

City of Mission



Annual Comprehensive Financial Report For Fiscal Year Ended September 30, 2023

City of Mission, Texas

CITY OF MISSION, TEXAS

Annual Comprehensive Financial Report

***For Fiscal Year Ended
September 30, 2023***

***Prepared By:
Finance Department***

MISSION CITY COUNCIL



Norie Gonzalez Garza
Mayor



Ruben Plata
Mayor Pro Tem



Abiel Flores
Council Member



Jose Alberto Vela
Council Member



Jessica Ortega-Ochoa
Council Member

CITY OF MISSION, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2023

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INTRODUCTORY SECTION



CITY OF MISSION

Norie Gonzalez Garza, Mayor
Ruben Plata, Mayor Pro-Tem
Jessica Ortega, Councilwoman
Marissa Ortega Gerlach, Councilwoman
Alberto Vela, Councilman
Mike R. Perez, City Manager

February 11, 2025

To the Honorable Mayor,
Members of the City Council,
and Citizens of the City of Mission, Texas:

The Annual Comprehensive Financial Report of the City of Mission, Texas (the City) for the fiscal year ended September 30, 2023, is submitted in accordance with Section 3.14 of the City Charter.

This report contains management's representations concerning the finances of the City of Mission; consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Mission has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Mission's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Carr, Riggs & Ingram, LLC, has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2023. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this transmittal letter and should be read in conjunction with it.

The City is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and Texas Uniform Grant Management Standards. Information related to the single audit, including the Schedule of Expenditures of Federal and State Awards, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit report.

CITY PROFILE AND STRUCTURE

The City of Mission was incorporated on March 19, 1910 and is located along the U.S. - Mexico border in South Texas. The City currently occupies a land area of approximately 36.17 square miles. The City's population has grown since the 2020 census from 85,450 to 85,778 as per the 2021 census, an increase of 0.38%. The City is empowered to levy a property tax on both real and personal property located within its boundaries and it is empowered by state statute to extend its corporate limits by annexation, when deemed appropriate by the City Council.

The City of Mission is a political subdivision located in Hidalgo County operating as a home rule city under the City's Home Rule Charter, which was last amended on May 10, 2008. The City operates under a Council/Manager form of government where the Mayor and four Council members are elected at large to four-year staggered terms. The City Council is responsible, among other things, to enact local legislation, adopt budgets, determine policies and appoint the City Manager and City Attorney. The City Manager is responsible for executing the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the City's departments.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational and cultural events; water, sewer, and sanitation services; and a municipal golf course.

Budget

The annual budget serves as the foundation for the City's financial planning and control. The department heads of the City are required to submit requests for appropriations to the City Manager by the second Friday in June; the City Manager uses these requests as the starting point in developing a proposed budget. The City Manager then presents the proposed budget to the City Council for their review by mid-August. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than fifteen (15) days prior to October 1; the beginning of the new fiscal year. The budget is prepared in order of fund, function, and department. The legal level of budgetary control is in the department level within each fund. Any change to the original budget, which will exceed or deplete the appropriated amount at the department level requires City Council approval. Any change to the original departmental budget between line items will be processed through a budget reclassification form, which requires the approval of the City Manager, Finance Director, and Department Head. Budget adjustments may not be made between different departments nor can they be used to increase or decrease wages and benefits; such changes will require City Council approval.

LOCAL ECONOMY

Mission is one of the major cities of the McAllen-Edinburg-Mission Metropolitan Statistical Area (MSA). Mission is among the fastest growing cities in the Rio Grande Valley, State of Texas, and United States.

Because of the semi-tropical weather, culture, friendliness, and proximity to Mexico, Mission has become home to “Winter Texans” for four to six months out of the year. Winter Texans are mostly retired citizens from northern states who visit the Rio Grande Valley to escape the cold winter weather. Thousands of visitors from Mexico also contribute to the economy of the City. The City currently has eleven businesses that provide lodging to tourists.

The City of Mission has experienced significant economic growth and investment over the past 10 years. More than \$751 million in residential and commercial development have been completed or are in various phases throughout the City. Despite the increase in commercial and residential development, there was an increase in the City of Mission unemployment rate due to the Covid-19 pandemic. According to the Texas Labor Market Information website, the City’s unemployment rate decreased from 6.3% to 5.3% as of November 2023.

The City of Mission, Mission Regional Medical Center, Sharyland Independent School District, and Mission Consolidated Independent School District, also have a significant economic presence, employing more than 5,753 professionals, teachers, and support staff.

The City continues to work very closely with the MRA and Hunt Valley Development to promote development along the Anzalduas Highway, which was completed during FY 2013. The MRA completed the installation of wastewater infrastructure in the area in FY 2019. It is expected that once the area is fully developed, both property and sales tax revenues will increase.

The following list identifies the major accomplishments that the City has undertaken to improve the community and its economy.

Fiscal Year 2022-2023 Accomplishments

- Maintained the Tax Freeze for the elderly and disabled as well as the \$10,000 Tax Exemption for the elderly and disabled.
- The City was awarded \$21.9 million in State and Federal Grants for housing, public safety services and equipment, park improvements, homeless prevention programs, and education programs.
- Five new homes were reconstructed by the CDBG housing program during the year and as well as three rehabilitation projects. Two rehabilitation projects were approved towards the end of the fiscal year to be constructed in the FY 2024.
- Continued Phase III of the Taylor Road Expansion Project. This project will be funded through an inter-local agreement with City of Mission, City of McAllen, and Hidalgo County.
- Continued the design, engineering and planning work for the interconnecting roadways for the future Inspiration Road/Military Parkway Loop.
- Continued the design and started construction for a Lions Park all-inclusive park renovation.
- Completed sewer/water line improvement project on Conway.
- Completed the Bentsen Palm Development Phase III project.

- Continued the design and construction for the Police and Fire substation in the southwest section of the city.

The following list identifies the major initiatives that the City has proposed in Annual Budget Report.

Major Initiatives For Fiscal Year 2023-2024

- Continue applying for federal and state grants that would enable the City to provide additional positions for the Police and Fire Departments.
- Continue the practice in the CDBG program of focusing solely on providing for the reconstruction of homes and the funding of several public agencies. Two rehabilitation projects are currently budgeted for with CDBG funds.
- Improve workplace safety and reduce the number of injury claims by implementing safety programs aimed at making employees aware of conditions around them and taking pro-active measures to correct problem areas and reduce general liability insurance and worker's compensation claims.
- Continue design and planning for drainage improvement project throughout the City.
- Continue the engineering and design of the international Madero Bridge Project.
- Complete the City Hall roof renovation.
- Continue the renovation of the Golf course maintenance building.

LONG-TERM FINANCIAL PLANNING

The City adopted a Fund Balance Policy on June 27, 2011 requiring the General Fund Unrestricted Fund Balance maintain a minimum of two (2) months of operating expenditures. Unrestricted Fund Balance is composed of unassigned, committed, and assigned net assets. The City did not meet this requirement at year-end with an ending Unrestricted Fund Balance of \$7,122,887.

The City's FY 2023 Budget was prepared very conservatively based on current economic activity within our city. The City will continue to apply for federal and state grants and will continue to fund capital needs through the issuance of debt.

The City's Master Plan, which is constantly being reviewed, is used to guide city staff in meeting the future needs and demands of this fast growing community and still maintain the necessary fund balance.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to City of Mission, Texas for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This is the

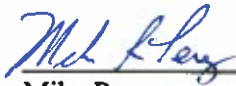
twentieth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Finance Department. We would like to express our appreciation to all members of the Finance Department and other City departments who assisted and contributed to its preparation. Credit should also be given to the Mayor, City Council, MEDC and MRA, for their interest and support in planning and conducting the operations of the City in a responsible and progressive manner.

In conclusion, we would like to thank the City's auditing firm, Carr, Riggs & Ingram, LLC, for their efforts, not only in the performance of the City's annual audit, but for their professionalism and dedication. They have been an excellent source of information for the preparation of the report.

Respectfully submitted,



Mike Perez
City Manager



Vidal Roman
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mission
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF MISSION, TEXAS

List of Principal Officials

Year Ended September 30, 2023

CITY OFFICIALS

Mayor
Mayor Pro Tem
Council Member
Council Member
Council Member

Norie Gonzalez Garza
Ruben Plata
Jose Alberto Vela
Abiel Flores
Jessica Ortega-Ochoa

CITY ADMINISTRATION

City Manager
Assistant City Manager
Assistant City Manager /City Engineer
City Secretary
Finance Director
Assistant Finance Director
City Attorney
Boys & Girls Club Director
CDBG Director
Civil Service Director
Event Center Director
Fire Chief
Fleet Director
Golf Course Director
Health Director
Human Resources Director
Information Technology Director
Library Director
Municipal Judge
Museum Director
Parks and Recreation Director
Planning and Zoning Director
Police Chief
Public Information Director
Purchasing Director
Risk Management Director
Solid Waste Director

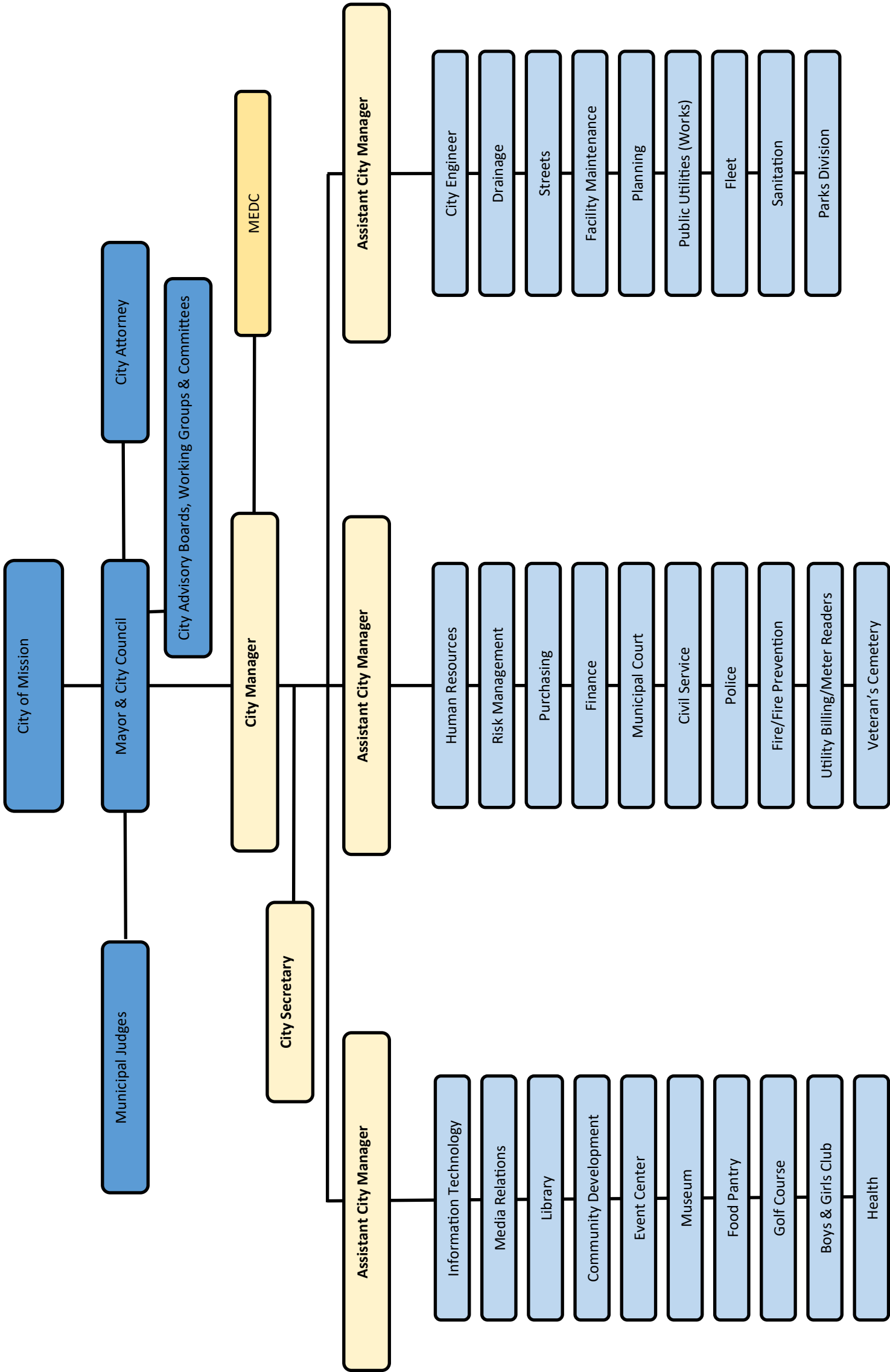
Randy Perez
David Flores
Juan Pablo Terrazas
Anna Carrillo
Angie Vela
Ezeiza Garcia
Victor Flores
Ricardo Venecia
Joanne Longoria
Jesse Lerma
Aida Lerma
Adrian Garcia
J.C. Avila
Mario Flores
Steven Kotsatos
Noemi Munguia
Abram Ramirez
Yenni Espinoza
Jonathan Wehrmeister
Cynthia Lopez
Brad Bentsen
Susie De Luna
Cesar Torres
Kenia Gomez
Peter Geddes
Robert Hinojosa
Roel Mendiola

OFFICIALS ISSUING REPORT

Angie Vela
Finance Director



CITY OF MISSION



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
And Members of the City Council
City of Mission, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mission, Texas (City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mission, Texas, as of September 30, 2023, 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.

We did not audit the financial statements of the Mission Redevelopment Authority, which represents 64 percent, -66 percent, and 44 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Mission Redevelopment Authority, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Mission, Texas, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2023 the City adopted new accounting guidance, GASB Statement No. 96 Subscription-Based-Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Correction of Error

Net position decreased in governmental activities by \$4,171,025, increased in business type activities by \$604,385, fund balance increased in general fund by \$157,648 and increased in other governmental funds by \$947,410 due to various adjustments discussed in Note 3 to the financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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 and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Mission, Texas's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Mission, Texas's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Mission, Texas's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and budgetary comparison schedules, the capital assets used in the operation of governmental funds section, and the supplemental schedules section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was 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 and individual nonmajor fund financial statements and budgetary comparison schedules, the capital assets used in the operation of governmental funds section, and the supplemental schedules section are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial

statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025, on our consideration of the City'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 City'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 City's internal control over financial reporting and compliance.

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

McAllen, Texas
February 27, 2025

Management's Discussion and Analysis

As management of the City of Mission, we offer the readers of the City of Mission's financial statements this narrative overview and analysis of the financial activities of the City of Mission for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the additional information that has been furnished in our letter of transmittal, which can be found on pages 2-6 of this report.

Financial Highlights

- The assets and deferred outflows of the City exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$205,918,886 (net position).
- The City's total net position increased by \$12,746,847. Governmental activities contributed an increase of \$6,113,237 while the Business-type activities contributed an increase of \$6,633,610. Total revenues reflect an increase of 11.67% and total expenses reflect an increase of 10.35% compared to prior year.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$26,706,947, a \$7,658,861 decrease in comparison to prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$3,793,789, an increase of \$1,709,32 compared to prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Mission's basic financial statements. The City of Mission's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the City of Mission's finances, in a manner similar to a private-sector business.

The ***Statement of Net Position*** - presents information on all the City of Mission's assets, deferred outflows, liabilities and deferred inflows with the difference between the four reported as ***net position***. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Mission is improving or deteriorating.

The ***Statement of Activities*** - presents information showing how the government's net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items

that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City of Mission that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Mission include: general government; public safety; highways and streets; health and welfare; culture and recreation; and economic development. The business-type activities of the City of Mission include four funds: utility (water and sewer); golf course; solid waste and event center.

The government-wide financial statements include not only the City of Mission itself (known as the primary government), but also legally separate component units for which the City of Mission is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 33 to 34 of this report.

Fund financial statements -A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City of Mission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City of Mission funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds -Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Mission maintains twenty-four (24) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Designated Purpose Fund, 2021 CO Fund and Capital Projects Fund, which are considered major funds. Data of two additional funds is incorporated with the General Fund as a result of Governmental Accounting Standards Board (GASB) Statement No. 54. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements starting on page 164 of this report.

The City of Mission adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 35-38 of this report.

Proprietary Funds - The City of Mission maintains two different types of proprietary funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Mission uses enterprise funds to account for its water and sewer system, golf course operation, solid waste operation and event center operation.

Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Mission uses an internal service fund to account for health insurance premiums, medical claims, and health administrative fees. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer system, golf course operations, solid waste operations and event center operations, all of which are considered to be major funds of the City of Mission. Conversely, the internal service fund is a single presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 40-43 of this report.

Fiduciary Funds -Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 44-45 of this report.

Notes to the financial statements - The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-134 of this report.

Other information -In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Mission's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 135-157 of this report.

The combining statements referred to earlier, in connection with non-major governmental funds, are presented immediately following the required supplementary information on pensions. The combining statements and individual fund schedules begin on page 164 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Mission, assets and deferred outflows exceeded liabilities and deferred inflows by \$205,918,886 at the close of the most recent fiscal year.

The following table summarizes the City's net position at September 30, 2023.

City of Mission Net Position September 30, 2023						
	Governmental Activities		Business-type Activities		Total	
	2023	Restated 2022	2023	Restated 2022	2023	Restated 2022
Current and other assets	\$ 49,563,394	\$ 63,382,387	\$ 25,554,124	\$ 21,549,102	\$ 75,117,518	\$ 84,931,489
Capital assets	180,033,611	155,756,652	105,281,143	101,430,206	285,314,754	257,186,858
Total assets	<u>229,597,005</u>	<u>219,139,039</u>	<u>130,835,267</u>	<u>122,979,308</u>	<u>360,432,272</u>	<u>342,118,347</u>
Total deferred outflows of resources	10,354,938	3,381,615	1,813,234	829,819	12,168,172	4,211,434
Long-term liabilities	83,938,498	75,520,818	46,458,335	44,787,858	130,396,833	120,308,676
Other liabilities	<u>21,677,960</u>	<u>13,076,596</u>	<u>12,085,230</u>	<u>10,421,373</u>	<u>33,763,190</u>	<u>23,497,969</u>
Total liabilities	105,616,458	88,597,414	58,543,565	55,209,231	164,160,023	143,806,645
Total deferred inflows of resources	2,181,385	7,882,377	340,150	1,468,720	2,521,535	9,351,097
Net position						
Net investment in capital assets	142,881,465	117,225,105	76,087,683	69,040,679	218,969,148	186,265,784
Restricted	9,786,734	22,297,778	6,522,176	3,304,444	16,308,910	25,602,222
Unrestricted (deficit)	<u>(20,514,099)</u>	<u>(13,482,020)</u>	<u>(8,845,073)</u>	<u>(5,213,947)</u>	<u>(29,359,172)</u>	<u>(18,695,967)</u>
Total net position	<u>\$ 132,154,100</u>	<u>\$ 126,040,863</u>	<u>\$ 73,764,786</u>	<u>\$ 67,131,176</u>	<u>\$ 205,918,886</u>	<u>\$ 193,172,039</u>

By far, the largest portion of the City's net position (108%) is investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The City of Mission uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City of Mission's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's overall net position increased \$12,746,847 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities -During the current fiscal year, net position for governmental activities increased by \$6,113,237 from the prior fiscal year for an ending balance of \$132,154,100.

The net position was attributed to an in the acquisition of capital assets with no associated liabilities.

Analysis of Changes in Net Position

The following table summarizes the changes in the City's net position from its activities for the fiscal year ended September 30, 2023.

**City of Mission
Changes in Net Position
September 30, 2023**

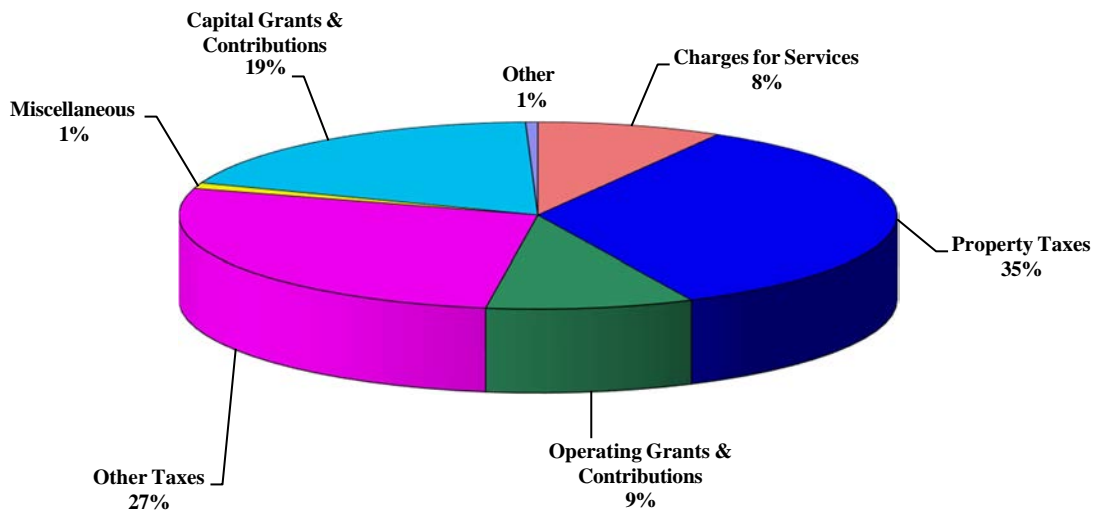
	Governmental Activities		Business-type Activities		Total	
	2023	Restated 2022	2023	Restated 2022	2023	Restated 2022
Revenues:						
Program revenues:						
Charges for services	\$ 7,119,324	\$ 6,112,013	\$ 35,493,215	\$ 30,699,276	\$ 42,612,539	\$ 36,811,289
Operating grants and contributions	7,953,295	15,439,947	-	-	7,953,295	15,439,947
Capital grants and contributions	16,044,436	9,816,309	3,571,859	701,992	19,616,295	10,518,301
General revenues:						
Property taxes	29,501,368	26,446,271	-	-	29,501,368	26,446,271
Other taxes	23,249,421	21,946,111	-	-	23,249,421	21,946,111
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	467,934	418,692	510,133	110,694	978,067	529,386
Miscellaneous	862,634	42,574	-	-	862,634	42,574
Total revenues	<u>85,198,412</u>	<u>80,221,917</u>	<u>39,575,207</u>	<u>31,511,962</u>	<u>124,773,619</u>	<u>111,733,879</u>
Expenses:						
General government	20,815,659	19,395,489	-	-	20,815,659	19,395,489
Public safety	30,628,129	27,514,556	-	-	30,628,129	27,514,556
Highways and streets	10,545,882	9,607,528	-	-	10,545,882	9,607,528
Economic development	7,810,396	6,943,985	-	-	7,810,396	6,943,985
Culture and recreation	8,245,837	7,113,707	-	-	8,245,837	7,113,707
Health and welfare	984,397	964,124	-	-	984,397	964,124
Interest on long-term debt	2,615,844	2,326,051	-	-	2,615,844	2,326,051
Utility	-	-	20,916,727	18,789,572	20,916,727	18,789,572
Golf course	-	-	1,463,381	1,547,876	1,463,381	1,547,876
Solid waste	-	-	7,225,713	6,624,083	7,225,713	6,624,083
Event Center	-	-	774,807	689,479	774,807	689,479
Total expenses	<u>81,646,144</u>	<u>73,865,440</u>	<u>30,380,628</u>	<u>27,651,010</u>	<u>112,026,772</u>	<u>101,516,450</u>
Increases(decreases) in net position before transfers	3,552,268	6,356,477	9,194,579	3,860,952	12,746,848	10,217,429
Transfers	<u>2,560,969</u>	<u>1,206,877</u>	<u>(2,560,969)</u>	<u>(1,206,877)</u>	-	-
Changes in net position	6,113,237	7,563,354	6,633,610	2,654,075	12,746,848	10,217,429
Net position - 10/01/22	<u>126,040,863</u>	<u>118,477,509</u>	<u>67,131,176</u>	<u>64,477,101</u>	<u>193,172,039</u>	<u>182,954,609</u>
Net position - 09/30/23	<u>\$ 132,154,100</u>	<u>\$ 126,040,863</u>	<u>\$ 73,764,786</u>	<u>\$ 67,131,176</u>	<u>\$ 205,918,886</u>	<u>\$ 193,172,039</u>

Total revenues generated from governmental activities for this year were \$85,198,142 reflecting a \$4,976,225 increase compared to last year. The most significant changes occurred in the following areas:

- Charges for services increased by \$1,007,311 from prior year due city growth. Therefore, increasing our construction material testing fee and inspection fees, while the operating grants and contributions decreased by \$7,486,652 compared to prior year, due to the decrease in activity in the CARES Act Relief program received from Hidalgo County.
- Property taxes increased by \$3,055,097 compared to prior year. While in FY 22-23 the overall property tax rate did not increase, the City's maintenance and operation percentage did.

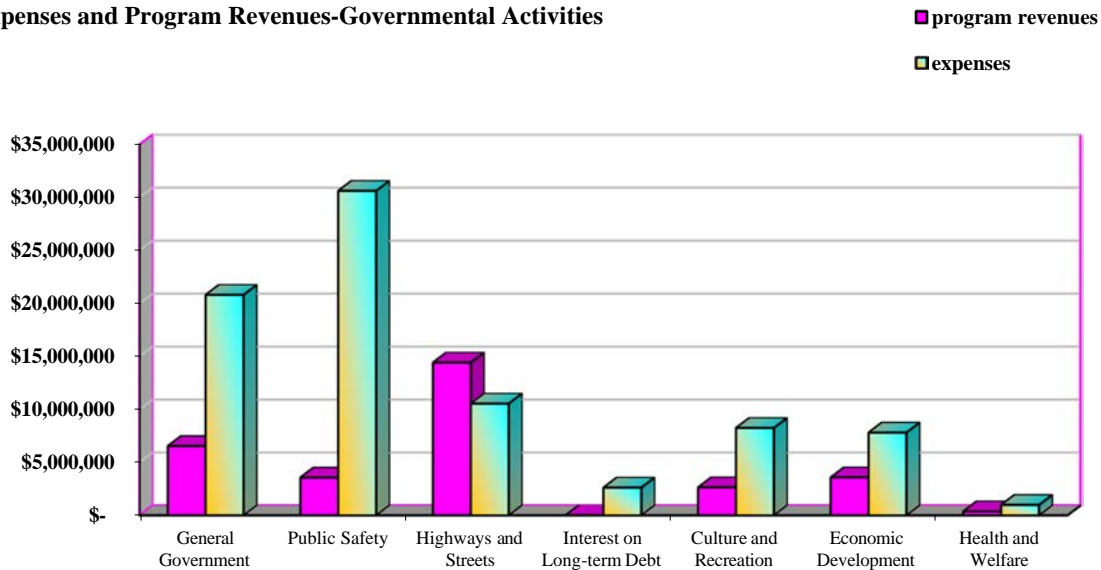
- Capital grants and contributions increased \$6,228,127. The increase is related to the completion of major projects the Police/Fire substation and Taylor Road.

Revenues by Source-Governmental Activities



The following graph displays the portion of expenses funded by program revenues. Overall, general tax revenues funded approximately 65% of total expenses for fiscal year 2023.

Expenses and Program Revenues-Governmental Activities



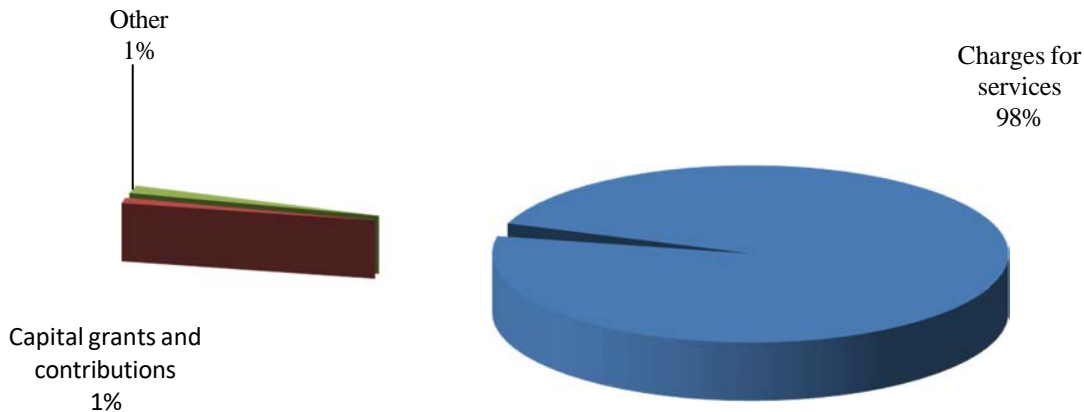
Total expenses from governmental activities for this year were \$81,646,144 reflecting a \$7,780,704 increase compared to last year. The most significant changes occurred in the following areas:

- General Government Activities increased by \$1,420,170. This is also in relation to the CARES Act Relief funding.
- Public Safety increased by \$3,113,573. The variance is related to an increase in salary expenditures for Police and Fire Departments and newly created EMS function.

- Culture and recreation increased by \$1,132,130. The increase was due to new project improvement.

Business-type Activities- Results of Business-type activities increased the City of Mission's net position by \$6,633,610. Revenues increased by \$8,063,245 and expenses increased by \$2,729,618 in comparison with prior year.

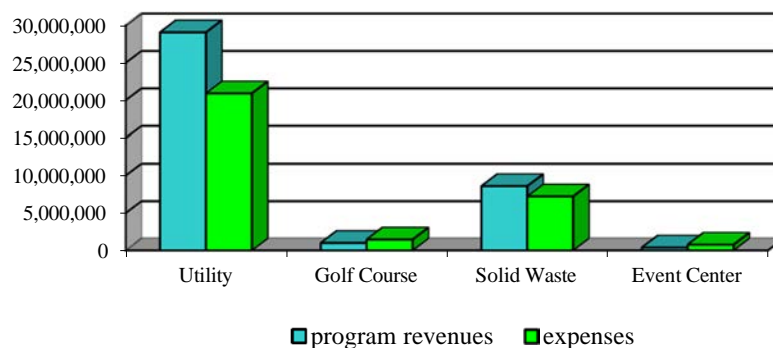
Revenues by Source-Business-type Activities



- Charges for Services increased by 0.16 % in comparison to the prior year due to the increase of rates.

The following graph displays the portion of expenses funded by program revenues.

Expenses and Program Revenues-Business-type Activities



- Expenses for business-type activities of the City totaled \$30,380,628 an increase of \$2,729,618 compared to prior year. The variance is due to an increase in water treatment purchases and depreciation expense.

Financial Analysis of Government's Funds

As noted earlier, the City of Mission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the City of Mission governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Mission's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to a particular purpose by either the City of Mission, an external party, a group or individual that has been delegated authority to assign resources to be used for particular purposes by the City of Mission City Council.

As of September 30, 2023, the City of Mission's governmental funds reported a combined fund balance of \$26,706,947, a decrease of \$8,763,918 compared with the prior year.

The General Fund is the main operating fund of the City of Mission. At the end of the current fiscal year, the total fund balance was \$7,380,509 an increase of \$3,926,768 compared to prior year, with the unassigned portion of the fund balance being \$3,793,789. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures.

The Debt Service Fund, a major fund, had a \$87,917 decrease in fund balance during the current fiscal year the decrease was due to a reduction of I&S property tax rate.

The other governmental funds had a \$1,513,360 decrease in fund balance during the current fiscal year. The overall revenues for other governmental funds decreased by \$4,310,723 with the majority of the decrease in intergovernmental revenues, and the overall expenditures for other governmental funds decreased by \$4,850,808.

The Designated Purpose Fund, a major fund, had an increase in fund balance of \$42,828, which is related to the American Rescue Plan Act. The variance in expenditures is due to completion of major projects the Police/Fire substation and Taylor Road.

The Capital Projects, a new major fund, had a fund balance of \$0 which is related to the Taylor Road Phase II construction and functions as an expense reimbursement fund hence no balance.

The 2021 CO Capital Projects Fund, a major capital projects fund, had a fund balance of \$9,146,273. It had a decrease of \$11,132,226 from prior year related to some drainage completion projects.

Revenues and Transfers-In

The following table presents a summary of General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds revenues and transfers-in for the fiscal years ended September 30, 2023 and 2022. Major differences are due to:

- Investment income increased due to all accounts being interest bearing.

- Intergovernmental revenues increased due to capital projects being reimbursed by other agencies from Texas Department of Transportation and Mission Redevelopment Authority.

Revenues & Transfers-In	2023 Amount	% of Total	Restated 2022 Amount	Amount of Increase (Decrease)	% Increase (Decrease)
Taxes	\$ 54,050,011	55.75%	\$ 49,502,861	\$ 4,547,150	9.19%
Licenses and permits	1,159,316	1.20%	1,215,475	\$ (56,159)	-4.62%
Opioid settlement	124,768	0.13%	-	\$ 124,768	100.0%
Intergovernmental	30,461,816	31.42%	21,130,521	\$ 9,331,295	44.16%
Charges for services	3,108,294	3.21%	2,351,552	\$ 756,742	32.18%
Fines and forfeitures	810,199	0.84%	829,586	\$ (19,387)	-2.34%
Investment income	531,376	0.55%	168,771	\$ 362,605	214.85%
Miscellaneous	2,465,798	2.54%	2,770,065	\$ (304,267)	-10.98%
Transfers-in	4,240,978	4.37%	3,430,415	\$ 810,563	23.63%
Total	<u>\$ 96,952,556</u>	<u>100.00%</u>	<u>\$ 81,399,246</u>	<u>\$ 15,553,310</u>	<u>19.11%</u>

Expenditures and Transfers-Out

The following table presents a summary of General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds expenditures, transfers-out, and other financing uses for the fiscal years ended September 30, 2023 and 2022. Major differences are due to:

- Capital Projects expenditures increased due to capital projects improvements in 2021 CO for drainage and Taylor Road Phase II construction.
- General government expenditures increased due to additional activity related to ARPA and other grants funding.

Expenditures & Transfers-Out	2023 Amount	Percent of Total	Restated 2022 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
General government	\$ 27,334,972	25.38%	\$ 20,095,458	\$ 7,239,514	36.03%
Public safety	28,376,790	26.34%	30,138,523	(1,761,733)	-5.85%
Highways and streets	5,659,318	5.25%	4,350,062	1,309,256	30.10%
Health and welfare	939,405	0.87%	874,435	64,970	7.43%
Culture and recreation	6,741,616	6.26%	6,428,080	313,536	4.88%
Economic development	7,810,396	7.25%	6,943,985	866,411	12.48%
Capital projects	21,195,535	19.68%	9,996,792	11,198,743	112.02%
Debt service:					
Principal	5,582,426	5.18%	4,962,356	620,070	12.50%
Bond issuance cost	-	0.00%	-	-	100.00%
Interest and fiscal charges	2,402,220	2.23%	2,604,326	(202,106)	-7.76%
Transfers-out	1,680,008	1.56%	2,223,538	(543,530)	-24.44%
Total	<u>\$ 107,722,686</u>	<u>100.00%</u>	<u>\$ 88,617,555</u>	<u>\$ 19,105,131</u>	<u>21.56%</u>

Proprietary Funds. The City of Mission's Proprietary Funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the end of the year, total unrestricted net position amounted to (\$8,735,159). The Solid Waste Fund had unrestricted net position of (\$806,350). The Solid Waste unrestricted net position

decreased by 1,371,815. The Utility Fund and Golf Course Fund ended the year with an unrestricted net position of (\$4,329,749) and (\$3,551,043), respectively. The Utility Fund unrestricted net position decreased by \$2,193,624 and the Golf Course unrestricted net position decreased by \$202,376. The Event Center ended the year with an unrestricted net position of (\$48,017). The Event Center unrestricted net position increased by \$246,650.

The Golf Course Fund borrowed working capital from the General Fund in order to meet its daily operational expenses during the current year. Golf Course operating revenues reflect a decrease of \$82,297 from prior year. Expenses decreased by \$113,515 in comparison to prior year. Management continues to closely monitor expenses and to promote the Golf Course not only in the surrounding communities but also nationwide through various advertisement sources including Twitter, Facebook, and Google Plus.

The Utility Fund revenues increased by \$4,075,901 and expenses increased by \$1,859,248 compared to prior year.

The Solid Waste Fund completed its fourth full fiscal year of commercial collections at the end of fiscal year 2023. Revenues increased by \$795,562 and expenses increased by \$216,679 compared to prior year.

The Event Center revenues increased by \$128,221 and expenses increased by \$79,176 compared to prior year.

General Fund Budgetary Highlights

During the year, the City Council amends the budget as necessary. Generally, adjustments to the budget relate to requests not considered during the normal budgetary process. Original estimated revenues were increased by \$2,369,444 while budgeted appropriations were increased by \$2,658,486 during the year.

- The most significant revenue variance, (\$1,633,613), is reflected in tax revenue. In particular, the current ad valorem taxes revenues reflected an unfavorable variance of \$699,983 and sales tax in the amount of \$1,036,335 offset with other revenue sources that were positive.
- Licenses and permits revenues reflect a slight positive variance of \$19,816, while Charges for Services showed a positive increase in the amount of \$859,367 with most of the revenue generated in inspection fees and the construction material testing fees.
- Miscellaneous revenues reflect a positive variance of \$428,878. The variance is related to participation of responding to emergency situations as well as insurance settlements.
- Expenditures came in under budget conservatively due to departments closely monitoring expenditures and staying in line with the budget. The most significant savings are reflected in general government, public safety and cultural and recreation department in the amounts of \$2,147,838, \$6,310,410 and \$1,024,686 respectively. The savings are related to vacancies in personnel throughout the year and monitoring operating expenditures.

Capital Asset and Debt Administration

Capital assets. The City of Mission's capital assets for its governmental and business type activities as of September 30, 2023, amounts to \$285,314,754 (net of accumulated depreciation and amortization). Investment in capital assets include: land, buildings and improvements, machinery and equipment, streets, storm drainage, sanitary sewer system, leases and right-to-use subscription assets and water system. The total increase in the City of Mission's investment in capital assets for the current fiscal year was \$28,157,910.

Major capital asset events during the current fiscal year included the following:

- Construction in progress in the governmental activities increased by \$10,597,669. The projects that contributed to the change in current year include the Taylor Road, Police & Fire Substation No.6 and various drainage projects.
- Building and systems in the business-type activities increased by \$4,285,882. This increase is related to the completion of Bentsen Palm Development system and S. Conway Station.

The following table summarizes the City's total capital assets.

City of Mission Capital Assets Net of Depreciation							
	Governmental Activities		Business-type Activities		Total		
	2023	Restated 2022	2023	Restated 2022	2023	Restated 2022	
Land and water rights	\$ 41,350,582	\$ 41,350,582	\$ 7,412,258	\$ 7,412,258	\$ 48,762,840	\$ 48,762,840	
Buildings and system	22,939,260	24,009,102	57,808,821	53,522,939	\$ 80,748,081	77,532,041	
Improvements other than buildings	4,943,617	5,212,667	2,145,609	2,436,999	\$ 7,089,226	7,649,666	
Machinery and equipment	9,605,321	9,406,858	7,417,394	4,711,117	\$ 17,022,715	14,117,975	
Lease assets	5,218,366	5,245,224	1,402,225	1,243,138	\$ 6,620,591	6,488,362	
Right-to-use-subscription asset	541,532	661,934	-	-	\$ 541,532	661,934	
Infrastructure	46,583,292	46,047,973	-	-	\$ 46,583,292	46,047,973	
Construction in progress	48,851,641	23,792,602	29,094,836	32,103,451	\$ 77,946,477	55,896,053	
Total	\$ 180,033,611	\$ 155,726,942	\$ 105,281,144	\$ 101,429,902	\$ 285,314,754	\$ 257,156,844	

Additional information on the City of Mission's capital assets can be found in note 11 on pages 82-85 of this report.

Long-term debt - At the end of the current fiscal year, the City of Mission had total outstanding long-term debt of \$130,396,834, an increase of \$6,181,989 compared to prior year. Additional information on the City of Mission's long-term debt can be found in note 13 on pages 86-103 of this report.

Moody's Investors Service rated the City of Mission's outstanding bonds as "Baa2".

The following table summarizes the City's total long-term debt obligations.

**City of Mission
Outstanding Debt**


	Governmental Activities		Business-type Activities		Total	
		Restated		Restated		Restated
	2023	2022	2023	2022	2023	2022
General obligation debt	\$ 52,374,067	\$ 56,974,437	\$ -	\$ -	\$ 52,374,067	\$ 56,974,437
Revenue bonds	-	-	22,162,440	24,939,835	22,162,440	24,939,835
Lease (as lessee)	4,523,680	4,283,531	1,704,214	1,402,632	6,227,894	5,686,163
Subscriptions	515,942	661,937	-	-	515,942	661,937
PPFA Purchase agreements	1,559,572	1,454,728	19,513,911	21,184,449	21,073,483	22,639,177
Compensated absences	3,615,493	3,318,482	444,351	389,627	4,059,844	3,708,109
City of McAllen-Anzalduas	4,869,357	4,465,133	-	-	4,869,357	4,465,133
Pension related debt	12,415,784	31,183	1,982,694	-	14,398,478	31,183
OPEB related debt	4,064,603	4,300,185	650,725	808,685	4,715,328	5,108,870
Total	<u>83,938,498</u>	<u>\$ 75,489,616</u>	<u>\$ 46,458,335</u>	<u>48,725,229</u>	<u>130,396,833</u>	<u>\$ 124,214,844</u>

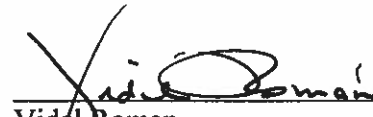
Economic Factors and Next Year's Budgets and Rates

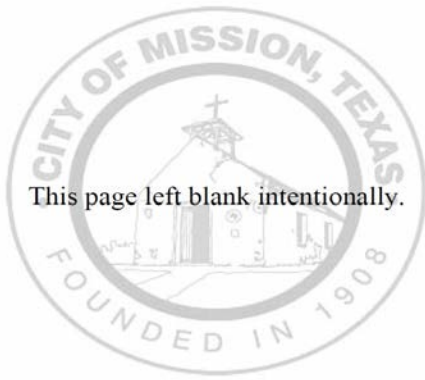
- According to the November 2023 issue of the Texas Labor Market Information, the unemployment rate for the City of Mission was 5.3%, decreasing from 6.3% in prior year. The state and national average unemployment rates are 3.5% and 3.5%, respectively.
- Appraised values provided by the Hidalgo County Appraisal District and used in preparing the 2023-2024 Budget were \$396.3 million higher than the prior year.
- The 2023-2024 Budget was prepared using an adopted tax rate of \$0.5276 per \$100 valuation.
- Water and sewer rates unchanged in the 2023-2024 Budget.
- The 2023-2024 general fund operating budget was prepared using \$1,203,734 as the estimated unrestricted fund balance at September 30, 2024. The actual unrestricted fund balance for the general fund was \$7,273,095. For the upcoming 2023-2024 fiscal year, \$4,080,383 is the projected unrestricted fund balance at September 30, 2024. Projected revenues reflect a 10.6% increase and expenditures also reflect an 0.72% decrease compared to FY 2023 original budget.
- The City is currently analyzing its current financial situation and will implement the necessary measures to maintain adequate levels of fund balance in the General fund to mitigate risks, provide a back-up plan for revenue shortfalls, and ensure that appropriate amounts are available for emergencies. The City's Fund Balance Policy requires that the general fund total unrestricted fund balance (includes unassigned, committed, and assigned) will be no less than two (2) months of operating expenditures. At the end of FY 2023, the general fund unrestricted fund balance did not meet this requirement.

Requests for Information

This financial report is designed to provide a general overview of the City of Mission's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 1201 East 8th Street, City of Mission, Texas, 78572.

