



MIDLAND INDEPENDENT SCHOOL DISTRICT

ANNUAL REPORT OF CERTAIN FINANCIAL AND LOCAL DEBT INFORMATION

FISCAL YEAR ENDED JUNE 30, 2025

DENOTES REQUIRED INFORMATION PURSUANT TO LOCAL GOVERNMENT CODE, SECTION 140.008

OVERVIEW OF FIRST & CREDIT RATINGS

Midland Independent School District (the “District” or “MISD”) has been assigned the following ratings by the School Financial Integrity Rating System of Texas and Credit Agencies that indicate the relative strength of the District’s financial and debt management:

- **Credit Ratings**

- Moody’s Investors Service (“Moody’s”): Assigned a “Aaa” credit rating on September 5th, 2025.
- S&P Global Ratings (“S&P”): Assigned a “AA” credit rating on February 2nd, 2024.

- **School Financial Integrity Rating System of Texas (“FIRST”):**

- Based on data for School Year 2024-2025, the District was assigned a 2024/25 FIRST Rating of “A – Superior Achievement” and the District’s score was 100 out of a possible 100 points.

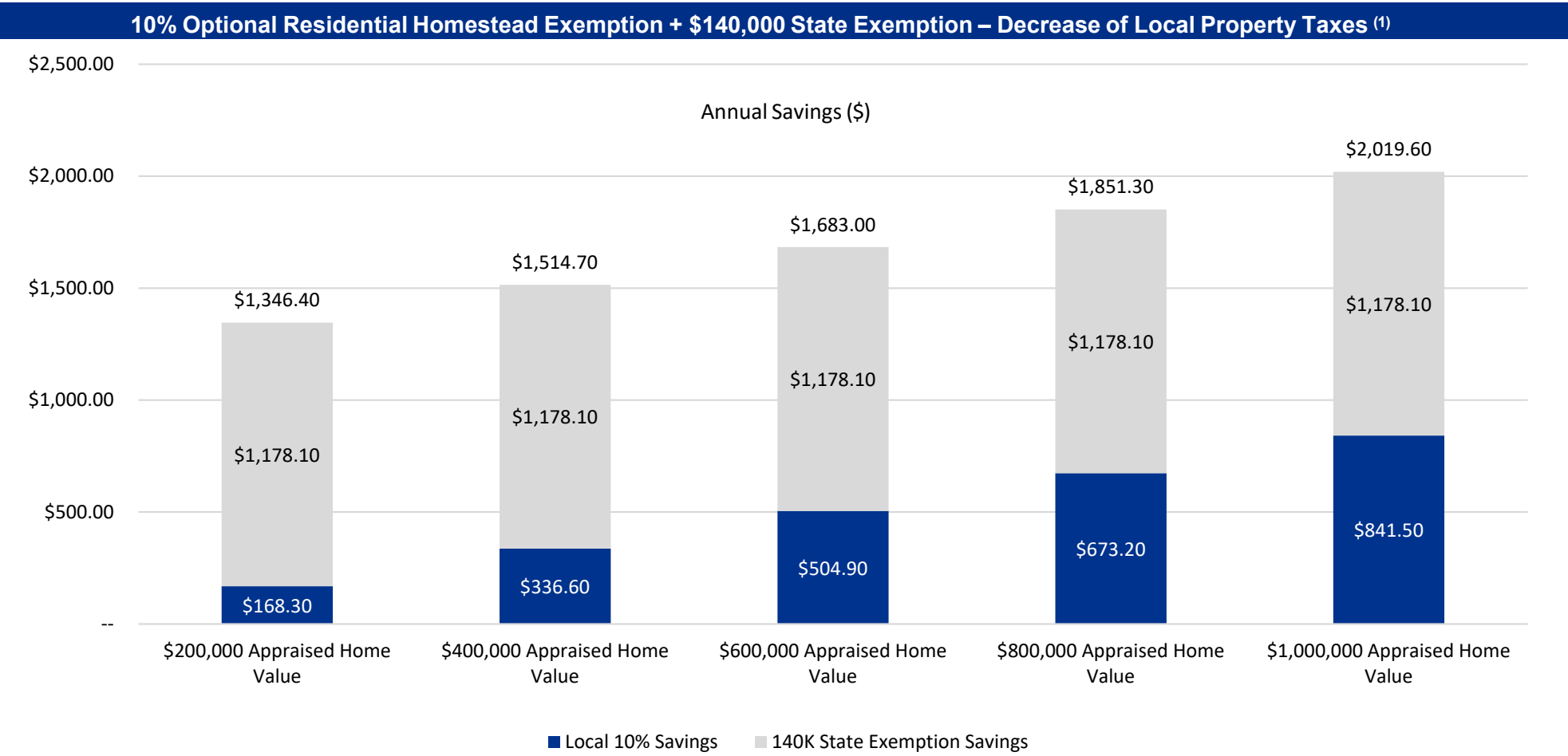
	Moody's	S&P	Fitch	
Investment Grade	Aaa*	AAA	AAA	<div>HIGHEST</div> <div>↑</div>
	Aa1	AA+	AA+	
	Aa2	AA*	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	
Speculative Grade	Ba1	BB+	BB+	<div>↓</div> <div>LOWEST</div>
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	
	B2	B	B	
	B3	B-	B-	
	Caa1	CCC+	CCC+	
	Caa2	CCC	CCC	
	Caa3	CCC-	CCC-	
	Ca	CC	CC	
	C	C	C	
	D	D	D	

- A credit rating is an *opinion* about the *relative risk* and potential for default associated with a particular security
- It is *not* a recommendation to buy, sell or hold that security
- A credit rating is expressed in alphanumeric symbols across a spectrum from highest to lowest

*MISD current rating.

OPTIONAL RESIDENTIAL HOMESTEAD EXEMPTION

Local Option Homestead Exemption: The District has approved an additional local option residential homestead exemption equal to 10% of the assessed value in addition to the \$140,000 State Exemption. The residential homestead exemption lowers the taxpayer’s taxable value of a home for purposes of levying the District’s tax rate.



⁽¹⁾ Based on FY 2026 Tax Rate of .8415

How are Bonds Repaid?

A school district has two components to its total tax rate:

Maintenance and Operations (“M&O”) + Interest and Sinking Fund (“I&S”)



The district levies an annual I&S tax rate against the taxable property in the District to make their bond payments. **The I&S tax rate can only be levied for repayment of voted bonds.**



The State Attorney General will not approve a bond issue that is projected to result in an I&S tax rate above \$0.50 in any year that the bonds are outstanding using the current tax base at the time of bond issuance

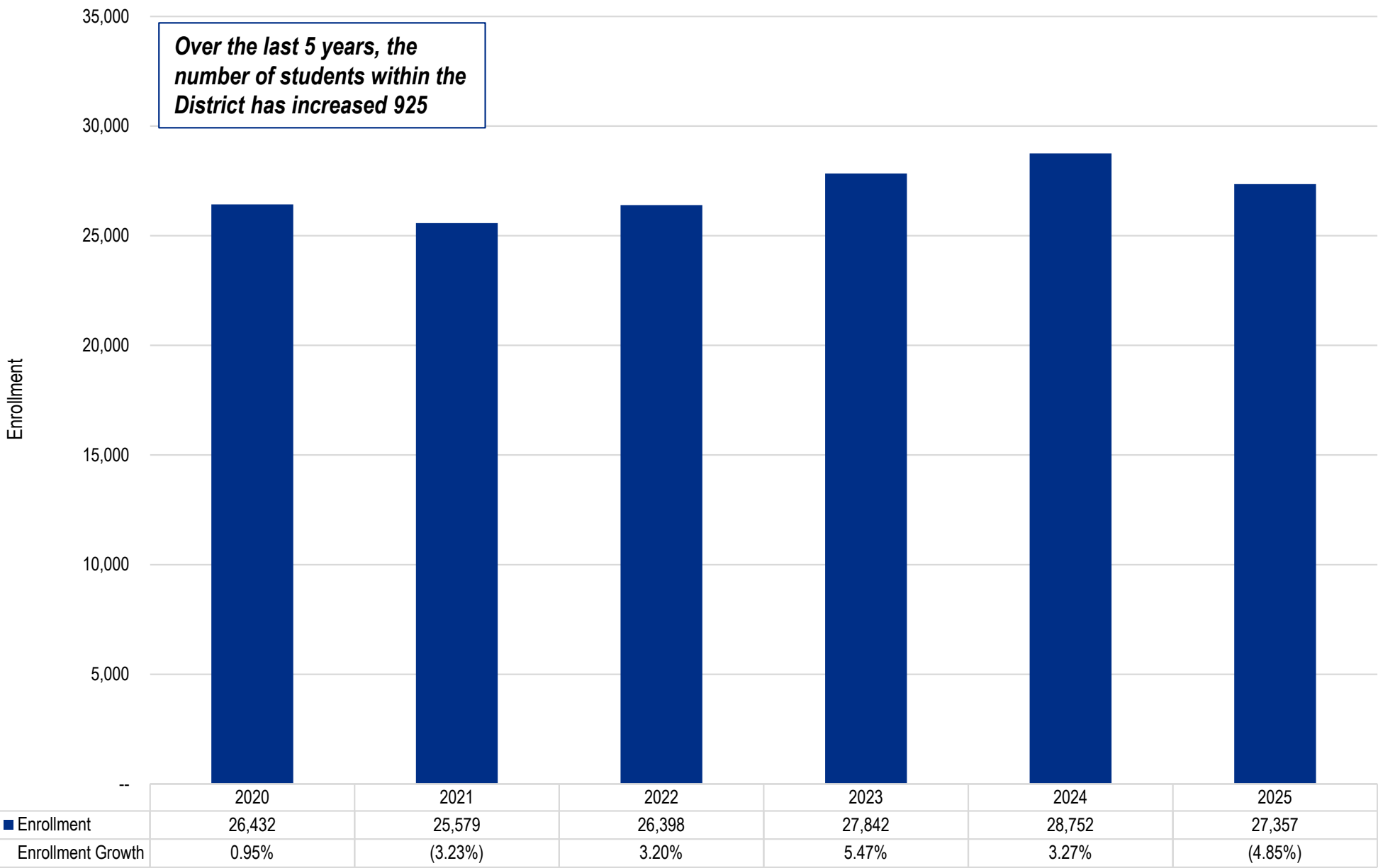
MISD's current Tax Rate: \$0.6314 M&O + \$0.2101 I&S = \$0.8415

DISTRICT'S HISTORICAL BOND ELECTIONS APPROVED BY VOTERS

The following summarizes the District's bond programs approved by voters over the last 20 years:

