



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

This report was posted on the District's website on December 19, 2025.



☑ Overview of Certain Financial/Bond Ratings

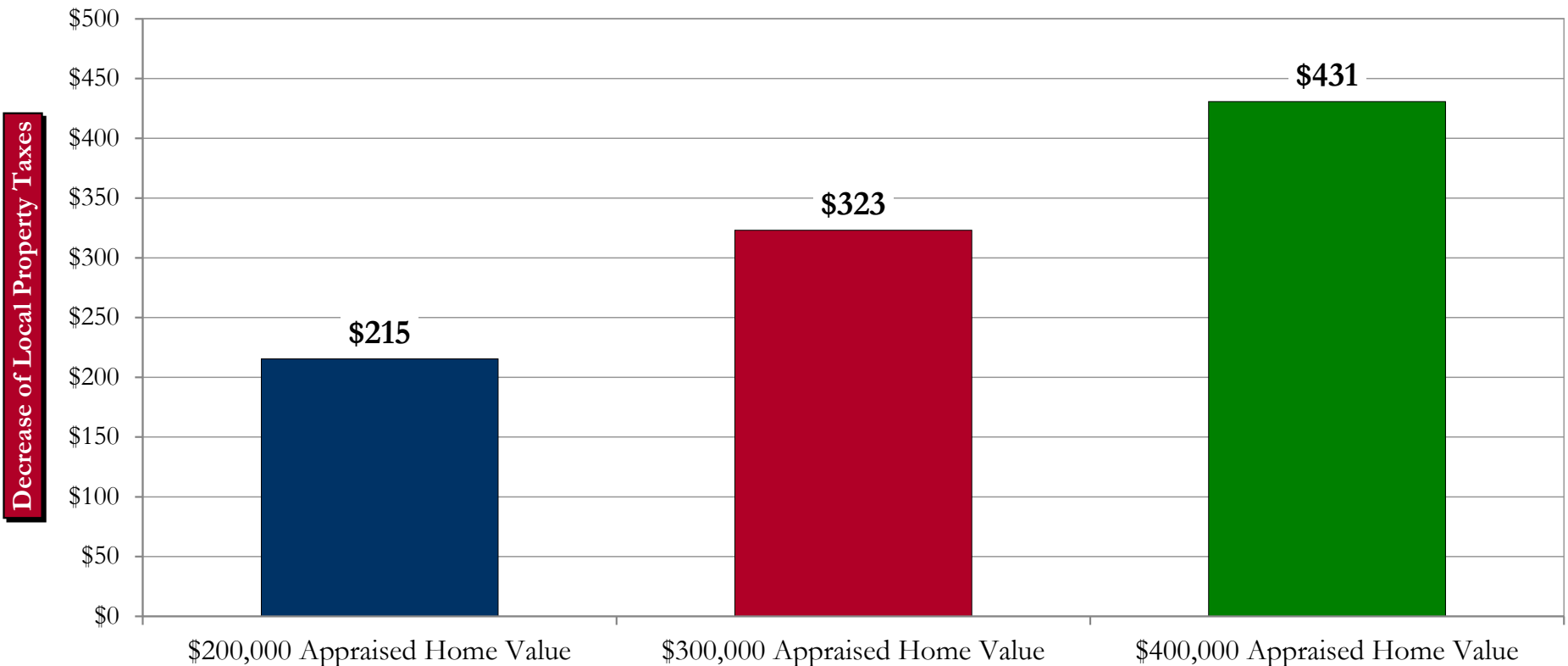
- ☐ **Overview:** Midlothian Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
 - **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant to Subchapter D, Chapter 39 of the Texas Education Code, the State annually deploys a financial accountability rating system to distinguish the level of a school district’s financial performance based upon certain uniform criteria.
 - ✓ Based on data for year 2023/24, the District was assigned a 2024/25 FIRST Rating of “Superior Achievement” and the District’s score was 90 out of a possible 100 points.
 - **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as Moody’s Investors Service and S&P Global Ratings, Inc., that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **Moody’s Investors Service:** Assigns a “Aa3” credit rating to the District, defined as “Judged to be of high quality and are subject to very low credit risk.”
 - ✓ **S&P Global Ratings:** Assigns a “AA-” credit rating to the District, defined as “Having a very strong capacity to meet its financial commitments. It differs from the highest-rated obligors only to a small degree.”



Overview of 10% Optional Residential Homestead Exemption Provided By District

- ❑ **Local Option, Additional Homestead Exemption:** Unlike many Texas school districts, the District has approved an additional residential homestead exemption equal to 10% of the assessed value. In this regard, the residential homestead exemption lowers the taxable value of a taxpayer's home for purposes of levying the District's tax rate.
- ❑ The following summarizes the estimated benefit that accrued to residential homeowners in year 2024/25.

10% Optional Residential Homestead Exemption – Estimated Decrease of Local Property Taxes – Year 2024/25



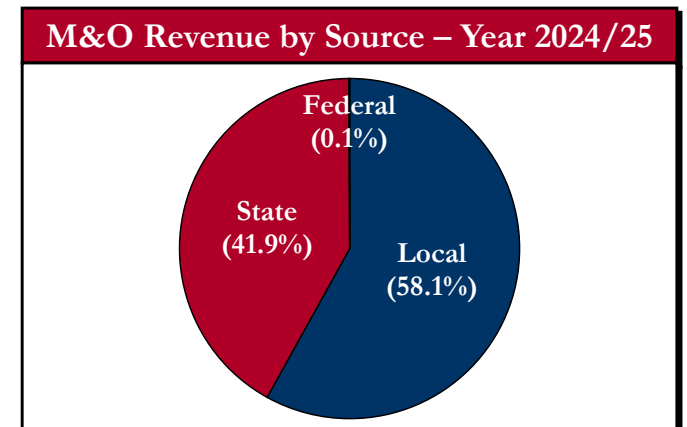


Overview of State Funding System

❑ **State Funding System – Where Do the District’s Revenues Come From:** Midlothian ISD is legally required to operate pursuant to the requirements of the Texas Education Code. In particular, the Texas Education Code determines the District’s ability to generate local tax revenues for maintenance & operation purposes and for the repayment of voter-approved bonds. In this regard, the District annually sets two (2) separate tax rates that are levied upon its certified taxable value that is independently determined by the Ellis Appraisal District:

■ **Maintenance & Operations (“M&O”) Tax Rate:** To provide funds for the “day to day” operational expenses of the District, including instructional programs, teacher salaries, instructional supplies, security, student transportation, extracurricular activities, utilities, facility infrastructure/maintenance, etc.

✓ The District’s annual funds for maintenance & operation purposes primarily consist of a combination of State funding and local M&O taxes. In general, the dollar amount of each component is determined by the District’s “Equalized Wealth per Student” (i.e. taxable value / weighted average daily attendance) as set by the State. For year 2024/25, the District’s sources for M&O revenues are summarized to the right.



✓ Beginning in year 2019/20, the District’s M&O tax rate became subject to compression pursuant to House Bill 3 that was enacted during the 2019 legislative session.



☑ Overview of State Funding System

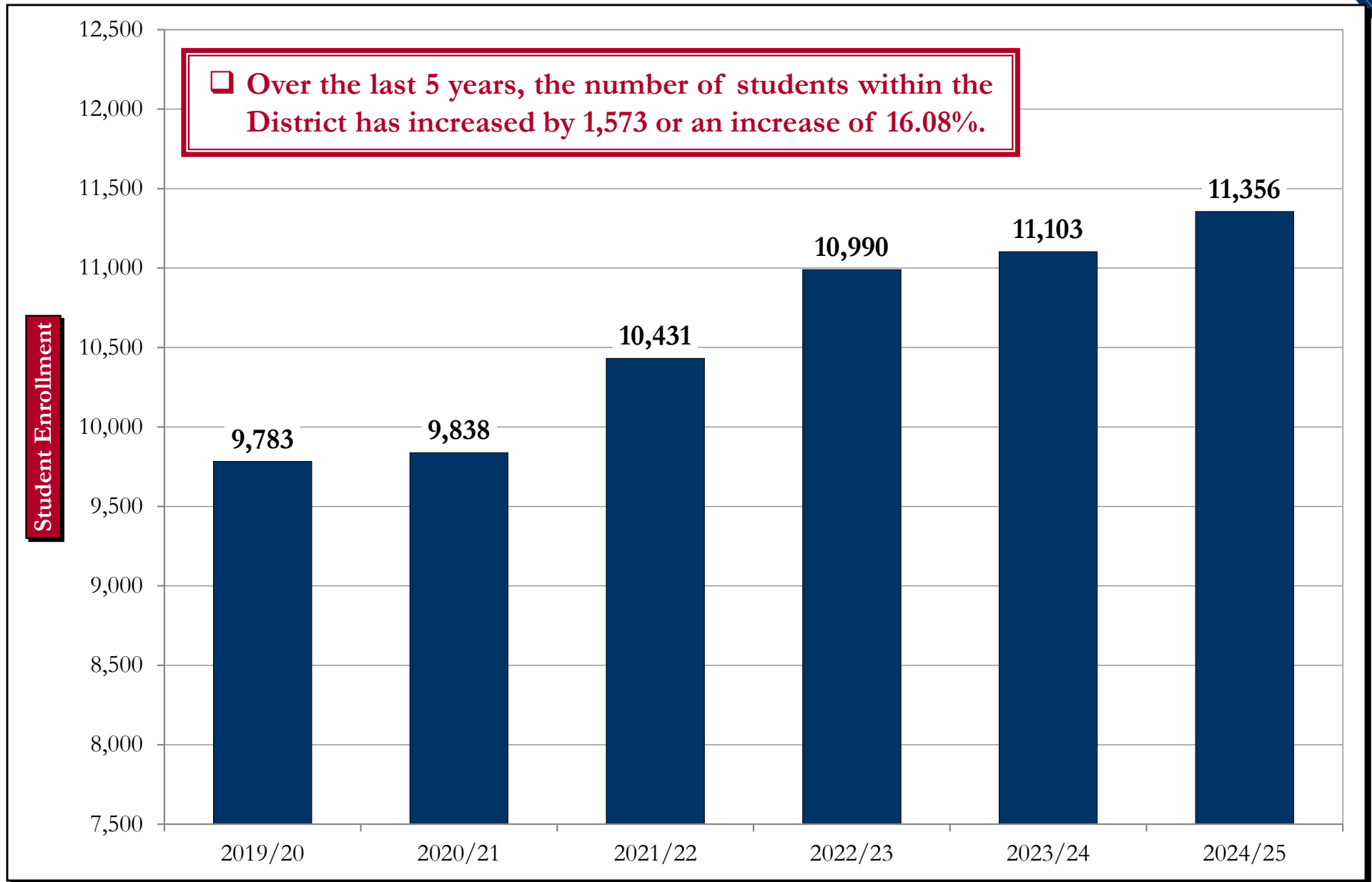
- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The District does not receive any facilities funding from the State for the payment of bonds. The following summarizes the District’s bond programs approved by voters over the last 25 years:

