

SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

October 29, 2020

To the Wise County Tax Assessor / Collector
Decatur, Texas

We have audited the financial schedules of the Wise County Tax Office (Tax Office) for the year ended August 31, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 8, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Tax Office are described in Note A to the financial schedules. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2020. We noted no transactions entered into by the Tax Office during the period for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial schedules in the proper period.

Accounting estimates are an integral part of the financial schedules prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial schedules and because of the possibility that future events affecting them may differ significantly from those expected. No estimates affecting the financial schedules were noted.

The financial schedules disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial schedules taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial schedules or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 29, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Tax Office's financial schedules or a determination of the type of auditor's opinion that may be expressed on those schedules, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Tax Office's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to report on the supplemental information, which accompanies the financial schedules, but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial schedules. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial schedules or to the financial schedules themselves.

Restriction on Use

This information is intended solely for the information and use of the management of the Wise County Tax Office and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Snow Garrett Williams

Snow Garrett Williams



SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

Management Letter

October 29, 2020

To the Wise County Tax Assessor / Collector
Decatur, Texas

In connection with our audit of the delinquent tax receivable schedules of the Wise County Tax Office as of August 31, 2020, we conducted a review of the accounting procedures and internal control. While the primary objective of such a review is to afford us a basis of determining the scope of our audit procedures, it nevertheless presents us with an opportunity to submit, for management's consideration, suggestions for changes in procedures which, in our opinion, would strengthen internal control or contribute to the improvement of operating efficiency.

The comments in this letter are based upon observations made in the course of such a review. The review was not designed for the purpose of expressing an opinion on internal control, and it would not necessarily disclose all weaknesses in the system. The matters discussed herein were considered during our audit of the above-mentioned delinquent tax receivable schedules, and they did not modify the opinion expressed in our report on the delinquent tax receivable schedules. However, we offer for your review, the comments and recommendations as noted on the following pages.

We have discussed the following comments in detail with the appropriate staff of the Tax Office to ensure understanding of the comments and implementation of recommendations. If you have any questions regarding these or any other matters, please feel free to contact us.

This letter is intended solely for the information and use of management and others within the Wise County Tax Office and contracted taxing entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Finally, we take this opportunity to thank you and your staff for your courtesy and cooperation during our audit. Thank you for your business.

Sincerely yours,

Snow Garrett Williams

Snow Garrett Williams

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Follow Up on Prior Year Comments

We commend the Office on correcting the following areas in the 2019-2020 fiscal year:

Strengthening of Management Controls

Follow Up: We commend the Office for implementing processes related to IT controls and reviewing daily back-ups from NET Data.

Building Access

Follow Up: We also commend the Office for securing restricted areas.

Objective of Internal Control

The objective of internal control is to provide reasonable, but not absolute, assurance that the Tax Office's assets will be safeguarded against loss from unauthorized use or disposition, and that the reliability of financial records for preparing financial schedules and maintaining accountability for assets will be preserved. The concept of reasonable assurance recognizes that the cost of a system of internal control should not exceed the benefits derived and recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

Because of inherent limitations in any internal control, misstatements due to error or fraud may occur and not be detected. Control procedures whose effectiveness depends upon the segregation of duties can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial schedules. Further, projections of any evaluation of the internal control over financial reporting to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

WISE COUNTY TAX OFFICE

System and Organization Controls (SOC 1)
Report on Wise County Tax Office's Description of
Its System and the Suitability
of the Design and Operating Effectiveness of Controls

For the Period September 1, 2019
through August 31, 2020

WISE COUNTY TAX OFFICE

Report on Wise County Tax Office's Description of Its System and the Suitability of the Design and Operating Effectiveness of Controls For the Period September 1, 2019 through August 31, 2020

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Section I
Independent Service Auditor's Report



SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

Independent Service Auditor's Report on Wise County Tax Office's Description of Its System and the Suitability of the Design and Operating Effectiveness of Controls

To the Wise County Tax Assessor/Collector
Decatur, Texas

Scope

We have examined the Wise County Tax Office's description of its system for the billing of taxes, penalties, and interest; payment processing; disbursement of collections; safeguarding of collections; and maintenance of taxes receivable (the system) throughout the period September 1, 2019 to August 31, 2020 (description) and the suitability of the design and operating effectiveness of the controls included in the description to achieve the related control objectives stated in the description, based on the criteria identified in the "Assertion of the Management of Wise County Tax Office" (assertion). The controls and control objectives included in the description are those that management of the Wise County Tax Office (Tax Office) believes are likely to be relevant to user entities' internal control over financial reporting, and the description does not include those aspects of the system that are not likely to be relevant to user entities' internal control over financial reporting. The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of the Tax Office's controls are suitably designed and operating effectively, along with related controls at the Tax Office. Our examination did not extend to such complementary user entity controls and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

The Tax Office uses subservice organizations for database management and other information system support. The description includes only the control objectives and related controls of the Tax Office and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified by the Tax Office can be achieved only if complementary subservice organization controls assumed in the design of the Tax Office's controls are suitably designed and operating effectively, along with the related controls at the Tax Office. Our examination did not extend to controls of the subservice organizations and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

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Service organization's responsibilities

In Section II of this report, the Tax Office has provided an assertion about the fairness of the presentation of the description and suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. The Tax Office is responsible for preparing the description and assertion, including the completeness, accuracy, and method of presentation of the description and assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the description.

Service auditor's responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the description throughout the period September 1, 2019 to August 31, 2020. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves-

- performing procedures to obtain evidence about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion.
- assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the description.
- testing the operating effectiveness of those controls that management considers necessary to provide reasonable assurance that the related control objectives stated in the description were achieved.
- evaluating the overall presentation of the description, suitability of the control objectives stated in the description, and suitability of the criteria specified by the service organization in its assertion.

Inherent limitations

The description is prepared to meet the common needs of a broad range of user entities and their auditors who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service

organization may not prevent, or detect and correct, all misstatements in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives, is subject to the risk that controls at a service organization may become ineffective.

Description of tests of controls

The specific controls tested and the nature, timing, and results of those tests are listed in Section IV of this report.

Opinion

In our opinion, in all material respects, based on the criteria described in the Tax Office's assertion in Section II of this report:

a. The description fairly presents the system that was designed and implemented throughout the period September 1, 2019 to August 31, 2020.

b. The controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period September 1, 2019 to August 31, 2020 and subservice organizations and user entities applied the complementary controls assumed in the design of the Tax Office's controls throughout the period September 1, 2019 to August 31, 2020.

c. The controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period September 1, 2019 to August 31, 2020 if complementary subservice organizations' and user entity controls assumed in the design of the Tax Office's controls operated effectively throughout the period September 1, 2019 to August 31, 2020.

Restricted use

This report, including the description of tests of controls and results thereof in Section IV of this report, is intended solely for the information and use of the Tax Office, user entities of the Tax Office's system during some or all of the period September 1, 2019 to August 31, 2020, and their auditors who audit and report on such user entities' financial statements or internal controls over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities themselves, when assessing the risks of material misstatement of user entities' financial statements. This report is not intended to be, and should not be, used by anyone other than these specified parties.

Snow Garrett Williams

Snow Garrett Williams
September 24, 2020

Section II
Assertion of the Management of
Wise County Tax Office

WISE COUNTY, TEXAS

P.O. Box 899
Decatur, TX 76234

Assertion of the Management of the Wise County Tax Office

Snow Garrett Williams
Weatherford, Texas 76086

We have prepared the description of the Wise County Tax Office's system for the billing of taxes, penalties, and interest; payment processing; disbursement of collections; safeguarding of collections; and maintenance of taxes receivable (the system) throughout the period September 1, 2019 to August 31, 2020 (description) for user entities of the system during some or all of the period September 1, 2019 to August 31, 2020, and their auditors who audit and report on such user entities' financial statements or internal control over financial statement reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by subservice organizations and user entities of the system themselves when assessing the risks of material misstatement of user entities' financial statements.

The Wise County Tax Office (Tax Office) uses subservice organizations for database management and other information system support. The description includes only the control objectives and related controls of the Tax Office and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified in the description can be achieved only if complementary subservice organization controls assumed in the design of our controls are suitably designed and operating effectively, along with the related controls. The description does not extend to controls of the subservice organizations.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of the Tax Office's controls are suitably designed and operating effectively, along with related controls at the service organization. The description does not extend to controls of the user entities.

We confirm, to the best of our knowledge and belief, that:

1) The description fairly presents the system made available to user entities of the system during some or all of the period September 1, 2019 to August 31, 2020 for the billing of taxes, penalties, and interest; payment processing; disbursement of collections; safeguarding of collections; and maintenance of taxes receivable as it relates to controls that are likely to be relevant to user entities' internal control over financial reporting. The criteria we used in making this assertion were that the description:

   a) Presents how the system made available to user entities of the system was designed and implemented to process relevant user entity transactions, including, if applicable:

i) The types of services provided, including, as appropriate, the classes of transactions processed.

ii) The procedures, within both automated and manual systems, by which those services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities of the system.

iii) The information used in the performance of the procedures including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.

iv) How the system captures and addresses significant events and conditions other than transactions.

v) The process used to prepare reports and other information for user entities.

vi) The services performed by subservice organizations, if any, including whether the carve-out method or the inclusive method has been used in relation to them.

vii) The specified control objectives and controls designed to achieve those objectives including, as applicable, complementary user entity controls and complementary subservice organizations' controls assumed in the design of the controls.

viii) Other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities, and monitoring activities that are relevant to the services provided.

b) Includes relevant details of changes to the system during the period covered by the description.

c) Does not omit or distort information relevant to the system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and their user auditors and may not, therefore, include every aspect of the system that each individual user entity of the system and its auditor may consider important in its own particular environment.

