



Mansfield Independent School District

Comprehensive Annual Financial Report

Fiscal Year Ended
June 30, 2019

Mansfield ISD
605 East Broad Street
Mansfield, TX 76063
817-299-6300

<http://www.mansfieldisd.org>

**MANSFIELD
INDEPENDENT SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL
AND COMPLIANCE REPORT**

For the Fiscal Year Ended June 30, 2019



Issued By

Business and Financial Services Department
Karen Wiesman, EdD, CPA, RTSBA
Associate Superintendent of Business and Finance

Mansfield Independent School District * 605 East Broad Street * Mansfield, TX 76063
(817) 299-6300 * <https://www.mansfieldisd.org>

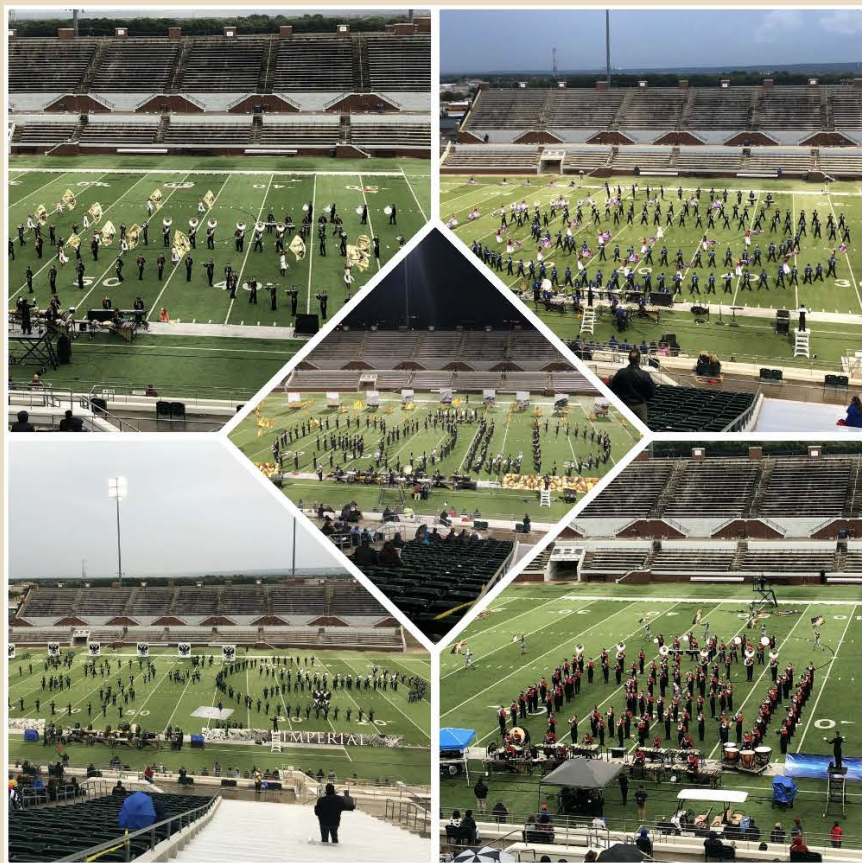
(This page intentionally left blank.)

TABLE OF CONTENTS

Introductory Section.....	1
Board of Trustees.....	3
Executive Council.....	4
Certificate of the Board.....	5
Organization Chart.....	6
Transmittal Letter.....	7
General Information.....	8
Relevant Financial Information	15
Awards and Acknowledgements.....	17
GFOA – Certificate of Achievement for Excellence in Financial	18
ASBO International – Certificate of Excellence in Financial Reporting.....	19
Financial Section.....	21
Report of Independent Auditors.....	23
Management’s Discussion and Analysis.....	27
Financial Highlights.....	29
Overview of the Financial Statements	30
Financial Analysis of the District’s Funds	37
Capital Asset and Debt Administration.....	39
Economic Factors and Next Year's Budgets and Rates	40
Requests for Information	40
Basic Financial Statements	41
Government-Wide Financial Statements	
Statement of Net Position – Exhibit A-1	43
Statement of Activities – Exhibit B-1	44
Balance Sheet – Exhibit C-1	46
Reconciliation of Balance Sheet for Governmental Funds to the Statement of Net	
Position – Exhibit C-2.....	47
Statement of Revenues, Expenditures, and Changes In Fund Balance – Governmental	
Funds – Exhibit C-3	48
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund	
Balance of Governmental Funds to the Statement of Activities – Exhibit C-4	50
Proprietary Fund Financial Statements	
Statement of Net Position – Exhibit D-1	51
Statement of Revenues, Expenses and Changes in Funds to the Statement of	
Activities – Exhibit D-2	52
Statement of Cash Flows – Exhibit D-3.....	53
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position – Exhibit E-1	54
Statement of Changes in Fiduciary Net Position – Exhibit E-2	55
Notes to the Financial Statements - Exhibit F-1	56
Required Supplementary Information.....	93
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Original Budget,	
Amended Final (GAAP Basis) and Actual – General Fund – Exhibit G-1	94
Schedule of the District’s Proportionate Share of the Net Pension Liability - Exhibit G-2	95
Schedule of the District’s Contribution to the Teacher Retirement System of Texas	
(TRS) – Exhibit G-3	96
Schedule of the District’s Proportionate Share of the Net OPEB Liability – Exhibit G-4	97
Schedule of the District’s Proportionate Share of OPEB Contributions - Exhibit G-5	98
Notes to the Required Supplementary Information - Exhibit G-6	99
Other Supplementary Information	101
Special Revenue Funds.....	103

Combining Fund Statements	
Combining Balance Sheet Nonmajor Governmental Funds – Exhibit H-1	104
Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Nonmajor Governmental Funds – Exhibit H-2	110
Combining Statement of Net Position Proprietary Funds Nonmajor Enterprise Funds - Exhibit H-3	116
Combining Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds-Nonmajor Enterprise Funds - Exhibit H-4	117
Combining Statement of Cash Flows Proprietary Funds-Nonmajor Enterprise Funds - Exhibit H-5	118
Statement of Changes in Assets and Liabilities Agency Funds - Exhibit H-6	119
Required TEA Schedules.....	121
Schedule of Delinquent Taxes Receivable - Exhibit J-1	122
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Original Budget, Amended Final and Actual – Child Nutrition Fund - Exhibit J-2	124
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Original Budget, Amended Final and Actual – Debt Service Fund – Exhibit J-3	125
Statistical Section.....	127
Net Position By Component – Table 1	130
Changes in Net Position – Table 2	132
Fund Balances of Governmental Funds – Table 3.....	134
Changes in Fund Balances of Governmental Funds – Table 4.....	136
Assessed Value and Actual Value of Taxable Property – Table 5	138
Property Tax Rates – Direct and Overlapping Governments – Table 6	140
Principal Property Taxpayers – Table 7	142
Property tax Levies and Collections – Table 8.....	143
Outstanding Debt by Type – Table 9.....	144
Ratios of Net General Obligation Bonded Debt Outstanding – Table 10	145
Direct and Overlapping Governmental Activities Debt (1) – Table 11.....	146
Legal Debt Margin Information (1) – Table 12.....	148
Demographic and Economic Statistics – Table 13	150
Principal Employers – Table 14	151
Full-Time Equivalent District Employees by Position – Table 15.....	152
Operating Statistics – Table 16.....	154
Teacher Base Salaries – Table 17.....	156
School Building Information - Table 18.....	158
Government Auditing Standards Report Section.....	167
Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	169
Report of Independent Auditors on Compliance with Requirements that Could Have a Direct and Material Effect on each Major Program and on Internal Control over Compliance in Accordance with Uniform Guidance	171
Federal Awards Section	173
Schedule of Findings and Questioned Costs	174
Schedule of Expenditures of Federal Awards – Exhibit K-1	176
Notes to Schedule of Expenditures of Federal Awards – Exhibit K-2	177

Introductory Section



(This page intentionally left blank.)



**MANSFIELD INDEPENDENT SCHOOL DISTRICT
Board of Trustees**



Ms. Michelle Newsom
Place 1, Secretary
First elected 2015
Current Term Expires 2021



Ms. Desiree Thomas
Place 2, Trustee
First elected 2019
Current Term Expires 2021



Mr. Randall Canedy
Place 3, Trustee
First elected 2019
Current Term Expires 2022



Mr. Raul Gonzalez
Place 4, Trustee
First elected 2010
Current Term Expires 2022



Ms. Karen Marcucci
Place 5, President
First Elected 2014
Current Term expires 2022



Darrell Sneed
Place 6, Trustee
First Elected 2017
Current Term expires 2020



Ms. Courtney Lackey-Wilson
Place 7, Vice President
First Elected 2011
Current Term expires 2020

MANSFIELD INDEPENDENT SCHOOL DISTRICT
Executive Council



Dr. Jim Vaszauskas
Superintendent of Schools



Dr. Kimberley Cantu
Deputy Superintendent
Human Resources
Student Services
Campus Support



Dr. Karen Wiesman
Associate
Superintendent
Business and Finance



Dr. Sean Scott
Associate Superintendent,
Curriculum & Instruction



Jeff Brogden
Associate
Superintendent
Facilities and Bond
Programs



Donald Williams
Associate Superintendent
Communications and
Marketing

Certificate of the Board

Mansfield Independent School District

Tarrant

220-908

Name of School District

County

Co-Dist. No.

We, the undersigned, certify that the annual financial reports for the above named school district were reviewed and approved for the year ended June 30, 2019 at a meeting of the Board of Trustees of such school district on the 19th day of November, 2019.

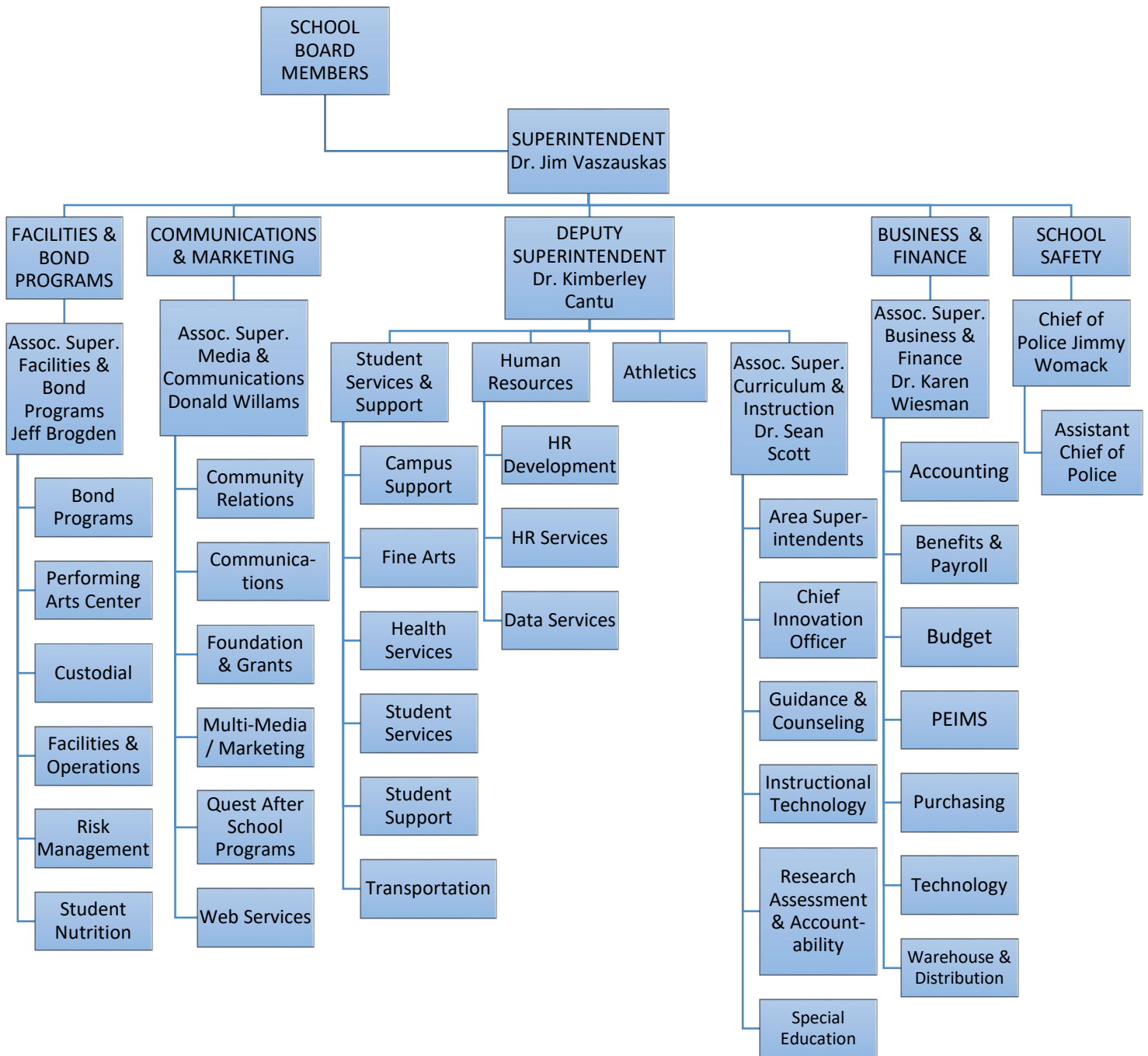
/ Michelle Newsom /

Signature of Board Secretary

/ Karen Marcucci /

Signature of Board President

MANSFIELD INDEPENDENT SCHOOL DISTRICT
Organization Chart





November 19, 2019

To the Board of Trustees and the Citizens of Mansfield Independent School District:

The Comprehensive Annual Financial Report of the Mansfield Independent School District (the District) is hereby submitted. This report has been prepared to provide the Board of Trustees, representatives of financial institutions, the citizenry, and other interested parties information concerning the financial condition of the District. The government-wide financial statements in this report provide an overview of the District's governmental activities and business-type activities, while detailed fund financial statements describe specific activities of each fund used in accounting for the District's financial transactions. This report was prepared by the District's Finance Department in accordance with generally accepted accounting principles (GAAP) and reporting standards as promulgated by the Governmental Accounting Standards Board ("GASB").

Responsibility for the accuracy, completeness, and fairness of the presentation and its disclosures rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all its material respects. This data is reported in a manner designed to fairly present the financial and operational results of the District as measured by financial activities of its various funds. Disclosures necessary to enable the reader to gain understanding of such financial operations have been included.

Included in the financial section is the independent auditors' report on these financial statements and Management's Discussion and Analysis. Reference should be made to Management's Discussion and Analysis for additional information regarding the District's financial operations.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget Uniform Guidance. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and the independent auditors' reports on compliance and internal control over financial reporting and compliance with requirements applicable to each major program and internal control over compliance are included in the federal awards section.

This report includes all funds of the District. The District is a public school system offering a full prekindergarten through grade twelve education for eligible residents within its geographic boundaries. All activities over which the District Board of Trustees exercises authority and/or oversees responsibilities are included.

General Information

Mansfield Independent School District was established in 1909. The District is governed by a seven member Board of Trustees (the Board) serving staggered three-year terms with elections held in May of each year. All candidates must be qualified voters and residents of the District. Monthly meetings of the Board are posted and advertised as prescribed under state law so that the Board may meet to fulfill its charge to the students, parents, staff, and taxpayers of the District. Special meetings or study sessions are scheduled as needed.

The Board has final control over all school matters except as limited by state law, the courts, and the will of its citizenry as expressed in elections. The Board's responsibilities are generally: to set policy for the District, to ensure efficient operations, to select and evaluate the Superintendent of Schools, to adopt an annual budget and its supporting tax rate, and to foster good community relations and communications.

The District provides a well-rounded program of public education from prekindergarten through grade twelve, and all schools within the District are fully accredited by the Texas Education Agency. In order to serve its current enrollment of 35,588 students (as of May 2019), the District provides regular, special education, vocational, gifted/talented, and bilingual/ESL curriculums. A broad range of elective and extracurricular programs are also offered. Finally, support departments of the District ensure that student needs for transportation, nutrition, guidance, counseling, and facilities maintenance are addressed.

Economic Condition and Outlook

The District is located southeast of Fort Worth, in the southeastern corner of Tarrant County, due south of Arlington, with a small portion overlapping the northeastern portion of Johnson County. The District encompasses approximately 80 square miles in Tarrant County and 14.5 square miles in Johnson County serving students in Mansfield, Arlington, Grand Prairie, Burleson, Fort Worth, Venus, Alvarado, and Kennedale. The district has a pre-kindergarten center, 23 elementary schools, six intermediate schools, a STEM academy, six middle schools, five traditional high schools, one high school for only upperclassman, an alternative education center and an early college high school. The age of each of these buildings is included in the Statistical Section in Table 18. The district expects to enroll more than 35,672 students in the 2019-2020 school year and is growing faster than its neighboring districts.

In recent years, the District's tax base has continued to increase at a higher level than some adjoining areas which is a direct result of new housing construction, not being dependent upon any one major industry. The increased emphasis by the City of Mansfield to enhance their economic development efforts should also continue to help with this trend. Property values have increased an average of 7 percent over the last three years, and the tax base has been steadily increasing due to new residential construction accompanied by some growth in retail and commercial development.

Job availability and stability have affected both the national and local economies; however, the potential for jobs and affordability of the local area is creating an increase in transfers from out of state to Texas and to key suburban locations within the Dallas-Fort Worth-Arlington metro area. Consultants predict that the District's employment gains will outpace almost all of the State's school districts as the national recovery begins.

Mansfield ISD's student population has seen explosive growth over the last decade. The District experienced an increase in enrollment of more than 642 students in 2018-2019; and our demographers are predicting annual growth rates between 1.3 percent and 2.93 percent over the next ten years because our district has something for everyone, and we all collaborate together to make sure that each and every student reaches the utmost level of success. As our District continues to grow, we will always seek for continual improvement and growth in all areas to ensure our students, staff, and overall learning environment remain some of the best in the state.

Long Range Planning

The Mansfield Independent School District exists to strengthen the social and economic foundation of our population by assuring its youth the highest quality elementary and secondary education available anywhere. The district has implemented a 5-year plan called Vision 2020. Vision 2020 defines the school district's mission, vision, and core values; and its guiding statements provide clear focus for improvement. This plan will help drive our district to greater heights.

Our mission is "to inspire and educate students to be productive citizens" which means that we prepare all of our students to succeed after graduation in their college or career path. MISD's vision is to be "a destination district committed to excellence" because we want to always strive to be the best of the best and settle for nothing less in all areas of what we do. And finally, the values MISD upholds to achieve this are: students first, continuous improvement, integrity, communication, positive relationships and resiliency.



Mansfield ISD has a new strategic plan for 2016-2021. The plan, Vision 2020, defines the school district's mission, vision, and core values; and its guiding statements provide clear focus for improvement.

"This plan provides a clear sense of direction and purpose for our district," said Superintendent Dr. Jim Vaszauskas. "I am deeply grateful to the parents, taxpayers, business community, staff, and students who contributed to this wonderful plan. I am fully confident that these guiding statements and values will drive our district to greater heights."

Mission

- To inspire and educate students to be productive citizens.

Vision

- A destination district committed to excellence.

Values

- Students First
- Continuous Improvement
- Integrity
- Communication
- Positive Relationships
- Resiliency

Motto

- Mansfield ISD: a great place to live, learn and teach.

Guiding Statements

- Students will read on level or higher by the beginning of third grade and will remain on level or higher as an MISD student.
- Students will demonstrate mastery of Algebra I by the end of ninth grade.
- Students will graduate with 24+ college hours and/or industry certification or a certificate.
- Students will participate in an extra or co-curricular activity.
- Our parents and students will have choices with educational opportunities.



Student Achievement

Mansfield ISD's state ratings demonstrate that our district is among the best in the region and throughout the state of Texas. MISD has consistently earned the highest possible rating of Met Standard in the Texas Education Agency (TEA) accountability system. MISD also outperformed state averages in all areas of STAAR assessments. Statewide, about 77.6% of all students in Texas public schools passed all subjects of the Level II STAAR test in the spring of 2019. In comparison, Mansfield ISD students had an overall passing rate of 85.2%.