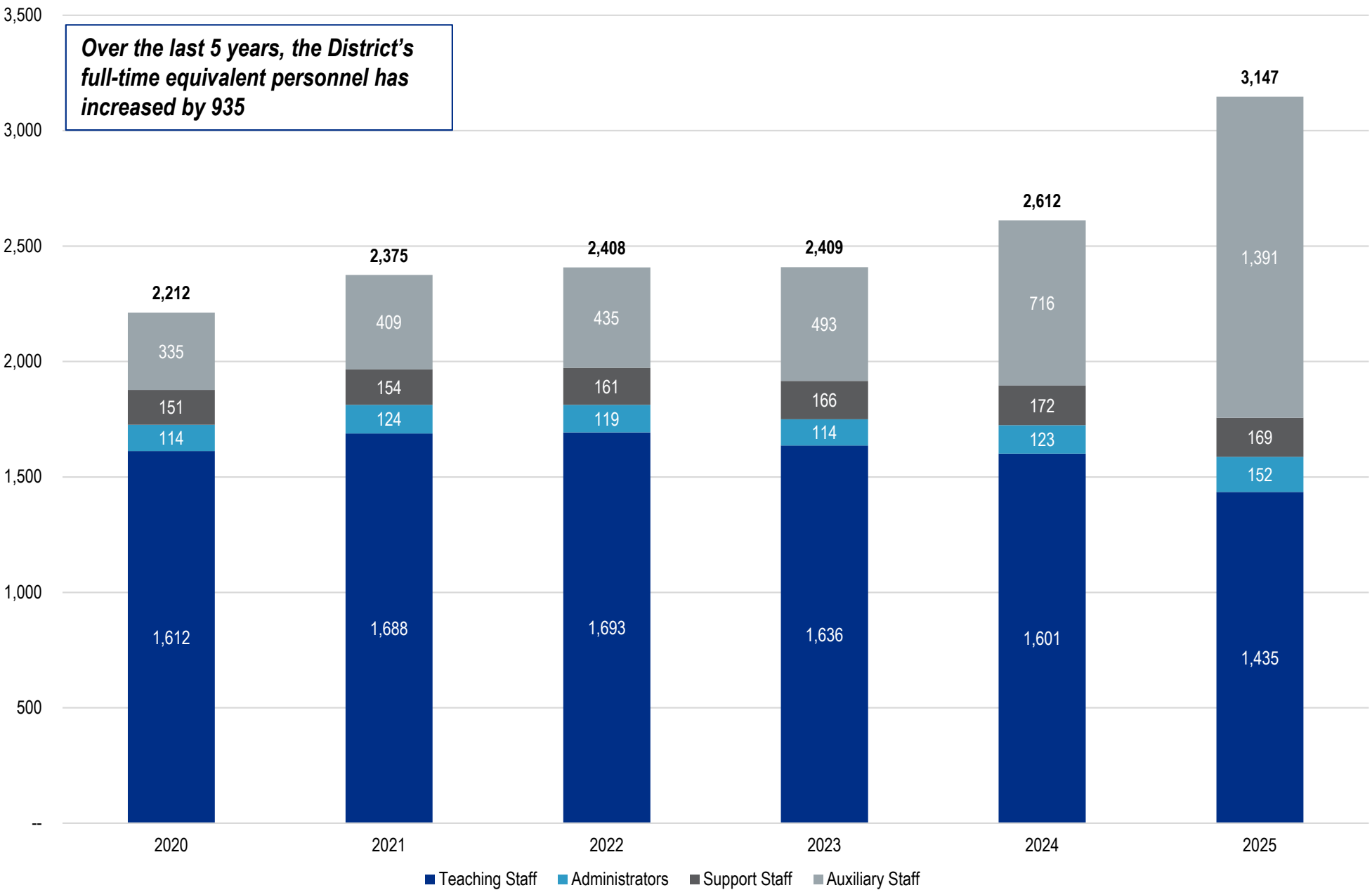
<u>Election Date</u>	<u>Proposition</u>	<u>Amount</u>	<u>Pass/Fail</u>	<u>For/Against</u>
3/1/1997	School Building	\$ 39,500,000	Passed	
10/7/2000	School Building	\$ 72,200,000	Failed	30.4% / 69.6%
9/21/2002	School Building	90,950,000	Failed	47.0% / 53.0%
	Athletic Improvements	30,560,000	Failed	41.4% / 58.6%
	School Building	39,440,000	Failed	42.5% / 57.5%
	Total	\$ 160,950,000		
2/1/2003	School Building	67,087,500	Passed	64.6% / 35.4%
	School Building	8,887,000	Failed	47.4% / 52.6%
	Total	\$ 75,974,500		
5/12/2007	School Building	30,000,000	Passed	60.4% / 39.6%
	Athletic Improvements	7,160,000	Passed	55.3% / 44.7%
	Total	\$ 37,160,000		
11/6/2012	School Building	\$ 163,110,000	Passed	61.8% / 38.2%
11/5/2019	School Building	\$ 569,000,000	Failed	49.9% / 50.1%
11/7/2023	School Building & Security	\$ 1,415,400,000	Passed	56.2% / 43.8%

HISTORICAL STUDENT ENROLLMENT



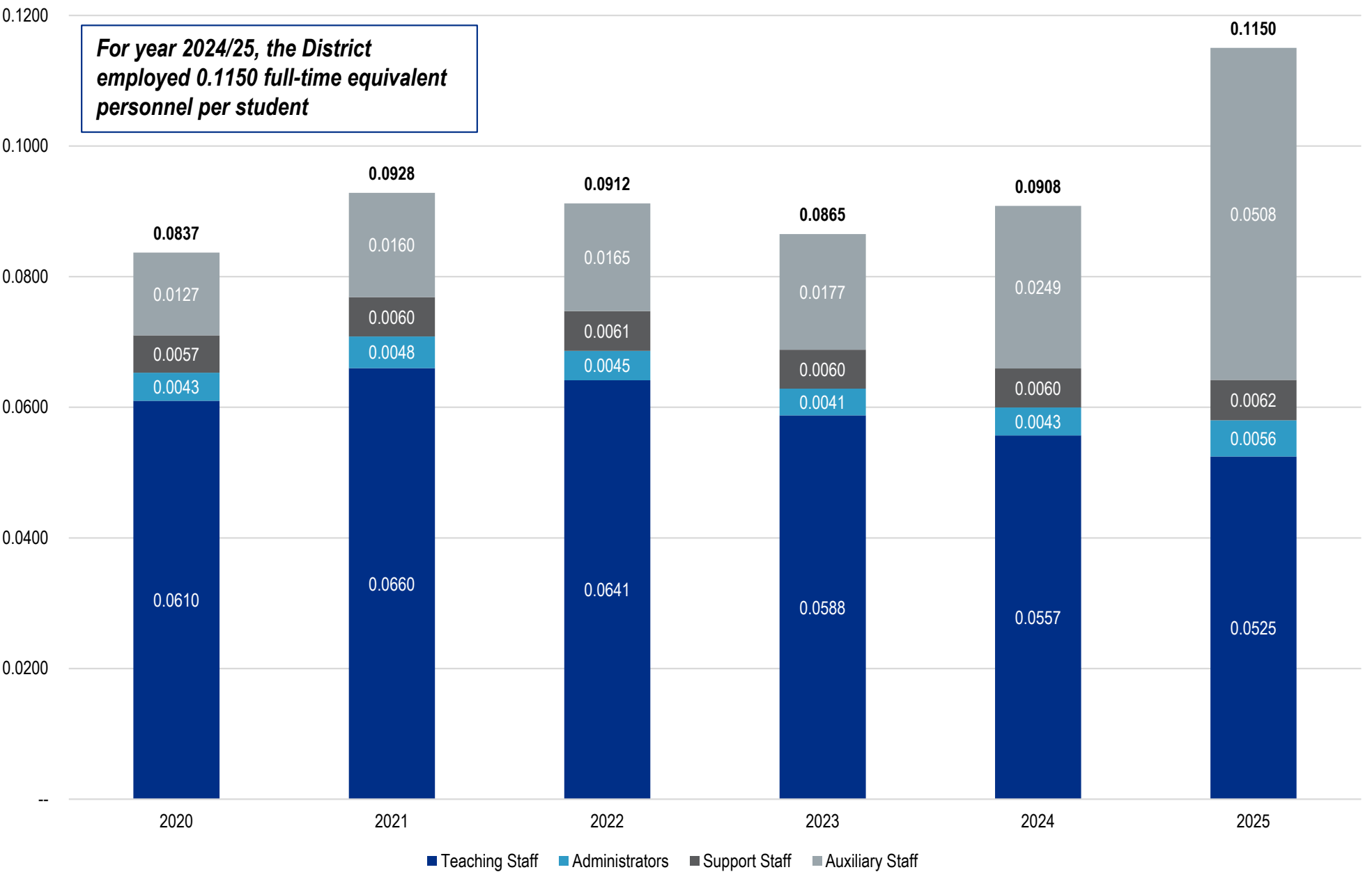
Source: FYE 2025 Annual Draft Audit, Texas Municipal Advisory Council

FULL-TIME EQUIVALENT PERSONNEL



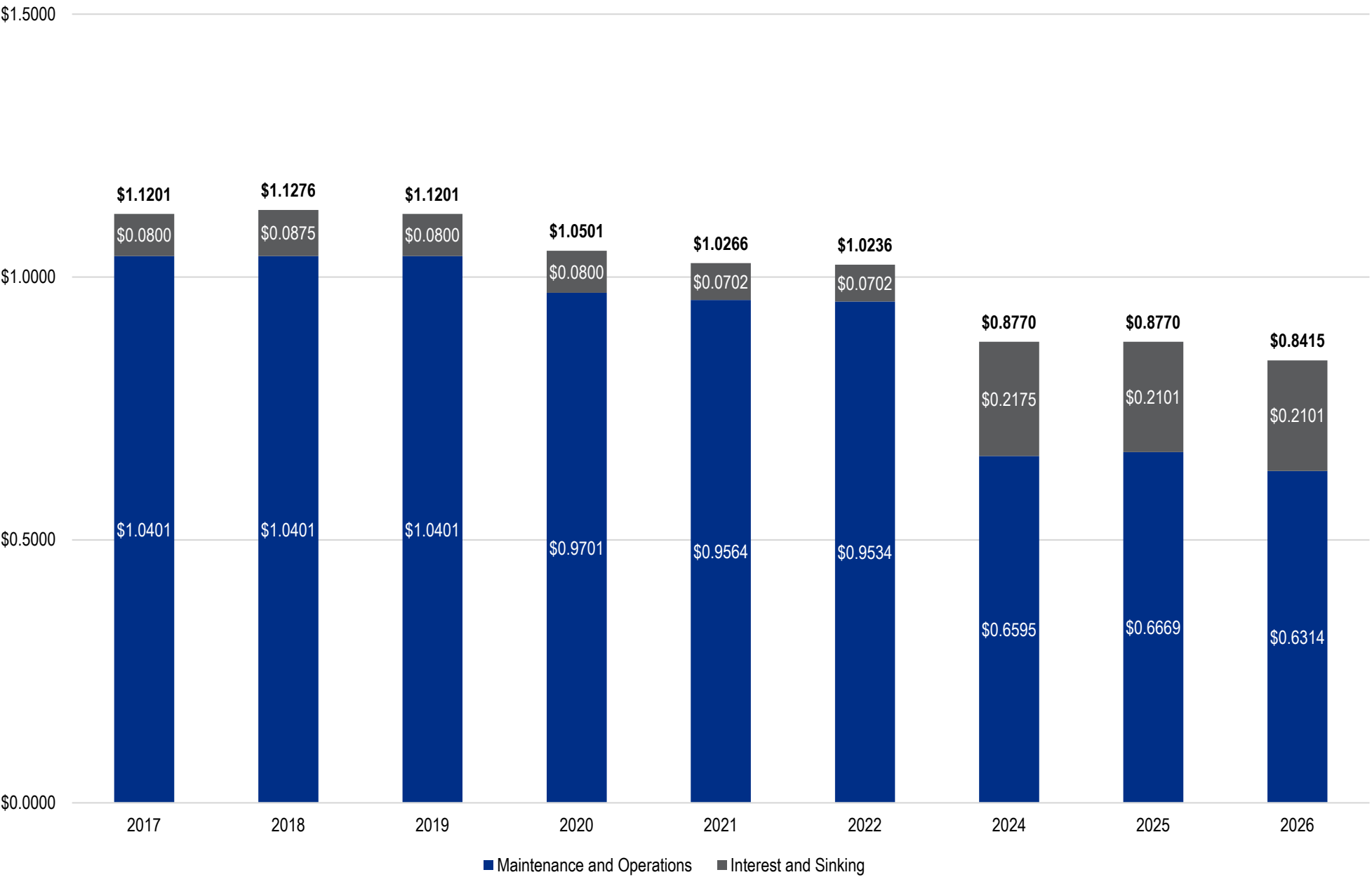
Source: FYE 2025 Annual Draft Audit, Texas Municipal Advisory Council

