

Annual  
Comprehensive  
**Financial  
REPORT**

For the Year Ended  
June 30, 2021



**MISSION**  
**CONSOLIDATED INDEPENDENT**  
**SCHOOL DISTRICT**  
www.MCISD.net | (956) 323-5500  
1201 Bryce Drive, Mission, Texas 78572

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# TASA TEXAS HONOR BOARD

— **AND** —

## REGION ONE ESC SCHOOL BOARD OF THE YEAR



MISSION CISD

### BOARD OF TRUSTEES





**Mission**  
Consolidated Independent  
School District

Annual Comprehensive  
**Financial**  
**REPORT**  
For the Year Ended  
June 30, 2021  
Mission, Texas



Prepared by the  
Finance Division and the  
Internal Audit Department

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MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
Annual Comprehensive Financial Report  
For The Year Ended June 30, 2021

**TABLE OF CONTENTS**

	<u>EXHIBIT</u>	<u>PAGE</u> <u>NO.</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal .....		i
List of Principal Officials .....		vii
Organizational Chart .....		viii
Certificate of Board .....		ix
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report		1-3
Management's Discussion and Analysis		5-11
<b><u>Basic Financial Statements:</u></b>		
Government-wide Financial Statements:		
Statement of Net Position.....	A-1	15
Statement of Activities .....	B-1	16-17
Fund Financial Statements:		
Balance Sheet – Governmental Funds .....	C-1	18
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position.....	C-1R	19
Statement of Revenues, Expenditures, and Changes in		
Fund Balances – Governmental Funds.....	C-2	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities .....	C-3	21
Statement of Net Position – Proprietary Funds .....	D-1	22
Statement of Revenues, Expenses, and Changes in Fund		
Net Position – Proprietary Funds.....	D-2	23
Statement of Cash Flows – Proprietary Funds .....	D-3	24
Statement of Fiduciary Net Position – Fiduciary Funds .....	E-1	25
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	E-2	26
Notes to Financial Statements .....		27-63
<b><u>Required Supplementary Information:</u></b>		
General Fund - Budgetary Comparison Schedule .....	G-1	66-67
Schedule of the District's Proportionate Share of the Net Pension		
Liability – Teacher Retirement System of Texas (TRS) .....	G-2	68-69
Schedule of the District's Contributions - Teacher Retirement System of Texas (TRS)...	G-3	70-71
Schedule of the District's Proportionate Share of the Net OPEB		
Liability – Teacher Retirement System of Texas (TRS Care) .....	G-4	72
Schedule of the District's OPEB Contributions - Teacher		
Retirement System of Texas (TRS Care) .....	G-5	73
Notes to Required Supplementary Information .....		74-75

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
Annual Comprehensive Financial Report  
For The Year Ended June 30, 2021

**TABLE OF CONTENTS (Continued)**

	<u>EXHIBIT</u>	<u>PAGE</u> <u>NO.</u>
<b>FINANCIAL SECTION (continued)</b>		
<b><u>Combining Fund Statements:</u></b>		
Combining Balance Sheet – Nonmajor Governmental Funds..	H-1	83
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	H-2	85
Combining Balance Sheet –Nonmajor Special Revenue Funds..	H-3	86-91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	H-4	92-97
<b><u>Internal Service Funds:</u></b>		
Combining Statement of Net Position – Internal Service Funds.....	H-5	101
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds..	H-6	102
Combining Statement of Cash Flows – Internal Service Funds.....	H-7	103
<b><u>Private-Purpose Trust Funds:</u></b>		
Combining Statement of Fiduciary Net Position – Private-Purpose Trust Funds.....	H-8	107
Combining Statement of Revenues, Expenditures, and Changes in Fiduciary Net Position – Private-Purpose Trust Funds..	H-9	108
<b><u>Other Supplementary Information:</u></b>		
Schedule of Delinquent Taxes Receivable .....	J-1	110-111
Debt Service Fund - Budgetary Comparison Schedule .....	J-3	112

**STATISTICAL SECTION**

**Financial Trends Information:**

Net Position by Component – Last Ten Years.....	L-1	118-119
Governmental Activities Expenses and Program Revenues – Last Ten Years.....	L-2	120-121
General Revenue and Change in Net Position – Last Ten Years.....	L-3	122-123
Fund Balances of Governmental Funds – Last Ten Years..	L-4	124-125
Governmental Fund Revenue by Source – Last Ten Years.....	L-5	127
Governmental Fund Expenditures by Function... ..	L-6	128-129
Governmental Funds Other Sources, Uses and Changes in Fund Balances – Last Ten Years..	L-7	130-131
Governmental Fund Expenditures by Function Per Average Daily Attendance – Last Ten Years.....	L-8	132-133

**Revenue Capacity Information:**

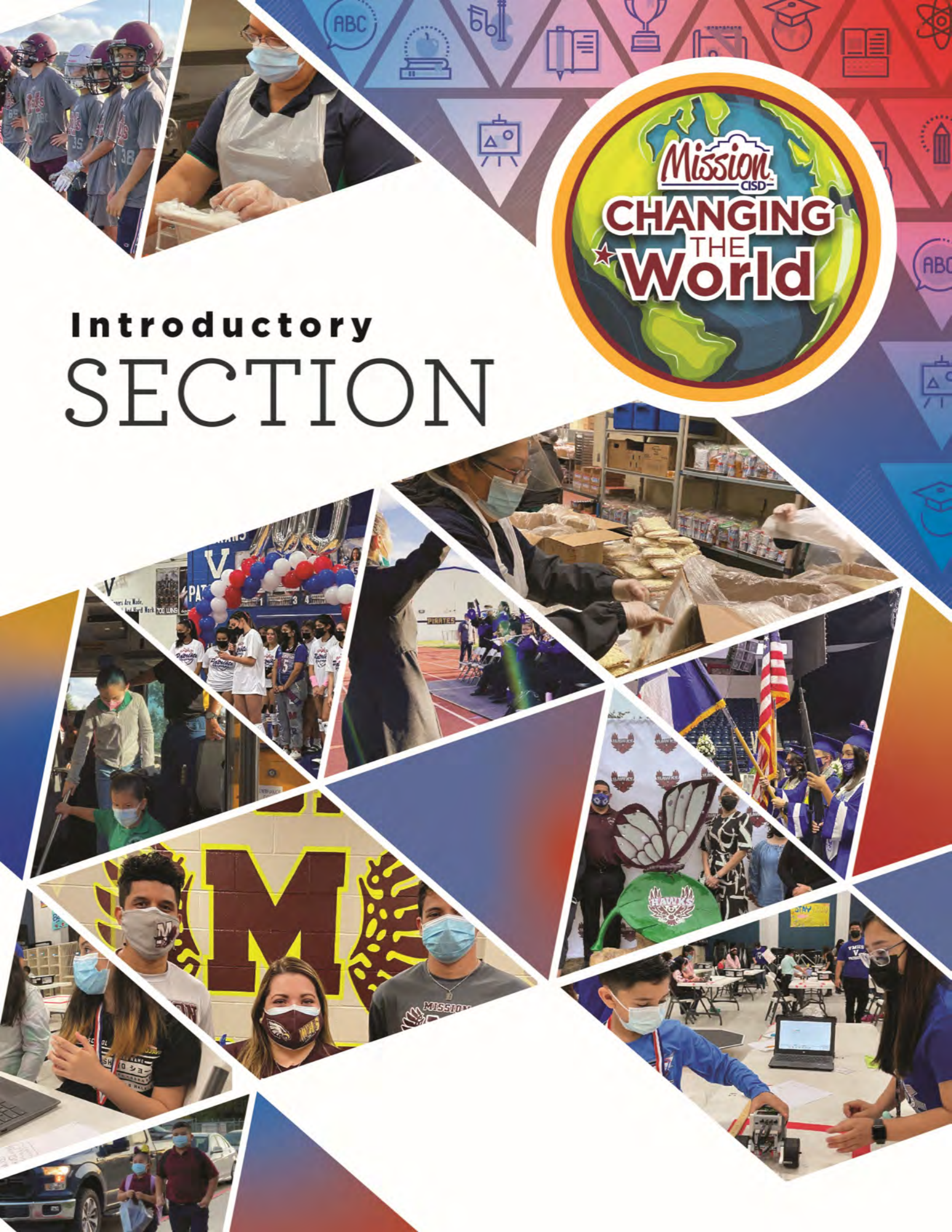
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Years.....	L-9	136-137
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MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
Annual Comprehensive Financial Report  
For The Year Ended June 30, 2021

**TABLE OF CONTENTS (Continued)**

	<u>EXHIBIT</u>	<u>PAGE</u>
<b>STATISTICAL SECTION (continued)</b>	<u>NO.</u>	<u>NO.</u>
Property Levies and Collections – Last Ten Years.....	L-10	138
Allocation of Property Tax Rates and Levies – Last Ten Years..	L-11	139
Property Tax Rates – Direct and Overlapping Governments (Per \$100 Assessed Valuation) – Last Ten Years.....	L-12	140
Principal Property Taxpayers Tax Year 2020 and 2011.....	L-13	141-142
<b>Debt Capacity Information:</b>		
Outstanding Debt by Type – Last Ten Years .....	L-14	144-145
Direct and Overlapping Governmental Activities Debt.....	L-15	147
Computation of Legal Debt Margin – Last Ten Years .....	L-16	148-149
Ratio of Net General Obligation Bonded Debt to Estimated Actual Taxable Value and Per Average Daily Membership – Last Ten Years.....	L-17	150-151
Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures – Last Ten Years..	L-18	152
<b>Demographic &amp; Economic Information:</b>		
Principal Employers – 2021 and 2012.....	L-19	155-156
Demographic and Economic Statistics – Last Ten Years.....	L-20	157
<b>Operating Information:</b>		
Workforce Composition by Employee Classification – Last Ten Years.....	L-21	160-161
Schedule of Teacher Information – Last Ten Years..	L-22	162-163
Schedule of Attendance and Membership – Last Ten Years.....	L-23	164
Operating Statistics – Last Ten Years.....	L-24	165
Schedule of Student Information – Last Ten Years..	L-25	166
Schedule of School Building and Portables – Last Ten Years.....	L-26	167
<b>FEDERAL AWARDS SECTION</b>		
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....		171-172
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....		173-174
Schedule of Findings and Questioned Costs .....		175-176
Corrective Action Plan.....		177
Schedule of Expenditures of Federal Awards .....	K-1	179-180
Notes to Schedule of Expenditures of Federal Awards .....		181-182
Schedule of Required Responses to Selected School FIRST Indicators.....	K-2	183

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# Introductory SECTION



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November 10, 2021

Members of the Board of Trustees and Citizens of Mission CISD  
Mission Consolidated Independent School District  
1201 Bryce Drive  
Mission, TX 78572

Dear Members of the Board of Trustees and Citizens of Mission CISD:

We are pleased to present the Mission Consolidated Independent School District (the “District”) Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021. The report was prepared by the Finance Division and the Internal Audit Department. Management is responsible for the accuracy and fairness of the financial information and disclosures contained in the report. The District’s annual audited financial statements of the governmental activities and the aggregate remaining fund information are presented in conformity with generally accepted accounting principles (GAAP) and with requirements established by the Texas Education Agency in their Financial Accountability Systems Resource Guide. The District’s independent auditors were Carr, Riggs & Ingram, LLC and their opinion letter is hereby made a part of this report. The report as submitted to the Texas Education Agency has been modified to conform to the reporting format required by the Government Finance Officers Association. In addition, the Management’s Discussion and Analysis section is an integral part of the ACFR and can be found immediately following the report of the independent auditors.

Texas law requires that each public-school district in the state undergo an annual audit conducted by an independent audit firm. This audit must adhere to the generally accepted auditing standards (GAAS) and the generally accepted government auditing standards (GAGAS). The audit must also include a federally mandated “Single Audit.” This Single Audit must comply with the requirements of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The goal of the independent audit is to provide reasonable assurance that the financial statements of Mission Consolidated Independent School District for fiscal year ended June 30, 2021, are free of material misstatement and are presented in conformity with generally accepted accounting principles (GAAP). The independent auditors’ report is presented as the first component of the financial section of this report.

### **Profile of the School District**

Mission Consolidated Independent School District is located in Mission, Texas, Hidalgo County, the southern tip of Texas. The District has a strong tradition of excellence that continues in each classroom every day. Mission Consolidated Independent School District offers quality services and programs that no area charter or private school can match. The District works closely with the local business community

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*Our Vision: Mission CISD will prepare and inspire all students to be equipped to excel in the college and career of their choice, dominate 21st century skills in leadership, knowledge, language, and technology to compete in a global economy and serve as successful citizens in their community.*

*Declaración de la Visión: Mission CISD preparará e inspirará a todos los estudiantes a estar preparados para sobresalir en la universidad y la carrera de su elección, dominar habilidades del siglo 21 en liderazgo, conocimiento, lenguaje y tecnología para competir en una economía global y servir como ciudadanos exitosos en su comunidad.*

and cities to develop strong partnerships to provide students a path that will lead to possible jobs in the area and support the economic growth in the community.

The District is made up of 14 elementary schools, 4 middle schools, 2 comprehensive high schools, 1 early college high school, 1 alternative education campus school of choice and 1 alternative education discipline campus for a total of 23 campuses. In 2020-2021, the District enrolled and educated 15,044 students. The District provides a full range of educational services including regular and enriched academic education, special education for students with disabilities, career and technical education, bilingual instruction for those with limited English proficiency and specialized instruction for disadvantaged students. The racial makeup of the District's enrollment in 2020-2021 was 0.02% American Indian or Alaskan, 0.06% Asian, 0.14% Black or African American, 99.30% Hispanic or Latino, 0.47% White, and 0.01% other.

The Mission Consolidated Independent School District is a community in which students are enthusiastically and actively engaged in the learning process. Students demonstrate academic excellence in a safe, nurturing and challenging environment enhanced by technology and the contributions of the community.

The policy-making functions of the District lie within a seven-member Board of Trustees (the Board), each of which is elected from an at large-member district for four-year staggered terms. The Board is not included in any other reporting entity as defined by GASB 14. This report contains all funds pertaining to the District. Serving without compensation, Board members establish the policies by which schools operate. In carrying out the task of setting policy, the Board identifies needs and establishes priorities for the school system, allocates financial and human resources among the priority areas and evaluates school performance.

On an annual basis, the District presents the Board of Trustees with the proposed budget for the General Operating Fund and the Debt Service Fund for approval as required by the Texas Education Code and as described in the Texas Education Agency's Financial Accountability Systems Resource Guide. The proposed budget is presented to the Board summarized at the function level for each of the stated funds above. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30, the close of the District's fiscal year. After adoption of the budget, the appropriation amounts are entered into the District's accounting and encumbrance system and monitoring of the expenditures and encumbrances in relation to the approved budget begins.

Budget managers have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a budget amendment. Any budget amendment requested by budget managers requires Board approval.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

The District evaluates the existing system of internal controls annually through self-evaluation, internal auditing, and the annual independent financial and compliance audit. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from authorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of controls should not exceed benefits expected to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

## **Factors Affecting the Financial Condition**

The 2020-2021 school year was extremely unusual due to circumstances brought forth with the COVID-19 pandemic. The District saw an increase in Food Service revenues compared to the prior year due to participation in the Summer Seamless Option (SSO) program, which was the feeding program selected for the 2020-2021 school year in response to the COVID-19 pandemic.

The District experienced a decrease in enrollment because of the COVID-19 pandemic. Although there has been an increase in student attendance for the last three years.

The Hidalgo County Appraisal District reviews and assesses property values based on the local real estate market within the District's geographical taxing jurisdiction. For the District's 2020-2021 fiscal year, the Hidalgo County Appraisal District reported that the 2020 Certified Totals increased by 8.05% from the tax year 2019 to 2020. For future year budget estimates, a 6% increase per year will be used.

House Bill 3 was passed by the 86th Legislature and signed into law by Governor Abbott on June 11, 2019. In fiscal year 2019-2020, the District was required to compress its Maintenance and Operations (M&O) Tax Rate from \$1.17 to 1.0683 per \$100 valuation. The District is required to compress the tax rate further in fiscal year 2020-2021 to \$1.0280 per \$100 valuation. The District Interest and Sinking (I&S) Tax Rate is budgeted at \$0.1713 per \$100 valuation.

In 2020-2021, interest revenue decreased due to the economic conditions from the COVID-19 recession that started in February 2020.

In 2020-2021, the District issued Unlimited Tax Refunding Bonds of approximately \$45 million to refund portions of two other bond issues to realize economic savings in future debt service payments.

In response to the COVID-19 pandemic, the American Rescue Plan (ARP) of 2021 was signed into law on March 11, 2021. The intent and purpose of the ARP of 2021, Elementary and Secondary School Emergency Relief (ESSER) funding is to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students. Mission CISD was allocated a total of \$30,654,958 in ESSER II funds and \$68,846,682 in ESSER III funds. The initial allocation of ESSER III is \$45,897,788 and the remaining portion is \$22,948,894. Twenty percent or \$13,769,337 must address learning loss. The Mission CISD ESSER III Financial Plan was developed using stakeholder input received at stakeholder meetings, parent surveys, and staff surveys. The District will utilize ESSER II and III funding during the next three fiscal years.

## **Local Economy**

Mission, Texas, has become a booming city for major international trade, featuring a bevy of first-rate commercial, retail, industrial, and medical facilities. Occupying the western portion of the McAllen-Edinburg-Mission Metropolitan statistical areas (MSA), now the fifth largest MSA in the state, Mission's population as of 2017 stands at over 84,000 with an 85.9% population increase since 2000.

The Mission Chamber of Commerce publishes a Demographic and Income profile of the local economy on its website. The Demographic and Income profile, as provided by the Mission Chamber of Commerce, reported the following data:

The City of Mission's population currently stands over 88,000 people, and Hispanics account for nearly 89% or 74,800 of those citizens. The median resident age is 30.6 years.

Mission Demographic and Income profile:

- Population: 88,967
- Persons under five years: 8.2%
- Persons under 19 years: 32.2%
- Households: 26,732
- Persons per household: 3.32
- Median household income: \$48,028

Source: U.S. Census Bureau, Census 2010 Summary File 1. ESRI forecasts for 2021.

### **Long-Term Financial Planning and Major Initiatives**

The financial goal of the Mission Consolidated Independent School District is to have a sufficient fund balance in the general operating fund to be able to maintain financial independence in case of a financial need or crisis. The District strives to maintain a balance in the general fund that closely approximates the optimum fund balance amount previously prescribed by the Texas Education Agency (TEA).

The District's goals and objectives are significant and measurable through student outcomes. In order to achieve these goals, the District must plan, prepare and evaluate the budget process to ensure the appropriate dollar amounts are allocated to meet all its goals and objectives. District goals include:

1. Mission CISD Students demonstrate academic success through a curriculum that is well balanced, appropriate, and relevant to the real world in order to be college and career ready.
2. All stakeholders understand the district's mission and vision and are actively involved in providing service to our family and community to ensure the education of our students.
3. Mission CISD has a plan to address the efficient operations of District facilities, safe environment, integration of technology, and fiscal responsibility.
4. A process is in place that assures quality and highly effective personnel will be recruited, developed, and retained as part of our Mission CISD team.

Key factors that affected the adoption of the 2021-2022 budget include:

- Preliminary Certified Assessed Values increased by 10% from tax year 2020 to 2021.
- For fiscal year 2021-2022 the M&O Tax Rate is \$0.9719 and the District Interest & Sinking (I&S) Tax Rate is \$0.1613 per \$100 valuation. However, these tax rates were not available until after the budget was adopted.
- Low interest revenue due to the current economic conditions resulting from the COVID-19 Recession that started in February 2020.
- Decrease in State Funding attributable to a decline in ADA.

- Increase in Federal Revenue as indirect cost from the American Rescue Plan Act through the Elementary and Secondary School Emergency Relief Fund (ESSER II and III). These funds were passed by Congress on March 11, 2021.
- Staffing levels and positions will continuously be monitored and reviewed. The District will strive to continue to make future staff reductions through attrition.
- Debt Service 2021-2022 bond payment will decrease from prior year amount of \$9,044,844 to \$8,432,047 due to the successful Unlimited Tax Refunding Bond Series 2020 which refunded portions of the 2014A and 2014B Series. This refunding resulted in debt service savings in the amount of \$2,586,794.

The Facilities Maintenance & Operations Department identified projects with an estimated completion date of June 30, 2022, using various funding sources. The projects consist of construction, renovations, and improvements for the Facilities Maintenance & Operations Department and the Athletics Department.

The Facilities Maintenance & Operations Department construction projects consist of security vestibules at Pearson Elementary, Alton Memorial Junior High School, K. White Junior High School, and Roosevelt Alternative School. Other projects include the construction of a pavilion at Mission Collegiate High School, a culinary arts classroom at Mission High School, and the development of the Citrus Horticulture Lab at the Missions FARMERS location.

Construction projects for the Athletics Department consist of synthetic turf fields at Mission High School and Veterans Memorial High School. Other projects include constructing field events at Mission Junior High School, R. Cantu Junior High School, Alton Memorial Junior High School, and K. White Junior High School.

## **Awards**

### **School FIRST**

This is the 19th year of School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency. The Texas Education Agency assigned one of four financial accountability ratings to Texas school districts, with the highest being “A” for “Superior”, followed by “B” for “Above-Standard”, “C” for “Met Standard” and “F” for “Substandard Achievement.” The primary goal of School FIRST is to achieve quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system.

The District received a rating of “A” for “Superior” for 2015 through 2020 under Texas’ School FIRST financial accountability rating system. The “Superior” rating is the state’s highest, demonstrating the quality of the District’s financial management and reporting system.

### **Meritorious Budget**

The Association of School Business Officials International (ASBO) awarded a Meritorious Budget Award (MBA) to the District for the June 30, 2021 annual budget. This is the first year that the District has achieved the meritorious budget award. The MBA promotes and recognizes excellence in school budget presentation and is conferred only to school districts whose budgets have undergone a rigorous review by financial professionals and have met or exceeded the program’s stringent criteria.


## **TASBO Award of Merit for Purchasing Operations**

The Texas Association of School Business Officials (TASBO) bestowed the Award of Merit for Purchasing Operations to the District for following best practices in purchasing operations in the 2019-2020 school year. The TASBO Award of Merit for Purchasing Operations recognizes Texas school districts, open-enrollment charter schools, and education services centers committed to following professional standards in acquiring goods and services. Each year, TASBO accepts applications for new certification and recertification.

### **Acknowledgments**

Preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the Finance Division and the Internal Audit Department. We appreciate the contribution made in the preparation of this report.

We would like to thank the District's Board of Trustees for their time, dedication, and support to the District and its personnel and our independent auditors, Carr, Riggs & Ingram, LLC, for their assistance in the preparation of this report.

  
\_\_\_\_\_  
Carol G. Perez, Ed. D., Superintendent

  
\_\_\_\_\_  
Lorena Garcia, Deputy Superintendent for Support Services

  
\_\_\_\_\_  
Joel Garcia, CPM, Assistant Superintendent for Finance

**MISSION CONSOLIDATED  
INDEPENDENT SCHOOL DISTRICT**

**LIST OF PRINCIPAL OFFICIALS  
June 30, 2021**

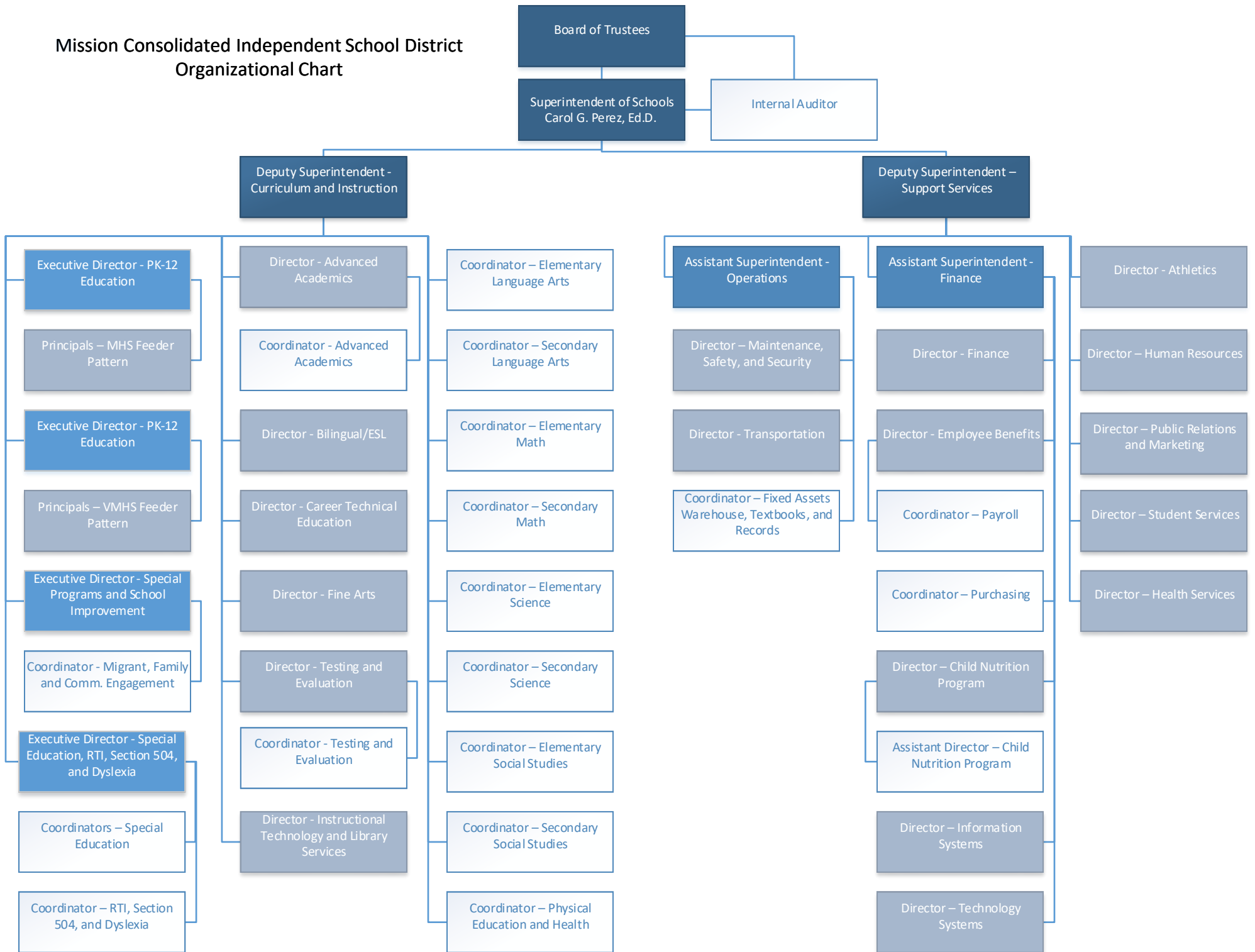
**BOARD OF TRUSTEES**

Jerry Zamora	President
Veronica “Betty” R. Mendoza	Vice-President
Roy Vela	Secretary
Petra B. Ramirez	Board Member
Coach Iris G. Iglesias	Board Member
Minnie R. Rodgers	Board Member
Juan M. Gonzalez	Board Member

**ADMINISTRATION**

Carol G. Perez, Ed.D.	Superintendent of Schools
Sharon Roberts, Ed.D.	Deputy Superintendent for Curriculum and Instruction
Lorena Garcia	Deputy Superintendent for Support Services
Joel Garcia, CPM Rumalda Ruiz	Assistant Superintendent for Finance (effective 8/11/2021) (former Assistant Superintendent for Finance as of 6/30/2021)
Ricardo Rivera	Assistant Superintendent for Operations
Anna Zuniga, CPA	Director for Finance
Rebecca Magee, CPA	Internal Auditor

# Mission Consolidated Independent School District Organizational Chart

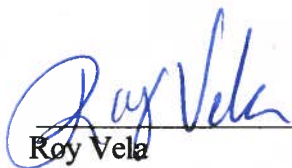


CERTIFICATE OF BOARD

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT,  
HIDALGO COUNTY

County Number 108, District Number 908, Region Number 1

We, the undersigned, do hereby certify that the audit report of the above named local education agency for the year ended June 30, 2021 was reviewed and       ✓       approved        disapproved at a meeting of the Board of such local education agency on the 10th day of November, 2021.