The District continues to prepare college and career ready graduates with 2019 exceeding state averages. During the 2018-2019 school year, high school juniors and seniors earned 15,391 college credit hours through dual credit partnerships with the Tarrant County College District, the University of Texas at Arlington, Prairie View A&M University and Texas Wesleyan University. Mansfield ISD offers 34 college level Advanced Placement (AP) courses for high school students. In 2019, MISD students passed a total of 2206 AP exams.

In addition to the opportunity to earn college credit hours, MISD students have an opportunity to graduate high school with industry standard certifications through career classes at Ben Barber Innovation Academy. During the 2018-2019 school year, students earned more than 2382 total certifications and 1187 industry certifications. Students have the ability to earn certification to become an emergency medical technician, certified pharmacy technician, automotive technician, Adobe software associate, and many other career options.

2019 STAAR EOC Passing Rates



READING

76	GRADE 3	85
74	GRADE 4	86
77	GRADE 5	85
66	GRADE 6	78
74	GRADE 7	85
77	GRADE 8	86

MATH

78	GRADE 3	87
74	GRADE 4	87
83	GRADE 5	91
79	GRADE 6	92
73	GRADE 7	87
81	GRADE 8	86

WRITING

65	GRADE 4	78
69	GRADE 7	81

SCIENCE

74	GRADE 5	83
79	GRADE 8	87

SOCIAL STUDIES

67	GRADE 8	79
----	---------	----

2019 STAAR EOC Passing Rates



63	ENGLISH I	78
67	ENGLISH II	78
	ALGEBRA I	89
	BIOLOGY	93
93	U.S. HISTORY	96

2018-2019 Points of Pride

The following summarizes various District achievements for the 2018-2019 school year:

Academic and Extracurricular

- ❖ Mansfield ISD has earned an “A” in the Texas Education Agency’s accountability rating system for 2019.
- ❖ Mansfield ISD students exceeded state and regional score averages for every subject tested in the 2019 State of Texas Assessments of Academic Readiness (STAAR) exam.
- ❖ A Legacy High School student was named as a National Merit Scholarship finalist, making him part of the less than one percent of high school students to be given this distinction based on their preliminary SAT/National Merit Scholarship Qualifying Test.
- ❖ Ten Mansfield ISD schools were selected as 2018-2019 Texas Honor Roll schools by the Institute for Productivity in Education and Educational Results Partnership. The designations are based on 2018-2019 Texas Academic Performance Reports.
- ❖ Two Mansfield ISD schools have been designated as Advancement via Individual Determination (AVID) School-wide Sites of Distinction.
- ❖ Students in Ben Barber Innovation Academy’s culinary arts program were named the top in the nation for their restaurant management skills by National ProStart.
- ❖ Mansfield High School’s JROTC placed in multiple categories during the U.S. Army Cadet Command JROTC National Drill Championship and in the National High School Drill Team Championship. In the National High School Drill Team Championships the team brought home a total of six trophies and placed first overall in the challenge division.
- ❖ Mansfield ISD Track & Field athletes were awarded seventeen gold, silver, and bronze medals at the May 2019 University Interscholastic League state championship track and field tournament.
- ❖ A team of students from Lake Ridge High School and Danny Jones Middle School excelled at The Destination Imagination’s state tournament and qualified to compete in the global finals.
- ❖ A Mansfield Summit High School senior earned a gold medal in class 6A powerlifting.
- ❖ The Timberview High School boys’ basketball team won the school’s second 5A State Boys Basketball Championship in just three years.
- ❖ Students from three Mansfield ISD high schools competed in the state Academic Decathlon and were awarded a total of eight medals.
- ❖ Three Mansfield ISD students returned home with medals from the state swimming and dive meet, which also qualified them to compete at the state competition.
- ❖ Eight Mansfield ISD students competed in the Business Professionals of America regional competition and earned a spot to participate in the state conference.
- ❖ Three Mansfield ISD band ensembles earned the 2018 Mark of Excellence from The Foundation for Music Education for their outstanding performances.
- ❖ The T.A. Howard Middle School band was awarded the Sudler Cup by the John Philip Sousa Foundation.
- ❖ Twenty-five Mansfield ISD band and choir students were named All-State musicians by the Texas Music Educators Association.
- ❖ Six Criminal Justice students excelled in their competition at the Texas Public Service Association regional contest and advanced to the state meet.
- ❖ Danny Jones Middle School has been named a Texas School to Watch by the National Forum to Accelerate Middle-Grades Reform and the Texas Association of Secondary School Principals.
- ❖ More than 100 student-athletes participated in National Signing Day. They have earned scholarships and committed to continue playing their sport at the collegiate level.
- ❖ Two Mansfield ISD Robotics teams earned a spot in the Texas Computer Education Association robotics state competition.

- ❖ Fifty-three Mansfield ISD students competed in the regional Texas Association of Future Educators competition, and all fifty-three students qualified for the state contest.
- ❖ Two Mansfield ISD student-athletes earned All-American titles.
- ❖ The College Board recognized nearly 500 students for their outstanding achievement on their 2018 Advanced Placement exams. 333 students earned the AP Scholar Award, 66 students earned the AP Scholar with Honor Award, 93 students earned the AP Scholar with Distinction Award, and 17 students earned the National AP Scholar Award.

Community

- ❖ Mansfield ISD hosted an annual back-to-school bash event that is meant to bring the community together for a day of family fun. Thanks to a community fundraiser, we were able to provide school supplies, shoes, student health services, and more – completely free of charge to students.
- ❖ Mansfield ISD school board trustee, Raul Gonzalez, was awarded the Gary Whetzel Heart for the Community Award sponsored by Common Ground Network.
- ❖ Mansfield ISD made it on the Forbes list for America's Best-in-State Employers 2019. For the state of Texas, MISD was in the top 100.
- ❖ The entire Mansfield ISD community displayed its tremendous generosity once again by donating more than 27,000 toys and nearly \$7,000 for children who are less fortunate at the seventh annual Mansfield ISD Toys for Tots Community Drive, one of the largest in the state.
- ❖ Partners in Education is Mansfield ISD's new program to encourage community engagement in the school district. It helps recruit volunteers, community partners and mentors to the district while aligning existing partnerships between campuses and the community under one program.
- ❖ MISD's Adult Education Program was launched in February 2015 to serve the community by promoting lifelong learning. The classes offered in the program are affordable, fun and encourage personal growth. Courses offered cover topics such as culinary arts, technology, graphic design, construction, automotive repair, law enforcement and much more.
- ❖ Each year, the district invites approximately 50 parents and community members to complete a comprehensive program called Leadership MISD. Classes consist of in-depth sessions focusing on a different area of district departments and operations.
- ❖ The Gold Card Program provides great perks for community members 65 and older. The card gives seniors free access to district athletic events, campus theatre productions and select events at the MISD Center for the Performing Arts. As an added bonus, MISD hosts a free senior tour every spring that highlights various campuses, academic programs and extracurricular activities.
- ❖ The MISD Education Foundation has donated more than \$3 million directly back into MISD classrooms since 1998. The Foundation partners with local businesses, organizations and community members to create a source of funding for teachers and students through grant projects that enrich and enhance the classroom experience.

Financial and Leadership

- ❖ Mansfield ISD has earned the highest grade in the Texas Education Agency's Schools Financial Integrity Rating System of Texas.
- ❖ Based on the district's 2018 comprehensive annual financial report, Mansfield ISD has been awarded the Certificate of Achievement for Excellence in Financial Reporting by The Government Finance Officers Association of the United States and Canada.
- ❖ The 2018-2019 senior class earned a total of \$30.6 million in scholarships.
- ❖ Mansfield ISD has once again been named a winner of the Energy Star Partner of the Year – Sustained Excellence Award. This is the highest level of recognition by the U.S. Environmental Protection Agency. Since the start of the MISD Energy Management Program in 2012, we have reduced utility costs by nearly \$1.6 million a year, decreasing energy usage by more than 19%.

- ❖ Based on the district's 2018 comprehensive annual financial report, Mansfield ISD has been awarded the Certificate of Excellence in Financial Reporting from the Association of School Business Officials.
- ❖ Mansfield ISD has been awarded the Meritorious Budget Award for the 2018-2019 budget year from the Association of School Business Officials International.
- ❖ Mansfield ISD received the Texas Association of School Business Officials Award of Merit for Purchasing Operations – Recognized Status.
- ❖ Mansfield ISD's associate superintendent of finance was awarded the Texas Association of School Business Officials' Commitment to Excellence Award.
- ❖ Mansfield ISD is one of eight school districts in Texas to be selected as part of the inaugural Lone Star Governance (LSG) Exemplar Cohort. LSG provides a continuous improvement for school districts.

Bond Update

Since 2000, Mansfield ISD residents have voted in support of six different bond packages for the district. Those bond programs have allowed the school district to expand effectively with MISD's fast-growing community. On May 6, 2017, Mansfield ISD voters resoundingly passed the \$275 million bond. The bond proposal addresses growth, student safety and security, student equity, infrastructure improvements and the overall student experience in MISD.

2011 Bond Election

District voters approved a \$198,530,000 bond package in November 2011. Projects include replacement of older campuses, renovations, technology improvements, safety and security, and many other projects identified through the District facility condition assessment. Currently the district has rebuilt Tarver Rendon Elementary School, J.L Boren Elementary School, Alice Ponder Elementary School, Glenn Harmon Elementary School and Charlotte Anderson Elementary which opened August 2017. Wireless internet has been installed at all campuses and departments, security cameras and keyless entry updates have been completed at all campuses and departments as well as secure entry vestibules on each campus.

2017 Bond Election

In February 2017, the Mansfield ISD Board of Trustees voted to accept the Facilities & Growth Planning Committee's (FGPC) recommendation to call for a \$275 million bond package addressing district growth, equity, safety and aging infrastructure across the district. Development of the bond proposal involved an almost two-year, in-depth process of information gathering, research and community input. The district completed a demographic report, a district-wide facilities assessment, educational visioning, and campus and department staff interviews.

On May 6, 2017, Mansfield ISD voters resoundingly passed the \$275 million bond. The bond proposal addresses growth, student safety and security, student equity, infrastructure improvements and the overall student experience in MISD. With over 7,700 MISD voters casting ballots, 65.12% voted in favor of the bond proposition.

2017 Bond Overview: \$275,000,000

Growth: \$143,300,000

- New Elementary School
- New Intermediate School
- New Middle School

The district is anticipated to grow by approximately 3,000 students over the next five years.

[To learn more, click here.](#)

Equity & Student Experience: \$67,400,000

- Classroom additions at Howard and Worley Middle Schools by enclosing the courtyards
- Renovations for equity, safety and updated standards at various campuses including Mansfield HS, Summit HS, Howard MS, Worley MS, Cross Timbers IS, and The Phoenix Academy
- Science labs at all elementary schools by converting existing space
- Multipurpose building to serve all athletic programs at each high school

Safety & Security: \$10,050,000

- New playground equipment, shade structures and synthetic play-surface at all elementary and intermediate schools
- Enhance video surveillance at every campus
- Upgrade fire alarm systems in need of replacement
- Exterior lighting installation at all middle schools

Infrastructure Improvements: \$54,250,000

- Technology infrastructure upgrades to cabling and backup systems
- HVAC upgrades and replacements
- Roof replacements
- Site and exterior improvements including drainage, paving, and weatherproofing
- Interior finish and hardware upgrades

Relevant Financial Information

The District's management is responsible for establishing and maintaining internal controls that are designed to ensure that the assets of the District are protected from loss, theft, and misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

Single Audit

As a recipient of federal, state and local awards, the District also is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws and regulations related to those programs. These internal controls are subject to ongoing review by management of the District.

As a part of the District's single audit described above, tests are made to determine the adequacy of the internal controls, including that portion related to financial award programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2019 provided no instances of material weaknesses in the internal controls over financial reporting or over compliance with requirements applicable to each major program. In addition, the audit disclosed no material instances of non-compliance with certain provisions of laws, regulations, contracts and grants and that the District complied with all material compliance requirements applicable to each major program.

Budgetary Controls

In addition to the above, the District maintains budgetary controls throughout all of its financial systems. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated (official) budget adopted by the Board. Activities in the General Fund, National School Lunch and Breakfast Program Fund, and Debt Service Fund are included in the official budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the fund-function level. District systems may exercise budgetary control at varying combinations of the account code structure. The Texas accounting system for school districts as codified in the Texas Education Agency Financial Accountability System Resource Guide creates a 20-digit account code structure and requires budgetary control through the fund-function level.

The District also utilizes an encumbrance accounting system to maintain budgetary control through a transaction's life cycle. Outstanding encumbrances at the end of a fiscal year lapse at year-end, and are treated as expenditures in the subsequent year upon receipt of goods.

The cost of operating schools and the revenues to cover these costs are accounted for through the General Fund. Special programs, primarily funded by the state or federal governments and designed to accomplish a particular objective, are accounted for in Special Revenue Funds.

The District allocates a portion of its tax rate for payment of bond interest and maturities and accounts for these transactions through its Debt Service Fund. The District accounts for school construction financed by bond sales and other revenues through the Capital Projects Fund.

The financial statement format is prescribed by Financial Accountability System Resource Guide of the Texas Education Agency. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The National School Lunch and Breakfast Program Fund (Child Nutrition) is used to account for the operations of the District's cafeterias and other food facilities. Revenues are derived primarily from charges to users and

from federal child nutrition programs under which amounts are received by grant and by receipt of commodities from the United States Department of Agriculture ("USDA").

The District also maintains Trust and Agency Funds which encompass private purpose trusts as well as agency funds for student activity and other granting organizations.

Fund Balance

The total General Fund balance is managed as an integral part of the subsequent year's budget adoption and tax rate setting process. The Board has been proactive in building the District's fund balances over time striving to maintain at least three months operating expenditures in the unassigned general fund balance. Changes in fund balance policy occurred in 2011 through the implementation of GASB 54. Fund balance descriptions and policy requirements were added through this new standard. In August 2011, the Board voted to set aside all oil and gas revenues for future capital projects and an additional \$2 million per year for technology improvements and replacements.

Independent Audit

State law and District policy require an annual audit by independent certified public accountants. Whitley Penn performed the annual audit for the year ended June 30, 2019. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act of 1996 and related OMB Uniform Guidance. The independent auditors' report on the basic financial statements is included in the financial section of this report. Also included in this report are the independent auditors' reports relating specifically to the single audit.



Awards and Acknowledgements

Mansfield Independent School District received a Certificate of Achievement for the Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for its CAFR for the fiscal year end June 30, 2018. The Certificate of Achievement requires the governmental unit to publish an easily readable and efficiently organized CAFR with contents that conform to program standards. The CAFR also needs to satisfy both the GAAP and applicable legal requirements. This Certificate of Achievement is valid for one year only. We believe that this current report will conform to the Certificate of Achievement Program requirements and is being submitted to the GFOA for review.

The district also received the Association of School Business Officials' (ASBO) Certificate of Excellence in Financial Reporting for the prior fiscal year. This award certifies that the CAFR for the fiscal year ended June 30, 2018 substantially conforms to the principles and standards of reporting as recommended and adopted by ASBO. We believe that our current report will also meet the Certificate of Excellence Program requirements and will be submitted to ASBO for review.

The preparation of this report on a timely basis could not have been accomplished without the dedicated efforts of the entire staff of the Finance office and the independent auditors' staff. Sincere appreciation for their time and efforts in this endeavor must be expressed. Also, thanks need to be extended to the Board of Trustees for their interest and support in the planning and operations of the financial services area of the District. Their concern that the business of the District be conducted efficiently and responsibly, and their recognition of the importance of such services, makes such tasks rewarding for the staff as a whole.

/ Jim Vaszauskas /

Dr. Jim Vaszauskas
Superintendent

/ Karen Wiesman /

Dr. Karen Wiesman
*Associate Superintendent
Business and Finance*

/ Monica Irvin /

Monica Irvin
Director of Financial Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Mansfield Independent School District
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



**The Certificate of Excellence in Financial Reporting
is presented to**

Mansfield Independent School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director

(This page intentionally left blank.)

Financial Section



(This page intentionally left blank.)

Report of Independent Auditors



640 Taylor Street
Suite 2200
Fort Worth, Texas 76102
817.259.9100 Main
whitleypenn.com

REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees
Mansfield Independent School District
Mansfield, Texas

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mansfield Independent School District (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Board of Trustees
Mansfield Independent School District

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 29-40 and budgetary comparison information, pension information and OPEB information on pages 94-99 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information such as the combining and individual nonmajor fund financial statements and the Texas Education Agency required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the other information, such as the introductory and statistical sections, are also presented for purposes of additional analysis and are not required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Texas Education Agency required schedules, and schedule of expenditures of federal awards is the responsibility of management and was derived from and relates 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, the Texas Education Agency required schedules, and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Trustees
Mansfield Independent School District

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* is considering the District's internal control over financial reporting and compliance.

Whitley Penn LLP

Fort Worth, Texas
November 11, 2019

(This page intentionally left blank.)



Management's Discussion and Analysis



(This page intentionally left blank.)

This section of the Mansfield Independent School District’s (the “District”) Comprehensive Annual Financial Report presents our discussion and analysis of the District’s financial performance for the year ended June 30, 2019. It should be read in conjunction with the report of independent auditors preceding and the basic financial statements following this section.

Financial Highlights

At June 30, 2019, the District’s combined assets and deferred outflows fell below its liabilities and deferred inflows by \$110,191,328, net position. The unrestricted portion of (\$109,785,114) is due to the retroactive recognition of GASB 75 which requires the recognition of Other Post Employment Benefits (OPEB) on the Government-wide financial statements. The District’s total net position increased by \$3,528,439.

At the close of the fiscal year, the District’s governmental funds reported \$171,028,833.

The District had \$94,023,678 or 54.98% of total fund balance available for the District’s ongoing obligations (unassigned fund balance).

As of June 30, 2019, the General Fund’s unassigned fund balance was \$94,023,678 (general fund unassigned fund balance) representing 32.17% of the total General Fund expenditures in the current fiscal year.



Overview of the Financial Statements

The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two types of statements that present different views of the District, the government-wide financial statements and the fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements, including the *Statement of Net Position* and the *Statement of Activities*, report on the District as a whole and are designed to provide readers with a broad overview of the District's finances. These statements are presented on the accrual basis of accounting similar to the accounting basis used by most private-sector entities.

The *Statement of Net Position* presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. The *Statement of Activities* presents the increases and decreases in net position for the current fiscal year regardless of when cash is received or paid. Increases and decreases in net position over time may serve as one indicator of whether the financial position of the District is improving or deteriorating but should be considered with additional factors as well.

Government-wide financial statements distinguish net position and the changes in net position between *governmental activities*, which are supported principally by taxes and intergovernmental revenues, and *business-type activities*, which are intended to recover all or a significant portion of their costs through user fees and charges.

Fund Financial Statements

The fund financial statements provide detailed information about the District's most significant funds as opposed to the District as a whole. Funds are accounting devices used to account for specific sources of funding and spending for particular purposes. State law and bond covenants require the District to establish some funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

The District's funds include three types: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental Funds

Most of the District's activities are reported in governmental funds. Governmental funds report on the modified accrual basis of accounting which focuses on 1) how cash and other financial resources can be readily converted to cash inflows and outflows and 2) the balances remaining at year end available for future spending. The governmental fund statements provide a detailed short-term view of the District's operations and funds available to finance future operations. Because the focus and accounting methods are different for the governmental fund statements and the government-wide statements, reconciliation schedules are presented following each of the fund financial statements.

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

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore, 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 District maintains 23 governmental funds. Information is presented separately in fund financial statements for the general, debt service and capital projects funds, all of which are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The District adopts an annual appropriated budget for its general fund, debt service fund, and the child nutrition fund.

Proprietary Funds

Proprietary funds are used to account for operations that provide services and/or goods for a fee, whether to outside users or units within the District. Proprietary funds use the same accrual basis of accounting used in the government-wide financial statements. There are two types of proprietary funds: enterprise funds and internal service funds.

The enterprise funds report the same functions presented as *business-type activities* in the government-wide financial statements. An enterprise fund is an accounting tool used to accumulate and allocate costs internally among various functions. The District uses enterprise funds to account for its day care operations, adult education, catering and the natatorium.

The second type of proprietary fund is the internal service fund. An internal service fund is an accounting device used to accumulate and allocate costs internally among the various functions. The District does not have any internal service funds.

