

Mathis Independent School District
General Obligation
Annual Financial Operating Data
Fiscal Year Ended August 31, 2020

Mathis Independent School District
General Obligation
Continuing Disclosure Statement
For the year ended August 31, 2020
(Pursuant to SEC Rule 15 c 2-12)

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The information contained in this report has been obtained from the District and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and should not be understood as a promise or guarantee. This report may contain estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions. The information contained herein is subject to change and the submission of this report will not imply that there has been no changes to the financial condition of the District.

Mathis Independent School District
Continuing Disclosure Statement
For the year Ended August 31, 2020
(Pursuant to SEC Rule 15c2-12)

Table 1 - Valuation, Exemption and Debt Obligation

2020/21 Market Valuation Established by Bee, Live Oak, and San Patricio County		\$ 919,755,847
Less Exemptions/Reductions at 100% Market Value:		
\$25,000 Residential Homestead Exemptions (State Mandated)	43,085,086	
Residential Homestead Exemptions (Over 65)	7,291,683	
Disabled Veterans	4,886,611	
Disabled Persons	999,134	
Productivity Loss	190,035,992	
Value Lost to 10% Residential Cap and Other	11,559,084	
Totally Exempt Property	35,128,155	
Other	1,131,675	<u>294,117,420</u>
2020-21 Taxable Assessed Valuation, Before Freeze		\$ 625,638,427
Deduct: Freeze Loss		<u>51,383,284</u>
2020-21 Taxable Assessed Valuation, After Freeze		<u>\$ 574,255,143</u>
Debt Payable from Ad Valorem Taxes (as of August 31, 2020)		
Unlimited Tax Refunding Bonds, Series 2016	\$ 3,655,000	
Unlimited Tax Refunding Bonds, Series 2017	3,565,000	
Unlimited Tax School Building Bonds, Series 2019	12,200,000	
Unlimited Tax Refunding Bonds, Series 2020	2,575,000	
Debt Payable from Ad Valorem Taxes		\$ 21,995,000
Less: Instructional Facilities Allotment/Existing Debt Allotment ⁽¹⁾		<u>5,878,384</u>
Net Debt Payable from Ad Valorem Taxes		\$16,116,616
Debt Payable from Maintenance Tax (as of August 31, 2020)		
Maintenance Tax Notes, Series 2008	\$ 380,000	
Maintenance Tax Notes, Series 2012	699,596	
Maintenance Tax Notes, Series 2017	<u>1,625,000</u>	
	\$ 2,704,596	
Total Debt		\$18,821,212
Interest and Sinking Fund (as of August 31, 2020)		788,165
Ratio Funded Debt to Taxable Assessed Valuation		3.28%
2021 Estimated Population -	7,862	
Per Capita Taxable Assessed Valuation - \$	73,042	
Per Capita Funded Debt - \$	2,050	

⁽¹⁾ It is anticipated that approximately 26.73% of the District's unlimited tax debt service will be funded by the IFA and EDA Program.
Source: TEA 2019-2020 Summary of Finances, Mathis ISD, dated January 11, 2020.

