

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED DECEMBER 31, 2020

SCURRY COUNTY, TEXAS

GENERAL OBLIGATION DEBT



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

## **FINANCIAL STATEMENTS**

The audited financial statements for the County for the fiscal year ended December 31, 2020 are being separately 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 County 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 County or other matters described.

### **SCURRY COUNTY, TEXAS**

/s/ Angela Sanchez

County Auditor, Scurry County, Texas

Approved for Submission:

6/25/2021

Date

## **CERTIFICATE OF SUBMISSION OF ANNUAL REPORT**

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for Scurry County, 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/ Kristin Merz

**SCURRY COUNTY, TEXAS**  
**GENERAL OBLIGATION DEBT REPORT**

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

2020/2021 Market Valuation Established by Scurry County Appraisal District (excludes exempt property)	\$ 3,752,545,613
<b>Less Exemptions/Reductions at 100% Market Value</b>	
Residence Homestead Exemptions (Local Option)	\$ 86,465,665
Residence Homestead Exemptions (Over 65)	17,728,904
Disabled Veterans Exemptions	4,364,428
Productivity Loss	438,104,047
Homestead Capped Value Loss	3,599,860
Abatements	387,649,260
Pollution Control	5,212,545
Prorated Exemptions	51,950
Other	371,340
Freeze Loss	112,553,055
	<u>1,056,101,054</u>
2020/2021 Taxable Assessed Valuation	\$ 2,696,444,559
Net General Obligation Debt Payable from Ad Valorem Taxes as of 12/31/20	\$ 11,390,000
I&S Fund Balance as of 12/31/20	\$ 428,918

2020 Estimated Population - 16,866  
 Per Capita Taxable Assessed Valuation \$159,875  
 Per Capita General Purpose Funded Debt Payable from Ad Valorem Taxes - \$675

---

**TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY**

Category	Taxable Appraised Value for Fiscal Year Ended December 31,					
	2021		2020		2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential Single Family	\$ 441,410,290	11.76%	\$ 443,632,990	10.70%	\$ 449,266,941	12.31%
Real, Residential Multi-Family	15,057,034	0.40%	13,423,531	0.32%	13,595,915	0.37%
Real, Vacant Lots/Tracts	7,715,649	0.21%	7,907,361	0.19%	8,012,835	0.22%
Real, Agricultural Land	508,866,722	13.56%	508,277,101	12.26%	511,267,509	14.01%
Real, Farm and Ranch Improvements	114,810,120	3.06%	111,999,620	2.70%	110,591,399	3.03%
Real, Commercial and Industrial	714,710,398	19.05%	845,622,116	20.39%	951,503,141	26.08%
Oil and Gas	1,017,113,131	27.10%	1,351,065,127	32.58%	877,374,298	24.04%
Real and Tangible Personal, Utilities	339,608,453	9.05%	330,969,866	7.98%	305,047,365	8.36%
Tangible Personal, Commercial and Industrial	575,839,245	15.35%	515,731,604	12.44%	406,398,464	11.14%
Tangible Personal, Mobile Homes	11,988,684	0.32%	11,817,668	0.28%	11,738,897	0.32%
Residential Inventory	358,008	0.01%	367,680	0.01%	373,680	0.01%
Special Inventory	5,067,879	0.14%	6,406,141	0.15%	3,853,776	0.11%
Total Appraised Value Before Exemptions	\$ 3,752,545,613	100.00%	\$ 4,147,220,805	100.00%	\$ 3,649,024,220	100.00%
Less: Total Exemptions/Reductions	<u>(1,056,101,054)</u>		<u>(1,086,331,756)</u>		<u>(1,208,334,339)</u>	
<b>Taxable Assessed Value</b>	<b><u>\$ 2,696,444,559</u></b>		<b><u>\$ 3,060,889,049</u></b>		<b><u>\$ 2,440,689,881</u></b>	

