
Annual Continuing Disclosure Filing*



City of Elgin, Texas Bastrop and Travis County, Texas

Regarding Issues: **Combination Tax and Limited Revenue Certificates of Obligation, Series 2019A**
Combination Tax and Subordinate Lien Tax Increment Reinvestment Zone No.
One Revenue Certificates of Obligation, Series 2019B
Combination Tax and Revenue Certificates of Obligation, Series 2016
Combination Tax and Revenue Certificates of Obligation, Series 2015
General Obligation Refunding Bonds, Series 2015
Limited Tax Refunding Bonds, Series 2013
Combination Tax and Revenue Certificates of Obligation, Series 2013
Combination Tax and Revenue Certificates of Obligation, Series 2011
Combination Tax and Revenue Certificates of Obligation, Series 2007

CUSIP Prefix: **286525**

Fiscal Period Covered: **October 1, 2018 to September 30, 2019**

Date: **March 31, 2020**

***At the time of filing the September 30, 2019 audit was not complete and will be posted once available.**

TABLE 1 - VALUATION, EXEMPTIONS AND DEBT OBLIGATIONS

2019/20 Market Valuation Established by the Appraisal District (excluding totally exempt property)		\$ 669,812,425
Less Exemptions/Reductions at 100% Market Value:		
Over 65/Disabled	\$ 8,017,294	
Homestead Cap Adjustment	20,122,334	
Productivity Loss	15,095,838	
Disabled Veterans	5,577,104	
Pollution Control	504,858	
Other	92	
Less Exemptions/Reductions at 100% Market Value:		<u>49,317,520</u>
2019/20 Taxable Assessed Valuation ⁽¹⁾		\$ 620,494,905
2019/20 Incremental Taxable Assessed Valuation of Real Property within the Reinvestment Zone No. One		<u>33,210,745</u>
2019/20 Taxable Assessed Valuation available for General Fund Obligation and Debt of City		<u>\$ 587,284,160</u>
City Funded Deb Payable from Ad Valorem Taxes		\$ 40,062,000
Less: Self-Supporting Debt		
Water and Sewer Supported Debt		21,082,980
TIRZ Supported Debt		<u>5,610,000</u>
Net Funded Debt Payable from Ad Valorem Taxes (as of 12/31/2019)		<u>\$ 13,369,020</u>
Interest and Sinking Fund as of 12/31/19 (unaudited)		\$ 933,489
Ratio of Funded Debt to Taxable Assessed Valuation		6.82%
Ratio of Net Funded Debt to Taxable Assessed Valuation		2.15%

2019/20 Estimated Population - 10,605
 Per Capita Taxable Assessed Valuation - \$58,510
 Per Capita Funded Debt Payable from Ad Valorem Taxes - \$3,778
 Per Capita Net Funded Debt Payable from Ad Valorem Taxes - \$1,261

(1) In addition to the exemptions described, the City has taken action to implement the tax freeze on the residence homestead of persons who are disabled and persons who are 65 years of age or older.

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	\$ 448,143,963	66.91%	\$ 412,517,828	65.28%	\$ 373,271,005	64.03%
Real, Residential, Multi-Family	25,692,654	3.84%	20,573,467	3.26%	18,681,356	3.20%
Real, Vacant Lots/Tracts	15,501,992	2.31%	14,336,571	2.27%	8,562,045	1.47%
Real, Acreage (Land Only)	11,845,900	1.77%	16,914,339	2.68%	18,263,447	3.13%
Real, Farm and Ranch Improvements	9,995,916	1.49%	9,631,093	1.52%	6,553,925	1.12%
Real, Commercial	111,865,732	16.70%	111,535,212	17.65%	112,975,847	19.38%
Real, Industrial	4,181,171	0.62%	4,181,067	0.66%	2,750,244	0.47%
Real and Tangible Personal, Utilities	9,248,589	1.38%	8,936,972	1.41%	7,283,624	1.25%
Tangible Personal, Commercial	27,128,251	4.05%	28,743,366	4.55%	29,187,267	5.01%
Tangible Personal, Industrial	415,149	0.06%	993,253	0.16%	1,694,343	0.29%
Tangible Personal, Other	1,518,123	0.23%	1,524,102	0.24%	1,555,094	0.27%
Special Inventory	4,274,985	0.64%	2,071,866	0.33%	2,140,811	0.37%
Total Appraised Value Before Exemptions	\$ 669,812,425	100.00%	\$ 631,959,136	100.00%	\$ 582,919,008	100.00%
Less: Total Exemptions/Reductions	(49,317,520)		(56,707,981)		(55,750,457)	
Taxable Assessed Value	\$ 620,494,905		\$ 575,251,155		\$ 527,168,551	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2017		2016	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 324,403,918	61.85%	\$ 265,007,441	57.54%
Real, Residential, Multi-Family	16,057,405	3.06%	15,176,079	3.30%
Real, Vacant Lots/Tracts	7,348,671	1.40%	7,144,095	1.55%
Real, Acreage (Land Only)	20,591,911	3.93%	21,848,182	4.74%
Real, Farm and Ranch Improvements	6,664,728	1.27%	2,833,411	0.62%
Real, Commercial	104,022,336	19.83%	101,850,958	22.11%
Real, Industrial	1,784,477	0.34%	1,885,863	0.41%
Real and Tangible Personal, Utilities	8,293,810	1.58%	8,179,010	1.78%
Tangible Personal, Commercial	28,687,544	5.47%	30,527,509	6.63%
Tangible Personal, Industrial	1,418,568	0.27%	1,358,211	0.29%
Tangible Personal, Other	3,123,861	0.60%	3,507,594	0.76%
Special Inventory	2,112,197	0.40%	1,235,304	0.27%
Total Appraised Value Before Exemptions	\$ 524,509,426	100.00%	\$ 460,553,657	100.00%
Less: Total Exemptions/Reductions	(51,951,289)		(40,283,909)	
Taxable Assessed Value	\$ 472,558,137		\$ 420,269,748	