Table 2 - Taxable Assessed Valuation by Category

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Single Family Residences	\$ 236,050,496	\$ 235,125,769	\$ 234,597,679	\$ 234,657,076	\$ 214,430,874
Multi-Family Residences	2,423,750	2,257,046	2,030,451	2,286,611	2,048,914
Vacant Lots	16,552,061	17,038,825	16,122,801	13,573,153	11,980,120
Rural Real	258,117,406	258,719,474	255,303,080	266,138,677	298,674,336
Commercial Real	41,043,915	40,951,267	38,694,974	39,855,829	41,753,531
Industrial Real	172,449,588	4,109,645	3,427,318	3,073,248	782,180
Oil, Gas and Minerals	1,305,033	1,704,219	1,478,938	1,664,936	1,531,350
Utilities	94,239,289	52,098,492	39,279,940	40,449,142	41,024,043
Commercial Personal	18,994,113	17,063,039	16,033,113	-	18,101,086
Industrial Personal	31,521,330	4,224,400	4,609,780	30,998,858	30,780,470
Mobile Homes	10,209,407	8,922,610	8,359,534	7,935,950	7,937,597
Exempt	35,148,539	30,327,896	29,660,853	-	-
Special Inventory/Other	1,700,920	1,610,743	1,309,700	1,459,684	2,197,820
	<u>\$ 919,755,847</u>	<u>\$ 674,153,425</u>	<u>\$ 650,908,161</u>	<u>\$ 642,093,164</u>	<u>\$ 671,242,321</u>
Less: Exemptions	\$ 294,117,420	\$ 286,644,583	\$ 287,328,192	\$ 270,740,071	\$ 302,396,858
Over 65 Loss	51,383,284	42,323,831	42,023,149	18,365,978	16,229,946
Other	-	-	-	-	-
Total Exemptions	<u>\$ 345,500,704</u>	<u>\$ 328,968,414</u>	<u>\$ 329,351,341</u>	<u>\$ 289,106,049</u>	<u>\$ 318,626,804</u>
Net Taxable Assessed Valuation	<u>\$ 574,255,143</u>	<u>\$ 345,185,011</u>	<u>\$ 321,556,820</u>	<u>\$ 352,987,115</u>	<u>\$ 352,615,517</u>

NOTE: Valuations shown are certified taxable assessed values reported by the Appraisal Districts. Certified Values are subject to change throughout the year as contested value are resolved and the Appraisal Districts update records.

Table 3 - Valuation and Tax Supported Debt History

Fiscal Year Ended 8/31	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	Funded Debt Outstanding at End of Year	Ratio Funded	
					Debt to Taxable Assessed Valuation	Funded Debt per Capita
2016	8,157	\$ 380,234,987	\$ 46,615	\$ 9,342,299	2.46%	\$ 1,145
2017	8,117	352,615,517	43,442	14,068,826	3.99%	1,733
2018	7,908	352,987,115	44,637	14,975,613	4.24%	1,894
2019	7,940	321,556,820	40,498	10,969,818	3.41%	1,382
2020	7,698	345,185,011	44,841	18,950,590	5.49%	2,462
2021	7,862	574,255,143	73,042	18,821,212 ⁽³⁾	3.28%	2,394

⁽¹⁾ Source: The Municipal Advisory Council of Texas.

⁽²⁾ Source: District Comprehensive Annual Financial Reports for years ending 2016 through 2020, and the Bee, Live Oak and San Patricio County Appraisal Districts' Certified Totals for the Tax Year 2020, subject to change during the ensuing year.

⁽³⁾ Excludes approximately \$7,140,990 or 30.90% of the currently outstanding unlimited tax bonds which are supported by the Texas Education Agency's Instructional Facilities Allotment and Existing Debt Allotment Programs, as provided by Chapter 46, as amended, Texas Education Code.

Table 4 - Tax Rate, Levy, and Collection History

Fiscal Year Ended 8/31	Tax Rate	Local Maintenance ⁽²⁾	Debt Service	Tax Levy ⁽¹⁾	% Current Collections	% Total Collections
2016	\$ 1.4030	\$ 1.1700	\$ 0.2330	\$ 5,083,776	91.60%	97.23%
2017	1.4347	1.1700	0.2647	5,121,721	91.20%	96.43%
2018	1.4347	1.1700	0.2647	4,928,900	90.94%	94.94%
2019	1.4296	1.1700	0.2596	4,999,424	94.69%	94.25%
2020	1.4726	1.0684	0.4042	5,406,195	91.46%	91.46%
2021	1.3673	0.9631	0.4042	7,851,503	In process of collection	

⁽¹⁾ Calculated.

⁽²⁾ In 2008, the District held a tax ratification election at which a majority of the registered voters of the District approved the levy of a maintenance and operations tax in the amount of \$1.17 per \$100 assessed valuation.

