

## 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):**

\$ 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  
\$ 3,980,000 Combination Tax and Revenue Certificates of Obligation, Series 2022A

**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

X Annual Financial Report or ACFR

X Financial Information & Operating Data

Other (describe) \_\_\_\_\_

X Fiscal Period Covered: FYE 2022

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/ Bryan Grimes

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

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

Date	Principal	CUSIP
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
	<u>\$ 445,000</u>	

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

Date	Principal	CUSIP
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>\$ 720,000</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
02/15/24	\$ 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>\$ 12,465,000</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
02/15/24	\$ 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>\$ 13,720,000</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>	

**Combination Tax and Revenue Certificates of Obligation, Series 2022A**

Date	Principal	CUSIP
02/15/24	\$ 190,000	971148LM1
02/15/25	200,000	971148LN9
02/15/26	210,000	971148LP4
02/15/27	225,000	971148LQ2
02/15/28	235,000	971148LR0
02/15/29	245,000	971148LS8
02/15/30	260,000	971148LT6
02/15/31	275,000	971148LU3
02/15/32	285,000	971148LV1
02/15/33	300,000	971148LW9
02/15/35	645,000	971148LY5
02/15/36	350,000	971148LZ2
02/15/37	360,000	971148MA6
	<u>\$ 3,780,000</u>	

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2022

CITY OF WILLOW PARK, TEXAS

GENERAL OBLIGATION





## **FINANCIAL STATEMENTS**

The audited financial statements for the City for the fiscal year ended September 30, 2022 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

---

Bryan Grimes

City Administrator

Approved for Submission:

03/24/2023

---

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/ Kristopher Vasquez

---

# CITY OF WILLOW PARK, TEXAS

## 2023 GENERAL OBLIGATION DEBT REPORT

**TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT**

2022/2023 Market Valuation Established by Parker County Appraisal District (excluding totally exempt property)		\$ 853,434,300
Less Exemptions/Reductions at 100% Market Value:		
Local Option - Over-65	\$ 5,122,566	
Veterans Exemption Loss	17,137,049	
Productivity Value Loss	20,479,651	
Abatements	13,182,230	
10% Cap Loss	4,257,233	
Miscellaneous Exemptions	960,661	61,139,390
2022/2023 Taxable Assessed Valuation		\$ 792,294,910
General Obligation Debt Payable from Ad Valorem Taxes as of 02/28/2023		
Outstanding Debt <sup>(1)</sup>	\$ 53,695,000	
Total General Obligation Debt		\$ 53,695,000
Less: Self Supporting Debt <sup>(2)</sup>		
Water & Sewer System Supported Debt	\$ 35,962,873	
Drainage System Supported Debt	3,780,000	
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 13,952,127
Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation		1.76%
2023 Estimated Population - 7,000		
Per Capita General Obligation Debt Payable from Ad Valorem Taxes - \$7,671		
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$1,993		

(1) Includes self-supporting debt.

(2) 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,					
	2023		2022		2021	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 535,147,362	62.71%	\$ 522,619,812	64.50%	\$ 476,186,976	66.84%
Real, Residential, Multi-Family	81,926,039	9.60%	67,545,120	8.34%	42,008,840	5.90%
Real, Vacant Lots/Tracts	28,700,031	3.36%	26,391,291	3.26%	18,962,073	2.66%
Real, Acreage (Land Only)	20,578,013	2.41%	19,628,411	2.42%	18,376,330	2.58%
Real, Farm and Ranch Improvements	16,175,133	1.90%	15,505,423	1.91%	18,446,401	2.59%
Real, Commercial & Industrial	132,250,188	15.50%	122,393,284	15.11%	108,158,600	15.18%
Oil, Gas & Minerals	3,000	0.00%	24,400	0.00%	24,400	0.00%
Real and Tangible Personal, Utilities	8,044,660	0.94%	7,027,210	0.87%	6,864,960	0.96%
Tangible Personal, Commercial	12,188,920	1.43%	10,579,000	1.31%	9,301,040	1.31%
Tangible Personal, Industrial	8,194,660	0.96%	7,669,010	0.95%	5,521,650	0.78%
Tangible Personal, Mobile Homes	4,000	0.00%	4,000	0.00%	4,000	0.00%
Inventory, Residential	8,301,184	0.97%	9,226,604	1.14%	6,706,273	0.94%
Inventory, Special	1,921,110	0.23%	1,588,290	0.20%	1,823,680	0.26%
Total Market Value	\$ 853,434,300	100.00%	\$ 810,201,855	100.00%	\$ 712,385,223	100.00%
Less: Total Exemptions/Reductions	(61,139,390)		(68,383,657)		(61,357,904)	
Net Taxable Assessed Value	<u>\$ 792,294,910</u>		<u>\$ 741,818,198</u>		<u>\$ 651,027,319</u>	

