

RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statutes.

Issuer Name: City of Willow Park, Texas

Issue(s):

- \$ 5,135,000 General Obligation Refunding Bonds, Series 2012
- \$ 685,000 Combination Tax and Water and Sewer System Surplus Revenue Certificates of Obligation, Series 2014 (TWDB)
- \$ 995,000 Combination Tax and Water and Sewer System Surplus Revenue Certificates of Obligation, Series 2016 (TWDB)
- \$ 6,330,000 General Obligation Bonds, Series 2016
- \$ 13,770,000 Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2019 (TWDB)
- \$ 6,270,000 Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2021
- \$ 14,130,000 Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2021A (TWDB)
- \$ 5,045,000 Combination Tax and Revenue Certificates of Obligation, Series 2022

Filing Format X electronic ___ paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):

X Nine-digit number(s) (see following page(s)):

___ Six-digit number if information filed relates to all securities of the issuer

Financial & Operating Data Disclosure Information

At the time of filing the September 30, 2021 audit was not complete and will be posted once available

Annual Financial Report or ACFR

X Financial Information & Operating Data

Other (describe) _____

X Fiscal Period Covered: FYE 2021

Monthly Quarterly X Annual

Other: _____

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: /s/ 

Name: Bryan Grimes

Title: City Administrator

Employer: City of Willow Park, Texas

Telephone Number: 871-441-7108

Email Address: bgrimes@willowpark.org

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

General Obligation Refunding Bonds, Series 2012

Date	Principal	CUSIP
02/15/23	\$ 625,000	971148EJ6
	\$ 625,000	

Combination Tax and Water and Sewer System Surplus Revenue Certificates of Obligation, Series 2014 (TWDB)

Date	Principal	CUSIP
02/15/23	\$ 30,000	971148ES6
02/15/24	35,000	971148ET4
02/15/25	35,000	971148EU1
02/15/26	35,000	971148EV9
02/15/27	35,000	971148EW7
02/15/28	35,000	971148EX5
02/15/29	35,000	971148EY3
02/15/30	35,000	971148EZ0
02/15/31	40,000	971148FA4
02/15/32	40,000	971148FB2
02/15/33	40,000	971148FC0
02/15/34	40,000	971148FD8
02/15/35	40,000	971148FE6
	\$ 475,000	

Combination Tax and Water and Sewer System Surplus Revenue Certificates of Obligation, Series 2016 (TWDB)

Date	Principal	CUSIP
02/15/23	\$ 50,000	971148FL0
02/15/24	50,000	971148FM8
02/15/25	50,000	971148FN6
02/15/26	50,000	971148FP1
02/15/27	50,000	971148FQ9
02/15/28	50,000	971148FR7
02/15/29	50,000	971148FS5
02/15/30	50,000	971148FT3
02/15/31	50,000	971148FU0
02/15/32	50,000	971148FV8
02/15/33	50,000	971148FW6
02/15/34	55,000	971148FX4
02/15/35	55,000	971148FY2
02/15/36	55,000	971148FZ9
02/15/37	55,000	971148GA3
	<u>\$ 770,000</u>	

General Obligation Bonds, Series 2016

Date	Principal	CUSIP
02/15/24	\$ 325,000	971148GB1
02/15/25	340,000	971148GC9
02/15/26	355,000	971148GD7
02/15/27	380,000	971148GE5
02/15/28	395,000	971148GF2
02/15/29	410,000	971148GG0
02/15/30	430,000	971148GH8
02/15/31	445,000	971148GJ4
02/15/33	340,000	971148GK1
02/15/35	370,000	971148GL9
02/15/37	400,000	971148GM7
02/15/41	880,000	971148GN5
02/15/46	1,260,000	971148GP0
	<u>\$ 6,330,000</u>	

**Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates
of Obligation, Series 2019 (TWDB)**

Date	Principal	CUSIP
02/15/23	\$ 435,000	971148GS4
02/15/24	435,000	971148GT2
02/15/25	435,000	971148GU9
02/15/26	435,000	971148GV7
02/15/27	435,000	971148GW5
02/15/28	435,000	971148GX3
02/15/29	440,000	971148GY1
02/15/30	440,000	971148GZ8
02/15/31	440,000	971148HA2
02/15/32	445,000	971148HB0
02/15/33	445,000	971148HC8
02/15/34	450,000	971148HD6
02/15/35	450,000	971148HE4
02/15/36	455,000	971148HF1
02/15/37	455,000	971148HG9
02/15/38	460,000	971148HH7
02/15/39	460,000	971148HJ3
02/15/40	465,000	971148HK0
02/15/41	470,000	971148HL8
02/15/42	475,000	971148HM6
02/15/43	475,000	971148HN4
02/15/44	480,000	971148HP9
02/15/45	485,000	971148HQ7
02/15/46	490,000	971148HR5
02/15/47	495,000	971148HS3
02/15/48	500,000	971148HT1
02/15/49	505,000	971148HU8
02/15/50	510,000	971148HV6
	<u>\$ 12,900,000</u>	

**Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates
of Obligation, Series 2021**

Date	Principal	CUSIP
02/15/24	\$ 155,000	971148HW4
02/15/25	160,000	971148HX2
02/15/26	160,000	971148HY0
02/15/27	165,000	971148HZ7
02/15/28	170,000	971148JA0
02/15/29	180,000	971148JB8
02/15/30	185,000	971148JC6
02/15/31	190,000	971148JD4
02/15/32	195,000	971148JE2
02/15/33	200,000	971148JF9
02/15/34	205,000	971148JG7
02/15/35	215,000	971148JH5
02/15/36	220,000	971148JJ1
02/15/37	225,000	971148JK8
02/15/38	235,000	971148JL6
02/15/39	240,000	971148JM4
02/15/40	245,000	971148JN2
02/15/41	255,000	971148JP7
02/15/45	1,095,000	971148JQ5
02/15/50	1,575,000	971148JR3
	<u>\$ 6,270,000</u>	

**Combination Tax and Waterworks and Sewer System Surplus Revenue Certificates
of Obligation, Series 2021A (TWDB)**

Date	Principal	CUSIP
02/15/23	\$ 410,000	971148JS1
02/15/24	410,000	971148JT9
02/15/25	415,000	971148JU6
02/15/26	415,000	971148JV4
02/15/27	420,000	971148JW2
02/15/28	420,000	971148JX0
02/15/29	425,000	971148JY8
02/15/30	425,000	971148JZ5
02/15/31	430,000	971148KA8
02/15/32	435,000	971148KB6
02/15/33	435,000	971148KC4
02/15/34	440,000	971148KD2
02/15/35	440,000	971148KE0
02/15/36	445,000	971148KF7
02/15/37	450,000	971148KG5
02/15/38	455,000	971148KH3
02/15/39	460,000	971148KJ9
02/15/40	470,000	971148KK6
02/15/41	475,000	971148KL4
02/15/42	485,000	971148KM2
02/15/43	490,000	971148KN0
02/15/44	500,000	971148KP5
02/15/45	510,000	971148KQ3
02/15/46	520,000	971148KR1
02/15/47	530,000	971148KS9
02/15/48	540,000	971148KT7
02/15/49	550,000	971148KU4
02/15/50	565,000	971148KV2
02/15/51	575,000	971148KW0
02/15/52	590,000	971148KX8
	<u>\$ 14,130,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2022

Date	Principal	CUSIP
02/15/31	\$ 45,000	971148KY6
02/15/32	380,000	971148KZ3
02/15/33	390,000	971148LA7
02/15/34	410,000	971148LB5
02/15/35	420,000	971148LC3
02/15/36	440,000	971148LD1
02/15/37	455,000	971148LE9
02/15/38	470,000	971148LF6
02/15/39	485,000	971148LG4
02/15/40	500,000	971148LH2
02/15/41	515,000	971148LJ8
02/15/42	535,000	971148LK5
	<u>\$ 5,045,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2021

CITY OF WILLOW PARK, TEXAS

GENERAL OBLIGATION



HTS Continuing Disclosure Services

A Division of Hilltop Securities.