FULL-TIME EQUIVALENT PERSONNEL PER STUDENT



Source: FYE 2025 Annual Draft Audit, Texas Municipal Advisory Council

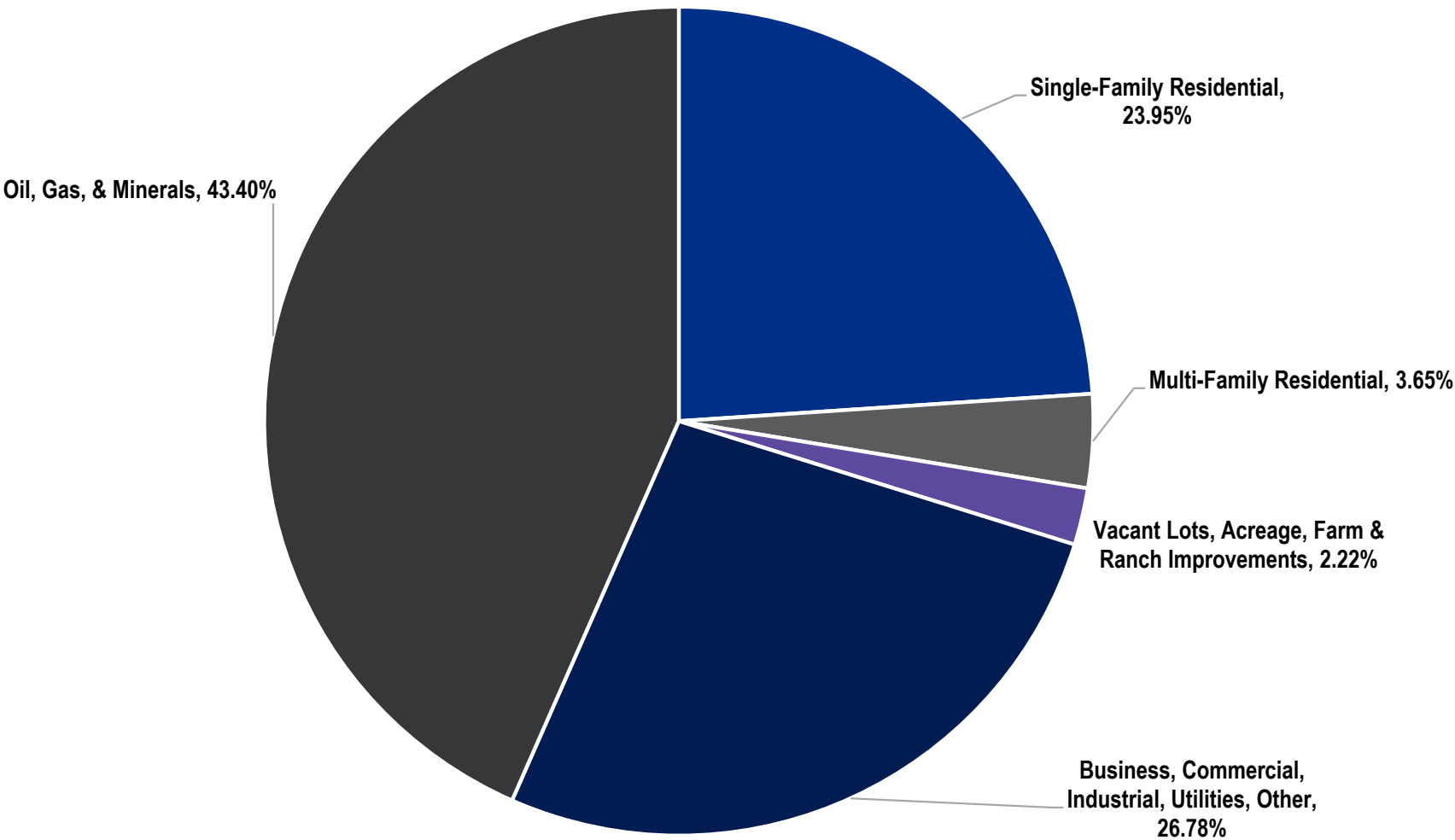
HISTORICAL TAX RATES (FISCAL YEAR)



Source: Texas Municipal Advisory Council & Midland County Appraisal District

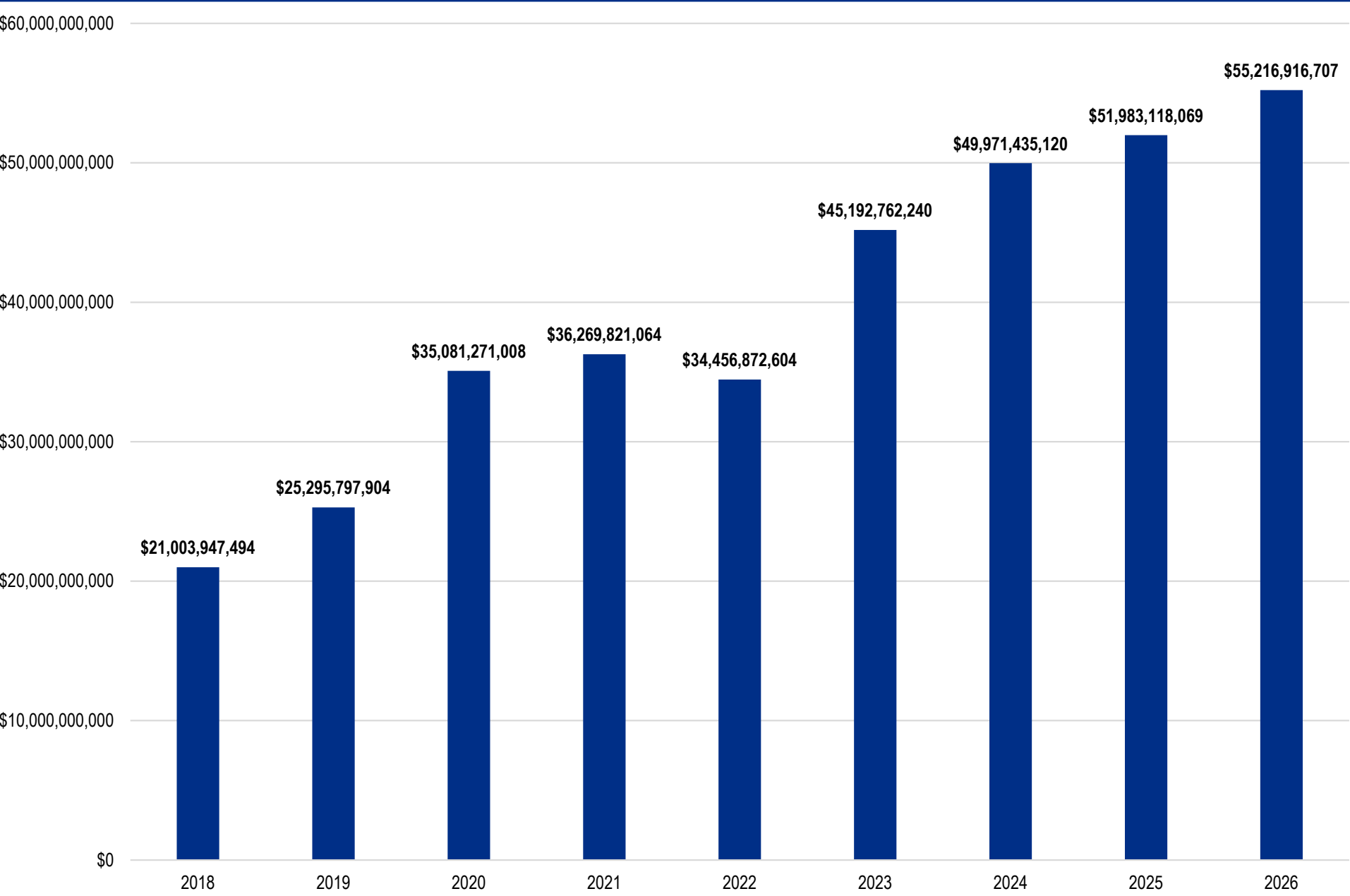
COMPOSITION OF TOTAL ASSESSED VALUATION – TAX YEAR 2025

For year 2025/26, Oil, Gas, & Minerals comprised 43.40% of the District's total assessed valuation and other property categories comprised 56.60%.



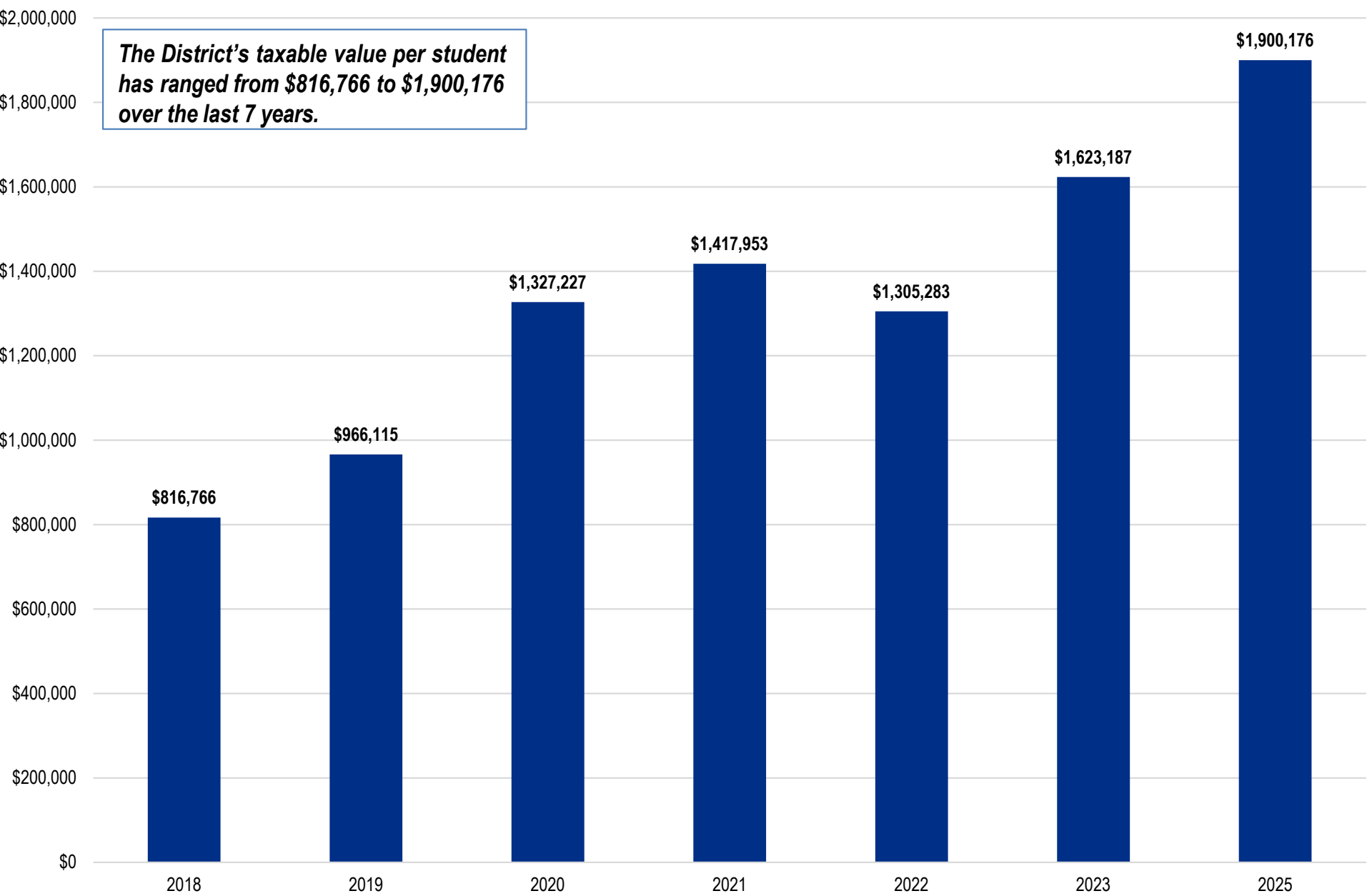
Source: Texas Municipal Advisory Council & Midland County Appraisal District

