

**CONTINUING DISCLOSURE INFORMATION REGARDING
THE SAN BENITO CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT**

Table 1-Valuations, Exemptions and Tax Supported Debt

2020/21 Market Valuation Established by Cameron County Appraisal District	\$ 1,718,941,012
Less: Exemptions/Reductions at 100% Market Value	
Residential Homestead	\$ 146,991,437
10% Homestead Cap Adjustment	7,051,076
Over 65/Disabled	23,832,405
Disabled/Deceased Veterans	17,464,322
Freeport Exemption	129,060,720
Frozen Values	29,228,598
Productivity Loss/Other	<u>121,187,300</u>
Total	\$ 474,815,858
2020/21 Net Taxable Assessed Valuation	<u>\$ 1,244,125,154</u>

District Funded Debt Payable from Ad Valorem Taxes:

Total Outstanding Unlimited Tax Bonds (As of December 15, 2020)	\$ 94,760,000
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⁽¹⁾ Approximately 39.03% of the District's debt service is qualified for either the Instructional Facilities Allotment or Existing Debt Allotment of the Texas Education Agency. The amount of State 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. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM - State Funding for School Districts - Existing Debt Allotment, Instructional Facilities Allotment, and New Instructional Facilities Allotment" herein.

Ratio District Funded Debt/2020/21 Net Taxable Assessed Valuation	7.62%
Interest and Sinking Fund Balance as of June 30, 2020	\$ (295,382)
Estimated Population	39,058
Per Capita Total General Obligation Funded Debt	\$ 2,426
Per Capita Taxable Assessed Valuation	\$ 31,853

Table 2 - Commitments Under Capital Leases (Unaudited)

In September 2017, the District entered into a capital lease agreement with Santander Bank to lease 18 school buses. In June 2019, the District entered into a capital lease agreement with Frost Bank for the LED project. Commitments under the capital lease agreement for the equipment provided for minimum future lease payments as follows at June 30, 2019:

Fiscal Year <u>Ending June 30</u>	<u>Total</u>
2021	\$ 687,902
2022	269,748
2023	269,748
2024	269,748
2025	269,748
2026-2029	<u>1,078,992</u>
Total minimum rentals	\$ 2,845,886

Source: The District's Audited Financial Statement for the Fiscal Year Ended June 30, 2020.

Table 3 - Taxable Assessed Valuation by Category ⁽¹⁾

Category	Taxable Appraised Value for Fiscal Year Ended⁽²⁾:					
	June 30, 2021		June 30, 2020		June 30, 2019	
	Value	% of Total	Value	% of Total	Value	% of Total
Real, Residential, Single Family	\$ 766,776,938	44.61%	\$ 747,626,080	44.85%	\$ 729,155,087	46.91%
Real Residential, Multi-Family	47,062,243	2.74%	35,044,027	2.10%	35,111,021	2.26%
Real, Vacant Lots/Tracts	73,135,157	4.25%	74,045,976	4.44%	75,337,300	4.85%
Real, Acreage (Land Only)	135,315,576	7.87%	135,543,854	8.13%	130,253,186	8.38%
Real, Farm and Ranch Improvements	70,535,251	4.10%	66,282,734	3.98%	63,091,666	4.06%
Real, Commercial	218,135,424	12.69%	208,170,132	12.49%	169,948,585	10.93%
Real, Industrial	33,430,384	1.94%	25,947,913	1.56%	25,909,738	1.67%
Real, Tangible Personal, Utilities	94,914,012	5.52%	105,409,545	6.32%	79,785,113	5.13%
Tangible Personal, Commercial	73,114,907	4.25%	67,276,497	4.04%	64,997,637	4.18%
Tangible Personal, Industrial	179,852,152	10.46%	174,692,526	10.48%	154,844,705	9.96%
Mobile Homes	15,412,830	0.90%	15,224,523	0.91%	13,459,766	0.87%
Real Inventory	747,840	0.04%	759,529	0.05%	2,203,100	0.14%
Special Inventory	10,508,298	0.61%	10,858,439	0.65%	10,433,348	0.67%
Total Appraised Value Before Exemptions	\$ 1,718,941,012	100.00%	\$ 1,666,881,775	100.00%	\$ 1,554,530,252	100.00%
Less: Total Exemptions/ Reductions	474,815,858		503,752,332		475,338,370	
Taxable Assessed Value	<u>\$ 1,244,125,154</u>		<u>\$ 1,163,129,443</u>		<u>\$ 1,079,191,882</u>	