Table 5 – Top Ten Taxpayers

Name of Taxpayer	Nature of Property	2020/21 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Gray Oak Pipeline LLC	Pipeline	\$ 25,503,200	4.44%
Epic Midstream Holdings LP	Oil & Gas	21,680,140	3.78%
Karankawa Wind Project	Wind Farm	26,931,070	4.69%
AEP Texas Central Company	Electric Utility	16,820,950	2.93%
Union Pacific Railroad Co.	Railroad	8,319,420	1.45%
DCP Sand Hills Pipeline LLC	Pipeline	6,037,490	1.05%
Bayou City Equipment	Oil & Gas	5,732,930	1.00%
Arrowhead Eagle Ford Pipeline	Pipeline	55,225,270	9.62%
Burlington Resources Oil & Gas	Oil & Gas	3,450,549	0.60%
South Texas Implement Co.	Farm Supply	2,885,681	0.50%
		<u>\$172,586,700</u>	<u>30.05%</u>

Includes Bee, Live Oak, and San Patricio Counties

Table 6 – Tax Adequacy

2020/2021 Principal and Interest Requirements ⁽¹⁾	\$ 1,739,525
Less: Instructional Facilities Allotment (IFA)/ Existing Debt Allotment (EDA) ⁽²⁾	301,694
Less: Transfer from Debt Service Fund	<u>-</u>
Net General Obligation Principal and Interest Requirements	\$ 1,437,831
\$0.4042 Interest & Sinking Fund Tax Levy at 100% Collections Produces	\$ 2,321,139

⁽¹⁾ Does not include Maintenance Tax Notes paid through the General Fund.

⁽²⁾ Source: TEA 2020-2021 Summary of Finances, Mathis ISD, dated January 11, 2021.

Table 8 – Tax Supported Debt Service Requirements

Fiscal Year Ending	Outstanding Bonds⁽¹⁾			Total Debt Service Requirements	% of Principal Retired
	Principal	Interest	Total		
08/31/2021	\$ 850,000	\$ 889,525	\$ 1,739,525	\$ 1,739,525	
08/31/2022	700,000	862,025	1,562,025	1,562,025	
08/31/2023	725,000	844,425	1,569,425	1,569,425	
08/31/2024	780,000	819,175	1,599,175	1,599,175	13.89%
08/31/2025	795,000	795,100	1,590,100	1,590,100	
08/31/2026	820,000	770,450	1,590,450	1,590,450	
08/31/2027	850,000	743,350	1,593,350	1,593,350	
08/31/2028	855,000	709,350	1,564,350	1,564,350	
08/31/2029	885,000	675,150	1,560,150	1,560,150	33.01%
08/31/2030	925,000	646,050	1,571,050	1,571,050	
08/31/2031	985,000	604,700	1,589,700	1,589,700	
08/31/2032	1,025,000	560,750	1,585,750	1,585,750	
08/31/2033	1,075,000	515,000	1,590,000	1,590,000	
08/31/2034	1,125,000	467,000	1,592,000	1,592,000	56.35%
08/31/2035	1,175,000	416,750	1,591,750	1,591,750	
08/31/2036	1,195,000	364,250	1,559,250	1,559,250	
08/31/2037	1,255,000	310,650	1,565,650	1,565,650	
08/31/2038	935,000	260,450	1,195,450	1,195,450	
08/31/2039	970,000	226,050	1,196,050	1,196,050	81.50%
08/31/2040	1,000,000	190,350	1,190,350	1,190,350	
08/31/2041	710,000	153,500	863,500	863,500	
08/31/2042	750,000	118,000	868,000	868,000	
08/31/2043	785,000	80,500	865,500	865,500	
08/31/2044	825,000	41,250	866,250	866,250	100.00%
	<u>\$ 21,995,000</u>	<u>\$ 12,063,800</u>	<u>\$ 34,058,800</u>	<u>\$ 34,058,800</u>	

⁽¹⁾ Does not include Maintenance Tax Notes paid through the General Fund

The District expects to receive approximately 26.73% of its annual debt service requirements from the State. The amount of State funding aid for debt service may substantially differ from year to year, depending on a number of factors, including amounts, if any, appropriated for that purpose by the Texas Legislature from time to time.