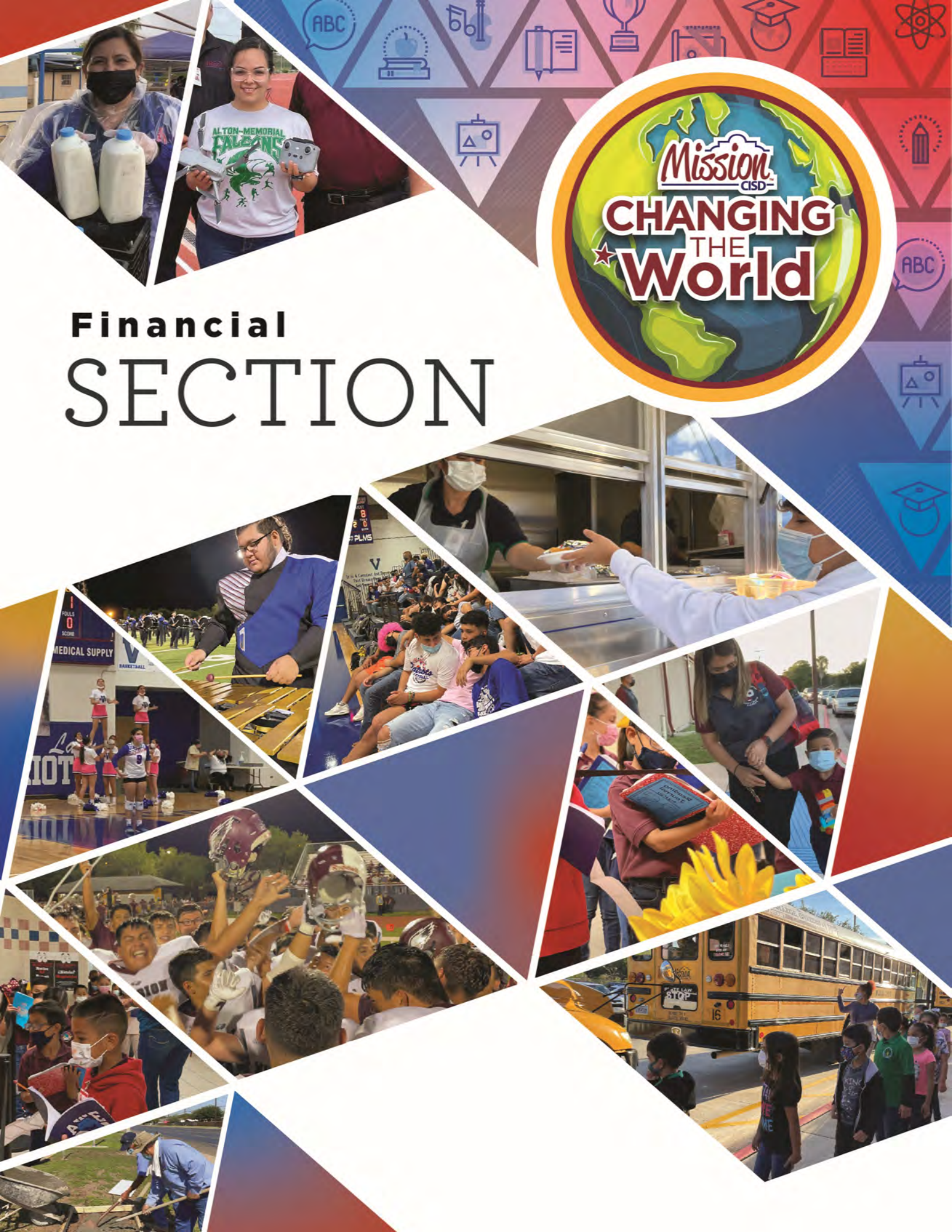


Roy Vela  
Secretary, Board of Trustees



Jerry Zamora  
President, Board of Trustees

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# Financial SECTION



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
Mission Consolidated Independent School District

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mission Consolidated Independent School District (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements 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 statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Mission Consolidated Independent School District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As described in Note 22 to the financial statements, the prior year financial statements have been restated in the amount of \$460,113 in the custodial funds related to the implementation of GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the General Fund – Budgetary Comparison Schedule, Pension and OPEB liabilities related schedules, and the related notes to the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, the combining fund statements, other supplementary information, statistical section and schedule of required responses to selected school FIRST indicators are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining fund financial statements and other supplementary information as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of

management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements and other supplementary information as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory, statistical sections and schedule of required responses to selected school FIRST indicators have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021, on our consideration of the District'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 solely 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 District'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 Example School District's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

McAllen, Texas

November 10, 2021

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Mission Consolidated Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2021. Please read it in conjunction with the District's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

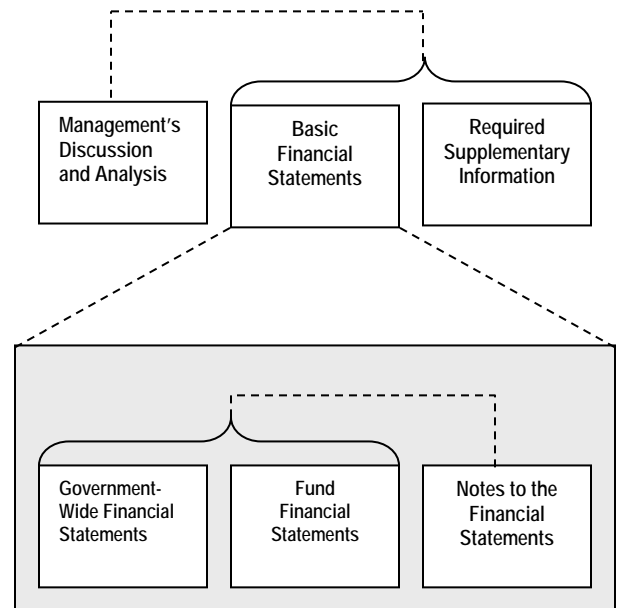
- The District's total combined net position was \$53,504,636 at June 30, 2021. This amounted to a decrease of \$232,390 from last year's total net position of \$53,737,026.
- During the year, the District's revenues generated in taxes and other revenues for governmental activities were \$232,390 less than the expenses. Last year the revenues were \$1,709,639 less than the expenses.
- The total cost of the District's programs was \$202,555,143 an increase of .91% from last year's programs of \$200,720,232.
- The General Fund reported a fund balance this year of \$80,898,169 as compared to last year's fund balance of \$76,331,591 for an increase of \$4,566,578.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
- *Proprietary fund* statements offer *long-term* and *short-term* financial information about the activities the government operates *like businesses*. The District uses internal service funds to account for the worker's compensation, and print shop funds.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

**Figure A-1, Required Components of the District's Annual Financial Report**



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explain and supports information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District's government-wide and fund financial statements, and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements**

Type of Statements	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses: self worker's compensation insurance	Instance in which the district is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>◆ Statement of net position</li> <li>◆ Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Balance sheet</li> <li>◆ Statement of revenues, expenditures &amp; changes in fund balance</li> </ul>	<ul style="list-style-type: none"> <li>◆ Statement of net position</li> <li>◆ Statement of revenues, expenditure and changes in fund net position</li> <li>◆ Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>◆ Statement of fiduciary net position</li> <li>◆ Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

### Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the *governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes, State aid, and grants finance most of these activities.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kind of funds:

- *Governmental Funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

- *Proprietary Funds* - Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. The District uses internal service funds to report activities that provide services for the District's modified self-funded workers' compensation program, self-funded health insurance program, and for the operations of the print shop.
- *Fiduciary Funds* - The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that, because of a trust arrangement, can only be used for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

**Net Position.** The District's combined net position decreased by \$232,390 between fiscal year 2020 and 2021 to \$53,504,636 at June 30, 2021 (See table A-1).

**Table A-1  
District's Net Position**

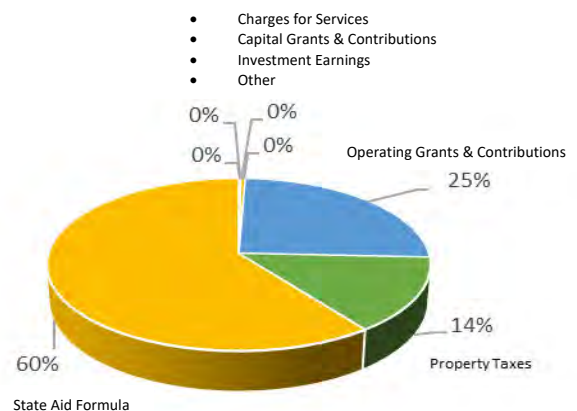
	<u>2021</u>	<u>2020</u>	<u>Change 2020 - 2021</u>
Current and Other Assets	\$ 114,250,295	\$ 108,830,375	4.98%
Capital and Non-Current Assets	197,935,977	205,235,373	(3.56%)
<b>Total Assets</b>	<u>\$ 312,186,272</u>	<u>\$ 314,065,748</u>	<u>(0.60%)</u>
<b>Deferred Outflows of Resources</b>	<u>\$ 30,772,364</u>	<u>\$ 34,677,279</u>	<u>(11.26%)</u>
Current Liabilities	\$ 26,195,151	\$ 23,154,059	13.13%
Long Term Liabilities	215,102,331	232,232,041	(7.38%)
<b>Total Liabilities</b>	<u>\$ 241,297,482</u>	<u>\$ 255,386,100</u>	<u>(5.52%)</u>
<b>Deferred Inflows of Resources</b>	<u>\$ 48,156,518</u>	<u>\$ 39,619,902</u>	<u>21.55%</u>
Net Position:			
Net Investment in Capital Assets	\$ 83,511,186	\$ 84,717,041	(1.42%)
Restricted	9,821,262	7,947,000	23.58%
Unrestricted	(39,827,812)	(38,927,016)	(2.31%)
<b>Total Net Position</b>	<u>\$ 53,504,636</u>	<u>\$ 53,737,026</u>	<u>(0.43%)</u>

Net position of the District's governmental activities decreased from last year's total net position by .43% to \$53,504,636. After taking into consideration the net pension and OPEB balances, the unrestricted net position would be \$79,076,757 which may be used to meet the District's ongoing obligations. The unrestricted net position amounted to (\$39,827,812) at the end of this year. The unrestricted net position balance has decreased by 2.31% from the prior year.

**Changes in Net Position.** The District's total revenues increased by 1.66% to \$202,322,753. Local sources include 14% from property taxes plus 1% from other local sources, such as investment earnings (See Figure A-3). 60% comes from State program revenues.

The total cost of all programs and services was \$202,555,143; 82.90% of these costs are for instructional and student services.

**Figure A-3 District Sources  
of Revenue for Fiscal Year 2021**



## Governmental Activities

Property tax rate decreased for maintenance and operations (M&O) to \$1.0280. The debt service fund (I&S) tax rate increased from \$0.1712 to \$0.1713. Increases in property values resulted in an increase of \$912,128 in tax revenues.

**Table A-2**  
**Changes in District's Net Assets**

	Governmental Activities		Total Percentage Change
	2021	2020	2020 - 2021
<b>Program Revenues:</b>			
Charges for Services	\$ 219,255	\$ 1,413,413	(84.49%)
Operating Grants & Contributions	50,806,990	54,044,745	(5.99%)
Capital Grants & Contributions	49,286	288,493	(82.92%)
<i>General Revenues</i>			
Property Taxes	28,665,230	27,753,102	3.29%
State Aid-Formula	121,599,389	114,034,286	6.63%
Investment Earnings	127,355	1,311,503	(90.29%)
Other	855,248	165,051	418.17%
Total Revenues	<u>202,322,753</u>	<u>199,010,593</u>	<u>1.66%</u>
<b>Expenses:</b>			
Instruction	\$ 111,227,623	\$ 108,227,577	2.77%
Instructional Resources & Media Services	2,413,563	2,810,026	(14.11%)
Curriculum Dev. & Instructional Staff Dev.	4,101,762	3,749,987	9.38%
Instructional Leadership	2,545,853	2,436,650	4.48%
School Leadership	10,055,279	10,412,562	(3.43%)
Guidance, Counseling & Evaluation Services	9,387,826	9,694,316	(3.16%)
Social Work Services	516,706	604,634	(14.54%)
Health Services	2,430,094	2,083,629	16.63%
Student (Pupil) Transportation	4,468,688	4,690,541	(4.73%)
Food Services	13,414,920	12,477,265	7.51%
Curricular/Extracurricular Activities	7,357,691	8,906,660	(17.39%)
General Administration	5,413,241	5,679,900	(4.69%)
Facilities Maintenance & Operations	18,057,616	18,065,181	(0.04%)
Security & Monitoring Services	2,904,614	2,290,165	26.83%
Data Processing Services	3,190,718	2,616,911	21.93%
Community Services	935,289	1,115,817	(16.18%)
Interest on Long-Term Debt	3,849,250	4,586,729	(16.08%)
Other Intergovernmental Charges	284,410	271,682	4.68%
Total Expenses	<u>\$ 202,555,143</u>	<u>\$ 200,720,232</u>	<u>0.91%</u>
Increase (Decrease) in Net Position	\$ (232,390)	\$ (1,709,639)	86.41%
Beginning Net Position	<u>53,737,026</u>	<u>55,446,664</u>	<u>(3.08%)</u>
Ending Net Position	<u>\$ 53,504,636</u>	<u>\$ 53,737,026</u>	<u>(0.43%)</u>

Table A-3 represents the cost of each of the District's largest functions, as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by State revenues as well as local tax dollars.

- The cost of all *governmental activities* this year was \$202,555,143.
- However, the amount that our taxpayers paid for these activities through property taxes was \$28,665,230.
- Some of the cost was paid by those who directly benefited from the programs in the amount of \$219,255 and by operating grants \$50,806,990. Capital grants and contributions were \$49,286. State revenues were \$121,599,389.

**Table A-3  
Net Cost of Selected District Functions**

	Total Cost of Services			Net Cost of Services		
	<u>2021</u>	<u>2020</u>	<u>% Change</u>	<u>2021</u>	<u>2020</u>	<u>% Change</u>
Instruction	\$ 111,227,623	\$ 108,227,577	2.8%	\$ 89,855,618	\$ 83,488,804	7.6%
School Leadership	10,055,279	10,412,562	(3.43%)	9,282,627	9,088,698	2.1%
Guidance, Counseling, & Evaluation Services	9,387,826	9,694,316	(3.16%)	5,303,908	5,445,870	(2.61%)
Student Transportation	4,468,688	4,690,541	(4.73%)	3,943,492	3,795,649	3.9%
Food Service	13,414,920	12,477,265	7.5%	(237,254)	1,739,041	114%
Cocurricular/Extracurricular Activities	7,357,691	8,906,660	(17.39%)	6,954,388	7,479,609	(7.02%)
Facilities Maintenance & Operations	18,057,616	18,065,181	(0.04%)	17,424,457	16,582,884	5.1%
Debt Service - Interest on Long-Term Debt	3,849,250	4,586,729	(16.08%)	(1,039,378)	(460,432)	125.7%

#### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Revenues from governmental fund types totaled \$201,078,864.

As of June 30, 2021, the District's governmental funds reported ending fund balances of \$86,012,574. Approximately 83% of the fund balance or \$71,761,697 is available for spending at the government's discretion (unassigned fund balance). The remainder of the fund balance is nonspendable, restricted or committed to indicate that it is not available for new spending as follows: (1) to pay debt service \$6,095,528, (2) for food service \$3,523,713 (3) for inventory \$2,611,389 (4) for prepaid items \$337,165 and (5) committed for construction of \$1,147,682.

**General Fund.** The General Fund is the chief operating fund of the District. At the end of the fiscal year, fund balance of the General Fund was \$80,898,169 of which 89% or \$71,761,697 is unassigned. The remainder of fund balance is nonspendable, restricted or committed to indicate that it is not available for new spending as follows: (1) for food service \$3,523,713 (2) for inventory \$2,611,389 (3) for prepaid items \$337,165 (4) committed for construction \$1,147,682, and (5) for retirement of long-term debt \$1,516,523. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 49% of the total fund expenditures. The District's General Fund balance increased by \$4,566,578.

**Proprietary Funds.** The Proprietary funds are funds that are primarily self-supporting. The District maintains three Internal Service Funds. These funds are used to account for the administrative claims cost related to workers' compensation self-insurance, the self-funded health insurance program, and the operations of a print shop. The unrestricted net position at June 30, 2021 was \$212,488.

## General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times.

The District made the following amendments to budgeted revenues and other resources:

- Increased Career and Technology Education Program to reflect an increase in student counts.
- Decreased Foundation Revenues to reflect a decrease in ADA.
- Increased Special Education Foundation Revenues to reflect an increase in student counts.
- Increased Child Nutrition Revenues for participation in the Summer Seamless Option Program.

Actual revenues were \$2,906,430 less than final budgeted revenues. The main reason for this variance was attributable to the overestimate of revenue in the Child Nutrition Program, Property Tax Collections, and School Health and Related Services Program (SHARS) as a result of the current pandemic.

Following is a summary of amendments made to budgeted expenditures:

- Increased budgeted expenditures for carry over purchase orders encumbered in prior year.
- Increased capital outlay budgeted expenditures for Tom Landry Hall of Fame Stadium Scoreboard Project.
- Increased capital outlay budgeted expenditures for the purchase of property.
- Increased budgeted expenditures for Career Technology Education to reflect increased student counts.
- Increased budgeted expenditures for the Bilingual Program for the amount underspent in the prior year.
- Increased budgeted expenditures for damage caused by Hurricane Hanna.

The budgeted appropriations were more than the actual expenditures by \$17,021,333. General Fund encumbrances at year-end were \$2,932,541. These are purchase orders that will be carried over to the 2022 fiscal year for the stadium repairs construction project, Technology E-rate projects related to internal connections, buses, and equipment for the Child Nutrition Program (CNP). The excess budget was due to positive variances in function 11 Instruction \$3,073,797, function 13 Curriculum and Staff Development \$1,285,942, function 35 Food Services \$2,298,763, function 51 Plant Maintenance and Operations \$3,199,230, and Function 81 Capital Outlay \$1,225,084.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2021, the District had invested \$196,419,454 in a broad range of capital assets, including land, equipment, buildings, and vehicles (See Table A-4). In accordance with GASB 34, the District has recorded depreciation expense associated with all of its capital assets, including infrastructure.

**Table A-4**  
**District's Capital Assets**

	<u>2021</u>	<u>2020</u>	% Change
Land and water rights	\$ 6,346,524	\$ 5,414,822	17.2%
Infrastructure	3,392,489	3,392,489	0.0%
Buildings and improvements	312,216,334	312,167,048	0.0%
Construction in progress	416,818	16,962	2357%
Vehicles	12,097,256	11,797,303	2.5%
Equipment	<u>37,755,361</u>	<u>36,062,035</u>	4.7%
Totals at historical cost	<u>372,224,782</u>	<u>368,850,659</u>	0.9%
Total accumulated depreciation	<u>(175,805,328)</u>	<u>(164,966,662)</u>	6.6%
Total capital assets being depreciated (Net)	<u>189,656,112</u>	<u>198,452,213</u>	(4.43%)
Governmental Activities Capital Assets (Net)	<u>\$ 196,419,454</u>	<u>\$ 203,883,997</u>	(3.7%)

Additional information about the District's capital assets is presented in Note 6 in the Financial Statements.

## Long-Term Obligations

At June 30, 2021, the District had \$119,625,767 in long-term obligations as shown in Table A-5. This represents a decrease of 3.6% over last year. More detailed information about the District's debt is presented in Note 14 in the Financial Statements.

**Table A-5**  
**District's Long-Term Obligations**

	<u>2021</u>	<u>2020</u>	<u>% Change</u>
General Obligation Debt	\$ 107,429,230	\$ 111,424,876	(3.6%)
Maintenance Tax Notes	11,781,682	12,177,574	(3.3%)
Compensated Absences	414,855	479,940	(13.56%)
	<u>\$ 119,625,767</u>	<u>\$ 124,082,390</u>	<u>(3.6%)</u>

**General Obligation Debt Ratings.** The District's unlimited tax long-term debt obligations presently carry "AAA" ratings by Moody's Investor Services and Standard & Poor's by virtue of the guarantee of the corpus of the Permanent School Fund of the State of Texas and the following ratings without regard to credit enhancement: Moody's Investor Services "A1" and Standard & Poor's "A+".

**Maintenance Tax Notes Ratings.** The District's Maintenance Tax Qualified School Construction Notes, Taxable Series 2012 presently carry a Moody's Investor Services "A1" rating without regard to credit enhancement. The District's Limited Maintenance Tax Notes, Series 2017 presently carry a "AA" rating by Standard & Poor's by virtue of a municipal bond insurance policy issued by Build America Mutual Assurance Company and a Moody's Investor Services "A1" rating without regard to credit enhancement.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The freeze adjusted taxable value used for the 2022 budget preparation is up \$212,805,130 or 9.99% from \$2,130,220,925 to \$2,343,026,055.
- The M&O tax rate remained unchanged at \$1.0280. The I&S rate also remained unchanged at \$0.1713.
- General operating fund revenue budget per student increased in the 2021 budget from \$12,628 to \$12,684. This is a 0.44% increase.
- The District's 2022 refined average daily attendance was budgeted at 13,822.

These indicators were considered when adopting the General Fund budget for the 2021-2022 fiscal year. Amounts available for estimated revenues in the budget for 2022 are \$180,862,843, an increase of 9.36% over the 2021 budget of \$165,385,654.

Expenditures in 2021-2022 fiscal year are budgeted to increase by 9.42% to \$180,862,843 from the original 2021 budget of \$165,285,785.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Assistant Superintendent for Finance, Mission C.I.S.D., 1201 Bryce Drive, Mission, Texas 78572.

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## **BASIC FINANCIAL STATEMENTS**

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## MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF NET POSITION

JUNE 30, 2021

Data Control Codes	1	Governmental Activities
<b>ASSETS:</b>		
1110	<i>Cash and Cash Equivalents</i>	\$ 17,642,441
1120	<i>Current Investments</i>	71,727,686
1225	<i>Property Taxes Receivable (Net)</i>	3,558,046
1240	<i>Due from Other Governments</i>	18,019,280
1290	<i>Other Receivables</i>	188,626
1300	<i>Inventories</i>	2,611,389
1410	<i>Prepaid Items</i>	337,165
1490	<i>Other Current Assets</i>	165,662
Capital Assets:		
1510	<i>Land and Water Rights</i>	6,346,524
1520	<i>Buildings and Improvements, Net</i>	175,696,355
1530	<i>Furniture and Equipment, Net</i>	13,291,259
1580	<i>Construction in Progress</i>	416,818
1590	<i>Infrastructure, Net</i>	668,498
1800	<i>Restricted Assets</i>	1,516,523
1000	Total Assets	<u>312,186,272</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
	<i>Deferred Charges on Refunding (Net)</i>	6,043,851
	<i>Deferred Outflow Related to Pensions</i>	17,132,744
	<i>Deferred Outflow Related to OPEB</i>	7,595,769
1700	Total Deferred Outflows of Resources	<u>30,772,364</u>
<b>LIABILITIES:</b>		
2110	<i>Accounts Payable</i>	2,436,958
2140	<i>Interest Payable</i>	1,510,708
2165	<i>Accrued Liabilities</i>	19,215,786
2180	<i>Due to Other Governments</i>	282,229
2300	<i>Unearned Revenue</i>	2,749,470
Noncurrent Liabilities:		
2501	<i>Due Within One Year</i>	5,378,449
2502	<i>Due in More Than One Year</i>	114,247,318
2540	<i>Net Pension Liability</i>	47,648,446
2545	<i>Net OPEB Liability</i>	47,828,118
2000	Total Liabilities	<u>241,297,482</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
	<i>Deferred Inflow Related to Pensions</i>	8,547,834
	<i>Deferred Inflow Related to OPEB</i>	39,608,684
2600	Total Deferred Inflows of Resources	<u>48,156,518</u>
<b>NET POSITION:</b>		
3200	Net Investment in Capital Assets	83,511,186
Restricted For:		
3820	Federal and State Programs	4,629,778
3850	Debt Service	5,191,484
3900	Unrestricted	(39,827,812)
3000	Total Net Position	<u>\$ 53,504,636</u>

The accompanying notes are an integral part of this statement.

# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Functions/Programs	1	3	4	5
		Expenses	Charges for Services	Program Revenues	
				Operating Grants and Contributions	Capital Grants and Contributions
	Governmental Activities:				
11	<i>Instruction</i>	\$ 111,227,623	\$ --	\$ 21,372,005	\$ --
12	<i>Instructional Resources and Media Services</i>	2,413,563	--	168,813	--
13	<i>Curriculum and Staff Development</i>	4,101,762	--	1,920,116	--
21	<i>Instructional Leadership</i>	2,545,853	--	253,447	--
23	<i>School Leadership</i>	10,055,279	--	772,652	--
31	<i>Guidance, Counseling, &amp; Evaluation Services</i>	9,387,826	--	4,083,918	--
32	<i>Social Work Services</i>	516,706	--	49,429	--
33	<i>Health Services</i>	2,430,094	--	820,572	--
34	<i>Student Transportation</i>	4,468,688	--	525,196	--
35	<i>Food Service</i>	13,414,920	13,649	13,638,525	--
36	<i>Cocurricular/Extracurricular Activities</i>	7,357,691	39,539	363,764	--
41	<i>General Administration</i>	5,413,241	--	272,166	--
51	<i>Facilities Maintenance and Operations</i>	18,057,616	29	633,130	--
52	<i>Security and Monitoring Services</i>	2,904,614	166,038	137,605	49,286
53	<i>Data Processing Services</i>	3,190,718	--	118,687	--
61	<i>Community Services</i>	935,289	--	788,337	--
72	<i>Interest on Long-term Debt</i>	2,609,421	--	4,888,628	--
73	<i>Bond Issuance Costs and Fees</i>	1,239,829	--	--	--
99	<i>Other Intergovernmental Charges</i>	284,410	--	--	--
TG	Total Governmental Activities	<u>202,555,143</u>	<u>219,255</u>	<u>50,806,990</u>	<u>49,286</u>
TP	Total Primary Government	<u>\$ 202,555,143</u>	<u>\$ 219,255</u>	<u>\$ 50,806,990</u>	<u>\$ 49,286</u>
	General Revenues:				
MT	<i>Property Taxes, Levied for General Purposes</i>				
DT	<i>Property Taxes, Levied for Debt Service</i>				
IE	<i>Investment Earnings</i>				
GC	<i>Grants and Contributions Not Restricted to Specific Programs</i>				
MI	<i>Miscellaneous</i>				
TR	Total General Revenues and Transfers				
CN	Change in Net Position				
NB	Net Position - Beginning				
NE	Net Position - Ending				

The accompanying notes are an integral part of this statement.

