

## 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 Decatur, Texas

**Issue(s):**

\$ 3,475,000 Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds,  
Series 2013

\$ 3,530,000 General Obligation Refunding Bonds, Series 2018

**Filing Format**  electronic \_\_\_ paper; If available on the Internet, give URL: \_\_\_\_\_

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

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

Annual Financial Report or CAFR

Financial Information & Operating Data

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

Fiscal Period Covered: FYE 2020

Monthly    Quarterly     Annual    Other: \_\_\_\_\_

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

Signature: /s/ Ana Canada

Name: Ana Canada Title: Director of Finance

Employer: City of Decatur, Texas

Telephone Number: 940-393-0203

Email Address: acanada@decatortx.org

## DESCRIPTION OF ISSUES COVERED BY THIS REPORT

### Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds, Series 2013

Date	Principal	CUSIP
03/01/22	\$ 365,000	243320GP7
03/01/23	380,000	243320GQ5
03/01/24	390,000	243320GR3
	<u>\$ 1,135,000</u>	

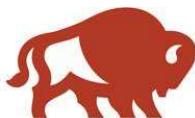
### General Obligation Refunding Bonds, Series 2018

Date	Principal	CUSIP
03/01/22	\$ 330,000	243320GV4
03/01/23	340,000	243320GW2
03/01/24	355,000	243320GX0
03/01/25	365,000	243320GY8
03/01/26	385,000	243320GZ5
03/01/27	400,000	243320HA9
03/01/28	415,000	243320HB7
	<u>\$ 2,590,000</u>	

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2020

CITY OF DECATUR, 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, 2020 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 Decatur, Texas**

/s/ Ana Canada

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Ana Canada

Director of Finance

Approved for Submission:

03/29/2021

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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 Decatur, 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/ Lou Ann Heath

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**CITY OF DECATUR, TEXAS**  
**2021 GENERAL OBLIGATION DEBT REPORT**

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

2020/2021 Market Valuation Established by Wise County Appraisal District (excludes totally exempt property)		\$ 930,193,363
Less Exemptions/Reductions at 100% Market Value:		
Homestead Cap Adjustment	\$ 9,955,442	
Over 65	12,930,804	
Disabled Persons	566,666	
Disabled Veterans Exemptions	2,860,458	
Freeport	30,714,623	
Minimum Value	45,669	
Agricultural Land Use Reductions	<u>33,747,997</u>	<u>90,821,659</u>
2020/2021 Taxable Assessed Valuation		<u>\$ 839,371,704</u>
General Obligation Debt Payable from Ad Valorem Taxes (as of 1/31/2021)		
Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds, Series 2013		\$ 1,495,000
General Obligation Refunding Bonds, Series 2018		<u>2,910,000</u>
Total General Obligation Debt Outstanding		\$ 4,405,000
Less: Self-Supporting Debt		<u>\$ -</u>
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 4,405,000
Interest and Sinking Fund Balance (as of 1/31/2021)		\$ 2,306,201
Ratio of Net General Obligation Tax Debt to Taxable Assessed Valuation		0.52%