Table 9 – Estimated Interest and Sinking Fund Budget Projection

Tax Supported Debt Service Requirements, Fiscal Year Ending August 31, 2021		\$ 1,739,525
Interest and Sinking Fund, August 31, 2020	788,165	
Interest and Sinking Fund Tax Levy @ 91% Collection ⁽¹⁾	2,112,237	
Estimated revenue from taxes levied on frozen properties @ 91% Collections ⁽¹⁾	188,999	
Estimated Transfer Required from the General Fund	-	
Instructional Facilities Allotment (IFA)/Existing Debt Allotment (EDA) ⁽²⁾	<u>301,694</u>	<u>3,391,095</u>
Estimated Balance, August 31, 2021		<u>\$ 1,651,570</u>

⁽¹⁾ Assumes a 2020-21 Net Taxable Assessed Valuation of \$574,255,143.

⁽²⁾ Source: TEA 2020-2021 Summary of Finances, Mathis ISD, dated January 11, 2021.

Table 10 – Authorized but Unissued Unlimited Tax Bonds

As of August 31, 2020 the District has no authorized but unissued bonds.

Source: “Texas Municipal Reports” published by the Municipal Advisory Council of Texas

Table 11 – Other Obligations

As of August 31, 2020, the District has no outstanding capital lease obligations.

Source: District Comprehensive Annual Financial Report.

Table 12 – Change in Net Assets

	Fiscal Year Ended August 31,				
	2020	2019	2018	2017	2016
Program Revenues:					
Charges for Services	\$ 147,336	\$ 216,562	\$ 209,832	\$ 256,791	\$ 453,839
Operating Grants & Contributions	6,704,022	6,364,409	5,259,967	5,323,465	6,648,697
Property Taxes	5,513,241	5,119,226	5,154,796	5,046,728	5,324,506
Grants & Contributions Not Restricted to Specific Programs	12,585,764	11,796,232	7,682,386	11,064,959	10,725,620
Investment Earnings	136,317	87,017	58,375	44,557	38,260
Other	1,170,721	250,773	151,913	160,573	175,707
Total Revenues:	<u>\$ 26,257,401</u>	<u>\$ 23,834,219</u>	<u>\$ 18,517,269</u>	<u>\$ 21,897,073</u>	<u>\$ 23,366,629</u>
Expenses:					
Instruction	\$ 13,971,313	\$ 13,328,300	\$ 7,029,377	\$ 10,868,504	\$ 11,674,088
Instructional Resources & Media Services	579,643	362,309	255,458	304,715	380,608
Curriculum and Staff Development	72,071	83,759	89,753	241,992	474,161
Instructional Leadership	11,823	1,710	16,168	-	128
School Leadership	1,456,910	1,319,726	864,721	1,144,059	1,098,880
Guidance, Counseling & Evaluation Services	395,593	376,926	260,893	395,888	420,127
Social Work Services	-	1,089	44,187	67,276	146,329
Health Services	209,815	132,139	141,790	204,083	156,000
Student Transportation	469,653	625,560	581,955	606,320	611,382
Food Service	2,181,231	1,877,701	1,430,859	1,618,885	1,427,110
Cocurricular/Extracurricular Activities	880,307	835,090	691,521	772,969	894,807
General Administration	1,118,616	1,019,644	806,711	985,224	1,212,651
Facilities Maintenance and Operations	2,944,197	2,496,793	2,375,065	2,715,409	2,562,689
Security and Monitoring Services	83,309	39,740	46,415	156,202	117,987
Data Processing Services	297,591	299,669	261,875	223,569	263,258
Community Services	156,120	203,851	35,144	75,084	67,084
Interest on Long-Term Debt	823,505	694,753	523,989	517,919	570,909
Bond Issuance Cost & Fees	114,553	224,106	64,959	151,411	155,485
Capital Outlay	564,167	-	-	-	403,647
Payments Related to Shared Services Arrangements	-	-	-	-	38,255
Other Intergovernmental Charges	88,170	89,155	99,098	84,730	85,515
Total Expenses:	<u>\$ 26,418,587</u>	<u>\$ 24,012,020</u>	<u>\$ 15,619,938</u>	<u>\$ 21,134,239</u>	<u>\$ 22,761,100</u>
Increase (Decrease) in Net Assets	\$ (161,186)	\$ (177,801)	\$ 2,897,331	\$ 762,834	\$ 605,529
Beginning Net Assets	16,679,611	16,857,410	13,960,078 ⁽¹⁾	23,516,964	22,911,435
Prior Period Adjustment	-	-	-	-	-
Ending Net Assets	<u>\$ 16,518,426</u>	<u>\$ 16,679,610</u>	<u>\$ 16,857,409</u>	<u>\$ 24,279,798</u>	<u>\$ 23,516,964</u>