Net (Expense)  
Revenue and  
Changes in  
Net Position

---

Governmental  
Activities

---

\$ (89,855,618)  
(2,244,750)  
(2,181,646)  
(2,292,406)  
(9,282,627)  
(5,303,908)  
(467,277)  
(1,609,522)  
(3,943,492)  
237,254  
(6,954,388)  
(5,141,075)  
(17,424,457)  
(2,551,685)  
(3,072,031)  
(146,952)  
2,279,207  
(1,239,829)  
(284,410)  

---

(151,479,612)  

---

(151,479,612)

24,578,407  
4,086,823  
127,355  
121,599,389  
855,248  

---

151,247,222  
(232,390)  
53,737,026  

---

\$ 53,504,636

## MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2021

Data Control Codes	10 General Fund	Other Governmental Funds	98 Total Governmental Funds	
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 12,677,266	\$ 3,507,863	\$ 16,185,129
1120	Current Investments	67,051,869	4,675,817	71,727,686
1225	Property Taxes Receivable, Net	3,054,748	503,298	3,558,046
1240	Due from Other Governments	13,585,945	4,433,335	18,019,280
1260	Due from Other Funds	3,037,732	3,935	3,041,667
1290	Other Receivables	146,902	634	147,536
1300	Inventories	2,611,389	--	2,611,389
1410	Prepaid Items	337,165	--	337,165
1800	Restricted Assets	1,516,523	--	1,516,523
1000	Total Assets	<u>\$ 104,019,539</u>	<u>\$ 13,124,882</u>	<u>\$ 117,144,421</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ 2,247,310	\$ 171,845	\$ 2,419,155
2150	Payroll Deductions & Withholdings	1,807,702	--	1,807,702
2160	Accrued Wages Payable	14,637,544	1,344,072	15,981,616
2170	Due to Other Funds	3,935	3,030,429	3,034,364
2180	Due to Other Governments	--	282,226	282,226
2300	Unearned Revenue	--	2,749,470	2,749,470
2000	Total Liabilities	<u>18,696,491</u>	<u>7,578,042</u>	<u>26,274,533</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
	Deferred Inflows of Resources	4,424,879	432,435	4,857,314
2600	Total Deferred Inflows of Resources	<u>4,424,879</u>	<u>432,435</u>	<u>4,857,314</u>
<b>FUND BALANCES:</b>				
Nonspendable Fund Balances:				
3410	Inventories	2,611,389	--	2,611,389
3430	Prepaid Items	337,165	--	337,165
Restricted Fund Balances:				
3450	Federal/State Funds Grant Restrictions	3,523,713	--	3,523,713
3480	Retirement of Long-Term Debt	1,516,523	4,579,005	6,095,528
Committed Fund Balances:				
3510	Construction	1,147,682	--	1,147,682
3545	Other Committed Fund Balance	--	535,400	535,400
3600	Unassigned	71,761,697	--	71,761,697
3000	Total Fund Balances	<u>80,898,169</u>	<u>5,114,405</u>	<u>86,012,574</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 104,019,539</u>	<u>\$ 13,124,882</u>	<u>\$ 117,144,421</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT***RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**TO THE STATEMENT OF NET POSITION**JUNE 30, 2021*

Total fund balances - governmental funds balance sheet	\$ 86,012,574
--	---------------

Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:

Capital assets used in governmental activities are not reported in the funds.	196,419,454
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	3,043,481
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	212,488
Payables for bond and note principal which are not due in the current period are not reported in the funds.	(107,272,960)
Payables for bond and note interest which are not due in the current period are not reported in the funds.	(1,510,708)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(414,855)
Deferred amount on refunding of debt issues are not reported in the funds.	6,043,851
Revenues recognized for SHARS in the SOA are deferred inflows in the funds.	1,813,833
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(47,648,446)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(8,547,834)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	17,132,744
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	(258,793)
Bond premiums are amortized in the SNP but not in the funds.	(11,679,160)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(47,828,118)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(39,608,684)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	<u>7,595,769</u>

Net position of governmental activities - Statement of Net Position	\$ <u>53,504,636</u>
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The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	10 General Fund	Other Governmental Funds	98 Total Governmental Funds
<b>REVENUES:</b>			
5700 Local and Intermediate Sources	\$ 25,903,552	\$ 4,214,120	\$ 30,117,672
5800 State Program Revenues	129,963,571	6,883,016	136,846,587
5900 Federal Program Revenues	16,006,321	18,108,284	34,114,605
5020 Total Revenues	<u>171,873,444</u>	<u>29,205,420</u>	<u>201,078,864</u>
<b>EXPENDITURES:</b>			
Current:			
0011 Instruction	88,196,165	14,039,640	102,235,805
0012 Instructional Resources and Media Services	2,188,814	1,449	2,190,263
0013 Curriculum and Staff Development	2,323,249	1,646,357	3,969,606
0021 Instructional Leadership	2,379,409	68,555	2,447,964
0023 School Leadership	9,291,922	77,175	9,369,097
0031 Guidance, Counseling, & Evaluation Services	5,712,478	3,321,591	9,034,069
0032 Social Work Services	498,288	619	498,907
0033 Health Services	1,903,156	444,068	2,347,224
0034 Student Transportation	3,921,278	62,765	3,984,043
0035 Food Service	11,628,690	--	11,628,690
0036 Cocurricular/Extracurricular Activities	5,667,905	168,469	5,836,374
0041 General Administration	5,227,341	--	5,227,341
0051 Facilities Maintenance and Operations	17,883,407	21,030	17,904,437
0052 Security and Monitoring Services	2,495,691	93,803	2,589,494
0053 Data Processing Services	2,877,630	1,709	2,879,339
0061 Community Services	162,121	721,522	883,643
0071 Principal on Long-term Debt	380,000	5,815,000	6,195,000
0072 Interest on Long-term Debt	481,168	3,551,825	4,032,993
0073 Bond Issuance Costs and Fees	400	526,943	527,343
0081 Capital Outlay	2,465,283	--	2,465,283
0099 Other Intergovernmental Charges	284,410	--	284,410
6030 Total Expenditures	<u>165,968,805</u>	<u>30,562,520</u>	<u>196,531,325</u>
1100 Excess (Deficiency) of Revenues Over (Under)			
1100 Expenditures	<u>5,904,639</u>	<u>(1,357,100)</u>	<u>4,547,539</u>
Other Financing Sources and (Uses):			
7901 Refunding Bonds Issued	--	44,929,960	44,929,960
7912 Sale of Real or Personal Property	200,858	--	200,858
7916 Premium or Discount on Issuance of Bonds	--	7,546,347	7,546,347
8911 Transfers Out	(1,538,919)	--	(1,538,919)
8940 Payment to Bond Refunding Escrow Agent	--	(51,951,549)	(51,951,549)
7080 Total Other Financing Sources and (Uses)	<u>(1,338,061)</u>	<u>524,758</u>	<u>(813,303)</u>
1200 Net Change in Fund Balances	4,566,578	(832,342)	3,734,236
0100 Fund Balances - Beginning	76,331,591	5,946,747	82,278,338
3000 Fund Balances - Ending	<u>\$ 80,898,169</u>	<u>\$ 5,114,405</u>	<u>\$ 86,012,574</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021*

Net change in fund balances - total governmental funds	\$ 3,734,236
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	4,083,917
The depreciation of capital assets used in governmental activities is not reported in the funds.	(11,537,440)
The gain or loss on the sale of capital assets is not reported in the funds.	(11,020)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(410,108)
Repayment of debt principal is an expenditure in the funds but is not an expense in the SOA.	6,195,000
Deferred amount on refunding of debt issues is amortized in the SOA, but not in the funds.	(712,487)
The accretion of interest on capital appreciation bonds is not reported in the funds.	(258,793)
(Increase) decrease in accrued interest from beginning of period to end of period is not reported in the funds.	318,702
The net revenue (expense) of internal service funds is reported with governmental activities.	(991,327)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	65,085
Bond and tax note premiums are amortized in the SOA, but not in the funds.	1,363,664
Revenues in the SOA not providing current financial resources are not reported in the funds.	884,177
SHARS revenues are recognized in the prior year.	(991,706)
Premium on bonds are reported in the funds.	(7,546,347)
Proceeds of long-term debt are recognized as other financing sources in the funds but not as revenue in the SOA.	(44,929,960)
Payment to bond refunding escrow agent is recognized as other financing use in the funds.	51,951,549
GASB 68 required certain expenditures to be de-expended and recorded as deferred resource outflows, including contributions after the measurement date.	3,366,856
Pension contributions made before the measurement date and during the previous fiscal year were expended and reduced Net Pension Liability.	(3,140,342)
The District's proportionate share of pension expense is recorded in the SOA but not in the funds.	(3,715,784)
GASB 75 required certain expenditures to be de-expended and recorded as deferred resource outflows, including contributions after the measurement date.	828,981
OPEB contributions made before the measurement date and during the previous fiscal year were expended and reduced Net OPEB Liability.	(809,719)
The District's proportionate share of OPEB expense is recorded in the SOA but not in the funds.	<u>2,030,476</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ (232,390)</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2021

Data Control Codes	Governmental Activities
<u>          </u>	<u>Internal Service Funds</u>
<b>ASSETS:</b>	
Current Assets:	
1110 <i>Cash and Cash Equivalents</i>	\$ 1,457,313
<i>Receivables:</i>	
1290 <i>Other Receivables (net)</i>	41,090
1490 <i>Other Current Assets</i>	<u>165,662</u>
Total Current Assets	<u>1,664,065</u>
1000 Total Assets	<u>1,664,065</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
2110 <i>Accounts Payable</i>	17,803
2170 <i>Due to Other Funds</i>	7,303
2180 <i>Due to Other Governments</i>	3
2200 <i>Accrued Expenses</i>	<u>1,426,468</u>
Total Current Liabilities	<u>1,451,577</u>
2000 Total Liabilities	<u>1,451,577</u>
<b>NET POSITION:</b>	
3900 <i>Unrestricted</i>	<u>212,488</u>
3000 Total Net Position	<u>\$ 212,488</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN FUND NET POSITION - PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Governmental Activities <u>Internal Service Funds</u>
<b>OPERATING REVENUES:</b>	
5700 <i>Local and Intermediate Sources</i>	\$ 13,901,333
5020 Total Revenues	<u>13,901,333</u>
<b>OPERATING EXPENSES:</b>	
6100 <i>Payroll Costs</i>	15,973,789
6200 <i>Professional and Contracted Services</i>	123,400
6300 <i>Supplies and Materials</i>	61,877
6400 <i>Other Operating Costs</i>	273,152
6030 Total Expenses	<u>16,432,218</u>
Operating Income (Loss)	<u>(2,530,885)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>	
7955 <i>Earnings from Temp. Deposits and Investments</i>	<u>639</u>
8030 Total Non-operating Revenues (Expenses)	<u>639</u>
Income (Loss) before Contributions and Transfers	(2,530,246)
7915 <i>Transfers In</i>	<u>1,538,919</u>
1300 Change in Net Position	<u>(991,327)</u>
0100 Total Net Position - Beginning	1,203,815
3300 Total Net Position - Ending	<u>\$ 212,488</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT D-3**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities <u>Internal Service Funds</u>
<b>Cash Flows from Operating Activities:</b>	
<i>Cash received from other funds and customers</i>	\$ 13,867,432
<i>Cash payments to employees for services</i>	(104,348)
<i>Cash payments to other suppliers for goods and services</i>	(132,984)
<i>Cash payments for claims and administrative costs</i>	(16,000,356)
Net Cash Used for Operating Activities	<u>(2,370,256)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>	
<i>Transfers from other funds</i>	1,538,919
Net Cash Provided by Non-capital Financing Activities	<u>1,538,919</u>
<b>Cash Flows from Investing Activities:</b>	
<i>Interest and dividends on investments</i>	639
Net Cash Provided by Investing Activities	<u>639</u>
Net Decrease in Cash and Cash Equivalents	(830,698)
Cash and Cash Equivalents at Beginning of Year	2,288,011
Cash and Cash Equivalents at End of Year	<u>\$ 1,457,313</u>
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities:</b>	
Operating Loss	\$ (2,530,885)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Change in Assets and Liabilities:	
<i>Decrease (Increase) in Other Receivables</i>	(41,090)
<i>Decrease (Increase) in Other Current Assets</i>	(9,523)
<i>Increase (Decrease) in Accounts Payable</i>	(21,675)
<i>Increase (Decrease) in Accrued Expenses</i>	225,611
<i>Increase (Decrease) in Due to Other Funds</i>	7,303
<i>Increase (Decrease) in Due to Other Governments</i>	3
Total Adjustments	<u>160,629</u>
Net Cash Used for Operating Activities	<u>\$ (2,370,256)</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF FIDUCIARY NET POSITION

## FIDUCIARY FUNDS

JUNE 30, 2021

Data Control Codes	Private-purpose Trust Funds	Custodial Funds  Student Activity
<b>ASSETS:</b>		
1110 <i>Cash and Cash Equivalents</i>	\$ --	\$ 392,320
1800 <i>Restricted Assets</i>	<u>393,103</u>	<u>--</u>
1000 Total Assets	<u>393,103</u>	<u>392,320</u>
<b>LIABILITIES:</b>		
Current Liabilities:		
2110 <i>Accounts Payable</i>	--	5,053
2400 <i>Payable from Restricted Assets</i>	<u>99,825</u>	<u>--</u>
2000 Total Liabilities	<u>99,825</u>	<u>5,053</u>
<b>NET POSITION:</b>		
3800 <i>Held in Trust for Scholarships</i>	293,278	--
2190 <i>Restricted for Other Purposes</i>	<u>--</u>	<u>387,267</u>
3000 Total Net Position	<u>\$ 293,278</u>	<u>\$ 387,267</u>

The accompanying notes are an integral part of this statement.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

## FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	Private Purpose Trusts	Custodial Funds
	<u>                    </u>	<u>                    </u>
<b>Additions:</b>		
Investment Income	\$ 399	\$ --
Gift and Contributions	10,683	--
Student Group Fundraising Activities	--	225,040
Total Additions	<u>11,082</u>	<u>225,040</u>
<b>Deductions:</b>		
Scholarship Awards	40,400	--
Student Group Activities	--	297,886
Total Deductions	<u>40,400</u>	<u>297,886</u>
<b>Change in Net Position</b>	(29,318)	(72,846)
Net Position-Beginning of the Year	322,596	--
Prior Period Adjustment	--	460,113
Net Position-End of the Year	<u>\$ 293,278</u>	<u>\$ 387,267</u>

The accompanying notes are an integral part of this statement.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 1 - REPORTING ENTITY**

Membership of Board - The Board of Trustees includes seven eligible members elected at large by the qualified voters of the Mission Consolidated Independent School District (the "District"). The governing Board derives its powers from the statutes of the State of Texas and the rules and regulations of the Texas State Department of Education. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by GASB Statement No. 14 *The Financial Reporting Entity* as amended by GASB Statement No. 39, GASB Statement No. 61 and GASB Statement No. 81. The District has no component units.

The District's basic financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (the "Resource Guide"). The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*A. Government-Wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities.

Program revenues include:

- (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and
- (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

*B. Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary and proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The District reports the following major governmental fund:

**General Fund.** This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

The District reports the following proprietary funds:

**Internal Service Funds.** The District uses these funds to account for claim payments and administrative costs paid for the modified self-funded workers compensation plan, the self-funded health insurance program and for the operations of a print shop.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Additionally, the District reports the following fiduciary funds:

**Private-Purpose Trust Funds.** These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types. The District has two scholarship funds.

**Custodial Funds.** These funds are used to report student activity funds and other resources held in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they become available and measurable. The District considers revenues as available if they are collected within the 60 days after year end. Revenues susceptible to accrual are property taxes, fiscal year state funding, and interest revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

Unearned revenue is reported in the governmental funds when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

*C. Cash and Cash Equivalents*

Investments are considered to be cash equivalents if they are highly liquid with an original maturity of three months or less from the date of acquisition.

*D. Investments*

Money market investments which are short-term, highly liquid debt instruments including commercial paper, bankers acceptances and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments in entities (such as investment pools) that calculate Net Asset Value per Share and follow the requirements of GASB Statement No. 79 are also reported at amortized cost. Nonparticipating interest-earning investment contracts, including repurchase agreements, are reported using a cost-based measure. The term nonparticipating means that the investment's value does not vary with market interest rate changes. All other investments are reported at fair value.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*E. Inventory*

Inventory is valued at cost (average). The District accounts for school supply and food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when the goods are received and the transaction is vouchered. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

*F. Other Current Assets*

Other current assets include prepaid items that are payments made for services that benefit periods beyond the current year.

*G. Capital Assets*

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their acquisition value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used. Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Infrastructure	15
Buildings and Improvements	35
Vehicles	10
Furniture and Equipment	5-10

*H. Restricted Assets*

The District is required by ordinance to set aside funds to pay for the maintenance tax note debt. The District also reports funds restricted by external users for scholarships.

*I. Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal period are referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible. Property taxes are levied by October 1st on the assessed value listed as of the prior January 1st for all real and business personal property in the District in conformity with Subtitle E, Texas Property Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

before February 1<sup>st</sup> of the year following the year in which imposed. On January 31<sup>st</sup> of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Accrued liabilities include amounts accrued for salaries and related payroll taxes and for self-insurance claims.

*J. Deferred Outflows/Inflows of Resources / Other Assets and Liabilities*

Certain defined transactions that do not qualify for treatment as either assets or liabilities are required to be accounted for and reported as either deferred outflows of resources (a separate subheading following assets but before liabilities) or deferred inflows of resources (a separate subheading following liabilities but before equity).

A *deferred outflow of resources* is a consumption of net assets by the government that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expenditure/expenses) until then. It has a positive effect on net position, similar to assets. A *deferred inflow of resources* is an acquisition of net assets by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

*Deferred Outflows of Resources*

In the government-wide financial statements, deferred amounts from a refunding of debt (debits) are reported as deferred outflows of resources and are amortized over the lesser life of the refunded bonds or refunding debt.

Deferred outflows of resources for pension and OPEB are reported in the government-wide financial statement of net position. Deferred outflows result from pension and OPEB plan contributions made after the measurement date of the net pension and net OPEB liabilities. Deferred outflows also include the District's proportionate share of the deferred outflows of resources of the TRS plan. These deferred outflows include the differences between expected and actual economic experience and changes in actuarial assumptions. The deferred outflows of resources related to the District's contributions which are subsequent to the measurement date will be recognized as a reduction of the net pension and net OPEB liabilities in the next fiscal year.

The other pension and OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions and OPEB through the pension and OPEB plans which is currently between 5.00 to 9.1073 years.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

*Deferred Inflows of Resources*

Grant amounts received in advance of meeting timing requirements and advances of revenue from imposed nonexchange transactions such as property taxes or transactions recorded as a receivable prior to the period when resources are required to be used or are available, are reported as deferred inflows of resources at the fund level and are recognized as revenues at the government-wide level. Deferred amounts from refunding debt (credits) are reported as deferred inflows of resources and are amortized over the lesser life of the refunded bonds or refunding debt.

Deferred inflows of resources for pension and OPEB are reported in the government-wide financial statement of net position. These deferred inflows result primarily from differences between projected and actual earnings on pension and OPEB plan investments. These amounts will be amortized between 5.00 to 9.1073 years.

*K. Fair Value Measurements*

GASB Statement No. 72, *Fair Value Measurement and Application* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

*L. Interfund Activity*

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination from the government-wide financial statements. Services provided are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out between governmental activities and business-type activities are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables between governmental activities and business-type activities are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

*M. Long-term Obligations*

In government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are recorded and amortized over the term of the related debt using the effective interest method. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Premiums received and discounts incurred on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from debt proceeds, and underwriter's discounts are reported as debt service expenditures.

*N. Compensated Absences*

An estimate of the accrued sick leave is recorded in the government-wide financial statements. A liability for these amounts is reported in the fund financial statements only if they have matured, for example, as a result of employee retirement.

*O. Fund Balance Classifications*

In the fund financial statements, governmental funds report fund balance based on the following classifications: nonspendable, restricted, committed or unassigned. Nonspendable fund balances cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Restricted fund balances are amounts legally restricted by outside parties for a specific purpose. Commitments of fund balance require approval of the Board of Trustees through formal action. The Board of Trustees delegates the responsibility to assign fund balance to the Superintendent or his/her designee, when appropriate. Funds will be utilized in the following spending order: restricted, committed, assigned and unassigned.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

*P. Use of Estimates*

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Such estimates primarily relate to unsettled transaction and events as of the date of the financial statements. Accordingly, upon settlement actual results may differ from actual amounts.

*Q. Accounting System*

In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure prescribed by TEA in the Resource Guide. Mandatory codes are recorded in the order provided in that section.

*R. Data Control Codes*

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to insure accuracy in building a Statewide database for policy development and funding plans.

*S. Pension*

The District is a member employer of the Teacher Retirement System of Texas (TRS) and, therefore, records its proportionate share of the pension liability and related accounts in these financial statements. The fiduciary net position of the Teacher Retirement System of Texas (TRS) plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*T. Other Post-Employment Benefits*

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

*U. New Accounting Standard Adopted*

In fiscal year 2021, the District implemented Statement No. 84 *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. Refer to Note 22 for implications to the financials statements in the implementation of this standard.

Future accounting standards possibly applicable to the District that have been issued by the Governmental Accounting Standards Board are:

- Statement No. 87, *Leases*
- Statement No. 92, *Omnibus 2020*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*

Statement No. 87 improves the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 92 enhances comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 97 increases the consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The District is currently evaluating the effects that these statements will have on its financial statements.

**NOTE 3 – COMPLIANCE AND ACCOUNTABILITY**

*A. Finance-Related Legal and Contractual Provision*

In accordance with GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, violations of finance related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violations Reported</u>	<u>Actions Taken</u>
None	Not Applicable

*B. Expenditures Exceeding Appropriations*

For the year ended June 30, 2021, the District did not have expenditures exceeding appropriated amounts.

*C. Deficit Fund Balance or Net Position of Individual Funds*

The District does not have funds with deficit fund balances at year-end. The District has a negative unrestricted net position in the Governmental Activities of (\$39,827,812) at year-end. The result of this negative balance is due to the effect of GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* implemented in a prior year (Refer to Note 19).

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS**

Deposits

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. During the year, the District maintained either a letter of credit or the depository bank placed approved pledged securities with the District's agent bank to cover bank deposits as authorized by Chapter 2257 Collateral for Public Funds of the Government Code in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At June 30, 2021 the carrying amount of the District's deposits (cash, money market and certificates of deposit) was \$18,427,864 and the bank balance was \$19,361,146. Included in this balance are certificates of deposit of \$27,267. The District's cash deposits at June 30, 2021 and during the year ended June 30, 2021 were entirely covered by a letter of credit, FDIC insurance or by pledged collateral held in the District's name by a bank other than the pledging bank.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Name of Bank: BBVA.
- b. Amount of letters of credit and market value of securities pledged as of the date of the highest combined balance on deposit was \$28,000,000.
- c. Largest combined balance of cash, money market savings and certificates of deposit amounted to \$21,443,993 and occurred during the month of February 2021.
- d. Total amount of FDIC coverage at the time of largest combined balance was \$250,000.

Additionally, a cumulative sinking fund money market account is held by Wilmington Trust to provide for the payment of the Qualified School Construction Maintenance Tax Notes, Series 2012. The highest cash balance of \$1,516,523 occurred during the month of June 2021 in this money market account. The money market account is held and fully collateralized by Wilmington Trust.

Investments

Statutes authorize the District to invest in obligations of the U.S. Treasury or the State of Texas, certain U.S. agencies, certificates of deposits, money market savings accounts, certain municipal securities, repurchase agreements, common trust funds and other investments specifically allowed by Chapter 2256 Public Funds Investment and Chapter 2257 Collateral for Public Funds of the Government Code. The District's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). The District's management believes that it complied in all material respects with the requirements of the PFIA and the District's investment policies. At June 30, 2021, all of the District's investments were in Public Funds Investment Pools. The District's investments at June 30, 2021 are shown below:

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

At June 30, 2021 the District's investments pools are summarized below:

	Weighted Average <u>Maturity</u>	Reported <u>Amount</u>
Texas CLASS Investment Pool	52 days average	\$ 29,283,614
TexSTAR Investment Pool	37 days average	10,444,531
Texas TERM Investment Pool	50 days average	6,217,261
Lone Star Investment Pool	50 days average	<u>25,782,280</u>
		<u>\$ 71,727,686</u>

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"). Chapter 2256 of the Texas Government Code, in addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. All of the investment pools that the District is invested in have met the criteria established under GASB Statement No. 79 to report their value at amortized cost. All of the investment pools strive to maintain a \$1 per share net asset value. Additionally, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity or redemption gates.

As of June 30, 2021, the four investment pools utilized by the District were all rated AAA or AAAM by Standard & Poor's Investor's Service.

Credit Quality Ratings

At June 30, 2021, the credit quality ratings for the District's investments, excluding securities explicitly guaranteed by the U.S. government, are as follows:

Credit Quality Distribution of Securities  
With Credit Exposure as a Percentage of Total Investments

<u>Investment or Investment Type</u>	<u>Rating</u>	<u>Exposure</u>
Texas CLASS Investment Pool	AAAM	40.8%
TexSTAR Investment Pool	AAAM	14.6%
Texas TERM Investment Pool	AAAM	8.7%
Lone Star Investment Pool	AAA	35.9%

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. Portfolio diversification is employed in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific issuer, as a way to control the risk. Investments issued or explicitly guaranteed by the U.S. government, mutual funds and investment pools are excluded from this requirement.

Restricted Assets

As of June 30, 2021, restricted assets of the General Fund consist of \$1,516,523, including interest earnings, held in a money market account for the future payment of the Qualified School Construction Maintenance Tax Notes, Series 2012. Restricted assets of the fiduciary funds as of June 30, 2021 consist of cash and certificates of deposit in the amount of \$393,103 for scholarships.