FINANCIAL STATEMENTS

The audited financial statements for the City for the fiscal year ended September 30, 2021 are being filed directly with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA"), and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

SIGNATURE OF ISSUER

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

City of Willow Park, Texas

/s/

Bryan Grimes

City Administrator

Approved for Submission:

03/30/2022

Date

CERTIFICATE OF SUBMISSION OF ANNUAL REPORT

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Willow Park, Texas with respect to the issues listed on the report cover was submitted directly to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") listed below.

Municipal Securities Rulemaking Board ("MSRB")
via the Electronic Municipal Market Access ("EMMA") system

HTS Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Preston Gabriel

CITY OF WILLOW PARK, TEXAS

2022 GENERAL OBLIGATION DEBT REPORT

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2021/2022 Market Valuation Established by Parker County Appraisal District (excluding totally exempt property)		\$ 810,201,855
Less Exemptions/Reductions at 100% Market Value:		
Local Option - Over-65	\$ 5,047,170	
Veterans Exemption Loss	14,966,269	
Productivity Value Loss	19,537,585	
Abatements	13,182,230	
10% Cap Loss	14,994,282	
Miscellaneous Exemptions	1,293,121	69,020,657
2021/2022 Taxable Assessed Valuation		\$ 741,181,198
General Obligation Debt Payable from Ad Valorem Taxes as of 12/31/2021	\$ 54,020,000	
Total General Obligation Debt		\$ 54,020,000
Less: Self Supporting Debt ⁽¹⁾		\$ 38,092,772
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 15,927,228
Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation		2.15%

2022 Estimated Population - 7,000

Per Capita General Obligation Debt Payable from Ad Valorem Taxes - \$7,717

Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$2,275

(1) It is the City's current policy to pay such self-supporting debt from the respective revenue sources; this policy is subject to change in the future, although the City has no current plans to change its policy. In the event the City changes its policy, or if such revenues are not sufficient to pay debt service on such obligations, the City will be required to levy an ad valorem tax to pay such debt service (see Tables 1 and 10 herein for more detailed information on the City's general obligation self-supporting debt).

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Fiscal Year Ended September 30,					
	2022		2021		2020	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 522,619,812	64.50%	\$ 476,186,976	66.84%	\$ 468,339,015	67.60%
Real, Residential, Multi-Family	67,545,120	8.34%	42,008,840	5.90%	42,008,840	6.06%
Real, Vacant Lots/Tracts	26,391,291	3.26%	18,962,073	2.66%	23,152,933	3.34%
Real, Acreage (Land Only)	19,628,411	2.42%	18,376,330	2.58%	18,786,312	2.71%
Real, Farm and Ranch Improvements	15,505,423	1.91%	18,446,401	2.59%	18,249,875	2.63%
Real, Commercial & Industrial	122,393,284	15.11%	108,158,600	15.18%	100,825,084	14.55%
Oil, Gas & Minerals	24,400	0.00%	24,400	0.00%	39,090	0.01%
Real and Tangible Personal, Utilities	7,027,210	0.87%	6,864,960	0.96%	5,262,930	0.76%
Tangible Personal, Commercial	10,579,000	1.31%	9,301,040	1.31%	9,579,910	1.38%
Tangible Personal, Industrial	7,669,010	0.95%	5,521,650	0.78%	4,299,510	0.62%
Tangible Personal, Mobile Homes	4,000	0.00%	4,000	0.00%	4,000	0.00%
Inventory, Residential	9,226,604	1.14%	6,706,273	0.94%	678,600	0.10%
Inventory, Special	1,588,290	0.20%	1,823,680	0.26%	1,597,330	0.23%
Total Market Value	\$ 810,201,855	100.00%	\$ 712,385,223	100.00%	\$ 692,823,429	100.00%
Less: Total Exemptions/Reductions	(69,020,657)		(61,357,904)		(80,627,868)	
Net Taxable Assessed Value	<u>\$ 741,181,198</u>		<u>\$ 651,027,319</u>		<u>\$ 612,195,561</u>	

