

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: **Wise County Water Supply District**

Issue(s):

 \$ **3,130,000 Unlimited Tax Refunding Bonds, Series 2011**

 \$ **3,040,000 Unlimited Tax Refunding Bonds, Series 2018**

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 CAFR

X Financial Information & Operating Data

Other (describe) _____

X Fiscal Period Covered: FYE 2020

 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/ Ana Canada

Name: Ana Canada Title: Director of Finance

Employer: Wise County Water Supply District

Telephone Number: 940-393-0203

Email Address: acanada@decaturtx.org

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

Unlimited Tax Refunding Bonds, Series 2011

| Date | Principal | CUSIP |
|----------|------------|-----------|
| 07/10/21 | \$ 315,000 | 977198DQ0 |
| 07/10/22 | 330,000 | 977198DR8 |
| | \$ 645,000 | |

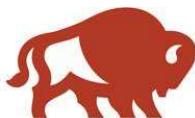
Unlimited Tax Refunding Bonds, Series 2018

| Date | Principal | CUSIP |
|----------|--------------|-----------|
| 07/10/21 | \$ 305,000 | 977198DV9 |
| 07/10/22 | 315,000 | 977198DW7 |
| 07/10/23 | 325,000 | 977198DX5 |
| 07/10/24 | 340,000 | 977198DY3 |
| 07/10/25 | 355,000 | 977198DZ0 |
| 07/10/26 | 370,000 | 977198EA4 |
| 07/10/27 | 385,000 | 977198EB2 |
| | \$ 2,395,000 | |

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

WISE COUNTY WATER SUPPLY DISTRICT

GENERAL OBLIGATION



HTS Continuing Disclosure Services

A Division of Hilltop Securities.

FINANCIAL STATEMENTS

The audited financial statements for the District 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 District 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 District or other matters described.

Wise County Water Supply District

/s/ Ana Canada

Ana Canada

Director of Finance

Approved for Submission:

03/29/2021

Date

**WISE COUNTY WATER SUPPLY DISTRICT, 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) | | \$ 930,135,323 |
| Less Exemptions/Reductions at 100% Market Value: | | |
| Homestead Cap Adjustment | \$ 9,955,442 | |
| Over 65 | 3,117,412 | |
| Disabled Veterans Exemptions | 3,052,176 | |
| Freeport | 30,714,623 | |
| Minimum Value | 45,669 | |
| Agricultural Land Use Reductions | <u>33,692,337</u> | <u>80,577,659</u> |
| 2020/2021 Taxable Assessed Valuation | | <u><u>\$ 849,557,664</u></u> |
| General Obligation Debt Payable from Ad Valorem Taxes (as of 1/31/2021) | | |
| Unlimited Tax Refunding Bonds, Series 2011 | | \$ 645,000 |
| Unlimited Tax Refunding Bonds, Series 2018 | | <u>2,395,000</u> |
| Total General Obligation Debt Outstanding | | \$ 3,040,000 |
| Less: Self-Supporting Debt | | <u>\$ -</u> |
| Net General Obligation Debt Payable from Ad Valorem Taxes | | \$ 3,040,000 |
| Interest and Sinking Fund Balance as of 1/31/2021 | | \$ 752,227 |
| Ratio of Net General Obligation Tax Debt to Taxable Assessed Valuation | | 0.358% |

2021 Estimated Population - 7,190
Per Capita Assessed Valuation - \$118,158
Per Capita Funded Debt - \$423

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) | 33,878,599 | 3.64% | 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 | \$ 930,135,323 | 100.00% | \$ 877,219,712 | 100.00% | \$ 785,551,369 | 100.00% |
| Less: Total Exemptions/Reductions | (80,577,659) | | (76,621,150) | | (63,180,029) | |
| Taxable Assessed Value | \$ 849,557,664 | | \$ 800,598,562 | | \$ 722,371,340 | |

| 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 | (52,282,074) | | (47,873,710) | |
| Taxable Assessed Value | \$ 644,701,304 | | \$ 612,989,804 | |