  

Category	Fiscal Year Ended September 30,			
	2020		2019	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 468,339,015	67.60%	\$ 384,439,686	67.74%
Real, Residential, Multi-Family	42,008,840	6.06%	29,177,506	5.14%
Real, Vacant Lots/Tracts	23,152,933	3.34%	20,096,621	3.54%
Real, Acreage (Land Only)	18,786,312	2.71%	16,174,559	2.85%
Real, Farm and Ranch Improvements	18,249,875	2.63%	12,405,202	2.19%
Real, Commercial & Industrial	100,825,084	14.55%	85,701,324	15.10%
Oil, Gas & Minerals	39,090	0.01%	310,750	0.05%
Real and Tangible Personal, Utilities	5,262,930	0.76%	5,360,420	0.94%
Tangible Personal, Commercial	9,579,910	1.38%	8,616,580	1.52%
Tangible Personal, Industrial	4,299,510	0.62%	2,645,680	0.47%
Tangible Personal, Mobile Homes	4,000	0.00%	4,000	0.00%
Inventory, Residential	678,600	0.10%	1,344,600	0.24%
Inventory, Special	1,597,330	0.23%	1,287,280	0.23%
Total Market Value	\$ 692,823,429	100.00%	\$ 567,564,208	100.00%
Less: Total Exemptions/Reductions	(80,627,868)		(48,739,028)	
Net Taxable Assessed Value	<u>\$ 612,195,561</u>		<u>\$ 518,825,180</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 <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year <sup>(3)</sup>	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Tax Debt Per Capita
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	741,818,198	105,974	56,195,000	7.58%	8,028
2023	7,000	792,294,910	113,185	53,695,000 <sup>(4)</sup>	6.78% <sup>(4)</sup>	7,671 <sup>(4)</sup>

(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 3B -DERIVATION OF GENERAL PURPOSE FUNDED TAX DEBT**

Fiscal Year Ended 9/30	General Obligation Debt Outstanding	Less: Water and Sewer Self-Supporting Tax Debt	Less: Drainage Self-Supporting Tax Debt	General Purpose Funded Tax Debt
2019	\$ 31,555,000	\$ 5,122,730	\$ -	\$ 26,432,270
2020	30,325,000	18,612,760	-	11,712,240
2021	48,975,000	23,962,772	-	25,012,228
2022	56,195,000	37,241,456	3,980,000	14,973,544
2023	53,695,000	35,962,873	3,780,000	13,952,127

**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
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%	96.48%
2022	0.5666	0.3016	0.2650	4,115,905	92.43%	92.99%
2023	0.5385	0.2839	0.2545	4,266,112	In process of collection	

**TABLE 5 - TEN LARGEST TAXPAYERS <sup>(1)</sup>**

Name of Taxpayer	Nature of Property	2022/2023 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
WW Olympus Crown Partners	Apartment	\$ 41,800,000	5.28%
WPD Trinity LLC	Land	27,673,709	3.49%
The Shops at Crown Park	Shopping Center	13,388,110	1.69%
Willow Park Preserve LP	Apartment	12,019,010	1.52%
First National Bank of Wfrd	Bank	8,984,060	1.13%
St Marianne Cope Health Care	Health Care	7,078,350	0.89%
Oncor Electric Delivery	Utility	7,039,830	0.89%
WPAL 2015 LLC	Assisted Living	5,927,370	0.75%
Willow Park North	Land	4,966,790	0.63%
Willow Park MOB	Medical	4,895,890	0.62%
		<u>\$ 133,773,119</u>	<u>16.88%</u>

(1) Source: Parker County Appraisal District.

**TABLE 6 - TAX ADEQUACY**

2023 Principal and Interest Requirements, All General Obligation Debt <sup>(1)</sup>	\$ 3,676,814
\$0.4835 Tax Rate at 96% Collection Produces	\$ 3,677,516
Maximum Principal and Interest Requirements, All General Obligation Debt, 2026 <sup>(1)</sup>	\$ 3,789,437
\$0.4983 Tax Rate at 96% Collection Produces	\$ 3,790,085
2023 Principal and Interest Requirements, Net General Obligation Debt <sup>(2)</sup>	\$ 1,498,948
\$0.1971 Tax Rate at 96% Collection Produces	\$ 1,499,149
Maximum Principal and Interest Requirements, Net General Obligation Debt, 2026 <sup>(2)</sup>	\$ 1,586,300
\$0.2086 Tax Rate at 96% Collection Produces	\$ 1,586,618

