

City of Mission



Annual Comprehensive Financial Report For Fiscal Year Ended September 30, 2022

City of Mission, Texas

CITY OF MISSION, TEXAS

Annual Comprehensive Financial Report

***For Fiscal Year Ended
September 30, 2022***

***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, 2022

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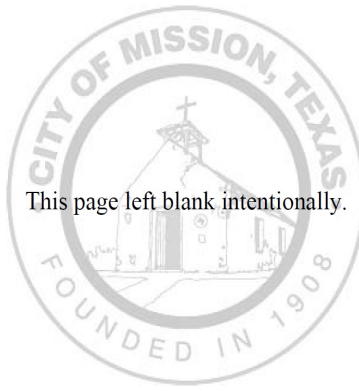
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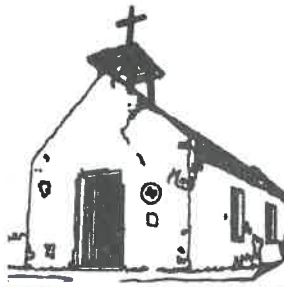
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INTRODUCTORY SECTION



CITY OF MISSION

"Home of the Grapefruit"

June 28, 2023

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, 2022, 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, 2022. 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 2021 census from 85,778 to 86,223 as per the 2022 census, an increase of 1%. 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 \$773 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 8.20% to 6.00% as of September 2022.

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 5,759 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 2021-2022 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 \$32 million in State and Federal Grants for housing, public safety services and equipment, park improvements, homeless prevention programs, and education programs.
- Four new homes were reconstructed and one home was rehabilitated by the CDBG housing program during the year and eleven were approved towards the end of the fiscal year to be constructed in the FY 2022.
- 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.
- Completed library and museum roof renovation projects.
- Completed the design for a Lions Park all-inclusive park renovation.
- Continued the design and planning for drainage improvement project throughout the City.

- Continued the Bentsen Palm Development Phase III project.
- Continued Phase II of the Wastewater Treatment Plant Expansion Project.
- Commenced the construction for the Police and Fire substation in the southwest section of the city.
- Received tranche of funding in the amount of \$12.5 million from American Rescue Plan Act from the U.S. Treasury.

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

Major Initiatives For Fiscal Year 2022-2023

- 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. Seven homes are currently budgeted for reconstruction and one for rehabilitation 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.
- Complete the a sewer/water line improvement project on Conway in FY 2023.
- Commenced City Hall roof renovation project.
- Held ground breaking event for Lions Park all-inclusive park renovation.
- Commence the engineering and design of the international Madero Bridge Project.

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 \$3,067,419.

The City's FY 2022 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, 2021.

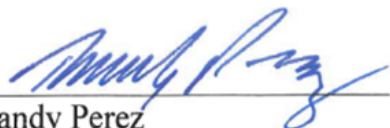
This is the twentieth-first consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted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



Randy Perez
City Manager

Angie Vela
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, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF MISSION, TEXAS

List of Principal Officials Year Ended September 30, 2022

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
Assistant City Manager /City Engineer
City Secretary
Finance Director
Assistant Finance Director
City Attorney
Boys & Girls Club Director
CDBG Director
Civil Service 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
Social Services Director
Solid Waste Director

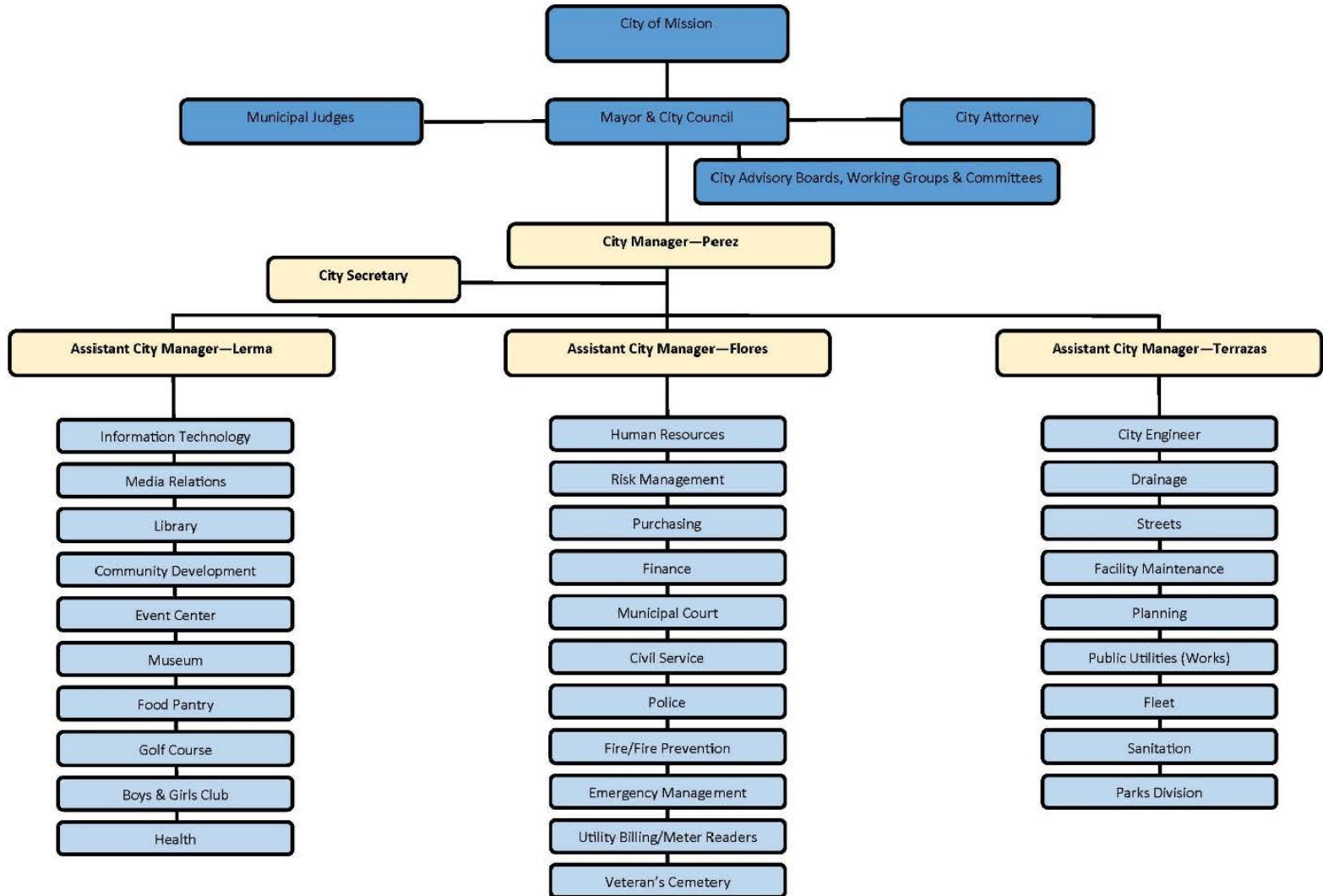
Randy Perez
Aida Lerma
David Flores
Juan Pablo Terrazas
Anna Carrillo
Angie Vela
Ezeiza Garcia
Gus Martinez
Ricardo Venecia
Joanne Longoria
Jesse Lerma
Gilbert Sanchez
J.C. Avila
Mario Flores
Noel Barrera
Noemi Munguia
Abram Ramirez
Mayra Rocha
Jonathan Wehrmeister
Cynthia Lopez
Brad Bentsen
Susie De Luna
Cesar Torres
Roxanne Lerma Casares
Peter Geddes
Robert Hinojosa
Adela Ortega
Roel Mendiola

OFFICIALS ISSUING REPORT

Angie Vela
Finance Director



CITY OF MISSION



FINANCIAL SECTION

INDEPENDENT AUDITORS' 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, 2022, 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, 2022, 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 44 percent, -177 percent, and 42 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. Our responsibilities under those standards are further described in the Auditors' 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 3 to the financial statements, in 2022 the City adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

As described in Note 3 to the financial statements, in 2022 MEDC adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Correction of Error

As discussed in Note 4 to the financial statements, a prior period adjustment in the amount of \$570,752 has been recorded to correct misstatement to land held for sale and transfers that should have been recognized in the prior year in the Other Governmental funds. Our opinion is not modified with respect to this matter.

As discussed in Note 4 to the financial statements, contribution received by MEDC to be used for the Shary Business Park project was 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 \$1,183 which represents the net of reduction in revenue receivables of \$35,800 and expenditures of grant administration services of \$34,617 related to the grant. 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.

Auditors' 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 auditors' 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, 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 auditors' 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 June 28, 2023, 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
June 28, 2023

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, 2022. 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 \$196,738,679 (net position).
- The City's total net position increased by \$13,784,070. Governmental activities contributed an increase of \$11,734,380 while the Business-type activities contributed an increase of \$2,049,690. Total revenues reflect a increase of 8.73% and total expenses reflect an increase of 7.26% 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 \$34,365,808, a \$6,620,591 decrease in comparison to prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,084,757, a increase of \$203,660 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's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - This fund is 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 and the 2021 CO 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 eighteen 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 152 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 33-34 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 40-41 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 47-119 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 123-145 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 152 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 \$196,738,679 at the close of the most recent fiscal year.

The following table summarizes the City's net position at September 30, 2022.

City of Mission Net Position September 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2022	Restated 2021	2022	2021	2022	Restated 2021
Current and other assets	\$ 62,434,977	\$ 60,374,557	\$ 21,549,102	\$ 20,340,273	\$ 83,984,079	\$ 80,714,830
Capital assets	156,792,033	150,094,661	101,572,764	102,263,220	258,364,797	252,357,881
Total assets	219,227,010	210,469,218	123,121,866	122,603,493	342,348,876	333,072,711
Total deferred outflows of resources	3,381,615	3,355,705	829,819	917,953	4,211,434	4,273,658
Long-term liabilities	75,405,045	85,091,106	44,930,416	48,578,879	120,335,461	133,669,985
Other liabilities	9,181,598	6,997,557	11,025,758	9,806,574	20,207,356	16,804,131
Total liabilities	84,586,643	92,088,663	55,956,174	58,385,453	140,542,817	150,474,116
Total deferred inflows of resources	7,810,094	3,258,752	1,468,720	658,892	9,278,814	3,917,644
Net position						
Net investment in capital assets	117,428,849	111,809,778	69,040,679	71,512,801	186,469,528	183,322,579
Restricted	22,297,778	15,467,499	3,304,444	4,455,077	25,602,222	19,922,576
Unrestricted (deficit)	(9,514,739)	(8,799,769)	(5,818,332)	(11,490,777)	(15,333,071)	(20,290,546)
Total net position	\$ 130,211,888	\$ 118,477,508	\$ 66,526,791	\$ 64,477,101	\$ 196,738,679	\$ 182,954,609

By far, the largest portion of the City's net position (94.8%) 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 \$13,784,070 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 \$11,734,380 from the prior fiscal year for an ending balance of \$130,211,888.

The net position was increased due to an increase in receivables. The city was awarded monies from US Treasury for the American Rescue Plan which started FY20-21. The City has until December 2024 to obligate funding.

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, 2022.

City of Mission Changes in Net Position September 30, 2022

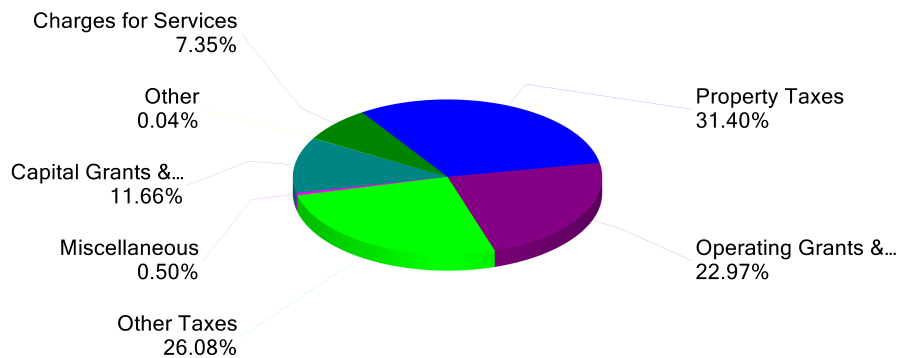
	Governmental Activities		Business-type Activities		Total	
	Restated				Restated	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 6,184,296	\$ 5,049,553	\$ 30,699,276	\$ 29,267,774	\$ 36,883,572	\$ 34,317,327
Operating Grants and contributions	19,334,945	19,955,799	-	29,474	19,334,945	19,985,273
Capital Grants and contributions	9,816,309	5,764,197	701,992	1,451,375	10,518,301	7,215,572
General revenues:						
Property taxes	26,446,271	24,671,028	-	-	26,446,271	24,671,028
Other taxes	21,946,111	19,252,665	-	-	21,946,111	19,252,665
Other	418,692	339,378	110,694	(3,485)	529,386	335,893
Miscellaneous	42,574	629,781	-	-	42,574	629,781
Total revenues	84,189,198	75,662,401	31,511,962	30,745,138	115,701,160	106,407,539
Expenses:						
General government	19,191,745	13,761,830	-	-	19,191,745	13,761,830
Public safety	27,514,556	29,052,134	-	-	27,514,556	29,052,134
Highways and streets	9,607,528	9,218,396	-	-	9,607,528	9,218,396
Economic development	6,943,985	6,621,430	-	-	6,943,985	6,621,430
Culture and recreation	7,113,707	7,102,955	-	-	7,113,707	7,102,955
Health and welfare	964,124	1,016,753	-	-	964,124	1,016,753
Principal	-	-	-	-	-	-
Interest on long-term debt	2,326,051	2,399,062	-	-	2,326,051	2,399,062
Utility	-	-	19,142,180	17,995,692	19,142,180	17,995,692
Golf course	-	-	1,585,296	1,416,473	1,585,296	1,416,473
Solid waste	-	-	6,830,536	5,849,420	6,830,536	5,849,420
Event Center	-	-	697,383	584,939	697,383	584,939
Total expenses	73,661,696	69,172,560	28,255,395	25,846,524	101,917,091	95,019,084
Increase (decreases) in net position before transfers	10,527,502	6,489,842	3,256,567	4,898,614	13,784,069	11,388,455
Transfers	1,206,877	5,949,744	(1,206,877)	(5,949,744)	-	-
Changes in net position	11,734,379	12,439,586	2,049,690	(1,051,129)	13,784,069	11,388,456
Net position - 10/01/21	118,477,509	106,037,923	64,477,101	65,528,231	182,954,610	171,566,154
Net position - 09/30/22	\$ 130,211,888	\$ 118,477,508	\$ 66,526,791	\$ 64,477,102	\$ 196,738,679	\$ 182,954,610

Total revenues generated from governmental activities for this year were \$84,189,198 reflecting a \$8,526,797 increase compared to last year. The most significant changes occurred in the following areas:

- Charges for services increased by \$1,134,743, from prior year due to post pandemic, while the operating grants and contributions decreased by \$620,854 compared to prior year, due to the CARES Act Relief funding received from Hidalgo County ending in prior year.
- Property taxes increased by \$1,775,243 compared to prior year. While in FY 21-22 the overall property tax rate did not increase the City's maintenance and operation percentage did.

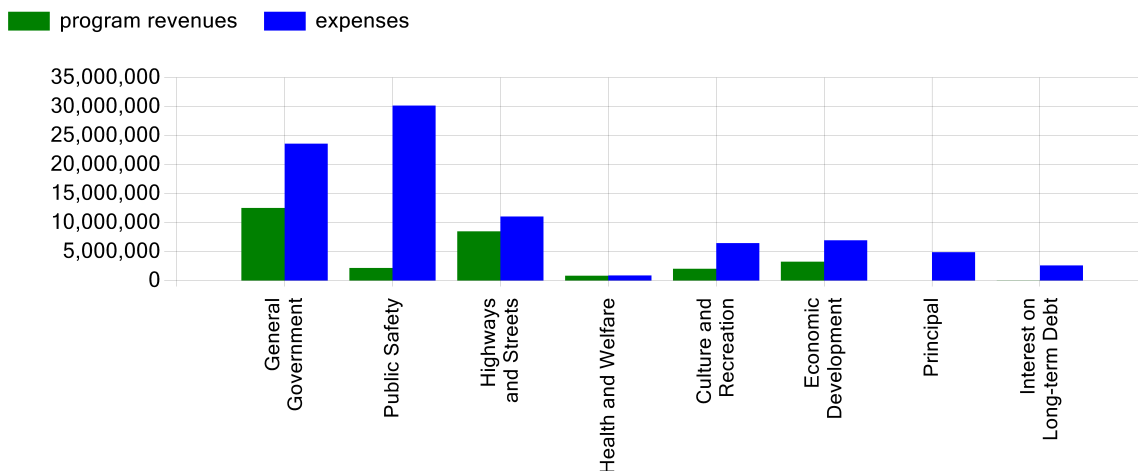
- Capital grants and contributions increased by \$4,052,112 compared to prior year due to the commencement of the Taylor Road project funded through the Texas Department of Transportation.

Revenues by Source-Governmental Activities



The following graph displays the portion of expenses funded by program revenues. Overall, general tax revenues funded approximately 66% of total expenses for fiscal year 2022.

Expenses and Program Revenues - Governmental Activities



Total expenses from governmental activities for this year were \$73,661,696 reflecting a \$4,489,136 increase compared to last year. The most significant changes occurred in the following areas:

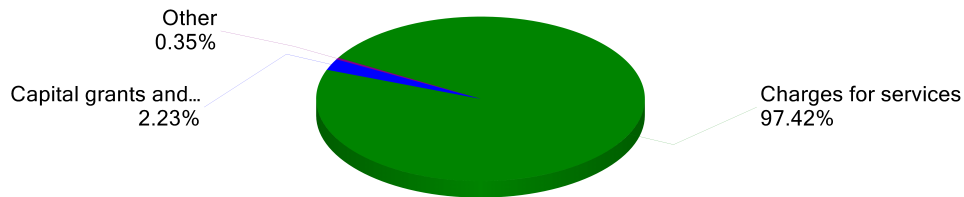
- General Government Activities increased by \$5,429,915. This is in relation to the American Rescue Plan Act funding starting in FY21-22.
- Public Safety decreased by \$1,537,578. The variance decrease is related to the capital outlay expenditures being greater in prior fiscal year 2021-2022.

- Highways and streets increased by \$389,132. The increase is related to the cost of price in material rising as a result of post pandemic.

Business-type Activities - Results of Business-type activities increased the City of Mission's net position by \$2,049,690. Revenues increased by \$766,824 and expenses increased by \$2,408,871 in comparison with prior year.

- Charges for Services increased by 2.46% in comparison to the prior year due to the COVID-19 pandemic.

Revenues by Source-Business-type Activities



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 \$28,255,395 an increase of \$2,408,871 compared to prior year. The increase was due more cost of goods and services as a result of the pandemic.

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, 2022, the City of Mission's governmental funds reported a combined fund balance of \$34,365,808, a decrease of \$6,620,590 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 \$3,296,093 a decrease of \$4,150,623 compared to prior year, with the unassigned portion of the fund balance being \$2,084,757. The decrease in fund balance is due to a reduction of transfers in from prior year. 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 \$455,438 increase in fund balance during the current fiscal year. Increase is due to a transfer in from Drainage Fund to cover future debt payment.

The non-major governmental funds had a \$1,425,947 decrease in fund balance during the current fiscal year. The overall revenues for non-major governmental funds increased by \$6,182,891 with the majority of the increase in intergovernmental revenues, and the overall expenditures for other governmental funds increased by \$4,311,142. Both differences are contributed by two major projects, Taylor Road and Police/Fire substation, in the Capital Projects fund.

The Designated Purpose Fund, had a decrease of \$2,791,939 in revenues and a increase of \$3,015,626 in expenditures. Both differences are related to the American Rescue Plan funding.

The 2021 CO Capital Projects Fund, a new major capital projects fund in FY20-21, had a fund balance of \$20,278,499.

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, 2022 and 2021.

- Investment income increased due to more funds invested, particularly in 2021 CO Funds.

Revenues & Transfers-In	2022 Amount	% of Total	2021 Amount	Amount of Increase (Decrease)	% Increase (Decrease)
Taxes	\$ 49,502,861	61.53%	\$ 45,052,483	\$ 4,450,378	9.88%
Licenses and permits	1,215,475	1.51%	1,066,542	148,933	13.96%
Intergovernmental	21,130,521	26.26%	17,449,835	3,680,686	21.09%
Charges for services	2,351,552	2.92%	1,734,444	617,108	35.58%
Fines and forfeitures	829,586	1.03%	725,713	103,873	14.31%
Investment income	168,771	0.21%	8,712	160,059	1837.22%
Miscellaneous	1,822,655	2.27%	2,284,774	(462,119)	-20.23%
Transfers-in	3,430,415	4.26%	7,711,706	(4,281,291)	-55.52%
Total	<u>\$ 80,451,836</u>	<u>100.00%</u>	<u>\$ 76,034,209</u>	<u>\$ 4,417,627</u>	<u>5.81%</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, 2022 and 2021. Major differences are due to:

- Public safety expenditures increased due to two expiring grants which are now funded at 100% by City and new EMS capital expenditures expensed from ARPA.
- General government expenditures increased due to projects expensed under ARPA funding to include City wide technological improvements.

Expenditures & Transfers-Out	2022 Amount	of Total	2021 Amount	Increase (Decrease)	Increase (Decrease)
General government	\$ 20,095,458	22.64%	\$ 15,593,551	\$ 4,501,907	28.87%
Public safety	30,138,523	33.95%	28,703,006	1,435,517	5.00%
Highways and streets	4,507,710	5.08%	5,665,912	(1,158,202)	-20.44%
Health and welfare	874,435	0.98%	1,024,736	(150,301)	-14.67%
Culture and recreation	6,428,080	7.24%	6,248,872	179,208	2.87%
Economic development	6,943,985	7.82%	6,621,430	322,555	4.87%
Capital projects	9,996,792	11.26%	3,822,816	6,173,976	161.50%
Debt service:					
Principal	4,962,356	5.59%	4,540,217	422,139	9.30%
Bond issuance cost	-	0.00%	421,330	(421,330)	-100.00%
Interest and fiscal charges	2,604,326	2.93%	2,169,610	434,716	20.04%
Transfers-out	2,223,538	2.50%	1,761,961	461,577	26.20%
Total	<u>\$ 88,775,203</u>	<u>100.00%</u>	<u>\$ 76,573,441</u>	<u>\$ 12,201,762</u>	<u>15.93%</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 \$(5,213,949) . The Solid Waste Fund had unrestricted net position of \$565,510. The Solid Waste unrestricted net position increased by \$178,002. The Utility Fund and Golf Course Fund ended the year with an unrestricted net position of \$(2,136,125) and \$(3,348,667), respectively. The Utility Fund unrestricted net position increased by \$4,933,876 and the Golf Course unrestricted net position decreased by \$(197,690). The Event Center ended the year with a increase in unrestricted net position of \$141,036.

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 an increase of \$86,015 from prior year. Expenses increased by \$139,288 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 \$1,087,251 and expenses increased by \$885,732 compared to prior year. Utility growth can be attributable to annual growth of customer base.

The Solid Waste Fund completed its third full fiscal year of commercial collections at the end of fiscal year 2022. Total change in net position is \$900,331. Revenues increased by \$149,135 and expenses increased by \$953,921 compared to prior year. Increase is due to annual growth.

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 \$4,975,104 while budgeted appropriations were increased by \$878,935 during the year.

- The most significant revenue variance, \$(3,108,717) is reflected in net ad valorem tax revenue. The current ad valorem taxes revenues reflected an unfavorable variance of \$(3,231,116) due to a change in the revenue recognition for taxes related to Tax Increment Zone collections.
- Total tax revenues reflect a negative variance of \$(1,744,892), which was a result of a conservative budget figure .
- Intergovernmental revenues reflect a positive variance of \$1,025,320. The variance is related to Tax Increment Zone Reimbursement for capital improvement projects.
- 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 the police department with a total of \$752,365. The savings in the police department are related to employee benefits due to vacancies.

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, 2022, amounts to \$258,364,797 (net of accumulated depreciation/amortization). Investment in capital assets includes: land, buildings and improvements, machinery and equipment, streets, storm drainage, sanitary sewer system, and water system. The total increase in the City of Mission's capital assets for the current fiscal year is \$5,440,112.

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

- Construction in progress in the governmental activities increased by \$10,597,671. The projects that contributed to the change in current year include the Taylor Road ROW, Police & Fire Substation No. 6, and Madero International Bridge.
- Construction in progress in the business-type activities increased by \$3,862,215. The projects that contributed to the change in current year include the HCRMA 365 Tollway, South Conway Lift Station Project, and Sanitary Sewer Improvements for North Conway.

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

	City of Mission Capital Assets Net of Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2022	Restated '2021	2022	Restated '2021	2022	2021
Land and water rights	\$ 42,297,992	\$ 42,288,152	\$ 7,412,258	\$ 7,412,259	\$ 49,710,250	\$ 49,700,411
Buildings and system	24,039,102	24,918,950	53,522,936	58,125,312	77,562,038	83,044,262
Improvements other than buildings	5,212,668	4,905,771	2,437,320	2,633,303	7,649,988	7,539,074
Machinery and equipment	7,778,564	7,828,740	4,711,121	4,755,451	12,489,685	12,584,191
Right-to-use lease assets	7,419,680	6,855,672	1,385,679	1,422,153	8,805,359	8,277,825
Infrastructure	46,047,683	50,139,011	-	-	46,047,683	50,139,011
Construction in progress	23,996,347	13,398,676	32,103,450	28,241,235	56,099,797	41,639,911
Total	<u>\$ 156,792,033</u>	<u>\$ 150,334,972</u>	<u>\$ 101,572,764</u>	<u>\$ 102,589,713</u>	<u>\$ 258,364,797</u>	<u>\$ 252,924,685</u>

Additional information on the City of Mission's capital assets can be found in note 11 on pages 77-80 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 \$103,063,400, a decrease of \$13,334,523 compared to prior year. Additional information on the City of Mission's long-term debt can be found in note 13 on pages 81-94 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	
	2022	2021	2022	2021	2022	2021
General obligation debt	\$ 56,974,437	\$ 61,284,808	\$ -	\$ -	\$ 56,974,437	\$ 61,284,808
Revenue bonds	-	-	24,939,835	27,647,229	24,939,835	27,647,229
Leases (as lessee)	6,315,625	5,858,441	1,520,207	1,117,959	7,835,832	6,976,400
Finance Purchases	-	-	17,272,061	17,272,061		
Compensated absences	3,318,482	3,271,231	389,627	418,293	3,708,109	3,689,524
City of McAllen-Anzalduas bridge	4,465,133	4,151,461	-	-	4,465,133	4,151,461
Pension related debt	31,183	5,407,658	-	1,088,183	31,183	6,495,841
OPEB related debt	4,300,186	5,117,507	808,685	1,035,153	5,108,871	6,152,660
Total	<u>\$ 75,405,045</u>	<u>\$ 85,091,106</u>	<u>\$ 44,930,416</u>	<u>\$ 48,578,878</u>	<u>\$ 103,063,400</u>	<u>\$ 116,397,923</u>

Economic Factors and Next Year's Budgets and Rates

- According to the September 2022 issue of the Texas Labor Market Information, the unemployment rate for the City of Mission was 6.00% decreasing from 8.20% in prior year. The state and national average unemployment rates are 3.8% and 3.5%, respectively.
- Appraised values provided by the Hidalgo County Appraisal District and used in preparing the 2022-2023 Budget were \$764.8 million higher than the prior year.
- The 2022-2023 Budget was prepared using an adopted tax rate of \$0.5299 per \$100 valuation.
- Water and sewer rates changed in the 2022-2023 Budget.
- The 2022-2023 general fund operating budget was prepared using \$1,339,850 as the estimated unrestricted fund balance at September 30, 2023. The actual unrestricted fund balance for the general fund was \$3,296,093. For the upcoming 2022-2023 fiscal year, \$1,201,434 is the projected unrestricted fund balance at September 30, 2023. Projected revenues reflect a 10.2% increase and expenditures also reflect an 0.40% increase compared to FY 2022 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 2022, the general fund unrestricted fund balance did not meet this requirement.

