

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2019



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, 2019 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:

7/14/2020

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

Specialized Public Finance Inc.

Signed by: /s/ Kristin Merz

CITY OF CLYDE, TEXAS

2019 GENERAL OBLIGATION DEBT REPORT

TABLE 1 – VALUATION, EXEMPTION AND GENERAL OBLIGATION DEBT

2019/20 Market Valuation of Taxable Property Established by Callahan County Appraisal District (excluding totally exempt property)		\$ 171,036,440
Less Exemptions/Reductions at 100% Market Value:		
Over 65	\$ 2,075,000	
Disabled Veterans	3,835,180	
Productivity Loss	948,020	
Miscellaneous	1,506,882	
Homestead Cap	6,187,080	\$ 14,552,162
2019/20 Net Taxable Assessed Valuation		\$ 156,484,278
Debt Payable From Ad Valorem Taxes (as of 9/30/2019):		\$ 10,596,000
Less Supported Debt:		
Waterworks and Sewer System General Obligation Debt ⁽¹⁾		10,596,000
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%

2019 Estimated Population - 3,851
Per Capita Taxable Assessed Valuation - \$40,610
Per Capita Net Debt Payable from Ad Valorem Taxes - \$0

(1) Includes 100% of Combination Tax & Limited Surplus Revenue Certificates of Obligation, Series 2006 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,					
	2020		2019		2018	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 128,525,010	75.14%	\$ 126,547,590	75.53%	\$ 119,436,170	73.28%
Real, Residential, Multi-Family	2,120,020	1.24%	2,136,560	1.28%	2,105,400	1.43%
Real, Vacant Platted Lots	1,211,300	0.71%	1,206,770	0.72%	1,214,260	0.95%
Real, Acreage (Land Only)	1,076,690	0.63%	1,087,580	0.65%	1,070,540	0.75%
Real, Farm and Ranch Improvements	928,870	0.54%	1,103,450	0.66%	448,160	0.31%
Real, Commercial and Industrial	17,380,170	10.16%	16,712,480	9.98%	16,335,950	10.12%
Real & Intangible Personal, Utilities	4,741,930	2.77%	4,350,840	2.60%	4,040,030	2.56%
Tangible Personal, Business	8,388,810	4.90%	8,015,240	4.78%	8,639,290	6.49%
Tangible Personal, Other	3,225,710	1.89%	2,971,290	1.77%	3,080,370	1.69%
Real, Inventory	15,990	0.01%	15,990	0.01%	15,990	0.01%
Special Inventory	3,421,940	2.00%	3,388,870	2.02%	2,933,970	2.41%
Total Appraised Value Before Exemptions	\$ 171,036,440	100.00%	\$ 167,536,660	100.00%	\$ 159,320,130	100.00%
Less: Total Exemptions/Reductions	14,552,162		18,959,420		19,137,279	
Taxable Assessed Value	<u>\$ 156,484,278</u>		<u>\$ 148,577,240</u>		<u>\$ 140,182,851</u>	

Category	2017		2016	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 101,207,890	73.28%	\$ 98,259,710	72.75%
Real, Residential, Multi-Family	1,980,340	1.43%	1,985,820	1.47%
Real, Vacant Platted Lots	1,314,250	0.95%	1,332,790	0.99%
Real, Acreage (Land Only)	1,033,430	0.75%	1,049,290	0.78%
Real, Farm and Ranch Improvements	430,610	0.31%	400,840	0.30%
Real, Commercial and Industrial	13,973,550	10.12%	13,409,770	9.93%
Real & Intangible Personal, Utilities	3,530,710	2.56%	3,582,260	2.65%
Tangible Personal, Business	8,967,600	6.49%	8,811,460	6.52%
Tangible Personal, Other	2,328,050	1.69%	2,177,870	1.61%
Real, Inventory	15,990	0.01%	15,990	0.01%
Special Inventory	3,328,940	2.41%	4,043,030	2.99%
Total Appraised Value Before Exemptions	\$ 138,111,360	100.00%	\$ 135,068,830	100.00%
Less: Total Exemptions/Reductions	7,858,023		6,894,741	
Taxable Assessed Value	<u>\$ 130,253,337</u>		<u>\$ 128,174,089</u>	