NOTE: Valuations shown are certified taxable assessed values reported by the Central Appraisal District of Bastrop and Travis Counties 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 09/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	General Obligation Tax Debt ⁽³⁾	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Tax Debt Per Capita
2016	8,622	\$ 420,269,748	\$ 48,744	\$ 35,241,000	8.39%	\$ 4,087
2017	9,701	472,558,137	48,712	33,675,000	7.13%	3,471
2018	9,739	527,168,551	54,130	32,067,000	6.08%	3,293
2019	10,297	575,251,155	55,866	40,062,000	6.96%	3,891
2020	10,605	620,494,905	58,510	38,270,000 ⁽⁴⁾	6.17% ⁽⁴⁾	3,609 ⁽⁴⁾

(1) Source: The City.

(2) As reported by the Bastrop and Travis Central Appraisal Districts; subject to change during the ensuing year.

(3) Includes the City’s self-supporting debt.

(4) Projected.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	Distribution		Tax Levy	% Current Collections	% Total Collections
		General Fund	Interest and Sinking Fund			
2016	\$ 0.65692	\$ 0.349346	\$ 0.307570	\$ 2,760,819	97.64%	99.00%
2017	0.65692	0.388452	0.268464	3,104,310	97.58%	99.47%
2018	0.65692	0.428269	0.228647	3,463,055	97.83%	99.39%
2019	0.65692	0.428269	0.228647	3,778,825	94.00% ⁽¹⁾	98.94% ⁽¹⁾
2020	0.65692	0.428269	0.228647	3,861,369	In Process of Collection	

(1) Unaudited.

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	FYE 2020 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Wal-Mart Real Estate Business Trust	Retail	\$ 11,005,732	1.77%
H E Butt Grocery Company	Grocery Store	8,112,918	1.31%
Wal-Mart Stores, Inc.	Grocery Store	4,578,511	0.74%
Rush Chevrolet LLC.	Car Dealership	4,554,678	0.73%
Elgin Uncommon Holding LTD	Land/Improvements	4,494,500	0.72%
Oncor Electric Delivery Co LLC	Utility	4,289,285	0.69%
Frontier Bank of Texas	Banking	3,489,573	0.56%
1373 North Ave C LLC	Regional Nursing Home	3,467,925	0.56%
Crescent Village LTD	Real Estate Management	3,328,744	0.54%
JW Elgin I LTD	Real Estate Management	3,018,000	0.49%
		\$ 50,339,866	8.11%

TABLE 6 – TAX ADEQUACY ⁽¹⁾

2020 Net Principal and Interest Requirements.....	\$ 1,346,377
\$0.2215 Tax Rate at 98% Collection Produces	\$ 1,346,908
Maximum Net Principal and Interest Requirements, 2020.....	\$ 1,346,377
\$0.2215 Tax Rate at 98% Collection Produces	\$ 1,346,908

(1) Excludes Self-Supporting Debt.

