cash from (used for) noncapital financing activities	-	323,241	(53,458)
Capital and related financing activities			
Acquisition of capital assets	-	(630,642)	(280)
Proceeds from the sale of capital assets	-	14,559	-
Net cash (used for) from capital and related financing activities	-	(616,083)	(280)
Investing activities			
Purchase of investments	-	(39,493)	(35,921)
Interest on investments	-	48,375	38,425
Net cash from (used for) investing activities	-	8,882	2,504
Net change in cash and cash equivalents	(11,547)	356,080	(62,155)
Cash and cash equivalents, October 1	80,770	623,099	273,635
Cash and cash equivalents, September 30	<u>\$ 69,223</u>	<u>\$ 979,179</u>	<u>\$ 211,480</u>

City of Plainview, Texas
Combining Statement of Cash Flows – Internal Service Funds (Exhibit E-3)
Year Ended September 30, 2020

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
\$ 2,323,177	\$ 21,399	\$ 59,828	\$ 3,180,335
(2,048,094)	-	(55,237)	(2,103,331)
(303,454)	(26,333)	(60,585)	(548,731)
203	-	43	246
(28,168)	(4,934)	(55,951)	528,519
75,000	-	75,000	473,800
-	-	-	(54,017)
75,000	-	75,000	419,783
-	-	-	(630,922)
-	-	41,400	55,959
-	-	41,400	(574,963)
(29,542)	-	-	(104,956)
37,215	333	-	124,348
7,673	333	-	19,392
54,505	(4,601)	60,449	392,731
744,284	28,704	277,023	2,027,515
<u>\$ 798,789</u>	<u>\$ 24,103</u>	<u>\$ 337,472</u>	<u>\$ 2,420,246</u>

	Unemployment Compensation Fund	Equipment Replacement Fund	Property Insurance Fund
Reconciliation of operating (loss) income to net cash (used for) from operating activities			
Operating (loss) income	\$ (9,266)	\$ (32,727)	\$ (10,625)
Adjustments to reconcile operating (loss) income to net cash (used for) from operating activities			
Depreciation and amortization	-	594,584	-
(Increase) decrease in operating assets and liabilities			
Accounts receivable (net)	-	-	-
Prepaid expense	-	-	-
Inventories	-	-	-
Accounts payable	(2,281)	78,183	(296)
Wages payable	-	-	-
Net other postemployment benefits obligation	-	-	-
Net pension liability	-	-	-
Deferred outflows - pensions	-	-	-
Deferred outflows - OPEB	-	-	-
Deferred inflows - pensions	-	-	-
Net cash (used for) provided by operating activities	<u>\$ (11,547)</u>	<u>\$ 640,040</u>	<u>\$ (10,921)</u>

City of Plainview, Texas
Combining Statement of Cash Flows – Internal Service Funds (Exhibit E-3)
Year Ended September 30, 2020

Health Insurance Fund	Cafeteria Plan Fund	Fleet Services Fund	Total Internal Service Funds
\$ 136,295	\$ (2,257)	\$ (65,372)	\$ 16,048
-	-	3,874	598,458
218	-	(528)	(310)
-	(2,677)	(552)	(3,229)
-	-	3,012	3,012
(173,665)	-	2,125	(95,934)
-	-	469	469
(189,820)	-	-	(189,820)
-	-	(10,266)	(10,266)
-	-	6,789	6,789
198,804	-	-	198,804
-	-	4,498	4,498
<u>\$ (28,168)</u>	<u>\$ (4,934)</u>	<u>\$ (55,951)</u>	<u>\$ 528,519</u>



PLAINVIEW, TX

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**Capital Assets -
Governmental Funds**

City of Plainview, Texas

Schedule of Capital Assets Used in the Operation of Governmental Funds by Source* (Exhibit F-1)

September 30, 2020

Capital Assets Used in the Operation of Governmental Funds

Land	\$ 813,774
Buildings	6,535,508
Improvements other than buildings	19,956,132
Machinery and equipment	3,007,470
Construction in progress	5,305,030
	<hr/>
Total	<u><u>\$ 35,617,914</u></u>

Investment in Capital Assets

Acquired prior to October 1, 1990	\$ 10,215,146
Acquired after September 30, 1990	
General fund	
General revenues	\$ 2,735,914
Capital improvements	4,569,223
Street improvements	7,609,248
CARES Fund	83,371
Capital projects fund	
General obligation bonds	8,296,836
Special revenue funds	
Hotel/Motel tax fund	1,045,684
PEG Fund	
Homeland security grant	331,928
RSVP fund	5,364
Travis Trussell duck pond grant	530,439
SECO grant	82,526
Criminal justice division equipment grant	10,186
Municipal court security fund	55,861
Municipal court technology fund	27,893
	<hr/>
Total	<u><u>\$ 35,617,914</u></u>

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

	Land	Buildings	Improvements Other Than Buildings
From General Fund			
General government	\$ 461,724	\$ 367,735	\$ 7,258,684
Police	-	244,676	6,500
Fire / EMS	-	257,252	7,265
Traffic and safety	-	-	71,130
Animal control	-	149,754	11,739
Civil defense	10,500	168,599	-
Engineering	-	-	-
Street	-	16,223	-
Recreation	1,125	50,490	428,116
Library	-	326,136	-
Health	-	-	-
Capital improvement fund	180,927	1,166,067	3,015,989
Street improvement fund	47,275	-	8,479,836
CARES fund	-	-	-
Total general fund	701,551	2,746,932	19,279,259
From Capital Projects Funds			
General obligation bonds	61,068	2,954,088	-
Total Capital Projects Funds	61,068	2,954,088	-
From Special Revenue Funds			
Hotel/Motel tax fund	4,080	754,655	193,509
Police seizure fund	-	-	-
Homeland security grant	-	-	-
RSVP fund	-	-	-
Travis Trussell duck pond grant	47,075	-	483,364
SECO grant	-	73,640	-
Criminal justice division equipment grant	-	-	-
Municipal court security fund	-	6,193	-
Municipal court technology fund	-	-	-
Total special revenue funds	51,155	834,488	676,873
	\$ 813,774	\$ 6,535,508	\$ 19,956,132

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

City of Plainview, Texas

Schedule of Capital Assets Used in the Operation of Governmental Funds by Activity* (Exhibit F-2)

September 30, 2020

Machinery and Equipment	Construction in Progress	Total
\$ 308,914	\$ -	\$ 8,397,057
386,884	-	638,060
474,395	-	738,912
136,023	-	207,153
4,731	-	166,224
93,839	-	272,938
3,685	-	3,685
318,377	-	334,600
319,602	-	799,333
125,020	-	451,156
22,644	-	22,644
182,890	23,350	4,569,223
1,435	-	8,528,546
83,371	-	83,371
<u>2,461,810</u>	<u>23,350</u>	<u>25,212,902</u>
-	5,281,680	8,296,836
-	5,281,680	8,296,836
93,440	-	1,045,684
18,295	-	18,295
331,928	-	331,928
5,364	-	5,364
-	-	530,439
8,886	-	82,526
10,186	-	10,186
49,668	-	55,861
27,893	-	27,893
<u>545,660</u>	<u>-</u>	<u>2,108,176</u>
<u>\$ 3,007,470</u>	<u>\$ 5,305,030</u>	<u>\$ 35,617,914</u>