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 statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These funds are excluded from the District's government-wide financial statements as the District cannot use these assets to finance its operations.

The table below provides a concise view of the major features of the District's financial statements including the portion of the District they cover and types of information they contain.

Major Features of the District's Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary funds	Fiduciary Funds
<i>Scope</i>	Entire District (except fiduciary funds)	Activities of the District that are not proprietary or fiduciary	Activities of the District that charge fee for services and or goods	Activities for which the District is the trustee/ agent for other parties
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses & Changes in Fund Net Position • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities to be paid during the year or soon thereafter; no capital assets or long-term debt	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; the District's fiduciary funds do not currently have capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenditures during the year, regardless of when cash is received or paid. Agency funds do not report revenues and expenditures

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information concerning the District. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, the general fund and the District's participation in TRS are presented as required supplementary information.

Other Supplementary Information

The combining and individual fund statements and schedules and the compliance schedule comprise the supplementary information and are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS
TABLE I - CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$ 232,120,341	\$ 221,142,320	\$ 1,736,453	\$ 1,539,402	\$ 233,856,794	\$ 222,681,722
Capital assets	753,917,417	710,934,652			753,917,417	710,934,652
Total Assets	986,037,758	932,076,972	1,736,453	1,539,402	987,774,211	933,616,374
Deferred Outflows of Resources						
Deferred charge on refunding	26,373,987	28,895,284			26,373,987	28,895,284
Deferred outflows - pension	51,075,542	24,942,641			51,075,542	24,942,641
Deferred outflows - OPEB	19,113,659	1,548,440			19,113,659	1,548,440
Total Deferred Outflows of Resources	96,563,188	55,386,365			96,563,188	55,386,365
Liabilities						
Other liabilities	94,890,336	73,753,539	59,666	32,314	94,950,002	73,785,853
Long term liabilities	816,997,407	799,282,039			816,997,407	799,282,039
Net pension liability	106,439,299	60,638,262			106,439,299	60,638,262
Net OPEB Liability	128,466,438	105,072,137			128,466,438	105,072,137
Total Liabilities	1,146,793,480	1,038,745,977	59,666	32,314	1,146,853,146	1,038,778,291
Deferred Inflows of Resources						
Deferred inflows - pension	7,051,399	19,992,341			7,051,399	19,992,341
Deferred inflows - OPEB	40,624,182	43,951,874			40,624,182	43,951,874
Total Deferred Inflows of Resources	47,675,581	63,944,215			47,675,581	63,944,215
Net Position						
Net investment in capital assets	(39,945,692)	(50,278,200)			(39,945,692)	(50,278,200)
Restricted	39,539,478	42,870,496			39,539,478	42,870,496
Unrestricted	(111,461,901)	(107,819,151)	1,676,787	1,507,088	(109,785,114)	(106,312,063)
Total Net Position	\$ (111,868,115)	\$ (115,226,855)	\$ 1,676,787	\$ 1,507,088	\$ (110,191,328)	\$ (113,719,767)

The District's net investment in capital assets of \$(39,945,692) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets and any unspent bond proceeds. The District uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position of \$39,539,478 represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$109,785,114) is unrestricted.

With the implementation of GASB 75 in fiscal year 2017-2018, the Mansfield Independent School District has not been able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental activities. The business-type activities reported a positive net position of \$1,676,787. In prior years when recognition of GASB 75 was not required, MISD reported a positive net position and would this year without the OPEB recognition.

Changes in Net Position

Total combined net position of the District increased by \$3,528,439 during the year ended June 30, 2019 (see Table II). Funding for government-wide activities is through specific program revenues or general revenues such as property taxes and unrestricted grants and contributions.

Unrestricted net position reflects a deficit resulting from the application of GASB 75 in the current fiscal year for OPEB. Although the District reports a deficit, the deficit is primarily due to reporting the District's proportionate share of the net OPEB liability. The total district liability is reported in the governmental activities; however, the actual liability does not require the use of current resources at the fund level, which results in a timing difference since the TRS-Care plan is funded on a pay-as-you-go basis. The District has made all contractually required contributions as noted in the required supplementary information and has sufficient fund balance to meet the District's ongoing obligations to students and creditors.

TABLE II - CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program						
Charges for services	\$ 7,514,308	\$ 7,696,402	2,978,032	1,544,465	10,492,340	9,240,867
Operating grants and contributions	58,097,376	(24,338,284)			58,097,376	(24,338,284)
Capital Grants						
General						
Property taxes	210,169,097	197,329,977			210,169,097	197,329,977
State-aid formula grants not restricted	126,809,071	133,619,697			126,809,071	133,619,697
Grants and contributions not restricted						
Investment earnings	4,582,414	2,612,472			4,582,414	2,612,472
Miscellaneous	11,037,907	5,067,415			11,037,907	5,067,415
Total Revenues	418,210,173	321,987,679	2,978,032	1,544,465	421,188,205	323,532,144
Expenses						
11 Instruction	229,107,658	142,100,899			229,107,658	142,100,899
12 Instructional resources and media services	3,951,231	4,330,210			3,951,231	4,330,210
13 Curriculum and staff development	5,233,880	2,846,028			5,233,880	2,846,028
21 Instructional leadership	4,198,627	2,129,692			4,198,627	2,129,692
23 School leadership	19,824,910	13,465,260			19,824,910	13,465,260
31 Guidance, counseling, and evaluation services	15,091,355	8,191,521			15,091,355	8,191,521
32 Social work services	14,067	18,711			14,067	18,711
33 Health services	4,965,745	2,821,958			4,965,745	2,821,958
34 Student Transportation	13,067,784	8,933,927			13,067,784	8,933,927
35 Food Service	16,433,643	17,119,826			16,433,643	17,119,826
36 Extracurricular activities	11,607,002	10,758,511			11,607,002	10,758,511
41 General Administration	7,484,602	4,960,762			7,484,602	4,960,762
51 Facilities maintenance and operations	30,098,925	22,659,848			30,098,925	22,659,848
52 Security and monitoring services	7,267,997	2,994,200			7,267,997	2,994,200
53 Data processing services	12,027,956	3,454,415			12,027,956	3,454,415
61 Community services	825,626	394,124			825,626	394,124
72 Interest and fiscal charges	31,577,451	31,135,307			31,577,451	31,135,307
81 Facilities acquisition and construction	797,614				797,614	
93 Payments related to shared services arrangements	127,500	127,656			127,500	127,656
99 Other governmental charges	1,147,860	1,061,384			1,147,860	1,061,384
Day Care			407,151	298,685	407,151	298,685
After-school Care Program			1,356,237	218,057	1,356,237	218,057
Natatorium			935,134	940,532	935,134	940,532
Adult Education			1,346	4,670	1,346	4,670
Catering			108,465	90,021	108,465	90,021
Total Expenses	414,851,433	279,504,239	2,808,333	1,551,965	417,659,766	281,056,204
Excess (deficiency) before special items and transfers	3,358,740	42,483,440	169,699	(7,500)	3,528,439	42,475,940
Special items		639,978				639,978
Transfers						
Increase (Decrease) in Net Position	3,358,740	43,123,418	169,699	(7,500)	3,528,439	43,115,918
Net Position - Beginning, restated	(115,226,855)	26,072,854	1,507,088	1,514,588	(113,719,767)	27,587,442
Prior Period Adjustments		(184,423,127)				(184,423,127)
Net Position - Ending	\$ (111,868,115)	\$ (115,226,855)	\$ 1,676,787	\$ 1,507,088	\$ (110,191,328)	\$ (113,719,767)

The following is a summary of government-wide activities:

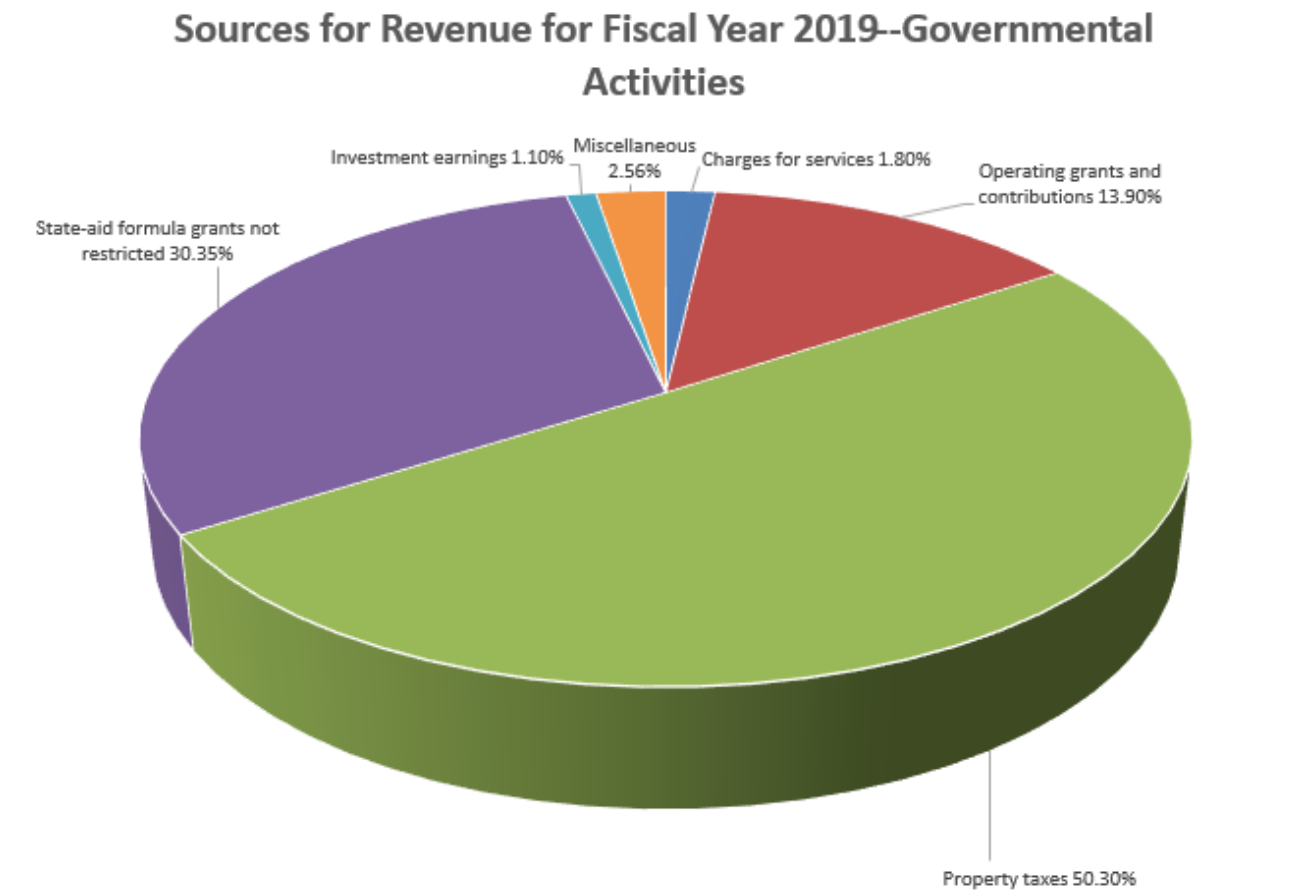
The cost of all activities this year was \$349,070,050, an increase of \$52,916,429 over the previous year. The increase is due primarily to the recognition of GASB 75's prior period adjustment in the prior year which caused the costs of all activities to be decreased in the prior year.

Some of these costs were funded by program revenues directly attributable to specific activities, but were negatively affected with the recognition of GASB 75.

The remaining cost of government-wide activities was funded from general revenues, \$352,598,489, such as property taxes and unrestricted state and federal grants and contributions.

The District's revenues are derived primarily from property taxes and state aid (see Figure 1). Property taxes represents 50.30% of total revenues while state aid is 30.35%. The remaining 19.35% of revenues is derived from operating grants and contributions, charges for services and miscellaneous revenues.

Figure 1



The primary functional expense (see Figure 2) of the District is instruction at \$238 million which represents 57.55% of total expenses. Student Support represents 14.78%, Non-student Support represents 11.93%, Interest on Debt represents 7.63%, and Instructional and School Leadership represents 5.8%. The remaining individual functional categories are each less than 3%. Total expenses in the current fiscal year were \$414 million, a \$122 million or 41.78% percent increase from the prior year which is largely attributable to the prior year recognition of GASB 75 which decreased expenditures with the prior period adjustment made.

Figure 2

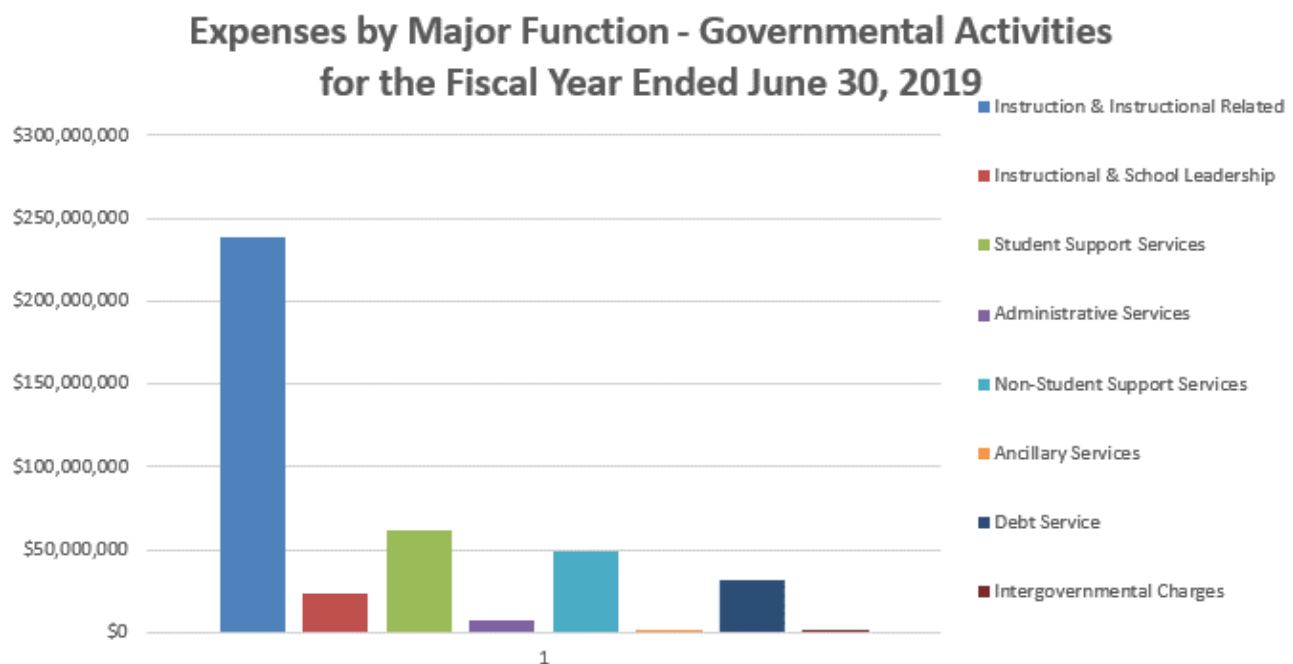


Table III shows the Districts largest governmental functions as well as their related net cost (total cost less fees and grants and contributions for the activities). The net cost reflects what was funded by property taxes, unrestricted state and federal grants and contributions and other miscellaneous local revenues.

TABLE III- COSTS OF SERVICES FOR MAJOR FUNCTIONS

	Cost of Services		Net Cost of Services	
	2019	% of Total	2019	% of Total
Instruction	\$ 229,107,658	55.2%	\$ 200,824,476	57.5%
School Leadership	19,824,910	4.8%	17,973,140	5.1%
Facilities Maintenance and Operations	30,098,925	7.3%	28,053,447	8.0%
Interest and Fiscal Charges	31,577,451	7.6%	30,163,493	8.6%

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

As of June 30, 2019, the District's governmental funds reported combined fund balances of \$171,028,833 a decrease of \$6.6 million from the prior year due to expenditures on construction projects funded from bond proceeds. The unassigned fund balance, \$94 million or 55% of the total ending fund balance is available for spending at the District's on-going operations. The remainder of fund balance has various spending constraints as detailed in Table IV.

TABLE IV – GOVERNMENTAL FUND BALANCES

Table IV - Governmental Fund Balances		
		% of Total
Non- Spendable		
Inventory	\$ 395,700	0.23%
Prepaid items	767,226	0.45%
Total Non-spendable	1,162,926	0.68%
Restricted		
Federal, State and Local Grants	3,816,808	2.22%
Capital Acquisitions	24,026,346	14.05%
Retirement of Long-Term Debt	46,467,986	27.17%
Total Restricted	74,311,140	43.44%
Committed		
Campus activity funds	1,531,089	0.90%
Total Committed	1,531,089	0.90%
Unassigned	94,023,679	54.98%
Total Governmental Fund Balances	\$ 171,028,834	100.00%

The General Fund is the primary operating fund of the District. At June 30, 2019, unassigned fund balance of the General Fund was \$94,023,678 which is 99% percent of the total General Fund balance of \$94,948,727. As a measure of the General Fund's liquidity and financial health, it may be useful to compare unassigned fund balance to the total fund expenditures. Unassigned fund balance represents 32.17% of the current year General Fund expenditures.

The fund balance of the District's General Fund increased \$5.9 million during the current fiscal year due to reductions in expenditures in various functions, vacancies, and actual expenditures being less than anticipated. The Debt Service Fund balance of \$46,467,986 is restricted for the payment of debt service. The fund balance increased \$13,223,519 from the prior year due to an increase in property taxes collected to pay down bonded debt for future savings on interest.

At year end, the Capital Projects Fund had a combined fund balance of \$24,026,346 which is a decrease of \$27,555,754 from the prior year due to completion of construction projects. The fund balance is restricted for various construction projects and related encumbrances. The increase in fund balance resulted from the construction projects from the 2017 bond programs.

The District's other governmental funds are composed of various special revenue funds. The other governmental funds ended the year with a combined fund balance of \$5,585,774. This represents an increase of \$1,883,671 from the prior year. Revenues typically approximate expenditures in the other governmental funds as grant funds, which make up the largest portion of activity in these funds, and are generally earned when expended.

Proprietary Funds

The District's Proprietary Funds include the Day Care Center, the After-school Care Program, the Natatorium, the Adult Education Program, and Catering. At year end, the Proprietary Funds had a net position of \$1,676,787 which is an increase of \$169,699 from the prior year. This increase is a result of increased participation in the After-school Care Program.

General Fund Budgetary Highlights

Over the course of the year, the District revised its General Fund budget. Actual expenditures were \$4.8 million less than final budgeted expenditures, and the actual reported revenues were approximately \$2.1 million more than the final total revenues budgeted. Variations between budgeted amounts and actual amounts were due to unfilled vacancies, reductions in staff, and expenditures were less than projected.

During the year, certain budget amendments were passed to address changes in planned expenditures for the District. This activity is normal for the District as the administration responds to changing needs throughout the year.



Capital Asset and Debt Administration

Capital Assets

As of June 30, 2019, the District had invested approximately \$753.9 million in a broad range of capital assets, including land, equipment, and buildings, less depreciation (see Table V). Net capital assets increased \$43 million from the prior year. The increase was primarily due to the completion of construction projects.

TABLE V – CAPITAL ASSET SUMMARY (NET OF DEPRECIATION)

	Governmental Activities		
	2019	2018	% Change
Land	\$ 56,191,085	\$ 56,191,085	
Construction in progress	101,672,685	92,480,332	9.94%
Buildings and improvements	581,129,264	547,264,163	6.19%
Furniture and equipment	14,924,383	14,999,072	-0.50%
Leased assets under capital lease			
Total	<u>\$ 753,917,417</u>	<u>\$ 710,934,652</u>	6.05%

More detailed information about the District's capital assets is presented in the Note 6 to Basic Financial Statements.

Long-Term Debt

The District had \$844.3 million in long-term debt at year end, an increase of \$21 million from the prior year (see Table VI). The District issued \$47.3 million in bonds. In addition, the District made principal payments of \$24.1 million on the bonds and capital leases during the fiscal year. More detailed information about the District's debt is presented in Note 7 to Basic Financial Statements.