2) The controls related to the control objectives stated in the description were suitably designed and operating effectively throughout the period September 1, 2019 to August 31, 2020 to achieve those control objectives if subservice organizations and user entities applied the complementary controls assumed in the design of the Tax Office's controls throughout the period September 1, 2019 to August 31, 2020. The criteria we used in making this assertion were that:

a) The risks that threaten the achievement of the control objectives stated in the description have been identified by management.

b) The controls identified in the description would, if operating effectively, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved.

c) The controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Signature: Martha S. Shaw

Title: Tax Assessor/Collector

Section III
Description of the System Provided by
Wise County Tax Office

Wise County Tax Office
Description of Its System

Tax Office and Operations

Overview of Tax Office Operations

Beginning in April 2019, the Wise County Tax Office (Tax Office) contracted with various taxing entities in the County to bill and collect taxes on their behalf based upon appraised values received from the Wise County Appraisal District. The Tax Office has three locations for tax collections within the County: Boyd, Texas; Bridgeport, Texas; and Decatur, Texas. The primary tax collection office is located in Decatur, Texas.

Software Used in the Collection of Property Taxes

The Tax Office uses NET Data Property Tax Billing and Collection computer software, which is developed and maintained by NET Data Corporation based out of Sulphur Springs, Texas, to track billings and collections of property taxes for each tax account. NET Data Corporation, a subservice organization, is presented in this system description using the carve-out method.

Elements of the Control Environment, Risk Assessment, Communication, and Monitoring

Control Environment

The Tax Office is included in the agency funds of Wise County, Texas and is governed by the Wise County Commissioners Court (CC). The CC is established under the state statutes established for Counties. The CC meets bi-weekly to review financial and operating results and conduct other business as appropriate for the County, including the Tax Office. The County Auditor performs an annual review of the Tax Assessor/Collector.

Senior management consists of the Tax Assessor/Collector and the Chief Deputy. The Tax Assessor/Collector is an elected official of Wise County, Texas. The Tax Office has one department, the collections department. The accounting function is performed by the Chief Deputy, who reports directly to the Tax Assessor/Collector. The Chief Deputy is responsible for reviewing receipts of collections, deposits made from collections, as well as making distributions to contracting taxing entities, and issuing refunds to taxpayers.

The Tax Office operates as a department of Wise County, Texas. The County maintains a very detailed personnel policy manual, which covers employee orientation, training, performance reviews, conflict of interest, standards of conduct and code of ethics. The manual is reviewed and updated regularly. New employee orientation includes receiving a copy of the personnel policy manual, a review of the organizational structure, and County policies and procedures. The County uses job descriptions to outline the duties and responsibilities of each position.

Wise County Tax Office
Description of Its System

Risk Assessment

The Tax Office seeks to mitigate financial and operational risks through early identification, process identification, and continuous oversight. Management has established mechanisms to help identify risks and the evaluation of risks are a part of the planning process. Risks related to the ability of an employee to initiate and process unauthorized transactions are identified.

Communication

The Tax Office has implemented several methods of communication designed to ensure all employees understand their roles, responsibilities, and obligations. These methods include training, staff meetings, e-mail messages, policies and procedures manuals, and job descriptions. The Tax Office's overall goal and the key elements of the Tax Office's strategic plan are communicated to employees, including elements of internal controls.

The County's personnel policy manual contains standards of conduct and a code of ethics that promotes internal control.

Monitoring

The County Tax Assessor/Collector, Office Manager, and Chief Deputy are involved in the day-to-day operations of the Tax Office. They exercise reasonable control over operations in order to avoid crisis conditions in operations or accounting. Work spaces are well organized. The County Tax Assessor/Collector, Office Manager, and Chief Deputy are actively involved in designing and approving changes in internal controls. During the year, management monitors controls and compliance with laws.

The Tax Office receives a separate annual external audit of its delinquent tax receivable schedules, and Wise County receives an annual external audit of its financial statements for all funds. Internal control findings identified during the external audits are addressed by senior management in a timely fashion, and management understands the effect of financial reporting on the Tax Office.

Description of Business Process Controls

The Tax Office's control objectives and related controls are included in "Section IV – Information Provided by Independent Service Auditor" to eliminate the redundancy that would result from listing them in both Sections III and IV. Although the control objectives and related controls are included in Section IV, they are an integral part of the Tax Office's description of the system.

Wise County Tax Office
Description of Its System

Billing of Taxes, Penalties, and Interest

The Wise County Appraisal District (WCAD) appraises taxable values within Wise County, Texas. When the tax rolls are certified and approved by WCAD, the rolls are sent directly to NET Data to be converted and reconciled to the Tax Office's computerized tax data. NET Data imports all tax information received from WCAD.

The Tax Office sends portable document format (PDF) batches of property tax statements to a third-party vendor that prints and mails out the statements. Prior to sending the files out, the Tax Office samples billing statements that will be printed and mailed. The Tax Office verifies that the statements include all pertinent information, such as approved exemptions, tax rates, etc. The Tax Office recalculates the tax levy, including any frozen levy, to test the accuracy of the information that is provided to NET Data, and the computer calculation of the tax levy and related penalties and interest. The Tax Office reconciles the batch total to the beginning tax levy.

All adjustments to property values are processed by WCAD, and a Change Authorization Form is forwarded to the Tax Office. When the Tax Office receives a Change Authorization Form, the form is stamped with the date received; the information is entered into the tax office system; signed and dated upon entry; and filed in numerical order. Corrected tax statements are produced and mailed to taxpayers, and any necessary refunds are forwarded to the Chief Deputy to prepare checks.

Daily, NET Data Corporation backs up the data in the NET Data application off-site and stores the back-up in a cloud database. The County's IT Department also creates and stores a local back up of all network drives.

Payment Processing

Payments received through the mail and at the Tax Office are manually posted to NET Data daily. Posting payments to accounts is restricted to the collection clerks through assigned functions within the NET Data application and the requirement of passwords. Collection clerks access the account by taxpayer name, address, account number, or statement number. During payment posting, the collection clerk records the amount and method of payment in the NET Data application.

At the end of the day, each collection clerk prints the Statement Number List of Payments Report from NET Data and balances their drawer against the report. The Chief Deputy prints the Daily Report from NET Data and agrees the daily receipts collected to each clerk's Statement Number List of Payments Report. The Chief Deputy then prepares the bank deposits. Either the Tax Assessor/Collector or the Office Manager takes the bank deposits to the bank on the following business day.

Wise County Tax Office
Description of Its System

Payment Processing (Continued)

The following business day, the Collections Supervisor scans checks from the day before in batches using a Digital Check Teller Scan TS 240 check scanner. The batches are then electronically deposited into the Tax Office bank account. The Collections Supervisor agrees the batch total to the Batch Balance Report before completing the electronic deposit. Scanned checks are kept in the safe for three months, at which time they are shredded.

Payments are also made through the County's website on a Certified Payment link developed and maintained by NET Data Corporation. Periodically, the Chief Deputy downloads the Certified Payment Report and obtains the Account Activity Report for the Tax Office bank account. The Chief Deputy has restricted use to view only and print reports from NET Data. The Chief Deputy agrees the total of each batch on the Certified Payment Report to the deposit on the bank's Account Activity Report. If the batch has been deposited into the Tax Office account, the Certified Payment Report is given to the Collections Clerk, who then posts the payments to the individual accounts through a payment processing program in NET Data. The Collections Clerk notes on the Certified Payment Report any discrepancies, such as small over or under payments, or that the payment was already made and a credit card refund needs to be processed. The Collections Clerk returns the Certified Payment Report to the Chief Deputy. The Collections Clerk reconciles the Batch Balance total to the Certified Payment Report and closes the batch. The Chief Deputy then processes any credit card refunds required and records the credit card deposits in the NET Data program. The Chief Deputy tracks all credit card activities in a spreadsheet and compares the monthly activity to a Monthly Batch Report from NET Data.

Before processing disbursements, the Chief Deputy agrees the deposit slips to the Deposit Report for the same period and researches any discrepancies. All documentation is filed and retained for audit and research purposes.

Disbursement of Collections

On a daily basis, the Chief Deputy prints out the Daily Collections Report, the Daily Report, and the Distribution and Refunds Payable Edit Report from NET Data for collections that will be distributed to the taxing entities. The Chief Deputy obtains the Daily Collections reports from the clerks in the Collections department and reconciles the clerks' reports to the printed Daily Report for collections.

After the daily collections are balanced, disbursements are processed and sent by ACH from the Tax Office to all contracting taxing entities. Refunds to taxpayers are prepared daily but are held for approximately three weeks to ensure that funds have cleared the bank. The Chief Deputy runs the Distribution and Refunds Payable Report and the Accounts Payable Balancing Report from NET Data for all taxing entities and reconciles them to the Daily Reports for the same period.