City of Plainview, Texas

Schedule of Changes in Capital Assets Used in the Operation of Governmental Funds by Activity*
(Exhibit F-3)
Year Ended September 30, 2020

	Capital Assets 9/30/2019	Additions (Deletions)	Capital Assets 9/30/2020
From General Fund			
General government	\$ 8,363,193	\$ 33,864	\$ 8,397,057
Police	616,672	21,388	638,060
Fire / EMS	749,714	(10,802)	738,912
Traffic and safety	210,953	(3,800)	207,153
Animal control	166,224	-	166,224
Civil defense	280,733	(7,795)	272,938
Engineering	3,685	-	3,685
Street	390,466	(55,866)	334,600
Recreation	799,742	(409)	799,333
Library	425,876	25,280	451,156
Health	21,568	1,076	22,644
Capital improvements	4,405,861	163,362	4,569,223
Street improvements	8,499,774	28,772	8,528,546
CARES fund	-	83,371	83,371
Total general fund	24,934,461	278,441	25,212,902
From Capital Projects Funds			
General obligation bonds	5,064,921	3,231,915	8,296,836
Total Capital Projects Funds	5,064,921	3,231,915	8,296,836
From Special Revenue Funds			
Hotel/Motel tax fund	918,812	126,872	1,045,684
Police seizure fund	19,092	(797)	18,295
Homeland security grant	331,928	-	331,928
RSVP fund	7,704	(2,340)	5,364
Travis Trussell duck pond grant	530,439	-	530,439
SECO grant	82,526	-	82,526
Criminal justice division equipment grant	10,186	-	10,186
Municipal court security fund	55,861	-	55,861
Municipal court technology fund	27,893	-	27,893
Total special revenue funds	1,984,441	123,735	2,108,176
	<u>\$ 31,983,823</u>	<u>\$ 3,634,091</u>	<u>\$ 35,617,914</u>

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

**Debt Service
Requirements**

City of Plainview, Texas

Water and Sewer Utility Fund - General Obligation Refunding Bonds, Series 2020 (Exhibit G-1)

Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 5,635,000	\$ 1,105,000	\$ 203,300	\$ 1,308,300
2022	4,530,000	410,000	173,000	583,000
2023	4,120,000	425,000	156,300	581,300
2024	3,695,000	460,000	138,600	598,600
2025	3,235,000	485,000	119,700	604,700
2026	2,750,000	500,000	100,000	600,000
2027	2,250,000	520,000	79,600	599,600
2028	1,730,000	555,000	58,100	613,100
2029	1,175,000	575,000	35,500	610,500
2030	600,000	600,000	12,000	612,000
Total		<u>\$ 5,635,000</u>	<u>\$ 1,076,100</u>	<u>\$ 6,711,100</u>
Annual Average Requirements		<u>\$ 563,500</u>	<u>\$ 107,610</u>	<u>\$ 671,110</u>

City of Plainview, Texas

Water and Sewer Utility Fund – Contract Revenue Bonds, Series 2012 Refunding (Exhibit G-2)

Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,254,932	\$ 260,856	\$ 62,746	\$ 323,602
2022	994,068	274,099	49,704	323,803
2023	719,969	288,100	35,998	324,098
2024	431,869	302,980	21,593	324,573
2025	128,897	128,897	6,444	135,341
		<u>\$ 1,254,932</u>	<u>\$ 176,485</u>	<u>\$ 1,431,417</u>
Total		<u>\$ 1,254,932</u>	<u>\$ 176,485</u>	<u>\$ 1,431,417</u>
Annual Average Requirements		<u>\$ 250,986</u>	<u>\$ 35,297</u>	<u>\$ 286,283</u>

City of Plainview, Texas

Water and Sewer Utility Fund – Subordinate Lien Contract Revenue Bonds, Series 2011 (Exhibit G-3)

Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,982,970	\$ 152,120	\$ 94,422	\$ 246,542
2022	1,830,850	159,524	86,970	246,494
2023	1,671,326	167,363	79,072	246,435
2024	1,503,963	175,762	70,704	246,466
2025	1,328,201	184,597	61,915	246,512
2026	1,143,604	193,805	52,686	246,491
2027	9,749,799	203,511	42,995	246,506
2028	746,288	213,154	33,381	246,535
2029	533,134	222,051	24,446	246,497
2030	311,083	232,379	14,065	246,444
2031	78,704	78,704	3,439	82,143
Total		<u>\$ 1,982,970</u>	<u>\$ 564,095</u>	<u>\$ 2,547,065</u>
Annual Average Requirements		<u>\$ 180,270</u>	<u>\$ 51,281</u>	<u>\$ 231,551</u>

City of Plainview, Texas

Water and Sewer Utility Fund – Contract Revenue Refunding Bonds, Series 2017 (Exhibit G-4)

Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 355,751	\$ 38,448	\$ 14,620	\$ 53,068
2022	317,302	39,924	13,207	53,131
2023	277,378	41,647	11,610	53,257
2024	235,731	43,615	9,662	53,277
2025	192,116	45,891	7,482	53,373
2026	146,225	48,168	5,187	53,355
2027	98,057	50,136	3,105	53,241
2028	47,921	37,587	1,438	39,025
2029	10,335	10,335	310	10,645
Total		<u>\$ 355,751</u>	<u>\$ 66,621</u>	<u>\$ 422,372</u>
Annual Average Requirements		<u>\$ 39,528</u>	<u>\$ 7,402</u>	<u>\$ 46,930</u>

City of Plainview, Texas

Water and Sewer Utility Fund – Subordinate Lien Contract Revenue Bonds, Series 2014 (Exhibit G-5)

Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 712,901	\$ 97,104	\$ 35,645	\$ 132,749
2022	615,797	101,902	30,790	132,692
2023	513,895	106,916	25,695	132,611
2024	406,979	112,406	20,349	132,755
2025	294,573	118,127	14,729	132,856
2026	176,446	123,849	8,822	132,671
2027	52,597	52,597	2,630	55,227
Total		<u>\$ 712,901</u>	<u>\$ 138,660</u>	<u>\$ 851,561</u>
Annual Average Requirements		<u>\$ 101,843</u>	<u>\$ 19,809</u>	<u>\$ 121,652</u>

City of Plainview, Texas
Debt Service Fund – General Obligation Bonds, Series 2018 (Exhibit G-6)
Year Ended September 30, 2020