Category	Taxable Appraised Value for Fiscal Year Ended December 31,					
	2018		2017			
	Amount	% of Total	Amount	% of Total		
Real, Residential Single Family	\$ 449,255,408	14.05%	\$ 450,114,843	13.86%		
Real, Residential Multi-Family	13,533,770	0.42%	13,406,780	0.41%		
Real, Vacant Lots/Tracts	8,177,973	0.26%	8,281,245	0.26%		
Real, Acreage (Land Only)	499,541,547	15.63%	500,226,296	15.41%		
Real, Farm and Ranch Improvements	110,288,423	3.45%	110,096,593	3.39%		
Real, Commercial and Industrial	554,634,175	17.35%	579,656,840	17.85%		
Oil and Gas	855,642,648	26.76%	804,962,796	24.79%		
Real and Tangible Personal, Utilities	312,136,323	9.76%	311,666,991	9.60%		
Tangible Personal, Commercial and Industrial	378,369,493	11.84%	451,198,276	13.90%		
Tangible Personal, Mobile Homes	12,307,241	0.38%	12,922,245	0.40%		
Residential Inventory	853,188	0.03%	582,200	0.02%		
Special Inventory	2,275,625	0.07%	3,752,097	0.12%		
Total Appraised Value Before Exemptions	\$ 3,197,015,814	100.00%	\$ 3,246,867,202	100.00%		
Less: Total Exemptions/Reductions	<u>(904,898,657)</u>		<u>(933,560,697)</u>			
<b>Taxable Assessed Value</b>	<b><u>\$ 4,101,914,471</u></b>		<b><u>\$ 2,313,306,505</u></b>			

NOTE: Valuation shown are certified taxable assessed values reported by the Scurry County Appraisal District 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 12/31	Taxable		Net		Ratio of Tax Debt to Taxable Assessed			Funded Tax Debt Per Capita	Tax Year
	Estimated Population <sup>(1)</sup>	Assessed Valuation <sup>(2)</sup>	Assessed Valuation	Outstanding at End of Year	Tax Debt Per Capita	Per Capita	Per Capita		
2017	17,238	\$ 2,313,306,505	\$ 134,198	\$ 13,195,000	0.57%	\$ 765			2016
2018	17,238	2,292,117,157	132,969	12,610,000	0.55%	732			2017
2019	16,866	2,440,689,881	144,711	12,005,000	0.49%	712			2018
2020	16,866	3,060,889,049	181,483	11,390,000	0.37%	675			2019
2021	16,866	2,696,444,559	159,875	10,720,000 <sup>(3)</sup>	0.40%	636			2020

(1) Source: County staff and US Census Bureau.

(2) As reported by the Scurry County Appraisal District on the County's annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) Projected.

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

Fiscal Year Ended 12/31	Distribution				% of Current Tax		% of Total Tax	
	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	Collections to Tax Levy	Collections to Tax Levy	Year	
2017	\$ 0.380000	\$ 0.380000	\$ -	\$ 8,438,339	93.36%	108.82%		2016
2018	0.380000	0.369100	0.010900	8,676,097	90.24%	107.63%		2017
2019	0.449800	0.409000	0.040800	10,957,489	92.52%	103.92%		2018
2020	0.449800	0.416900	0.032900	12,883,258	83.62%	98.07%		2019
2021	0.449800	0.416900	0.032900	11,941,177	In Process of Collection			2020

**TABLE 5 – TAX RATE DISTRIBUTION ANALYSIS**

	Fiscal Years Ended December 31,				
	2021	2020	2019	2018	2017
General Fund	\$ 0.41690	\$ 0.41690	\$ 0.40900	\$ 0.36910	\$ 0.38000
Interest and Sinking Fund	<u>0.03290</u>	<u>0.03290</u>	<u>0.04080</u>	<u>0.01090</u>	-
Total Constitutional Tax Rate	<u>\$ 0.44980</u>	<u>\$ 0.44980</u>	<u>\$ 0.44980</u>	<u>\$ 0.38000</u>	<u>\$ 0.38000</u>
Special Road and Bridge Tax Rate	\$ -	\$ -	\$ -	\$ -	\$ -
Farm-to-Market Tax Rate	\$ -	\$ -	\$ -	\$ -	\$ -
Total Tax Rate	<u><u>\$ 0.44980</u></u>	<u><u>\$ 0.44980</u></u>	<u><u>\$ 0.44980</u></u>	<u><u>\$ 0.38000</u></u>	<u><u>\$ 0.38000</u></u>

**TABLE 6 - TEN LARGEST TAXPAYERS**

Name of Taxpayer	2020/2021	% of Total
	Taxable Assessed	Taxable Assessed
	Valuation	Valuation
Kinder Morgan Production	\$ 443,921,833	16.46%
Patterson UTI Drilling Co.	151,720,700	5.63%
Oncor Electric Delivery Co	106,456,970	3.95%
Occidental Permian LTD	75,970,452	2.82%
Kinder Morgan Production	53,608,040	1.99%
EON-Pyron Wind Farm	41,736,340	1.55%
BNSF Railway	36,172,140	1.34%
Invenergy-Camp Springs	34,112,980	1.27%
Bridgetex Pipeline	32,687,510	1.21%
Sunrise Pipeline LLC	32,502,360	1.21%
	<u><u>\$ 1,008,889,325</u></u>	<u><u>37.42%</u></u>