District’s Historical Bond Elections Approved By Voters

Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Of	Dollar Amount Of
				Bonds Remaining To Be Issued- As of June 30, 2025	Bonds Remaining To Be Issued- As of Dec. 15, 2025
February 7, 2004	School Building, Stadium & Land	5,396	\$80,015,000	\$0	\$0
May 13, 2006	Building & Renovations	6,104	\$35,270,000	\$0	\$0
November 6, 2007	Building	6,830	\$2,500,000	\$0	\$0
May 14, 2011	School Building	7,572	\$97,300,000	\$0	\$0
November 8, 2016	Building & Renovations	8,441	\$268,000,000	\$0	\$0
November 4, 2025	School Building	11,356	\$226,455,000	\$0	\$226,455,000
November 4, 2025	CTE Facility	11,356	\$157,165,000	\$0	\$157,165,000
November 4, 2025	Technology	11,356	\$5,600,000	\$0	\$5,600,000
Total Dollar Amount Of Authorized But Unissued Bonds - As of June 30, 2025:				\$0	\$389,220,000

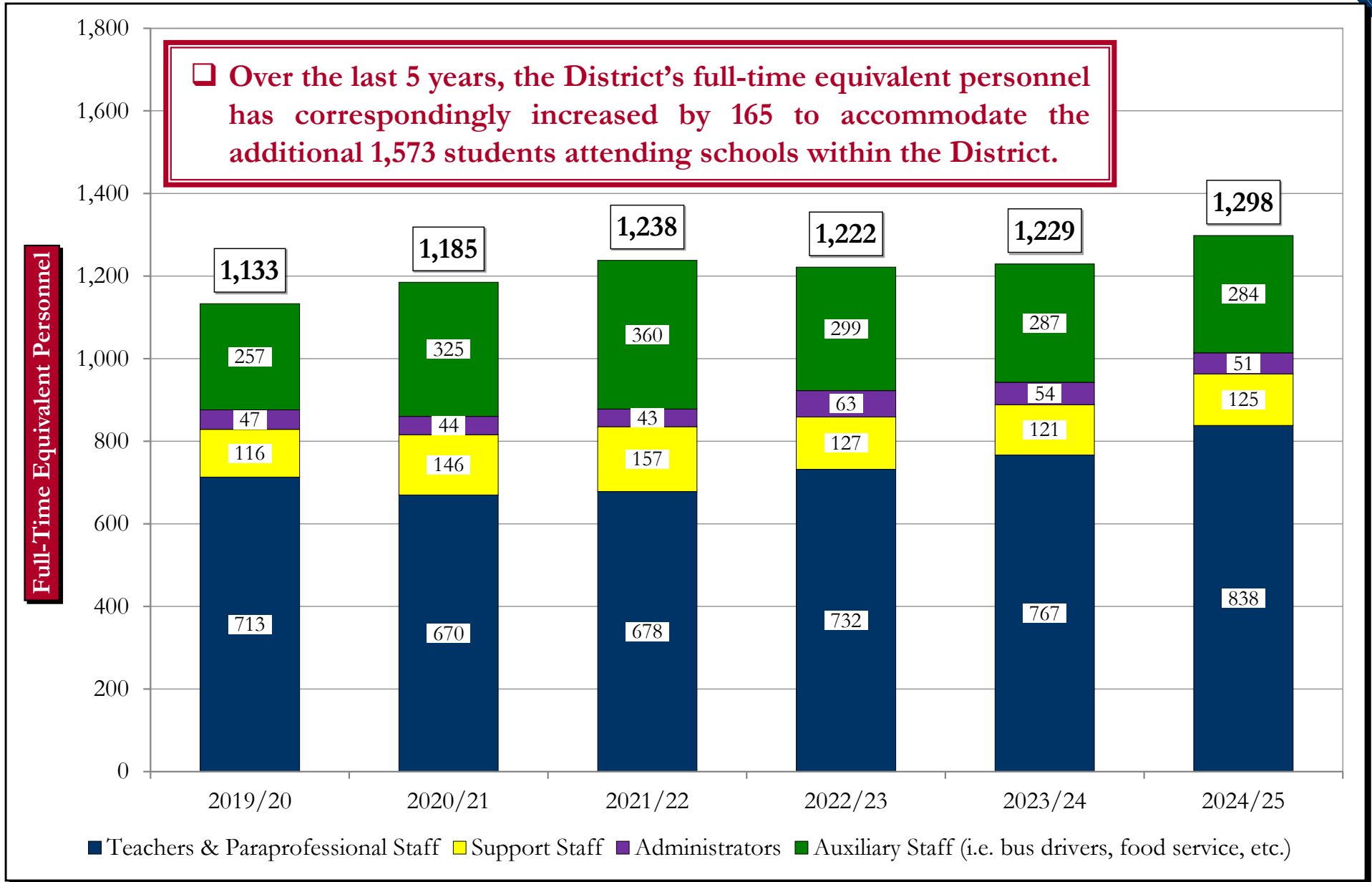


Historical Student Enrollment



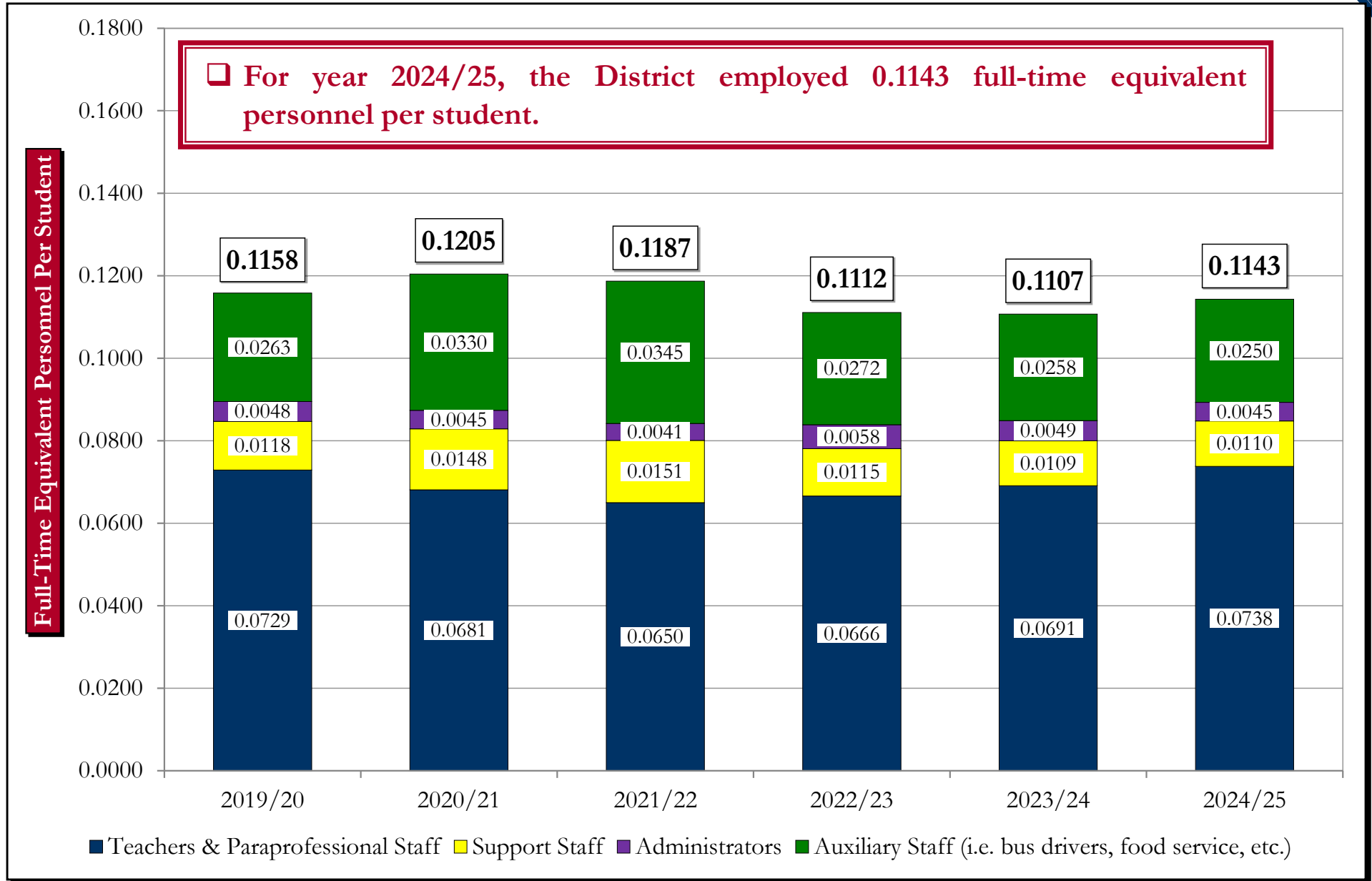


Full-Time Equivalent Personnel



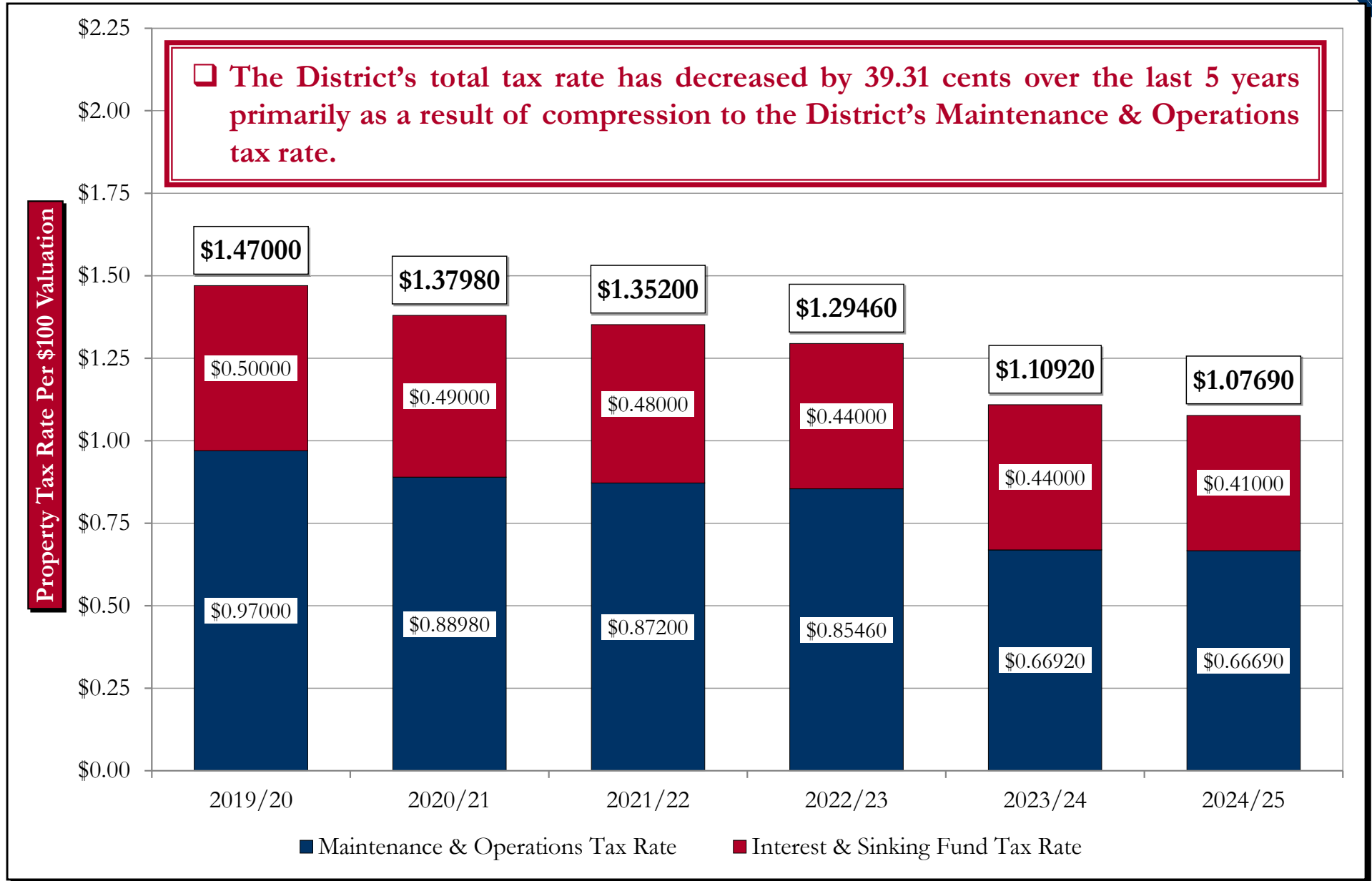


Full-Time Equivalent Personnel Per Student



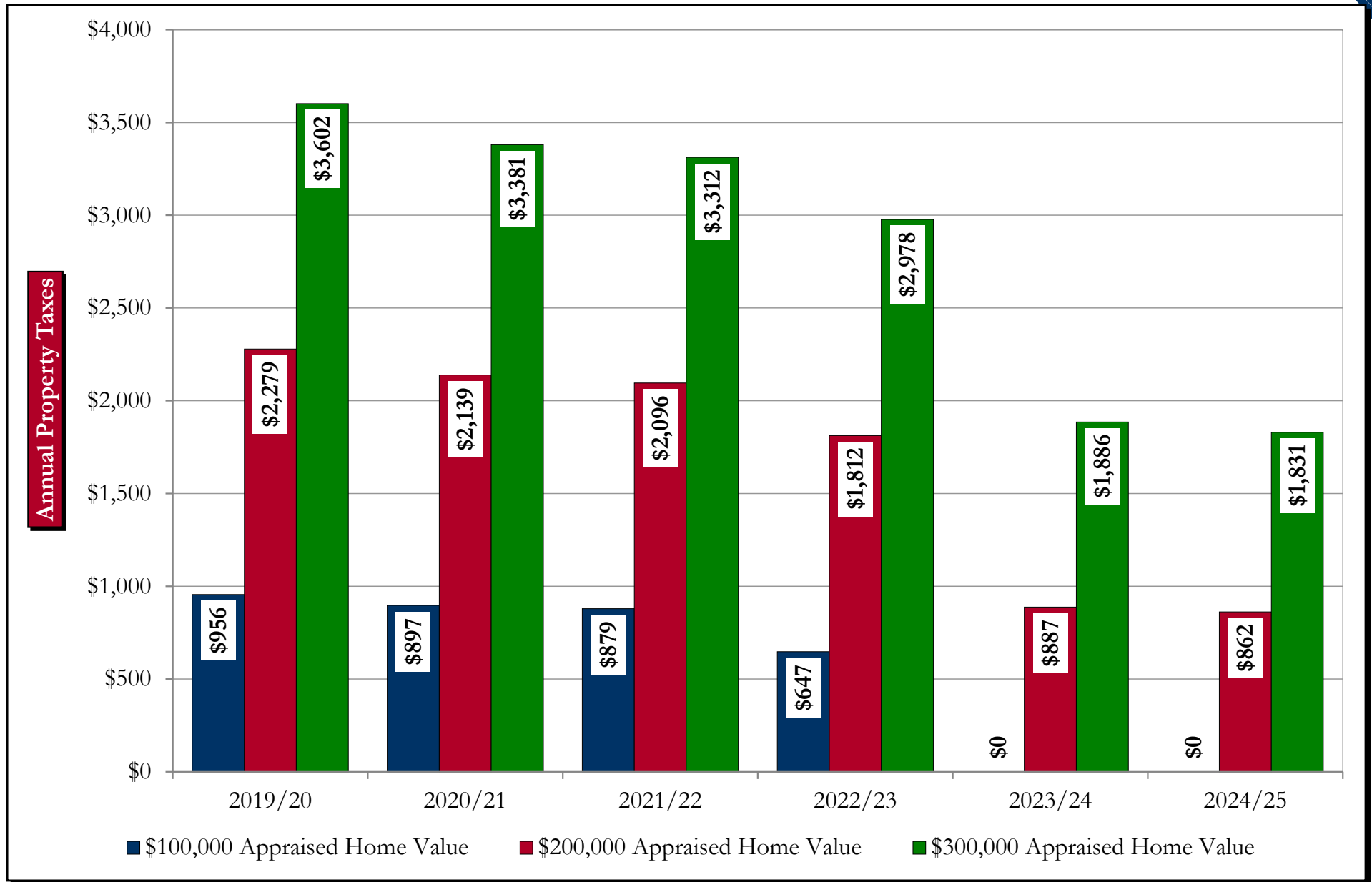


Historical Tax Rates





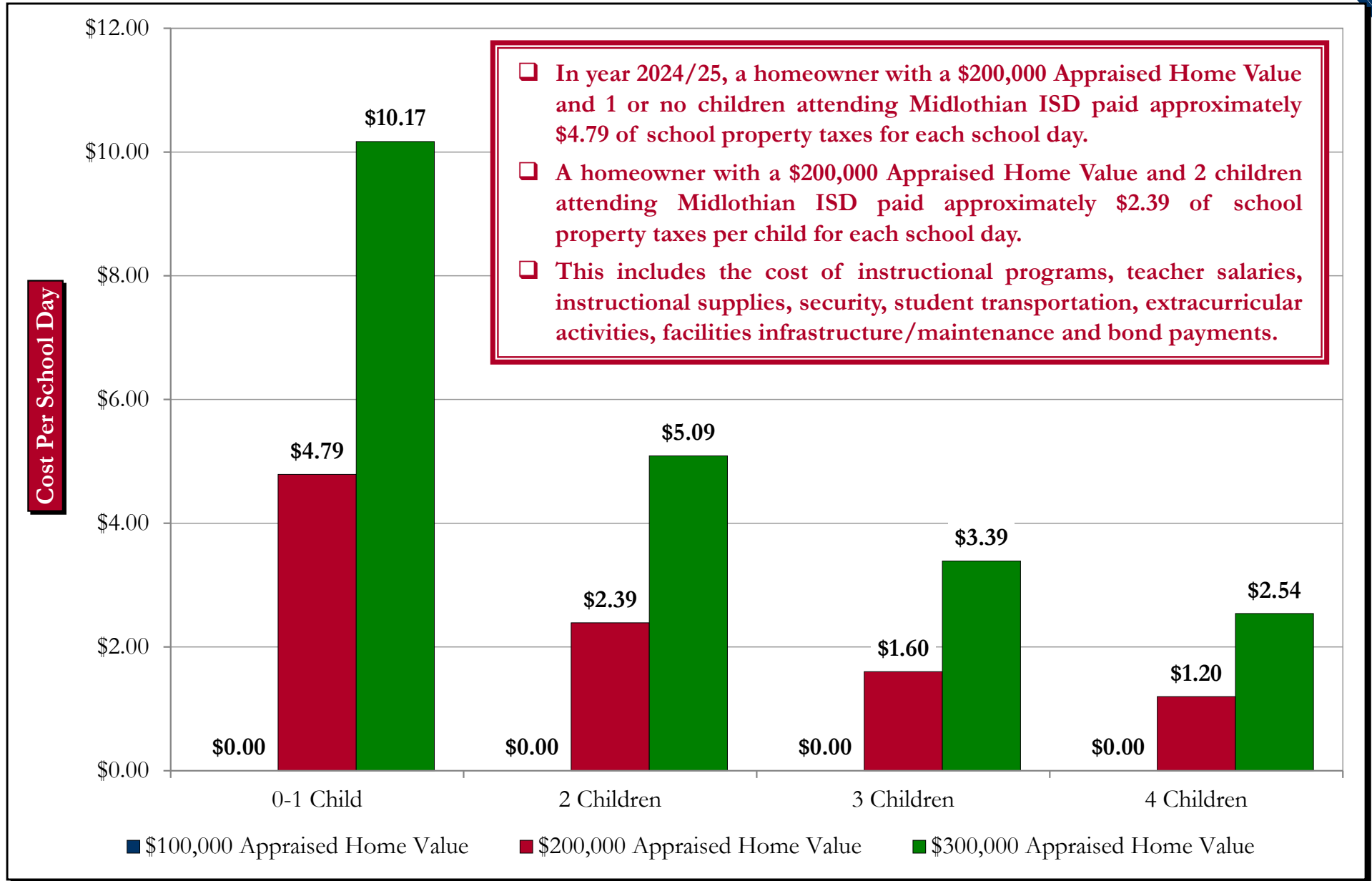
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



Note: Taxes are net of the State-mandated residential homestead exemption and a 10% local option, additional homestead exemption.