<u>Fiscal Year</u>	<u>Outstanding Debt Beginning of Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 23,455,000	\$ 885,000	\$ 863,362	\$ 1,748,362
2022	22,570,000	935,000	817,863	1,752,863
2023	21,635,000	980,000	769,987	1,749,987
2024	20,655,000	1,030,000	719,738	1,749,738
2025	19,625,000	1,085,000	666,862	1,751,862
2026	18,540,000	1,140,000	611,238	1,751,238
2027	17,400,000	1,195,000	552,863	1,747,863
2028	16,205,000	1,250,000	497,987	1,747,987
2029	14,955,000	1,295,000	453,563	1,748,563
2030	13,660,000	1,335,000	414,112	1,749,112
2031	12,325,000	1,375,000	373,463	1,748,463
2032	10,950,000	1,420,000	331,538	1,751,538
2033	9,530,000	1,465,000	287,347	1,752,347
2034	8,065,000	1,510,000	240,862	1,750,862
2035	6,555,000	1,560,000	191,918	1,751,918
2036	4,995,000	1,610,000	140,406	1,750,406
2037	3,385,000	1,665,000	86,147	1,751,147
2038	1,720,000	1,720,000	29,025	1,749,025
Total		<u>\$ 23,455,000</u>	<u>\$ 8,048,281</u>	<u>\$ 31,503,281</u>
Annual Average Requirements		<u>\$ 1,303,056</u>	<u>\$ 447,127</u>	<u>\$ 1,750,182</u>

General Information



PLAINVIEW, TX

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General Information
September 30, 2020

City of Plainview, Texas

	2011	2012	2013	2014
Governmental activities				
Invested in capital assets, net of related debt	\$ 8,917,698	\$ 8,858,640	\$ 8,755,160	\$ 8,037,890
Restricted	719,471	809,694	736,423	765,977
Unrestricted	<u>19,206,004</u>	<u>19,692,463</u>	<u>20,103,431</u>	<u>21,609,705</u>
Total governmental activities net position	<u>\$ 28,843,173</u>	<u>\$ 29,360,797</u>	<u>\$ 29,595,014</u>	<u>\$ 30,413,572</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 19,250,791	\$ 19,844,796	\$ 21,674,455	\$ 22,103,566
Restricted	457,277	725,569	727,406	729,431
Unrestricted	<u>13,940,331</u>	<u>15,460,905</u>	<u>14,123,242</u>	<u>14,452,916</u>
Total business-type activities net position	<u>\$ 33,648,399</u>	<u>\$ 36,031,270</u>	<u>\$ 36,525,103</u>	<u>\$ 37,285,913</u>
Primary government				
Invested in capital assets, net of related debt	\$ 28,168,489	\$ 28,703,436	\$ 30,429,615	\$ 30,141,456
Restricted	1,176,748	1,535,263	1,463,829	1,495,408
Unrestricted	<u>33,146,335</u>	<u>35,153,368</u>	<u>34,226,673</u>	<u>36,062,621</u>
Total primary government net position	<u>\$ 62,491,572</u>	<u>\$ 65,392,067</u>	<u>\$ 66,120,117</u>	<u>\$ 67,699,485</u>

City of Plainview, Texas
Net Position by Component (Schedule 1)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

2015	2016	2017	2018	2019	2020
\$ 10,764,547	\$ 10,754,667	\$ 10,735,240	\$ 10,196,013	\$ 13,917,508	\$ 14,842,579
964,089	914,026	1,017,466	1,224,335	1,303,430	1,391,981
12,164,955	11,734,783	10,757,127	10,667,072	11,977,075	13,577,169
<u>\$ 23,893,591</u>	<u>\$ 23,403,476</u>	<u>\$ 22,509,833</u>	<u>\$ 22,087,420</u>	<u>\$ 27,198,013</u>	<u>\$ 29,811,729</u>
\$ 23,864,986	\$ 24,616,459	\$ 25,487,563	\$ 26,244,497	\$ 27,022,918	\$ 29,896,168
731,602	733,968	736,505	739,263	742,263	753,687
13,319,932	13,186,299	13,942,653	15,715,511	16,235,372	17,397,535
<u>\$ 37,916,520</u>	<u>\$ 38,536,726</u>	<u>\$ 40,166,721</u>	<u>\$ 42,699,271</u>	<u>\$ 44,000,553</u>	<u>\$ 48,047,390</u>
\$ 34,629,533	\$ 35,371,126	\$ 36,222,803	\$ 36,440,510	\$ 40,940,426	\$ 44,738,747
1,695,691	1,647,994	1,753,971	1,963,598	2,045,693	2,145,668
25,484,887	24,921,082	24,699,780	26,382,583	28,212,447	30,974,704
<u>\$ 61,810,111</u>	<u>\$ 61,940,202</u>	<u>\$ 62,676,554</u>	<u>\$ 64,786,691</u>	<u>\$ 71,198,566</u>	<u>\$ 77,859,119</u>

	2011	2012	2013	2014
Expenses				
Governmental activities				
General government	\$ 1,762,080	\$ 1,663,084	\$ 2,216,373	\$ 1,741,234
Public safety	6,857,257	7,195,991	7,222,195	7,259,542
Public works	965,223	1,417,063	1,139,508	1,050,131
Health	458,362	415,163	620,373	525,068
Recreation and culture	1,260,092	1,198,777	1,215,322	1,315,218
Interest on long-term debt				
Total government activities expenses	11,303,014	11,890,078	12,413,771	11,891,193
Business-type activities				
Solid waste management	2,573,083	2,416,578	2,556,595	2,417,951
Water and sewer	5,634,722	6,087,341	6,169,041	6,765,124
Theatre arts	39,255	37,899	33,725	46,169
Total business-type activities expenses	8,247,060	8,541,818	8,759,361	9,229,244
Total primary government expenses	\$ 19,550,074	\$ 20,431,896	\$ 21,173,132	\$ 21,120,437
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 479,984	\$ 400,227	\$ 410,689	\$ 426,245
Public safety	546,086	444,024	527,576	581,150
Health	147,724	141,787	122,711	119,701
Recreation and culture	44,073	45,166	45,071	46,425
Operating grants and contributions	400,536	361,486	284,691	271,801
Capital grants and contributions	240,810	283,519	35,000	19,591
Total governmental activities program revenues	1,859,213	1,676,209	1,425,738	1,464,913
Business-type activities				
Charges for services				
Solid waste management	2,905,358	3,101,968	2,975,870	2,949,538
Water and sewer	7,615,276	7,920,904	6,972,714	7,538,997
Theatre arts	21,163	9,940	7,106	7,781
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	128,755	242,851	84,220
Total business-type activities program revenues	10,541,797	11,161,567	10,198,541	10,580,536
Total primary government program revenues	\$ 12,401,010	\$ 12,837,776	\$ 11,624,279	\$ 12,045,449