TABLE VI - LONG-TERM DEBT

Table VI - Long-Term Debt					
	Balance July 1, 2018	Additions	Retirements/ Refundings	Balance June 30, 2019	Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ 750,175,000	\$ 47,295,000	\$ (23,745,000)	\$ 773,725,000	\$ 26,940,000
Premium on bond issuance	72,192,776	3,186,599	(5,499,571)	69,879,804	
Capital lease payable	984,826		(326,188)	658,638	326,035
Total Bonds and Notes Payable	<u>\$ 823,352,602</u>	<u>\$ 50,481,599</u>	<u>\$ (29,570,759)</u>	<u>\$ 844,263,442</u>	<u>\$ 27,266,035</u>

The District continues to receive excellent bond ratings. The latest underlying review by the rating agencies was performed in September 2019. The bonds have a municipal bond rating of “Aaa” by Moody’s Investors Service, Inc. (“Moody’s”), “AAA” by Fitch Ratings, Inc. (“Fitch”) and “AAA” by Standard & Poor’s Ratings Services (“S&P”) by virtue of the guarantee of the Permanent School Fund of the State of Texas. The underlying ratings for the District remained “Aa2” by Moody’s, “AA+” by Fitch and “AA” by S&P.

Economic Factors and Next Year's Budgets and Rates

During the 86th Texas Legislative Session in the spring of 2019, the Legislature passed a sweeping and historic school finance bill that provides more money for Texas classrooms, increases teacher compensation, reduces recapture and cuts local property taxes for Texas taxpayers. Continued growth is projected throughout the district as well. All of these factors have resulted in a healthy fund balance for the district.

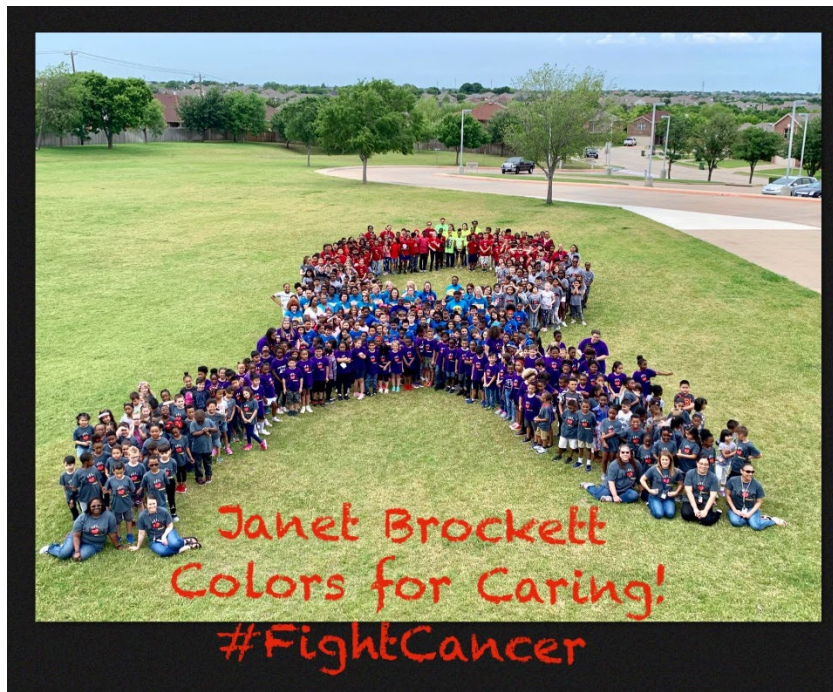
The District began the 2018-2019 fiscal year with a fund balance of \$89 million and ended the year with \$94.9 million. This healthy fund balance level will assist the District in absorbing the impact of any state funding cuts that may occur in the future as well provide funds for any unexpected expenses that may arise. The District adopted a balanced budget for 2019-2020 which included a 3% cost of living increase for all staff.

Property values for the 2019-2020 fiscal year increased 8.23 percent over the 2018-2019 year. The 2019-2020 total District tax rate per \$100 of property value remained at \$1.54 with a Maintenance and Operations (M&O) rate of \$1.04 and an Interest and Sinking (I&S) rate of \$0.50. The District's enrollment for 2019-2020 decreased approximately 1 percent over the prior year.

Current 2019-2020 budgets for the Child Nutrition Fund and Debt Service Fund include estimated revenues and expenditures of approximately \$16.7 million and \$57.3 million, respectively.


Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the funding it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Finance Department, Mansfield Independent School District, 605 E. Broad Street, Mansfield, TX, 76063.



Basic Financial Statements

MANSFIELDISD.ORG SUMMER 2019
[MANSFIELD TODAY]
— Dedicated to sharing the good news about Mansfield ISD with our community —



Congratulations to the MISD Valedictorians!

7 MISD Earns Sixth ENERGY STAR Award	12 Mansfield ISD Announces 2018-19 Teachers of the Year	24 Culinary Students Win National Competition
---	--	--

This page intentionally left blank.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

MANSFIELD INDEPENDENT SCHOOL DISTRICT STATEMENT OF NET POSITION – EXHIBIT A-1 JUNE 30, 2019

Data Control Codes	Governmental Activities	Business-type Activities	Total
Assets			
1110 Cash and cash equivalents	\$ 186,502,171	\$ 1,933,488	\$ 188,435,659
1220 Delinquent property taxes receivable	8,704,170		8,704,170
1230 Allowance for uncollectible taxes	(2,121,106)		(2,121,106)
1240 Due from other governments	37,016,508		37,016,508
1250 Accrued Interest	496,020		496,020
1260 Internal balances	206,268	(206,268)	
1290 Other receivables	153,387		153,387
1300 Inventories	395,700		395,700
1410 Prepaid items	767,223	9,233	776,456
1510 Land	56,191,085		56,191,085
1580 Construction in progress	101,672,685		101,672,685
Capital assets net of depreciation:			
1520 Buildings and improvements, net	581,129,264		581,129,264
1530 Furniture and equipment, net	14,924,383		14,924,383
1000 Total Assets	986,037,758	1,736,453	987,774,211
Deferred Outflows of Resources			
1700 Deferred charge on refunding	26,373,987		26,373,987
1701 Deferred outflows - pension	51,075,542		51,075,542
1706 Deferred outflows - OPEB	19,113,659		19,113,659
Total Deferred Outflows of Resources	96,563,188		96,563,188
Liabilities			
2110 Accounts payable	22,092,409	33,570	22,125,979
2140 Interest payable	13,115,856		13,115,856
2150 Payroll deductions and withholdings	2,224,420	3,138	2,227,558
2160 Accrued wages payable	28,451,296	22,958	28,474,254
2180 Due to other governments	83,659		83,659
2190 Due to student groups	108,109		108,109
2300 Unearned revenue	370,625		370,625
2400 Payable from restricted assets	1,177,927		1,177,927
Noncurrent Liabilities:			
2501 Due within one year	27,266,035		27,266,035
2502 Due in more than one year	816,997,407		816,997,407
2540 Net pension liability	106,439,299		106,439,299
2545 Net OPEB Liability	128,466,438		128,466,438
2000 Total Liabilities	1,146,793,480	59,666	1,146,853,146
Deferred Inflows of Resources			
2600 Deferred Inflows - Pension	7,051,399		7,051,399
2600 Deferred Inflows - OPEB	40,624,182		40,624,182
Total Deferred Inflows of Resources	47,675,581		47,675,581
Net Position			
3200 Net investment in capital assets	(39,945,692)		(39,945,692)
Restricted for:			
3820 Federal and state programs	2,409,386		2,409,386
3840 Food service	1,643,472		1,643,472
3850 Debt service	35,486,620		35,486,620
3900 Unrestricted	(111,461,901)	1,676,787	(109,785,114)
3000 Total net position	\$ (111,868,115)	\$ 1,676,787	\$ (110,191,328)

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES – EXHIBIT B-1
FOR THE YEAR ENDED JUNE 30, 2019

Data Control Codes	Functions/Programs	Program Revenue		
		Expenses	Charges for Services	Operating Grants and Contributions
	Governmental activities:			
11	Instruction	\$ 229,107,658	\$ 215,549	\$ 28,067,633
12	Instruction resources and media services	3,951,231		373,861
13	Curriculum and staff development	5,233,880		1,256,705
21	Instructional leadership	4,198,627		348,181
23	School leadership	19,824,910		1,851,770
31	Guidance, counseling and evaluation services	15,091,355		3,899,158
32	Social work services	14,067		14,067
33	Health services	4,965,745		4,670,063
34	Student transportation	13,067,784		1,005,674
35	Food services	16,433,643	6,724,708	10,331,414
36	Extracurricular activities	11,607,002	574,051	448,974
41	General administration	7,484,602		878,556
51	Facilities maintenance and operations	30,098,925		2,045,478
52	Security and monitoring services	7,267,997		605,970
53	Data processing services	12,027,956		323,205
61	Community services	825,626		385,681
72	Interest and fiscal charges	31,577,451		1,413,958
81	Facilities Acquisition and Construction	797,614		49,528
93	Payments related to shared service arrangements	127,500		127,500
99	Other governmental charges	1,147,860		
TG	Total governmental activities	<u>414,851,433</u>	<u>7,514,308</u>	<u>58,097,376</u>
	Business-type activities:			
01	Day Care	\$ 407,151	\$ 359,047	
02	After-School Care Program	1,356,237	1,613,357	
03	Natatorium	935,134	922,473	
04	Adult Education	1,346	1,784	
05	Catering	108,465	81,371	
TB	Total business-type activities	<u>2,808,333</u>	<u>2,978,032</u>	
TP	Total primary government	<u>\$ 417,659,766</u>	<u>\$ 10,492,340</u>	<u>\$ 58,097,376</u>
	General revenues			
	Taxes:			
MT	Property taxes, levied for general purposes			
DT	Property taxes, levied for debt service			
SF	State-aid formula grants not restricted			
IE	Investment earnings			
MI	Miscellaneous			
TR	Total general revenues			
CN	Change in net position			
NB	Net position - beginning			
NE	Net position - ending			

See Notes to the Financial Statements.

CONTINUED STATEMENT OF ACTIVITIES – EXHIBIT B-1

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (200,824,476)		\$ (200,824,476)
(3,577,370)		(3,577,370)
(3,977,175)		(3,977,175)
(3,850,446)		(3,850,446)
(17,973,140)		(17,973,140)
(11,192,197)		(11,192,197)
(295,682)		(295,682)
(12,062,110)		(12,062,110)
622,479		622,479
(10,583,977)		(10,583,977)
(6,606,046)		(6,606,046)
(28,053,447)		(28,053,447)
(6,662,027)		(6,662,027)
(11,704,751)		(11,704,751)
(439,945)		(439,945)
(30,163,493)		(30,163,493)
(748,086)		(748,086)
(1,147,860)		(1,147,860)
(349,239,749)		(349,239,749)
	\$ (48,104)	\$ (48,104)
	257,120	257,120
	(12,661)	(12,661)
	438	438
	(27,094)	(27,094)
	169,699	169,699
\$ (349,239,749)	\$ 169,699	\$ (349,070,050)
\$ 141,595,995		\$ 141,595,995
68,573,102		68,573,102
126,809,071		126,809,071
4,582,414		4,582,414
11,037,907		11,037,907
352,598,489		352,598,489
3,358,740	169,699	3,528,439
(115,226,855)	1,507,088	(113,719,767)
\$ (111,868,115)	\$ 1,676,787	\$ (110,191,328)

MANSFIELD INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET – EXHIBIT C-1
GOVERNMENTAL FUNDS
JUNE 30, 2019

Data Control Codes	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
1110 Cash and cash equivalents	\$ 91,391,413	\$ 44,970,308	\$ 41,928,077	\$ 8,212,372	\$ 186,502,170
Receivables:					
1220 Delinquent property taxes receivables	5,881,933	2,822,237			8,704,170
1230 Allowance for uncollectible taxes (credit)	(1,433,359)	(687,747)			(2,121,106)
1240 Receivables from other governments	31,872,309	456,924		4,687,276	37,016,509
1250 Accrued interest	317,965	82,049	96,007		496,021
1260 Due from other funds	3,557,573	960,371		658,356	5,176,300
1290 Other receivables	151,058			2,329	153,387
1300 Inventories, at cost	217,622			178,078	395,700
1410 Prepaid items	707,427			59,799	767,226
1000 Total Assets	<u>\$ 132,663,941</u>	<u>\$ 48,604,142</u>	<u>\$ 42,024,084</u>	<u>\$ 13,798,210</u>	<u>\$ 237,090,377</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities:					
2110 Accounts payable	\$ 919,764	\$ 1,666	\$ 17,996,902	\$ 3,174,078	\$ 22,092,410
2150 Payroll deduction and withholdings	2,163,106		835	60,478	2,224,419
2160 Accrued wages payable	27,429,164		1	1,022,132	28,451,297
2170 Due to other funds	1,380,871			3,589,162	4,970,033
2180 Payable to other governments	83,647			12	83,659
2190 Due to student groups	104,081			4,028	108,109
2300 Unearned revenue	8,079			362,546	370,625
2400 Due to Other	1,177,927				1,177,927
2000 Total Liabilities	<u>33,266,639</u>	<u>1,666</u>	<u>17,997,738</u>	<u>8,212,436</u>	<u>59,478,479</u>
Deferred Inflows of Resources:					
2600 Unavailable revenue - property taxes	4,448,574	2,134,490			6,583,064
Total Deferred Inflows of Resources	<u>4,448,574</u>	<u>2,134,490</u>			<u>6,583,064</u>
Fund Balances:					
Non-Spendable:					
3410 Inventories	217,622			178,078	395,700
3430 Prepaid items	707,427			59,799	767,226
Restricted:					
3450 Grant funds				3,816,808	3,816,808
3470 Capital acquisitions and contractual oblig.			24,026,346		24,026,346
3480 Retirement of long-term debt		46,467,986			46,467,986
Committed:					
3545 Campus activity funds				1,531,089	1,531,089
3600 Unassigned	<u>94,023,679</u>				<u>94,023,679</u>
3000 Total fund balances	<u>94,948,728</u>	<u>46,467,986</u>	<u>24,026,346</u>	<u>5,585,774</u>	<u>171,028,834</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 132,663,941</u>	<u>\$ 48,604,142</u>	<u>\$ 42,024,084</u>	<u>\$ 13,798,210</u>	<u>\$ 237,090,377</u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO THE STATEMENT
OF NET POSITION – EXHIBIT C-2
JUNE 30, 2019

Data Control Codes	Total fund balance, governmental funds (from C-1)	\$ 171,028,834
	Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
1	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	753,917,417
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes (net of allowance for uncollectible accounts) are deferred in the fund financial statements.	6,583,064
3	The deferred charge on refunding does not provide current resources. As such, this amount is not included in the fund financial statements. It is amortized over the life of the new bonds.	26,373,987
4	Deferred outflows - pension liability	51,075,542
5	Deferred outflows - OPEB Activity	19,113,659
	Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
6	General obligation bonds	(773,725,000)
7	Net pension Liability	(106,439,299)
8	Net OPEB Liability	(128,466,438)
9	Capital Lease Payable	(658,638)
10	Premiums on issuance	(69,879,804)
11	Deferred inflows related to pension liability	(7,051,399)
12	Deferred inflows related to OPEB liability	(40,624,182)
13	Accrued interest payable	<u>(13,115,858)</u>
19	Total net position, governmental activities (from A-1)	<u><u>\$ (111,868,115)</u></u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS – EXHIBIT C-3
FOR THE YEAR ENDED JUNE 30, 2019

Data Control Codes		General Fund	Debt Service Fund
Revenues			
5700	Local and intermediate sources	\$ 151,871,168	\$ 68,968,824
5800	State program revenues	141,050,472	1,413,958
5900	Federal program revenues	4,916,122	
5020	Total revenues	<u>297,837,762</u>	<u>70,382,782</u>
Expenditures			
Current:			
0011	Instruction	176,189,787	
0012	Instruction resources and media services	3,582,653	
0013	Curriculum and staff development	3,871,858	
0021	Instructional leadership	3,824,442	
0023	School leadership	18,237,314	
0031	Guidance, counseling and evaluation services	9,360,896	
0032	Social work services		
0033	Health services	4,173,534	
0034	Student transportation	12,300,839	
0035	Food services	35,650	
0036	Extracurricular activities	9,873,365	
0041	General administration	6,959,565	
0051	Facilities maintenance and operations	29,440,664	
0052	Security and monitoring services	7,283,256	
0053	Data processing services	4,778,718	
0061	Community services	426,199	
Debt service:			
0071	Principal on long-term debt	326,188	23,745,000
0072	Interest on long-term debt	14,419	33,384,846
0073	Bond issuance costs and fees		29,417
Capital outlay:			
0081	Facilities acquisition and construction	472,072	
Intergovernmental:			
0093	Payments related to shared services arrangements		
0099	Other intergovernmental charges	1,147,860	
6030	Total Expenditures	<u>292,299,279</u>	<u>57,159,263</u>
1100	Excess (deficiency) of revenues over expenditures	5,538,483	13,223,519
Other Financing Sources (Uses)			
7911	Capital related debt issue (regular bonds)		
7912	Sale of real or personal property	41,045	
7915	Transfers in		
8911	Transfers out		
7916	Premium or discount on issuance of bonds		
8849	Other Uses	(26,500)	
7080	Total other financing sources and uses	<u>14,545</u>	
Special Items			
7918	Special Items - Oil and gas royalties	340,637	
1200	Net change in fund balances	5,893,665	13,223,519
0100	Fund Balance - July 1 (Beginning)	<u>89,055,063</u>	<u>33,244,467</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ 94,948,728</u>	<u>\$ 46,467,986</u>

See Notes to the Financial Statements.