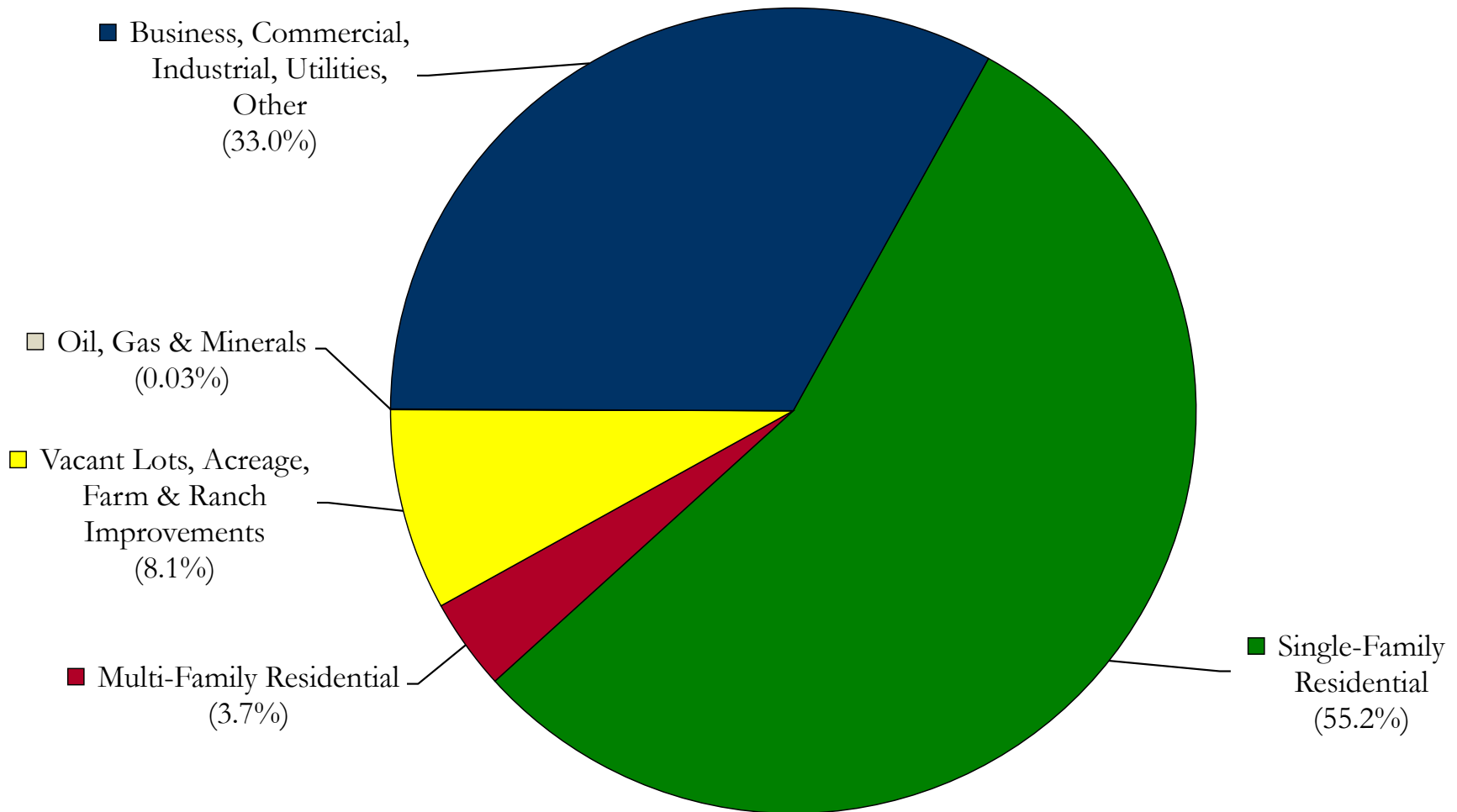
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2024/25





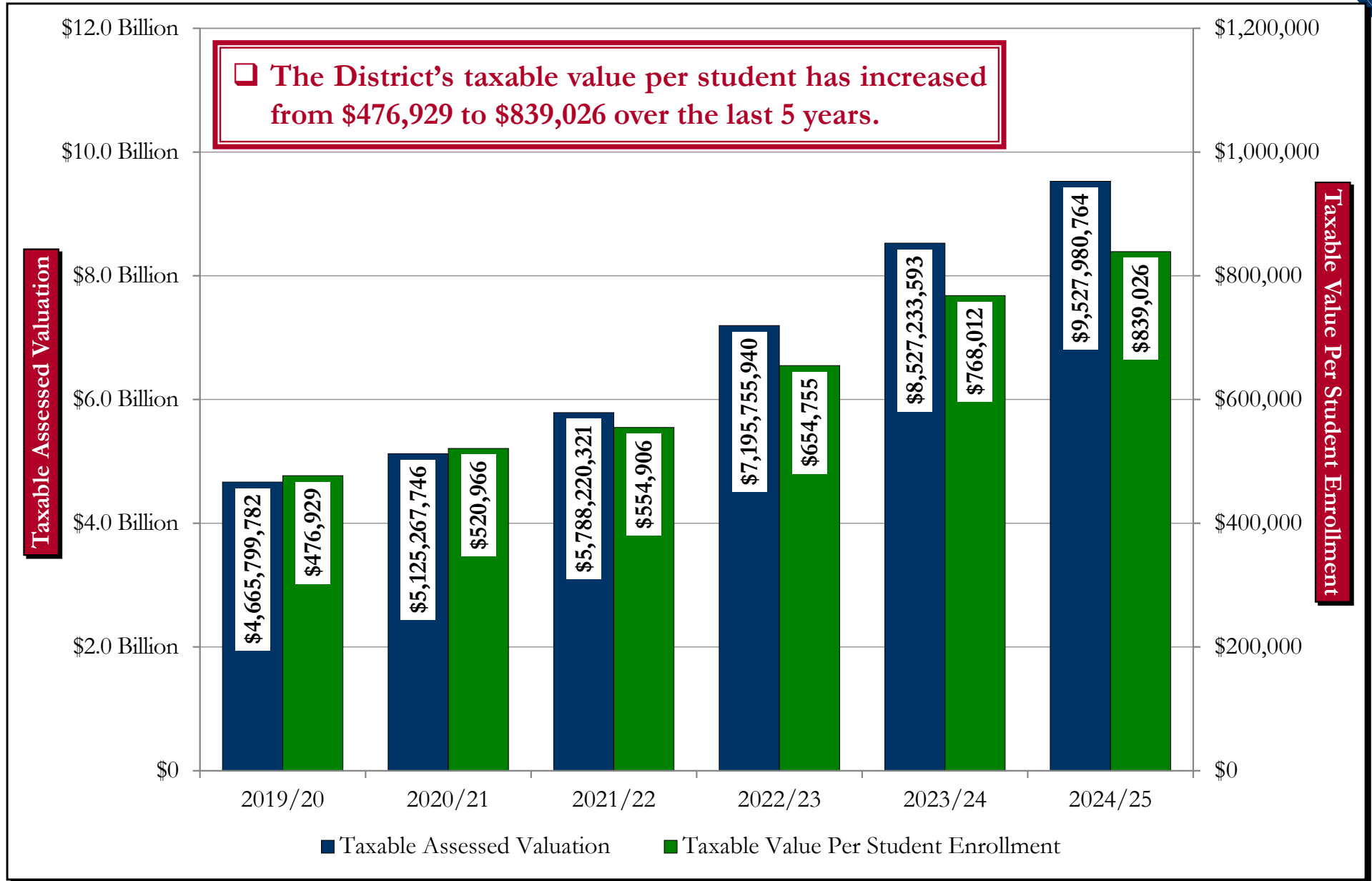
Composition of Total Assessed Valuation – Year 2024/25

For year 2024/25, Single-Family Residential properties comprised 55.2% of the District's total assessed valuation and other property categories comprised 44.8%.





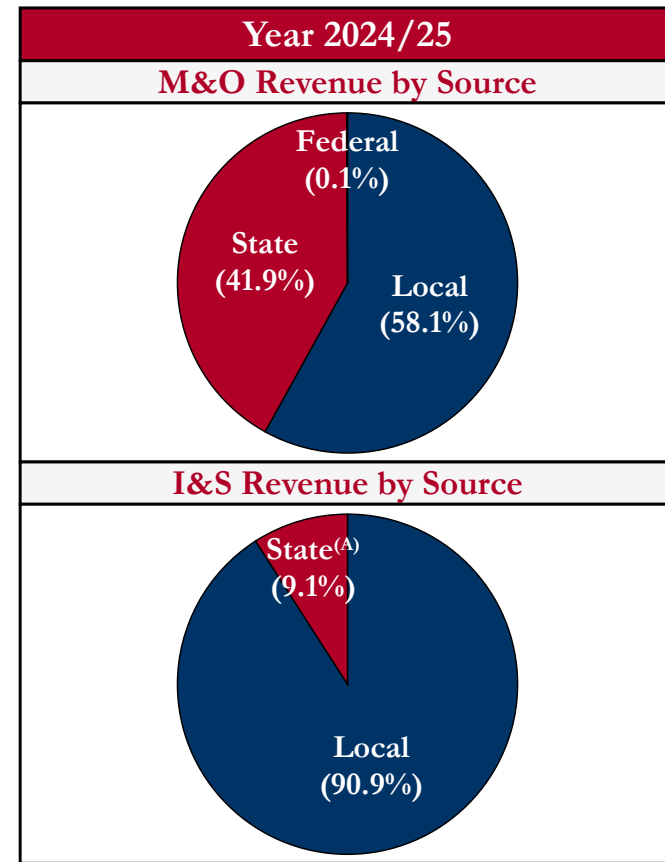
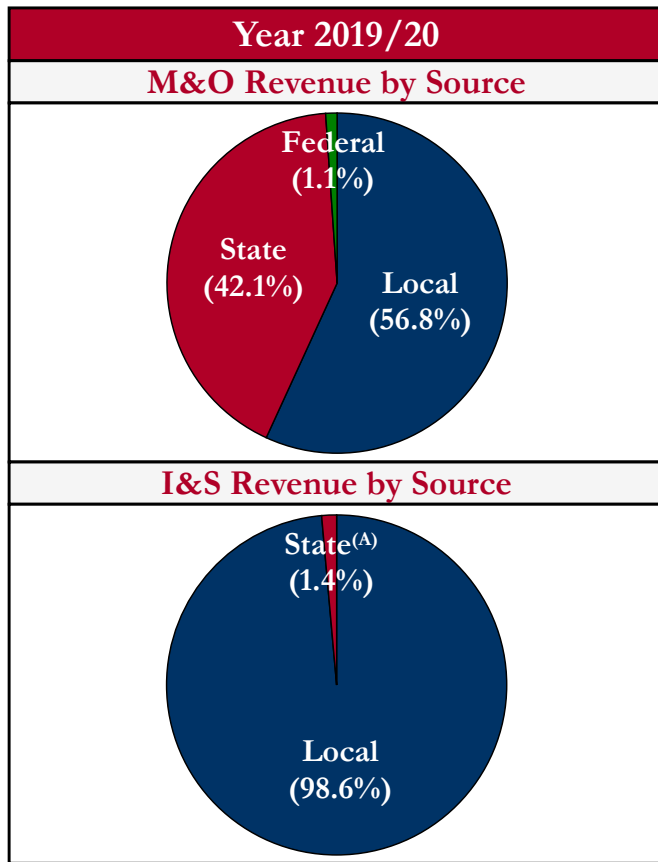
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