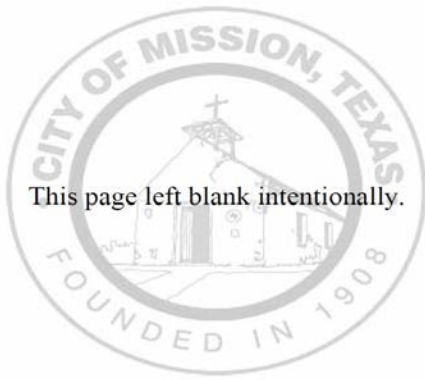

Mike Perez
City Manager


Vidal Roman
Finance Director



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BASIC FINANCIAL STATEMENTS



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CITY OF MISSION, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

EXHIBIT A-1

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	MEDC	MRA
ASSETS					
Cash and cash equivalents	\$ 5,610,753	\$ 7,150	\$ 5,617,903	\$ 939,163	\$ 34,031,616
Investments	12,862,987	1,415,433	14,278,420	-	2,629,247
Receivables, net	13,710,135	5,743,090	19,453,225	1,787,720	19,171
Internal balances	1,696,011	(1,696,011)	-	-	-
Due from primary government	-	-	-	3,252,054	3,740,740
Due from component unit	4,737,243	82,198	4,819,441	-	-
Inventory	12,716	477,558	490,274	-	-
Land held for resale	1,267,121	-	1,267,121	3,314,462	-
Lease receivable	-	-	-	50,222	-
Prepaid items	214,392	39,950	254,342	517	97,031
Redevelopment assets	-	-	-	4,915,504	-
Advance of funds receivable	3,305,734	-	3,305,734	-	-
Notes receivable current	2,400	-	2,400	-	-
Long-term receivable	59,863	-	59,863	-	-
Capital assets					
Land, water rights, and construction in progress	90,202,223	36,507,094	126,709,317	2,100,959	-
Leases, net of amortization	5,218,366	1,402,225	6,620,591	12,161	-
Right-to-use subscription assets, net of amortization	541,532	-	541,532	-	-
Other capital assets, net of accumulated depreciation	84,071,490	67,371,824	151,443,314	5,218,348	-
Restricted assets	6,084,039	19,484,756	25,568,795	823,385	-
Total Assets	229,597,005	130,835,267	360,432,272	22,414,495	40,517,805
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to refunding	341,310	211,652	552,962	-	474,796
Deferred outflows related to OPEB	511,897	81,953	593,850	-	-
Deferred outflows related to pensions	9,501,731	1,519,629	11,021,360	-	-
Total Deferred Outflows of Resources	10,354,938	1,813,234	12,168,172	-	474,796
LIABILITIES					
Accounts payable	5,670,594	2,152,734	7,823,328	705,978	5,050
Customer Deposits	-	2,908,060	2,908,060	-	-
Accrued interest payable	366,214	330,411	696,625	46,255	44,453
Other liabilities	695,637	286,721	982,358	-	-
Subdivider deposits	-	2,841,546	2,841,546	-	-
Retainage payable	1,064,083	2,740	1,066,823	221,904	-
Accrued payroll	877,774	202,249	1,080,023	-	-
Due to primary government	-	-	-	72,598	4,746,843
Due to component unit	6,992,794	-	6,992,794	-	-
Unearned revenue	6,010,864	55,035	6,065,899	650	-
Advance of funds payable	-	3,305,734	3,305,734	-	-
Non-current liabilities					
Due in more than one year	75,514,500	41,161,701	116,676,201	7,526,397	37,328,058
Due within one year	8,423,998	5,296,634	13,720,632	704,564	4,070,000
Total Liabilities	105,616,458	58,543,565	164,160,023	9,278,346	46,194,404
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to leases	56,663	-	56,663	50,222	-
Deferred inflows related to pensions	173,084	27,700	200,784	-	-
Deferred inflows related to OPEB	1,951,638	312,450	2,264,088	-	-
Total Deferred Inflows of Resources	2,181,385	340,150	2,521,535	50,222	-
NET POSITION					
Net investment in capital assets	142,881,465	76,087,683	218,969,148	2,594,080	-
Restricted for					
Debt service	1,925,016	5,630,200	7,555,216	1,131,272	3,003,902
Construction	-	891,976	891,976	-	25,417,547
Capital improvements	1,134,789	-	1,134,789	-	-
Federal and other awards	4,101,793	-	4,101,793	-	-
Tourism	549,208	-	549,208	-	-
Municipal court	603,385	-	603,385	-	-
MEDA	1,410,296	-	1,410,296	-	-
Other purposes	62,247	-	62,247	-	-
Unrestricted	(20,514,099)	(8,845,073)	(29,359,172)	9,360,575	(33,623,252)
Total Net Position	\$ 132,154,100	\$ 73,764,786	\$ 205,918,886	\$ 13,085,927	\$ (5,201,803)

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT A-2

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
					Governmental Activities	Business-type Activities	Total	MEDC	MRA
Primary Government									
Governmental activities									
General government	\$ 20,815,659	\$ 4,921,810	\$ 1,620,038	\$ -	\$ (14,273,811)	\$ -	\$ (14,273,811)	\$ -	\$ -
Public safety	30,628,129	100,828	2,404,637	1,060,249	(27,062,415)	-	(27,062,415)	-	-
Highways and streets	10,545,882	1,189,200	185,844	13,040,324	3,869,486	-	3,869,486	-	-
Health and welfare	984,397	358,568	10,847	-	(614,982)	-	(614,982)	-	-
Culture and recreation	8,245,837	548,918	147,544	1,943,863	(5,605,512)	-	(5,605,512)	-	-
Economic development	7,810,396	-	3,584,010	-	(4,226,386)	-	(4,226,386)	-	-
Interest	2,615,844	-	375	-	(2,615,469)	-	(2,615,469)	-	-
Total Governmental Activities	81,646,144	7,119,324	7,953,295	16,044,436	(50,529,089)	-	(50,529,089)	-	-
Business-type activities:									
Utility	20,916,727	25,503,762	-	3,571,859	-	8,158,894	8,158,894	-	-
Golf Course	1,463,381	1,001,514	-	-	-	(461,867)	(461,867)	-	-
Solid Waste	7,225,713	8,601,055	-	-	-	1,375,342	1,375,342	-	-
Event Center	774,807	386,884	-	-	-	(387,923)	(387,923)	-	-
Total Business-type Activities	30,380,628	35,493,215	-	3,571,859	-	8,684,446	8,684,446	-	-
Total Primary Government	\$ 112,026,772	\$ 42,612,539	\$ 7,953,295	\$ 19,616,295	(50,529,089)	8,684,446	(41,844,643)	-	-
COMPONENT UNITS:									
Mission Economic Development Corporation	\$ 4,108,115	\$ 282,164	\$ 6,346	\$ 2,298,596	-	-	-	(1,521,009)	-
Mission Redevelopment Authority	8,690,981	-	-	-	-	-	-	-	(8,690,981)
Total Component Units	\$ 12,799,096	\$ 282,164	\$ 6,346	\$ 2,298,596	-	-	-	(1,521,009)	(8,690,981)
General revenues:									
Property taxes					29,501,368	-	29,501,368	-	-
Sales tax					19,513,665	-	19,513,665	6,504,552	-
Franchise fees					3,017,516	-	3,017,516	-	-
Hotel/motel taxes					664,261	-	664,261	-	-
Alcoholic beverage taxes					53,979	-	53,979	-	-
Shared revenue-tax increment zone					380,591	-	380,591	-	7,611,823
Interest earned					87,343	411,322	498,665	6,197	77,595
Miscellaneous					862,634	98,811	961,445	1,067,538	216,876
Transfers, net					2,560,969	(2,560,969)	-	-	-
Total General Revenues					56,642,326	(2,050,836)	54,591,490	7,578,287	7,906,294
Change in net position					6,113,237	6,633,610	12,746,847	6,057,278	(784,687)
Net Position - Beginning					130,211,888	66,526,791	196,738,679	6,916,308	(4,417,116)
Prior period adjustment					(4,171,025)	604,385	(3,566,640)	112,341	-
Net position - Beginning, as restated					126,040,863	67,131,176	193,172,039	7,028,649	(4,417,116)
Net Position - Ending					\$ 132,154,100	\$ 73,764,786	\$ 205,918,886	\$ 13,085,927	\$ (5,201,803)

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

EXHIBIT A-3

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 CO Capital Projects Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,220,319	\$ -	\$ -	\$ 2,285,296	\$ -	\$ 2,010,317	\$ 5,515,932
Investments	505,489	243,849	-	8,107,142	-	4,001,884	12,858,364
Prepaid items	185,043	-	-	-	-	-	185,043
Receivables:							
Taxes, including interest and penalties	2,004,915	407,417	-	-	-	-	2,412,332
Accounts	1,443,514	-	20	-	-	405,420	1,848,954
Special assessments	-	-	-	-	-	192,784	192,784
Less: allowance for uncollectibles	(1,774,325)	(154,806)	-	-	-	(19,713)	(1,948,844)
Interest receivable	2,635	42	-	6,998	-	85	9,760
Due from other governments	4,051,559	-	132,040	-	3,198,089	3,811,406	11,193,094
Due from other funds	13,014,465	1,126,992	575,506	254,821	-	2,620,756	17,592,540
Due from component unit	422,251	-	-	-	4,284,016	-	4,706,267
Long-term receivable	59,863	-	-	-	-	-	59,863
Advance of funds receivable	3,305,734	-	-	-	-	-	3,305,734
Inventories	12,716	-	-	-	-	-	12,716
Land held for resale	-	-	-	-	-	1,267,121	1,267,121
Restricted assets	-	-	6,084,039	-	-	-	6,084,039
Total Assets	<u>\$ 24,454,178</u>	<u>\$ 1,623,494</u>	<u>\$ 6,791,605</u>	<u>\$ 10,654,257</u>	<u>\$ 7,482,105</u>	<u>\$ 14,290,060</u>	<u>\$ 65,295,699</u>
LIABILITIES							
Accounts payable	\$ 2,111,304	\$ -	\$ 233,086	\$ 1,054,590	\$ 1,207,837	\$ 478,245	\$ 5,085,062
Other liabilities	657,813	-	23,834	-	2,500	11,490	695,637
Retainage payable	-	-	128,427	451,715	436,641	47,300	1,064,083
Accrued payroll and related liabilities	829,179	-	30,704	-	-	17,891	877,774
Accrued interest	-	-	-	-	-	-	-
Due to other funds	8,906,339	-	2,194,918	1,679	4,873,291	619,168	16,595,395
Due to component unit	3,252,054	-	-	-	-	3,740,740	6,992,794
Unearned revenue	287,557	-	4,101,793	-	961,836	659,678	6,010,864
Total Liabilities	<u>16,044,246</u>	<u>-</u>	<u>6,712,762</u>	<u>1,507,984</u>	<u>7,482,105</u>	<u>5,574,512</u>	<u>37,321,609</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - lease	56,663	-	-	-	-	-	56,663
Unavailable revenue-property taxes	972,760	237,720	-	-	-	-	1,210,480
Total Deferred Inflows of Resources	<u>1,029,423</u>	<u>237,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,267,143</u>
FUND BALANCES							
Nonspendable							
Inventories and prepaid items	257,622	-	-	-	-	-	257,622
Restricted	-	1,385,774	78,843	9,146,273	-	8,715,548	19,326,438
Assigned	3,329,098	-	-	-	-	-	3,329,098
Unassigned	3,793,789	-	-	-	-	-	3,793,789
Total Fund Balances	<u>7,380,509</u>	<u>1,385,774</u>	<u>78,843</u>	<u>9,146,273</u>	<u>-</u>	<u>8,715,548</u>	<u>26,706,947</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,454,178</u>	<u>\$ 1,623,494</u>	<u>\$ 6,791,605</u>	<u>\$ 10,654,257</u>	<u>\$ 7,482,105</u>	<u>\$ 14,290,060</u>	<u>\$ 65,295,699</u>

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS**EXHIBIT A-4**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Total fund balances - governmental funds balance sheet	\$ 26,706,947
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.	174,273,713
Lease assets used in governmental activities are not reported in the funds.	5,218,366
Right-to-use subscription assets used in governmental activities are not reported in the funds.	541,532
Property tax receivable unavailable to pay for current period expenditures are deferred in the funds.	1,210,480
The assets and liabilities of the internal service funds are included in governmental activities in the SNP.	277,558
Payables for bond principal which are not due in the current period are not reported in the funds.	(46,315,000)
Payables for leases which are not due in the current period are not reported in the funds.	(6,083,251)
Payables for subscriptions which are not due in the current period are not reported in the funds.	(515,943)
Payables for bond interest which are not due in the current period are not reported in the funds.	(345,599)
Payables for lease interest which are not due in the current period are not reported in the funds.	(8,898)
Payables for subscription interest which are not due in the current period are not reported in the funds.	(11,717)
Payables for long term liability not due in the current period are not reported in the funds.	(4,869,357)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(3,615,493)
Payables for net pension liability which are not due in the current period are not reported in the funds.	(12,415,784)
Payables for net OPEB liability which are not due in the current period are not reported in the funds.	(4,064,603)
Unamortized deferred inflows related to pension are not reported in the funds.	(2,124,722)
Unamortized pension and OPEB unavailable for current period expenditures are deferred in the SNP.	10,013,628
Unamortized pre-paid bond insurance unavailable for current period expenditures are in the SNP.	176,054
Unamortized bond deferred charge on refunding unavailable for current period expenditures are deferred in the SNP.	165,256
Unamortized premium unavailable for current period expenditures are in the SNP.	(6,059,067)
Net position of governmental activities - statement of net position	<u>\$ 132,154,100</u>

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS

EXHIBIT A-5

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 CO Capital Projects Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes and special assessments	\$ 44,556,387	\$ 3,612,351	\$ -	\$ -	\$ -	\$ 5,881,273	\$ 54,050,011
Licenses and permits	1,159,316	-	-	-	-	-	1,159,316
Opioid settlement	124,768	-	-	-	-	-	124,768
Intergovernmental	2,137,675	-	14,573,271	-	8,090,547	5,660,323	30,461,816
Charges for services	2,060,852	-	-	-	-	1,047,442	3,108,294
Fines and forfeitures	810,199	-	-	-	-	-	810,199
Interest	14,719	375	42,546	275,252	-	198,484	531,376
Miscellaneous revenue	656,632	1,508,424	-	173,365	-	127,377	2,465,798
Total revenues	<u>51,520,548</u>	<u>5,121,150</u>	<u>14,615,817</u>	<u>448,617</u>	<u>8,090,547</u>	<u>12,914,899</u>	<u>92,711,578</u>
EXPENDITURES							
Current:							
General government	11,630,870	-	13,187,624	-	-	2,516,478	27,334,972
Public safety	26,499,137	-	1,686,893	-	-	190,760	28,376,790
Highways and streets	4,447,499	-	-	-	-	1,211,819	5,659,318
Health and welfare	881,431	-	14,813	-	-	43,161	939,405
Culture and recreation	6,157,735	-	-	-	-	583,881	6,741,616
Economic development	-	-	-	-	-	7,810,396	7,810,396
Capital projects	-	-	-	11,580,843	8,208,750	1,405,942	21,195,535
Debt service:							
Principal	1,532,122	3,995,000	-	-	-	55,304	5,582,426
Interest and fiscal charges	232,458	2,164,067	-	-	-	5,695	2,402,220
Total Expenditures	<u>51,381,252</u>	<u>6,159,067</u>	<u>14,889,330</u>	<u>11,580,843</u>	<u>8,208,750</u>	<u>13,823,436</u>	<u>106,042,678</u>
Excess (Deficiency) of Revenue Over (Under)							
Expenditures	<u>139,296</u>	<u>(1,037,917)</u>	<u>(273,513)</u>	<u>(11,132,226)</u>	<u>(118,203)</u>	<u>(908,537)</u>	<u>(13,331,100)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from issuance of debt - Leases and SBITAs	1,785,775	-	-	-	-	144	1,785,919
Proceeds from sale of assets	25,260	-	-	-	-	195,033	220,293
Transfers in	2,783,707	950,000	389,079	-	118,192	-	4,240,978
Transfers out	(807,270)	-	(72,738)	-	-	(800,000)	(1,680,008)
Total Other Financing Sources (Uses)	<u>3,787,472</u>	<u>950,000</u>	<u>316,341</u>	<u>-</u>	<u>118,192</u>	<u>(604,823)</u>	<u>4,567,182</u>
Net change in fund balances	<u>3,926,768</u>	<u>(87,917)</u>	<u>42,828</u>	<u>(11,132,226)</u>	<u>(11)</u>	<u>(1,513,360)</u>	<u>(8,763,918)</u>
Fund balances at beginning of year	3,296,093	1,473,691	36,015	20,278,499	11	9,281,498	34,365,807
Prior period adjustment	157,648	-	-	-	-	947,410	1,105,058
Beginning - as restated	<u>3,453,741</u>	<u>1,473,691</u>	<u>36,015</u>	<u>20,278,499</u>	<u>11</u>	<u>10,228,908</u>	<u>35,470,865</u>
Fund balances at end of year	<u>\$ 7,380,509</u>	<u>\$ 1,385,774</u>	<u>\$ 78,843</u>	<u>\$ 9,146,273</u>	<u>\$ -</u>	<u>\$ 8,715,548</u>	<u>\$ 26,706,947</u>

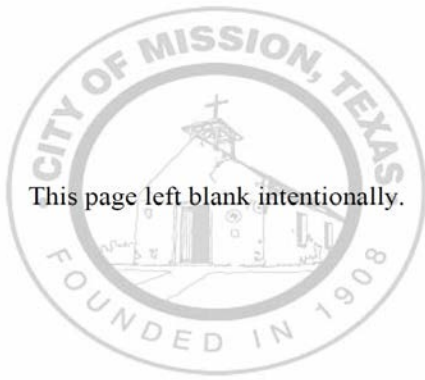
The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS**EXHIBIT A-6**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds	\$ (8,763,918)
Amounts reported for governmental activities in the statement of activities ("SOA") are different because:	
Capital outlays are not reported as expense in the SOA.	30,215,145
The depreciation of capital assets are used in governmental activities is not reported in the funds.	(9,030,442)
The amortization of lease assets used in governmental activities is not reported in the funds.	(1,514,210)
The amortization of subscription assets used in governmental activities is not reported in the funds.	(234,766)
The gain or loss on sale of capital assets is not reported in the funds.	(112,884)
Donation of capital assets increase net position in the SOA but not reported in the funds.	4,912,579
This is the difference of certain property tax revenues deferred in the funds for this year.	(73,812)
This is the difference of certain grant revenues deferred in the funds for this year.	(13,247,929)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	3,995,000
Repayment of lease and contractual obligations is an expenditure in the funds but is not an expense in the SOA.	1,333,580
Repayment of subscription and contractual obligations is an expenditure in the funds but is not an expense in the SOA.	253,856
Pension expense for the current period.	594,208
Other post employment benefit expense for the current period.	(219,768)
Long term payable is not an expenditure in the funds but is an expense in the SOA.	(404,224)
Bond issuance costs and bond premiums are reflected as an expenditure in the funds but not in the SOA.	605,370
Other financing sources are reflected in the funds but not in the SOA.	(1,785,919)
Bond pre-paid insurance costs and similar items are amortized in the SOA but not reported in the funds.	(51,556)
(Increase) decrease in accrued interest from beginning of period to end of period.	(366,214)
The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.	306,152
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(297,011)
Change in net position of governmental activities - statement of activities	\$ <u>6,113,237</u>

The accompanying notes are an integral part of this statement.



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CITY OF MISSION, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

EXHIBIT A-7

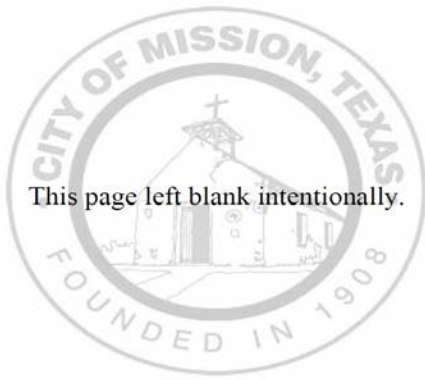
	Business-type Activities - Enterprise Fund				Total Enterprise Funds	Internal Service Funds Group Health Employee Plan Fund
	Utility Fund	Golf Course Fund	Solid Waste Fund	Event Center Fund		
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 4,000	\$ 650	\$ -	\$ 2,500	\$ 7,150	\$ 94,821
Investments	939,387	-	476,046	-	1,415,433	4,623
Restricted noncurrent assets						
Cash and cash equivalents	17,989,872	-	205,582	-	18,195,454	-
Investments	1,289,123	-	-	-	1,289,123	-
Accrued interest and other	179	-	-	-	179	-
Prepaid items	30,835	5,000	-	4,115	39,950	-
Receivables	4,848,557	1,457	1,379,171	19,181	6,248,366	4,455
Less: allowance for uncollectibles	(351,031)	-	(160,410)	-	(511,441)	-
Accrued interest	881	-	4,766	-	5,647	-
Due from other funds	3,036,531	27,955	1,093,791	64,710	4,222,987	600,797
Due from other governments	-	-	-	518	518	-
Due from component unit	82,198	-	-	-	82,198	30,976
Inventories (at cost)	349,509	111,349	-	16,700	477,558	-
Total Current Assets	28,220,041	146,411	2,998,946	107,724	31,473,122	735,672
Noncurrent Assets:						
Capital assets						
Land, water rights, and construction in progress	34,864,175	1,642,919	-	-	36,507,094	-
Other capital assets, net of accumulated depreciation	59,479,101	1,165,464	6,699,893	27,366	67,371,824	-
Leases, net of amortization	1,024,728	257,237	117,443	2,817	1,402,225	-
Right-to-use subscription assets, net	-	-	-	-	-	-
Total Noncurrent Assets	95,368,004	3,065,620	6,817,336	30,183	105,281,143	-
Total Assets	123,588,045	3,212,031	9,816,282	137,907	136,754,265	735,672
Deferred Outflows of Resources						
Deferred outflows on refunding	211,652	-	-	-	211,652	-
Deferred outflows related to other post-employment benefits	48,523	10,746	20,006	2,678	81,953	-
Deferred outflows related to pension	899,752	199,259	370,920	49,698	1,519,629	-
Total Deferred Outflows of Resources	1,159,927	210,005	390,926	52,376	1,813,234	-
LIABILITIES						
Current Liabilities:						
Accounts payable	1,587,018	31,673	505,559	28,484	2,152,734	401,993
Claims payable	-	-	-	-	-	183,537
Accrued payroll	124,602	17,039	52,007	8,601	202,249	-
Compensated absences payable	138,038	8,370	15,700	8,452	170,560	-
Due to other funds	5,731,998	25,578	42,160	9,348	5,809,084	11,867
Unearned revenue	-	15,016	-	40,019	55,035	-
Accrued interest	293,791	463	36,157	-	330,411	-
Other liabilities	73,326	77,449	128,649	7,297	286,721	-
Subdivider deposits	2,841,546	-	-	-	2,841,546	-
Retainage payable	2,740	-	-	-	2,740	-
Customer deposits	2,908,060	-	-	-	2,908,060	-
Current portion of PPFA purchase agreement	967,401	-	757,387	-	1,724,788	-
Current portion of lease payables	279,102	203,420	28,776	2,817	514,115	-
Current portion of OPEB	17,628	3,906	7,271	972	29,777	-
Current portion of long-term debt	2,857,394	-	-	-	2,857,394	-
Total Current Liabilities	17,822,644	382,914	1,573,666	105,990	19,885,214	597,397
Other Non-Current Liabilities:						
Long-term compensated absences	194,832	36,210	34,020	8,729	273,791	-
PPFA purchase agreement	15,338,617	-	2,450,506	-	17,789,123	-
Lease payables	960,309	137,357	89,848	2,592	1,190,106	-
Net other post employment benefit obligations	367,630	81,434	151,615	20,267	620,946	-
Net pension liability	1,173,926	259,978	483,948	64,842	1,982,694	-
Revenue bonds, net of current portion, discount, and deferred amount of refunding	19,305,041	-	-	-	19,305,041	-
Advance of funds payable	-	3,305,734	-	-	3,305,734	-
Total Other Non-Current Liabilities	37,340,355	3,820,713	3,209,937	96,430	44,467,435	-
Total Liabilities	55,162,999	4,203,627	4,783,603	202,420	64,352,649	597,397
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	16,401	3,632	6,761	906	27,700	-
Deferred inflows related to post-employment benefits	184,986	40,977	76,287	10,200	312,450	-
Total Deferred Inflows of Resources	201,387	44,609	83,048	11,106	340,150	-
NET POSITION						
Net investment in capital assets	67,191,159	2,724,843	6,146,907	24,774	76,087,683	-
Restricted for						
Debt service	5,630,200	-	-	-	5,630,200	-
Construction	891,976	-	-	-	891,976	-
Unrestricted	(4,329,749)	(3,551,043)	(806,350)	(48,017)	(8,735,159)	138,275
Total Net Position	\$ 69,383,586	\$ (826,200)	\$ 5,340,557	\$ (23,243)	73,874,700	\$ 138,275
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.					(109,914)	
Net Position of Business-type Activities					<u>\$ 73,764,786</u>	

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
EXHIBIT A-8
**STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Business-type Activities-Enterprise Fund				Total Enterprise Funds	Internal Service Funds Group Health Employee Plan Fund
	Utility Fund	Golf Course Fund	Solid Waste Fund	Event Center Fund		
Operating Revenues						
Charges for services	\$ 25,584,619	\$ 1,003,057	\$ 8,606,284	\$ 387,981	\$ 35,581,941	\$ 7,638,156
Operating Expenses:						
Insurance claim drafts	-	-	-	-	-	5,663,461
Health insurance cost	-	-	-	-	-	1,778,663
Utility administration	908,357	-	-	-	908,357	-
Water distribution	3,270,728	-	-	-	3,270,728	-
Water treatment	2,068,126	-	-	-	2,068,126	-
Wastewater treatment and collection	2,075,713	-	-	-	2,075,713	-
Industrial pretreatment	182,236	-	-	-	182,236	-
Utility collection	637,595	-	-	-	637,595	-
Organizational expenses	882,871	-	-	-	882,871	-
Meter readers	572,108	-	-	-	572,108	-
Northside water treatment plant	3,713,904	-	-	-	3,713,904	-
Depreciation and amortization	5,590,682	347,320	1,173,303	32,438	7,143,743	-
Cost of sales	-	52,460	-	-	52,460	-
Golf course operation	-	1,041,933	-	-	1,041,933	-
Solid waste disposal	-	-	5,838,595	-	5,838,595	-
Event center operation	-	-	-	738,264	738,264	-
Total operating expenses	19,902,320	1,441,713	7,011,898	770,702	29,126,633	7,442,124
Operating income (loss)	5,682,299	(438,656)	1,594,386	(382,721)	6,455,308	196,032
Nonoperating Revenues (Expenses)						
Gain (Loss) on disposal of capital assets	9,205	-	(324)	-	8,881	-
Interest earned	401,933	-	9,389	-	411,322	203
Other nonoperating revenue	1,206	-	-	-	1,206	-
Bond interest expense	(939,913)	(10,318)	(190,026)	(26)	(1,140,283)	-
Bond fiscal charges	(3,800)	-	-	-	(3,800)	-
Total Non-operating Revenue (Expenses)	(531,369)	(10,318)	(180,961)	(26)	(722,674)	203
Net Income (Loss) Before Transfers and Capital Contributions	5,150,930	(448,974)	1,413,425	(382,747)	5,732,634	196,235
Transfers In (Out)	(2,723,356)	-	(437,613)	600,000	(2,560,969)	-
Capital contributions	3,571,859	-	-	-	3,571,859	-
Change in Net Position	5,999,433	(448,974)	975,812	217,253	6,743,524	196,235
Net Position - Beginning of Year	63,384,153	(377,226)	4,364,745	(240,496)	67,131,176	(57,960)
Net Position - End of Year	\$ 69,383,586	\$ (826,200)	\$ 5,340,557	\$ (23,243)		\$ 138,275
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds for the current year					(109,914)	
Change in net position of business-type activities					\$ 6,633,610	

The accompanying notes are an integral part of this statement.



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CITY OF MISSION, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT A-9

	Enterprise				Internal Service Fund	
	Utility Fund	Golf Course Fund	Solid Waste Fund	Event Center Fund	Total	Group Health
Cash Flows from Operating Activities:						
Cash received from customers for sales and services	\$ 24,242,937	\$ 1,000,365	\$ 8,540,197	\$ 388,042	\$ 34,171,541	\$ 7,678,234
Proceed from insurance settlement	1,206	-	-	-	1,206	-
Cash payments to employees for services	(4,433,238)	(486,643)	(1,922,230)	(272,484)	(7,114,595)	(7,602,779)
Cash payments to other suppliers for goods and services	(9,591,368)	(667,968)	(4,080,579)	(458,695)	(14,798,610)	-
Internal activity - payments from/to other funds	2,982,972	30,648	(884,117)	(253,794)	1,875,709	(73,351)
Net Cash Provided (Used) by Operating Activities	13,202,509	(123,598)	1,653,271	(596,931)	14,135,251	2,104
Cash Flows from Non-Capital Financing Activities:						
Proceeds (payments) for advances to other funds	-	234,590	-	-	234,590	-
Transfers from (to) other funds	(2,723,356)	-	(437,613)	600,000	(2,560,969)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(2,723,356)	234,590	(437,613)	600,000	(2,326,379)	-
Cash Flows from Capital and Related Financing Activities:						
Proceed from sale of capital assets	9,205	-	(324)	-	8,881	-
Principal and interest paid	(4,909,354)	(110,991)	(902,918)	(3,069)	(5,926,332)	-
Acquisition or construction of capital assets	(3,343,151)	(40,586)	(4,146,711)	-	(7,530,448)	-
Proceed from issuance of long-term debt	520,269	40,586	92,275	-	653,130	-
Net Cash Provided (Used) for Capital & Related Financing Activities	(7,723,031)	(110,991)	(4,957,678)	(3,069)	(12,794,769)	-
Cash Flows from Investing Activities:						
Purchase from investment securities	(810,460)	-	(244,000)	-	(1,054,460)	(205)
Proceeds from sale and maturities of securities	2,406,000	-	248,000	-	2,654,000	-
Interest on investments	380,236	-	4,980	-	385,216	203
Net Cash Provided (Used) for Investing Activities	1,975,776	-	8,980	-	1,984,756	(2)
Net Increase (Decrease) in Cash and Cash Equivalents	4,731,898	1	(3,733,040)	-	998,859	2,102
Cash and Cash Equivalents at Beginning of Year	13,261,974	649	3,938,622	2,500	17,203,745	92,719
Cash and Cash Equivalents at End of Year	\$ 17,993,872	\$ 650	\$ 205,582	\$ 2,500	\$ 18,202,604	\$ 94,821
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ 5,682,299	\$ (438,656)	\$ 1,594,386	\$ (382,721)	\$ 6,455,308	\$ 196,032
Adjustments to Reconcile Operating Income to Net Cash Provided by operating activities:						
Depreciation	5,590,682	347,320	1,173,303	32,438	7,143,743	-
Other non-operating revenue	1,206	-	(2,895)	-	(1,689)	-
Change in Assets and Liabilities:						
Decrease (increase) in receivables	(1,769,973)	7,628	(63,192)	(3,557)	(1,829,094)	40,078
Decrease (increase) in inventories	(162,642)	(66,612)	-	1,013	(228,241)	-
Decrease (increase) in prepaid expenses	7,363	(3,000)	-	-	4,363	-
Decrease (increase) in due from other funds	2,793,351	33,744	(381,983)	(64,710)	2,380,402	1,403,597
Decrease (increase) in due from component unit	146,937	-	-	-	146,937	7,449
Decrease (increase) in due from other governments	-	-	-	(188)	(188)	-
Decrease (increase) in TMRS net pension asset	19,486	3,449	8,255	1,127	32,317	-
Decrease (increase) in deferred outflows on refunding	59,189	-	-	-	59,189	-
Decrease (increase) in deferred outflows related to OPEB	23,144	1,937	10,355	1,469	36,905	-
Decrease (increase) in deferred outflows related to pensions	(634,377)	(152,295)	(258,493)	(34,344)	(1,079,509)	-
Increase (decrease) in accrued payroll	575	3,425	3,932	2,630	10,562	-
Increase (decrease) in accounts payable	524,428	(13,875)	(104,870)	(3,412)	402,271	2,394
Increase (decrease) in accrued interest	272	-	-	(2)	270	-
Increase (decrease) in other liabilities	37,793	11,690	27,778	3,684	80,945	-
Decrease (increase) in claims payable	-	-	-	-	-	(163,049)
Increase (decrease) in subdivider deposits	311,277	-	-	-	311,277	-
Increase (decrease) in customer deposits	116,742	-	-	-	116,742	-
Increase (decrease) in due to other funds	42,684	(3,096)	(502,134)	(189,084)	(651,630)	(1,484,397)
Increase (decrease) in unearned revenue	-	(10,320)	-	3,806	(6,514)	-
Increase (decrease) in compensated absences	24,693	8,152	4,699	17,181	54,725	-
Increase (decrease) in net pension liability	1,173,926	259,978	483,948	64,842	1,982,694	-
Increase (decrease) in net OPEB	(102,348)	(953)	(47,689)	(6,972)	(157,962)	-
Increase (decrease) in deferred inflows related to OPEB	1,697	8,540	(1,363)	(404)	8,470	-
Increase (decrease) in deferred inflows related to pensions	(685,895)	(120,654)	(290,766)	(39,727)	(1,137,042)	-
Total adjustments	7,520,210	315,058	58,885	(214,210)	7,679,943	(193,928)
Net cash provided by operating activities	\$ 13,202,509	\$ (123,598)	\$ 1,653,271	\$ (596,931)	\$ 14,135,251	\$ 2,104
Noncash Capital and Related Financing Activities						
Contributed capital assets	\$ 3,571,858	\$ -	\$ -	\$ -	\$ 3,571,858	\$ -
Increase (decrease) in fair value investments	61,460	-	2,895	-	64,355	-
Total Noncash Investing, Capital and Financing Activities	\$ 3,633,318	\$ -	\$ 2,895	\$ -	\$ 3,636,213	\$ -

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

EXHIBIT A-10

	Private Purpose Trust Fund <hr/> Speer Library Breyfogle <hr/>
ASSETS	
Cash and cash equivalents	<hr/> \$ 6,812
Total Assets	<hr/> \$ 6,812 <hr/>
Net Position	
Held in trust for scholarships and books	<hr/> \$ 6,812
Total Net Position	<hr/> \$ 6,812 <hr/>

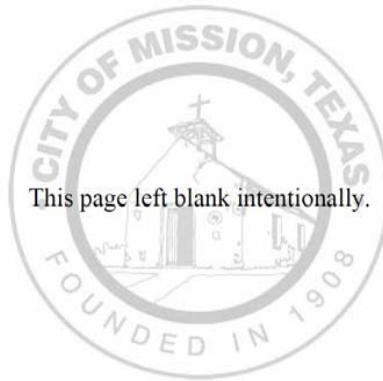
The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS**EXHIBIT A-11**

*STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023*

	Private Purpose Trust Fund Speer Library Breyfogle
Additions:	
Investment income	\$ -
Total Additions	-
Deductions:	
Scholarship Awards	-
Total Deductions	-
Change in Net Position	-
Net Position-Beginning of the Year	6,812
Net Position-End of the Year	\$ 6,812

The accompanying notes are an integral part of this statement.



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CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Mission, Texas (the “City”), was incorporated in 1910 under the provisions of the City’s Home Rule Charter. The current City Home Rule Charter, which was last amended in 2008, authorizes the following services: public safety, public utilities, public works, planning and zoning, sanitation, recreational and cultural activities, a municipal golf course and general administrative services. Education, health, and welfare are administered by other governmental entities.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to governmental units. The more significant accounting policies used by the City are described below.

Reporting Entity

The City is a municipal corporation governed by an elected mayor and four-member governing council (the “Council”). The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

In evaluating the City as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification.

Blended Component Units

The Mission Economic Development Authority (MEDA) was originally organized to provide development activities that could not be carried out by the Mission Economic Development Corporation (MEDC). City of Mission management has operational and fiscal responsibility for this component unit. The Board now consists of 5 members, 4 of whom are Board Members of the MEDC. All Economic Development Activity on behalf of the City was reassigned by city resolution to MEDC. MEDA holds an investment in several lots of land which are available for sale. MEDA is presented as a blended component unit as MEDA’s current limited activity exclusively benefits the City. The MEDA does not issue separate financial statements. Their financial statements are included in the City’s Annual Comprehensive Financial Report as a special revenue fund for the year ended September 30, 2023.

Discretely Presented Component Units

On September 12, 1994, the Mission Economic Development Corporation (MEDC) was issued a Certificate of Incorporation by the State of Texas as a nonprofit corporation under the Development Corporation Act of 1979 Vernon’s Ann Civ. St. Art. 5190.6, as amended by adding

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Sec. 413. The MEDC was organized on behalf of the City for the specific public purpose of the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and the public welfare. MEDC is governed by a seven-member board of directors, one of whom is the Mayor of the City of Mission, Texas. The remaining six are appointed by the Mayor and City Council of the City of Mission, Texas. Any director may be removed from office by the City Council for cause or at will. MEDC's primary source of revenues is sales tax revenues generated by the City of Mission. In addition, the City approves the programs and expenditures of

MEDC and must approve amendments to MEDC's bylaws and Articles of Incorporation. MEDC is presented as a governmental fund type and has a September 30 year end.

Separately issued financial reports are available for the MEDC. These reports may be obtained by contacting the following offices.

Mission Economic Development Corporation
1201 E. 8th St.
Mission, Texas 78572

The City authorized the creation of the Mission Redevelopment Authority (the "Authority") by the Resolution No. 1021 passed on November 26, 2001. The Authority was created and organized as a local government corporation pursuant to provisions of Subchapter D of Chapter 431 of the Texas Transportation Code and Chapter 394 of the Texas Local Government Code. The Authority is organized as a public non-profit corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental function to promote the common good and general welfare of Reinvestment Zone Number One (the "Zone") and neighboring areas; in the preparation and implementation of a project plan and a reinvestment zone financing plan for the zone; in the development of a policy to finance development and redevelopment of residential, educational facilities, commercial and park/open space properties in the Mission area; and in the development and implementation of a redevelopment policy for the Mission area, including the acquisition of land for redevelopment purposes. The Authority may issue bonds with consent of City Council. The Authority is managed by a Board of Directors consisting of seven members. Five of the members are appointed by the Mayor with the approval of City Council. The remaining two positions are designated for participating taxing entities. MRA is presented as a governmental fund type and has a September 30 year end.

Separately issued financial reports are available for the MRA. These reports may be obtained by contacting the following offices.

Mission Redevelopment Authority
901 Business Park Drive Suite 200
Mission, Texas 78572

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

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 nonfiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead 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 statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, interest revenue and charges for services. Sales taxes collected and held by the intermediary collecting governments at year end on behalf of the City also are accrued. Fines, permits and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the City has two discretely presented component units. While the MEDC and MRA are considered to be major component units, they are nevertheless shown in separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applications for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including all dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary fund and blended component unit. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

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

Governmental funds are those through which most governmental functions of the City are financed. Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Governmental fund types include the general fund, special revenue funds, debt service fund and capital projects funds.

The City reports the following major governmental funds:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Designated Purpose Fund is used to account for federal, state and local awarded funds towards operations and infrastructure improvements in the City not accounted for in the General Fund.

Debt Service Funds are used to account for accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

2021 CO Capital Projects Fund is used to account for the acquisition and construction of street and drainage improvements, utility system improvements, parks improvements, facilities improvements, land acquisition, and professional services in connection therewith.

Capital Projects Fund account for the acquisition and construction of the City's major capital facilities, other than those financed by proprietary funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing service, producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following proprietary fund types and related major funds:

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred,

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City reports all of its enterprise funds as major funds.

Utility Fund accounts for the provision of water and sewer services to the residents of the City and some residents outside of the City.

Golf Course Fund accounts for the operations and maintenance of the Shary Municipal Golf Course.

Solid Waste Fund accounts for the provision of garbage and brush collection for the residents of the City.

Event Center Fund accounts for the operations and maintenance of the Mission Events Center.

Internal Service Fund, the Group Health Employee Plan Fund, is used to account for the financing of goods or services provided by one department or agency to other department or agencies of the City, or to other governments, on a cost-reimbursement basis. The Group Health Employee Plan Fund is used to account for health insurance premiums collected from employees and various City departments. Health insurance claims are also reflected in this fund.

The City reports fiduciary fund types, in which the City accounts for assets received and held by the City in the capacity of trustee, agent or custodian. Deductions are made only in accordance with the purpose for which the assets are received and cannot be used to support the City's programs. Within this category of fund types, the private-purpose trust fund is used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types. All resources of the fund, including any earnings or invested resources, may be used to support the organization's activities. There is no requirement that any portion of these resources be preserved as capital.

Fiduciary Fund, the Speer Memorial Library-Breyfogle, is a private purpose trust fund. This fund is used to account for resources held in trust to be used for Library Science courses. Such resources are to be used for library staff who have been accepted into a Library Science program and who are taking library science courses from an American Library Association/Masters of Library Science (ALA/MLS) accredited program or institution. All resources of the fund, including any earnings on invested resources, may be used to support these activities.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Budgetary Information

Budgetary basis of accounting

As mandated by the City Charter, budgets are required for all City funds each year. For the year ended September 30, 2023, budgets were not adopted for the Fiduciary Fund, but were adopted for the Internal Service Fund. Budget comparisons to actual expenditures for these funds are not required to be included in the financial statements. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds, except for the Capital Projects Funds. Budgets for the Capital Projects Funds are adopted over the multiple-year term of the projects.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Excess of expenditures over appropriations

During the year ended September 30, 2023, two General Fund departments had expenditures which exceeded appropriations by a total of \$163,474, as reflected on exhibit B-1.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Net position deficit

A net position deficit exists in the amount of \$826,200 for the golf course fund for the year ended September 30, 2023. The negative balance is due to more expenditures than generated revenues in FY 2022-2023.

A net position deficit exists in the amount of \$23,243 for the event center fund for the year ended September 30, 2023. The reduction in negative balance is related to the change in management.

A net position deficit exists in the amount of \$5,201,803 for the Mission Redevelopment Authority (MRA) component unit for the year ended September 30, 2023. This deficit is due to MRA issuing debt to pay for facilities that were conveyed, or will be conveyed, to the City of Mission, Texas (the "City") or the State of Texas. MRA anticipates that with the expected development in the area, tax increment revenues will be sufficient to cover operating costs of MRA and to service the outstanding debt.

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the City consist of U.S. agency obligations and TexPool investments. U.S. Treasury and agency obligations are reported at fair value. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at amortized cost. The City's local government investment pools are recorded at amortized cost as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

The City can legally invest in adequately secured investments in accordance with the State's *Public Funds Investment Act*. With certain restrictions, the City's Investment Policy allows investments in certificates of deposit, repurchase agreements, joint pools of political subdivisions in the State of Texas, obligations of the U.S. Government and its Agencies or instrumentalities and State obligations.

The Mission Economic Development Corporation (MEDC) is authorized, with certain restrictions, to invest in certificates of deposit, repurchase agreements, joint pools of political subdivisions in the State of Texas, obligations of the U.S. Government and its Agencies or instrumentalities and State obligations. Investments are reported at fair value in the component unit, except for pooled

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Investments (continued)

investments, which are stated at amortized cost. MEDC's bank accounts are managed by the City and the City's investment policies are followed.

The Mission Redevelopment Authority (MRA) is authorized to invest in any investments that are permitted by state statutes under the *Public Funds Investment Act*. During the year, MRA's investments consisted of U.S. government bonds and certificates of deposits which are valued at fair value.

Receivables and Payables

Included in accounts receivable of the City's Utility fund is an estimated amount for services rendered but not billed as of the close of the year. The receivable was estimated by prorating subsequent cycle billings, based upon meter readings sent to customers.

Property taxes receivable have been prorated between General and Debt Service Fund based upon rates adopted for the year of the levy.

Allowance for doubtful accounts – Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in the Utility fund in excess of 120 days are subject to being considered as uncollectible.