2021 Estimated Population - 7,600  
Per Capita Assessed Valuation - \$110,444  
Per Capita Funded Debt - \$580

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

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2021		2020		2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 363,914,666	39.12%	\$ 340,720,637	38.84%	\$ 296,443,243	37.74%
Real, Residential, Multi-Family	23,426,720	2.52%	23,454,327	2.67%	20,623,390	2.63%
Real, Vacant Lots/Tracts	8,165,275	0.88%	8,293,695	0.95%	6,502,914	0.83%
Real, Acreage (Land Only)	33,936,639	3.65%	32,815,209	3.74%	29,229,890	3.72%
Real, Farm and Ranch Improvements	8,306,460	0.89%	9,191,990	1.05%	8,652,770	1.10%
Real, Commercial and Industrial	331,725,384	35.66%	312,301,344	35.60%	285,551,034	36.35%
Oil and Gas	7,290,122	0.78%	14,928,372	1.70%	15,215,437	1.94%
Real and Tangible Personal, Utilities	20,049,205	2.16%	16,485,636	1.88%	15,864,663	2.02%
Tangible Personal, Business	113,469,422	12.20%	99,521,822	11.35%	86,889,467	11.06%
Tangible Personal, Other	872,720	0.09%	810,400	0.09%	831,640	0.11%
Real Inventory	1,196,280	0.13%	1,251,810	0.14%	1,371,040	0.17%
Special Inventory	17,840,470	1.92%	17,444,470	1.99%	18,375,881	2.34%
Total Appraised Value Before Exemptions	\$ 930,193,363	100.00%	\$ 877,219,712	100.00%	\$ 785,551,369	100.00%
Less: Total Exemptions/Reductions	(90,821,659)		(86,205,864)		(62,419,544)	
Taxable Assessed Value	\$ 839,371,704		\$ 791,013,848		\$ 723,131,825	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2018		2017	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 258,910,824	37.15%	\$ 233,523,100	35.34%
Real, Residential, Multi-Family	18,758,390	2.69%	18,150,880	2.75%
Real, Vacant Lots/Tracts	7,181,290	1.03%	6,806,130	1.03%
Real, Acreage (Land Only)	28,167,540	4.04%	23,026,590	3.48%
Real, Farm and Ranch Improvements	7,958,090	1.14%	6,344,040	0.96%
Real, Commercial and Industrial	240,344,734	34.48%	231,450,774	35.02%
Oil and Gas	10,149,960	1.46%	10,457,790	1.58%
Real and Tangible Personal, Utilities	15,679,050	2.25%	16,146,890	2.44%
Tangible Personal, Business	93,047,130	13.35%	97,585,950	14.77%
Tangible Personal, Other	1,267,770	0.18%	2,023,370	0.31%
Real Inventory	-	0.00%	-	0.00%
Special Inventory	15,518,600	2.23%	15,348,000	2.32%
Total Appraised Value Before Exemptions	\$ 696,983,378	100.00%	\$ 660,863,514	100.00%
Less: Total Exemptions/Reductions	(50,969,743)		(49,372,154)	
Taxable Assessed Value	\$ 646,013,635		\$ 611,491,360	

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

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Percent Valuation Increase/(Decrease) Over Prior Year	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year	Ratio G.O. Tax Debt to Taxable Assessed Valuation	G.O. Tax Debt Per Capita
2017	6,648	\$ 611,491,360	-0.62%	\$ 91,981	\$ 8,860,000	1.45%	\$ 1,333
2018	6,721	646,013,635	5.65%	96,119	7,335,000	1.14%	1,091
2019	7,600	723,131,825	11.94%	95,149	5,895,000	0.82%	776
2020	7,600	791,013,848	9.39%	104,081	4,405,000	0.56%	580
2021	7,600	839,371,704	6.11%	110,444	3,725,000 <sup>(3)</sup>	0.44% <sup>(3)</sup>	490 <sup>(3)</sup>

(1) Source: City staff.

(2) As reported by the Wise County Appraisal District

(3) Projected

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

Tax Year	Total Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections	Fiscal Year Ended
2016	\$ 0.7030	\$ 0.4954	\$ 0.2076	\$ 4,316,944	99.47%	99.47%	9/30/2017
2017	0.7030	0.5089	0.1941	4,541,476	99.10%	99.10%	9/30/2018
2018	0.6670	0.4966	0.1704	4,823,460	99.00%	99.00%	9/30/2019
2019	0.6490	0.4892	0.1598	5,133,680	99.32%	99.32%	9/30/2020
2020	0.6000	0.5010	0.0990	4,939,923	82.48% <sup>(1)</sup>	82.48% <sup>(1)</sup>	9/30/2021

(1) Collections through February 28, 2021.

**TABLE 5 – TEN LARGEST TAXPAYERS**

Name of Taxpayer	Nature of Property	2020/21 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Poco Graphite Inc.	Industrial Manufacturing	\$ 38,381,542	4.57%
Karl Klement Properties	Commercial Building	12,640,180	1.51%
James Wood Motors Inc.	Car Dealership	12,398,420	1.48%
Lowe's Home Centers Inc.	Retail Store	11,983,730	1.43%
Double Creek Capital LTD	Apartments	10,443,054	1.24%
Wal-Mart Real Estate Business Trust	Retail Store	10,030,735	1.20%
BAAG Management	Hotel/Motel	9,423,920	1.12%
Oncor Electric Delivery Co.	Electric Utility	9,080,202	1.08%
JWM Dealership Property LLC	Car Dealership	6,846,070	0.82%
Wal-Mart Stores	Retail Store	6,211,860	0.74%
		<u>\$ 127,439,713</u>	<u>15.18%</u>

**TABLE 6 – TAX ADEQUACY**

2021 Net Principal and Interest Requirements.....	\$	824,550
\$ 0.0993 Tax Rate at 99% collection produces.....	\$	825,161
Average Annual Net Principal and Interest Requirements, 2021-2028.....	\$	622,316
\$ 0.0749 Tax Rate at 99% collection produces.....	\$	622,403
Maximum Net Principal and Interest Requirements, 2021.....	\$	824,550
\$ 0.0993 Tax Rate at 99% collection produces.....	\$	825,161