HISTORICAL TAXABLE ASSESSED VALUATION



Source: Texas Municipal Advisory Council & Midland County Appraisal District

HISTORICAL TAXABLE ASSESSED VALUATION PER STUDENT ENROLLMENT

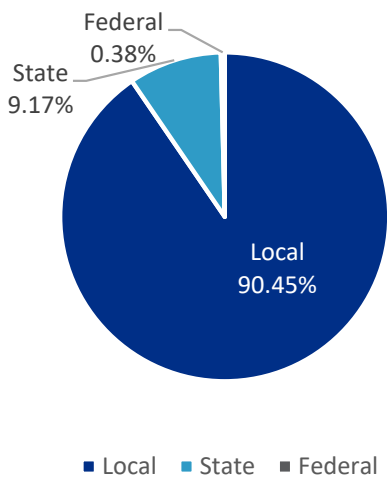


Source: Texas Municipal Advisory Council & Midland County Appraisal District

REVENUE BY SOURCE – GENERAL FUND AND DEBT SERVICE FUND - COMPARISON

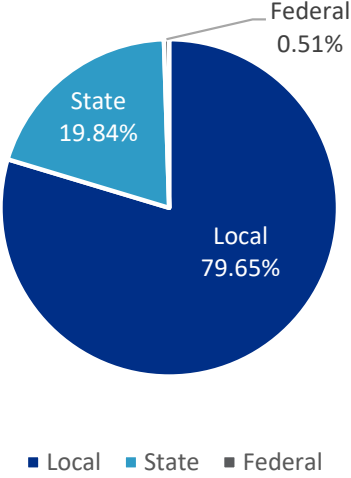
FYE 2025

M&O Revenue by Source

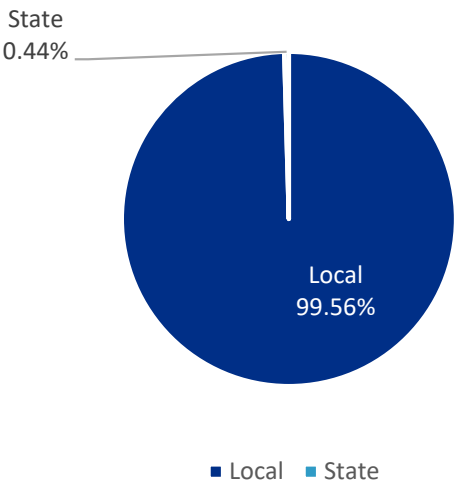


FYE 2021

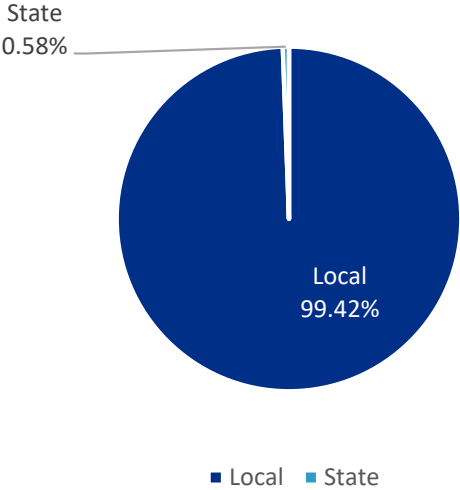
M&O Revenue by Source



I&S Revenue by Source