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

| Fiscal Year Ended 9/30 | Estimated Population ⁽¹⁾ | Taxable Assessed Valuation ⁽²⁾ | 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 | \$ 612,989,804 | -0.38% | \$ 92,207 | \$ 4,880,000 | 0.80% | \$ 734 |
| 2018 | 6,648 | 644,701,304 | 5.17% | 96,977 | 4,235,000 | 0.66% | 637 |
| 2019 | 6,721 | 722,371,340 | 12.05% | 107,480 | 3,645,000 | 0.50% | 542 |
| 2020 | 6,721 | 800,598,562 | 10.83% | 119,119 | 3,040,000 | 0.38% | 452 |
| 2021 | 7,190 | 849,557,664 | 6.12% | 118,158 | 2,420,000 ⁽³⁾ | 0.28% ⁽³⁾ | 337 ⁽³⁾ |

(1) Source: District staff.

(2) As reported by the Wise County Appraisal District

(3) Projected

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

| Fiscal Year Ended | Total Tax Rate | General Fund | Interest and Sinking Fund | Tax Levy | % Current Collections | % Total Collections |
|-------------------|----------------|--------------|---------------------------|------------|-----------------------|-----------------------|
| 9/30/2017 | \$ 0.1275 | \$ - | \$ 0.1275 | \$ 781,562 | 99.47% | 99.47% |
| 9/30/2018 | 0.1175 | - | 0.1175 | 757,524 | 99.10% | 99.10% |
| 9/30/2019 | 0.1025 | - | 0.1025 | 740,431 | 99.00% | 99.00% |
| 9/30/2020 | 0.0925 | - | 0.0925 | 740,554 | 98.94% | 99.73% |
| 9/30/2021 | 0.0880 | - | 0.0880 | 741,027 | 96.97% ⁽¹⁾ | 98.70% ⁽¹⁾ |

(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 | 4.52% |
| Karl Klement Properties | Commercial Building | 12,640,180 | 1.49% |
| James Wood Motors Inc. | Car Dealership | 12,398,420 | 1.46% |
| Lowe's Home Centers Inc. | Retail Store | 11,983,730 | 1.41% |
| Double Creek Capital LTD | Apartments | 10,443,054 | 1.23% |
| Wal-Mart Real Estate Business Trust | Retail Store | 10,030,735 | 1.18% |
| BAAG Management | Hotel/Motel | 9,423,920 | 1.11% |
| Oncor Electric Delivery Co. | Electric Utility | 9,080,202 | 1.07% |
| JWM Dealership Property LLC | Car Dealership | 6,846,070 | 0.81% |
| Wal-Mart Stores | Retail Store | 6,211,860 | 0.73% |
| | | <u>\$ 127,439,713</u> | <u>15.00%</u> |

TABLE 6 – TAX ADEQUACY

| | | |
|--|----|---------|
| 2021 Principal and Interest Requirements..... | \$ | 735,400 |
| \$ 0.0875 Tax Rate at 99% collection produces..... | \$ | 735,929 |
| Average Annual Principal and Interest Requirements, 2021-2027..... | \$ | 495,436 |
| \$ 0.0590 Tax Rate at 99% collection produces..... | \$ | 496,227 |
| Maximum Principal and Interest Requirements, 2022..... | \$ | 738,650 |
| \$ 0.0879 Tax Rate at 99% collection produces..... | \$ | 739,294 |