**TABLE 7 - TAX ADEQUACY**

2021 Net Tax Supported Principal and Interest Requirements	\$ 916,200
\$0.0347 Tax Rate at 98% Collection Produces	\$ 916,953
Average Annual Net Tax Supported Principal and Interest Requirements, 2021 - 2034	\$ 941,118
\$0.0357 Tax Rate at 98% Collection Produces	\$ 943,378
Maximum Net Tax Supported Principal and Interest Requirements, 2028	\$ 954,925
\$0.0362 Tax Rate at 98% Collection Produces	\$ 956,591

**TABLE 9 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**

Fiscal Year Ended 12/31	Outstanding Debt			% of Principal Retired
	Principal	Interest	Total	
2021	\$ 670,000	\$ 246,200	\$ 916,200	
2022	690,000	226,700	916,700	
2023	710,000	206,625	916,625	
2024	730,000	188,300	918,300	
2025	780,000	172,350	952,350	31.43%
2026	795,000	156,600	951,600	
2027	810,000	140,550	950,550	
2028	835,000	119,925	954,925	
2029	850,000	98,900	948,900	
2030	870,000	81,700	951,700	67.95%
2031	885,000	64,150	949,150	
2032	905,000	46,250	951,250	
2033	920,000	28,000	948,000	
2034	940,000	9,400	949,400	
	<u>\$ 11,390,000</u>	<u>\$ 1,785,650</u>	<u>\$ 13,175,650</u>	

**TABLE 10 - INTEREST AND SINKING FUND BUDGET PROJECTION**

Tax Supported Debt Service Requirements, Fiscal Year Ending 12-31-21	\$ 916,200
Interest and Sinking Fund Balance, 12-31-20	\$ 428,918
Interest and Sinking Fund Tax Levy	887,130
Estimated Balance Fiscal Year Ending 12-31-21	<u>\$ 1,316,048</u> <u>\$ 399,848</u>

**TABLE 11 – AUTHORIZED BUT UNISSUED UNLIMITED TAX BONDS**

The County has no authorized but unissued general obligation bonds.

**TABLE 12 - OTHER OBLIGATIONS: See Annual Financial Audit for Fiscal Year 2020, Note 6.**

*The Remainder of This Page Intentionally Left Blank*

**TABLE 13 – CHANGE IN NET POSITION**

	Fiscal Years Ended December 31,				
	2020	2019	2018	2017	2016
<b><u>REVENUES:</u></b>					
Program Revenues:					
Charges for Services	\$ 2,237,161	\$ 3,051,066	\$ 2,243,726	\$ 2,093,651	\$ 2,361,180
Operating Grants and Contributions	974,640	1,089,694	871,526	1,547,917	2,232,617
Capital Grants and Contributions	-	-	-	-	-
General Revenues:					
Property Taxes	\$ 11,196,992	\$ 10,159,054	\$ 8,012,671	\$ 7,829,373	\$ 8,607,455
Tax Collector Fees	451,810	562,301	538,844	434,670	457,010
Sales and Use Taxes	2,238,107	2,484,898	2,205,775	2,753,986	1,586,223
Mixed Drink Tax	17,854	32,821	27,754	17,844	13,767
Gain on Extinguishment of Debt	-	-	18,231	-	-
Gain on sale of assets	(285,865)	6,070			
Loss on Transfer of Assets	-	-	-	-	-
Investment Earnings	117,392	305,108	209,847	116,402	56,692
Miscellaneous	<u>185,303</u>	<u>326,568</u>	<u>479,954</u>	<u>696,838</u>	<u>822,616</u>
Total Revenues	<u>\$ 17,133,394</u>	<u>\$ 18,017,580</u>	<u>\$ 14,608,328</u>	<u>\$ 15,490,681</u>	<u>\$ 16,137,560</u>
<b><u>EXPENSES:</u></b>					
Governmental Activities:					
General Government	\$ 3,046,265	\$ 3,807,755	\$ 3,481,707	\$ 3,406,190	\$ 3,719,128
Health and Welfare	1,440,740	1,747,337	1,562,855	1,571,463	1,703,817
Judicial and Legal	3,178,043	3,515,873	3,200,210	3,345,296	3,480,450
Public Safety	4,333,148	4,749,271	3,936,372	3,953,492	4,272,659
Public Facilities	458,046	640,873	553,159	512,095	589,104
Culture and Recreation	942,216	1,130,842	1,031,041	1,068,983	1,187,264
Road Maintenance	2,629,138	2,928,445	2,629,062	2,868,823	2,830,646
Interest on Long-Term Debt	<u>322,663</u>	<u>359,548</u>	<u>373,798</u>	<u>449,859</u>	<u>485,151</u>
Total Expenses	<u>\$ 16,350,259</u>	<u>\$ 18,879,944</u>	<u>\$ 16,768,204</u>	<u>\$ 17,176,201</u>	<u>\$ 18,268,219</u>
Transfers	\$ -	\$ -	\$ (11,750)	\$ (511,252)	\$ (5,703)
Increase (Decrease) in Net Assets	\$ 783,135	\$ (862,364)	\$ (2,171,626)	\$ (2,196,772)	\$ (2,136,362)
Net Position - Beginning	\$ 9,240,385	\$ 10,102,743	\$ 12,274,369	\$ 14,471,141	\$ 16,607,503
Adjustments	-	6	-	-	-
Net Position - Ending	<u>\$ 10,023,520</u>	<u>\$ 9,240,385</u>	<u>\$ 10,102,743</u>	<u>\$ 12,274,369</u>	<u>\$ 14,471,141</u>