Requests for Information

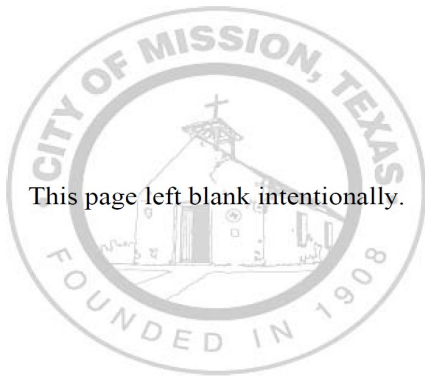
This financial report is designed to provide a general overview of the City of Mission's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the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



Randy Perez
City Manager

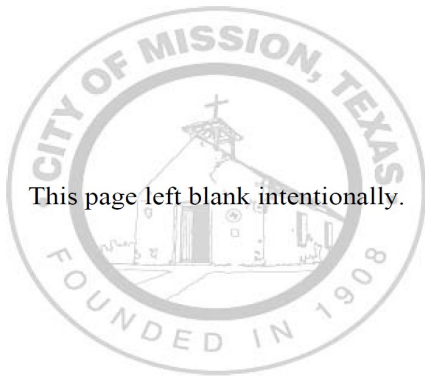


Angie Vela
Finance Director



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BASIC FINANCIAL STATEMENTS



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CITY OF MISSION, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

EXHIBIT A-1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	MEDC	MRA
ASSETS					
Cash and cash equivalents	\$ 11,450,590	\$ 11,520	\$ 11,462,110	\$ 1,185,868	\$ 13,006,219
Investments	16,057,102	1,883,174	17,940,276	-	2,357,422
Receivable, net	7,662,242	3,909,671	11,571,913	1,657,637	7,256
Accrued interest	-	-	-	557	-
Internal balances	461,708	(461,708)	-	-	-
Due from primary government	-	-	-	260,243	106,785
Due from component unit	5,061,187	229,135	5,290,322	-	-
Inventory	23,373	249,317	272,690	-	-
Land held for resale	335,991	-	335,991	4,734,945	-
Prepaid items	127,417	44,313	171,730	1,000	110,893
Redevelopment assets	-	-	-	2,620,977	-
Advance of funds receivable	3,071,144	-	3,071,144	-	-
Notes receivable current	2,400	-	2,400	-	-
Long-term receivable	77,884	-	77,884	-	-
Restricted assets	17,932,092	15,651,363	33,583,455	1,470,649	-
TMRS net pension asset	171,847	32,317	204,164	-	-
Capital assets:					
Land, water rights, and construction in progress	66,294,338	39,515,709	105,810,047	2,100,959	-
Leases, net of amortization	7,419,679	1,385,678	8,805,357	20,109	-
Other capital assets, net of accumulated depreciation	83,078,016	60,671,377	143,749,393	5,520,165	-
Total Assets	<u>219,227,010</u>	<u>123,121,866</u>	<u>342,348,876</u>	<u>19,573,109</u>	<u>15,588,575</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows	392,866	270,841	663,707	-	542,624
Deferred outflow related to pensions	2,356,727	440,120	2,796,847	-	-
Deferred outflow related to other post-employment	632,022	118,858	750,880	-	-
Total Deferred Outflows of Resources	<u>3,381,615</u>	<u>829,819</u>	<u>4,211,434</u>	<u>-</u>	<u>542,624</u>
LIABILITIES					
Accounts payable	5,395,777	1,750,465	7,146,242	496,910	6,500
Customer deposits	-	2,791,318	2,791,318	-	-
Accrued interest payable	330,289	312,712	643,001	60,017	42,578
Other liabilities	507,344	205,776	713,120	-	-
Subdivider deposits	-	2,530,269	2,530,269	-	-
Retainage payable	160,171	110,838	271,009	112,341	-
Accrued payroll	818,869	191,687	1,010,556	-	-
Due to primary government	-	-	-	68,823	5,221,498
Due to component unit	367,028	-	367,028	-	-
Unearned revenue	1,602,120	61,549	1,663,669	242,223	-
Advance of funds payable	-	3,071,144	3,071,144	-	-
Non-current liabilities:					
Due in more than one year	68,274,501	40,710,763	108,985,264	10,462,888	12,870,637
Due within one year	7,130,544	4,219,653	11,350,197	1,213,599	2,407,102
Total Liabilities	<u>84,586,643</u>	<u>55,956,174</u>	<u>140,542,817</u>	<u>12,656,801</u>	<u>20,548,315</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	6,193,680	1,164,741	7,358,421	-	-
Deferred inflows related to other post-employment	1,616,414	303,979	1,920,393	-	-
Total Deferred Inflows of Resources	<u>7,810,094</u>	<u>1,468,720</u>	<u>9,278,814</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	117,428,849	69,040,679	186,469,528	910,976	-
Restricted for:					
Debt service	1,378,376	2,776,478	4,154,854	1,470,644	3,156,329
Construction	-	527,966	527,966	256,092	1,559,927
Capital improvements	1,779,255	-	1,779,255	-	-
Federal and other awards	17,537,079	-	17,537,079	-	-
Tourism	536,387	-	536,387	-	-
Municipal court	534,510	-	534,510	-	-
MEDA	470,712	-	470,712	-	-
Other purposes	61,459	-	61,459	-	-
Unrestricted	(9,514,739)	(5,818,332)	(15,333,071)	4,278,596	(9,133,372)
Total Net Position	<u>\$ 130,211,888</u>	<u>\$ 66,526,791</u>	<u>\$ 196,738,679</u>	<u>\$ 6,916,308</u>	<u>\$ (4,417,116)</u>

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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	\$ 19,191,745	\$ 4,427,802	\$ 13,562,301	\$ 14,899	\$ (1,186,743)	\$ -	\$ (1,186,743)	\$ -	\$ -
Public safety	27,514,556	73,844	1,471,342	616,091	(25,353,279)	-	(25,353,279)	-	-
Highways and streets	9,607,528	1,000,572	496,181	7,567,067	(543,708)	-	(543,708)	-	-
Health and welfare	964,124	400,979	429,392	-	(133,753)	-	(133,753)	-	-
Culture and recreation	7,113,707	281,099	130,405	1,618,252	(5,083,951)	-	(5,083,951)	-	-
Economic development	6,943,985	-	3,244,952	-	(3,699,033)	-	(3,699,033)	-	-
Interest and fiscal charges	2,326,051	-	372	-	(2,325,679)	-	(2,325,679)	-	-
Total Governmental Activities	73,661,696	6,184,296	19,334,945	9,816,309	(38,326,146)	-	(38,326,146)	-	-
Business-type activities:									
Utility	19,142,180	21,544,708	-	329,544	-	2,732,072	2,732,072	-	-
Golf Course	1,585,296	1,072,961	-	40,873	-	(471,462)	(471,462)	-	-
Solid Waste	6,830,536	7,826,889	-	331,575	-	1,327,928	1,327,928	-	-
Event Center	697,383	254,718	-	-	-	(442,665)	(442,665)	-	-
Total Business-type Activities	28,253,395	30,699,276	-	701,992	-	3,145,873	3,145,873	-	-
Total Primary Government	\$ 101,917,091	\$ 36,883,572	\$ 19,334,945	\$ 10,518,301	\$ (38,326,146)	\$ 3,145,873	\$ (35,180,273)	\$ -	\$ -
COMPONENT UNITS:									
Mission Economic Development Corporation	4,032,821	263,682	351,403	2,292,224				(1,125,512)	-
Mission Redevelopment Authority	8,832,550	-	-	-				-	(8,832,550)
Total Component Units	\$ 12,865,371	\$ 263,682	\$ 351,403	\$ 2,292,224	\$ -	\$ -	\$ -	\$ (1,125,512)	\$ (8,832,550)
General revenues:									
Property taxes					26,446,271	-	26,446,271	-	-
Sales taxes					18,309,151	-	18,309,151	6,103,050	-
Franchise taxes					2,950,088	-	2,950,088	-	-
Hotel/motel taxes					632,364	-	632,364	-	-
Alcoholic beverage taxes					54,508	-	54,508	-	-
Shared revenue-tax increment zone					338,472	-	338,472	-	6,769,431
Interest earned					80,220	58,954	139,174	3,203	78,246
Miscellaneous(to include investment loss)					42,574	51,740	94,314	97,603	(103,548)
Transfers					1,206,877	(1,206,877)	-	-	-
Total General Revenues					50,060,525	(1,096,183)	48,964,342	6,203,856	6,744,129
Change in Net Position					11,734,379	2,049,690	13,784,069	5,078,344	(2,088,421)
Net Position - Beginning					119,048,260	64,477,101	183,525,361	1,836,781	(2,328,695)
Prior period adjustment					(570,751)	-	(570,751)	1,183	-
Net position - beginning, as restated					118,477,509	64,477,101	182,954,610	1,837,964	-
Net Position - Ending					\$ 130,211,888	\$ 66,526,791	\$ 196,738,679	\$ 6,916,308	\$ (4,417,116)

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS

EXHIBIT A-3

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 CO Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,911,286	\$ -	\$ -	\$ 7,778,293	\$ 1,668,292	\$ 11,357,871
Investments	495,553	235,425	-	10,445,725	4,875,981	16,052,684
Prepaid items	127,417	-	-	-	-	127,417
Receivables:						
Taxes, including interest and penalties	1,983,651	436,467	-	-	-	2,420,118
Accounts	1,603,283	-	307	-	390,346	1,993,936
Special assessments	-	-	-	-	161,439	161,439
Less: allowance for uncollectibles	(1,920,860)	(192,141)	-	-	(17,635)	(2,130,636)
Accrued interest receivable	2,743	42	-	7,098	85	9,968
Due from other governments	3,459,253	-	523,160	-	1,182,830	5,165,243
Due from other funds	11,224,438	950,000	575,506	2,239,351	3,770,117	18,759,412
Due from component unit	1,138,592	500,000	-	-	3,384,170	5,022,762
Long-term receivable	77,884	-	-	-	-	77,884
Advance of funds receivable	3,071,144	-	-	-	-	3,071,144
Inventory	23,373	-	-	-	-	23,373
Land held for resale	-	-	-	-	335,991	335,991
Restricted assets	-	-	17,932,092	-	-	17,932,092
Total Assets	<u>\$ 23,197,757</u>	<u>\$ 1,929,793</u>	<u>\$ 19,031,065</u>	<u>\$ 20,470,467</u>	<u>\$ 15,751,616</u>	<u>\$ 80,380,698</u>
LIABILITIES						
Accounts payable	\$ 2,543,441	\$ -	\$ 718,446	\$ 191,937	\$ 1,195,771	\$ 4,649,595
Other liabilities	408,016	-	12,636	-	86,692	507,344
Retainage payable	-	-	52,320	-	107,851	160,171
Accrued payroll	773,243	-	25,767	-	19,859	818,869
Due to other funds	14,615,421	221,130	921,148	31	3,652,486	19,410,216
Due to component unit	260,243	-	-	-	106,785	367,028
Unearned revenue	179,696	-	121,762	-	1,300,661	1,602,119
Total Liabilities	<u>18,780,060</u>	<u>221,130</u>	<u>1,852,079</u>	<u>191,968</u>	<u>6,470,105</u>	<u>27,515,342</u>
DEFERRED INFLOWS OF RESOURCES						
Unearned revenue - lease	72,284	-	-	-	-	72,284
Unavailable revenue-ARPA grant	-	-	17,142,972	-	-	17,142,972
Unavailable revenue-property taxes	1,049,320	234,972	-	-	-	1,284,292
Total Deferred Inflows of Resources	<u>1,121,604</u>	<u>234,972</u>	<u>17,142,972</u>	<u>-</u>	<u>-</u>	<u>18,499,548</u>
FUND BALANCES						
Nonspendable	228,674	-	-	-	-	228,674
Restricted	-	1,473,691	36,014	20,278,499	9,281,511	31,069,715
Assigned	982,662	-	-	-	-	982,662
Unassigned	2,084,757	-	-	-	-	2,084,757
Total Fund Balances	<u>3,296,093</u>	<u>1,473,691</u>	<u>36,014</u>	<u>20,278,499</u>	<u>9,281,511</u>	<u>34,365,808</u>
Total Liabilities and Fund Balances	<u>\$ 23,197,757</u>	<u>\$ 1,929,793</u>	<u>\$ 19,031,065</u>	<u>\$ 20,470,467</u>	<u>\$ 15,751,616</u>	<u>\$ 80,380,698</u>

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022****EXHIBIT A-4**

Total fund balances - governmental funds balance sheet	\$ 34,365,808
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.	149,372,354
Leases used in governmental activities are not reported in the funds.	7,419,679
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,284,292
Grant receivable unavailable to pay for current period expenditures are deferred in the funds.	17,142,972
Lease receivable unavailable to pay for current period expenditures are deferred in the funds.	72,283
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	546,422
Payables for bond principal which are not due in the current period are not reported in the funds.	(50,310,000)
Payables for leases which are not due in the current period are not reported in the funds.	(6,315,625)
Payable for bond interest which are not due in the current period are not reported in the funds.	(330,243)
Payable for lease interest which are not due in the current period are not reported in the funds.	(46)
Payables for long term liability not due in the current period and not reported in the funds.	(4,465,133)
Receivables for non current assets not due in the current period and not reported in the funds.	42
Payables for compensated absences which are not due in the current period are not reported in the funds.	(3,318,479)
Receivables for net pension assets which are not due in the current period are not reported in the funds.	171,847
Payables for net pension liability which are not due in the current period are not reported in the funds.	(31,183)
Payables for net OPEB liability which are not due in the current period are not reported in the funds.	(4,300,186)
Unamortized deferred inflows related to pension are not reported in the funds.	(7,810,094)
Unamortized pension unavailable for current period expenditures are deferred in the SNP.	2,988,749
Unamortized pre-paid bond insurance unavailable for current period expenditures are in the SNP.	196,232
Unamortized bond deferred charge on refunding unavailable for current period expenditures are deferred in the SNP.	196,634
Unamortized premium unavailable for current period expenditures are in the SNP.	(6,664,437)
Net position of governmental activities - statement of net position	<u>\$ 130,211,888</u>

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS

EXHIBIT A-5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 CO Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes and special assessments	\$ 40,275,108	\$ 4,070,338	\$ -	\$ -	\$ 5,157,415	\$ 49,502,861
Licenses and permits	1,215,475	-	-	-	-	1,215,475
Intergovernmental	2,333,002	-	7,904,636	-	10,892,883	21,130,521
Charges for services	1,327,846	-	-	-	1,023,706	2,351,552
Fines	829,586	-	-	-	-	829,586
Interest	11,576	372	36,015	81,140	39,668	168,771
Miscellaneous	528,255	1,488,357	3,480	(309,387)	111,950	1,822,655
Total Revenues	<u>46,520,848</u>	<u>5,559,067</u>	<u>7,944,131</u>	<u>(228,247)</u>	<u>17,225,622</u>	<u>77,021,421</u>
EXPENDITURES						
Current:						
General government	11,331,758	-	6,452,135	-	2,311,565	20,095,458
Public safety	28,042,403	-	2,053,918	-	42,202	30,138,523
Highways and streets	4,265,275	-	-	-	242,435	4,507,710
Health and welfare	741,243	-	72,853	-	60,339	874,435
Culture and recreation	6,056,622	-	40,000	-	331,458	6,428,080
Economic development	-	-	-	-	6,943,985	6,943,985
Capital projects	-	-	-	1,307,225	8,689,567	9,996,792
Debt service:						
Principal	1,211,445	3,705,000	-	-	45,911	4,962,356
Interest and fiscal charges	248,915	2,348,629	-	-	6,782	2,604,326
Total Expenditures	<u>51,897,661</u>	<u>6,053,629</u>	<u>8,618,906</u>	<u>1,307,225</u>	<u>18,674,244</u>	<u>86,551,665</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(5,376,813)</u>	<u>(494,562)</u>	<u>(674,775)</u>	<u>(1,535,472)</u>	<u>(1,448,622)</u>	<u>(9,530,244)</u>
OTHER FINANCING SOURCES (USES)						
Leases (as lessee)	1,460,715	-	-	-	-	1,460,715
Proceeds from sale of assets	(17,863)	-	-	-	259,925	242,062
Transfers in	1,281,876	950,000	710,789	-	487,750	3,430,415
Transfers out	(1,498,538)	-	-	-	(725,000)	(2,223,538)
Total Other Financing Sources (Uses)	<u>1,226,190</u>	<u>950,000</u>	<u>710,789</u>	<u>-</u>	<u>22,675</u>	<u>2,909,654</u>
Net change in fund balances	<u>(4,150,623)</u>	<u>455,438</u>	<u>36,014</u>	<u>(1,535,472)</u>	<u>(1,425,947)</u>	<u>(6,620,590)</u>
Fund balances at beginning of year	7,446,716	1,018,253	-	21,813,971	11,278,209	41,557,149
Prior period adjustment	-	-	-	-	(570,751)	(570,751)
Beginning - as restated	<u>7,446,716</u>	<u>1,018,253</u>	<u>-</u>	<u>21,813,971</u>	<u>10,707,458</u>	<u>40,986,398</u>
Fund balances at end of year	<u>\$ 3,296,093</u>	<u>\$ 1,473,691</u>	<u>\$ 36,014</u>	<u>\$ 20,278,499</u>	<u>\$ 9,281,511</u>	<u>\$ 34,365,808</u>

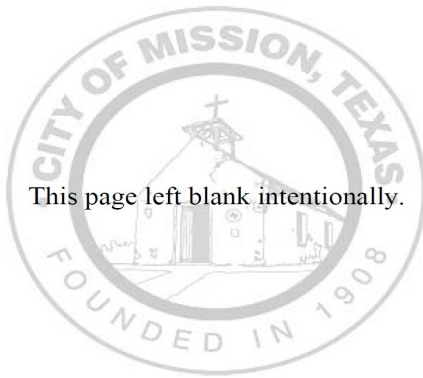
The accompanying notes are an integral part of this statement.

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, 2022*

Net change in fund balances - total governmental funds	\$ (6,620,590)
Amounts reported for governmental activities in the statement of activities ("SOA") are different because:	
Capital outlays are not reported as expense in the SOA.	16,421,508
The depreciation of capital assets used in governmental activities is not reported in the funds.	(9,106,425)
The amortization of leased assets used in governmental activities is not reported in the funds.	(910,220)
The gain or loss on the sale of capital assets is not reported in the funds.	(549,414)
Donation of capital assets increase net position in the SOA but not reported in the funds.	588,109
This is the difference of certain property tax revenues deferred in the the funds for this year.	(49,829)
This is the difference of certain grant revenues deferred in the the funds for this year.	6,193,139
This is the difference of certain lease revenues deferred in the the funds for this year.	72,283
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	3,705,000
Repayment of leases and contractual obligations is an expenditure in the funds but is not an expense in the SOA.	1,257,357
Pension expense for current period.	2,201,628
Other post employment benefit expense for current period.	(309,860)
Long term payable is not an expenditure in the funds but is an expense in the SOA.	(313,672)
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.	(1,460,714)
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.	38,076
The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.	71,440
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(47,250)
Change in net position of governmental activities - statement of activities	<u>\$ 11,734,379</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, 2022

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	\$ 7,121	\$ 649	\$ 1,250	\$ 2,500	\$ 11,520	\$ 92,719
Investments	1,406,023	-	477,151	-	1,883,174	4,418
Restricted assets:						
Cash and cash equivalents	13,254,854	-	-	-	13,254,854	-
Investments	2,392,380	-	-	-	2,392,380	-
Accrued interest	4,129	-	-	-	4,129	-
Prepaid items	38,198	2,000	-	4,115	44,313	-
Receivables	3,056,588	9,085	1,292,565	15,624	4,373,862	44,533
Less: allowance for uncollectibles	(329,035)	-	(136,996)	-	(466,031)	-
Accrued interest	1,153	-	357	-	1,510	-
Due from other funds	5,829,882	61,699	711,808	-	6,603,389	2,004,394
Due from other governments	-	-	-	330	330	-
Due from component unit	229,135	-	-	-	229,135	38,425
Inventories (at cost)	186,867	44,737	-	17,713	249,317	-
Total Current Assets	26,077,295	118,170	2,346,135	40,282	28,581,882	2,184,489
Noncurrent Assets:						
TMRS net pension asset	19,486	3,449	8,255	1,127	32,317	-
Capital assets:						
Land, water rights, and construction in progress	37,872,790	1,642,919	-	-	39,515,709	-
Other capital assets, net of accumulated depreciation	55,460,076	1,356,977	3,799,919	54,405	60,671,377	-
Other lease assets, net of amortization	937,229	372,458	67,775	8,216	1,385,678	-
Total Noncurrent Assets	94,289,581	3,375,803	3,875,949	63,748	101,605,081	-
Total Assets	120,366,876	3,493,973	6,222,084	104,030	130,186,963	2,184,489
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges related to loss on refunding	270,841	-	-	-	270,841	-
Deferred outflows related to pensions	265,375	46,964	112,427	15,354	440,120	-
Deferred outflows related to other post-employment benefits	71,667	12,683	30,361	4,147	118,858	-
Total Deferred Outflows of Resources	607,883	59,647	142,788	19,501	829,819	-
LIABILITIES						
Current Liabilities:						
Accounts payable	1,062,591	45,548	610,430	31,896	1,750,465	399,599
Claims payable	-	-	-	-	-	346,586
Accrued payroll	124,027	13,614	48,075	5,971	191,687	-
Compensated absences payable	174,111	12,346	14,612	-	201,069	-
Due to other funds	5,689,314	28,674	544,294	198,432	6,460,714	1,496,264
Unearned revenue	-	25,336	-	36,213	61,549	-
Accrued interest	311,061	425	1,224	2	312,712	-
Other liabilities	35,533	65,759	100,871	3,613	205,776	-
Subdivider deposits	2,530,269	-	-	-	2,530,269	-
Retainage payable	110,838	-	-	-	110,838	-
Customer deposits	2,791,318	-	-	-	2,791,318	-
Current portion of PPFA purchase agreement	941,060	-	-	-	941,060	-
Current portion of lease payables	183,685	100,737	12,665	3,042	300,129	-
Current portion of long-term debt	2,777,395	-	-	-	2,777,395	-
Total Current Liabilities	16,731,202	292,439	1,332,171	279,169	18,634,981	2,242,449
Other Non-Current Liabilities:						
Long-term compensated absences	134,066	24,082	30,409	-	188,557	-
PPFA purchase agreement	16,306,018	-	-	-	16,306,018	-
Lease payables	883,689	300,165	55,797	5,410	1,245,061	-
Advance of funds payable	-	3,071,144	-	-	3,071,144	-
Net other post employment benefit obligations	487,607	86,293	206,575	28,211	808,686	-
Revenue bonds, net of current portion, discount, and deferred amount of refunding	22,162,441	-	-	-	22,162,441	-
Total Other Non-Current Liabilities	39,973,821	3,481,684	292,781	33,621	43,781,907	-
Total Liabilities	56,705,023	3,774,123	1,624,952	312,790	62,416,888	2,242,449
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	702,295	124,286	297,527	40,633	1,164,741	-
Deferred inflows related to post-employment benefits	183,288	32,437	77,650	10,604	303,979	-
Total Deferred Inflows of Resources	885,583	156,723	375,177	51,237	1,468,720	-
NET POSITION						
Net investment in capital assets	62,215,834	2,971,441	3,799,233	54,171	69,040,679	-
Restricted for:						
Debt Service	2,776,478	-	-	-	2,776,478	-
Construction	527,966	-	-	-	527,966	-
Unrestricted	(2,136,125)	(3,348,667)	565,510	(294,667)	(5,213,949)	(57,960)
Total Net Position	\$ 63,384,153	\$ (377,226)	\$ 4,364,743	\$ (240,496)	\$ 67,131,174	\$ (57,960)
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.					(604,382)	
Net Position of Business-type Activities					\$ 66,526,792	

The accompanying notes are an integral part of this statement.

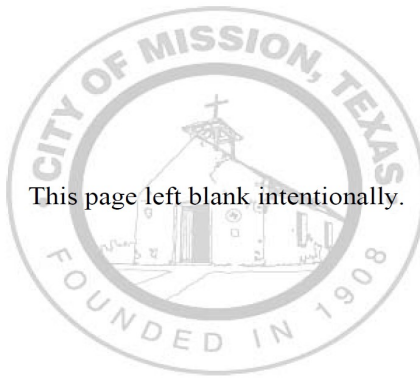
CITY OF MISSION, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT A-8

	Business-type Activities Enterprise Fund					Internal Service Funds
	Utility Fund	Golf Course Fund	Solid Waste Fund	Event Center Fund	Total Enterprise Funds	Group Health Employee Plan Fund
Operating Revenues:						
Charges for services	\$ 21,508,718	\$ 1,085,354	\$ 7,810,772	\$ 259,760	\$ 30,664,604	\$ 7,297,985
Operating Expenses:						
Insurance claim drafts	-	-	-	-	-	5,949,886
Health insurance cost	-	-	-	-	-	1,434,481
Utility administration	692,598	-	-	-	692,598	-
Water distribution	2,845,447	-	-	-	2,845,447	-
Water treatment	2,216,934	-	-	-	2,216,934	-
Wastewater treatment and collection	1,944,221	-	-	-	1,944,221	-
Industrial pretreatment	217,686	-	-	-	217,686	-
Utility collection	608,643	-	-	-	608,643	-
Organizational expenses	719,970	-	-	-	719,970	-
Meter readers	482,524	-	-	-	482,524	-
Northside water treatment plant	2,778,593	-	-	-	2,778,593	-
Depreciation and amortization	5,536,456	366,320	793,846	43,357	6,739,979	-
Cost of sales	-	130,931	-	-	130,931	-
Golf course operation	-	1,057,977	-	-	1,057,977	-
Solid waste disposal	-	-	6,001,373	-	6,001,373	-
Event center operation	-	-	-	648,169	648,169	-
Total Operating Expenses	18,043,072	1,555,228	6,795,219	691,526	27,085,045	7,384,367
Operating Income (Loss)	3,465,646	(469,874)	1,015,553	(431,766)	3,579,559	(86,382)
Non-operating Revenues (Expenses):						
Gain (Loss) on disposal of capital assets	(6,682)	(542)	-	-	(7,224)	-
Interest earned	54,263	-	4,691	-	58,954	31
Other nonoperating revenue	89,437	-	650	3,550	93,637	-
Bond interest expense	(992,843)	(13,774)	(2,138)	(2)	(1,008,757)	-
Bond fiscal charges	(3,800)	-	-	-	(3,800)	-
Total Non-operating Revenue (Expenses)	(859,625)	(14,316)	3,203	3,548	(867,190)	31
Net Income (Loss) Before Transfers and Capital Contributions	2,606,021	(484,190)	1,018,756	(428,218)	2,712,369	(86,351)
Transfers In (Out)	(1,281,876)	-	(450,000)	525,000	(1,206,876)	-
Capital Contributions	329,544	40,873	331,575	-	701,992	-
Change in Net Position	1,653,689	(443,317)	900,331	96,782	2,207,485	(86,351)
Net Position - Beginning of Year	61,730,464	66,091	3,464,412	(337,278)		28,391
Net Position - End of Year	\$ 63,384,153	\$ (377,226)	\$ 4,364,743	\$ (240,496)		\$ (57,960)
Some amounts reported for business-type activities in the statement of activities (EXHIBIT A-2) are different because the net revenue (expense) of the internal service fund is reported with business-type activities.					(157,795)	
Change in net position of business-type activities					\$ 2,049,690	

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, 2022

EXHIBIT A-9

	Enterprise				Internal Service Fund	
	Utility Fund	Golf Course Fund	Solid Waste Fund	Event Center Fund	Totals	Group Health
Cash Flows from Operating Activities:						
Cash received from customers	\$ 22,662,174	\$ 1,155,084	\$ 7,969,231	\$ 301,567	\$ 32,088,056	\$ 6,895,714
Cash received from interfund services used	-	-	-	-	-	180,751
Cash payments from interfund services used	(3,738,869)	(47,392)	(1,077,911)	(147,767)	(5,011,939)	(7,343,739)
Cash payments to employees for services	(5,236,320)	(996,995)	(1,805,398)	(327,406)	(8,366,119)	-
Cash payments to other suppliers for goods and services	(9,848,868)	(314,824)	(3,793,798)	(355,842)	(14,313,332)	-
Net Cash Provided (Used) by Operating Activities	3,838,117	(204,127)	1,292,124	(529,448)	4,396,666	(267,274)
Cash Flows from Non-Capital Financing Activities:						
Proceed from Insurance settlement	89,437	-	650	3,550	93,637	-
Proceeds (payments) for advances to other funds	-	298,482	-	-	298,482	-
Transfers from (to) other funds	(1,281,876)	-	(450,000)	525,000	(1,206,876)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(1,192,439)	298,482	(449,350)	528,550	(814,757)	-
Cash Flows from Capital and Related Financing Activities:						
Proceed from sale of capital assets	(6,682)	(541)	-	-	(7,223)	-
Principal and interest paid	(3,715,487)	(129,436)	(11,751)	-	(3,856,674)	-
Acquisition or construction of capital assets	(4,429,332)	(62,491)	(761,214)	898	(5,252,139)	-
Proceed from Issuance of long-term debt	13,764	66,252	55,797	-	135,813	-
Contributed capital	-	-	-	-	-	-
Net Cash Provided (Used) for Capital & Related Financing Activities	(8,137,737)	(126,216)	(717,168)	898	(8,980,223)	-
Cash Flows from Investing Activities:						
Purchase of investment securities	(309,890)	-	(250,000)	-	(559,890)	(31)
Proceeds from sale and maturities of securities	929,250	-	23,689	-	952,939	-
Interest on investments	56,351	-	4,355	-	60,706	31
Net Cash Provided (Used) for Investing Activities	675,711	-	(221,956)	-	453,755	-
Net Increase (Decrease) in Cash and Cash Equivalents	(4,816,348)	(31,861)	(96,350)	-	(4,944,559)	(267,274)
Cash and Cash Equivalents at Beginning of Year	18,078,323	32,510	97,600	2,500	18,210,933	359,993
Cash and Cash Equivalents at End of Year	\$ 13,261,975	\$ 649	\$ 1,250	\$ 2,500	\$ 13,266,374	\$ 92,719
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ 3,465,646	\$ (469,874)	\$ 1,015,553	\$ (431,766)	\$ 3,579,559	\$ (86,382)
Adjustments to Reconcile Operating Income to Net Cash Provided by operating activities:						
Depreciation	5,536,456	366,320	793,846	43,357	6,739,979	-
Change in Assets and Liabilities:						
Decrease (decrease) in receivables	472,126	(16,913)	158,459	(4,870)	608,802	(40,768)
Decrease (increase) in inventories	(38,673)	(10,549)	-	(5,271)	(54,493)	-
Decrease (increase) in prepaid expenses	7,363	-	-	(2,115)	5,248	-
Decrease (increase) in due from other funds	(2,559,591)	(94,437)	(711,807)	-	(3,365,835)	(987,659)
Decrease (increase) in due from other governments	621,095	-	-	-	621,095	-
Increase (decrease) in accounts payable	(2,698,822)	32,221	167,616	14,369	(2,484,616)	-
Increase (decrease) in customer deposits	108,492	-	-	-	108,492	-
Increase (decrease) in accrued wages payable	(7,946)	(2,062)	-	1,319	(8,689)	-
Increase (decrease) in due to other funds	(1,179,278)	47,044	(366,103)	(147,767)	(1,646,104)	806,907
Increase (decrease) in other liabilities	(449,760)	(110,176)	234,560	(4,245)	(329,621)	40,628
Increase (decrease) in subdivider deposits payable	572,833	-	-	-	572,833	-
Increase (decrease) in compensated absences payable	(11,824)	(32,345)	-	-	(44,169)	-
Increase (decrease) in unearned revenue	-	86,644	-	7,541	94,185	-
Total Adjustments	372,471	265,747	276,571	(97,682)	817,107	(180,892)
Net Cash Provided (Used) by Operating Activities	\$ 3,838,117	\$ (204,127)	\$ 1,292,124	\$ (529,448)	\$ 4,396,666	\$ (267,274)
Noncash Investing, Capital and Financing Activities:						
Contributed capital assets	\$ 329,544	\$ 40,873	\$ 331,575	\$ -	\$ 701,992	\$ -
Increase (decrease) in fair value investments	(127,226)	-	(23,689)	-	(150,915)	-
Total Noncash Investing, Capital and Financing Activities	\$ 202,318	\$ 40,873	\$ 307,886	\$ -	\$ 551,077	\$ -

The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

EXHIBIT A-10

	Private purpose Trust Fund
	<u>Speer Library</u>
	<u>Breyfogle</u>
ASSETS	
Cash and cash equivalents	\$ 6,812
Total Assets	<u>\$ 6,812</u>
NET POSITION	
Employees' pension benefits	\$ -
Held in trust for scholarships and books	<u>6,812</u>
Total Net Position	<u>\$ 6,812</u>

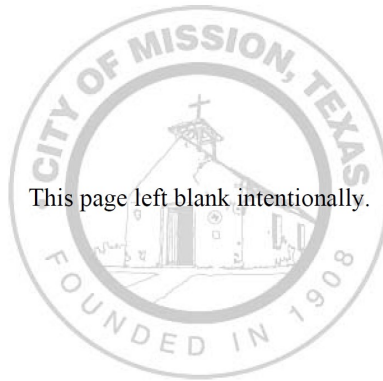
The accompanying notes are an integral part of this statement.