Category	Taxable Appraised Value for Year Ended:			
	June 30, 2018		August 31, 2017	
	Value	% of Total	Value	% of Total
Real, Residential, Single Family	\$ 672,768,054	47.44%	\$ 640,791,088	46.27%
Real Residential, Multi-Family	33,621,001	2.37%	36,222,214	2.62%
Real, Vacant Lots/Tracts	67,030,142	4.73%	62,803,201	4.53%
Real, Acreage (Land Only)	115,223,157	8.12%	114,275,891	8.25%
Real, Farm and Ranch Improvements	59,290,299	4.18%	56,182,068	4.06%
Real, Commercial	165,244,569	11.65%	155,113,553	11.20%
Real, Industrial	25,926,066	1.83%	25,416,670	1.84%
Real, Tangible Personal, Utilities	69,540,533	4.90%	66,028,061	4.77%
Tangible Personal, Commercial	62,561,722	4.41%	64,526,976	4.66%
Tangible Personal, Industrial	118,908,099	8.38%	140,911,226	10.17%
Mobile Homes	11,818,324	0.83%	11,532,794	0.83%
Real Inventory	5,981,876	0.42%	1,626,741	0.12%
Special Inventory	10,308,220	0.73%	9,571,903	0.69%
Total Appraised Value Before Exemptions	\$ 1,418,222,062	100.00%	\$ 1,385,002,386	100.00%
Less: Total Exemptions/ Reductions	420,324,812		439,512,186	
Taxable Assessed Value	<u>\$ 997,897,250</u>		<u>\$ 945,490,200</u>	

⁽¹⁾ Obtained from property tax reports provided by the Cameron County Appraisal District and the State of Texas Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the appraisal district updates records.

⁽²⁾ The Board of Trustees approved a change to the District's fiscal year from August 31 to June 30. Therefore, fiscal year 2017/18 reflects a 10-month period from September 1, 2017 to June 30, 2018. All subsequent years, beginning 2018/19, will reflect a 12-month fiscal year.

Table 4 - Valuation and Tax Supported Debt History

Fiscal Year <u>Ended⁽¹⁾</u>	Taxable Assessed <u>Valuation</u>	Percent Increase Over <u>Prior Year</u>	Tax Supported Debt at End <u>of Year</u>	Ratio of Debt to Assessed <u>Valuation</u>
08/31/2012	\$ 838,119,711	2.87%	\$ 94,771,045	11.31%
08/31/2013	838,877,774	0.09%	90,470,000	10.78%
08/31/2014	859,939,080	2.51%	84,490,000	9.83%
08/31/2015	884,612,498	2.87%	79,680,000	9.01%
08/31/2016	889,035,659	0.50%	74,005,000	8.32%
08/31/2017	945,490,200	6.35%	70,105,000	7.41%
06/30/2018	997,897,250	5.54%	65,735,000	6.59%
06/30/2019	1,079,191,882	8.15%	90,150,000	8.35%
06/30/2020	1,163,129,443	7.78%	94,760,000	8.15%
06/30/2021	1,244,125,154	6.96%	90,890,000	7.31%

Source: District records

⁽¹⁾ The Board of Trustees approved a change to the District's fiscal year from August 31 to June 30. Therefore, fiscal year 2017/18 reflects a 10-month period from September 1, 2017 to June 30, 2018. All subsequent years, beginning 2018/19, will reflect a 12-month fiscal year.