Category	Fiscal Year Ended September 30,			
	2019		2018	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 384,439,686	67.74%	\$ 375,409,168	67.65%
Real, Residential, Multi-Family	29,177,506	5.14%	29,177,506	5.26%
Real, Vacant Lots/Tracts	20,096,621	3.54%	24,206,542	4.36%
Real, Acreage (Land Only)	16,174,559	2.85%	17,235,051	3.11%
Real, Farm and Ranch Improvements	12,405,202	2.19%	13,434,262	2.42%
Real, Commercial & Industrial	85,701,324	15.10%	78,587,628	14.16%
Oil, Gas & Minerals	310,750	0.05%	117,870	0.02%
Real and Tangible Personal, Utilities	5,360,420	0.94%	5,412,490	0.98%
Tangible Personal, Commercial	8,616,580	1.52%	7,244,510	1.31%
Tangible Personal, Industrial	2,645,680	0.47%	2,573,200	0.46%
Tangible Personal, Mobile Homes	4,000	0.00%	4,000	0.00%
Inventory, Residential	1,344,600	0.24%	1,500	0.00%
Inventory, Special	1,287,280	0.23%	1,527,330	0.28%
Total Market Value	\$ 567,564,208	100.00%	\$ 554,931,057	100.00%
Less: Total Exemptions/Reductions	(48,739,028)		(63,422,637)	
Net Taxable Assessed Value	<u>\$ 518,825,180</u>		<u>\$ 491,508,420</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Parker County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year ⁽³⁾	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Tax Debt Per Capita
2018	5,080	\$ 491,508,420	\$ 96,754	\$ 16,395,000	3.34%	\$ 3,227
2019	5,500	518,825,180	94,332	31,555,000	6.08%	5,737
2020	5,500	612,195,561	111,308	30,325,000	4.95%	5,514
2021	7,000	651,027,319	93,004	48,975,000	7.52%	6,996
2022	7,000	741,181,198	105,883	52,215,000 ⁽⁴⁾	7.04% ⁽⁴⁾	7,459 ⁽⁴⁾

(1) Source: City of Willow Park.

(2) As reported by the Parker County Appraisal District on City's annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) Includes self-supporting debt.

(4) Projected.

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Total Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2018	\$ 0.5367	\$ 0.3084	\$ 0.2283	\$ 2,434,218	99.52%	99.83%
2019	0.5367	0.3084	0.2283	2,574,674	99.71%	100.43%
2020	0.5367	0.2918	0.2449	3,285,654	99.52%	99.52%
2021	0.5367	0.2685	0.2682	3,167,632	95.79% ⁽¹⁾	96.48% ⁽¹⁾
2022	0.5666	0.3016	0.2650	4,115,905	In process of collection	

(1) Unaudited.

TABLE 5 - TEN LARGEST TAXPAYERS ⁽¹⁾

Name of Taxpayer	Nature of Property	2021/2022 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
WW Olympus Crown Partners	Apartment	\$ 41,800,000	5.64%
WPD Trinity LLC	Land	20,407,360	2.75%
Texas Health Resources	Health Care	13,734,200	1.85%
The Shops at Crown Park	Shopping Center	13,388,110	1.81%
St Marianne Cope Health	Health Care	7,090,630	0.96%
Willow Park Preserve LP	Senior Living Facility	7,019,010	0.95%
Mit-Mar Land LP	Land Investor	6,371,970	0.86%
Oncor Electric	Utility	6,041,580	0.82%
WPAL 2015 LLC	Nursing Home	6,037,370	0.81%
Morrison Group	Land	5,652,680	0.76%
		<u>\$ 127,542,910</u>	<u>17.21%</u>

(1) Source: Parker County Appraisal District.