The following is a reconciliation of the District's total cash, investments, and restricted assets with the Statement of Net Position:

Deposits	\$	18,400,597
Money Market		1,516,523
Certificates of deposit		27,267
Investments		<u>71,727,686</u>
Total of all funds		91,672,073
Less: Statement of Fiduciary Net Position		<u>(785,423)</u>
Statement of Net Position	\$	<u><u>90,886,650</u></u>

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 5 - PROPERTY TAX**

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60 day period after the close of the school fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. The District's 2020 tax rate was \$1.0280 for maintenance and \$0.1713 for debt service per \$100 assessed valuation. The 2020 assessed valuation was \$2,401,867,086. Allowances for uncollectible within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Taxes Receivable at June 30, 2021, was as follows:

	Total <u>Receivable</u>	Less: <u>Allowance for Uncollectible</u>	<u>Net Receivable</u>
General Fund	\$ 3,981,618	\$ (926,870)	\$ 3,054,748
Debt Service Fund	<u>623,533</u>	<u>(120,235)</u>	<u>503,298</u>
	<u>\$ 4,605,151</u>	<u>\$ (1,047,105)</u>	<u>\$ 3,558,046</u>

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

Governmental Activities	Balance 7/1/2020	Increases	Decreases	Balance 6/30/2021
Capital assets, not being depreciated:				
Land	\$ 5,310,655	\$ 931,702	\$ -	\$ 6,242,357
Water Rights	104,167	-	-	104,167
Construction in Progress	16,962	399,856	-	416,818
	<u>5,431,784</u>	<u>1,331,558</u>	<u>-</u>	<u>6,763,342</u>
Capital assets, being depreciated:				
Infrastructure	3,392,489	-	-	3,392,489
Buildings and Improvements	312,167,048	49,286	-	312,216,334
Furniture and Equipment	36,062,035	2,249,641	556,315	37,755,361
Vehicles	11,797,303	453,432	153,479	12,097,256
	<u>363,418,875</u>	<u>2,752,359</u>	<u>709,794</u>	<u>365,461,440</u>
Less accumulated depreciation for:				
Infrastructure	2,532,427	191,564	-	2,723,991
Buildings and Improvements	127,846,463	8,673,516	-	136,519,979
Furniture and Equipment	26,622,156	1,949,009	552,104	28,019,061
Vehicles	7,965,616	723,351	146,670	8,542,297
	<u>164,966,662</u>	<u>11,537,440</u>	<u>698,774</u>	<u>175,805,328</u>
Total Capital Assets being Depreciated (Net)	<u>198,452,213</u>	<u>(8,785,081)</u>	<u>11,020</u>	<u>189,656,112</u>
Governmental Activities Capital Assets (Net)	<u>\$ 203,883,997</u>	<u>\$ (7,453,523)</u>	<u>\$ 11,020</u>	<u>\$ 196,419,454</u>

Depreciation was charged to the following functions:

11 – Instruction	\$ 5,891,354
12 –Instructional Resources and Media Services	154,856
13 – Curriculum and Staff Development	19,472
21 – Instructional Leadership	12,769
23 – School Leadership	348,201
34 – Student Transportation	579,272
35 – Food Service	1,532,313
36 – Cocurricular/Extracurricular Activities	1,501,178
41 – General Administration	48,764
51 – Plant Maintenance and Operations	734,840
52 – Security and Monitoring Services	286,544
53 – Data Processing Services	426,834
61 – Community Services	<u>1,043</u>
	<u>\$ 11,537,440</u>

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 7 - DUE TO AND FROM OTHER GOVERNMENTS AND AGENCIES**

Amounts due to and from other governments and agencies are as follows:

	Due To	Due From
<u>General Fund</u>		
Texas Education Agency:		
Foundation Revenues	\$ -	\$ 9,332,960
National School Lunch/Breakfast Programs	-	693,019
Texas Department of Agriculture (EOC)	-	1,724,935
Medicaid Program (SHARS)	-	1,827,730
Jr. Reserve Officer Training Corps	-	7,301
	-	13,585,945
 <u>Non-major Governmental Funds</u>		
Texas Education Agency:		
Title I Grants to Local Educational Agencies	-	917,683
Migrant Education State Grant Program	-	31,799
English Language Acquisition State Grant	-	68,146
Special Education Grants to States (IDEA B Formula)	-	653,590
Special Education Preschool Grant	-	22,883
Career & Technical Education – Basic Grant to State	13,316	-
Supporting Effective Instruction State Grant (TPTR)	-	65,439
Student Support and Academic Enrichment Grant	-	58,255
Summer School LEP	-	3,958
Elementary & Secondary School Emerg. Relief Fund	-	2,461,486
Instructional Facilities Allotment	268,909	-
Instructional Continuity	-	35,000
School Safety and Security Grant	-	49,286
Math Achievement Academies	-	320
Texas Workforce Commission:		
Jobs and Education for Texans Grant Program	-	13,470
Region I ESC:		
Gaining Early Awareness & Readiness for Undergraduate Programs (GEAR-UP)	-	52,020
Texas State Comptroller	1	-
	282,226	4,433,335
Exhibit C-1 Totals	282,226	18,019,280
 <u>Internal Service Funds</u>		
Texas State Comptroller	3	-
	3	-
 Total Due To/From Other Governments and Agencies – Exhibit A-1	 \$ 282,229	 \$ 18,019,280

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 8 - REVENUES FROM LOCAL AND INTERMEDIATE SOURCES**

During the current year, revenues from local and intermediate sources consisted of the following:

	General	Other Governmental	
	Fund	Funds	Total
Property Taxes	\$ 24,207,257	\$ 4,020,094	\$ 28,227,351
Food Sales	13,669	-	13,669
Investment Income	117,466	9,250	126,716
Penalties and Interest on Taxes	733,277	114,713	847,990
Co-curricular Student Activities	435	39,112	39,547
Other	831,448	30,951	862,399
	<u>\$ 25,903,552</u>	<u>\$ 4,214,120</u>	<u>\$ 30,117,672</u>

**NOTE 9 - UNEARNED REVENUE**

Governmental funds and governmental activities report unearned revenue in connection with resources that have been received, but not yet earned. As of June 30, 2021, unearned revenue reported in the governmental funds consisted of \$2,749,470 for state and local grants. Unearned revenues for state and local grants represent revenues received in excess of expenditures incurred for those programs for which the project period has not yet ended.

**NOTE 10 – DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. As of June 30, 2021, the governmental funds reported deferred inflows of resources for unavailable property taxes and unavailable SHARS revenues in the amounts of \$3,043,481 and \$1,813,833, respectively, for a total of \$4,857,314.

Deferred outflows of resources reported at the government-wide financial statement level include deferred charges on refunding of bonds, deferred outflows related to pensions and deferred outflows related to OPEB. As of June 30, 2021, the amount of deferred charges on refunding of bonds reported as deferred outflows of resources was \$6,043,851 net of cumulative amortization of \$712,486. Deferred outflows of resources related to pensions and OPEB are \$17,132,744 and \$7,595,769, respectively. Deferred inflows of resources related to pensions and OPEB are \$8,547,834 and \$39,608,684, respectively.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 11 - GENERAL FUND FEDERAL SOURCE REVENUES**

<u>Programs or Source</u>	<u>ALN</u>	<u>Amount</u>
JROTC	12.U01	\$ 78,726
Medicaid Reimbursements	N/A	1,283,973
National School Lunch Program (EOC)	10.555	1,621,063
Child and Adult Care Food Program (EOC)	10.558	103,872
School Breakfast Program (SSO)	10.553	4,234,410
National School Lunch Program (SSO)	10.555	6,529,085
National School Lunch Program (commodities)	10.555	945,913
State Administrative Expense for CNP	10.560	21,991
Fresh Fruits and Vegetables Programs	10.582	149,290
Texas Division of Emergency Management / CRF	21.019	165,879
QSC Notes Interest Subsidy Program	N/A	122,296
Indirect Costs:		
Child Nutrition Program Cluster	10.553/10.555	250,316
Title I Grants to Local Educational Agencies	84.010	352,654
Migrant Education State Grant Program	84.011	6,011
Special Education Grants to States (IDEA B Formula)	84.027	77,679
Special Education Preschool Grants	84.173	1,061
Career and Technical Education – Basic Grants to State	84.048	10,961
Supporting Effective Instruction State Grants (TPTR)	84.367	16,749
English Language Acquisition State Grants	84.365	2,174
Instructional Continuity	84.377	1,341
Student Support and Academic Enrichment Grants	84.424	23,150
Elementary and Secondary School Emerg. Relief Fund	84.425D	<u>7,727</u>
		<u>\$ 16,006,321</u>

**NOTE 12 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Interfund receivable and payable balances at June 30, 2021 were:

<u>Due to</u>	<u>Due from</u>	
General Fund	Non-major funds	\$ 3,030,429
Non-major funds	General Fund	3,935
General Fund	Internal Service Funds	<u>7,303</u>
		<u>\$ 3,041,667</u>

The balances resulted from a routine lag between the dates that transactions are recorded in the accounting system and payments between the funds are made. All amounts are scheduled to be repaid within one year.

In the fund financial statements, transfers out of the General Fund totaled \$1,538,919 which included \$129,217 to the Print Shop Internal Service Fund and \$1,409,702 to the Health Insurance Internal Service Fund to cover operating costs.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 13 – OTHER RECEIVABLES**

Other receivables at June 30, 2021 consisted of the following:

	General Fund	Other Governmental Funds	Internal Service Funds	Totals
Vendors, Employees and Parents	\$ 30,933	\$ 634	\$ 41,090	\$ 72,657
Teacher Retirement System of Texas	115,969	-	-	115,969
	<u>\$ 146,902</u>	<u>\$ 634</u>	<u>\$ 41,090</u>	<u>\$ 188,626</u>

**NOTE 14 - LONG-TERM OBLIGATIONS**

*General Obligation Bonds:*

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The bonds are guaranteed by the corpus of the Permanent School Fund of the State of Texas in accordance with Article 7, Section 5 of the Texas Constitution, and Subchapter C of Chapter 45 of the Texas Education Code.

Bonds payable at June 30, 2021 are comprised of the following individual issues:

\$25,685,000 Unlimited Tax Refunding Bonds Series 2014A, originally payable in annual installments ranging from \$675,000 to \$2,720,000; interest at 1.00% to 5.00%; partially refunded in 2021.	\$ 5,115,000
\$43,570,000 Unlimited Tax Refunding Bonds Series 2014B, originally payable in annual installments ranging from \$880,000 to \$3,500,000; interest at 1.00% to 5.00%; partially refunded in 2021.	5,530,000
\$46,500,000 Unlimited Tax Refunding Bonds Series 2016, payable in annual installments ranging from \$940,000 to \$3,695,000; interest at 2.00% to 5.00%.	41,590,000
\$44,929,960 Unlimited Tax Refunding Bonds Series 2020, capital appreciation bonds with a maturity value of \$3,840,000; payable in annual installments ranging from \$35,000 to \$4,790,000 through February 2036; interest at 1.52% to 20.68%.	<u>43,744,960</u>
Total General Obligation Bonds	<u>\$ 95,979,960</u>

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 14 - LONG-TERM OBLIGATIONS (Continued)**

Debt service requirements on long-term debt at June 30, 2021 are as follows:

Year Ending June 30,	Bonds Payable		Total Requirement
	Principal	Interest	
2022	\$ 4,855,000	\$ 3,577,047	\$ 8,432,047
2023	5,070,000	3,382,497	8,452,497
2024	5,310,000	3,146,047	8,456,047
2025	3,349,960	5,033,287	8,383,247
2026	5,660,000	2,815,997	8,475,997
2027-2031	31,630,000	9,661,585	41,291,585
2032-2036	32,845,000	4,166,836	37,011,836
2037-2038	7,260,000	373,538	7,633,538
	<u>\$ 95,979,960</u>	<u>\$ 32,156,834</u>	<u>\$ 128,136,794</u>

*Maintenance Tax Notes:*

Maintenance tax notes payable as of June 30, 2021 are comprised of the following:

\$2,978,000 Maintenance Tax Qualified School Construction  
Notes Taxable Series 2012; principal due February 2030;  
interest at 4.35% due semi-annually through February 2030. \$ 2,978,000

\$9,615,000 Limited Maintenance Tax Notes, Series 2017;  
principal payments ranging from \$200,000 to \$710,000; interest  
at 2.00% to 4.00% due semi-annually through February 2037. 8,315,000

\$ 11,293,000

Maintenance tax note requirements are as follows:

Year Ending June 30,	Maintenance Tax Notes		Total Requirements
	Principal	Interest	
2022	\$ 400,000	\$ 466,318	\$ 866,318
2023	410,000	450,318	860,318
2024	420,000	442,118	862,118
2025	430,000	432,668	862,668
2026	445,000	421,918	866,918
2027-2031	5,423,000	1,745,610	7,168,610
2032-2036	3,055,000	651,250	3,706,250
2037	710,000	35,500	745,500
	<u>\$ 11,293,000</u>	<u>\$ 4,645,700</u>	<u>\$ 15,938,700</u>

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 14 - LONG-TERM OBLIGATIONS (Continued)**

This debt will be paid by the General Fund. The tax notes are direct obligations of the District, payable as to both principal and interest from available funds of the District which include the maintenance tax. The District has pledged to levy a tax from the District's maintenance and operation taxing authority for the maintenance tax notes. A federal subsidy is available to the District to reimburse the District the majority of the interest requirement for the Maintenance Tax Qualified Construction Notes. In fiscal year 2021, the District received \$122,296 from this federal assistance. The District is required to make annual deposits ranging from \$165,000 to \$166,000 into a cumulative sinking fund deposit account in order to pay the principal on these notes when they mature. The sinking fund deposits are recorded in the General Fund and restricted for that purpose.

*Changes in Long-term Obligations:*

Changes in long-term obligations for the year ended June 30, 2021 are as follows:

Governmental Activities	Beginning Balance 7/1/2020	Increase	Decrease	Ending Balance 6/30/2021	Due Within One Year
<b><u>Bonds Payable:</u></b>					
Series 2014A	\$ 19,330,000	\$ -	\$ 14,215,000	\$ 5,115,000	\$ 1,640,000
Series 2014B	39,505,000	-	33,975,000	5,530,000	1,755,000
Series 2016	42,960,000	-	1,370,000	41,590,000	1,425,000
Series 2020	-	44,929,960	1,185,000	43,744,960	35,000
Premiums	9,629,876	7,546,347	5,985,746	11,190,477	-
Accretion of CAB's	-	258,793	-	258,793	-
<b>Total Bonds Payable</b>	<b>111,424,876</b>	<b>52,735,100</b>	<b>56,730,746</b>	<b>107,429,230</b>	<b>4,855,000</b>
<b><u>Tax Notes Payable:</u></b>					
Series 2012	2,978,000	-	-	2,978,000	-
Series 2017	8,695,000	-	380,000	8,315,000	400,000
Premiums	504,574	-	15,892	488,682	-
<b>Total Tax Notes Payable</b>	<b>12,177,574</b>	<b>-</b>	<b>395,892</b>	<b>11,781,682</b>	<b>400,000</b>
<b><u>Other Long-term Liabilities:</u></b>					
<b>Compensated Absences -</b>					
Sick Leave	479,940	112,395	177,480	414,855	123,449
<b>Total Governmental Activities:</b>	<b>\$ 124,082,390</b>	<b>\$ 52,847,495</b>	<b>\$ 57,304,118</b>	<b>\$ 119,625,767</b>	<b>\$ 5,378,449</b>

Compensated absences are generally liquidated by the General Fund.

*Prior Year Defeasance of Debt*

In 2015, the District advance refunded \$45,505,000 of the Unlimited Tax School Building Bonds Series 2006. At June 30, 2021, \$39,565,000 of this 2006 series bond is outstanding. Also in 2015, the District refunded \$28,280,000 of the Unlimited Tax Refunding Bonds Series 2005.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 14 - LONG-TERM OBLIGATIONS** (*Continued*)

At June 30, 2021, \$19,235,000 of this 2005 bond series is outstanding. In 2017, the District advance refunded \$47,680,000 of the Unlimited Tax School Building Bonds Series 2008. At June 30, 2021, \$43,150,000 of this 2008 bond series is outstanding.

*Current Year Refunding*

The District issued \$44,929,960 in Unlimited Tax Refunding Bonds Series 2020 to refund \$12,645,000 of the Unlimited Tax Refunding Bonds, Series 2014A and \$32,285,000 of the Unlimited Tax Refunding Bonds, Series 2014B. The net proceeds were used to purchase U.S. government, state and local securities that were placed in an escrow account to provide for all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government-wide statements of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$4,307,055. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next 21 years by \$5,586,794 and resulted in an economic gain of \$5,103,964. As a result of this current advance refunding, the amount of defeased debt outstanding of these 2014A and 2014B bonds is \$44,930,000 at June 30, 2021.

**NOTE 15 - COMPENSATED ABSENCES**

It is the District's policy to allow employees to accumulate earned but unused state and local personal and sick leave days. Any employee who retires through the Teacher Retirement System of Texas and has worked at the District for the past 10 years, shall be entitled to a one-time payment of these days, with a limit of 100 days. Payment to professional employees is limited to \$6,000 or 100 days at \$60 a day. Payment to paraprofessionals and auxiliary personnel is limited to a maximum of \$3,000 or 100 days at \$30 a day. The estimated liability at June 30, 2021 for accumulated sick leave was \$414,855.

**NOTE 16 - CONTINGENT LIABILITIES**

The District participates in a number of grant programs funded by State and Federal Agencies. These programs are subject to compliance audits by the grantor agencies or their representatives.

Audits of all of these programs for the year ended June 30, 2021 have not been conducted. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is involved in various legal proceedings arising from its operations. Management in consultation with its attorneys believes the outcome will not have a material effect on the District's financial position.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS**

*A. Plan Description*

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pensions Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

*B. Pension Plan Fiduciary Net Position*

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

*C. Benefits Provided*

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS (Continued)**

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity payment or \$2,000, whichever was less. As a result of this legislature, the District recorded \$49,670 as supplemental TRS On-behalf contribution as of June 30, 2021.

*D. Contributions*

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

	<u>Contribution Rates</u>	
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
District's 2021 FY Employer Contributions		\$3,898,158
District's 2021 FY Member Contributions		\$8,699,999
Measurement Year NECE On-behalf Contributions		\$5,987,422

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity (NECE). The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers, including public schools, are required to pay the employer contribution rate in the following instances:

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS** *(Continued)*

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.

In addition to the employer contributions listed above, there are two additional surcharges and employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.5% of the member's salary beginning in fiscal year 2020, gradually increasing to 2.0% in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

*E. Actuarial Assumptions*

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017 and were adopted in July 2018.

The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables.

The following table discloses the assumptions that were applied to this measurement period:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS (Continued)**

Municipal Bond Rate as of August 2020	2.33% - source for the rate is the Fixed Income Market Data Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bands as reported in Fidelity index's "20 Year Municipal GO AA Index"
Last year ending August 31 in	
Projection Period	2119
Inflation	2.3%
Salary Increases Including Inflation	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions, please see the actuarial valuation report dated November 14, 2019.

*F. Discount Rate*

The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 (see page 53 of the TRS ACFR) are summarized below:

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS (Continued)**

Asset Class	Target Allocation <sup>1</sup>	Long Term Expected Arithmetic Real Rate of Return <sup>2</sup>	Expected Contribution to Long Term Portfolio Returns
<b>Global Equity</b>			
U.S.	18.0%	3.9%	0.99%
Non-U.S. Developed	13.0%	5.1%	0.92%
Emerging Markets	9.0%	5.6%	0.83%
Private Equity	14.0%	6.7%	1.41%
<b>Stable Value</b>			
Government Bonds	16.0%	-0.7%	-0.05%
Stable Value Hedge Funds	5.0%	1.9%	0.11%
<b>Real Return</b>			
Real Assets	15.0%	4.6%	1.01%
Energy, Natural Resources, Infrastructure	6.0%	6.0%	0.42%
<b>Risk Parity</b>			
Risk Parity	8.0%	3.0%	0.30%
<b>Leverage</b>			
Cash	2.0%	-1.5%	-0.03%
Asset Allocation Leverage	-6.00%	-1.3%	0.08%
			2.00%
<b>Inflation Expectation</b>			2.00%
<b>Volatility Drag <sup>3</sup></b>			-0.67%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>7.33%</b>

<sup>1</sup> Target allocations are based on FY 2020 policy model.

<sup>2</sup> Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020).

<sup>3</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**G. Discount Rate Sensitivity Analysis**

The following table presents the Net Pension Liability of the plan using the discount rate of 7.25%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the net pension liability:	\$73,473,052	\$47,648,446	\$26,666,520

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS (Continued)**

*H. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2021, the District reported a liability of \$47,648,446 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the collective net pension liability	\$ 47,648,446
State’s proportionate share that is associated with District	<u>77,719,949</u>
Total	<u>\$ 125,368,395</u>

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020.

At August 31, 2020 the employer’s proportion of the collective net pension liability was 0.0889661342% which was an increase (decrease) of (0.0015899189%) from its proportion measured as of August 31, 2019.

**Changes Since the Prior Actuarial Valuation** – There were no changes in assumptions since the prior measurement date.

For the year ended June 30, 2021 the District recognized pension expense of \$16,204,110 and revenue of \$9,347,984 for support provided by the State. At June 30, 2021, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 87,002	\$ 1,329,742
Changes in actuarial assumptions	11,056,135	4,700,991
Net difference between projected and actual investment earnings	964,602	-
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions	1,658,149	2,517,101
Total as of August 31, 2020 measurement date	13,765,888	8,547,834
Contributions paid to TRS subsequent to the measurement date	3,366,856	-
Total as of fiscal year-end	\$17,132,744	\$ 8,547,834

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 17 - PENSION PLAN OBLIGATIONS (Continued)**

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30th:	Pension Expense Amount
2022	\$ 1,748,450
2023	2,030,607
2024	1,883,455
2025	259,640
2026	(660,534)
Thereafter	(43,564)

	Beginning Balance 7/1/2020	Additions	Retirements	Ending Balance 6/30/2021
Net Pension Liability	\$ 47,073,867	\$4,245,346	\$ 3,670,767	\$ 47,648,446

**NOTE 18 - RISK MANAGEMENT**

The District maintains insurance for all government functions as it may be liable for claims. The more significant of these include \$1,000,000 of general liability insurance; property insurance covering District buildings and properties in an aggregate amount of approximately \$494,700,679; and \$1,000,000 in educators' legal liability. Employees were covered by a self-funded health and dental insurance plan and a modified self-funded workers' compensation plan during the fiscal year. There have been no significant reductions in insurance coverage and there have been no settlements exceeding insurance coverage for the past three fiscal years.

*A. Workers' Compensation Insurance*

The District contracted with Workers' Compensation Solutions (WCS) since September 2004 to provide workers' compensation insurances through a modified self-funded plan. The policies, underwritten by WCS, are retrospectively rated. The District accounts for this plan in an internal service fund. Interfund premiums are paid into the internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs. As a participant in the WCS pool, the District is contractually obligated for the maximum loss fund less deposits already made with the pool. At June 30, 2021 this amount was \$781,885.

Unpaid claims represent an actuarially determined estimate of actual claims incurred and incurred but not reported claims. As a participant in the pool, the District has a maximum loss fund based upon payroll. The District also has specific stop loss insurance per occurrence of \$450,000. When claims of other pool participants exceed their respective maximum loss funds, the remaining pool participants will pro rata share in these excess claims to the extent of their maximum loss fund balances before the aggregate stop loss insurance will activate.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 18 - RISK MANAGEMENT (Continued)**

*B. Health Insurance*

Beginning October 1, 2014, District employees were covered by a self-funded health insurance plan which is accounted for in an Internal Service Fund. The plan year runs from October 1st through September 30th. The District contributed \$409 monthly per each employee for health insurance premiums during the fiscal year. Employees at their option, authorized payroll deductions to pay contributions for dependent health coverage.

The contract between the District and the third-party administrator is renewable each October 1<sup>st</sup> and the terms of coverage and contribution costs are included in the contractual provisions. In accordance with state statute, the District was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage carried through Companion Life Insurance Company. For the plan year, stop-loss coverage was in effect for individual claims exceeding \$250,000.

*C. Claims Liabilities*

The claims liabilities at June 30, 2021 for workers compensation insurance and health/dental insurance of \$171,956 and \$1,254,512, reported in the internal service fund, are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in claims liabilities reported in the internal service fund during the past two fiscal years are as follows:

	Workers Compensation		Health Insurance	
	Year Ended 6/30/2021	Year Ended 6/30/2020	Year Ended 6/30/2021	Year Ended 6/30/2020
Claims liability at beginning of year	\$ 254,709	\$ 191,667	\$ 946,148	\$ 802,703
Incurred claims (including IBNRs) and adjustments	263,151	430,166	14,539,377	11,864,588
Claims payments	(345,904)	(367,124)	(14,231,013)	(11,721,143)
Claims liability at end of year	\$ 171,956	\$ 254,709	\$ 1,254,512	\$ 946,148

*D. Medicare Part D – On Behalf Payments for Reporting Entities*

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2021, 2020 and 2019, the subsidy payments received by TRS-Care on behalf of the District for Medicare Part D were \$498,521, \$473,487, and \$413,988 respectively.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS**

*A. Plan Description*

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

*B. OPEB Plan Fiduciary Net Position*

Detail information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Components of the net OPEB liability of TRS-Care as of August 31, 2020 are as follows:

<u>Net OPEB Liability</u>	<u>Total</u>
Total OPEB Liability	\$ 40,010,833,815
Less: Plan Fiduciary Net Position	<u>1,996,317,932</u>
Net OPEB Liability	<u>\$ 38,014,515,883</u>
Net Position as a percentage of total OPEB Liability	4.99%

*C. Benefits Provided*

TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension system. Optional dependent coverage is available for an additional fee. Eligible non-Medicare retirees and their dependents may pay premiums to participate in the high-deductible health plans. Eligible Non-Medicare retirees and their dependents may enroll in TRSCare Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)**

The premium rates for retirees are presented in the following table:

<u>TRS Care Plan Premium Rates</u>		
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

*D. Contributions*

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is 0.65% of pay. Section 1575.204 establishes a public school contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public school. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

<u>Contribution Rates</u>		
	<u>2020</u>	<u>2021</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
District’s 2021 FY Employer Contributions	\$ 976,066	
District’s 2021 FY Member Contributions	\$ 734,166	
Measurement Year NECE On-behalf Contributions	\$ 1,285,000	

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)**

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity (NECE) in the amount of \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

*E. Actuarial Assumptions*

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2020 TRS ACFR, Note 9, page 75.*

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability	

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on Plan Specific Experience

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)**

Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims cost
Projected Salary Increases	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

*F. Discount Rate*

A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30 percent in the discount rate since the previous year. The Discount Rate can be found in the 2020 TRS ACFR on page 76. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates.

Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

*G. Discount Rate Sensitivity of Net OPEB Liability*

Discount Rate Sensitivity Analysis:

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was one percentage point lower than and one percentage point higher than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (1.33%)	Current Single Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
District’s proportionate share of the Net OPEB Liability	\$57,393,632	\$47,828,118	\$40,272,735

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)**

Healthcare Cost Trend Rates Sensitivity Analysis:

The following schedule presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the Net OPEB Liability	\$39,069,445	\$47,828,118	\$59,493,433

*H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs*

At June 30, 2021, the District reported a liability of \$47,828,118 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 47,828,118
State's proportionate share that is associated with the District	<u>64,269,526</u>
Total	<u>\$112,097,644</u>

The Net OPEB Liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020.

At August 31, 2020 the employer's proportion of the collective Net OPEB Liability was 0.1258154069% which was an increase (decrease) of (0.0033328317%) from its proportion measured as of August 31, 2019.

**Changes in Actuarial Assumptions Since the Prior Actuarial Valuation** – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50% to 40%. This changed lowered the Total OPEB Liability.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)**

- The ultimate health care trend rate assumption was lowered from 4.50% to 4.25% as a result of Congress’ repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.

**Changes in Benefit Terms:** There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2021, the District recognized OPEB expense of \$1,667,020 and revenue of \$446,263 for support provided by the State.

At June 30, 2021, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 2,504,261	\$ 21,888,592
Changes in actuarial assumptions	2,950,000	13,133,848
Net difference between projected and actual investment earnings	15,542	-
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions	1,296,985	4,586,244
Total as of August 31, 2020 measurement date	\$ 6,766,788	\$ 39,608,684
Contributions paid to TRS subsequent to the measurement date	828,981	-
Total as of fiscal year-end	\$ 7,595,769	\$ 39,608,684

The net amounts of the employer’s balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30th:	Pension Expense Amount
2022	\$ (5,327,155)
2023	(5,329,232)
2024	(5,330,421)
2025	(5,330,095)
2026	(4,052,586)
Thereafter	(7,472,407)

	Beginning Balance 7/1/2020	Additions	Retirements	Ending Balance 6/30/2021
Net OPEB Liability	\$ 61,075,784	\$ (12,291,381)	\$ 956,285	\$ 47,828,118

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

**NOTE 20 - OPERATING LEASE COMMITMENTS**

The District leases office equipment under operating (noncapitalized) lease agreements. Total costs for such leases were \$391,691 for the year ended June 30, 2021. The future minimum payments for these leases are as follows:

Years Ended June 30,	
2022	\$ 376,092
2023	358,143
2024	351,715
2025	56,974
Total Minimum Rentals	\$ 1,142,924

**NOTE 21 - CONSTRUCTION COMMITMENTS**

At June 30, 2021, the District had the following construction commitments.

Project Name	Contract Amount	Amount Expended	Remaining Commitment
Stadium Renovation	\$ 95,748	\$ 78,326	\$ 17,422
Canopies and Walkways - Special Ed	285,800	76,352	209,448
Castro Elementary Chiller	62,062	61,918	144
Pearson Elementary Chiller	48,973	48,829	144
Child Nutrition Program Chiller	116,196	5,240	110,956
Central Office Chiller	113,555	5,678	107,877
Tom Landry Stadium A/V System	168,328	157,475	10,853
	\$ 890,662	\$ 433,818	\$ 456,844

**NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLE**

During fiscal year 2021, the District implemented GASB Statement No. 84 *Fiduciary Activities*. Under GASB 84, the District identified the Student Activity Fund as a Custodial Fund, which required a prior period adjustment to beginning fiduciary net position in the amount of \$460,113 in order to properly present the statement of fiduciary net position and statement of changes in fiduciary net position as required.