TABLE 6 – ESTIMATED OVERLAPPING DEBT

Updated information with respect to the City as contained in Table 7 “Estimated Overlapping Debt” of the final official statements of debt issued is contained in Tables 3 and 4 of this annual report. Information relating to other taxing entities within the territory of the City that was contained in Table 7 of the final official statement has not been updated (as it is not financial information or operating data of the issuer); however information relating to other taxing entities is contained in individual “Texas Municipal Reports” as published by the Municipal Advisory Council of Texas.

TABLE 8 – AD VALOREM TAX DEBT SERVICE REQUIREMENTS

Fiscal Year Ended 9/30	Outstanding Debt Service			Less: Water & Sewer Self-Supported Debt Service	Less: TIRZ Self-Supported Debt Service	Net General Obligation Debt Service	% of Principal Retired
	Principal	Interest	Total				
2020	\$ 1,792,000	\$ 1,583,706	\$ 3,375,706	\$ 1,772,761	\$ 256,569	\$ 1,346,377	
2021	1,865,000	1,520,972	3,385,972	1,763,666	279,969	1,342,338	
2022	1,906,000	1,455,719	3,361,719	1,749,186	307,369	1,305,165	
2023	1,819,000	1,384,918	3,203,918	1,683,297	333,569	1,187,053	
2024	1,892,000	1,311,834	3,203,834	1,678,950	333,569	1,191,315	23.15%
2025	1,964,000	1,234,375	3,198,375	1,676,445	333,369	1,188,561	
2026	2,022,000	1,154,247	3,176,247	1,663,746	332,969	1,179,533	
2027	2,136,000	1,071,722	3,207,722	1,687,034	332,369	1,188,319	
2028	2,063,000	984,873	3,047,873	1,679,900	331,569	1,036,405	
2029	2,036,000	900,882	2,936,882	1,676,092	330,569	930,221	48.66%
2030	2,120,000	819,209	2,939,209	1,673,596	329,369	936,244	
2031	2,199,000	733,243	2,932,243	1,667,214	332,969	932,060	
2032	2,282,000	644,343	2,926,343	1,660,098	331,169	935,077	
2033	2,366,000	551,408	2,917,408	1,659,173	329,169	929,066	
2034	2,240,000	455,235	2,695,235	1,574,018	331,969	789,248	76.64%
2035	1,710,000	364,803	2,074,803	1,027,397	329,369	718,038	
2036	1,344,000	298,229	1,642,229	1,022,311	331,569	288,350	
2037	698,000	244,767	942,767	320,149	333,369	289,250	
2038	718,000	217,358	935,358	315,789	329,769	289,800	
2039	453,000	189,187	642,187	311,218	330,969	-	88.92%
2040	468,000	170,343	638,343	306,574	331,769	-	
2041	484,000	151,493	635,493	302,424	333,069	-	
2042	494,000	132,714	626,714	297,708	329,006	-	
2043	510,000	113,525	623,525	293,763	329,763	-	
2044	521,000	93,798	614,798	284,642	330,156	-	95.11%
2045	538,000	73,484	611,484	281,297	330,188	-	
2046	454,000	52,254	506,254	176,754	329,500	-	
2047	471,000	34,376	505,376	176,939	328,438	-	
2048	497,000	15,745	512,745	180,745	332,000	-	100.00%
	<u>\$ 40,062,000</u>	<u>\$ 17,958,765</u>	<u>\$ 58,020,765</u>	<u>\$ 30,562,884</u>	<u>\$ 9,455,463</u>	<u>\$ 18,002,418</u>	

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION ⁽¹⁾

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2020	\$ 1,346,377
Interest and Sinking Fund Balance, 9/30/2019	\$ 679,055 ⁽²⁾
Budgeted Interest and Sinking Fund Levy, 9/30/2020	1,418,285
Budgeted Investment Income, 9/30/2020	<u>2,000</u>
Estimated Balance, 9/30/2020	<u>\$ 752,963</u>

(1) Excludes Self-Supporting Debt.

(2) Unaudited.

TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT

Waterworks and Sewer System

Revenues Available for Waterworks and Sewer System, Fiscal Year Ending September 30, 2019	\$ 2,426,759 ⁽¹⁾
Less: Revenue Bond Requirements, Fiscal Year 2020	<u>-</u>
Balance Available for Other Purposes	2,426,759
System Ad Valorem Tax Requirements, Fiscal Year 2020	<u>1,772,761</u>
Balance Available for Other Purposes	<u><u>653,998</u></u>
Percentage of Waterworks & Sewer System General Obligation Bonds Self-Supporting	100.00%

Tax Increment Reinvestment Zone Number One

Budgeted Revenue Available for Debt Service from Tax Increment Reinvestment Zone Revenue (TIRZ), for Fiscal Year Ended September 30, 2020	\$ 267,621 ⁽¹⁾
TIRZ No. 1 Debt Service Requirements, Fiscal Year 2020	<u>256,569</u>
Balance	<u><u>\$ 11,052</u></u>
Percentage of TIRZ No. 1 Debt Service, Self-Supporting	100.00%

⁽¹⁾ Unaudited.