Table 5 - Tax Rate, Levy and Collection History

<u>Tax Year</u>	General <u>Fund</u>	Interest and <u>Sinking Fund</u>	Total <u>Tax Rate</u>	Total <u>Tax Levy</u>	% Current <u>Collections</u>	% Total <u>Collections</u>
2010	\$ 1.17000	\$ 0.13490	\$ 1.30490	\$ 10,631,775	89.58%	97.00%
2011	1.17000	0.13490	1.30490	10,936,624	91.26%	99.21%
2012	1.17000	0.13490	1.30490	10,946,516	91.74%	100.64%
2013	1.17000	0.13490	1.30490	11,221,345	90.96%	98.25%
2014	1.17000	0.13490	1.30490	11,543,308	91.95%	99.15%
2015	1.17000	0.13490	1.30490	11,601,026	92.37%	99.77%
2016	1.17000	0.13490	1.30490	12,329,817	91.45%	98.04%
2017	1.17000	0.13490	1.30490	13,003,969	90.82%	97.14%
2018	1.17000	0.13490	1.30490	14,082,378	90.98%	99.14%
2019	1.06000 ⁽¹⁾	0.24490	1.30490	15,177,678	91.66%	98.88%
2020	1.02500	0.27990	1.30490	16,234,589	(In Process of Collection)	

Source: District records

⁽¹⁾ The decline in the District's Maintenance and Operations Tax Rate from tax year 2018 to tax year 2019 is a result of House Bill 3, adopted by the Texas Legislature in June 2019. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – Local Funding for School Districts" for a discussion regarding calculation of the District's tax rate pursuant to the provisions of House Bill 3.

Table 6 - Ten Largest Taxpayers⁽¹⁾

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	2020/21 <u>TAV</u>	Percent of Total
AEP Texas Central Corp.	Electric Utility	\$ 65,068,332	5.23%
AEP Texas Central Corp.	Electric Utility	18,285,527	1.47%
Aptiv Services US LLC	Electronics Manufacturer	14,975,651	1.20%
Panasonic Automotive Electronics	Electronics Manufacturer	12,710,375	1.02%
Toyoda Gosei Brownsville LLC	Industrial Manufacturer	11,733,165	0.94%
Wal-Mart Stores East, Inc.	Retail Center	9,250,000	0.74%
Sharyland Utilities LP	Electric Utility	8,517,850	0.68%
Villages at Paso Real LP	Apartment Complex	8,100,000	0.65%
AMG Reata LLC	Real Estate	7,542,710	0.61%
Finsa/Har-vest Ltd.	Agriculture	7,000,728	0.56%
		\$ 163,184,338	13.12%

Source: Cameron County Appraisal District.

⁽¹⁾ As shown in the table above, the top ten taxpayers in the District account for in excess of 13% of the District's tax base. Adverse developments in economic conditions could adversely impact these businesses and, consequently, the tax values in the District, resulting in less local tax revenue. If any major taxpayer, or a combination of top taxpayers, were to default in the payment of taxes, the ability of the District to make timely payment of debt service on the Bonds may be dependent on its ability to enforce and liquidate its tax lien, which is a time consuming process that may only occur annually. See "REGISTERED OWNERS' REMEDIES" and "AD VALOREM PROPERTY TAXATION – District and Taxpayer Remedies" herein.