**NOTE 23 – SUBSEQUENT EVENTS**

The District has evaluated subsequent events through November 10, 2021 which is the date these financial statements were available to be issued. There are no subsequent events that require disclosure.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT G-1**

GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2021

Page 1 of 2

Data Control Codes	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	1	2	3		
	Original	Final	Actual		
<b>REVENUES:</b>					
5700	Local and Intermediate Sources	\$ 27,544,245	\$ 28,340,118	\$ 25,903,552	\$ (2,436,566)
5800	State Program Revenues	121,497,152	129,315,596	129,963,571	647,975
5900	Federal Program Revenues	16,344,257	17,124,160	16,006,321	(1,117,839)
5020	Total Revenues	<u>165,385,654</u>	<u>174,779,874</u>	<u>171,873,444</u>	<u>(2,906,430)</u>
<b>EXPENDITURES:</b>					
Current:					
Instruction & Instructional Related Services:					
0011	Instruction	83,869,739	91,269,962	88,196,165	3,073,797
0012	Instructional Resources and Media Services	2,549,248	2,555,022	2,188,814	366,208
0013	Curriculum and Staff Development	3,332,145	3,609,191	2,323,249	1,285,942
	Total Instruction & Instr. Related Services	<u>89,751,132</u>	<u>97,434,175</u>	<u>92,708,228</u>	<u>4,725,947</u>
Instructional and School Leadership:					
0021	Instructional Leadership	2,472,555	2,695,181	2,379,409	315,772
0023	School Leadership	9,668,067	9,791,506	9,291,922	499,584
	Total Instructional & School Leadership	<u>12,140,622</u>	<u>12,486,687</u>	<u>11,671,331</u>	<u>815,356</u>
Support Services - Student (Pupil):					
0031	Guidance, Counseling and Evaluation Services	5,757,154	6,224,490	5,712,478	512,012
0032	Social Work Services	603,119	723,565	498,288	225,277
0033	Health Services	1,588,003	2,292,997	1,903,156	389,841
0034	Student (Pupil) Transportation	4,409,504	4,652,325	3,921,278	731,047
0035	Food Services	13,662,050	13,927,453	11,628,690	2,298,763
0036	Cocurricular/Extracurricular Activities	6,789,632	6,661,902	5,667,905	993,997
	Total Support Services - Student (Pupil)	<u>32,809,462</u>	<u>34,482,732</u>	<u>29,331,795</u>	<u>5,150,937</u>
Administrative Support Services:					
0041	General Administration	5,243,752	5,510,454	5,227,341	283,113
	Total Administrative Support Services	<u>5,243,752</u>	<u>5,510,454</u>	<u>5,227,341</u>	<u>283,113</u>
Support Services - Nonstudent Based:					
0051	Plant Maintenance and Operations	17,661,627	21,082,637	17,883,407	3,199,230
0052	Security and Monitoring Services	2,768,484	3,112,136	2,495,691	616,445
0053	Data Processing Services	2,938,361	3,414,103	2,877,630	536,473
	Total Support Services - Nonstudent Based	<u>23,368,472</u>	<u>27,608,876</u>	<u>23,256,728</u>	<u>4,352,148</u>
Ancillary Services:					
0061	Community Services	336,602	317,237	162,121	155,116
	Total Ancillary Services	<u>336,602</u>	<u>317,237</u>	<u>162,121</u>	<u>155,116</u>
Debt Service:					
0071	Principal on Long-Term Debt	545,000	545,000	380,000	165,000
0072	Interest on Long-Term Debt	481,520	481,520	481,168	352
0073	Bond Issuance Costs and Fees	5,000	55,000	400	54,600
	Total Debt Service	<u>1,031,520</u>	<u>1,081,520</u>	<u>861,568</u>	<u>219,952</u>
Capital Outlay:					
0081	Capital Outlay	226,133	3,690,367	2,465,283	1,225,084
	Total Capital Outlay	<u>226,133</u>	<u>3,690,367</u>	<u>2,465,283</u>	<u>1,225,084</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT G-1**

GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2021

Page 2 of 2

Data Control Codes	1	2	3	Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Intergovernmental Charges:				
0095	<i>Payments to Juvenile Justice Alternative</i>			
0095	<i>Education Programs</i>			
0095	20,000	20,000	--	20,000
0099	<i>Other Intergovernmental Charges</i>			
	358,090	358,090	284,410	73,680
	Total Intergovernmental Charges			
	378,090	378,090	284,410	93,680
6030	Total Expenditures			
	165,285,785	182,990,138	165,968,805	17,021,333
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures			
	99,869	(8,210,264)	5,904,639	14,114,903
Other Financing Sources (Uses):				
7912	<i>Sale of Real or Personal Property</i>			
7912	53,000	183,216	200,858	17,642
8911	<i>Transfers Out</i>			
8911	(152,869)	(152,869)	(1,538,919)	(1,386,050)
7080	Total Other Financing Sources and (Uses)			
	(99,869)	30,347	(1,338,061)	(1,368,408)
1200	Net Change in Fund Balance			
	--	(8,179,917)	4,566,578	12,746,495
0100	Fund Balance - Beginning			
	76,331,591	76,331,591	76,331,591	--
3000	Fund Balance - Ending			
	\$ 76,331,591	\$ 68,151,674	\$ 80,898,169	\$ 12,746,495

## MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
 SHARE OF THE NET PENSION LIABILITY  
 TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)  
 FOR THE YEAR ENDED JUNE 30, 2021

	Measurement Year Ended August 31,		
	2020	2019	2018
District's proportion of the net pension liability (asset)	0.089%	0.091%	0.095%
District's proportionate share of the net pension liability (asset)	\$ 47,648,446	\$ 47,073,867	\$ 52,094,552
State's proportionate share of the net pension liability (asset) associated with the District	77,719,949	77,000,235	87,253,114
Total	<u>\$ 125,368,395</u>	<u>\$ 124,074,102</u>	<u>\$ 139,347,666</u>
District's covered payroll	\$ 111,123,641	\$ 105,750,708	\$ 106,951,281
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	42.88%	44.51%	48.71%
Plan fiduciary net position as a percentage of the total pension liability	75.54%	75.24%	73.74%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	0.099%	0.096%	0.100%	0.066%
\$	31,702,766	\$ 36,357,384	\$ 35,513,641	\$ 17,524,216
	50,655,837	61,903,634	58,586,542	49,055,199
\$	<u>82,358,603</u>	<u>\$ 98,261,018</u>	<u>\$ 94,100,183</u>	<u>\$ 66,579,415</u>
\$	102,645,930	\$ 100,828,696	\$ 96,685,687	\$ 91,920,089
	30.89%	36.06%	36.73%	19.06%
	82.17%	78.00%	78.43%	83.25%

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)  
LAST TEN FISCAL YEARS \**

	Fiscal Year Ended June 30,		
	2021	2020	2019
Contractually required contribution	\$ 3,898,158	\$ 3,612,852	\$ 2,975,996
Contributions in relation to the contractually required contribution	(3,898,158)	(3,612,852)	(3,020,157)
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (44,161)</u>
District's covered payroll	\$ 112,948,070	\$ 110,307,437	\$ 105,999,427
Contributions as a percentage of covered payroll	3.45%	3.28%	2.81%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**EXHIBIT G-3**

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 3,318,552	\$ 3,157,492	\$ 2,591,270	\$ 2,974,861
(3,318,552)	(3,276,049)	(2,591,270)	(2,974,861)
\$ --	\$ (118,557)	\$ --	\$ --
\$ 105,971,679	\$ 102,510,826	\$ 84,689,682	\$ 96,685,687
3.13%	3.08%	3.06%	3.08%

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS CARE)  
LAST TEN FISCAL YEARS \**

	Measurement Year Ending August 31,			
	2020	2019	2018	2017
District's proportion of the collective net OPEB liability	0.126%	0.129%	0.135%	0.132%
District's proportionate share of the collective net OPEB liability	\$ 47,828,118	\$ 61,075,784	\$ 67,289,697	\$ 57,234,020
State proportionate share of the collective net OPEB liability associated with the District	<u>64,269,526</u>	<u>81,156,056</u>	<u>88,029,058</u>	<u>76,109,030</u>
Total	\$ <u>112,097,644</u>	\$ <u>142,231,840</u>	\$ <u>155,318,755</u>	\$ <u>133,343,050</u>
District's covered payroll	\$ 111,123,727	\$ 105,756,584	\$ 106,951,281	\$ 102,645,930
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	43.04%	57.75%	62.92%	55.76%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information, is available.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS CARE)  
LAST TEN FISCAL YEARS \**

	Fiscal Year Ended June 30,			
	2021	2020	2019	2018
Contractually required contribution	\$ 976,066	\$ 953,123	\$ 885,877	\$ 926,261
Contributions in relation to the contractually required contribution	<u>(976,066)</u>	<u>(953,123)</u>	<u>(894,260)</u>	<u>(926,261)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (8,383)</u>	<u>\$ --</u>
District's covered payroll	\$ 112,948,629	\$ 110,307,553	\$ 106,005,322	\$ 105,971,942
Contributions as a percentage of covered payroll	0.86%	0.86%	0.84%	0.87%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2021

**A. Budgets:**

The official school budget was prepared for adoption for required Governmental Fund Types by June 20, 2020. The budget was formally adopted by the board of school trustees at a duly advertised public meeting prior to the expenditure of funds. Annual budgets were adopted for the General Fund and the Debt Service Fund on a basis consistent with generally accepted accounting principles. The Debt Service Fund Budgetary Comparison Schedule is presented in the Other Schedules section. The budget was amended by the board of school trustees throughout the year. Expenditures may not legally exceed budgeted appropriations at the function level.

**Encumbrances:**

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30th, and encumbrances outstanding at the time are to be either cancelled or appropriately provided for in the subsequent year's budget.

End-of-year outstanding encumbrances that are provided for in the subsequent year's budget were \$2,932,541 for the General Fund.

**B. Pension:**

*Changes of benefit terms:* In May 2019, the 86<sup>th</sup> Texas legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. The increases immediately made the pension fund actuarially sound and the legislature approved funding for a 13<sup>th</sup> check.

All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

*Changes of assumptions:* There were no changes in assumptions since the prior measurement date.

**C. Other Post-Employment Benefits:**

*Changes in benefit:* There were no changes of benefit terms since the prior measurement date.

*Changes in assumption:* The following assumptions, methods and plan changes which are specific to TRS-Care were updated from the prior year's report:

- The discount rate changed from 2.64 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the total OBEB Liability.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2021

**D. Other Post-Employment Benefits (*continued*):**

- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the total OPEB Liability.
- The ultimate health care trend assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the total OPEB Liability.

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## **COMBINING FUND STATEMENTS**

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## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources restricted to specific purposes by a grantor or for purposes committed by the Board of Trustees. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue funds, unused balances are recorded as unearned revenue and carried forward to the succeeding fiscal year, provided the amount carried forward is within the limits established by the grantor. In some cases, the unused balances are returned to the grantor at the close of specified project periods. The District budgets for Special Revenue Funds as grants are awarded by the various grantors. The District uses project accounting for them in order to maintain integrity for the various sources of funds. These funds utilize the modified accrual basis of accounting and budgeting. Included in the District's Special Revenue Funds are:

**211, Title I, Part A, Improving Basic Programs** - This fund classification is to be used to account for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

**212, Title I, Part C, Education of Migratory Children** - This fund classification is to be used to account for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

**224 IDEA - Part B, Formula** - This fund classification is to be used to account for funds granted to operate educational programs for children with disabilities.

**225 IDEA - Part B, Preschool** - This fund classification is to be used to account for funds granted for preschool children with disabilities.

**244 Carl D. Perkins – Basic Formula Grant** - This fund classification is to be used to account for funds granted to provide career and technical education (CTE) to develop new and/or improve CTE programs for paid and unpaid employment. Full participation in the basic grant is from individuals who are members of special populations, at 1) a limited number of campuses (sites) or 2) a limited number of program areas.

**255, Title II, Part A, Supporting Effective Instruction** - This fund classification is to be used to provide financial assistance to LEAs to (1) improve student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and (2) hold local education agencies and schools accountable for improving student academic achievement.

**263, Title III, Part A, English Language Acquisition and Language Enhancement** – This fund classification is to be used to account for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

**266, Elementary and Secondary School Emergency Relief Fund (ESSER I)** – This fund is used to account for federal stimulus funds granted through the CARES Act to support the ability to operate and instruct students during the COVID-19 pandemic.

**272, Medicaid Administrative Claiming Program – MAC** – This fund classification is to be used to account for funds allocated to local education agencies for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan. Expenditures attributed to the required matching amount are recorded in the General Fund and are to be accounted for with use of a local option account code, as needed, for local monitoring of compliance with federal matching requirements.

**274, GEAR UP** - This fund classification is to be used to account for funds granted through Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) to provide services and support to low-income minority school districts to ensure that students are academically prepared for higher education, graduate from high school, and have access to higher education opportunities.

**276, Instructional Continuity** – This fund is used to account for funds granted to provide supplemental resources to support improved student outcomes.

**277, Coronavirus Relief Fund (CRF) of the CARES Act** – This fund is used to account for federal stimulus CRF granted through the CARES Act for necessary expenditures incurred due to the public health emergency with respect to the COVID-19 pandemic.

**281, Elementary and Secondary School Emergency Relief Fund (ESSER II) of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)** - This fund is used to account for federal stimulus ESSER II funds granted to support the ability to operate, instruct students, address learning loss, prepare schools for reopening, test, repair, and upgrade project to improve air quality in school buildings during the coronavirus pandemic.

**289, Federally Funded Special Revenue Funds** – This fund classification is to be used to account for federally funded special revenue funds that have not been specified above. The following locally defined grants are to be converted to Fund 289 for PEIMS reporting:

- 288 – Summer School LEP
- 289 – Title IV, Part A – Subpart I – Student Support and Academic Enrichment Program

**397, Advanced Placement Incentives** – This fund classification is to be used to account for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

**410, State Textbook Fund** – This fund classification is to be used to account for funds awarded to school districts under the textbook allotment.

**425, Special Education Fiscal Support ESC 20** - This fund classification is used to account for a grant awarded to the district to assist in securing certified/licensed providers or extending the use of existing staff to fill short-term needs related to Full and Individual Initial Evaluations (FIEEs), Independent Educational Evaluations (IEEs), Compensatory Services, and Extended School Year (ESY) services for students eligible to participate in the special education program.

**426, School Safety and Security Grant** – This fund classification is used to account for a grant awarded to the district to improve school safety and security.

**429, State Funded Special Revenue Funds** – State funded special revenue funds not listed above are to be accounted for in this fund. The following locally defined grants are to be converted to Fund 429 for PEIMS reporting:

- 427 Math Achievement Academies
- 428 Ready to Read
- 428 Jobs & Education for Texas Grant (JET)

**461 Campus Activity Funds** – This fund classification is to be used to account for transactions related to a principal’s activity fund if the monies generated are not subject to recall by the school district’s board of trustees into the General Fund.

**499 Locally Funded Special Revenue Funds** – Locally funded special revenue funds not listed above are to be accounted for in this fund. This fund classification is used to account for various private grants.

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for revenues from debt service taxes and earnings on investments which are used for payment of interest and principal on the District’s bonded indebtedness.

**599 Debt Service Fund** – This code is used to combine all debt service funds for reporting. School districts are encouraged to use locally defined debt service funds (codes 511-598) to provide separate accountability for each type or issue of debt and convert those accounts to code 599 for PEIMS reporting.

## **CAPITAL PROJECTS FUNDS**

**697, Maintenance Tax Notes, Series 2017** – This fund is used to account for the expenditures of resources accumulated from sales of maintenance tax notes and related interest earnings for the maintenance of school facilities. For PEIMS reporting, these accounts are converted to code 699.

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2021

Data Control Codes	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit C-1)	
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 3,410,564	\$ 97,299	\$ 3,507,863
1120	Current Investments	--	4,675,817	4,675,817
1225	Taxes Receivable, Net	--	503,298	503,298
1240	Due from Other Governments	4,433,335	--	4,433,335
1260	Due from Other Funds	--	3,935	3,935
1290	Other Receivables	634	--	634
1000	Total Assets	<u>7,844,533</u>	<u>5,280,349</u>	<u>13,124,882</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ 171,845	\$ --	\$ 171,845
2160	Accrued Wages Payable	1,344,072	--	1,344,072
2170	Due to Other Funds	3,030,429	--	3,030,429
2180	Due to Other Governments	13,317	268,909	282,226
2300	Unearned Revenue	<u>2,749,470</u>	--	<u>2,749,470</u>
2000	Total Liabilities	<u>7,309,133</u>	<u>268,909</u>	<u>7,578,042</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
	Deferred Revenue	--	432,435	432,435
2600	Total Deferred Inflows of Resources	<u>--</u>	<u>432,435</u>	<u>432,435</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3480	Retirement of Long-Term Debt	--	4,579,005	4,579,005
Committed Fund Balances:				
3545	Other Committed Fund Balance	<u>535,400</u>	--	<u>535,400</u>
3000	Total Fund Balances	<u>535,400</u>	<u>4,579,005</u>	<u>5,114,405</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 7,844,533</u>	<u>\$ 5,280,349</u>	<u>\$ 13,124,882</u>

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Special Revenue Funds	Debt Service Fund	Capital Projects Fund Tax Maintenance Notes 2017	Total Nonmajor Governmental Funds (See Exhibit C-2)
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ 70,981	\$ 4,143,106	\$ 33	\$ 4,214,120
5800 <i>State Program Revenues</i>	2,317,706	4,565,310	--	6,883,016
5900 <i>Federal Program Revenues</i>	18,108,284	--	--	18,108,284
5020 <b>Total Revenues</b>	<u>20,496,971</u>	<u>8,708,416</u>	<u>33</u>	<u>29,205,420</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	14,039,640	--	--	14,039,640
0012 <i>Instructional Resources and Media Services</i>	1,449	--	--	1,449
0013 <i>Curriculum and Staff Development</i>	1,646,357	--	--	1,646,357
0021 <i>Instructional Leadership</i>	68,555	--	--	68,555
0023 <i>School Leadership</i>	77,175	--	--	77,175
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	3,321,591	--	--	3,321,591
0032 <i>Social Work Services</i>	619	--	--	619
0033 <i>Health Services</i>	444,068	--	--	444,068
0034 <i>Student Transportation</i>	--	--	62,765	62,765
0036 <i>Cocurricular/Extracurricular Activities</i>	168,469	--	--	168,469
0051 <i>Facilities Maintenance and Operations</i>	21,030	--	--	21,030
0052 <i>Security and Monitoring Services</i>	93,803	--	--	93,803
0053 <i>Data Processing Services</i>	1,709	--	--	1,709
0061 <i>Community Services</i>	721,522	--	--	721,522
0071 <i>Principal on Long-term Debt</i>	--	5,815,000	--	5,815,000
0072 <i>Interest on Long-term Debt</i>	--	3,551,825	--	3,551,825
0073 <i>Bond Issuance Costs and Fees</i>	--	526,943	--	526,943
6030 <b>Total Expenditures</b>	<u>20,605,987</u>	<u>9,893,768</u>	<u>62,765</u>	<u>30,562,520</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	<u>(109,016)</u>	<u>(1,185,352)</u>	<u>(62,732)</u>	<u>(1,357,100)</u>
Other Financing Sources and (Uses):				
7901 <i>Refunding Bonds Issued</i>	--	44,929,960	--	44,929,960
7916 <i>Premium or Discount on Issuance of Bonds</i>	--	7,546,347	--	7,546,347
8940 <i>Payment to Bond Refunding Escrow Agent</i>	--	(51,951,549)	--	(51,951,549)
7080 <b>Total Other Financing Sources and (Uses)</b>	<u>--</u>	<u>524,758</u>	<u>--</u>	<u>524,758</u>
1200 <b>Net Change in Fund Balances</b>	<u>(109,016)</u>	<u>(660,594)</u>	<u>(62,732)</u>	<u>(832,342)</u>
0100 <b>Fund Balances - Beginning</b>	<u>644,416</u>	<u>5,239,599</u>	<u>62,732</u>	<u>5,946,747</u>
3000 <b>Fund Balances - Ending</b>	<u>\$ 535,400</u>	<u>\$ 4,579,005</u>	<u>\$ --</u>	<u>\$ 5,114,405</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2021

Data Control Codes	211 Title I Part A Improving Basic Programs	212 Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 80,194	\$ --	\$ --
1240	Due from Other Governments	917,683	31,799	22,883
1290	Other Receivables	--	--	--
1000	Total Assets	<u>997,877</u>	<u>31,799</u>	<u>22,883</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ 40,565	\$ 420	\$ --
2160	Accrued Wages Payable	917,683	24,491	5,222
2170	Due to Other Funds	39,629	6,888	17,661
2180	Due to Other Governments	--	--	--
2300	Unearned Revenue	--	--	--
2000	Total Liabilities	<u>997,877</u>	<u>31,799</u>	<u>22,883</u>
<b>FUND BALANCES:</b>				
Committed Fund Balances:				
3545	Other Committed Fund Balance	--	--	--
3000	Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>
4000	Total Liabilities and Fund Balances	<u>\$ 997,877</u>	<u>\$ 31,799</u>	<u>\$ 22,883</u>

244 Carl D. Perkins Basic Formula Grant	255 Title II Part A Supporting Effective Instruction	263 Title III Part A English Language Acquisition	274 GEAR UP	276 Instructional Continuity
\$ 43,731 -- -- <u>43,731</u>	\$ -- 65,439 -- <u>65,439</u>	\$ -- 68,146 -- <u>68,146</u>	\$ -- 52,020 -- <u>52,020</u>	\$ -- 35,000 -- <u>35,000</u>
\$ -- 27,865 2,550 13,316 -- <u>43,731</u>	\$ 58,800 -- 6,639 -- -- <u>65,439</u>	\$ 44,650 12,731 10,765 -- -- <u>68,146</u>	\$ -- 25,364 26,656 -- -- <u>52,020</u>	\$ -- -- 35,000 -- -- <u>35,000</u>
-- --	-- --	-- --	-- --	-- --
\$ <u>43,731</u>	\$ <u>65,439</u>	\$ <u>68,146</u>	\$ <u>52,020</u>	\$ <u>35,000</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2021

Data Control Codes	281  ESSER II	288 Summer School LEP	289 Student Support and Academic Enrichment Program
<b>ASSETS:</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ --	\$ --	\$ 556
1240 <i>Due from Other Governments</i>	2,461,486	3,958	58,255
1290 <i>Other Receivables</i>	--	--	--
1000 Total Assets	<u>2,461,486</u>	<u>3,958</u>	<u>58,811</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$ --	\$ --	\$ 24,349
2160 <i>Accrued Wages Payable</i>	--	--	32,765
2170 <i>Due to Other Funds</i>	2,461,486	3,958	1,697
2180 <i>Due to Other Governments</i>	--	--	--
2300 <i>Unearned Revenue</i>	--	--	--
2000 Total Liabilities	<u>2,461,486</u>	<u>3,958</u>	<u>58,811</u>
<b>FUND BALANCES:</b>			
Committed Fund Balances:			
3545 <i>Other Committed Fund Balance</i>	--	--	--
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 2,461,486</u>	<u>\$ 3,958</u>	<u>\$ 58,811</u>

397 Advanced Placement Incentives	410 State Textbook Fund	425 Special Education ESC 20	426 School Safety and Security Grant	429 State Special Revenue Funds
\$ 37,343	\$ 2,604,555	\$ 37,730	\$ --	\$ --
--	--	--	49,286	13,790
--	--	--	--	--
<u>37,343</u>	<u>2,604,555</u>	<u>37,730</u>	<u>49,286</u>	<u>13,790</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	49,286	12,575
--	--	--	--	--
37,343	2,604,555	37,730	--	1,215
<u>37,343</u>	<u>2,604,555</u>	<u>37,730</u>	<u>49,286</u>	<u>13,790</u>
--	--	--	--	--
--	--	--	--	--
<u>37,343</u>	<u>2,604,555</u>	<u>37,730</u>	<u>49,286</u>	<u>13,790</u>

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2021

Data Control Codes	461 Campus Activity Funds	499 Private Grants	Total Nonmajor Special Revenue Funds (See Exhibit H-1)	
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 537,828	\$ 68,627	\$ 3,410,564
1240	Due from Other Governments	--	--	4,433,335
1290	Other Receivables	634	--	634
1000	Total Assets	<u>538,462</u>	<u>68,627</u>	<u>7,844,533</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ 3,061	\$ --	\$ 171,845
2160	Accrued Wages Payable	--	--	1,344,072
2170	Due to Other Funds	--	--	3,030,429
2180	Due to Other Governments	1	--	13,317
2300	Unearned Revenue	--	68,627	2,749,470
2000	Total Liabilities	<u>3,062</u>	<u>68,627</u>	<u>7,309,133</u>
<b>FUND BALANCES:</b>				
Committed Fund Balances:				
3545	Other Committed Fund Balance	535,400	--	535,400
3000	Total Fund Balances	<u>535,400</u>	<u>--</u>	<u>535,400</u>
4000	Total Liabilities and Fund Balances	<u>\$ 538,462</u>	<u>\$ 68,627</u>	<u>\$ 7,844,533</u>

# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	211 Title I Part A Improving Basic Programs	212 Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --
5800	State Program Revenues	--	--	--
5900	Federal Program Revenues	9,550,583	171,630	31,183
5020	Total Revenues	9,550,583	171,630	31,183
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	5,424,658	124,477	31,183
0012	Instructional Resources and Media Services	--	--	--
0013	Curriculum and Staff Development	1,078,779	100	--
0021	Instructional Leadership	2,259	2,120	--
0023	School Leadership	51,340	--	--
0031	Guidance, Counseling, & Evaluation Services	1,916,627	34,190	--
0032	Social Work Services	--	--	--
0033	Health Services	368,857	--	--
0036	Cocurricular/Extracurricular Activities	--	--	--
0051	Facilities Maintenance and Operations	--	--	--
0052	Security and Monitoring Services	1,252	--	--
0053	Data Processing Services	--	--	--
0061	Community Services	706,811	10,743	--
6030	Total Expenditures	9,550,583	171,630	31,183
1100	Excess (Deficiency) of Revenues Over (Under)	--	--	--
1100	Expenditures	--	--	--
1200	Net Change in Fund Balances	--	--	--
0100	Fund Balances - Beginning	--	--	--
3000	Fund Balances - Ending	\$ --	\$ --	\$ --