Unearned revenue – Unearned revenue recorded on the governmental fund balance sheet represents amounts received before eligibility requirements are met.

Interfund Activities and Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any residual balance outstanding between the governmental and business-type activities at the end of the fiscal year, which are reported in the government-wide financial statements as internal balances. Advances between funds, reported in the fund financial statements, are offset by a fund balance classification in the applicable governmental funds to indicate that they are not available for appropriation.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or business-type funds are netted as part of the reconciliation to the government-wide presentation.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and repair parts as well as golf shop merchandise. The cost of such inventories is recorded as expenditures/expenses when consumed or sold rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

These balances are equally offset by nonspendable fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of total assets.

Land Held for Resale

The City, through the Mission Economic Development Authority and the Mission Economic Development Corporation, holds commercial real estate lots available for sale within an economically depressed area. These lots will be sold to attract development to further benefit the City.

Redevelopment Assets

Redevelopment assets are recorded at historical cost. Depreciation is not recorded on redevelopment assets because they are expenditures for planning, design and construction of economic development projects, which upon completion will be transferred to the City of Mission or other governmental entities. Governments usually acquire or incur construction or design costs related to the redevelopment property to attract private-sector investment in an economically depressed area. During the construction or planning and design phase, these capital project assets are considered redevelopment assets of these component units.

Restricted Assets

Certain assets of the City are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Restricted Assets (continued)

governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Subdivider deposit accounts – Deposits that are to be refunded upon satisfaction of all obligations due.

Bond debt service accounts – Certain proceeds of long-term debt, as well as certain resources set aside for their repayment.

Capital projects – Includes resources set aside for capital outlays.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The Utility Fund has capitalized interest cost during the construction period of water and wastewater projects. The capitalized interest is recorded as part of the cost of these projects and will be depreciated over the assets' estimated useful life. The amount of interest cost capitalized is net of interest earned on investments acquired with proceeds of related borrowings. Interest expense is not capitalized on capital assets of governmental funds.

Depreciation of capital assets used by proprietary funds is charged as an expense against their operations in the fund financial statements as well as the government-wide financial statements. Depreciation of general capital assets used by funds categorized as governmental activities is not provided in the fund financial statements; however, it is included in the gross expense by function in the government-wide Statement of Activities. Capital assets, net of accumulated depreciation, are reported on proprietary fund balance sheets and in both the governmental activities and business-type activities column of government-wide Statement of Net Position.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (continued)

Capital asset classes	Lives
Buildings	30
Furniture and equipment	5 - 15
Vehicles	3 - 20
Water plant and water tower	20 - 50
Water lines	25
Sewer system	20
Infrastructure	10 - 45

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The City has three (3) items that qualify for reporting as deferred outflows of resources, the *deferred amount on refunding*, the *deferred outflows related to pensions*, and the *deferred outflows related to OPEB*, reported in the government-wide and proprietary funds statements of net position. The deferred amount on refunding results from debt refinancing, whereby the reacquisition price of the funding debt instruments exceeds their net carrying amount. The deferred amount on refunding is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three (3) items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to pensions and OPEB* are an aggregate of items related to pensions and other post-employment benefits as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred inflows related to pensions and OPEB will be recognized as a reduction to pension or OPEB expense in future reporting years. The *deferred inflows related to leases* are associated with amounts owed to the City, as lessor, by entities leasing the City's capital assets.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Deferred Outflows/Inflows of Resources (continued)

Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: leases and property taxes assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported only in the governmental activities column of the government-wide financial statements. Compensated absences vested or accumulated are reported in the governmental funds only if they have matured. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, *Accounting for Compensated Absences*, the vesting method can be used to calculate the liability related to compensated absences for sick leave. The vesting method focuses on vesting sick leave. Vesting rights include vested rights and those rights that will eventually vest. With the exception of police officers and firefighters, discussed below, the City has recognized a liability for the vested part of employee sick leave. Per the City's Personnel Policy Manual, one-half of accumulated sick days up to a maximum of 90 days will vest once an employee either reaches 15 years of service or is eligible for official retirement as defined by the Texas Municipal Retirement System.

Per Texas Local Government Code Section 143.045, Police Officers and Firefighters are allowed to accumulate 15 sick days for 12 months of employment. They are entitled to receive a lump-sum payment of the full amount of accumulated sick leave not to exceed a total of 90 days' pay. There is no requirement on vested time to receive benefit.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds and is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations (continued)

Section 130: *Interest Costs – Imputation*, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the pension plan, or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the City's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Fund Balance Reporting

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, long term portions of receivables, redevelopment assets, and land held for resale. The City has prepaid expenses, inventories, long term portion of receivables, and land held for resale that are considered nonspendable.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Fund Balance Reporting (continued)

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that can be used only for the specific purpose determined by formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by an adoption of an ordinance, commit fund balance. Once committed, the funds cannot be used for any other purpose unless such constraints are removed or modified by the adoption of another ordinance by City Council.
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The responsibility to assign funds rests with the City Council, or its designee, such as the City Manager. The City's policy dictates that any funds set aside by management as assigned fund balance, must be reported to City Council on the next regular Council meeting. Council has the authority to change or remove the assignment with majority vote.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Minimum Fund Balance Policy

- The City of Mission determined that it is essential that they maintain adequate levels of fund balance in the General Fund to mitigate risks, provide a back-up plan for revenue shortfalls, and ensure that appropriate amounts are available for emergencies.
- The General Fund Unrestricted Fund Balance will be no less than two (2) months of operating expenditures.
- Should the Unrestricted Fund Balance decline to less than two (2) months of operating expenditures, all one-time revenues will be applied to replenish the targeted minimum balance. The targeted fund balance must be replenished within two years.
- Furthermore, the City's Charter contains a requirement that a provision must be made in the annual budget and in the appropriation ordinance for a contingent appropriation in

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Reporting (continued)

an amount no more than three (3) percent of the total budget to be used in case of unforeseen items of expenditure. Unused contingent funds will be used to replenish the targeted minimum unrestricted fund balance.

Order of Expenditures of Funds

- When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds. A detailed classification of fund balances is included in Note 20.

Revenues and Expenditures/Expenses

Program revenues - Amounts reported as *program revenues* include 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes - Property taxes are levied by October 1 in conformity with the 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 30-day period after the close of the City's fiscal year.

Property taxes are billed and collected by the Hidalgo County Tax Office for the City by contract agreement. Tax collections are transferred directly into the City's bank account. The City is a Home-Rule Charter City with a maximum authorized tax rate for all purposes of \$2.50 per \$100 valuation. The combined tax rate for the year ended September 30, 2023 (2022 levy), was \$0.5299 per \$100 valuation. Taxes receivable consists of property taxes of \$2,412,332 and sales taxes of \$3,318,420.

Proprietary funds operating and nonoperating revenues and expenses – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses (continued)

connection with a proprietary fund's principal ongoing operations. Operating revenues for the enterprise and internal service funds consist of charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Internal Service Fund Activity

Because the principal users of the internal service activities are the City's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statement. Only the net profit or loss before investment income is allocated to the operating programs benefited. The investment income is combined with other unrestricted income as general revenue in the statement of activities.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services, which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. The following are the significant encumbrances at year-end:

General Fund	\$ 2,219,707
Debt Proceeds Capital Projects	12,737,265
Other Governmental Funds	3,642,078
Total	<u>\$ 18,599,050</u>

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Rounding Adjustments

Throughout this annual comprehensive financial report, dollar amounts are rounded, thereby creating differences between the details and the totals.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Reclassifications

Certain reclassifications were made to prior year balances to conform to current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 27, 2025. See Note 29 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

Current Accounting Standards

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by users, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying existing definitions of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement was adopted in the current year, resulting in no material effect.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement 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 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 for this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Current Accounting Standards (continued)

Additional information about the changes to the financial statements related to the implementation of this Statement can be found in Note 2.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*, enhancing comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives. Clarification of provisions in Statement No. 96, *Subscription-Based Technology Arrangements*, related to the subscription-based technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. This Statement was adopted in the current year resulting in no material effect.

Future Accounting Standards

In June 2022, GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Future Accounting Standards (continued)

error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Statement No. 101, Compensated Absences, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off of otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit post-employment benefits should not be included in a liability for compensated absences. The requirement of this Statement is effective for reporting periods beginning after December 15, 2023.

Statement No. 102, Certain Risk Disclosures, the objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The City is evaluating the requirements of GASB No. 102 and the impact on reporting for future years.

Statement No. 103, Financial Reporting Model Improvements, the objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The City is evaluating the requirements of GASB No. 103 and the impact on reporting for future years.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Future Accounting Standards (continued)

Statement No. 104, Disclosure of Certain Capital Assets, this Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. The City is evaluating the requirements of GASB No. 104 and the impact on reporting for future years.

The City is evaluating the requirements of the above statements and the impact on reporting.

NOTE 2 – CHANGE ACCOUNTING PRINCIPLES

City of Mission adopted GASB No. 96, *Subscription-Based Technology Arrangements*, as of October 1, 2022. Due to the implementation of GASB 96, the City, at the government-wide level, calculated and recognized right-to-use subscription assets and liabilities of \$661,937. There were no impacts to the beginning net position related to the implementation of GASB 96.

NOTE 3 – PRIOR PERIOD ADJUSTMENT

A. Primary Government

A contribution of land from the general fund to MEDA was not recorded on the books in the MEDA fund in the prior year. As a result, there was an increase in the other governmental funds fund balance as well as land held for sale in the amount of \$947,410. There was also a decrease in land and net position in governmental activities. The governmental activities adjustment is reflected within exhibit A-4.

\$203,744 in contributions to the Veteran's Cemetery was not recorded in the prior year. As a result, there was a decrease in land, water rights, and construction in progress as well as a decrease in net position in governmental activities.

Unearned revenue and deferred inflows related to leases were misstated in the prior year due to a timing error related to revenue recognition at the government-wide level. As a result, there was an increase in unearned revenue of \$3,894,998, an increase in deferred inflows related to leases of \$72,283 and a decrease in net position of \$3,967,281 in governmental activities.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 3 – PRIOR PERIOD ADJUSTMENT (*Continued*)

Expenses related to another fund were overstated in the general fund resulting in an increase in fund balance and due from other funds of \$157,648.

The government wide adjustment for the internal service fund was misstated in the prior year, resulting in an increase in net position of \$604,385 in business-type activities.

A note payable and related cash escrow account were received by the solid waste fund in the prior year to purchase sanitation vehicles in the amount of \$3,937,371. However, this adjustment had no effect on net position.

Lease assets and lease liabilities were overstated by \$546,161 in governmental activities, \$118,792 in the utility fund and \$23,766 in the solid waste fund at time of inception in the prior year. However, this adjustment had no effect on net position.

B. Component Unit

Revenue and receivables for MEDC related to the Shary Park Project were not recorded on the books in the prior year. As a result, there was an increase to fund balance/net position in the amount of \$112,341.

NOTE 4 – DEPOSITS AND INVESTMENTS

A. Primary Government

Deposits – At September 30, 2023, the carrying value of the City's deposits was \$29,886,087 and the bank balance was \$30,008,892. The entire bank balance was covered by FDIC insurance or was fully collateralized with securities held by the City's agent in the City's name. The type of deposits held at year end was demand accounts.

Investments – The primary objective of the City's investment activity is the preservation of capital in the overall portfolio. Each investment transaction shall be conducted in a manner to avoid capital losses, whether they are from security defaults or erosion of fair value.

The City pools the cash, based on the City's needs, into either deposits in bank accounts, in short-term investments with TexPool, or in longer-term investments in U.S. Government Bonds. However, each fund's balance of cash and investments is maintained in the books of the City.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS *(Continued)*

The City's investments are as follows at September 30, 2023:

Investments	
TexPool (reported at amortized cost)	\$ 6,870,439
Certificates of deposit (reported at fair value - level 2)	5,065,967
U.S. Government Bonds (reported at fair value - level 2)	3,631,137
Total investments	\$15,567,543

Quoted market prices are the basis of the fair value for investments. The amount of increase or decrease in the fair value of investments during the current year is included in the City's investment income of \$273,633.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment.

The City's investment policy limits average maturities of all investments to three years or less. The maximum final stated maturity of any investment shall not exceed five years. Portfolio diversification is employed as a way to control the risk. The City's investment portfolio is required to have sufficient liquidity to meet anticipated cash flow requirements.

The following is the Interest Rate Risk using Specific Identification, as of September 30, 2023:

Investment Type	Reported Amount	Maturity Period		
		3 Months or Less	4-12 Months	Over One Year
TexPool	\$ 6,870,439	\$6,870,439	\$ -	\$ -
Government bonds	3,631,137	-	2,683,622	947,515
Certificates of Deposits	5,065,967	247,631	3,393,321	1,425,015
Total	\$ 15,567,543	\$7,118,070	\$6,076,943	\$ 2,372,530

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS *(Continued)*

Credit Risk

Credit risk is the risk that a counterparty will not fulfill its obligations.

The City's investment policy authorizes the following pools:

Public funds investment pools in Texas ("Pools") are established under the authority of the Inter-local Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"). Chapter 2258 of the Texas Government Code, in addition to the other provisions of the Act designed to promote liquidity and safety of principal, the Act required 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 services; and 3) maintain the fair value of its underlying investment portfolio within one half of one percent of the value of its shares.

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act (PFIA) of 1987, as amended. The Texas State Comptroller of Public Accounts has oversight responsibility for TexPool. TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer. The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Account exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. As permitted by GASB No. 79, *Certain Investment Pools and Pool Participants*, the City's investments in TexPool are stated at cost, which approximates fair value.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS *(Continued)*

Credit Risk (continued)

The City's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). The City's management believes that it complied with the requirements of the PFIA and the City's Investment policies.

Statutes authorize the City to invest in obligations of the U.S. Treasury or the State of Texas, certain U.S. agencies, certificates of deposit, certain municipal securities, repurchase agreements, and other investments specifically allowed by the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code).

Concentrations of Credit Risk

Portfolio diversification is critically important to the City to help mitigate the risk of loss. The following are employed 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 risk.

As of September 30, 2023, the following was the composition of the City's credit rating by investment:

Investment Type	Rating	Exposure
TexPool	AAAm	44%
Government bonds	AA+	23%
Certificates of Deposits	N/A	33%

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that the City will not be able to recover the value of investments or collateral securities that are in the possession of an outside party if the counterparty to an investment will not fulfill its obligation.

The City's investments are categorized as a level one custodial credit risk, meaning that its investments are insured or registered, or securities held by the City or its' agent in the City's name.

The City is prohibited from investing in the following types of investments:

- a. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
- b. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
- c. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years.
- d. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

The Public Funds Investment Act, the City's investment policy, and Government Code Chapter 2257 "Collateral for Public Funds" contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

A reconciliation of cash and investments as shown on the Statement of Net Position for the primary government follows:

Cash on hand	\$ 11,309
Carrying amount of deposits	29,886,087
Investments	15,567,543
Accrued interest receivable	179
<u>Cash, Investments, and Accrued Interest Receivable</u>	<u>\$45,465,118</u>
Cash and cash equivalents	\$ 5,617,903
Investments	14,278,420
Restricted assets	25,568,795
<u>Total Cash, Investments, and Restricted Assets on Statement of Net Position</u>	<u>\$45,465,118</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS *(Continued)*

B. Component Units

Mission Economic Development Corporation

Deposits - At September 30, 2023, the carrying value was \$1,285,495 and the bank balance of MEDC's deposits was \$1,290,379. Deposits include demand accounts and certificate of deposits with an initial maturity of three months or less. At September 30, 2023, all deposits were fully insured or collateralized. See custodial credit risk below.

Investments - During the year, MEDC had investments comprised of certificates of deposit and government bonds.

MEDC is required by Government Code Chapter 2256, The Public Funds Investment Act (the "Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowed stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies; MEDC reports its information to the City of Mission Council.

Additionally, investment practices of MEDC were in accordance with local policies. The MEDC's management believes that it complied with the requirements of the PFIA and its adopted investment policies.

MEDC investments reported at fair value, in restricted assets, are as follows as of September 30, 2023:

Investments	
Certificate of deposit (fair value - level 2)	\$ 239,413
Government bonds (fair value - level 2)	237,140
Total investments	<u>\$ 476,553</u>

At September 30, 2023, MEDC had deposits collateralized by pledged securities of \$1,007,446; all deposits were insured by the FDIC or were fully collateralized.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Mission Redevelopment Authority (continued)

A reconciliation of cash as shown on the statement of net position for MEDC is as follows:

Cash on hand	\$ 500
Carrying amount of deposits	1,285,495
Investments	476,553
Cash, Investments, and Accrued Interest Receivable	<u>\$ 1,762,548</u>
Cash and cash equivalents	\$ 939,163
Restricted assets	823,385
Cash and Cash Equivalents and Restricted Assets on Statement of Net Position	<u>\$ 1,762,548</u>

Mission Redevelopment Authority

Investment Accounting Policy - The Authority is required by the Government Code Chapter 2256, The Public Funds Investment Act (the "Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the Authority adhered to the requirements of the Act. Additionally, investment practices of the Authority were in accordance with local policies.

The Act determines the types of investments, which are allowable for the Authority. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, the state of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Authority policy authorizes all the State allowable investments. No person may invest the Authority funds without express written authority from the Board of Directors. The Authority's management believes that it has complied in all material respects with the requirements of the Act and the Authority's investment policies.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Mission Redevelopment Authority (continued)

a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act, the Authority's investment policy, and Government Code Chapter 2257 "Collateral for Public

Funds" contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the Authority of securities eligible under the laws of Texas to secure the funds of the Authority, having an aggregate fair value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. The Authority's funds are required to be deposited and invested under the terms of a depository contract.

The depository bank deposits for safekeeping and trust with the Authority's agent bank approved pledged securities in an amount sufficient to protect Authority funds on a day-to-day basis during the period of the contract. For the deposit and investment balances noted below, \$250,000 was covered by federal depository insurance and the balance was covered by collateral pledged in the name of the Authority and held in a third party depository.

Deposits

As of the fiscal year end, the bank balance and carrying value of the Authority's deposits was \$30,997,634.

Investments

As of September 30, 2023, the Authority had the following investments and maturities:

Investment Type	Amortized Cost	Fair Value	Maturity Period		
			Less Than One Year	One to Five Years	Over Five Years
Certificate of Deposits	\$ 1,000,000	\$ 958,330	\$ 247,385	\$ 710,945	\$ -
U.S. Government Bonds	1,690,000	1,670,917	1,670,917	-	-
Total	\$ 2,690,000	\$ 2,629,247	\$ 1,918,302	\$ 710,945	\$ -

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Authority's investment policy identifies the types of allowable investments as governed by the Public Funds Investments Act, to reduce the credit risk associated with the

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Mission Redevelopment Authority (continued)

investments. At September 30, 2023, the Authority's Money Market Mutual Fund investment rating was A- by Standard & Poor's Rating Service.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority considers the investment in the Money Market Mutual Fund to have maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the Authority, unless there has been a significant change in value. The Authority's investment policy limits money market mutual funds to those with a stable net asset value of \$1 per share and those with a weighted average maturity of less than two years.

NOTE 5 – RECEIVABLES

Receivables at September 30, 2023 were as follows:

	Taxes	Accounts	Special Assessments	Due from Other Governments	Allowance for Uncollectible	Accrued Interest Receivable	Net
Governmental Activities							
General	\$ 2,004,915	\$ 1,441,114	\$ -	\$ 4,051,559	\$ (1,774,325)	\$ 2,635	\$ 5,725,898
Debt Service	407,417	-	-	-	(154,806)	42	252,653
Designated Purpose	-	20	-	132,040	-	-	132,060
Capital Projects Fund	-	-	-	3,198,089	-	-	3,198,089
2021 CO Capital Projects Fund	-	-	-	-	-	6,998	6,998
Nonmajor Gov't	-	405,420	192,784	3,811,406	(19,713)	85	4,389,982
Internal Service	-	4,455	-	-	-	-	4,455
Total	\$ 2,412,332	\$ 1,851,009	\$ 192,784	\$ 11,193,094	\$ (1,948,844)	\$ 9,760	\$ 13,710,135
Business-Type Activities							
Utility	\$ -	\$ 4,848,557	\$ -	\$ -	\$ (351,031)	\$ 881	\$ 4,498,407
Golf Course	-	1,457	-	518	-	-	1,975
Solid Waste	-	1,379,171	-	-	(160,410)	4,766	1,223,527
Event Center	-	19,181	-	-	-	-	19,181
Total	\$ -	\$ 6,248,366	\$ -	\$ 518	\$ (511,441)	\$ 5,647	\$ 5,743,090

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 5 – RECEIVABLES (Continued)

Mission Economic Development Corporation

	Taxes	Accounts-Other	Accrued Interest Receivable	Due from Other Governments	Net
Governmental Activities					
General	\$ 1,106,137	\$ 310,231	\$ 130	\$ 370,662	\$ 1,787,160
Debt Service	-	-	560	-	560
Total	\$ 1,106,137	\$ 310,231	\$ 690	\$ 370,662	\$ 1,787,720

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Interfund receivable and payable balances at September 30, 2023 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Non-Major Governmental Funds	(336,181)
General Fund	Designated Purpose Fund	(2,194,918)
General Fund	Capital Outlay	(1,679)
General Fund	Capital Projects	(4,873,290)
General Fund	Group Health Fund	(11,867)
General Fund	Utility Fund	(5,592,584)
General Fund	Golf Course Fund	(2,423)
General Fund	Event Center Fund	(1,523)
Non-Major Governmental Funds	General Fund	(2,620,756)
Debt Service Fund	General Fund	(1,126,992)
Designated Purpose Fund	General Fund	(575,506)
2021 CO Capital Projects Fund	General Fund	(570)
2021 CO Capital Projects Fund	Non-Major Governmental Funds	(254,251)
Utility Fund	General Fund	(3,033,452)
Utility Fund	Non-Major Governmental Funds	(3,079)
Golf Course Fund	General Fund	(27,955)
Solid Waste Fund	General Fund	(1,093,791)
Event Center Fund	General Fund	(64,710)
Group Health Fund	General Fund	(362,586)
Group Health Fund	Utility Fund	(139,414)
Group Health Fund	Golf Course Fund	(23,155)
Group Health Fund	Solid Waste Fund	(42,160)
Group Health Fund	Event Center Fund	(7,825)
Group Health Fund	Non-Major Governmental Funds	(25,657)
Total		(22,416,324)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

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

B. Due to/from the primary government and component units at September 30, 2023 were as follows:

Receivable Entity	Payable Entity	Amount
Primary Gov't General Fund	Component Unit - MEDC (non-profit)	(41,621)
Primary Gov't General Fund	Component Unit - MRA (non-profit)	(380,630)
Primary Gov't Utility Fund	Component Unit - MRA (non-profit)	(82,198)
Primary Gov't Non Governmental	Component Unit - MRA (non-profit)	(4,284,016)
Primary Gov't Non Governmental	Component Unit - MEDC (non-profit)	(30,976)
Component Unit - MRA	Primary Gov't Non Governmental	(3,740,740)
Component Unit - MEDC	Primary Gov't General Fund	(3,252,054)
Total		(11,812,235)

C. Interfund Transfers:

	Transfers In							Total
	General Fund	Debt Service Fund	Designated Purpose fund	Utility Fund	Solid Waste Fund	Event Center	Capital Projects	
Transfers Out								
General Fund	\$ -	\$ -	\$ 389,078	\$ -	\$ -	\$ 300,000	\$ 118,192	\$ 807,270
Debt Service Fund	-	-	-	-	-	-	-	-
Designated Purpose Fund	-	-	-	60,351	12,387	-	-	72,738
Non-Major	-	500,000	-	-	-	300,000	-	800,000
Utility Fund	2,783,707	-	-	-	-	-	-	2,783,707
Solid Waste Fund	-	450,000	-	-	-	-	-	450,000
Total Transfers Out	\$ 2,783,707	\$ 950,000	\$ 389,078	\$ 60,351	\$ 12,387	\$ 600,000	\$ 118,192	\$ 4,913,715

Transfers from the Utility Fund to the General Fund were to supplement the General Fund for administrative services provided to the Enterprise Fund. Fourteen departments of the General Fund provide operational assistance to the Utility Fund on a routine basis.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 7 – LAND HELD FOR RESALE

The City through its blended component unit, Mission Economic Development Authority, holds commercial real estate lots available for sale within an economically depressed area. At September 30, 2023, the remaining properties are stated at a cost of \$1,267,121, which is less than their estimated fair value. These lots will continue to be sold to attract development to further benefit the City.

The Mission Economic Development Corporation holds commercial real estate lots available for sale within an economically depressed area. At September 30, 2023, the remaining properties are stated at a cost of \$3,314,462, which is less than their Net realizable value. These lots will continue to be sold to attract development to further benefit the City.

NOTE 8 – REDEVELOPMENT ASSETS

Mission Redevelopment Authority

During the fiscal year, the Authority recorded redevelopment expenditures as follows:

Event Center	\$ 500,000
Inspiration Rd./Military Parkway Loop	776,861
Police/ Fire Department Substation	4,534,226
South Conway Lift Station	4,020
Bentsen Palm Dev Sanitary Sewer Line	1,433,606
Tierra Dorada Sanitary Sewer	184,076
Total Redevelopment Expenditures	\$ 7,432,789

The reimbursements represent payments to the City of Mission for redevelopment projects managed by the City. This amount does not include professional services, administrative services, and debt service expenses incurred by the Authority.

Mission Economic Development Corporation

During the fiscal year, the MEDC recorded redevelopment expenditures as follows:

Water and Sewer Improvements	\$ 3,450,922
Streets	1,435,832
Right-of-Way	28,750
Total Redevelopment Assets	\$ 4,915,504

Retainage payable is not related to capital assets but rather for redevelopment assets.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 9 – LONG-TERM RECEIVABLES

Long-term receivables in the governmental activities of the City of Mission consists of the following:

Housing Rehabilitation Receivable - Promissory note receivable for housing assistance provided under the Community Development Block Grant (CDBG) program to an ineligible recipient. The principal amount is payable in equal monthly installments of \$200 on the ninth day of each month, beginning November 9, 2007, and continuing until the principal has been paid in full. The final maturity date is January 9, 2026.

<i>September 30, 2023</i>	Housing Rehab
Notes receivable current	\$ 2,400
Long term receivables	3,200
Total notes receivable	\$ 5,600

NOTE 10 – RESTRICTED ASSETS

A. Primary Government

Business-Type Activities:

The waterworks and sewer system revenue bond indentures require that during the period over which the bonds are outstanding, the City maintain certain separate accounts and funds to account for (1) the proceeds from the issuance of the revenue bonds (2) the debt service deposits made from revenues and (3) extensions and improvement deposits made from revenues. These restricted assets can be used only in accordance with the revenue bond indenture. Similar requirements exist for the debt service of the Public Property Financing Contractual Obligations.

The City also holds certain deposits from subdividers for future utility improvements, and the amount of retainage of certain construction contracts.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 10 – RESTRICTED ASSETS *(Continued)*

Restricted assets included in the Utility Fund as of September 30, 2023 consist of:

	Cash and Cash Equivalents	Investments	Accrued Interest	Total
Revenue bond reserve fund	\$ 610,979	\$ 338,561	\$ 43	\$ 949,583
Bond interest and sinking	1,370,839	404,892	-	1,775,731
Cash with fiscal agent	11,319,373	-	-	11,319,373
Subdivides deposits	1,266,303	171,144	-	1,437,447
Capital recovery fund	517,449	374,526	136	892,111
Operations reserve	2,904,929	-	-	2,904,929
Total	\$ 17,989,872	\$ 1,289,123	\$ 179	\$ 19,279,174

The Solid Waste Fund has \$205,582 in cash with a fiscal agent for a Public Property Financing Contractual Obligation.

B. Component Units

Restricted assets held by Mission Economic Development Corporation at September 30, 2023 consisted of the following:

	Cash and Cash Equivalents	Investments	Total
Debt service fund	\$ 346,832	\$ 476,553	\$ 823,385
Total	\$ 346,832	\$ 476,553	\$ 823,385

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 11 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

	Restated Beginning Balance	Increases	Decreases and Reclassifications	Ending Balance
Governmental Activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 41,350,582	\$ -	\$ -	\$ 41,350,582
Construction in progress	23,792,602	25,059,039	-	48,851,641
Capital assets, not being depreciated	65,143,184	25,059,039	-	90,202,223
<i>Capital assets, being depreciated</i>				
Buildings	38,042,146	-	-	38,042,146
Improvements other than buildings	21,516,221	715,171	-	22,231,392
Machinery and equipment	33,428,427	2,577,090	(561,297)	35,444,220
Infrastructure	126,797,537	5,143,507	-	131,941,044
Capital assets, being depreciated	219,784,331	8,435,768	(561,297)	227,658,802
<i>Less accumulated depreciation for</i>				
Buildings	(14,003,044)	(1,099,842)	-	(15,102,886)
Improvements other than buildings	(16,303,554)	(984,221)	-	(17,287,775)
Machinery and equipment	(24,021,569)	(2,338,191)	520,861	(25,838,899)
Infrastructure	(80,749,564)	(4,608,188)	-	(85,357,752)
Total accumulated depreciation	(135,077,731)	(9,030,442)	520,861	(143,587,312)
Total capital assets, being depreciated, net	84,706,600	(594,674)	(40,436)	84,071,490
<i>Capital assets, being amortized, net</i>				
Lease assets	7,507,592	1,518,560	(253,723)	8,772,429
Subscription assets	661,937	114,358	-	776,295
Less accumulated amortization	(2,262,368)	(1,748,976)	222,518	(3,788,826)
Total capital assets, being amortized, net	5,907,161	(116,058)	(31,205)	5,759,898
Governmental activities capital assets, net	\$ 155,756,945	\$ 24,348,307	\$ (71,641)	\$ 180,033,611

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 11 – CAPITAL ASSETS (Continued)

	Restated Beginning Balance	Increases	Decreases and Reclassifications	Ending Balance
Business-Type Activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 3,541,694	\$ -	\$ -	\$ 3,541,694
Water rights	3,870,564	-	-	3,870,564
Construction in progress	32,103,451	2,604,936	(5,613,551)	29,094,836
Total capital assets, not being depreciated	39,515,709	2,604,936	(5,613,551)	36,507,094
<i>Capital assets, being depreciated</i>				
Buildings and system	148,532,390	9,185,410	-	157,717,800
Improvements other than buildings	6,711,549	-	-	6,711,549
Furniture and equipment	16,919,876	4,165,097	(120,582)	20,964,391
Total capital assets, being depreciated	172,163,815	13,350,507	(120,582)	185,393,740
<i>Less accumulated depreciation for</i>				
Buildings and system	(95,009,451)	(4,899,528)	-	(99,908,979)
Improvements other than buildings	(4,274,550)	(291,390)	-	(4,565,940)
Furniture and equipment	(12,208,759)	(1,458,820)	120,582	(13,546,997)
Total accumulated depreciation	(111,492,760)	(6,649,738)	120,582	(118,021,916)
Total capital assets, being depreciated, net	60,671,055	6,700,769	-	67,371,824
<i>Capital assets, being amortized, net</i>				
Lease assets	2,311,444	653,092	-	2,964,536
Less accumulated amortization	(1,068,306)	(494,005)	-	(1,562,311)
Total Capital assets, being amortized, net	1,243,138	159,087	-	1,402,225
Business-type activities capital assets, net	\$ 101,429,902	\$ 9,464,792	\$ (5,613,551)	\$ 105,281,143

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 11 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

For the year ending September 30, 2023

Governmental Activities	Depreciation	Amortization
General government	\$ 1,031,996	\$ 384,168
Public safety	1,488,507	1,038,717
Highways and streets, including depreciation of general infrastructure a	4,906,651	222,018
Health and welfare	19,917	39,989
Culture and recreation	1,583,371	64,084
Total depreciation and amortization expense - Governmental activities	\$ 9,030,442	\$ 1,748,976
Business-Type Activities		
Utility	\$ 5,276,703	\$ 313,979
Golf course	191,513	155,807
Solid waste	1,154,483	18,820
Event Center	27,039	5,399
Total depreciation and amortization expense - Business activities	\$ 6,649,738	\$ 494,005

As of September 30, 2023, interest cost in the amount of \$31,331 was capitalized during the construction period of water and wastewater projects in the Utility Fund out of a total amount of \$328,415 of interest costs capitalized over time by the City.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 11 – CAPITAL ASSETS (Continued)

Mission Economic Development Corporation

Capital asset activity for the year ended September 30, 2023 for MEDC, was as follows:

	Balance at 9/30/2022	Increases	Decreases	Balance at 9/30/2023
Governmental Activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 2,100,959	\$ -	\$ -	\$ 2,100,959
Capital assets, not being depreciated	2,100,959	-	-	2,100,959
<i>Capital assets, being depreciated</i>				
Machinery and equipment	1,275,892	6,194	-	1,282,086
Building	6,368,101	-	-	6,368,101
Capital assets, being depreciated	7,643,993	6,194	-	7,650,187
<i>Less accumulated depreciation for</i>				
Machinery and equipment	(1,109,424)	(61,611)	-	(1,171,035)
Building	(1,014,404)	(246,400)	-	(1,260,804)
Total accumulated depreciation net	(2,123,828)	(308,011)	-	(2,431,839)
Total capital assets being depreciated, net	5,520,165	(301,817)	-	5,218,348
<i>Capital assets, being amortized</i>				
Lease assets	28,345	528	-	28,873
Less accumulated amortization	(8,236)	(8,476)	-	(16,712)
Total capital assets, being amortized, net	20,109	(7,948)	-	12,161
Governmental activities capital assets, net	\$ 7,641,233	\$ (309,765)	\$ -	\$ 7,331,468

Depreciation & amortization expense charged to governmental activities totaled \$316,487 for the year ended September 30, 2023.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 12 – DISAGGREGATION OF OTHER LIABILITIES

At September 30, 2023, the City had the following other liabilities:

Payable To	Governmental Activities	Business-type Activities	Total
Due to state	\$ 112,738	\$ 108,083	\$ 220,821
Due to other governmental agencies	2,575	-	2,575
Wages and deductions	453,270	115,749	569,019
Court deposit/refunds	8,778	-	8,778
Due to others	118,276	62,889	181,165
Total	\$ 695,637	\$ 286,721	\$ 982,358

NOTE 13 – LONG-TERM DEBT

A. Primary Government

Certificates of Obligation

The City issues Certificates of Obligation to finance construction projects.

Certificates of Obligation payable at September 30, 2023 are comprised of the following:

Governmental activities:

\$17,610,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation Series 2016, payable in annual installments ranging from \$875,000 to \$1,575,000 through February 15, 2031, interest at 2.00% to 5.00%.	\$ 10,875,000
\$11,690,000 Combination Tax & Revenue Certificates of Obligation Series 2018, payable in annual installments ranging from \$470,000 to \$1,165,000 through February 15, 2033, interest at 4.00% to 5.00%.	9,165,000
\$18,965,000 Combination Tax & Revenue Certificates of Obligation Series 2021, Payable in annual installments ranging from \$200,000 to \$1,420,000 through February 15, 2040, interest at 3.00% to 5.00%.	18,460,000
	<u>\$ 38,500,000</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Certificates of obligation debt service requirements to maturity are as follows:

Year ending September 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 2,495,000	\$ 1,633,600	\$ 4,128,600
2025	2,705,000	1,503,600	4,208,600
2026	2,830,000	1,365,225	4,195,225
2027	3,045,000	1,218,350	4,263,350
2028	3,320,000	1,059,225	4,379,225
2029-2033	15,070,000	3,047,938	18,117,938
2034-2038	6,230,000	1,002,450	7,232,450
2039-2043	2,805,000	84,675	2,889,675
Total	\$ 38,500,000	\$ 10,915,063	\$ 49,415,063

General Obligation

The City has issued General Obligation Bonds, the proceeds of which have been used to advance refund various prior year outstanding long term debt obligations.

General Obligations payable at September 30, 2023 are comprised of the following:

\$2,285,000 Texas General Obligation Refunding Bonds, Series 2014, payable in annual installments ranging from \$165,000 to \$240,000 through February 15, 2025, interest at 2.63%.	\$ 475,000
\$8,085,000 Texas General Obligation Refunding Bonds, Series 2016, payable in annual installments ranging from \$165,000 to \$1,210,000 through February 15, 2029, interest at 2.00% to 5.00%.	4,195,000
\$4,955,000 Texas General Obligation Refunding Bonds, Series 2021, payable in annual installments ranging from \$130,000 to \$1,195,000 through February 15, 2032, interest at 3.50% to 5.00%.	3,145,000
	<u>\$ 7,815,000</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

General Obligation (continued)

General Obligation debt service requirements to maturity are as follows:

Year ending September 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 1,795,000	\$ 325,852	\$ 2,120,852
2025	1,865,000	239,981	2,104,981
2026	1,605,000	156,075	1,761,075
2027	1,080,000	92,075	1,172,075
2028	670,000	52,425	722,425
2029-2033	800,000	51,925	851,925
Total	\$ 7,815,000	\$ 918,333	\$ 8,733,333

Revenue Bonds

The City has pledged future waterworks and sewer system net revenues, to repay \$34,245,000 plus interest in Junior Lien revenue bonds issued in 2009, 2014, 2015 and 2016. Proceeds from the bonds provided financing for all or a portion of the City's contractual obligations for design, construction, professional services, legal, fiscal, issuance and engineering costs of certain water and wastewater system improvements and refunding on old issues, i.e. EDAP project and wastewater plant expansion. The bonds are payable solely from waterworks and sewer system net revenues and are payable through 2044. Annual principal and interest payments on the bonds are expected to require less than 34 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$24,972,051. Principal and interest paid from the current year and total waterworks and sewer system net revenues were \$3,163,712 and \$11,273,109, respectively.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Revenue Bonds (continued)

Revenue bonds payable at September 30, 2023 are comprised of the following:

Business-type activities

Utility Fund:

\$7,780,000 2009 Waterworks and Sewer System Junior Lien Revenue Taxable Serial Bonds payable in annual installments ranging from \$275,000 to \$465,000 from December 30, 2009 through February 15, 2029; noninterest bearing.	\$ 2,725,000
\$10,370,000 2014 Waterworks and Sewer System Junior Lien Refunding Bonds payable in annual installments ranging from \$675,000 to \$1,100,000 from February 15, 2015 through February 15, 2026; interest at 2.00% to 5.00%.	3,150,000
\$16,140,000 2015 Waterworks and Sewer System Junior Lien Refunding Bonds payable in annual installments ranging from \$490,000 to \$730,000 from February 15, 2017 through February 15, 2044; interest at 0.29% to 2.11%.	12,685,000
\$8,260,000 2016 Waterworks and Sewer System Junior Lien Revenue Taxable Serial Bonds payable in annual installments ranging from \$250,000 to \$1,075,000 from February 15, 2017 through February 15, 2027; interest at 2.00% to 4.00%.	3,170,000
	<u>\$ 21,730,000</u>

Revenue bonds debt service requirements to maturity are as follows:

<i>Year ending September 30,</i>	Business-type Activities		
	Principal	Interest	Total
2024	\$ 2,720,000	\$ 450,571	\$ 3,170,571
2025	2,800,000	368,258	3,168,258
2026	2,885,000	284,327	3,169,327
2027	1,830,000	224,824	2,054,824
2028	995,000	200,169	1,195,169
2029-2033	3,250,000	860,676	4,110,676
2034-2038	3,095,000	587,037	3,682,037
2039-2043	3,425,000	258,487	3,683,487
2044-2048	730,000	7,702	737,702
Total	\$ 21,730,000	\$ 3,242,051	\$ 24,972,051

In 2010, the City closed on a commitment from the Drinking Water State Revolving Fund (DWSRF) administered by the Texas Water Development Board which authorized the issuance of \$8,825,000 in revenue bonds. These bonds titled Waterworks and Sewer System Junior Lien

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT *(Continued)*

Revenue Bonds (continued)

Revenue Bonds Taxable Series 2009 were used for projects to make water system improvements. The DWSRF funding mechanism allowed the City to issue as many bond coupons in installments as needed to fund the authorized projects. At the completion of the authorized project, the total amount of coupons issued by the City was \$7,780,000.

On August 16, 2016, the City issued General Obligation Refunding Series 2016 in the amount of \$8,085,000 to advance refund a portion of Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2005A; Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2007; Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2009; General Obligation Refunding Bonds, Series 2009. Bond proceeds were deposited in an irrevocable trust with an escrow agent 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 governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of old debt resulting in an economic gain of \$920,000. Deferred loss on refunding at September 30, 2023 totaled \$173,338.

The City received funding from the Economically Distressed Areas Program (EDAP). Requirements of the EDAP program include a prohibition on the use of revenues from an asset constructed with EDAP funding for purposes other than utility purposes. Management believes that it is generally compliant with applicable statutory requirements of the EDAP program.

Arbitrage Compliance

The City of Mission is subject to federal arbitrage regulations and, as of September 30, 2023, the City was in compliance with all arbitrage rebate and yield restriction reporting requirements. In addition the City had no accrued liabilities in regards to arbitrage rebate or yield restrictions. The City adheres to its adopted written procedures to monitor post-issuance compliance of the federal tax laws applicable to the Bonds as requested by the Internal Revenue Service.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Leases

Leases - Lessee

The City has entered into lease agreements. Leases at September 30, 2023 are comprised of the following:

Governmental activities:

City of Mission, TX entered into a lease as Lessee for the use of multifunction printers ranging from 36-60 months. City of Mission, TX is required to make monthly fixed payments ranging from \$92.02-\$4,540.15. The lease has an interest rate ranging from 0.4080%-0.5550%. \$ 92,887

City of Mission, TX entered into a 37 month lease as Lessee for the use of Pitney Bowes - SendPro P Series. City of Mission, TX is required to make monthly fixed payments of \$622.67. The lease has an interest rate of 0.4080%. 8,695

City of Mission, TX entered into a lease as Lessee for the use of fire trucks ranging from 72-121 months. City of Mission, TX is required to make annual fixed payments ranging from \$75,599.72-\$83,544.03. The lease has an interest rate ranging from 748,939

City of Mission, TX entered into a 108 month lease as Lessee for the use of radios. City of Mission, TX is required to make annual fixed payments of \$279,570.04. The lease has an interest rate of 2.871%. 1,042,395

City of Mission, TX entered into a 60 month lease as Lessee for the use of a motor grader. City of Mission, TX is required to make monthly fixed payments of \$3,875.22. The lease has an interest rate of 3.82%. 117,726

City of Mission, TX entered into a 46 month lease as Lessee for the use of sweeper vehicles. City of Mission, TX is required to make monthly fixed payments \$14,541.96. The lease has an interest rate of 3.582%. 408,621

City of Mission, TX entered into a lease as Lessee for the use of vehicles ranging from 36-61 months. City of Mission, TX is required to make monthly fixed payments ranging from \$381.23-\$,258.88. The lease has an interest rate ranging of 7.496%.
2,104,417
\$ 4,523,680

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Leases - Lessee (continued)

The future principal and interest lease payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 1,568,784	\$ 230,440	\$ 1,799,224
2025	924,358	162,942	1,087,300
2026	770,384	97,363	867,747
2027	649,569	59,879	709,448
2028	240,279	18,622	258,901
2029-2034	370,306	27,136	397,442
Total	\$ 4,523,680	\$ 596,382	\$ 5,120,062

Business-type activities:

City of Mission, TX entered into a lease as Lessee for the use of multifunction printers ranging from 36-60 months. City of Mission, TX is required to make monthly fixed payments ranging from \$92.02-\$4,540.15. The lease has an interest rate ranging from 0.4080%-0.5550%. \$ 13,567

City of Mission, TX entered into a 37 month lease as Lessee for the use of Toshiba - Monochrome MFP. City of Mission, TX is required to make monthly fixed payments of \$597.37. The lease has an interest rate of 0.4080%. 7,747

City of Mission, TX entered into a lease as Lessee for the use of golf carts ranging from 29-40 months. City of Mission, TX is required to make monthly fixed payments ranging from \$540.05-\$5,484.51. The lease has an interest rate ranging from 2.6159%-3.2961%. 164,041

City of Mission, TX entered into a 40 month lease as Lessee for the use of vector vehicles. City of Mission, TX is required to make monthly fixed payments of \$11,593.75. The lease has an interest rate ranging from 3.582%. 541,460

City of Mission, TX entered into a 61 month lease as Lessee for the use of vehicles. City of Mission, TX is required to make monthly fixed payments ranging from \$392.45-\$1,836.96. The lease has an interest rate of 7.496%. 839,744

City of Mission, TX entered into a 60 month lease as Lessee for the use of mower equipment. City of Mission, TX is required to make monthly fixed payments ranging from \$647.45-\$2,518.31. The lease has an interest rate ranging from 2.75%-4.55%. 137,655

\$ 1,704,214

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Leases - Lessee (continued)

The future principal and interest lease payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 514,116	\$ 86,422	\$ 600,538
2025	705,662	64,391	770,053
2026	223,045	35,090	258,135
2027	178,438	20,527	198,965
2028	82,953	2,183	85,136
Total	\$ 1,704,214	\$ 208,613	\$ 1,912,827

Leases – Lessor

Governmental activities:

The City has entered into lease agreements. Leases at September 30, 2023 are comprised of the following:

The lessor receivable in the amount of \$56,663 is part of the long term receivable balance.