CITY OF MISSION, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT A-11

	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, 2022

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, 2022.

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 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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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, 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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 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, 2022, 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, 2022, two General Fund departments had expenditures which exceeded appropriations by a total of \$14,233, as reflected on exhibit B-1.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net position deficit

A net position deficit exists in the amount of \$377,226 for the golf course fund for the year ended September 30, 2022. The negative balance is due to more expenditures than generated revenues in FY 2021-2022.

A net position deficit exists in the amount of \$240,496 for the event center fund for the year ended September 30, 2022. The negative balance is due to more expenditures than generated revenues in FY 2021-2022.

A net position deficit exists in the amount of \$57,960 for the Group Health Employee Plan Fund for the year ended September 30, 2022. The negative balance is due to more claims and a rise in medical care in FY 2021-2022.

A net position deficit exists in the amount of \$4,417,116 for the Mission Redevelopment Authority (MRA) component unit for the year ended September 30, 2022. 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 are 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 investments, which are stated at amortized cost. MEDC's bank accounts are managed by the City and the City's investment policies are followed.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Investments (continued)

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.

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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Inventories and Prepaid Items (continued)

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (continued)

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:

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 exceed 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources (continued)

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 two (2) items that qualify for reporting as deferred inflows of resources. The *deferred inflows 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 inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.

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 three sources: leases, property taxes, and special 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, 2022

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

Long-Term Obligations (continued)

Section I30: *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 earning 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.

- 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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Fund Balance Reporting (continued)

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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, 2022 (2021 levy), was \$0.5299 per \$100 valuation. Taxes receivable consists of property taxes of \$2,420,118 and sales taxes of \$2,952,994.

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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	\$ 69,586
Debt Proceeds Capital Projects	8,013,142
Other Governmental Funds	8,537,957
Total	<u>\$ 16,620,685</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.

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, June 28, 2023. 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 2022, the City implemented Statement No. 87, Leases, which improves the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Current Accounting Standards (continued)

payment provision of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Additional information about the changes to the financial statements related to the implementation of this Statement can be found in Note 3.

In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objective of this Statement is to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The Statement is being applied prospectively, therefore, there were no significant impacts of implementing this Statement.

In January 2020, GASB issued Statement No. 92, Omnibus 2020, enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement was adopted in the current year, resulting in no material effect.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

Future Accounting Standards

Future accounting standards possibly applicable to the MEDC that have been issued by the Governmental Accounting Standards Board are:

- Statement No. 91, Conduit Debt Obligations
- Statement No. 96, Subscription-Based Information Technology Arrangements
- Statement No. 99, Omnibus 2022
- Statement No. 100, Accounting Changes and Error Corrections-an Amendment
- Statement No 101, Compensated Absences

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 issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition 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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Future Accounting Standards (continued)

additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement has been postponed by 12 months per GASB Statement No. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance and is now effective for reporting periods beginning after December 15, 2021.

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements 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 implementation 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 of this Statement are effective for fiscal years beginning after June 15, 2022.

In April 2022, GASB issued Statement No. 99, Omnibus 2022, enhances 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 information 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.

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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Future Accounting Standards (continued)

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

In Statement No. 101, Compensated Absences, This statement 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 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 are effective for reporting periods beginning after December 15, 2023.

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

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Primary Government

Deposits – At September 30, 2022, the carrying value of the City’s deposits was \$42,637,697 and the bank balance was \$43,174,563. 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

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.

The City’s investments are as follows at September 30, 2022:

Investments	
TexPool (reported at amortized cost)	\$ 9,670,185
Certificates of deposit (reported at fair value - level 2)	7,147,800
U.S. Government Bonds (reported at fair value - level 2)	3,514,671
Total investments	\$ 20,332,656

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 \$490,381.

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, 2022:

Investment Type	Reported Amount	Maturity Period		
		3 Months or Less	4-12 Months	Over One Year
TexPool	\$ 9,670,185	\$ 9,670,185	\$ -	\$ -
Government bonds	3,514,671	-	-	3,514,672
Certificates of Deposits	7,147,800	493,546	2,430,009	4,224,246
Total	\$ 20,332,656	\$ 10,163,731	\$ 2,430,009	\$ 7,738,918

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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (*Continued*)

Credit Risk (continued)

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.

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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (*Continued*)

Concentrations of Credit Risk (continued)

As of September 30, 2022, the following was the composition of the City’s credit rating by investment:

Investment Type	Rating	Exposure
TexPool	AAAm	48%
Government bonds	AA+	17%
Certificates of Deposits	N/A	35%

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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (*Continued*)

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

Cash on hand	\$ 11,359
Carrying amount of deposits	42,637,697
Investments	20,332,656
Accrued interest receivable	4,129
Cash, Investments, and Accrued Interest Receivable	\$ 62,985,841

Cash and cash equivalents	\$ 11,462,110
Investments	17,940,276
Restricted assets	33,583,455
Total Cash, Investments, and Restricted Assets on Statement of Net Position	\$ 62,985,841

B. Component Units

Mission Economic Development Corporation

Deposits - At September 30, 2022, the carrying value was \$2,190,709 and the bank balance of MEDC's deposits was \$2,522,472. Deposits include demand accounts and certificate of deposits with an initial maturity of three months or less. At September 30, 2022, 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Mission Economic Development Corporation (continued)

MEDC investments reported at fair value, in restricted assets, are as follows as of September 30, 2022:

Investments	
Certificates of deposit (reported at fair value - level 2)	\$ 232,098
U.S. Government Bonds (reported at fair value - level 2)	233,210
Total investments	\$ 465,308

At September 30, 2022, MEDC had deposits collateralized by pledged securities of \$2,440,453; all deposits were insured by the FDIC or were fully collateralized.

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

Cash on hand	\$ 500
Cash and cash equivalents	2,190,709
Investments	465,308
Cash, Investments, and Accrued Interest Receivable	\$ 2,656,517
Cash and cash equivalents	\$ 1,185,868
Restricted assets	1,470,649
Cash and Cash Equivalents and Restricted Assets on Statement of Net Position	\$ 2,656,517

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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Mission Redevelopment Authority (continued)

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 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 \$9,787,317.

Investments

As of September 30, 2022, 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	\$ 991,000	\$ 959,592	\$ -	\$ 959,592	\$ -
U.S. Government Bonds	1,450,000	1,397,830	-	1,397,830	-
Total	\$ 2,441,000	\$ 2,357,422	\$ -	\$ 2,357,422	\$ -

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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (*Continued*)

Mission Redevelopment Authority (continued)

Investments Act, to reduce the credit risk associated with the investments. At September 30, 2022, 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 3 – CHANGE ACCOUNTING PRINCIPLES

A. Primary Government

City of Mission adopted GASB No. 87, Leases, as of October 1, 2021. City of Mission reevaluated contracts that were formerly accounted for as operating leases to determine whether they met the definition of a lease as defined in GASB No. 87. At the government-wide level, the contracts to lease copier equipment met the definition of a lease and City of Mission calculated and recognized lease assets and liabilities of \$240,312 as of October 1, 2021.

For proprietary funds, the contracts to lease copier equipment and golf carts met the definition of a lease and the City of Mission calculated and recognized lease assets of \$366,066 and the lease liabilities of \$366,066 as of October 1, 2021.

The City of Mission has a land rental contract that met the definition of a lessor contract and the City of Mission calculated and recognized accounts receivable of \$86,097 and deferred inflows of resources of \$86,097 as of October 1, 2021.

There were no impacts to the beginning net position related to the adoption of GASB No. 87.

B. Component Unit

Mission Economic Development Corporation

MEDC adopted GASB No. 87, Leases, as of October 1, 2021. MEDC reevaluated contracts that were formerly accounted for as operating leases to determine whether they met the definition of a lease as defined in GASB No. 87. The contracts to lease copier equipment met the definition of a lease and MEDC calculated and recognized lease assets of \$28,345 and lease liabilities of \$28,345 as of October 1, 2021. There were no impacts to the beginning net position related to the adoption of GASB No. 87.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 4 – PRIOR PERIOD ADJUSTMENT

A contribution of land to the general fund from MEDA was not recorded on the books in the MEDA fund in the prior year. As a result, there was a decrease in fund balance/net position as well as land held for sale in the amount of \$570,751.

Contribution received by MEDC to be used for the Shary Business Park project was 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 \$1,183 which represents the net of reduction in revenue receivables of \$35,800 and expenditures of grant administration services of \$34,617 related to the grant.

NOTE 5 – RECEIVABLES

Receivables at September 30, 2022 were as follows:

	Taxes	Accounts	Special Assessments	Due from Other Governments	Allowance for Uncollectible	Accrued Interest Receivable	Net
Governmental Activities							
General	\$ 1,983,651	\$ 1,600,883	\$ -	\$ 3,459,253	\$ (1,920,860)	\$ 2,784	\$ 5,125,711
Debt Service	436,467	-	-	-	(192,141)	42	244,368
Designated Purpose	-	307	-	523,160	-	-	523,467
2021 CO Capital							
Projects	-	-	-	-	-	7,098	7,098
Nonmajor Gov't	-	390,346	161,439	1,182,830	(17,635)	85	1,717,065
Internal Service	-	44,533	-	-	-	-	44,533
Total	\$ 2,420,118	\$ 2,036,069	\$ 161,439	\$ 5,165,243	\$ (2,130,636)	\$ 10,009	\$ 7,662,242
Business-Type Activities							
Utility	\$ -	\$ 3,056,589	\$ -	\$ -	\$ (329,035)	\$ 1,152	\$ 2,728,706
Golf Course	-	9,085	-	330	-	-	9,415
Solid Waste	-	1,292,564	-	-	(136,996)	357	1,155,925
Event Center	-	15,625	-	-	-	-	15,625
Total	\$ -	\$ 4,373,863	\$ -	\$ 330	\$ (466,031)	\$ 1,509	\$ 3,909,671

Revenues of the Utility and Solid Waste Fund are reported net of uncollectible amounts related to revenues of the current period.

	Utility Fund	Solid Waste Fund
Gross operating revenues	\$ 21,632,571	\$ 7,863,997
Uncollectible related to current year	(123,853)	(53,225)
Net operating revenues	\$ 21,508,718	\$ 7,810,772

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Interfund receivable and payable balances at September 30, 2022 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	(176,921)
General Fund	Designated Purpose Fund	(920,747)
General Fund	Non-Major Governmental Funds	(3,070,105)
General Fund	Utility Fund	(5,358,788)
General Fund	Golf Course Fund	(4,571)
General Fund	Solid Waste Fund	(17,657)
General Fund	Event Center Fund	(179,385)
General Fund	Group Health Fund	(1,496,264)
Debt Service Fund	Non-Major Governmental Funds	(500,000)
Debt Service Fund	Solid Waste Fund	(450,000)
Designated Purpose Fund	General Fund	(575,506)
Capital Outlay	General Fund	(2,239,350)
Non-Major Governmental Funds	General Fund	(3,725,841)
Non-Major Governmental Funds	Debt Service Fund	(44,208)
Utility Fund	General Fund	(5,814,404)
Utility Fund	Non-Major Governmental Funds	(15,447)
Utility Fund	Capital Outlay	(31)
Golf Course Fund	General Fund	(61,699)
Solid Waste Fund	General Fund	(711,808)
Group Health Fund	General Fund	(1,486,803)
Group Health Fund	Designated Purpose Fund	(401)
Group Health Fund	Non-Major Governmental Funds	(66,876)
Group Health Fund	Utility Fund	(330,526)
Group Health Fund	Golf Course Fund	(24,103)
Group Health Fund	Solid Waste Fund	(76,637)
Group Health Fund	Event Center Fund	(19,047)
Total		(27,367,125)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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, 2022 were as follows:

Receivable Entity	Payable Entity	Amount
Primary Gov't General Fund	Component Unit - MEDC	(395)
Primary Gov't General Fund	Component Unit - MRA	(1,114,031)
Primary Gov't Debt Service Fund	Component Unit - MRA	(500,000)
Primary Gov't Utility Fund	Component Unit - MRA	(223,298)
Primary Gov't Non Governmental	Component Unit - MRA	(3,384,170)
Primary Gov't Non Governmental	Component Unit - MEDC	(38,425)
Component Unit - MEDC	Primary Gov't General Fund	(260,243)
Component Unit - MRA	Primary Gov't Non Governmental	(106,785)
Total		(5,627,347)

C. Interfund Transfers:

	Transfers In					Total
	General Fund	Debt Service Fund	Designated Purpose fund	Non-Major Governmental Funds	Event Center	
Transfers Out						
General Fund	\$ -	\$ -	\$710,788	\$487,750	\$300,000	\$ 1,498,538
Debt Service Fund	-	-	-	-	-	-
Non-Major						
Governmental Funds	-	500,000	-	-	225,000	725,000
Utility Fund	1,281,876	-	-	-	-	1,281,876
Solid Waste Fund	-	450,000	-	-	-	450,000
Total Transfers Out	\$ 1,281,876	\$ 950,000	\$ 710,788	\$ 487,750	\$ 525,000	\$ 3,955,414

Transfers out from the General to Non-Major Governmental Funds were to sustain the operating activities of those funds. The Capital Asset Replacement and the Boys and Girls Club funds are presented within the General Fund column of the statements, therefore reflected above as a transfer in to general fund.

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, 2022

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, 2022, the remaining properties are stated at a cost of \$335,991, 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, 2022, the remaining properties are stated at a cost of \$4,734,945, which is less than their estimated fair 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	3,002,123
Police/ Fire Department Substation	2,290,394
South Conway Lift Station	1,319,350
Bentsen Palm Dev Sanitary Sewer Line	562,147
Tierra Dorada Sanitary Sewer	83,605
Total Redevelopment Expenditures	\$ 7,757,619

The reimbursements represents 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.

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.

<u>September 30, 2022</u>	<u>Housing Rehab</u>
Notes receivable current	\$ 2,400
Long term receivables	5,600
Total notes receivable	\$ 8,000

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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.

Restricted assets included in the Utility Fund as of September 30, 2022 consist of:

	Cash and Cash Equivalents	Investments	Accrued Interest	Total
Revenue bond reserve fund	\$ 570,366	\$ 327,021	\$ -	\$ 897,387
Bond interest and sinking	709,704	882,836	-	1,592,540
Cash with fiscal agent	10,960,723	-	-	10,960,723
Subdivides deposits	1,014,061	408,920	-	1,422,981
Capital recovery fund	-	773,603	107	773,710
I&S Fund	-	-	3,887	3,887
Jr. Lien Reserve Fund	-	-	135	135
Total	\$ 13,254,854	\$ 2,392,380	\$ 4,129	\$ 15,651,363

B. Component Units

Mission Economic Development Corporation

Restricted assets held by Mission Economic Development Corporation at September 30, 2022 consisted of the following:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 10 – RESTRICTED ASSETS (Continued)

Mission Economic Development Corporation (continued)

	Cash and Cash Equivalents	Investments	Total
General Fund	\$ 240,223	\$ -	\$ 240,223
Debt service fund	749,249	465,308	1,214,557
Capital projects fund	15,869	-	15,869
Total	\$ 1,005,341	\$ 465,308	\$ 1,470,649

NOTE 11 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

	Restated Beginning Balance	Increases	Decreases and Reclassifications	Ending Balance
Governmental Activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 42,288,152	\$ 9,840	\$ -	\$ 42,297,992
Construction in progress	13,398,676	11,833,012	(1,235,342)	23,996,346
Capital assets, not being depreciated	55,686,828	11,842,852	(1,235,342)	66,294,338
<i>Capital assets, being depreciated</i>				
Buildings	37,827,612	214,534	-	38,042,146
Improvements other than buildings	19,958,184	1,558,038	-	21,516,222
Machinery and equipment	29,928,620	2,055,048	(332,687)	31,650,981
Infrastructure	126,218,771	578,766	-	126,797,537
Capital assets, being depreciated	213,933,187	4,406,386	(332,687)	218,006,886
<i>Less accumulated depreciation for</i>				
Buildings	(12,908,661)	(1,094,383)	-	(14,003,044)
Improvements other than buildings	(15,052,413)	(1,251,141)	-	(16,303,554)
Machinery and equipment	(22,099,881)	(2,090,807)	318,271	(23,872,417)
Infrastructure	(76,079,760)	(4,670,095)	-	(80,749,855)
Total accumulated depreciation	(126,140,715)	(9,106,426)	318,271	(134,928,870)
Total capital assets, being depreciated, net	87,792,472	(4,700,040)	(14,416)	83,078,016
Capital assets, being amortized, net				
Leased Assets	8,356,973	1,474,226	-	9,831,199
Less accumulated amortization	(1,501,300)	(910,220)	-	(2,411,520)
Total capital assets, being amortized, net	6,855,673	564,006	-	7,419,679
Governmental activities capital assets, net	\$ 150,334,973	\$ 7,706,818	\$ (1,249,758)	\$ 156,792,033

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 11 – CAPITAL ASSETS (Continued)

Business-Type Activities

Capital assets, not being depreciated

Land	\$ 3,541,694	\$ -	\$ -	\$ 3,541,694
Water rights	3,870,564	-	-	3,870,564
Construction in progress	28,241,236	3,862,215	-	32,103,451
Total capital assets, not being depreciated	35,653,494	3,862,215	-	39,515,709

Capital assets, being depreciated

Buildings and system	148,237,043	295,347	-	148,532,390
Improvements other than buildings	6,620,395	91,154	-	6,711,549
Furniture and equipment	16,269,534	1,128,989	(478,647)	16,919,876
Total capital assets, being depreciated	171,126,972	1,515,490	(478,647)	172,163,815

Less accumulated depreciation for

Buildings and system	(90,111,730)	(4,897,721)	-	(95,009,451)
Improvements other than buildings	(3,987,092)	(287,136)	-	(4,274,228)
Furniture and equipment	(11,514,084)	(1,156,394)	461,719	(12,208,759)
Total accumulated depreciation	(105,612,906)	(6,341,251)	461,719	(111,492,438)

Total capital assets, being depreciated, net	65,514,066	(4,825,761)	(16,928)	60,671,377
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Capital assets, being amortized, net

Leased Assets	2,091,730	362,253	-	2,453,983
Less accumulated amortization	(669,577)	(398,728)	-	(1,068,305)
Total Capital assets, being amortized, net	1,422,153	(36,475)	-	1,385,678

Business-type activities capital assets, net	\$ 102,589,713	\$ (1,000,021)	\$ (16,928)	\$ 101,572,764
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CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 11 – CAPITAL ASSETS (Continued)

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

For the year ending September 30, 2022

Governmental Activities	Depreciation	Amortization
General government	\$ 949,036	\$ 107,381
Public safety	1,247,178	229,791
Highways and streets, including depreciation of general infrastructure assets	5,020,659	532,464
Health and welfare	22,333	18,915
Culture and recreation	1,867,220	21,669
Total depreciation and amortization expense - Governmental activities	\$ 9,106,426	\$ 910,220
Business-Type Activities		
Utility	\$ 5,316,748	\$ 219,708
Golf course	196,076	170,244
Solid waste	785,305	8,541
Event Center	43,122	235
Total depreciation and amortization expense - Business activities	\$ 6,341,251	\$ 398,728

As of September 30, 2022, interest cost in the amount of \$38,452 was capitalized during the construction period of water and wastewater projects in the Utility Fund out of a total amount of \$297,084 of interest costs capitalized over time by the City.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 11 – CAPITAL ASSETS (Continued)

Mission Economic Development Corporation

Capital asset activity for the year ended September 30, 2022 for MEDC, was as follows:

	Restated Balance at 9/30/2021	Increases	Decreases	Balance at 9/30/2022
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	1,272,878	3,014	-	1,275,892
Building	6,368,101	-	-	6,368,101
Capital assets, being depreciated	7,640,979	3,014	-	7,643,993
<i>Less accumulated depreciation for</i>				
Machinery and equipment	(973,941)	(135,483)	-	(1,109,424)
Building	(768,004)	(246,400)	-	(1,014,404)
Total accumulated depreciation net	(1,741,945)	(381,883)	-	(2,123,828)
Total capital assets being depreciated, net	5,899,034	(378,869)	-	5,520,165
<i>Capital assets, being amortized</i>				
Leased Assets	28,345	-	-	28,345
Less accumulated amortization	-	(8,236)	-	(8,236)
Total capital assets, being amortized, net	28,345	(8,236)	-	20,109
Governmental activities capital assets, net	\$ 8,028,338	\$ (387,105)	\$ -	\$ 7,641,233

Depreciation & amortization expense charged to governmental activities totaled \$387,105 for the year ended September 30, 2022.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 12 – DISAGGREGATION OF OTHER LIABILITIES

At September 30, 2022, the City had the following other liabilities:

Payable To	Governmental Activities	Business-type Activities	Total
Due to state	\$ 158,379	\$ 95,568	\$ 253,947
Due to other governmental agencies	6,823	-	6,823
Wages and deductions	137,220	50,536	187,756
Court deposit/refunds	11,131	-	11,131
Due to others	193,791	59,672	253,463
Total	\$ 507,344	\$ 205,776	\$ 713,120

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, 2022 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%.

\$ 11,960,000

\$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%.

9,715,000

\$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%.

18,765,000

\$ 40,440,000

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

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

<i>Year ending September 30,</i>	Governmental Activities		
	Principal	Interest	Total
2023	\$ 1,940,000	\$ 1,744,475	\$ 3,684,475
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
Thereafter	27,425,000	5,140,288	32,565,288
Total	\$ 40,440,000	\$ 12,605,538	\$ 53,045,538

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, 2022 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%.	\$ 705,000
\$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%.	5,405,000
\$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%.	3,760,000
	<u>\$ 9,870,000</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

General Obligation (continued)

General Obligation debt service requirements to maturity are as follows:

<i>Year ending September 30,</i>	Governmental Activities		
	Principal	Interest	Total
2023	\$ 2,055,000	\$ 416,592	\$ 2,471,592
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
Thereafter	1,470,000	104,350	1,574,350
Total	\$ 9,870,000	\$ 1,334,925	\$ 11,204,925

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 \$28,129,163. Principal and interest paid from the current year and total waterworks and sewer system net revenues were \$3,165,112 and \$9,001,964, respectively.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Revenue Bonds (continued)

Revenue bonds payable at September 30, 2022 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.	\$ 3,185,000
\$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%.	4,105,000
\$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%.	13,185,000
\$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%.	3,895,000
	<u>\$ 24,370,000</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Revenue Bonds (continued)

Revenue bonds debt service requirements to maturity are as follows:

<i>Year ending September 30,</i>	Business-type Activities		
	Principal	Interest	Total
2023	\$ 2,640,000	\$ 523,712	\$ 3,163,712
2024	2,720,000	449,471	3,169,471
2025	2,800,000	367,158	3,167,158
2026	2,885,000	283,227	3,168,227
2027	1,830,000	223,724	2,053,724
Thereafter	11,495,000	1,911,871	13,406,871
Total	\$ 24,370,000	\$ 3,759,163	\$ 28,129,163

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 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, 2022 totaled \$216,673.

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, 2022, 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, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Leases - Lessee

The City has entered into lease agreements. Leases at September 30, 2022 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%.	\$ 162,793
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%.	16,115
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-\$98,987.54. The lease has an interest rate ranging from 2.82%-3.52%.	2,337,196
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%.	1,285,067
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%.	158,878
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%.	531,090
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-\$1,698.41. The lease has an interest rate ranging from 9.06%-30.87%.	1,824,486
	<u>\$ 6,315,625</u>

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Leases - Lessee (continued)

The future principal and interest lease payments as of September 30, 2022 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 1,239,705	\$ 200,242	\$ 1,439,947
2024	1,394,222	174,736	1,568,958
2025	964,616	130,172	1,094,788
2026	774,986	88,165	863,151
2027	654,495	69,040	723,535
Thereafter	1,287,601	112,063	1,399,664
Total	\$ 6,315,625	\$ 774,418	\$ 7,090,043

Business-type activities:

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%. \$ 23,877

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%. 14,868

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%. 225,454

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%. 635,486

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 \$385.95-\$577.69. The lease has an interest rate ranging from 19.43%-30%. 470,785

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%. 174,720
\$ 1,545,190

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Leases - Lessee (continued)

The future principal and interest lease payments as of September 30, 2022 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 300,129	\$ 51,667	\$ 351,796
2024	397,041	44,772	441,813
2025	631,562	32,406	663,968
2026	115,776	12,188	127,964
2027	100,682	8,394	109,076
Total	\$ 1,545,190	\$ 149,427	\$ 1,694,617

Leases – Lessor

The City has entered into lease agreements. Leases at September 30, 2022 are comprised of the following:

Governmental activities:

City of Mission, TX entered into a 65 month lease as Lessor for the use of Tower Site Number: TX-0078. The lessee is required to make monthly fixed payments ranging from \$1,298.92-\$1,434.11. The lease has an interest rate of 0.7120%.

\$	72,284
\$	72,284

The lessor receivable in the amount of \$72,284 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
2023	\$ 15,620	\$ 464	\$ 16,084
2024	16,055	351	16,406
2025	16,498	236	16,734
2026	16,952	117	17,069
2027	7,159	13	7,172
Total	\$ 72,284	\$ 1,181	\$ 73,465

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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	\$ 42,195,000	\$ -	\$ 1,755,000	\$ 40,440,000	\$ 1,940,000
General obligations	11,820,000	-	1,950,000	9,870,000	2,055,000
Plus bond premium	7,269,808	-	605,371	6,664,437	605,371
Total bonds payable	61,284,808	-	4,310,371	56,974,437	4,600,371
Leases	6,098,753	1,474,229	1,257,357	6,315,625	1,239,705
Compensated absences	3,271,231	1,893,009	1,845,758	3,318,482	1,290,468
Net pension liability	5,407,658	-	5,376,475	31,183	-
Net other post employment benefit obligations	5,117,507	-	817,322	4,300,185	-
Anzalduas bridge payable	4,151,461	313,672	-	4,465,133	-
Governmental activities, total long-term liabilities	\$ 85,331,418	\$ 3,680,910	\$ 13,607,283	\$ 75,405,045	\$ 7,130,544
Business-type Activities					
Bonds payable					
Revenue bonds	\$ 26,940,000	\$ -	\$ 2,570,000	\$ 24,370,000	\$ 2,640,000
Plus bond premium	707,229	-	137,394	569,835	137,394
Total bonds payable	27,647,229	-	2,707,394	24,939,835	2,777,394
Leases	1,462,477	339,613	281,883	1,520,207	1,241,191
PPFA Purchase Agreement	17,272,061	-	-	17,272,061	-
Compensated absences	418,293	299,492	328,158	389,627	201,068
Net pension liability	1,088,183	-	1,088,183	-	-
Net other post employment benefit obligations	1,035,153	808,686	1,035,153	808,686	-
Business-type activities long-term liabilities	\$ 48,923,396	\$ 1,447,791	\$ 5,440,771	\$ 44,930,416	\$ 4,219,653

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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)

MEDC has issued sales tax revenue bonds to finance various construction projects to enhance economic development in the Mission area. These bonds are to be repaid with sales tax revenue.