General Fund and Debt Service Fund – Revenue By Source

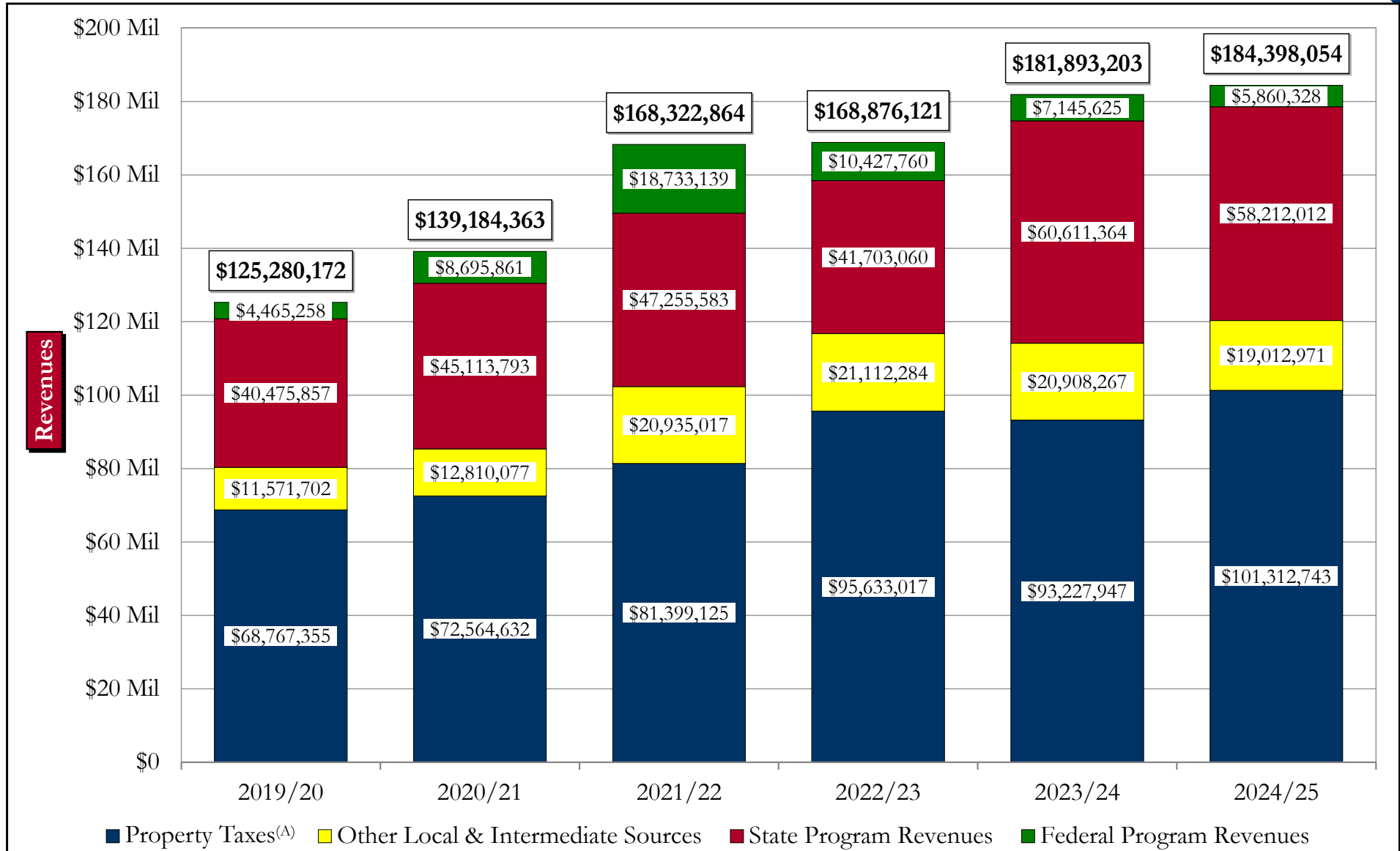
- ❑ The State funding system is structured to provide the District with an “equalized” dollar amount per student. The revenue sources for maintenance and operations and repayment of bonds is summarized below.
- ❑ The District does not receive any facilities funding from the State for the payment of voter-approved bonds.



^(A) Represents payment from State received for lost tax revenues resulting from increase of residential homestead exemption.



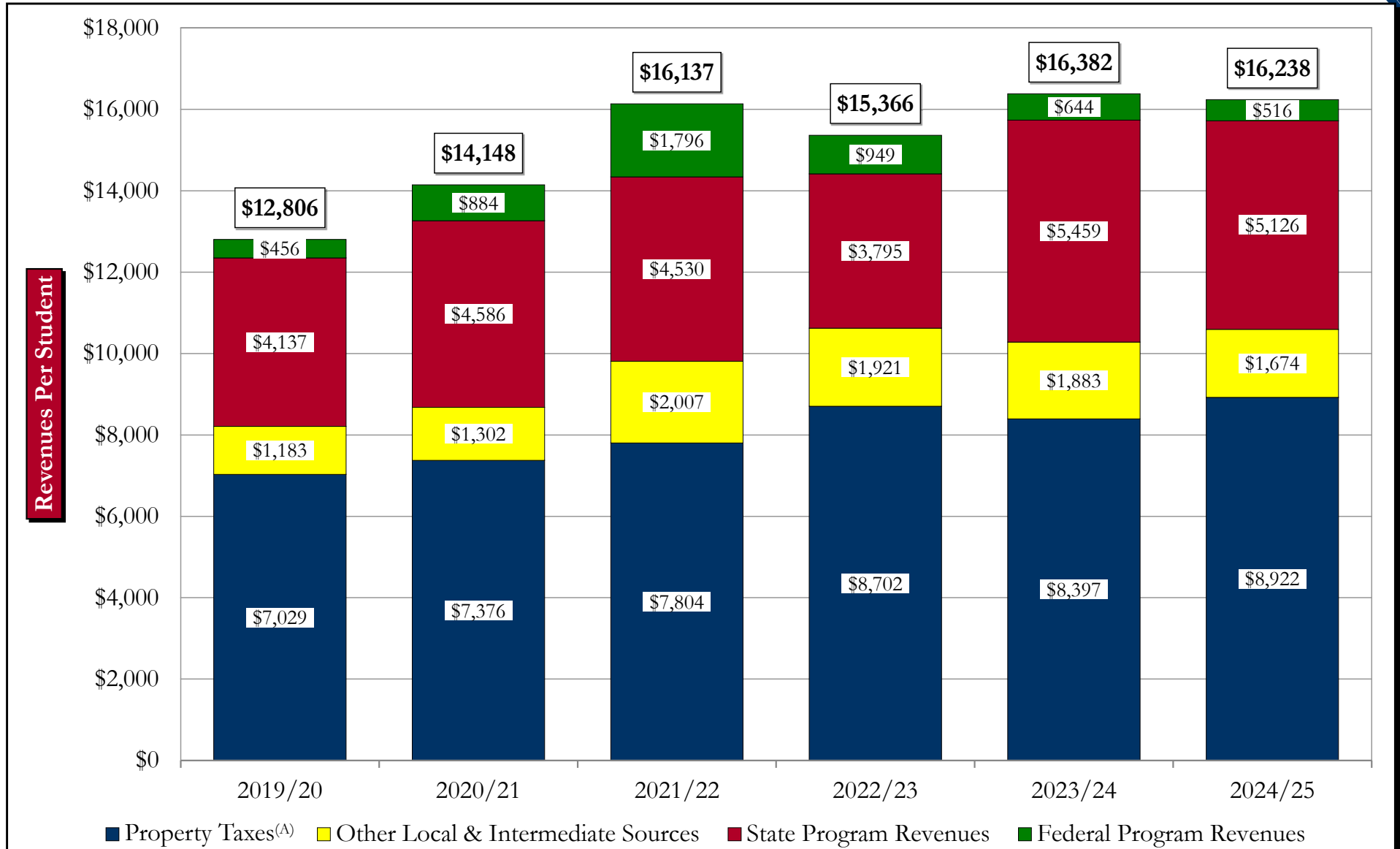
Total Revenues (All Governmental Funds*) By Source



^(A) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



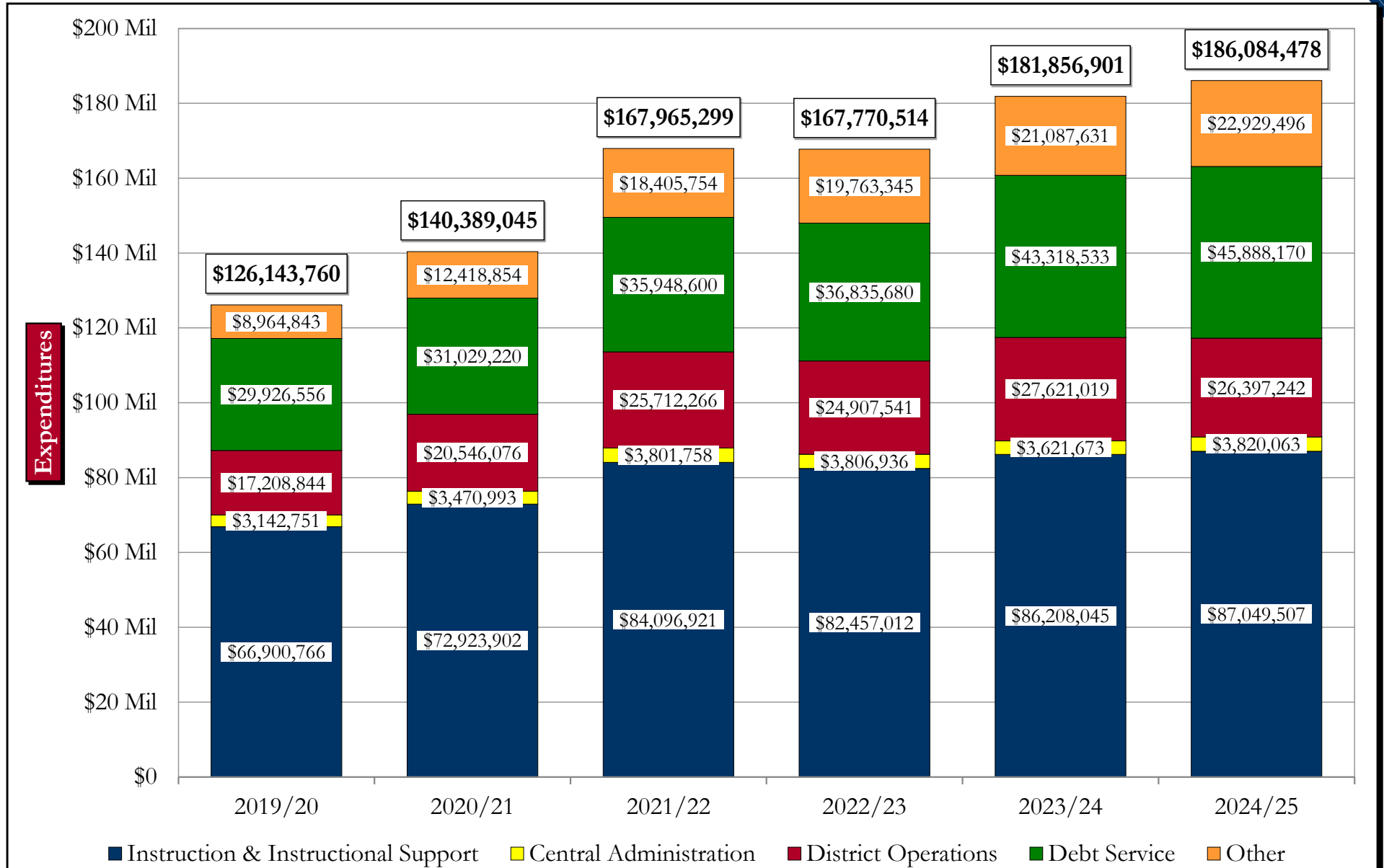
Total Revenues (All Governmental Funds*) Per Student