City of Plainview, Texas
Changes in Net Position (Schedule 2)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 2,257,021	\$ 2,602,622	\$ 2,975,247	\$ 4,148,443	\$ 3,103,742	\$ 3,093,861
8,168,151	8,470,261	8,320,861	7,596,988	8,726,259	8,723,456
1,008,914	1,640,759	1,570,443	1,738,861	1,287,308	1,310,635
413,803	390,773	384,885	302,667	401,879	338,901
1,219,629	1,286,453	1,210,356	1,240,301	1,322,898	1,240,565
				1,087,353	753,204
<u>13,067,518</u>	<u>14,390,868</u>	<u>14,461,792</u>	<u>15,027,260</u>	<u>15,929,439</u>	<u>15,460,622</u>
2,506,886	2,522,679	2,552,045	2,422,215	2,739,319	2,617,549
6,363,440	6,901,668	6,308,099	6,032,438	6,364,527	6,193,082
36,512	68,218	48,287	52,829	70,021	54,650
<u>8,906,838</u>	<u>9,492,565</u>	<u>8,908,431</u>	<u>8,507,482</u>	<u>9,173,867</u>	<u>8,865,281</u>
<u>\$ 21,974,356</u>	<u>\$ 23,883,433</u>	<u>\$ 23,370,223</u>	<u>\$ 23,534,742</u>	<u>\$ 25,103,306</u>	<u>\$ 24,325,903</u>
\$ 531,021	\$ 542,690	\$ 435,472	\$ 426,756	\$ 311,797	\$ 401,848
466,488	674,344	598,411	737,678	550,735	744,366
139,614	118,595	138,875	122,218	130,079	101,495
51,323	52,313	50,703	27,998	27,473	22,564
529,894	553,279	544,817	271,468	277,343	1,479,839
2,091,336	17,314	1,041	1,232,716	9,799	215,745
<u>3,809,676</u>	<u>1,958,535</u>	<u>1,769,319</u>	<u>2,818,834</u>	<u>1,307,226</u>	<u>2,965,857</u>
3,195,607	3,037,505	3,192,195	3,193,165	3,229,749	3,244,445
7,217,371	7,271,527	7,622,606	7,909,052	7,768,103	8,365,727
10,817	11,937	12,063	15,700	14,808	3,361
12,599	-	-	-	-	230,601
233,093	-	-	-	59,976	1,361,258
<u>10,669,487</u>	<u>10,320,969</u>	<u>10,826,864</u>	<u>11,117,917</u>	<u>11,072,636</u>	<u>13,205,392</u>
<u>\$ 14,479,163</u>	<u>\$ 12,279,504</u>	<u>\$ 12,596,183</u>	<u>\$ 13,936,751</u>	<u>\$ 12,379,862</u>	<u>\$ 16,171,249</u>

	2011	2012	2013	2014
Net (expenses) / revenues				
Governmental activities	\$ (9,443,801)	\$ (10,213,869)	\$ (10,988,033)	\$ (10,426,280)
Business-type activities	2,294,737	2,619,749	1,439,180	1,351,292
Total primary government net expense	<u>\$ (7,149,064)</u>	<u>\$ (7,594,120)</u>	<u>\$ (9,548,853)</u>	<u>\$ (9,074,988)</u>
General revenues and other changes in net assets				
Governmental activities				
Taxes				
Property taxes	\$ 4,269,904	\$ 4,286,822	\$ 4,377,687	\$ 4,662,566
Sales taxes	3,688,408	3,790,688	3,829,054	3,864,922
Franchise taxes	1,397,897	1,347,673	1,344,875	1,463,657
Penalty and interest	75,788	86,664	83,552	91,107
Other taxes	318,044	341,798	349,135	325,207
Contributions not restricted for specific programs	-	-	-	-
Miscellaneous	70,018	137,196	328,539	145,607
Investment earnings	144,265	104,558	46,805	37,069
Special item	32,687	56,284	-	-
Transfers	605,683	579,810	862,603	654,703
Total governmental activities	<u>10,602,694</u>	<u>10,731,493</u>	<u>11,222,250</u>	<u>11,244,838</u>
Business-type activities				
Investment earnings	113,624	87,932	53,593	38,149
Miscellaneous	217,268	136,938	79,585	76,691
Special and extraordinary items	-	118,062	-	-
Gain on sale of capital assets	-	-	-	(50,619)
Transfers	(605,683)	(579,810)	(862,603)	(654,703)
Total business-type activities	<u>(274,791)</u>	<u>(236,878)</u>	<u>(729,425)</u>	<u>(590,482)</u>
Total primary government	<u>\$ 10,327,903</u>	<u>\$ 10,494,615</u>	<u>\$ 10,492,825</u>	<u>\$ 10,654,356</u>
Change in net position				
Governmental activities	\$ 1,158,893	\$ 517,624	\$ 234,217	\$ 818,558
Business-type activities	2,019,946	2,382,871	709,755	760,810
Total primary government	<u>\$ 3,178,839</u>	<u>\$ 2,900,495</u>	<u>\$ 943,972</u>	<u>\$ 1,579,368</u>

City of Plainview, Texas
Changes in Net Position (Schedule 2)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

2015	2016	2017	2018	2019	2020
\$ (9,257,842)	\$ (12,432,333)	\$ (12,692,473)	\$ (12,208,426)	\$ (14,622,213)	\$ (12,494,765)
1,762,649	828,404	1,918,433	2,610,435	1,898,769	4,340,111
<u>\$ (7,495,193)</u>	<u>\$ (11,603,929)</u>	<u>\$ (10,774,040)</u>	<u>\$ (9,597,991)</u>	<u>\$ (12,723,444)</u>	<u>\$ (8,154,654)</u>
\$ 4,645,789	\$ 4,966,991	\$ 5,398,266	\$ 5,329,657	\$ 7,313,848	\$ 7,375,524
4,237,638	4,180,786	4,096,627	4,052,315	4,270,560	4,301,103
1,425,060	1,300,049	1,354,941	1,364,528	1,285,790	1,208,630
77,588	75,004	84,963	75,327	98,006	151,777
434,508	439,039	397,059	375,810	389,837	304,649
-	-	-	-	3,000,000	33,092
140,649	293,360	262,346	1,499,604	862,508	163,082
42,615	85,669	242,204	601,309	1,322,777	820,486
-	-	-	-	-	-
521,117	601,320	(164,376)	(1,360,808)	1,189,480	750,138
<u>11,524,964</u>	<u>11,942,218</u>	<u>11,798,830</u>	<u>11,937,742</u>	<u>19,732,806</u>	<u>15,108,481</u>
41,928	65,402	187,816	347,270	486,732	374,900
48,435	253,710	126,135	206,862	105,261	81,964
-	-	-	-	-	-
36,232	74,010	61,816	-	-	-
(521,117)	(601,320)	(664,205)	(632,017)	(1,189,480)	(750,138)
<u>(394,522)</u>	<u>(208,198)</u>	<u>(288,438)</u>	<u>(77,885)</u>	<u>(597,487)</u>	<u>(293,274)</u>
<u>\$ 11,130,442</u>	<u>\$ 11,734,020</u>	<u>\$ 11,510,392</u>	<u>\$ 11,859,857</u>	<u>\$ 19,135,319</u>	<u>\$ 14,815,207</u>
\$ 2,267,122	\$ (490,115)	\$ (893,643)	\$ (270,684)	\$ 5,110,593	\$ 2,613,716
1,368,127	620,206	1,629,995	2,532,550	1,301,282	4,046,837
<u>\$ 3,635,249</u>	<u>\$ 130,091</u>	<u>\$ 736,352</u>	<u>\$ 2,261,866</u>	<u>\$ 6,411,875</u>	<u>\$ 6,660,553</u>