244 Carl D. Perkins Basic Formula Grant	255 Title II Part A Supporting Effective Instruction	263 Title III Part A English Language Acquisition	266 ESSER I	272 Medicaid Admin. Claiming Program (MAC)
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>298,033</u>	<u>410,019</u>	<u>357,207</u>	<u>290,602</u>	<u>75,211</u>
<u>298,033</u>	<u>410,019</u>	<u>357,207</u>	<u>290,602</u>	<u>75,211</u>
98,508	3,570	170,045	276,985	--
--	--	--	--	--
1,438	372,075	184,292	--	--
39,673	8,104	--	--	--
195	24,270	1,370	--	--
158,219	2,000	--	--	--
--	--	--	--	--
--	--	--	--	75,211
--	--	--	--	--
--	--	--	13,617	--
--	--	--	--	--
--	--	--	--	--
--	--	1,500	--	--
<u>298,033</u>	<u>410,019</u>	<u>357,207</u>	<u>290,602</u>	<u>75,211</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	274	276	277	281
	GEAR UP	Instructional Continuity	Coronavirus Relief Fund	ESSER II
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ --	\$ --	\$ --
5800 <i>State Program Revenues</i>	--	--	--	--
5900 <i>Federal Program Revenues</i>	187,264	33,659	1,436,500	2,461,486
5020 <b>Total Revenues</b>	<u>187,264</u>	<u>33,659</u>	<u>1,436,500</u>	<u>2,461,486</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	29,194	29,159	1,436,500	2,445,083
0012 <i>Instructional Resources and Media Services</i>	--	--	--	1,449
0013 <i>Curriculum and Staff Development</i>	3,091	4,500	--	1,449
0021 <i>Instructional Leadership</i>	--	--	--	1,449
0023 <i>School Leadership</i>	--	--	--	--
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	154,979	--	--	866
0032 <i>Social Work Services</i>	--	--	--	619
0033 <i>Health Services</i>	--	--	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0051 <i>Facilities Maintenance and Operations</i>	--	--	--	7,413
0052 <i>Security and Monitoring Services</i>	--	--	--	1,449
0053 <i>Data Processing Services</i>	--	--	--	1,709
0061 <i>Community Services</i>	--	--	--	--
6030 <b>Total Expenditures</b>	<u>187,264</u>	<u>33,659</u>	<u>1,436,500</u>	<u>2,461,486</u>
1100 <b>Excess (Deficiency) of Revenues Over (Under)</b>				
1100 <b>Expenditures</b>	--	--	--	--
1200 <b>Net Change in Fund Balances</b>	--	--	--	--
0100 <b>Fund Balances - Beginning</b>	--	--	--	--
3000 <b>Fund Balances - Ending</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

288 Summer School LEP	289 Student Support and Academic Enrichment Program	410 State Textbook Fund	425 Special Education ESC 20	426 School Safety and Security Grant
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	2,251,402	12,600	49,286
7,246	599,474	--	--	--
<u>7,246</u>	<u>599,474</u>	<u>2,251,402</u>	<u>12,600</u>	<u>49,286</u>
7,246	153,633	2,251,402	--	--
--	--	--	--	--
--	14,950	--	--	--
--	--	--	--	--
--	389,075	--	12,600	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	41,816	--	--	49,286
--	--	--	--	--
--	--	--	--	--
<u>7,246</u>	<u>599,474</u>	<u>2,251,402</u>	<u>12,600</u>	<u>49,286</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	429 State Special Revenue Funds	461 Campus Activity Funds	499 Private Grants	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ 50,263	\$ 20,718	\$ 70,981
5800 <i>State Program Revenues</i>	4,418	--	--	2,317,706
5900 <i>Federal Program Revenues</i>	--	--	--	18,108,284
5020 <b>Total Revenues</b>	<u>4,418</u>	<u>50,263</u>	<u>20,718</u>	<u>20,496,971</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	3,785	--	9,060	14,039,640
0012 <i>Instructional Resources and Media Services</i>	--	--	--	1,449
0013 <i>Curriculum and Staff Development</i>	633	--	--	1,646,357
0021 <i>Instructional Leadership</i>	--	--	--	68,555
0023 <i>School Leadership</i>	--	--	--	77,175
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	--	--	--	3,321,591
0032 <i>Social Work Services</i>	--	--	--	619
0033 <i>Health Services</i>	--	--	--	444,068
0036 <i>Cocurricular/Extracurricular Activities</i>	--	159,279	9,190	168,469
0051 <i>Facilities Maintenance and Operations</i>	--	--	--	21,030
0052 <i>Security and Monitoring Services</i>	--	--	--	93,803
0053 <i>Data Processing Services</i>	--	--	--	1,709
0061 <i>Community Services</i>	--	--	2,468	721,522
6030 <b>Total Expenditures</b>	<u>4,418</u>	<u>159,279</u>	<u>20,718</u>	<u>20,605,987</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	--	(109,016)	--	(109,016)
1200 Net Change in Fund Balances	--	(109,016)	--	(109,016)
0100 Fund Balances - Beginning	--	644,416	--	644,416
3000 Fund Balances - Ending	<u>\$ --</u>	<u>\$ 535,400</u>	<u>\$ --</u>	<u>\$ 535,400</u>

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## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one organizational unit of the District to other organizational units of the District on a cost reimbursement basis. Internal service funds, also, are used to account for the operations of self-funded health and worker's compensation and self-administered unemployment claims. Internal Service Funds maintained by the District are the following:

**752, Print Shop Fund** – To provide print shop services to other organizational units of the District.

**753, Health Insurance Fund** – To account for health benefits provided to employees and their dependents under a self-funded insurance plan.

**771, Worker's Compensation Fund** – To account for worker's compensation benefits under a modified self-funded plan.

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## MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

JUNE 30, 2021

Data Control Codes	752 Print Shop Fund	753 Health Insurance Fund	771 Workers Compensation Fund	Total Internal Service Funds (See Exhibit D-1)
<b>ASSETS:</b>				
Current Assets:				
1110	\$ 117	\$ 1,231,240	\$ 225,956	\$ 1,457,313
<i>Cash and Cash Equivalents</i>				
<i>Receivables:</i>				
1290	--	41,090	--	41,090
<i>Other Receivables (net)</i>				
1490	--	--	165,662	165,662
<i>Other Current Assets</i>				
	<u>117</u>	<u>1,272,330</u>	<u>391,618</u>	<u>1,664,065</u>
<i>Total Current Assets</i>				
1000	<u>117</u>	<u>1,272,330</u>	<u>391,618</u>	<u>1,664,065</u>
<i>Total Assets</i>				
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	\$ --	\$ 17,803	\$ --	\$ 17,803
<i>Accounts Payable</i>				
2170	114	15	7,174	7,303
<i>Due to Other Funds</i>				
2180	3	--	--	3
<i>Due to Other Governments</i>				
2200	--	1,254,512	171,956	1,426,468
<i>Accrued Expenses</i>				
	<u>117</u>	<u>1,272,330</u>	<u>179,130</u>	<u>1,451,577</u>
<i>Total Current Liabilities</i>				
2000	<u>117</u>	<u>1,272,330</u>	<u>179,130</u>	<u>1,451,577</u>
<i>Total Liabilities</i>				
<b>NET POSITION:</b>				
3900	--	--	212,488	212,488
<i>Unrestricted</i>				
3000	<u>--</u>	<u>--</u>	<u>212,488</u>	<u>212,488</u>
<i>Total Net Position</i>				

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	752 Print Shop Fund	753 Health Insurance Fund	771 Workers Compensation Fund	Total Internal Service Funds (See Exhibit D-2)
<b>OPERATING REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ 108,232	\$ 13,294,319	\$ 498,782	\$ 13,901,333
5020 Total Revenues	<u>108,232</u>	<u>13,294,319</u>	<u>498,782</u>	<u>13,901,333</u>
<b>OPERATING EXPENSES:</b>				
6100 <i>Payroll Costs</i>	104,349	15,606,288	263,152	15,973,789
6200 <i>Professional and Contracted Services</i>	78,200	45,200	--	123,400
6300 <i>Supplies and Materials</i>	54,587	7,290	--	61,877
6400 <i>Other Operating Costs</i>	313	2,131	270,708	273,152
6030 Total Expenses	<u>237,449</u>	<u>15,660,909</u>	<u>533,860</u>	<u>16,432,218</u>
Operating Income (Loss)	<u>(129,217)</u>	<u>(2,366,590)</u>	<u>(35,078)</u>	<u>(2,530,885)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
7955 <i>Earnings from Temp. Deposits and Investments</i>	--	639	--	639
8030 Total Non-operating Revenues (Expenses)	<u>--</u>	<u>639</u>	<u>--</u>	<u>639</u>
Income (Loss) before Contributions and Transfers	(129,217)	(2,365,951)	(35,078)	(2,530,246)
7915 <i>Transfers In</i>	129,217	1,409,702	--	1,538,919
1300 Change in Net Position	--	(956,249)	(35,078)	(991,327)
0100 Total Net Position - Beginning	--	956,249	247,566	1,203,815
3300 Total Net Position - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 212,488</u>	<u>\$ 212,488</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-7**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR-ENDED JUNE 30, 2021

	752 Print Shop Fund	753 Health Insurance Fund	771 Workers Comp Fund	Total Internal Service Funds (See Exhibit D-3)
<b>Cash Flows from Operating Activities:</b>				
<i>Cash Received from Other Funds and Customers</i>	\$ 108,232	\$ 13,253,243	\$ 505,957	\$ 13,867,432
<i>Cash Payments to Employees for Services</i>	(104,348)	--	--	(104,348)
<i>Cash Payments to Suppliers for Goods and Services</i>	(132,984)	--	--	(132,984)
<i>Cash Payments for Claims and Admin Costs</i>	--	(15,374,219)	(626,137)	(16,000,356)
Net Cash Used for Operating Activities	<u>(129,100)</u>	<u>(2,120,976)</u>	<u>(120,180)</u>	<u>(2,370,256)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>				
<i>Transfers From Other Funds</i>	129,217	1,409,702	--	1,538,919
Net Cash Provided by Non-capital Financing Activities	<u>129,217</u>	<u>1,409,702</u>	<u>--</u>	<u>1,538,919</u>
<b>Cash Flows from Investing Activities:</b>				
<i>Interest and Dividends on Investments</i>	--	639	--	639
Net Cash Provided by Investing Activities	<u>--</u>	<u>639</u>	<u>--</u>	<u>639</u>
Net Decrease in Cash and Cash Equivalents	117	(710,635)	(120,180)	(830,698)
Cash and Cash Equivalents at Beginning of Year	--	1,941,875	346,136	2,288,011
Cash and Cash Equivalents at End of Year	<u>\$ 117</u>	<u>\$ 1,231,240</u>	<u>\$ 225,956</u>	<u>\$ 1,457,313</u>
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities:</b>				
Operating Loss	\$ (129,217)	\$ (2,366,590)	\$ (35,078)	\$ (2,530,885)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities				
Change in Assets and Liabilities:				
<i>Decrease (Increase) in Other Receivables</i>	--	(41,090)	--	(41,090)
<i>Decrease (Increase) in Other Current Assets</i>	--	--	(9,523)	(9,523)
<i>Increase (Decrease) in Accounts Payable</i>	--	(21,675)	--	(21,675)
<i>Increase (Decrease) in Accrued Expenses</i>	--	308,364	(82,753)	225,611
<i>Increase (Decrease) in Due to Other Funds</i>	114	15	7,174	7,303
<i>Increase (Decrease) in Due to Other Governments</i>	3	--	--	3
Total Adjustments	<u>117</u>	<u>245,614</u>	<u>(82,753)</u>	<u>160,629</u>
Net Cash Used for Operating Activities	<u>\$ (129,100)</u>	<u>\$ (2,120,976)</u>	<u>\$ (120,180)</u>	<u>\$ (2,370,256)</u>

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## **PRIVATE-PURPOSE TRUST FUNDS**

Private-Purpose Trust Funds are used to report trust arrangements under which principal and income benefit individuals, private organization or other governments not reported in other fiduciary funds. Private-Purpose Trust Funds maintained by the District include two scholarship funds:

**806, Scholarship Fund (Expendable)** – To account for donations received for the purpose of awarding scholarships to graduating students.

**836, Scholarship Fund (Non-expendable)** – To account for donations received for the purpose of awarding scholarships to graduating students using interest earnings on amounts donated.

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUST FUNDS

JUNE 30, 2021

Data Control Codes	806  Scholarship Fund	836  Scholarship Fund	Total Private- Purpose Trust Funds (See Exhibit E-1)
<b>ASSETS:</b>			
1800 <i>Restricted Assets</i>	\$ 292,583	\$ 100,520	\$ 393,103
1000 Total Assets	<u>292,583</u>	<u>100,520</u>	<u>393,103</u>
<b>LIABILITIES:</b>			
2400 <i>Payable from Restricted Assets</i>	\$ 99,825	\$ --	\$ 99,825
2000 Total Liabilities	<u>99,825</u>	<u>--</u>	<u>99,825</u>
<b>NET POSITION:</b>			
3800 <i>Held in Trust for Scholarships</i>	192,758	100,520	293,278
3000 Total Net Position	<u>\$ 192,758</u>	<u>\$ 100,520</u>	<u>\$ 293,278</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	806	836	Total Private-Purpose Trust Funds (See Exhibit E-2)
	Scholarship Fund	Scholarship Fund	
<b>Additions:</b>			
Investment Income	\$ 331	\$ 68	\$ 399
Gifts and Contributions	10,683	--	10,683
Total Additions	<u>11,014</u>	<u>68</u>	<u>11,082</u>
<b>Deductions:</b>			
Scholarship Awards	40,400	--	40,400
Total Deductions	<u>40,400</u>	<u>--</u>	<u>40,400</u>
<b>Change in Net Position</b>	(29,386)	68	(29,318)
Net Position-Beginning of the Year	222,144	100,452	322,596
Net Position-End of the Year	<u>\$ 192,758</u>	<u>\$ 100,520</u>	<u>\$ 293,278</u>

## **OTHER SCHEDULES**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FOR THE YEAR ENDED JUNE 30, 2021*

Year Ended June 30	Tax Rates		3 Assessed/Appraised Value For School Tax Purposes
	1 Maintenance	2 Debt Service	
2012 and Prior Years	\$ Various	\$ Various	\$ Various
2013	1.1700	.1300	1,639,479,201
2014	1.1700	.1300	1,709,150,385
2015	1.1700	.1600	1,728,186,904
2016	1.1700	.1972	1,777,408,364
2017	1.1700	.1882	1,948,395,629
2018	1.1700	.1802	2,000,728,923
2019	1.1700	.1698	2,078,411,509
2020	1.0684	.1712	2,269,762,172
2021 (School Year Under Audit)	1.0280	.1713	2,401,867,086

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

10 Beginning Balance 7/1/20	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/21
\$ 1,033,085	\$ --	\$ 57,106	\$ 8,506	\$ (23,922)	\$ 943,551
136,137	--	13,819	1,535	(2,002)	118,781
141,720	--	14,273	1,586	(2,829)	123,033
166,473	--	17,609	2,408	(4,430)	142,025
222,736	--	30,638	5,164	(18,313)	168,621
324,247	--	75,897	12,208	(5,859)	230,282
443,314	--	139,946	21,554	4,338	286,153
713,981	--	242,602	35,208	(26,961)	409,209
1,775,542	--	846,447	135,641	(109,616)	683,837
--	28,040,951	22,706,700	3,783,714	(50,879)	1,499,658
<u>\$ 4,957,235</u>	<u>\$ 28,040,951</u>	<u>\$ 24,145,037</u>	<u>\$ 4,007,525</u>	<u>\$ (240,473)</u>	<u>\$ 4,605,151</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	1		2		3		Variance with Final Budget Positive (Negative)
	Budgeted Amounts						
	Original	Final	Actual				
<b>REVENUES:</b>							
5700	<i>Local and Intermediate Sources</i>	\$ 4,202,708	\$ 4,260,436	\$ 4,143,106	\$ (117,330)		
5800	<i>State Program Revenues</i>	4,684,522	4,626,794	4,565,310	(61,484)		
5020	Total Revenues	<u>8,887,230</u>	<u>8,887,230</u>	<u>8,708,416</u>	<u>(178,814)</u>		
<b>EXPENDITURES:</b>							
Debt Service:							
0071	<i>Principal on Long-Term Debt</i>	4,630,000	5,843,018	5,815,000	28,018		
0072	<i>Interest on Long-Term Debt</i>	4,414,844	3,551,826	3,551,825	1		
0073	<i>Bond Issuance Costs and Fees</i>	25,000	549,758	526,943	22,815		
	Total Debt Service	<u>9,069,844</u>	<u>9,944,602</u>	<u>9,893,768</u>	<u>50,834</u>		
6030	Total Expenditures	<u>9,069,844</u>	<u>9,944,602</u>	<u>9,893,768</u>	<u>50,834</u>		
1100	Excess (Deficiency) of Revenues Over (Under)						
1100	Expenditures	<u>(182,614)</u>	<u>(1,057,372)</u>	<u>(1,185,352)</u>	<u>(127,980)</u>		
Other Financing Sources (Uses):							
7901	<i>Refunding Bonds Issued</i>	--	44,929,960	44,929,960	--		
7916	<i>Premium or Discount on Issuance of Bonds</i>	--	7,546,348	7,546,347	(1)		
8940	<i>Payment to Bond Refunding Escrow Agent</i>	--	(51,951,550)	(51,951,549)	1		
7080	Total Other Financing Sources and (Uses)	<u>--</u>	<u>524,758</u>	<u>524,758</u>	<u>--</u>		
1200	Net Change in Fund Balance	<u>(182,614)</u>	<u>(532,614)</u>	<u>(660,594)</u>	<u>(127,980)</u>		
0100	Fund Balance - Beginning	<u>5,239,599</u>	<u>5,239,599</u>	<u>5,239,599</u>	<u>--</u>		
3000	Fund Balance - Ending	<u>\$ 5,056,985</u>	<u>\$ 4,706,985</u>	<u>\$ 4,579,005</u>	<u>\$ (127,980)</u>		



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# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## STATISTICAL SECTION OVERVIEW (Unaudited)

This part of the District's Comprehensive Annual Financial Report presents detailed information to provide the readers of the District's financial information with a background for a better understanding of the information in the financial statements, note disclosures and required supplementary information.

The statistical section is organized in the following sections:

**Financial Trends Information** – These schedules contain trend information to help the reader understand how the District's financial performance well-being have changed over time.

**Revenue Capacity Information** – This section contains schedules that provide information about the District's most significant major own-source revenue, which is property taxes, and the factors that impact the District's ability to generate such revenue.

**Debt Capacity Information** – This section contains schedules that provide information on the District's current levels of outstanding debt, the District's ability to repay debt, and to issue additional debt in the future.

**Demographic and Economic Information** – This section contains schedules that provide an understanding of the environment within which the District's financial activities take place.

**Operating Information** – This section contains schedules that provide information about services the District provides and the activities it performs, such as employee and facilities of the District.

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## **FINANCIAL TRENDS INFORMATION**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**

	<u>2012</u>	<u>2013*</u>	<u>2014</u>	<u>2015</u>
<b>Governmental Activities</b>				
<i>Net Investment in Capital Assets</i>	\$ 67,585,225	\$ 69,684,950	\$ 75,742,761	\$ 88,223,581
<i>Restricted</i>	10,199,513	9,672,732	10,241,400	7,855,354
<i>Unrestricted</i>	<u>68,533,969</u>	<u>73,990,426</u>	<u>72,634,794</u>	<u>44,137,570</u>
<i>Total Net Position</i>	<u>\$ 146,318,707</u>	<u>\$ 153,348,108</u>	<u>\$ 158,618,955</u>	<u>\$ 140,216,505</u>

Source: Financial Statements and Independent Auditors' Report  
Statement of Net Position (Exhibit A-1)  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

\*Effective 2013, the District implemented GASB 65 Statement, "Items Previously Reported as Assets and Liabilities."

\*\*Effective 2018, the District implemented GASB 75 Statement, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"

**TABLE L-1**

<u>2016</u>	<u>2017</u>	<u>2018**</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 89,784,820	\$ 88,563,081	\$ 93,857,122	\$ 88,066,316	\$ 84,717,041	\$ 83,511,186
9,462,670	9,210,584	716,463	7,835,447	7,947,000	9,821,262
<u>51,211,236</u>	<u>51,278,887</u>	<u>(37,228,087)</u>	<u>(40,455,098)</u>	<u>(38,927,016)</u>	<u>(39,827,812)</u>
<u>\$ 150,458,726</u>	<u>\$ 149,052,552</u>	<u>\$ 57,345,498</u>	<u>\$ 55,446,665</u>	<u>\$ 53,737,026</u>	<u>\$ 53,504,636</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTR**  
**GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES**  
**LAST TEN YEARS**

<u>Expenses</u>	2012	2013*	2014	2015	2016
<b>Governmental Activities:</b>					
<i>Instruction</i>	\$ 78,066,375	\$ 84,553,409	\$ 85,578,810	\$ 90,366,706	\$ 87,488,784
<i>Instructional Resource and Media Services</i>	2,343,252	2,555,812	2,611,316	2,775,395	2,844,095
<i>Curriculum and Staff Development</i>	3,037,585	3,737,781	3,585,064	5,003,662	4,297,811
<i>Instructional Leadership</i>	2,032,451	1,929,326	2,052,365	2,130,255	2,014,549
<i>School Leadership</i>	7,602,471	8,000,894	8,534,652	9,123,552	8,844,385
<i>Guidance, Counseling and Evaluation Services</i>	7,095,173	7,186,791	7,344,485	7,538,151	7,671,127
<i>Social Work Services</i>	589,869	503,633	270,912	238,387	420,583
<i>Health Services</i>	1,607,518	1,651,295	1,760,042	1,710,648	1,748,446
<i>Student Transportation</i>	3,116,335	3,393,879	3,629,536	3,685,484	3,678,635
<i>Food Services</i>	9,432,760	10,014,917	10,798,984	11,786,702	11,926,683
<i>Cocurricular/Extracurricular Activities</i>	5,746,095	6,203,908	7,260,644	7,704,638	7,690,460
<i>General Administration</i>	3,096,151	3,222,693	3,488,920	4,155,751	4,026,388
<i>Facilities Maintenance and Operations</i>	14,725,018	15,115,632	15,978,912	16,584,956	16,026,587
<i>Security and Monitoring Services</i>	1,182,003	1,245,510	1,384,134	1,495,324	1,666,748
<i>Data Processing Services</i>	1,599,602	1,561,994	1,672,715	2,195,027	2,346,579
<i>Community Services</i>	1,007,531	1,074,919	1,062,053	1,122,532	1,158,899
<i>Debt Service-Interest and Fees on Long-Term Debt</i>	7,272,015	7,194,887	6,887,918	5,568,647	4,352,867
<i>Capital Outlay</i>	9,777	10,363	8,741	8,278	3,359
<i>Payment to Juvenile Justice Alternative Ed. Program</i>	2,528	6,004	10,664	5,332	5,934
<i>Other Intergovernmental Charges</i>	199,090	203,472	200,236	239,668	186,505
<b>Total Governmental Activities Expenses</b>	<b>149,763,599</b>	<b>159,367,119</b>	<b>164,121,103</b>	<b>173,439,095</b>	<b>168,399,424</b>
<b>Revenues</b>					
<b>Governmental Activities:</b>					
<i>Charges for Services</i>					
<i>Instruction</i>	\$ 126,119	\$ 136,263	\$ 148,458	\$ 147,728	\$ 152,066
<i>Instructional Resources and Media Services</i>	6,272	6,452	6,716	6,647	6,989
<i>Curriculum and Staff Development</i>	2,139	2,091	2,142	2,669	3,007
<i>Instructional Leadership</i>	3,171	2,805	3,304	3,798	3,692
<i>School Leadership</i>	20,091	19,982	21,606	22,608	22,628
<i>Guidance, Counseling and Evaluation Services</i>	8,094	7,455	7,680	7,853	8,888
<i>Social Work Services</i>	90	86	115	103	132
<i>Health Services</i>	3,275	3,216	3,587	3,362	3,640
<i>Student Transportation</i>	39	30	27	103	554
<i>Food Services</i>	253,155	138,702	214,726	153,663	103,995
<i>Cocurricular/Extracurricular Activities</i>	869,065	827,090	885,929	868,584	878,114
<i>General Administration</i>	9,043	8,877	9,714	11,112	10,655
<i>Facilities Maintenance and Operations</i>	58,188	48,234	55,184	51,782	49,237
<i>Security and Monitoring Services</i>	5,123	5,715	5,633	5,808	6,943
<i>Data Processing Services</i>	4,159	3,499	3,518	3,670	3,798
<i>Community Services</i>	467	454	532	513	501
<i>Capital Outlay</i>	-	-	-	-	-
<i>Payment to Juvenile Justice Alternative Ed. Program</i>	-	-	-	-	-
<i>Other Intergovernmental Charges</i>	597	-	-	-	-
<i>Operating Grants/Capital and Contributions</i>	48,679,987	46,275,444	42,139,771	44,673,104	46,249,289
<b>Total Governmental Activities Revenues</b>	<b>50,049,074</b>	<b>47,486,395</b>	<b>43,508,642</b>	<b>45,963,107</b>	<b>47,504,128</b>
<b>Net Governmental Activities Revenue (Expenses)</b>	<b>\$ (99,714,525)</b>	<b>\$ (111,880,724)</b>	<b>\$ (120,612,461)</b>	<b>\$ (127,475,988)</b>	<b>\$ (120,895,296)</b>

Source: Financial Statement and Independent Auditors' Report  
Statement of Activities (Exhibit B-1)  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

\*Effective 2013, the District implemented GASB 65 Statement, "Items Previously Reported as Assets and Liabilities."

\*\*Effective 2018, the District implemented GASB 75 Statement, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

TABLE L-2

	2017	2018**	2019	2020	2021
\$	93,876,801	\$ 66,336,020	\$ 101,688,356	\$ 108,227,577	\$ 111,227,623
	2,950,859	2,069,311	3,046,767	2,810,026	2,413,563
	4,709,751	3,898,222	5,190,106	3,749,987	4,101,762
	2,176,541	1,293,437	2,276,003	2,436,650	2,545,853
	9,127,798	6,660,940	10,482,629	10,412,562	10,055,279
	8,044,453	5,000,082	9,234,481	9,694,316	9,387,826
	381,913	446,502	541,208	604,634	516,706
	1,820,227	1,197,844	2,018,366	2,083,629	2,430,094
	4,129,477	3,325,357	4,830,512	4,690,541	4,468,688
	13,204,521	10,797,512	12,641,945	12,477,265	13,414,920
	8,721,246	7,664,346	9,554,884	8,906,660	7,357,691
	4,773,745	3,783,697	5,257,269	5,679,900	5,413,241
	17,954,400	15,295,073	17,975,818	18,065,181	18,057,616
	2,158,530	2,024,634	2,502,039	2,290,165	2,904,614
	2,360,990	2,331,650	2,801,978	2,616,911	3,190,718
	1,158,644	584,421	1,168,098	1,115,817	935,289
	5,373,257	4,887,508	4,774,912	4,586,729	3,849,250
	10,805	-	-	-	-
	2,580	20,000	20,000	-	-
	255,216	261,885	267,430	271,682	284,410
	<u>183,191,754</u>	<u>137,878,441</u>	<u>196,272,801</u>	<u>200,720,232</u>	<u>202,555,143</u>
\$	167,404	\$ -	\$ 43	\$ -	\$ -
	8,059	-	-	-	-
	3,805	-	-	-	-
	4,314	-	-	-	-
	24,597	-	-	-	-
	10,037	-	-	-	-
	60	-	-	-	-
	4,135	-	-	-	-
	869	-	-	-	-
	112,159	91,937	151,316	151,620	13,649
	857,356	815,197	1,163,753	890,841	39,539
	13,542	-	-	-	-
	52,630	80,797	4,709	4,318	29
	8,352	79,527	187,108	174,721	166,038
	3,685	-	-	-	-
	689	174,789	215,534	191,913	-
	30	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>43,192,371</u>	<u>13,327,551</u>	<u>49,462,109</u>	<u>54,333,238</u>	<u>50,856,276</u>
	<u>44,464,094</u>	<u>14,569,798</u>	<u>51,184,572</u>	<u>55,746,651</u>	<u>51,075,531</u>
<b>\$</b>	<b><u>(138,727,660)</u></b>	<b>\$ <u>(123,308,643)</u></b>	<b>\$ <u>(145,088,229)</u></b>	<b>\$ <u>(144,973,581)</u></b>	<b>\$ <u>(151,479,612)</u></b>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**GENERAL REVENUE AND CHANGE IN NET POSITION**  
**LAST TEN YEARS**

	2012	2013*	2014	2015
<b>Net Governmental Activities</b>				
<b>Revenue / (Expenses)</b>	\$ (99,714,525)	\$ (111,880,724)	\$ (120,612,461)	\$ (127,475,988)
<b><u>General Revenue and Changes in Net Position</u></b>				
<i>Governmental Activities:</i>				
<i>Property Taxes-General Purposes</i>	\$ 19,106,128	\$ 19,144,630	\$ 20,210,906	\$ 20,576,837
<i>Property Taxes-Debt Services</i>	2,174,201	2,166,659	2,284,710	2,819,034
<i>Investment Earnings</i>	292,487	354,687	264,940	217,162
<i>Grants &amp; Contributions Not Restricted</i>	91,189,590	97,111,309	102,152,554	103,850,801
<i>Miscellaneous</i>	1,751,066	567,523	608,044	1,467,715
<b>Total Governmental Activities</b>	114,513,472	119,344,808	125,521,154	128,931,549
<b>Change in Net Position</b>	<b>\$ 14,798,947</b>	<b>\$ 7,464,084</b>	<b>\$ 4,908,693</b>	<b>\$ 1,455,561</b>

Source: Financial Statements and Independent Auditors' Report  
Statement of Activities (Exhibit B-1)  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

\*Effective 2013, the District implemented GASB 65 Statement, "Items Previously Reported as Assets and Liabilities."