Sales tax revenue bond payable at September 30, 2022 for the MEDC is comprised of the following:

\$4,380,000 - Sales Tax Revenue Refunding Bonds, Series 2010 due in annual principal installments ranging from \$90,000 to \$395,000 from January 15, 2011 through 2024; interest at 3.85%; plus \$1,000 annual fee. \$ 640,000

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

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 315,000	\$ 18,577	\$ 333,577
2024	325,000	6,256	331,256
Total	640,000	24,833	664,833
Current portion	(315,000)	(18,577)	(333,577)
Due in more than one year	\$ 325,000	\$ 6,256	\$ 331,256

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

Sales tax revenue notes payable at September 30, 2022 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. \$ 3,739,409

\$2,000,000 - Sales and Use Tax Revenue Note, due in monthly installments of \$20,105, including interest at 3.795% payable to Lone Star National Bank. Note matures on December 1, 2026. Note is collateralized by sales tax revenues collected.

941,687

\$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.

6,335,305
\$ 11,016,401

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
2023	\$ 890,198	\$ 437,026	\$ 1,327,224
2024	915,912	401,356	1,317,268
2025	924,596	364,645	1,289,241
2026	933,550	327,937	1,261,487
2027	757,213	293,252	1,050,465
2028-2032	3,479,783	1,048,237	4,528,020
2033-2037	2,719,192	376,120	3,095,312
2038	395,957	9,543	405,500
Total	11,016,401	3,258,116	14,274,517
Current portion	(890,198)	(437,026)	(1,327,224)
Due in more than one year	\$ 10,126,203	\$ 2,821,090	\$ 12,947,293

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 \$696. 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, 2022 is \$20,085.

The future principal and interest lease payments as of September 30, 2022 are as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 8,287	\$ 66	\$ 8,354
2024	8,321	33	8,354
2025	3,477	4	3,481
Total	20,085	103	20,188
Current portion	(8,287)	(66)	(8,354)
Total Payments	\$ 11,798	\$ 36	\$ 11,834

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

	September 30 2021	Additional Obligations and Net Increases	Retirements and Net Decreases	September 30 2022	Due Within One Year
Bonds and notes:					
Sales tax refunding bond	\$ 945,000	\$ -	\$ (305,000)	\$ 640,000	\$ 315,000
Sales tax revenue note - LSNB	1,145,286	-	(203,599)	941,687	194,241
Sales tax revenue note - Frost	4,039,409	-	(300,000)	3,739,409	300,000
Sales tax revenue note - BBVA	6,731,261	-	(395,956)	6,335,305	395,957
Total bonds and notes	12,860,956	-	(1,204,555)	11,656,401	1,205,198
Other Liabilities:					
Lease Liabilities	28,345	-	(8,260)	20,085	8,287
Total other liabilities	28,345	-	(8,260)	20,085	8,287
Total long-term debt obligations	\$ 12,889,301	\$ -	\$ (1,212,815)	\$ 11,676,487	\$ 1,213,485

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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

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, 2022 for the MRA were comprised of the following:

\$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. \$ 4,020,000

\$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. 10,500,000
\$ 14,520,000

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

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 2,150,000	\$ 498,226	\$ 2,648,226
2024	2,200,000	449,726	2,649,726
2025	2,245,000	399,468	2,644,468
2026	1,595,000	345,168	1,940,168
2027	1,655,000	281,368	1,936,368
Thereafter	4,675,000	385,794	5,060,794
Total	\$ 14,520,000	\$ 2,359,750	\$ 16,879,750

State Infrastructure Loan Agreement

On March 25, 2008, the Authority entered into a State Infrastructure Loan Agreement with the State of Texas, acting by and through the Texas Department of Transportation (TXDOT). The agreement became effective on April 3, 2008, upon execution by the State. The loan amount of \$3,000,000 was used to finance the costs of the extension of Anzalduas Road from the proposed General Service Administration Complex north to US 83 Expressway. The Authority has agreed to repay the loan over a period of fifteen (15) years at a 3.85% interest rate.

\$ 257,102

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 13 – LONG-TERM DEBT (Continued)

The debt service requirements on the loan agreement were as follows:

<i>Year ending September 30,</i>	Principal	Interest	Total
2023	\$ 257,102	\$ 9,898	\$ 267,001
Total	\$ 257,102	\$ 9,898	\$ 267,001

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

	September 30, 2021	Additional Obligations and Net Increases	Retirements and Net Decreases	September 30, 2022	Due Within One Year
Tax increment contract revenue bond series 2013	\$ 4,445,000	\$ -	\$ (410,000)	\$ 4,035,000	\$ 440,000
Tax increment contract revenue bond series 2017	12,170,000	-	(1,610,000)	10,560,000	1,710,000
Less issuance discount	(74,825)	-	8,314	(66,511)	-
Plus issuance premiums	638,041	-	(70,893)	567,148	-
Total contract revenue bonds	17,178,216	-	(2,082,579)	15,095,637	2,150,000
State infrastructure bank loan	504,673	-	(247,571)	257,102	257,102
Accrued Interest	47,081	42,578	(47,081)	42,578	-
Loss on Refunding	(610,452)	-	67,828	(542,624)	-
Total MRA long-term obligations	\$ 17,119,518	\$ 42,578	\$ (2,309,403)	\$ 14,852,693	\$ 2,407,102

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, 2022

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 \$298,482 compared to prior years balance. At September 30, 2022 the balance of the advance in the amount of \$3,071,144 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:

	General Fund	Debt Service Fund	Designated Purpose Fund
Lease revenue unavailable	\$ 72,284	\$ -	\$ -
ARPA grant reimbursement revenue, unavailable	-	-	17,142,972
Delinquent property taxes, unavailable	1,049,320	234,972	-
Total deferred inflows of resources	\$ 1,121,604	\$ 234,972	\$ 17,142,972

At the government-wide financial statements, the City reports cumulative deferred charges on refunding as deferred outflows of resources in the amount of \$663,707 which is net of cumulative amortization of \$110,744.

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.

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	\$ 517,286
Capital projects -Taylor road expansion	783,376
Grants	121,762
Other	179,696
Total unearned revenue	\$ 1,602,120

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 16 – UNEARNED REVENUES (*Continued*)

Unearned revenues of \$25,336 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 \$36,213 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.tmrs.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 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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS (Continued)

TMRS (continued)

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 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	239	-
Inactive employees entitled to but not yet receiving benefits	412	-
Active employees	712	8
Total participants	1,363	8

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS *(Continued)*

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 minimum contribution rates for the City of Mission were 8.90% and 8.75% in calendar years 2022 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2022, were \$2,926,622 and were equal to the required contributions.

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,

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS (Continued)

TESRS (continued)

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, 2022.

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, 2022 totaled \$3,708.

Net Pension Liability:

The City's Net Pension Liability (NPL) was measured as of December 31, 2021 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	12/31/2021		8/31/2022
Actuarial Cost Method	Entry Age Normal		N/A
Inflation	2.50%		3.00%
Investment Rate of Return	6.75%		7.50% net of pension plan
Mortality Assumption	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.		PubS-2010 (public safety) below-median income mortality table for retirees, projected for mortality improvement generationally using projection scale MP-2019
	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, 2021 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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS (Continued)

TMRS (continued)

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:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
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:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS (Continued)

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%	

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:

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 17 – PENSION PLANS (Continued)

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
	5.75%	6.75%	7.75%
City's Net Pension			
Liability/(Asset) -TMRS	\$ 17,764,011	\$ (204,164)	\$ (14,973,305)
	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
	6.50%	7.50%	8.50%
City's Proportionate Share of the Net Pension			
Liability/(Asset) -TESRS	\$ 26,614	\$ 31,183	\$ (4,188)

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, 2022 are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a)-(b)
Balance at 12/31/2020	\$ 111,316,835	\$ 104,848,976	\$ 6,467,859
Changes for the year			
Service cost	4,617,778	-	4,617,778
Interest	7,546,469	-	7,546,469
Change of benefit terms	-	-	-
Difference between expected and actual experience	121,980	-	121,980
Change of assumptions	-	-	-
Contributions - employer	-	3,171,548	(3,171,548)
Contributions - employee	-	2,174,778	(2,174,778)
Net investment income	-	13,674,735	(13,674,735)
Benefit payments, including refunds of employee contributions	(3,652,368)	(3,652,368)	
Administrative expense	-	(63,244)	63,244
Other charges	-	433	(433)
Net changes	8,633,859	15,305,882	(6,672,023)
Balance at 12/31/2021	\$ 119,950,694	\$ 120,154,858	\$ (204,164)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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, 2022 is \$31,183, and the proportion percentage of the aggregate net pension liability allocated to the City is 0.076%, slight change from prior year measurement date where the allocation percentage was 0.111%. 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.

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, 2022, the City recognized pension expense of \$676,245 for the TMRS pension plan and \$6,589 for the TESRS pension plan for a total pension expense of \$682,834.

At September 30, 2022, 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	\$ 102,537	\$ 357,628	\$ 1,187	\$ -	\$ 103,724	\$ 357,628
Changes in actuarial assumption	177,111	-	-	157	177,111	157
Net differences between projected and actual investments earnings	-	7,000,638	11,500	-	11,500	7,000,638
Contributions subsequent to the measurement date	2,500,805	-	3,708	-	2,504,513	-
Total	\$ 2,780,453	\$ 7,358,266	\$ 16,395	\$ 157	\$ 2,796,847	\$ 7,358,421

Deferred outflows of resources related to pension of \$2,504,513 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, 2022

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
2022	\$ (1,332,332)	\$ -
2023	(2,966,927)	3,615
2024	(1,484,815)	2,244
2025	(1,300,129)	2,343
2026	5,585	4,327
Total	\$ (7,078,618)	\$ 12,530

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.
2. The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). 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 1st of any year to be effective the following January 1st.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmr.com.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

The City offers supplemental death benefits to:

	Plan Year 2022	Plan Year 2021
Active employees	Yes	Yes
Retirees	Yes	Yes

Employees Covered by Benefit Terms

The most recent measurement dates for THP and SDBF were September 30, 2022 and December 31, 2021, 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	180
Inactive employees entitled to but not yet receiving benefits	-	74
Active employees	739	712
Total	747	966

Total OPEB Liability

The City's total OPEB liability of \$3,080,462 for THP was measured as of September 30, 2022. The City's total OPEB liability of \$2,028,410 for SDBF was measured as of December 31, 2021. 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 \$5,108,872 at September 30, 2022.

Actuarial Assumptions and Other Inputs

THP

The Total OPEB liability in the September 30, 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	September 30, 2022
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

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

The discount rate was based on an average of the September 30, 2022 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.

SDBF

The Total OPEB liability in the December 31, 2020 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, 2021
Actuarial Valuation Date	December 31, 2021
Inflation	2.5%
Salary Increases	3.50% to 11.50% including inflation
Discount Rate	1.84%
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, 2021.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 09/30/2021	\$ 4,322,456	\$ 1,830,204	\$ 6,522,204
Changes for the year			
Service cost	329,285	141,361	470,646
Interest	103,691	37,764	141,455
Difference between expected and actual experience	(1,208,101)	(24,709)	(1,232,810)
Changes in assumptions/inputs	(379,895)	69,162	(310,733)
Change in benefit terms	-	-	-
Benefit payments	(86,975)	(25,372)	(112,347)
Administrative expense	-	-	-
Net Changes	(1,241,995)	198,206	(1,043,789)
Balance at 9/30/2022	\$ 3,080,461	\$ 2,028,410	\$ 5,108,871

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)	\$ 3,398,761	\$ 3,080,461	\$ 2,794,852
Total OPEB liability (SDBF)	2,537,468	2,028,410	1,641,031
Total OPEB liability	\$ 5,936,229	\$ 5,108,871	\$ 4,435,883

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)	\$ 2,705,610	\$ 3,080,461	\$ 3,522,573

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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, 2022, the City recognized OPEB expense of \$242,800 for SDBF. At September 30, 2022, the City recognized OPEB expense related to THP of \$167,873. 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	\$ 78,966	\$ 187,562	\$ -	\$ 1,035,516	\$ 78,966	\$ 1,223,078
Changes in actuarial assumptions or inputs	451,235	43,797	174,900	653,517	626,135	697,314
Employer amounts for OPEB subsequent to measurement date	45,778	-	-	-	45,778	-
Total	\$ 575,979	\$ 231,359	\$ 174,900	\$ 1,689,033	\$ 750,880	\$ 1,920,393

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
2023	\$ (265,103)	\$ 63,675
2024	(265,103)	63,675
2025	(265,103)	61,448
2026	(265,103)	49,646
2027	(226,855)	40,007
Thereafter	(226,866)	20,391
	\$ (1,514,133)	\$ 298,842

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 19 – OUTSTANDING COMMITMENTS

A. Primary Government

At September 30, 2022, 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	\$ 5,373,304	\$ 525,143
Inspiration Rd/Military Loop	5,104,358	4,234,220	870,138
Basham Waterlines	1,529,412	1,072,835	456,577
Conway Sewer Improvements	829,658	653,659	175,999
Shary Rd Sewer Improvements	60,900	32,700	28,200
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
Bentsen Palm Sewer Improvements	2,666,541	1,207,637	1,458,904
S Conway Lift Station Improvements	2,858,676	2,824,049	34,627
Leandro Drainage Improvements	117,288	87,966	29,322
Esperanza Drainage Improvements	737,842	404,663	333,179
Gabriel Drainage Improvements	139,539	674	138,865
Glasscock Drainage Improvements	171,994	154,794	17,200
Stewart A Drainage Improvements	470,874	266,903	203,971
Lions Park	192,400	167,575	24,825
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	6,160,040	2,049,166	4,110,874
HCRMA 365 Tollway	1,207,420	679,304	528,116
Tierra Dorada	367,925	83,606	284,319
Veterans's Cemetary Irrigation	214,467	203,744	10,723
Smart Meter Improvements	16,756,287	8,321,719	8,434,568
Total	\$ 51,459,453	\$ 31,601,089	\$ 19,858,364

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, 2022

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	\$ 2,100,000	\$ 900,000
Cantu Bungalows	500,000	200,000	300,000
Other Infrastructure Projects	152,325	37,500	114,825
Total	\$ 3,652,325	\$ 2,337,500	\$ 1,314,825

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, 2022, the Authority has the following outstanding commitments to the City:

Project	Committed	Expended to Date	Remaining Commitment
Military and Inspiration Expansion	\$ 1,358,777	\$ 1,322,532	\$ 36,245
Military and Inspiration Expansion Phase II	3,728,854	2,911,689	817,165
Bentsen Palm Development Sanitary Sewer Line	2,826,718	1,259,816	1,566,902
PD/Fire Substation	6,166,040	2,600,377	3,565,663
Tierra Dorada Sanitary Sewer Improvements	1,962,375	83,605	1,878,770
Sanitary Sewer Regional Master Plan	110,000	-	110,000
Dragonfly	718,772	-	718,772
Mayberry Expansion	96,486	-	96,486
Mission Event Center	500,000	-	500,000
Total	\$ 17,468,022	\$ 8,178,019	\$ 9,290,003

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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 20 – FUND BALANCES

At September 30, 2022, 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.

	General Fund	Debt Service Fund	Designated Purpose Fund	2021 Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Fund balances						
Nonspendable						
Long term receivable	\$ 77,884	\$ -	\$ -	\$ -	\$ -	\$ 77,884
Inventory	23,373	-	-	-	-	23,373
Prepaid	127,417	-	-	-	-	127,417
Restricted						
Capital improvements	-	-	36,014	20,278,499	5,541,096	25,855,609
Debt Service	-	1,473,691	-	-	-	1,473,691
Municipal courts						
Technology	-	-	-	-	204,953	204,953
Building security	-	-	-	-	151,838	151,838
Juvenile case manager	-	-	-	-	177,720	177,720
PD asset sharing	-	-	-	-	358,091	358,091
Drainage improvements	-	-	-	-	964,801	964,801
Scholarships and books	-	-	-	-	27,477	27,477
Tourism	-	-	-	-	536,387	536,387
Perpetual care	-	-	-	-	20,253	20,253
Records preservation	-	-	-	-	10,174	10,174
PEG	-	-	-	-	814,454	814,454
Economic development	-	-	-	-	470,711	470,711
Tax increment	-	-	-	-	3,556	3,556
Assigned						
Boys and Girls Club	913,076	-	-	-	-	913,076
Rollover appropriations	69,586	-	-	-	-	69,586
Unassigned	2,084,757	-	-	-	-	2,084,757
Total fund balances	\$ 3,296,093	\$ 1,473,691	\$ 36,014	\$ 20,278,499	\$ 9,281,511	\$ 34,365,808

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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	\$ 149,372,354	\$ 100,186,749	\$ 7,621,124	\$ -
Leases, net of accumulated amortization	7,419,679	1,385,679	20,109	-
Less related liabilities	(56,625,625)	(43,299,662)	(6,746,521)	-
Less unamortized bond premium	(6,664,438)	(432,440)	-	-
Plus deferred charge on refunding	392,867	270,834	-	-
Plus unexpended debt proceeds (capital projects)	23,534,012	10,929,519	16,264	-
Net investment in capital assets	117,428,849	69,040,679	910,976	-
Restricted net position consists of the following:				
Debt Service	1,378,376	2,776,478	1,470,644	3,156,329
Construction	-	527,966	256,092	-
Capital Improvements	1,779,255	-	-	1,559,927
Federal and other awards	17,537,079	-	-	-
Tourism	536,387	-	-	-
Municipal Court	534,510	-	-	-
MEDA	470,712	-	-	-
Other purposes	61,459	-	-	-
Restricted net position	22,297,778	3,304,444	1,726,736	4,716,256
Unrestricted net position (deficit)	(9,514,739)	(5,818,332)	4,278,596	(9,133,372)
Total net position	\$ 130,211,888	\$ 66,526,791	\$ 6,916,308	\$ (4,417,116)

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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, 2022

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:	\$	1,456,952,446
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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:	\$	4,932,221
Valuation Basis:	Replacement Cost	
Deductible:	\$	500

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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, 2022

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:

	2022	2021
Unpaid claims, beginning of fiscal year	\$ 590,761	\$ 588,949
Incurred claims and adjustments	5,949,886	5,425,848
Claims payments	(6,194,061)	(5,424,036)
Unpaid claims (IBNRs), end of fiscal year	\$ 346,586	\$ 590,761

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, 2022, the Mission Redevelopment Authority reimbursed the City of Mission a total of \$7,757,619 related to various project costs, of which \$5,053,911 was payable at September 30, 2022. Additionally, the MRA incurred a total of \$338,472 related to administrative costs paid to the City of Mission, of which \$167,587 was payable at September 30, 2022.

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 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 25 – CONDUIT DEBT OBLIGATIONS (*Continued*)

As of September 30, 2022, there were seven series of Industrial Development Bonds outstanding. There were no issuances in the current fiscal year. The aggregate principal amount payable for the seven series issued prior to October 1, 2021 was \$642.65 million. Issuance dates for the nine series range from May 2007 to July 2020 and interest rates range from 0.650% to 12%. Maturity dates range from December 2024 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, 2022, there were two applications submitted.

Upon issuance of conduit debt, an issuance fee is assessed based on the terms of the agreements.

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, 2022, MEDC received \$245,953 of which \$122,976 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, 2022 the City's Utility Fund met these coverage requirements.

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 \$3,524,479 and \$3,244,952 from the City and County, respectively.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 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, 2022, the amount advanced since the inception for the City of Mission is \$4,465,133 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.

CITY OF MISSION, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE 29 – SUBSEQUENT EVENTS

For the purposes of reporting subsequent events, management has considered events occurring up to June 28, 2023, the date the report was available to be issued.

In October of 2022, the City entered into a master lease agreement with PNC for Pierce Enforcer Pumper Rescue Apparatus in the amount of \$1,659,103.

In April 2023, the City was awarded \$1,996,399 CDBG Disaster Recovery Program grants from the Texas General Land Office. These grants include a 1% matching requirement from the City. The funds are dedicated for drainage rehabilitation projects, to include grant administration services and engineer services.

Mission Economic Development Corporation

For the purposes of reporting subsequent events, management has considered events occurring up to March 24, 2023, the date the report was available to be issued.

In January and February 2023, MEDC sold land held for resale with a cost basis of \$1,016,706.

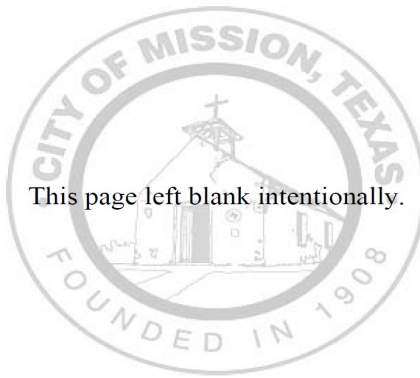
In February 2023, MEDC paid off debt from two lenders in the amount of \$1,526,815.

Mission Redevelopment Authority

For the purposes of reporting subsequent events, management has considered events occurring up to April 23, 2023, the date the report was available to be issued.

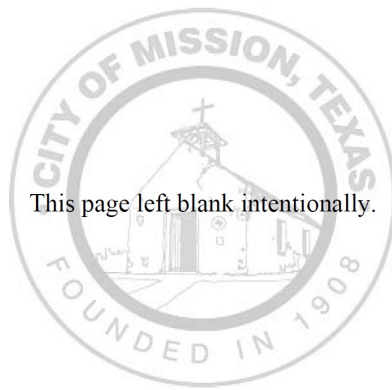
On December 31, 2022, Daniel Silva resigned as the Authority's Executive Director. The Authority entered into an agreement with the City of Mission beginning January 1, 2023 to manage the Authority's operations and named Randy Perez, City Manager, as Interim Executive Director.

The Authority is considering going out for bonds in 2023 and has engaged Hilltop Securities as the Financial Advising firm to assist with these bonds.



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***REQUIRED
SUPPLEMENTARY
INFORMATION***



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CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes:				
Ad valorem taxes:				
Current ad valorem taxes	\$ 21,200,000	\$ 21,200,000	\$ 17,968,884	\$ (3,231,116)
Delinquent ad valorem taxes	450,000	450,000	502,464	52,464
Interest and penalties on taxes	360,000	360,000	429,935	69,935
Net Ad Valorem Tax Revenue	22,010,000	22,010,000	18,901,283	(3,108,717)
Sales tax	11,440,000	11,440,000	12,206,101	766,101
Sales tax-tax abatement	5,720,000	5,720,000	6,103,050	383,050
Bingo tax	50,000	50,000	60,078	10,078
Franchise business tax	2,700,000	2,700,000	2,901,538	201,538
Telecommunication access fee	75,000	75,000	48,550	(26,450)
Mixed drink tax	25,000	25,000	54,508	29,508
Total Taxes	42,020,000	42,020,000	40,275,108	(1,744,892)
Licenses and permits:				
Occupational licenses	30,000	30,000	44,000	14,000
Moving and building permits	400,000	400,000	656,943	256,943
Health permits	30,000	30,000	52,635	22,635
Electrical permits	150,000	150,000	215,795	65,795
Mechanical permits	50,000	50,000	73,386	23,386
Plumbing permits	120,000	120,000	128,464	8,464
Alarm permits	9,500	9,500	4,962	(4,538)
Miscellaneous	30,000	30,000	39,290	9,290
Total Licenses and Permits	819,500	819,500	1,215,475	395,975
Intergovernmental:				
MCISD and SISD Dare Program	781,682	781,682	821,178	39,496
County contributions-rural fires	20,000	20,000	33,836	13,836
County restitution reimbursement	500	500	790	290
Overhead-MRA	300,000	300,000	338,472	38,472
Reimbursement-TIRZ	-	-	946,444	946,444
Task Force	25,000	25,000	55,402	30,402
Peace Officers Fire Prev.	1,000	1,000	811	(189)
DEA Overtime Task Force	36,000	36,000	7,569	(28,431)
Hidalgo County-library	15,000	90,000	75,000	(15,000)
Total Intergovernmental	1,179,182	1,254,182	2,279,502	1,025,320

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Charges for Services:				
Birth certificate service	1,700	1,700	2,318	618
Inspection fee-2%	80,000	80,000	203,272	123,272
Planning Technology Fee	12,000	12,000	18,914	6,914
Construction material testing fee	85,000	85,000	149,631	64,631
Fire inspection fee	15,000	15,000	14,970	(30)
Corporation court fines tax	45,000	45,000	36,542	(8,458)
Detaining Contract Services	15,000	15,000	6,480	(8,520)
Abandoned motor vehicle fee	1,000	1,000	620	(380)
Security event fee	-	-	2,625	2,625
Library reservations fee	100	100	-	(100)
Lot cleaning	100,000	100,000	111,039	11,039
Lot cleaning-admin. Fee	50,000	50,000	41,519	(8,481)
Lease-service center complex	15,000	15,000	15,221	221
Library copies	35,000	35,000	21,629	(13,371)
Rent-City buildings	6,000	6,000	6,014	14
Basketball fees & charges	5,000	5,000	3,035	(1,965)
Softball fees & charges	3,500	3,500	3,515	15
Football fees & charges	2,000	2,000	1,600	(400)
Kickball fees & charges	2,000	2,000	-	(2,000)
Volleyball fees & charges	6,000	6,000	3,850	(2,150)
Park facility rentals	25,000	25,000	21,272	(3,728)
Other recreational fees	2,000	2,000	110	(1,890)
Bannworth pool fees	45,000	45,000	26,432	(18,568)
Mayberry pool fees	30,000	30,000	34,442	4,442
TAAF summer programs	23,000	23,000	20,190	(2,810)
Year-round swim program	5,000	5,000	6,580	1,580
Library rentals	200	200	75	(125)
Cemetery charges	100,000	100,000	85,232	(14,768)
Vital statistics	100,000	100,000	125,222	25,222
Burial transit permit	1,500	1,500	890	(610)
Animal adoption fees	3,000	3,000	4,253	1,253
Animal control & shelter fee	4,500	4,500	5,801	1,301
Contracted animal service fee	45,000	45,000	80,240	35,240
Zoning and subdivision fees	50,000	50,000	69,950	19,950
5% credit card fee	20,000	20,000	29,590	9,590
Food manager/handler ID fee	2,000	2,000	-	(2,000)
Arrest fees-M.P.D.	35,000	35,000	33,880	(1,120)
Truancy prevention & diversion	7,500	7,500	29,697	22,197
Police Dept. service charges	10,000	10,000	11,081	1,081
Total Charges for Services	988,000	988,000	1,227,731	239,731

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Fines:				
Corporation court fines	550,000	550,000	687,789	137,789
Warrant execution fee	110,000	110,000	126,388	16,388
Library fines	15,000	15,000	15,409	409
Total Fines	675,000	675,000	829,586	154,586
Interest:				
Interest earned on investments	25,000	25,000	11,576	(13,424)
Total Interest	25,000	25,000	11,576	(13,424)
Miscellaneous:				
Reimb.-LRGVDC	39,659	39,659	12,630	(27,029)
Reimb.-Other state agencies	70,451	70,451	315,261	244,810
Local Jury fee	-	-	576	576
Child safety fees	4,000	4,000	3,656	(344)
Library donations/memorial	200	200	407	207
Insurance settlement	25,000	25,000	39,707	14,707
Miscellaneous income	150,000	150,000	146,212	(3,788)
Coke machine & vending machines	2,000	2,000	4,621	2,621
Contributions and donations	-	-	60	60
Total Miscellaneous	291,310	291,310	523,130	231,820
Total Revenues	45,997,992	46,072,992	46,362,108	289,116
Expenditures:				
Current:				
General Government:				
Legislative:				
Personal services	2,200	2,200	2,100	100
Employee benefits	1,460	1,460	1,452	8
Purchased property services	20,960	20,460	13,538	6,922
Supplies	3,000	3,500	2,727	773
Miscellaneous	7,575	7,575	975	6,600
	35,195	35,195	20,792	14,403
Executive Administration:				
Personal services	681,827	694,543	676,214	18,329
Employee benefits	199,037	226,389	195,269	31,120
Purchased property services	4,000	4,000	-	4,000
Other purchased services	16,200	16,200	16,803	(603)
Supplies	5,150	5,150	5,590	(440)
Miscellaneous	1,500	1,500	1,981	(481)
	907,714	947,782	895,857	51,925