(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: Water & Sewer Self Supporting Debt Service	Less: Drainage Self Supporting Debt Service	General Purpose General Obligation Requirements	% of Principal Retired
	Principal	Interest	Total				
2023	\$ 2,500,000	\$ 1,176,814	\$ 3,676,814	\$ 1,810,156	\$ 367,710	\$ 1,498,948	
2024	2,595,000	1,143,384	3,738,384	1,840,340	367,150	1,530,894	
2025	2,685,000	1,087,254	3,772,254	1,840,917	367,400	1,563,937	
2026	2,760,000	1,029,437	3,789,437	1,835,987	367,150	1,586,300	
2027	1,995,000	978,830	2,973,830	1,834,651	371,275	767,904	22.31%
2028	2,035,000	934,806	2,969,806	1,830,597	369,775	769,434	
2029	2,085,000	888,810	2,973,810	1,838,392	367,775	767,642	
2030	2,135,000	840,607	2,975,607	1,835,306	370,150	770,151	
2031	2,235,000	789,411	3,024,411	1,838,688	371,775	813,948	
2032	2,260,000	735,157	2,995,157	1,814,282	367,775	813,100	41.44%
2033	2,035,000	682,302	2,717,302	1,538,252	368,150	810,900	
2034	2,095,000	630,874	2,725,874	1,545,299	367,775	812,800	
2035	2,140,000	576,752	2,716,752	1,541,302	366,650	808,800	
2036	2,160,000	521,870	2,681,870	1,501,570	371,400	808,900	
2037	2,205,000	468,698	2,673,698	1,496,223	367,200	810,275	60.36%
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	
2042	1,990,000	265,612	2,255,612	1,443,312	-	812,300	77.32%
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	
2047	1,330,000	113,447	1,443,447	1,443,447	-	-	90.55%
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	-	-	
2052	590,000	6,225	596,225	596,225	-	-	100.00%
	<u>\$ 56,195,000</u>	<u>\$ 15,291,362</u>	<u>\$ 71,486,362</u>	<u>\$ 45,883,543</u>	<u>\$ 5,529,110</u>	<u>\$ 20,073,708</u>	

**TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION**

Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2023 <sup>(1)</sup>	\$ 1,498,948
Interest and Sinking Fund Balance, 9/30/2022	300,080
Calculated Interest and Sinking Fund Levy, Fiscal Year Ending September 30, 2023	<u>2,016,462</u>
Estimated Balance, 9/30/2023	<u>\$ 817,594</u>

(1) Excludes self-supporting debt.

**TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT**

Gross Income, Waterworks & Sewer System, Fiscal Year Ended 9/30/2022	\$ 4,065,600
Less: Net Operating Expenses, Waterworks & Sewer System, Fiscal Year Ended 9/30/2022 <sup>(1)</sup>	<u>2,310,920</u>
Balance Available for Other Purposes	\$ 1,754,680
Waterworks and Sewer System General Obligation Requirements, Fiscal Year Ended 9/30/2023	\$ 1,810,156
Percentage of Waterworks and Sewer System General Obligation Debt Self-Supporting <sup>(2)</sup>	96.94%
Gross Income, Drainage Utility System, Fiscal Year Ended 9/30/2022	\$ 330,894
Less: Net Operating Expenses, Drainage Utility System, Fiscal Year Ended 9/30/2022 <sup>(1)</sup>	<u>84,360</u>
Balance Available for Other Purposes	\$ 246,534
Drainage Utility System General Obligation Requirements, Fiscal Year Ended 9/30/2023	\$ 367,710
Percentage of Drainage Utility System General Obligation Debt Self-Supporting <sup>(2)</sup>	67.05%

(1) Excludes depreciation.

(2) Additional resources are available and sufficient to equal system requirements.

**TABLE 11 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

As of January 31, 2023, the City has no authorized but unissued general obligation debt.

**TABLE 12 - OTHER OBLIGATIONS****Notes from Direct Borrowings-Governmental Activities***Brush Truck*

- To fund the purchase of one brush truck for the fire department.
- Original balance of \$77,347.
- Payable in annual installments of \$9,106 including principal and interest, maturing February 28, 2024.
- Interest payable annually on February 28 at 3.626%.
- Outstanding balance of \$17,266 at September 30, 2022.

*Fire Truck*

- To fund the purchase of one fire truck.
- Original balance of \$406,651.
- Payable in annual installments of \$48,292 including principal and interest, maturing April 21, 2027.
- Interest payable annually on April 21 at 3.28%.
- Outstanding balance of \$219,404 at September 30, 2022.