TABLE 11 – AUTHORIZED BUT UNISSUED BONDS

As of January 31, 2020, the City does not have any authorized but unissued general obligation debt.

TABLE 12 – PAYMENT RECORD

The City has never defaulted with respect to the timely payment of its principal and interest requirements.

TABLE 13 – ANTICIPATED ISSUANCE OF ADDITIONAL GENERAL OBLIGATION DEBT

The City does not anticipate issuing additional general obligation debt within the next 12 months.

TABLE 14– OTHER OBLIGATIONS ⁽¹⁾

As of September 30, 2019, the City does not have any capital leases.

⁽¹⁾ Unaudited.

TABLE 15 – GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2019 ⁽¹⁾	2018	2017	2016	2015
Revenues:					
Property Tax	\$ 2,387,686	\$ 2,107,056	\$ 1,715,103	\$ 1,357,882	\$ 1,410,421
Sales Tax	1,550,273	1,457,177	1,368,594	1,289,801	1,180,150
Franchise Fees and other taxes	503,904	482,169	462,298	420,471	369,439
Licenses and Permits	291,749	234,656	241,930	188,753	317,060
Fines	390,821	106,451	385,453	241,383	221,780
Intergovernmental Revenues	120,876	262,956	181,522	261,045	150,366
Charges for Services	1,265,208	-	-	-	916,237
Investment Earnings	24,850	20,529	13,267	9,386	6,295
Miscellaneous	66,749	144,728	119,583	107,803	81,674
Total Revenues:	<u>\$ 6,602,116</u>	<u>\$ 4,815,722</u>	<u>\$ 4,487,750</u>	<u>\$ 3,876,524</u>	<u>\$ 4,653,422</u>
Expenditures:					
General Government	\$ 1,999,646	\$ 2,020,412	\$ 2,496,207	\$ 2,610,103	\$ 2,952,336
Public Safety	3,030,511	2,225,311	2,321,984	2,105,976	1,823,963
Municipal Court	297,618	37,087	25,367	-	-
Community Development	426,810	24,247	19,793	-	-
Public Works	1,044,242	838,132	989,375	893,101	883,717
Parks and recreations	916,228	841,059	757,363	402,816	288,806
Capital Outlay	-	127,518	314,333	-	-
Other	568,217	21,357	15,326	10,566	69,500
Total Expenditures:	<u>\$ 8,283,272</u>	<u>\$ 6,135,123</u>	<u>\$ 6,939,748</u>	<u>\$ 6,022,562</u>	<u>\$ 6,018,322</u>
Excess (Deficiency) of Revenues Over Expenditures:	\$ (1,681,156)	\$ (1,319,401)	\$ (2,451,998)	\$ (2,146,038)	\$ (1,364,900)
Other Financing Sources (Uses)	\$ 1,396,314	\$ 1,678,827	\$ 684,823	\$ 1,922,715	\$ 1,627,326 ⁽²⁾
Fund Balance at Beginning of Year	384,908	(266,079)	1,501,096	1,810,077	1,547,651
Prior Period Adjustment	-	291,561	-	(85,658)	-
Fund Balance at End of Year	<u>\$ 100,066</u>	<u>\$ 384,908</u>	<u>\$ (266,079)</u>	<u>\$ 1,501,096</u>	<u>\$ 1,810,077</u>

(1) Unaudited.

(2) Includes transfer from the Waterworks and Sewer System.

TABLE 16 – MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 09/30	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽³⁾
2016	\$ 1,289,801	46.72%	\$ 0.3069	\$ 150
2017	1,368,594	44.09%	0.2896	141
2018	1,457,177	42.08%	0.2764	150
2019	1,550,273 ⁽¹⁾	41.03%	0.2695	151
2020	1,038,259 ⁽²⁾	26.89%	0.1673	98

(1) Unaudited.

(2) Collections through February 29, 2020.

(3) See “Estimated Population” under Table 3 – Valuation and General Obligation Debt History.