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Finance Department:				
Personal services	540,009	452,009	453,162	(1,153)
Employee benefits	192,112	192,112	171,982	20,130
Purchased property services	161,636	155,956	108,424	47,532
Other purchased services	6,500	10,500	8,514	1,986
Supplies	7,150	7,480	7,561	(81)
Capital outlays	3,750	5,100	3,662	1,438
Miscellaneous	3,550	3,550	3,815	(265)
	<u>914,707</u>	<u>826,707</u>	<u>757,120</u>	<u>69,587</u>
Municipal Court:				
Personal services	499,822	446,822	458,357	(11,535)
Employee benefits	183,627	183,627	171,384	12,243
Other purchased services	5,500	5,500	4,271	1,229
Supplies	6,000	6,000	5,682	318
Miscellaneous	9,000	13,750	11,425	2,325
	<u>703,949</u>	<u>655,699</u>	<u>651,119</u>	<u>4,580</u>
Planning:				
Personal services	658,154	658,154	645,726	12,428
Employee benefits	258,530	258,530	249,012	9,518
Professional & technical services	30,000	22,100	13,439	8,661
Purchased property services	18,000	18,000	8,128	9,872
Other purchased services	43,000	47,000	34,303	12,697
Supplies	19,550	27,950	26,598	1,352
Capital outlays	13,750	13,750	9,179	4,571
Miscellaneous	148,000	143,500	93,928	49,572
	<u>1,188,984</u>	<u>1,188,984</u>	<u>1,080,313</u>	<u>108,671</u>
Facilities Maintenance:				
Personal services	475,185	415,185	415,868	(683)
Employee benefits	220,599	220,599	197,022	23,577
Purchased property services	76,200	76,200	63,973	12,227
Other purchased services	6,200	6,200	4,412	1,788
Supplies	219,350	241,550	226,052	15,498
Capital outlays	8,300	8,300	3,894	4,406
Miscellaneous	15,000	15,000	9,075	5,925
	<u>1,020,834</u>	<u>983,034</u>	<u>920,296</u>	<u>62,738</u>
Fleet Maintenance:				
Personal services	179,149	179,149	180,436	(1,287)
Employee benefits	66,598	66,598	62,822	3,776
Professional & technical services	704,500	704,500	640,613	63,887
Purchased property services	1,500	1,500	-	1,500
Other purchased services	4,700	4,700	2,750	1,950
Supplies	108,050	108,050	132,703	(24,653)
Miscellaneous	101,000	101,000	96,943	4,057
	<u>1,165,497</u>	<u>1,165,497</u>	<u>1,116,267</u>	<u>49,230</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Organizational Expense:				
Professional & technical services	678,504	678,504	625,358	53,146
Purchased property services	172,189	172,189	135,509	36,680
Other purchased services	156,500	137,500	229,078	(91,578)
Supplies	6,200	18,333	18,266	67
Capital outlays	-	9,840	9,840	-
Miscellaneous	590,000	865,567	748,295	117,272
	<u>1,603,393</u>	<u>1,881,933</u>	<u>1,766,346</u>	<u>115,587</u>
Purchasing:				
Personal services	206,077	206,077	206,784	(707)
Employee benefits	71,986	71,986	67,838	4,148
Purchased property services	1,710	1,710	21	1,689
Other purchased services	18,750	26,250	26,516	(266)
Supplies	4,650	4,650	4,473	177
Miscellaneous	16,515	16,515	11,479	5,036
	<u>319,688</u>	<u>327,188</u>	<u>317,111</u>	<u>10,077</u>
City Secretary:				
Personal services	281,008	281,008	264,490	16,518
Employee benefits	101,567	101,567	95,894	5,673
Professional & technical services	5,000	5,000	3,905	1,095
Purchased property services	15,800	16,250	13,404	2,846
Other purchased services	19,050	18,600	14,086	4,514
Supplies	700	700	387	313
Capital outlays	14,000	14,000	13,629	371
Miscellaneous	980	980	734	246
	<u>438,105</u>	<u>438,105</u>	<u>406,529</u>	<u>31,576</u>
Risk Management:				
Personal services	103,461	103,461	103,818	(357)
Employee benefits	39,291	39,291	38,439	852
Professional & technical services	6,000	6,000	3,525	2,475
Purchased property services	1,900	1,900	-	1,900
Other purchased services	437,250	437,250	448,164	(10,914)
Supplies	15,900	15,900	11,666	4,234
Miscellaneous	13,150	13,150	150	13,000
	<u>616,952</u>	<u>616,952</u>	<u>605,762</u>	<u>11,190</u>
Elections:				
Professional & technical services	50,000	102,677	102,677	-
Other purchased services	1,540	1,540	1,469	71
	<u>51,540</u>	<u>104,217</u>	<u>104,146</u>	<u>71</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Civil Service:				
Personal services	95,688	95,688	96,045	(357)
Employee benefits	30,051	30,051	29,572	479
Professional & technical services	30,000	30,000	10,000	20,000
Other purchased services	4,750	4,750	573	4,177
Supplies	20,000	20,000	12,259	7,741
Miscellaneous	100	100	102	(2)
	<u>180,589</u>	<u>180,589</u>	<u>148,551</u>	<u>32,038</u>
Human Resources:				
Personal services	231,921	231,921	230,064	1,857
Employee benefits	84,278	84,278	80,988	3,290
Professional & technical services	13,500	13,500	14,445	(945)
Purchased property services	4,515	4,515	2,118	2,397
Other purchased services	3,500	3,500	2,722	778
Supplies	1,450	1,450	1,313	137
Miscellaneous	989	989	988	1
	<u>340,153</u>	<u>340,153</u>	<u>332,638</u>	<u>7,515</u>
Information Technology:				
Personal services	197,747	197,747	178,126	19,621
Employee benefits	80,020	80,020	65,930	14,090
Purchased property services	210,000	204,380	197,492	6,888
Other purchased services	11,300	1,300	2,283	(983)
Supplies	1,300	16,920	13,233	3,687
Capital outlays	24,000	24,000	21,718	2,282
Miscellaneous	150	150	2,186	(2,036)
	<u>524,517</u>	<u>524,517</u>	<u>480,968</u>	<u>43,549</u>
Media Relations:				
Personal services	224,976	224,976	227,145	(2,169)
Employee benefits	69,118	69,118	66,669	2,449
Purchased property services	1,500	1,500	1,052	448
Other purchased services	5,900	5,900	5,378	522
Supplies	3,500	3,500	2,732	768
Miscellaneous	4,200	4,200	3,041	1,159
	<u>309,194</u>	<u>309,194</u>	<u>306,017</u>	<u>3,177</u>
Legal:				
Personal services	193,537	321,737	316,939	4,798
Employee benefits	48,347	80,590	72,633	7,957
Professional & technical services	60,000	285,000	297,915	(12,915)
Purchased property services	3,000	3,000	-	3,000
Other purchased services	3,600	4,511	4,673	(162)
Supplies	1,550	1,550	1,296	254
Miscellaneous	1,900	989	902	87
	<u>311,934</u>	<u>697,377</u>	<u>694,358</u>	<u>3,019</u>
Total General Government	<u>10,632,945</u>	<u>11,223,123</u>	<u>10,604,190</u>	<u>618,933</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Public Safety:				
Police Department:				
Personal services	13,149,466	12,841,711	12,581,179	260,532
Employee benefits	4,285,438	4,285,438	3,875,082	410,356
Professional & technical services	124,300	124,300	128,344	(4,044)
Purchased property services	475,400	475,400	414,002	61,398
Other purchased services	365,629	376,629	369,666	6,963
Supplies	442,600	517,100	543,567	(26,467)
Capital outlays	44,000	48,000	36,500	11,500
Miscellaneous	112,389	112,389	80,262	32,127
	<u>18,999,222</u>	<u>18,780,967</u>	<u>18,028,602</u>	<u>752,365</u>
Fire Department:				
Personal services	5,305,562	5,828,674	5,828,282	392
Employee benefits	1,731,119	1,731,119	1,646,621	84,498
Purchased property services	175,300	175,300	111,702	63,598
Other purchased services	137,400	137,400	149,544	(12,144)
Supplies	279,700	279,700	288,148	(8,448)
Capital outlays	1,174,166	1,174,166	1,146,905	27,261
Miscellaneous	60,900	60,900	53,099	7,801
	<u>8,864,147</u>	<u>9,387,259</u>	<u>9,224,301</u>	<u>162,958</u>
Fire Prevention Bureau:				
Personal services	561,287	561,287	583,766	(22,479)
Employee benefits	172,113	172,113	162,270	9,843
Purchased property services	6,300	7,617	7,526	91
Other purchased services	11,700	10,390	8,369	2,021
Supplies	23,700	23,333	25,934	(2,601)
Miscellaneous	1,600	1,960	1,635	325
	<u>776,700</u>	<u>776,700</u>	<u>789,500</u>	<u>(12,800)</u>
Total Public Safety	<u>28,640,069</u>	<u>28,944,926</u>	<u>28,042,403</u>	<u>902,523</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Highways and Streets:				
Street Department:				
Personal services	1,229,686	1,229,686	1,236,502	(6,816)
Employee benefits	605,166	605,166	552,813	52,353
Professional & technical services	100,000	100,000	134,346	(34,346)
Purchased property services	1,387,500	1,387,500	1,393,117	(5,617)
Other purchased services	17,000	17,000	15,694	1,306
Supplies	793,200	863,200	779,401	83,799
Capital outlays	166,000	96,000	83,697	12,303
Miscellaneous	116,000	116,000	69,705	46,295
	<u>4,414,552</u>	<u>4,414,552</u>	<u>4,265,275</u>	<u>149,277</u>
Total Highways and Streets	<u>4,414,552</u>	<u>4,414,552</u>	<u>4,265,275</u>	<u>149,277</u>
Health and Welfare:				
Health Regulations and Inspections:				
Personal services	472,214	472,214	448,541	23,673
Employee benefits	202,466	202,466	187,336	15,130
Professional & technical services	6,000	6,000	5,428	572
Purchased property services	8,850	8,850	6,026	2,824
Other purchased services	16,050	16,050	12,115	3,935
Supplies	86,750	86,750	80,150	6,600
Capital outlays	1,000	1,000	-	1,000
Miscellaneous	2,200	2,200	1,647	553
	<u>795,530</u>	<u>795,530</u>	<u>741,243</u>	<u>54,287</u>
Total Health and Welfare	<u>795,530</u>	<u>795,530</u>	<u>741,243</u>	<u>54,287</u>
Culture and Recreation:				
Mission Historical Museum:				
Personal services	216,800	216,800	191,279	25,521
Employee benefits	91,808	91,808	81,134	10,674
Purchased property services	27,000	27,000	17,180	9,820
Other purchased services	9,910	10,110	7,682	2,428
Supplies	5,500	5,500	5,423	77
Miscellaneous	200	-	-	-
	<u>351,218</u>	<u>351,218</u>	<u>302,698</u>	<u>48,520</u>
Parks and Recreation Administration:				
Personal services	175,513	175,513	168,949	6,564
Employee benefits	59,054	59,054	55,978	3,076
Purchased property services	24,600	24,600	17,841	6,759
Other purchased services	7,900	7,900	4,667	3,233
Supplies	3,250	3,250	2,787	463
Miscellaneous	1,600	1,600	278	1,322
	<u>271,917</u>	<u>271,917</u>	<u>250,500</u>	<u>21,417</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Parks:				
Personal services	1,243,371	1,243,371	1,091,551	151,820
Employee benefits	580,357	580,357	525,586	54,771
Professional & technical services	15,000	15,000	1,535	13,465
Purchased property services	425,000	425,000	433,592	(8,592)
Other purchased services	13,000	13,000	15,176	(2,176)
Supplies	245,650	245,650	233,310	12,340
Capital outlays	141,638	141,638	133,228	8,410
Miscellaneous	114,000	114,000	102,380	11,620
	<u>2,778,016</u>	<u>2,778,016</u>	<u>2,536,358</u>	<u>241,658</u>
Recreation:				
Personal services	242,338	242,338	198,532	43,806
Employee benefits	62,890	62,890	52,408	10,482
Professional & technical services	43,500	43,500	26,943	16,557
Other purchased services	35,000	34,500	27,528	6,972
Supplies	21,200	21,700	25,677	(3,977)
Capital outlays	31,200	31,200	30,498	702
Miscellaneous	800	800	536	264
	<u>436,928</u>	<u>436,928</u>	<u>362,122</u>	<u>74,806</u>
Library:				
Personal services	832,063	783,763	774,602	9,161
Employee benefits	314,492	314,492	292,004	22,488
Purchased property services	82,000	76,000	48,052	27,948
Other purchased services	84,180	82,194	76,522	5,672
Library-supplies	29,450	43,720	42,219	1,501
Capital outlays	-	36,800	36,714	86
Miscellaneous	84,610	164,826	163,457	1,369
	<u>1,426,795</u>	<u>1,501,795</u>	<u>1,433,570</u>	<u>68,225</u>
Bannworth Pool:				
Personal services	150,578	150,578	101,337	49,241
Employee benefits	40,920	40,920	32,094	8,826
Purchased property services	46,000	46,000	20,797	25,203
Other purchased services	4,350	4,350	3,342	1,008
Supplies	30,550	30,550	21,209	9,341
Miscellaneous	3,450	3,450	535	2,915
	<u>275,848</u>	<u>275,848</u>	<u>179,314</u>	<u>96,534</u>

CITY OF MISSION, TEXAS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Mayberry Pool:				
Personal services	211,215	197,465	171,988	25,477
Employee benefits	50,732	50,732	38,696	12,036
Purchased property services	36,500	44,320	38,195	6,125
Other purchased services	3,600	3,600	5,023	(1,423)
Supplies	29,075	35,005	29,995	5,010
Miscellaneous	300	300	-	300
	<u>331,422</u>	<u>331,422</u>	<u>283,897</u>	<u>47,525</u>
 Total Culture and Recreation	 <u>5,872,144</u>	 <u>5,947,144</u>	 <u>5,348,459</u>	 <u>598,685</u>
Debt Service:				
Principal retirement	777,932	777,932	743,651	34,281
Interest	141,849	141,849	177,563	(35,714)
	<u>919,781</u>	<u>919,781</u>	<u>921,214</u>	<u>(1,433)</u>
 Total Debt Service	 <u>919,781</u>	 <u>919,781</u>	 <u>921,214</u>	 <u>(1,433)</u>
 Total Expenditures	 <u>51,275,021</u>	 <u>52,245,056</u>	 <u>49,922,784</u>	 <u>2,322,272</u>
 Excess (Deficiency) of Revenues Over Expenditures	 <u>(5,277,029)</u>	 <u>(6,172,064)</u>	 <u>(3,560,676)</u>	 <u>2,611,388</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	-	(17,863)	(17,863)
Other financing sources	775,166	775,166	775,166	-
Transfers in	5,127,502	5,127,502	1,281,876	(3,845,626)
Transfers out	(5,924,548)	(5,924,548)	(2,439,676)	3,484,872
Total Other Financing Sources (Uses)	<u>(21,880)</u>	<u>(21,880)</u>	<u>(400,497)</u>	<u>(378,617)</u>
 Net Change in Fund Balance	 <u>(5,298,909)</u>	 <u>(6,193,944)</u>	 <u>(3,961,173)</u>	 <u>2,232,771</u>
 Fund Balance at Beginning of Year	 <u>8,343,349</u>	 <u>8,343,349</u>	 <u>7,446,716</u>	 <u>(896,633)</u>
 Fund Balance at End of Year	 <u><u>\$ 3,044,440</u></u>	 <u><u>\$ 2,149,405</u></u>	 <u><u>\$ 3,485,543</u></u>	 <u><u>\$ 1,336,138</u></u>

CITY OF MISSION, TEXAS**EXHIBIT B-2***RECONCILIATION OF THE GENERAL FUND BUDGETARY SCHEDULE
TO THE STATEMENT OF REVENUES AND EXPENDITURES
SEPTEMBER 30, 2022*

Net Changes in the General Fund Fund Balance \$ (3,961,173)

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 1,126,686

Boys and Girls Club Fund revenues and transfers-in 658,739

Expenditures:

Capital Assets expenditures (1,265,347)

Boys and Girls Club expenditures (709,528)

Net Change in Fund Balances \$ (4,150,623)

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, 2022

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Intergovernmental:				
DHS-2020 Stonegarden Grant	\$ 325,000	\$ 325,000	\$ 207,278	\$ (117,722)
Bullet Proof Vest Grant	10,000	10,000	9,133	(867)
SAFER EMW 2017	98,941	98,941	86,956	(11,985)
EDA Public Works & Economic	100,000	100,000	98,282	(1,718)
Rifle Resistant	11,973	11,973	11,970	(3)
Facial Recogn Grant	40,767	40,767	-	(40,767)
OVAG Grant	44,954	44,954	44,954	-
Fire Homeland Security Grant - 2020	80,341	80,341	-	(80,341)
Fire Hazmat	-	74,280	70,008	(4,272)
Nibris	-	118,757	118,757	-
CDBG - TERA/TERAP Program	69,738	69,738	8,032	(61,706)
FM Global Grant - Fire Prevention	-	5,000	-	(5,000)
2020 COPS Hiring	559,763	559,763	494,960	(64,803)
Local Border Security Program	200,000	200,000	190,000	(10,000)
CESF Grant	61,586	61,586	-	(61,586)
Tx. Dept of Transportation-STEP Grant	41,000	53,495	46,842	(6,653)
2021 Stonegarden Grant	-	380,000	72,670	(307,330)
Petco Grant	50,000	70,570	58,821	(11,749)
Petco Love Grant	-	6,000	6,000	-
TSLAC Grant	3,153	3,153	-	(3,153)
Body worn cameras	94,875	94,875	-	(94,875)
Texas Parks and Wildlife	750,000	750,000	-	(750,000)
Lions Club International	-	-	30,000	30,000
LEOSE-Peace Officer Allocation	9,900	9,900	6,615	(3,285)
Community Policing Dev	-	21,116	10,710	(10,406)
US Treasury-ARPA Funds	10,949,823	23,472,254	6,329,281	(17,142,973)
SWAT Equipment Grant	19,593	19,593	3,367	(16,226)
Total Intergovernmental	13,521,407	26,682,056	7,904,636	(18,777,420)
Interest:				
Interest earned on demand deposits	-	-	36,015	36,015
	-	-	36,015	36,015
Miscellaenous:				
Local Wal-Mart Grants-Public Safety	-	3,500	3,480	(20)
Total Miscellaneous	-	3,500	3,480	(20)
Total Revenues	13,521,407	26,685,556	7,944,131	(18,741,425)

CITY OF MISSION, TEXAS

DESIGNATED PURPOSE FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 31, 2022

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Expenditures:				
Current:				
General Government:				
EDA Public Works & Economic:				
Miscellaneous	125,000	125,000	122,853	2,147
	125,000	125,000	122,853	2,147
US Treasury ARPA Funds:				
Personal services	763	1,626,603	1,595,617	30,986
Employee benefits	-	244,822	261,500	(16,678)
Professional & technical services	-	-	24,000	(24,000)
Supplies	80,219	80,219	-	80,219
Capital outlays	9,818,841	9,818,841	3,628,805	6,190,036
Miscellaneous	1,050,000	1,050,000	819,360	230,640
	10,949,823	12,820,485	6,329,282	6,491,203
Total General Government	11,074,823	12,945,485	6,452,135	6,493,350
Public Safety:				
SAFER EMW-2017:				
Personal services	496,391	496,391	427,772	68,619
Employee benefits	182,057	182,057	161,284	20,773
	678,448	678,448	589,056	89,392
Body Worn Camera Grant:				
Capital outlays	94,875	94,875	-	94,875
	94,875	94,875	-	94,875

CITY OF MISSION, TEXAS

DESIGNATED PURPOSE FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 31, 2022

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Bullet Proof Vest Grant:				
Capital outlays	20,000	20,000	18,265	1,735
	20,000	20,000	18,265	1,735
Rifle Resistant Grant:				
Capital outlays	11,973	11,973	11,970	3
	11,973	11,973	11,970	3
Facial Recognition Grant:				
Capital outlays	40,767	40,767	-	40,767
	40,767	40,767	-	40,767
OVAG Grant:				
Personal services	37,254	37,254	34,027	3,227
Employee benefits	7,700	7,700	10,926	(3,226)
	44,954	44,954	44,953	1
TXDOT-Step Grant:				
Personal services	41,000	53,495	46,842	6,653
	41,000	53,495	46,842	6,653
Mission SWAT Equipment:				
Capital outlays	19,593	19,593	3,367	16,226
	19,593	19,593	3,367	16,226
2020 Stonegarden Grant:				
Personal services	219,827	219,827	121,716	98,111
Employee benefits	44,823	44,823	25,571	19,252
Capital outlays	60,350	60,350	59,990	360
	325,000	325,000	207,277	117,723
2021 Stonegarden Grant:				
Personal services	-	142,038	60,058	81,980
Employee benefits	-	28,962	12,613	16,349
Capital outlays	-	209,000	-	209,000
	-	380,000	72,671	307,329

CITY OF MISSION, TEXAS

DESIGNATED PURPOSE FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 31, 2022

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Wal-Mart Grant:				
Supplies	-	3,500	3,480	20
	-	3,500	3,480	20
FB Superior:				
Supplies	-	5,000	-	5,000
	-	5,000	-	5,000
CESF Grant:				
Supplies	61,586	61,586	-	61,586
	61,586	61,586	-	61,586
2020 COPS Hiring:				
Personal services	553,493	553,493	490,225	63,268
Employee benefits	192,857	192,857	169,722	23,135
	746,350	746,350	659,947	86,403
LEOSE Grant:				
Other purchased services	9,900	9,900	6,615	3,285
	9,900	9,900	6,615	3,285
Community Policing Development:				
Community Policing Dev_ Capital outlay	-	21,116	10,710	10,406
	-	21,116	10,710	10,406
Local Border Security Program:				
Personal services	166,331	166,331	157,023	9,308
Employee benefits	33,669	33,669	32,977	692
	200,000	200,000	190,000	10,000
2020 Fire Homeland				
Capital outlays	88,795	88,795	-	88,795
	88,795	88,795	-	88,795
Fire Hazmat:				
Supplies	-	25,640	21,368	4,272
Capital outlays	-	48,640	48,640	-
	-	74,280	70,008	4,272
Nibris				
Capital Outlay	-	118,757	118,757	-
	-	118,757	118,757	-
Total Public Safety	2,383,241	2,998,389	2,053,918	944,471

CITY OF MISSION, TEXAS

DESIGNATED PURPOSE FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 31, 2022

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
Health and Welfare:				
CDBG - TERAP & TEDP:				
Miscellaneous	69,738	69,738	8,032	61,706
	69,738	69,738	8,032	61,706
PETCO				
Professional & technical services	50,000	55,500	41,541	13,959
Supplies	-	15,070	17,280	(2,210)
	50,000	70,570	58,821	11,749
PetCo Love:				
Professional & technical services	-	1,200	6,000	(4,800)
Capital outlays	-	4,800	-	4,800
	-	6,000	6,000	-
Total Health and Welfare	119,738	146,308	72,853	73,455
Culture and Recreation:				
Texas State Library & Archives Commission:				
Miscellaneous	3,153	3,153	-	3,153
	3,153	3,153	-	3,153
Parks & Wildlife Grant:				
Capital outlays	1,500,000	1,500,000	-	1,500,000
	1,500,000	1,500,000	-	1,500,000
Lions Club International				
Capital outlays	-	40,000	40,000	-
	-	40,000	40,000	-
Total Culture and Recreation	1,503,153	1,543,153	40,000	1,503,153
Total Expenditures	15,080,955	17,633,335	8,618,906	9,014,429
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,559,548)	9,052,221	(674,775)	(9,726,996)
Other Financing Sources (Uses)				
Transfers in	1,559,548	1,569,548	710,789	(858,759)
Total Other Financing Sources (Uses)	1,559,548	1,569,548	710,789	(858,759)
Net Change in Fund Balance	-	10,621,769	36,014	(10,585,755)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ 10,621,769	\$ 36,014	\$ (10,585,755)

CITY OF MISION, 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,

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 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)	7,546,469	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	-	-	-	-	-	-	-	-
Difference between expected and actual experience	121,980	(76,553)	(504,947)	(193,776)	(110,717)	139,268	(255,681)	270,001
Change of assumptions	-	-	385,479	-	-	-	1,263,377	-
Benefit payment, including refunds of employee contribution	(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	\$ 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	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)	<u>\$ 119,950,694</u>	<u>\$ 111,316,835</u>	<u>\$ 103,685,650</u>	<u>\$ 97,247,775</u>	<u>\$ 91,298,135</u>	<u>\$ 84,834,925</u>	<u>\$ 78,340,383</u>	<u>\$ 71,593,306</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 3,171,548	\$ 2,817,225	\$ 2,632,158	\$ 2,535,283	\$ 2,425,326	\$ 2,171,026	\$ 2,068,394	\$ 1,973,751
Contributions - employee	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	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	(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	(63,244)	(47,301)	(72,453)	(49,166)	(52,727)	(51,496)	(59,540)	(36,688)
Other	433	(1,845)	(2,176)	(2,569)	(2,672)	(2,775)	(2,941)	(3,016)
Net change in plan fiduciary net position	15,305,882	8,546,753	13,361,567	(1,984,907)	11,517,262	5,938,690	1,223,326	4,818,692
Plan fiduciary net position - beginning	104,848,976	96,302,225	82,940,658	84,925,564	73,408,301	67,469,611	66,246,284	61,427,592
Plan fiduciary net position - ending (b)	<u>\$ 120,154,858</u>	<u>\$ 104,848,976</u>	<u>\$ 96,302,225</u>	<u>\$ 82,940,657</u>	<u>\$ 84,925,563</u>	<u>\$ 73,408,301</u>	<u>\$ 67,469,610</u>	<u>\$ 66,246,284</u>
Net Pension Liability/(Asset) (a)-(b)	<u>\$ (204,164)</u>	<u>\$ 6,467,859</u>	<u>\$ 7,383,425</u>	<u>\$ 14,307,118</u>	<u>\$ 6,372,572</u>	<u>\$ 11,426,624</u>	<u>\$ 10,870,773</u>	<u>\$ 5,347,022</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability [b/a]	100.17%	94.19%	92.88%	85.29%	93.02%	86.53%	86.12%	92.53%
Covered Payroll	\$ 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	-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:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits.
	Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement 2019 Municipal 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.

Other Information:

Notes There were no benefit changes during the year.

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,

	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	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	\$ 31,183	\$ 27,984	\$ 34,298	\$ 58,240	\$ 6,480	\$ 11,069	\$ 17,038	\$ 14,356
City's number of active members*	8	8	11	14	14	3	3	7
City's net pension liability per active member	\$ 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	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, 2022

	SEPTEMBER 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Texas Emergency Services Retirement System (TESRS)								
Contractually required contribution	\$ 4,608	\$ 5,184	\$ 5,433	\$ 12,891	\$ 12,891	\$ 1,296	\$ 2,496	\$ 4,224
Contributions in relation to the contractually required contribution	4,608	5,184	5,433	12,891	12,891	1,296	2,496	4,224
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Number of active members*	8	8	11	14	14	3	3	7
Contributions per active member	\$ 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	\$ 3,171,548	\$ 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 contribution	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>
Covered payroll	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	8.24%	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
SCHEDULE OF CHANGES IN THE TOTAL OTHER POST EMPLOYMENT
BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

PLAN YEAR ENDED DECEMBER 31,

	2022	2021	2020	2019	2018
Total OPEB health benefit liability (THP)					
Service cost	\$ 329,285	\$ 324,390	\$ 317,252	\$ 111,966	\$ 109,235
Interest	103,691	96,335	173,961	151,729	173,867
Changes of benefit terms	-	-	(1,328,771)	-	-
Difference between expected and actual experience	(1,208,101)	-	306,073	55,046	194,658
Changes in assumptions or other inputs	(379,895)	-	(573,806)	326,189	-
Benefit payments	(86,975)	(110,275)	(105,526)	(193,101)	(345,959)
Net change in total OPEB liability	\$ (1,241,995)	\$ 310,450	\$ (1,210,817)	\$ 451,829	\$ 131,801
Total OPEB liability - beginning	4,322,457	4,012,007	5,222,824	4,770,995	4,639,194
Total OPEB liability - ending	<u>\$ 3,080,462</u>	<u>\$ 4,322,457</u>	<u>\$ 4,012,007</u>	<u>\$ 5,222,824</u>	<u>\$ 4,770,995</u>

Covered - Employee Payroll \$ 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 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.

Changes of Benefit Terms:

None

Changes of Assumptions:

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 2.25% 2.25% 3.17% 3.73%

PLAN YEAR ENDED DECEMBER 31,

	2022	2021	2020	2019	2018
Total OPEB health benefit liability (SDBF)					
Service cost	\$ 141,361	\$ 109,118	\$ 75,026	\$ 83,222	\$ 68,967
Interest	37,764	41,649	49,483	38,087	35,828
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(24,709)	(43,360)	(221,385)	161,654	-
Changes in assumptions or other inputs	69,162	266,157	267,001	(89,661)	96,765
Benefit payments	(25,372)	(6,614)	(6,252)	(5,944)	(5,747)
Net change in total OPEB liability	\$ 198,206	\$ 366,950	\$ 163,873	\$ 187,358	\$ 195,813
Total OPEB liability - beginning	1,830,204	1,463,253	1,299,380	1,112,022	916,209
Total OPEB liability - ending	<u>\$ 2,028,410</u>	<u>\$ 1,830,203</u>	<u>\$ 1,463,253</u>	<u>\$ 1,299,380</u>	<u>\$ 1,112,022</u>

Covered - Employee Payroll \$ 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 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.

Changes of Benefit Terms:

None

Changes of Assumptions:

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% 2.75% 3.17% 3.31%

CITY OF MISSION, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022

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	\$ 4,238,153
Capital Project Funds	\$ 29,210,326

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, 2022, one General Fund Department expenditures exceeded appropriations by a total of \$12,800 See Exhibit B-1.