Wise County Tax Office
Description of Its System

Disbursement of Collections (Continued)

The Distribution and Refunds Payable Report summarizes the collections by current tax, current penalty, delinquent tax, delinquent penalties and interest, and attorney fees. This report also summarizes collections by year. The Chief Deputy uses information from the Accounts Payable Balancing Report to enter into spreadsheets that calculate the amount of maintenance and operations taxes and interest and sinking taxes for each entity that had collections for the period. All taxing entities receive distributions through automated clearing house (ACH) bank transfers. The Chief Deputy posts the ACH transfer amounts per taxing entity through the bank's website based on the information from the Distribution and Refunds Payable Edit Report. The Chief Deputy and one Collections Clerk are authorized to approve ACH transfers. The online banking module for ACH disbursements is restricted to the aforementioned users and requires passwords. After the ACH has been transferred, the Chief Deputy electronically sends a distribution spreadsheet to TexPool. TexPool then distributes the funds according to the information provided. The Chief Deputy electronically sends the applicable Distribution Summary Report and Payee Report to each taxing entity for the distribution period. All documentation is filed and retained for audit and research purposes.

Safeguarding of Collections

To protect the collections, the Tax Office maintains a Public Employees Blanket Bond on all employees who handle monies for $10,000 per employee; a tax assessor / collector state bond for $100,000; and a tax assessor / collector county bond for $100,000. Also, the Tax Office and the Wise County Treasurer monitor the adequacy of Federal Deposit Insurance Corporation (FDIC) coverage and pledged securities by the depository bank. The Tax Office bank accounts are included with all of the Wise County bank accounts for collateralization purposes.

The Tax Office makes daily deposits to the bank at the beginning of the day. The Chief Deputy reconciles the deposit slips and deposit confirmations to the NET Data Daily Reports. The Chief Deputy prepares timely reconciliations of the monthly Tax Office bank statements. The bank reconciliations are sent to the Wise County Audit Office for review by the County's Internal Auditors.

Maintenance of Taxes Receivable

The Tax Office maintains current computerized listings in NET Data of taxes, penalties, and interest receivable by tax account. These detail records maintain assessment, adjustment, and payment history by tax account. The Percent of Collections Tax Roll Report generated by NET Data is provided to the taxing entities. Annually, the Tax Office calculates the tax levies. The Tax Office reconciles the collections and disbursements.

Wise County Tax Office
Description of Its System

General Computer Controls

Computer Operations

The network architecture is configured to minimize the risk of unauthorized network access. Firewalls are implemented in the Tax Office's network architecture and activity is reviewed through logs and/or firewall console. The Tax Office's programs, data and other information resources are protected from viruses. The Wise County Director of IT oversees the installation and the automated update process of the virus protection software by Microsoft Essentials on all Tax Office computers.

Logical Security

NET Data has administrative rights for the NET Data application. User access is based on job functions and responsibilities. Changes, additions, or deletions of user account access to the NET Data application are communicated to NET Data from the County Tax Assessor/Collector.

User login and passwords are required to access the NET Data application. Users are verbally instructed to keep their password(s) confidential.

Backup Procedures

NET Data Corporation backs up the Tax Office's data offsite daily.

Physical Security

The Tax Office's building has a main entrance through a central lobby. Visitors enter the building into a waiting area and are screened and escorted by Tax Office personnel during their visit. The employee entrance to the Tax Office's work area is through automatically locking doors that require an individual access code to enter. When an employee is terminated, the employee's building access code is disabled as part of the exit process.

Wise County Tax Office
Description of Its System

User Control Consideration

The Tax Office's system of internal controls was designed with the assumption that certain controls would be implemented by user entities. In certain situations, the application of specific controls at user entities is necessary to achieve certain objectives included in this report. The following user internal control considerations presented should not be regarded as a comprehensive list of all controls that should be employed by user entities. There may be additional controls that would be appropriate for the processing of user transactions that are not identified in this report.

- Controls should be established to ensure that the tax information supplied by WCAD to the Tax Office is accurate, complete, and approved by the contracting taxing entity's governing body.

- Controls should be established to ensure that all required output is received from the Tax Office and reviewed and/or reconciled for completeness and accuracy.

Subservice Organization Control Consideration

The Tax Office's system of internal controls was designed with the assumption that certain controls would be implemented by subservice organizations. In certain situations, the application of specific controls at subservice organizations is necessary to achieve certain objectives included in this report. The following subservice organization internal control considerations presented should not be regarded as a comprehensive list of all controls that should be employed by subservice organizations. There may be additional controls that would be appropriate for the processing of subservice organization transactions that are not identified in this report.

- Controls provide reasonable assurance that changes to application programs and related data management systems are authorized, tested, documented, approved, and implemented to result in the complete, accurate, and timely processing and reporting of transactions and balances.

Section IV
Information Provided by
Independent Service Auditor

Purpose and Objectives of the Report

This report is intended to provide users of the Tax Office's activities with information about controls at the Tax Office that may affect the processing of user entities' transactions and to provide users with information about the operating effectiveness of the controls that were tested. This report, when combined with an understanding and assessment of the internal controls at user entities, is intended to assist the user auditor in (1) planning the audit of the user's financial statements and in (2) assessing control risk for assertions in the user's financial statements that may be affected by controls at the Tax Office.

Our examination was restricted to the description of the system, control objectives, and the related control procedures specified in Section III by the Tax Office's management and was not extended to procedures described elsewhere in this report but not listed, or to procedures that may be in effect at the user entity. The examination was conducted in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 18, *Reporting on Controls at a Service Organization*, (SOC 1) of the American Institute of Certified Public Accountants. It is each user auditor's responsibility to evaluate this information in relation to the controls in place at each user entity. If certain complementary user entity controls are not in place at the user entity organization, the Tax Office's controls may not compensate for such weaknesses.

The description of the system and control objectives are the responsibility of the Tax Office's management. Our responsibility is to express an opinion about whether:

1) The description fairly presents the system that was designed and implemented throughout the period September 1, 2019 to August 31, 2020.
2) The controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period September 1, 2019 to August 31, 2020, and subservice organizations and user entities applied the complementary controls assumed in the design of the Tax Office's controls throughout the period September 1, 2019 to August 31, 2020.
3) The controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period September 1, 2019 to August 31, 2020 and complementary subservice organizations and user entity controls assumed in the design of the Tax Office's controls operated effectively throughout the period September 1, 2019 to August 31, 2020.

Tests of Operating Effectiveness

Our tests of the operational effectiveness of controls were designed to cover a representative number of transactions throughout the period of September 1, 2019 to August 31, 2020, for each of the controls, which are designed to achieve the specific control objectives. In selecting particular tests of the operational effectiveness of controls, we considered (a) the nature of the items being tested; (b) the types of available evidential matter; (c) the nature of the audit objectives to be achieved; (d) the assessed level of control risk; and (e) the expected efficiency and effectiveness of the test.

Tests of Operating Effectiveness (continued)

Our examination included inquiries of key personnel, reviews of available documentation, and observation and inspection of certain controls surrounding and provided by the Tax Office's system. Our examinations were designed only to clarify the understanding of the information contained in the description. In addition, we applied tests to specific controls to obtain evidence about their effectiveness in meeting the related control objectives. described in the Control Objective Matrices of this section, throughout the period September 1, 2019 to August 31, 2020.

Wise County Tax Office
Control Objective Matrices

Billing of Taxes, Penalties, and Interest

Control Objective 1: Controls provide reasonable assurance that the calculation of ad valorem taxes and billing of taxes, penalties, and interest is accurate and complete.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
1.1	Reviews all tax rates used to calculate tax levies and agrees the rates to the entity approved rates.	Inquired of the Tax Assessor/Collector and Chief Deputy. Inspected the tax rate report for the applicable tax year and noted tax rates were reviewed.	No relevant exceptions noted.
1.2	Recalculates the tax levy to test the accuracy of the information input into the NET Data application and the computer calculation of the tax levy and related penalties and interest.	Inquired of the Tax Assessor/Collector and Chief Deputy that they review billing statements on an annual basis, including recalculating the tax levy.	No relevant exceptions noted.
1.3	Reviews billing statements for accuracy.	Inquired of the Tax Assessor/Collector and Chief Deputy that they review billing statements on an annual basis.	No relevant exceptions noted.
1.4	Computer software is backed up daily.	Inquired of the Tax Assessor/Collector and Chief Deputy. NET Data performs the backup of the system on a daily basis through a cloud storage service.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

Payment Processing

Control Objective 2: Controls provide reasonable assurance that ad valorem taxes collected are accurately processed and posted.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	Control Activity	Test Procedures	Test Results
2.1	Posting payments to accounts is restricted through assigned duty functions within NET Data and requires a password to access.	Inquired of the Chief Deputy. Inspected the list of users with access to different modules of the NET Data application and their associated privileges. Observed authentication procedures.	No relevant exceptions noted.
2.2	Reconciles the daily deposit for each collections clerk to the Daily Report from NET Data.	Inquired of the Chief Deputy. Inspected the deposit slips and Daily Reports for a sample of days.	No relevant exceptions noted.
2.3	Reconciles the Certified Payment Report (credit card payments) to the Batch Balance Report for credit card payments.	Inquired of the Chief Deputy. Inspected the reconciliation of the Certified Payments report to the Daily Batch Balance Report for ACH deposits for a sample of days.	No relevant exceptions noted.
2.4	All collection documentation is filed and retained for audit and research purposes.	Inquired of the Chief Deputy. Inspected the filed collection documentation for a sample of days.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