Table 7 - Outstanding Unlimited Tax General Obligation Debt Service Requirements

Fiscal Year Ended 8/31⁽¹⁾	Outstanding Unlimited Tax Debt Service Requirements		
	Principal	Interest	Total
2021	\$ 3,870,000	\$ 3,901,219	\$ 7,771,219
2022	4,045,000	3,723,506	7,768,506
2023	4,215,000	3,537,594	7,752,594
2024	4,420,000	3,343,056	7,763,056
2025	4,700,000	3,125,931	7,825,931
2026	3,790,000	2,913,681	6,703,681
2027	3,960,000	2,743,781	6,703,781
2028	4,115,000	2,589,266	6,704,266
2029	4,280,000	2,426,119	6,706,119
2030	4,460,000	2,249,225	6,709,225
2031	4,640,000	2,059,569	6,699,569
2032	4,835,000	1,869,125	6,704,125
2033	5,015,000	1,677,750	6,692,750
2034	5,225,000	1,478,638	6,703,638
2035	3,170,000	1,310,800	4,480,800
2036	3,300,000	1,175,625	4,475,625
2037	3,445,000	1,034,600	4,479,600
2038	3,570,000	898,000	4,468,000
2039	1,595,000	797,975	2,392,975
2040	1,670,000	725,300	2,395,300
2041	1,745,000	649,125	2,394,125
2042	1,825,000	569,325	2,394,325
2043	1,910,000	485,700	2,395,700
2044	1,995,000	398,125	2,393,125
2045	2,080,000	314,375	2,394,375
2046	1,620,000	243,000	1,863,000
2047	1,685,000	176,900	1,861,900
2048	1,755,000	108,100	1,863,100
2049	1,825,000	36,500	1,861,500
TOTAL	\$ 94,760,000	\$ 46,561,909	\$ 141,321,909

⁽¹⁾ Effective June 30, 2018, the District's Fiscal Year now ends on June 30; to reconcile with the State's fiscal year-end (and upon which State debt service assistance is paid), the numbers shown reflect the period ending August 31 to account for August 15 debt service payments.

Authorized but Unissued Unlimited Tax Bonds :

The District has no voter-authorized but unissued bonds.

Table 8 - Tax Adequacy for Bonds

2020/21 Taxable Assessed Valuation	\$ 1,244,125,154
Maximum Net Debt Service for the Fiscal Year Ending August 31, 2021	\$ 7,771,219
Estimated State Funding Assistance for Fiscal Year Ending August 31, 2021 ⁽¹⁾	\$ 3,033,350
Anticipated Transfer from the District's General Fund and other lawful sources ⁽²⁾	\$ 2,000,000
Indicated Interest and Sinking Fund Tax Rate	\$ 0.27990
Estimated 91% Tax Collections	\$ 3,168,899

⁽¹⁾ Approximately 39.03% of the District's debt service is qualified for either the Instructional Facilities Allotment or Existing Debt Allotment of the Texas Education Agency. The amount of State 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. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM - State Funding for School Districts - Existing Debt Allotment, Instructional Facilities Allotment, and New Instructional Facilities Allotment" herein.

⁽²⁾ The District did not assess an interest and sinking fund tax sufficient to meet its debt service requirements for Fiscal Year 2020/21; however, the District appropriated unassigned fund balance available as of the end of Fiscal Year 2019/2020 and other lawfully available funds to pay debt service on its unlimited tax debt coming due in Fiscal Year 2020/21. In accordance with State law, the District did not levy its Maintenance and Operations Tax Rate for Fiscal Year 2020/21 for the purpose of making debt service payments.