^(A) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



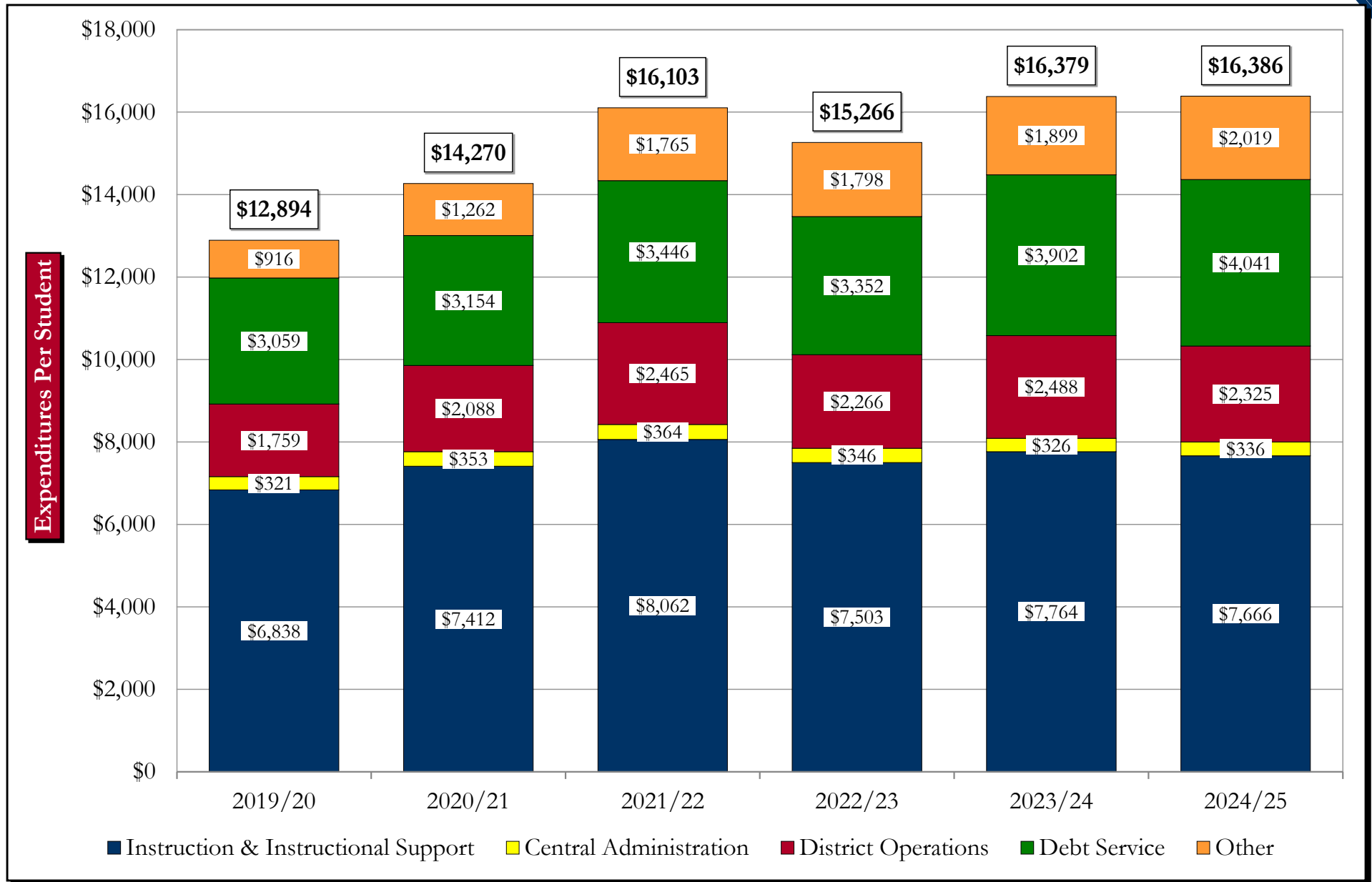
Total Expenditures (All Governmental Funds*) By Source



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements and District records.



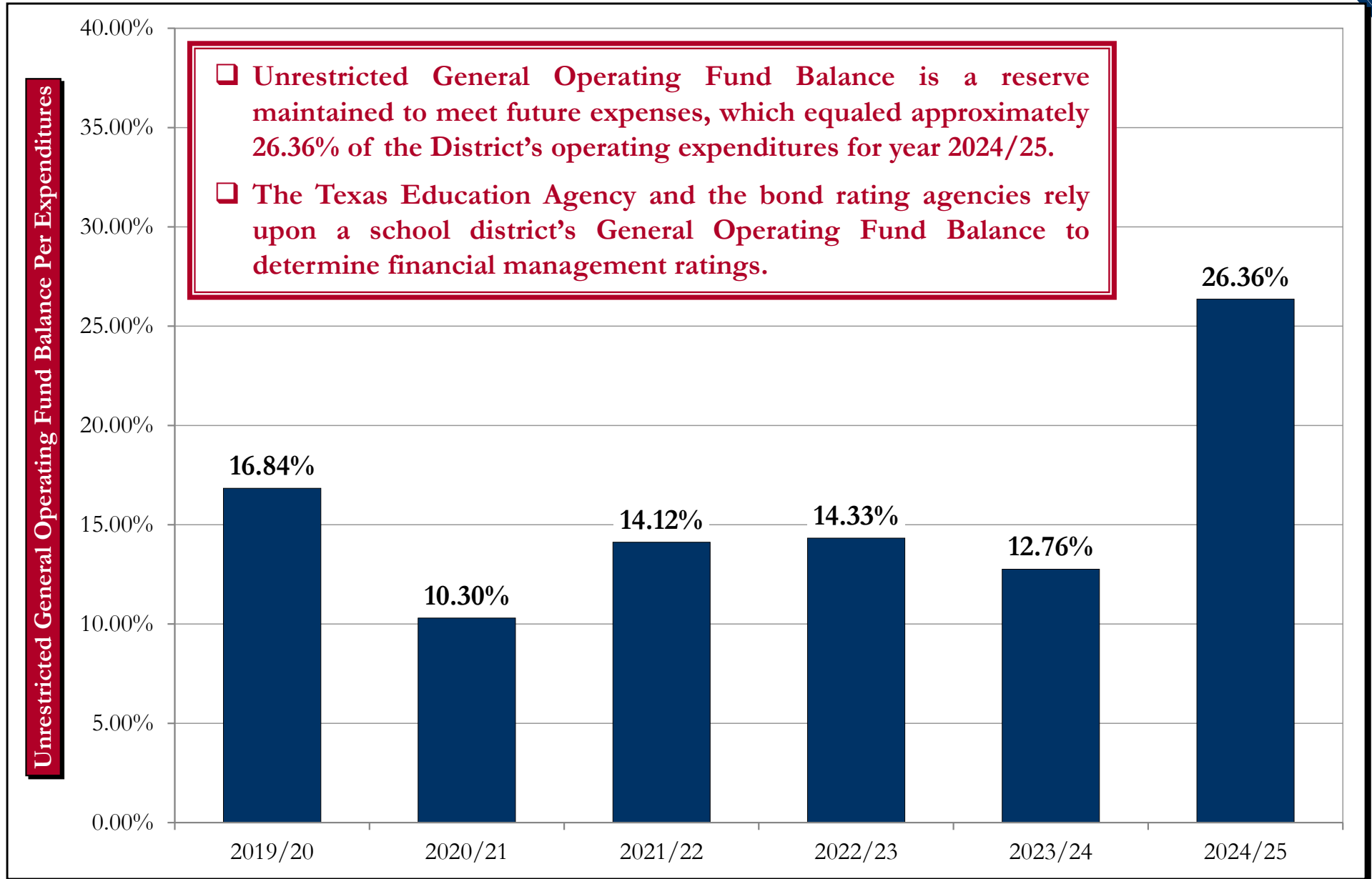
Total Expenditures (All Governmental Funds*) Per Student



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements, Texas Education Agency - PEIMS and District records.