Disbursement of Collections

Control Objective 3: Controls provide reasonable assurance that funds collected are disbursed accurately, completely, and securely.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
3.1	Reconciles total collections from the Daily Reports to the Collections Report for the date range being disbursed.	Inquired of the Chief Deputy. Inspected reconciliation of Collections Report to the Daily Report for a sample of disbursements.	No relevant exceptions noted.
3.2	Reconciles total collections to total disbursements	Inquired of the Chief Deputy. Inspected reconciliation of collections to disbursements for a sample of disbursements.	No relevant exceptions noted.
3.3	Reconciles the Distribution and Refunds Payable Edit Report to the Auditor's Report.	Inquired of the Chief Deputy. Inspected reconciliation of the Distribution and Refunds Payable Edit Report to the Auditor's Report for a sample of disbursements.	No relevant exceptions noted.
3.4	The online banking module for ACH disbursements is restricted to specific users and requires passwords.	Inquired of the Chief Deputy. Inspected the list of users with access to the bank's online application and their associated access privileges.	No relevant exceptions noted.
3.5	ACH disbursement amounts posted to online banking module are reviewed and approved to ensure all disbursements are properly posted.	Inquired of the Chief Deputy. Inspected the ACH banking report to verify if it was reviewed and approved by the Chief Deputy or Tax Assessor/Collector for a sample of disbursements.	The ACH disbursements were being initiated, authorized, and reviewed by the same person.
3.6	Verifies that the ACH transfers agree to the ACH transfer spreadsheet.	Inquired of the Chief Deputy. Inspected the reconciliations of the Distribution and Refunds Payable Edit Report to the Internal Audit Report, and traced the ACH Transfer Report total to the bank statements for a sample of disbursements.	No relevant exceptions noted.
3.7	All disbursement documentation is filed and retained for audit and research purposes.	Inquired of the Chief Deputy. Inspected the disbursement documentation for a sample of disbursements.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

Safeguarding of Collections

Control Objective 4: Controls provide reasonable assurance that ad valorem taxes collected are kept secure.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
4.1	All employees who handle monies are bonded.	Inspected the insurance bonds of all employees handling monies as well as the Tax Assessor/Collector's bond.	No relevant exceptions noted.
4.2	Cash is taken to the bank the next business day.	Inquired of the Chief Deputy. Sampled and inspected validated deposit slips for the date received as the next business day.	No relevant exceptions noted.
4.3	Checks are scanned for electronic deposit on a daily basis.	Inquired of the Chief Deputy. Sampled and inspected confirmation reports indicating the date submitted as the next business day.	No relevant exceptions noted.
4.4	Daily collections agree to the Collection Clerks' Daily Collections Reports, deposit slips, and the Daily Report.	Inquired of the Chief Deputy. Sampled and inspected reconciliations of the Daily Collections Reports to deposit slips and credit card payment reports.	No relevant exceptions noted.
4.5	The bank account balances are adequately collateralized.	Sampled monthly bank statements and inspected Federal Deposit Insurance Corporation (FDIC) coverage and pledged securities documentation for adequate collateralization of funds maintained at the bank for the County as a whole.	No relevant exceptions noted.
4.6	The Tax Office bank accounts are accurately reconciled monthly and reviewed and approved.	Sampled and inspected monthly bank reconciliations for accuracy, timely reconciliation, and review and approval by management.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

Maintenance of Taxes Receivable

Control Objective 5: Controls provide reasonable assurance that entity reports are accurate.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
5.1	Reconciles the beginning balances to the prior month's ending balances on the monthly Percent of Collections Tax Roll Reports.	Inquired of the Chief Deputy. Inspected reconciliation of beginning balances to prior month's ending balance.	No relevant exceptions noted.
5.2	Reconciles collections on the year-to-date Auditor's Reports to the disbursements on the Percent of Collections Tax Roll Reports, monthly.	Inquired of the Chief Deputy. Inspected reconciliation of collections to disbursements for a sample of months.	No relevant exceptions noted.

General Information Technology

Control Objective 6: Controls provide reasonable assurance that the organizational structure provides an adequate segregation of functions so that no person has incompatible duties that would permit the perpetration and concealment of material errors or irregularities.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
6.1	The organizational structure provides segregation of duties between Tax Office personnel.	Inspected the organization chart to ensure appropriate segregation of duties.	No relevant exceptions noted.
6.2	Responsibilities for business operations have been segregated into functional areas in order to enhance controls	Inspected the organization chart to ensure responsibilities for business operations have been segregated into functional areas.	No relevant exceptions noted.
6.3	Job descriptions are documented for each position and these descriptions are clearly communicated to employees.	Selected a sample of employees and inspected corresponding job description to ensure the County maintains specific job descriptions for each position.	No relevant exceptions noted.
6.4	Job duties and responsibilities are communicated to employees through performance goals.	Selected a sample of employees and inspected personnel files to ensure job duties and responsibilities are communicated as part of their performance goals.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

General Information Technology (continued)

Control Objective 7: Controls provide reasonable assurance that security related personnel policies are implemented.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
7.1	A Personnel Policy Manual is provided to all employees which outlines key business practices, policies, and employee responsibilities.	Inspected the Personnel Policy Manual to ensure it outlines key business practices, policies, and employee responsibilities.	No relevant exceptions noted.
7.2	New employees are required to sign a confidentiality agreement indicating they have read and understand all policies included in the Personnel Policy Manual.	Selected a sample of employees hired during the period and inspected their personnel files to ensure confidentiality agreements were signed indicating they have read and understand all policies.	No relevant exceptions noted.
7.3	New employees participate in an orientation and training program prior to performing their assigned job duties.	Selected a sample of employees hired during the period and discussed orientation and new hire training with them to ensure each new employee completed an orientation and training program prior to performing their assigned job duties.	No relevant exceptions noted.
7.4	Job descriptions are documented for each position and these descriptions are clearly communicated to employees.	Selected a sample of employees and inspected their corresponding job description to ensure the organization maintains specific job descriptions for each position.	No relevant exceptions noted.
7.5	A termination checklist is used when employees are terminated in order to ensure logical and physical access are disabled and keys, access cards (badges), and equipment are returned at the time of termination	Selected a sample of employees terminated during the period and inspected the termination checklists to ensure Tax Office-related property was returned timely.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

General Information Technology (continued)

Control Objective 8: Controls provide reasonable assurance that logical access to programs and data files is restricted to properly authorized and appropriate individuals.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
8.1	Users are granted access to application resources based on their job function and responsibilities.	Selected a sample of NET Data application users and determined that access was granted based on their job responsibility.	No relevant exceptions noted.
8.2	Logical access to the NET Data application is removed for terminated employees.	Selected a sample of employees terminated during the period and inspected the NET Data access list to ensure access for the terminated employees was removed timely.	No relevant exceptions noted.
8.3	The ability to administer security to the NET Data application is limited to appropriate personnel.	Inspected NET Data access reports to ensure administrator rights are limited to appropriate personnel.	No relevant exceptions noted.
8.4	The network perimeter is protected using a firewall complex and Intrusion Detection System (IDS). IDS security reports are monitored by the County's Information Technology (IT) Department.	Inspected a computer to ensure the firewall is in place to protect it from unauthorized activity.	No relevant exceptions noted.
8.5	User access to the network and NET Data application are reviewed on an annual basis.	Inspected evidence that management reviewed user access rights annually.	No relevant exceptions noted.

Wise County Tax Office
Control Objective Matrices

General Information Technology (continued)

Control Objective 9: Controls provide reasonable assurance that data is backed up and stored offsite.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
9.1	Back-up of NET Data software is performed daily and maintained off-site.	Inquired of the Tax Assessor/Collector and Chief Deputy. Reviewed NET Data contract and policies and procedures related to daily back-ups.	No relevant exceptions noted.

Control Objective 10: Controls provide reasonable assurance that physical access to facilities and computer resources is restricted to authorized individuals based on job responsibilities and computer resources are protected from intentional or unintentional loss or impairment.

	PROVIDED BY THE TAX OFFICE	PROVIDED BY SERVICE AUDITOR	
Ref.	**Control Activity**	**Test Procedures**	**Test Results**
10.1	A building security system requiring code is utilized to restrict access to unauthorized individuals.	Observed entry and exit points to the facility to ensure a building security system requiring a code is utilized to restrict access.	No relevant exceptions noted.
10.2	Visitors enter the building into a waiting area and are screened and escorted by client personnel during their visit.	Inquired of the Tax Assessor/Collector and Chief Deputy. Observed visitor access.	No relevant exceptions noted.
10.3	Physical access to facilities is granted to authorized personnel.	Inquired of the Tax Assessor/Collector and Director of IT. Reviewed user access list.	No relevant exceptions noted.
10.4	Servers are connected to an Uninterrupted Power Supply (UPS) that will provide approximately 4 hours of power in the event of a power outage.	Inquired of the Director of IT	No relevant exceptions noted.