TABLE 6 - TAX ADEQUACY

2022 Principal and Interest Requirements, All General Obligation Debt ⁽¹⁾	\$ 2,909,348
\$0.4089 Tax Rate at 96% Collection Produces	\$ 2,909,462
Maximum Principal and Interest Requirements, All General Obligation Debt, 2026 ⁽¹⁾	\$ 3,422,287
\$0.4810 Tax Rate at 96% Collection Produces	\$ 3,422,478
2022 Principal and Interest Requirements, Net General Obligation Debt ⁽²⁾	\$ 1,387,678
\$0.1951 Tax Rate at 96% Collection Produces	\$ 1,388,203
Maximum Principal and Interest Requirements, Net General Obligation Debt, 2026 ⁽²⁾	\$ 1,586,300
\$0.2230 Tax Rate at 96% Collection Produces	\$ 1,586,721

(1) Includes self-supporting debt.

(2) Does not include self-supporting debt.

TABLE 8 - GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year Ending 9/30	Outstanding Debt			Less: Self Supporting Debt Service	General Purpose General Obligation Requirements	% of Principal Retired
	Principal	Interest	Total			
2022	\$ 1,805,000	\$ 1,104,348	\$ 2,909,348	\$ 1,521,670	\$ 1,387,678	
2023	2,300,000	1,009,104	3,309,104	1,810,156	1,498,948	
2024	2,405,000	966,234	3,371,234	1,840,340	1,530,894	
2025	2,485,000	919,854	3,404,854	1,840,917	1,563,937	
2026	2,550,000	872,287	3,422,287	1,835,987	1,586,300	21.37%
2027	1,770,000	832,555	2,602,555	1,834,651	767,904	
2028	1,800,000	800,031	2,600,031	1,830,597	769,434	
2029	1,840,000	766,035	2,606,035	1,838,392	767,642	
2030	1,875,000	730,457	2,605,457	1,835,306	770,151	
2031	1,960,000	692,636	2,652,636	1,838,688	813,948	38.49%
2032	1,975,000	652,382	2,627,382	1,814,282	813,100	
2033	1,735,000	614,152	2,349,152	1,538,252	810,900	
2034	1,780,000	578,099	2,358,099	1,545,299	812,800	
2035	1,810,000	540,102	2,350,102	1,541,302	808,800	
2036	1,810,000	500,470	2,310,470	1,501,570	808,900	55.35%
2037	1,845,000	461,498	2,306,498	1,496,223	810,275	
2038	1,830,000	424,348	2,254,348	1,445,198	809,150	
2039	1,860,000	387,080	2,247,080	1,438,630	808,450	
2040	1,905,000	348,239	2,253,239	1,441,164	812,075	
2041	1,945,000	307,740	2,252,740	1,442,715	810,025	72.72%
2042	1,990,000	265,612	2,255,612	1,443,312	812,300	
2043	1,480,000	230,085	1,710,085	1,438,010	272,075	
2044	1,510,000	201,465	1,711,465	1,441,815	269,650	
2045	1,540,000	171,822	1,711,822	1,439,822	272,000	
2046	1,575,000	141,095	1,716,095	1,442,045	274,050	87.71%
2047	1,330,000	113,447	1,443,447	1,443,447	-	
2048	1,355,000	89,047	1,444,047	1,444,047	-	
2049	1,380,000	63,835	1,443,835	1,443,835	-	
2050	1,410,000	37,803	1,447,803	1,447,803	-	
2051	575,000	18,515	593,515	593,515	-	98.91%
2052	590,000	6,225	596,225	596,225	-	100.00%
	<u>\$ 54,020,000</u>	<u>\$ 14,821,860</u>	<u>\$ 68,866,600</u>	<u>\$ 47,405,213</u>	<u>\$ 21,461,386</u>	

TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION

Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2022 ⁽¹⁾		\$ 1,387,678
Interest and Sinking Fund, 9/30/2021 ⁽²⁾	187,390	
Calculated Interest and Sinking Fund Levy, Fiscal Year Ending September 30, 2022	<u>1,964,130</u>	<u>2,151,520</u>
Estimated Balance, 9/30/2022		<u>\$ 763,842</u>

(1) Excludes self-supporting debt.

(2) Unaudited.

TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT

Gross Income, Waterworks & Sewer System, Fiscal Year Ended 9/30/2021 ⁽¹⁾	\$ 3,668,212
Less: Net Operating Expenses, Waterworks & Sewer System, Fiscal Year Ended 9/30/2021 ⁽²⁾	<u>1,874,194</u>
Balance Available for Other Purposes	\$ 1,794,018
Waterworks and Sewer System General Obligation Requirements, Fiscal Year Ended 9/30/2022	\$ 1,521,670
Percentage of Waterworks and Sewer System General Obligation Debt Self-Supporting	100.00%

(1) Unaudited.

(2) Excludes depreciation. Unaudited.

TABLE 11 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

As of January 31, 2022, the City has no authorized but unissued general obligation debt.

TABLE 12 - OTHER OBLIGATIONS ⁽¹⁾

In February 2014 the City acquired a Chevy Tahoe for the police department with a capital lease. The lease requires annual payments of \$4,443 including interest at 3.92% through February 28, 2022.

In February 2014 the City acquired a brush truck for the fire department and a 2015 Freightliner for the water department with a capital lease. The lease requires annual payments of \$27,524 including interest at 3.626% through February 29, 2024. This lease is split between the governmental activities and business-type activities.

In April 2017 the City acquired a pumper fire truck with a capital lease. The lease requires annual payments of \$48,292 including interest at 3.28% through April 21, 2027.

In August 2018, The City entered into a lease agreement with Enterprise for a fleet of vehicles for a total of \$412,648 through February 29, 2024. This lease is split between the governmental activities and business-type activities.

In September 2018, the City acquired radios and equipment for \$373,072 with a capital lease. The lease requires annual payments of \$47,013 including interest at 4.38% through October 30, 2028.

In December 2018, the City acquired a Chassis Ladder Truck for \$1,499,005 with a capital lease. The lease requires annual payments of \$195,691.35 including interest at 4.29% through January 16, 2030.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, were as follows:

Year Ending	Governmental
9/30	Activities
2022	\$ 365,304
2023	360,862
2024	321,210
2025	290,956
2026	290,956
2027-2030	924,923
Total minimum lease payments	\$ 2,554,211
Less: interest portion	(408,593)
Obligations under capital lease	<u>\$ 2,145,618</u>

(1) Unaudited.

PENSION FUND. . . The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the State-wide Texas Municipal Retirement System ("TMRS") one of 887 administered by TMRS, an agent multiple-employer retirement system. Each employer, including the City, has an annual actuarial valuation performed. The City makes annual contributions to the plan equal to the amounts accrued for pension expense.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are 100 percent of employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit, which is a theoretical amount that, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and the City matching percent had always been in existence and if the employee's salary had always been the average of his or her salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Employees can retire at ages 60 and above with five or more years of service or with 20 years of service regardless of age. An employee is vested after five years. The plan provisions are adopted by the City Council of the City, within the options available in the State statutes governing TMRS. The contribution rate for the employees is 7%. The contribution rates for the City were 7.54% and 7.35% in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$219,176, and were equal to the required contributions.

For more detailed information concerning the City's retirement plan, see the City's Annual Financial Report - Note 9.

