

Texas Municipal Reports

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Wills Point, City of (Waterworks & Sewer System)

Last Revised 12/31/2008

Van Zandt County

TMR # 2569

Page 1 of 2

FOR OTHER BONDS OF THE CITY SEE SEPARATE TEXAS MUNICIPAL REPORT.

FINANCIAL STATEMENT (As of September 30, 2007)

Special Obligation Debt
 WW & SS \$340,000

PAYMENT RECORD The City has never defaulted on its Revenue Bonds and has not defaulted on its General Obligation Debt since 1935, when bonds and warrants were refunded at par with a reduction in interest rate.

DETAILS OF REVENUE DEBT
 Outstanding 9/30/2007

WW & SS Jr Lien Rev Bds Ser 78
 Tax Treatment: T/E
 Original Issue Amount \$780,000
 Dated Date: 11/01/1978
 Sale Date: 11/13/1978
 Delivery Date: 12/05/1978
 Sale Type: Private Placement
 Record Date: NA
 Bond Form: BB
 Denomination \$5,000
 Interest pays Semi-Annually: 02/01, 08/01
 1st Coupon Date: 08/01/1979
 Paying Agent: First National Bank of Commerce, Wills Point, TX
 Bond Counsel: McCall, Parkhurst & Horton
 Purchaser: Farmers Home Administration

Call Option: Mts 90/19 callable 02/01/89 or AID @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/01/2008	25,000	5.000%	N/A
02/01/2009	25,000	5.000%	N/A
02/01/2010	25,000	5.000%	N/A
02/01/2011	25,000	5.000%	N/A
02/01/2012	30,000	5.000%	N/A
02/01/2013	30,000	5.000%	N/A
02/01/2014	30,000	5.000%	N/A
02/01/2015	30,000	5.000%	N/A
02/01/2016	30,000	5.000%	N/A
02/01/2017	30,000	5.000%	N/A
02/01/2018	30,000	5.000%	N/A
02/01/2019	30,000	5.000%	N/A
-----\$340,000			

GRAND TOTAL===== \$340,000

BOND DEBT SERVICE

Period Ending	Principal	Interest	Debt Service
09/30/2008	25,000.00	16,375.00	41,375.00
09/30/2009	25,000.00	15,125.00	40,125.00
09/30/2010	25,000.00	13,875.00	38,875.00
09/30/2011	25,000.00	12,625.00	37,625.00
09/30/2012	30,000.00	11,250.00	41,250.00
09/30/2013	30,000.00	9,750.00	39,750.00
09/30/2014	30,000.00	8,250.00	38,250.00
09/30/2015	30,000.00	6,750.00	36,750.00
09/30/2016	30,000.00	5,250.00	35,250.00
09/30/2017	30,000.00	3,750.00	33,750.00
09/30/2018	30,000.00	2,250.00	32,250.00
09/30/2019	30,000.00	750.00	30,750.00

340,000.00 106,000.00 446,000.00

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, and debt service payments.

	Fiscal Year Ended			
	09-30-2007	09-30-2006	09-30-2005	09-30-2004
Revenues:				
Water & Sewer	\$1,318,486	\$1,480,708	\$1,320,093	\$1,195,684
Other	364,646	233,297	2,915	0
Total	\$1,683,132	\$1,714,005	\$1,323,008	\$1,195,684
Expenses:				
Other	\$1,378,994	\$1,028,761	\$926,120	\$995,866
Total	\$1,378,994	\$1,028,761	\$926,120	\$995,866
Available For Debt Service	\$304,138	\$685,244	\$396,888	\$199,818

WATER SUPPLY On December 11, 1964, the City entered into a contract with the Sabine River Authority, whereby the City built and maintains a 12-inch water line from Lake Tawakoni to the City's treatment plant eight miles north of the City. The Authority in turn delivers to the City 547 million gallons of raw water annually at the following monthly rates:

	Gallons	
First	6,083,333	\$0.02/M (Take-or-Pay)
Next	39,541,666	.02/M (Standby-Pay)

Minimum Monthly Charge \$200.00

In an amendment to the contract, dated May 1, 1977, the City exercised an option to purchase an additional 500,000 gallons of water per day for a monthly sum of \$532.30 (\$0.035/M), which the City is obligated to pay (in addition to any other sums payable), regardless of the quantity of water actually taken.