**TABLE 13-A - GENERAL FUND REVENUES AND EXPENDITURE HISTORY**

	Fiscal Year Ended December 31,				
	2020	2019	2018	2017	2016
<b>REVENUES:</b>					
Taxes	\$ 10,620,075	\$ 9,900,636	\$ 8,296,785	\$ 8,922,022	\$ 8,010,462
State and Federal Grants	220,069	175,808	147,475	206,255	265,938
Fines and Fees	1,545,728	2,093,086	1,601,733	1,391,887	1,269,586
Interest	93,037	225,997	156,530	91,594	43,092
Other Revenues	<u>378,561</u>	<u>487,108</u>	<u>606,678</u>	<u>814,668</u>	<u>1,370,171</u>
Total Revenues	<u><u>\$ 12,857,470</u></u>	<u><u>\$ 12,882,635</u></u>	<u><u>\$ 10,809,201</u></u>	<u><u>\$ 11,426,426</u></u>	<u><u>\$ 10,959,249</u></u>
<b>EXPENDITURES:</b>					
General Government	\$ 3,650,674	\$ 3,106,421	\$ 2,913,373	\$ 3,612,545	\$ 2,895,838
Health and Welfare	1,499,591	1,513,206	1,474,630	1,485,110	1,513,364
Judicial and Legal	2,544,220	2,217,574	2,270,406	2,277,469	2,356,622
Public Safety	3,979,121	3,980,274	3,432,218	3,475,149	3,515,418
Public Facilities	402,633	448,748	452,384	434,978	446,107
Culture and Recreation	<u>919,060</u>	<u>905,559</u>	<u>958,198</u>	<u>874,487</u>	<u>966,759</u>
Total Expenditures	<u><u>\$ 12,995,299</u></u>	<u><u>\$ 12,171,782</u></u>	<u><u>\$ 11,501,209</u></u>	<u><u>\$ 12,159,738</u></u>	<u><u>\$ 11,694,108</u></u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>\$ (137,829)</u>	<u>\$ 710,853</u>	<u>\$ (692,008)</u>	<u>\$ (733,312)</u>	<u>\$ (734,859)</u>
<b>Other Financing Sources (Uses):</b>					
Capital Lease Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In (Out)	<u>19,498</u>	<u>-</u>	<u>(35,368)</u>	<u>(408,265)</u>	<u>(31,652)</u>
Total Other Financing Sources (Uses)	<u><u>\$ 19,498</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (35,368)</u></u>	<u><u>\$ (408,265)</u></u>	<u><u>\$ (31,652)</u></u>
Net Change in Fund Balance	<u>\$ (118,331)</u>	<u>\$ 710,853</u>	<u>\$ (727,376)</u>	<u>\$ (1,141,577)</u>	<u>\$ (766,511)</u>
Fund Balances - Beginning	<u><u>\$ 1,083,081</u></u>	<u><u>\$ 372,228</u></u>	<u><u>\$ 1,099,604</u></u>	<u><u>\$ 2,241,181</u></u>	<u><u>\$ 3,007,692</u></u>
Fund Balances - Ending	<u><u>\$ 964,750</u></u>	<u><u>\$ 1,083,081</u></u>	<u><u>\$ 372,228</u></u>	<u><u>\$ 1,099,604</u></u>	<u><u>\$ 2,241,181</u></u>

**TABLE 14 - CURRENT INVESTMENTS**

As of December 31, 2020, the County's investable funds were invested in the following categories:

Investments	Market Value	
TexPool	\$ 462,126	3.56%
TxClass	11,472,184	88.45%
FICA	<u>1,035,765</u>	<u>7.99%</u>
	<u><u>12,970,075</u></u>	<u><u>100.00%</u></u>