⁽¹⁾ Restated.

Table 12A - Comparative Statement of Revenues, Expenditures, and General Fund Balance

	Fiscal Year Ended August 31,				
	2020	2019	2018	2017	2016
Revenues:					
Local and Intermediate Sources	\$ 4,444,970	\$ 4,660,964	\$ 4,474,670	\$ 4,477,861	\$ 4,758,807
State Program Revenues	12,223,376	11,169,697	11,174,810	11,723,036	11,413,432
Federal Program Revenues	1,660,069	2,423,866	2,487,826	2,180,062	1,787,388
Total Revenues	\$ 18,328,415	\$ 18,254,527	\$ 18,137,306	\$ 18,380,959	\$ 17,959,627
Expenditures:					
Current:					
Instruction	\$ 9,047,161	\$ 8,113,290	\$ 8,027,586	\$ 8,246,250	\$ 7,531,545
Instructional Resources & Media Services	520,088	324,579	319,799	280,822	320,693
Curriculum and Staff Development	40,376	47,090	54,386	133,624	166,855
Instructional Leadership	11,200	1,612	14,847	-	-
School Leadership	1,252,708	1,149,049	1,159,439	1,037,830	1,038,680
Guidance, Counseling & Evaluation Services	340,454	334,581	360,964	363,606	372,494
Social Work Services	-	1,027	60,343	61,965	4,169
Health Services	166,583	117,654	184,753	187,911	147,242
Student Transportation	327,206	489,667	549,836	775,930	600,745
Food Service	1,705,873	1,994,590	1,501,323	1,656,362	1,224,859
Cocurricular/Extracurricular Activities	760,244	701,774	736,676	691,442	846,766
General Administration	994,781	917,282	958,320	911,861	948,801
Facilities Maintenance and Operations	2,762,257	2,553,179	2,744,953	2,683,981	2,417,529
Security and Monitoring Services	50,783	36,304	48,576	146,778	116,904
Data Processing Services	269,268	272,857	290,469	207,530	248,832
Community Services	470	2,128	23,343	51,401	61,531
Principal on Long-Term Debt	802,218	407,994	342,770	308,784	192,706
Interest on Long-Term Debt	92,901	110,682	101,247	78,962	82,310
Bond Issuance Cost & Fees	-	400	806	806	806
Capital Outlay	632,634	-	-	259,122	403,647
Payments Related to Shared Services Arrangements	-	-	-	-	38,255
Other Intergovernmental Charges	88,170	89,155	99,098	84,730	85,515
	\$ 19,865,375	\$ 17,664,894	\$ 17,579,534	\$ 18,169,697	\$ 16,850,884
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,536,960)	589,633	557,772	211,262	1,108,743
Other Resources and (Uses)	-	(60,000)	-	280,416	405,177
Increase (Decrease) in Fund Balance	(1,536,960)	529,633	557,772	491,678	1,513,920
Beginning Fund Balance on September 1	11,178,045	10,648,411	10,090,638 ⁽¹⁾	9,663,472	8,149,551
Ending Fund Balance on August 31	\$ 9,641,085	\$ 11,178,044	\$ 10,648,410	\$ 10,155,150	\$ 9,663,471

⁽¹⁾ Restated.

Table 13 – Current Investments

<u>Type of Investment</u>	<u>Fair Market Value</u>
TexPool	\$ 17,432,286
Total	\$ 17,432,286