EXHIBIT C-3

Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,246,834	\$ 10,327,328	\$ 232,414,154
49,528	5,330,107	147,844,065
	20,684,358	25,600,480
<u>1,296,362</u>	<u>36,341,793</u>	<u>405,858,699</u>
	11,776,919	187,966,706
	123,579	3,706,232
	1,052,820	4,924,678
	46,585	3,871,027
	120,815	18,358,129
	2,970,276	12,331,172
	14,067	14,067
	88,973	4,262,507
	41,958	12,342,797
	16,586,353	16,622,003
	883,778	10,757,143
21,595	16,673	6,997,833
	269,968	29,710,632
	76,381	7,359,637
		4,778,718
	235,428	661,627
		24,071,188
		33,399,265
481,598		511,015
78,830,521	63,576	79,366,169
	127,500	127,500
		1,147,860
<u>79,333,714</u>	<u>34,495,649</u>	<u>463,287,905</u>
(78,037,352)	1,846,144	(57,429,206)
47,295,000		47,295,000
	37,527	78,572
3,186,598		3,186,598
		(26,500)
<u>50,481,598</u>	<u>37,527</u>	<u>50,533,670</u>
		340,637
(27,555,754)	1,883,671	(6,554,899)
51,582,100	3,702,103	177,583,733
<u>\$ 24,026,346</u>	<u>\$ 5,585,774</u>	<u>\$ 171,028,834</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES – EXHIBIT C-4
FOR THE YEAR ENDED JUNE 30, 2019

Data Control Codes		
	Net change in fund balances - total governmental funds (from C-3)	\$ (6,554,900)
	Amounts reported for governmental activities in the statement of activities (B-1) are different because:	
	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
1	Governmental funds capital outlays	83,173,031
2	Governmental activities depreciation expense	(40,180,090)
3	Loss on disposal	(78,573)
	Governmental funds report the entire net sales price (proceeds) from the sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold and disposed.	
3	Change in deferred inflows for property tax revenues.	548,937
4	Repayment of bond principal is an expenditure in the governmental funds, but the repayment received is reported as a decrease in long-term debt in the statement of activities.	23,745,000
	Proceeds from issuance of capital lease are an expenditure in the governmental funds, but the repayment is reported as a decrease in long-term debt in the statement of activities.	-
5	Proceeds from issuance of bonds is reported as an other financing source	(47,295,000)
5	Repayment of capital lease is an expenditure in the governmental funds, but the repayment received is reported as a decrease in long-term debt in the statement of activities.	326,188
6	Premiums received from issuance of long-term debt	(3,186,598)
7	Pension expense	(13,828,982)
8	OPEB Expense	(4,284,651)
9	Pension contributions made during the current fiscal year are reported as expenditures in the governmental funds and are reported as deferred outflows and reductions in net pension liability as opposed to expenses in the statement of activity.	6,831,789
	Pension liability deferred inflow due to state revenue	
	Decrease in long-term portion of accrued compensated absences	
10	OPEB Contributions	1,783,259
11	Increase in interest payable not recognized in fund statements	(618,944)
12	Amortization of deferred charges on refunding as well as premiums and discounts on issuance of bonds	2,978,274
	Change in net position of governmental activities (see B-1)	<u>\$ 3,358,740</u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION – EXHIBIT D-1
JUNE 30, 2019

	Business-type Activities - Enterprise Funds
Assets	
Current Assets:	
Cash and cash equivalents	\$ 1,933,488
Other current assets	9,233
Total current assets	<u>1,942,721</u>
Total Assets	<u>1,942,721</u>
Liabilities	
Current Liabilities:	
Accounts payable	33,570
Payroll deduction and withholdings payable	3,138
Accrued wages payable	22,958
Due to other funds	206,268
Total current liabilities	<u>265,934</u>
Total Liabilities	<u>265,934</u>
Net Position	
Unrestricted net position	<u>1,676,787</u>
Total Net Position	<u><u>\$ 1,676,787</u></u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUNDS TO THE STATEMENT OF ACTIVITIES – EXHIBIT D-2
FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities - Enterprise Funds
Operating Revenues	
Charges for services	\$ 2,978,032
Total Operating Revenues	<u>2,978,032</u>
Operating Expenses	
Payroll costs	1,898,616
Professional and contracted services	282,077
Supplies and materials	338,459
Other operating costs	289,181
Total Operating Expenses	<u>2,808,333</u>
Operating Income (Loss)	<u>169,699</u>
Net Position - July 1 (Beginning)	<u>1,507,088</u>
Net Position -June 30 (Ending)	<u><u>\$ 1,676,787</u></u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS – EXHIBIT D-3
FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities - Enterprise Funds
Cash Flows from Operating Activities:	
Cash received from user charges	\$ 2,978,032
Cash payments to employees for services	(1,897,477)
Cash payments for contracted services	(282,077)
Cash payments for supplies	(285,268)
Cash payments for other expenses	(289,181)
Net Cash Provided by (Used for) Operating Activities	<u>224,029</u>
Net Increase in Cash and Cash Equivalents	224,029
Cash and Cash Equivalents at Beginning of Year	<u>1,709,459</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 1,933,488</u></u>
Reconciliation to Balance Sheet	
Cash and Cash Equivalents Per Cash Flow	<u><u>\$ 1,933,488</u></u>
Cash and Cash Equivalents per Balance Sheet	<u><u>\$ 1,933,488</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ 169,699
Change in Assets and Liabilities:	
Decrease (increase) in Due From Other Funds	(6,524)
Decrease (increase) in prepaid items	(9,233)
Increase (decrease) in accounts payable	29,064
Increase (decrease) in payroll taxes payable	2,097
Increase (decrease) in accrued wages payable	(28,076)
Increase (decrease) in due to other funds	67,002
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 224,029</u></u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION – EXHIBIT E-1
JUNE 30, 2019

	Private Purpose Trust Fund	Agency Fund
Assets		
Cash and cash equivalents	\$ 160,527	\$ 701,770
Receivables:		
Due from other government		28,552
Other receivables		85
Total Assets	<u>160,527</u>	<u>730,407</u>
Liabilities		
Accounts payable	99,399	4,274
Due to other	29,754	16,711
Due to student groups		709,422
Total Liabilities	<u>129,153</u>	<u>730,407</u>
Net Position		
Total Net Position	<u>\$ 31,374</u>	

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – EXHIBIT E-2
FOR THE YEAR ENDED JUNE 30, 2019

	Private Purpose Trust Fund
Additions	
Investment income	\$ 1,725
Total additions	<u>1,725</u>
Deductions	
Total deductions	<u></u>
Change in net position	1,725
Net Position, beginning of year	<u>29,649</u>
Net Position, end of year	<u><u>\$ 31,374</u></u>

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS - EXHIBIT F-1



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mansfield Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven-member Board of Trustees elected by the District's residents.

The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement on Auditing Standards No. 69*, as amended by *Statement on Auditing Standards No.'s 91 and 93* of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide" or "FASRG") and the requirements of contracts and grants of agencies from which it receives funds.

The District's Financial Statements are in accordance with GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" which provides additional guidance for the implementation of GASB No. 34, and GASB Statement No. 38 "Certain Financial Statement Disclosures" which changes the note disclosure requirements in the financial statements for governmental entities.

GASB Statement No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes.

In fiscal year 2018, the District implemented Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions which supersedes GASB Statement No. 45.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and therefore, should be retained. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's operational accountability. The GASB 34 reporting model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

The following is a summary of the most significant accounting policies.

A. Reporting Entity

The Board of Trustees, a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of Mansfield Independent School District ("the District"). Because members of the Board of Trustees are elected by the public; have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and have the primary accountability for fiscal matters; the District is not included in any other governmental "reporting entity" as defined in Governmental Accounting Standards Board ("GASB") Statement No. 14 as amended by GASB Statement No. 39 *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61 – *The Financial Reporting Entity; Omnibus*. In addition, there are no component units for which the District or the Board of Trustees is financially accountable.

Since the District receives funding from local, state and federal government sources, it must comply with the requirements of the entities providing those funds.

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the District's nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. *Business-type activities*, which are reported separately, rely to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories – governmental, proprietary, and fiduciary. Since resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are nonoperating.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and private purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use 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 District considered revenues to be available if they are collected within 60 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 and claims and judgments are recorded only when payments are due.

Revenues from local sources consist primarily of property taxes. Property tax revenues, revenues received from the State, and gas lease revenues are recognized under the susceptible to accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors may require the District to refund all or part of the unused amounts.

Proprietary funds operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal operations. The principal operating revenues of the District's enterprise funds are for charges to patrons for use of the two facilities, District employee day care and the District natatorium. Operating expenses for the enterprise funds include salaries and other operating expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Fund Accounting

The District reports the following major Governmental Funds:

The **General Fund** which accounts for financial resources related to the general operations of the District, including financial resources not required to be accounted for in some other fund.

The **Debt Service Fund** which is utilized to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs arising from general obligation bonds.

The **Capital Projects Fund** which accounts for proceeds from sales of bonds and other revenues to be used for authorized construction and acquisition of capital facilities.

The District also reports the following fund type under **Nonmajor Governmental Funds** as non-major:

The **Special Revenue Funds** which account for federal, state and locally financed programs where unused balances are generally returned to the grantor at the close of specified project periods. Proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects are accounted for in special revenue funds. Project accounting is employed to maintain integrity for the various sources of funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. FUND ACCOUNTING (CONTINUED)

Additionally, the District reports one type of **Proprietary Fund**:

Enterprise Funds account for the activities of the District's employee day care, after-school care program, adult education program, catering, and natatorium.

The District does not have any **Internal Service Funds**.

Fiduciary Funds

Private Purpose Trust Fund is used to account for resources legally held in trust under which principal and income benefit individuals, private organizations or other governments.

The District accounts for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District as Private Purpose Trust Funds. The District's Private Purpose Trust Funds are the G. Harmon Estate and the Scholarship Fund.

Agency Fund which is custodial in nature and accounts for activities of student groups and other types of activities requiring clearing accounts. This fund has no equity. Assets are equal to liabilities and do not include revenues and expenditures for general operations of the District. This accounting reflects the District's agency relationship with the student activity organizations. Fiduciary funds use the accrual basis of accounting to recognize assets and liabilities.

E. Other Accounting Policies- Assets, Liabilities and Net Position or Equity

1. Cash and Cash Equivalents

The District reports cash and cash equivalents in the District's statement of cash flows in all financial statements of financial position. The District considers cash and cash equivalents to be cash on hand, demand deposits, money market mutual funds and certificates of deposit with original maturities of three months or less from acquisition date.

2. Investments

Investments consist of balances in privately managed public funds investment pools and investments, government agencies, money market mutual funds, and municipal bonds. The District reports all investments at fair value, except for investment pools. The District's investment pools are valued and reported at amortized cost, which approximates fair value.

The District recognizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES- ASSETS, LIABILITIES AND NET POSITION OR EQUITY (CONTINUED)

3. Inventories and Prepaid Items

Supplies and materials are recorded as expenditures when requisitioned. Inventories of supplies on the balance sheet are recorded at cost, using the average cost method. Supplies and materials are used for almost all functions of activity.

Commodities are recognized as revenues in the period received when all the eligibility requirements are met. Commodity inventory items are recorded as expenditures when distributed to user locations. A portion of fund balance is considered non-spendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method of accounting.

4. Interfund Transactions and Receivables and Payables

Interfund receivables and payables arise from interfund transactions in the normal course of operations and are recorded in all affected funds in the period in which transactions are executed. All legally authorized transfers are appropriately treated as transfers and are included in the results of operations.

5. Capital Assets

Capital assets, which include land, buildings, furniture and equipment are reported in the government-wide financial statements. Assets are capitalized by the District if the cost of the item is more than \$5,000 and has a useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-25
Furniture and equipment	5
Vehicles	5-15
Property under capital leases	5

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES- ASSETS, LIABILITIES AND NET POSITION OR EQUITY (CONTINUED)

6. Fund Balance

In the fund financial statements, governmental funds report fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which the amounts in the respective governmental funds can be spent. The District reports the following classifications of fund balance:

Non-spendable – amounts that are not in spendable form or that are legally and contractually required to be maintained intact. The amounts reported in this category pertain to inventories or prepayments that the District does not expect to convert to cash.

Restricted – amounts that have external constraints imposed upon the use of the resources by bondholders, grantors, laws, or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The amounts reported in this category include funding from external sources such as state and federal grants, tax levies for the repayment of principal and interest on long-term debt, and unspent bond proceeds for capital projects.

Committed – amounts constrained to specific purposes imposed by formal action of the District's Board of Trustees. These amounts can only be used for the purpose intended, which requires formal Board action to establish (as noted in Board minutes), unless the Board modifies or removes the specific purpose use by taking the same formal Board action. The District has committed \$1,531,089 for campus activity funds.

Assigned – amounts that the District intends to use for a specific purpose. The Board delegates to the Superintendent or designee the responsibility to assign funds. There were no amounts reported in this category for the current year.

Unassigned – amounts not in the other classifications; applicable to the General Fund only.

The District policy is that the order of spending the fund balances shall be to reduce the funds in the following order: restricted, committed, assigned, and unassigned. When both restricted and unrestricted are available for use for the same purpose, the District considers restricted funds to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

7. Data Control Codes

These codes refer to the account code structure prescribed by the Texas Education Agency ("TEA") in the *Financial Accountability System Resource Guide*.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES- ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES AND NET POSITION OR EQUITY (CONTINUED)

8. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue for fiscal 2018 will ultimately change from the amount calculated as of June 30, 2019 because of the factors that TEA uses in its calculation.

9. Deferred Outflows/Inflows of Resources

A deferred outflow of resources is a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources for pension – Reported in the government wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of 1) differences between projected and actual earnings on pension plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES- ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES AND NET POSITION OR EQUITY (CONTINUED)

9. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

- Deferred outflows of resources for Other Post-Employment Benefits (OPEB)– Reported in the government wide financial statement of net position, this deferred outflow results from OPEB contributions made after the measurement date of the net pension liability and the results of 1) differences between projected and actual earnings on OPEB related investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of OPEB liabilities. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB related investments will be amortized over a closed five-year period. The remaining OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the pension plan.

A deferred inflow of resources is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows of resources for pension – Reported in the government wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of pension liabilities. These pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred inflows of resources for OPEB – Reported in the government wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of OPEB related liabilities. These OPEB related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES- ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES AND NET POSITION OR EQUITY (CONTINUED)

10. Pensions and Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, other post-employment benefits (OPEB), deferred outflows of resources and deferred inflows of resources related to pensions, deferred outflows of resources and deferred inflows of resources related to OPEB, pension expense, OPEB related expenses, and information about assets, liabilities, and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the Net Position for governmental activities as reported in the government-wide statement of Net Position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. Also, the property taxes receivable which is included as deferred inflows of resources in the fund financial statements are adjusted based on when the tax levy was made and adjusted for uncollectible amounts.

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

Exhibit C-4 provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position. The debt payments on retirement of debt are recorded as expenditures for fund basis financial statements but are a reduction of debt in the government wide financial statements. The capital asset additions are expenditures in the fund basis financial statements but are capitalized in the government-wide financial statements. The fund-basis financial statements do not include depreciation expense. The depreciation expense is a deduction to reconcile to the Government-Wide Statement of Activities. New debt issues are treated as sources of revenue for fund-basis financial statements, but for the government-wide statements, those amounts are recorded as a liability. Property taxes are adjusted for the accrual basis and the deferred inflows of resources are adjusted based on prior year levies and current year uncollectible amounts.

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (the School Depository Act) of the Texas Education Code and other Code sections referenced therein and through provisions of the Texas Revised Civil Statutes, Title 47, Articles 2529c, and 2548a regarding security for District funds in depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (depository) providing for interest to be earned on deposited funds and for banking charges the District incurs as a result of banking services received. All depository contracts have a term of two years, commencing with the start of every odd-numbered fiscal year. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids received are relatively equal.

The District may place funds with the depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond. The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the depository with proper indication that the collateral securities are pledged by the depository to secure funds of the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.), bonds of any agency of the U.S. (except Farmers Home Administration Insured Notes), Bonds of the State of Texas or of any county, school district, city, or town of the State of Texas that have been rated A or better by Moody's Investors Service, Inc., as authorized by Chapter 2257 Collateral for Public Funds of the Government Code.

The District must approve all collateral securities prior to the security being pledged. The depository can change collateral securities pledged to secure District funds only upon obtaining the written approval of the District.

All demand and time deposits in the depository bank were entirely covered by federal depository insurance and by acceptable collateral securities held in the District's name by an agent of the

District at year-end in accordance with provisions of the depository contract. Demand and time deposits at various banks held on behalf of different student groups were entirely covered by federal depository insurance at year-end.

At June 30, 2019, the District's carrying amount of deposits was \$5,021,787 and the bank balance was \$6,902,377. The District's bank balance at June 30, 2019, was entirely covered by FDIC insurance and pledged collateral held by the District's bank in the District's name. The deposits were collateralized in accordance with Texas Law.

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS (CONTINUED)

Credit Risk

State law and the Mansfield ISD adopted Investment Policy restrict demand deposits, certificates of deposit (CD) and share certificates to those fully collateralized or FDIC insured from eligible depositories (banks and savings banks) doing business in Texas. Such CDs are limited to maturities under one (1) year and are further collateralized to 102% with pledged securities (and 110% if mortgage backed securities) with all collateral held by an independent custodian.

State law and the Mansfield ISD adopted Investment Policy limit repurchase agreements to banks and primary dealers, require an industry standard, written master repurchase agreement, require independent safekeeping of collateral, and require a 102% margin on collateral. Fully collateralized flex repurchase agreements are restricted by Policy to be used only with bond funds and are required to match the expected expenditure plan of the bond proceeds.

The Board of Trustees of the District has adopted a written investment policy (the "Investment Policy") regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The Public Funds Investment Act requires an annual audit of investment practices. Audit procedures in this area, conducted as part of the audit, disclosed that in the area of investment practices, management reports, and establishment of appropriate policies, the District was in substantial compliance with the requirements of the Act. Additionally, the investments and investment practices of the District are in compliance with the Trustees' investment policies.

The District's Investment Policy emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity, and addresses the quality and capability of investment personnel. The Investment Policy includes a list of authorized investment instruments.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines of the Investment Policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009;
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010;
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011;
4. A securities lending program as permitted by Government Code 2256.0115;
5. Bankers' acceptances as permitted by Government Code 2256.012;
6. Commercial paper as permitted by Government Code 2256.013;
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014;
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015;
9. Public funds investment pools as permitted by Government Code 2256.016;

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS (CONTINUED)

Credit Risk (continued)

A summary of the District's cash and investments at June 30, 2019, is shown below:

Types of Investments	Fair Value	Weighted Average Maturity	Percentage of Investment Portfolio	Credit Quality Rating Standard & Poors	Funds WAM
Money Market Mutual Funds	\$ 3,305,759	0.35	1.75%	AAAm	20
Public Funds Investment Pools:					
LOGIC	\$ 42,729,426	11.96	22.57%	AAAm	53
TexSTAR	31,382,179	3.15	16.58%	AAAm	19
TexasCLASS	848,013	0.26	0.45%	AAAm	57
Governmental Activities	\$ 74,959,618		39.60%		
Fiduciary Funds (LOGIC)	71,850	0.02	0.04%	AAAm	53
	\$ 75,031,468		39.64%		
Government Agency Securities	\$ 85,011,655	36.00	44.91%		
Commercial Paper	19,823,608	21.00	10.47%		
Municipal Bonds	1,103,678	4.00	0.58%		
Total Investments	<u>\$ 184,276,168</u>		<u>97.35%</u>		
Cash and Cash Equivalents					
Governmental Activities	\$ 2,297,852		1.21%		
Business-Type Activities	1,933,488		1.02%		
Fiduciary Activities	790,447		0.42%		
Total Cash and Cash Equivalents	<u>\$ 5,021,787</u>		<u>2.65%</u>		
	<u>\$ 189,297,955</u>		<u>100.00%</u>		
Portfolio Weighted Average Maturity		76.74			

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS (CONTINUED)
Credit Risk (continued)

Local government investment pools, as defined by state law (2256.016) and approved by adopted Policy are authorized. By State law, all local government pools are rated AAA or equivalent by at least one Nationally Recognized Statistical Rating Organization.

Concentration of Credit Risk

Mansfield ISD's adopted Investment Policy requires diversification on all authorized investment types which are monitored on at least a monthly basis.

As of June 30, 2019,

- Funds in one investment pool, LOGIC, represented 22.61% of the total portfolio,
- Funds in one investment pool, TexSTAR, represented 16.58% of the total portfolio,
- Funds in one investment pool, Texas Class, represented 0.45% of the total portfolio,
- Funds in money market funds rated A or better represented 1.75 % of the total portfolio,
- Funds in U.S. Government Agency Securities, represented 44.94% of the total portfolio,
- Funds in Commercial Paper rated A1P1 represented 10.57% of the total portfolio,
- Funds in Municipal Bonds represented 0.58% of the total portfolio.

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, Mansfield ISD's adopted Investment Policy sets a maximum maturity of two years and a maximum weighted average maturity (WAM) of 180 days on any operating and debt service fund. A maximum weighted average maturity of 270 days is established, by Policy, for capital project funds. Maturities longer than one year are authorized provided legal limits are not exceeded.

As of June 30, 2019, the portfolio contained:

- No holdings that had a stated maturity beyond 699 days
- The dollar weighted average maturity of the total portfolio was 76.74 days.

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS (CONTINUED)

Credit Risk (continued)

Local Government Investment Pools

As of June 30, 2019, the District's investments included the Local Government Investment Cooperative ("LOGIC"), Texas CLASS and TexSTAR local government investment pools. LOGIC, Texas CLASS and TexSTAR investment pools' investments are not evidenced by securities that exist in physical or book entry form and, accordingly, do not have custodial risk. LOGIC, Texas CLASS and TexSTAR are organized under the authority of the Interlocal Cooperation Act, chapter 791, of the Texas Government Code, and the Public Funds Investment Act, chapter 2256, of the Texas Government Code.

LOGIC, TexasCLASS and TexSTAR were created in April 1994, 1996 and April 2002, respectively, through contracts among their participating governmental units, and are governed by a board of directors to provide for the joint investments of participant's public funds and funds under their control. LOGIC's policy seeks to invest pooled assets in a manner that will provide for safety of principal, liquidity in accordance with the operating requirements of the participants, and a competitive rate of return by utilizing economies of scale and professional investment expertise. TexasCLASS's policy seeks to invest pooled assets in order to preserve principal, maintain the liquidity of the funds, and to maximize yield. Public Trust Advisor's LLC is the program administrator and Wells Fargo Bank Texas, N.A. is the custodian. TexSTAR's policy seeks to invest pooled assets in a manner that will provide for preservation and safety of principal and competitive investment returns while meeting the daily liquidity needs of the participants by utilizing economies of scale and professional investment expertise. JPMorgan Chase Bank, N.A. provides custody, fund accounting, and transfer agency services to both LOGIC and TexSTAR.