\*\*Effective 2018, the District implemented GASB 75 Statement, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

TABLE L-3

2016	2017	2018**	2019	2020	2021
\$ (120,895,296)	\$ (138,727,660)	\$ (123,308,643)	\$ (145,088,229)	\$ (144,973,581)	\$ (151,479,612)
\$ 20,899,667	\$ 22,657,514	\$ 23,448,627	\$ 24,074,174	\$ 23,925,511	\$ 24,578,407
3,510,879	3,649,298	3,615,912	3,496,050	3,827,591	4,086,823
146,050	315,284	592,376	1,244,810	1,311,503	127,355
106,029,126	110,380,383	108,851,819	109,325,927	114,034,286	121,599,389
551,796	319,007	318,455	286,330	165,051	855,248
131,137,518	137,321,486	136,827,189	138,427,291	143,263,942	151,247,222
<b>\$ 10,242,222</b>	<b>\$ (1,406,174)</b>	<b>\$ 13,518,546</b>	<b>\$ (6,660,938)</b>	<b>\$ (1,709,639)</b>	<b>\$ (232,390)</b>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**

	2012	2013	2014	2015
<b>General Fund</b>				
<i>Non-spendable Fund Balances:</i>				
<i>Inventories</i>	\$ 1,428,778	\$ 1,468,190	\$ 1,535,752	\$ 1,410,656
<i>Prepaid Items</i>	-	-	298,100	171,653
<i>Restricted Fund Balances:</i>				
<i>Federal or State Funds Grant Restriction</i>	7,181,364	7,749,286	8,212,657	5,445,663
<i>Retirement of Long-term Debt</i>	-	165,000	330,000	495,000
<i>Other Restrictions of Fund Balance</i>	-	-	-	-
<i>Committed Fund Balance:</i>				
<i>Construction</i>	11,067,038	38,244,602	22,075,916	11,168,093
<i>Other Committed Fund Balance</i>	-	-	-	-
<i>Unassigned Fund Balance</i>	51,756,573	29,497,643	44,273,109	43,354,335
<b>Total General Fund Balance</b>	<u>\$ 71,433,753</u>	<u>\$ 77,124,721</u>	<u>\$ 76,725,534</u>	<u>\$ 62,045,400</u>
<b>All Other Governmental Funds</b>				
<i>Restricted:</i>				
<i>Retirement of Long-Term Debt</i>	1,073,607	607,254	674,816	1,104,802
<i>Other Restricted Fund Balance</i>	50,164,283	42,101,661	36,761,510	29,459,943
<i>Committed Fund Balance:</i>				
<i>Other Committed Fund Balance</i>	608,065	606,584	673,701	650,515
<i>Total All Other Governmental Fund Balances</i>	51,845,955	43,315,499	38,110,027	31,215,260
<b>Total Governmental Funds- Fund Balance</b>	<u>\$ 123,279,708</u>	<u>\$ 120,440,220</u>	<u>\$ 114,835,561</u>	<u>\$ 93,260,660</u>
<b>Governmental Funds</b>				
<i>Beginning Fund Balance</i>	\$ 111,405,274	\$ 123,279,705	\$ 120,802,375	\$ 114,835,562
<i>Net Change in Fund Balance</i>	11,874,434	(2,839,485)	(5,966,814)	(21,574,902)
<b>Ending Fund Balance</b>	<u>\$ 123,279,708</u>	<u>\$ 120,440,220</u>	<u>\$ 114,835,561</u>	<u>\$ 93,260,660</u>

Source: Financial Statement and Independent Auditors' Report  
Balance Sheet-Governmental Funds (Exhibit C-1) 2012-2021  
Statement of Revenues, Expenditure and Changes in Fund Balances (Exhibit C-2) 2012-2021  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

TABLE L-4

	2016	2017	2018	2019	2020	2021
\$	1,625,604	\$ 1,307,114	\$ 1,436,154	\$ 1,591,070	\$ 2,671,948	\$ 2,611,389
	87,271	73,899	100,162	95,621	283,582	337,165
	4,657,657	3,464,266	168,161	1,626,634	932,204	3,523,713
	660,000	825,000	990,000	1,176,861	1,351,376	1,516,523
	8,232,067	7,312,676	3,698,071	3,273,467	1,345,700	1,147,682
	1,062,753	-	-	-	769,552	-
	53,943,036	59,737,141	56,536,504	61,799,415	68,977,229	71,761,697
\$	70,268,388	\$ 72,720,096	\$ 62,929,052	\$ 69,563,068	\$ 76,331,591	\$ 80,898,169
	5,163,367	6,767,086	5,469,066	5,476,784	5,239,599	4,579,005
	24,771,939	16,954,896	3,418,243	1,635,606	62,731	-
	628,458	609,335	554,365	550,902	644,416	535,400
	30,563,764	24,331,317	9,441,674	7,663,292	5,946,746	5,114,405
\$	100,832,152	\$ 97,051,413	\$ 72,370,726	\$ 77,226,360	\$ 82,278,337	\$ 86,012,574
\$	93,260,660	\$ 100,832,150	\$ 97,051,413	\$ 72,370,726	\$ 77,226,359	\$ 82,278,338
	7,571,492	(3,780,737)	(24,680,687)	4,855,634	5,051,978	3,734,236
\$	100,832,152	\$ 97,051,413	\$ 72,370,726	\$ 77,226,360	\$ 82,278,337	\$ 86,012,574

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUND REVENUE BY SOURCE**  
**LAST TEN YEARS**

**TABLE L-5**

Fiscal Year	Local and Intermediate Sources		State Programs			Federal Programs	Total
	Property Tax	Other	Per Capita and Foundation	On Behalf TRS Payments	Other		
2012	\$ 21,436,703	\$ 2,280,554	\$ 91,763,759	\$ 5,520,394	\$ 9,046,163	\$ 33,533,896	\$ 163,581,469
2013	21,626,651	2,068,856	97,658,894	5,657,296	10,290,428	29,774,642	167,076,767
2014	22,663,634	2,444,334	102,760,101	5,689,773	7,312,239	28,524,586	169,394,667
2015	23,527,809	2,910,953	103,573,154	6,049,901	9,118,572	28,455,350	173,635,739
2016	24,202,291	2,275,912	106,747,881	6,074,512	10,048,707	24,042,937	173,392,240
2017	26,242,258	2,285,879	111,017,925	6,555,994	7,389,397	27,250,653	180,742,106
2018	27,035,325	2,886,296	109,629,172	6,953,168	5,954,341	26,114,577	178,572,879
2019	27,738,606	3,339,424	110,005,557	7,247,297	7,722,254	29,739,357	185,792,495
2020	27,519,781	3,028,687	114,689,211	7,922,743	6,424,149	32,300,019	191,884,590
2021	29,075,341	1,042,331	121,826,343	7,869,492	7,150,752	34,114,605	201,078,864

Source: Financial Statement and Independent Auditors' Report  
Statement of Revenues, Expenditure and Changes in Fund Balances (Exhibit C-2) 2012-2021  
2012-2015 Fiscal Year End 8/31  
2016-2020 Fiscal Year End 6/30

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUND EXPENDITURES BY FUNCTION**  
**LAST TEN YEARS**

Fiscal Year	Instructional and Instructional Related Services	Instructional and School Leadership	Support Services Student Other	Administrative Support Services	Support Services Not -Student Based	Ancillary Services
2012	\$ 78,140,178	\$ 9,362,837	\$ 25,948,290	\$ 3,048,612	\$ 16,882,157	\$ 1,003,687
2013	85,201,442	9,666,067	27,319,435	3,173,834	17,203,339	1,071,533
2014	85,704,822	10,317,955	29,139,170	3,444,758	17,990,278	1,057,384
2015	93,504,751	11,153,242	30,904,434	4,146,614	19,257,065	1,154,700
2016	85,230,290	10,035,927	29,912,242	3,685,214	18,325,335	1,107,151
2017	92,544,340	10,644,586	32,748,525	4,517,019	20,559,388	1,101,207
2018	95,219,614	11,131,909	34,373,846	4,683,863	21,380,837	1,035,669
2019	95,983,724	11,429,976	33,466,149	4,797,730	20,308,549	1,035,542
2020	100,477,644	11,572,265	32,813,498	5,223,622	20,609,817	992,675
2021	108,354,676	11,817,061	32,947,193	5,227,341	22,177,748	883,643

Source: Financial Statements and Independent Auditors' Report  
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-2) 2012-2021  
2012-2015 Fiscal Year End 8/31  
20161-2021 Fiscal Year End 6/30

TABLE L-6

Debt Service Principal	Debt Service Interest	Debt Service Other Fees	Capital Outlay	Inter-Governmental Charges	Total Governmental Fund Expenditures	*Ratio of Debt Services to Non-Capital Expenditures
\$ 5,160,000	\$ 7,252,074	\$ 9,185	\$ 5,928,004	\$ 201,618	\$ 152,936,643	8.44%
5,410,000	7,121,078	90,625	16,447,775	209,476	172,914,604	8.01%
5,670,000	6,894,517	10,275	14,974,239	210,900	175,414,298	7.83%
35,780,000	5,777,562	763,595	22,406,461	245,000	225,093,424	20.50%
5,295,000	2,940,872	7,610	9,026,808	192,439	165,758,888	5.25%
3,765,223	4,660,289	713,659	23,625,168	257,796	195,137,200	4.91%
5,200,000	5,885,758	11,745	23,971,399	281,885	203,176,525	6.19%
4,645,000	5,248,962	8,000	2,937,801	287,430	180,148,862	5.58%
4,820,000	5,075,962	8,000	4,985,553	271,682	186,850,718	5.44%
6,195,000	4,032,993	527,343	4,083,917	284,410	196,531,325	5.31%

\* Ratio of Debt Services to Non-Capital Expenditures percentage was calculated as follows:

$$\frac{(\text{Debt Service Principal} + \text{Debt Service Interest})}{(\text{Total Expenditures} - \text{Capital Outlay})}$$

$$\frac{(6,195,000 + 4,032,993)}{(196,531,325 - 4,083,917)} = 5.31\%$$

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS OTHER SOURCES, USES**  
**AND CHANGES IN FUND BALANCES**  
**LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	\$ 10,644,826	\$ (5,837,837)	\$ (6,019,631)	\$ (51,457,685)
<i>Other Financing Sources (Uses)</i>				
<i>Refunding Bonds Issued</i>	-	-	-	69,255,000
<i>Sale of Real and Personal Property</i>	1,251,360	57,707	52,817	57,614
<i>Issuance of Non-Current Debt</i>	-	2,978,000	-	-
<i>Transfer In</i>	-	3,949,042	3,791,915	3,289,524
<i>Premium/Discount on Issuance of Bonds</i>	-	-	-	9,276,712
<i>Transfer Out</i>	(21,752)	(3,986,397)	(3,791,915)	(3,289,524)
<i>Payment to Bond refunding Escrow Agent</i>	-	-	-	(48,706,543)
<i>Other Uses</i>	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,229,608</u>	<u>2,998,352</u>	<u>52,817</u>	<u>29,882,783</u>
<i>Net Changes in Fund Balances</i>	<u>\$ 11,874,434</u>	<u>\$ (2,839,485)</u>	<u>\$ (5,966,814)</u>	<u>\$ (21,574,902)</u>

Source: Financial Statements and Independent Auditors' Report  
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-2)  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-7**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,633,352	\$ (14,395,094)	\$ (24,603,646)	\$ 5,643,633	\$ 5,033,872	\$ 4,547,539
-	46,500,000	-	-	-	44,929,960
24,838	17,645	72,725	62,998	55,548	200,858
-	9,615,000	-	-	-	-
235,811	109,728	-	-	-	-
-	5,370,617	-	-	-	7,546,347
(282,996)	(229,402)	(149,766)	(850,997)	(37,442)	(1,538,919)
-	(50,767,791)	-	-	-	(51,951,549)
<u>(39,513)</u>	<u>(1,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(61,860)	10,614,357	(77,041)	(787,999)	18,106	(813,303)
<u>\$ 7,571,492</u>	<u>\$ (3,780,737)</u>	<u>\$ (24,680,687)</u>	<u>\$ 4,855,634</u>	<u>\$ 5,051,978</u>	<u>\$ 3,734,236</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUND EXPENDITURES BY FUNCTION**  
**PER AVERAGE DAILY ATTENDANCE**  
**LAST TEN YEARS**

Fiscal Year	Average Daily Attendance	Instructional and Instructional Related Services	Instructional and School Leadership	Support Services Student Other	Administrative Support Services	Support Services Not -Student Based
2012	14,398	\$ 5,445	\$ 650	\$ 1,922	\$ 212	\$ 1,178
2013	14,210	6,062	680	2,010	223	1,267
2014	14,122	6,072	737	2,116	244	1,349
2015	14,147	6,622	794	2,273	293	1,423
2016	14,350	5,951	700	2,105	257	1,289
2017	14,359	6,452	741	2,321	315	1,460
2018	14,211	6,719	783	2,517	330	1,541
2019	14,081	6,819	812	2,446	341	1,465
2020	12,942	7,768	894	2,578	404	1,663
2021	13,775	7,869	858	2,420	379	1,697

Source: Financial Statements and Independent Auditors' Report  
Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-2)  
PEIMS DATA Report (PFR7D001) 2011-2016  
TSDS PEIMS Report (PDM3-130-001) 2017-2020  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

Note: Average Daily Attendance-the average daily attendance of eligible enrollees, district-wide

**TABLE L-8**

<u>Ancillary Services</u>	<u>Debt Service Principal</u>	<u>Debt Service Interest and Other</u>	<u>Capital Outlay</u>	<u>Inter-Governmental Charges</u>	<u>Total Governmental Fund Expenditures by Function per Average Daily Attendance</u>
\$ 70	\$ 358	\$ 504	\$ 269	\$ 14	\$ 10,622
75	381	508	947	15	12,169
75	402	489	922	15	12,421
82	2,529	462	1,416	17	15,911
77	369	205	584	13	11,551
77	262	374	1,570	18	13,590
73	366	415	1,533	20	14,297
74	330	373	114	20	12,794
77	372	393	267	21	14,438
64	450	331	179	20	14,267

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**REVENUE CAPACITY INFORMATION**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE**  
**OF TAXABLE PROPERTY**  
**LAST TEN YEARS**

Fiscal Year	Assessed Value			Total Taxable Assessed Value
	Real Property	Minerals	Personal Property	
2012	\$ 1,427,124,854	\$ 45,120	\$ 205,004,603	\$ 1,632,174,577
2013	1,433,720,257	70,280	205,688,664	1,639,479,201
2014	1,488,724,011	44,400	220,381,974	1,709,150,385
2015	1,511,866,029	44,400	216,276,475	1,728,186,904
2016	1,535,056,329	44,400	242,307,635	1,777,408,364
2017	1,706,861,917	44,400	241,489,312	1,948,395,629
2018	1,747,160,561	44,400	253,523,962	2,000,728,923
2019	1,825,156,957	44,400	253,210,152	2,078,411,509
2020	1,979,092,675	44,400	290,625,097	2,269,762,172
2021	2,111,237,527	44,400	290,585,159	2,401,867,086

Source: Financial Statements and Independent Auditors' Report  
Certified Totals from Hidalgo County Appraisal District (2012-2021)  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-9**

<u>Estimated Actual Taxable Value</u>	<u>Ratio of Total Taxable Assessed Value to Estimated Actual Taxable Value</u>	<u>Total Direct Tax Rate</u>
\$ 2,329,852,203	70.05%	\$ 1.3300
2,332,404,288	70.29%	1.3300
2,425,490,875	70.47%	1.3300
2,444,990,914	70.68%	1.3300
2,596,406,700	68.46%	1.3672
2,822,843,705	69.02%	1.3582
2,920,042,475	68.52%	1.3502
3,000,172,149	69.28%	1.3398
3,251,770,397	69.80%	1.2396
3,394,561,487	70.76%	1.1993

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**

**TABLE L-10**

Fiscal Year	Total Adjusted Tax Levy	Collected within the Fiscal Year of Levy		Collection Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2012	\$ 20,662,451	\$ 19,155,400	92.71%	\$ 1,384,621	\$ 20,540,021	99.41%
2013	20,629,194	19,355,341	93.82%	1,115,058	20,470,399	99.23%
2014	21,706,417	20,450,050	94.21%	1,075,034	21,525,084	99.16%
2015	22,726,715	21,492,809	94.57%	1,059,957	22,552,766	99.23%
2016	23,664,196	22,161,507	93.65%	1,246,754	23,408,261	98.92%
2017	25,636,210	23,929,589	93.34%	1,363,555	25,293,144	98.66%
2018	26,392,545	24,656,713	93.42%	1,301,371	25,958,084	98.35%
2019	27,002,501	25,310,690	93.73%	1,105,620	26,416,310	97.83%
2020	27,342,760	25,567,218	93.51%	982,088	26,549,306	97.10%
2021	27,800,478	26,490,414	95.29%	-	26,490,414	95.29%

Source: Financial Statements and Independent Auditors' Report  
Schedule of Delinquent Taxes Receivable Exhibit J-1  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**ALLOCATION OF PROPERTY TAX RATES AND LEVIES**  
**LAST TEN YEARS**

**TABLE L-11**

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2012	\$ 1.1700	\$ 0.1300	\$ 1.3000	\$ 18,551,759	\$ 2,061,307	\$ 20,613,066
2013	1.1700	0.1300	1.3000	18,630,146	2,070,016	20,700,162
2014	1.1700	0.1300	1.3000	19,501,870	2,166,874	21,668,744
2015	1.1700	0.1300	1.3000	20,163,640	2,240,404	22,404,044
2016	1.1700	0.1972	1.3672	20,269,815	3,416,417	23,686,232
2017	1.1700	0.1882	1.3582	22,226,619	3,575,256	25,801,875
2018	1.1700	0.1802	1.3502	22,821,090	3,514,838	26,335,928
2019	1.1700	0.1698	1.3398	23,757,717	3,447,915	27,205,632
2020	1.0684	0.1712	1.2396	23,706,296	3,798,688	27,504,984
2021	1.0280	0.1713	1.1993	24,035,769	4,005,182	28,040,951

Source: Financial Statements and Independent Auditors' Report  
 Certified Tax Roll from Hidalgo County Tax Office  
 2012-2015 Fiscal Year End 8/31  
 2016-2021 Fiscal Year End 6/30

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 ASSESSED VALUATION)**  
**LAST TEN YEARS**

**TABLE L-12**

Fiscal Year	Tax Year	Hidalgo County	South Texas ISD	Drainage District #1	Mission CISD	South Texas College	City of Mission	Total Direct and Overlapping Tax Rate	Original Levy Total
2012	2011	\$ 0.5900	\$ 0.0492	\$ 0.0733	\$ 1.3000	\$ 0.1507	\$ 0.5388	\$ 2.7020	\$ 20,613,066
2013	2012	0.5900	0.0492	0.0750	1.3000	0.1507	0.5288	2.6937	20,700,162
2014	2013	0.5900	0.0492	0.0957	1.3000	0.1500	0.5288	2.7137	21,668,744
2015	2014	0.5900	0.0492	0.0957	1.3300	0.1850	0.5188	2.7687	22,404,044
2016	2015	0.5900	0.0492	0.0951	1.3672	0.1850	0.4988	2.7853	23,686,232
2017	2016	0.5900	0.0492	0.0951	1.3582	0.1850	0.4962	2.7737	25,801,875
2018	2017	0.5800	0.0492	0.0951	1.3502	0.1850	0.4862	2.7457	26,335,928
2019	2018	0.5800	0.0492	0.0951	1.3398	0.1780	0.4862	2.7283	27,205,632
2020	2019	0.5750	0.0492	0.1051	1.2396	0.1733	0.5212	2.6634	27,504,984
2021	2020	0.5750	0.0492	0.1026	1.1993	0.1718	0.5299	2.6278	28,040,951

Source: Financial Statements and Independent Auditors' Report  
 Certified Tax Roll from Hidalgo County Tax Office  
 Hidalgo County Tax Assessor-Collector Tax Rate Schedule (website)  
 City of Mission  
 2012-2015 Fiscal Year End 8/31  
 2016-2021 Fiscal Year End 6/30

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**TAX YEAR 2020 AND 2011**

**TABLE L-13**  
Page 1 of 2

Taxpayer	Tax Year 2020 Assessed Valuation	Percentage Total Assessed Valuation
1 AEP Texas, INC-27H	\$ 27,161,640	1.13%
2 Neuhaus & Sons	20,296,347	0.85%
3 Royal Technologies Corporation	16,289,371	0.68%
4 Stanley Black & Decker	16,001,577	0.67%
5 Wal-Mart Stores	15,113,702	0.63%
6 Sharyland Utilities, LP	14,272,650	0.59%
7 Wonderful Citrus Packing, LLC	13,964,455	0.58%
8 Royal Technologies Corporation	13,964,251	0.58%
9 Bert Ogden Chevrolet, INC	11,453,429	0.48%
10 H E Butt Grocery Company, LP	10,936,834	0.46%
11 Stag Ind Mission, LP	9,800,000	0.41%
12 HEB Grocery Company, LP	9,696,000	0.40%
13 TBD-Q Palmhurst, LP	8,862,980	0.37%
14 Wonderful Citrus Packing, LLC	7,813,038	0.33%
15 Cantera Enterprises, LLC	7,094,603	0.30%
16 Hesselbein Tire Southwest	7,036,648	0.29%
17 Spectrum Gulf Coast, LLC	6,971,400	0.29%
18 Spikes Motor Co, INC	6,252,615	0.26%
19 Hidalgo County SNF Project, LLC	5,937,596	0.25%
20 Wal-Mart Stores Texas, LLC	5,614,564	0.23%
21 Galena Enterprises, LLC	5,540,338	0.23%
22 Rio Del Vida Apartments	5,303,574	0.22%
23 B-Y Mission Texas WM, LTD	5,102,371	0.21%
24 South Sooner Holdings, LLC	4,746,232	0.20%
25 Charco Land Sales, LLC	4,689,199	0.20%
	\$ 259,915,414	10.82%

Source: Certified Totals from Hidalgo County Appraisal District  
Top Taxpayer 2020 & 2011

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**TAX YEAR 2020 AND 2011**

**TABLE L-13**  
Page 2 of 2

Taxpayer	Tax Year 2011 Assessed Valuation	Percentage Total Assessed Valuation
1 Sharyland Utilities, LP	\$ 36,233,310	2.22%
2 AEP Texas Central Co	11,792,790	0.72%
3 H E Butt Grocery Company	9,921,039	0.61%
4 Bert Ogden Chevrolet-Mission	9,009,323	0.55%
5 Wal-Mart Stores Texas, LLC	8,090,234	0.50%
6 Wal-Mart Stores	8,017,227	0.49%
7 Southwestern Bell Tele	7,995,800	0.49%
8 Texas Citrus Exchange	7,396,399	0.45%
9 Infinity Global Development Group, LLC	7,217,310	0.44%
10 Solida Administradora de Portafolios SA DE CV	6,984,834	0.43%
11 Colimar, INC	5,540,277	0.34%
12 Rio Del Vida Apartments	5,378,409	0.33%
13 Spikes Motor Co, INC	4,920,900	0.30%
14 Cill-Ken Developments, LP	4,920,423	0.30%
15 TIC Mission Assoc	4,323,678	0.26%
16 J M A Enterprises, INC	4,300,650	0.26%
17 Spikes Motor Company, INC	4,150,980	0.25%
18 Carreras Jose R, MDPA	4,104,685	0.25%
19 Mission Real Estate Invesments, INC	3,618,983	0.22%
20 LFD, LTD	3,576,940	0.22%
21 Hi-Tech Plastics	3,423,650	0.21%
22 TWE Advance Newhouse Prtnshp	3,275,190	0.20%
23 LC Castillo Corporation	3,081,828	0.19%
24 Mission Paving Co, INC	2,920,909	0.18%
25 Saltillo Group, LLC	2,918,199	0.18%
	\$ 173,113,967	10.61%

## **DEBT CAPACITY INFORMATION**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN YEARS**

Fiscal Year	Governmental Activities				Total Debt	*Total Debt to Personal Income
	General Obligation Bonds	Premiums on Bonds and Notes	Accretion of Bonds	Maintenance Tax Notes		
2012	\$ 148,438,958	\$ 929,739	\$ 32,945	\$ -	\$ 149,401,642	0.88%
2013	143,480,222	861,596	55,641	2,978,000	147,375,459	0.83%
2014	137,810,222	793,454	78,924	2,978,000	141,660,600	0.77%
2015	125,780,222	9,428,489	102,804	2,978,000	138,289,515	0.73%
2016	120,485,222	8,796,940	127,291	2,978,000	132,387,453	0.67%
2017	115,540,000	13,190,417	-	12,593,000	141,323,417	0.68%
2018	110,540,000	12,152,394	-	12,393,000	135,085,394	0.64%
2019	106,250,000	11,145,693	-	12,038,000	129,433,693	0.59%
2020	101,795,000	10,134,450	-	11,673,000	123,602,450	0.54%
2021	95,979,960	11,679,159	258,793	11,293,000	119,210,912	0.51%

Source: Financial Statements and Independent Auditors' Report  
Notes to Financial Statements (Note 13) Long Term Debt Obligations  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-14**

<u>**Total Debt to Per Capita</u>	<u>***Total Debt to Estimated Actual Taxable Value</u>	<u>****Total Debt to Average Daily Membership</u>
1,939	6.41%	9,528
1,857	6.32%	9,487
1,761	5.84%	9,215
1,706	5.66%	8,982
1,606	5.10%	8,398
1,697	5.01%	8,899
1,590	4.63%	8,498
1,505	4.31%	8,303
1,419	3.80%	7,992
1,352	3.51%	7,924

\* Percentage of Personal Income calculated as follows:  
Total Debt divided by Personal Income, Table L-20

\*\*Total Debt to Per Capita calculated as follows:  
Total Debt divided by Population, Table L-20

\*\*\*Percentage of Estimated Actual Tax Value calculated as follows:  
Total Debt divided by Estimated Actual Tax Value , Table L-17

\*\*\*\*Total Debt to ADA calculated as follows:  
Total Debt divided by Average Daily Membership, Table L-17

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING**  
**GOVERNMENTAL ACTIVITIES DEBT**

**TABLE L-15**

Political Subdivision	*Gross Debt Amounts	As of	Applicable to MCISD	Overlapping Debt
<b>DIRECT DEBT</b>				
<i>Mission CISD - Bonds</i>	\$ 107,429,230	6/30/2021	100.00%	\$ 107,429,230
<i>Mission CISD - Maintenance Tax Notes</i>	11,781,682	6/30/2021	100.00%	11,781,682
				<u>\$ 119,210,912</u>
<b>OVERLAPPING DEBT</b>				
<i>Alton, City Of</i>	\$ 11,751,000	6/30/2021	65.59%	\$ 7,707,481
<i>Hidalgo Co.</i>	366,620,000	6/30/2021	6.76%	24,783,512
<i>Hidalgo Co DD #1</i>	172,350,000	6/30/2021	7.04%	12,133,440
<i>Mission, City Of</i>	54,015,000	6/30/2021	42.86%	23,150,829
<i>South Texas College</i>	128,814,693	6/30/2021	6.34%	8,166,852
				<u>75,942,113</u>
<i>Total Net Overlapping Debt</i>				<u>\$ 195,153,025</u>

\* Gross Debt Amounts include related premiums and accretion on bonds.