The following is a schedule by years of minimum future revenues from non-cancelable agreements as of September 30:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 16,055	\$ 351	\$ 16,406
2025	16,498	236	16,734
2026	16,952	117	17,069
2027	7,158	13	7,171
Total	\$ 56,663	\$ 717	\$ 57,380

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT *(Continued)*

Subscription Liabilities

Governmental Activities:

The City has entered into subscription arrangements. Subscriptions at September 30, 2023 are comprised of the following:

City of Mission entered into a 32 month subscription arrangement for the use of Debtbook Software. City of Mission, TX is required to make fixed yearly payments of \$15,000. The subscription arrangement has an interest rate of 3.9447%.	\$ 14,431
City of Mission entered into a 48 month subscription arrangement for the use of OpenGov Software. City of Mission, TX is required to make fixed yearly payments of \$41,381. The subscription arrangement has an interest rate of 3.992%.	78,057
City of Mission entered into a 24 month subscription arrangement for the use of Legal Westlaw Proflex. City of Mission, TX is required to make fixed monthly payments of \$401. The subscription arrangement has an interest rate of 3.18%.	7,272
City of Mission entered into a 33 month subscription arrangement for the use of Oculus. City of Mission, TX is required to make fixed yearly payments of \$24,500. The subscription arrangement has an interest rate of 3.9447%.	23,570
City of Mission entered into a 26 month subscription arrangement for the use of Microsoft Office 365. City of Mission, TX is required to make fixed yearly payments of \$21,023. The subscription arrangement has an interest rate of 3.834%.	20,246
City of Mission entered into a 35 month subscription arrangement for the use of Tyler Software. City of Mission, TX is required to make fixed yearly payments of \$136,939. The subscription arrangement has an interest rate of 3.9447%.	258,485

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Subscription Liabilities (Continued)

City of Mission entered into a 60 month subscription arrangement for the use of Revize Software. City of Mission, TX is required to make fixed yearly payments of \$2,900. The subscription arrangement has an interest rate of 3.07%.

13,662

City of Mission entered into a 31 month subscription arrangement for the use of Thomson Reuters CLEAR Proflex. City of Mission, TX is required to make monthly fixed payments ranging from \$943-\$1,040. The subscription arrangement has an interest rate of 3.9447%.

19,711

City of Mission entered into a 60 month subscription arrangement for the use of DocuWare Cloud. City of Mission, TX is required to make monthly fixed payments of \$1,535. The subscription arrangement has an interest rate of 3.496%.

80,508

\$ 515,942

The future principal and interest subscription payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest
2024	\$ 223,197	\$ 16,118
2025	199,181	10,689
2026	59,527	3,174
2027	20,423	897
2028	13,614	199
Total	\$ 515,942	\$ 31,077

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

PPFA Purchase Agreements

The City has entered into PPFA Purchase Agreements. PPFA Purchase Agreements at September 30, 2023 are comprised of the following:

Governmental activities:

City of Mission, TX entered into a equipment finance agreement for the purchase of fire trucks ranging from 110-121 months. City of Mission TX is required to make annual fixed payments ranging from \$77,878-\$98,988. The equipment finance agreement has an interest rate ranging from 2.92%-4.31%. \$ 1,400,072

City of Mission, TX entered into a equipment finance agreement for the purchase of a backhoe fire trucks for 36 months. City of Mission TX is required to make annual fixed payment of \$59,406. The equipment finance agreement has an interest rate 5.76%. 159,500
\$ 1,559,572

The future principal and interest PPFA Purchase Agreement payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 179,948	\$ 56,323	\$ 236,271
2025	187,210	49,062	236,272
2026	194,785	41,486	236,271
2027	143,283	33,582	176,865
2028	148,110	28,756	176,866
2029-2033	706,236	43,520	749,756
Total	\$ 1,559,572	\$ 252,729	\$ 1,812,301

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

PPFA Purchase Agreements (Continued)

Business activities:

City of Mission, TX entered into a equipment finance agreement for the purchase of solid waste trucks for 48 months. City of Mission TX is required to make annual fixed payment of \$880,122. The equipment finance agreement has an interest rate 3.826%.

\$ 3,207,893

City of Mission, TX entered into a equipment finance agreement for the purchase of water meters and LED lighting for 180 months. City of Mission TX is required to make annual fixed payment of \$1,423,806. The equipment finance agreement has an interest rate 2.799%.

16,306,018
\$ 19,513,911

The future principal and interest PPFA Purchase Agreement payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 1,724,788	\$ 579,139	\$ 2,303,927
2025	1,780,843	523,084	2,303,927
2026	1,838,766	465,162	2,303,928
2027	1,898,617	405,311	2,303,928
2028	1,080,344	343,465	1,423,809
2029-2033	5,872,588	1,246,443	7,119,031
2034-2038	5,317,965	377,260	5,695,225
Total	\$ 19,513,911	\$ 3,939,864	\$ 23,453,775

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities

	Restated Beginning Balance	Additional Obligations and Net Increases	Retirements and Net Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
Certificates of obligation	\$ 40,440,000	\$ -	\$ 1,940,000	\$ 38,500,000	\$ 2,495,000
General obligations	9,870,000	-	2,055,000	7,815,000	1,795,000
Plus bond premium	6,664,437	-	605,370	6,059,067	605,370
Total bonds payable	56,974,437	-	4,600,370	52,374,067	4,895,370
Leases	4,283,531	1,519,063	1,278,914	4,523,680	1,568,784
Subscriptions	661,937	107,861	253,856	515,942	223,197
PPFA purchase agreements	1,454,728	159,500	54,656	1,559,572	179,948
Compensated absences	3,318,482	2,292,088	1,995,077	3,615,493	1,370,706
Net pension liability	31,183	12,384,601	-	12,415,784	-
Net other post employment benefit obligations	4,300,185	-	235,582	4,064,603	185,993
Anzalduas bridge payable	4,465,133	404,224	-	4,869,357	-
Governmental activities, total long-term liabilities	\$ 75,489,616	\$ 16,867,337	\$ 8,418,455	\$ 83,938,498	\$ 8,423,998
Business-type Activities					
Bonds payable					
Revenue bonds	\$ 24,370,000	\$ -	\$ 2,640,000	\$ 21,730,000	\$ 2,720,000
Plus bond premium	569,835	-	137,395	432,440	137,394
Total bonds payable	24,939,835	-	2,777,395	22,162,440	2,857,394
Leases	1,402,632	653,129	351,547	1,704,214	514,115
PPFA Purchase Agreements	21,184,449	-	1,670,538	19,513,911	1,724,788
Compensated absences	389,627	383,263	328,539	444,351	170,560
Net pension liability	-	1,982,694	-	1,982,694	-
Net other post employment benefit obligations	808,686	-	157,961	650,725	29,777
Business-type activities long-term liabilities	\$ 48,725,229	\$ 3,019,086	\$ 5,285,980	\$ 46,458,335	\$ 5,296,634

As of September 30, 2023, the City does not have any direct borrowings.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Generally, the general and special revenue funds liquidate the portion of compensated absences and pension liabilities that pertain to their own fund.

B. Component Units

Mission Economic Development Corporation (MEDC)

Sales tax revenue notes payable at September 30, 2023 for the MEDC is comprised of the following:

\$6,000,000 - Sales and Use Tax Revenue Note, Series 2016-A due in semi-annual installments of \$300,000 including interest at 2.85% payable to Frost Bank. Note matures August 1, 2036. Note is collateralized by sales tax revenues collected. \$ 3,439,409

\$7,919,131 - Sales and Use Tax Revenue Note, due in annual installments of \$395,957, including interest at 4.82% payable to BBVA Compass Bank. Note matures on February 15, 2038. Note is collateralized by sales tax revenues collected.

4,779,349
\$ 8,218,758

The annual requirements to retire the sales tax revenue note payable including interest are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 695,957	\$ 320,479	\$ 1,016,436
2025	695,957	292,453	988,410
2026	695,957	264,699	960,656
2027	695,957	236,945	932,902
2028	695,957	209,369	905,326
2029-2033	3,479,783	629,730	4,109,513
2034-2038	1,259,190	62,294	1,321,484
Total	8,218,758	2,015,969	10,234,727
Current portion	(695,957)	(320,479)	(1,016,436)
Due in more than one year	\$ 7,522,801	\$ 1,695,490	\$ 9,218,291

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT *(Continued)*

Leases - Lessee

The MEDC has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 Leases and therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

MEDC has a lease agreement with Kyocera Document Solutions Southwest, LLC. for multifunction printers with a fixed monthly payment of \$1,309. The lease has an interest rate of 0.408% which is the stated rate in the lease agreement. The lease liability as of September 30, 2023 is \$12,203.

The future principal and interest lease payments as of September 30, 2023 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 8,607	\$ 34	\$ 8,641
2025	3,596	4	3,600
Total	12,203	38	12,241
Current portion	(8,607)	(34)	(8,641)
Total Payments	\$ 3,596	\$ 4	\$ 3,600

Leases – Lessor

MEDC entered into a 36 month lease as a Lessor for the use of office space. The lease is required to make monthly fixed payments of \$1,800. The lease has an interest rate of 3.113%. MEDC recognized lease revenue of \$11,728. The lessor receivable as of September 30, 2023 is \$50,222.

The following is a schedule by years of minimum future revenues from non-cancelable agreements as of September 30, 2023:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 20,325	\$ 1,275	\$ 21,600
2025	20,967	633	21,600
2026	8,930	70	9,000
Total	\$ 50,222	\$ 1,978	\$ 52,200

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

The following is a summary of changes in long-term debt obligations for MEDC:

	September 30, 2022	Additional Obligations and Net Increases	Retirements and Net Decreases	September 30, 2023	Due Within One Year
Bonds and notes:					
Sales tax refunding bond	\$ 640,000	\$ -	\$ 640,000	\$ -	\$ -
Sales tax revenue note - LSNB	941,688	-	941,688	-	-
Sales tax revenue note - Frost	3,739,409	-	300,000	3,439,409	300,000
Sales tax revenue note - BBVA	6,335,305	-	1,555,956	4,779,349	395,957
Total bonds and notes	11,656,402	-	3,437,644	8,218,758	695,957
Other Liabilities:					
Lease Liabilities	20,085	528	8,410	12,203	8,607
Total other liabilities	20,085	528	8,410	12,203	8,607
Total long-term debt obligations	\$ 11,676,487	\$ 528	\$ 3,446,054	\$ 8,230,962	\$ 704,564

As of September 30, 2023, MEDC does not have any direct borrowings.

The above listed refunding bond issue is to be repaid from the one-half cent sales tax levied under the Section 4B.

Mission Redevelopment Authority (MRA)

Revenue Bonds Payable

The Mission Redevelopment Authority periodically issues bonds to pay for the costs incurred within the Tax Increment Reinvestment Zone (TIRZ) for infrastructure improvements. These bonds will be repaid from property taxes collected on property within TIRZ.

Bonds payable at September 30, 2023 for the MRA were comprised of the following:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

Revenue Bonds Payable (Continued)

\$7,455,000 in Tax Increment Contract Revenue Bonds Series 2013. The interest rates on the bonds range from 2.00% - 4.00%. Interest is payable each March 1st and September 1st; principal is payable each September 1st. The bonds mature serially September 1st beginning 2015 and ending 2030. \$ 3,580,000

\$16,990,000 in Tax Increment Contract Revenue Bonds Series 2017. The interest rates on the bonds range from 2.00% - 4.00%. Interest is payable each March 1st and September 1st; principal is payable each September 1st. The bonds mature serially September 1st beginning 2017 and ending 2030. 8,790,000

\$28,590,000 in Tax Increment Contract Revenue Bonds Series 2023. The interest rate on the bonds is fixed at 5.50%. Interest is payable each March 1st and September 1st; principal is payable each September 1st. The bonds mature serially September 1st beginning 2017 and ending 2030. 28,590,000
\$ 40,960,000

The debt service requirements on the bonds outstanding were as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2024	\$ 4,070,000	\$ 1,904,241	\$ 5,974,241
2025	4,245,000	1,868,069	6,113,069
2026	4,800,000	1,704,769	6,504,769
2027	5,520,000	1,464,694	6,984,694
2028	6,455,000	1,174,469	7,629,469
Thereafter	15,870,000	1,293,350	17,163,350
Total	\$ 40,960,000	\$ 9,409,592	\$ 50,369,592

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 13 – LONG-TERM DEBT (Continued)

The following is a summary of changes in long-term obligations for MRA:

	Balance at 9/30/2022	New Issuance	Matured	Balance at 9/30/2023	Current	More than 1 Year
Tax increment contract revenue bond series 201	\$ 4,020,000	\$ -	\$ (440,000)	\$ 3,580,000	\$ 455,000	\$ 3,125,000
Tax increment contract revenue bond series 201	10,500,000	-	(1,710,000)	8,790,000	1,745,000	7,045,000
Tax increment contract revenue bond series 202	-	28,590,000	-	28,590,000	1,870,000	26,720,000
Less issuance discount	(66,511)	-	8,314	(58,197)	-	(58,197)
Plus issuance premiums	567,148	-	(70,893)	496,255	-	496,255
Total contract revenue bonds	15,020,637	28,590,000	(2,212,579)	41,398,058	4,070,000	37,328,058
State infrastructure bank loan	257,102	-	(257,102)	-	-	-
Accrued Interest	42,578	44,453	(42,578)	44,453	-	44,453
Loss on Refunding	(542,624)	-	67,828	(474,796)	-	(474,796)
Total MRA long-term obligations	\$ 14,777,693	\$ 28,634,453	\$ (2,444,431)	\$ 40,967,715	\$ 4,070,000	\$ 36,897,715

Optional Redemption for Tax Increment Contract Revenue Bonds

The Authority reserves the right, at its option, to redeem bonds prior to their scheduled maturities, in whole or from time to time, in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed from redemption. This optional redemption applies to bonds maturing on or after September 1, 2024, or September 1, 2028 for Series 2013, and Series 2017 bonds, respectively.

Scheduled Mandatory Redemption for Tax Increment Contract Revenue Bonds

The Series 2013 Term bonds due September 1, 2030 are subjected to mandatory sinking fund redemption in part, prior to their stated maturity at the redemption prices of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules.

The Series 2017 Term bonds due September 1, 2030 are subjected to mandatory sinking fund redemption in part, prior to their stated maturity at the redemption prices of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 14 – INTERFUND ADVANCES

The Golf Course experienced a slight increase in revenues during the year due to an increase in post pandemic outdoor activities, which has continued to grow. The City reviews all costs during budget preparation City administration is looking at possible long term planning to reduce the advances being incurred. Golf Course administration continues to find positive solutions to increase revenues and minimize operating losses. The advance payable increased by \$234,591 compared to prior years balance. At September 30, 2023 the balance of the advance in the amount of \$3,305,734 is reflected as long-term advance receivable in the General Fund; and long-term advance payable in the Golf Course Fund.

NOTE 15 – DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

At the government-wide financial statements, deferred outflows include deferred charges on refunding of the bonds.

At the fund level financial statements, the City has the following Deferred Inflows of Resources:

	Debt	
	General Fund	Service Fund
Lease revenue unavailable	\$ 56,663	\$ -
Delinquent property taxes, unavailable	972,760	237,720
Total deferred inflows of resources	\$ 1,029,423	\$ 237,720

At the government-wide financial statements, the City reports cumulative deferred charges on refunding as deferred outflows of resources in the amount of \$552,962 which is net of cumulative amortization of \$110,745.

Deferred outflows of resources and deferred inflows of resources related to pensions and other post-employment benefits are presented on notes 17 and 18, respectively.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 16 – UNEARNED REVENUES

Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. The following summarizes unearned revenues in governmental activities:

Park dedication fees	\$ 605,033
Capital projects -Taylor road expansion	961,836
Grants	4,156,438
Other	287,557
Total unearned revenue	<u>\$ 6,010,864</u>

Unearned revenues of \$15,016 in the Golf Course Fund, an enterprise fund, represent collections of annual membership dues that will be recognized as revenue in the next fiscal year.

Unearned revenues of \$40,019 in the Event Center Fund, an enterprise fund, represents collections of prepaid rental fees of the Event Center that will be recognized as revenue in the next fiscal year.

NOTE 17 – PENSION PLANS

Plan Descriptions

The City participates in two defined benefit pension plans. All eligible employees of the City are required to participate in the Texas Municipal Retirement System (TMRS). In addition, the City contributes to the Texas Emergency Services Retirement System (TESRS), which provides benefits to the City's volunteer emergency services personnel. A brief description of each of the pension plans follows:

1. The City of Mission participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual financial report (AFR) that can be obtained at www.tmr.com.
2. The Texas Emergency Services Retirement System (TESRS) is a cost-sharing multiple employer pension system established and administered by the State of Texas to provide pension, disability and death benefits for emergency services personnel who serve without significant

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (*Continued*)

monetary remuneration. The nine member Board of Trustees, appointed by the Governor, establishes policy for the administration of the Texas Emergency Services Retirement System. The TESRS was created as a standalone agency by the 83rd Legislature via the passage of SB 220, effective September 1, 2013, to assume the related functions of the abolished Office of the Fire Fighters' Pension Commissioner. While the agency is new, the System has been in existence since 1977. TESRS, which is under the authority of Title 8, Subtitle H, Chapters 861-865 of the Texas Government Code, provides death and disability benefits to active volunteer fire fighters and first responders, and a pension to members with vested service, as well as to their survivor/beneficiaries. For financial reporting purposes, the State of Texas is considered the primary reporting government. TESRS' financial statements are included in the State's Annual Financial Report. TESRS issues a publicly available Annual Financial Report, which includes financial statements, notes, and required supplementary information, which can be obtained at www.tesrs.org.

Benefits Provided

TMRS

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Employees can retire at age 60 and above with 5 or more years of service, or with 20 years of service regardless of age. The contribution rate for employees is 6% and the matching percentage for the City is 200%. The City has also adopted 100% updated service credit (USC) on a repeating basis and annuity increases (AI) on a repeating basis, at 70% of the change in the CPI. Employees are vested after 5 years of service.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

TESRS

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), re-codified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (*Continued*)

provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually. There is no provision for automatic postretirement benefit increases.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount or continuing monthly payments to a member's surviving spouse and dependent children.

Employees covered by benefit terms

As of most recent measurement date of the net pension liability, membership data for the pension plans are as follows:

	TMRS	TESRS
Inactive employees or beneficiaries currently receiving benefits	264	-
Inactive employees entitled to but not yet receiving benefits	402	-
Active employees	732	8
Total participants	1,398	8

Contributions:

TMRS

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Mission were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Mission were 8.53% and 8.90% in calendar years 2023 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$3,505,624 and were equal to the required contributions.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (*Continued*)

TESRS

Under TESRS, contributions are made by governing bodies for the participating departments. No contributions are required from the individuals who are members of the System, nor are they allowed. The governing bodies of each participating department are required to make contributions for each month a member performs emergency services for a department (this minimum contribution is \$36 per member and the department may make a higher monthly contribution for its members). This is referred to as a Part One contribution, which is the legacy portion of the System contribution that directly impacts future retiree annuities.

The state is required to contribute an amount necessary to make the System “actuarially sound” each year, which may not exceed one-third of the total of all contributions made by participating governing bodies in a particular year.

The board rule defining contributions was amended in 2014 to add the potential for actuarially determined Part Two contributions that would be required only if the expected future annual contributions from the state are not enough with the Part One contributions to provide an adequate contribution arrangement as determined by the most recent actuarial valuation. This Part Two portion, which is actuarially determined as a percent of the Part One portion (not to exceed 15%), is to be actuarially adjusted near the end of each even numbered calendar year based on the most recent actuarial valuation. Based on the actuarial valuation as of August 31, 2020, the Part Two contributions were established by the board to be 0% of the Part One contributions beginning September 1, 2019. Based on the August 31, 2020 actuarial valuation, the Part Two contributions are not required for an adequate contribution arrangement.

Additional contributions may be made by governing bodies within two years of joining the System, to grant up to ten years of credit for service per member. Prior service purchased must have occurred before the department began participation in the System.

A small subset of participating departments have a different contribution arrangement which is being phased out over time. Such arrangement funds retirees and beneficiaries that have been in the H.B. 258 Texas Local Fire Fighters Retirement Act (TLFFRA) fund before merging into the S.B. 411. In this arrangement, contributions made in addition to the monthly contributions for active members, are made by local governing bodies on a pay-as-you-go basis for members who were pensioners when their respective departments merged into the System. There is no actuarial impact associated with this arrangement as the pay-as-you-go contributions made by these governing bodies are always equal to benefit payments paid by the System. For the City of Mission, the total additional deposit was \$1,728 for the fiscal year ending September 30, 2023.

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions were set by board rule, and there is no maximum contribution rate. The City’s total contributions to TESRS for the year ending September 30, 2023 totaled \$3,456.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

Net Pension Liability:

The City's Net Pension Liability (NPL) was measured as of December 31, 2022 for TMRS and August 31, 2022 for TESRS, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of those dates.

Actuarial Assumptions

Schedule of Actuarial Assumptions		TMRS	TESRS
Valuation Date	12/31/2022		8/31/2022
Actuarial Cost Method	Entry Age Normal		N/A
Amortization Method	Level Percentage of Payroll, Closed		N/A
Remaining Amortization Period	23 Years		N/A
Asset Valuation Method	10 Year smooth market, 12% soft corridor		N/A
Inflation	2.50%		0.03
Salary Increases	3.50% to 11.50% including inflation		N/A
Investment Rate of Return	6.75%		7.50% net of pension plan investment expense,
Retirement Age	Experienced-based table of rates that are specific to the City's plan of Benefits		N/A
Mortality Assumption			PubS-2010 (public safety) below-median income mortality table, projected for mortality improvement generationally using projection scale MP-2019.
		Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.	
		Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.	

TMRS

For TMRS, actuarial assumptions used in the December 31, 2022 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018, first used in the December 31, 2019 valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2020 valuation.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.55%
Core Fixed Income	6.00%	2.00%
Non-Core Fixed Income	20.00%	6.68%
Real Return	12.00%	7.22%
Real Estate	12.00%	6.85%
Absolute Return	5.00%	5.32%
Private Equity	10.00%	10.00%
Total	100.00%	

TESRS

For TESRS, the long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components 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 (3.0%). In addition, the final 7.5% assumption reflected a reduction of 0.25% for adverse deviation. The target allocation and expected arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Equities		
Large cap domestic	20%	5.83%
Small cap domestic	10%	5.94%
Developed International	15%	6.15%
Emerging markets	5%	7.25%
Global Infrastructure	5%	6.41%
Real estate	10%	4.48%
Multi asset income	5%	3.84%
Fixed income	30%	1.99%
Cash	0%	0%
Total	100%	

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

Discount Rate

TMRS

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

TESRS

The discount rate used to measure the total pension liability was 7.50%. No projection of cash flows was used to determine the discount rate because the August 31, 2022 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the conservative level dollar amortization method. Because of the 30-year amortization period with the conservative amortization method, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's net pension liability for the TMRS pension and the City's proportionate share of the net pension liability for the TESRS pension, calculated using the discount rate, as well as what the City's net pension liability and proportionate share of the net pension liability allocated would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
	5.75%	6.75%	7.75%
City's Net Pension			
Liability/(Asset) -TMRS	\$ 32,717,057	\$ 14,366,877	\$ (789,320)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

	1% Decrease in Discount Rate 6.50%	Current Discount Rate 7.50%	1% Increase in Discount Rate 8.50%
City's Proportionate Share of the Net Pension Liability/(Asset) -TESRS	\$ 46,986	\$ 31,600	\$ 16,158

Changes in the Net Pension Liability – TMRS

Changes in the City's net pension liability for the TMRS pension for the fiscal year ended September 30, 2023 are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balance at 12/30/2021	\$ 119,950,694	\$ 120,154,857	\$ (204,164)
Changes for the year			
Service cost	5,307,753	-	5,307,753
Interest	7,959,663	-	7,959,663
Change in benefit terms	(2,358,068)	-	(2,358,068)
Difference between expected and actual experience	683,025	-	683,025
Change of assumption	-	-	-
Contributions - Employer	-	3,430,049	(3,430,049)
Contributions - Employee	-	2,352,032	(2,352,032)
Net investment income	-	(8,775,421)	8,775,421
Benefit payments, including refunds of employee contributions		(4,651,129)	4,651,129
Administrative Expense	(4,651,129)	(75,898)	(4,575,232)
Other Charges	-	90,569	(90,569)
Net changes	6,941,244	(7,629,798)	14,571,041
Balance at 12/31/2022	\$ 126,891,938	\$ 112,525,059	\$ 14,366,877

The City does not have a current portion for TMRS in the current year because the amount of benefit payments exceeds the pension liability in the current year.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

City Proportion of Net Pension Liability – TESRS (continued)

The City's proportionate share of the net pension liability of the TESRS at September 30, 2023 is \$31,600, and the proportion percentage of the aggregate net pension liability allocated to the City is 0.073%, slight change from prior year measurement date where the allocation percentage was 0.076%. The City's proportion of the net pension liability was based on actual required contributions of each of the participating departments for the plan's fiscal year. The City does not have a current portion for TESRS in the current year because the amount of benefit payments exceeds the pension liability in the current year.

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' Fiduciary Net Position is available in a separately-issued financial report. The TMRS financial report may be obtained on the Internet at www.tmr.com. The TESRS financial report may be obtained on the Internet at www.tesrs.org.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2023, the City recognized pension expense of \$2,612,556 for the TMRS pension plan and \$7,477 for the TESRS pension plan for a total pension expense of \$2,620,033.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TMRS		TESRS		Total	
	Deferred Outflow of Resources	Deferred Inflows of Resources	Deferred Outflow of Resources	Deferred Inflows of Resources	Deferred Outflow of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 622,926	\$ 200,723	\$ 461	\$ -	\$ 623,387	\$ 200,723
Changes in actuarial assumption	107,655	-	-	61	107,655	61
Net differences between projected and actual investments earnings	7,780,060	-	9,454	-	7,789,514	-
Contributions subsequent to the measurement date	2,500,804	-	-	-	2,500,804	-
Total	\$ 11,011,445	\$ 200,723	\$ 9,916	\$ 61	\$ 11,021,360	\$ 200,784

Deferred outflows of resources related to pension of \$2,500,803 resulting from contributions made after the measurement date of the net pension liability but before the end of the City's reporting period will be recognized as a reduction of the net pension liability/asset in the subsequent fiscal period.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 17 – PENSION PLANS (Continued)

The remaining deferred outflows and (inflows) of resources related to pensions will be amortized and recognized in pension expense as follows:

Year End September 30,	TMRS	TESRS
2024	\$ 545,769	\$ 2,479
2025	2,027,881	2,574
2026	2,212,567	4,479
2027	3,518,279	323
2028	5,422	-
Total	\$ 8,309,918	\$ 9,855

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions:

The City participates in two other post-employment benefit plans which include post-retirement health care benefits and supplemental death benefits. A brief description of each of the other post-employment benefit plans follows:

1. City of Mission, Texas Healthcare Plan (THP) is a single-employer defined benefit healthcare plan administered by the City of Mission. The plan covers health insurance benefits. Eligible City retirees and their dependents may continue health care coverage through the City for up to 12 months after retirement from the City. The City pays 100% of the employee's premiums for retirees who complete 25 years of service. Employees who do not meet the 25 years of service are required to pay for coverage for themselves at 100% after retirement. All employees pay 100% of the dependent coverage. The City does not issue separate audited financial statements for the postemployment benefit plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No 75 to pay related benefits.
2. The City also participates in a single-employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the TMRS. This is a voluntary program in which the City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The death benefit for active employees provides a lump-sum payment approximately equal to the employees' annual salary (calculated based on the employees' actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an "other post-employment benefit," or OPEB, and is a fixed amount of \$7,500. As the

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS *(Continued)*

SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

The City offers supplemental death benefits to:

	Plan Year 2023	Plan Year 2022
Active employees	Yes	Yes
Retirees	Yes	Yes

Employees Covered by Benefit Terms

The most recent measurement dates for THP and SDBF were September 30, 2023 and December 31, 2022, respectively. As of the most recent measurement date, measurement of participation in the plans were as follows:

	THP	SDBF
Inactive employees or beneficiaries currently receiving benefits	8	205
Inactive employees entitled to but not yet receiving benefits	-	70
Active employees	739	732
Total	747	1,007

Total OPEB Liability

The City's total OPEB liability of \$3,339,901 for THP was measured as of September 30, 2023. The City's total OPEB liability of \$1,375,440 for SDBF was measured as of December 31, 2022. The total OPEB liability for each plan was determined by an actuarial valuation as of their respective measurement date. Total OPEB liability for both plans was \$4,715,328 at September 30, 2023.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (*Continued*)

Actuarial Assumptions and Other Inputs

THP

The Total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Schedule of Actuarial Assumptions

Measurement Date	September 30, 2023
Actuarial Valuation Date	September 30, 2022
Inflation	2.5%
Salary Increases	3.00%
Discount Rate	4.77%
Prior Year Discount Rate	2.25%
Health Care Cost Trend Rates:	Based on SOA 'Health Care Costs--From Birth to Death' study published in 2013

The discount rate was based on an average of the September 30, 2023 S&P Municipal Bond 20-Year High Grade Rate Index and the Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the RPH-2014 Employee Mortality Table, Generational with Projection Scale MP-2019 for males or females, as appropriate.

Mortality rates for retirees were based on the RPH-2014 Healthy Annuitant Mortality Table, Generational with Projection Scale MP-2019 for males or females, as appropriate.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS *(Continued)*

SDBF

The Total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Schedule of Actuarial Assumptions

Measurement Date	December 31, 2022
Actuarial Valuation Date	December 31, 2022
Inflation	2.5%
Salary Increases	3.50% to 11.50% including inflation
Discount Rate	4.05%
Retirees' Share of Benefit-related Costs	0
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates – Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates – Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Changes in the total OPEB Liability

Changes in the total OPEB liability were as follows:

	THP	SDBF	Total
Balance at 09/30/2022	\$ 3,080,462	\$ 2,028,410	\$ 5,108,872
Changes for the year			
Service cost	190,473	148,962	339,435
Interest	154,019	38,477	192,496
Difference between expected and actual experience	-	(41,940)	(41,940)
Changes in assumptions/inputs	-	(774,962)	(774,962)
Change in benefit terms	-	-	-
Benefit payments	(85,053)	(23,520)	(108,573)
Administrative expense	-	-	-
Net Changes	259,439	(652,983)	(393,544)
Balance at 9/30/2023	\$ 3,339,901	\$ 1,375,427	\$ 4,715,328

Sensitivity of the total OPEB Liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate.

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
Total OPEB liability (THP)	\$ 3,685,008	\$ 3,339,901	\$ 3,030,236
Total OPEB liability (SDBF)	1,670,804	1,375,427	1,147,242
Total OPEB liability	\$ 5,355,812	\$ 4,715,328	\$ 4,177,478

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates.

	1% Decrease in Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Healthcare Cost Trend Rates
Total OPEB Liability (THP)	\$ 2,933,478	\$ 3,339,901	\$ 3,819,247

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of \$136,381 for SDBF. At September 30, 2023, the City recognized OPEB expense related to THP of \$79,389. This was due to a change in the benefit plan. The City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	SDBF		THP		Total	
	Deferred Outflows of Resources	Deferred Inflow of Resources	Deferred Outflows of Resources	Deferred Inflow of Resources	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual economic experience	\$ 58,294	\$ 185,447	\$ 131,175	\$ 862,931	\$ 189,469	\$ 1,048,378
Changes in actuarial assumptions or inputs	358,603	698,436	-	517,274	358,603	1,215,710
Net differences between projected and actual investment earnings	-	-	-	-	-	-
Employer amounts for OPEB subsequent to measurement date	45,778	-	-	-	45,778	-
Total	\$ 462,675	\$ 883,883	\$ 131,175	\$ 1,380,205	\$ 593,850	\$ 2,264,088

Deferred outflows of resources related to OPEB of \$45,778 resulting from contributions made after the measurement date of the net OPEB liability but before the end of the City's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period.

The remaining deferred outflows (inflows) of resources related to pensions will be amortized and recognized in OPEB expense as follows:

<i>Year ending September 30,</i>	THP	SDBF
2024	\$ (265,103)	\$ (51,058)
2025	(265,103)	(53,285)
2026	(265,103)	(65,087)
2027	(226,855)	(74,726)
2028	(226,866)	(96,340)
Thereafter	-	(126,490)
	\$ (1,249,030)	\$ (466,986)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 19 – OUTSTANDING COMMITMENTS

A. Primary Government

At September 30, 2023, the City had several active construction projects. The projects include renovation of parks and improvements of infrastructure.

Project	Total Contract Amount	Spent to Date	Remaining Commitment
Taylor rd US 83 Exp to N Dove	\$ 5,898,447	\$ 5,536,490	\$ 361,957
Inspiration Rd/Military Loop	5,104,358	4,853,433	250,925
Conway Sewer Improvements	829,658	655,208	174,450
Shary Rd Sewer Improvements	60,900	49,650	11,250
Bryan Rd Reconstruction	137,000	130,000	7,000
NWWTP 4.5MGD Expansion Project	1,808,100	1,751,933	56,167
NE EDAP 4.5mi to 7mi Sewer proj	597,000	523,932	73,068
City Hall Roof Replacement	969,000	530,304	438,696
S Conway Lift Station Improvements	2,858,676	2,834,676	24,000
Tulip Drainage Improvements	2,132,780	2,124,899	7,881
Leandro Drainage Improvements	117,288	87,966	29,322
Esperanza Drainage Improvements	6,952,509	6,533,087	419,422
Gabriel Drainage Improvements	2,278,559	2,092,669	185,890
Glasscock Drainage Improvements	4,123,604	1,038,251	3,085,353
Stewart A Drainage Improvements	3,528,752	2,827,922	700,830
Lions Park	10,354,542	792,606	9,561,936
Mission Tennis Center	131,294	124,954	6,340
Madero International Bridge #2	3,301,991	1,251,752	2,050,239
Police & Fire Substation #6	6,612,780	6,336,949	275,831
HCRMA 365 Tollway	1,556,234	1,556,140	94
Tierra Dorada	367,925	277,440	90,485
Taylor Road Improvements	6,218,136	2,395,881	3,822,255
Smart Meter Improvements	16,756,287	8,321,719	8,434,568
Total	\$ 82,695,820	\$ 52,627,861	\$ 30,067,959

The City has entered into several Advance Funding Agreements (AFA's) with the Texas Department of Transportation to fund various road widening and improvement projects within the City limits. These AFA's commit state or federal resources to the projects and require participation of the City in the cost of the projects. The City has signed engineering contracts in relation to these AFA's and the commitments under such contracts are reflected in the commitment summary noted above.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 19 – OUTSTANDING COMMITMENTS (*Continued*)

B. Component Unit

Mission Economic Development Corporation

MEDC has published notices of intent and its Board of Directors has committed funds for the following projects:

Incentives	Committed	Expended to Date	Remaining Commitment
Wonderful Citrus	\$ 3,000,000	\$ 2,400,000	\$ 600,000
Cantu Bungalows	500,000	250,000	250,000
IHOP Incentive	338,000	67,600	270,400
RODCO	165,000	-	165,000
Brand Geniuz	55,000	35,000	20,000
Bettcher Manufacturing	74,000	-	74,000
Scooters	100,000	-	100,000
Harbor Freight	150,000	-	150,000
Olive Garden	125,000	-	125,000
New Quest	1,750,000	-	1,750,000
MMC Equity	125,000	-	125,000
Shops at 495	250,000	-	250,000
Other Infrastructure Projects	252,325	112,500	139,825
Total	\$ 6,884,325	\$ 2,865,100	\$ 4,019,225

Mission Redevelopment Authority

The Authority has outstanding commitments to the City for various redevelopment projects. Typically, the City contracts and pays engineers and contractors directly for these redevelopment projects. MRA, in turn, reimburses the City for such expenditures. For the year ended September 30, 2023, the Authority has the following outstanding commitments to the City:

Project	Committed	Expended to Date	Remaining Commitment
Military and Inspiration Expansion Phase II	3,728,854	3,479,278	249,576
PD/Fire Substation	7,231,271	7,134,602	96,669
Tierra Dorada Sanitary Sewer Improvements	1,962,375	267,683	1,694,692
Sanitary Sewer Regional Master Plan	110,000	-	110,000
Mission Event Center	500,000	-	500,000
Dragonfly	718,772	-	718,772
Mayberry Expansion	96,486	-	96,486
Los Milagros Subdivision	12,574,934	-	12,574,934
Total	\$ 26,922,692	\$ 10,881,563	\$ 16,041,129

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 19 – OUTSTANDING COMMITMENTS *(Continued)*

In addition to the outstanding commitments above for redevelopment projects, the Authority is committed to the City for annual payments in the amount of \$500,000 for debt service of Certificate of Obligation Bond Series 2016 which was used for the construction of the Mission Event Center. The length of this commitment is until the debt is fully paid or the end of the TIRZ.

NOTE 20 – FUND BALANCES

At September 30, 2023, the City of Mission has classified its fund balances with the following hierarchy:

Assigned – The City Council has assigned resources for the purpose of meeting subsequent year's budget appropriation of fund balance. In addition, resources have been assigned for the purpose of payment of certain capital asset replacements needed, and for funds to be used for various programs to be conducted by the Boy's and Girl's Club.

Restricted– The City Council has assigned resources for the purpose of meeting subsequent year's budget appropriation of fund balance. In addition, resources have been assigned for the purpose of repayment of debt, capital improvements and for a specific purpose as enabled by legislation, external parties or constitutional provisions.

Unassigned – Unassigned fund balance has no constraints on its use.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 20 – FUND BALANCES (*Continued*)

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 Capital Projects Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Fund balances							
Nonspendable							
Long term receivable	\$ 59,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,863
Inventory	12,716	-	-	-	-	-	12,716
Prepaid	185,043	-	-	-	-	-	185,043
Restricted							
Capital improvements	-	-	78,843	9,146,273	-	4,324,839	13,549,955
Debt Service	-	1,385,774	-	-	-	-	1,385,774
Municipal courts							
Technology	-	-	-	-	-	251,491	251,491
Building security	-	-	-	-	-	180,979	180,979
Juvenile case manager	-	-	-	-	-	170,915	170,915
PD asset sharing	-	-	-	-	-	630,784	630,784
Drainage improvements	-	-	-	-	-	410,790	410,790
Scholarships and books	-	-	-	-	-	27,477	27,477
Tourism	-	-	-	-	-	549,208	549,208
Perpetual care	-	-	-	-	-	18,967	18,967
Records preservation	-	-	-	-	-	12,248	12,248
PEG	-	-	-	-	-	723,998	723,998
Economic development	-	-	-	-	-	1,410,296	1,410,296
Tax increment	-	-	-	-	-	3,556	3,556
Assigned							
Asset replacement	19,429	-	-	-	-	-	19,429
Boys and Girls Club	1,089,962	-	-	-	-	-	1,089,962
Rollover appropriations	2,219,707	-	-	-	-	-	2,219,707
Unassigned	3,793,789	-	-	-	-	-	3,793,789
Total fund balances	\$ 7,380,509	\$ 1,385,774	\$ 78,843	\$ 9,146,273	\$ -	\$ 8,715,548	\$ 26,706,947

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 21 – NET POSITION

Net position is composed of three categories: net investments in capital assets, restricted and unrestricted.

	Governmental Activities	Business-type Activities	Component Units	
			MEDC	MRA
Net investment in capital assets:				
Capital assets, net of accumulated depreciation	\$ 174,273,711	\$ 103,878,917	\$ 7,331,468	\$ -
Leases and subscriptions, net of accumulated amortization	5,759,900	1,402,225	-	-
Less related liabilities	(52,914,197)	(40,635,020)	(4,737,388)	-
Less unamortized bond premium	-	(295,046)	-	-
Plus deferred charge on refunding	341,310	211,652	-	-
Plus unexpended debt proceeds (capital projects)	15,420,741	11,524,955	-	-
Net investment in capital assets	142,881,465	76,087,683	2,594,080	-
Restricted net position consists of the following:				
Debt Service	1,925,016	5,630,200	1,131,272	3,003,902
Construction	-	891,976	-	25,417,547
Capital Improvements	1,134,789	-	-	-
Federal and other awards	4,101,793	-	-	-
Tourism	549,208	-	-	-
Municipal Court	603,385	-	-	-
MEDA	1,410,296	-	-	-
Other purposes	62,247	-	-	-
Restricted net position	9,786,734	6,522,176	1,131,272	28,421,449
Unrestricted net position (deficit)	(20,514,099)	(8,845,073)	9,360,575	(33,623,252)
Total net position	\$ 132,154,100	\$ 73,764,786	\$ 13,085,927	\$ (5,201,803)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 22 – CONTINGENT LIABILITIES

A. Litigation

The City is currently a defendant in various lawsuits. Although the City plans to contest the suits, it is the opinion of management and its outside attorneys that the possible outcome of the lawsuits and an estimate of the loss, if any, cannot presently be determined.

B. Federally Assisted Grant Programs

The City participates in several Federal and State assisted grant programs. Although the City grant programs have been audited in accordance with the provisions of the Single Audit Act, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 23 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; damage to, and destruction of assets; errors and omissions; injuries to employees; cyber security attacks; and natural disasters. The City of Mission has insurance coverage through the Texas Municipal League Intergovernmental Risk Pool for claims in excess of the deductible. There have been no reductions in insurance coverage from the previous year; no negative statements or jury awards have exceeded insurance coverage in any of the past three years. Under this pool the City of Mission provides the following coverages:

Liability Declarations of Coverage

General Liability

Limits of Liability	\$	1,000,000	Each Occurrence
Sudden Events Involving Pollution	\$	1,000,000	Each Occurrence
	\$	2,000,000	Annual Aggregate
Deductible	\$	-	Each Occurrence

Law Enforcement Liability

Limits of Liability	\$	2,000,000	Each Occurrence
	\$	4,000,000	Annual Aggregate
Deductible	\$	5,000	Each Occurrence

Errors & Omissions Liability

Limits of Liability	\$	2,000,000	Each Wrongful Act
	\$	4,000,000	Annual Aggregate
Deductible	\$	10,000	Each Wrongful Act

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 23 – RISK MANAGEMENT (Continued)

Automobile Declarations of Coverage

Automobile Liability

Limits of Liability	\$	1,000,000	Each Occurrence
Medical Payments Limit	\$	25,000	Each Person
Deductible	\$	-	Each Occurrence

Automobile Physical Damage

Limits of Liability	Depending on Current Value of Vehicle	Each Occurrence
Deductible	\$ 5,000	Each Vehicle
	\$ 10,000	Each Occurrence

Property Declarations of Coverage

Coverages Elected:

Real and Personal Property, Boiler and Machinery,
Mobile Equipment

Real and Personal Property

Limit:	\$	167,848,623
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Flood and Earthquake

Flood Limit	\$	5,000,000
Earthquake Limit	\$	10,000,000
Occurrence Deductible	\$	25,000
	Or 1% of Building Value, whichever is greater.	