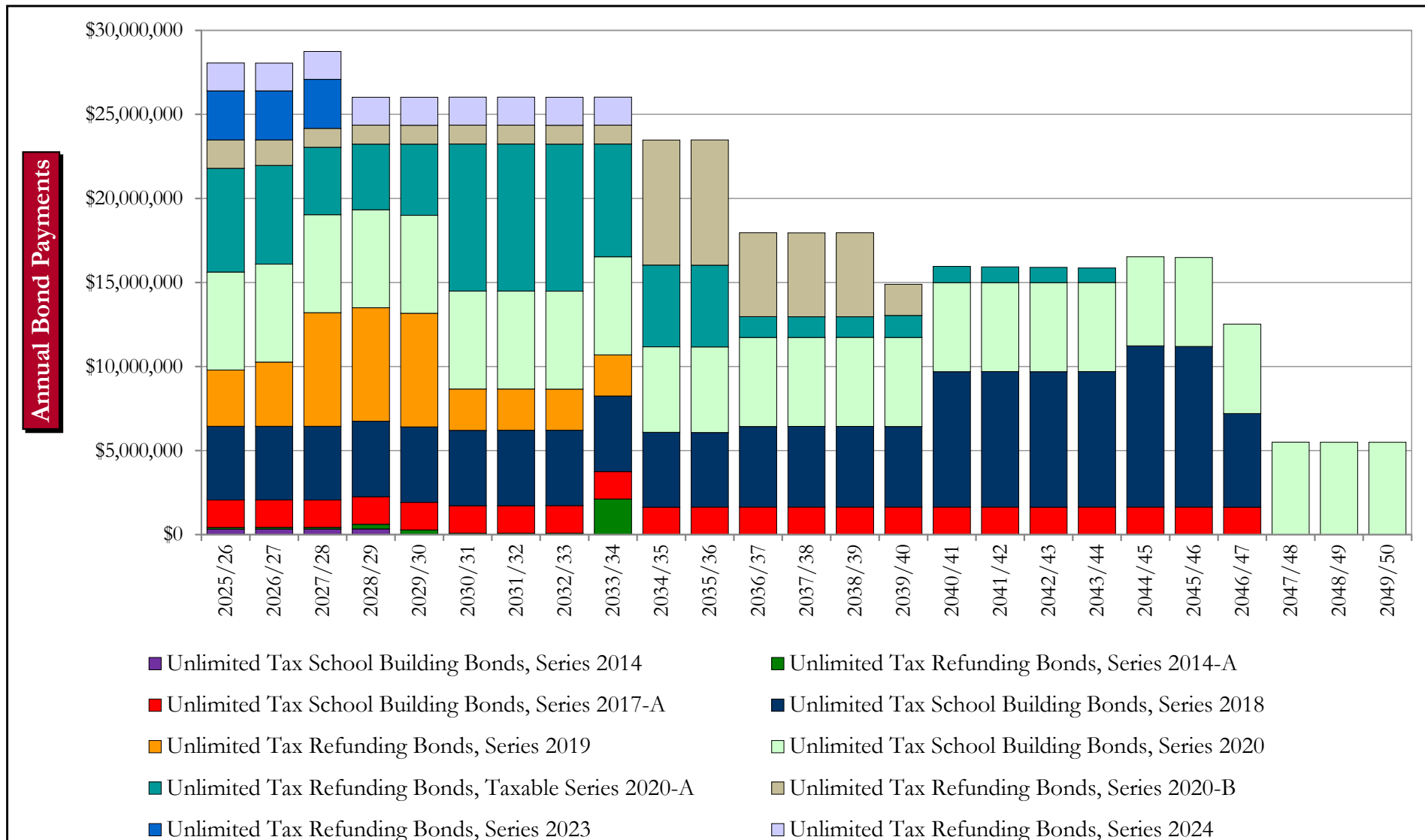


Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures





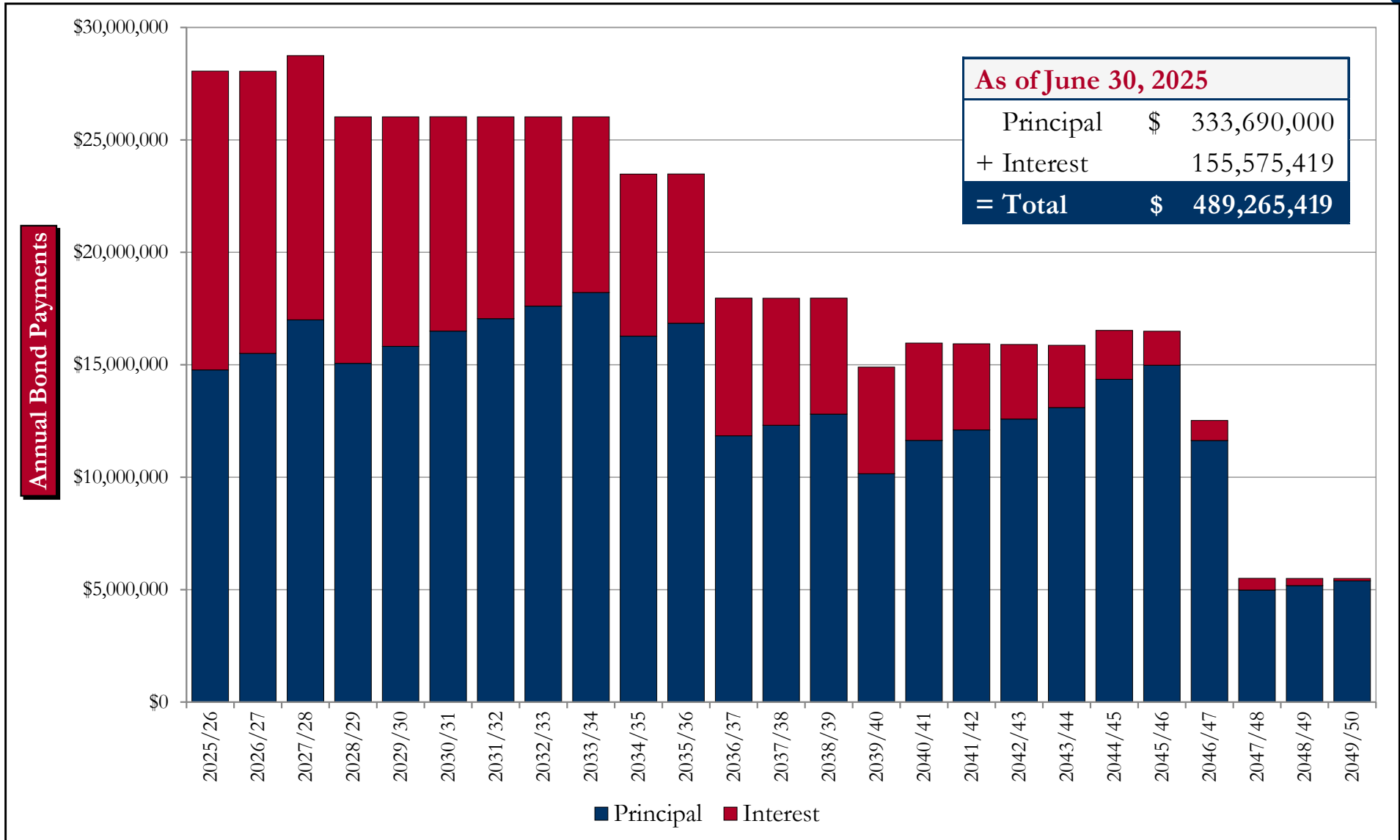
Unlimited Tax Debt Service By Series – Existing Bonds Approved By Voters



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2025 debt payments are not portrayed in the graph above.



Unlimited Tax Debt Service By Principal and Interest – Existing Bonds Approved By Voters



Note: Although the District’s fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District’s budget. As such, the District’s August 2025 debt payments are not portrayed in the graph above.



Savings from District's Recent Bond Refunding and Prepayment Programs to Lower Interest Costs

- Midlothian ISD has implemented 11 bond refunding programs and prepaid \$46.205 million of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$114.3 million of savings for District taxpayers in recent years.

Summary of Interest Cost Savings – Bond Refunding Programs / Prepayment of Bonds			
Issue / Description	Series Refunded / Redeemed	Par Refunded / Redeemed	Total Savings
Unlimited Tax School Building & Refunding Bonds, Series 2005	1999	\$ 14,227,732	\$ 2,998,961
Unlimited Tax School Building & Refunding Bonds, Series 2006	1995	1,820,000	94,953
Unlimited Tax Refunding Bonds, Series 2010	1999, 2002A, 2002B, 2004	51,989,575	4,695,827
Unlimited Tax Refunding Bonds, Series 2011-C	2002A, 2002B, 2004	5,811,437	1,090,308
Unlimited Tax Refunding Bonds, Series 2012	2004, 2005	7,259,431	1,857,643
Unlimited Tax Refunding Bonds, Series 2013-A	2005, 2006	56,357,656	9,989,146
Unlimited Tax Refunding Bonds, Taxable Series 2013-B	2004, 2004A, 2005	13,050,569	1,441,304
Unlimited Tax Refunding Bonds, Series 2014-A	2005	9,302,344	2,663,127
Unlimited Tax Refunding Bonds, Series 2019	2010	46,195,000	10,449,594
Unlimited Tax Refunding Bonds, Taxable Series 2020-A	2011-C, 2012, 2013-A, 2014, 2014-A	73,425,000	16,100,850
Unlimited Tax Refunding Bonds, Series 2020-B	2011-A, 2013-B	31,290,000	13,623,975
Total - Bond Refunding Programs at a Lower Interest Rate	---	\$ 310,728,744	\$ 65,005,688
Prepayment of Series 2006 Bonds - February 2016	2006	\$ 1,545,000	\$ 1,042,850
Prepayment of Series 2008 & 2013-C Bonds - February 2017	2008, 2013-C	3,435,000	2,480,325
Prepayment of Series 2017-B Bonds - February 2018	2017-B	1,730,000	2,352,800
Prepayment of Series 2013-C Bonds - February 2019	2013-C	1,400,000	1,792,000
Prepayment of Series 2017-B Bonds - February 2020	2017-B	5,200,000	6,656,000
Prepayment of Series 2017-B Bonds - February 2021	2017-B	2,830,000	3,282,800
Prepayment of Series 2017-B Bonds - February 2022	2017-B	6,690,000	7,512,800
Prepayment of Series 2017-B Bonds - February 2023	2017-B	8,625,000	9,276,600
Prepayment of Series 2013-C Bonds - February 2024	2013-C	14,750,000	14,994,800
Total - Prepayment of Bonds Prior to Scheduled Maturity	---	\$ 46,205,000	\$ 49,390,975
Totals	---	\$ 356,933,744	\$ 114,396,663



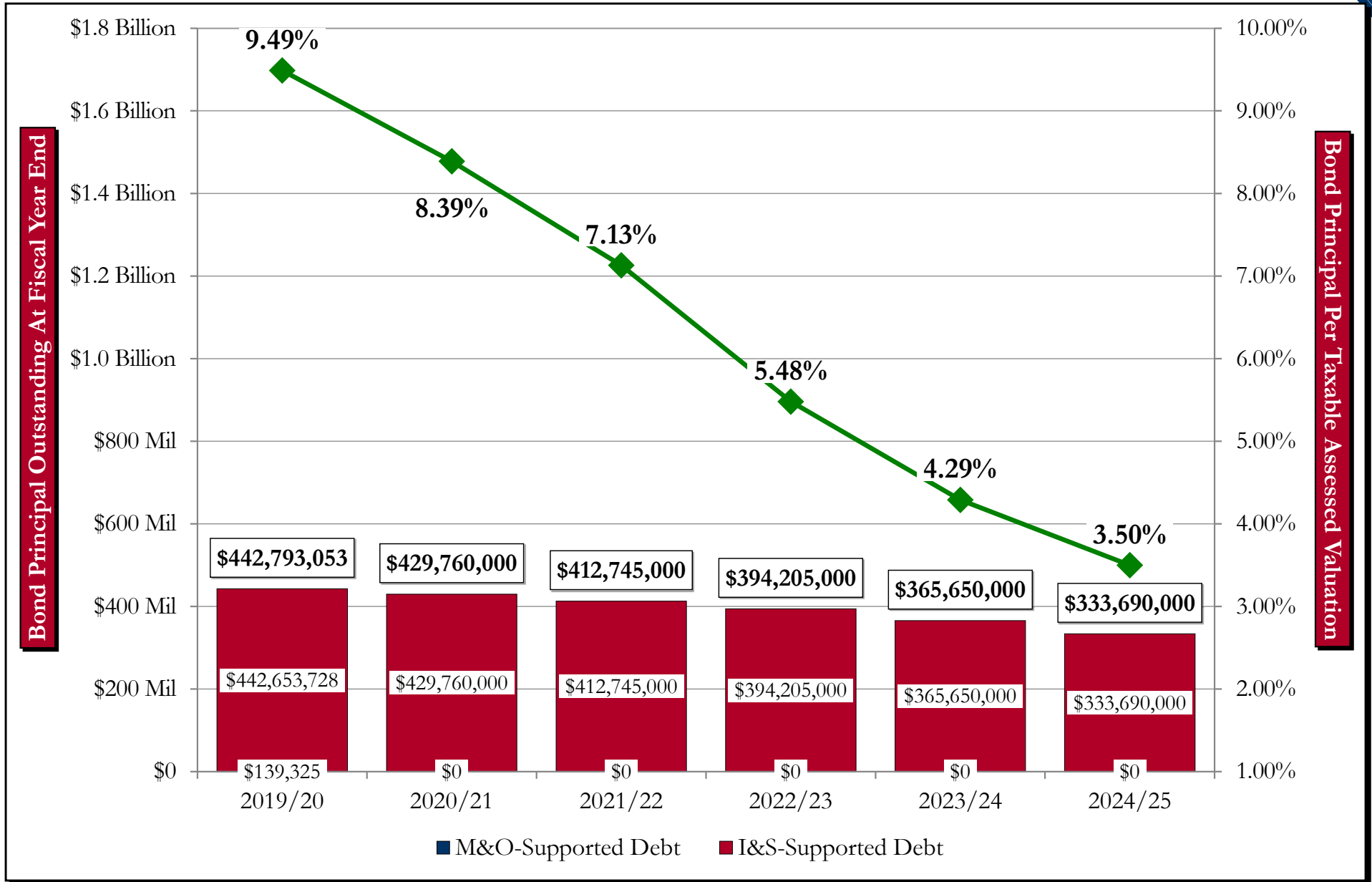
Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2025

- The following debt obligations are payable from ad valorem taxes (i.e. I&S taxes) levied annually against all taxable property located within the District, without legal limit as to rate or amount.

