

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2018



CITY OF CLYDE, TEXAS

General Obligation Debt



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES

## **FINANCIAL STATEMENTS**

The audited financial statements for the City for the fiscal year ended September 30, 2017 are being filed with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository 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 CLYDE, TEXAS**

/s/ Mike Murray

Mike Murray  
City Manager

Approved for Submission:

7/2/2019

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 Clyde, Texas with respect to the issues listed on the report cover was submitted to the National Recognized Municipal Securities Information Repository (“NRMSIR”) and any applicable State Information Depository and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

Municipal Securities Rulemaking Board (“MSRB”)  
via the Electronic Municipal Market Access (“EMMA”) System

Specialized Public Finance Inc.  
Signed by: /s/ Cameron Thatcher

# CITY OF CLYDE, TEXAS

## 2018 GENERAL OBLIGATION DEBT REPORT

**TABLE 1 – VALUATION, EXEMPTION AND GENERAL OBLIGATION DEBT**

2018/19 Market Valuation of Taxable Property Established by Callahan County Appraisal District (excluding totally exempt property)		\$ 167,536,660
Less Exemptions/Reductions at 100% Market Value:		
Over 65	\$ 2,010,000	
Disabled Veterans	3,934,240	
Productivity Loss	958,740	
Miscellaneous	1,719,670	
Homestead Cap	<u>10,336,770</u>	<u>\$ 18,959,420</u>
2018/19 Net Taxable Assessed Valuation		\$ 148,577,240
Debt Payable From Ad Valorem Taxes (as of 9/30/2018):		\$ 10,871,000
Less Supported Debt:		
Waterworks and Sewer System General Obligation Debt <sup>(1)</sup>		10,871,000
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ -
Ratio Net General Obligation Debt Payable from Ad Valorem Taxes to Net Taxable Assessed Valuation		0.00%

2018 Estimated Population - 3,851  
Per Capita Taxable Assessed Valuation - \$38,581  
Per Capita Net Debt Payable from Ad Valorem Taxes - \$0

(1) Includes 100% of Combination Tax & Limited Surplus Revenue Certificates of Obligation, Series 2006 Combination Tax & Revenue Certificates of Obligation, Series 2008A, Combination Tax & Revenue Certificates of Obligation, Taxable, Series 2008B, and Combination Tax & Limited Surplus Revenue Certificates of Obligation, Series 2010 and the Tax-Exempt and Taxable Certificates Series 2013.

**TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY**

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2019		2018		2017	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 126,547,590	75.53%	\$ 119,436,170	73.28%	\$ 101,207,890	73.28%
Real, Residential, Multi-Family	2,136,560	1.28%	2,105,400	1.43%	1,980,340	1.43%
Real, Vacant Platted Lots	1,206,770	0.72%	1,214,260	0.95%	1,314,250	0.95%
Real, Acreage (Land Only)	1,087,580	0.65%	1,070,540	0.75%	1,033,430	0.75%
Real, Farm and Ranch Improvements	1,103,450	0.66%	448,160	0.31%	430,610	0.31%
Real, Commercial and Industrial	16,712,480	9.98%	16,335,950	10.12%	13,973,550	10.12%
Real & Intangible Personal, Utilities	4,350,840	2.60%	4,040,030	2.56%	3,530,710	2.56%
Tangible Personal, Business	8,015,240	4.78%	8,639,290	6.49%	8,967,600	6.49%
Tangible Personal, Other	2,971,290	1.77%	3,080,370	1.69%	2,328,050	1.69%
Real, Inventory	15,990	0.01%	15,990	0.01%	15,990	0.01%
Special Inventory	3,388,870	2.02%	2,933,970	2.41%	3,328,940	2.41%
Total Appraised Value Before Exemptions	\$ 167,536,660	100.00%	\$ 159,320,130	100.00%	\$ 138,111,360	100.00%
Less: Total Exemptions/Reductions	18,959,420		19,137,279		7,858,023	
Taxable Assessed Value	<u>\$ 148,577,240</u>		<u>\$ 140,182,851</u>		<u>\$ 130,253,337</u>	

  