\*\* Overlapping percentage is calculated as follows:  
 Shared market value between entities from the Appraisal  
 District divided by the total market value of each entity.

\*\*\* The overlapping debt is calculated as follows:  
 The gross debt multiplied by the overlapping percentage = overlapping debt

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and the businesses of the District. This process recognizes that, when considering the district's ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Municipal Advisory Council of Texas

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**LAST TEN YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<i>Assessed Valuation</i>	\$ 1,632,174,577	\$ 1,639,479,201	\$ 1,709,150,385	\$ 1,728,186,904
<i>Debt Limit-10% of Assessed Valuation</i>	\$ 163,217,458	\$ 163,947,920	\$ 170,915,039	\$ 172,818,690
<i>General Obligation Bonds</i>	149,401,642	144,397,459	138,682,600	135,311,515
<i>Deduct Amount Available in Debt Services Fund</i>	<u>(1,073,607)</u>	<u>(607,254)</u>	<u>(674,816)</u>	<u>(1,104,802)</u>
<i>Net General Bonded Debt</i>	148,328,035	143,790,205	138,007,784	134,206,713
<i>Maintenance Tax Notes</i>	-	2,978,000	2,978,000	2,978,000
<i>Less : Applicable Debt Margin</i>	<u>148,328,035</u>	<u>146,768,205</u>	<u>140,985,784</u>	<u>137,184,713</u>
<i>Legal Debt Margin</i>	<u>\$ 14,889,423</u>	<u>\$ 17,179,715</u>	<u>\$ 29,929,255</u>	<u>\$ 35,633,977</u>
<i>Debt Margin as a Percentage of the Debt Limit</i>	9.12%	10.48%	17.51%	20.62%

Source: Financial Statements and Independent Auditors' Report  
Notes to Financial Statements (Note 14) Long Term Obligations  
Budgetary Comparison Schedule Exhibit J-3  
Certified Totals from Hidalgo County Appraisal District  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-16**

2016	2017	2018	2019	2020	2021
<u>\$ 1,777,408,364</u>	<u>\$ 1,948,395,629</u>	<u>\$ 2,000,728,923</u>	<u>\$ 2,078,411,509</u>	<u>\$ 2,269,762,172</u>	<u>\$ 2,401,867,086</u>
\$ 177,740,836	\$ 194,839,563	\$ 200,072,892	\$ 207,841,151	\$ 226,976,217	\$ 240,186,709
129,409,453	128,125,077	122,153,850	116,874,473	111,424,876	107,429,230
<u>(5,163,367)</u>	<u>(6,767,086)</u>	<u>(5,469,066)</u>	<u>(5,476,784)</u>	<u>(5,239,599)</u>	<u>(4,579,005)</u>
124,246,086	121,357,991	116,684,784	111,397,689	106,185,277	102,850,225
2,978,000	13,198,340	12,931,544	12,559,220	12,177,574	11,781,682
<u>127,224,086</u>	<u>134,556,331</u>	<u>129,616,328</u>	<u>123,956,909</u>	<u>118,362,851</u>	<u>114,631,907</u>
<u>\$ 50,516,750</u>	<u>\$ 60,283,232</u>	<u>\$ 70,456,564</u>	<u>\$ 83,884,242</u>	<u>\$ 108,613,366</u>	<u>\$ 125,554,802</u>
28.42%	30.94%	35.22%	40.36%	47.85%	52.27%

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
*RATIO OF NET GENERAL OBLIGATION BONDED DEBT*  
*TO ESTIMATED ACTUAL TAXABLE VALUE AND*  
*PER AVERAGE DAILY MEMBERSHIP*  
*LAST TEN YEARS*

<u>Fiscal Year</u>	<u>Average Daily Membership</u>	<u>Estimated Actual Taxable Value</u>	<u>General Obligation Bonds</u>	<u>Premium on Bonds</u>	<u>Accretions of Bonds</u>
2012	15,680	\$ 2,329,852,203	\$ 148,890,222	\$ 929,739	\$ 32,945
2013	15,534	2,332,404,288	143,480,222	861,596	55,641
2014	15,372	2,425,490,875	137,810,222	793,454	78,924
2015	15,396	2,444,990,914	125,780,222	9,428,489	102,804
2016	15,765	2,596,406,700	120,485,222	8,796,940	127,291
2017	15,881	2,822,843,705	115,540,000	12,585,077	-
2018	15,896	2,920,042,475	110,540,000	11,613,850	-
2019	15,588	3,000,172,149	106,250,000	10,624,473	-
2020	15,465	3,251,770,397	101,795,000	9,629,876	-
2021	15,044	3,394,561,487	95,979,960	11,190,477	258,793

Source: Financial Statements and Independent Auditors' Report  
Notes to Financial Statements (Note 14) Long Term Obligations  
Certified Totals from the Hidalgo County Appraisal District  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-17**

Less: Amount Available in Debt Service Fund	Net Bonded Debt	Net Bonded Debt to Estimated Actual Taxable Value	General Obligation Bonds Per Average Daily Membership
\$ 1,073,607	\$ 148,779,299	6.39%	9,496
607,254	143,790,205	6.16%	9,237
674,816	138,007,784	5.69%	8,965
1,104,802	134,206,713	5.49%	8,170
5,163,367	124,246,086	4.79%	7,643
6,767,086	121,357,991	4.30%	7,275
5,469,066	116,684,784	4.00%	6,954
5,476,784	111,397,689	3.71%	6,816
5,239,599	106,185,277	3.27%	6,582
4,579,005	102,850,225	3.03%	6,380

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT**  
**TO TOTAL GENERAL FUND EXPENDITURES**  
**LAST TEN YEARS**

**TABLE L-18**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Annual Debt Service to Total General Fund Expenditures</u>
2012	\$ 5,160,000	\$ 7,252,074	\$ 12,412,074	\$ 114,584,264	10.83%
2013	5,410,000	7,011,686	12,421,686	131,031,521	9.48%
2014	5,670,000	6,764,974	12,434,974	141,328,187	8.80%
2015	35,780,000	5,647,954	41,427,954	158,553,870	26.13%
2016	5,295,000	2,876,100	8,171,100	139,209,792	5.87%
2017	3,765,223	4,530,746	8,295,969	153,740,870	5.40%
2018	5,000,000	5,417,787	10,417,787	165,763,796	6.28%
2019	4,290,000	4,738,644	9,028,644	152,793,981	5.91%
2020	4,455,000	4,579,844	9,034,844	155,349,592	5.82%
2021	5,815,000	3,551,825	9,366,825	165,968,805	5.64%

Source: Financial Statements and Independent Auditors' Report  
 Debt Fund Budgetary Comparison Schedule ( Exhibit J-3)  
 General Fund Budgetary Comparison Schedule (Exhibit G-1)  
 2012-2015 Fiscal Year End 8/31  
 2016-2021 Fiscal Year End 6/30

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**2021 AND 2012**

**TABLE L-19**  
Page 1 of 2

Employer	2021		Percentage of Total City Employment
	Employees	Rank	
<i>Mission CISD</i>	2,378	1	3.25%
<i>Sharyland ISD</i>	1,726	2	2.36%
<i>Mission Regional Medical Center</i>	891	3	1.22%
<i>T-Mobile</i>	842	4	1.15%
<i>City of Mission</i>	732	5	1.00%
<i>HEB</i>	668	6	0.91%
<i>Wal-Mart Super Center</i>	423	7	0.58%
<i>Home Depot</i>	210	8	0.29%
<i>Royal Technologies</i>	194	9	0.27%
<i>Target</i>	173	10	0.24%
<i>Total Top Ten Employers</i>	<u>8,237</u>		<u>11.28%</u>

Source: City of Mission 2020 Comprehensive Annual Financial Report

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**2021 AND 2012**

**TABLE L-19**  
Page 2 of 2

Employer	2012		Percentage of Total City Employment
	Employees	Rank	
<i>Mission CISD</i>	2,330	1	3.52%
<i>Sharyland ISD</i>	1,214	2	1.93%
<i>Mission Regional Medical Center</i>	1,193	3	1.91%
<i>T-Mobile</i>	832	4	1.34%
<i>HEB Grocery</i>	647	5	1.00%
<i>City of Mission</i>	567	6	1.09%
<i>Wal-Mart Super Center</i>	346	7	0.54%
<i>Haliburton Energy Services</i>	182	8	0.31%
<i>Home Depot</i>	176	9	0.27%
<i>Target</i>	145	10	0.26%
<i>Total Top Ten Employers</i>	<u>7,632</u>		<u>12.16%</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

**TABLE L-20**

Fiscal Year	Population	*Personal Income	*Per Capita Personal Income	Unemployment Rate	Average Daily Attendance	Percentage Economically Disadvantaged Students
2012	77,058	\$ 16,965,278,000	\$ 21,771	10.20%	14,398	83.7%
2013	79,368	17,789,208,000	22,390	8.10%	14,210	84.1%
2014	80,452	18,341,843,000	22,757	7.90%	14,122	83.9%
2015	81,050	18,827,748,000	23,073	6.90%	14,147	84.0%
2016	82,431	19,740,566,000	23,753	6.10%	14,350	83.8%
2017	83,298	20,702,880,000	24,579	6.20%	14,359	83.7%
2018	84,963	21,080,611,000	24,805	6.20%	14,211	83.4%
2019	86,025	21,955,456,357	25,400	6.10%	14,081	86.3%
2020	87,100	22,866,607,795	26,010	6.00%	12,942	82.0%
2021	88,189	23,358,239,863	26,634	12.10%	13,775	86.4%

Source: City of Mission 2020 Comprehensive Annual Financial Report  
 2012-2021 PEIMS Snapshot  
 2012-2015 Fiscal Year End 8/31  
 2016-2021 Fiscal Year End 6/30

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## **OPERATING INFORMATION**

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**WORKFORCE COMPOSITION BY EMPLOYEE CLASSIFICATION**  
**LAST TEN YEARS**

Classification	2012	2013	2014	2015
<i>Number of Employees</i>				
<i>Teachers</i>	972	1,003	1,009	1,017
<i>Professional Support</i>	179	175	178	198
<i>Campus Administration</i>	53	54	50	58
<i>Central Administration</i>	24	24	24	28
<i>Educational Aides</i>	211	-	188	163
<i>Auxiliary Staff</i>	689	876	691	759
<i>Total Employees</i>	2,127	2,131	2,140	2,222
<b>Percent of Total</b>				
<i>Teachers</i>	45.70%	47.10%	47.10%	45.80%
<i>Professional Support</i>	8.40%	8.20%	8.30%	8.90%
<i>Campus Administration</i>	2.48%	2.50%	2.40%	2.60%
<i>Central Administration</i>	1.12%	1.10%	1.10%	1.30%
<i>Educational Aides</i>	9.93%	0.00%	8.80%	7.30%
<i>Auxiliary Staff</i>	32.37%	41.10%	32.30%	34.10%
	100.00%	100.00%	100.00%	100.00%

Source: PEIMS Edit + Reports (PRF4D004) 2011-2016  
TSDS PEIMS Report (PDM1-110-004) 2017-2021  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-21**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1,026	1,006	1,054	1,009	1,014	977
202	207	199	211	202	209
53	51	55	57	53	55
30	33	32	31	31	32
201	195	194	194	189	202
<u>761</u>	<u>734</u>	<u>-</u>	<u>749</u>	<u>755</u>	<u>738</u>
<u>2,272</u>	<u>2,227</u>	<u>1,534</u>	<u>2,251</u>	<u>2,245</u>	<u>2,213</u>
45.10%	45.20%	68.70%	44.80%	45.20%	44.10%
8.90%	9.30%	13.00%	9.40%	9.00%	9.50%
2.30%	2.30%	3.60%	2.50%	2.40%	2.50%
1.30%	1.50%	2.10%	1.40%	1.40%	1.40%
8.80%	8.80%	12.70%	8.60%	8.40%	9.10%
<u>33.50%</u>	<u>33.00%</u>	<u>0.00%</u>	<u>33.30%</u>	<u>33.60%</u>	<u>33.30%</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.09%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF TEACHER INFORMATION**  
**LAST TEN YEARS**

Fiscal Year	Bachelor's Degree		Master's Degree		Doctorate	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
2012	\$ 41,300	\$ 63,450	\$ 42,550	\$ 64,700	Non Applicable	
2013	42,400	64,950	43,650	66,200	Non Applicable	
2014	44,000	66,450	47,000	69,450	Non Applicable	
2015	45,250	67,950	48,250	70,950	Non Applicable	
2016	46,000	68,950	49,000	71,950	Non Applicable	
2017	46,750	69,950	49,750	72,950	Non Applicable	
2018	47,500	70,950	50,500	73,950	Non Applicable	
2019	48,250	71,950	51,250	74,950	Non Applicable	
2020	51,250	75,950	54,250	78,950	Non Applicable	
2021	52,470	78,420	55,470	81,420	Non Applicable	

Source: District's Human Resource Department  
PEIMS Edit + Reports Data Review (PRF4D004) 2012-2016  
TSDS PEIMS Report (PDM1-110-004) 2017-2021  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

**TABLE L-22**

	<u>Average Teacher Salary</u>	<u>Average Years of Experience</u>	<u>Bachelor's Education</u>	<u>Master's Education</u>
\$	47,875	12.1	83.5%	15.5%
	48,562	11.6	82.8%	16.0%
	49,313	11.1	83.5%	15.9%
	51,221	11.3	83.3%	15.9%
	52,164	11.6	81.1%	17.8%
	52,855	11.7	81.6%	17.8%
	53,440	0.0	80.2%	19.4%
	53,780	12.4	79.4%	19.6%
	58,631	12.6	76.9%	21.8%
	59,948	13.2	77.1%	21.6%

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
*SCHEDULE OF ATTENDANCE AND MEMBERSHIP*  
*LAST TEN YEARS*

**TABLE L-23**

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>Average Daily Membership</u>	<u>Percent of Attendance</u>
2012	14,398	15,680	91.82%
2013	14,210	15,534	91.48%
2014	14,122	15,372	91.87%
2015	14,147	15,396	91.89%
2016	14,350	15,765	91.02%
2017	14,359	15,881	90.42%
2018	14,211	15,896	89.40%
2019	14,081	15,588	90.33%
2020	12,942	15,465	83.69%
2021	13,775	15,044	91.56%

Source: 2012-2021 PEIMS Snapshot reports  
 2012-2015 Fiscal Year End 8/31  
 2016-2021 Fiscal Year End 6/30

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN YEARS**

**TABLE L-24**

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>General Fund Operating Expenditures*</u>	<u>Cost Per Pupil</u>	<u>Per Pupil Change</u>	<u>Governmental Operating Expenditures*</u>	<u>Cost Per Pupil</u>	<u>Per Pupil Change</u>
2012	14,398	\$ 114,332,705	\$ 7,941	N/A	\$ 143,137,924	\$ 9,942	N/A
2013	14,210	128,329,326	9,031	13.73%	156,415,441	11,007	10.72%
2014	14,122	133,716,686	9,469	4.85%	149,815,253	10,609	-3.62%
2015	14,147	145,416,751	10,279	8.57%	162,737,338	11,503	8.43%
2016	14,350	135,545,693	9,446	-8.12%	149,134,550	10,393	-9.66%
2017	14,359	149,027,363	10,378	9.88%	163,460,003	11,384	9.53%
2018	14,211	155,457,373	10,939	5.42%	170,287,238	11,983	5.26%
2019	14,081	151,359,417	10,748	-1.75%	168,644,881	11,977	-0.05%
2020	12,942	152,609,707	11,792	9.71%	173,488,409	13,405	11.93%
2021	13,775	162,642,354	11,807	0.12%	183,310,706	13,307	-0.73%

\*Note: General Fund and Governmental Operating Expenditures less Debt Service (function 7X) and Capital Outlay (Function 81)

Source: Financial Statements and Independent Auditors' Report  
Statement of Revenues, Expenditure and Changes in Fund Balances (Exhibit C-2)  
2012-2021 PEIMS Snapshot reports  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

N/A = Not Available

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF STUDENT INFORMATION**  
**LAST TEN YEARS**

**TABLE L-25**

<u>Fiscal Year</u>	<u>Teacher/ Student Ratio</u>	<u>Number of Economically Disadvantaged Students</u>	<u>Percentage of Economically Disadvantaged Students</u>
2012	16.1	13,090	83.7%
2013	15.4	15,471	84.1%
2014	15.2	12,874	83.9%
2015	15.1	12,897	84.0%
2016	15.3	13,171	83.8%
2017	15.7	13,254	83.7%
2018	15.1	13,253	83.4%
2019	15.4	13,443	86.3%
2020	15.2	12,668	82.0%
2021	15.4	12,992	86.4%

Source: 2012-2021 PEIMS Snapshot reports  
2012-2015 Fiscal Year End 8/31  
2016-2021 Fiscal Year End 6/30

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL BUILDINGS AND PORTABLES  
 LAST TEN YEARS

TABLE L-26

	Year Built	Estimated Square Footage	Building Capacity	Portable Square Footage	Portable Capacity
<b><u>High Schools</u></b>					
Mission High School	2018	385,040	2,400	24,576	525
Veterans Memorial High School	2015	296,124	2,400	7,680	175
Mission Collegiate High School	2015	75,485	500	1,536	70
Sub-Total		756,649	5,300	33,792	770
<b><u>Junior High Schools</u></b>					
Mission Junior High School	2015	136,139	1,200	-	-
Kenneth White Junior High School	2015	123,796	1,200	-	-
Alton Memorial Junior High School	2004	151,620	1,200	3,924	175
Rafael Cantu Junior High	2008	142,458	1,200	-	-
Sub-Total		554,013	4,800	3,924	175
<b><u>Elementary Schools</u></b>					
Alton Elementary	2011	74,677	750	-	-
William Jennings Bryan Elementary	2013	75,266	750	-	-
Arturo Cantu Elementary	2014	89,279	750	-	-
Captain Joaquin Castro Elementary	2011	77,678	750	-	-
Raquel Cavazos Elementary	2009	79,490	750	-	-
Hilda C. Escobar/Alice C. Rios Elementary	2008	69,473	750	-	-
Gertrude Leal Elementary	2014	71,646	750	-	-
Leo Marcell Elementray	2012	79,227	750	-	-
Hurla M. Midkiff Elementary	2009	79,490	750	3,072	70
Charles H. Mims Elementary	2013	63,616	750	1,536	35
Ollie O'Grady Elementary	2013	68,591	750	-	-
Lucille E. Stoops Pearson Elementary	2000	76,260	750	-	-
Esteban "Steve" Salinas, Jr. Elementary	2013	82,476	750	-	-
Carl Waitz Elementary	2013	88,939	750	-	-
Sub-Total		1,076,108	10,500	4,608	105
<b><u>Other</u></b>					
Roosevelt Alternative High School	2013	22,138	-	9,088	210
Total		2,408,908	20,600	51,412	1,260

Source: Mission CISD Maintenance Department

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**OVERALL COMPLIANCE, INTERNAL CONTROLS, AND  
FEDERAL AWARDS SECTION**

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

To the Board of Trustees  
Mission Consolidated Independent School District

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 statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mission Consolidated Independent School District (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 10, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 statements 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.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements 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 statements. 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.

*Caru, Riggs & Ingram, L.L.C.*

McAllen, Texas  
November 10, 2021

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees  
Mission Consolidated Independent School District

### **Report on Compliance for Each Major Federal Program**

We have audited the Mission Consolidated Independent School District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Caru, Riggs & Ingram, L.L.C.*

McAllen, Texas  
November 10, 2021

**Mission Consolidated Independent School District  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021**

**Section I – Summary of Auditors' Results**

***Financial Statements***

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted?                     | No         |

***Federal Awards***

- |  |            |
|--|------------|
| 1. Type of auditors' report issued on compliance for major programs  | Unmodified |
| 2. Internal control over major programs:   |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses?                             | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | No         |
| 4. Identification of major programs  |            |

Assistance Listing Number	Federal Program
10.553/10.555	Child Nutrition Cluster School Breakfast Program National School Lunch Program
84.027/84.173	Special Education Cluster (IDEA) Special Education – Grants to States Special Education – Preschool Grants
21.019	COVID-19 Coronavirus Relief Fund
84.425D	COVID-19 Education Stabilization Fund

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$981,250 |
| 6. Auditee qualified as low-risk under 2CFR 200.520                         | Yes       |

**Mission Consolidated Independent School District  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2021**

**Section II – Financial Statements Findings**

No findings noted.

**Section III – Federal Award Findings and Questioned Costs**

No findings noted.

**Section IV – Prior Findings and Questioned Costs for Federal Awards**

No findings noted.

**Mission Consolidated Independent School District  
Schedule of Findings and Questioned Costs (Continued)  
Corrective Action Plan  
For the Year Ended June 30, 2021**

**Financial Statement Findings:**

None noted.

**Federal Award Findings:**

None noted.

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**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021

**EXHIBIT K-1**  
Page 1 of 2

(1)	(2)	(2A)	(3)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
Passed Through Texas Department of Agriculture:				
*National School Lunch Program - EOC	10.555	806780706	\$ --	\$ 1,621,063
Passed Through Texas Education Agency:				
*COVID-19 School Breakfast Program- SSO	10.553	806780706	--	4,234,410
*COVID-19 National School Lunch Program - SSO	10.555	806780706	--	6,779,401
*National School Lunch Program, non-cash assistance	10.555	806780706	--	945,913
Total Assistance Listing Number 10.555			--	7,725,314
Total Passed Through Texas Education Agency			--	11,959,724
Total Child Nutrition Cluster			--	13,580,787
Direct Program:				
Fresh Fruit and Vegetable Program	10.582		--	149,290
Passed Through Texas Department of Agriculture:				
Child and Adult Care Food Program - EOC	10.558	806780706	--	103,872
State Administrative Expense for CNP	10.560	806780706	--	21,991
Total Passed Through Texas Department of Agriculture			--	125,863
Total U. S. Department of Agriculture			--	13,855,940
<u>U.S. Department of Defense</u>				
Direct Program:				
Junior Reserve Officer Training Corps	12.U01		--	78,726
Total U.S. Department of Defense			--	78,726
<u>U. S. Department of Health and Human Services</u>				
Passed Through Texas Health and Human Services Commission:				
*Medical Assistance Program - Medicaid Administrative Claiming (MAC)	93.778	52907015700020	--	75,211
Total U. S. Department of Health and Human Services			--	75,211
Total Medicaid Cluster			--	75,211
<u>U.S. Department of Treasury</u>				
Passed Through Texas Education Agency:				
COVID-19 Coronavirus Relief Fund	21.019	52202002	--	359,125
Passed Through Hidalgo County:				
COVID-19 Coronavirus Relief Fund	21.019	2020-HID-CRF-MCISD-34	--	359,125
Passed Through Texas Division of Emergency Management:				
COVID-19 Coronavirus Relief Fund	21.019	2020-CF-21019		165,879
COVID-19 Coronavirus Relief Fund	21.019	20522001	--	718,250
Total Passed Through Texas Division of Emergency Management			--	884,129
Total U. S. Department of the Treasury			--	1,602,379
<u>U. S. Department of Education</u>				
Passed Through Region One Education Service Center:				
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)	84.334	P334A050083	--	37,086
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)	84.334	P334A050083	--	150,178
Total Assistance Listing Number 84.334			--	187,264
Total Passed Through Region One Education Service Center			--	187,264

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021

**EXHIBIT K-1**

Page 2 of 2

(1)	(2)	(2A)	(3)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Passed Through Texas Education Agency:				
<i>Title I Grants to Local Educational Agencies</i>	84.010	20610101108908	\$ --	\$ 2,198,508
<i>Title I Grants to Local Educational Agencies</i>	84.010	21610101108908	--	7,704,729
Total Assistance Listing Number 84.010			--	9,903,237
<i>Migrant Education State Grant Program</i>	84.011	20615001108908	--	177,641
<i>*Special Education Grants to States (IDEA, Part B)</i>	84.027	206600011089086600	--	978,850
<i>*Special Education Grants to States (IDEA, Part B)</i>	84.027	216600011089086600	--	1,297,016
Total Assistance Listing Number 84.027			--	2,275,866
<i>*Special Education Preschool Grants (IDEA Preschool)</i>	84.173	206610011089086610	--	32,243
Total Special Education (IDEA) Cluster			--	2,308,109
<i>Career and Technical Education - Basic Grants to States</i>	84.048	20420006108908	--	13,577
<i>Career and Technical Education - Basic Grants to States</i>	84.048	21420006108908	--	295,417
Total Assistance Listing Number 84.048			--	308,994
<i>English Language Acquisition State Grants</i>	84.365	20671001108908	--	352,819
<i>English Language Acquisition State Grants</i>	84.365	21671001108908	--	6,562
Total Assistance Listing Number 84.365			--	359,381
<i>Supporting Effective Instruction State Grants</i>	84.367	20694501108908	--	390,807
<i>Supporting Effective Instruction State Grants</i>	84.367	21694501108908	--	35,961
Total Assistance Listing Number 84.367			--	426,768
<i>Summer School - LEP</i>	84.369	69551802	--	7,246
<i>Instructional Continuity</i>	84.377	17610740108908	--	35,000
<i>Student Support and Academic Enrichment Grants</i>	84.424	20680101108908	--	284,917
<i>Student Support and Academic Enrichment Grants</i>	84.424	21680101108908	--	337,707
Total Assistance Listing Number 84.424			--	622,624
<i>COVID-19 Education Stabilization Fund (ESSER I)</i>	84.425D	20521001108908	--	298,330
<i>COVID-19 Education Stabilization Fund (ESSER II)</i>	84.425D	52102135	--	2,461,486
Total Assistance Listing Number 84.425			--	2,759,816
Total Passed Through Texas Education Agency			--	14,600,706
Total U. S. Department of Education			--	14,787,970
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ --</b>	<b>\$ 32,708,336</b>

\*Clustered Programs

The accompanying notes are an integral part of this schedule.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2021

**Basis of Presentation:**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Mission CISD. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Compliance Supplement, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate:**

Mission CISD has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Sub-recipients:**

During the year ended June 30, 2021, the District had no sub-recipients.

**Federal Loans and Loan Guarantees:**

During the year ended June 30, 2021 the District had no outstanding federal loans payable or loan guarantees.

**Federally Funded Insurance:**

During the year ended June 30, 2021, the District had no federally funded insurance.

**Noncash awards:**

During the year ended June 30, 2021, the District received non-cash assistance of \$945,913 under the National School Lunch Program.

**Contingencies:**

Grant monies received and disbursed by the District are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the District does not believe that such disallowance, if any, would have a material effect on the financial position of the District.

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2021

**Federal Pass-through Funds:**

The District is also the sub-recipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.

**Reconciliation from the Schedule of Expenditures of Federal Awards to Exhibit C-2:**

Total Federal Awards Expended	\$ 32,708,336
Medicaid Reimbursements	1,283,973
Qualified School Construction Notes Prog. Subsidy	<u>122,296</u>
Exhibit C-2	<u>\$ 34,114,605</u>

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS*  
*AS OF JUNE 30, 2021*

Data Control Codes		Responses
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warranty hold was issued, the school district is considered <b>to not have made</b> timely payments.)	Yes
	Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.	
	Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government code, Texas Education Code, Texas Administrative Code and other statues, laws and rules that were in effect at the school district's fiscal year-end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end	\$ 258,793

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