CITY OF MISSION, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022

Budget to GAAP Reconciliation

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

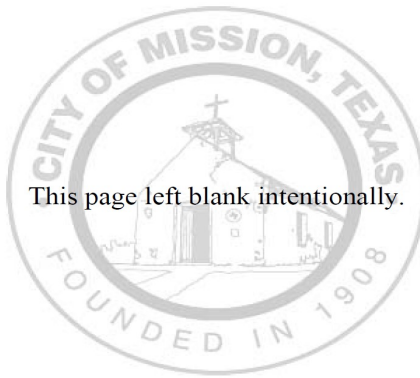
<u>Revenues:</u>	<u>General Fund</u>
Actual revenues (budgetary basis) from the budgetary comparison schedule (Exhibit B-1)	\$ 46,362,108
Adjustments due to GASB Statement 54:	
Capital Asset Replacement Fund revenues	-
Boys and Girls Club revenues	<u>158,740</u>
Total adjustments necessary	<u>158,740</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds (Exhibit A-5)	<u><u>\$ 46,520,848</u></u>

Note: Does not include other financing resources.

CITY OF MISSION, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022

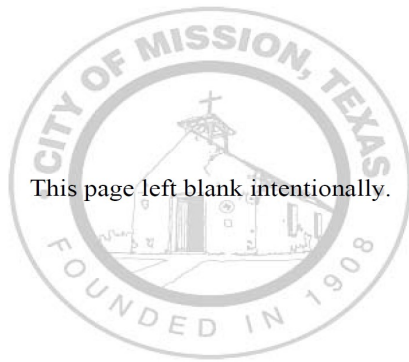
Budget to GAAP Reconciliation (Continued)

<u>Expenditures:</u>	<u>General Fund</u>
Actual expenditures (budgetary basis) from the budgetary comparison schedule (Exhibit B-1)	\$ 49,922,784
Adjustments due to GASB Statement 54:	
Capital Asset Replacement Fund revenues	1,265,347
Boys and Girls Club revenues	<u>709,530</u>
Total adjustments necessary	<u>1,974,877</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds (Exhibit A-5)	<u><u>\$ 51,897,661</u></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.

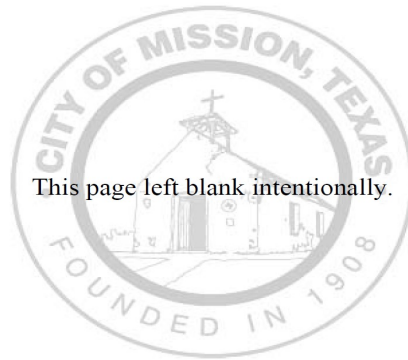
Tax Increment Reinvestment Zone Fund: To account for a portion of property taxes levied by the City and Hidalgo County to facilitate the provision of public works or improvements.

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, 2022

EXHIBIT C-1

	Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS			
Cash and cash equivalents	\$ 135,592	\$ 1,532,700	\$ 1,668,292
Investments	854,902	4,021,079	4,875,981
Receivables:			
Accounts	390,346	-	390,346
Special assessments	161,439	-	161,439
Less: allowance for uncollectibles	(17,635)	-	(17,635)
Accrued interest receivable	85	-	85
Due from other governments	267,847	914,983	1,182,830
Due from other funds	3,282,367	487,750	3,770,117
Due from component unit	-	3,384,170	3,384,170
Land held for resale	335,991	-	335,991
Total Assets	<u>\$ 5,410,934</u>	<u>\$ 10,340,682</u>	<u>\$ 15,751,616</u>
LIABILITIES			
Accounts payable	\$ 101,171	\$ 1,094,600	\$ 1,195,771
Other liabilities	86,692	-	86,692
Retainage payable	-	107,851	107,851
Accrued payroll	19,859	-	19,859
Due to other funds	838,726	2,813,760	3,652,486
Due to component unit	106,785	-	106,785
Unearned revenue	517,285	783,376	1,300,661
Total Liabilities	<u>1,670,518</u>	<u>4,799,587</u>	<u>6,470,105</u>
FUND BALANCES			
Restricted	<u>3,740,416</u>	<u>5,541,095</u>	<u>9,281,511</u>
Total Fund Balances	<u>3,740,416</u>	<u>5,541,095</u>	<u>9,281,511</u>
Total Liabilities and Fund Balances	<u>\$ 5,410,934</u>	<u>\$ 10,340,682</u>	<u>\$ 15,751,616</u>

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, 2022*

	Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
REVENUES			
Taxes and special assessments	\$ 5,157,415	\$ -	\$ 5,157,415
Intergovernmental	4,845,470	6,047,413	10,892,883
Charges for services	1,023,706	-	1,023,706
Interest	5,297	34,371	39,668
Miscellaneous	111,950	-	111,950
Total Revenues	<u>11,143,838</u>	<u>6,081,784</u>	<u>17,225,622</u>
EXPENDITURES			
Current:			
General government	2,311,565	-	2,311,565
Public safety	42,202	-	42,202
Highways and streets	242,435	-	242,435
Health and welfare	60,339	-	60,339
Culture and recreation	331,458	-	331,458
Economic development	6,943,985	-	6,943,985
Capital projects	-	8,689,567	8,689,567
Debt service:			
Principal	45,911	-	45,911
Interest and fiscal charges	6,782	-	6,782
Total Expenditures	<u>9,984,677</u>	<u>8,689,567</u>	<u>18,674,244</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,159,161</u>	<u>(2,607,783)</u>	<u>(1,448,622)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	259,925	-	259,925
Transfers in	-	487,750	487,750
Transfers out	(725,000)	-	(725,000)
Total Other Financing Sources (Uses)	<u>(465,075)</u>	<u>487,750</u>	<u>22,675</u>
Net Change in Fund Balances	694,086	(2,120,033)	(1,425,947)
Fund Balances at Beginning of Year	3,617,081	7,661,128	11,278,209
Prior period adjustment	(570,751)	-	(570,751)
Beginning - as restated	3,046,330	7,661,128	10,707,458
Fund Balances at End of Year	<u>\$ 3,740,416</u>	<u>\$ 5,541,095</u>	<u>\$ 9,281,511</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2022

	CDBG	Police Department Special Fund	Police Federal Sharing Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 34
Investments	-	30,904	39,428
Receivables:			
Accounts	169	3,110	-
Special assessments	-	-	-
Less: allowance for uncollectibles	-	-	-
Accrued interest receivable	-	-	-
Due from other governments	80,288	-	-
Due from other funds	13,238	92,051	203,239
Land held for resale	-	-	-
Total Assets	<u>\$ 93,695</u>	<u>\$ 126,065</u>	<u>\$ 242,701</u>
LIABILITIES			
Accounts payable	\$ 74,363	\$ 3,589	\$ 1,731
Other liabilities	1,100	5,279	-
Accrued payroll	5,571	-	-
Due to other funds	12,660	-	76
Due to component unit	-	-	-
Unearned revenue	-	-	-
Total Liabilities	<u>93,694</u>	<u>8,868</u>	<u>1,807</u>
FUND BALANCES			
Restricted	<u>1</u>	<u>117,197</u>	<u>240,894</u>
Total Fund Balances	<u>1</u>	<u>117,197</u>	<u>240,894</u>
Total Liabilities and Fund Balances	<u>\$ 93,695</u>	<u>\$ 126,065</u>	<u>\$ 242,701</u>

EXHIBIT C-3

Municipal Court Technology Fund	Drainage Assessment Fund	Cemetery Fund	Records Preservation Fund	Speer Memorial Library	Hotel/Motel Tax Fund
\$ -	\$ 518	\$ -	\$ -	\$ -	\$ 21
-	472,739	-	-	-	65,487
-	-	-	-	-	359,348
-	161,439	-	-	-	-
-	(17,635)	-	-	-	-
-	2	-	-	-	9
-	-	-	-	-	-
205,264	862,067	21,377	10,172	27,477	189,023
-	-	-	-	-	-
<u>\$ 205,264</u>	<u>\$ 1,479,130</u>	<u>\$ 21,377</u>	<u>\$ 10,172</u>	<u>\$ 27,477</u>	<u>\$ 613,888</u>
\$ 312	\$ 7,765	\$ 1,124	\$ -	\$ -	\$ -
-	249	-	-	-	77,500
-	2,833	-	-	-	-
-	503,482	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>312</u>	<u>514,329</u>	<u>1,124</u>	<u>-</u>	<u>-</u>	<u>77,500</u>
204,952	964,801	20,253	10,172	27,477	536,388
<u>204,952</u>	<u>964,801</u>	<u>20,253</u>	<u>10,172</u>	<u>27,477</u>	<u>536,388</u>
<u>\$ 205,264</u>	<u>\$ 1,479,130</u>	<u>\$ 21,377</u>	<u>\$ 10,172</u>	<u>\$ 27,477</u>	<u>\$ 613,888</u>

CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2022

	Municipal Court Building Security Fund	Park Dedication Fund	Juvenile Case Manager Fund
ASSETS			
Cash and cash equivalents	\$ 34	\$ -	\$ -
Investments	39,428	-	-
Receivables:			
Accounts	-	-	-
Special assessments	-	-	-
Less: allowance for uncollectibles	-	-	-
Accrued interest receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	112,527	517,285	186,131
Land held for resale	-	-	-
Total Assets	<u>\$ 151,989</u>	<u>\$ 517,285</u>	<u>\$ 186,131</u>
LIABILITIES			
Accounts payable	\$ 75	\$ -	\$ 788
Other liabilities	-	-	40
Accrued payroll	-	-	-
Due to other funds	76	-	7,583
Due to component unit	-	-	-
Unearned revenue	-	517,285	-
Total Liabilities	<u>151</u>	<u>517,285</u>	<u>8,411</u>
FUND BALANCES			
Restricted	151,838	-	177,720
Total Fund Balances	<u>151,838</u>	<u>-</u>	<u>177,720</u>
Total Liabilities and Fund Balances	<u>\$ 151,989</u>	<u>\$ 517,285</u>	<u>\$ 186,131</u>

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)
\$ 21	\$ 102	\$ -	\$ 134,862	\$ 135,592
206,916	-	-	-	854,902
27,719	-	-	-	390,346
-	-	-	-	161,439
-	-	-	-	(17,635)
74	-	-	-	85
-	187,559	-	-	267,847
582,886	-	259,630	-	3,282,367
-	-	-	335,991	335,991
<u>\$ 817,616</u>	<u>\$ 187,661</u>	<u>\$ 259,630</u>	<u>\$ 470,853</u>	<u>\$ 5,410,934</u>
\$ 3,162	\$ 8,194	\$ -	\$ 68	\$ 101,171
-	2,524	-	-	86,692
-	11,455	-	-	19,859
-	165,486	149,289	74	838,726
-	-	106,785	-	106,785
-	-	-	-	517,285
<u>3,162</u>	<u>187,659</u>	<u>256,074</u>	<u>142</u>	<u>1,670,518</u>
814,454	2	3,556	470,711	3,740,416
<u>814,454</u>	<u>2</u>	<u>3,556</u>	<u>470,711</u>	<u>3,740,416</u>
<u>\$ 817,616</u>	<u>\$ 187,661</u>	<u>\$ 259,630</u>	<u>\$ 470,853</u>	<u>\$ 5,410,934</u>

CITY OF MISSION, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	CDBG	Police Department Special Fund	Police Federal Sharing Fund
REVENUES			
Taxes and special assessments	\$ -	\$ -	\$ -
Intergovernmental	1,396,350	29,694	174,474
Charges for services	-	-	-
Interest	-	216	400
Miscellaneous	-	2,861	(601)
Total Revenues	<u>1,396,350</u>	<u>32,771</u>	<u>174,273</u>
EXPENDITURES			
Current:			
General government	1,333,732	-	-
Public safety	-	15,645	26,557
Highways and streets	-	-	-
Health and welfare	60,339	-	-
Culture and recreation	-	-	-
Economic development	-	-	-
Debt service:			
Principal	2,252	-	-
Interest and fiscal charges	26	-	-
Total Expenditures	<u>1,396,349</u>	<u>15,645</u>	<u>26,557</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1</u>	<u>17,126</u>	<u>147,716</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	-	15,899	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>15,899</u>	<u>-</u>
Net Change in Fund Balances	1	33,025	147,716
Fund Balances at Beginning of Year	-	84,172	93,178
Prior period adjustment	-	-	-
Beginning - as restated	-	84,172	93,178
Fund Balances at End of Year	<u>\$ 1</u>	<u>\$ 117,197</u>	<u>\$ 240,894</u>

EXHIBIT C-4

Municipal Court Technology Fund	Drainage Assessment Fund	Cemetery Fund	Records Preservation Fund	Speer Memorial Library	Hotel/Motel Tax Fund
\$ -	\$ 1,000,572	\$ -	\$ -	\$ -	\$ 632,364
-	-	-	-	-	-
51,209	-	8,300	6,706	-	-
-	3,384	-	-	-	245
-	(23,986)	-	-	-	(4,102)
<u>51,209</u>	<u>979,970</u>	<u>8,300</u>	<u>6,706</u>	<u>-</u>	<u>628,507</u>
15,718	-	14,345	3,818	-	-
-	-	-	-	-	-
-	242,435	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	316,913
-	-	-	-	-	-
2,425	39,470	-	-	-	-
24	6,697	-	-	-	-
<u>18,167</u>	<u>288,602</u>	<u>14,345</u>	<u>3,818</u>	<u>-</u>	<u>316,913</u>
33,042	691,368	(6,045)	2,888	-	311,594
-	-	-	-	-	-
-	(500,000)	-	-	-	(225,000)
<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(225,000)</u>
33,042	191,368	(6,045)	2,888	-	86,594
171,910	773,433	26,298	7,284	27,477	449,794
-	-	-	-	-	-
<u>171,910</u>	<u>773,433</u>	<u>26,298</u>	<u>7,284</u>	<u>27,477</u>	<u>449,794</u>
<u>\$ 204,952</u>	<u>\$ 964,801</u>	<u>\$ 20,253</u>	<u>\$ 10,172</u>	<u>\$ 27,477</u>	<u>\$ 536,388</u>

CITY OF MISSION, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Municipal Court Building Security Fund	Park Dedication Fund	Juvenile Case Manager Fund
REVENUES			
Taxes and special assessments	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	32,040	14,545	33,594
Interest	400	-	-
Miscellaneous	(601)	-	-
Total Revenues	<u>31,839</u>	<u>14,545</u>	<u>33,594</u>
EXPENDITURES			
Current:			
General government	6,652	-	9,437
Public safety	-	-	-
Highways and streets	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	14,545	-
Economic development	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>6,652</u>	<u>14,545</u>	<u>9,437</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>25,187</u>	<u>-</u>	<u>24,157</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	25,187	-	24,157
Fund Balances at Beginning of Year	126,651	-	153,563
Prior period adjustment	-	-	-
Beginning - as restated	<u>126,651</u>	<u>-</u>	<u>153,563</u>
Fund Balances at End of Year	<u>\$ 151,838</u>	<u>\$ -</u>	<u>\$ 177,720</u>

EXHIBIT C-4

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)
\$ -	\$ -	\$ 3,524,479	\$ -	\$ 5,157,415
-	-	3,244,952	-	4,845,470
-	877,312	-	-	1,023,706
652	-	-	-	5,297
138,379	-	-	-	111,950
<u>139,031</u>	<u>877,312</u>	<u>6,769,431</u>	<u>-</u>	<u>11,143,838</u>
52,352	875,511	-	-	2,311,565
-	-	-	-	42,202
-	-	-	-	242,435
-	-	-	-	60,339
-	-	-	-	331,458
-	-	6,769,430	174,555	6,943,985
-	1,764	-	-	45,911
-	35	-	-	6,782
<u>52,352</u>	<u>877,310</u>	<u>6,769,430</u>	<u>174,555</u>	<u>9,984,677</u>
<u>86,679</u>	<u>2</u>	<u>1</u>	<u>(174,555)</u>	<u>1,159,161</u>
-	-	-	244,026	259,925
-	-	-	-	(725,000)
-	-	-	244,026	(465,075)
86,679	2	1	69,471	694,086
727,775	-	3,555	971,991	3,617,081
-	-	-	(570,751)	(570,751)
<u>727,775</u>	<u>-</u>	<u>3,555</u>	<u>401,240</u>	<u>3,046,330</u>
<u>\$ 814,454</u>	<u>\$ 2</u>	<u>\$ 3,556</u>	<u>\$ 470,711</u>	<u>\$ 3,740,416</u>

CITY OF MISSION, TEXAS
COMMUNITY DEVELOPMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-5

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental:			
Community Development Block Grant	\$ 2,308,219	\$ 1,396,350	\$ (911,869)
Total Intergovernmental	2,308,219	1,396,350	(911,869)
Total Revenues	2,308,219	1,396,350	(911,869)
Expenditures:			
Current:			
General Government:			
General administration	1,195,750	710,836	484,914
Housing rehabilitation	1,049,169	622,896	426,273
Total General Government	2,244,919	1,333,732	911,187
Health and Welfare:			
Other social services	63,300	60,339	2,961
Total Health and Welfare	63,300	60,339	2,961
Debt service:			
Principal retirement	-	2,252	(2,252)
Interest	-	26	(26)
Total Debt Service	-	2,278	(2,278)
Total Expenditures	2,308,219	1,396,349	911,870
Net Change in Fund Balance	-	1	1
Fund Balance at Beginning of Year	-	-	-
Prior period adjustment	-	-	-
Beginning - as restated	-	-	-
Fund Balance at End of Year	\$ -	\$ 1	\$ 1

CITY OF MISSION, TEXAS
POLICE DEPARTMENT SPECIAL FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-6

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental:			
State seizures	\$ -	\$ 29,694	\$ 29,694
Total State Seizure	-	29,694	29,694
Interest:			
Interest earned on investments	-	216	216
Total Interest	-	216	216
Miscellaneous:			
Miscellaneous income	-	2,861	2,861
Total Miscellaneous	-	2,861	2,861
Total Revenues	-	32,771	32,771
Expenditures:			
Current:			
Public Safety:			
State Seizures:			
Professional & technical services	7,000	2,400	4,600
Purchased property services	1,000	-	1,000
Supplies	59,172	13,245	45,927
Capital outlays	25,000	-	25,000
Total Public Safety	92,172	15,645	76,527
Total Expenditures	92,172	15,645	76,527
Excess (Deficiency) of Revenues Over (Under) Expenditures	(92,172)	17,126	109,298
Other Financing Sources (Uses):			
Sale of capital assets	-	15,899	15,899
Total Other Financing Sources (Uses)	-	15,899	15,899
Net Change in Fund Balance	(92,172)	33,025	125,197
Fund Balance at Beginning of Year	98,564	84,172	(14,392)
Prior period adjustment	-	-	-
Beginning - as restated	98,564	84,172	(14,392)
Fund Balance at End of Year	\$ 6,392	\$ 117,197	\$ 110,805

CITY OF MISSION, TEXAS
POLICE FEDERAL SHARING FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-7

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental:			
Equitable sharing	\$ -	\$ 174,474	\$ 174,474
Total Intergovernmental	-	174,474	174,474
Interest:			
Interest earned on investments	-	400	400
Total Interest	-	400	400
Miscellaneous:			
Miscellaneous income	-	(601)	(601)
Total Miscellaneous	-	(601)	(601)
Total Revenues	-	174,273	174,273
Expenditures:			
Current:			
Public Safety:			
Professional & technical services	10,000	2,820	7,180
Purchased property services	4,500	1,675	2,825
Supplies	6,616	6,965	(349)
Capital outlays	70,000	17,467	52,533
Miscellaneous	2,000	(2,370)	4,370
Total Public Safety	93,116	26,557	66,559
Total Expenditures	93,116	26,557	66,559
Net Change in Fund Balance	(93,116)	147,716	240,832
Fund Balance at Beginning of Year	182,208	93,178	(89,030)
Prior period adjustment	-	-	-
Beginning - as restated	182,208	93,178	(89,030)
Fund Balance at End of Year	\$ 89,092	\$ 240,894	\$ 151,802

CITY OF MISSION, TEXAS
MUNICIPAL COURT TECHNOLOGY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-8

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Court technology fees	\$ 30,000	\$ 51,209	\$ 21,209
Total Charges for Services	30,000	51,209	21,209
Interest:			
Interest earned on investments	400	-	(400)
Total Interest	400	-	(400)
Total Revenues	30,400	51,209	20,809
Expenditures:			
Current:			
General Government:			
Purchased property services	27,407	-	27,407
Supplies	1,000	318	682
Capital outlays	45,000	14,915	30,085
Miscellaneous	1,000	485	515
Total General Government	74,407	15,718	58,689
Debt service:			
Principal retirement	-	2,425	(2,425)
Interest	-	24	(24)
Total Debt Service	-	2,449	(2,449)
Total Expenditures	74,407	18,167	56,240
Net Change in Fund Balance	(44,007)	33,042	77,049
Fund Balance at Beginning of Year	160,155	171,910	11,755
Prior period adjustment	-	-	-
Beginning - as restated	160,155	171,910	11,755
Fund Balance at End of Year	\$ 116,148	\$ 204,952	\$ 88,804

CITY OF MISSION, TEXAS
DRAINAGE ASSESSMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-9

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments:			
Drainage assessments	\$ 990,000	\$ 997,646	\$ 7,646
Drainage assessments-Granjeno	2,900	2,926	26
Total Assessments	992,900	1,000,572	7,672
Interest:			
Interest earned on investments	1,000	3,384	2,384
Total Interest	1,000	3,384	2,384
Miscellaneous:			
Miscellaneous income	100	(23,986)	(24,086)
Total Miscellaneous	100	(23,986)	(24,086)
Total Revenues	994,000	979,970	(14,030)
Expenditures:			
Current:			
Highways and Streets:			
Personal services	97,281	100,623	(3,342)
Employee benefits	43,758	41,828	1,930
Professional & technical services	50,000	-	50,000
Purchased property services	75,000	30,040	44,960
Other purchased services	-	6,015	(6,015)
Supplies	52,500	48,048	4,452
Capital outlays	475,000	-	475,000
Miscellaneous	18,000	15,881	2,119
Total Highways and Streets	811,539	242,435	569,104
Debt service:			
Principal retirement	39,471	39,470	1
Interest	6,697	6,697	-
Total Debt Service	46,168	46,167	1
Total Expenditures	857,707	288,602	569,105
Excess (Deficiency) of Revenues Over (Under) Expenditures	136,293	691,368	555,075
Other Financing Sources (Uses):			
Transfers out	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	(500,000)	(500,000)	-
Net Change in Fund Balance	(363,707)	191,368	555,075
Fund Balance at Beginning of Year	1,494,295	773,433	(720,862)
Prior period adjustment	-	-	-
Beginning - as restated	1,494,295	773,433	(720,862)
Fund Balance at End of Year	\$ 1,130,588	\$ 964,801	\$ (165,787)

CITY OF MISSION, TEXAS
CEMETERY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-10

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Perpetual care	\$ 10,000	\$ 8,300	\$ (1,700)
Total Charges for Services	10,000	8,300	(1,700)
Total Revenues	10,000	8,300	(1,700)
Expenditures:			
Current:			
General Government:			
Purchased property services	700	681	19
Supplies	4,950	4,806	144
Capital outlays	8,900	8,858	42
Total General Government	14,550	14,345	205
Total Expenditures	14,550	14,345	205
Net Change in Fund Balance	(4,550)	(6,045)	(1,495)
Fund Balance at Beginning of Year	49,056	26,298	(22,758)
Prior period adjustment	-	-	-
Beginning - as restated	49,056	26,298	(22,758)
Fund Balance at End of Year	\$ 44,506	\$ 20,253	\$ (24,253)

CITY OF MISSION, TEXAS
RECORDS PRESERVATION FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-11

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Vital statistics preservation fee	\$ 6,000	\$ 6,706	\$ 706
Total Charges for Services	6,000	6,706	706
Total Revenues	6,000	6,706	706
Expenditures:			
Current:			
General Government:			
Record Preservation:			
Other purchased services	-	-	-
Supplies	5,600	3,818	1,782
Capital outlays	2,500	-	2,500
Total Record Preservation	8,100	3,818	4,282
Total Expenditures	8,100	3,818	4,282
Net Change in Fund Balance	(2,100)	2,888	4,988
Fund Balance at Beginning of Year	5,795	7,284	1,489
Prior period adjustment	-	-	-
Beginning - as restated	5,795	7,284	1,489
Fund Balance at End of Year	\$ 3,695	\$ 10,172	\$ 6,477

CITY OF MISSION, TEXAS
SPEER MEMORIAL LIBRARY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-12

	Budgeted	Actual	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 at Beginning of Year	27,477	27,477	-
Prior period adjustment	-	-	-
Beginning - as restated	27,477	27,477	-
Fund Balance at End of Year	\$ 27,477	\$ 27,477	\$ -

CITY OF MISSION, TEXAS
HOTEL/MOTEL TAX FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-13

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes:			
Hotel occupancy tax	\$ 450,000	\$ 632,364	\$ 182,364
Total Taxes	450,000	632,364	182,364
Interest:			
Interest earned on investments	100	245	145
Total Interest	100	245	145
Miscellaneous Income:			
Miscellaneous income	-	(4,102)	(4,102)
Total Miscellaneous Income	-	(4,102)	(4,102)
Total Revenues	450,100	628,507	178,407
Expenditures:			
Current:			
Culture and Recreation:			
Tourist Promotion & Advertising:			
Other purchased services	20,000	6,480	13,520
Miscellaneous	388,500	310,433	78,067
Total Culture and Recreation	408,500	316,913	91,587
Total Expenditures	408,500	316,913	91,587
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,600	311,594	269,994
Other Financing Sources (Uses):			
Transfers out	(225,000)	(225,000)	-
Total Other Financing Sources (Uses)	(225,000)	(225,000)	-
Net Change in Fund Balance	(183,400)	86,594	269,994
Fund Balance at Beginning of Year	493,259	449,794	(43,465)
Prior period adjustment	-	-	-
Beginning - as restated	493,259	449,794	(43,465)
Fund Balance at End of Year	\$ 309,859	\$ 536,388	\$ 226,529

CITY OF MISSION, TEXAS
MUNICIPAL COURT BLDG SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-14

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Court technology fees	\$ 20,000	\$ 32,040	\$ 12,040
Total Charges for Services	20,000	32,040	12,040
Interest:			
Interest earned on investments	-	400	400
Total Interest	-	400	400
Miscellaneous Income:			
Miscellaneous income	-	(601)	(601)
Total Miscellaneous Income	-	(601)	(601)
Total Revenues	20,000	31,839	11,839
Expenditures:			
Current:			
General Government:			
Purchased property services	5,000	-	5,000
Other purchased services	15,000	6,652	8,348
Capital outlays	30,000	-	30,000
Total General Government	50,000	6,652	43,348
Total Expenditures	50,000	6,652	43,348
Net Change in Fund Balance	(30,000)	25,187	55,187
Fund Balance at Beginning of Year	99,522	126,651	27,129
Prior period adjustment	-	-	-
Beginning - as restated	99,522	126,651	27,129
Fund Balance at End of Year	\$ 69,522	\$ 151,838	\$ 82,316

CITY OF MISSION, TEXAS
PARK DEDICATION FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-15

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Park dedication fee	\$ 491,771	\$ 14,545	\$ (477,226)
Total Charges for Services	491,771	14,545	(477,226)
Total Revenues	491,771	14,545	(477,226)
Expenditures:			
Current:			
Culture and Recreation:			
Zone 1-Northwest:			
Capital outlays	62,545	-	62,545
	62,545	-	62,545
Zone 2-Northeast:			
Capital outlays	273,101	14,545	258,556
	273,101	14,545	258,556
Zone 3-Southwest:			
Capital outlays	8,610	-	8,610
Capital outlays	147,515	-	147,515
	156,125	-	156,125
Zone 4-Southeast:			
	-	-	-
Total Culture and Recreation	491,771	14,545	477,226
Total Expenditures	491,771	14,545	477,226
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	-	-	-
Prior period adjustment	-	-	-
Beginning - as restated	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -

CITY OF MISSION, TEXAS
JUVENILE CASE MANAGER FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-16

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Juvenile case manager fee	\$ 30,000	\$ 33,594	\$ 3,594
Total Charges for Services	30,000	33,594	3,594
Total Revenues	30,000	33,594	3,594
Expenditures:			
Current:			
General Government:			
Personal services	24,745	92	24,653
Employee benefits	11,920	7,535	4,385
Other purchased services	3,000	487	2,513
Supplies	1,500	1,323	177
Total Expenditures	41,165	9,437	31,728
Net Change in Fund Balance	(11,165)	24,157	35,322
Fund Balance at Beginning of Year	157,806	153,563	(4,243)
Prior period adjustment	-	-	-
Beginning - as restated	157,806	153,563	(4,243)
Fund Balance at End of Year	\$ 146,641	\$ 177,720	\$ 31,079

CITY OF MISSION, TEXAS
PEG CAPITAL FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-17

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Interest:			
Interest earned on investments	\$ 100	\$ 652	\$ 552
Total Interest	<u>100</u>	<u>652</u>	<u>552</u>
Miscellaneous Income:			
Miscellaneous income	115,000	138,379	23,379
Total Miscellaneous Income	<u>115,000</u>	<u>138,379</u>	<u>23,379</u>
Total Revenues	<u>115,100</u>	<u>139,031</u>	<u>23,931</u>
Expenditures:			
Miscellaneous:			
Capital outlays	<u>800,000</u>	<u>52,352</u>	<u>747,648</u>
Total Expenditures	<u>800,000</u>	<u>52,352</u>	<u>747,648</u>
Net Change in Fund Balance	(684,900)	86,679	771,579
Fund Balance at Beginning of Year	771,419	727,775	(43,644)
Prior period adjustment	-	-	-
Beginning - as restated	<u>771,419</u>	<u>727,775</u>	<u>(43,644)</u>
Fund Balance at End of Year	<u>\$ 86,519</u>	<u>\$ 814,454</u>	<u>\$ 727,935</u>