TABLE 7 – ESTIMATED OVERLAPPING DEBT

| Taxing Body | 2020/21 Taxable Assessed Value | 2020/21 Tax Rate | Debt Amount | As of | % Overlapping | Overlapping Amount | Authorized but Unissued Debt as of 2/28/2021 |
|---|---|------------------------|----------------|-----------|------------------|-----------------------|---|
| Decatur ISD | \$ 2,533,590,458 | \$ 1.200 | \$ 54,523,659 | 2/28/2021 | 35.52% | \$ 19,366,804 | \$ - |
| Wise County | 7,978,506,613 | 0.308 | 7,355,000 | 2/28/2021 | 10.02% | 736,971 | - |
| City of Decatur | 839,371,704 | 0.600 | 4,405,000 | 2/28/2021 | 100% | <u>4,405,000</u> | - |
| Total Overlapping Debt | | | \$ 66,283,659 | | | \$ 24,508,775 | |
| Wise County Water Supply District | | | \$ 3,040,000 | 2/28/2021 | | <u>3,040,000</u> | \$ - |
| Total Direct and Overlapping Debt | | | | | | \$ 27,548,775 | |
| Total Direct and Overlapping Debt % of A.V. | | | | | | 3.24% | |
| Total Direct and Overlapping Debt per Capita: | | | | | | \$ 3,831.54 | |

TABLE 8 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

| Fiscal Year Ending 9/30 | Outstanding Debt Service | | | % of Principal Retired |
|----------------------------------|--------------------------|-------------------|---------------------|------------------------------|
| | Principal | Interest | Total | |
| 2021 | \$ 620,000 | \$ 115,400 | \$ 735,400 | |
| 2022 | 645,000 | 93,650 | 738,650 | |
| 2023 | 325,000 | 71,000 | 396,000 | |
| 2024 | 340,000 | 58,000 | 398,000 | |
| 2025 | 355,000 | 44,400 | 399,400 | 75.16% |
| 2026 | 370,000 | 30,200 | 400,200 | |
| 2027 | 385,000 | 15,400 | 400,400 | 100.00% |
| | <u>\$ 3,040,000</u> | <u>\$ 428,050</u> | <u>\$ 3,468,050</u> | |

TABLE 9 – CHANGE IN NET POSITION

| | Fiscal Year Ended September 30, | | | | |
|---|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Revenues | | | | | |
| Operating Revenues | | | | | |
| Sale of untreated water | \$ 720,000 | \$ 600,000 | \$ 720,000 | \$ 720,000 | \$ 660,000 |
| Rental of space on elevated storage tower | 19,533 | 19,873 | 18,313 | 18,200 | 16,874 |
| Total Operating Revenues | <u>\$ 739,533</u> | <u>\$ 619,873</u> | <u>\$ 738,313</u> | <u>\$ 738,200</u> | <u>\$ 676,874</u> |
| Expenses | | | | | |
| Untreated water purchases | \$ 511,492 | \$ 480,502 | \$ 585,450 | \$ 586,200 | \$ 552,320 |
| Depreciation | 278,406 | 283,431 | 283,474 | 283,630 | 283,519 |
| Management fee | 21,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Insurance | 7,534 | 7,491 | 7,483 | 5,547 | 5,639 |
| Other | 2,016 | 11,855 | 16,772 | 8,934 | 7,256 |
| Auditing fees | 11,000 | 11,000 | 11,000 | 10,000 | 10,000 |
| Repairs and maintenance | 22,362 | - | - | - | - |
| Total Expenses | <u>\$ 853,810</u> | <u>\$ 812,279</u> | <u>\$ 922,179</u> | <u>\$ 912,311</u> | <u>\$ 876,734</u> |
| Operating loss | \$ (114,277) | \$ (192,406) | \$ (183,866) | \$ (174,111) | \$ (199,860) |
| Non-operating Revenues (Expenses) | | | | | |
| Ad valorem taxes | \$ 735,574 | \$ 728,628 | \$ 758,014 | \$ 784,257 | \$ 784,466 |
| Interest and penalties | 5,902 | 4,356 | 4,106 | 3,954 | 6,337 |
| Miscellaneous | (1,019) | 2,202 | 609 | 346 | 607 |
| Interest income | 11,319 | 23,422 | 14,398 | 5,087 | 1,240 |
| Amortization of bond premiums | - | - | 25,026 | 21,692 | 21,692 |
| Other | - | - | - | (3,112) | (925) |
| Gain on redemption of bonds | - | - | 83,452 | - | - |
| Debt service fees | - | - | (750) | (1,500) | (1,500) |
| Ad valorem tax assessment fees | (11,695) | (10,195) | (10,736) | (9,865) | (8,530) |
| Bond issuance costs | - | - | (87,529) | - | - |
| Interest expense | (92,426) | (91,274) | (193,678) | (229,076) | (249,744) |
| Increase (Decrease in Net Position) | <u>\$ 647,655</u> | <u>\$ 657,139</u> | <u>\$ 592,912</u> | <u>\$ 571,783</u> | <u>\$ 553,643</u> |
| Change in net position | \$ 533,378 | \$ 464,733 | \$ 409,046 | \$ 397,672 | \$ 353,783 |
| Net Position - Beginning | \$ 5,518,908 | \$ 5,054,175 | \$ 4,645,129 | \$ 4,247,457 | \$ 3,893,674 |
| Net Position - Ending | <u>\$ 6,052,286</u> | <u>\$ 5,518,908</u> | <u>\$ 5,054,175</u> | <u>\$ 4,645,129</u> | <u>\$ 4,247,457</u> |