*Radios & Equipment*

- To fund the purchase of radios and equipment for the fire and police departments.
- Original balance of \$373,072.
- Payable in annual installments of \$47,013 including principal and interest, maturing October 30, 2028.
- Interest payable annually on October 30 at 4.38%
- Outstanding balance of \$244,892 at September 30, 2022.

*Ladder Truck*

- To fund the purchase of a Chassis ladder truck.
- Original balance of \$1,499,005.
- Payable in annual installments of \$195,651 including principal and interest, maturing January 16, 2030.
- Interest payable annually on January 16 at 4.29%
- Outstanding balance of \$1,301,639 at September 30, 2022.



The annual requirements to amortize long-term debt as of September 30, 2022 are as follows:

Fiscal Year Ending 9/30	Notes Payable from Direct Borrowings Governmental Activities	
	Principal	Interest
2023	\$ 224,212	\$ 75,850
2024	233,390	66,672
2025	233,842	57,113
2026	243,466	47,491
2027	253,489	37,467
2028-2032	594,802	52,814
Total	\$ 1,783,201	\$ 337,407

## **Leases**

The City leases ten vehicles for use by the police department, fire and rescue department, and public works, parks and road department. Each vehicle's original lease term is 60 months with monthly payments ranging from \$327 to \$903. Interest rates range from 3.69% to 6.43%.

The annual requirements to amortize lease activity as of September 30, 2022 are as follows:

Fiscal Year Ending 9/30	Governmental Activities	
	Principal	Interest
2023	\$ 69,840	\$ 5,579
2024	46,325	2,292
2025	28,928	827
2026	6,446	60
Total	\$ 151,539	\$ 8,758

## **PENSION PLAN**

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

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

The City makes annual contributions to the plan equal to the amounts accrued for pension expense. (For more detailed information concerning the retirement plan, see Note K. Defined Benefit Pension Plan of the City's Annual Financial Report for the Fiscal Year Ended September 30, 2022.

## **OTHER POST-EMPLOYMENT BENEFITS**

The City participates in a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The City has elected, by ordinance, to participate in this program and provide group-term life insurance coverage for both active and retired employees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be a single-employer unfunded other postemployment benefit (OPEB) plan. Since only the retiree participants qualifies as an OPEB, the SDBF is administered through a non-qualifying trust per paragraph 4, item (b), of the Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For more information concerning the City's supplemental death benefits, see Note L. Other Post Employment Benefits in the City's Annual Financial Report for Fiscal Year Ended September 30, 2022.

**TABLE 13 - GENERAL FUND REVENUES AND EXPENDITURES HISTORY**

	Fiscal Years Ended September 30,				
	2022	2021	2020	2019	2018
<b>Revenues:</b>					
Property Taxes	\$ 1,903,522	\$ 1,543,006	\$ 1,579,675	\$ 1,474,202	\$ 1,356,873
Sales and Use Taxes	1,866,827	1,530,690	1,280,021	1,150,147	1,071,970
Franchise Taxes	397,514	373,064	374,099	384,572	365,744
Court Fines and Fees	168,865	132,049	125,688	157,639	201,045
Drainage Fees	330,894	-	-	-	-
Licenses and Permits	725,298	773,439	709,424	392,864	376,265
Investment Earnings	36,684	3,519	14,508	44,201	22,271
Intergovernmental	843	1,169	1,352	1,312	1,319
Contributions	175	1,059	3,724	2,943	3,601
Other Revenue	1,561	368,147	5,293	5,315	17,835
Total Revenues	<u>\$ 5,432,183</u>	<u>\$ 4,726,142</u>	<u>\$ 4,093,783</u>	<u>\$ 3,613,195</u>	<u>\$ 3,416,923</u>
<b>Expenditures:</b>					
Administration	\$ 500,280	\$ 482,636	\$ 460,193	\$ 482,935	\$ 378,871
Development Services	603,714	438,289	439,630	336,579	369,069
Legislative	191,736	225,463	196,561	213,340	152,633
Municipal Court	160,202	185,797	182,861	162,673	146,937
Police	1,446,442	1,435,646	1,226,316	1,071,708	1,106,365
Fire and Rescue	1,199,198	1,113,559	1,070,992	1,025,957	850,680
Public Works, Parks, and Roads	329,851	219,097	477,466	732,491	208,007
Miscellaneous Expenses	-	-	550,713	-	-
Capital Outlay	233,508	238,313	2,767	1,819,960	113,346
Debt Service	202,450	130,483	106,045	-	-
Total Expenditures	<u>\$ 4,867,381</u>	<u>\$ 4,469,283</u>	<u>\$ 4,713,544</u>	<u>\$ 5,845,643</u>	<u>\$ 3,325,908</u>
Excess (Deficient) Revenues					
Over Expenditures	\$ 564,802	\$ 256,859	\$ (619,761)	\$ (2,232,448)	\$ 91,015
Transfers In (Out) and Other Sources	4,411,385	\$ 35,000	\$ 265,970	\$ 2,382,321	\$ 4,963
Fund Balance Beginning of Year	\$ 1,373,279	\$ 1,081,420	\$ 1,435,211	\$ 1,285,338	\$ 1,231,526
Prior Period Restatement	-	-	-	-	(42,166)
Fund Balance End of Year	<u>\$ 6,349,466</u>	<u>\$ 1,373,279</u>	<u>\$ 1,081,420</u>	<u>\$ 1,435,211</u>	<u>\$ 1,285,338</u>