**TABLE 7 – ESTIMATED OVERLAPPING DEBT**

<u>Taxing Body</u>	<u>Debt Amount</u>	<u>As of</u>	<u>% Overlapping</u>	<u>Overlapping Amount</u>
Decatur ISD	\$ 54,523,659	2/28/2021	35.52%	\$ 19,366,804
Wise County	7,355,000	2/28/2021	10.02%	736,971
Wise County Water Supply District	3,040,000	2/28/2021	100%	<u>3,040,000</u>
Total Overlapping Debt	\$ 64,918,659			\$ 23,143,775
Decatur, TX		2/28/2021		<u>\$ 4,405,000</u>
Total Direct and Overlapping Debt				\$ 27,548,775
Total Direct and Overlapping Debt % of A.V.				3.28%
Total Direct and Overlapping Debt per Capita:				\$ 3,624.84

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

Fiscal Year Ending 9/30	Outstanding Debt Service			% of Principal Retired
	Principal	Interest	Total	
2021	\$ 680,000	\$ 144,550	\$ 824,550	
2022	695,000	123,925	818,925	
2023	720,000	101,000	821,000	
2024	745,000	75,550	820,550	
2025	365,000	55,300	420,300	72.76%
2026	385,000	40,300	425,300	
2027	400,000	24,600	424,600	
2028	415,000	8,300	423,300	100.00%
	<u>\$ 4,405,000</u>	<u>\$ 573,525</u>	<u>\$ 4,978,525</u>	

**TABLE 9 – CHANGE IN NET POSITION**

	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Revenues					
Program Revenues:					
Charges for Services	\$ 1,789,227	\$ 2,272,693	\$ 2,227,120	\$ 2,065,643	\$ 1,960,975
Operating Grants and Contributions	489,033	194,202	275,114	185,736	352,781
Capital Grants and Contributions	733,816	64,511	910,135	983,325	261,863
General Revenues:					
Property Taxes	5,135,364	4,782,837	4,558,834	4,327,983	4,341,637
Sales Taxes	4,761,377	4,479,472	4,493,582	3,966,962	3,952,857
Franchise, Occupancy and other taxes	1,013,899	1,160,263	1,138,696	1,119,951	941,684
Investment Earnings	100,567	213,417	145,347	46,391	13,333
Gain (Loss) on Sale of Fixed Assets	3,122	31,609	(86,754)	(15,808)	11,690
Miscellaneous	337,017	345,862	-	-	-
Total Revenues	<u>\$ 14,363,422</u>	<u>\$ 13,544,866</u>	<u>\$ 13,662,074</u>	<u>\$ 12,680,183</u>	<u>\$ 11,836,820</u>
Expenditures					
General government	\$ 762,268	\$ 1,404,151	\$ 933,340	\$ 1,348,354	\$ 1,216,504
Airport	347,077	287,748	270,771	258,521	307,598
Main street	199,218	210,748	162,784	153,992	160,992
Fire protection	1,626,165	1,457,971	1,536,910	1,369,565	1,482,925
Police	2,880,765	2,871,717	2,306,227	2,454,296	2,449,205
Animal Control	51,564	45,826	44,723	49,916	74,628
Streets	1,520,063	1,377,915	1,354,992	1,340,455	1,350,886
Library	696,025	645,113	555,804	544,794	566,175
Tax and court	305,892	325,156	302,600	289,226	284,861
Parks	575,546	588,605	533,086	576,643	590,789
Planning services	533,828	462,342	388,645	401,185	266,672
Inspection services	298,287	332,854	312,348	330,606	319,898
Cemetery	103,023	237,984	97,404	78,986	89,368
Conference center	807,547	908,750	1,103,988	1,067,454	1,093,460
Emergency management	-	-	-	12,527	18,063
Technology	418,679	391,117	366,348	365,002	75,856
Interest and fiscal charges	354,083	519,675	-	-	-
Economic Development	812,024	662,185	544,760	488,433	1,047,482
Total Expenses	<u>\$ 12,292,054</u>	<u>\$ 12,729,857</u>	<u>\$ 10,814,730</u>	<u>\$ 11,129,955</u>	<u>\$ 11,395,362</u>
Increase (Decrease) in Net Position	\$ 2,071,368	\$ 815,009	\$ 2,847,344	\$ 1,550,228	\$ 441,458
Net Transfers	-	(1,776,899)	452,749	375,000	-
Increase (Decrease in Net Position)	\$ 2,071,368	\$ (961,890)	\$ 3,300,093	\$ 1,925,228	\$ 441,458
Net Position - Beginning	\$ 28,745,660	\$ 27,463,268	\$ 24,397,080	\$ 22,304,020	\$ 21,487,445
Prior Period Adjustment	-	2,244,282	(233,905)	167,832	375,117
Net Position - Ending	<u>\$ 30,817,028</u>	<u>\$ 28,745,660</u>	<u>\$ 27,463,268</u>	<u>\$ 24,397,080</u>	<u>\$ 22,304,020</u>