	2011	2012	2013	2014
General fund				
Nonspendable	\$ 42,453	\$ 42,022	\$ 38,470	\$ 48,866
Assigned	2,917,945	2,984,676	2,796,741	3,115,950
Unassigned	10,780,206	11,544,224	11,924,496	12,569,280
Total general fund	<u>\$ 13,740,604</u>	<u>\$ 14,570,922</u>	<u>\$ 14,759,707</u>	<u>\$ 15,734,096</u>
Capital Projects Fund				
Restricted	\$ -	\$ -	\$ -	\$ -
Total Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service Fund				
Restricted	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	-
Total Debt Service Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All other governmental funds	\$ -	\$ -	\$ -	\$ -
Restricted, reported in				
Special revenue funds:				
Hotel occupancy tax fund	483,846	568,494	539,048	625,654
Revolving loan fund	115,501	116,351	45,882	-
Police seizure funds	34,343	55,385	66,298	65,203
Court security fee fund	33,787	40,304	46,432	15,052
Court technology fee fund	51,994	29,160	37,605	47,737
Truancy prevention diversion fund	-	-	-	-
PEG fund	-	-	1,158	12,331
Downtown TIRZ fund	-	-	-	-
Assigned for Travis Trussell Duck Pond	-	-	-	-
Total all other governmental funds	<u>\$ 719,471</u>	<u>\$ 809,694</u>	<u>\$ 736,423</u>	<u>\$ 765,977</u>

City of Plainview, Texas
Fund Balances – Governmental Funds (Schedule 3)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

2015	2016	2017	2018	2019	2020
\$ 48,094	\$ 48,915	\$ 48,251	\$ 41,077	\$ 53,446	\$ 80,486
2,977,612	2,927,235	2,429,905	1,992,016	2,618,575	2,960,196
12,950,647	12,868,321	13,408,503	13,397,746	13,600,600	14,354,850
<u>\$ 15,976,353</u>	<u>\$ 15,844,471</u>	<u>\$ 15,886,659</u>	<u>\$ 15,430,839</u>	<u>\$ 16,272,621</u>	<u>\$ 17,395,532</u>
\$ -	\$ -	\$ -	\$ 25,232,339	\$ 23,830,925	\$ 20,891,727
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,232,339</u>	<u>\$ 23,830,925</u>	<u>\$ 20,891,727</u>
\$ -	\$ -	\$ -	\$ 7,439	\$ -	\$ 77,245
-	-	-	-	(9,759)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,439</u>	<u>\$ (9,759)</u>	<u>\$ 77,245</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
809,024	725,437	808,438	816,937	840,275	772,469
-	-	-	-	-	-
49,446	42,262	16,743	3,583	1,559	7,395
23,032	27,730	33,662	39,185	47,267	58,392
30,781	36,095	36,751	45,655	56,414	68,838
-	-	-	-	-	4,704
51,806	82,502	121,872	161,536	203,890	242,510
-	-	-	150,000	154,025	160,428
-	140,000	69,945	-	-	-
<u>\$ 964,089</u>	<u>\$ 1,054,026</u>	<u>\$ 1,087,411</u>	<u>\$ 1,216,896</u>	<u>\$ 1,303,430</u>	<u>\$ 1,314,736</u>

	2011	2012	2013	2014
Revenues				
Taxes (see Schedule 5)	\$ 9,736,285	\$ 9,900,447	\$ 9,992,489	\$ 10,397,981
Licenses and permits	93,757	81,473	65,776	76,469
Intergovernmental	387,245	351,219	273,780	258,428
Charges for services	732,318	627,144	614,684	734,498
Fines	387,513	314,082	341,591	360,889
Investment earnings	108,277	79,479	46,805	37,069
Rents and royalties	360	360	360	360
Contributions and donations	13,291	10,267	45,911	18,873
Other revenues	70,018	137,196	328,539	187,107
Total revenues	<u>11,529,064</u>	<u>11,501,667</u>	<u>11,709,935</u>	<u>12,071,674</u>
Expenditures				
General government	1,649,313	1,530,785	2,114,446	1,733,808
Public safety	6,389,636	6,696,344	6,893,442	7,095,090
Public works	662,859	1,142,860	897,896	801,562
Health	419,261	405,574	377,067	369,804
Recreation and culture	1,085,960	1,030,000	1,047,655	1,146,519
Debt service				
Principal	-	-	-	-
Interest and other fees	-	-	-	-
Capital outlay	521,325	357,832	86,867	167,276
Total expenditures	<u>10,728,354</u>	<u>11,163,395</u>	<u>11,417,373</u>	<u>11,314,059</u>
Excess of revenues over (under) expenditures	<u>800,710</u>	<u>338,272</u>	<u>292,562</u>	<u>757,615</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Premium from bond issuance	-	-	-	-
Transfers in	1,395,280	785,769	563,932	790,857
Transfers out	(952,735)	(203,500)	(740,980)	(544,529)
Total other financing sources (uses)	<u>442,545</u>	<u>582,269</u>	<u>(177,048)</u>	<u>246,328</u>
Net change in fund balances	<u>\$ 1,243,255</u>	<u>\$ 920,541</u>	<u>\$ 115,514</u>	<u>\$ 1,003,943</u>
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%

City of Plainview, Texas
Changes in Fund Balances – Governmental Funds (Schedule 4)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

2015	2016	2017	2018	2019	2020
\$ 10,848,506	\$ 10,948,970	\$ 11,317,925	\$ 11,202,837	\$ 13,293,964	\$ 13,319,918
121,432	101,180	90,856	85,562	69,980	65,615
523,038	546,224	537,852	1,331,738	267,196	1,631,580
646,425	835,382	817,081	882,141	698,805	855,575
415,641	447,081	357,131	346,947	388,412	350,428
42,615	85,669	185,331	601,309	1,164,342	696,227
500	500	525	500	500	600
37,906	9,461	6,963	80,638	19,947	64,004
134,149	143,434	264,688	83,993	49,416	48,982
<u>12,770,212</u>	<u>13,117,901</u>	<u>13,578,352</u>	<u>14,615,665</u>	<u>15,952,562</u>	<u>17,032,929</u>
2,330,382	2,500,788	2,874,277	4,474,181	2,950,096	2,867,853
7,431,026	7,638,660	7,720,813	7,947,987	7,791,960	8,358,940
684,113	1,039,615	1,241,287	1,036,857	900,554	931,679
401,300	379,824	407,333	381,364	396,049	353,454
1,054,980	1,111,519	1,090,193	1,246,102	1,157,596	1,109,442
-	-	-	-	450,000	845,000
-	-	-	-	1,299,404	908,860
1,112,492	989,521	738,717	672,301	2,272,588	3,706,033
<u>13,014,293</u>	<u>13,659,927</u>	<u>14,072,620</u>	<u>15,758,792</u>	<u>17,218,247</u>	<u>19,081,261</u>
<u>(244,081)</u>	<u>(542,026)</u>	<u>(494,268)</u>	<u>(1,143,127)</u>	<u>(1,265,685)</u>	<u>(2,048,332)</u>
-	-	-	24,750,000	-	-
-	-	-	742,063	-	-
745,450	780,698	635,878	853,274	1,125,562	372,395
(61,000)	(280,617)	(66,037)	(288,767)	(350,173)	(42,040)
<u>684,450</u>	<u>500,081</u>	<u>569,841</u>	<u>26,056,570</u>	<u>775,389</u>	<u>330,355</u>
<u>\$ 440,369</u>	<u>\$ (41,945)</u>	<u>\$ 75,573</u>	<u>\$ 24,913,443</u>	<u>\$ (490,296)</u>	<u>\$ (1,717,977)</u>
0%	0%	0%	0%	11.705%	11.407%