WISE COUNTY TAX OFFICE

Financial Schedules
For the year ending August 31, 2020

WISE COUNTY TAX OFFICE

FINANCIAL SCHEDULES

August 31, 2020

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WISE COUNTY TAX OFFICE

FINANCIAL SCHEDULES

August 31, 2020

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SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Wise County Tax Assessor / Collector
Decatur, Texas

Report on the Financial Schedules

We have audited the accompanying financial schedules of the Wise County Tax Office as of and for the year ended August 31, 2020, and the related notes to the financial schedules, as listed in the table of contents.

Management's Responsibility for the Financial Schedules

Management is responsible for the preparation and fair presentation of these financial schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

1207 Santa Fe Drive • Weatherford, Texas 76086 • 817-596-9301 • Fax 817-596-9304

Opinion

In our opinion, the financial schedules referred to above present fairly, in all material respects, the delinquent tax receivable schedules for the taxing entities contracted with the Wise County Tax Office, as of August 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A, the financial schedules of the Wise County Tax Office are intended to present only the delinquent taxes receivable schedules attributable to the property tax collections and disbursements for the Tax Office's contracted taxing entities. They do not purport to, and do not present fairly the financial position of the Wise County Tax Office or Wise County, Texas, as of August 31, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial schedules that collectively comprise the Wise County Tax Office's financial schedules. The accompanying financial information listed as supplemental information is presented for purposes of additional analysis and is not a required part of the financial schedules.

The accompanying financial information listed as supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial schedules. Such information has been subjected to the auditing procedures applied in the audit of the financial schedules and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial schedules or to the financial schedules themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying financial information listed as supplemental information is fairly stated in all material respects in relation to the financial schedules as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2020, on our consideration of the Wise County Tax Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Wise County Tax Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Wise County Tax Office's internal control over financial reporting and compliance.

Snow Garrett Williams

Snow Garrett Williams
October 29, 2020

FINANCIAL SCHEDULES

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-1

Alvord Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 9,819	$	$ 571	$ 99	$ (340)	$ 8,809
2010	1.17000	0.19400	307,216,556	9,558		166	28	(322)	9,042
2011	1.17000	0.19400	311,542,630	2,641		115	19	(295)	2,212
2012	1.17000	0.19400	347,735,721	7,728		212	35	(219)	7,262
2013	1.17000	0.19400	430,824,251	10,333		524	87	(205)	9,517
2014	1.17000	0.18400	457,024,760	9,254		1,707	269	917	8,195
2015	1.17000	0.18400	431,140,411	13,455		3,935	619	1,370	10,271
2016	1.17000	0.18400	345,098,336	25,366		12,543	1,972	1,830	12,681
2017	1.17000	0.18400	349,577,242	50,274		17,311	2,722	56	30,297
2018	1.17000	0.18400	389,225,426	127,139		50,428	7,930	(2,415)	66,366
2019	1.06830	0.18400	430,210,588		5,245,499	4,397,354	757,386	44,715	135,474
TOTAL				$ 265,567	$ 5,245,499	$ 4,484,866	$ 771,166	$ 45,092	$ 300,126

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The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-2

City of Aurora

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 674	$	$ -	$ (17)	$ 657
2010	0.270000	0.000000	95,800,530	668		-	(16)	652
2011	0.270000	0.000000	88,862,340	360		-	(14)	346
2012	0.270000	0.000000	87,141,575	427		-	(13)	414
2013	0.283300	0.000000	90,507,510	279		6	(16)	257
2014	0.286800	0.000000	93,619,850	257		7	-	250
2015	0.296300	0.000000	100,353,459	712		32	-	680
2016	0.296300	0.000000	100,618,350	834		49	33	818
2017	0.296300	0.000000	110,291,714	3,076		500	45	2,621
2018	0.287816	0.000000	126,144,618	5,564		2,356	(69)	3,139
2019	0.289210	0.000000	132,990,795		366,324	358,979	(1,219)	6,126
TOTAL				$ 12,851	$ 366,324	$ 361,929	$ (1,286)	$ 15,960

The accompanying notes are an integral part of these financial schedules.

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WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-3

Boyd Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 27,574	$	$ 695	$ 67	$ 1	$ 26,813
2010	1.04000	0.20000	841,264,690	9,530		365	70	(3)	9,092
2011	1.04000	0.18500	814,570,702	12,416		403	72	(328)	11,613
2012	1.04000	0.18500	814,490,381	9,680		743	132	(328)	8,477
2013	1.04000	0.18500	794,049,607	19,926		1,276	227	(286)	18,137
2014	1.04000	0.18000	896,720,665	20,478		2,398	415	1,515	19,180
2015	1.04000	0.18000	792,710,294	20,396		3,094	536	1,948	18,714
2016	1.04000	0.27000	561,166,495	25,555		7,517	1,952	3,941	20,027
2017	1.04000	0.27000	584,850,154	43,912		11,201	2,908	563	30,366
2018	1.04000	0.21500	714,099,149	153,768		68,377	14,135	(5,868)	65,388
2019	0.97000	0.19000	780,627,444		8,758,953	7,145,815	1,399,658	(9,014)	204,466
TOTAL				$ 343,235	$ 8,758,953	$ 7,241,884	$ 1,420,172	$ (7,859)	$ 432,273

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The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-4

City of Boyd

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 957	$	$ -	$ -	$ 957
2010	0.375800	0.080200	142,758,340	851		-	-	851
2011	0.368800	0.130200	128,416,765	1,970		-	-	1,970
2012	0.377400	0.121600	128,607,110	657		22	-	635
2013	0.347800	0.135400	133,459,691	1,416		2	-	1,414
2014	0.355600	0.154400	140,377,510	2,127		1,002	856	1,981
2015	0.430300	0.128300	134,502,450	2,179		1,210	962	1,931
2016	0.425500	0.194400	107,721,160	1,682		1,456	1,195	1,421
2017	0.454731	0.099283	114,682,377	4,798		3,040	1,094	2,852
2018	0.476383	0.123616	134,188,366	15,751		11,489	1,502	5,764
2019	0.512846	0.127054	147,621,307		908,313	883,164	2,668	27,817
TOTAL				$ 32,388	$908,313	$ 901,385	$ 8,277	$ 47,593

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The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-5

Bridgeport Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 61,846	$	$ 1,451	$ 227	$ (5,939)	$ 54,229
2010	1.04000	0.22656	1,240,588,748	36,181		551	120	(960)	34,550
2011	1.04000	0.19656	1,313,945,637	23,803		544	103	(777)	22,379
2012	1.04000	0.19500	1,342,914,339	16,793		506	95	(573)	15,619
2013	1.04000	0.19500	1,378,676,292	24,932		2,840	532	(1,782)	19,778
2014	1.04000	0.19280	1,490,136,214	28,753		2,982	553	(754)	24,464
2015	1.04000	0.18000	1,426,797,754	52,542		4,276	740	(1,279)	46,247
2016	1.04000	0.20450	1,286,859,327	50,320		8,640	1,699	(2,378)	37,603
2017	1.04000	0.20820	1,302,860,681	74,625		13,046	2,612	(18,361)	40,606
2018	1.04000	0.20820	1,375,567,656	297,448		117,699	23,562	(21,439)	134,748
2019	0.97000	0.20820	1,453,241,428		16,591,016	13,408,849	2,878,061	(18,886)	285,220
TOTAL				$ 667,243	$ 16,591,016	$ 13,561,384	$ 2,908,304	$ (73,128)	$ 715,443

BK 213 PG 63

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-6

City of Bridgeport

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 6,924	$	$ -	$ (342)	$ 6,582
2010	0.26690	0.32060	307,026,071	5,016		119	(139)	4,758
2011	0.24250	0.34500	371,708,393	4,598		118	(75)	4,405
2012	0.37110	0.21640	374,310,131	3,462		109	(66)	3,287
2013	0.38190	0.20560	389,354,297	4,451		352	(64)	4,035
2014	0.30030	0.28720	399,625,118	7,377		361	(86)	6,930
2015	0.29820	0.34080	386,077,052	12,704		1,402	(304)	10,998
2016	0.26785	0.37115	362,088,692	10,976		1,975	(1,302)	7,699
2017	0.29170	0.34730	363,928,718	22,494		4,798	(6,846)	10,850
2018	0.30640	0.33760	387,694,900	56,400		28,340	(705)	27,355
2019	0.32198	0.30402	410,281,042		2,568,360	2,522,206	7,581	53,735
TOTAL				$ 134,402	$ 2,568,360	$ 2,559,780	$ (2,348)	$ 140,634

BK 213 PG 644

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-7

Chico Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 24,159	$	$ 56	$ 12	$ (591)	$ 23,500
2010	1.040000	0.227470	544,996,690	7,310		230	50	(591)	6,439
2011	1.040000	0.238580	547,582,140	8,888		506	116	(1,313)	6,953
2012	1.040000	0.205330	593,235,092	10,395		290	57	(1,300)	8,748
2013	1.040000	0.218100	581,008,333	11,796		695	146	(1,062)	9,893
2014	1.040000	0.183590	607,519,680	14,785		3,632	641	1,463	11,975
2015	1.040000	0.192800	592,009,130	22,169		6,735	1,248	1,925	16,111
2016	1.040000	0.216272	514,552,698	41,385		18,725	3,894	6,190	24,956
2017	1.040000	0.250000	560,884,206	67,401		21,653	5,205	6,768	47,311
2018	1.040000	0.243000	600,389,851	188,278		82,828	19,353	5,009	91,106
2019	0.970000	0.208040	687,393,775		7,930,041	6,418,777	1,376,676	(6,588)	128,000
TOTAL				$ 396,566	$ 7,930,041	$ 6,554,127	$ 1,407,398	$ 9,910	$ 374,992