TABLE 10 – ALL GOVERNMENTAL FUND TYPES COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

| | Fiscal Year Ended September 30, | | | | |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| <u>Revenues:</u> | | | | | |
| Tax collections-Current | \$ 732,740 | \$ 732,489 | \$ 753,989 | \$ 778,002 | \$ 777,847 |
| Tax collections-Delinquent | 5,812 | 3,569 | 1,988 | 5,265 | 8,839 |
| Penalties and interest on taxes | 5,902 | 4,356 | 4,106 | 3,954 | 6,454 |
| Bulk water sales | 720,000 | 600,000 | 720,000 | 720,000 | 660,000 |
| Interest on investments | 11,319 | 23,422 | 14,398 | 5,087 | 1,240 |
| Miscellaneous | - | 2,202 | 609 | 346 | 607 |
| Rental | 19,533 | 19,873 | 18,313 | 18,200 | 16,874 |
| Total Revenues | <u>\$ 1,495,306</u> | <u>\$ 1,385,911</u> | <u>\$ 1,513,403</u> | <u>\$ 1,530,854</u> | <u>\$ 1,471,861</u> |
| <u>Expenditures:</u> | | | | | |
| Tax collection and assessing fees | \$ 11,695 | \$ 10,195 | \$ 10,736 | \$ 9,865 | \$ 8,530 |
| Management fee | 21,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Accounting and audit fees | 11,000 | 11,000 | 11,000 | 10,000 | 10,000 |
| Raw water purchases | 511,492 | 480,502 | 585,450 | 586,200 | 552,320 |
| Insurance and bonds | 7,534 | 7,491 | 7,483 | 5,547 | 5,639 |
| Office supplies and other | 3,035 | 11,855 | 16,772 | 12,046 | 8,181 |
| Debt service | 737,838 | 740,563 | 852,953 | 768,850 | 774,350 |
| Trustee fees | - | - | 750 | 1,500 | 1,500 |
| Repairs and maintenance | 22,362 | - | - | - | - |
| Capital expenditures | - | - | - | 13,318 | - |
| Total Expenditures | <u>\$ 1,325,956</u> | <u>\$ 1,279,606</u> | <u>\$ 1,503,144</u> | <u>\$ 1,425,326</u> | <u>\$ 1,378,520</u> |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 169,350 | \$ 106,305 | \$ 10,259 | \$ 105,528 | \$ 93,341 |
| Beginning Fund Balance | \$ 5,518,908 | \$ 5,054,176 | \$ 4,645,130 | \$ 4,247,458 | \$ 3,893,675 |
| Ending Fund Balance | <u>\$ 5,688,258</u> | <u>\$ 5,160,481</u> | <u>\$ 4,655,389</u> | <u>\$ 4,352,986</u> | <u>\$ 3,987,016</u> |

TABLE 11 – CURRENT INVESTMENTS

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

| Description | Percent | Book Value |
|---------------|---------|--------------|
| Bank/Checking | 100% | \$ 1,590,400 |
| Total | 100% | \$ 1,590,400 |