OTHER POST-EMPLOYMENT BENEFITS

As a result of its participation in the plan, and having no other post-employment benefit plans, the City has no obligations for other post-employment benefits within the meaning of Governmental Accounting Standards Board Statement 45.

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TABLE 13 - GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Years Ended September 30,				
	2021 ⁽¹⁾	2020	2019	2018	2017
Revenues:					
Property Taxes	\$ 1,543,006	\$ 1,579,675	\$ 1,474,202	\$ 1,356,873	\$ 1,208,976
Sales and Use Taxes	1,530,690	1,280,021	1,150,147	1,071,970	852,606
Franchise Taxes	373,064	374,099	384,572	365,744	349,980
Court Fines and Fees	132,049	125,688	157,639	201,045	237,122
Licenses and Permits	773,439	709,424	392,864	376,265	270,448
Investment Earnings	3,519	14,508	44,201	22,271	6,283
Intergovernmental	1,169	1,352	1,312	1,319	1,327
Contributions	1,059	3,724	2,943	3,601	4,949
Other Revenue	368,147	5,293	5,315	17,835	15,426
Total Revenues	<u>\$ 4,726,142</u>	<u>\$ 4,093,783</u>	<u>\$ 3,613,195</u>	<u>\$ 3,416,923</u>	<u>\$ 2,947,117</u>
Expenditures:					
Administration	\$ 482,636	\$ 460,193	\$ 482,935	\$ 378,871	\$ 353,074
Development Services	438,289	439,630	336,579	369,069	271,856
Legislative	225,463	196,561	213,340	152,633	136,999
Municipal Court	185,797	182,861	162,673	146,937	146,890
Police	1,435,646	1,226,316	1,071,708	1,106,365	1,002,192
Fire and Rescue	1,113,559	1,070,992	1,025,957	850,680	723,762
Public Works, Parks, and Roads	219,097	477,466	732,491	208,007	254,731
Miscellaneous Expenses	-	550,713	-	-	-
Capital Outlay	238,313	2,767	1,819,960	113,346	406,651
Debt Service	130,483	106,045	-	-	-
Total Expenditures	<u>\$ 4,469,283</u>	<u>\$ 4,713,544</u>	<u>\$ 5,845,643</u>	<u>\$ 3,325,908</u>	<u>\$ 3,296,155</u>
Excess (Deficient) Revenues Over Expenditures	\$ 256,859	\$ (619,761)	\$ (2,232,448)	\$ 91,015	\$ (349,038)
Transfers In (Out) and Other Sources	\$ 35,000	\$ 265,970	\$ 2,382,321	\$ 4,963	\$ 467,024
Fund Balance Beginning of Year	\$ 1,081,420	\$ 1,435,211	\$ 1,285,338	\$ 1,231,526	\$ 1,113,540
Prior Period Restatement	-	-	-	(42,166)	-
Fund Balance End of Year	<u>\$ 1,373,279</u>	<u>\$ 1,081,420</u>	<u>\$ 1,435,211</u>	<u>\$ 1,285,338</u>	<u>\$ 1,231,526</u>

(1) Unaudited.