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated City Population ⁽¹⁾	Taxable Assessed Valuation	Per Capita Taxable Assessed Valuation	General Obligation (G.O.) Tax Debt ⁽²⁾	Ratio G.O. Tax Debt to Taxable Assessed Valuation	Per Capita G.O. Tax Debt
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	7.13%	2,751
2020	3,851	156,484,278	40,635	10,311,000 ⁽³⁾		2,677

- (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
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	1,020,037	92.74%	94.26%
2020	0.7000	0.4021	0.2979	1,095,390	In Process of Collection	

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	2019/2020 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Blake Fulenwider Chrysler/Dodge/Jeep LTD	\$ 5,427,550	3.47%
AEP Texas North Company	2,217,850	1.42%
First Financial	1,471,650	0.94%
United Supermarkets LLC	1,208,520	0.77%
Philip Mintz	1,078,990	0.69%
United Supermarkets LLC	1,026,940	0.66%
McDonald's Real Estate	877,360	0.56%
Union Pacific Railroad	853,940	0.55%
Taborosa Development LLC	645,580	0.41%
Craig & Juanita David	545,450	0.35%
	<u>\$ 15,353,830</u>	<u>9.81%</u>

TABLE 6 – TAX ADEQUACY ⁽¹⁾

2020 Total Debt Principal and Interest Requirements	\$	800,675
\$0.5222 Tax Rate at 98% Collection Produces	\$	800,818
Average Net Tax Supported Debt Annual Principal and Interest Requirements, 2020 - 2043	\$	749,017
\$0.4885 Tax Rate at 98% Collection Produces	\$	749,137
Maximum Net Tax Supported Debt Principal and Interest Requirements, 2021	\$	805,776
\$0.5255 Tax Rate at 98% Collection Produces	\$	805,878

(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		
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>\$ 10,596,000</u>	<u>\$ 7,380,414</u>	<u>\$ 17,976,414</u>	<u>\$ 17,976,414</u>	<u>\$ -</u>

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2020	\$ 800,675
Interest and Sinking Fund, 9/30/2019	8,467
2019 Interest and Sinking Fund Tax Levy @ 98% Collection	456,803
Less: Self-Supporting Debt	<u>800,675</u>
Estimated Balance, 9/30/2020	<u><u>\$ 465,270</u></u>

TABLE 10 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

As of September 30, 2019, 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, 2019, principal outstanding was \$32,109.

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, 2019, principal outstanding was \$11,400.

The City acquired a fifteen-year note payable to finance the purchase of a fire truck in June, 2019. Total amount financed was \$500,034 at 3.69% interest payable in annual installments of \$22,257. As of September 30, 2019, principal outstanding was \$500,034.

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, 2019, principal outstanding was \$67,157.

TABLE 12 – CHANGES IN NET POSITION

	Fiscal Year Ending September 30,				
	2019	2018	2017	2016	2015
Program Revenues:					
Charges for Services	\$ 380,966	\$ 338,193	\$ 287,404	\$ 279,559	\$ 350,576
Operating Grants	40,796	50,362	16,479	36,457	1,264
General Revenues:					
Taxes	1,704,767	1,596,584	1,443,596	1,489,039	1,377,847
Administrative Costs	525,000	509,000	644,000	465,000	284,926
Fines	-	-	-	-	-
Investment Earnings	6,090	3,322	2,181	980	1,974
Other	96,157	31,114	50,310	30,393	65,168
Total Revenues	\$ 2,753,776	\$ 2,528,575	\$ 2,443,970	\$ 2,301,428	\$ 2,081,755
Program Expenses:					
General Government	\$ 494,729	\$ 467,582	\$ 577,789	\$ 569,062	\$ 437,595
Senior citizens	18,092	18,371	18,655	18,558	19,067
Cemetery	7,436	7,248	10,072	4,824	6,609
Library	116,920	102,993	109,409	94,797	91,495
Police and municipal court	1,102,578	959,044	887,122	861,213	859,245
Fire	96,856	88,641	102,766	99,659	100,992
Parks and recreation	136,096	136,335	124,198	203,701	155,116
Clyde Lake	108,523	90,238	85,737		
Code enforcement	131,228	57,132	51,032	42,923	42,331
Animal Control	111,274	88,838	134,361	140,184	120,648
Street	381,213	334,317	390,635	380,525	361,469
Interest expense on long-term debt	45,120	39,915	41,571	38,583	40,776
Total Expenses	\$ 2,750,065	\$ 2,390,654	\$ 2,533,347	\$ 2,454,029	\$ 2,235,343
Excess (Deficiency) before Other Resources, Uses, and Transfers	\$ 3,711	\$ 137,921	\$ (89,377)	\$ (152,601)	\$ (153,588)
Other Resources Transfers In (Out)	(135,000)	(235,500)	(114,000)	(125,000)	(125,000)
Increase (Decrease) in Net Assets	\$ (131,289)	\$ (97,579)	\$ (203,377)	\$ (277,601)	\$ (278,588)
Net position-beginning of year	\$ 1,932,163	\$ 2,051,343	\$ 2,254,720	\$ 2,532,321	\$ 3,132,368
Prior period adjustment	-	(21,601)	-	-	(321,459)
Net position-end of year	\$ 1,800,874	\$ 1,932,163	\$ 2,051,343	\$ 2,254,720	\$ 2,532,321