CITY OF MISSION, TEXAS
VETERAN'S CEMETERY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-18

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services:			
Veterans land board reimbursement	\$ 964,467	\$ 877,312	\$ (87,155)
Total Charges for Services	964,467	877,312	(87,155)
Total Revenues	964,467	877,312	(87,155)
Expenditures:			
Current:			
General Government:			
Personal services	420,922	373,419	47,503
Employee benefits	166,141	147,833	18,308
Professional & technical services	68,182	65,827	2,355
Purchased property services	26,800	20,655	6,145
Other purchased services	8,402	10,630	(2,228)
Supplies	56,350	49,755	6,595
Capital outlays	214,467	203,744	10,723
Miscellaneous	3,203	3,648	(445)
Total General Government	964,467	875,511	88,956
Debt service:			
Principal retirement	-	1,764	(1,764)
Interest	-	35	(35)
Total Debt Service	-	1,799	(1,799)
Total Expenditures	964,467	877,310	87,157
Net Change in Fund Balance	-	2	2
Fund Balance at Beginning of Year	-	-	-
Prior period adjustment	-	-	-
Beginning - as restated	-	-	-
Fund Balance at End of Year	\$ -	\$ 2	\$ 2

CITY OF MISSION, TEXAS*TAX INCREMENT REINVESTMENT ZONE FUND**SPECIAL REVENUE FUND**BUDGETARY COMPARISON SCHEDULE**FOR THE YEAR ENDED SEPTEMBER 30, 2022***EXHIBIT C-19**

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes:			
Current ad valorem taxes	\$ -	\$ 3,473,630	\$ 3,473,630
Delinquent ad valorem taxes	-	50,849	50,849
Total Taxes	-	3,524,479	3,524,479
Intergovernmental:			
Contribution-Hidalgo county	3,610,000	3,244,952	(365,048)
Total Intergovernmental	3,610,000	3,244,952	(365,048)
Total Revenues	3,610,000	6,769,431	3,159,431
Expenditures:			
Current:			
Economic Development	7,180,000	6,769,430	410,570
Total Expenditures	7,180,000	6,769,430	410,570
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,570,000)	1	3,570,001
Other Financing Sources (Uses):			
Transfers in	3,570,000	-	(3,570,000)
Total Other Financing Sources (Uses)	3,570,000	-	(3,570,000)
Net Change in Fund Balance	-	1	1
Fund Balance at Beginning of Year	3,555	3,555	-
Prior period adjustment	-	-	-
Beginning - as restated	3,555	3,555	-
Fund Balance at End of Year	\$ 3,555	\$ 3,556	\$ 1

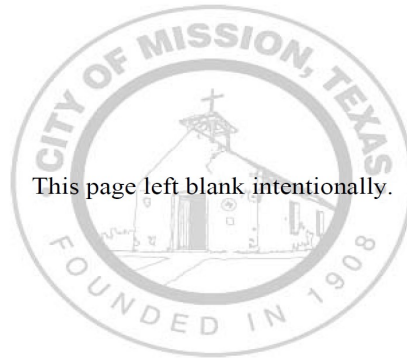
CITY OF MISSION, TEXAS*MISSION ECONOMIC DEVELOPMENT AUTHORITY**SPECIAL REVENUE FUND**BUDGETARY COMPARISON SCHEDULE**FOR THE YEAR ENDED SEPTEMBER 30, 2022***EXHIBIT C-20**

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Interest earned on investments	\$ 100	\$ -	\$ (100)
Total Revenues	100	-	(100)
Expenditures:			
Economic Development	658,320	174,555	483,765
Total Expenditures	658,320	174,555	483,765
Excess (Deficiency) of Revenues Over (Under) Expenditures	(658,220)	(174,555)	483,665
Other Financing Sources (Uses):			
Sale of capital assets	100,000	244,026	144,026
Total Other Financing Sources (Uses)	100,000	244,026	144,026
Net Change in Fund Balance	(558,220)	69,471	627,691
Fund Balance at Beginning of Year	-	971,991	971,991
Prior period adjustment	-	(570,751)	(570,751)
Beginning - as restated	-	401,240	401,240
Fund Balance at End of Year	\$ (558,220)	\$ 470,711	\$ 1,028,931

CITY OF MISSION, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-21

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes:			
Current ad valorem taxes	\$ 4,500,000	\$ 3,874,914	\$ (625,086)
Delinquent ad valorem taxes	110,000	103,377	(6,623)
Interest & penalties on taxes	75,000	92,047	17,047
Total Taxes	4,685,000	4,070,338	(614,662)
Interest:			
Interest earned on investments	1,000	372	(628)
Total Interest	1,000	372	(628)
Miscellaneous Income:			
Miscellaneous	1,500,000	1,488,357	(11,643)
Total Miscellaneous Income	1,500,000	1,488,357	(11,643)
Total Revenues	6,186,000	5,559,067	(626,933)
Expenditures:			
Current:			
Principal retirement	3,705,000	3,705,000	-
Interest and fiscal agent charges	2,351,628	2,348,629	2,999
Debt Service:			
Total Debt Service	-	-	-
Total Expenditures	6,056,628	6,053,629	2,999
Excess (Deficiency) of Revenues Over (Under) Expenditures	129,372	(494,562)	(623,934)
Other Financing Sources (Uses):			
Issuance of debt	-	-	-
Transfers in	950,000	950,000	-
Transfers out	(620,000)	-	620,000
Total Other Financing Sources (Uses)	330,000	950,000	620,000
Net Change in Fund Balance	459,372	455,438	(3,934)
Fund Balance at Beginning of Year	806,864	1,018,253	211,389
Fund Balance at End of Year	\$ 1,266,236	\$ 1,473,691	\$ 207,455



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CITY OF MISSION, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2022

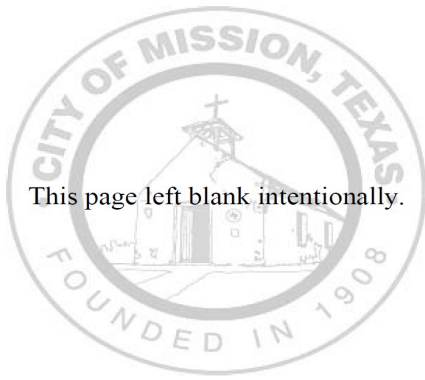
EXHIBIT C-22

	Capital Projects Fund	2018 Certificates of Obligation	Total Nonmajor Capital Projects Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 1,532,700	\$ 1,532,700
Investments	-	4,021,079	4,021,079
Due from other governments	914,983	-	914,983
Due from other funds	487,750	-	487,750
Due from component unit	3,384,170	-	3,384,170
Total Assets	<u>\$ 4,786,903</u>	<u>\$ 5,553,779</u>	<u>\$ 10,340,682</u>
LIABILITIES			
Accounts payable	\$ 1,083,584	\$ 11,016	\$ 1,094,600
Retainage payable	107,851	-	107,851
Due to other funds	2,812,081	1,679	2,813,760
Unearned revenue	783,376	-	783,376
Total Liabilities	<u>4,786,892</u>	<u>12,695</u>	<u>4,799,587</u>
FUND BALANCES			
Restricted	11	5,541,084	5,541,095
Total Fund Balances	<u>11</u>	<u>5,541,084</u>	<u>5,541,095</u>
Total Liabilities and Fund Balances	<u>\$ 4,786,903</u>	<u>\$ 5,553,779</u>	<u>\$ 10,340,682</u>

CITY OF MISSION, TEXAS**EXHIBIT C-23**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022*

	Capital Projects Fund	2018 Certificates of Obligation	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$ 6,047,413	\$ -	\$ 6,047,413
Interest	-	34,371	34,371
Total Revenues	<u>6,047,413</u>	<u>34,371</u>	<u>6,081,784</u>
Expenditures:			
Current:			
Capital projects	<u>6,535,152</u>	<u>2,154,415</u>	<u>8,689,567</u>
Total Expenditures	<u>6,535,152</u>	<u>2,154,415</u>	<u>8,689,567</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(487,739)</u>	<u>(2,120,044)</u>	<u>(2,607,783)</u>
Other Financing Sources (Uses)			
Transfers in	<u>487,750</u>	<u>-</u>	<u>487,750</u>
Total Other Financing Sources (Uses)	<u>487,750</u>	<u>-</u>	<u>487,750</u>
Net Change in Fund Balance	11	(2,120,044)	(2,120,033)
Fund Balance at Beginning of Year	<u>-</u>	<u>7,661,128</u>	<u>7,661,128</u>
Fund Balance at End of Year	<u>\$ 11</u>	<u>\$ 5,541,084</u>	<u>\$ 5,541,095</u>



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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.

CITY OF MISSION, TEXAS

EXHIBIT C-24

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Water sales, net of adjustment	\$ 13,027,000	\$ 12,595,374	\$ (431,626)
Connection fee	150,000	145,783	(4,217)
Reconnect fee	125,000	95,462	(29,538)
W/W system cap. recovery fee	55,000	36,200	(18,800)
Sewage service	6,542,000	6,543,667	1,667
Wastewater assessment	70,000	74,405	4,405
Service charge	55,000	52,896	(2,104)
Industrial sewer surcharge	30,000	8,215	(21,785)
Waterline and sewer line	2,000	-	(2,000)
RMA reimbursement	603,710	-	(603,710)
TIRZ reimbursement	4,728,237	1,965,103	(2,763,134)
5% credit card fee	30,000	27,603	(2,397)
Miscellaneous income	15,000	(35,990)	(50,990)
Total Revenues	25,432,947	21,508,718	(3,924,229)
Operating Expenses:			
Utility Administration:			
Personal services	836,411	584,963	251,448
Employee benefits	256,171	73,630	182,541
Purchased property services	26,300	11,180	15,120
Other purchased services	18,400	17,350	1,050
Supplies	6,400	5,139	1,261
Miscellaneous	500	336	164
	1,144,182	692,598	451,584
Water Distribution:			
Personal services	1,295,039	1,093,175	201,864
Employee benefits	558,500	378,220	180,280
Professional & technical services	-	6,290	(6,290)
Purchased property services	624,000	851,261	(227,261)
Other purchased services	27,100	30,270	(3,170)
Supplies	766,750	473,214	293,536
Capital outlays	1,650,370	1,095,418	554,952
Miscellaneous	7,500	13,017	(5,517)
	4,929,259	3,940,865	988,394
Water Treatment:			
Employee benefits	194,539	138,660	55,879
Personal services	489,782	481,349	8,433
Professional & technical services	100,000	84,295	15,705
Purchased property services	256,500	396,649	(140,149)
Other purchased services	10,930	7,032	3,898
Supplies	802,350	928,961	(126,611)
Capital outlays	68,500	57,059	11,441
Miscellaneous	76,700	179,988	(103,288)
	1,999,301	2,273,993	(274,692)
Wastewater Treatment and Collection:			
Personal services	509,459	474,465	34,994
Employee benefits	206,478	151,673	54,805
Professional & technical services	85,000	106,301	(21,301)
Purchased property services	762,550	892,340	(129,790)
Other purchased services	11,150	9,049	2,101
Supplies	146,000	122,705	23,295
Capital outlays	4,716,164	2,576,682	2,139,482
Miscellaneous	202,500	187,688	14,812
	6,639,301	4,520,903	2,118,398

CITY OF MISSION, TEXAS

EXHIBIT C-24

UTILITY FUND

ENTERPRISE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budget	Actual	Variance with Final Budget Positive (Negative)
Industrial Pretreatment:			
Personal services	52,883	49,359	3,524
Employee benefits	19,178	13,106	6,072
Purchased property services	130,000	71,587	58,413
Other purchased services	600	-	600
Supplies	6,450	1,824	4,626
Capital outlays	45,000	13,119	31,881
Miscellaneous	70,000	81,810	(11,810)
	<u>324,111</u>	<u>230,805</u>	<u>93,306</u>
Utility Billing and Collection:			
Personal services	341,373	290,230	51,143
Employee benefits	142,899	119,990	22,909
Purchased property services	176,850	155,061	21,789
Other purchased services	132,675	7,396	125,279
Supplies	36,225	31,023	5,202
Capital outlays	80,000	15,084	64,916
Miscellaneous	5,300	4,943	357
	<u>915,322</u>	<u>623,727</u>	<u>291,595</u>
Organizational Expense:			
Professional & technical services	85,000	1,510	83,490
Purchased property services	24,000	33,516	(9,516)
Other purchased services	269,600	305,497	(35,897)
Capital outlays	100,000	-	100,000
Miscellaneous	404,700	379,447	25,253
	<u>883,300</u>	<u>719,970</u>	<u>163,330</u>
Meter Readers:			
Personal services	285,477	259,837	25,640
Employee benefits	130,874	95,365	35,509
Purchased property services	16,771	16,471	300
Other purchased services	10,250	10,681	(431)
Supplies	132,699	99,315	33,384
Capital outlays	-	38,697	(38,697)
Miscellaneous	1,000	855	145
	<u>577,071</u>	<u>521,221</u>	<u>55,850</u>
Northside Water Treatment Plant:			
Personal services	423,277	423,274	3
Employee benefits	176,565	139,490	37,075
Professional & technical services	20,000	13,924	6,076
Purchased property services	473,000	620,575	(147,575)
Other purchased services	3,850	2,184	1,666
Supplies	1,224,700	1,481,854	(257,154)
Capital outlays	6,000	48,416	(42,416)
Miscellaneous	175,500	97,292	78,208
	<u>2,502,892</u>	<u>2,827,009</u>	<u>(324,117)</u>
2021 PSI Project:			
Purchased property services	-	506,661	(506,661)
Supplies	-	87,068	(87,068)
Capital outlays	-	33,727	(33,727)
	<u>-</u>	<u>627,456</u>	<u>(627,456)</u>
Depreciation and amortization	-	5,536,456	(5,536,456)
Total Operating Expenses	<u>19,914,739</u>	<u>22,515,003</u>	<u>(2,600,264)</u>
Revenues over (under) expenditures	<u>5,518,208</u>	<u>(1,006,285)</u>	<u>(6,524,493)</u>

CITY OF MISSION, TEXAS
UTILITY FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-24

	Budget	Actual	Variance with Final Budget Positive (Negative)
Non-operating Revenues (Expenses):			
Gain (Loss) on disposal of capital assets	-	(6,682)	(6,682)
Interest earned	25,000	54,263	29,263
Insurance settlement	80,915	89,437	8,522
Bond interest expense	(628,246)	(992,843)	(364,597)
Bond fiscal charges	(4,400)	(3,800)	600
Bond principal	(2,810,814)	(2,726,306)	84,508
Total Non-operating Revenue (Expenses)	(3,337,545)	(3,585,931)	(248,386)
Transfers:			
Transfers in (out)	(5,127,502)	(1,281,876)	3,845,626
Capital contributions	250,000	329,544	79,544
Change in Net Position	(2,696,839)	(5,544,548)	(2,847,709)
Net Position - Beginning of Year	-	61,730,464	61,730,464
Net Position - End of Year	<u>\$ (2,696,839)</u>	56,185,916	<u>\$ 58,882,755</u>
Adjustments:			
Bond principal		2,726,306	
Amount budgeted as expense per budget basis, capitalized per GAAP basis		<u>4,471,931</u>	
		7,198,237	
Net Position (GAAP Basis)		<u>\$ 63,384,153</u>	

CITY OF MISSION, TEXAS
GOLF COURSE FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-25

	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Pro shop sales	\$ 60,000	\$ 72,280	\$ 12,280
Cart and club rental	175,000	214,160	39,160
Pull carts and club rentals	500	1,599	1,099
Food and beverage sales	100,000	121,284	21,284
Daily green fees	350,000	390,269	40,269
Trail fees	35,000	35,214	214
Juniors' fees	25,000	2,689	(22,311)
Capital fees	40,000	53,673	13,673
Prepaid members	100,000	152,655	52,655
Driving range	35,000	29,138	(5,862)
Miscellaneous income	2,500	12,393	9,893
Total Revenues	923,000	1,085,354	162,354
Operating Expenses:			
Cost of Sales:			
Cost of sales-pro shop	60,000	60,572	(572)
Cost of sales-restaurant	60,000	70,359	(10,359)
	120,000	130,931	(10,931)
Golf Course Operation:			
Club House:			
Personal services	281,634	271,392	10,242
Employee benefits	103,786	88,232	15,554
Professional & technical services	4,114	-	4,114
Purchased property services	186,986	58,651	128,335
Other purchased services	11,650	9,502	2,148
Supplies	10,900	9,469	1,431
Miscellaneous	1,000	2,196	(1,196)
	600,070	439,442	160,628
Grounds:			
Personal services	342,125	327,260	14,865
Employee benefits	158,841	130,225	28,616
Purchased property services	36,500	19,429	17,071
Supplies	130,500	67,662	62,838
Capital outlays	226,648	85,304	141,344
	894,614	629,880	264,734
Restaurant:			
Personal services	34,562	31,762	2,800
Employee benefits	7,996	3,275	4,721
Supplies	1,100	-	1,100
Miscellaneous	900	1,437	(537)
	44,558	36,474	8,084
Organizational Expense:			
Other purchased services	13,750	13,403	347
Miscellaneous	21,000	24,082	(3,082)
	34,750	37,485	(2,735)
Total Golf Course Operation	1,573,992	1,143,281	430,711
Depreciation and amortization	-	366,320	(366,320)
Total Operating Expenses	1,693,992	1,640,532	53,460
Revenues over (under) expenditures	(770,992)	(555,178)	215,814

CITY OF MISSION, TEXAS
GOLF COURSE FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-25

	Budget	Actual	Variance with Final Budget Positive (Negative)
Non-operating Revenues (Expenses):			
Gain (Loss) on disposal of capital assets	-	(542)	(542)
Bond interest expense	-	(13,774)	(13,774)
Bond and capital lease principal	-	(115,663)	(115,663)
Total Non-operating Revenue (Expenses)	-	(129,979)	(129,979)
Transfers:			
Capital contributions	226,648	40,873	(185,775)
Change in Net Position	(544,344)	(644,284)	(99,940)
Net Position - Beginning of Year	-	66,091	66,091
Net Position - End of Year	<u>\$ (544,344)</u>	<u>(578,193)</u>	<u>\$ (33,849)</u>
Adjustments:			
Bond and capital lease principal		115,663	
Amount budgeted as expense per budget basis, capitalized per GAAP basis		<u>85,304</u>	
		200,967	
Net Position (GAAP Basis)		<u>\$ (377,226)</u>	

CITY OF MISSION, TEXAS
SOLID WASTE
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-26

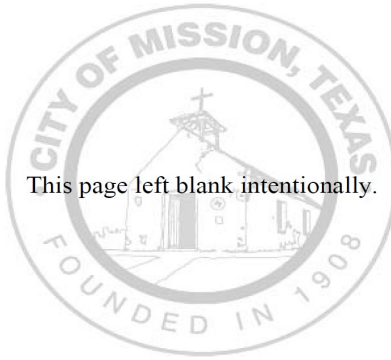
	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Garbage fees	\$ 6,717,000	\$ 6,931,629	\$ 214,629
Brush fees	793,500	787,868	(5,632)
Roll-off fees	40,000	60,377	20,377
Franchise fees	40,000	47,015	7,015
Miscellaneous income	3,000	(16,117)	(19,117)
Total Revenues	7,593,500	7,810,772	217,272
Operating Expenses:			
Personal services	1,547,577	1,569,894	(22,317)
Employee benefits	588,286	470,062	118,224
Purchased property services	736,700	878,088	(141,388)
Other purchased services	102,600	98,592	4,008
Supplies	1,047,600	1,353,617	(306,017)
Capital outlays	4,568,184	429,639	4,138,545
Solid Waste disposal	450,000	592,279	(142,279)
SW_Landfill-waste disposal service	925,000	785,857	139,143
SW_Landfill charges-ash disposal	16,000	3,343	12,657
SW_Landfill charges-brush	75,000	213,855	(138,855)
Miscellaneous	135,500	35,786	99,714
Depreciation and amortization	-	793,846	(793,846)
Total Operating Expenses	10,192,447	7,224,858	2,967,589
Revenues over (under) expenditures	(2,598,947)	585,914	3,184,861
Non-operating Revenues (Expenses):			
Interest earned	5,000	4,691	(309)
Insurance settlement	-	650	650
Bond interest expense	-	(2,138)	(2,138)
Bond principal	(867,617)	(9,914)	857,703
Total Non-operating Revenue (Expenses)	(862,617)	(6,711)	855,906
Transfers:			
Transfers in (out)	(450,000)	(450,000)	-
Capital contributions	4,173,966	331,575	(3,842,391)
Change in Net Position	262,402	460,778	198,376
Net Position - Beginning of Year	-	3,464,412	3,464,412
Net Position - End of Year	\$ 262,402	3,925,190	\$ 3,662,788
Adjustments:			
Bond and capital lease principal		9,914	
Amount budgeted as expense per budget basis, capitalized per GAAP basis		429,639	
		439,553	
Net Position (GAAP Basis)		\$ 4,364,743	

CITY OF MISSION, TEXAS
EVENT CENTER FUND
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT C-27

	Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Rental revenues	\$ 200,000	\$ 194,514	\$ (5,486)
Beverage sales	60,000	60,204	204
Miscellaneous income	-	5,042	5,042
Total Revenues	260,000	259,760	(240)
Operating Expenses:			
Personal services	236,963	212,993	23,970
Employee benefits	90,643	72,350	18,293
Professional & technical services	218,458	219,900	(1,442)
Other purchased services	80,100	59,044	21,056
Supplies	85,071	60,061	25,010
Capital outlays	30,000	-	30,000
Miscellaneous	46,221	23,821	22,400
Depreciation and amortization	-	43,357	(43,357)
Total Operating Expenses	787,456	691,526	95,930
Revenues over (under) expenditures	(527,456)	(431,766)	95,690
Non-operating Revenues (Expenses):			
Interest earned	100	-	(100)
Insurance settlement	-	3,550	3,550
Bond interest expense	-	(2)	(2)
Total Non-operating Revenue (Expenses)	100	3,548	3,448
Transfers:			
Transfers in (out)	525,000	525,000	-
Change in Net Position	(2,356)	96,782	99,138
Net Position - Beginning of Year	-	(337,278)	(337,278)
Net Position - End of Year	\$ (2,356)	(240,496)	\$ (238,140)
Adjustments:			
		-	
Net Position (GAAP Basis)		\$ (240,496)	

***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, 2022 and 2021

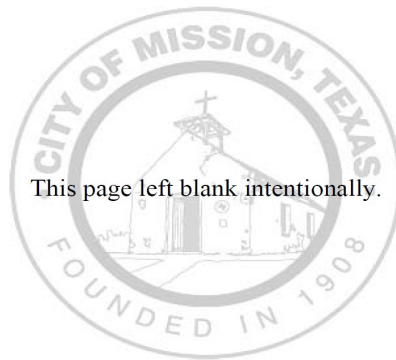
	2022	Restated 2021
Governmental Funds Capital Assets:		
Land	\$ 42,297,992	\$ 42,288,152
Building and structures	38,042,146	37,827,612
Improvements other than buildings	21,516,222	19,958,183
Furniture and equipment	31,650,981	29,928,619
Leased assets	9,831,199	8,356,973
Construction in progress	23,996,346	13,398,676
Infrastructure	126,797,537	126,218,771
Total Governmental Funds Capital Assets	<u>\$ 294,132,425</u>	<u>\$ 277,976,987</u>
Investments in Governmental Funds Capital Assets by Source:		
General fund revenues	\$ 129,896,800	\$ 125,046,542
Bond funds	59,167,664	56,216,348
Enterprise funds	1,264	1,264
Special funds	40,996,629	34,647,400
Leases	9,831,201	8,356,973
Donations	15,697,113	15,739,916
Developers	38,541,753	37,968,543
Total Governmental Funds Capital Assets	<u>\$ 294,132,425</u>	<u>\$ 277,976,987</u>

CITY OF MISSION, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN FUNCTION AND ACTIVITY
For the fiscal year ended September 30, 2022

Function and Activity:	Restated Governmental Funds Capital Assets September 30, 2021	Additions	Deductions	Governmental Funds Capital Assets September 30, 2022
General Government	\$ 18,978,371	\$ 3,291,591	\$ 59,640	\$ 22,210,322
Public Safety	35,909,261	4,932,387	184,401	40,657,247
Highways and Streets	173,861,673	7,169,078	61,205	180,969,546
Health and Welfare	320,312	334,842	2,145	653,010
Cultural and Recreational	48,907,370	790,003	55,073	49,642,301
Total Governmental Funds Capital Assets	<u>\$ 277,976,987</u>	<u>\$ 16,517,901</u>	<u>\$ 362,464</u>	<u>\$ 294,132,425</u>

CITY OF MISSION, TEXAS
 CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 September 30, 2022

Function and Activity	Land	Buildings and Structures	Improvements Other Than Buildings	Furniture and Equipment	Right To Use Leases	Infrastructure	Construction In Progress	Total
General Government	\$ 8,491,192	\$ 3,712,695	\$ 745,528	\$ 6,061,600	\$ 626,028	\$ 41,314	\$ 2,531,964	\$ 22,210,321
Public Safety	729,497	11,408,007	384,733	17,840,614	7,684,861	1,625	2,607,910	40,657,247
Highways and Streets	31,528,806	124,728	599,410	4,763,387	1,189,965	126,522,611	16,240,638	180,969,545
Health and Welfare		231,940	9,305	222,466	189,298			653,010
Cultural and Recreational	<u>1,548,497</u>	<u>22,564,775</u>	<u>19,777,245</u>	<u>2,762,913</u>	<u>141,048</u>	<u>231,987</u>	<u>2,615,835</u>	<u>49,642,300</u>
Total Governmental Funds Capital Assets	<u>\$ 42,297,992</u>	<u>\$ 38,042,146</u>	<u>\$ 21,516,222</u>	<u>\$ 31,650,981</u>	<u>\$ 9,831,199</u>	<u>\$ 126,797,537</u>	<u>\$ 23,996,346</u>	<u>\$ 294,132,425</u>



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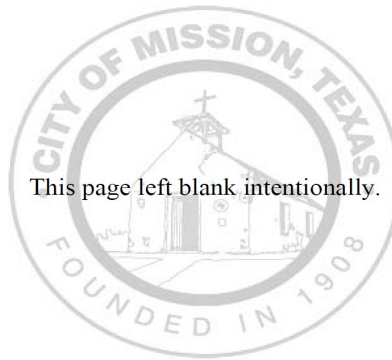
SUPPLEMENTARY SCHEDULES

CITY OF MISSION, TEXAS
UTILITY FUND
SCHEDULE OF REVENUE BOND COVERAGE
Year Ended September 30, 2022

Operating Revenues	\$ 21,508,718	
Interest Earned by funds Created by the Bond Indenture	<u>12,182</u>	
Gross Revenues Per Bond Ordinance		<u>\$ 21,520,900</u>
Operating Expenses	18,043,072	
Less: Depreciation Expense	<u>(5,536,456)</u>	
Operating Expenses Per Bond Ordinance		<u>12,506,616</u>
Net Revenue Per Bond Ordinance		<u>\$ 9,014,284</u>
Average Annual Debt Service Requirements		<u>\$ 1,608,984</u>
Succeeding Fiscal Year Debt Service Requirement		<u>\$ 3,168,112</u>
Required Coverage Ratio 110% & 125%		125%
Calculated Coverage Ratio		
A) Based upon Average Annual Debt Service Requirements		<u>560.25%</u>
B) Based upon Succeeding Fiscal Year Debt Service Requirements		<u>284.53%</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, 2022

	Interest and Sinking Cash	Reserve Cash	Extension & Improvement 02-10040 02-10220	Total
Cash	\$ 1,816,369	\$ 248,010	\$ 227,095	\$ 2,291,474
Investments	896,991	343,103	57,023	1,297,117
Due From (To) other funds	-	(187,422)	35,309	(152,113)
Cash and investments September 30, 2021	2,713,360	403,691	319,427	3,436,478
Cash receipts:				
Transfer from operating cash	2,052,392	-	-	2,052,392
Interest received	10,932	1,248	2	12,182
Total cash receipts	2,063,324	1,248	2	2,064,574
Total cash and investments available	4,776,684	404,939	319,429	5,501,052
Cash disbursements:				
Principal payments	2,570,000	-	-	2,570,000
Interest and fiscal charges	598,912	-	-	598,912
Transfer to other I&S accounts	-	-	284,118	284,118
Total cash disbursements	3,168,912	-	284,118	3,453,030
Cash and investments, September 30, 2021	<u>\$ 1,607,772</u>	<u>\$ 404,939</u>	<u>\$ 35,311</u>	<u>\$ 2,048,022</u>
Total Cash and investments Restricted at September 30, 2022 is composed of the following:				
Cash and cash equivalents	\$ 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)
Total	<u>\$ 1,607,772</u>	<u>\$ 404,939</u>	<u>\$ 35,311</u>	<u>\$ 2,048,022</u>