BK 213 PG 65

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-8

City of Chico

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 2,694	$	$ -	$ (1)	$ 2,693
2010	0.395000	0.095000	70,040,410	1,187		20	-	1,167
2011	0.385000	0.095000	73,292,540	1,037		19	-	1,018
2012	0.375000	0.105000	67,967,170	1,024		-	29	1,053
2013	0.375000	0.105000	63,400,270	1,280		322	-	958
2014	0.365000	0.115000	59,156,550	1,928		821	-	1,107
2015	0.456500	0.145000	47,827,930	1,655		550	(72)	1,033
2016	0.441500	0.160000	41,144,380	2,925		1,158	(82)	1,685
2017	0.441500	0.160000	43,462,631	4,640		1,737	(90)	2,813
2018	0.390456	0.150000	48,417,707	13,713		7,897	(98)	5,718
2019	0.353101	0.226899	53,955,683		312,943	301,580	(475)	10,888
TOTAL				$ 32,083	$ 312,943	$ 314,104	$ (789)	$ 30,133

BK 213 PG 116

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE
Schedule of Delinquent Taxes Receivable
For the Year Ending August 31, 2020

Exhibit B-9

Decatur Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 98,078	$	$ 215	$ 45	$ (7,507)	$ 90,311
2010	1.04000	0.26000	2,341,190,532	26,948		274	69	(773)	25,832
2011	1.04000	0.26000	2,228,832,773	21,154		689	172	(629)	19,664
2012	1.04000	0.26000	2,310,395,465	25,238		784	196	(354)	23,904
2013	1.04000	0.26000	2,261,995,009	36,881		1,021	255	(8,178)	27,427
2014	1.04000	0.25000	2,305,192,787	41,271		4,295	1,033	(3,906)	32,037
2015	1.04000	0.29000	2,289,156,033	52,649		6,455	1,800	(3,548)	40,846
2016	1.04000	0.30000	1,894,275,613	63,625		12,077	3,484	(1,026)	47,038
2017	1.04000	0.30000	1,972,897,328	94,996		24,300	7,010	2,029	65,715
2018	1.04000	0.26500	2,304,483,865	404,931		175,880	44,817	(17,852)	166,382
2019	0.97000	0.24000	2,566,187,225		30,178,575	23,717,184	5,868,271	(119,478)	473,642
TOTAL				$ 865,771	$ 30,178,575	$ 23,943,174	$ 5,927,152	$ (161,222)	$ 1,012,798

BK 213 PG 67

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-10

City of Decatur

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 4,412	$	$ -	$ -	$ 4,412
2010	0.42470	0.21530	580,704,098	2,054		365	-	1,689
2011	0.46310	0.19990	582,111,724	2,262		616	-	1,646
2012	0.47210	0.19090	592,451,180	4,182		667	-	3,515
2013	0.46750	0.20550	592,421,659	4,072		865	-	3,207
2014	0.49110	0.21190	596,342,762	9,668		1,546	(3,051)	5,071
2015	0.49890	0.20410	615,318,392	14,936		2,003	(2,914)	10,019
2016	0.49540	0.20760	614,137,101	18,750		-	(5,480)	13,270
2017	0.50890	0.19410	644,622,377	21,850		4,458	(2,532)	14,860
2018	0.49660	0.17040	722,416,721	62,551		32,619	(6,285)	23,647
2019	0.48920	0.15980	791,013,848		5,134,126	5,078,176	(18,350)	37,600
TOTAL				$ 144,737	$ 5,134,126	$ 5,121,315	$ (38,612)	$ 118,936

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 68

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-11

City of Newark

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 605	$	$ -	$ (75)	$ 530
2010	0.44150	0.08110	40,313,210	968		224	(135)	609
2011	0.45070	0.07190	41,786,499	650		-	(128)	522
2012	0.49970	0.07190	39,134,650	771		233	(110)	428
2013	0.50000	0.07350	38,640,354	366		-	(40)	326
2014	0.50000	0.07230	38,831,861	505		-	(62)	443
2015	0.51760	0.12050	41,067,020	1,213		-	(65)	1,148
2016	0.49480	0.11150	44,262,812	2,913		396	(59)	2,458
2017	0.51900	0.08890	52,143,812	4,402		857	(61)	3,484
2018	0.49770	0.07940	59,812,150	12,256		7,286	(58)	4,912
2019	0.50377	0.07333	63,406,365		365,918	354,352	749	12,315
TOTAL				$ 24,649	$ 365,918	$ 363,348	$ (44)	$ 27,175

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 69

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-12

Paradise Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 11,507	$	$ 16	$ 4	$ (295)	$ 11,192
2010	1.04000	0.30000	381,706,210	5,744		-	-	(137)	5,607
2011	1.04000	0.30000	371,394,287	7,318		7	2	(120)	7,189
2012	1.04000	0.30000	378,266,548	5,936		57	16	(28)	5,835
2013	1.04000	0.30000	387,701,353	11,687		224	60	(16)	11,387
2014	1.04000	0.30000	396,630,776	14,067		2,671	771	1,526	12,151
2015	1.04000	0.30000	417,593,469	16,006		3,140	906	1,472	13,432
2016	1.04000	0.30000	361,841,544	22,754		10,484	3,024	5,776	15,022
2017	1.04000	0.30000	403,641,753	37,143		16,070	4,636	4,985	21,422
2018	1.04000	0.30000	471,178,718	121,444		48,676	14,041	(4,200)	54,527
2019	0.97000	0.30000	539,763,951		6,570,178	4,893,772	1,513,535	(28,028)	134,843
TOTAL				$ 253,606	$ 6,570,178	$ 4,975,117	$ 1,536,995	$ (19,065)	$ 292,607

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 20

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-13

City of Paradise

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 48	$	$ -	$ -	$ 48
2010	0.29880	0.00000	20,879,430	154		-	-	154
2011	0.33900	0.00000	20,138,590	116		-	-	116
2012	0.33900	0.00000	19,978,185	160		-	-	160
2013	0.33900	0.00000	20,551,771	130		-	-	130
2014	0.33900	0.00000	21,545,310	106		11	-	95
2015	0.33900	0.00000	27,239,070	114		11	-	103
2016	0.34000	0.00000	28,967,674	447		203	135	379
2017	0.34000	0.00000	30,657,880	721		171	150	700
2018	0.34000	0.00000	36,723,633	2,080		1,337	182	925
2019	0.34000	0.00000	43,114,283		139,863	137,208	38	2,693
TOTAL				$ 4,076	$ 139,863	$ 138,941	$ 505	$ 5,503

BK 213 PG 21

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-14

City of Rhome

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 1,402	$	$ -	$ (32)	$ 1,370
2010	0.259900	0.302300	161,820,066	1,078		-	(32)	1,046
2011	0.270200	0.292000	144,736,350	475		-	(30)	445
2012	0.230900	0.352400	142,678,762	538		-	(30)	508
2013	0.396900	0.186400	122,687,154	621		-	(33)	588
2014	0.175000	0.408300	120,300,295	530		-	(31)	499
2015	0.186400	0.337000	127,539,288	535		-	(27)	508
2016	0.159000	0.364400	112,115,131	801		427	(26)	348
2017	0.221069	0.302331	123,117,196	1,282		304	(238)	740
2018	0.219425	0.256900	145,913,881	13,523		8,214	(603)	4,706
2019	0.220074	0.224065	167,335,637		742,621	730,409	(2,630)	9,582
TOTAL				$ 20,785	$ 742,621	$ 739,354	$ (3,712)	$ 20,340

BK 213 PG 72

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE
Schedule of Delinquent Taxes Receivable
For the Year Ending August 31, 2020

Exhibit B-15

City of Runaway Bay

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 3,656	$	$ 29	$ (1,915)	$ 1,712
2010	0.33490	0.24126	110,994,994	1,465		29	(288)	1,148
2011	0.38086	0.19530	111,501,622	1,436		29	(276)	1,131
2012	0.40670	0.20860	108,139,606	1,004		37	(203)	764
2013	0.40740	0.20830	108,602,445	1,260		37	(132)	1,091
2014	0.43400	0.18170	109,611,846	1,552		37	(72)	1,443
2015	0.45158	0.19172	115,203,695	1,891		58	(64)	1,769
2016	0.46360	0.19590	115,516,299	2,203		374	-	1,829
2017	0.45710	0.20240	128,692,493	4,206		1,784	(115)	2,307
2018	0.45700	0.14007	139,042,947	14,404		9,504	(213)	4,687
2019	0.45700	0.14007	150,797,997		849,023	833,013	(832)	15,178
TOTAL				$ 33,077	$ 849,023	$ 844,931	$ (4,110)	$ 33,059