TABLE 12A – GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30,				
	2019	2018	2017	2016	2015
Revenues:					
Taxes:					
General Property Tax	\$ 967,048	\$ 900,799	\$ 798,869	\$ 786,291	\$ 753,519
General Sales Tax	570,443	545,798	534,503	593,595	486,615
Other Taxes - Franchise Tax	141,246	123,108	94,681	96,653	124,376
Penalty and Interest on Delinquent Taxes	23,350	11,732	13,518	12,233	9,051
Licenses and Permits	29,360	16,949	19,466	13,279	6,160
Administrative Cost Allocation	525,000	509,000	644,000	465,000	284,926
Charges for Services	9,666	6,158	5,230	12,960	9,005
Fines	340,740	309,886	261,908	246,920	330,211
Grants	39,600	49,218	15,386	35,344	-
Other Revenue	96,157	31,114	50,310	30,393	65,168
Investment Earnings	5,707	2,980	1,818	809	1,697
Total Revenues	\$ 2,748,317	\$ 2,506,742	\$ 2,439,689	\$ 2,293,477	\$ 2,070,728
Expenditures:					
General Government	\$ 483,173	\$ 461,542	\$ 568,683	\$ 556,192	\$ 421,156
Senior Citizens	15,580	15,859	16,143	16,046	16,555
Cemetery	4,138	4,166	5,798	1,383	1,568
Library	119,986	98,227	101,290	141,972	89,385
Police	842,396	718,190	630,896	766,836	572,991
Municipal Court	241,578	230,749	201,520	198,359	254,846
Fire	545,248	62,993	74,068	54,227	29,921
Domestic Preparedness	-	-	-	-	-
Parks and Recreation	121,175	114,666	95,269	174,877	159,035
Clyde Lake	108,597	91,334	82,634	-	-
Code Enforcement	129,159	57,882	48,830	42,248	42,499
Animal Control	98,552	80,305	145,585	137,875	119,390
Streets	248,171	186,844	228,189	215,779	210,076
Debt Service:					
Principal	97,134	94,605	77,669	53,092	62,998
Interest and Fiscal Charges	40,104	40,145	41,795	38,818	41,070
Total Expenditures	\$ 3,094,991	\$ 2,257,507	\$ 2,318,369	\$ 2,397,704	\$ 2,021,490
Excess (Deficiency) of Revenues Over Expenditures	\$ (346,674)	\$ 249,235	\$ 121,320	\$ (104,227)	\$ 49,238
Other Financing Sources (Uses):					
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	(135,000)	(235,500)	(114,000)	(125,000)	(125,000)
Loan Proceeds	500,035	-	-	121,575	-
Insurance Proceeds	-	-	-	-	-
Total Other Sources (Uses)	\$ 365,035	\$ (235,500)	\$ (114,000)	\$ (3,425)	\$ (125,000)
Net Change in Fund Balances	\$ 18,361	\$ 13,735	\$ 7,320	\$ (107,652)	\$ (75,762)
Beginning Fund Balance	\$ 26,352	\$ 12,617	\$ 5,296	\$ 112,948	\$ 188,710
Prior Period Adjustment			1	-	-
Ending Fund Balance	\$ 44,713	\$ 26,352	\$ 12,617	\$ 5,296	\$ 112,948

TABLE 13 – MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 9/30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
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
2019	570,443	55.92%	0.3839	148

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, 2019, the City had no investable funds.