Boilder and Machinery

Peraccident Limit:	\$	6,075,000
Valuation Basis:	Replacement Cost	
Deductible:	\$	1,000

Mobile Equipment

Limit:	\$	5,573,689
Valuation Basis:	Replacement Cost	
Deductible:	\$	500

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 23 – RISK MANAGEMENT (Continued)

Cyber Liability and Data Breach Response Declarations of Coverage

Tower I Aggregate Limit of Liability	Aggregate Limit	Retention
Information Security and Privacy and Website Media Content Liability Aggregate Limit	\$ 2,000,000	\$ -

Tower II Aggregate Limit of Liability & Coverage	Aggregate Limit	Retention
Aggregate Limit: All Damages, Expenses, Loss and Costs Regulatory Defense and Penalties Aggregate Sublimit	\$ 75,000	\$ 5,000
PCI Fines, Expenses and Costs Aggregate Sublimit	\$ 25,000	\$ 5,000
Cyber Extortion Aggregate Sublimit	\$ 50,000	\$ 5,000
First Party Data Protection Aggregate Sublimit	\$ 50,000	\$ 5,000
First Part Network Business Interruption Aggregate Sublimit	\$ 50,000	\$ 5,000
eCrime Fraudulent Instruction Aggregate Sublimit	\$ 50,000	\$ 5,000
eCrime Electronic Crime Aggregate Sublimit	\$ 50,000	\$ 5,000
eCrime Telecommunications Fraud Aggregate Sublimit	\$ 50,000	\$ 5,000

Tower III Maximun Notified Individuals Aggregate Limit of Coverage	Aggregate Limit	Retention
Notified Individuals Aggregate Limit	\$ 25,000	\$ -

Tower IV Aggregate Limit of Coverage	Aggregate Limit	Retention
Breach Responses: Legal Services, Computer Expert Services, Public Relations & Crisis Management Expenses Aggregate Limit	\$ 75,000	\$ -

The City established a limited risk management program for workers' compensation and health insurance in a previous year. Effective December 1, 1996, the City became fully insured for workers compensation insurance through a conventional policy. The City's health insurance program is self-funded.

Health insurance premiums are paid into the Internal Service Fund by all other funds and are available to pay health claims and administrative costs of the program including costs associated with wellness programs. Inter-fund premiums are based primarily on claims experience and are reported as quasi-external transactions.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Health liabilities include an amount for claims that have been incurred but not reported (IBNRs).

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 23 – RISK MANAGEMENT (Continued)

Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs and other economic and social factors.

The following is a reconciliation of the claims liability:

	2023	2022
Unpaid claims, beginning of fiscal year	\$ 346,585	\$ 590,761
Incurred claims and adjustments	5,663,461	5,949,885
Claims payments	(5,838,685)	(6,194,061)
Unpaid claims (IBNRs), end of fiscal year	\$ 171,361	\$ 346,585

NOTE 24 – COMPONENT UNIT TRANSACTIONS

The City's economic development activities via City Council Resolution delegated all economic development activities to MEDC.

City of Mission provides personnel services to carry out the daily operating activities of MEDC. MEDC does not reimburse the City of Mission for the services provided as well as accounting and overhead costs.

During the fiscal year ended September 30, 2023, the Mission Redevelopment Authority reimbursed the City of Mission a total of \$6,396,962 related to various project costs, of which \$4,366,214 was payable at September 30, 2023. Additionally, the MRA incurred a total of \$380,591 related to administrative costs paid to the City of Mission, of which \$380,591 was payable at September 30, 2023.

NOTE 25 – CONDUIT DEBT OBLIGATIONS

Mission Economic Development Corporation (the "Issuer") pursuant to Texas Civil Statutes Article 5190.6 (the "Act"), and the Industrial Revenue Bond Program (the "Rules"), Title 10 Texas Administrative Code Chapter 180, promulgated by the Office of the Governor, Economic Development and Tourism Division (the "Division") has issued Industrial Development Bonds to finance various projects in the State of Texas.

To further economic development in the City, Mission Economic Development Corporation has issued Industrial Development Bonds to provide capital financing to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance.

Neither the City of Mission, Texas, the State of Texas, nor any political corporation, subdivision nor agency of the State of Texas is obligated in any manner to pay the principal of, premium, if

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 25 – CONDUIT DEBT OBLIGATIONS *(Continued)*

any, interest on, or the purchase price of the bonds, and neither the faith and credit nor the taxing power of the State of Texas, Mission, Texas or any other political corporation, subdivision, or agency thereof, is pledged to the payment of the principal of, premium, if any, interest on, or the purchase price of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2023, there were ten series of Industrial Development Bonds outstanding. There was one issuance in the current fiscal year. The aggregate principal amount payable for the ten series issued prior to October 1, 2023 was \$692.39 million. Issuance dates for the ten series range from May 2007 to July 2023 and interest rates range from 2.9% to 10.88%. Maturity dates range from December 2025 to May 2050.

In connection with the process which ultimately may lead to the issuance of conduit debt, MEDC charges an application fee of \$2,500 per application of which \$1,250 is paid to the financial advisor for local access fees. During the year ended September 30, 2023, there were three applications submitted, one of which was completed.

Upon issuance of conduit debt, an issuance fee is assessed based on the terms of the agreements. For the year ending September 30, 2023, MEDC received \$160,000 of which \$80,000 was paid to local advisor for local access fees.

After conduit debt has been issued, MEDC charges an annual fee based upon the original par value of the bonds which ranges from 2 basis points to 5 basis points depending on the type of project and the rating of the bonds being issued. For the year ended September 30, 2023, MEDC received \$251,698 of which \$125,849 was paid to the advisor for local access fees.

NOTE 26 – COMPLIANCE WITH REVENUE BOND COVENANTS

A. Certain Required Annual Disclosure

The bond covenants of the Utility Fund revenues bonds require that on an annual basis the City of Mission make available certain disclosures related to the operation of the Utility Fund. A separate report containing these required disclosures is available at City Hall.

B. Revenue Bond Coverage

Per the Revenue Bond debt covenants, the City's Utility Fund is required to maintain a 125% coverage over the average annual debt service requirement (first lien bonds) and 110% times the maximum annual debt service requirements (junior lien bonds). For the fiscal year ended September 30, 2023 the City's Utility Fund met these coverage requirements.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 27 – TAX INCREMENT REINVESTMENT ZONE

On September 24, 2001, the City established a Tax Increment Reinvestment Zone Number One (TIRZ) pursuant to Chapter 311 of the Texas Tax Code. The zone was formed to facilitate the provision of public works or improvements. A portion of the real property ad valorem taxes levied by participating taxing entities is set aside for this purpose beginning with taxes levied after January 1, 2002 tax levies. The amount set aside out of the annually adopted tax levy, is based upon the appraised value each January 1st compared to the base year appraised value of property in the zone as of January 1, 2001. The City of Mission and Hidalgo County are the only taxing entities participating in the Increment Zone. The City accounts for TIRZ as a Special Revenue Fund.

Effective October 1, 2008 the City elected to transfer only the amounts of the tax increment which has been collected for the Tax Increment Reinvestment Zone 1. Hidalgo County also elected, to transfer to the Zone only the amount of the tax increment actually collected each year. For the current year, the amounts transferred were \$4,027,812 and \$3,584,010 from the City and County, respectively.

NOTE 28 – INTEREST IN INTERNATIONAL TOLL BRIDGE

Pursuant to the Hidalgo-Mission-McAllen Interlocal Government Agreement, dated April 1, 2003 ("2003 Agreement"), the City of McAllen, Texas and the City of Mission, Texas own and operate the Anzalduas International Crossing ("Anzalduas Bridge") linking United States, south of the City of Mission, Texas and the westernmost part of the city of Reynosa, Tamaulipas, Mexico. According to that agreement, the ownership interest of the City of McAllen and the City of Mission is 66 2/3% and 33 1/3%, respectively.

The agreement also provides that complete management and control of the Anzalduas Bridge, with the exception of fixing rates and charges for services and the issuance of debt, which is reserved by the Board of Commissioners of McAllen, shall be vested in a Board of Trustees consisting of five (5) voting-members, two of which are appointed from the existing members of the Hidalgo Bridge Board by McAllen, with the Mayors of the cities of McAllen, Hidalgo and Mission serving as ex-officio Board members. The Mayor of Granjeno also serves as an ex-officio non-voting member of the Board. In addition, the budget is subject to final approval by the Board of Commissioners of McAllen.

The agreements also provide that these cities as well as the City of Hidalgo will share in the unallocated balance of surplus net revenues at the following percentages: City of McAllen, 44%; City of Mission, 23%; and the City of Hidalgo, 33%. Per separate interlocal agreement, the City of Mission will share 6% of its portion of the unallocated balance of surplus net revenues with the City of Granjeno, Texas.

In order to finance the construction of the Anzalduas Bridge, the City of McAllen issued \$39,160,000 in revenue bonds during fiscal year ending 2007 in two separate series, \$26,000,000 Series 2007A and \$13,160,000 Series B. The Bonds are secured by a pledge of net revenues of the McAllen International Toll Bridge ("Hidalgo Bridge"), located in Hidalgo, Texas and the Anzalduas

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 28 – INTEREST IN INTERNATIONAL TOLL BRIDGE (*Continued*)

Bridge. According to the 2003 Agreement, both the City of McAllen and the City of Hidalgo are responsible for the Series 2007A bonds from each city's respective share of net revenues of the Hidalgo Bridge. The City of McAllen is responsible for Series 2007B bonds from its share of net revenues of the Hidalgo Bridge as well as the City of Mission from its share of net revenues of the Anzalduas Bridge. Commencement of operations was December 15, 2009.

Per the agreement, the City of Mission was not required to make any capital contributions to obtain its ownership interest; therefore no dollar amount is reflected in these financial statements as representing its ownership interest.

However, until sufficient excess revenues as defined in the Interlocal Agreement are available, the debt service costs related to Series 2007B Bonds as noted above are being advanced to Anzalduas Bridge Fund from the City of McAllen's General Fund, including an allocated amount being advanced on behalf of the City of Mission by the City of McAllen. As of September 30, 2023, the amount advanced since the inception for the City of Mission is \$4,869,357 and is reflected as part of non-current liabilities due in more than one year in the Statement of Net Position. See also Note 13.

NOTE 29 – SUBSEQUENT EVENTS

For the purposes of reporting subsequent events, management has considered events occurring up to February 27, 2025, the date the report was available to be issued.

On February 12, 2024, the City entered into an agreement with D&M to lease two Elgin RegenX 1 truck mounted regenerative air sweepers and one RegenX regenerative air street sweeper at a cost of \$974,510.

On February 12, 2024, the City Council authorized the execution of a reimbursement agreement between the City of Mission and Mission Redevelopment Authority (MRA) for the Walsh Road Expansion Project in the amount of \$1,764,369.

On February 26, 2024, Tierra Dorada Lift Stations were awarded to RDH Site and Concrete in the amount of \$2,334,368.

On May 13, 2024, a new lease for four 2024 Tahoes and one Dodge Durango were approved in the total amount of \$435,376.

On September 23, 2024, the City Council ratified the lease of ten 2025 Chevy Tahoes 2WD 4DR PPV in the amount of \$1,009,815 and approved the lease of five 2025 Ram 1500 2WD Crew Cab SSV in the amount of \$276,253 for units budgeted in the 2025 Fiscal Year via Buyboard Contract # 652.21.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 29 – SUBSEQUENT EVENTS (*Continued*)

On October 28, 2024, Resolution # 1928 was approved to use unspent lease proceeds of \$8,980,922 to prepay the 2021 Lease Purchase Agreement for the purpose of reducing its annual payments and all other costs associated with the transaction.

On October 28, 2024, the City paid Performance Services, Inc. \$550,000 for arbitrage liabilities.

On November 12, 2024, the purchase of a Type 1 Siddons-Martin ambulance in the amount of \$401,470 was approved.

On November 21, 2024, a reimbursement agreement was approved between the City of Mission and Mission Redevelopment Authority (MRA) for the sanitary sewer improvements from Shary Road to Bryan Road in an amount not to exceed \$2,887,500.

On December 16, 2024, the transfer of Designated Purpose Funds derived from the American Rescue Plan Act (ARPA) in the amount of \$1,588,754 for revenue loss as allowable by the U.S. Department of Treasury was approved.

On December 16, 2024, ratification of an award for \$320,000 to Westwood Professional Services for the Spikes and Jupiter Climate Resilient Flood Risk Reduction Project program development, grant administration, civil engineering, and project management services.

On February 20, 2025, the City of Mission loaned MEDC \$5,000,000 towards the purchase of the Cimarron Country Club.

Mission Economic Development Corporation

On June 26, 2024, the MEDC Board approved a professional services agreement between the Mission Economic Development Corporation and The Retail Coach, LLC for the amount of \$46,250 starting on October 1, 2024, for one year for retail analysis services.

On July 24, 2024, the MEDC Board approved the conveyance of 800 Perkins Ave and 802 Perkins Avenue, acquired in the amount of \$135,086.57, and the reconveyance of properties to the City of Mission and established a resolution to use eminent domain to acquire properties located at 808 Perkins, 809 Perkins, 801 Perkins, and 1 Perkins Ave as a part of the Leo Pena Placita Park Improvement Project.

On August 28, 2024, the MEDC Board authorized the MEDC CEO to execute a professional services agreement with ARES Services, Inc., for legislative consulting services in the amount of \$108,000 for a 1-year term beginning in September 2024.

On August 28, 2024, the MEDC Board authorized the MEDC CEO to move forward with a Letter of Intent for Project Tiny, for an incentive in an amount not to exceed \$120,000 to be paid in one installment, and was subsequently approved as a Performance Agreement on September 25, 2024.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 29 – SUBSEQUENT EVENTS (*Continued*)

On September 25, 2024, the MEDC Board approved a professional services agreement with IT Umbrella Group for technology assistance services for the MEDC staff and CEED facility in the amount of \$48,000 annually for a 1-year term beginning in October 2024.

On September 25, 2024, the MEDC Board authorized a land acquisition for 1407 E. Expressway 83 in the amount of \$3,138,487.02 occurring on February 7, 2025.

On September 25, 2024, the MEDC Board authorized the MEDC CEO to move forward with a Letter of Intent for Project Noodles, for an incentive in an amount of \$80,000 and a loan in the amount of \$200,000 and was subsequently approved as a Performance Agreement on October 30, 2024, however, the project incentive has not been paid.

On November 13, 2024, the MEDC Board authorized a Memorandum of Understanding between the Mission EDC and the City of Mission for facility maintenance services in the total amount of \$50,000 for services to be performed up until September 30, 2025.

On November 13, 2024, the MEDC Board approved the renewal option related to the Cooperation Agreement between the Mission EDC and UTRGV in the amount of \$80,700 beginning on April 1, 2024, for a 1-year term.

On December 11, 2024, the MEDC Board authorized a Corporate Authorization Resolution from Lone Star National Bank to establish a Certificate of Deposit in the amount of \$250,000.

On January 2, 2025, the MEDC Board approved a vehicle purchase for Mission EDC daily business not to exceed \$92,000.

On February 20, 2025, MEDC closed on the purchase of the Cimarron Country Club for \$5,000,000.

Mission Redevelopment Authority

On August 29, 2024, the MRA approved Change Order #1 related to Anzalduas Industrial Park Phase I Subdivision to increase the capacity of a waterline in the amount of \$41,497.35.

On September 24, 2024, the MRA approved a Fourth Amendment to the Agreement for Administrative Services between the City of Mission and Mission Redevelopment Authority/TIRZ #1 for a period not to exceed six months beginning October 1, 2024, in the amount of \$11,300 per month or \$67,800 over the agreement period.

On November 12, 2024, the MRA approved a Reimbursement Agreement between the City of Mission and Mission Redevelopment Authority related to the Sanitary Sewer Improvements from Shary Road to Bryan Road in the amount of \$2,887,500.00.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE 29 – SUBSEQUENT EVENTS (*Continued*)

On January 23, 2025, the MRA approved a Reimbursement Agreement between the City of Mission and Mission Redevelopment Authority related to the Taylor Road Phase II project in the amount of \$1,500,000.

***REQUIRED
SUPPLEMENTARY
INFORMATION***



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CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes:				
Ad valorem taxes:				
Current ad valorem taxes	\$ 21,760,000	\$ 21,760,000	20,912,653	\$ (847,347)
Delinquent ad valorem taxes	475,000	475,000	550,927	75,927
Interest and penalties on taxes	400,000	400,000	471,437	71,437
Net Ad Valorem Tax Revenue	<u>22,635,000</u>	<u>22,635,000</u>	<u>21,935,017</u>	<u>(699,983)</u>
Sales tax	13,700,000	13,700,000	13,009,110	(690,890)
Sales tax-tax abatement	6,850,000	6,850,000	6,504,555	(345,445)
Bingo tax	80,000	80,000	36,210	(43,790)
Franchise business tax	2,800,000	2,800,000	2,957,217	157,217
Telecommunication access fee	75,000	75,000	60,299	(14,701)
Mixed drink tax	50,000	50,000	53,979	3,979
Total Taxes	<u>46,190,000</u>	<u>46,190,000</u>	<u>44,556,387</u>	<u>(1,633,613)</u>
Licenses and permits:				
Occupational licenses	40,000	40,000	16,165	(23,835)
Moving and building permits	625,000	625,000	707,261	82,261
Health permits	35,000	35,000	41,785	6,785
Electrical permits	200,000	200,000	183,663	(16,337)
Mechanical permits	70,000	70,000	64,671	(5,329)
Plumbing permits	125,000	125,000	101,670	(23,330)
Alarm permits	9,500	9,500	3,900	(5,600)
Miscellaneous	35,000	35,000	40,201	5,201
Total Licenses and Permits	<u>1,139,500</u>	<u>1,139,500</u>	<u>1,159,316</u>	<u>19,816</u>
Opioid settlement:				
Reimb.-Opioid Settlement	-	-	124,768	124,768
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>124,768</u>	<u>124,768</u>
Intergovernmental:				
MCISD and SISD Dare Program	1,242,859	1,242,859	1,402,174	159,315
County contributions-rural fires	30,000	30,000	56,938	26,938
County restitution reimbursement	500	500	35	(465)
Overhead-MRA	371,000	371,000	380,591	9,591
Reimbursement-TIRZ	-	-	54,000	54,000
Task Force	25,000	25,000	90,341	65,341
Peace Officers Fire Prev.	1,000	1,000	818	(182)
DEA Overtime Task Force	36,000	36,000	27,778	(8,222)
Hidalgo County-library	15,000	90,000	75,000	(15,000)
Total Intergovernmental	<u>1,721,359</u>	<u>1,796,359</u>	<u>2,087,675</u>	<u>291,316</u>

CITY OF MISSION, TEXAS

EXHIBIT B-1

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Charges for services:				
Birth certificate service	1,700	1,700	2,307	607
Inspection fee-2%	120,000	120,000	567,390	447,390
Planning Technology Fee	15,000	15,000	15,850	850
Construction material testing fee	85,000	85,000	302,293	217,293
Fire inspection fee	15,000	15,000	19,679	4,679
Corporation court fines tax	45,000	45,000	46,329	1,329
Detaining Contract Services	15,000	15,000	5,405	(9,595)
Abandoned motor vehicle fee	1,000	1,000	196	(804)
Security event fee	2,000	2,000	4,100	2,100
Library reservations fee	100	100	-	(100)
Lot cleaning	100,000	100,000	110,411	10,411
Lot cleaning-admin. Fee	50,000	50,000	23,041	(26,959)
Lease-service center complex	15,000	15,000	15,594	594
Library copies	35,000	35,000	24,403	(10,597)
Rent-City buildings	6,000	6,000	3,751	(2,249)
Basketball fees & charges	5,000	5,000	4,083	(917)
Softball fees & charges	3,500	3,500	700	(2,800)
Football fees & charges	2,000	2,000	1,300	(700)
Kickball fees & charges	-	-	-	-
Volleyball fees & charges	6,000	6,000	2,750	(3,250)
Park facility rentals	25,000	25,000	34,163	9,163
Other recreational fees	2,000	2,000	80	(1,920)
Bannworth pool fees	45,000	45,000	32,552	(12,448)
Mayberry pool fees	30,000	30,000	36,314	6,314
TAAF summer programs	23,000	23,000	25,495	2,495
Year-round swim program	5,000	5,000	24,113	19,113
Library rentals	200	200	48	(152)
Cemetery charges	100,000	100,000	17,060	(82,940)
Vital statistics	110,000	110,000	124,183	14,183
Burial transit permit	1,500	1,500	694	(806)
Animal adoption fees	3,000	3,000	1,385	(1,615)
Animal control & shelter fee	4,500	4,500	2,268	(2,232)
Contracted animal service fee	45,000	45,000	64,830	19,830
Zoning and subdivision fees	65,000	65,000	69,050	4,050
5% credit card fee	25,000	25,000	28,296	3,296
Food manager/handler ID fee	2,000	2,000	-	(2,000)
Arrest fees-M.P.D.	35,000	35,000	32,345	(2,655)
Fire EMS response fees	-	-	240,844	240,844
Truancy prevention & diversion	25,000	25,000	29,449	4,449
Police Dept. service charges	10,000	10,000	8,616	(1,384)
State of City address	-	-	16,500	16,500
Total Charges for Services	1,078,500	1,078,500	1,937,867	859,367

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts			Variance Positive
	Original	Final		(Negative)
	Budget	Budget	Actual	
Fines:				
Corporation court fines	625,000	625,000	675,987	50,987
Warrant execution fee	110,000	110,000	124,532	14,532
Library fines	15,000	15,000	9,680	(5,320)
Total Fines	750,000	750,000	810,199	60,199
Interest:				
Interest earned on investments	25,000	25,000	14,719	(10,281)
Total Interest	25,000	25,000	14,719	(10,281)
Miscellaneous:				-
Reimb.-LRGVDC	39,659	39,659	-	(39,659)
Reimb.-Other state agencies	-	-	185,831	185,831
Local Jury fee	1,500	1,500	577	(923)
Child safety fees	4,000	4,000	5,317	1,317
Library donations/memorial	200	200	7	(193)
Insurance settlement	25,000	25,000	112,991	87,991
Miscellaneous income	150,000	150,000	345,455	195,455
Coke machine & vending machines	2,000	2,000	1,059	(941)
Contributions and donations	-	-	-	-
Total Miscellaneous	222,359	222,359	651,237	428,878
Total Revenues	51,126,718	51,201,718	51,342,168	140,450
Expenditures				
Current:				
General government				
Legislative:				
Personal services	2,100	2,100	2,100	-
Employee benefits	1,453	1,453	1,451	2
Other purchased services	20,960	20,960	10,702	10,258
Supplies	3,500	3,500	2,589	911
Miscellaneous	7,575	7,575	1,647	5,928
	35,588	35,588	18,489	17,099
Executive Administration:				
Personal services	752,014	677,014	677,435	(421)
Employee benefits	213,809	213,809	186,743	27,066
Purchased property services	4,000	4,000	-	4,000
Other purchased services	20,700	20,700	13,185	7,515
Supplies	6,350	6,350	1,653	4,697
Miscellaneous	2,000	2,000	2,092	(92)
	998,873	923,873	881,108	42,765
Finance Department:				
Personal services	586,181	536,181	533,095	3,086
Employee benefits	196,292	196,292	184,537	11,755
Purchased property services	144,300	144,300	52,846	91,454
Other purchased services	8,500	8,500	5,115	3,385
Supplies	7,750	7,750	3,470	4,280
Miscellaneous	3,550	3,550	3,351	199
SBITA outlay	-	-	-	-
	946,573	896,573	782,414	114,159

CITY OF MISSION, TEXAS

EXHIBIT B-1

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Municipal Court:				
Personal services	532,220	482,220	450,863	31,357
Employee benefits	185,771	185,771	164,404	21,367
Other purchased services	5,500	5,500	8,887	(3,387)
Supplies	7,000	7,000	6,730	270
Miscellaneous	11,000	11,000	17,363	(6,363)
	<u>741,491</u>	<u>691,491</u>	<u>648,247</u>	<u>43,244</u>
Planning:				
Personal services	744,512	737,545	718,884	18,661
Employee benefits	276,320	276,320	251,549	24,771
Professional & technical services	15,000	15,000	8,268	6,732
Purchased property services	55,359	55,359	4,169	51,190
Other purchased services	49,400	49,400	38,610	10,790
Supplies	31,100	31,100	11,474	19,626
Miscellaneous	148,000	148,000	99,452	48,548
	<u>1,319,691</u>	<u>1,312,724</u>	<u>1,132,406</u>	<u>180,318</u>
Facilities Maintenance:				
Personal services	613,920	613,920	566,357	47,563
Employee benefits	270,829	270,829	216,447	54,382
Purchased property services	76,200	83,400	86,377	(2,977)
Other purchased services	6,720	6,720	5,680	1,040
Supplies	227,700	263,425	244,868	18,557
Miscellaneous	15,000	1,275	651	624
	<u>1,210,369</u>	<u>1,239,569</u>	<u>1,120,380</u>	<u>119,189</u>
Fleet Maintenance:				
Personal services	189,459	189,459	172,014	17,445
Employee benefits	67,607	67,607	59,799	7,808
Professional & technical services	692,500	744,500	-	744,500
Purchased property services	360	360	-	360
Other purchased services	4,700	4,700	2,288	2,412
Supplies	110,550	135,550	13,320	122,230
Miscellaneous	101,000	101,000	24	100,976
	<u>1,166,176</u>	<u>1,243,176</u>	<u>247,445</u>	<u>995,731</u>
Organizational Expense:				
Professional & technical services	655,000	790,000	791,436	(1,436)
Purchased property services	174,500	174,500	120,884	53,616
Other purchased services	161,600	215,367	247,090	(31,723)
Supplies	9,500	9,500	5,511	3,989
Miscellaneous	685,714	565,714	338,276	227,438
	<u>1,686,314</u>	<u>1,755,081</u>	<u>1,503,197</u>	<u>251,884</u>
Purchasing:				
Personal services	215,099	215,099	212,039	3,060
Employee benefits	72,140	72,140	68,695	3,445
Purchased property services	1,400	1,400	-	1,400
Other purchased services	23,100	23,100	17,285	5,815
Supplies	2,350	2,350	2,272	78
Miscellaneous	22,315	22,315	16,648	5,667
SBITA outlay	-	-	84,633	(84,633)
	<u>336,404</u>	<u>336,404</u>	<u>401,572</u>	<u>(65,168)</u>

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
City Secretary:				
Personal services	278,948	278,948	281,940	(2,992)
Employee benefits	99,684	99,684	95,470	4,214
Professional & technical services	12,000	12,000	5,189	6,811
Purchased property services	18,800	18,800	17,771	1,029
Other purchased services	20,550	20,550	6,277	14,273
Supplies	900	900	994	(94)
Miscellaneous	900	900	856	44
	<u>431,782</u>	<u>431,782</u>	<u>408,497</u>	<u>23,285</u>
Risk Management:				
Personal services	110,310	110,310	121,212	(10,902)
Employee benefits	39,549	39,549	36,720	2,829
Professional & technical services	6,000	6,000	4,910	1,090
Purchased property services	1,900	1,900	-	1,900
Other purchased services	522,250	522,250	511,783	10,467
Supplies	16,400	16,400	14,987	1,413
Miscellaneous	150	150	150	-
	<u>696,559</u>	<u>696,559</u>	<u>689,762</u>	<u>6,797</u>
Civil Service:				
Personal services	98,559	98,559	98,559	-
Employee benefits	29,891	29,891	28,752	1,139
Professional & technical services	40,000	40,000	8,997	31,003
Other purchased services	4,750	8,750	7,595	1,155
Supplies	25,000	21,000	19,191	1,809
Miscellaneous	100	100	177	(77)
	<u>198,300</u>	<u>198,300</u>	<u>163,271</u>	<u>35,029</u>
Human Resources:				
Personal services	246,679	246,679	244,534	2,145
Employee benefits	85,026	85,026	80,681	4,345
Professional & technical services	13,500	20,500	18,871	1,629
Purchased property services	4,515	4,515	-	4,515
Other purchased services	6,900	6,900	4,387	2,513
Supplies	2,450	2,450	1,689	761
Miscellaneous	1,150	1,150	1,149	1
	<u>360,220</u>	<u>367,220</u>	<u>351,311</u>	<u>15,909</u>
Information Technology:				
Personal services	193,200	193,200	173,432	19,768
Employee benefits	77,444	77,444	62,927	14,517
Purchased property services	852,750	845,200	611,545	233,655
Other purchased services	8,100	8,100	2,965	5,135
Supplies	7,300	14,850	9,451	5,399
Miscellaneous	150	150	-	150
SBITA outlay	-	-	9,567	(9,567)
	<u>1,138,944</u>	<u>1,138,944</u>	<u>869,887</u>	<u>269,057</u>

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Media Relations:				
Personal services	238,308	238,308	243,832	(5,524)
Employee benefits	69,890	69,890	66,849	3,041
Purchased property services	1,500	1,500	-	1,500
Other purchased services	5,500	5,500	2,897	2,603
Supplies	4,000	4,000	1,228	2,772
Miscellaneous	4,900	4,900	2,564	2,336
	<u>324,098</u>	<u>324,098</u>	<u>317,370</u>	<u>6,728</u>
Legal:				
Personal services	312,153	312,153	252,731	59,422
Employee benefits	74,280	74,280	65,783	8,497
Professional & technical services	160,000	140,000	131,773	8,227
Purchased property services	3,000	3,000	-	3,000
Other purchased services	6,256	19,756	7,390	12,366
Supplies	2,750	10,300	10,760	(460)
Miscellaneous	2,800	1,750	990	760
	<u>561,239</u>	<u>561,239</u>	<u>469,427</u>	<u>91,812</u>
Total General Government	<u>12,152,621</u>	<u>12,152,621</u>	<u>10,004,783</u>	<u>2,147,838</u>
Public Safety:				
Police Department:				
Personal services	14,446,739	14,111,429	12,409,920	1,701,509
Employee benefits	4,556,218	4,556,218	3,478,103	1,078,115
Professional & technical services	124,300	129,300	116,965	12,335
Purchased property services	221,100	278,600	226,960	51,640
Other purchased services	410,849	452,349	439,487	12,862
Supplies	610,100	588,600	173,544	415,056
Capital outlays	-	17,476	17,476	-
Miscellaneous	118,075	115,575	129,795	(14,220)
SBITA outlay	-	-	-	-
	<u>20,487,381</u>	<u>20,249,547</u>	<u>16,992,250</u>	<u>3,257,297</u>
Fire Department:				
Personal services	6,747,986	6,669,987	6,484,303	185,684
Employee benefits	2,128,034	2,162,925	1,722,850	440,075
Purchased property services	175,800	176,586	123,297	53,289
Other purchased services	142,400	142,400	116,891	25,509
Supplies	348,200	348,200	177,381	170,819
Capital outlays	-	2,141,265	6,321	2,134,944
Miscellaneous	76,300	75,514	61,889	13,625
	<u>9,618,720</u>	<u>11,716,877</u>	<u>8,692,932</u>	<u>3,023,945</u>
Fire Prevention Bureau:				
Personal services	584,887	609,887	611,097	(1,210)
Employee benefits	175,436	175,436	160,013	15,423
Purchased property services	14,300	14,300	10,465	3,835
Other purchased services	11,700	11,700	15,605	(3,905)
Supplies	30,200	29,800	16,175	13,625
Miscellaneous	1,600	2,000	600	1,400
	<u>818,123</u>	<u>843,123</u>	<u>813,955</u>	<u>29,168</u>
Total Public Safety	<u>30,924,224</u>	<u>32,809,547</u>	<u>26,499,137</u>	<u>6,310,410</u>

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Highways and Streets:				
Street Department:				
Personal services	1,320,688	1,320,688	1,374,221	(53,533)
Employee benefits	611,037	611,037	557,348	53,689
Professional & technical services	100,000	375,000	298,273	76,727
Purchased property services	1,437,500	1,667,500	1,638,434	29,066
Other purchased services	17,000	17,000	19,748	(2,748)
Supplies	956,700	856,700	395,637	461,063
Capital outlays	178,000	178,000	83,268	94,732
Miscellaneous	116,000	116,000	80,570	35,430
	<u>4,736,925</u>	<u>5,141,925</u>	<u>4,447,499</u>	<u>694,426</u>
 Total Highways and Streets	 <u>4,736,925</u>	 <u>5,141,925</u>	 <u>4,447,499</u>	 <u>694,426</u>
Health and Welfare:				
Health Regulations and Inspections:				
Personal services	235,741	235,741	208,111	27,630
Employee benefits	84,854	84,854	70,033	14,821
Professional & technical services	1,000	1,000	420	580
Purchased property services	4,850	7,850	2,719	5,131
Other purchased services	7,700	13,700	8,276	5,424
Supplies	28,350	19,350	2,828	16,522
Miscellaneous	450	450	317	133
	<u>362,945</u>	<u>362,945</u>	<u>292,704</u>	<u>70,241</u>
Animal Control:				
Personal services	278,254	213,254	204,746	8,508
Employee benefits	122,286	112,286	92,222	20,064
Professional & technical services	6,000	-	270,229	(270,229)
Purchased property services	8,850	5,000	794	4,206
Other purchased services	12,150	12,250	7,863	4,387
Supplies	91,250	41,650	11,893	29,757
Miscellaneous	1,750	268,250	980	267,270
	<u>520,540</u>	<u>652,690</u>	<u>588,727</u>	<u>63,963</u>
 Total Health and Welfare	 <u>883,485</u>	 <u>1,015,635</u>	 <u>881,431</u>	 <u>134,204</u>
Culture and Recreation:				
Mission Historical Museum:				
Personal services	229,370	229,370	227,818	1,552
Employee benefits	90,199	90,199	85,732	4,467
Purchased property services	27,000	27,000	15,231	11,769
Other purchased services	13,350	13,350	5,671	7,679
Supplies	6,000	6,000	2,724	3,276
Miscellaneous	200	200	-	200
	<u>366,119</u>	<u>366,119</u>	<u>337,176</u>	<u>28,943</u>

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Parks and Recreation Administration:				
Personal services	176,246	176,246	174,732	1,514
Employee benefits	58,044	58,044	54,966	3,078
Purchased property services	24,600	24,600	18,869	5,731
Other purchased services	7,900	7,900	8,623	(723)
Supplies	3,850	3,850	2,320	1,530
Miscellaneous	950	950	593	357
	<u>271,590</u>	<u>271,590</u>	<u>260,103</u>	<u>11,487</u>
Parks:				
Personal services	1,436,022	1,436,022	1,139,344	296,678
Employee benefits	628,769	628,769	517,200	111,569
Professional & technical services	15,000	15,000	8,020	6,980
Purchased property services	425,000	425,000	394,579	30,421
Other purchased services	13,000	13,000	11,340	1,660
Supplies	302,794	302,794	153,908	148,886
Capital outlays	-	161,013	161,013	-
Miscellaneous	114,000	114,000	137,619	(23,619)
	<u>2,934,585</u>	<u>3,095,598</u>	<u>2,523,023</u>	<u>572,575</u>
Recreation:				
Personal services	244,324	244,324	236,941	7,383
Employee benefits	54,790	54,790	46,882	7,908
Professional & technical services	46,500	45,700	12,451	33,249
Other purchased services	35,000	35,000	10,123	24,877
Supplies	26,750	27,550	22,348	5,202
Miscellaneous	800	800	200	600
	<u>408,164</u>	<u>408,164</u>	<u>328,945</u>	<u>79,219</u>
Library:				
Personal services	888,764	888,764	787,299	101,465
Employee benefits	319,391	319,391	281,863	37,528
Purchased property services	81,000	81,000	40,431	40,569
Other purchased services	84,225	84,225	71,782	12,443
Library-supplies	31,650	31,650	21,840	9,810
Miscellaneous	84,110	159,110	127,209	31,901
SBITA outlay	-	-	20,162	(20,162)
	<u>1,489,140</u>	<u>1,564,140</u>	<u>1,350,586</u>	<u>213,554</u>
Banworth Pool:				
Personal services	158,580	158,580	99,957	58,623
Employee benefits	41,216	41,216	30,275	10,941
Purchased property services	44,000	44,000	31,878	12,122
Other purchased services	6,000	6,000	4,727	1,273
Supplies	32,550	32,550	20,828	11,722
Miscellaneous	1,300	1,300	86	1,214
	<u>283,646</u>	<u>283,646</u>	<u>187,751</u>	<u>95,895</u>

CITY OF MISSION, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Mayberry Pool:				
Personal services	219,919	219,919	214,322	5,597
Employee benefits	50,918	50,918	41,714	9,204
Purchased property services	31,500	31,500	35,339	(3,839)
Other purchased services	5,200	5,200	4,507	693
Supplies	31,375	31,375	20,277	11,098
Miscellaneous	300	300	40	260
	<u>339,212</u>	<u>339,212</u>	<u>316,199</u>	<u>23,013</u>
 Total Culture and Recreation	 <u>6,092,456</u>	 <u>6,328,469</u>	 <u>5,303,783</u>	 <u>1,024,686</u>
Debt Service:				
Principal retirement	756,098	756,098	869,889	(113,791)
Interest	128,324	128,324	112,839	15,485
	<u>884,422</u>	<u>884,422</u>	<u>982,728</u>	<u>(98,306)</u>
 Total Debt Service	 <u>884,422</u>	 <u>884,422</u>	 <u>982,728</u>	 <u>(98,306)</u>
 Total Expenditures	 <u>55,674,133</u>	 <u>58,332,619</u>	 <u>48,119,361</u>	 <u>10,213,258</u>
 Excess (Deficiency) of Revenues Over Expenditures	 <u>(4,547,415)</u>	 <u>(7,130,901)</u>	 <u>3,222,807</u>	 <u>10,353,708</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	-	25,260	25,260
Proceeds from issuance of debt - Leases and SBITAs	-	2,294,444	267,525	(2,026,919)
Transfers in	2,783,707	2,783,707	2,783,707	-
Transfers out	(3,305,658)	(3,305,658)	(2,176,214)	1,129,444
Total other financing sources	<u>(521,951)</u>	<u>1,772,493</u>	<u>900,278</u>	<u>(872,215)</u>
 Net Change in Fund Balance	 <u>(5,069,366)</u>	 <u>(5,358,408)</u>	 <u>4,123,085</u>	 <u>9,481,493</u>
Fund Balance at Beginning of Year	3,044,440	2,149,405	3,485,543	1,336,138
Prior period adjustment	-	-	157,648	157,648
Beginning - as restated	<u>3,044,440</u>	<u>2,149,405</u>	<u>3,643,191</u>	<u>1,493,786</u>
 Fund Balance at End of Year	 <u>\$ (2,024,926)</u>	 <u>\$ (3,209,003)</u>	 <u>\$ 7,766,276</u>	 <u>\$ 10,975,279</u>

CITY OF MISSION, TEXAS**EXHIBIT B-2*****RECONCILIATION OF THE GENERAL FUND BUDGETARY SCHEDULE
TO THE STATEMENT OF REVENUES AND EXPENDITURES
SEPTEMBER 30, 2023***

Net Changes in the General Fund Fund Balance	\$ 4,123,085
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Amounts included in the Statement of Revenues and Expenditures for funds which did not meet the requirements for GASB 54 and were merged into the General Fund. Budgets were approved for these funds.