City of Plainview, Texas
Tax Revenue by Source – Governmental Funds (Schedule 5)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year	Property	Sales & Use	Franchise	Occupancy	Mixed Beverage	Interest and Penalty	Total
2011	\$ 4,256,148	\$ 3,688,408	\$ 1,397,897	\$ 282,670	\$ 35,374	\$ 75,788	\$ 9,736,285
2012	4,333,624	3,790,688	1,347,673	311,718	30,080	86,664	9,900,447
2013	4,385,873	3,829,054	1,344,875	321,718	27,417	83,552	9,992,489
2014	4,653,088	3,864,922	1,463,657	296,899	28,308	91,107	10,397,981
2015	4,673,712	4,237,638	1,425,060	391,324	43,184	77,588	10,848,506
2016	4,954,092	4,180,786	1,300,049	406,734	32,305	75,004	10,948,970
2017	5,384,335	4,096,627	1,354,941	358,356	38,703	84,963	11,317,925
2018	5,334,857	4,052,315	1,364,528	346,078	29,732	75,327	11,202,837
2019	7,249,771	4,270,560	1,285,790	352,323	37,514	98,006	13,293,964
2020	7,353,759	4,301,103	1,208,630	282,545	22,104	151,777	13,319,918
Percent Change 2011-2020	72.78%	16.61%	-13.54%	-0.04%	-37.51%	100.27%	36.81%

City of Plainview, Texas
Assessed Value and Estimated Actual Value of Taxable Property (Schedule 6)
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2011	\$ 553,758,570	\$ 194,864,064	\$ 110,147,649	\$ 120,318,815	\$ 738,451,468	0.5785
2012	562,212,709	203,686,243	107,244,019	124,849,328	748,293,643	0.5785
2013	573,318,449	202,986,230	109,325,033	128,471,037	757,158,675	0.5785
2014	575,850,019	209,670,673	96,690,063	128,572,126	753,638,629	0.6185
2015	580,460,871	225,574,773	97,012,823	131,372,562	771,675,905	0.6038
2016	597,215,014	233,512,357	100,895,044	140,666,810	790,955,605	0.6288
2017	617,213,425	251,995,782	137,616,180	146,493,021	860,332,366	0.6288
2018	625,609,457	258,140,533	125,971,290	148,727,007	860,994,273	0.6312
2019	636,118,514	266,393,784	121,523,202	152,814,672	871,220,828	0.8318
2020	645,606,242	295,626,661	94,102,655	154,232,885	881,102,673	0.8418

Source: Hale County Appraisal District.

Note: Property in Hale County is reassessed once every three years on average.

State statute requires all property to be appraised at 100% of assumed market value. The tax rates are per \$100 of assessed value.

City of Plainview, Texas
Direct and Overlapping Property Tax Rates (Schedule 7)
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

	City Direct Rates			Overlapping Rates		
	Operating & Maintenance	General Obligation Debt Service	Total Direct Rate	Plainview Independent School District	High Plains Water District	Hale County
2011	0.5785	-	0.5785	1.04000	0.00785	0.4921
2012	0.5785	-	0.5785	1.04000	0.00776	0.4921
2013	0.5785	-	0.5785	1.04000	0.00754	0.4921
2014	0.6185	-	0.6185	1.04000	0.00810	0.4921
2015	0.6038	-	0.6038	1.04000	0.00826	0.4921
2016	0.6288	-	0.6288	1.04000	0.00826	0.4921
2017	0.6288	-	0.6288	1.17000	0.00750	0.5079
2018	0.6312	-	0.6312	1.17000	0.00690	0.5955
2019	0.6312	0.2006	0.8318	1.17000	0.00670	0.5955
2020	0.6312	0.2106	0.8418	1.06835	0.00630	0.6180

Source: Hale County Appraisal District

City of Plainview, Texas
Principal Property Tax Payers (Schedule 8)
Current Year and Ten Years Ago

	2020			2011		
	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Taxable Assessed Value
Wal-Mart - Inventory	\$ 76,343,270	1	8.66	\$ 85,487,670	1	11.58
Higher Power Electrical	42,010,403	2	4.77			
Wal-Mart Distribution	13,673,990	3	1.55	13,699,950	2	1.86
Xcel Energy	13,331,412	4	1.51	5,377,232	6	0.73
Atmos Energy	8,128,190	5	0.92	3,346,610	10	0.45
BNSF Railway	8,107,571	6	0.92	4,237,446	7	0.57
Wal-Mart Stores	7,803,438	7	0.89	8,026,270	3	1.09
Wal-Mart Stores - Inventory	5,161,894	8	0.59	7,120,445	4	0.96
Reagor Dykes Auto Company	4,601,326	9	0.52			
Cebridge Acquisition LP	4,119,530	10	0.47			
United Supermarkets				3,702,160	8	0.50
Acher Daniels Midland				6,880,369	5	0.93
Stonegate Center				3,498,260	9	0.47
Total	<u>\$ 183,281,024</u>		<u>20.80</u>	<u>\$ 141,376,412</u>		<u>19.14</u>

Source: Hale County Appraisal District

City of Plainview, Texas
Property Tax Levies and Collections (Schedule 9)
Last Ten Fiscal Years

Fiscal Year Ended Sept 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections To Date			
		Adjustments	Total Adjusted Levy	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2011	\$ 4,271,943	\$ (6,458)	\$ 4,265,485	\$ 4,162,047	97.43	\$ 97,233	\$ 4,259,280	99.85
2012	4,328,879	(12,230)	4,316,649	4,217,584	97.43	90,618	4,308,202	99.80
2013	4,380,163	(7,214)	4,372,949	4,274,369	97.58	88,393	4,362,762	99.77
2014	4,661,548	(5,090)	4,656,458	4,546,796	97.54	98,505	4,645,301	99.76
2015	4,659,380	(10,580)	4,648,800	4,560,197	97.87	75,088	4,635,285	99.71
2016	4,973,529	(7,355)	4,966,174	4,870,575	97.93	76,086	4,946,661	99.61
2017	5,409,770	(8,305)	5,401,465	5,298,547	97.94	71,621	5,370,168	99.42
2018	5,434,669	(96,294)	5,338,375	5,273,337	97.03	23,456	5,296,793	99.22
2019	7,246,814	(8,699)	7,238,115	7,083,494	97.75	59,302	7,142,796	98.68
2020	7,417,122	(62,422)	7,354,700	7,192,487	96.97		7,192,487	97.79