LOGIC's investment objectives are to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. The Portfolio will seek to maintain a stable net asset value of \$1.00 per Unit to preserve the principal of all Participants. The Portfolio's maximum final stated maturity is 397 days for fixed rate securities and 24 months for variable rate notes. The dollar-weighted average maturity of the Portfolio (calculated taking into account the period remaining until the date on which, in accordance with the terms of each security, the principal amount must unconditionally be paid, or in the case of a security called for redemption, the date on which the redemption payment must be made and may utilize the interest rate reset date for variable rate notes or floating rate securities) will not exceed 60 days (or less, if required to maintain a rating in the highest rating category by the nationally recognized rating agency currently rating the Portfolio). The dollar-weighted average final maturity of the Portfolio (calculated taking into account the period remaining until the date on which, in accordance with the terms of each security, the principal amount must unconditionally be paid, or in the case of a security called for redemption, the date on which the redemption payment must be made) will not exceed 90 days. So long as required by the Public Funds Investment Act, the Pool will disclose to Participants the calculations of dollar-weighted average maturity and dollar-weighted average final maturity of the Portfolio. LOGIC may invest in securities including: certain obligations of the United States or its agencies and instrumentalities; repurchase agreements; and SEC-registered money-market funds rated in the highest rating category by at least one nationally recognized statistical rating organization. It can also invest in commercial paper.

TexasCLASS's investment policy seeks to invest the pooled assets of its participants with four objectives in mind; to 1) invest only in legally permissible investments, 2) provide for safety of the participant's assets, 3) provide liquidity to its participants, and 4) maximize income while remaining legal, safe, and liquid. The intent of the Trust is to maintain a net asset value of \$1.00, however, due to the risk of market price fluctuation there is no guarantee that a net asset value of \$1.00 can be maintained.

NOTE 3 - DEPOSITS (CASH) AND INVESTMENTS (CONTINUED)

Credit Risk (continued)

TexSTAR's portfolio is a government-repurchase agreement (REPO) pool, utilizing primarily U.S. Treasury securities, U.S. agency securities - both fixed and floating - and REPO collateralized obligations, the principal and interest of which are unconditionally guaranteed or insured by the full faith and credit of the United States or its agencies or its instrumentalities. The weighted average maturity to reset of the pool's assets is limited to 60 days or less and the weighted average to final maturity of the pool's assets is limited to 120 days or less. The maximum stated maturity for any securities that are obligations of or guaranteed or insured by the United States, its agencies or instrumentalities in the TEXSTAR Cash Reserve Fund portfolio is limited to 397 days for fixed rate securities and 24 months for variable rate notes. The TEXSTAR Cash Reserve Fund seeks to maintain a net asset value of \$1.00 per unit (rounded to the nearest whole cent) and is designed to be used by Participants for investment of funds that require daily liquidity availability.

In accordance with GASB Statement No. 79, Certain External Investment Pools and Pool Participants, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Custodial Credit Risk

To control custody risk, State law and Mansfield ISD's adopted Investment Policy requires collateral for all time and demand deposits as well as repurchase agreements be transferred delivery versus payment and held by an independent party approved by the District and held in the District's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions and position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% (and 110% for mortgaged backed securities) and be executed under a written agreement. The counterparty of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

As of June 30, 2019:

- The portfolio contained no certificates of deposit,
- The portfolio contained no flex repurchase agreements,
- All bank demand deposits were fully insured and collateralized. All pledged bank collateral for demand deposits was held by an independent institution outside the bank's holding company.



NOTE 4 - PROPERTY TAXES

Property taxes are levied by October 1 in conformity with Subtitle E, 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. The assessed value of the roll on January 1, 2019, upon which the levy for the 2019 fiscal year was based, was \$14,002,304,390.

The tax rates assessed for the twelve months ended June 30, 2019 to finance general fund operations and the payment of principal and interest on general obligation long-term debt were \$1.04 and \$.5000 per \$100 of valuation, respectively, for a total of \$1.5400 per \$100 of valuation. Current tax collections for the year ended June 30, 2019 were 99.12% of the tax levy.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2019, consisted of the following individual fund receivables and payables:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds		
General Fund	\$ 3,557,573	\$ 1,380,870
Debt Service Fund	960,371	
Non-major Governmental Funds	658,356	3,589,162
Proprietary Funds		
Enterprise Funds		206,268
Total	<u><u>\$ 5,176,300</u></u>	<u><u>\$ 5,176,300</u></u>

Interfund balances result from the time lag between the dates reimbursable expenditures occur and payments between funds are made. Payroll costs are reimbursed after month end, resulting in balances between funds.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 6 - CAPITAL ASSETS

The District records assets based on historical costs and calculates depreciation on capital assets in accordance with GASB Statement 34. The District's capitalization policy is to capitalize assets costing over \$5,000 and with a life expectancy of 1 year or more. Depreciation expense is allocated to functional categories based upon expenditures in the general fund.

Capital asset activity for the governmental activities of the District for the twelve months ended June 30, 2019, are as follows:

	Balance July 1, 2018	Additions	(Retirements) and Transfers	Balance June 30, 2019
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 56,191,085	\$	\$	\$ 56,191,085
Construction in progress	92,480,332	78,852,116	(69,659,763)	101,672,685
Total Capital assets, not being depreciated	148,671,417	78,852,116	(69,659,763)	157,863,770
Capital assets, being depreciated:				
Buildings and improvements	974,370,611	69,585,195	(19,202)	1,043,936,604
Furniture and equipment	15,924,566	2,013,124	(22,545)	17,915,145
Vehicles	29,419,482	2,668,769	(254,839)	31,833,412
Total Capital assets, being depreciated	1,019,714,659	74,267,088	(296,586)	1,093,685,161
Less accumulated depreciation for:				
Buildings and improvements	(427,106,448)	(35,700,892)		(462,807,340)
Furniture and Equipment	(12,441,650)	(2,796,619)		(15,238,269)
Vehicles	(17,903,326)	(1,682,579)		(19,585,905)
Total Accumulated depreciation	(457,451,424)	(40,180,090)		(497,631,514)
Total capital assets being depreciated, net	562,263,235	34,086,998	(296,586)	596,053,647
Governmental Capital Assets	\$ 710,934,652	\$ 112,939,114	\$ (69,956,349)	\$ 753,917,417

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 6 - CAPITAL ASSETS (CONTINUED)

Depreciation expense of the governmental activities was charged to the functions/programs as follows:

Function	Depreciation Expense
Governmental Activities:	
Instruction	\$ 27,660,311
Instructional leadership	2,599
School leadership	4,701
Guidance, counseling and evaluation services	1,771,184
Health services	414,815
Student transportation	2,123,126
Food Services	242,589
Extracurricular activities	609,907
General administration	153,768
Facilities maintenance and operations	73,932
Security and monitoring services	1,799
Data processing services	7,121,359
Total Governmental Activities	\$ 40,180,090

NOTE 7 - LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

Bonds are secured by ad valorem taxes levied against all taxable property and are serviced by the Debt Service Fund with an apportionment of the ad valorem tax levy. Interest rates on the bonds range from 1.00% to 5.50%. The principal amount of bond indebtedness cannot exceed 10% of the assessed valuation of taxable property in the District according to the last completed and approved ad valorem tax rolls of the District. At June 30, 2019, \$46,467,986 was available in the Debt Service Fund to service these bonds.

As of June 30, 2019, the District had sold \$91.3 million of the \$275 million authorized general obligation bonds that were authorized in 2017.

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Retirements/ Refundings	Balance June 30, 2019	Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$750,175,000	\$ 47,295,000	\$ (23,745,000)	\$ 773,725,000	\$ 26,940,000
Premium on bond issuance	72,192,776	3,186,599	(5,499,571)	69,879,804	
Capital lease payable	984,826		(326,188)	658,638	326,035
Total Bonds and Notes Payable	\$823,352,602	\$ 50,481,599	\$ (29,570,759)	\$ 844,263,442	\$ 27,266,035

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 7 - LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS (CONTINUED)

Annual requirements to amortize all bonded debt outstanding as of June 30, 2019 follow:

Year Ending June 30,	Principal	Interest	Totals
2020	\$ 26,940,000	\$ 34,381,925	\$ 61,321,925
2021	28,200,000	33,172,999	61,372,999
2022	31,635,000	32,932,911	64,567,911
2023	33,340,000	32,532,574	65,872,574
2024	35,980,000	30,976,869	66,956,869
2025 - 2029	203,425,000	128,102,119	331,527,119
2030 - 2034	148,125,000	85,366,394	233,491,394
2035 - 2039	81,155,000	60,472,069	141,627,069
2040 - 2044	127,545,000	33,144,825	160,689,825
2045 - 2048	57,380,000	5,938,800	63,318,800
	<u>\$ 773,725,000</u>	<u>\$ 477,021,485</u>	<u>\$ 1,250,746,485</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 7 - LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS (CONTINUED)
BONDS PAYABLE

Bonds payable at June 30, 2019, are composed of the following individual issues:

Description	Maturity Range	Amount Original Issue	Interest Rate
Unlimited Tax School Building & Refunding Bonds, Series 2002	2002-2027	\$ 79,789,984	3.25%-5.5%
Unlimited Tax Refunding Bonds, Series 2009	2009-2023	44,600,000	3.0-5.0%
Unlimited Tax Refunding Bonds, Series 2010	2010-2027	85,465,000	4.0-5.0%
Unlimited Tax Refunding Bonds, Series 2011	2011-2026	9,500,000	2.0-4.0%
Unlimited Tax School Building Bonds, Series 2012	2012-2035	50,000,000	Variable
Unlimited Tax Refunding Bonds, Series 2012A	2012-2029	41,275,000	3.0-5.0%
Unlimited Tax Refunding Bonds, Series 2012B	2012-2028	30,460,000	3.0-5.0%
Unlimited Tax Refunding Bonds, Series 2013A	2013-2030	63,255,000	2.0-5.0%
Unlimited Tax Refunding Bonds, Series 2013B	2013-2031	86,170,000	2.0-5.0%
Unlimited Tax Refunding Bonds, Series 2013C	2013-2025	21,855,000	4.00%
Unlimited Tax Building Bonds, Series 2013	2013-2043	49,355,000	4.25-4.5%
Unlimited Tax School Building Bonds, Series 2014	2014-2044	47,145,000	3.375%-5.00%
Unlimited Tax Refunding Bonds, Series 2014	2014-2032	59,445,000	4.00%-5.00%
Unlimited Tax Refunding Bonds, Series 2015	2015-2033	78,355,000	2.00%-5.00%
Unlimited Tax School Building Bonds, Series 2015	2015-2045	43,290,000	5.00%
Unlimited Tax Refunding Bonds, Series 2015A	2015-2035	45,275,000	2.00%-4.00%
Unlimited Tax Refunding Bonds, Series 2016	2017-2026	32,760,000	1.00%-5.00%
Unlimited Tax School Building Bonds, Series 2017	2018-2028	43,985,000	2.00%-5.00%
Unlimited Tax Refunding Bonds Series 2017	2018-2047	26,445,000	3.00%-5.00%
Unlimited Tax School Building Bonds, Series 2019	2019-2048	47,295,000	2.00%-5.00%
		\$ 985,719,984	

The outstanding \$48,365,000 of Remarketed Series 2012 Bonds currently bear interest at an initial fixed rate of 2.5% from the date of the remarketing, which occurred on August 1, 2018 through July 31, 2019 (the "Initial Rate Period"). Thereafter, the Bonds will convert to and bear interest at a Term Rate determined per annum by the Remarketing Agent for a Term Rate Period of one year in duration, unless a different Rate Period is specified by the District; provided, however, that the interest rate mode applicable to the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate, Semiannual Rate, or Term Rate (each, a "Variable Rate"), (b) changed to a Flexible Rate (term of up to 270 days), or (c) converted to a Fixed Rate until stated maturity.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

EXHIBIT F-1

NOTE 7 - LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS (CONTINUED)

Bonds Payable (continued)

Description - Authorization (Dated)	Amount Outstanding July 1, 2018	Issued	Retired	Refunded	Amount Outstanding June 30, 2019	Due Within One Year
Unlimited Tax School Building & Refunding Bonds, Series 2002	\$ 495,000		\$ (45,000)		\$ 450,000	\$ 45,000
Unlimited Tax Refunding Bonds, Series 2009	19,715,000		(2,515,000)		17,200,000	5,450,000
Unlimited Tax Refunding Bonds, Series 2010	67,645,000		(10,340,000)		57,305,000	10,890,000
Unlimited Tax Refunding Bonds, Series 2011	6,820,000		(415,000)		6,405,000	810,000
Unlimited Tax School Building Bonds, Series 2012	48,365,000				48,365,000	
Unlimited Tax Refunding Bonds, Series 2012A	40,690,000				40,690,000	
Unlimited Tax Refunding Bonds, Series 2012B	11,785,000				11,785,000	
Unlimited Tax Refunding Bonds, Series 2013A	55,340,000		(1,805,000)		53,535,000	2,430,000
Unlimited Tax Refunding Bonds, Series 2013B	79,335,000		(2,375,000)		76,960,000	2,500,000
Unlimited Tax Refunding Bonds, Series 2013C	9,905,000		(1,375,000)		8,530,000	945,000
Unlimited Tax Building Bonds, Series 2013	49,355,000				49,355,000	
Unlimited Tax School Building Bonds, Series 2014	47,145,000				47,145,000	
Unlimited Tax Refunding Bonds, Series 2014	56,885,000		(1,035,000)		55,850,000	1,215,000
Unlimited Tax Refunding Bonds, Series 2015	75,530,000		(1,205,000)		74,325,000	1,240,000
Unlimited Tax School Building Bonds, Series 2015	43,290,000				43,290,000	
Unlimited Tax Refunding Bonds, Series 2015A	44,580,000				44,580,000	
Unlimited Tax Refunding Bonds, Series 2016	28,065,000		(2,635,000)		25,430,000	415,000
Unlimited Tax School Building Bonds, Series 2017	39,285,000				39,285,000	
Unlimited Tax Refunding Bonds Series 2017	25,945,000				25,945,000	
Unlimited Tax School Building Bonds, Series 2019	-	47,295,000			47,295,000	1,000,000
	<u>\$750,175,000</u>	<u>\$47,295,000</u>	<u>(\$23,745,000)</u>	<u>\$0</u>	<u>\$773,725,000</u>	<u>\$ 26,940,000</u>

NOTE 8 – LEASE OBLIGATIONS

A. Commitments under Operating Leases

The District's had no future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2019.

Rental expense for the year ended June 30, 2019 was \$907,006.

B. Commitments under Capital Leases

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	\$ 340,607
2020	340,607
Total minimum lease payments	\$ 681,214
Less: amount representing interest	22,576
Present Value of minimum lease payments	<u>\$ 658,638</u>



NOTE 9 - UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES

Unavailable Revenue

Unavailable revenue at year end represents assets that are not available for use by the District to liquidate current year liabilities.

Unearned Revenue

Governmental funds do not recognize revenue in connection with resources that have been received, but not yet earned. A summary of unearned revenue/deferred inflows by fund follows:

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Unearned Revenue				
Miscellaneous Fees	\$ 8,079			\$ 8,079
Prepaid Lunch Cards			362,546	362,546
Deferred Inflows				
Property Taxes	4,448,574	2,134,490		6,583,064
Total	<u>\$ 4,456,653</u>	<u>\$2,134,490</u>	<u>\$ 362,546</u>	<u>\$ 6,953,689</u>

Property tax revenues are earned but are not available as of year-end; therefore, they are recognized as revenues in the government-wide financial statements and deferred in the fund level financial statements.

NOTE 10 - COMMITTED FUND BALANCES

Committed fund balances as of June 30, 2019, is composed of the following:

	Total
Campus Activity Accounts	\$ 1,531,089
Total	<u>\$ 1,531,089</u>

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Plan Description

The Mansfield Independent School District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms. All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

C. Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description above.

D. Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2019. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015. The 84th Legislature, GAA established the employer contribution rates for fiscal year 2018 and 2019.

	Contribution Rates	
	2019	2018
Member (Employee)	7.7%	7.7%
Non-employer contributing agency (State)	6.8%	6.8%
District	6.8%	6.8%

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

D. CONTRIBUTIONS (CONTINUED)

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools, and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

	Measurement Year (2018) 9/1/17-8/31/18	Fiscal Year (2019) 7/1/18-6/30/19
	Contributions Required and Made	TRS Contributions
Member (Employee)	\$ 16,967,652	\$ 17,263,460
Non-employer contributing agency (State)	10,888,608	11,028,872
District	6,514,376	6,831,790

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate, times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year, reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

E. Actuarial Assumptions

The total pension liability in the August 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	6.907%
Long-term expected Investment Rate of Return	7.25%
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05%
Payroll Growth Rate	2.5%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2014 and adopted on September 24, 2015.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

F. Discount Rate

The discount rate used to measure the total pension liability was 6.907%. This was a decrease of 1.093% in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan 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. The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates 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. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of June 30, 2019, are summarized below:

Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18.00%	5.70%	1.04%
Non-U.S. Developed	13.00%	6.90%	0.90%
Emerging Markets	9.00%	8.95%	0.80%
Directional Hedge Funds	4.00%	3.53%	0.14%
Private Equity	13.00%	10.18%	1.32%
Stable Value			
U.S. Treasuries	11.00%	1.11%	0.12%
Absolute Return	0.00%	0.00%	0.00%
Stable Value Hedge Funds	4.00%	3.09%	0.12%
Cash	1.00%	-0.30%	0.00%
Real Return			
Global Inflation Linked Bonds	3.00%	0.70%	0.02%
Real Assets	14.00%	5.21%	0.73%
Energy and Natural Resources	5.00%	7.48%	0.37%
Commodities	0.00%	0.00%	0.00%
Risk Parity			
Risk Parity	5.00%	3.70%	0.18%
Inflation Expectation			2.30%
Volatility Drag ²			-0.79%
Total	<u>100.00%</u>		<u>7.25%</u>

¹ Target allocations are based on the FY2016 policy model.

² The Expected Contribution to Long-Term Portfolio Returns incorporates the volatility drag resulting from the conversion between arithmetic and geometric mean returns.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

G. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.907%) in measuring the 2018 Net Pension Liability.

	1% Decrease 5.907%	Current Discount Rate 6.907%	1% Increase 7.907%
District's proportional share of the net pension liability	\$160,642,423	\$106,439,298	\$62,558,653

H. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the District reported a liability of \$106,439,298 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 106,439,298
State's proportionate share that is associated with the District	178,021,300
Total	<u>\$ 284,460,598</u>

The net pension liability was measured as of August 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 thru August 31, 2018.

At August 31, 2018, the employer's proportion of the collective net pension liability was 0.1934% which was an increase of 0.0046% from its proportion measured as of August 31, 2017. The change in proportion was immaterial and therefore disregarded this year.

I. Changes Since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

- The Total Pension Liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The discount rate changed from 8.0 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long-term assumed rate of return changed from 8.0 percent to 7.25 percent.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the Net Pension Liability.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

J. Actuarial Methods and Policies

The method of using celled data in the valuation process was changed to now using individual data records to allow for better reporting of some items, such as actuarial gains and losses by source. There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

For the year ending June 30, 2019, the District recognized pension expense of \$24,717,590 and revenue of \$17,619,364 for support provided by the State. At June 30, 2019, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$ 663,455	\$ (2,611,600)
Changes in actuarial assumptions	38,376,494	(1,199,266)
Differences between projected and actual investment earnings	-	(2,019,610)
Changes in proportion and differences between District contributions and proportionate share of contributions	6,270,964	(1,220,923)
Contributions paid to TRS subsequent to the measurement date	<u>5,764,629</u>	
Total	<u>\$ 51,075,542</u>	<u>\$ (7,051,399)</u>

Contributions made after the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's or governmental nonemployer contributing entity's reporting period will be recognized as a reduction of the net pension/OPEB liability or collective net pension/OPEB liability in the subsequent fiscal period rather than in the current fiscal period. The \$5,764,629 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Amount
2020	\$ 10,111,414
2021	5,861,316
2022	4,787,124
2023	6,727,633
2024	6,408,275
2025	4,363,752
	<u>\$ 38,259,514</u>

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN

A. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

B. OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; or by calling (512) 542-6592.

C. Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans.