Revenues:

Capital Assets Fund revenues and transfers-in	2,387,122
Boys and Girls Club Fund revenues and transfers-in	678,452

Expenditures:

Capital Assets expenditures	(2,406,552)
Boys and Girls Club expenditures	<u>(855,339)</u>

Net Change in Fund Balances	<u>\$ 3,926,768</u>
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The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
DESIGNATED PURPOSE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 31, 2023

EXHIBIT B-3

	Budgeted Amounts			Variance
	Original	Final		Positive
	Budget	Budget	Actual	(Negative)
Revenues:				
Intergovernmental:				
DHS-2020 Stonegarden Grant	\$ 380,000	\$ 380,000	60,684	\$ (319,316)
Bullet Proof Vest Grant	10,000	10,000	13,993	3,993
AEP Grant	30,000	30,000	-	(30,000)
2023 Southwest Border Rural	-	93,000	89,116	(3,884)
Bullet Resistant Shield Grant	-	73,762	71,492	(2,270)
Body Camera project	80,341	80,341	-	(80,341)
PD Edward Bryne Mem Justice	30,000	30,000	24,750	(5,250)
PD LPR SYS Homeland Security	70,000	70,000	-	(70,000)
Rifle Resistant	15,044	15,044	-	(15,044)
Facial Recogn Grant	40,767	40,767	-	(40,767)
OVAG Grant	44,954	44,954	44,954	-
ETT Grant	-	2,000	1,940	(60)
Regional Solid Waste Grant	27,500	27,500	16,353	(11,147)
Fire Homeland Security Grant - 2020	74,280	74,280	-	(74,280)
FM Global Grant - Fire Prevention	-	5,000	4,969	(31)
2020 COPS Hiring	560,009	560,009	399,268	(160,741)
Local Border Security Program	190,000	190,000	190,000	-
CESF Grant	750,000	750,000	-	(750,000)
Tx. Dept of Transportation-STEP Grant	45,989	45,989	54,280	8,291
2021 Stonegarden Grant	-	-	307,330	307,330
Better Cities for Pet	-	20,000	1,500	(18,500)
Petco Grant	6,000	6,000	6,000	-
Petco Love Grant	-	30,000	3,347	(26,653)
TSLAC Grant	3,153	3,153	-	(3,153)
Body worn cameras	94,875	94,875	-	(94,875)
Texas Parks and Wildlife	-	-	-	-
Lions Club International	-	-	-	-
LEOSE-Peace Officer Allocation	9,900	9,900	-	(9,900)
Community Policing Dev	10,710	10,710	10,406	(304)
US Treasury-ARPA Funds	18,370,500	18,370,500	13,247,975	(5,122,525)
SWAT Equipment	13,060	13,060	13,033	(27)
Wal-Mart Foundation Grant	1,000	1,000	809	(191)
AET SWAT Equipment Grant	19,593	19,593	10,789	(8,804)
Miscellaneous Income	-	-	283	283
Total Intergovernmental	<u>20,877,675</u>	<u>21,101,437</u>	<u>14,573,271</u>	<u>(6,528,166)</u>
Interest:				
Interest earned on demand deposits	-	-	42,546	42,546
Total Interest	<u>-</u>	<u>-</u>	<u>42,546</u>	<u>42,546</u>
Miscellaneous:				-
Local Wal-Mart Grants	1,000	1,000	-	(1,000)
Total Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Revenues	<u>20,878,675</u>	<u>21,102,437</u>	<u>14,615,817</u>	<u>(6,486,620)</u>

CITY OF MISSION, TEXAS
DESIGNATED PURPOSE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 31, 2023

EXHIBIT B-3

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	Positive (Negative)
Expenditures:				
Current:				
General Government:				
US Treasury ARPA Funds:				
Personal services	-	2,047,265	2,047,265	-
Employee benefits	-	452,735	452,735	-
Professional & technical services	288,000	288,000	974,418	(686,418)
Supplies	86,504	86,504	1,238,454	(1,151,950)
Capital outlays	17,765,356	15,265,356	7,655,394	7,609,962
Miscellaneous	230,640	230,640	819,358	(588,718)
	<u>18,370,500</u>	<u>18,370,500</u>	<u>13,187,624</u>	<u>5,182,876</u>
Total General Government	<u>18,370,500</u>	<u>18,370,500</u>	<u>13,187,624</u>	<u>5,182,876</u>
Public Safety:				
AEP Grant				
Capital outlays	30,000	30,000	-	30,000
	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
2023 Southwest Border Rural				
Capital outlays	-	93,000	89,116	3,884
	<u>-</u>	<u>93,000</u>	<u>89,116</u>	<u>3,884</u>
Bullet Resistant Shield				
Capital outlays	-	73,762	71,492	2,270
	<u>-</u>	<u>73,762</u>	<u>71,492</u>	<u>2,270</u>
Bullet Proof Vest Grant				
Capital outlays	20,000	20,000	27,985	(7,985)
	<u>20,000</u>	<u>20,000</u>	<u>27,985</u>	<u>(7,985)</u>
2020 COPS Hiring				
Personal services	575,755	575,755	579,853	(4,098)
Employee benefits	170,924	170,924	194,501	(23,577)
	<u>746,679</u>	<u>746,679</u>	<u>774,354</u>	<u>(27,675)</u>
TXDOT-Step Grant				
Personal services	38,041	38,041	54,280	(16,239)
Employee benefits	7,948	7,948	-	7,948
	<u>45,989</u>	<u>45,989</u>	<u>54,280</u>	<u>(8,291)</u>
Body Worn Camera Grant				
Capital outlays	94,875	94,875	-	94,875
	<u>94,875</u>	<u>94,875</u>	<u>-</u>	<u>94,875</u>
Mission AET SWAT Equipment				
Capital outlays	19,593	19,593	10,789	8,804
	<u>19,593</u>	<u>19,593</u>	<u>10,789</u>	<u>8,804</u>
Mission SWAT Equipment				
Capital outlays	13,060	13,060	13,033	27
	<u>13,060</u>	<u>13,060</u>	<u>13,033</u>	<u>27</u>

CITY OF MISSION, TEXAS
DESIGNATED PURPOSE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 31, 2023

EXHIBIT B-3

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	Positive (Negative)
Facial Recognition Grant				
Capital outlays	40,767	40,767	-	40,767
	40,767	40,767	-	40,767
Community Policing Development				
Capital outlays	10,710	10,710	10,406	304
	10,710	10,710	10,406	304
LEOSE Grant				
Other purchased services	9,900	9,900	-	9,900
	9,900	9,900	-	9,900
OVAG Grant				
Personal services	37,254	37,254	34,433	2,821
Employee benefits	7,700	7,700	10,521	(2,821)
	44,954	44,954	44,954	-
PD Edward Bryne Mem Ju				
Capital outlays	30,000	30,000	24,750	5,250
	30,000	30,000	24,750	5,250
Wal-Mart Safe Neighbor				
Capital outlays	70,000	70,000	-	70,000
	70,000	70,000	-	70,000
Fire Hazmat				
Supplies	74,280	74,280	-	74,280
	74,280	74,280	-	74,280
Local Border Security				
Personal services	157,403	157,403	156,735	668
Employee benefits	32,597	32,597	33,265	(668)
	190,000	190,000	190,000	-

CITY OF MISSION, TEXAS
DESIGNATED PURPOSE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 31, 2023

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Wal-Mart Grant				
Supplies	1,000	1,000	811	189
	1,000	1,000	811	189
FB Superior				
Supplies	-	5,000	4,969	31
	-	5,000	4,969	31
ETT Grant				
Supplies	-	2,000	1,940	60
	-	2,000	1,940	60
Rifle Resistant Grant				
Capital outlays	20,059	20,059	-	20,059
	20,059	20,059	-	20,059
2020 Homeland Security				
Capital outlays	88,795	88,795	-	88,795
	88,795	88,795	-	88,795
2020 Stonegarden Grant				
Personal services	-	-	50,282	(50,282)
Employee benefits	-	-	10,402	(10,402)
Capital outlays	-	-	0	-
	-	-	60,684	(60,684)
2021 Stonegarden Grant				
Personal services	142,038	142,038	80,798	61,240
Employee benefits	28,962	28,962	17,532	11,430
Capital outlays	209,000	209,000	209,000	-
	380,000	380,000	307,330	72,670
Total Public Safety	1,958,161	2,131,923	1,686,893	445,030
Health and Welfare:				
PetCo LOVE				
Professional & technical services	-	25,000	812	24,188
Supplies	-	5,000	2,535	2,465
	-	30,000	3,347	26,653
Better Cities for Pet				
Miscellaneous	-	20,000	1,500	18,500
	-	20,000	1,500	18,500
Regional Solid Waste				
Supplies	8,900	8,900	3,966	4,934
Capital outlays	18,600	18,600	0	18,600
	27,500	27,500	3,966	23,534
PETCO				
Professional & technical services	-	6,000	6,000	-
Supplies	6,000	-	-	-
	6,000	6,000	6,000	-
Total Health and Welfare	6,000	56,000	14,813	45,153

CITY OF MISSION, TEXAS
DESIGNATED PURPOSE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 31, 2023

EXHIBIT B-3

	Budgeted Amounts			Variance
	Original Budget	Final Budget	Actual	Positive (Negative)
Culture and Recreation:				
Texas State Library & Archives Commission:				
Miscellaneous	3,153	3,153	-	3,153
	<u>3,153</u>	<u>3,153</u>	<u>-</u>	<u>3,153</u>
Parks & Wildlife Grant				
Capital outlays	1,500,000	1,500,000	-	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Total Culture and Recreation	<u>1,503,153</u>	<u>1,503,153</u>	<u>-</u>	<u>1,503,153</u>
Total Expenditures	<u>21,837,814</u>	<u>22,061,576</u>	<u>14,889,330</u>	<u>7,176,212</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	<u>(959,139)</u>	<u>(959,139)</u>	<u>(273,513)</u>	<u>689,592</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	-	-	-
Other Financing Sources (Uses)				
Transfers in	960,139	960,139	389,079	(571,060)
Total Other Financing Sources (Uses)	<u>960,139</u>	<u>960,139</u>	<u>389,079</u>	<u>(571,060)</u>
Net Change in Fund Balance	1,000	1,000	115,566	118,532
Fund Balance at Beginning of Year	<u>36,014</u>	<u>36,014</u>	<u>36,014</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 37,014</u>	<u>\$ 37,014</u>	<u>\$ 151,580</u>	<u>\$ 118,532</u>

CITY OF MISSION, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR AGENT MULTIPLE-EMPLOYER PENSION PLAN
TEXAS MUNICIPAL RETIREMENT SYSTEM

	PLAN YEAR ENDED DECEMBER 31,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 5,307,753	\$ 4,617,778	\$ 4,202,696	\$ 3,891,979	\$ 3,688,502	\$ 3,574,775	\$ 3,428,663	\$ 3,146,606	\$ 2,887,755
Interest (on the total pension liability)	7,959,663	7,546,469	7,021,927	6,564,000	6,161,997	5,754,029	5,322,821	5,036,145	4,642,161
Change of benefit terms	(2,358,068)	-	-	-	-	-	-	-	-
Difference between expected and actual experience	683,025	121,980	(76,553)	(504,947)	(193,776)	(110,717)	139,268	(255,681)	270,001
Changes of assumptions	-	-	-	385,479	-	-	-	1,263,377	-
Benefit payment, including refunds of employee contribution	(4,651,129)	(3,652,368)	(3,516,885)	(3,898,636)	(3,707,083)	(2,754,877)	(2,396,210)	(2,443,370)	(2,158,651)
Net change in total pension liability	6,941,244	8,633,859	7,631,185	6,437,875	5,949,640	6,463,210	6,494,542	6,747,077	5,641,266
Total pension liability - beginning	119,950,694	111,316,835	103,685,650	97,247,775	91,298,135	84,834,925	78,340,383	71,593,306	65,952,040
Total pension liability - ending (a)	126,891,938	119,950,694	111,316,835	103,685,650	97,247,775	91,298,135	84,834,925	78,340,383	71,593,306
Plan Fiduciary Net Position									
Contribution - employer	3,430,049	3,171,548	2,817,225	2,632,158	2,535,283	2,425,326	2,171,026	2,068,394	1,973,751
Contribution employee	2,352,032	2,174,778	1,983,964	1,875,652	1,783,321	1,724,168	1,657,278	1,563,024	1,528,747
Net investment income	(8,775,421)	13,674,735	7,311,595	12,827,022	(2,544,693)	10,178,044	4,560,867	97,759	3,514,549
Benefit payments, including refunds of employee contribution	(4,651,129)	(3,652,368)	(3,516,885)	(3,898,636)	(3,707,083)	(2,754,877)	(2,396,210)	(2,443,370)	(2,158,651)
Administrative expense	(75,898)	(63,244)	(47,301)	(72,453)	(49,166)	(52,727)	(51,496)	(59,540)	(36,688)
Other	90,571	433	(1,845)	(2,176)	(2,569)	(2,672)	(2,775)	(2,941)	(3,016)
Net change in plan fiduciary net position	(7,629,796)	15,305,882	8,546,783	13,361,567	(1,984,907)	11,517,262	5,938,690	1,223,326	4,818,692
Plan fiduciary net position - beginning	120,154,857	104,848,975	96,302,222	82,940,655	84,925,562	73,408,300	67,469,610	66,246,284	61,427,592
Plan fiduciary net position - ending (b)	112,525,061	120,154,857	104,848,975	96,302,222	82,940,655	84,925,562	73,408,300	67,469,610	66,246,284
Net Pension Liability/(Asset) (a)-(b)	\$ 14,366,877	\$ (204,163)	\$ 6,467,860	\$ 7,383,428	\$ 14,307,120	\$ 6,372,573	\$ 11,426,625	\$ 10,870,773	\$ 5,347,022
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability [b/a]	88.68%	100.17%	94.19%	92.88%	85.29%	93.02%	86.53%	86.12%	92.53%
Covered Payroll	\$ 39,200,541	\$ 36,246,298	\$ 33,066,058	\$ 31,260,874	\$ 29,722,014	\$ 28,736,135	\$ 27,583,776	\$ 26,048,066	\$ 25,321,089
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	36.65%	-0.56%	19.56%	23.62%	48.14%	22.18%	41.43%	41.73%	21.12%
Notes to Schedule of Changes in Net Pension Liability and Related Ratios									
GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-year trend is compiled, this schedule provides the information of those years for which information is available.									
Valuation Date:	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.								
Methods and Assumptions Used to Determine Contribution Rates:	<p>Actuarial Cost Method Entry Age Normal</p> <p>Amortization Method Level Percentage of Payroll, Closed</p> <p>Remaining Amortization Period 23 years (longest amortization ladder)</p> <p>Asset Valuation Method 10 Year smoothed market; 12% soft corridor</p> <p>Inflation 2.50%</p> <p>Salary Increases 3.50% to 11.50% including inflation</p> <p>Investment Rate of Return 6.75%</p> <p>Retirement Age Experience-based table of rates that are specific to the City's plan of benefits.</p> <p>Mortality Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018</p> <p>Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.</p> <p>Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.</p>								
Other Information:	Decreased repeating USC from 100% to 50%.								
Notes	Increased Member contribution rate from 6% to 7%.								
	Increased statutory max tyo 13.50% due to plan changes.								

CITY OF MISSION, TEXAS
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITIES OF COST-SHARING MULTIPLE-EMPLOYER PENSION PLAN
TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS)

	SEPTEMBER 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.760%	0.760%	0.111%	0.121%	0.269%	0.027%	0.038%	0.064%	0.079%
City's proportionate share of the net pension liability	\$ 29,952	\$ 31,183	\$ 27,984	\$ 34,298	\$ 58,240	\$ 6,480	\$ 11,069	\$ 17,038	\$ 14,356
City's number of active members*	8	8	8	11	14	14	3	3	7
City's net pension liability per active member	\$ 3,744	\$ 3,898	\$ 3,498	\$ 3,118	\$ 4,160	\$ 463	\$ 3,690	\$ 5,679	\$ 2,051
Plan fiduciary net position as a percentage of the total pension liability	0.0%	75.2%	83.3%	80.2%	84.3%	81.4%	76.3%	76.9%	83.5%

*There is no compensation for active members, so numbers of active members is used instead.

Notes to Schedule of City's Proportionate Share of the Net Pension Liabilities

GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-year trend is compiled, this schedule provides the information of those years for which information is available

Notes to changes in methods and assumptions since 2015

None

Note the total annual contributions to be paid by all governing bodies for the participating departments for qualified service as it is earned is assumed to be the total contributions based on the number of active members in the valuation and known monthly contributions rates for each department as of the valuation date.

CITY OF MISSION, TEXAS
SCHEDULE OF CITY CONTRIBUTIONS FOR ALL PENSION PLANS
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2023

	2023	2022	2021	2020	SEPTEMBER 30,				
					2019	2018	2017	2016	2015
Texas Emergency Services Retirement System (TESRS)									
Contractually required contribution	\$ 3,456	\$ 4,608	\$ 5,184	\$ 5,433	\$ 12,891	\$ 12,891	\$ 1,296	\$ 2,496	\$ 4,224
Contributions in relation to the contractually required contribution	3,456	4,608	5,184	5,433	12,891	12,891	1,296	2,496	4,224
Contribution deficiency (excess)	<u>\$ 3,456</u>	<u>\$ 4,608</u>	<u>\$ 5,184</u>	<u>\$ 5,433</u>	<u>\$ 12,891</u>	<u>\$ 12,891</u>	<u>\$ 1,296</u>	<u>\$ 2,496</u>	<u>\$ 4,224</u>
Number of active members*	8	8	8	11	14	14	3	3	7
Contributions per active member	\$ 432	\$ 576	\$ 648	\$ 494	\$ 921	\$ 921	\$ 432	\$ 832	\$ 603
*There is no compensation for active members, so number of active members is used instead.									
Texas Municipal Retirement System (TMRS)									
Actuarially determined contribution	\$ 3,430,049	\$ 3,171,548	\$ 3,081,345	\$ 2,660,844	\$ 2,618,761	\$ 2,495,533	\$ 2,384,392	\$ 2,221,294	\$ 2,041,476
Contributions in relation to the actuarially determined contributions	3,430,049	3,171,548	3,081,345	2,660,844	2,618,761	2,495,533	2,384,392	2,221,294	2,041,476
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	39,200,541	38,477,793	35,453,838	31,316,511	31,009,300	29,326,387	28,707,904	28,187,323	25,843,740
Contributions as a percentage of covered payroll	8.75%	8.24%	8.69%	8.50%	8.45%	8.51%	8.31%	7.88%	7.90%

Notes to Schedule of Contributions

GASB 68 requires 10 fiscal years of data to be provided in this schedule. However, until a full 10-year trend is compiled, this schedule provides the information of those years for which information is available.

CITY OF MISSION, TEXAS
SCHEDULE OF CHANGES IN THE TOTAL OTHER POST EMPLOYMENT
BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

PLAN YEAR ENDED DECEMBER 31,						
	2023	2022	2021	2020	2019	2018
Total OPEB health benefit liability (THP)						
Service cost	\$ 190,473	\$ 329,285	\$ 324,390	\$ 317,252	\$ 111,966	\$ 109,235
Interest	154,019	103,691	96,335	173,961	151,729	173,867
Changes of benefit term	-	-	-	(1,328,771)	-	-
Difference between expected and actual experience	-	(1,208,101)	-	306,073	55,046	194,658
Changes of assumptions or other inputs	-	(379,895)	-	(573,806)	326,189	-
Benefit payments	(85,053)	(86,975)	(110,275)	(105,526)	(193,101)	(345,959)
Net change in total OPEB liability	259,439	(1,241,995)	310,450	(1,210,817)	451,829	131,801
Total OPEB liability - beginning	3,080,462	4,322,457	4,012,007	5,222,824	4,770,995	4,639,194
Total OPEB liability - ending	3,339,901	3,080,462	4,322,457	4,012,007	5,222,824	4,770,995
Covered - Employee Payroll	\$ 31,966,418	\$ 31,035,357	\$ 29,136,370	\$ 28,287,738	\$ 18,502,671	\$ 18,051,386
Total OPEB Liability as a Percentage of Covered Employee Payroll	10.4%	9.9%	14.8%	14.2%	28.2%	26.4%
Notes to Schedule						
There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.						
<i>Changes of Benefit Terms:</i>						
None						
<i>Changes of Assumptions:</i>						
Changes of assumptions and other inputs reflect the effects of changes in the discount rate period.						
The following are the discount rates used in each period						
	4.77%	4.77%	2.25%	2.25%	3.17%	3.73%
PLAN YEAR ENDED DECEMBER 31,						
	2023	2022	2021	2020	2019	2018
Total OPEB health benefit liability (SDBF)						
Service cost	\$ 148,962	\$ 141,361	\$ 109,118	\$ 75,026	\$ 83,222	\$ 68,967
Interest	38,477	37,764	41,649	49,483	38,087	35,828
Changes of benefit term	-	-	-	-	-	-
Difference between expected and actual experience	(41,940)	(24,709)	(43,360)	(221,385)	161,654	-
Changes of assumptions or other inputs	(774,949)	69,162	266,157	267,001	(89,661)	96,765
Benefit payments	(23,520)	(25,372)	(6,613)	(6,252)	(5,944)	(5,747)
Net change in total OPEB liability	(652,970)	198,206	366,951	163,873	187,358	195,813
Total OPEB liability - beginning	2,028,410	1,830,204	1,463,253	1,299,380	1,112,022	916,209
Total OPEB liability - ending	1,375,440	2,028,410	1,830,204	1,463,253	1,299,380	1,112,022
Covered - Employee Payroll	\$ 39,200,541	\$ 36,246,298	\$ 33,066,058	\$ 31,260,874	\$ 29,722,014	\$ 28,736,135
Total OPEB Liability as a Percentage of Covered Employee Payroll	3.51%	5.60%	5.53%	4.68%	4.37%	3.87%
Notes to Schedule						
There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.						
<i>Changes of Benefit Terms:</i>						
None						
<i>Changes of Assumptions:</i>						
Changes of assumptions and other inputs reflect the effects of changes in the discount rate period.						
The following are the discount rates used in each period						
	2.00%	2.00%	2.00%	2.75%	3.17%	3.31%

CITY OF MISSION, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

The City follows these procedures in establishing the budgetary data reflected in the budgetary schedules:

1. The City Manager submits a proposed operating budget for all funds, as mandated by the City Charter, to the City Council 60 to 90 days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council selects the time and place of a public hearing on the budget to obtain taxpayer comments.
3. The appropriated budget is adopted by a majority vote of the City Council, and signed into law by a budget ordinance.
4. The budget amounts used in this report are as amended by the City Council.
5. Budgetary appropriations lapse at the end of each fiscal year.
6. The total estimated expenditures of the General Fund and Debt Service Fund may not exceed the total estimated revenues plus cash on hand of each fund.
7. The current level of budgetary control is the department level within each fund.

Due to the City's budgetary control level (department), the City Council approved several supplemental budgetary appropriations throughout the year. Approved budgetary appropriations increased the following budgets by:

Special Revenue Funds	\$ 1,470,630
Capital Project Funds	\$ 24,057,805

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Significant outstanding encumbrances in the General Fund are classified as assigned.

During the year ended September 30, 2023, three General Fund Department expenditures exceeded appropriations by a total of \$65,168. See Exhibit B-1.

CITY OF MISSION, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

Budget to GAAP Reconciliation

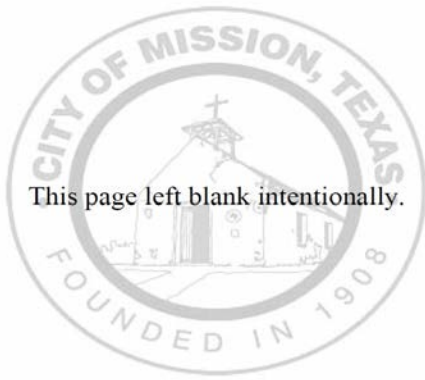
The following is an explanation of differences between budgetary basis and GAAP revenues and expenditures:

<u>Revenues:</u>	<u>General Fund</u>
Actual revenues (budgetary basis) from the budgetary comparison schedule (Exhibit B-1)	\$ 51,342,168
Adjustments due to GASB Statement 54:	
Capital Asset Replacement Fund revenues	14
Boys and Girls Club revenues	178,366
Total adjustments necessary	<u>51,520,548</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds (Exhibit A-5)	<u>\$ 51,520,548</u>

Note: Does not include other financing resources.

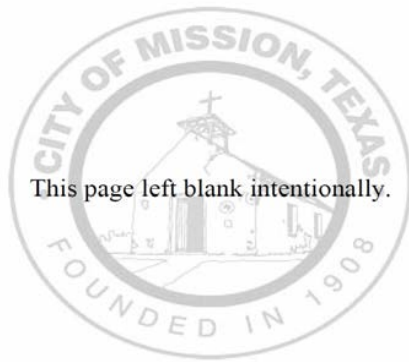
Budget to GAAP Reconciliation

<u>Expenditures:</u>	<u>General Fund</u>
Actual revenues (budgetary basis) from the budgetary comparison schedule (Exhibit B-1)	\$ 48,119,361
Adjustments due to GASB Statement 54:	
Capital Asset Replacement Fund revenues	2,406,552
Boys and Girls Club revenues	855,339
Total adjustments necessary	<u>51,381,252</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds (Exhibit A-5)	<u>\$ 51,381,252</u>



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OTHER SUPPLEMENTARY INFORMATION



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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditures for particular purposes.

Community Development Block Grant (CDBG): To account for federal funds granted to the City for the sole purpose of improving the health and welfare of the community.

Police Department Special Fund: To account for monies confiscated in drug related cases; expenditures from the fund are restricted for law enforcement purposes.

Police Federal Sharing Fund: To account for federal seizures awarded to the City. Expenditures are restricted for law enforcement purposes.

Municipal Court Technology Fund: To account for collections and expenditures of municipal court technology fee.

Drainage Assessment Fund: To account for the cost of drainage improvements at problem locations throughout the City. Property owners in the City are assessed a monthly amount according to a set rate schedule.

Cemetery Fund: To account for fees associated with the maintenance of the City's cemeteries. The City currently has three cemeteries that it must maintain: Laurel Cemetery, Catholic Cemetery, and San Jose Cemetery.

Records Preservation Fund: To account for fees collected for providing preservation of records.

Speer Memorial Library Fund: To account for contributions from private sources restricted to the provision of scholarships and library books.

Hotel/Motel Tax Fund: To account for collections and expenditures of hotel and motel taxes to promote tourism.

Municipal Court Building Security Fund: To account for fees collected for providing security to the Municipal Court Building.

Park Dedication Fund: To account for park dedication fees received from developers for new parks and park improvements.

NON-MAJOR GOVERNMENTAL FUNDS (CONT'D)

SPECIAL REVENUE FUNDS (Cont'd)

Juvenile Case Manager: To account for fines collected on fine-only misdemeanor offense cases and fees are to be used only to finance the salary and benefits of a juvenile case manager.

PEG Capital Fund: To account for PEG capital fees received from holders of a state issued certificate of franchise authority that constitute 1% of their gross revenue. These revenues, under state and federal law, must be separated from general fund revenue and may only be used for capital costs of PEG facilities.

Veterans Cemetery Fund: To account for management and operation of the Rio Grandy Valley State Veterans Cemetery.

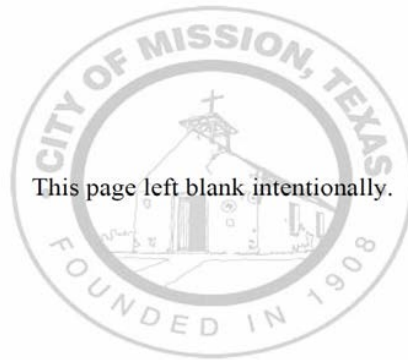
Tax Increment Reinvestment Zone Fund: To account for a portion of property taxes levied by the City and Hidalgo County to facilitate the provision of public works or improvements.

Mission Economic Development Authority: To provide development activities that could not be carried out by the Mission Economic Development Corporation. City of Mission management has operational and fiscal responsibility for this component unit. MEDA is presented as a Blended Component Unit - Special Revenue Fund of the City as MEDA's current limited activity exclusively benefits the City.

CAPITAL PROJECT FUNDS

Capital Projects Fund: To account for the construction of capital projects not funded through debt obligations.

2018 Certificates of Obligations: To account for the purchase of commercial sanitation vehicles, commercial garbage bins, construction, repair, rehabilitation, renovation of municipal building and to engage engineers for the purpose of planning/designing public utilities and improvements in the southwestern part of the City.



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CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

EXHIBIT C-1

	Special Revenue Funds	2018 Certificates of Obligation	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS			
Cash and cash equivalents	\$ 192,780	\$ 1,817,537	\$ 2,010,317
Investments	795,037	3,206,847	4,001,884
Receivables:	-	-	-
Accounts	405,420	-	405,420
Special assessments	192,784	-	192,784
Less: allowance for uncollectibles	(19,713)	-	(19,713)
Accrued interest receivable	85	-	85
Other	-	-	-
Due from other governments	3,811,406	-	3,811,406
Due from other funds	2,620,756	-	2,620,756
Due from component unit	-	-	-
Land held for resale	1,267,121	-	1,267,121
Total Assets	\$ 9,265,676	\$ 5,024,384	\$ 14,290,060
LIABILITIES			
Accounts payable	\$ 83,330	\$ 394,915	\$ 478,245
Other liabilities	11,490	-	11,490
Retainage payable	-	47,300	47,300
Accrued payroll	17,891	-	17,891
Due to other funds	361,838	257,330	619,168
Due to component unit	3,740,740	-	3,740,740
Unearned revenue	659,678	-	659,678
Total Liabilities	4,874,967	699,545	5,574,512
FUND BALANCES			
Restricted	4,390,709	4,324,839	8,715,548
Total Fund Balances	4,390,709	4,324,839	8,715,548
Total Liabilities and Fund Balances	\$ 9,265,676	\$ 5,024,384	\$ 14,290,060

CITY OF MISSION, TEXAS
EXHIBIT C-2

*COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023*

	Special Revenue Funds	2018 Certificates of Obligation	Total Nonmajor Governmental Funds (See Exhibit A-5)
REVENUES			
Taxes and special assessments	\$ 5,881,273	\$ -	\$ 5,881,273
Intergovernmental	5,660,323	-	5,660,323
Charges for services	1,047,442	-	1,047,442
Interest and other	8,788	189,696	198,484
Miscellaneous revenue	127,377	-	127,377
Total Revenues	<u>12,725,203</u>	<u>189,696</u>	<u>12,914,899</u>
EXPENDITURES			
Current:			
General government	2,516,478	-	2,516,478
Public safety	190,760	-	190,760
Highways and streets	1,211,819	-	1,211,819
Health and welfare	43,161	-	43,161
Culture and recreation	583,881	-	583,881
Economic development	7,810,396	-	7,810,396
Capital projects	-	1,405,942	1,405,942
Debt service:			
Principal	55,304	-	55,304
Interest and fiscal agent fees	5,695	-	5,695
Total Expenditures	<u>12,417,494</u>	<u>1,405,942</u>	<u>13,823,436</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>307,709</u>	<u>(1,216,246)</u>	<u>(908,537)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of debt - Leases and SBITAs	144	-	144
Proceeds from sale of assets	195,033	-	195,033
Transfers in	-	-	-
Transfers out	(800,000)	-	(800,000)
Net Other Financing Sources (Uses)	<u>(604,823)</u>	<u>-</u>	<u>(604,823)</u>
Net Change in Fund Balances	(297,114)	(1,216,246)	(1,513,360)
Fund Balances at Beginning of Year	3,740,413	5,541,085	9,281,498
Prior period adjustment	947,410	-	947,410
Beginning - as restated	<u>4,687,823</u>	<u>5,541,085</u>	<u>10,228,908</u>
Fund Balances at End of Year	<u>\$ 4,390,709</u>	<u>\$ 4,324,839</u>	<u>\$ 8,715,548</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023

EXHIBIT C-3

	<u>CDBG</u>	<u>Police Department Special Fund</u>	<u>Police Federal Sharing Fund</u>	<u>Municipal Court Technology Fund</u>
ASSETS				
Cash and cash equivalents	\$ 49,505	\$ -	\$ -	\$ -
Investments	-	32,336	-	-
Receivables:				
Accounts	169	-	2,828	-
Special assessments	-	-	-	-
Less: allowance for uncollectibles	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	39,896	-	-	-
Due from other funds	767	42,161	555,209	251,491
Due from component unit	-	-	-	-
Land held for resale	-	-	-	-
Total Assets	<u>\$ 90,337</u>	<u>\$ 74,497</u>	<u>\$ 558,037</u>	<u>\$ 251,491</u>
LIABILITIES				
Accounts payable	\$ 39,065	\$ -	\$ 975	\$ -
Other liabilities	2,507	775	-	-
Accrued payroll	4,008	-	-	-
Due to other funds	44,757	-	-	-
Due to component unit	-	-	-	-
Unearned revenue	-	-	-	-
Total Liabilities	<u>90,337</u>	<u>775</u>	<u>975</u>	<u>-</u>
FUND BALANCES				
Restricted	-	73,722	557,062	251,491
Total fund balances	<u>-</u>	<u>73,722</u>	<u>557,062</u>	<u>251,491</u>
Total liabilities and fund balances	<u>\$ 90,337</u>	<u>\$ 74,497</u>	<u>\$ 558,037</u>	<u>\$ 251,491</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023

EXHIBIT C-3

Drainage Assessment Fund	Cemetery Fund	Records Preservation Fund	Speer Memorial Library	Hotel/Motel Tax Fund
\$ -	\$ -	\$ -	\$ -	\$ -
481,419	-	-	-	67,431
-	-	-	-	377,621
192,784	-	-	-	-
(19,713)	-	-	-	-
2	-	-	-	9
-	-	-	-	-
-	19,544	12,248	27,477	104,147
-	-	-	-	-
-	-	-	-	-
<u>\$ 654,492</u>	<u>\$ 19,544</u>	<u>\$ 12,248</u>	<u>\$ 27,477</u>	<u>\$ 549,208</u>
\$ 30,002	\$ 577	\$ -	\$ -	\$ -
922	-	-	-	-
2,780	-	-	-	-
209,998	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>243,702</u>	<u>577</u>	<u>-</u>	<u>-</u>	<u>-</u>
410,790	18,967	12,248	27,477	549,208
<u>410,790</u>	<u>18,967</u>	<u>12,248</u>	<u>27,477</u>	<u>549,208</u>
<u>\$ 654,492</u>	<u>\$ 19,544</u>	<u>\$ 12,248</u>	<u>\$ 27,477</u>	<u>\$ 549,208</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023

EXHIBIT C-3

	Municipal Court Building Security Fund	Park Dedication Fund	Juvenile Case Manager Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Special assessments	-	-	-
Less: allowance for uncollectibles	-	-	-
Accrued interest receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	180,979	606,966	174,210
Due from component unit	-	-	-
Land held for resale	-	-	-
Total Assets	<u>\$ 180,979</u>	<u>\$ 606,966</u>	<u>\$ 174,210</u>
LIABILITIES			
Accounts payable	\$ -	\$ 1,933	\$ 968
Other liabilities	-	-	1,055
Accrued payroll	-	-	606
Due to other funds	-	-	666
Due to component unit	-	-	-
Unearned revenue	-	605,033	-
Total Liabilities	<u>-</u>	<u>606,966</u>	<u>3,295</u>
FUND BALANCES			
Restricted	180,979	-	170,915
Total fund balances	<u>180,979</u>	<u>-</u>	<u>170,915</u>
Total liabilities and fund balances	<u>\$ 180,979</u>	<u>\$ 606,966</u>	<u>\$ 174,210</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023

EXHIBIT C-3

PEG Capital Fund	Veteran's Cemetery Fund	Tax Increment Reinvestment Zone Fund	Mission Economic Development Authority	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ -	\$ 100	\$ -	\$ 143,175	\$ 192,780
213,851	-	-	-	795,037
24,802	-	-	-	405,420
-	-	-	-	192,784
-	-	-	-	(19,713)
74	-	-	-	85
-	187,500	3,584,010	-	3,811,406
485,272	-	160,285	-	2,620,756
-	-	-	-	-
-	-	-	1,267,121	1,267,121
<u>\$ 723,999</u>	<u>\$ 187,600</u>	<u>\$ 3,744,295</u>	<u>\$ 1,410,296</u>	<u>\$ 9,265,676</u>
\$ -	\$ 9,810	\$ -	\$ -	\$ 83,330
-	6,231	-	-	11,490
-	10,497	-	-	17,891
-	106,417	-	-	361,838
-	-	3,740,740	-	3,740,740
-	54,645	-	-	659,678
<u>-</u>	<u>187,600</u>	<u>3,740,740</u>	<u>-</u>	<u>4,874,967</u>
<u>723,999</u>	<u>-</u>	<u>3,555</u>	<u>1,410,296</u>	<u>4,390,709</u>
<u>723,999</u>	<u>-</u>	<u>3,555</u>	<u>1,410,296</u>	<u>4,390,709</u>
<u>\$ 723,999</u>	<u>\$ 187,600</u>	<u>\$ 3,744,295</u>	<u>\$ 1,410,296</u>	<u>\$ 9,265,676</u>

CITY OF MISSION, TEXAS

EXHIBIT C-4

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	CDBG	Police Department Special Fund	Police Federal Sharing Fund
REVENUES			
Taxes and special assessments	\$ -	\$ -	\$ -
Intergovernmental	1,619,709	3,000	453,604
Charges for services	-	-	-
Interest and other	-	1,432	198
Miscellaneous revenue	-	363	572
Total Revenues	<u>1,619,709</u>	<u>4,795</u>	<u>454,374</u>
EXPENDITURES			
Current:			
General government	1,567,183	-	-
Public safety	-	52,554	138,206
Highway and streets	-	-	-
Health and welfare	43,161	-	-
Culture and recreation	-	-	-
Economic development	-	-	-
Debt service:			
Principal	9,245	-	-
Interest and fiscal charges	265	-	-
Total Expenditures	<u>1,619,854</u>	<u>52,554</u>	<u>138,206</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(145)</u>	<u>(47,759)</u>	<u>316,168</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of debt - Leases and SBITAs	144	-	-
Proceeds from sale of assets	-	4,284	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>144</u>	<u>4,284</u>	<u>-</u>
Net Change in Fund Balances	(1)	(43,475)	316,168
Fund Balances at Beginning of Year	1	117,197	240,894
Prior period adjustment	-	-	-
Beginning - as restated	<u>1</u>	<u>117,197</u>	<u>240,894</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 73,722</u>	<u>\$ 557,062</u>

CITY OF MISSION, TEXAS

EXHIBIT C-4

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Municipal Court Technology Fund	Drainage Assessment Fund	Cemetery Fund	Records Preservation Fund	Speer Memorial Library	Hotel/Motel Tax Fund
\$ -	\$ 1,189,200	\$ -	\$ -	\$ -	\$ 664,261
-	-	-	-	-	-
49,767	-	-	8,986	-	-
-	6,097	-	-	-	245
-	8,680	-	-	-	1,944
<u>49,767</u>	<u>1,203,977</u>	<u>-</u>	<u>8,986</u>	<u>-</u>	<u>666,450</u>
780	-	1,286	6,910	-	-
-	-	-	-	-	-
-	1,211,819	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	353,630
-	-	-	-	-	-
2,432	40,823	-	-	-	-
17	5,345	-	-	-	-
<u>3,229</u>	<u>1,257,987</u>	<u>1,286</u>	<u>6,910</u>	<u>-</u>	<u>353,630</u>
46,538	(54,010)	(1,286)	2,076	-	312,820
-	-	-	-	-	-
-	-	-	-	-	-
-	(500,000)	-	-	-	(300,000)
-	(500,000)	-	-	-	(300,000)
46,538	(554,010)	(1,286)	2,076	-	12,820
204,953	964,800	20,253	10,172	27,477	536,388
-	-	-	-	-	-
<u>204,953</u>	<u>964,800</u>	<u>20,253</u>	<u>10,172</u>	<u>27,477</u>	<u>536,388</u>
<u>\$ 251,491</u>	<u>\$ 410,790</u>	<u>\$ 18,967</u>	<u>\$ 12,248</u>	<u>\$ 27,477</u>	<u>\$ 549,208</u>

CITY OF MISSION, TEXAS

EXHIBIT C-4

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Municipal Court Building Security Fund	Park Dedication Fund	Juvenile Case Manager Fund
REVENUES			
Taxes and special assessments	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	30,971	230,251	32,112
Interest and other	198	-	-
Miscellaneous revenue	572	-	-
Total Revenues	<u>31,741</u>	<u>230,251</u>	<u>32,112</u>
EXPENDITURES			
Current:			
General government	2,600	-	38,917
Public safety	-	-	-
Highway and streets	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	230,251	-
Economic development	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>2,600</u>	<u>230,251</u>	<u>38,917</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>29,141</u>	<u>-</u>	<u>(6,805)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of debt - Leases and SBITAs	-	-	-
Proceeds from sale of assets	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	29,141	-	(6,805)
Fund Balances at Beginning of Year	151,838	-	177,720
Prior period adjustment	-	-	-
Beginning - as restated	<u>151,838</u>	<u>-</u>	<u>177,720</u>
Fund Balances at End of Year	<u>\$ 180,979</u>	<u>\$ -</u>	<u>\$ 170,915</u>

CITY OF MISSION, TEXAS

EXHIBIT C-4

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

PEG Capital Fund	Veteran's Cemetery Fund	Tax Increment Reinvestment Zone Fund	Mission Economic Development Authority	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ -	\$ -	\$ 4,027,812	\$ -	\$ 5,881,273
-	-	3,584,010	-	5,660,323
-	695,355	-	-	1,047,442
618	-	-	-	8,788
115,246	-	-	-	127,377
<u>115,864</u>	<u>695,355</u>	<u>7,611,822</u>	<u>-</u>	<u>12,725,203</u>
206,319	692,483	-	-	2,516,478
-	-	-	-	190,760
-	-	-	-	1,211,819
-	-	-	-	43,161
-	-	-	-	583,881
-	-	7,611,822	198,574	7,810,396
-	2,804	-	-	55,304
-	68	-	-	5,695
<u>206,319</u>	<u>695,355</u>	<u>7,611,822</u>	<u>198,574</u>	<u>12,417,494</u>
<u>(90,455)</u>	<u>-</u>	<u>-</u>	<u>(198,574)</u>	<u>307,709</u>
-	-	-	-	144
-	-	-	190,749	195,033
-	-	-	-	(800,000)
-	-	-	190,749	(604,823)
<u>(90,455)</u>	<u>-</u>	<u>-</u>	<u>(7,825)</u>	<u>(297,114)</u>
814,454	-	3,555	470,711	3,740,413
-	-	-	947,410	947,410
<u>814,454</u>	<u>-</u>	<u>3,555</u>	<u>1,418,121</u>	<u>4,687,823</u>
<u>\$ 723,999</u>	<u>\$ -</u>	<u>\$ 3,555</u>	<u>\$ 1,410,296</u>	<u>\$ 4,390,709</u>

CITY OF MISSION, TEXAS
COMMUNITY DEVELOPMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-5

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental:			
Community Development Block Grant	\$ 1,914,353	\$ 1,619,709	\$ (294,644)
Total Intergovernmental	1,914,353	1,619,709	(294,644)
Total Revenues	1,914,353	1,619,709	(294,644)
Expenditures:			
Current:			
General Government:			
General administration	765,990	620,725	145,265
Housing rehabilitation	1,104,363	946,458	157,905
Total General Government	1,870,353	1,567,183	303,170
Health and Welfare:			
Other social services	44,000	43,161	839
Total Health and Welfare	44,000	43,161	839
Debt service:			
Principal retirement	-	9,245	(9,245)
Interest	-	265	(265)
Total Debt Service	-	9,510	(9,510)
Total Expenditures	1,914,353	1,619,854	294,499
Excess (deficiency) of revenues over (under) expenditures	-	(145)	(145)
Other Financing Sources			
Leases and SBITAs	-	144	144
Total other financing sources	-	144	144
Net Change in Fund Balance	-	(1)	(1)
Fund balance, beginning of year	-	1	(1)
Fund balance, end of year	\$ -	\$ -	\$ (2)

CITY OF MISSION, TEXAS
POLICE DEPARTMENT SPECIAL FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-6

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental:			
State seizures	\$ -	\$ 3,000	\$ 3,000
Total State Seizures	-	3,000	3,000
Interest:			
Interest earned on investments	-	1,432	1,432
Total Interest	-	1,432	1,432
Miscellaneous:			
Miscellaneous income	-	363	363
Total Miscellaneous	-	363	363
Total Revenues	-	4,795	4,795
Expenditures:			
Current:			
Public Safety:			
State Seizures:			
Purchased property services	10,450	9,250	1,200
Supplies	24,550	20,848	3,702
Capital outlays	70,000	22,456	47,544
Total Public Safety	105,000	52,554	52,446
Total Expenditures	105,000	52,554	52,446
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,000)	(47,759)	57,241
Other Financing Sources (Uses):			
Sale of capital assets	-	4,284	4,284
Total Other Financing Sources (Uses)	-	4,284	4,284
Net Change in Fund Balance	(105,000)	(43,475)	61,525
Fund balance, Beginning of Year	6,392	117,197	(110,805)
Fund balance, End of Year	<u>\$ (98,608)</u>	<u>\$ 73,722</u>	<u>\$ (49,280)</u>

CITY OF MISSION, TEXAS
POLICE FEDERAL SHARING FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-7

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Equitable sharing	\$ -	\$ 453,604	\$ 453,604
Total State Seizures	-	453,604	453,604
Interest:			
Interest earned on investments	-	198	198
Total Interest	-	198	198
Miscellaneous:			
Miscellaneous income	-	572	572
Total Miscellaneous	-	572	572
Total Revenues	-	454,374	454,374
Expenditures:			
Current:			
Public Safety:			
State Seizures:			
Purchased property services	-	365	(365)
Supplies	40,000	59,987	(19,987)
Capital outlays	190,000	77,854	112,146
Total Public Safety	230,000	138,206	91,794
Total Expenditures	230,000	138,206	91,794
Net Change in Fund Balance	(230,000)	316,168	546,168
Fund balance, Beginning of Year	89,092	240,894	(151,802)
Fund balance, End of Year	\$ (140,908)	\$ 557,062	\$ 394,366

CITY OF MISSION, TEXAS
MUNICIPAL COURT TECHNOLOGY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-8

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for Services:			
Court technology fees	\$ 30,000	\$ 49,767	\$ 19,767
Total Charges for Services	<u>30,000</u>	<u>49,767</u>	<u>19,767</u>
Interest:			
Interest earned on investments	<u>400</u>	<u>-</u>	<u>(400)</u>
Total Interest	<u>400</u>	<u>-</u>	<u>(400)</u>
Total Revenues	<u>30,400</u>	<u>49,767</u>	<u>19,367</u>
Expenditures:			
Current:			
General Government:			
State Seizures:			
Purchased property services	2,407	(42)	2,449
Supplies	1,000	822	178
Capital outlays	70,000	-	70,000
Miscellaneous	1,000	-	1,000
Total General Government	<u>74,407</u>	<u>780</u>	<u>72,627</u>
Debt service:			
Principal	-	2,432	(2,432)
Interest	-	17	(17)
Total Debt Service	<u>-</u>	<u>2,449</u>	<u>(2,449)</u>
Total Expenditures	<u>74,407</u>	<u>3,229</u>	<u>72,627</u>
Net Change in Fund Balance	(44,007)	46,538	91,994
Fund balance, Beginning of Year	<u>116,148</u>	<u>204,953</u>	<u>(88,805)</u>
Fund balance, End of Year	<u>\$ 72,141</u>	<u>\$ 251,491</u>	<u>\$ 3,189</u>

CITY OF MISSION, TEXAS
DRAINAGE ASSESSMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-9