Category	2016		2015	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 98,259,710	72.75%	\$ 95,742,320	73.45%
Real, Residential, Multi-Family	1,985,820	1.47%	1,990,830	1.53%
Real, Vacant Platted Lots	1,332,790	0.99%	952,280	0.73%
Real, Acreage (Land Only)	1,049,290	0.78%	1,164,710	0.89%
Real, Farm and Ranch Improvements	400,840	0.30%	285,770	0.22%
Real, Commercial and Industrial	13,409,770	9.93%	12,202,170	9.36%
Real & Intangible Personal, Utilities	3,582,260	2.65%	3,068,300	2.35%
Tangible Personal, Business	8,811,460	6.52%	8,737,320	6.70%
Tangible Personal, Other	2,177,870	1.61%	2,151,710	1.65%
Real, Inventory	15,990	0.01%	15,990	0.01%
Special Inventory	4,043,030	2.99%	4,037,980	3.10%
Total Appraised Value Before Exemptions	\$ 135,068,830	100.00%	\$ 130,349,380	100.00%
Less: Total Exemptions/Reductions	6,894,741		6,821,340	
Taxable Assessed Value	<u>\$ 128,174,089</u>		<u>\$ 123,528,040</u>	

**TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY**

Fiscal Year Ended 9/30	Estimated City Population <sup>(1)</sup>	Taxable Assessed Valuation	Per Capita Taxable Assessed Valuation	General Obligation (G.O.) Tax Debt <sup>(2)</sup>	Ratio G.O. Tax Debt to Taxable Assessed Valuation	Per Capita G.O. Tax Debt
2015	3,851	\$ 123,528,040	\$ 32,077	\$ 12,012,000	9.72%	\$ 3,119
2016	3,851	128,174,089	33,283	11,499,000	8.97%	2,986
2017	3,851	130,253,337	33,823	11,190,000	8.59%	2,906
2018	3,851	140,182,851	36,402	10,871,000	7.75%	2,823
2019	3,851	148,577,240	38,581	10,596,000 <sup>(3)</sup>	7.13%	2,751

(1) Source: The City

(2) Includes self-supporting

(3) Projected.

**TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY**

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Adjusted Tax Levy	% Current Collections	% Total Collections
2015	\$ 0.6369	\$ 0.4996	\$ 0.1373	\$ 761,548	97.89%	98.95%
2016	0.6369	0.5070	0.1300	789,000	97.54%	98.23%
2017	0.6369	0.5487	0.0882	802,178	98.30%	100.05%
2018	0.6973	0.5196	0.1777	976,850	91.08%	92.36%
2019	0.7000	0.4000	0.3000	974,510	In Process of Collection	

**TABLE 5 – TEN LARGEST TAXPAYERS**

Name of Taxpayer	2018/2019 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Blake Fulenwider Chrysler/Dodge/Jeep LTD	\$ 5,402,330	3.64%
AEP Texas North Company	2,044,840	1.38%
First Financial	1,422,320	0.96%
United Supermarkets LLC	1,094,830	0.74%
Philip Mintz	1,080,050	0.73%
United Supermarkets LLC	893,990	0.60%
McDonald's Real Estate	864,030	0.58%
Union Pacific Railroad	821,740	0.55%
Taborosa Development LLC	651,890	0.44%
David Self Estate	641,700	0.43%
	<u>\$ 14,917,720</u>	<u>10.04%</u>

**TABLE 6 – TAX ADEQUACY (1)**

2019 Total Debt Principal and Interest Requirements	\$ 799,968
\$0.5495 Tax Rate at 98% Collection Produces	\$ 800,103
Average Net Tax Supported Debt Annual Principal and Interest Requirements, 2019 - 2043	\$ 751,055
\$0.5159 Tax Rate at 98% Collection Produces	\$ 751,180
Maximum Net Tax Supported Debt Principal and Interest Requirements, 2021	\$ 805,776
\$0.5534 Tax Rate at 98% Collection Produces	\$ 805,782

(1) Includes self-supporting debt.