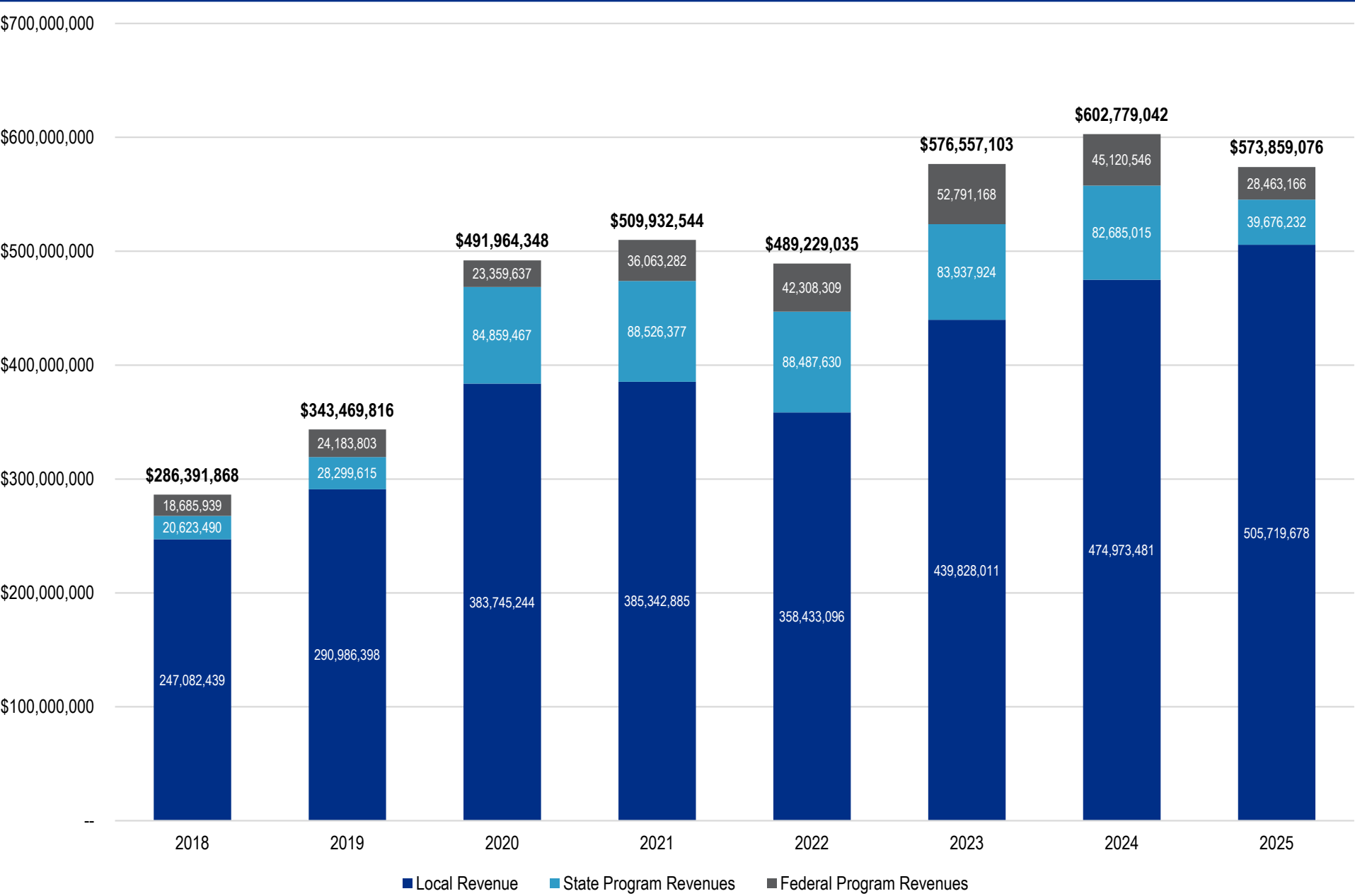


I&S Revenue by Source



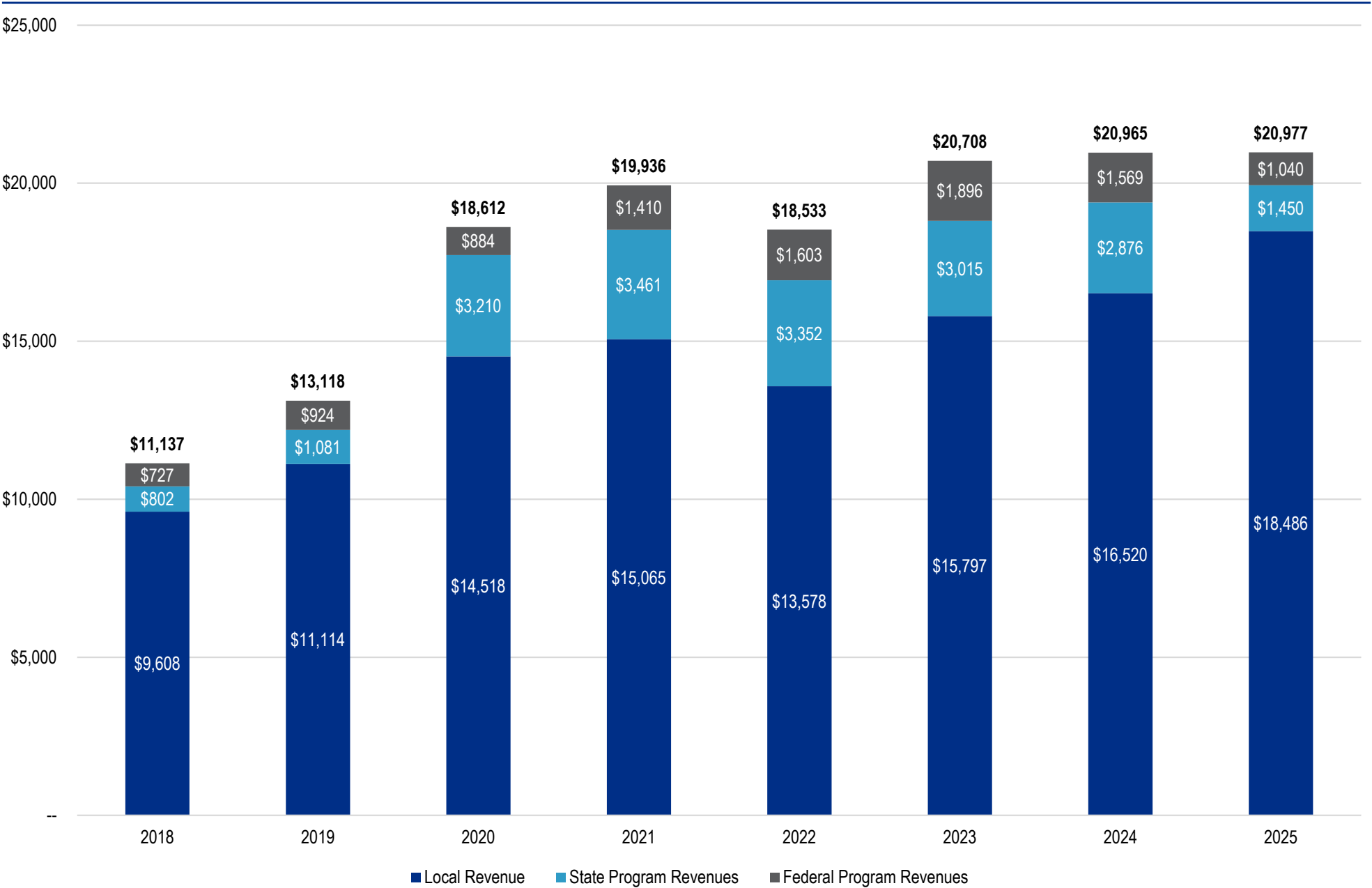
Source: FYE 2025 Annual Draft Audit

TOTAL REVENUES (ALL GOVERNMENTAL FUNDS) BY SOURCE



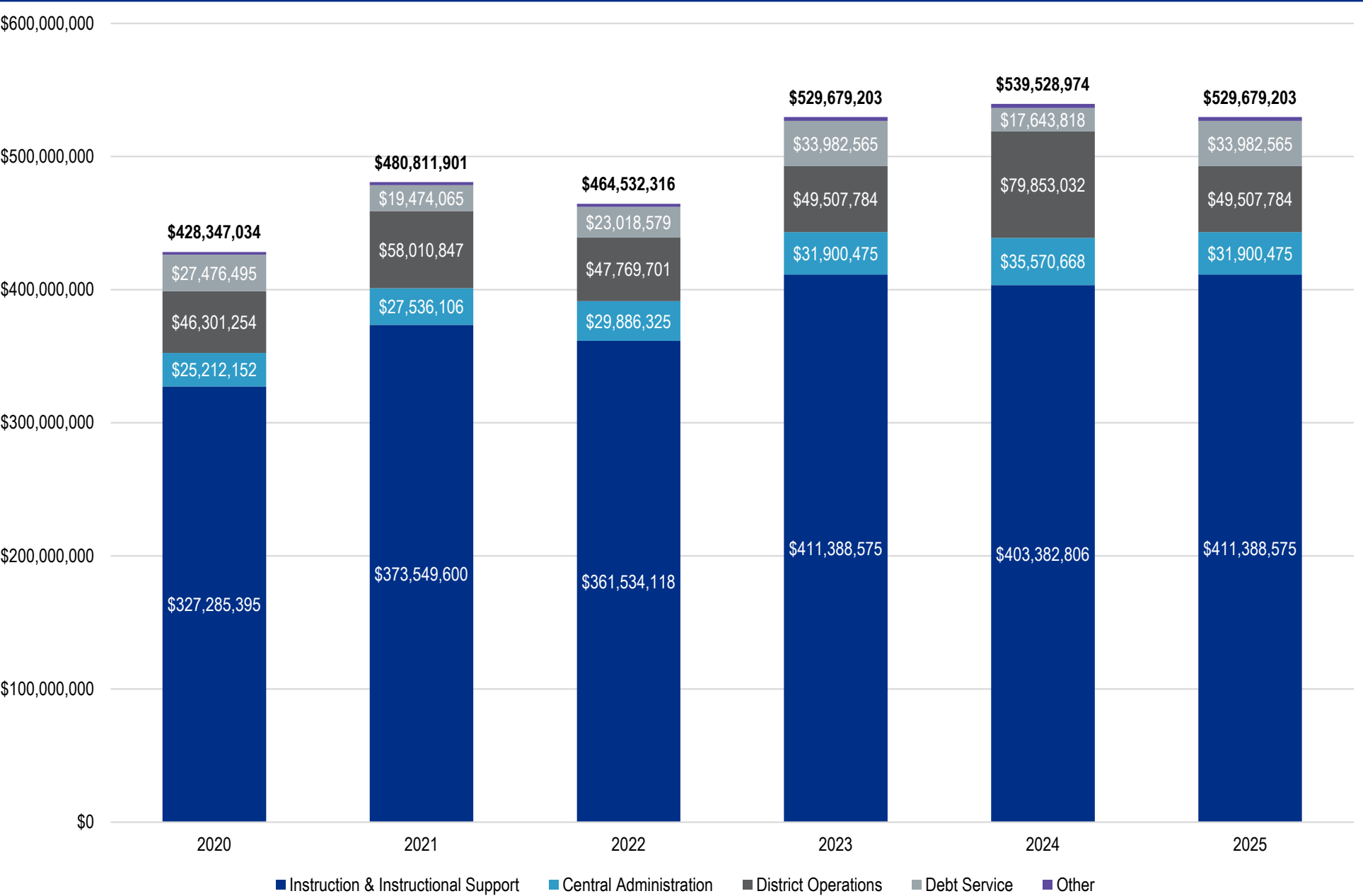
Source: FYE 2025 Annual Draft Audit

TOTAL REVENUES (ALL GOVERNMENTAL FUNDS) PER STUDENT



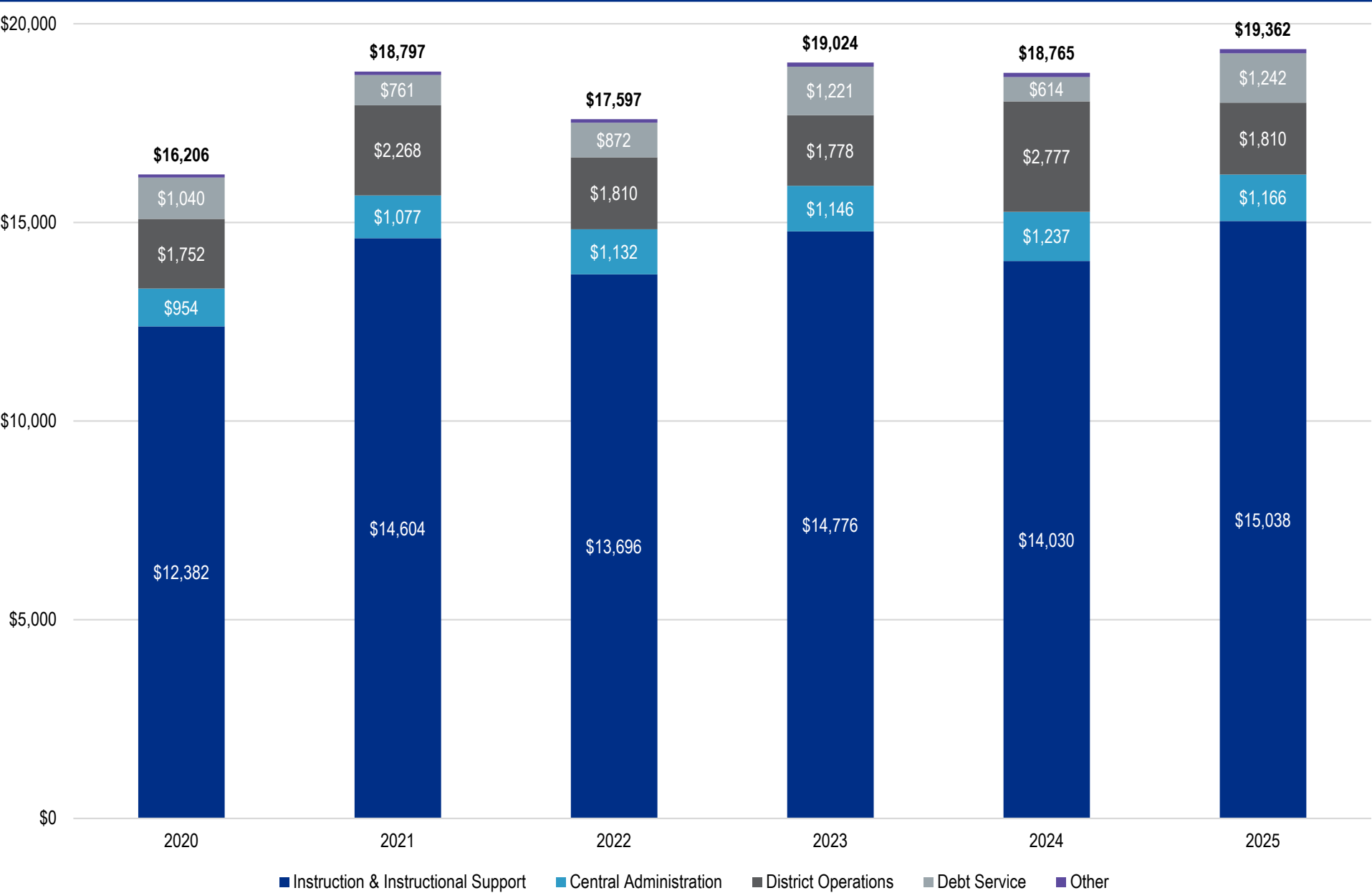
Source: FYE 2025 Annual Draft Audit

TOTAL EXPENDITURES (ALL GOVERNMENTAL FUNDS) BY SOURCE



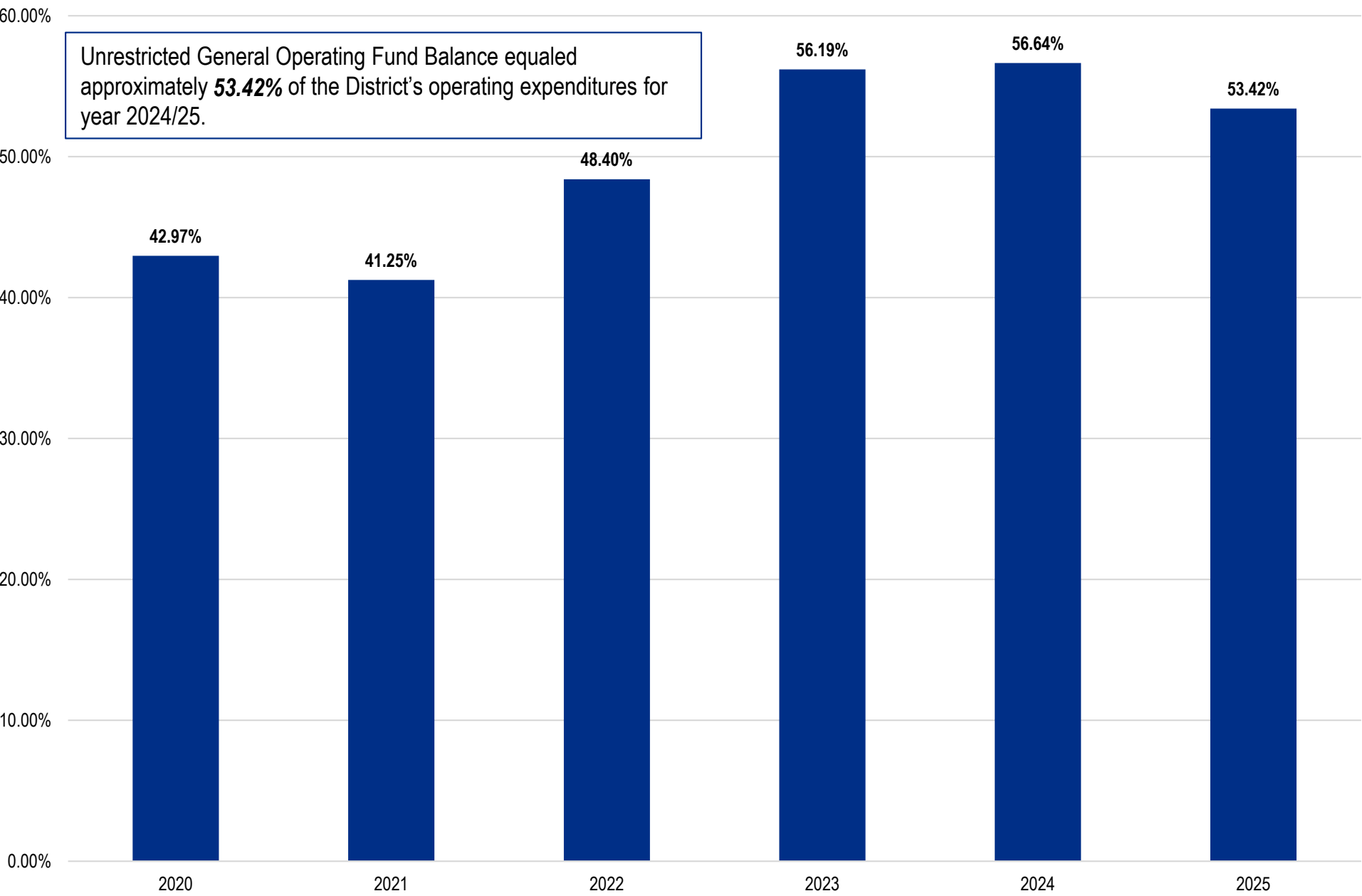
Source: FYE 2025 Annual Draft Audit

TOTAL EXPENDITURES (ALL GOVERNMENTAL FUNDS) PER STUDENT