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Special Assessments:			
Drainage assessments	\$ 1,100,000	\$ 1,185,826	\$ 85,826
Drainage assessments-Granjeno	3,000	3,374	374
Total Assessments	<u>1,103,000</u>	<u>1,189,200</u>	<u>86,200</u>
Interest:			
Interest earned on investments	<u>1,000</u>	<u>6,097</u>	<u>5,097</u>
Total Interest	<u>1,000</u>	<u>6,097</u>	<u>5,097</u>
Miscellaneous:			
Miscellaneous income	<u>100</u>	<u>8,680</u>	<u>8,580</u>
Total Miscellaneous	<u>100</u>	<u>8,680</u>	<u>8,580</u>
Total Revenues	<u>1,104,100</u>	<u>1,203,977</u>	<u>99,877</u>
Expenditures:			
Current:			
Highways and Streets:			
Personal services	108,044	107,080	964
Employee benefits	45,457	41,986	3,471
Professional & technical services	50,000	-	50,000
Purchased property services	75,000	29,000	46,000
Supplies	52,500	36,158	16,342
Capital outlays	1,162,000	962,186	199,814
Miscellaneous	18,000	23,879	(5,879)
Bad debt expense	-	11,530	(11,530)
Total Public Safety	<u>1,511,001</u>	<u>1,211,819</u>	<u>299,182</u>

CITY OF MISSION, TEXAS
DRAINAGE ASSESSMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-9

	<u>Budgeted</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Debt service:			
Principal retirement	40,823	40,823	-
Interest	5,345	5,345	-
Total Debt Service	<u>46,168</u>	<u>46,168</u>	<u>-</u>
Total Expenditures	<u>1,557,169</u>	<u>1,257,987</u>	<u>299,182</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(453,069)	(54,010)	399,059
Other Financing Sources (Uses):			
Transfers out	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net Change in Fund Balance	(953,069)	(554,010)	399,059
Fund balance, Beginning of Year	<u>1,130,588</u>	<u>964,800</u>	<u>165,788</u>
Fund balance, End of Year	<u>\$ 177,519</u>	<u>\$ 410,790</u>	<u>\$ 564,847</u>

CITY OF MISSION, TEXAS
CEMETERY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-10

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Perpetual care	\$ -	\$ -	\$ -
Total Charges for Services	-	-	-
Total Revenues	-	-	-
Expenditures:			
Current:			
General Government:			
Supplies	5,650	1,286	4,364
Capital outlays	12,500	-	12,500
Total General Government	18,150	1,286	16,864
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total Debt service	-	-	-
Total Expenditures	18,150	1,286	16,864
Other Financing Sources			
Leases and SBITAs	-	-	-
Total other financing sources	-	-	-
Net Change in Fund Balance	(18,150)	(1,286)	16,864
Fund balance, Beginning of Year	44,506	20,253	24,253
Fund balance, End of Year	\$ 26,356	\$ 18,967	\$ 41,117

CITY OF MISSION, TEXAS
RECORDS PRESERVATION FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-11

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for Services:			
Vital statistics preservation fee	\$ 6,000	\$ 8,986	\$ 2,986
Total Charges for Services	<u>6,000</u>	<u>8,986</u>	<u>2,986</u>
Total Revenues	<u>6,000</u>	<u>8,986</u>	<u>2,986</u>
Expenditures:			
Current:			
General Government:			
Record Preservation:			
Supplies	5,500	6,910	(1,410)
Capital outlays	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total Record Preservation	<u>6,500</u>	<u>6,910</u>	<u>(410)</u>
Total Expenditures	<u>6,500</u>	<u>6,910</u>	<u>(410)</u>
Net Change in Fund Balance	(500)	2,076	2,576
Fund balance, Beginning of Year	<u>3,695</u>	<u>10,172</u>	<u>(6,477)</u>
Fund balance, End of Year	<u>\$ 3,195</u>	<u>\$ 12,248</u>	<u>\$ (3,901)</u>

CITY OF MISSION, TEXAS
SPEER MEMORIAL LIBRARY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-12

	<u>Budgeted</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Interest:			
Interest earned on investments	\$ -	\$ -	\$ -
Total Interest	-	-	-
Total Revenues	-	-	-
Expenditures:			
Library-supplies	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance, Beginning of Year	27,477	27,477	-
Fund balance, End of Year	<u>\$ 27,477</u>	<u>\$ 27,477</u>	<u>\$ -</u>

CITY OF MISSION, TEXAS
HOTEL/MOTEL TAX FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-13

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Tax:			
Hotel occupancy tax	\$ 475,000	\$ 664,081	\$ 189,081
Total Taxes	475,000	664,081	189,081
Interest:			
Interest earned on investments	100	425	325
Total Interest	100	425	325
Miscellaneous:			
Miscellaneous income	-	1,944	1,944
Total Miscellaneous	-	1,944	1,944
Total Revenues	475,100	666,450	191,350
Expenditures:			
Current:			
Culture and Recreation:			
Tourist Promotion & Advertising:			
Other purchased services	20,000	1,576	18,424
Miscellaneous	388,500	352,054	36,446
Total Public Safety	408,500	353,630	54,870
Total Expenditures	408,500	353,630	54,870
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,600	312,820	246,220
Other Financing Sources (Uses):			
Transfers out	(300,000)	(300,000)	-
Total Other Financing Sources (Uses)	(300,000)	(300,000)	-
Net Change in Fund Balance	(233,400)	12,820	246,220
Fund balance, Beginning of Year	309,859	536,388	(226,529)
Fund balance, End of Year	\$ 76,459	\$ 549,208	\$ 19,691

CITY OF MISSION, TEXAS
MUNICIPAL COURT BLDG SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-14

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for Services:			
Court technology fees	\$ 20,000	\$ 30,971	\$ 10,971
Total Charges for Services	<u>20,000</u>	<u>30,971</u>	<u>10,971</u>
Interest:			
Interest earned on investments	-	198	198
Total Interest	<u>-</u>	<u>198</u>	<u>198</u>
Miscellaneous:			
Miscellaneous income	-	572	572
Total Miscellaneous	<u>-</u>	<u>572</u>	<u>572</u>
Total Revenues	<u>20,000</u>	<u>31,741</u>	<u>11,741</u>
Expenditures:			
Current:			
General Government:			
Purchased property services	5,000	-	5,000
Other purchased services	15,000	2,600	12,400
Capital outlays	30,000	-	30,000
Total Public Safety	<u>50,000</u>	<u>2,600</u>	<u>47,400</u>
Total Expenditures	<u>50,000</u>	<u>2,600</u>	<u>47,400</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(30,000)	29,141	59,141
Fund balance, Beginning of Year	<u>69,522</u>	<u>151,838</u>	<u>(82,316)</u>
Fund balance, End of Year	<u>\$ 39,522</u>	<u>\$ 180,979</u>	<u>\$ (23,175)</u>

CITY OF MISSION, TEXAS
PARK DEDICATION FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-15

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for Services:			
Park dedication fee	\$ 477,226	\$ 230,251	\$ (246,975)
Total Charges for Services	<u>477,226</u>	<u>230,251</u>	<u>(246,975)</u>
Total Revenues	<u>477,226</u>	<u>230,251</u>	<u>(246,975)</u>
Expenditures:			
Current:			
Culture and Recreation:			
Zone 1-Northwest:			
Capital outlays	<u>62,545</u>	<u>8,804</u>	<u>53,741</u>
Zone 2-Northeast:			
Capital outlays	<u>258,556</u>	<u>221,447</u>	<u>37,109</u>
Zone 3-Southwest:			
Capital outlays	<u>8,610</u>	<u>-</u>	<u>8,610</u>
Zone 4-Southwest:			
Capital outlays	<u>147,515</u>	<u>-</u>	<u>147,515</u>
Total Debt Service	<u>477,226</u>	<u>230,251</u>	<u>246,975</u>
Net change in Fund Balance	-	-	-
Fund balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MISSION, TEXAS
JUVENILE CASE MANAGER FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-16

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Charges for Services:			
Juvenile case manager fee	\$ 30,000	\$ 32,112	\$ 2,112
Total Charges for Services	<u>30,000</u>	<u>32,112</u>	<u>2,112</u>
Total Revenues	<u>30,000</u>	<u>32,112</u>	<u>2,112</u>
Expenditures:			
Current:			
General Government:			
Personal services	26,825	26,826	(1)
Employee benefits	12,110	11,501	609
Other purchased services	3,000	-	3,000
Supplies	2,000	590	1,410
Total General Government	<u>43,935</u>	<u>38,917</u>	<u>5,018</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	(13,935)	(6,805)	7,130
Fund balance, Beginning of Year	<u>146,641</u>	<u>177,720</u>	<u>(31,079)</u>
Fund balance, End of Year	<u>\$ 132,706</u>	<u>\$ 170,915</u>	<u>\$ (23,949)</u>

CITY OF MISSION, TEXAS
PEG CAPITAL FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-17

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Interest:			
Interest earned on investments	<u>\$ 100</u>	<u>\$ 618</u>	<u>\$ 518</u>
Total Interest	<u>100</u>	<u>618</u>	<u>518</u>
Miscellaneous:			
Miscellaneous income	<u>120,000</u>	<u>115,246</u>	<u>(4,754)</u>
Total Miscellaneous Income	<u>120,000</u>	<u>115,246</u>	<u>(4,754)</u>
Total Revenues	<u>120,100</u>	<u>115,864</u>	<u>(4,236)</u>
Expenditures:			
Miscellaneous:			
Capital outlays	<u>800,000</u>	<u>206,319</u>	<u>593,681</u>
Total Miscellaneous	<u>800,000</u>	<u>206,319</u>	<u>593,681</u>
Total Expenditures	<u>800,000</u>	<u>206,319</u>	<u>593,681</u>
Net change in Fund Balance	<u>(679,900)</u>	<u>(90,455)</u>	<u>589,445</u>
Fund balance, Beginning of Year	<u>86,519</u>	<u>814,454</u>	<u>(727,935)</u>
Fund balance, End of Year	<u><u>\$ (593,381)</u></u>	<u><u>\$ 723,999</u></u>	<u><u>\$ (138,490)</u></u>

CITY OF MISSION, TEXAS
VETERAN'S CEMETERY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-18

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Veterans land baord reimbursement	\$ 750,000	\$ 695,355	\$ (54,645)
Total Charges for Services	750,000	695,355	(54,645)
Total Revenues	750,000	695,355	(54,645)
Expenditures:			
Current:			
General Government:			
Personal services	397,081	381,596	15,485
Employee benefits	163,649	145,035	18,614
Professional & technical services	68,182	62,959	5,223
Purchased property services	24,300	20,107	4,193
Other purchased property services	10,900	7,905	2,995
Supplies	68,077	59,787	8,290
Capital outlays	10,723	10,723	-
Miscellaneous	7,088	4,371	2,717
Total General Government	750,000	692,483	57,517
Debt service:			
Principal retirement	-	2,804	(2,804)
Interest	-	68	(68)
Total Debt Service	-	2,872	(2,872)
Total Expenditures	750,000	695,355	54,645
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other Financing Sources			
Leases and SBITAs	-	-	-
Total other financing sources	-	-	-
Net change in Fund Balance	-	-	-
Fund balance, Beginning of Year	-	-	-
Fund balance, End of Year	\$ -	\$ -	\$ -

CITY OF MISSION, TEXAS

EXHIBIT C-19

TAX INCREMENT REINVESTMENT ZONE FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Tax:			
Current ad valorem taxes	\$ 3,980,000	\$ 3,975,917	\$ (4,083)
Delinquent ad valorem taxes	40,000	51,895	11,895
Total Taxes	<u>4,020,000</u>	<u>4,027,812</u>	<u>7,812</u>
Intergovernmental:			
Contribution-Hidalgo county	<u>3,400,000</u>	<u>3,584,010</u>	<u>184,010</u>
Total Interest	<u>3,400,000</u>	<u>3,584,010</u>	<u>184,010</u>
Total Revenues	<u>7,420,000</u>	<u>7,611,822</u>	<u>191,822</u>
Expenditures:			
Current:			
Econmic Development	<u>7,420,000</u>	<u>7,611,822</u>	<u>(191,822)</u>
Total Public Safety	<u>7,420,000</u>	<u>7,611,822</u>	<u>(191,822)</u>
Total Expenditures	<u>7,420,000</u>	<u>7,611,822</u>	<u>(191,822)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Net change in Fund Balance	-	-	-
Fund balance, Beginning of Year	<u>3,555</u>	<u>3,555</u>	<u>-</u>
Fund balance, End of Year	<u>\$ 3,555</u>	<u>\$ 3,555</u>	<u>\$ -</u>

CITY OF MISSION, TEXAS
MISSION ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-20

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Interest:			
Interest earned on investments	\$ 100	\$ -	\$ (100)
Total Interest	<u>100</u>	<u>-</u>	<u>(100)</u>
Total Revenues	<u>100</u>	<u>-</u>	<u>(100)</u>
Expenditures:			
Economic Development	<u>499,485</u>	<u>198,574</u>	<u>-</u>
Total Expenditures	<u>499,485</u>	<u>198,574</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(499,385)	(198,574)	(100)
Other Financing Sources (Uses):			
Sale of capital assets	-	190,749	190,749
Total Other Financing Sources (Uses)	<u>-</u>	<u>190,749</u>	<u>190,749</u>
Net change in Fund Balance	(499,385)	(7,825)	190,649
Fund balance, Beginning of Year	(558,220)	470,711	(1,028,931)
Prior period adjustment	-	947,410	-
Beginning - as restated	<u>(558,220)</u>	<u>1,418,121</u>	<u>(1,028,931)</u>
Fund balance, End of Year	<u>\$ (1,057,605)</u>	<u>\$ 1,410,296</u>	<u>\$ (838,282)</u>

CITY OF MISSION, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-21

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes:			
Current ad valorem taxes	\$ 4,400,000	3,405,132	\$ (994,868)
Delinquent ad valorem taxes	110,000	116,465	6,465
Interest & penalties on taxes	75,000	90,754	15,754
Total State Seizures	<u>4,585,000</u>	<u>3,612,351</u>	<u>(972,649)</u>
Interest:			
Interest earned on investments	<u>1,000</u>	<u>375</u>	<u>(625)</u>
Total Interest	<u>1,000</u>	<u>375</u>	<u>(625)</u>
Miscellaneous:			
Miscellaneous income	<u>1,500,000</u>	<u>1,508,424</u>	<u>8,424</u>
Total Miscellaneous	<u>1,500,000</u>	<u>1,508,424</u>	<u>8,424</u>
Total Revenues	<u>6,086,000</u>	<u>5,121,150</u>	<u>(964,850)</u>
Expenditures:			
Current:			
Principal retirement	3,995,000	3,995,000	-
Interest and fiscal agent charges	<u>2,167,067</u>	<u>2,164,067</u>	<u>3,000</u>
Total Debt Service	<u>6,162,067</u>	<u>6,159,067</u>	<u>3,000</u>
Total Expenditures	<u>6,162,067</u>	<u>6,159,067</u>	<u>3,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(76,067)	(1,037,917)	(961,850)
Other Financing Sources (Uses):			
Transfers in	<u>950,000</u>	<u>950,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>950,000</u>	<u>950,000</u>	<u>-</u>
Net change in Fund Balance	873,933	(87,917)	(961,850)
Fund balance, Beginning of Year	<u>1,266,236</u>	<u>1,473,691</u>	<u>(207,455)</u>
Fund balance, End of Year	<u>\$ 2,140,169</u>	<u>\$ 1,385,774</u>	<u>\$ (1,169,305)</u>

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government’s council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government’s council has decided that periodic determination of net income is appropriate for accountability purposes.

Utility Fund: To account for the provision of water and sewer services to the residents of the City and some residents outside the city limits.

Golf Course Fund: To account for the operations and maintenance of Shary Municipal Golf Course.

Solid Waste Fund: To account for the provision of garbage and brush collection for the residents of the City.

Event Center Fund: To account for the operations and maintenance of a city venue which hosts weddings, receptions, birthday parties, reunions, gatherings for public and private use.

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

			Variance with Final Budget Positive (Negative)
<i>For the year ended September 30, 2023</i>	Budget	Actual	
Operating Revenues:			
Water sales, net of adjustment	\$ 14,227,000	14,242,471	\$ 15,471
Connection fee	200,000	227,675	27,675
Reconnect fee	150,000	65,445	(84,555)
W/W system cap recovery fee	55,000	162,270	107,270
Sewage service	7,597,000	8,184,851	587,851
Wastewater assessment	80,000	81,010	1,010
Service charge	60,000	84,082	24,082
Industrial sewer surcharge	30,000	6,509	(23,491)
Waterline and sewer line	2,000	-	(2,000)
RMA reimbursement	650,000	795,393	145,393
TIRZ reimbursement	2,589,339	1,621,702	(967,637)
5% credit card fee	30,000	32,357	2,357
Miscellaneous income	25,000	80,854	55,854
Total Revenues	25,695,339	25,584,619	(110,720)
Operating Expenses:			
Utility Administration:			
Personal services	853,252	707,741	145,511
Employee benefits	254,036	162,318	91,718
Purchased property services	26,300	24,464	1,836
Other purchased services	18,450	9,489	8,961
Supplies	6,900	4,138	2,762
Miscellaneous	500	207	293
	1,159,438	908,357	251,081
Water Distribution:			
Personal services	1,203,953	1,165,529	38,424
Employee benefits	573,919	439,026	134,893
Purchased property services	926,000	1,031,076	(105,076)
Other purchased services	32,500	31,055	1,445
Supplies	889,250	594,720	294,530
Capital outlays	1,067,100	-	1,067,100
Miscellaneous	12,450	9,322	3,128
	4,705,172	3,270,728	1,434,444

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

			Variance with Final Budget Positive (Negative)
<i>For the year ended September 30, 2023</i>	Budget	Actual	
Water Treatment:			
Personal services	506,453	517,183	(10,730)
Employee benefits	191,396	152,735	38,661
Professional & technical services	100,000	79,118	20,882
Purchased property services	270,500	305,604	(35,104)
Other purchased services	11,250	4,423	6,827
Supplies	993,800	855,481	138,319
Miscellaneous	152,250	153,582	(1,332)
	<u>2,225,649</u>	<u>2,068,126</u>	<u>157,523</u>
Wastewater Treatment and Collection:			
Personal services	531,724	454,661	77,063
Employee benefits	204,033	164,228	39,805
Professional & technical services	105,000	150,704	(45,704)
Purchased property services	772,000	905,219	(133,219)
Other purchased services	12,200	7,769	4,431
Supplies	181,250	107,326	73,924
Capital outlays	2,509,392	-	2,509,392
Miscellaneous	202,600	285,806	(83,206)
	<u>4,518,199</u>	<u>2,075,713</u>	<u>2,442,486</u>
Industrial Pretreatment:			
Personal services	54,963	56,152	(1,189)
Employee benefits	19,307	14,891	4,416
Purchased property services	115,000	76,171	38,829
Other purchased services	600	-	600
Supplies	6,525	2,004	4,521
Miscellaneous	125,000	33,018	91,982
	<u>321,395</u>	<u>182,236</u>	<u>139,159</u>
Utility Billing and Collection:			
Personal services	365,576	347,278	18,298
Employee benefits	144,724	111,356	33,368
Purchased property services	30,000	29,762	238
Other purchased services	154,600	109,026	45,574
Supplies	28,300	35,134	(6,834)
Capital outlays	46,442	-	46,442
Miscellaneous	6,150	5,039	1,111
	<u>775,792</u>	<u>637,595</u>	<u>138,197</u>

CITY OF MISSION, TEXAS

EXHIBIT C-22

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

			Variance with Final Budget Positive (Negative)
<i>For the year ended September 30, 2023</i>	Budget	Actual	
Organizational Expense:			
Professional & technical services	85,000	9,895	75,105
Purchased property services	24,000	18,342	5,658
Other purchased services	269,600	308,723	(39,123)
Capital outlays	-	-	-
Miscellaneous	359,700	545,911	(186,211)
	<u>738,300</u>	<u>882,871</u>	<u>(144,571)</u>
Meter Readers:			
Personal services	305,401	295,344	10,057
Employee benefits	131,612	107,440	24,172
Purchased property services	116,670	77,466	39,204
Other purchased services	11,750	8,787	2,963
Supplies	98,300	82,486	15,814
Miscellaneous	1,500	585	915
	<u>665,233</u>	<u>572,108</u>	<u>93,125</u>
Northside Water Treatment Plant:			
Personal services	460,016	483,802	(23,786)
Employee benefits	181,845	141,882	39,963
Professional & technical services	20,000	18,715	1,285
Purchased property services	573,000	631,728	(58,728)
Other purchased services	3,850	4,239	(389)
Supplies	1,762,050	2,232,848	(470,798)
Miscellaneous	201,500	200,690	810
	<u>3,202,261</u>	<u>3,713,904</u>	<u>(511,643)</u>
2021 PSI Project:			
Purchased property services	-	-	-
Supplies	-	-	-
Capital outlays	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation and amortization	-	5,590,682	(5,590,682)
Total operating expenses	<u>18,311,439</u>	<u>19,902,320</u>	<u>(1,590,881)</u>
Revenues over (under) expenses	7,383,900	5,682,299	(1,701,601)

CITY OF MISSION, TEXAS

EXHIBIT C-22

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

			Variance with Final Budget Positive (Negative)
<i>For the year ended September 30, 2023</i>	Budget	Actual	
Non-operating Revenues (Expenses)			
Gain (Loss) on disposal of capital assets	-	9,205	9,205
Interest earned	25,000	401,933	376,933
Insurance settlement	-	1,206	1,206
Bond interest expense	(1,037,034)	(939,913)	97,121
Bond fiscal charges	(4,400)	(3,800)	600
Total Non-operating Revenue (Expenses)	(1,016,434)	(531,369)	485,065
Transfers:			
Transfers in (out)	(2,783,707)	(2,723,356)	60,351
Capital contributions	250,000	3,571,859	3,321,859
Change in Net Position	3,833,759	5,999,433	2,165,674
Net Position, beginning of the year	(2,696,839)	63,384,153	(66,080,992)
Net Position, end of year	<u>\$ 1,136,920</u>	<u>\$ 69,383,586</u>	<u>\$ (63,915,318)</u>
Net Position (GAAP Basis)		<u>\$ 69,383,586</u>	

CITY OF MISSION, TEXAS

EXHIBIT C-23

GOLF COURSE FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Pro shop sales	\$ 60,000	75,933	\$ 15,933
Cart and club rental	200,000	196,124	(3,876)
Pull carts and club rentals	1,500	1,342	(158)
Food and beverage sales	100,000	104,433	4,433
Daily green fees	370,000	403,669	33,669
Trail fees	35,000	44,448	9,448
Juniors' fees	25,000	2,713	(22,287)
Prepaid members	105,000	141,392	36,392
Driving range	35,000	31,460	(3,540)
Miscellaneous income	2,500	1,543	(957)
Total revenues	934,000	1,003,057	69,057
Operating Expenses:			
Club House:			
Cost of sales-pro shop	80,000	2,094	77,906
Cost of sales-restaurant	80,000	50,366	29,634
	160,000	52,460	107,540
Golf Course Operation:			
Club House:			
Personal services	307,523	219,253	88,270
Employee benefits	105,892	123,062	(17,170)
Professional & technical services	6,000	-	6,000
Purchased property services	137,500	51,132	86,368
Other purchased services	7,650	10,916	(3,266)
Supplies	17,400	11,334	6,066
Miscellaneous	1,000	35	965
	582,965	415,732	167,233
Grounds:			
Personal services	374,365	339,112	35,253
Employee benefits	159,713	103,193	56,520
Purchased property services	50,000	27,911	22,089
Supplies	126,930	63,389	63,541
Miscellaneous	2,700	2,199	501
	713,708	535,804	177,904

CITY OF MISSION, TEXAS
GOLF COURSE FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-23

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Restaurant:			
Personal services	2,883	37,837	(34,954)
Employee benefits	8,449	4,428	4,021
Supplies	1,100	777	323
Capital outlays	10,000	-	10,000
Miscellaneous	900	1,078	(178)
	<u>23,332</u>	<u>44,120</u>	<u>(20,788)</u>
Organization Expense:			
Other purchased services	16,000	15,068	932
Miscellaneous	26,000	31,209	(5,209)
	<u>42,000</u>	<u>46,277</u>	<u>(4,277)</u>
Total Golf Course Operation	<u>1,362,005</u>	<u>1,041,933</u>	<u>320,072</u>
Depreciation and amortization	<u>-</u>	<u>347,320</u>	<u>(347,320)</u>
Total operating expenses	<u>1,522,005</u>	<u>1,441,713</u>	<u>80,292</u>
Revenues over (under) expenses	(588,005)	(438,656)	149,349
Non-operating Revenues (Expenses)			
Gain (Loss) on disposal of capital assets	-	-	-
Bond interest expense	<u>-</u>	<u>(10,318)</u>	<u>(10,318)</u>
Total Non-operating Revenue (Expenses)	<u>-</u>	<u>(10,318)</u>	<u>(10,318)</u>
Transfers:			
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	(588,005)	(448,974)	139,031
Net Position, beginning of the year	<u>(544,344)</u>	<u>(377,226)</u>	<u>(167,118)</u>
Net Position, end of year	<u>\$ (1,132,349)</u>	<u>\$ (826,200)</u>	<u>\$ (28,087)</u>
Net Position (GAAP Basis)		<u>\$ (826,200)</u>	

CITY OF MISSION, TEXAS

EXHIBIT C-24

SOLID WASTE

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Garbage Fees	\$ 7,267,000	\$ 7,346,185	\$ 79,185
Brush fees	813,500	1,143,267	329,767
Roll-off fees	50,000	68,943	18,943
Franchise fees	45,000	42,660	(2,340)
Miscellaneous income	3,500	5,229	1,729
Total revenues	8,179,000	8,606,284	427,284
Operating Expenses:			
Utility Administration:			
Personal services	1,754,312	1,737,222	17,090
Employee benefits	626,271	480,004	146,267
Purchased property services	695,800	406,591	289,209
Other purchased services	117,100	110,184	6,916
Supplies	1,651,000	1,417,002	233,998
Capital outlays	4,462,108	-	4,462,108
Solid Waste disposal	600,000	578,040	21,960
SW_Landfill-waste disposal service	925,000	815,662	109,338
SW_Landfill charges-ash disposal	16,000	1,227	14,773
SW_Landfill charges-brush	100,000	101,648	(1,648)
Miscellaneous	260,500	191,015	69,485
Depreciation and amortization	-	1,173,303	(1,173,303)
Total operating expenses	11,208,091	7,011,898	4,196,193
Revenues over (under) expenses	(3,029,091)	1,594,386	4,623,477

CITY OF MISSION, TEXAS

EXHIBIT C-24

SOLID WASTE

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

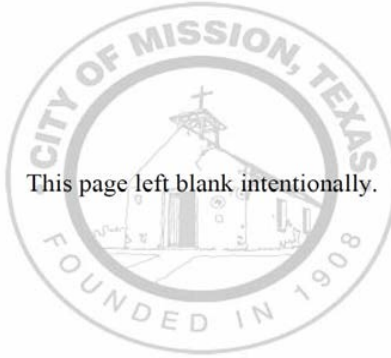
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget	Actual	Variance with Final Budget Positive (Negative)
Non-operating Revenues (Expenses)			
Interest earned	2,500	9,389	6,889
Gain (Loss) on sale of capital assets	-	(324)	(324)
Bond interest expense	(1,679)	(190,026)	(188,347)
Bond principal	(8,239)	-	8,239
Total Non-operating Revenue (Expenses)	(7,418)	(180,961)	(173,543)
Transfers:			
Transfers in (out)	(450,000)	(437,613)	12,387
Capital contributions	-	-	-
Change in Net Position	(3,486,509)	975,812	4,462,321
Net Position, beginning of the year	262,402	4,364,745	(4,102,343)
Net Position, end of year	<u>\$ (3,224,107)</u>	<u>\$ 5,340,557</u>	<u>\$ 359,978</u>
Net Position (GAAP Basis)		<u>\$ 5,340,557</u>	

CITY OF MISSION, TEXAS
EVENT CENTER FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

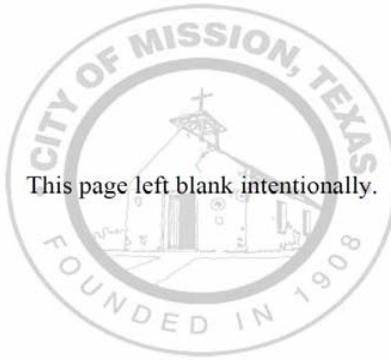
EXHIBIT C-25

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating Revenues:			
Rental revenues	\$ 200,000	\$ 307,847	\$ 107,847
Beverage sales	60,000	79,037	19,037
Miscellaneous income	-	1,097	1,097
	<u>260,000</u>	<u>387,981</u>	<u>127,981</u>
Operating Expenses:			
Utility Administration:			
Personal services	246,017	260,806	(14,789)
Employee benefits	91,054	71,056	19,998
Purchased property services	275,599	238,983	36,616
Other purchased services	85,600	62,993	22,607
Supplies	82,100	64,774	17,326
Capital outlays	23,963	-	23,963
Miscellaneous	131,500	39,652	91,848
Depreciation and amortization	-	32,438	(32,438)
	<u>935,833</u>	<u>770,702</u>	<u>165,131</u>
Total operating expenses			
	<u>935,833</u>	<u>770,702</u>	<u>165,131</u>
Revenues over (under) expenses	(675,833)	(382,721)	293,112
Non-operating Revenues (Expenses)			
Interest earned	100	-	(100)
Insurance settlement	-	-	-
Bond interest expense	-	(26)	(26)
	<u>100</u>	<u>(26)</u>	<u>(126)</u>
Total Non-operating Revenue (Expenses)			
	<u>100</u>	<u>(26)</u>	<u>(126)</u>
Transfers:			
Transfers in (out)	600,000	600,000	-
Change in Net Position	(75,733)	217,253	292,986
Net Position, beginning of the year	(2,356)	(240,496)	238,140
Net Position, end of year	<u>\$ (78,089)</u>	<u>\$ (23,243)</u>	<u>\$ 531,126</u>
Net Position (GAAP Basis)		<u>\$ (23,243)</u>	



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***CAPITAL ASSETS
USED IN THE
OPERATION OF
GOVERNMENTAL
FUNDS***



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CITY OF MISSION, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
AS OF SEPTEMBER 30, 2023 AND 2022

EXHIBIT D-1

	2023	Restated 2022
Governmental Funds Capital Assets:		
Land	\$ 41,350,582	\$ 41,350,582
Building and structures	38,042,146	38,042,146
Improvements other than buildings	22,231,392	21,516,221
Furniture and equipment	35,444,220	33,428,427
Lease assets	8,772,429	7,507,592
SBITAs	776,295	661,934
Construction in progress	48,851,641	23,792,602
Infrastructure	131,941,044	126,797,537
	<u>327,409,749</u>	<u>293,097,041</u>
Total Governmental Funds Capital Assets	<u>\$ 327,409,749</u>	<u>\$ 293,097,041</u>
Investments in Governmental Funds Capital Assets by Source:		
General fund revenues	\$ 148,035,423	\$ 128,745,646
Bond funds	71,984,294	59,167,664
Enterprise funds	1,264	1,264
Special funds	47,451,164	40,996,629
Leases	972,500	9,285,037
Subscriptions	776,295	661,934
Donations	14,751,280	15,697,113
Developers	43,437,529	38,541,753
	<u>327,409,749</u>	<u>293,097,041</u>
Total Governmental Funds Capital Assets	<u>\$ 327,409,749</u>	<u>\$ 293,097,041</u>

CITY OF MISSION, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
AS OF SEPTEMBER 30, 2023 AND 2022

EXHIBIT D-2

Function and Activity:	Restated Governmental Funds Capital Assets September 30, 2022	Additions	Deductions	Governmental Funds Capital Assets September 30, 2023
General Government	\$ 21,602,345	\$ 3,910,495	\$ 48,097	\$ 25,464,743
Public Safety	40,308,292	6,801,047	414,113	46,695,226
Highways and Streets	180,969,546	22,522,227	85,293	203,406,480
Health and Welfare	609,411	89,110	24,932	673,589
Cultural and Recreational	<u>49,607,447</u>	<u>1,804,849</u>	<u>242,585</u>	<u>51,169,711</u>
Total Governmental Funds Capital Assets	<u>\$ 293,097,041</u>	<u>\$ 35,127,728</u>	<u>\$ 815,020</u>	<u>\$ 327,409,749</u>

CITY OF MISSION, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2023

EXHIBIT D-3

Function and Activity	Land	Buildings and Structures	Improvements Other Than Buildings	Furniture and Equipment	Subscription-Based Information Technology Arrangements	Right To Use Leases	Infrastructure	Construction In Progress	Total
General Government	\$ 7,543,782	\$ 3,712,695	\$ 936,825	\$ 6,908,865	\$ 719,811	\$ 806,074	\$ 41,314	\$ 4,795,376	\$ 25,464,742
Public Safety	729,497	11,408,007	535,978	20,700,836	29,371	6,149,388	1,625	7,140,524	46,695,226
Highways and Streets	31,528,806	124,728	615,975	4,712,832	-	1,218,908	131,666,118	33,539,112	203,406,479
Health and Welfare	-	231,940	9,305	204,593	6,951	220,800	-	-	673,590
Cultural and Recreational	1,548,497	22,564,775	20,133,308	2,917,094	20,162	377,259	231,987	3,376,629	51,169,712
Total Governmental Funds Capital Assets	<u>\$ 41,350,582</u>	<u>\$ 38,042,146</u>	<u>\$ 22,231,392</u>	<u>\$ 35,444,220</u>	<u>\$ 776,295</u>	<u>\$ 8,772,429</u>	<u>\$ 131,941,044</u>	<u>\$ 48,851,641</u>	<u>\$ 327,409,749</u>



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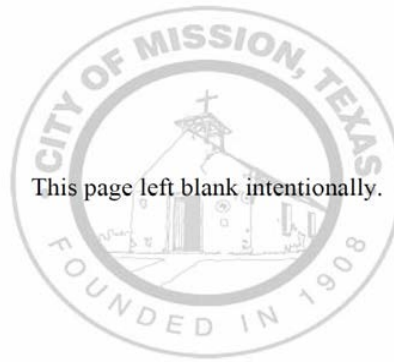
SUPPLEMENTARY SCHEDULES

CITY OF MISSION, TEXAS
UTILITY FUND
SCHEDULE OF REVENUE BOND COVERAGE
YEAR ENDED SEPTEMBER 30, 2023

Operating Revenues	\$	25,584,619
Interest Earned by funds Created by the Bond Indenture		<u>34,871</u>
Gross Revenues Per Bond Ordinance	\$	<u>25,619,490</u>
Operating Expenses		19,902,320
Less: Depreciation Expense		<u>(5,590,682)</u>
Operating Expenses Per Bond Ordinance		<u>14,311,638</u>
Net Revenue Per Bond Ordinance	\$	<u><u>11,307,852</u></u>
Average Annual Debt Service Requirements	\$	<u>1,775,731</u>
Succeeding Fiscal Year Debt Service Requirement	\$	<u><u>3,173,871</u></u>
Required Coverage Ratio 110% & 125%		125%
Calculated Coverage Ratio		
A) Based upon Average Annual Debt Service Requirements		<u><u>637%</u></u>
B) Based upon Succeeding Fiscal Year Debt Service Requirements		<u><u>356%</u></u>

CITY OF MISSION, TEXAS
UTILITY FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
RESTRICTED ACCOUNTS
REVENUE BOND COVERAGE SCHEDULE
REQUIRED BY REVENUE BOND ORDINANCE
YEAR ENDED SEPTEMBER 30, 2023

	Interest and Sinking Cash	Reserve Cash	Extension & Improvement 02-10040 02-10220	Total
Cash	\$ 709,704	248,596	\$ -	\$ 958,300
Investments	897,068	343,765	2	1,240,835
Due From (To) other funds	1,000	(187,422)	35,309	(151,113)
Cash and investments				
September 30, 2022	<u>1,607,772</u>	<u>404,939</u>	<u>35,311</u>	<u>2,048,022</u>
Cash receipts:				
Transfer from operating cash	3,842,861	335,524	-	4,178,385
Transfer from other I&S accounts	-	25,000	-	25,000
Bond Proceeds	-	-	-	-
Interest received	22,926	6,251	(2)	29,175
Total cash receipts	<u>3,865,787</u>	<u>366,775</u>	<u>(2)</u>	<u>4,232,560</u>
Total cash and investments available	<u>5,473,559</u>	<u>771,714</u>	<u>35,309</u>	<u>6,280,582</u>
Cash disbursements:				
Principal payments	2,640,000	-	-	2,640,000
Interest and fiscal charges	527,512	-	-	527,512
Transfer to				
Reserve	25,000	-	-	25,000
Utility Operations	500,000	-	-	500,000
Total cash disbursements	<u>3,692,512</u>	<u>-</u>	<u>-</u>	<u>3,192,512</u>
Cash and investments, September 30, 2023	<u>\$ 1,781,047</u>	<u>\$ 771,714</u>	<u>\$ 35,309</u>	<u>\$ 3,088,070</u>
Total Cash and investments Restricted at September 30, 2023 is composed of the following:				
Cash and cash equivalents	\$ 1,370,839	\$ 610,979	\$ -	\$ 1,981,818
Investments	410,208	348,157	-	758,365
Due From (To) other funds	-	(187,422)	35,309	(152,113)
Total	<u>\$ 1,781,047</u>	<u>\$ 771,714</u>	<u>\$ 35,309</u>	<u>\$ 2,588,070</u>

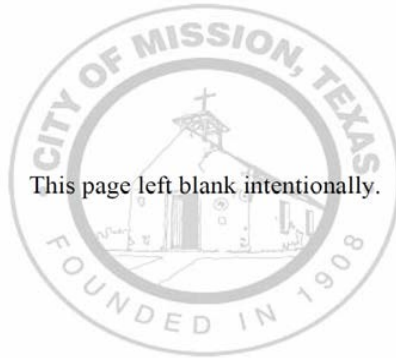


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STATISTICAL SECTION

This part of the City of Mission's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	215
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed overtime.	
Revenue Capacity	222
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity	226
Schedules presented in this section provide information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	231
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	234
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	



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City of Mission
Net Position by Component
Last Ten Fiscal Years

	2014 ⁽²⁾	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
Governmental Activities										
Net investment in capital assets	\$ 90,947,382	\$ 89,565,993	\$ 90,942,556	\$ 102,466,220	\$ 106,676,410	\$ 106,695,623	\$ 110,583,097	\$ 111,809,778	\$ 117,225,105	\$ 142,881,465
Restricted	8,343,486	8,551,701	9,418,977	7,761,373	7,460,257	5,071,768	6,270,366	15,467,499	22,297,778	9,786,734
Unrestricted	(1,587,640)	2,462,989	170,518	(3,781,146)	(12,357,324)	(14,919,453)	(10,244,788)	(8,229,017)	(13,482,020)	(20,514,099)
Total governmental activities net position	\$ 97,703,228	\$ 100,580,683	\$ 100,532,051	\$ 106,446,447	\$ 101,779,343	\$ 96,847,938	\$ 106,608,675	\$ 119,048,260	\$ 126,040,863	\$ 132,154,100
Business-Type Activities										
Net investment in capital assets	\$ 54,832,204	\$ 55,987,442	\$ 41,651,937	\$ 52,564,331	\$ 63,237,664	\$ 66,124,522	\$ 65,785,703	\$ 71,512,802	\$ 69,040,679	\$ 76,087,683
Restricted	3,451,514	3,394,903	18,219,378	12,543,135	4,650,576	4,800,506	2,928,340	4,455,077	3,304,444	6,522,176
Unrestricted	10,588,851	8,329,980	9,660,134	3,667,449	(270,361)	(3,142,591)	(3,185,811)	(11,490,777)	(5,213,947)	(8,845,073)
Total business-type activities net position	\$ 68,872,568	\$ 67,712,324	\$ 69,531,449	\$ 68,774,915	\$ 67,617,879	\$ 67,782,437	\$ 65,528,232	\$ 64,477,101	\$ 67,131,176	\$ 73,764,786
Primary Government										
Net investment in capital assets	\$ 145,779,586	\$ 145,553,435	\$ 132,594,493	\$ 155,030,551	\$ 169,914,074	\$ 172,820,145	\$ 176,368,800	\$ 183,322,580	\$ 186,265,784	\$ 218,969,148
Restricted	11,795,000	11,946,604	27,638,355	20,304,508	12,110,833	9,872,274	9,198,706	19,922,576	25,602,222	16,308,910
Unrestricted	9,001,211	10,792,969	9,830,652	(113,697)	(12,627,685)	(18,062,044)	(13,430,599)	(19,719,794)	(18,695,967)	(29,359,172)
Total primary government net position	\$ 166,575,796	\$ 168,293,007	\$ 170,063,500	\$ 175,221,362	\$ 169,397,222	\$ 164,630,375	\$ 172,136,907	\$ 183,525,361	\$ 193,172,039	\$ 205,918,886

(1) The 2013 net position was restated due to the implementation of GASB Statement No. 65.

(2) The 2014 net position was restated due to the implementation of GASB Statement No. 68.