**TABLE 13A - CHANGE IN NET ASSETS**

	Fiscal Year Ended September 30,				
<b>Revenues:</b>	2022	2021	2020	2019	2018
Program Revenues:					
Charges for Services	\$ 897,933	\$ 915,949	\$ 843,307	\$ 564,507	\$ 583,582
Operating Grants and Contributions	172,239	2,328	39,664	33,447	4,920
General Revenues:					
Property Tax	3,834,214	3,221,649	3,050,245	2,629,388	2,419,845
Sales Taxes	1,866,827	1,530,690	1,280,021	1,150,147	1,071,970
Franchise Tax	397,514	308,679	374,099	384,572	365,744
Hotel Occupancy Tax	142,932	-	5,043	5,031	12,730
Drainage Fees	330,894	-	-	-	-
Investment Earnings	75,373	4,221	32,857	134,616	145,568
Gain on Sale of Capital Assets	37,793	35,000	-	(23,701)	-
Other Revenue	20,551	377,728	386,695	34,894	3,375
Total Revenues	<u>\$ 7,776,270</u>	<u>\$ 6,396,244</u>	<u>\$ 6,011,931</u>	<u>\$ 4,912,901</u>	<u>\$ 4,607,734</u>
<b>Expenses:</b>					
Administration	\$ 536,874	\$ 607,623	\$ 602,695	\$ 501,630	\$ 437,105
Development Services	865,865	580,985	455,251	375,944	484,043
Legislative	189,575	224,779	198,218	213,352	144,412
Municipal Court	157,886	185,270	191,964	166,396	148,447
Police Department	1,576,253	1,600,273	1,379,019	1,114,541	1,201,906
Fire and Rescue	1,445,665	1,385,158	1,401,421	1,242,509	860,223
Public Works, Parks & Roads	1,414,337	1,015,177	1,121,842	1,195,888	523,031
Debt Service	446,871	472,258	686,842	335,572	376,303
Total Expenses	<u>\$ 6,633,326</u>	<u>\$ 6,071,523</u>	<u>\$ 6,037,252</u>	<u>\$ 5,145,832</u>	<u>\$ 4,175,470</u>
Increase (Decrease) in Net Assets	\$ 1,142,944	\$ 324,721	\$ (25,321)	\$ (232,931)	\$ 432,264
Transfers	-	-	250,713	(57,047)	-
Beginning Net Position	\$ 3,076,522	\$ 3,094,742	\$ 2,869,350	\$ 3,159,328	\$ 2,895,727
Prior Year Adjustment	158,246	(342,941)	-	-	(168,663)
Ending Net Position	<u>\$ 4,377,712</u>	<u>\$ 3,076,522</u>	<u>\$ 3,094,742</u>	<u>\$ 2,869,350</u>	<u>\$ 3,159,328</u>

**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 city's debt. 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 9/30	Total Collected <sup>(1)</sup>	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita <sup>(2)</sup>
2019	\$ 1,150,147	44.67%	\$ 0.2217	\$ 209.12
2020	1,280,021	38.96%	0.2091	232.73
2021	1,530,690	48.32%	0.2351	218.67
2022	1,866,827	45.36%	0.2517	266.69
2023	949,201 <sup>(3)</sup>	22.25%	0.1198	135.60

(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) Collections as of March 1, 2023.

**TABLE 15 - CURRENT INVESTMENTS**

As of September 30, 2022, the City's investable funds were invested in the following categories:

Description	Market Value
TexSTAR	\$ 2,138,075
Cash	18,029,256
Totals	<u>\$ 20,167,331</u>