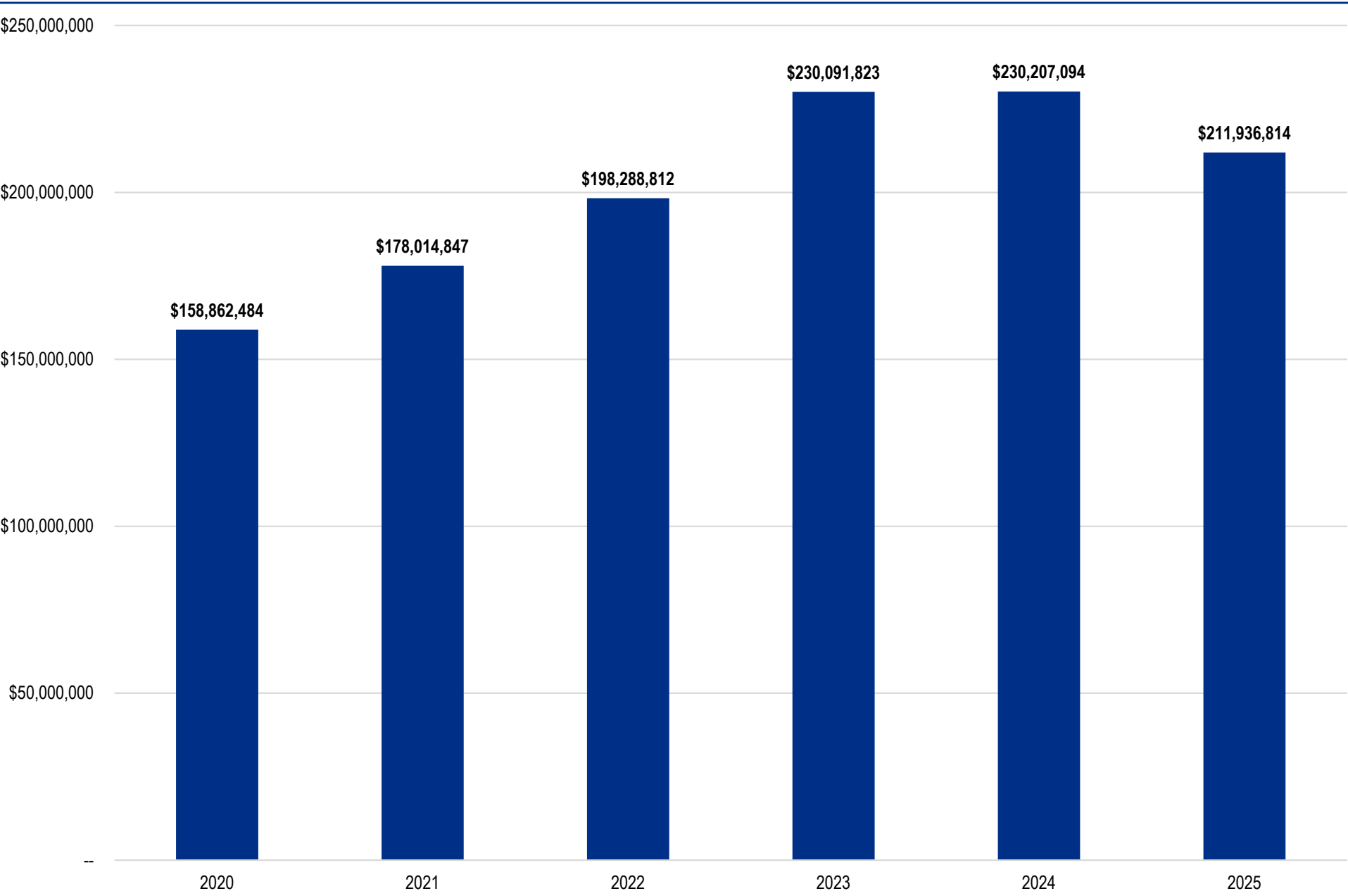
Source: FYE 2025 Annual Draft Audit

UNRESTRICTED GENERAL OPERATING FUND BALANCE AS A PERCENTAGE OF GENERAL OPERATING EXPENDITURES



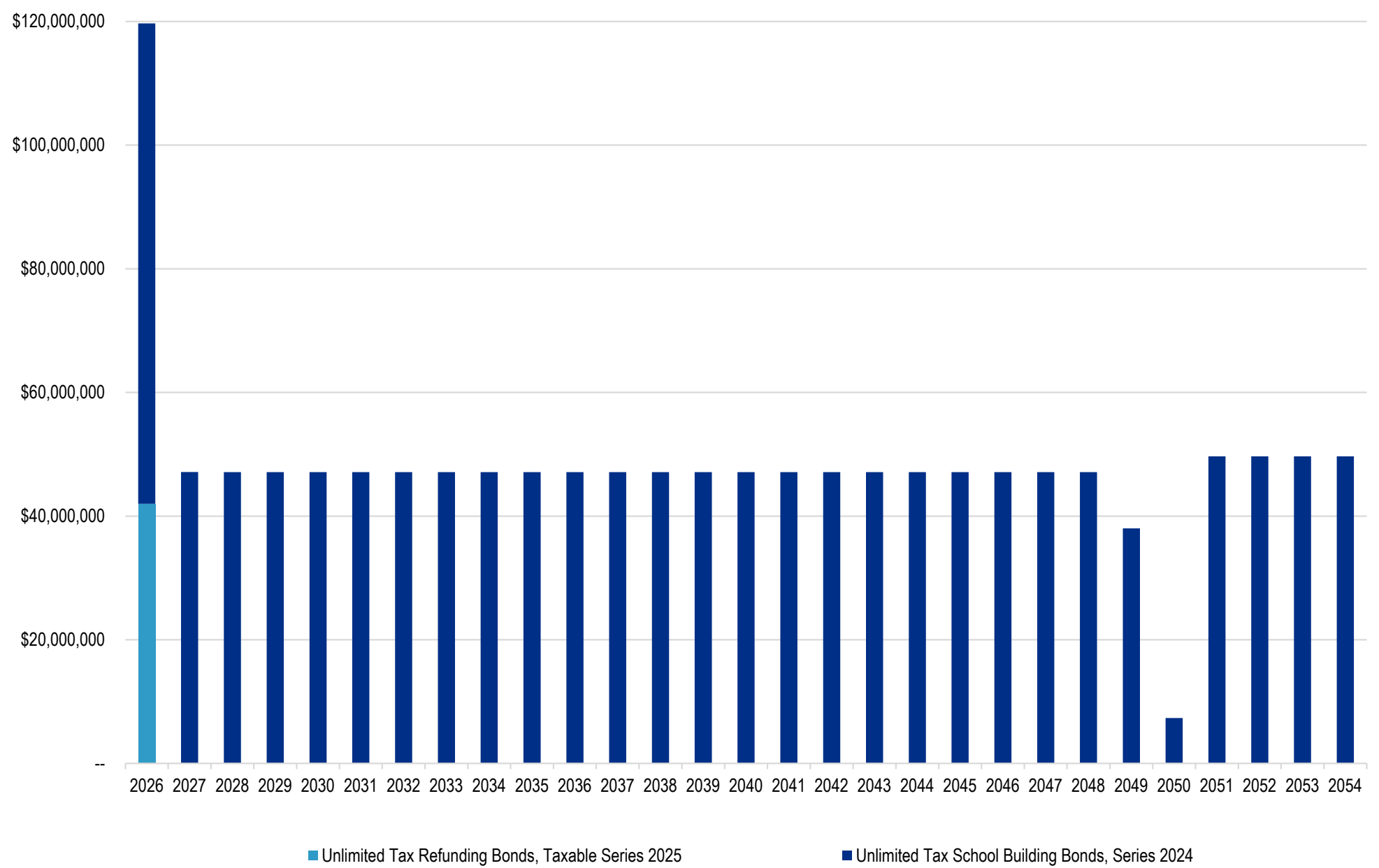
Source: FYE 2025 Annual Draft Audit

TOTAL GENERAL OPERATING FUND



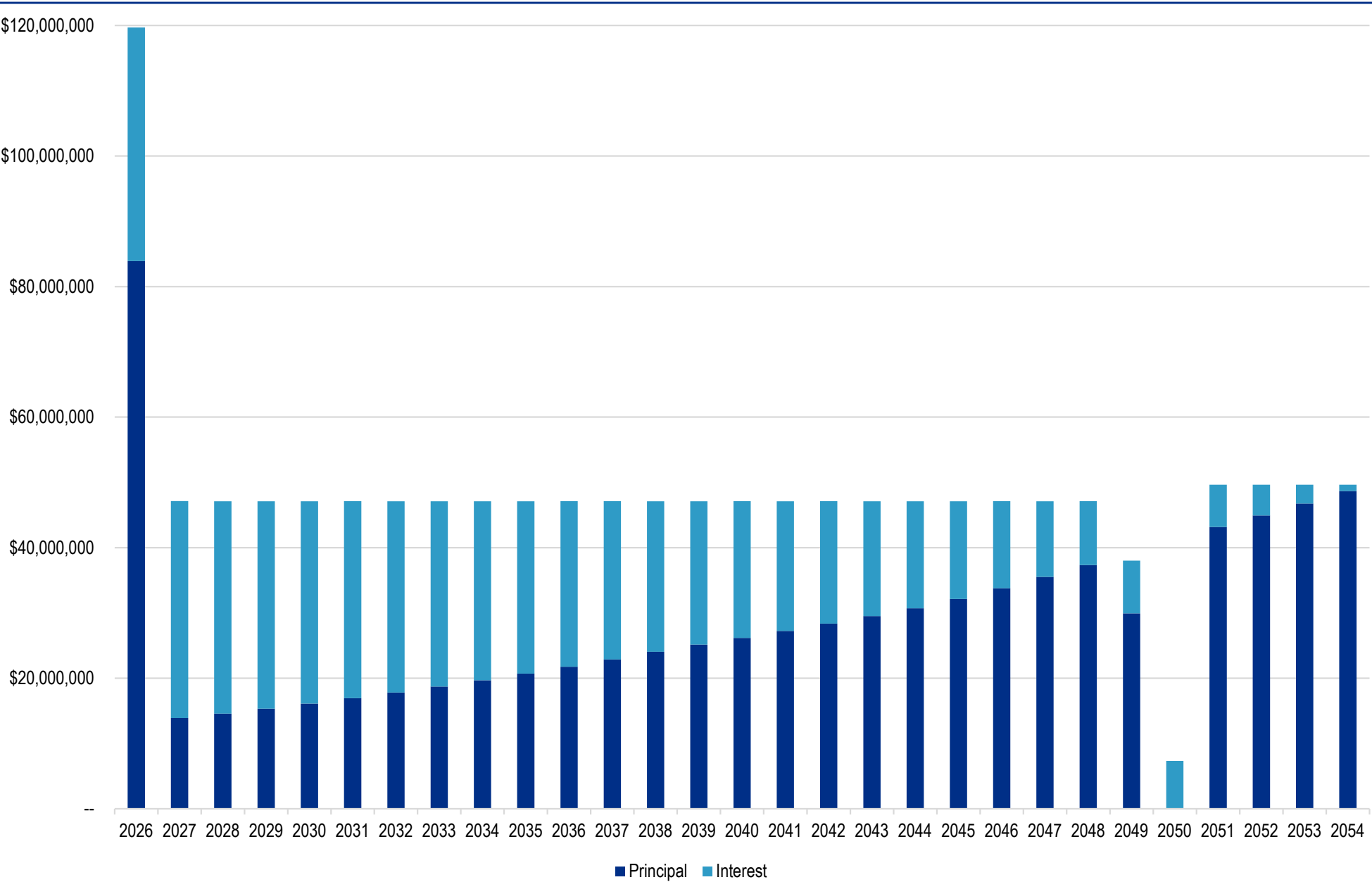
Source: FYE 2025 Annual Draft Audit

UNLIMITED TAX DEBT SERVICE BY SERIES



(1) Due to the timing of tax collection receipts, the District budgets for debt payments on a calendar year basis, ending on December 31 of the same year.