BK 213 PG 73

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-16

Slidell Independent School District

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Maintenance Collections	Debt Service Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 16,528	$	$ 28	$ 3	$ -	$ 16,497
2010	1.04000	0.10000	198,230,148	13,394		-	-	-	13,394
2011	1.04000	0.10000	215,045,176	3,382		40	4	-	3,338
2012	1.04000	0.08000	240,715,123	2,220		115	9	-	2,096
2013	1.04000	0.06000	332,304,986	3,007		24	1	-	2,982
2014	1.07000	0.05500	354,370,005	7,060		522	27	(941)	5,570
2015	1.06500	0.05500	370,412,199	9,811		831	43	(721)	8,216
2016	1.06000	0.07500	260,779,658	14,637		1,040	74	138	13,661
2017	1.10000	0.04000	237,557,197	22,555		1,832	67	(2,088)	18,568
2018	1.06000	0.06750	279,720,295	40,707		14,761	940	(4,604)	20,402
2019	0.99000	0.08000	316,250,211		3,327,436	3,043,045	245,915	31,239	69,715
TOTAL				$ 133,301	$ 3,327,436	$ 3,062,238	$ 247,083	$ 23,023	$ 174,439

BK 213 PG 14

The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE
Schedule of Delinquent Taxes Receivable
For the Year Ending August 31, 2020

Exhibit B-17

Wise County Water Supply

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 894	$	$ -	$ -	$ 894
2010	0.00000	0.13500	580,704,098	433		77	-	356
2011	0.00000	0.13000	582,111,723	443		121	-	322
2012	0.00000	0.12750	592,451,180	804		128	-	676
2013	0.00000	0.12750	592,421,659	772		164	-	608
2014	0.00000	0.12750	596,342,762	1,753		280	(553)	920
2015	0.00000	0.12750	615,318,391	2,709		363	(528)	1,818
2016	0.00000	0.12750	614,137,089	3,401		-	(994)	2,407
2017	0.00000	0.11750	644,614,103	3,653		745	(423)	2,485
2018	0.00000	0.10250	722,416,721	9,583		4,982	(966)	3,635
2019	0.00000	0.09250	800,685,682		740,693	732,729	(2,300)	5,664
TOTAL				$ 24,445	$ 740,693	$ 739,589	$ (5,764)	$ 19,785

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 75

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-18

Wise County Emergency Services District #1

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 916	$	$ 179	$ (1)	$ 736
2010	0.03000	0.00000	815,025,640	370		75	-	295
2011	0.03000	0.00000	835,489,300	509		78	(8)	423
2012	0.03000	0.00000	775,786,133	434		97	(8)	329
2013	0.03000	0.00000	768,635,723	733		104	(7)	622
2014	0.03000	0.00000	809,840,703	826		184	37	679
2015	0.03000	0.00000	753,006,660	848		200	36	684
2016	0.03000	0.00000	629,889,931	1,075		482	120	713
2017	0.03000	0.00000	661,490,720	1,730		871	141	1,000
2018	0.03000	0.00000	766,063,801	4,943		2,971	180	2,152
2019	0.03000	0.00000	847,158,645		254,155	247,506	(153)	6,496
TOTAL				$ 12,384	$ 254,155	$ 252,747	$ 337	$ 14,129

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 16

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-19

Wise County General Fund

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 354,291	$	$ 2,283	$ (12,683)	$ 339,325
2010	0.29000	0.00000	7,302,995,317	25,597		621	(720)	24,256
2011	0.29000	0.00000	7,136,464,365	21,498		840	(838)	19,820
2012	0.28890	0.00000	7,238,909,733	109,914		1,090	(79,720)	29,104
2013	0.28890	0.00000	7,246,800,148	112,312		2,785	(84,669)	24,858
2014	0.29890	0.00000	7,605,616,250	136,028		8,679	(95,709)	31,640
2015	0.31390	0.00000	7,564,187,694	157,253		12,983	(96,587)	47,683
2016	0.34640	0.00000	6,247,174,978	194,308		29,269	(106,789)	58,250
2017	0.34640	0.00000	6,434,419,903	268,424		53,483	(128,834)	86,107
2018	0.32250	0.00000	7,324,430,291	377,024		198,108	(7,493)	171,423
2019	0.30750	0.00000	8,019,778,295		24,137,429	23,678,338	(3,555)	455,536
TOTAL				$1,756,649	$24,137,429	$23,988,479	$(617,597)	$ 1,288,002

The accompanying notes are an integral part of these financial schedules.

BK 23 PG 77

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-20

Wise County Lateral Road Fund

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 101,151	$	$ 693	$ (3,214)	$ 97,244
2010	0.09000	0.00000	7,272,008,961	7,886		191	(209)	7,486
2011	0.09000	0.00000	7,105,871,642	6,626		259	(246)	6,121
2012	0.09000	0.00000	7,209,289,130	34,186		330	(24,822)	9,034
2013	0.09000	0.00000	7,219,507,394	34,895		855	(26,364)	7,676
2014	0.08000	0.00000	7,578,198,326	36,420		2,318	(25,609)	8,493
2015	0.06500	0.00000	7,537,449,778	32,755		2,697	(19,997)	10,061
2016	0.03250	0.00000	6,220,391,171	19,035		3,270	(10,021)	5,744
2017	0.03250	0.00000	6,407,632,865	26,145		5,474	(12,161)	8,510
2018	0.03750	0.00000	7,296,666,122	44,510		22,644	(1,367)	20,499
2019	0.04250	0.00000	7,994,857,141		3,364,049	3,298,366	(1,745)	63,938
TOTAL				$ 343,609	$3,364,049	$ 3,337,097	$(125,755)	$ 244,806

The accompanying notes are an integral part of these financial schedules.

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WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-21

Wise County Water Control & Improvement District #1

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 8,456	$	$ 77	$ (283)	$ 8,096
2010	0.01000	0.00000	4,515,326,450	766		24	(22)	720
2011	0.01000	0.00000	4,469,236,950	638		31	(26)	581
2012	0.01000	0.00000	4,742,688,619	2,432		43	(1,585)	804
2013	0.01000	0.00000	4,803,933,098	2,720		79	(1,871)	770
2014	0.01000	0.00000	5,051,233,823	3,019		252	(1,835)	932
2015	0.01000	0.00000	4,974,542,648	3,254		334	(1,597)	1,323
2016	0.01000	0.00000	4,286,286,539	3,942		798	(1,739)	1,405
2017	0.00963	0.00000	5,903,351,662	7,785		1,766	(3,348)	2,671
2018	0.00936	0.00000	7,031,385,320	11,700		6,918	608	5,390
2019	0.00933	0.00000	7,776,622,061		725,658	710,821	(94)	14,743
TOTAL				$ 44,712	$ 725,658	$ 721,143	$ (11,792)	$ 37,435

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 19

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-22

Clear Creek Watershed District #3

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 49	$	$ -	$ -	$ 49
2010	0.06120	0.00000	21,091,300	-		-	-	-
2011	0.05000	0.00000	18,719,170	1		-	-	1
2012	0.05000	0.00000	31,362,970	-		-	-	-
2013	0.04500	0.00000	78,154,070	-		-	-	-
2014	0.04000	0.00000	78,049,190	19		14	-	5
2015	0.04000	0.00000	76,328,700	23		14	-	9
2016	0.04000	0.00000	57,104,110	43		9	(31)	3
2017	0.03900	0.00000	39,708,710	43		11	(29)	3
2018	0.03900	0.00000	35,666,980	96		25	12	83
2019	0.03750	0.00000	42,568,861		15,963	15,745	25	243
TOTAL				$ 274	$ 15,963	$ 15,818	$ (23)	$ 396

The accompanying notes are an integral part of these financial schedules.

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WISE COUNTY TAX OFFICE
Schedule of Delinquent Taxes Receivable
For the Year Ending August 31, 2020

Exhibit B-23

City of Alvord

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 3,615	$	$ 116	$ (5)	$ 3,494
2010	0.29821	0.31292	56,827,142	243		29	-	214
2011	0.44532	0.16223	57,155,020	343		308	-	35
2012	0.39306	0.20917	57,371,640	1,229		397	-	832
2013	0.43810	0.18131	57,164,330	925		266	-	659
2014	0.47523	0.13000	57,935,211	929		294	-	635
2015	0.42687	0.16050	60,082,910	1,385		371	-	1,014
2016	0.44102	0.16050	59,501,925	2,344		1,558	-	786
2017	0.44102	0.16050	62,360,579	3,986		1,318	(306)	2,362
2018	0.44102	0.15794	68,251,281	7,833		4,438	(112)	3,283
2019	0.42185	0.13464	75,596,342		408,391	401,465	(150)	6,776
TOTAL				$ 22,832	$ 408,391	$ 410,560	$ (573)	$ 20,090

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 81

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-24

Weatherford College Branch Campus Maintenance Tax

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2009 & Prior	Various	Various	$ Various	$ 4,103	$	$ 53	$ (126)	$ 3,924
2010	0.04625	0.00000	7,348,716,517	3,877		71	(124)	3,682
2011	0.04625	0.00000	7,174,053,643	3,147		80	(142)	2,925
2012	0.04615	0.00000	7,264,575,953	17,123		129	(12,741)	4,253
2013	0.04615	0.00000	7,255,448,512	17,270		366	(13,532)	3,372
2014	0.04615	0.00000	7,603,348,248	20,187		1,261	(14,784)	4,142
2015	0.04615	0.00000	7,577,950,258	22,132		1,856	(14,191)	6,085
2016	0.03000	0.00000	6,267,833,620	24,688		3,829	(14,215)	6,644
2017	0.04615	0.00000	6,484,243,812	34,267		6,340	(17,916)	10,011
2018	0.04400	0.00000	7,416,560,371	49,927		26,746	(1,435)	21,746
2019	0.04400	0.00000	8,147,764,909		3,514,595	3,439,876	(11,820)	62,899
TOTAL				$ 196,721	$3,514,595	$ 3,480,607	$(101,026)	$ 129,683

The accompanying notes are an integral part of these financial schedules.