**TABLE 10 – GENERAL FUND REVENUES AND EXPENDITURE HISTORY**

	Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
<u>Revenues:</u>					
Property Taxes	\$ 3,884,427	\$ 3,591,856	\$ 3,289,928	\$ 3,046,584	\$ 3,088,389
Sales Taxes	3,174,252	2,986,316	2,995,721	2,644,641	2,635,238
Franchise, occupancy and other taxes	1,013,899	1,160,263	1,138,696	1,119,951	941,684
Interest Income	33,498	70,926	44,104	14,711	4,482
Contributions, grants and donations	401,906	132,205	-	-	-
Conference center	371,538	683,550	686,466	581,004	585,154
Building permits and inspection fees	351,277	351,400	344,801	296,385	337,443
Fine and Forfeitures	694,665	661,374	849,532	833,851	798,961
Other	625,558	653,715	500,528	467,443	439,860
Total Revenues	<u>\$ 10,551,020</u>	<u>\$ 10,291,605</u>	<u>\$ 9,849,776</u>	<u>\$ 9,004,570</u>	<u>\$ 8,831,211</u>
<u>Expenditures:</u>					
General government	\$ 808,975	\$ 1,370,674	\$ 1,276,252	\$ 1,050,932	\$ 951,418
Airport	185,573	126,706	82,791	100,171	122,881
Main street	167,544	161,736	142,944	133,827	158,001
Fire protection	1,464,932	1,269,566	1,104,546	1,017,546	1,113,733
Police	2,745,484	2,571,198	2,180,921	2,144,803	2,140,076
Animal Control	50,788	45,050	43,222	49,865	77,184
Streets	891,500	870,738	801,021	788,854	796,288
Library	523,864	551,344	493,857	484,308	508,537
Tax and court	299,364	303,437	286,869	268,798	245,599
Parks	494,139	502,303	451,891	465,676	482,365
Planning services	542,407	457,079	361,325	393,003	246,524
Inspection services	301,654	329,613	305,926	309,196	308,752
Cemetery	97,768	80,933	72,723	74,613	76,219
Conference center	676,389	906,987	847,504	830,230	901,656
Economic development	68,507	96,515	-	-	-
Emergency management	-	-	-	12,527	18,063
Technology	422,902	390,942	369,066	360,305	69,299
Capital expenditures	429,069	718,461	570,996	95,268	251,965
Total Expenditures	<u>\$ 10,170,859</u>	<u>\$ 10,753,282</u>	<u>\$ 9,391,854</u>	<u>\$ 8,579,922</u>	<u>\$ 8,468,560</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 380,161	\$ (461,677)	\$ 457,922	\$ 424,648	\$ 362,651
Other Financing Sources (Uses)					
Other Sources (Uses)	3,122	14,188	-	-	-
Transfers In (Out)	-	704,000	452,968	341,573	(2,234)
Beginning Fund Balance	\$ 4,452,904	\$ 3,031,447	\$ 2,120,557	\$ 1,354,336	\$ 993,919
Prior Period Adjustment	-	1,164,946	-	-	-
Ending Fund Balance	<u>\$ 4,836,187</u>	<u>\$ 4,452,904</u>	<u>\$ 3,031,447</u>	<u>\$ 2,120,557</u>	<u>\$ 1,354,336</u>

**TABLE 11 – SALES TAX HISTORY**

Fiscal Year Ended 9/30	1% Total Collected	1/2% Sales Tax for Economic Development	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2017	\$ 2,661,622	\$ 1,330,811	\$ 3,992,434	61.66%	\$ 0.4353	\$ 400.36
2018	3,016,832	1,508,416	4,525,249	66.43%	0.4670	448.87
2019	2,986,315	1,493,158	4,479,473	61.91%	0.4130	392.94
2020	3,174,251	1,587,126	4,761,377	61.83%	0.4013	417.66
2021	1,119,657 <sup>(1)</sup>	559,829	1,679,486	22.67%	0.1334	147.32

(1) Collections as of March 2021.

**TABLE 12 – CURRENT INVESTMENTS**

As of January 31, 2021, the City’s funds were invested as follows:

Description	Percent	Book Value
Certificates of Deposit	2%	\$ 400,212
Bank/Checking	98%	15,760,996
Total	100%	\$ 16,161,208