TABLE 13A - CHANGE IN NET ASSETS

	Fiscal Year Ended September 30,				
Revenues:	2021 ⁽¹⁾	2020	2019	2018	2017
Program Revenues:					
Charges for Services	\$ 915,949	\$ 843,307	\$ 564,507	\$ 583,582	\$ 537,641
Operating Grants and Contributions	2,328	39,664	33,447	4,920	6,276
General Revenues:					
Property Tax	3,221,649	3,050,245	2,629,388	2,419,845	2,156,694
Sales Taxes	1,530,690	1,280,021	1,150,147	1,071,970	852,606
Franchise Tax	308,679	374,099	384,572	365,744	346,216
Hotel Occupancy Tax	-	5,043	5,031	12,730	13,858
Investment Earnings	4,221	32,857	134,616	145,568	50,385
Gain on Sale of Capital Assets	35,000	-	(23,701)	-	-
Other Revenue	377,728	386,695	34,894	3,375	43,880
Total Revenues	<u>\$ 6,396,244</u>	<u>\$ 6,011,931</u>	<u>\$ 4,912,901</u>	<u>\$ 4,607,734</u>	<u>\$ 4,007,556</u>
Expenses:					
Administration	\$ 607,623	\$ 602,695	\$ 501,630	\$ 437,105	\$ 367,720
Development Services	580,985	455,251	375,944	484,043	273,612
Legislative	224,779	198,218	213,352	144,412	137,755
Municipal Court	185,270	191,964	166,396	148,447	149,626
Police Department	1,600,273	1,379,019	1,114,541	1,201,906	1,127,593
Fire and Rescue	1,385,158	1,401,421	1,242,509	860,223	829,305
Public Works, Parks & Roads	1,015,177	1,121,842	1,195,888	523,031	579,075
Debt Service	472,258	686,842	335,572	376,303	281,068
Total Expenses	<u>\$ 6,071,523</u>	<u>\$ 6,037,252</u>	<u>\$ 5,145,832</u>	<u>\$ 4,175,470</u>	<u>\$ 3,745,754</u>
Increase (Decrease) in Net Assets	\$ 324,721	\$ (25,321)	\$ (232,931)	\$ 432,264	\$ 261,802
Transfers	-	250,713	(57,047)	-	4,849
Beginning Net Assets	\$ 3,094,742	\$ 2,869,350	\$ 3,159,328	\$ 2,895,727	\$ 2,629,076
Prior Year Adjustment	(342,941)	-	-	(168,663)	-
Ending Net Assets	<u>\$ 3,076,522</u>	<u>\$ 3,094,742</u>	<u>\$ 2,869,350</u>	<u>\$ 3,159,328</u>	<u>\$ 2,895,727</u>

(1) Unaudited.

TABLE 14 - CITY SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, Texas Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. The Tax Code provides certain cities and counties the option of assessing a maximum one-half percent (1/2%) sales tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional tax is approved and levied, the ad valorem property tax levy must be reduced by the estimated amount of the sales tax revenues to be generated in the current year. Subject to the approval of a majority of the voters in a local option election, state law also provides certain cities the option of assessing a sales and use tax for a variety of other purposes, including economic and industrial development, municipal street maintenance and repair, and sports and community venues.

State law limits the maximum aggregate sales and use tax rate in any area to 8¼%. Accordingly, the collection of local sales and use taxes in the area of the City (including sales and use taxes levied by the City) is limited to no more than 2% (when combined with the State sales and use tax rate of 6¼%).

In addition to the one percent (1%) local sales and use tax referred to above, the City imposes an additional one-half percent (1/2%) sales and use tax for the reduction of ad valorem taxes.

Fiscal Year Ended	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
9/30				
2018	\$ 1,071,970	44.04%	\$ 0.2181	\$ 211.02
2019	1,150,147	44.67%	0.2217	209.12
2020	1,280,021	38.96%	0.2091	232.73
2021	1,530,690 ⁽³⁾	48.32%	0.2351	218.67
2022	528,297 ⁽⁴⁾	12.84%	0.0713	75.47

(1) Includes the additional one-half percent (1/2%) sales and use tax collected for the reduction of ad valorem taxes.

(2) See Estimated Population under Table 3-Valuation and General Obligation Debt History.

(3) Unaudited.

(4) Collections as of March 1, 2022.

TABLE 15 - CURRENT INVESTMENTS

As of October 31, 2021, the City's investable funds were invested in the following categories:

Description	Market Value
Certificates of Deposit	\$ 129,124
TexSTAR	515,426
Cash	249,273
Totals	<u>\$ 893,823</u>