BK 213 PG 82

WISE COUNTY TAX OFFICE
Schedule of Delinquent Taxes Receivable
For the Year Ending August 31, 2020

Exhibit B-25

City of New Fairview

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2019	0.30000	0.00000	$ 145,622,351	$	$ 436,869	$ 484,185	$ 73,713	$ 26,397
TOTAL				$ -	$ 436,869	$ 484,185	$ 73,713	$ 26,397

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The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE

Schedule of Delinquent Taxes Receivable

For the Year Ending August 31, 2020

Exhibit B-26

Wise County Emergency Services District #2

Tax Levy Year	Tax Rate Maintenance	Tax Rate Debt Service	Assessed Valuation	Balance September 1, 2019	Current Year Levy	Collections	Adjustments Increase (Decrease)	Balance August 31, 2020
2019	0.10000	0.00000	$ 311,415,384	$	$ 309,416	$ 306,245	$ 294	$ 3,465
TOTAL				$ -	$ 309,416	$ 306,245	$ 294	$ 3,465

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The accompanying notes are an integral part of these financial schedules.

WISE COUNTY TAX OFFICE
AGENCY FUND
Notes to Financial Schedules

EXHIBIT C

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Wise County Tax Office (Office) is included and reported with the agency funds of Wise County, Texas (County). The Office has contracted with various taxing entities in the County to collect taxes on their behalf. The taxing entities are charged for these services based upon actual cost distributed among the entities as is mutually determined by the Office and the taxing entities. The Office acts as an agent of the County solely for the purpose of the collection and disbursement of property taxes.

The accounting policies of the Office conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The accompanying financial schedules in this report present only the delinquent tax receivable schedules of the contracted taxing entities, and do not purport to, and do not present fairly the financial position of the Wise County Tax Office or Wise County, Texas, as of August 31, 2020, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Contracted Taxing Entities

The financial schedules contained in this audit are for the fiscal year ended August 31, 2020. The Office contracts with taxing entities within Wise County to provide property tax collections. However, State law does not require a taxing entity to utilize the Office for collection procedures. The following entities have voluntarily entered into collection service agreements with the Office:

Alvord Independent School District
City of Aurora
Boyd Independent School District
City of Boyd
Bridgeport Independent School District
City of Bridgeport
Chico Independent School District
City of Chico
Decatur Independent School District
City of Decatur
City of Newark
Paradise Independent School District
City of New Fairview
City of Paradise
City of Rhome
City of Runaway Bay
Slidell Independent School District
Wise County Water Supply
Wise County Emergency Services District #1
Wise County General Fund
Wise County Lateral Road Fund
Wise County Water Control & Improvement District #1
Clear Creek Watershed District #3
City of Alvord
Weatherford College Branch Campus Maintenance Tax
Wise County Emergency Services District #2

Basis of Accounting

The delinquent taxes receivable are accounted for on the accrual basis of accounting. Each year when the new roll is levied, the current tax is added to the receivable roll and credit is given as payments are made. After taxes have been collected and the rolls updated, transfers are made to the taxing jurisdictions indicating whether the transfer is current or delinquent tax or penalty and interest.

WISE COUNTY TAX OFFICE
AGENCY FUND
Notes to Financial Schedules

EXHIBIT C

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Current Taxes

Properties are valued as of January 1st of each year by the District. Taxpayers generally have until April 1st to file exemption applications and property renditions and until the Wise County Appraisal District Appraisal Review Board approves the appraisal records to protest valuation. Tax rolls are certified by the Wise County Appraisal District Chief Appraiser by July 25th. Taxing entities must adopt a tax rate by September 1st or as soon thereafter as practicable. Tax statements are mailed October 1st. The Tax Office records taxes as receivables when levied. Any corrections to the tax levy are recorded as adjustments upon approval by the Chief Appraiser and ratification by the Appraisal Review Board.

Delinquent Taxes

Current taxes become delinquent February 1st following the year of levy and are subject to a penalty and interest charge. An additional penalty for attorney's fees may be assessed if taxes are unpaid by July 1st. Corrections to the delinquent tax roll are recorded as adjustments upon approval by the Chief Appraiser.

Allowance for Uncollectible Taxes

Delinquent taxes receivable are the assets of the contracting entities. The management of each contracting entity should determine the appropriate allowance for uncollectible taxes based on an evaluation of the collectability of unpaid taxes.

Penalties and Interest

Penalties assessed on unpaid taxes on February 1st are 6% for the first month plus 1% for each additional month delinquent up to 12% maximum. Interest is assessed at 1% per month until paid. The Office assesses taxpayers an additional 20% attorney's collection fee as provided by the State Property Tax Code (Code) on all delinquent tax collections. The Office pays this fee to attorneys and not the contracting entities. Penalties, interest, and the collection fee are recorded when collected. Unpaid penalties, interest, and fees are included in delinquent tax notices to taxpayers but are not accrued.

Late Fees

Late fees include rendition filing penalties, late agricultural exemption penalties, and late protest penalties. The rendition filing penalty is a 10% penalty assessed for the delinquent/failure in filing business personal property renditions. Per the Code, the District can retain a small percentage of the rendition filing penalty for administrative costs and disburses the remainder to the appropriate taxing entities.

The late agricultural exemption penalty is a 10% penalty related to filing a late application for an agricultural exemption. This entire penalty is paid to the taxing entities.

The late protest penalty is a 10% penalty related to the late correction of an error in appraisal value. This entire penalty is paid to the taxing entities.

WISE COUNTY TAX OFFICE
AGENCY FUND
Notes to Financial Schedules

EXHIBIT C

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxpayer Overpayments

Overpayments by taxpayers are recorded as liabilities to the taxpayers and refunded. When the overpayment results from an adjustment to the tax and the tax had previously been remitted to the contracting entities, this amount is deducted from current remittances to the entities and refunded to the taxpayer.

Returned Checks

The tax receivable is reinstated for returned checks. When the tax has previously been remitted to the contracting entities, the amount is deducted from current remittances.

Court and Related Costs

Court and related costs incurred in collecting delinquent taxes are added to the total amount due from the taxpayer. Amounts collected from the taxpayers and not yet remitted to the court are recorded as liabilities. The Office is not liable for court costs incurred but not collected from taxpayers and, therefore, has not accrued a liability for any such outstanding amounts.

Use of Estimates

The preparation of financial schedules in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B. ATTORNEY FEES

The Tax Office and taxing entities have contracted with attorneys for the collection of delinquent taxes and can terminate the contract upon thirty days written notice. As compensation for collection services, the attorneys are paid 20% of all amounts of delinquent tax, penalty, and interest collected and paid during the term of the contract except on current delinquent taxes collected prior to July.

NOTE C. SUBSEQUENT EVENTS

The District evaluated subsequent events through October 29, 2020, the date the financial schedules were available to be issued, and nothing requiring disclosure was noted other than the following:

In early 2020, an outbreak of coronavirus (COVID-19) emerged and resulted in an overall decline in economic activity. This economic decline may affect property tax collections and delinquent tax receivable balances in the next fiscal year. However, the ultimate impact of COVID-19 on the Office or the governmental entities to which it provides appraisal and collection services is not reasonably estimable at this time.

SUPPLEMENTAL INFORMATION

WISE COUNTY TAX OFFICE
Schedule of Collectors' Bond Coverage
August 31, 2020

Exhibit D

Western Surety Company

Bond Number 69816011
Insuring the Wise County Tax Assessor / Collector
State Bond
Effective January 1, 2020 through January 1, 2021
Amount of Coverage - $100,000

Bond Number 69816004
Insuring the Wise County Tax Assessor / Collector
County Bond
Effective January 1, 2020 through January 1, 2021
Amount of Coverage - $100,000

Bond Number 18113058
Insuring the Wise County Tax Assessor / Collector
Tax Collector Bond
Effective January 1, 2020 through January 1, 2021
Amount of Coverage - $10,000 per employee

OVERALL COMPLIANCE AND INTERNAL CONTROLS



SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL SCHEDULES PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Wise County Tax Assessor / Collector
Decatur, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial schedules of the Wise County Tax Office, as of August 31, 2020, and the related notes to the financial schedules, and have issued our report thereon dated October 29, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial schedules, we considered the Wise County Tax Office's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial schedules, but not for the purpose of expressing an opinion on the effectiveness of the Wise County Tax Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wise County Tax Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial schedules will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

1207 Santa Fe Drive • Weatherford, Texas 76086 • 817-596-9301 • Fax 817-596-9304

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wise County Tax Office's financial schedules are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial schedules. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Snow Garrett Williams

Snow Garrett Williams
October 29, 2020