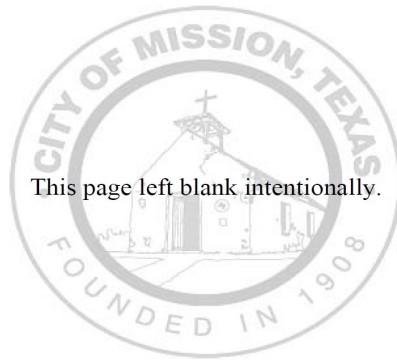


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STATISTICAL SECTION

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	203
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed overtime.	
Revenue Capacity	210
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity	214
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	219
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	222
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

	2013 ¹	2014 ²	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	\$ 86,989,075	\$ 90,947,382	\$ 89,565,993	\$ 90,942,556	\$ 102,466,220	\$ 106,676,410	\$ 106,695,623	\$ 110,583,097	\$ 111,809,778	\$ 117,428,849
Restricted	6,968,743	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
Unrestricted	3,619,351	(1,587,640)	2,462,989	170,518	(3,781,146)	(12,357,324)	(14,919,453)	(10,244,788)	(8,229,017)	(9,514,739)
Total governmental activities net position	<u>\$ 97,577,169</u>	<u>\$ 97,703,228</u>	<u>\$ 100,580,683</u>	<u>\$ 100,532,051</u>	<u>\$ 106,446,447</u>	<u>\$ 101,779,343</u>	<u>\$ 96,847,938</u>	<u>\$ 106,608,675</u>	<u>\$ 119,048,260</u>	<u>\$ 130,211,888</u>
Business-Type Activities										
Net investment in capital assets	\$ 56,518,755	\$ 54,832,203	\$ 55,987,441	\$ 41,651,937	\$ 52,564,331	\$ 63,237,664	\$ 66,124,522	\$ 65,785,703	\$ 71,512,801	\$ 69,040,679
Restricted	4,116,713	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
Unrestricted	10,480,521	10,588,851	8,329,980	9,660,134	3,667,449	(270,361)	(3,142,591)	(3,185,811)	(11,490,777)	(5,818,332)
Total business-type activities net position	<u>\$ 71,115,989</u>	<u>\$ 68,872,568</u>	<u>\$ 67,712,324</u>	<u>\$ 69,531,449</u>	<u>\$ 68,774,915</u>	<u>\$ 67,617,879</u>	<u>\$ 67,782,437</u>	<u>\$ 65,528,232</u>	<u>\$ 64,477,101</u>	<u>\$ 66,526,791</u>
Primary Government										
Net investment in capital assets	\$ 143,507,830	\$ 145,779,585	\$ 145,553,434	\$ 132,594,493	\$ 155,030,551	\$ 169,914,074	\$ 172,820,145	\$ 176,368,800	\$ 183,322,579	\$ 186,469,528
Restricted	11,085,456	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
Unrestricted	14,099,872	9,001,211	10,792,969	9,830,652	(113,697)	(12,627,685)	(18,062,044)	(13,430,599)	(19,719,794)	(15,333,071)
Total primary government net position	<u>\$ 168,693,158</u>	<u>\$ 166,575,796</u>	<u>\$ 168,293,007</u>	<u>\$ 170,063,500</u>	<u>\$ 175,221,362</u>	<u>\$ 169,397,222</u>	<u>\$ 164,630,375</u>	<u>\$ 172,136,907</u>	<u>\$ 183,525,361</u>	<u>\$ 196,738,679</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
Changes in Net Position
Last Ten Fiscal Years

	2013 ¹	2014 ²	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
General Government	\$ 7,937,668	\$ 8,446,306	\$ 8,014,892	\$ 8,405,138	\$ 10,095,896	\$ 16,027,197	\$ 10,978,266	\$ 18,279,601	\$ 13,761,830	\$ 19,191,745
Public Safety	21,229,856	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
Highways and streets	7,297,376	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
Health and welfare	988,923	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
Economic development	4,840,988	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
Culture and recreation	6,247,020	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
Interest on long-term debt	2,363,699	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
Total governmental activities expenses	50,905,530	52,873,206	50,864,961	54,630,812	57,477,628	59,634,452	64,450,970	62,573,693	69,172,560	73,661,696
Business-type Activities										
Utility system	16,626,432	16,581,213	16,226,988	17,110,233	17,031,578	16,506,827	16,533,621	17,547,913	17,995,692	19,142,180
Golf course operations	1,403,124	1,396,091	1,272,835	1,285,977	1,318,098	1,316,225	1,389,008	1,332,422	1,416,473	1,585,296
Solid waste operations	5,785,151	7,360,428	4,727,683	4,958,069	5,206,165	5,738,342	6,466,352	5,693,262	5,849,420	6,830,536
Event Center	-	-	-	-	-	-	-	675,398	584,939	697,383
Total business-type activities expenses	23,814,707	25,337,732	22,227,506	23,354,279	23,555,841	23,561,394	24,388,981	25,248,995	25,846,524	28,255,395
Total primary government expenses	\$ 74,720,237	\$ 78,210,938	\$ 73,092,467	\$ 77,985,091	\$ 81,033,469	\$ 83,195,846	\$ 88,839,951	\$ 87,822,688	\$ 95,019,084	\$ 101,917,091
Program Revenues										
Governmental Activities										
Charges for services										
General government	\$ 1,848,350	\$ 2,086,383	\$ 1,940,954	\$ 2,025,367	\$ 1,896,971	\$ 1,991,318	\$ 2,288,769	\$ 2,364,810	\$ 3,452,933	\$ 4,427,802
Public Safety	67,164	118,310	61,898	106,985	62,576	67,321	71,984	71,085	68,916	73,844
Highways and streets	682,323	884,355	902,318	918,844	935,777	943,562	968,018	993,301	997,684	1,000,572
Sanitation	-	-	-	-	-	-	-	-	-	-
Health and welfare	153,223	237,738	225,047	263,320	221,780	298,306	396,260	248,360	308,568	400,979
Culture and recreation	328,626	371,962	554,618	413,331	384,671	557,152	736,090	130,663	221,452	281,099
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	4,937,211	7,905,942	5,896,938	6,538,968	7,865,910	7,326,112	6,395,090	15,645,612	19,955,799	19,334,945
Capital grants and contributions	6,673,301	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
Total governmental activities program revenues	14,690,198	13,566,968	14,452,011	15,217,037	22,507,328	15,381,962	16,831,733	25,194,215	30,769,549	35,335,550
Business-type activities										
Charges for services										
Utility system	18,012,998	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
Golf course operation	1,031,598	909,563	874,434	900,914	900,432	848,699	905,298	899,977	997,573	1,072,961
Solid waste operation	6,242,554	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
Event Center	-	-	-	-	-	-	-	229,469	165,984	254,718
Operating grants and contributions	13,216	24,921	13,587	12,082	73,923	57,968	28,863	26,835	29,474	-
Capital grants and contributions	483,302	836,355	324,385	924,694	893,581	176,592	1,085,961	1,201,331	1,451,375	701,992
Total business-type activities program revenues	25,783,668	27,326,393	25,311,687	29,385,957	27,564,952	29,559,822	29,825,142	30,140,310	30,748,623	31,401,268
Total primary government program revenues	\$ 40,473,866	\$ 40,893,361	\$ 39,763,698	\$ 44,602,994	\$ 50,072,280	\$ 44,941,784	\$ 46,656,875	\$ 55,334,525	\$ 61,518,172	\$ 66,736,818
Net (expense)/revenue										
Governmental activities	\$ (36,215,332)	\$ (39,306,238)	\$ (36,412,950)	\$ (39,413,775)	\$ (34,970,300)	\$ (44,252,490)	\$ (47,619,237)	\$ (37,379,478)	\$ (38,403,011)	\$ (38,326,146)
Business-type activities	1,968,961	1,988,661	3,084,181	6,031,678	4,009,111	5,998,428	5,436,161	4,891,315	4,902,099	3,145,873
Total primary government net expense	\$ (34,246,371)	\$ (37,317,577)	\$ (33,328,769)	\$ (33,382,097)	\$ (30,961,189)	\$ (38,254,062)	\$ (42,183,076)	\$ (32,488,163)	\$ (33,500,912)	\$ (35,180,273)

City of Mission
Changes in Net Position
Last Ten Fiscal Years

(Continued)

	2013 ¹	2014 ²	2015	2016	2017	2018	2019	2020	2021	2022
General Revenue and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 18,099,459	\$ 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
Sales taxes	10,917,924	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
Franchise taxes	2,542,621	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
Hotel/motel taxes	577,711	650,142	748,812	685,834	528,962	412,047	488,269	448,409	494,355	632,364
Alcoholic beverage taxes	69,167	48,018	36,258	31,131	21,983	24,518	31,804	27,074	42,320	54,508
Shared revenue-tax increment zone	274,030	520,000	210,674	239,545	755,307	762,620	259,765	288,385	322,601	338,472
Unrestricted grants and contributions	-	724	-	-	-	-	-	-	-	-
Investment earnings	66,153	99,730	101,357	97,218	102,977	125,138	109,853	65,963	16,777	80,220
Miscellaneous	2,586,583	667,816	643,372	385,199	406,755	628,185	426,299	348,483	629,781	42,574
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	4,600,000	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
Total governmental activities	<u>39,733,648</u>	<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>
Business-type activities										
Investment earnings	50,944	77,145	81,229	77,203	62,283	86,804	59,180	11,357	7,012	58,954
Miscellaneous	52,061	90,774	74,346	110,242	32,074	30,060	115,811	62,015	(10,497)	51,740
Transfers	(4,600,000)	(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)
Total business-type activities	<u>(4,496,995)</u>	<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>
Total primary government	<u>\$ 35,236,653</u>	<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>
Change in Net Position										
Governmental activities	\$ 3,518,316	\$ 126,058	\$ 2,877,454	\$ (48,630)	\$ 5,914,396	\$ (1,096,866)	\$ (4,554,820)	\$ 9,677,333	\$ 12,439,586	\$ 11,734,379
Business-type activities	(2,528,034)	(2,243,420)	(1,160,244)	1,819,124	(756,532)	(284,708)	164,561	(2,170,801)	(1,051,130)	2,049,690
Total primary government	<u>\$ 990,282</u>	<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>\$ 13,784,069</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
2013	\$ 18,099,459	\$ 10,917,924	\$ 2,542,621	\$ 577,711	\$ 69,167	\$ 32,206,882
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

City of Mission
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	\$ 29,600	\$ 27,200	\$ 24,800	\$ 22,400	\$ 20,000	\$ 17,600	\$ 47,280	\$ 20,541	\$ 8,000	\$ 77,884
Inventory	796	1,332	500	826	1,067	33,552	27,702	25,483	24,343	23,373
Prepaid	12,795	14,336	16,290	23,750	41,194	23,025	74,134	69,063	95,706	127,417
Committed	-	-	-	-	-	-	-	-	-	-
Assigned										
Significant encumbrance	172,579	1,357,108	183,359	580,875	3,489,260	2,340,039	1,420,605	1,669,633	234,524	69,585.76
Funds assigned for asset replacement	5,589	85,909	6,000	86,250	68,093	68,331	66,232	145,349	138,660	138,659.70
Funds assigned for Boys & Girls Club	320,422	163,271	87,141	-	-	-	-	-	-	-
Funds assigned for recreation programs	-	-	-	-	-	-	-	-	-	-
Subsequent year budget appropriation	2,871,133	4,157,048	4,248,461	2,570,662	1,778,090	1,302,071	(12,355)	747,834	5,064,385	774,417
Unassigned	3,880,888	2,591,168	3,487,394	4,073,075	986,387	(477,004)	1,404,578	5,168,125	1,881,097	2,084,757
Total Post GASB 54	<u>\$ 7,293,802</u>	<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>\$ 3,296,093</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	1,663,852	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
Economic Development	1,975,376	2,151,493	1,937,871	1,963,328	1,794,321	1,690,637	1,125,328	912,571	971,992	470,711
Debt Service	1,688,433	2,065,837	2,429,498	2,819,500	1,293,342	968,906	469,436	806,865	1,018,253	1,473,691
Aquatics Programs	10,000	10,000	10,000	-	-	-	-	-	-	-
Municipal Court	451,861	345,637	371,415	415,524	416,451	433,608	420,635	417,483	452,124	534,510
PD Asset Sharing	1,210,028	1,680,978	1,051,581	947,086	656,734	357,075	102,468	280,772	177,350	358,091
Drainage Improvements	1,623,508	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
Scholarships and Books	25,703	25,799	25,826	25,826	25,972	26,256	27,250	27,477	27,477	27,477
Tourism	319,997	539,027	849,426	1,068,442	1,163,835	799,251	628,708	493,259	449,794	536,388
Perpetual Care	46,572	45,074	52,487	35,335	36,374	39,203	44,617	49,056	26,298	20,255
Records Preservation	10,733	8,184	6,918	6,850	9,157	8,344	10,039	5,795	7,284	10,172
PEG (public, educational, and governmental)	-	-	-	419,765	515,003	622,170	750,910	771,419	727,775	814,454
Tax Increment	3,818	3,487	3,536	3,562	3,562	3,555	3,555	3,555	3,555	3,556
Unassigned	-	-	-	-	-	-	-	(5,577,231)	-	-
Total Post GASB 54	<u>\$ 9,029,881</u>	<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>\$ 31,069,715</u>

City of Mission
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 32,297,592	\$ 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
Licenses and permits	497,739	573,875	550,463	634,871	555,266	528,545	714,545	738,605	1,066,542	1,215,475
Intergovernmental	5,086,832	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
Charges for services	893,511	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
Fines	814,104	1,016,847	848,264	807,026	832,596	661,650	723,578	585,564	725,713	829,586
Investment earnings	59,252	87,731	90,628	83,949	163,061	135,555	224,665	144,043	38,020	168,771
Special assessments	682,323	884,355	902,318	918,844	935,777	943,562	968,018	993,301	997,684	1,000,572
Miscellaneous	2,111,479	1,792,201	1,137,003	1,782,135	1,490,207	1,735,783	2,037,432	1,945,438	2,284,774	1,822,655
Total Revenues	42,442,832	47,576,304	48,797,986	48,253,756	56,596,305	51,224,171	52,158,680	55,559,900	68,351,811	77,021,421
Expenditures										
General government	7,950,398	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
Public safety	20,502,038	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
Highways and streets	4,127,714	7,276,217	5,336,817	5,304,862	6,612,678	7,201,117	5,431,006	5,119,348	5,665,912	4,507,710
Health and Welfare	960,761	426,376	426,037	459,716	459,447	562,204	607,996	694,299	1,024,736	874,435
Economic and physical development	4,840,988	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
Culture and recreation	5,632,998	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
Capital projects	1,547,860	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
Debt service										
Principal	2,143,719	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
Bond issuance costs	-	-	-	-	-	-	246,686	-	421,330	-
Interest	1,186,585	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
Other charges	8,239	5,450	5,650	6,300	5,800	5,350	5,350	6,800	3,000	3,000
Total expenditures	48,901,300	51,483,555	53,350,920	53,670,336	79,602,291	67,350,085	65,077,017	65,679,771	74,840,788	86,551,665
Excess of revenues over (under) expenditures	(6,458,468)	(3,907,251)	(4,552,934)	(5,416,580)	(23,005,986)	(16,125,914)	(12,918,337)	(10,119,871)	(6,488,977)	(9,530,244)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other financing sources (uses)										
Transfers in	7,420,764	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
Transfers out	(2,820,764)	(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)
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)	-
Leases (as lessee)	-	-	-	-	-	530,306	-	1,936,647	2,902,450	1,460,715
Sale of capital assets	190,027	53,325	-	-	-	-	-	-	-	-
Proceeds from sale of assets	1,184,744	262,322	296,156	153,566	13,060	282,076	17,963	25,794	314,451	242,062
Total other financing sources (uses)	5,974,771	5,136,662	4,696,157	24,892,337	4,873,060	7,212,381	20,164,648	9,097,930	31,587,976	2,909,654
Special and extraordinary items:										
Special item	-	-	-	-	-	-	-	-	-	-
Total special and extraordinary items	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	<u>\$ (483,697)</u>	<u>\$ 1,229,411</u>	<u>\$ 143,223</u>	<u>\$ 19,475,757</u>	<u>\$ (18,132,926)</u>	<u>\$ (8,913,533)</u>	<u>\$ 7,246,311</u>	<u>\$ (1,021,941)</u>	<u>\$ 25,098,999</u>	<u>\$ (6,620,590)</u>
Debt service as a percentage of noncapital expenditures	7.54%	7.00%	6.94%	6.75%	8.81%	7.95%	9.27%	10.04%	10.43%	10.79%

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
2013	18,190,169	10,917,924	-	2,542,621	577,711	69,167	32,297,592
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

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 Property	Commercial Property	Personal Property	Tax Exempt Real Property	Assessed Value	Direct Tax Rate ¹	Actual Taxable Value ²	Value as a Percentage of Actual Value
2013	1,500,235,907	2,085,403,055	376,726,890	555,879,190	3,406,486,662	0.5288	3,962,365,852	0.86%
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%

1. Tax rate per every \$100 valuation of property.

2. The estimated property value is derived 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				
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

Source: Hidalgo County 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 2022			Tax Year 2013		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
AEP Texas Central Co	\$ 41,213,100	1	0.83%	\$ 15,714,660	5	0.40%
Frontera Generation LTD	37,147,690	2	0.75%	63,178,400	1	1.59%
Sharyland Retail LTD	28,387,854	3	0.57%	38,245,154	3	0.97%
Southwest Valley	22,319,279	4	0.45%	-	-	0.00%
Stanley Black & Decker	20,400,662	5	0.41%	-	-	0.00%
Santa Lucia at Bentsen Lakes LLC	20,053,155	6	0.41%	-	-	0.00%
Bert Ogden Chevrolet	19,259,641	7	0.39%	17,663,429	4	0.45%
Royal Technologies Corporation	18,344,380	8	0.37%	-	-	0.00%
Wal-Mart Real Estate Business	18,327,225	9	0.37%	11,937,402	6	0.30%
Juniper Sharyland LTD	16,500,000	10	0.33%	-	-	0.00%
Sharyland Utilities LP	-	-	-	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	-	-	-	10,650,741	10	0.27%
Total	<u>\$ 241,952,986</u>		<u>4.88%</u>	<u>\$ 235,614,116</u>		<u>5.96%</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
2013	17,835,988	17,194,844	96.4%	585,880	17,780,724	99.7%
2014	18,585,075	17,937,794	96.5%	585,681	18,523,475	99.7%
2015	18,689,445	18,034,797	96.5%	581,121	18,615,918	99.6%
2016	19,097,947	18,465,405	96.7%	545,987	19,011,392	99.5%
2017	20,104,913	19,358,866	96.3%	650,120	20,008,986	99.5%
2018	19,976,560	19,370,557	97.0%	491,759	19,862,316	99.4%
2019	20,411,954	19,757,581	96.8%	486,711	20,244,292	99.2%
2020	22,947,927	22,069,269	96.2%	610,075	22,679,344	98.8%
2021	24,033,922	23,623,588	98.3%	52,669	23,676,257	98.5%
2022	25,552,721	25,282,856	98.9%	-	25,282,856	98.9%

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	Revenue Bonds	General Obligation Bonds	Leases			
2013	28,877,394	-	-	30,142,873	-	41,282	59,061,549	0.32%	734
2014	27,903,296	-	-	29,032,906	4,880,000	28,762	61,844,964	0.33%	763
2015	25,758,810	-	-	26,861,210	4,675,000	15,644	57,310,664	0.29%	695
2016	44,118,902	-	-	40,719,199	3,930,000	198,500	88,966,601	0.43%	1,079
2017	40,800,667	-	-	37,826,805	3,170,000	149,097	81,946,569	0.39%	964
2018	38,236,080	-	-	35,364,411	2,400,000	103,535	76,104,026	0.35%	885
2019	47,248,002	-	-	32,857,017	1,615,000	56,585	81,776,604	0.36%	939
2020	43,111,570	-	3,881,997	30,289,623	815,000	1,094,425	79,192,615	0.34%	898
2021	61,284,808	-	5,858,441	27,647,229	-	18,390,021	113,180,499	0.48%	1,319
2022	56,974,437	-	6,315,625	24,939,835	-	1,520,207	89,750,104	0.37%	1,041

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 Property¹	Per Capita²
2013	28,877,394	1,688,433	-	27,188,961	0.80%	337.95
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	63,290,062	1,473,691	-	61,816,371	1.25%	716.94

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, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt
Hidalgo County	\$ 367,135,000	11.21%	\$ 41,155,834
Hidalgo County Drainage District #1	240,946,000	11.66%	\$ 28,094,304
Hidalgo Independent School District	26,487,000	0.10%	\$ 26,487
La Joya Independent School District	199,547,680	14.73%	\$ 29,393,373
Mission Consolidated Independent School District	102,017,960	71.34%	\$ 72,779,613
Sharyland Independent School District	84,460,000	59.68%	\$ 50,405,728
South Texas College District	112,069,693	10.52%	\$ 11,789,732
Subtotal Overlapping Debt			<u>\$ 233,645,070</u>
Anzualdua Bridge	4,465,133	100.00%	4,465,133
City of Mission	63,290,062	100.00%	<u>63,290,062</u>
Total Direct and Overlapping Debt			<u><u>\$ 301,400,265</u></u>

(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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 170,324,333	\$ 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
Total net debt applicable to limit	27,188,961	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
Legal debt margin	\$ 143,135,372	\$ 150,202,098	\$ 153,696,610	\$ 150,900,636	\$ 164,463,498	\$ 169,449,466	\$ 164,463,686	\$ 180,615,662	\$ 170,817,512	\$ 191,795,429
Total net debt applicable to the limit as a percentage of debt limit	15.96%	14.68%	13.18%	21.49%	19.37%	18.03%	22.14%	18.98%	26.08%	22.44%
Legal Debt Margin Calculation for Fiscal Year										
Assessed value	\$ 3,406,486,662	\$ 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
Add back: exempt real property	-	-	-	-	-	-	-	-	-	-
Total assessed value	\$ 3,406,486,662	\$ 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
Debt limit (5% of total assessed value)	170,324,333	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
Debt applicable to limit:										
General obligation bonds	28,877,394	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
Less: Amount set aside for repayment of general obligation debt	(1,688,433)	(2,065,837)	(2,429,499)	(2,819,500)	(1,293,342)	(968,905)	(469,436)	(806,865)	(1,018,253)	(1,473,691)
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	27,188,961	25,837,459	23,329,311	41,299,402	42,677,325	37,267,175	46,778,566	42,304,705	60,266,555	55,500,746
Legal debt margin	\$ 143,135,372	\$ 150,202,098	\$ 153,696,610	\$ 150,900,636	\$ 161,293,498	\$ 169,449,466	\$ 164,463,686	\$ 180,615,662	\$ 170,817,512	\$ 191,795,429

Note: Texas statutes do not prescribe a debt limit; however, by custom a practical economic debt limit of 4% 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: Operating Expenses ²	Net Available Revenue	Debt Service ³		
				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	598,912	2.84%

(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	Population¹	MSA² Personal Income	MSA² Capita Personal Income	Median Age¹	Percentage High School Graduates³	School Enrollment³	Unemployment Rate⁴
2013	80,452	18,341,843,000	22,757	27.2	88.9	25,766	7.90%
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	34,503	33.0	92.5	24,058	6.00%

(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	2022²			2013¹		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Mission CISD	2,400	1	3.24%	2,230	1	3.96%
Sharyland ISD	1,638	2	2.21%	1,187	2	2.11%
H.E.B.	622	3	0.84%	651	5	1.16%
T-Mobile	830	4	1.12%	832	4	1.48%
Mission Regional Medical Center	980	5	1.32%	1,196	3	2.12%
City of Mission	741	6	1.00%	563	6	1.00%
Wal-Mart Super Center	328	7	0.44%	344	7	0.61%
Wonderful Citrus	550	8	0.74%			
Home Depot	180	9	0.24%	165	9	0.29%
Stanley Black and Decker	400	10	0.54%			
Haliburton Energy Services				187	8	0.33%
Target				153	10	0.27%
Total	8,669		11.70%	7,508		13.34%

(1) Source: Mission Economic Development Corporation and City 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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	76	82	87	89	90	99	102	96	100	101
Public Safety										
Police										
Officers	146	146	146	149	157	157	157	164	164	164
Civilians	51	50	50	46	46	50	50	50	50	50
Fire										
Firefighters and Officers	67	67	67	67	67	67	77	78	78	78
Civilians	7	7	7	7	7	7	7	7	7	7
Highways and Streets										
Streets	32	32	32	32	37	37	36	37	40	37
Health and Welfare										
Health	8	8	8	8	9	11	12	12	11	12
Culture and recreation										
Aquatics	3	2	2	2	0	0	0	0	0	0
Mayberry Pool	0	0	0	0	2	2	1	1	2	2
Bannworth Pool	0	0	0	0	1	1	1	1	1	1
Museum	4	5	5	5	5	5	5	5	5	6
Parks and Recreation	44	45	45	52	52	52	50	50	58	54
Library	19	19	19	19	18	19	17	18	19	18
Golf Course	17	17	17	15	15	15	14	14	15	15
Event Center ²	0	0	0	0	0	0	0	6	6	6
Sanitation										
Water distribution	88	87	87	88	90	90	92	92	87	83
Wastewater	13	14	14	13	13	13	14	14	14	14
Solid Waste ¹	-	17	17	19	19	22	26	29	29	30
Community Development	3	3	3	3	3	3	3	3	3	4
Total	578	601	606	614	631	650	664	677	689	682

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Physical arrests	4,079	3,632	3,050	3,135	3,998	2,538	1,929	2,352	2,564	4,758
Parking Violation	55	29	75	45	23	17	30	25	51	50
Traffic Violations	8,093	12,071	19,882	12,112	10,601	9,118	6,909	6,405	8,266	109
Fire										
Number of calls answered	2,818	3,715	3,888	3,636	3,557	3,657	3,635	3,111	2,249	2,716
Inspections	2,599	1,773	2,116	2,474	1,343	2,205	1,860	1,195	1,154	2,022
Highways and Streets										
Streets resurfacing (miles)	5.130	6.070	10.110	4.860	7.100	13.600	3.794	2.281	5.710	3.072
Potholes repaired	21,122	30,911	23,898	21,031	14,939	13,587	13,859	8,049	8,482	9,330
Sanitation										
Refuse collected (tons/day) ¹	225	377	443	451	521	509	227	245	259	264
Recyclables collected (tons/day)	0.24	0.27	0.34	0.44	0.38	0.38	0.78	0.53	0.11	0.06
Culture and recreation										
Golf Course										
Rounds	60,306	46,388	36,971	46,477	46,709	42,227	46,004	44,362	41,789	38,510
Recreation										
Programs	37	31	22	14	17	17	19	3*	11	13
Parks Maintained	25	25	25	25	25	25	25	25	25	25
Water										
New connections (year)	353	297	486	398	393	407	464	417	413	624
Water mains breaks (year)	395	463	344	258	198	161	187	281	285	324
Average daily consumption (millions of gallons)	13.02	12.56	10.62	12.42	14.25	12.94	12.65	13.59	12.58	13.36
Wastewater										
Average daily sewage treatment	7.09	7.19	7.42	7.39	7.14	7.46	7.53	7.82	7.97	7.46

Sources: Various City departments.

Note: Indicators are not available for the general government function.

(1) Amount is in millions.

(*) 2020 Programs affected by COVID-19.

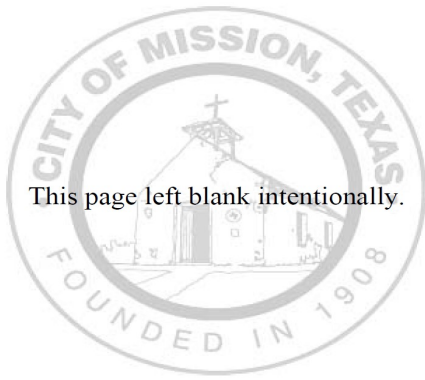
City of Mission
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
Public Safety										
Police Protection										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol Units	111	111	111	111	112	114	115	121	116	109
Fire Protection										
Fire Stations	5	5	5	5	5	5	5	5	5	5
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
Number of Streetlights	4,158	4,261	4,281	4,332	4,367	4,411	4,480	4,494	4,510	4,514
Culture and recreation										
Parks acreage	419	419	419	419	235	235	235	235	235	235
Parks	25	25	25	25	25	25	25	25	25	25
Swimming pools	3	3	3	2	2	2	2	2	2	2
Tennis Courts	9	9	9	9	9	9	22	22	22	22
Community/Event Centers	2	2	2	2	2	2	2	2	2	1
Water										
Water Plants	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
Fire hydrants	2,803	2,813	2,820	2,835	2,849	2,854	2,880	2,900	2,920	3,156
Number of Service connections	25,510	25,807	26,293	26,713	27,072	27,500	27,936	28,440	29,021	30,138
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
Daily Average Consumption (gallons)	13.27	11.80	9.89	10.88	12.80	11.89	10.83	11.81	11.45	12.16
Sewer										
Number of Treatment plants	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
Number of Service connections	22,815	23,028	23,437	23,871	24,222	24,571	25,969	25,449	25,770	26,425
Storm sewers (miles)	145.03	145.92	146.02	146.79	148.07	148.1	149.75	151.07	152.67	152.91
Daily average treatment in gallons	7.10	7.20	7.40	7.40	7.10	7.50	7.50	7.82	7.97	7.46
Maximum daily treatment capacity	9.18	12.00	9.98	11.90	9.28	14.46	10.30	13.78	16.75	13.65

Source: City departments.

(1) Amount is in millions.

Note: No capital asset indicators are available for the general government function.



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