UNLIMITED TAX DEBT SERVICE BY PRINCIPAL AND INTEREST



(1) Due to the timing of tax collection receipts, the District budgets for debt payments on a calendar year basis, ending on December 31 of the same year.

BOND ISSUANCE HISTORY (AS OF 11/20/2025)

Bond Series	Original Amount Issued	Effective Interest Rate (TIC)	Original Repayment Year	Amount Outstanding	Refunded by	Amount Refunded
Unlimited Tax School Building and Refunding Bonds, Series 2003	\$55,419,986	4.64%	2/15/2028	\$0	Series 2011	\$26,650,000
				\$0	Series 2013	\$10,985,000
Unlimited Tax School Building Bonds, Series 2004	\$26,975,730	4.87%	2/15/2028	\$0	Series 2012	\$24,665,000
Unlimited Tax Refunding Bonds, Series 2006	\$14,014,995	4.38%	2/15/2020	\$0	Series 2015	\$5,750,000
Unlimited Tax School Building Bonds, Series 2007	\$37,035,000	4.86%	2/15/2032	\$0	Series 2015	\$33,420,000
Unlimited Tax Refunding Bonds, Series 2009	\$4,634,990	2.58%	2/15/2020	\$0	Retired	N/A
Unlimited Tax Refunding Bonds, Series 2011 ⁽¹⁾	\$26,500,000	3.10%	2/15/2028	\$0	Retired	N/A
Unlimited Tax Refunding Bonds, Series 2012 ⁽²⁾	\$22,835,000	2.74%	2/15/2028	\$0	N/A	N/A
Unlimited Tax School Building and Refunding Bonds, Series 2013 ⁽³⁾	\$70,175,000	3.72%	2/15/2038	\$0	Series 2015	\$2,435,000
					Series 2016	\$26,840,000
					Series 2017	\$17,715,000
Unlimited Tax School Building Bonds, Series 2014	\$85,235,000	4.20%	2/15/2040	\$0	Series 2017	\$36,625,000
					Series 2020	\$39,345,000
Unlimited Tax Refunding Bonds, Series 2015 ⁽⁴⁾	\$38,495,000	3.28%	2/15/2032	\$0	N/A	N/A
Unlimited Tax Refunding Bonds, Series 2016 ⁽⁵⁾	\$26,000,000	3.25%	2/15/2038	\$0	N/A	N/A
Unlimited Tax Refunding Bonds, Series 2017 ⁽⁶⁾	\$54,335,996	3.06%	2/15/2035	\$0	N/A	N/A
Unlimited Tax Refunding Bonds, Taxable Series 2020 ⁽⁷⁾	\$39,344,986	2.47%	2/15/2040	\$0	N/A	N/A
Unlimited Tax School Building Bonds, Series 2024 ⁽⁸⁾	\$860,640,000	4.09%	2/15/2054	\$785,035,000	Series 2025	\$40,905,000
Unlimited Tax Refunding Bonds, Taxable Series 2025	\$40,905,000	4.09%	5/1/2027	\$40,905,000	N/A	N/A

(1) Maturities 2024-2028 were redeemed with cash on 2/15/2020, and maturities 2022 and 2023 were redeemed with cash on 5/10/2021.

(2) Maturities 2026-2028 were redeemed with cash on 4/14/2022, and maturities 2023-2025 were redeemed with cash on 4/14/2023

(3) A portion of maturities 2023-2028 were redeemed with cash on 4/14/2022.

(4) A portion of maturities 2029-2032 were redeemed with cash on 6/23/2023, and maturities 2025-2032 were redeemed with cash on 8/15/2024.

(5) Maturities 2025-2038 were redeemed with cash on 8/15/2024.

(6) A portion of maturities 2026-2030 and maturities 2031-2035 were redeemed with cash on 8/15/2024, and maturities 2026-2030 were redeemed with cash on 8/15/2025.

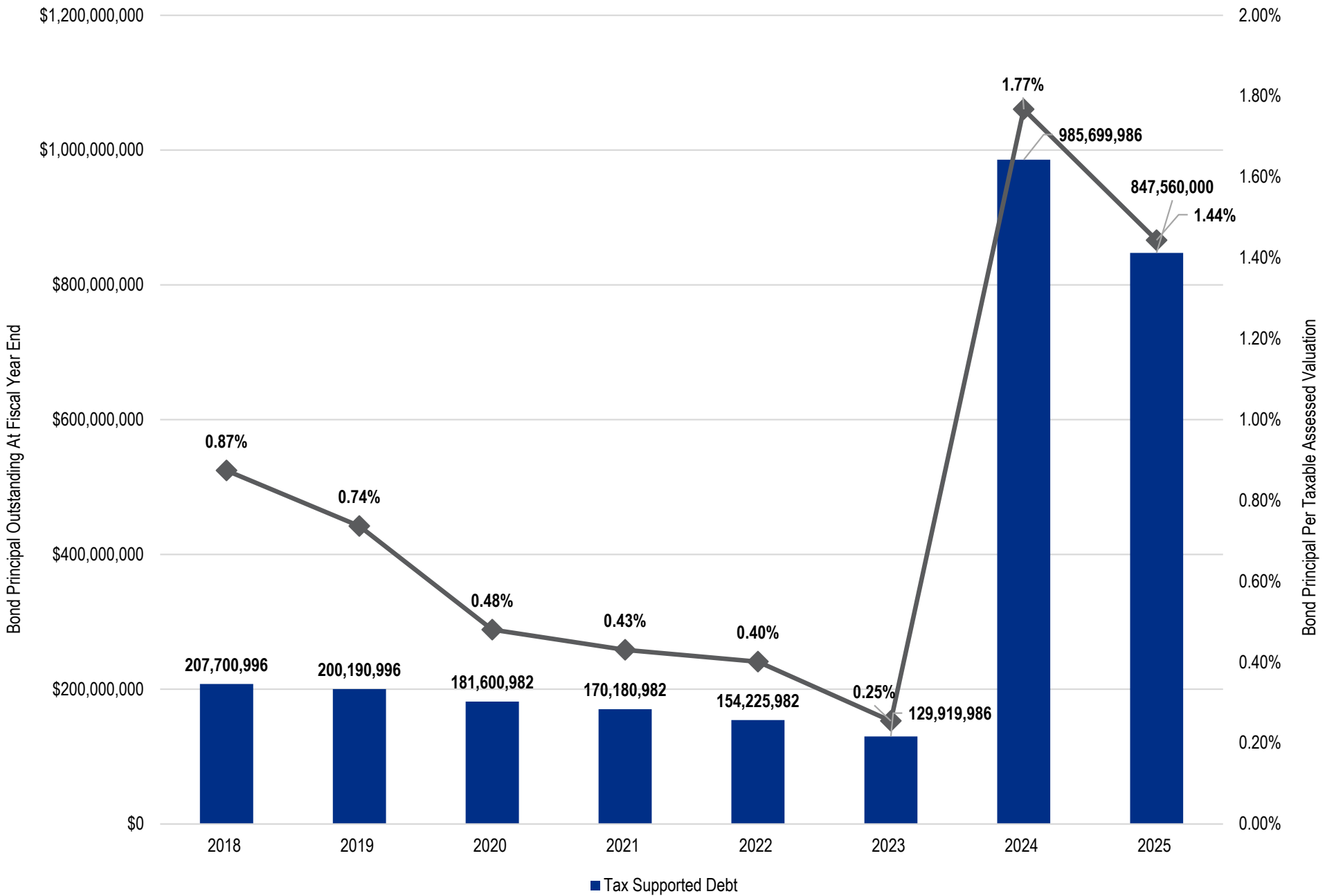
(7) Maturities 2034-2040 were redeemed with cash on 8/15/2024, and maturities 2026-2033 were redeemed with cash on 8/15/2025.

(8) A portion of maturity 2050 was redeemed with cash on 8/15/2025.