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	Unlimited Tax School Building Bonds, Series 2014	Capital Improvements	\$19,385,000.00	\$1,225,000.00	\$1,345,150.00	\$21.70	\$23.83	02/15/2029	\$21,532,100.80	\$21,532,100.80	\$0.00
2	Unlimited Tax Refunding Bonds, Series 2014-A	Refunding at a lower interest rate, etc.	\$9,302,336.75	\$2,450,000.00	\$3,264,600.00	\$43.40	\$57.83	02/15/2034	\$13,554,766.77	\$13,554,766.77	\$0.00
3	Unlimited Tax School Building Bonds, Series 2017-A	Capital Improvements	\$26,740,000.00	\$22,470,000.00	\$36,520,550.00	\$398.01	\$646.89	02/15/2047	\$28,632,376.00	\$28,632,376.00	\$0.00
4	Unlimited Tax School Building Bonds, Series 2018	Capital Improvements	\$73,445,000.00	\$70,810,000.00	\$126,804,650.00	\$1,254.25	\$2,246.08	02/15/2047	\$82,698,764.96	\$82,698,764.96	\$0.00
5	Unlimited Tax Refunding Bonds, Series 2019	Refunding at a lower interest rate, etc.	\$39,675,000.00	\$31,525,000.00	\$37,976,650.00	\$558.40	\$672.68	02/15/2034	\$47,277,414.74	\$47,277,414.74	\$0.00
6	Unlimited Tax School Building Bonds, Series 2020	Capital Improvements	\$105,005,000.00	\$89,940,000.00	\$139,270,800.00	\$1,593.10	\$2,466.89	02/15/2050	\$122,036,852.92	\$121,447,146.92	\$589,706.00
7	Unlimited Tax Refunding Bonds Taxable, Series 2020-A	Refunding at a lower interest rate, etc.	\$73,425,000.00	\$65,190,000.00	\$76,510,969.18	\$1,154.70	\$1,355.23	02/15/2044	\$82,365,908.38	\$82,365,908.38	\$0.00
8	Unlimited Tax Refunding Bonds, Series 2020-B	Refunding at a lower interest rate, etc.	\$31,290,000.00	\$29,940,000.00	\$43,399,800.00	\$530.32	\$768.74	02/15/2040	\$37,052,111.10	\$37,052,111.10	\$0.00
8	Unlimited Tax Refunding Bonds, Series 2023	Refunding at a lower interest rate, etc.	\$12,880,000.00	\$8,110,000.00	\$8,934,500.00	\$143.65	\$158.26	02/15/2028	\$13,473,961.69	\$13,473,961.69	\$0.00
9	Unlimited Tax Refunding Bonds, Series 2024	Refunding at a lower interest rate, etc.	\$29,795,000.00	\$12,030,000.00	\$15,237,750.00	\$213.09	\$269.90	02/15/2034	\$31,107,752.91	\$31,107,752.91	\$0.00

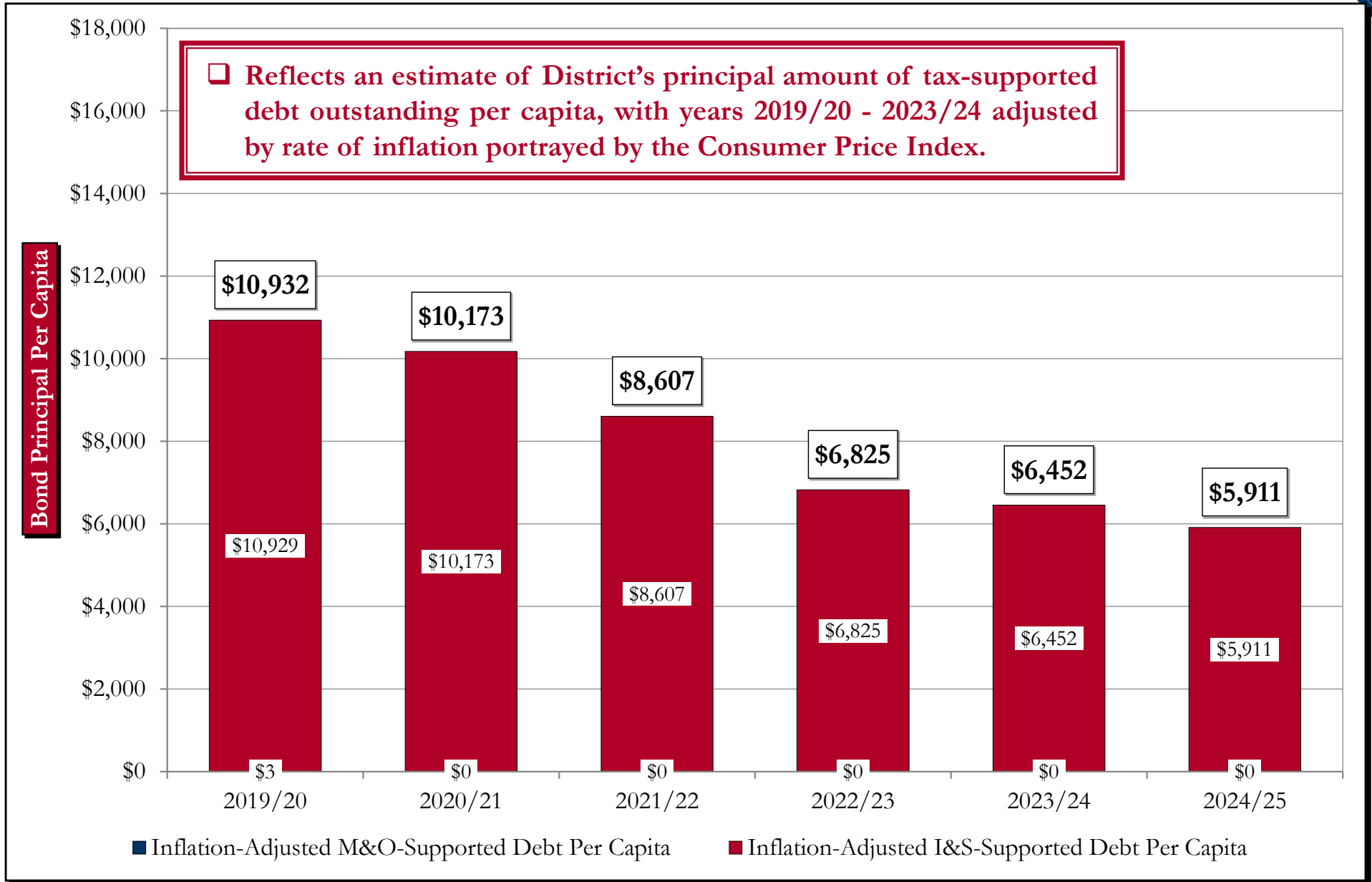


Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



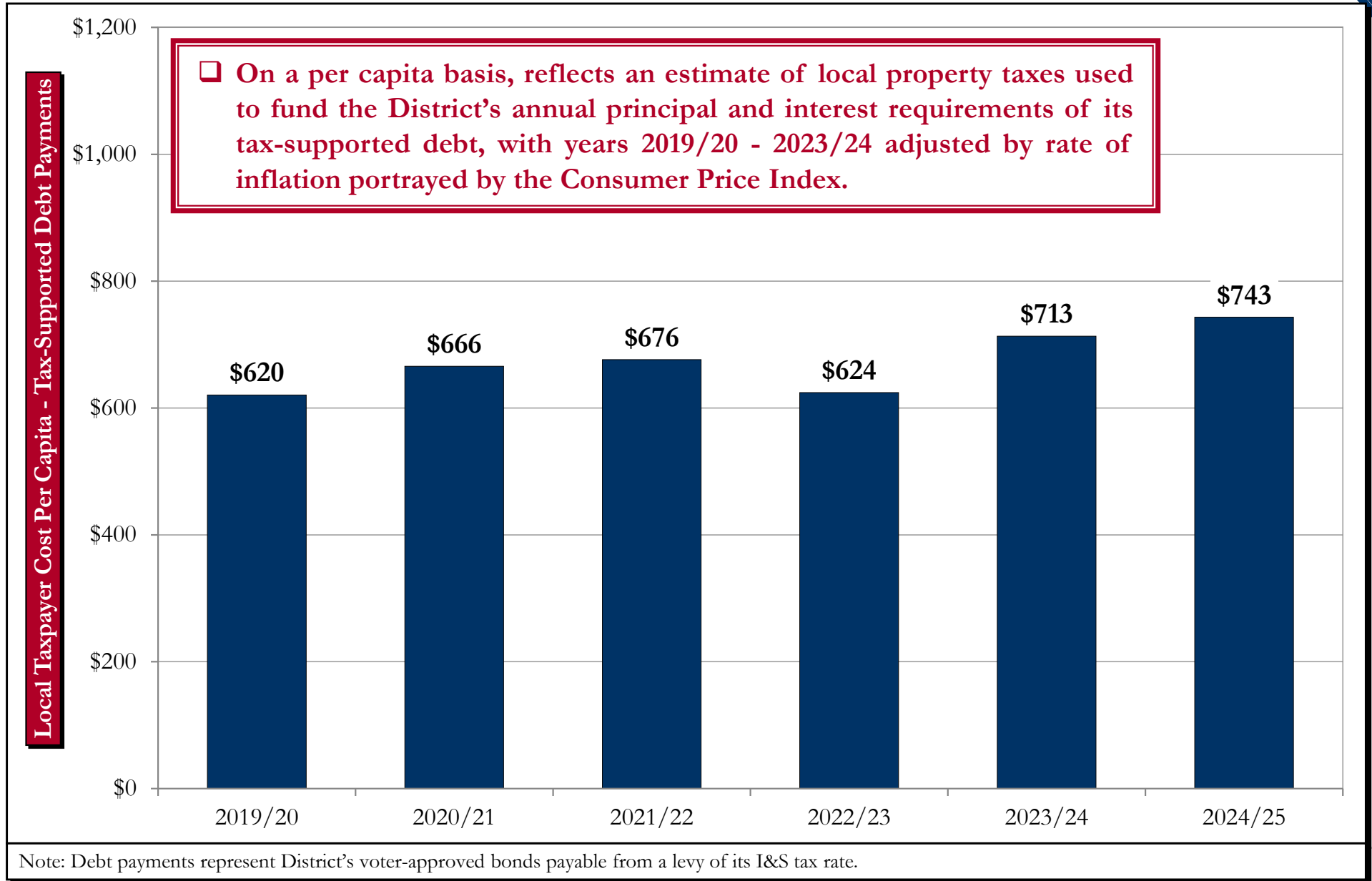


Inflation-Adjusted Tax-Supported Debt Per Capita





Inflation-Adjusted Tax-Supported Debt Cost Per Capita – Principal and Interest In Each of the Last 5 Years





Contact Information and Links to Additional Resources

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Assistant Superintendent of Business and Operations

Phone: (469) 856-5036

Email: rebecca.metzger@midlothianisd.org

Links to Additional Resources:

<https://www.comptroller.texas.gov/transparency/local/debt/isds.php>

https://debtsearch.brb.texas.gov/local_debt_search.aspx