**TABLE 8 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**

Year Ending 9/30	Outstanding Debt			Less: Self- Supporting Debt	Net Total Requirements
	Principal	Interest	Total		
2019	\$ 275,000	\$ 524,968	\$ 799,968	\$ 799,968	\$ -
2020	285,000	515,675	800,675	800,675	-
2021	301,000	504,776	805,776	805,776	-
2022	300,000	492,413	792,413	792,413	-
2023	315,000	479,338	794,338	794,338	-
2024	330,000	464,938	794,938	794,938	-
2025	350,000	447,838	797,838	797,838	-
2026	370,000	429,713	799,713	799,713	-
2027	385,000	410,563	795,563	795,563	-
2028	405,000	390,588	795,588	795,588	-
2029	430,000	369,513	799,513	799,513	-
2030	440,000	347,738	787,738	787,738	-
2031	390,000	328,338	718,338	718,338	-
2032	415,000	310,863	725,863	725,863	-
2033	430,000	291,300	721,300	721,300	-
2034	450,000	271,025	721,025	721,025	-
2035	470,000	249,800	719,800	719,800	-
2036	475,000	226,500	701,500	701,500	-
2037	500,000	202,750	702,750	702,750	-
2038	525,000	177,750	702,750	702,750	-
2039	550,000	151,500	701,500	701,500	-
2040	575,000	124,000	699,000	699,000	-
2041	605,000	95,250	700,250	700,250	-
2042	635,000	65,000	700,000	700,000	-
2043	665,000	33,250	698,250	698,250	-
	<u>\$ 10,871,000</u>	<u>\$ 7,905,381</u>	<u>\$ 18,776,381</u>	<u>\$ 18,776,381</u>	<u>\$ -</u>

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

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2019	\$ 799,968
Interest and Sinking Fund, 9/30/2018	3,528
2018 Interest and Sinking Fund Tax Levy @ 98% Collection	436,817
Less: Self-Supporting Debt	<u>799,968</u>
Estimated Balance, 9/30/2019	<u><u>\$ 440,345</u></u>

**TABLE 10 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

As of September 30, 2018, the City has no authorized but unissued general obligation debt.

**TABLE 11 – OTHER OBLIGATIONS**

The City acquired a five-year note payable to finance the purchase of three police patrol vehicles in October, 2015. Total amount financed was \$121,575 at 3.74% interest payable in annual installments of \$33,315. As of September 30, 2018, principal outstanding was \$63,065.

The City acquired a four-year note payable to finance the purchase of an animal control vehicle in October, 2017. Total amount financed was \$43,770 at 3.20% interest payable in annual installments of \$5,871. As of September 30, 2018, principal outstanding was \$22,578.

The City acquired a six-year capital lease obligation to finance the purchase of a new backhoe in November, 2017. Total amount financed was \$93,186 at 4.20% interest payable in annual installments of \$1,466. As of September 30, 2018, principal outstanding was \$82,779.



**TABLE 12 – CHANGES IN NET POSITION**

	Fiscal Year Ending September 30,				
	2018	2017	2016	2015	2014
Program Revenues:					
Charges for Services	\$ 338,193	\$ 287,404	\$ 279,559	\$ 350,576	\$ 405,273
Operating Grants	50,362	16,479	36,457	1,264	21,554
General Revenues:					
Taxes	1,596,584	1,443,596	1,489,039	1,377,847	1,368,428
Administrative Costs	509,000	644,000	465,000	284,926	283,926
Fines	-	-	-	-	-
Investment Earnings	3,322	2,181	980	1,974	2,642
Other	31,114	50,310	30,393	65,168	-
<b>Total Revenues</b>	<b>\$ 2,528,575</b>	<b>\$ 2,443,970</b>	<b>\$ 2,301,428</b>	<b>\$ 2,081,755</b>	<b>\$ 2,081,823</b>
Program Expenses:					
General Government	\$ 467,582	\$ 577,789	\$ 569,062	\$ 437,595	\$ 399,559
Senior citizens	18,371	18,655	18,558	19,067	16,697
Cemetery	7,248	10,072	4,824	6,609	5,071
Library	102,993	109,409	94,797	91,495	85,552
Police and municipal court	959,044	887,122	861,213	859,245	826,512
Fire	88,641	102,766	99,659	100,992	104,079
Parks and recreation	136,335	124,198	203,701	155,116	170,460
Clyde Lake	90,238	85,737			
Code enforcement	57,132	51,032	42,923	42,331	38,974
Animal Control	88,838	134,361	140,184	120,648	129,655
Street	334,317	390,635	380,525	361,469	368,683
Interest expense on long-term debt	39,915	41,571	38,583	40,776	42,906
<b>Total Expenses</b>	<b>\$ 2,390,654</b>	<b>\$ 2,533,347</b>	<b>\$ 2,454,029</b>	<b>\$ 2,235,343</b>	<b>\$ 2,188,148</b>
Excess (Deficiency) before Other Resources, Uses, and Transfers	\$ 137,921	\$ (89,377)	\$ (152,601)	\$ (153,588)	\$ (106,325)
Other Resources Transfers In (Out)	(235,500)	(114,000)	(125,000)	(125,000)	(125,000)
Increase (Decrease) in Net Assets	\$ (97,579)	\$ (203,377)	\$ (277,601)	\$ (278,588)	\$ (231,325)
Net position-beginning of year	\$ 2,051,343	\$ 2,254,720	\$ 2,532,321	\$ 3,132,368	\$ 3,363,693
Prior period adjustment	(21,601)	-	-	(321,459)	-
<b>Net position-end of year</b>	<b>\$ 1,932,163</b>	<b>\$ 2,051,343</b>	<b>\$ 2,254,720</b>	<b>\$ 2,532,321</b>	<b>\$ 3,132,368</b>