TABLE 17 – CURRENT INVESTMENTS

As of December 31, 2019, the City’s funds were invested as follows:

Description	% of Total Investments	Fair Market Value
Interest Bearing Checking Accounts	37.52%	\$ 3,737,534
Money Market Funds	5.23%	520,558
Logic Investment Pool	57.25%	5,702,883
Total	100.00%	\$ 9,960,975

TABLE 18 – MONTHLY WATER RATES

Residential and Commercial	Rates
Volume Charge:	
First 2,000 gallons	\$40.00
2,001 - 4,000 gallons	\$4.01 per 1,000 gallon
4,001 - 8,000 gallons	\$4.07 per 1,000 gallon
8,001 - 12,000 gallons	\$4.24 per 1,000 gallon
Anything over 12,000 gallons	\$4.44 per 1,000 gallon

TABLE 19 – HISTORICAL CONSUMPTION

Fiscal Year	Daily Average	Total
Ending	(Thousand Gallons)	(Thousand Gallons)
<u>09/30</u>		
2016	766,469	279,761,188
2017	794,702	290,030,000
2018	722,505	263,714,376
2019	784,290	291,756,000
2020	762,040 ⁽¹⁾	94,493,000 ⁽¹⁾

(1) Partial Year, through January 31, 2020.

TABLE 20 – TOP TEN WATER CUSTOMERS

Customer	Type of Industry	Fiscal Year Ended September 30, 2019	
		Water Usage (Gallons)	% Total Water Usage
Elgin Independent School District	School	\$ 4,952,000	1.70%
Regency Nursing Home	Nursing Home	4,750,000	1.63%
Crescent Village Phase I	Apartments	4,396,000	1.51%
EISD Middle School	School	3,926,000	1.35%
EISD Neighdig Elementary School	School	3,321,000	1.14%
Crescent Village Phase II	Apartments	3,288,000	1.13%
EISD Commons - Elementary School	School	2,437,000	0.84%
Holiday Inn	Hotel/Motel	2,108,000	0.72%
Southside Market	Restaurant	2,085,000	0.71%
Elgin Fertilizer	Chemical Provider	1,910,000	0.65%
		<u>\$ 33,173,000</u>	<u>11.37%</u>

TABLE 21 – MONTHLY SEWER RATES

<u>Residential</u>	
Monthly Base Rate	\$32.00 (minimum)
Volume Charge (Water Consumption)	\$4.01 per 1,000 gallons
<u>Commercial</u>	
Monthly Base Rate	\$32.00 (minimum)
Volume Charge (Water Consumption)	\$4.01 per 1,000 gallons
<u>Industrial</u>	
Customer Service Charge	\$32.00 (minimum)
Volume Charge (Water Consumption), All Use	\$4.01 per 1,000 gallons

TABLE 22 – DAILY AVERAGE SEWER FLOWS

Fiscal Year Ending 09/30	Daily Average (Gallons)	Peak Day (Gallons)	Total (Gallons)
2016	445,830	13,374,900	162,728,056
2017	619,515	19,984,000	226,123,000
2018	562,679	17,443,062	205,377,997
2019	543,038	16,834,000	202,010,000
2020	594,612 ⁽¹⁾	18,433,000 ⁽¹⁾	73,733,000 ⁽¹⁾

(1) Partial Year, through January 31, 2020.

TABLE 23 – WATERWORKS AND SEWER SYSTEM CONDENSED STATEMENT OF OPERATIONS

	Fiscal Year Ended September 30,				
	2019 ⁽²⁾	2018	2017	2016	2015
Revenues					
Charges for Services	\$ 6,723,900	\$ 6,541,124	\$ 5,144,912	\$ 4,986,971	\$ 3,964,941
Total Gross Operating Revenues	6,723,900	6,541,124	5,144,912	4,986,971	3,964,941
Operating Expenses ⁽¹⁾					
Personal Services	1,009,758	1,262,121	1,255,124	1,376,205	1,094,084
Supplies	292,038	179,162	180,912	203,862	121,896
Maintenance	122,671	737,393	486,530	480,438	483,237
Other Services and Charges	862,491	1,172,764	1,065,164	978,926	304,460
Total Operating Expenses	\$ 2,286,958	\$ 3,351,440	\$ 2,987,730	\$ 3,039,431	\$ 2,003,677
Net Revenue	\$ 4,436,942	\$ 3,189,684	\$ 2,157,182	\$ 1,947,540	\$ 1,961,264
Customer Count	3,363	3,350	3,326	3,308	3,223

(1) Operating Expenses exclude depreciation.

(2) Unaudited.