TRS-Care Plan Premium Rates		
Effective January 1, 2018 - December 31, 2018		
	Medicare	Non-Medicare
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

D. Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates		
	Plan Year Ending August 31,		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Active Employee	0.65%	0.65%	0.65%
Non-employer Contributing Entity (State)	1.00%	1.25%	1.25%
Employers	0.55%	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.00%	1.25%	1.25%

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to. When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

In addition, the 85th Texas Legislature, House Bill 30 provided an additional \$212 million in one-time, supplemental funding for the fiscal year 2018-2019 biennium to continue to support the program. The state contribution rate increased to 1.25 percent of active employee payroll and the employer contribution rate increased to 0.75 percent. The District reported on behalf revenues and expenditures of \$128,059 related to those transfers.

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA). Contributions and pension expense for all contributors were as follows:

	Measurement Year (2018)		Fiscal Year (2019)	
	9/1/17-8/31/18		7/1/18 - 6/30/19	
	Contributions Required and Made	OPEB Expense	TRS Care Contributions	
Member (Employee)	\$ 1,432,334	\$ -	\$ 1,457,306	
Non-employer contributing agency (State)	2,644,360	6,971,743	2,686,957	
District	1,774,922	4,284,650	1,808,307	

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

E. Actuarial Assumptions

The total OPEB liability in the August 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2018 TRS pension actuarial valuation:

The following assumptions used for members of TRS are identical to the assumptions employed in the August 31, 2018 TRS annual pension actuarial valuation:

- Rates of Mortality
- Rates of Retirement
- Rates of Termination
- Rates of Disability
- General Inflation
- Wage Inflation
- Expected Payroll Growth

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2017, rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.69%. Sourced from fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2018.
Aging Factors	Based on plan specific experience
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% after age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases**	3.05% to 9.05%, including inflation
Ad Hoc Post-Employment Benefit Changes	None

In this valuation the impact of the Cadillac Tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.50 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

F. Discount Rate

A single discount rate of 3.69% was used to measure the total OPEB liability. There was a change of .27 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able to* make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

G. Sensitivity of the Net OPEB Liability:

Discount Rate – The following presents the District’s proportional share of the net OPEB liability of the plan using the discount rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one- percentage point lower (2.69%) or one-percentage point higher (4.69%) than the AA/Aa rate.

Sensitivity of the Net OPEB Liability to the Single Discount Rate Assumptions*

1% Decrease 2.69%	Current Single Discount Rate 3.69%	1% Increase 4.69%
\$ 152,919,199	\$ 128,466,438	\$ 109,122,728

Healthcare Cost Trend Rates – The following presents the District’s proportional share of the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate:

Sensitivity of the Net OPEB Liability to the Healthcare Cost Trend Rate Assumptions

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ 106,693,469	\$ 128,466,438	\$ 157,141,909

H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the District reported a liability of \$128,466,438 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective OPEB liability	\$ 128,466,438
State's proportionate share that is associated with the District	191,668,330
Total	<u>\$ 320,134,768</u>

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

The Net OPEB Liability was measured as of August 31, 2018 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective Net OPEB Liability was 0.2573% which was an increase in the proportion measured as of August 31, 2017 of .0157%.

Changes Since the Prior Actuarial Valuation

A change was made in the measurement date of the total OPEB liability (TOL) for this fiscal year. The actuarial valuation was performed as of August 31, 2017. Update procedures were used to roll forward the total OPEB liability to August 31, 2018. This is the first year using the roll forward procedures.

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation, salary increases, and general payroll growth, used in this OPEB valuation were identical to those used in the respective TRS pension valuation. Since the assumptions were based upon a recent actuarial experience study performed and they were reasonable for this OPEB valuation, they were employed in this report.

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2018 TRS pension actuarial valuation:

• Rates of Mortality	• Rates of Retirement
• Rates of Termination	• Rates of Disability
• General Inflation	• Wage Inflation
• Expected Payroll Growth	

Additional Actuarial Methods and Assumptions:

Valuation Dates	August 31, 2017, rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Discount Rate*	3.69%
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases**	3.05% to 9.05%**
Healthcare Trend Rates***	4.50% to 12.00%***
Election Rates	Normal Retirement 70% participation prior to age 65 and 75% participation after age 65
Ad hoc post-employment benefit changes	None

*Source: Fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's

"20-Year Municipal GO AA Index" as of August 31, 2017.

**Includes inflation of 2.5%

***Initial trend rates are 7.00% for non-Medicare retirees; 10.00% for Medicare retirees and 12.00% for prescription trend rates of 4.5% over a period of 10 years.

NOTE 12 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 6,817,237	\$ (2,027,389)
Changes in actuarial assumptions	2,143,758	(38,596,793)
Difference between projected and actual investment earnings	22,465	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	8,589,048	-
Contributions paid to TRS subsequent to the measurement date	1,541,151	-
Total	\$ 19,113,659	\$ (40,624,182)

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30</u>	<u>OPEB Expense Amount</u>
2020	\$ (3,987,663)
2021	(3,987,663)
2022	(3,987,663)
2023	(3,991,912)
2024	(3,994,342)
Thereafter	(3,102,433)
	\$ (23,051,676)

The \$1,541,151 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020.

I. Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended June 30, 2019, 2018, and 2017 the subsidy payments received by TRS-Care on behalf of the District are as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Medicare Part D	\$ 706,113	\$ 853,594	\$ 638,262

NOTE 13 - RISK MANAGEMENT

During the year ended June 30, 2019, employees of the District were covered by a health insurance plan (“the Plan”). The District paid premiums of \$250 per month per employee who worked at least 20 hours per week to the Plan; and employees, at their option, authorized payroll withholdings to pay contributions or premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. As of September 1, 1998, the District has fully insured all workers’ compensation claims. The current contract covers the period from July 1, 2018 through June 30, 2019. Premium payments are expensed as paid.

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2019, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

NOTE 14 – SUBSEQUENT EVENTS

The District issued \$155,820,000 of Unlimited Tax School Building Bonds, Series 2019A dated September 1, 2019 and delivered October 8, 2019. The District will also issue \$53,820,000 of Unlimited Tax Refunding Bonds, Series 2019B dated November 1, 2019 to be delivered December 5, 2019, to advance refund \$11,750,000 of outstanding Unlimited Tax Refunding Bonds, Series 2009 and \$46,415,000 of Unlimited Tax Refunding Bonds, Series 2019.

NOTE 15 - LITIGATION, COMMITMENTS AND CONTINGENCIES

A. Litigation

The District is a party to various legal actions, none of which is believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies. However, the District has been in mediation to settle a case that may have an effect of \$3 to \$5 million in future reporting periods. Since it is presently not possible to determine the outcome of this settlement, net of any insurance proceeds, no provision has been made in the financial statements for its ultimate resolution.

B. Grant Programs

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent the District has not complied with the rules and regulations governing the grants, refunds of any monies received may be required, and the collectability of any related receivable at June 30, 2019, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic statements for such contingencies.

NOTE 15 - LITIGATION, COMMITMENTS AND CONTINGENCIES (CONTINUED)

C. Construction

The District was obligated at June 30, 2019, under major contracts for construction, renovations, and repair of various facilities. The construction contract details associated with some of the major projects are as follows:

Project	Approved Construction Budget	Construction in Progress	Estimated Remaining Commitment
Sarah Jandrucko Academy	\$ 18,736,110	\$ 18,470,242	\$ 265,868
BBCTA Renovations	2,200,000	2,123,801	76,199
Elementary Playgrounds and Security	15,991,793	8,035,317	7,956,476
Intermediate Playgrounds & Security	8,874,820	2,010,331	6,864,489
Middle Renovation & Security	26,020,020	2,461,737	23,558,283
High, BBIA, & Phoniex	70,496,007	39,961,116	30,534,891
Newsome and Natatorium	2,770,906	1,509,771	1,261,135
Admin, Facilities	2,978,541	812,851	2,165,690
New Brenda Norwood EL	28,569,496	5,323,699	23,245,797
New Alma Martinez IS	49,597,757	7,824,146	41,773,611
New Charlene McKinzey MS	60,915,754	13,139,674	47,776,080
	<u>\$ 287,151,204</u>	<u>\$ 101,672,685</u>	<u>\$ 185,478,519</u>

NOTE 16 - SHARED SERVICE ARRANGEMENT

The District participates in a Shared Service Arrangement (SSA) for students with auditory impairments attending the Regional Day School Program for the Deaf. The District does not account for revenues or expenditures of this program and does not disclose them in these financial statements. However, intergovernmental charges in a special revenue fund include payments to the fiscal agent for the District's share of project deficits. The District neither has a joint ownership interest in capital outlay purchased by the fiscal agent, Arlington ISD, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to Mansfield ISD. The fiscal agent manager is responsible for all financial activities of the SSA. Shared Service Arrangement expenditures of \$127,500 were attributable to Mansfield ISD participation.

NOTE 17 – COMPENSATED ABSENCES

Annual non-duty days (vacation days) are granted to 226-day non-professional and professional employees; however, non-duty days are required to be used during the current year. Five (5) non-duty days may be carried over, but must be used by December 1st. The number of days carried over to December 1st are not recorded in the financial statements since the dollar amount is insignificant.

Non-exempt staff may not carry more than 60 hours of compensatory time and must either use the time or be paid for the compensatory time at year-end. No accrued compensatory time is carried forward to the next fiscal year.

NOTE 18 – DEFICIT FUND BALANCES

The Child Nutrition Summer Feeding program on Schedule H-1 reflects a negative fund balance at year-end of \$17,069, a decrease of \$7,092 over prior year. Measures have been taken for next year's program to continue to reduce this deficit.



Required Supplementary Information



MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – ORIGINAL
BUDGET, AMENDED FINAL (GAAP BASIS) AND ACTUAL – GENERAL FUND – EXHIBIT G-1
FOR THE YEAR ENDED JUNE 30, 2019

Data Control Codes		Budgeted Amounts		Actual Amounts, GAAP Basis	Variance with Final Budget - Positive (Negative)
		Original	Final		
	Revenues				
5700	Local revenues	\$ 146,109,106	\$ 147,726,125	\$ 151,871,168	\$ 4,145,043
5800	State program revenues	141,763,269	141,763,269	141,050,472	(712,797)
5900	Federal program revenues	4,900,000	6,200,000	4,916,122	(1,283,878)
5000	Total revenues	<u>292,772,375</u>	<u>295,689,394</u>	<u>297,837,762</u>	<u>2,148,368</u>
	Expenditures				
	Current:				
0011	Instruction	178,392,902	177,049,392	176,189,787	859,605
0012	Instructional resources and media services	3,613,844	3,672,151	3,582,653	89,498
0013	Curriculum and staff development	4,031,682	4,089,350	3,871,858	217,492
0021	Instructional leadership	3,827,132	3,856,670	3,824,442	32,228
0023	School leadership	18,426,853	18,425,589	18,237,314	188,275
0031	Guidance, counseling and evaluation services	9,545,396	9,568,481	9,360,896	207,585
0033	Health services	4,550,770	4,506,689	4,173,534	333,155
0034	Student transportation	11,242,503	12,889,910	12,300,839	589,071
0035	Food services		46,000	35,650	10,350
0036	Extracurricular activities	8,882,586	9,939,852	9,873,365	66,487
0041	General administration	7,124,672	7,007,055	6,959,565	47,490
0051	Facilities maintenance and operations	30,429,682	31,310,672	29,440,664	1,870,008
0052	Security and monitoring services	7,115,143	7,442,040	7,283,256	158,784
0053	Data processing services	4,490,069	4,830,694	4,778,718	51,976
0061	Community services	479,226	485,082	426,199	58,883
	Debt Service:				
0071	Principal on long-term debt		340,608	340,607	1
	Capital Outlay:				
0081	Capital Outlay		472,073	472,072	1
	Intergovernmental:				
0095	Payments to Juvenile Justice Alt. Ed. Prgm.	25,000	25,000		25,000
0099	Other intergovernmental charges	1,176,484	1,149,000	1,147,860	1,140
6030	Total Expenditures	<u>293,353,944</u>	<u>297,106,308</u>	<u>292,299,279</u>	<u>4,807,029</u>
1100	Excess (deficiency) of revenues over expenditures	<u>(581,569)</u>	<u>(1,416,914)</u>	<u>5,538,483</u>	<u>6,955,397</u>
	Other Financing Sources (Uses):				
7912	Sale of real or personal property			41,045	41,045
7911	Transfers in	650,000	650,000		(650,000)
8911	Transfers out		(25,000)		25,000
8949	Other Uses		(43,600)	(26,500)	17,100
7080	Total other financing sources (uses)	<u>650,000</u>	<u>581,400</u>	<u>14,545</u>	<u>(566,855)</u>
	Special Item				
7918	Special item - oil and gas royalties			340,637	340,637
1200	Net change in fund balances	<u>68,431</u>	<u>(835,514)</u>	<u>5,893,665</u>	<u>6,729,179</u>
0100	Fund balances - beginning	<u>101,910,956</u>	<u>84,748,708</u>	<u>89,055,063</u>	<u>4,306,355</u>
3000	Fund balances - ending	<u>101,979,387</u>	<u>83,913,194</u>	<u>94,948,728</u>	<u>11,035,534</u>

See Notes to the RSI

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY EXHIBIT G-2**

**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)
For the Last Five Measurement Years Ended August 31**

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.1934%	0.1888%	0.1937%	0.1940%	0.1576%
District's Proportionate Share of the Net Pension Liability	\$ 106,439,299	\$ 60,368,262	\$ 73,180,681	\$ 68,589,992	\$ 42,065,247
State's Proportionate Share of the Net Pension Liability	178,021,300	105,907,984	123,386,140	119,628,598	95,803,997
Total	\$ 284,460,599	\$ 166,276,246	\$ 196,566,821	\$ 188,218,590	\$ 137,869,244
District's Covered Payroll (for measurement year)	\$ 220,359,124	\$ 212,964,732	\$ 205,501,392	\$ 196,390,208	\$ 190,412,115
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	48.30%	28.35%	35.61%	34.93%	22.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability *	73.74%	82.17%	78.00%	78.43%	83.25%
Plan Fiduciary Net Position as a Percentage of covered payroll *	126.11%	75.93%	92.75%	91.94%	72.89%

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTION TO THE TEACHER RETIREMENT
SYSTEM OF TEXAS (TRS) – EXHIBIT G-3**

TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)

For the Last Five Fiscal Years

	2019	2018	2017	2016	2015
TRS					
Contractually Required Contributions	\$ 6,831,790	\$ 6,456,847	\$ 6,178,909	\$ 5,152,264	\$ 5,732,519
Contributions in Relation to the Contractually Required Contributions	\$ 6,831,790	\$ 6,456,847	\$ 6,178,909	\$ 5,152,264	\$ 5,732,519
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 224,200,802	\$ 218,669,663	\$ 212,075,812	\$ 171,834,329	\$ 196,397,727
Contributions as a Percentage of Covered - Employee Payroll	3.05%	2.95%	2.91%	3.00%	2.92%

*The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31 of the prior year.

During the fiscal year 2015, the District adopted GASB Statement No. 68 and 71. Ten years of data is not available.

During the fiscal year 2016, the District changed its fiscal year to June 30. This year represents ten months of data.

During the fiscal year 2018, a change was made in the measurement date of the total pension liability for the current fiscal year. The actuarial valuation was performed as of August 31, 2017. Update procedures were used to roll forward the total pension liability to August 31, 2018. This is first year using roll forward procedures.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY – EXHIBIT G-4

Teacher Retirement System of Texas
Last Two Measurement Years Ended August 31

	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.2573%	0.2416%
District's proportionate share of the net OPEB liability	\$ 128,466,438	\$ 105,072,137
State's proportionate share of the net OPEB liability associated with the District	<u>191,668,330</u>	<u>170,565,490</u>
Total	<u><u>\$ 320,134,768</u></u>	<u><u>\$ 275,637,627</u></u>
 District's covered payroll (for Measurement Year)	 \$ 220,359,124	 \$ 212,964,732
 District's proportionate share of the net OPEB liability as a percentage of it's covered payroll	 58.3%	 49.3%
 Plan's fiduciary net position as a percentage of the total OPEB liability	 1.57%	 0.91%
 Plan's net OPEB liability as a percentage of covered payroll	 146.64%	 132.55%

Note: Ten years of data should be presented in this schedule but data is unavailable prior to 2017.

Net OPEB liability and related ratios will be presented prospectively as data becomes available.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
OPEB CONTRIBUTIONS - EXHIBIT G-5

Teachers Retirement System of Texas
Last Five Fiscal Years Ended June 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,808,307	\$ 1,247,627	\$ 1,254,084	\$ 1,034,302	\$ 1,162,647
Contributions in relation to the contractual required contributions	<u>1,808,307</u>	<u>1,247,627</u>	<u>1,254,084</u>	<u>1,034,302</u>	<u>1,162,647</u>
Contribution Deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 224,200,802	\$ 218,669,663	\$ 212,075,812	\$ 171,834,329	\$ 196,397,727
Contributions as a percentage of covered payroll	0.81%	0.57%	0.59%	0.60%	0.59%

See Notes to the Financial Statements.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - EXHIBIT G-6

Stewardship, Compliance, and Accountability

Budgetary Information

The Board adopts an “appropriated budget” on a basis consistent with GAAP for the General Fund, Debt Service Fund, and National School Breakfast and Lunch Program Fund (which is included in special revenue funds). At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for these three funds.

The following procedures are followed in establishing the budgetary data reflected in the general purpose financial statements:

- Prior to June 19th for a fiscal year start date of July 1, the District prepares a budget based on the incremental budgeting concept for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- After one or more budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to June 30th for a fiscal year start date of July 1, the Board legally adopts the budget for the general fund, debt service fund, and food service fund.
- After the budgets for the above listed funds are approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources major object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and/or special board meetings and are reflected in the official minutes. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year.
- Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principal, department director, or divisional administrator). Budget managers may authorize transfers within functional and organizational categories that do not affect the total functional and organizational appropriation. All budget appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year end are commitments that do not constitute expenditures or liabilities, but are reported as assignments, commitments, or restrictions of fund balance depending on the fund type. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year’s budget to provide for the liquidation of the prior commitments.

For the year ended June 30, 2019, expenditures exceeded appropriations in the following expenditure function (the legal level of budgetary control) within the Child Nutrition Fund.

51-Facilities maintenance and operations	\$18,793
--	----------

(Page intentionally left blank.)

Other Supplementary Information



#MISDDayOne



(Page intentionally left blank.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for all federal, state and locally-funded grants and campus activity funds. These grants are awarded to the District with the purpose of accomplishing specific educational goals, described by the fund name:

- **ESEA, Title I, Part A – Basic:** supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state standards are met on identified campuses.
- **IDEA, Part B – Formula:** salaries and supplies to aid children with disabilities with low reading achievement.
- **IDEA, Part B – Preschool:** aids preschool students with disabilities.
- **Child Nutrition Program:** federal reimbursement revenues originating from the United States Department of Agriculture and fees from child and adult meals.
- **Summer Feeding** – federal program for seamless school nutrition during the summer
- **Vocational Education – Basic:** funds are for the use of various vocationally-inclined students in regular, disadvantaged and disability classes.
- **ESEA, Title II, Part A – TPTR (Teacher and Principal Training and Recruiting):** supplements the professional development, retention and recruitment programs district-wide, specifically on high needs campuses.
- **ESEA, Title III, Part A – English Language Acquisition:** provides additional educational opportunities to supplemental programs for students of limited English proficiency and immigrant children by assisting the children to learn English and meet challenges.
- **Medicaid Administrative Claiming Program:** provides the district with the ability to receive reimbursement for outreach and case management.
- **Miscellaneous Federal Grants** – includes several federal grants designed to provide support for the development of the additional state assessments and standards and to support the administration of those assessments; grants included also provide funds for safety equipment.
- **Visually Impaired State Grant** – aids visually impaired students.
- **Advanced Placement Incentives** – enhancement of advanced placement programs on specific campuses based on student scores on advanced placement examinations.
- **Instructional Materials Allotment** – provides funds to purchase instructional materials technological equipment and technology-related services.
- **Read To Succeed** – provides funds generated through the sale of read to succeed license plates designed by a Texas student to purchase educational materials for public school libraries.
- **Campus Activity Funds** – proceeds from fundraising activities, vending sales, corporate and private donations benefiting students and staff of the campus.
- **Educational Foundation Awards** – provides innovative grant funds for district teachers.
- **Miscellaneous Grants** – various grants provide support as designated.
- **Miscellaneous Donations** – various donations provide support as designated.
- **Lockheed Martin Grant** – provides support to various programs, but primarily career and technology projects.
- **iPad Summit** – local fund accounting for professional development program.