**TABLE 12A – GENERAL FUND REVENUES AND EXPENDITURES HISTORY**

	Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
<u>Revenues:</u>					
Taxes:					
General Property Tax	\$ 900,799	\$ 798,869	\$ 786,291	\$ 753,519	\$ 726,401
General Sales Tax	545,798	534,503	593,595	486,615	528,605
Other Taxes - Franchise Tax	123,108	94,681	96,653	124,376	105,336
Penalty and Interest on Delinquent Taxes	11,732	13,518	12,233	9,051	11,613
Licenses and Permits	16,949	19,466	13,279	6,160	7,785
Administrative Cost Allocation	509,000	644,000	465,000	284,926	283,926
Charges for Services	6,158	5,230	12,960	9,005	7,974
Fines	309,886	261,908	246,920	330,211	357,791
Grants	49,218	15,386	35,344	-	-
Other Revenue	31,114	50,310	30,393	65,168	45,712
Investment Earnings	2,980	1,818	809	1,697	2,265
Total Revenues	\$ 2,506,742	\$ 2,439,689	\$ 2,293,477	\$ 2,070,728	\$ 2,077,408
<u>Expenditures:</u>					
General Government	\$ 461,542	\$ 568,683	\$ 556,192	\$ 421,156	\$ 392,865
Senior Citizens	15,859	16,143	16,046	16,555	14,185
Cemetery	4,166	5,798	1,383	1,568	1,830
Library	98,227	101,290	141,972	89,385	82,204
Police	718,190	630,896	766,836	572,991	585,201
Municipal Court	230,749	201,520	198,359	254,846	208,151
Fire	62,993	74,068	54,227	29,921	33,008
Domestic Preparedness	-	-	-	-	-
Parks and Recreation	114,666	95,269	174,877	159,035	142,459
Clyde Lake	91,334	82,634			
Code Enforcement	57,882	48,830	42,248	42,499	38,944
Animal Control	80,305	145,585	137,875	119,390	128,148
Streets	186,844	228,189	215,779	210,076	201,971
Debt Service:					
Principal	94,605	77,669	53,092	62,998	64,265
Interest and Fiscal Charges	40,145	41,795	38,818	41,070	43,107
Total Expenditures	\$ 2,257,507	\$ 2,318,369	\$ 2,397,704	\$ 2,021,490	\$ 1,936,338
Excess (Deficiency) of Revenues Over Expenditures	\$ 249,235	\$ 121,320	\$ (104,227)	\$ 49,238	\$ 141,070
Other Financing Sources (Uses):					
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	(235,500)	(114,000)	(125,000)	(125,000)	(125,000)
Loan Proceeds	-	-	121,575	-	-
Insurance Proceeds	-	-	-	-	-
Total Other Sources (Uses)	\$ (235,500)	\$ (114,000)	\$ (3,425)	\$ (125,000)	\$ (125,000)
Net Change in Fund Balances	\$ 13,735	\$ 7,320	\$ (107,652)	\$ (75,762)	\$ 16,070
Beginning Fund Balance	\$ 12,617	\$ 5,296	\$ 112,948	\$ 188,710	\$ 172,640
Prior Period Adjustment		1	-	-	-
Ending Fund Balance	\$ 26,352	\$ 12,617	\$ 5,296	\$ 112,948	\$ 188,710

**TABLE 13 – MUNICIPAL SALES TAX HISTORY**

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>
2014	\$ 528,605	70.71%	0.4503	\$ 137
2015	486,615	63.90%	0.3939	126
2016	593,595	75.23%	0.4631	154
2017	534,503	66.63%	0.4104	139
2018	545,798	55.87%	0.3893	142

Source: Texas Comptroller of Public Accounts.

(1) Excludes collections of the one-half percent (1/2%) sales and use tax for economic development.

(2) Based on population estimates of the City.

**TABLE 14 - CURRENT INVESTMENTS**

As of September 30, 2018, the City had no investable funds.