Table 9 - General Fund Revenues and Expenditures

SAN BENITO CONSOLIDATED INDEPENDENT SCHOOL DISTRICT GENERAL FUND REVENUE AND EXPENDITURE HISTORY					
	Fiscal Years Ended				
	June 30, 2020	June 30, 2019	June 30, 2018 ⁽¹⁾	August 31, 2017	August 31, 2016
Revenues:					
Local and Intermediated Revenues	\$ 14,126,361	\$ 14,715,730	\$ 12,773,187	\$ 12,152,382	\$ 11,234,957
State Program Revenues	84,279,288	84,409,822	82,959,293	84,448,358	88,395,668
Federal Program Revenues	11,818,488	12,380,487	10,406,376	10,676,660	11,935,206
Total Revenues	\$ 110,224,137	\$ 111,506,039	\$ 106,138,856	\$ 107,277,400	\$ 111,565,831
Expenditures:					
Instruction	\$ 58,525,105	\$ 55,283,603	\$ 50,753,634	\$ 52,293,957	\$ 49,383,417
Inst. Resources & Media Svcs.	1,355,835	1,308,846	1,278,784	1,321,401	1,304,423
Curriculum & Instructional Staff Dev.	1,440,784	1,320,359	552,193	751,014	656,194
Instructional Leadership	1,520,072	1,868,968	1,713,238	1,467,524	1,790,471
School Leadership	6,279,988	6,132,191	5,717,808	4,875,220	5,362,437
Guidance Counseling	3,234,332	2,967,764	2,659,636	2,429,739	2,460,628
Social Work Svcs.	432,516	378,706	391,047	342,956	222,808
Health Services	1,138,619	1,075,348	1,074,598	890,477	864,123
Student (Pupil) Transportation	3,085,534	3,477,725	4,799,034	3,705,966	3,342,216
Food Services	9,178,173	8,872,484	8,088,823	8,000,431	8,193,095
Cocurricular/Extracurricular Activities	3,231,913	3,280,665	3,372,336	2,957,256	2,846,333
General Administration	4,785,148	4,716,058	3,917,786	3,967,446	3,633,847
Plant Maintenance and Operations	17,220,175	18,794,916	13,367,124	13,212,380	13,007,644
Security and Monitoring Services	2,488,710	2,361,360	2,187,382	2,151,138	2,064,881
Data Processing Services	1,656,493	2,190,921	2,765,825	1,474,257	825,027
Community Services	88,916	267,743	87,371	111,280	67,299
Debt Service	712,417	700,487	677,434	266,707	277,766
Facilities Acquisition and Construction	2,781,578	750,933	42,982	15,995	-
Intergovernmental	185,659	168,649	116,170	129,271	135,241
Total Expenditures	\$ 119,341,967	\$ 115,917,726	\$ 103,563,205	\$ 100,364,415	\$ 96,437,850
Excess/(Deficiency) of Revenues Over Expenditures	\$ (9,117,830)	\$ (4,411,687)	\$ 2,575,651	\$ 6,912,985	\$ 15,127,981
Other Financing Sources	1,978,376	4,203,939	1,606,668	-	1,217,879
Other Financing (Uses)	(2,651,100)	(1,568,326)	-	-	(2,238,500)
Beginning Fund Balance	\$ 31,582,838	\$ 33,358,912	\$ 29,175,253	\$ 22,262,268	\$ 8,154,908
Prior Period Adjustment	(608,759)	-	1,340	-	-
Residual Equity Transfers In/(Out)	-	-	-	-	-
Ending Fund Balance	\$ 21,183,525	\$ 31,582,838	\$ 33,358,912	\$ 29,175,253	\$ 22,262,268

Source: The District's Audited Financial Statement for the Fiscal Years Ended August 31, 2016-2017, and June 30, 2018-2020.

⁽¹⁾ The Board of Trustees approved a change to the District's fiscal year from August 31 to June 30. Therefore, fiscal year 2017/18 reflects a 10-month period from September 1, 2017 to June 30, 2018. All subsequent years, beginning 2018/19, will reflect a 12-month fiscal year.

Table 10 - Current Investments (unaudited, as of June 30, 2020)

<u>Investment Description</u>	<u>Total Invested</u>	<u>Percent</u>
CDs, Treasury Notes, etc.	\$ 27,077,890	44.44%
Lone Star Pool	29,335,114	48.15%
Texas CLASS Pool	4,512,318	7.41%
Total	<u>\$ 60,925,322</u>	<u>100.00%</u>

Source: The District's Audited Financial Statement for the Fiscal Year Ended June 30, 2020.

Note: For more financial information on the District, please visit the Texas Municipal Advisory Council at www.mactexas.com, and the District's website at www.sbcisd.net.