SAVINGS HISTORY

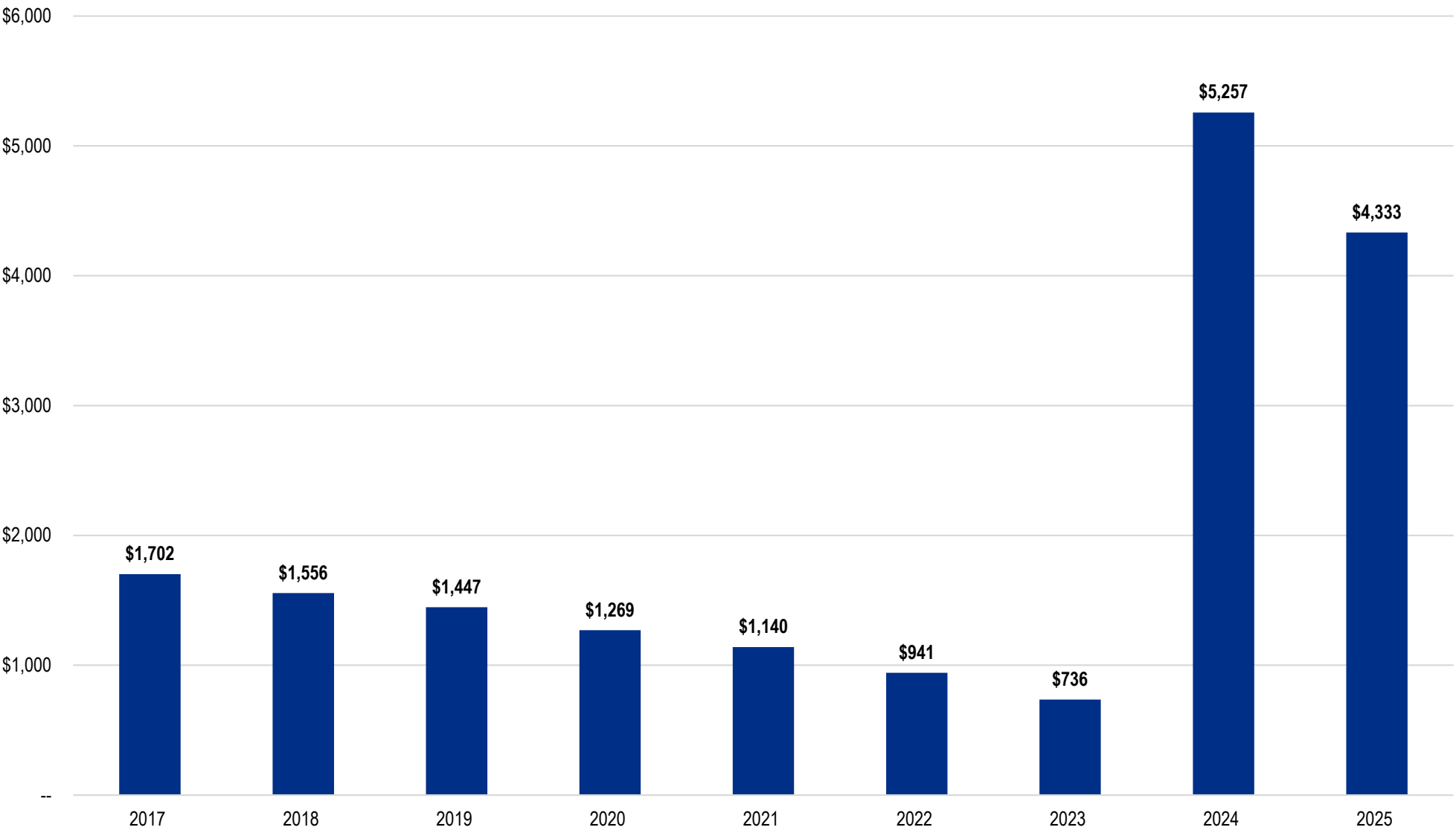
Calendar Year End	Refunding									Redemption/Defeasance							Total Interest Savings	
	Series 2009	Series 2011	Series 2012	Series 2013	Series 2015	Series 2016	Series 2017	Series 2020	Series 2025	2/15/2020	5/10/2021	4/14/2022	4/14/2023	6/23/2023	8/15/2024	8/15/2025	Year	
2009	628																628	2009
2010	202,320																202,320	2010
2011	1,865																1,865	2011
2012	111	3,128															3,239	2012
2013	2,675	201,138	193,119	(3,727,575)													(3,330,644)	2013
2014	369	202,638	193,119	460,469													856,594	2014
2015	3,425	202,338	193,119	461,075													859,956	2015
2016	1,463	205,188	251,919	461,894	127,446												1,047,909	2016
2017	4,488	204,544	248,909	463,138	523,124	374,036											1,818,238	2017
2018	2,806	205,763	250,500	463,769	518,725	374,294	1,788										1,817,644	2018
2019	1,538	203,063	251,900	464,588	515,619	374,994	242,231										2,053,931	2019
2020	525	203,925	252,100	465,375	521,844	375,694	243,931			250,875							2,314,269	2020
2021		201,125	252,475	464,750	418,706	376,569	240,681	827,211		501,750	75,625						3,358,892	2021
2022		205,625	248,000	463,375	416,400	372,694	242,481	826,360		501,750	108,500	218,575					3,603,760	2022
2023		204,750	251,100	461,250	416,541	373,894	244,881	828,985		489,625	32,875	431,775	74,869	333,150			4,143,694	2023
2024		204,375	252,350	463,250	415,163	375,094	245,881	826,985		449,375		420,650	168,875	666,300			4,488,297	2024
2025		202,750	248,225	464,250	416,900	376,294	242,581	830,360		372,500		408,900	57,500	666,300	3,783,723		8,070,283	2025
2026		204,000	251,175	464,250	417,444	377,494	237,781	829,110	(39,948,900)	272,500		347,950		666,300	3,710,760	975,517	(31,194,619)	2026
2027		204,750	248,000	463,250	415,806	373,994	241,156	828,360		2,019,625	167,250			666,300	3,584,323	859,017	10,293,831	2027
2028		205,000	251,125	461,250	414,375	375,794	246,781	828,110	2,045,250	56,625		75,500		666,300	3,452,173	735,392	9,813,675	2028
2029					414,800	376,144	130,281	828,360	2,045,250					577,050	3,288,398	619,392	8,279,675	2029
2030					416,775	372,994	130,241	829,110	2,045,250					413,100	3,099,835	531,870	7,839,175	2030
2031					419,125	375,494	133,950	826,579	2,045,250					260,700	2,874,823	495,630	7,431,550	2031
2032					419,000	377,769	132,125	830,631	2,045,250					91,500	2,583,823	491,577	6,971,675	2032
2033					121,750	219,944	241,400	829,962	2,045,250						2,230,098	487,247	6,175,650	2033
2034					121,750	375,094	143,775	829,563	2,045,250						1,830,944	485,000	5,831,375	2034
2035					121,750	373,769	144,025	829,357	2,045,250						1,414,349	485,000	5,413,500	2035
2036					121,750	374,019		831,624	2,045,250						2,475,872	485,000	6,333,514	2036
2037					121,750	375,544		831,308	2,045,250						741,149	485,000	4,600,000	2037
2038					2,495,875	375,172		828,034	2,045,250						452,294	485,000	6,681,625	2038
2039								828,283	2,045,250						228,218	485,000	3,586,750	2039
2040								828,331	2,045,250						62,169	485,000	3,420,750	2040
2041									2,045,250							485,000	2,530,250	2041
2042									2,045,250							485,000	2,530,250	2042
2043									2,045,250							485,000	2,530,250	2043
2044									2,045,250							485,000	2,530,250	2044
2045									2,045,250							485,000	2,530,250	2045
2046									2,045,250							485,000	2,530,250	2046
2047									2,045,250							485,000	2,530,250	2047
2048									2,045,250							485,000	2,530,250	2048
2049									11,142,000							485,000	11,627,000	2049
2050									32,364,375							242,500	32,606,875	2050
Total Interest Savings	\$222,211	\$3,264,096	\$3,837,134	\$3,218,357	\$10,312,417	\$8,096,783	\$3,485,972	\$16,576,621	\$48,527,350	\$3,062,250	\$217,000	\$2,125,350	\$301,244	\$5,007,000	\$35,812,950	\$13,198,142		
Bond Series Refunded/Redeemed	1997A & 1998	1997 & 2003	2004	2003	2006, 2007 & 2013	2013	2013 & 2014	2014	2024	2011	2011	2012 & 2013	2012	2015	2015, 2016, 2017 & 2020	2017, 2020 & 2024		
Amount Refunded	\$4,635,000	\$27,570,000	\$24,665,000	\$10,985,000	\$41,605,000	\$26,840,000	\$54,340,000	\$39,345,000	\$40,905,000								\$270,890,000	
Original Maturity	1997A: 8/15/2012 1998: 2/15/2020	1997: 8/15/2012 2003: 2/15/2028	2/15/2028	2/15/2028	2006: 2/15/2020 2007: 2/15/2032 2013: 2/15/2038	2/15/2038	2013: 2/15/2038 2014: 2/15/2040	2/15/2040	2/15/2050									
Principal Defeased/Eliminated										\$10,785,000	\$3,025,000	\$9,230,000	\$4,455,000	\$14,850,000	\$109,129,986	\$21,620,000	\$173,094,986	
Total Debt Service Defeased										\$13,847,250	\$3,242,000	\$11,355,350	\$4,756,244	\$19,857,000	\$144,942,936	\$34,818,142	\$232,818,922	
District Contribution										\$10,785,000	\$3,056,931	\$9,230,000	\$4,455,000	\$14,990,129	\$105,116,820	\$22,218,907	\$169,852,787	
Total Savings	\$222,211	\$3,264,096	\$3,837,134	\$3,218,357	\$10,312,417	\$8,096,783	\$3,485,972	\$16,576,621	\$48,527,350	\$3,062,250	\$185,069	\$2,125,350	\$301,244	\$4,866,871	\$39,826,116	\$12,599,235	\$160,507,077	

TAX-SUPPORTED DEBT OBLIGATIONS AT FISCAL YEAR END AND AS A PERCENTAGE OF TAXABLE ASSESSED VALUATION



INFLATION-ADJUSTED TOTAL TAX-SUPPORTED PRINCIPAL PER CAPITA

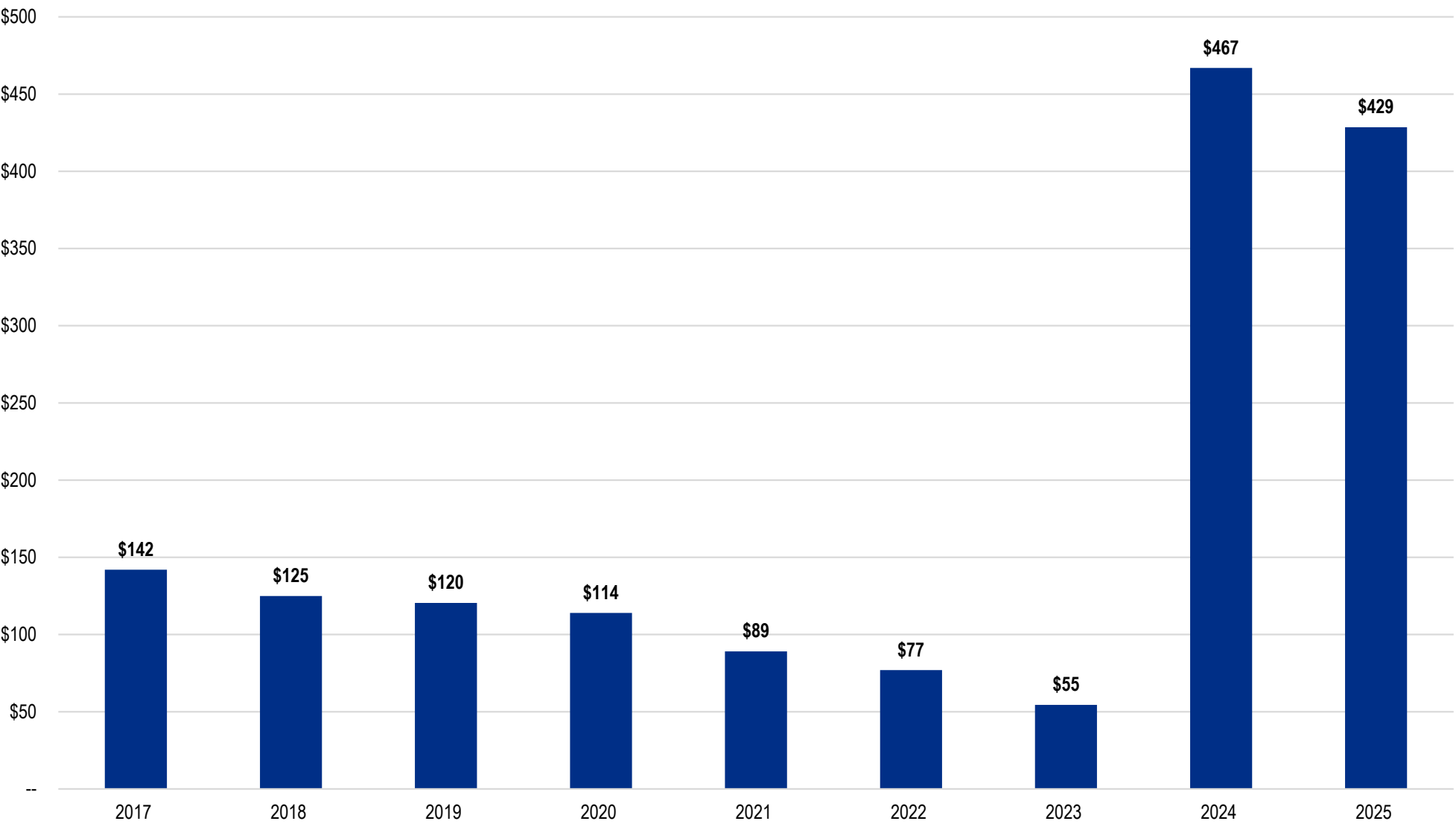
Reflects the District’s estimated principal amount of tax-supported debt outstanding per capita, with years 2018 - 2025 adjusted by rate of inflation.



Source: Consumer Price Index

INFLATION-ADJUSTED FISCAL YEAR END TOTAL TAX-SUPPORTED DEBT SERVICE PER CAPITA

On a per capita basis, this chart reflects an estimate of the District’s annual principal and interest requirements of its tax-supported debt, with years 2018 - 2025 adjusted by rate of inflation



Source: Consumer Price Index