The contract is to run for 31 years from August 1965, the date the pipeline was completed. In addition, the City has two surface reservoirs on a standby reserve basis.

WATER RATES (Monthly billing) Effective October 1, 2008.

Old Rates			
	Gallons	Inside City	Outside City
First	2,000	\$26.00(Min)	\$31.50(Min)
Next	8,000	1.95/M	2.05/M
Next	5,000	2.05/M	2.30/M
Next	35,000	2.10/M	2.40/M
Next	50,000	2.20/M	2.50/M
Over	100,000	2.45/M	2.70/M

New Rates			
	Gallons	Inside City	Outside City
First	2,000	\$26.00(Min)	\$51.50(Min)
Next	8,000	1.95/M	2.05/M
Next	5,000	2.05/M	2.30/M
Next	35,000	2.10/M	2.40/M
Next	50,000	2.20/M	2.50/M
Over	100,000	2.45/M	2.70/M

SEWER RATES (Monthly billing) Effective October 1, 2008.

Old Rates

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TMR # 2569

Page 2 of 2

	Gallons	Inside City	Outside City
First	2,000	\$26.00(Min)	\$31.50(Min)
Next	8,000	1.70/M	1.95/M
Next	5,000	1.95/M	1.95/M
Next	35,000	1.95/M	2.05/M
Next	50,000	1.95/M	2.20/M
Over	100,000	2.20/M	2.30/M

	Gallons	Inside City	Outside City
First	2,000	\$31.50(Min)	\$32.00(Min)
Next	8,000	1.85/M	1.95/M
Next	5,000	1.95/M	1.95/M
Next	35,000	2.10/M	2.05/M
Next	50,000	2.20/M	2.20/M
Over	100,000	2.45/M	2.30/M

REVENUE BONDS AUTHORIZED BUT UNISSUED

Election Date	Purpose	Amount Authorized	Issued To Date	Unissued
07/18/64	W&S	\$278,000	\$265,000	\$13,000*

*Due to the age of the authorization, it is not expected these will be issued.

NON-FUNDED DEBT PAYABLE (As of September 30, 2007) None.

ECONOMIC BACKGROUND

The City of Wills Point is a livestock market center located on U.S. Highway 80, approximately nine miles south of Lake Tawakoni. Lake Tawakoni is one of the largest fresh water reservoirs in the State of Texas and attracts many people to the City each year. The City's 2000 population was 3,496, an increase of 17.1% since 1990. Local manufacturers produce dresses, monuments, electron beam guns, and ready mix concrete.

County Characteristics: Van Zandt County was created and organized in 1848 from Henderson County. The economy is diversified by oil, tourism and agribusiness. The Texas Almanac designates nurseries, beef cattle, dairies and vegetables as principal sources of agricultural income. The county seat is Canton.

Retail sales in 2005 totaled \$393.8 million. The 2000 county-wide census was 48,140, an increase of 26.9% since 1990. The total 2005 Effective Buying Income was \$841.0 million with a median of \$34,972 per household compared to the state median of \$38,804.* A total of 73.2% of the households had Effective Buying Incomes in excess of \$20,000, while 26.8% had incomes below \$20,000.* The Texas Employment Commission reported 10,501 persons employed with earnings of \$71.9 million the first quarter of 2008.

Minerals produced in the county include oil and gas. Purtils Creek State Park attracted 65,295 visitors during the 2001 season. Harvest Trends, a publication of the Texas Forest Service, indicates 571,351 cubic feet of timber produced in 2006 with a delivered value of \$777,000.

Any data on population, value added by manufacturing or production of minerals or agricultural products are from US Census or other official sources.

* Sales & Marketing Management: 2005 Survey of Buying Power; further reproduction not licensed.

FINANCE CONNECTED OFFICIALS

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