Source: Hale County Appraisal District

City of Plainview, Texas

Ratios of Outstanding Debt by Type (Schedule 10)
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Obligation Bonds		General			Water Authority Indebtedness				
				Certificates of Obligation Bonds	Obligation Refunding Bonds						
2011	\$ -	\$ -	-	\$ 9,625,000	\$ 6,180,000	\$ 6,062,818	\$ 21,867,818	2.13%	\$ 985		
2012	-	-	-	9,330,000	5,635,000	8,713,148	23,678,148	2.26%	1,067		
2013	-	-	-	8,740,000	5,075,000	8,123,989	21,938,989	2.07%	988		
2014	-	-	-	8,120,000	4,505,000	7,654,326	20,279,326	1.88%	914		
2015	-	-	-	7,495,000	3,920,000	6,984,518	18,399,518	1.71%	829		
2016	-	-	-	7,100,000	3,320,000	6,499,573	16,919,573	1.54%	762		
2017	-	-	-	6,705,000	2,700,000	5,998,769	15,403,769	1.42%	694		
2018	24,750,000	-	-	6,295,000	2,060,000	5,339,642	38,444,642	3.52%	1,732		
2019	24,300,000	-	-	5,865,000	1,400,000	4,846,623	36,411,623	3.06%	1,641		
2020	23,455,000	-	-	-	5,635,000	4,306,550	33,396,550	n/a	1,505		

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

Water authority indebtedness is the City's proportionate share of revenue bonds issued by the Canadian River Municipal Water Authority.

Personal income data for fiscal year 2020 is unavailable.

See Schedule of Demographic and Economic Statistics for Population data.

City of Plainview, Texas
Ratios of General Bonded Debt Outstanding (Schedule 11)
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation Bonds	Total		
2011	\$ -	\$ -	\$ -	-	\$ -
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	24,750,000	-	24,750,000	2.87%	1,115.17
2019	24,300,000	-	24,300,000	2.79%	1,094.89
2020	23,455,000	-	23,455,000	2.66%	1,056.82

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

City of Plainview, Texas
Direct and Overlapping Governmental Activities Debt (Schedule 12)
September 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Plainview Independent School District	\$ 67,155,000	65.03 %	\$ 43,670,897
County of Hale	1,270,000	41.71	529,717
Other debt			
Plainview Independent School District	-	65.03	-
County of Hale	-	41.71	-
Subtotal overlapping debt			44,200,614
City direct debt			<u>23,455,000</u>
Total direct and overlapping debt			<u><u>\$ 67,655,614</u></u>

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

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

City of Plainview, Texas
Pledged-Revenue Coverage (Schedule 13)
Last Ten Fiscal Years

Water and Sewer Revenue Bonds										Solid Waste Management Revenue Bonds								
Fiscal Year	Utility		Less:		Net		Debt Service		Coverage	Utility		Less:		Net		Debt Service		Coverage
	Operating Revenues		Operating Expenses		Available Revenue		Principal	Interest		Service Charges		Operating Expenses		Available Revenue		Principal	Interest	
2011	\$ 7,706,153		\$ 4,527,963		\$ 3,178,190		\$ 540,000	\$ 183,806	4.39	\$ 3,031,524		\$ 1,905,573		\$ 1,125,951		\$ 215,000	\$ 36,662	4.47
2012	7,964,800		4,915,329		3,049,471		615,000	724,655	2.28	3,194,854		1,757,067		1,437,787		225,000	28,963	5.66
2013	7,226,537		5,165,632		2,060,905		920,000	436,261	1.52	3,044,358		1,892,207		1,152,151		230,000	21,000	4.59
2014	7,555,713		5,712,418		1,843,295		950,000	413,149	1.35	3,008,243		1,847,416		1,160,827		240,000	12,775	4.59
2015	7,231,495		5,227,740		2,003,755		965,000	388,024	1.48	3,229,419		1,889,468		1,339,951		245,000	4,288	5.38
2016	7,476,677		5,839,667		1,637,010		995,000	360,836	1.21	3,086,065		1,966,406		1,119,659		-	-	-
2017	7,699,906		5,353,050		2,346,856		1,015,000	331,436	1.74	3,238,085		1,991,372		1,246,713		-	-	-
2018	7,947,247		5,301,363		2,645,884		1,050,000	299,661	1.96	3,243,963		1,971,447		1,272,516		-	-	-
2019	7,818,834		5,329,099		2,489,735		1,090,000	265,111	1.84	3,267,170		2,103,181		1,163,989		-	-	-
2020	8,417,236		5,092,001		3,325,235		1,115,000	188,740	2.55	3,274,548		1,933,100		1,341,448		-	-	-

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

Operating expenses include the annual payments on the City's proportionate share of Canadian River Municipal Water Authority indebtedness.

Operating expenses include an accrual for future landfill closure and postclosure costs.

Operating expenses do not include bond interest, depreciation or amortization expenses.

City of Plainview, Texas
Demographic and Economic Statistics (Schedule 14)
Last Ten Calendar Years

Calendar Year	City Population	County Population	County Personal Income	County Per Capita Personal Income	School Enrollment	County Unemployment Rate
2011	22,194	36,273	\$ 1,026,334,000	\$ 28,295	5,780	7.4%
2012	22,194	36,273	1,048,790,000	28,914	5,801	6.6%
2013	22,194	36,273	1,058,817,000	29,190	5,522	11.0%
2014	22,194	36,273	1,081,292,000	29,810	5,559	6.3%
2015	22,194	36,273	1,077,771,000	29,713	5,659	5.4%
2016	22,194	36,273	1,098,512,000	30,285	5,586	5.3%
2017	22,194	36,273	1,084,701,000	29,904	5,519	4.1%
2018	22,194	36,273	1,091,460,000	30,090	5,352	4.4%
2019	22,194	36,273	1,190,367,000	32,817	5,203	4.0%
2020	22,194	36,273	N/A	N/A	4,826	7.3%

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

Note: Personal income data for calendar year 2020 is unavailable.

City of Plainview, Texas

Principal Employers* (Schedule 15)

Last Ten Years

2011	2012	2013	2014
Azteca Milling Cargill Meat Solutions Central Plains MHMR Center City of Plainview Covenant Hospital Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Cargill Meat Solutions Central Plains MHMR Center City of Plainview Covenant Hospital Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University
2015	2016	2017	2018
Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University
2019	2020		
Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University	Azteca Milling Central Plains MHMR Center City of Plainview Covenant Hospital Hale County Plainview Independent School District Texas Department of Criminal Justice United Supermarkets Wal-Mart Associates Wayland Baptist University		

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

Sources: Texas Workforce Commission, Workforce Solutions South Plains, Plainview Chamber of Commerce, and Plainview/ Hale County Economic Development Corporation.