City of Mission
Changes in Net Position
Last Ten Fiscal Years

	2014 (2)	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
Expenses										
Governmental Activities										
General Government	\$ 8,446,306	\$ 8,014,892	\$ 8,405,138	\$ 10,095,896	\$ 16,027,197	\$ 10,978,266	\$ 18,279,601	\$ 13,761,830	\$ 19,395,489	\$ 20,815,659
Public Safety	23,499,056	21,729,071	23,957,241	23,685,949	23,876,784	25,991,960	19,694,004	29,052,134	27,514,556	30,628,129
Highways and streets	6,963,677	7,450,999	7,493,232	7,571,683	9,421,794	9,700,248	9,345,196	9,218,396	9,607,528	10,545,882
Health and welfare	1,200,976	1,290,357	1,306,154	1,371,370	1,112,193	1,768,689	738,842	1,016,753	964,124	984,397
Economic development	4,231,038	4,544,891	4,933,314	7,837,590	5,619,556	8,327,470	5,980,468	6,621,430	6,943,985	7,810,396
Culture and recreation	7,073,892	6,499,768	7,220,861	5,309,186	2,057,199	5,778,839	6,629,959	7,102,955	7,113,707	8,245,837
Interest on long-term debt	1,458,261	1,334,983	1,314,872	1,605,954	1,519,729	1,905,498	1,905,623	2,399,062	2,326,051	2,615,844
Total governmental activities expenses	<u>52,873,206</u>	<u>50,864,961</u>	<u>54,630,812</u>	<u>57,477,628</u>	<u>59,634,452</u>	<u>64,450,970</u>	<u>62,573,693</u>	<u>69,172,560</u>	<u>73,865,440</u>	<u>81,646,144</u>
Business-type Activities										
Utility system	16,581,213	16,226,988	17,110,233	17,031,578	16,506,827	16,533,621	17,547,913	17,995,692	18,789,572	20,916,727
Golf course operations	1,396,091	1,272,835	1,285,977	1,318,098	1,316,225	1,389,008	1,332,422	1,416,473	1,547,876	1,463,381
Solid waste operations	7,360,428	4,727,683	4,958,069	5,206,165	5,738,342	6,466,352	5,693,262	5,849,420	6,624,083	7,225,713
Event Center	-	-	-	-	-	-	675,398	584,939	689,479	774,807
Total business-type activities expenses	<u>25,337,732</u>	<u>22,227,506</u>	<u>23,354,279</u>	<u>23,555,841</u>	<u>23,561,394</u>	<u>24,388,981</u>	<u>25,248,995</u>	<u>25,846,524</u>	<u>27,651,010</u>	<u>30,380,628</u>
Total primary government expenses	<u>\$ 78,210,938</u>	<u>\$ 73,092,467</u>	<u>\$ 77,985,091</u>	<u>\$ 81,033,469</u>	<u>\$ 83,195,846</u>	<u>\$ 88,839,951</u>	<u>\$ 87,822,688</u>	<u>\$ 95,019,084</u>	<u>\$ 101,516,450</u>	<u>\$ 112,026,772</u>
Program Revenues										
Governmental Activities										
Charges for services										
General government	\$ 2,086,383	\$ 1,940,954	\$ 2,025,367	\$ 1,896,971	\$ 1,991,318	\$ 2,288,769	\$ 2,364,810	\$ 3,452,933	\$ 4,355,519	\$ 4,921,810
Public Safety	118,310	61,898	106,985	62,576	67,321	71,984	71,085	68,916	73,844	100,828
Highways and streets	884,355	902,318	918,844	935,777	943,562	968,018	993,301	997,684	1,000,572	1,189,200
Sanitation	-	-	-	-	-	-	-	-	-	-
Health and welfare	237,738	225,047	263,320	221,780	298,306	396,260	248,360	308,568	400,979	358,568
Culture and recreation	371,962	554,618	413,331	384,671	557,152	736,090	130,663	221,452	281,099	548,918
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	7,905,942	5,896,938	6,538,968	7,865,910	7,326,112	6,395,090	15,645,612	19,955,799	15,439,947	7,953,295
Capital grants and contributions	1,962,278	4,870,238	4,950,222	11,139,643	4,198,191	5,975,522	5,740,384	5,764,197	9,816,309	16,044,436
Total governmental activities program revenues	<u>13,566,968</u>	<u>14,452,011</u>	<u>15,217,037</u>	<u>22,507,328</u>	<u>15,381,962</u>	<u>16,831,733</u>	<u>25,194,215</u>	<u>30,769,549</u>	<u>31,368,269</u>	<u>31,117,055</u>
Business-type activities										
Charges for services										
Utility system	19,207,446	17,674,185	20,983,312	19,036,658	21,693,229	20,422,614	20,258,346	20,444,741	21,544,708	25,503,762
Golf course operation	909,563	874,434	900,914	900,432	848,699	905,298	899,977	997,573	1,072,961	1,001,514
Solid waste operation	6,348,108	6,425,096	6,564,955	6,660,358	6,783,334	7,382,406	7,524,352	7,659,476	7,826,889	8,601,055
Event Center	-	-	-	-	-	-	229,469	165,984	254,718	386,884
Operating grants and contributions	24,921	13,587	12,082	73,923	57,968	28,863	26,835	29,474	110,694	-
Capital grants and contributions	836,355	324,385	924,694	893,581	176,592	1,085,961	1,201,331	1,451,375	701,992	3,571,859
Total business-type activities program revenues	<u>27,326,393</u>	<u>25,311,687</u>	<u>29,385,957</u>	<u>27,564,952</u>	<u>29,559,822</u>	<u>29,825,142</u>	<u>30,140,310</u>	<u>30,748,623</u>	<u>31,511,962</u>	<u>39,065,074</u>
Total primary government program revenues	<u>\$ 40,893,361</u>	<u>\$ 39,763,698</u>	<u>\$ 44,602,994</u>	<u>\$ 50,072,280</u>	<u>\$ 44,941,784</u>	<u>\$ 46,656,875</u>	<u>\$ 55,334,525</u>	<u>\$ 61,518,172</u>	<u>\$ 62,880,231</u>	<u>\$ 70,182,129</u>

	2014 (2)	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
Net (expense)/revenue										
Governmental activities	\$ (39,306,238)	\$ (36,412,950)	\$ (39,413,775)	\$ (34,970,300)	\$ (44,252,490)	\$ (47,619,237)	\$ (37,379,478)	\$ (38,403,011)	\$ (42,497,171)	\$ (50,529,089)
Business-type activities	1,988,661	3,084,181	6,031,678	4,009,111	5,998,428	5,436,161	4,891,315	4,902,099	3,860,952	8,684,446
Total primary government net expense	<u>\$ (37,317,577)</u>	<u>\$ (33,328,769)</u>	<u>\$ (33,382,097)</u>	<u>\$ (30,961,189)</u>	<u>\$ (38,254,062)</u>	<u>\$ (42,183,076)</u>	<u>\$ (32,488,163)</u>	<u>\$ (33,500,912)</u>	<u>\$ (38,636,219)</u>	<u>\$ (41,844,643)</u>
General Revenue and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 18,913,123	\$ 19,020,437	\$ 19,481,719	\$ 20,369,113	\$ 20,404,015	\$ 20,736,937	\$ 23,164,868	\$ 24,671,028	\$ 26,446,271	\$ 29,501,368
Sales taxes	11,496,695	11,479,463	11,376,026	11,109,005	11,591,778	12,704,132	12,837,891	15,920,130	18,309,151	19,513,665
Franchise taxes	2,636,048	2,650,031	2,668,473	2,730,594	2,807,323	2,860,767	2,740,250	2,795,860	2,950,088	3,017,516
Hotel/motel taxes	650,142	748,812	685,834	528,962	412,047	488,269	448,409	494,355	632,364	664,261
Alcoholic beverage taxes	48,018	36,258	31,131	21,983	24,518	31,804	27,074	42,320	54,508	53,979
Shared revenue-tax increment zone	520,000	210,674	239,545	755,307	762,620	259,765	288,385	322,601	338,472	380,591
Unrestricted grants and contributions	724	-	-	-	-	-	-	-	-	-
Investment earnings	99,730	101,357	97,218	102,977	125,138	109,853	65,963	16,777	80,220	87,343
Miscellaneous	667,816	643,372	385,199	406,755	628,185	426,299	348,483	629,781	42,574	862,634
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	4,400,000	4,400,000	4,400,000	4,860,000	6,400,000	5,446,591	7,135,488	5,949,745	1,206,877	2,560,969
Total governmental activities	<u>39,432,296</u>	<u>39,290,404</u>	<u>39,365,145</u>	<u>40,884,696</u>	<u>43,155,624</u>	<u>43,064,417</u>	<u>47,056,811</u>	<u>50,842,597</u>	<u>50,060,525</u>	<u>56,642,326</u>
Business-type activities										
Investment earnings	77,145	81,229	77,203	62,283	86,804	59,180	11,357	7,012	58,954	411,322
Miscellaneous	90,774	74,346	110,242	32,074	30,060	115,811	62,015	(10,497)	51,740	98,811
Transfers	(4,400,000)	(4,400,000)	(4,400,000)	(4,860,000)	(6,400,000)	(5,446,591)	(7,135,488)	(5,949,744)	(1,206,877)	(2,560,969)
Total business-type activities	<u>(4,232,081)</u>	<u>(4,244,425)</u>	<u>(4,212,555)</u>	<u>(4,765,643)</u>	<u>(6,283,136)</u>	<u>(5,271,600)</u>	<u>(7,062,116)</u>	<u>(5,953,229)</u>	<u>(1,096,183)</u>	<u>(2,050,836)</u>
Total primary government	<u>\$ 35,200,215</u>	<u>\$ 35,045,979</u>	<u>\$ 35,152,590</u>	<u>\$ 36,119,053</u>	<u>\$ 36,872,488</u>	<u>\$ 37,792,817</u>	<u>\$ 39,994,695</u>	<u>\$ 44,889,368</u>	<u>\$ 48,964,342</u>	<u>\$ 54,591,490</u>
Change in Net Position										
Governmental activities	\$ 126,059	\$ 2,877,454	\$ (48,630)	\$ 5,914,396	\$ (1,096,866)	\$ (4,554,820)	\$ 9,677,333	\$ 12,439,586	\$ 7,563,354	\$ 6,113,237
Business-type activities	(2,243,420)	(1,160,244)	1,819,124	(756,532)	(284,708)	164,561	(2,170,801)	(1,051,130)	2,764,769	6,633,610
Total primary government	<u>\$ (2,117,362)</u>	<u>\$ 1,717,210</u>	<u>\$ 1,770,494</u>	<u>\$ 5,157,864</u>	<u>\$ (1,381,574)</u>	<u>\$ (4,390,259)</u>	<u>\$ 7,506,532</u>	<u>\$ 11,388,456</u>	<u>\$ 10,328,123</u>	<u>\$ 12,746,847</u>

(1) The 2013 net position was restated due to the implementation of GASB Statement No. 65.

(2) The 2014 net position was restated due to the implementation of GASB Statement No. 68.

City of Mission
Governmental Activities Tax Revenue By Source
Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Hotel Occupancy Tax	Alcoholic Beverage Tax	Total
2014	\$ 18,913,123	\$ 11,496,695	\$ 2,636,048	\$ 650,142	\$ 48,018	\$ 33,744,026
2015	\$ 19,020,437	\$ 11,479,463	\$ 2,650,031	\$ 748,812	\$ 36,258	\$ 33,935,001
2016	\$ 19,481,719	\$ 11,376,026	\$ 2,668,473	\$ 685,834	\$ 31,131	\$ 34,243,183
2017	\$ 20,369,113	\$ 11,109,005	\$ 2,730,594	\$ 528,962	\$ 21,983	\$ 34,759,657
2018	\$ 20,404,015	\$ 11,591,778	\$ 2,807,323	\$ 412,047	\$ 24,518	\$ 35,239,681
2019	\$ 20,736,937	\$ 12,704,132	\$ 2,860,767	\$ 488,269	\$ 31,804	\$ 36,821,909
2020	\$ 23,164,868	\$ 12,837,891	\$ 2,740,250	\$ 448,409	\$ 27,074	\$ 39,218,492
2021	\$ 24,671,028	\$ 15,920,130	\$ 2,795,860	\$ 494,355	\$ 42,320	\$ 43,923,693
2022	\$ 26,446,271	\$ 18,309,151	\$ 2,950,088	\$ 632,364	\$ 54,508	\$ 48,392,382
2023	\$ 29,501,368	\$ 19,513,665	\$ 3,017,516	\$ 664,261	\$ 53,979	\$ 52,750,789

City of Mission
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
GENERAL FUND										
Pre GASB 54										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Total Pre GASB 54	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Post GASB 54										
Nonspendable										
Long term receivable	\$ 27,200	\$ 24,800	\$ 22,400	\$ 20,000	\$ 17,600	\$ 47,280	\$ 20,541	\$ 8,000	\$ 77,884	\$ 59,863
Inventory	1,332	500	826	1,067	33,552	27,702	25,483	24,343	23,373	12,716
Prepaid	14,336	16,290	23,750	41,194	23,025	74,134	69,063	95,706	127,417	185,043
Committed	-	-	-	-	-	-	-	-	-	-
Assigned										
Significant encumbrance	1,357,108	183,359	580,875	3,489,260	2,340,039	1,420,605	1,669,633	234,524	69,586	2,219,707
Funds assigned for asset replacement	85,909	6,000	86,250	68,093	68,331	66,232	145,349	138,660	-	19,430
Funds assigned for Boys & Girls Club	163,271	87,141	-	-	-	-	-	-	913,076	1,089,963
Funds assigned for recreation programs	-	-	-	-	-	-	-	-	-	-
Subsequent year budget appropriation	4,157,048	4,248,461	2,570,662	1,778,090	1,302,070	(12,355)	747,834	5,064,385	-	-
Unassigned	2,591,168	3,487,394	4,073,075	986,387	(477,004)	1,404,578	5,168,125	1,881,097	2,242,405	3,793,789
Total Post GASB 54	<u>\$ 8,397,372</u>	<u>\$ 8,053,945</u>	<u>\$ 7,357,838</u>	<u>\$ 6,384,091</u>	<u>\$ 3,307,614</u>	<u>\$ 3,028,176</u>	<u>\$ 7,846,028</u>	<u>\$ 7,446,715</u>	<u>\$ 3,453,741</u>	<u>\$ 7,380,511</u>
ALL OTHER GOVERNMENTAL FUNDS										
Pre GASB 54										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Total Pre GASB 54	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Post GASB 54										
Nonspendable										
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,619	\$ -	\$ -	\$ -	\$ -
Restricted										
Capital Improvements	1,251,969	1,625,340	20,525,988	5,058,220	6,406	9,591,949	8,926,808	29,475,099	25,855,608	13,549,955
Economic Development	2,151,493	1,937,871	1,963,328	1,794,321	1,690,637	1,125,328	912,571	971,992	1,418,121	1,410,296
Debt Service	2,065,837	2,429,498	2,819,500	1,293,342	968,906	469,436	806,865	1,018,253	1,473,691	1,385,774
Aquatics Programs	10,000	10,000	-	-	-	-	-	-	-	-
Municipal Court	345,637	371,415	415,524	416,451	433,608	420,635	417,483	452,124	534,510	603,385
PD Asset Sharing	1,680,978	1,051,581	947,086	656,734	357,075	102,468	280,772	177,350	358,091	630,784
Drainage Improvements	1,028,237	1,278,474	1,583,039	1,682,091	1,887,594	1,264,403	1,494,295	773,433	964,801	410,790
Scholarships and Books	25,799	25,826	25,826	25,972	26,256	27,250	27,477	27,477	27,477	27,477
Tourism	539,027	849,426	1,068,442	1,163,835	799,251	628,708	493,259	449,794	536,388	549,208
Perpetual Care	45,074	52,487	35,335	36,374	39,203	44,617	49,056	26,298	20,255	18,967
Records Preservation	8,184	6,918	6,850	9,157	8,344	10,039	5,795	7,284	10,172	12,248
PEG (public, educational, and governmental)	-	-	419,765	515,003	622,170	750,910	771,419	727,775	814,454	723,999
Tax Increment	3,487	3,536	3,554	3,561	3,555	3,555	3,555	3,555	3,556	3,555
Unassigned	-	-	-	-	-	-	(5,577,231)	-	-	-
Total Post GASB 54	<u>\$ 9,155,722</u>	<u>\$ 9,642,372</u>	<u>\$ 29,814,237</u>	<u>\$ 12,655,062</u>	<u>\$ 6,843,005</u>	<u>\$ 14,451,917</u>	<u>\$ 8,612,124</u>	<u>\$ 34,110,434</u>	<u>\$ 32,017,124</u>	<u>\$ 19,326,438</u>

City of Mission
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
Revenues										
Taxes	\$ 33,758,579	\$ 33,951,830	\$ 34,238,861	\$ 34,738,879	\$ 35,273,803	\$ 36,824,326	\$ 39,093,485	\$ 44,054,799	\$ 48,502,289	\$ 52,860,811
Licenses and permits	573,875	550,463	634,871	555,266	528,545	714,545	738,605	1,066,542	1,215,475	1,159,316
Intergovernmental	8,414,336	10,068,205	8,596,963	16,844,356	10,672,035	9,017,093	11,076,767	17,449,835	21,130,521	30,461,816
Charges for services	1,048,380	1,249,275	1,191,107	1,036,163	1,273,238	1,649,023	982,697	1,734,444	2,351,552	3,108,294
Fines	1,016,847	848,264	807,026	832,596	661,650	723,578	585,564	725,713	829,586	810,199
Investment earnings	87,731	90,628	83,949	163,061	135,555	224,665	144,043	38,020	168,771	531,376
Special assessments	884,355	902,318	918,844	935,777	943,562	968,018	993,301	997,684	1,000,572	1,313,968
Miscellaneous	1,792,201	1,137,003	1,782,135	1,490,207	1,735,783	2,037,432	1,945,438	2,284,774	2,770,065	2,465,798
Total Revenues	47,576,304	48,797,986	48,253,756	56,596,305	51,224,171	52,158,680	55,559,900	68,351,811	77,968,831	92,711,578
Expenditures										
General government	9,391,353	9,057,775	8,878,525	9,782,891	10,992,563	11,363,557	21,362,993	15,593,551	20,095,458	27,334,972
Public safety	20,727,655	21,544,530	21,601,527	21,860,971	22,883,344	23,177,920	19,384,039	28,703,006	30,138,523	28,376,790
Highways and streets	7,276,217	5,336,817	5,304,862	6,612,678	7,201,117	5,431,006	5,119,348	5,665,912	4,350,062	5,659,318
Health and Welfare	426,376	426,037	459,716	459,447	562,204	607,996	694,299	1,024,736	874,435	939,405
Economic and physical development	4,231,038	4,544,891	4,933,314	5,309,187	5,644,555	5,778,839	5,980,468	6,621,430	6,943,985	7,810,396
Culture and recreation	5,518,783	5,454,124	5,668,891	6,676,409	7,040,940	8,420,063	5,508,140	6,248,872	6,428,080	6,741,616
Capital projects	797,446	3,862,838	3,629,593	24,359,561	8,782,432	4,522,539	1,842,354	3,852,124	9,996,792	21,195,535
Debt service										
Principal	1,970,000	2,088,321	2,099,452	2,986,003	2,762,660	3,587,876	3,855,679	4,540,217	4,962,356	5,582,426
Bond issuance costs	-	-	-	-	-	246,686	-	421,330	-	-
Interest	1,139,237	1,029,937	1,088,156	1,549,344	1,474,920	1,935,185	1,925,651	2,166,610	2,601,326	2,402,220
Other charges	5,450	5,650	6,300	5,800	5,350	5,350	6,800	3,000	-	-
Total expenditures	51,483,555	53,350,920	53,670,336	79,602,291	67,350,085	65,077,017	65,679,771	74,840,788	86,391,017	106,042,678
Excess of revenues over (under) expenditures	(3,907,251)	(4,552,934)	(5,416,580)	(23,005,986)	(16,125,914)	(12,918,337)	(10,119,871)	(6,488,977)	(8,422,186)	(13,331,100)

	2014	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
Other financing sources (uses)										
Transfers in	7,399,432	7,706,335	7,361,618	9,002,594	10,635,383	11,088,504	11,051,300	7,711,706	3,430,415 *	4,240,978
Transfers out	(2,999,433)	(3,306,334)	(2,961,619)	(4,142,594)	(4,235,384)	(3,688,505)	(3,915,811)	(1,761,961)	(2,223,538)	(1,680,008)
Refunding bond issued	-	-	8,085,000	-	-	-	-	-	-	-
Bonds issued	2,653,865	-	17,610,000	-	-	11,690,000	-	23,920,000	-	-
Long-term debt proceeds	-	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	4,028,801	-	-	1,056,686	-	4,050,671	-	-
Discount on bonds issued	-	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(2,232,849)	-	(9,385,029)	-	-	-	-	(5,549,341)	-	-
Capital leases	-	-	-	-	530,306	-	1,936,647	2,902,450	1,460,715	1,785,919
Sale of capital assets	53,325	-	-	-	-	-	-	-	242,062	220,293
Proceeds from sale of assets	262,322	296,156	153,566	13,060	282,076	17,963	25,794	314,451	-	-
Total other financing sources (uses)	<u>5,136,662</u>	<u>4,696,157</u>	<u>24,892,337</u>	<u>4,873,060</u>	<u>7,212,381</u>	<u>20,164,648</u>	<u>9,097,930</u>	<u>31,587,976</u>	<u>2,909,654</u>	<u>4,567,182</u>
Special and extraordinary items:										
Special item	-	-	-	-	-	-	-	-	-	-
Total special and extraordinary items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,229,411</u>	<u>\$ 143,223</u>	<u>\$ 19,475,757</u>	<u>\$ (18,132,925)</u>	<u>\$ (8,913,532)</u>	<u>\$ 7,246,311</u>	<u>\$ (1,021,941)</u>	<u>\$ 25,098,999</u>	<u>\$ (5,512,532)</u>	<u>\$ (8,763,918)</u>
Debt service as a percentage of noncapital expenditures ⁽¹⁾	6.65%	6.74%	7.04%	6.20%	10.80%	10.83%	9.60%	10.43%	10.81%	10.53%

CITY OF MISSION, TEXAS
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Bingo Tax	Franchise Tax	Hotel Occupancy Tax	Alcoholic Beverage Tax	Total
2014	18,927,676	11,496,695	-	2,636,049	650,142	48,018	33,758,580
2015	19,037,265	11,479,463	-	2,650,031	748,812	36,258	33,951,829
2016	19,477,396	11,376,027	-	2,668,473	685,834	31,131	34,238,861
2017	20,348,335	11,109,005	-	2,617,000	529,509	21,983	34,625,832
2018	20,438,137	11,591,778	-	2,807,323	412,126	24,518	35,273,882
2019	20,739,355	12,704,131	-	2,860,767	488,269	31,804	36,824,326
2020	22,988,453	12,837,891	51,407	2,740,251	448,409	27,074	39,093,485
2021	24,772,706	15,920,130	29,428	2,795,860	494,355	42,320	44,054,799
2022	26,496,100	18,309,151	60,078	2,950,088	632,364	54,508	48,502,289
2023	29,575,180	19,513,665	36,210	3,017,516	644,261	53,979	52,840,811

City of Mission
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Real Property		Non-Real Property	Less:	Total Taxable	Total	Estimated	Assessed
	Residential	Commercial	Personal	Tax Exempt	Assessed	Direct	Actual	Value as a
	Property	Property	Property	Real Property	Value	Tax Rate ¹	Taxable Value ²	Percentage of Actual Value
2014	1,503,272,817	2,208,552,001	384,505,956	575,539,632	3,520,791,142	0.5288	4,096,330,774	0.86%
2015	1,509,471,690	2,242,310,656	371,410,887	582,674,815	3,540,518,418	0.5188	4,123,193,233	0.86%
2016	1,652,176,687	2,408,822,295	411,528,454	628,526,679	3,844,000,757	0.4988	4,472,527,436	0.86%
2017	1,731,082,709	2,592,628,665	385,814,945	630,109,869	4,079,416,450	0.4962	4,709,526,319	0.87%
2018	1,760,460,244	2,648,234,484	403,540,221	677,902,135	4,134,332,814	0.4862	4,812,234,949	0.86%
2019	1,808,503,794	2,712,396,420	405,637,957	701,693,123	4,224,845,048	0.4862	4,926,538,171	0.86%
2020	1,892,428,537	2,894,056,051	441,989,231	770,066,470	4,458,407,349	0.5212	5,228,473,819	0.85%
2021	2,023,109,348	2,938,361,396	444,921,569	784,710,965	4,621,681,348	0.5299	5,406,392,313	0.85%
2022	2,254,401,452	3,122,985,323	395,015,241	826,478,525	4,945,923,491	0.5299	5,772,402,016	0.86%
2023	2,694,423,341	3,493,451,369	466,407,948	1,031,120,192	5,623,162,466	0.5299	6,654,282,658	0.85%

1. Tax rate per every \$100 valuation of property.

2. The estimated property value is derived directly from the Levy Roll Tax Totals provided by the Hidalgo County Tax Assessor.

**City of Mission
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	City of Mission			Overlapping Rates ¹							Total Direct & Overlapping Rates ²
	Operating Tax Rate	Debt Service Tax Rate	Total City Tax Rate	Hidalgo County Tax Rate	School District				Drainage Dist. No. 1 Tax Rate	South Texas College Tax Rate	
					Mission ISD Tax Rate	Sharyland ISD Tax Rate	La Joya ISD Tax Rate	South Texas ISD Tax Rate			
2012-13	0.4086	0.1202	0.5288	0.5900	1.3000	1.2855	1.3110	0.0492	0.0750	0.1507	5.29
2013-14	0.4212	0.1076	0.5288	0.5900	1.3000	1.2855	1.3110	0.0492	0.0957	0.1500	5.31
2014-15	0.4140	0.1048	0.5188	0.5900	1.3300	1.3355	1.3110	0.0492	0.0957	0.1850	5.42
2015-16	0.4000	0.0988	0.4988	0.5900	1.3672	1.3355	1.3110	0.0492	0.0951	0.1850	5.43
2016-17	0.4404	0.0558	0.4962	0.5900	1.3582	1.3755	1.3110	0.0492	0.0951	0.1850	5.46
2017-18	0.4058	0.0804	0.4862	0.5800	1.3502	1.3755	1.3110	0.0492	0.0951	0.1850	5.43
2018-19	0.4058	0.0804	0.4862	0.5800	1.3398	1.3755	1.3110	0.0492	0.0951	0.1780	5.41
2019-20	0.4303	0.0909	0.5212	0.5750	1.2396	1.2987	1.3110	0.0492	0.1051	0.1733	5.27
2020-21	0.4417	0.0882	0.5299	0.5750	1.1993	1.2808	1.3110	0.0492	0.1026	0.1718	5.22
2021-22	0.4359	0.0940	0.5299	0.5750	1.1332	1.1593	1.2662	0.0492	0.1264	0.1715	5.01
2022-23	0.4557	0.0742	0.5299	0.5750	1.1130	0.9575	1.0344	0.0492	0.1139	0.1562	4.53

Source: Hidalgo County Tax Office and La Joya Tax Office.

1. Overlapping rates are those of the City, County, and school districts that apply to property owners within the City of Mission. Not all overlapping rates apply to all City of Mission property owners (for example the rates for La Joya School District apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the La Joya School District).
2. (Total Tax Rate)-The allocation of operation and debt service is not available at this time for the County, School Districts, Special Districts and the Community College.

City of Mission
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	Tax Year 2023			Tax Year 2014		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
AEP Texas Central Co	\$ 43,592,930	1	0.78%	15,714,660	5	0.40%
Frontera Generation LTD	37,147,690	2	0.66%	63,178,400	1	1.59%
Sharyland Retail LTD(641983)	28,568,066	3	0.51%	38,245,154	3	0.96%
Stanley Black & Decker	25,145,720	4	0.45%	-	-	0.00%
Bert Ogden Chevrolet	21,414,758	5	0.38%	17,663,429	4	0.44%
Royal Technologies Corporation	19,409,448	6	0.35%	-	-	0.00%
Juniper Sharyland LTD	18,000,000	7	0.32%	-	-	0.00%
Santa Lucia at Bentsen Lakes	15,690,439	8	0.28%	-	-	0.00%
Wal-Mart Real Estate Business	15,602,263	9	0.28%	11,937,402	6	0.30%
Plantation Mission LLC	15,168,468	10	0.27%	-	-	0.00%
Sharyland Utilities LP(930526)	-	-	-	44,352,960	2	1.12%
Halliburton Energy Serv (HS)	-	-	-	11,773,430	7	0.30%
VRS Sharyland LLP	-	-	-	11,342,347	8	0.29%
H.E.Butt Grocery Company	-	-	-	10,755,593	9	0.27%
CNMK Texas Properties LTD	-	-	-	9,800,875	10	0.25%
Total	<u>\$ 239,739,782</u>		<u>4.26%</u>	<u>\$ 234,764,250</u>		<u>5.91%</u>

Source: Hidalgo County Appraisal District

City of Mission
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	18,585,075	17,937,794	96.5%	591,035	18,528,829	99.7%
2015	18,689,445	18,034,797	96.5%	596,235	18,631,032	99.7%
2016	19,097,947	18,465,405	96.7%	567,351	19,032,756	99.7%
2017	20,104,913	19,358,866	96.3%	10,060	19,368,926	96.3%
2018	19,976,560	19,370,557	97.0%	541,534	19,912,092	99.7%
2019	20,411,954	19,757,581	96.8%	616,813	20,374,394	99.8%
2020	22,947,927	22,069,269	96.2%	781,350	22,850,619	99.6%
2021	24,033,922	23,623,588	98.3%	131,582	23,755,170	98.8%
2022	26,794,828	25,282,856	94.4%	289,973	25,572,829	95.4%
2023	29,020,007	28,293,702	97.5%	-	28,293,702	97.5%

City of Mission
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Notes Payable	Leases & PPFA Purchase Agreements	Anzaldua Bridge	Subscription Liabilities	Revenue Bonds	General Obligation Bonds	Leases & PPFA Purchase Agreements			
2014	27,903,296	-	-	1,918,717	-	29,032,906	4,880,000	28,762	63,763,681	0.34%	787
2015	25,758,810	-	-	2,254,349	-	26,861,210	4,675,000	15,644	59,565,013	0.30%	723
2016	44,118,902	-	-	2,592,342	-	40,719,199	3,930,000	198,500	91,558,943	0.44%	1,111
2017	40,800,667	-	-	2,920,132	-	37,826,805	3,170,000	149,097	84,866,701	0.40%	999
2018	38,236,080	-	-	3,226,076	-	35,364,411	2,400,000	103,535	79,330,102	0.36%	922
2019	47,248,002	-	-	3,532,926	-	32,857,017	1,615,000	56,585	85,309,530	0.37%	979
2020	43,111,570	-	3,881,997	3,840,774	-	30,289,623	815,000	1,094,425	83,033,389	0.36%	942
2021	61,284,808	-	5,858,441	4,151,461	-	27,647,229	-	18,390,021	117,331,960	0.49%	1,368
2022	56,974,437	-	5,738,259	4,465,133	661,937	24,939,835	-	22,587,081	115,366,682	0.48%	1,338
2023	52,374,067	-	6,083,252	4,869,357	515,942	22,162,440	-	21,218,125	107,223,183	0.43%	1,228

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

City of Mission
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Debt Payable From Business-type Revenues	Total	Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽²⁾
2014	32,783,296	2,065,837	4,880,000	25,837,459	0.73%	318.78
2015	30,433,810	2,429,499	4,675,000	23,329,311	0.66%	283.02
2016	48,048,902	2,819,500	3,930,000	41,299,402	1.07%	501.02
2017	43,970,667	1,293,342	3,170,000	39,507,325	0.97%	464.99
2018	40,636,080	968,905	2,400,000	37,267,175	0.90%	433.21
2019	48,863,002	469,436	1,615,000	46,778,566	1.11%	537.07
2020	43,926,570	806,865	815,000	42,304,705	0.95%	479.70
2021	61,284,808	1,018,253	-	60,266,555	1.30%	702.59
2022	56,974,437	1,473,691	-	55,500,746	1.12%	643.69
2023	52,374,067	1,385,774	-	50,988,293	0.91%	584.11

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Mission
Direct and Overlapping Governmental Activities Debt
As of September 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Hidalgo County	\$ 395,825,000	10.41%	\$ 41,205,383
Hidalgo County Drainage District #1	276,378,000	12.19%	33,690,478
Hidalgo Independent School District	27,334,000	0.06%	16,400
La Joya Independent School District	182,697,680	15.92%	29,085,471
Mission Consolidated Independent School District	96,537,960	70.00%	67,576,572
Sharyland Independent School District	80,225,000	59.50%	47,733,875
South Texas College District	94,589,693	9.72%	9,194,118
Subtotal Overlapping Debt			<u>\$ 228,502,297</u>
Anzualdua Bridge	4,060,909	100.00%	4,060,909
City of Mission	57,997,747	100.00%	57,997,747
Total Direct and Overlapping Debt			<u><u>\$ 290,560,953</u></u>

done on TRS

- ⁽¹⁾ Estimated Percentage is calculated as follows:
Market value of the commonland within the shared entity divided by the total value of the City of Mission.

Source: Municipal Advisory Council of Texas.

City of Mission
Legal Debt Margin Information
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 176,039,557	\$ 177,025,921	\$ 192,200,038	\$ 203,970,823	\$ 206,716,641	\$ 211,242,252	\$ 222,920,367	\$ 231,084,067	\$ 247,296,175	\$ 281,158,123
Total net debt applicable to limit	25,837,459	23,329,311	41,299,402	39,507,325	37,267,175	46,778,566	42,304,705	60,266,555	55,500,746	50,988,293
Legal debt margin	<u>\$ 150,202,098</u>	<u>\$ 153,696,610</u>	<u>\$ 150,900,636</u>	<u>\$ 164,463,498</u>	<u>\$ 169,449,466</u>	<u>\$ 164,463,686</u>	<u>\$ 180,615,662</u>	<u>\$ 170,817,512</u>	<u>\$ 191,795,429</u>	<u>\$ 230,169,830</u>
Total net debt applicable to the limit as a percentage of debt limit	14.68%	13.18%	21.49%	19.37%	18.03%	22.14%	18.98%	26.08%	22.44%	18.14%
Legal Debt Margin Calculation for Fiscal Year										
Assessed value	\$ 3,520,791,142	\$ 3,540,518,418	\$ 3,844,000,757	\$ 4,079,416,450	\$ 4,134,332,814	\$ 4,224,845,048	\$ 4,458,407,349	\$ 4,621,681,348	\$ 4,945,923,491	\$ 5,623,162,466
Add back: exempt real property	-	-	-	-	-	-	-	-	-	-
Total assessed value	<u>\$ 3,520,791,142</u>	<u>\$ 3,540,518,418</u>	<u>\$ 3,844,000,757</u>	<u>\$ 4,079,416,450</u>	<u>\$ 4,134,332,814</u>	<u>\$ 4,224,845,048</u>	<u>\$ 4,458,407,349</u>	<u>\$ 4,621,681,348</u>	<u>\$ 4,945,923,491</u>	<u>\$ 5,623,162,466</u>
Debt limit (5% of total assessed value)	176,039,557	177,025,921	192,200,038	203,970,823	206,716,641	211,242,252	222,920,367	231,084,067	247,296,175	281,158,123
Debt applicable to limit:										
General obligation bonds	32,783,296	30,433,810	48,048,902	43,970,667	40,636,080	48,863,002	43,926,570	61,284,808	56,974,437	52,374,067
Less: Amount set aside for repayment of general obligation debt	(2,065,837)	(2,429,499)	(2,819,500)	(1,293,342)	(968,905)	(469,436)	(806,865)	(1,018,253)	(1,473,691)	(1,385,774)
Less: Business-type general obligations	(4,880,000)	(4,675,000)	(3,930,000)	-	(2,400,000)	(1,615,000)	(815,000)	-	-	-
Total net debt applicable to limit	<u>25,837,459</u>	<u>23,329,311</u>	<u>41,299,402</u>	<u>42,677,325</u>	<u>37,267,175</u>	<u>46,778,566</u>	<u>42,304,705</u>	<u>60,266,555</u>	<u>55,500,746</u>	<u>50,988,293</u>
Legal debt margin	<u>\$ 150,202,098</u>	<u>\$ 153,696,610</u>	<u>\$ 150,900,636</u>	<u>\$ 161,293,498</u>	<u>\$ 169,449,466</u>	<u>\$ 164,463,686</u>	<u>\$ 180,615,662</u>	<u>\$ 170,817,512</u>	<u>\$ 191,795,429</u>	<u>\$ 230,169,830</u>

Note: Texas statutes do not prescribe a debt limit; however, by custom a practical economic debt limit of 5% of the assessed valuation is used.

City of Mission
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds					Coverage (4)
	Charges and Other (1)	Less:	Net	Debt Service (3)		
		Operating Expenses (2)	Available Revenue	Principal	Interest	
2013	18,053,516	10,087,267	7,966,249	1,933,000	1,192,441	2.55%
2014	19,289,418	10,112,569	9,176,849	2,000,000	1,115,474	2.95%
2015	17,748,586	10,453,361	7,295,225	2,091,000	888,111	2.45%
2016	21,047,816	10,556,595	10,491,221	2,360,000	792,799	3.33%
2017	19,119,210	11,481,589	7,637,621	2,755,000	869,530	2.11%
2018	21,778,460	10,511,723	11,266,737	2,325,000	833,553	3.57%
2019	20,537,925	10,919,007	9,618,918	2,370,000	784,803	3.05%
2020	20,363,368	11,503,101	8,860,267	2,430,000	724,468	2.81%
2021	20,450,941	11,641,367	8,809,574	2,505,000	661,035	2.78%
2022	21,520,900	12,506,616	9,014,284	2,570,000	595,112	2.85%
2023	25,619,490	14,311,638	11,307,852	2,640,000	523,712	3.57%

(1) Total operating revenues including interest earned on funds created by the bond ordinance.

(2) Total operating expenses exclusive of depreciation.

(3) Revenue bonds only. Amounts do not include the general obligation bonds reported in the Utility Fund or debt defeasance transactions-succeeding year.

(4) Per first lien revenue bond covenants, the required coverage is 1.25.

Note: The City does not have special assessment bonds.

City of Mission
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	MSA⁽²⁾ Personal Income	MSA⁽²⁾ Capita Personal Income	Median Age ⁽¹⁾	Percentage High School Graduates ⁽³⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2014	81,050	18,827,748,000	23,073	29.3	90.7	25,645	6.90%
2015	82,431	19,740,566,000	23,753	30.3	94.6	25,676	6.10%
2016	83,298	20,702,880,000	24,579	30.5	89.7	25,819	6.20%
2017	84,963	21,080,611,000	24,805	30.5	94.1	25,819	6.20%
2018	86,025	21,955,456,357	25,400	30.5	92.9	25,861	6.10%
2019	87,100	22,866,607,795	26,010	31.7	94.8	25,835	6.00%
2020	88,189	23,358,239,863	26,634	32.2	87.5	25,611	12.10%
2021	85,778	23,815,443,000	27,415	33.0	96.7	24,781	8.20%
2022	86,223	24,281,595,215	32,961	33.0	92.5	24,058	6.00%
2023	87,292	24,756,871,673	34,373	34.8	95.1	24,108	5.80%

(1) Estimated (except for the FY 2011-information was received from the 2010 US Census) & Texas Demographics.

(2) MSA-Metropolitan Statistical Area for Mission-McAllen-Edinburg- Source: Texas Labor Market Information

(3) Source: Texas Education Agency, Mission CISD & added Sharyland ISD 2012

(4) Source: Texas Labor Market Information

**City of Mission
Principal Employers
Current Year and Nine Years Ago**

Employer	2023⁽²⁾			2014⁽¹⁾		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mission CISD	2,400		3.31%	2,228	1	3.48%
Sharyland ISD	1,638		2.26%	1,201	2	1.88%
H.E.B.	622		0.86%	638	6	1.00%
T-Mobile	830		1.14%	832	4	1.30%
Mission Regional Medical Center	980		1.35%	1,194	3	1.87%
City of Mission	725		1.00%	640	5	1.00%
Wal-Mart Super Center	328		0.45%	337	7	0.53%
Wonderful Citrus	700		0.97%	-		0.00%
Home Depot	180		0.25%	172	8	0.27%
Stanley Black and Decker	400		0.55%	-		0.00%
Target				166	9	0.26%
Total	<u>8,803</u>		<u>12.14%</u>	<u>7,408</u>		<u>11.58%</u>

(1) Source: Mission Economic Development Corporation and City of Mission's budget office.

(2) Source: The University of Texas Rio Grande Valley and City of Mission's budget office.

City of Mission
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of September 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	82	87	89	90	99	102	96	100	101	110
Public Safety										
Police										
Officers	146	146	149	157	157	157	164	164	164	158
Civilians	50	50	46	46	50	50	50	50	50	47
Fire										
Firefighters and Officers	67	67	67	67	67	77	78	78	78	87
Civilians	7	7	7	7	7	7	7	7	7	7
Highways and Streets										
Streets/Drainage	32	32	32	37	37	36	37	40	37	40
Health and Welfare										
Health/Animal Control	8	8	8	9	11	12	12	11	12	10
Culture and recreation										
Aquatics	2	2	2	0	0	0	0	0	0	0
Mayberry Pool	0	0	0	2	2	1	1	2	2	5
Bannworth Pool	0	0	0	1	1	1	1	1	1	3
Museum	5	5	5	5	5	5	5	5	6	5
Parks and Recreation	45	45	52	52	52	50	50	58	54	43
Library	19	19	19	18	19	17	18	19	18	22
Golf Course	17	17	15	15	15	14	14	15	15	18
Event Center ⁽²⁾	0	0	0	0	0	0	6	6	6	6
Sanitation										
Water distribution	87	87	88	90	90	92	92	87	83	78
Wastewater	14	14	13	13	13	14	14	14	14	11
Solid Waste ⁽¹⁾	17	17	19	19	22	26	29	29	30	34
Community Development	3	3	3	3	3	3	3	3	4	4
Total	601	606	614	631	650	664	677	689	682	688

Source: City of Mission Finance Department-Budget Office.

(1) City began in-house solid waste collection in FY2014

(2) Event Center became an enterprise fund in FY2020

City of Mission
Operating Indicators by Function
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Physical arrests	3,632	3,050	3,135	3,998	2,538	1,929	2,352	2,564	4,758	2,704
Parking Violation	29	75	45	23	17	30	25	51	50	68
Traffic Violations	12,071	19,882	12,112	10,601	9,118	6,909	6,405	8,266	109	8,266
Fire										
Number of calls answered	3,715	3,888	3,636	3,557	3,657	3,635	3,111	2,249	2,716	3,957
Inspections	1,773	2,116	2,474	1,343	2,205	1,860	1,195	1,154	2,022	2,288
Highways and Streets										
Streets resurfacing (miles)	6.070	10.110	4.860	7.100	13.600	3.794	2.281	5.710	3.072	2.093
Potholes repaired	30,911	23,898	21,031	14,939	13,587	13,859	8,049	8,482	9,330	8,594
Sanitation										
Refuse collected (tons/day) ⁽¹⁾	377	443	451	521	509	227	245	259	264	237
Recyclables collected (tons/day)	0.27	0.34	0.44	0.38	0.38	0.78	0.53	0.11	0.06	0.07
Culture and recreation										
Golf Course										
Rounds	46,388	36,971	46,477	46,709	42,227	46,004	44,362	41,789	38,510	31,574
Recreation										
Programs	31	22	14	17	17	19	3*	11	13	13
Parks Maintained	25	25	25	25	25	25	25	25	25	25
Water										
New connections (year)	297	486	398	393	407	464	417	413	624	480
Water mains breaks (year)	463	344	258	198	161	187	281	285	324	340
Average daily consumption (millions of gallons)	12.56	10.62	12.42	14.25	12.94	12.65	13.59	12.58	13.36	13.45
Wastewater										
Average daily sewage treatment	7.19	7.42	7.39	7.14	7.46	7.53	7.82	7.97	7.46	7.41

Sources: Various City departments.

Note: Indicators are not available for the general government function.

(*) 2020 Programs affected by COVID-19.

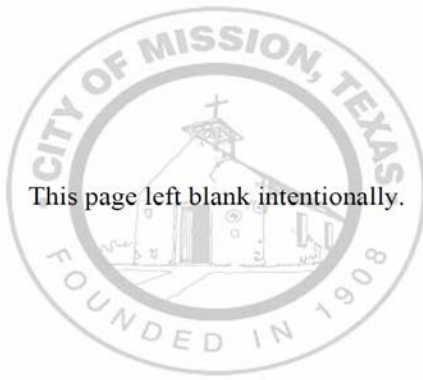
City of Mission
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety											
Police Protection											
Stations	2	2	2	2	2	2	2	2	2	2	3
Patrol Units	111	111	111	111	112	114	115	121	116	109	116
Fire Protection											
Fire Stations	5	5	5	5	5	5	5	5	5	5	6
Highways and Streets											
Streets (miles)	560.79	387.14	387.45	389.06	396.44	396.79	399.02	400.21	401.7	402.09	407.84
Number of Streetlights	4,158	4,261	4,281	4,332	4,367	4,411	4,480	4,494	4,510	4,514	4,514
Culture and recreation											
Parks acreage	419	419	419	419	235	235	235	235	235	235	244.96
Parks	25	25	25	25	25	25	25	25	25	25	25
Swimming pools	3	3	3	2	2	2	2	2	2	2	2
Tennis Courts	9	9	9	9	9	9	22	22	22	22	22
Community/Event Centers	2	2	2	2	2	2	2	2	2	1	1
Water											
Water Plants	2	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	457.45	460.79	459.23	461.33	454.35	464.78	468.03	470.22	472.79	472.99	478.64
Fire hydrants	2,803	2,813	2,820	2,835	2,849	2,854	2,880	2,900	2,920	3,156	3,209
Number of Service connections	25,510	25,807	26,293	26,713	27,072	27,500	27,936	28,440	29,021	30,138	30,577
Number of Gallons Sold (in millions)	4,844.63	4,305.08	3,609.67	3,973.49	4,675.53	4,341.58	4,144.69	4,312.03	4,181.53	4,438.67	4,341.37
Daily Average Consumption (gallons) ⁽¹⁾	13.27	11.80	9.89	10.88	12.80	11.89	10.83	11.81	11.45	12.16	11.89
Sewer											
Number of Treatment plants	1	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	356.75	357.77	358.14	359.99	362.3	362.33	365.2	367.38	369.47	369.77	374.58
Number of Service connections	22,815	23,028	23,437	23,871	24,222	24,571	25,969	25,449	25,770	26,425	27,437
Storm sewers (miles)	145.03	145.92	146.02	146.79	148.07	148.1	149.75	151.07	152.67	152.91	156.17
Daily average treatment in gallons ⁽¹⁾	7.10	7.20	7.40	7.40	7.10	7.50	7.50	7.82	7.97	7.46	7.45
Maximum daily treatment capacity ⁽¹⁾	9.18	12.00	9.98	11.90	9.28	14.46	10.30	13.78	16.75	13.65	10.88

Source: City departments.

(1) Amount is in millions.

Note: No capital asset indicators are available for the general government function.



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