PLAINVIEW, TX

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City of Plainview, Texas

Full-Time Equivalent City Government Employees by Function/Program (Schedule 16)

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Function/Program</u>										
General Government										
City Manager	2	2	2	2	2	2	3	3	3	3
Legal	2	2	2	2	2	2	2	2	1	1
Finance	1	1	1	1	1	1	1	1	1	1
Human Resources	1	1	1	1	1	1	1	1	2	2
Civil Service	1	0	0	0	0	0	0	0	0	0
Administrative Services	0	2	2	2	2	2	0	0	0	0
Information Technology	0	0	0	0	0	0	2	2	2	2
Municipal Court	2	2	2	2	2	2	2	2	2	2
Community Development	2	2	2	2	2	2	2	2	2	2
Code Compliance	3	3	4	4	4	4	4	4	4	4
Main Street	1	1	1	1	1	1	1	1	1	1
RSVP	2	2	2	2	2	2	2	2	2	2
Public Safety										
Police	45	46	46	46	46	46	45	45	46	42
Emergency Operation Center	0	0	0	0	0	0	1	1	0	0
Fire / EMS	36	36	36	36	36	36	36	36	36	36
Traffic Control	3	3	3	3	3	3	3	3	3	3
Animal Control	2	2	2	2	2	2	2	2	2	2
Public Works										
Public Works	3	3	3	2	2	1	1	1	1	1
Street Cleaning	2	2	2	2	2	2	2	2	2	2
Street Department	7	7	5	5	5	5	5	5	5	5
Custodial Services	2	2	2	2	2	2	2	2	1	1
Health	7	7	6	6	6	6	6	6	6	6

Last Ten Years

[illegible]

Last Ten Years

Sources: Various city departments

City of Plainview, Texas

Capital Asset Statistics by Function/Program (Schedule 18)

Last Ten Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	24	21	23	23	22	22	22	23	23	25
Staff and detective units, SWAT Van	14	16	14	14	16	16	16	17	17	17
Fire/EMS										
Stations	3	3	3	3	3	3	3	3	3	3
Ambulances	4	4	4	4	4	4	4	4	4	4
Public works										
Paved streets (miles)	137	137	137	137	138	138	138	138	138	138
Streetlights	1,358	1,356	1,356	1,356	1,356	1,356	1,358	1,360	1,360	1,360
Traffic signals - City	7	7	7	7	7	7	7	7	7	4
Traffic signals - State	16	17	18	18	18	18	18	18	18	18
Recreation and culture										
Parks										
Developed parks acreage	286	286	286	286	286	286	286	286	286	286
Open spaces acreage	301	301	301	301	301	301	301	301	301	301
Playgrounds	14	14	14	14	14	14	14	14	14	14
Baseball/softball diamonds	21	21	21	21	21	21	21	21	21	21
Football/soccer fields	3	3	3	3	3	3	3	3	3	3
Skatepark										
Multi-purpose athletic courts	6	6	6	6	6	6	6	6	6	6
Community centers, pavilions, covered	7	7	26	26	26	29	29	30	30	31
Fitness center							1	1	1	1
Library										
Internet access workstations	15	15	15	15	15	15	15	14	14	14

City of Plainview, Texas

Capital Asset Statistics by Function/Program (Schedule 18)

Last Ten Years

Solid waste management										
Residential collection trucks	3	3	3	3	3	3	3	3	3	3
Commercial collection trucks	2	2	2	2	2	2	2	2	2	2
Recyclables collection trucks	2	2	2	2	2	2	2	2	2	2
Landfill remaining capacity (thousands of cubic yards)	10,303	10,216	10,136	10,051	9,975	10,163	10,101	9,780	9,716	9,663
Water										
Water mains (miles)	208	197	197	197	197	201	201	202	203	204
Fire hydrants	736	736	744	744	744	747	752	759	761	762
Storage capacity (thousands of gallons)	7,590	7,590	9,590	8,340	8,200	8,200	8,200	8,200	8,200	8,200
Wastewater										
Collection lines (miles)	164	164	164	164	164	164	164	164	164	164
Treatment capacity (thousands of gallons per day)	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300

Sources: Various city departments

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



PLAINVIEW, TX

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**Compliance and Internal
Control**



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Plainview, Texas (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 12, 2021.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Esde Bailly LLP". The signature is written in a cursive, flowing style.

Plainview, Texas
March 12, 2021



Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for the Major Federal Program

We have audited City of Plainview, Texas' (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2020. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Plainview, Texas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Plainview, Texas
March 12, 2021

City of Plainview, Texas
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Justice			
Direct Program			
Bureau of Justice Assistance			
Bulletproof Vest Partnership Act of 1998	16.607		\$ 2,490
Total Department of Justice			<u>2,490</u>
Department of Housing and Urban Development			
Passed through Texas Department of Agriculture			
TX CAP Fund - Main Street Grant	14.228	7218162	11,250
TDA Community Development Block Grant	14.228	7218370	230,601
Total Texas Community Development Grant Program			<u>241,851</u>
Total Department of Housing and Urban Development			<u>241,851</u>
Department of Treasury			
Passed through Texas Division of Emergency Management			
COVID-19 Coronavirus Relief Fund	21.019	2020 F# S# 296	1,140,700
Total Department of Treasury			<u>1,140,700</u>
Department of Health and Human Services			
Passed through Texas Health and Human Services Commission			
Immunization Division	93.268	2019-HHSTX-0-0000196133	59,406
Direct Program			
COVID-19 CARES Act Stimulus	93.391	HHS-51025630204	17,030
Passed through Texas Health and Human Services Commission			
Bureau of Regional/Local Health Operations	93.758	HHS000485600045	38,996
Total Department of Health and Human Services			<u>115,432</u>
Corporation for National and Community Service			
Passed through Texas Health and Human Services Commission			
Retired and Senior Volunteer Program	94.002	19SRWTX003	46,302
Retired and Senior Volunteer Program	94.002	20SRWTX001	20,274
Total Retired and Senior Volunteer Program			<u>66,576</u>
Total Corporation for National and Community Service			<u>66,576</u>
Total Federal Awards			<u>\$ 1,567,049</u>

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Plainview, Texas, under programs of the federal government for the year ended September 30, 2020. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note B – Summary of Significant Accounting Principles

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal expenditures were accounted for in the General Fund and Special Revenue Funds, components of the Governmental Fund type. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant. No federal awards have been provided to a subrecipient.

Note C – Indirect Cost Rate

The City is not eligible to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance because the City has previously received a negotiated indirect cost rate for its federal awards.

Note D – Donated Personal Protective Equipment (PPE) (unaudited)

Nonmonetary assistance of PPE received during the emergency period of the COVID-19 pandemic was \$50,878 and is based on the estimated fair market value of the PPE received. The donated PPE was generally provided by donors without information about compliance or reporting requirements associated with federal financial assisting listings or CFDA numbers. The donated PPE is not included in the schedule of expenditure of federal awards.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
COVID-19 Coronavirus Relief Fund	21.019
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

The audit disclosed no findings required to be reported.

Section III – Federal Award Findings and Questioned Costs

The audit disclosed no findings and questioned costs required to be reported.