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – EXHIBIT H-1
JUNE 30, 2019**

Data Control Codes		ESEA, Title I, PT A - Improving Basic Ed	IDEA B - Formula	IDEA B - Preschool
	Assets			
1110	Cash and cash equivalents	\$	\$	\$
1240	Receivables from other governments	1,347,542	2,466,869	18,674
1260	Due from other funds			
1290	Other receivables			
1300	Inventories			
1410	Prepaid items			
1000	Total Assets	<u>\$ 1,347,542</u>	<u>\$ 2,466,869</u>	<u>\$ 18,674</u>
	Liabilities and Fund Balances			
	Liabilities:			
	Current Liabilities:			
2110	Accounts payable	\$ 2,297	\$ 1,333	\$
2150	Payroll deductions and withholdings	16,295	23,934	208
2160	Accrued wages payable	358,636	392,850	5,825
2170	Due to other funds	970,314	2,048,752	12,641
2180	Due to other governments			
2190	Due to student groups			
2300	Unearned revenues			
2000	Total Liabilities	<u>1,347,542</u>	<u>2,466,869</u>	<u>18,674</u>
	Fund Balance:			
	Non-Spendable:			
3410	Inventories			
3430	Prepaid items			
	Restricted:			
3450	Grant funds			
	Committed:			
3545	Campus activity funds			
3000	Total Fund Balance			
4000	Total Liabilities and Fund Balances	<u>\$ 1,347,542</u>	<u>\$ 2,466,869</u>	<u>\$ 18,674</u>

Child Nutrition	Summer Feeding	Vocational Ed - Basic	ESEA Title II, Pt A - Improving Teacher Quality	ESEA, Title III, Pt A - BIL/ESL
\$ 1,605,355	\$ 72,335	\$	\$	\$
645,934	73,053 12,422	101,021	130,054	130,925
178,078				
<u>\$ 2,429,367</u>	<u>\$ 157,810</u>	<u>\$ 101,021</u>	<u>\$ 130,054</u>	<u>\$ 130,925</u>
\$ 184,833	\$ 29,479	\$	\$	\$ 5,832
16,512	43		1,357	1,659
204,923			26,862	33,036
	145,357	101,021	101,835	90,398
12				
362,546				
<u>768,826</u>	<u>174,879</u>	<u>101,021</u>	<u>130,054</u>	<u>130,925</u>
178,078				
1,482,463	(17,069)			
<u>1,660,541</u>	<u>(17,069)</u>			
<u>\$ 2,429,367</u>	<u>\$ 157,810</u>	<u>\$ 101,021</u>	<u>\$ 130,054</u>	<u>\$ 130,925</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019**

Data Control Codes		Medicaid Admin. Claiming Program	Misc. Federal Grants	Visually Impaired State Grant
	Assets			
1110	Cash and cash equivalents	\$	\$	\$
1240	Receivables from other governments		123,618	
1260	Due from other funds			
1290	Other receivables			
1300	Inventories			
1410	Prepaid items			
1000	Total Assets	<u>\$</u>	<u>\$ 123,618</u>	<u>\$</u>
	Liabilities and Fund Balances			
	Liabilities:			
	Current Liabilities:			
2110	Accounts payable	\$	\$	\$
2150	Payroll deductions and withholdings			
2160	Accrued wages payable			
2170	Due to other funds		118,844	
2180	Due to other governments			
2190	Due to student groups			
2300	Unearned revenues			
2000	Total Liabilities	<u></u>	<u>118,844</u>	<u></u>
	Fund Balance:			
	Non-Spendable:			
3410	Inventories			
3430	Prepaid items			
	Restricted:			
3450	Grant funds		4,774	
	Committed:			
3545	Campus activity funds			
	Total Fund Balance	<u></u>	<u>4,774</u>	<u></u>
4000	Total Liabilities and Fund Balances	<u>\$</u>	<u>\$ 123,618</u>	<u>\$</u>

Advanced Placement Incentive	Instructional Materials Allotment	Read to Succeed	Campus Activity Funds	Education Foundation Awards
\$ 4,334	\$ 4,804,471	\$ 743	\$ 1,533,124	\$ 156,934
	295,520			
			2,329	
	57,972		1,827	
<u>\$ 4,334</u>	<u>\$ 5,157,963</u>	<u>\$ 743</u>	<u>\$ 1,537,280</u>	<u>\$ 156,934</u>
\$	\$ 2,946,410	\$	\$ 3,894 470	\$
	2,946,410		4,364	
	57,972		1,827	
4,334	2,153,581	743		156,934
			1,531,089	
<u>4,334</u>	<u>2,211,553</u>	<u>743</u>	<u>1,532,916</u>	<u>156,934</u>
<u>\$ 4,334</u>	<u>\$ 5,157,963</u>	<u>\$ 743</u>	<u>\$ 1,537,280</u>	<u>\$ 156,934</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019***

Data Control Codes		Misc. Grants	Misc. Donations	Lockheed Martin Grant
	Assets			
1110	Cash and cash equivalents	\$ 22,991	\$ 8,503	\$ 1,642
1240	Receivables from other governments			
1260	Due from other funds			
1290	Other receivables			
1300	Inventories			
1410	Prepaid items			
1000	Total Assets	<u>\$ 22,991</u>	<u>\$ 8,503</u>	<u>\$ 1,642</u>
	Liabilities and Fund Balances			
	Liabilities:			
	Current Liabilities:			
2110	Accounts payable	\$	\$	\$
2150	Payroll deductions and withholdings			
2160	Accrued wages payable			
2170	Due to other funds			
2180	Due to other governments			
2190	Due to student groups		2,088	
2300	Unearned revenues			
2000	Total Liabilities	<u></u>	<u>2,088</u>	<u></u>
	Fund Balance:			
	Non-Spendable:			
3410	Inventories			
3430	Prepaid items			
	Restricted:			
3450	Grant funds	22,991	6,415	1,642
	Committed:			
3545	Campus activity funds			
	Total Fund Balance	<u>22,991</u>	<u>6,415</u>	<u>1,642</u>
4000	Total Liabilities and Fund Balances	<u>\$ 22,991</u>	<u>\$ 8,503</u>	<u>\$ 1,642</u>

iPad Summit	Total Nonmajor Governmental Funds
\$ 1,940	\$ 8,212,372
	4,687,276
	658,356
	2,329
	178,078
	59,799
<u>\$ 1,940</u>	<u>\$ 13,798,210</u>
\$	\$ 3,174,078
	60,478
	1,022,132
	3,589,162
	12
1,940	4,028
	362,546
<u>1,940</u>	<u>8,212,436</u>
	178,078
	59,799
	3,816,808
	1,531,089
	5,585,774
<u>\$ 1,940</u>	<u>\$ 13,798,210</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS – EXHIBIT H-2
FOR THE YEAR ENDING JUNE 30, 2019***

Data Control Codes		ESEA, TITLE I, PT A - Improving Basic Ed	IDEA B - Formula	IDEA B - Preschool
	Revenues			
5700	Local and Intermediate Sources	\$	\$	\$
5800	State Program Revenues			
5900	Federal Program Revenues	3,494,754	5,034,992	28,630
5020	Total Revenues	<u>3,494,754</u>	<u>5,034,992</u>	<u>28,630</u>
	Expenditures			
	Current:			
0011	Instruction	2,976,823	1,907,431	28,321
0012	Instructional Resources and Media Services	35,898		
0013	Curriculum and Instructional Staff Development	147,813	39,801	
0021	Instructional Leadership	38,803	3,280	
0023	School Leadership	24,806		
0031	Guidance, Counseling and Evaluation Services	2,446	2,953,598	309
0032	Social work services	14,067		
0033	Health Services	3,782	3,382	
0034	Student Transportation	41,958		
0035	Food Services			
0036	Cocurricular/Extracurricular Activities			
0041	General Administration			
0051	Facilities Maintenance and Operations			
0052	Security and Monitoring Services			
0061	Community Services	208,358		
0081	Facilities Acquisition and Construction			
0093	Payments related to shared services arrangements		127,500	
6030	Total Expenditures	<u>3,494,754</u>	<u>5,034,992</u>	<u>28,630</u>
1100	Excess (deficiency) of revenues over expenditures			
	Other Financing Sources (Uses)			
7912	Sale of real or personal property			
	Total Other Financing Sources (Uses)			
1200	Net change in fund balances			
0100	Fund Balance - July 1 (Beginning)			
3000	Fund Balance -June 30 (Ending)	<u>\$</u>	<u>\$</u>	<u>\$</u>

<u>Child Nutrition</u>	<u>Summer Feeding</u>	<u>Vocational Ed - Basic</u>	<u>ESEA Title II, Pt A - Improving Teacher Quality</u>	<u>ESEA, Title III, Pt A - BIL/ESL</u>
\$ 6,727,795	\$ 12,969	\$	\$	\$
86,597				
10,296,477	102,284	289,411	525,877	422,926
17,110,869	115,253	289,411	525,877	422,926
		289,411	83,844	141,834
			436,690	267,954
				3,907
			3,850	
16,446,939	139,414			
269,968				
			1,493	9,231
16,716,907	139,414	289,411	525,877	422,926
393,962	(24,161)			
37,527				
37,527				
431,489	(24,161)			
1,229,052	7,092			
\$ 1,660,541	\$ (17,069)	\$	\$	\$

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2019***

Data Control Codes		Medicaid Admin Claiming Program	Misc. Federal Grants	Visually Impaired State Grant
	Revenues			
5700	Local and Intermediate Sources	\$	\$	\$
5800	State Program Revenues			15,437
5900	Federal Program Revenues	81,146	407,861	
5020	Total Revenues	<u>81,146</u>	<u>407,861</u>	<u>15,437</u>
	Expenditures			
	Current:			
0011	Instruction		317,633	15,437
0012	Instructional Resources and Media Services			
0013	Curriculum and Instructional Staff Development		19,544	
0021	Instructional Leadership		595	
0023	School Leadership		1,173	
0031	Guidance, Counseling and Evaluation Services			
0032	Social work services			
0033	Health Services	81,146		
0034	Student Transportation			
0035	Food Services			
0036	Cocurricular/Extracurricular Activities			
0041	General Administration			
0051	Facilities Maintenance and Operations			
0052	Security and Monitoring Services		64,343	
0061	Community Services			
0081	Facilities Acquisition and Construction			
0093	Payments related to shared services arrangements			
6030	Total Expenditures	<u>81,146</u>	<u>403,288</u>	<u>15,437</u>
1100	Excess (deficiency) of revenues over expenditures		<u>4,573</u>	
	Other Financing Sources (Uses)			
7912	Sale of real or personal property			
	Total Other Financing Sources (Uses)			
1200	Net change in fund balances		4,573	
0100	Fund Balance - July 1 (Beginning)		<u>201</u>	
3000	Fund Balance -June 30 (Ending)	<u>\$</u>	<u>\$ 4,774</u>	<u>\$</u>

Advanced Placement Incentive	Instructional Materials Allotment	Read to Succeed	Campus Activity Funds	Education Foundation Awards
\$ 29,200	\$ 5,179,942	\$ 138	\$ 3,232,517 1,682	\$ 278,947
29,200	5,179,942	138	3,234,199	278,947
	3,825,637		2,092,553	96,848
		138	87,543	
28,750	13,495		86,952	11,731
	315		90,208	463
			3,923	10,000
			663	
			882,278	
			3,248	
			7,203	
			16,346	
				10,226
28,750	3,839,447	138	3,270,917	129,268
450	1,340,495		(36,718)	149,679
450	1,340,495		(36,718)	149,679
3,884	871,058	743	1,569,634	7,255
\$ 4,334	\$ 2,211,553	\$ 743	\$ 1,532,916	\$ 156,934

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2019***

Data Control Codes		Misc. Grants	Misc. Donations
	Revenues		
5700	Local and Intermediate Sources	\$ 75,000	\$
5800	State Program Revenues	17,111	
5900	Federal Program Revenues		
5020	Total Revenues	<u>92,111</u>	<u></u>
	Expenditures		
	Current:		
0011	Instruction	1,147	
0012	Instructional Resources and Media Services		
0013	Curriculum and Instructional Staff Development	90	
0021	Instructional Leadership		
0023	School Leadership		
0031	Guidance, Counseling and Evaluation Services		
0032	Social work services		
0033	Health Services		
0034	Student Transportation		
0035	Food Services		
0036	Cocurricular/Extracurricular Activities		
0041	General Administration	13,425	
0051	Facilities Maintenance and Operations		
0052	Security and Monitoring Services	4,835	
0061	Community Services		
0081	Facilities Acquisition and Construction	53,350	
0093	Payments related to shared services arrangements		
6030	Total Expenditures	<u>72,847</u>	<u></u>
1100	Excess (deficiency) of revenues over expenditures	<u>19,264</u>	<u></u>
	Other Financing Sources (Uses)		
7912	Sale of real or personal property		
	Total Other Financing Sources (Uses)	<u></u>	<u></u>
1200	Net change in fund balances	19,264	
0100	Fund Balance - July 1 (Beginning)	<u>3,727</u>	<u>6,415</u>
3000	Fund Balance -June 30 (Ending)	<u>\$ 22,991</u>	<u>\$ 6,415</u>

Lockheed Martin Grant	iPad Summit	Total Nonmajor Governmental Funds
\$ 100	\$	\$ 10,327,328
		5,330,107
		20,684,358
<u>100</u>		<u>36,341,793</u>
		11,776,919
		123,579
		1,052,820
		46,585
		120,815
		2,970,276
		14,067
		88,973
		41,958
		16,586,353
1,500		883,778
		16,673
		269,968
		76,381
		235,428
		63,576
		127,500
<u>1,500</u>		<u>34,495,649</u>
<u>(1,400)</u>		<u>1,846,144</u>
		37,527
		<u>37,527</u>
(1,400)		1,883,671
<u>3,042</u>		<u>3,702,103</u>
<u>\$ 1,642</u>	<u>\$</u>	<u>5,585,774</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS NONMAJOR ENTERPRICE FUNDS - EXHIBIT H-3
JUNE 30, 2019***

	Day Care Center	After School Care	Natatorium	Adult Education	Catering	Business- type Activities Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 100,022	\$ 367,978	\$ 1,461,719	\$ 3,769	\$	\$ 1,933,488
Other current assets		9,233				9,233
Total current assets	<u>100,022</u>	<u>377,211</u>	<u>1,461,719</u>	<u>3,769</u>		<u>1,942,721</u>
Total Assets	<u>100,022</u>	<u>377,211</u>	<u>1,461,719</u>	<u>3,769</u>		<u>1,942,721</u>
Liabilities						
Current Liabilities:						
Accounts payable	1,023	1,233	31,314			33,570
Payroll taxes payable	2,558		536		44	3,138
Accrued wages payable	22,958					22,958
Due to other funds	2,450	30,922	111,313		61,583	206,268
Total current liabilities	<u>28,989</u>	<u>32,155</u>	<u>143,163</u>		<u>61,627</u>	<u>265,934</u>
Net Position						
Unrestricted net position	71,033	345,056	1,318,556	3,769	(61,627)	1,676,787
Total Net Position	<u>\$ 71,033</u>	<u>\$ 345,056</u>	<u>\$ 1,318,556</u>	<u>\$ 3,769</u>	<u>\$ (61,627)</u>	<u>\$ 1,676,787</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

***COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS-NONMAJOR ENTERPRISE FUNDS - EXHIBIT H-4
FOR THE YEAR ENDED JUNE 30, 2019***

	Day Care Center	After School Care Program	Natatorium	Adult Education	Catering	Business- type Activities Total
Operating Revenues						
Local and Intermediate Sources	\$ 359,047	\$ 1,613,357	\$ 922,473	\$ 1,784	\$ 81,371	\$ 2,978,032
Total Operating Revenues	<u>359,047</u>	<u>1,613,357</u>	<u>922,473</u>	<u>1,784</u>	<u>81,371</u>	<u>2,978,032</u>
Operating Expenses						
Payroll costs	265,963	1,119,387	457,858	991	54,417	1,898,616
Purchased and contracted services	8,001	11,806	262,270			282,077
Supplies and materials	88,052	122,161	74,862	355	53,029	338,459
Other operating costs	45,135	102,883	140,144		1,019	289,181
Total operating expenses	<u>407,151</u>	<u>1,356,237</u>	<u>935,134</u>	<u>1,346</u>	<u>108,465</u>	<u>2,808,333</u>
Operating income (loss)	<u>(48,104)</u>	<u>257,120</u>	<u>(12,661)</u>	<u>438</u>	<u>(27,094)</u>	<u>169,699</u>
Change in Net Position	<u>(48,104)</u>	<u>257,120</u>	<u>(12,661)</u>	<u>438</u>	<u>(27,094)</u>	<u>169,699</u>
Net position - July 1 (beginning)	<u>119,137</u>	<u>87,936</u>	<u>1,331,217</u>	<u>3,331</u>	<u>(34,533)</u>	<u>1,507,088</u>
Net position - June 30 (ending)	<u>\$ 71,033</u>	<u>\$ 345,056</u>	<u>\$ 1,318,556</u>	<u>\$ 3,769</u>	<u>\$ (61,627)</u>	<u>\$ 1,676,787</u>

**MANSFIELD INDEPENDENT SCHOOL DISTRICT
COMBINING FUND STATEMENTS**

**COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS-NONMAJOR ENTERPRISE FUNDS - EXHIBIT H-5
FOR THE YEAR ENDED JUNE 30, 2019**

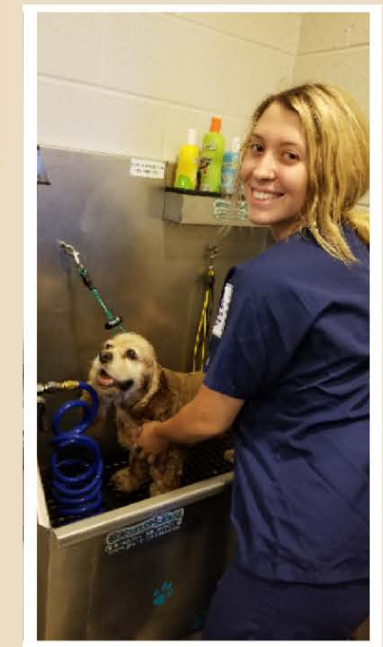
	Day Care Center	After School Care Program	Natatorium	Adult Education	Catering	Business- type Activities Total
Increase (Decrease) in Cash and Cash Equivalents						
Cash Flows from Operating Activities:						
Cash received from user charges	\$ 359,047	\$ 1,613,357	\$ 922,473	\$ 1,784	\$ 81,371	\$ 2,978,032
Cash payments to employees for services	(267,722)	(1,119,387)	(482,066)	(991)	(27,311)	(1,897,477)
Cash payments for contracted services	(8,001)	(11,806)	(262,270)			(282,077)
Cash payments for supplies	(85,693)	(99,239)	(46,940)	(355)	(53,041)	(285,268)
Cash payments for other expenses	(45,135)	(102,883)	(140,144)		(1,019)	(289,181)
Net Cash Provided by (Used for) Operating Activities	(47,504)	280,042	(8,947)	438		224,029
 Net Increase (Decrease) in Cash and Cash Equivalents	 (47,504)	 280,042	 (8,947)	 438		 224,029
Cash and Cash Equivalents at Beginning of Year	147,526	87,936	1,470,666	3,331		1,709,459
Cash and Cash Equivalents at End of Year	\$ 100,022	\$ 367,978	\$ 1,461,719	\$ 3,769	\$	\$ 1,933,488
 Reconciliation to Balance Sheet:						
Cash and Cash Equivalents Per Cash Flow	100,022	367,978	\$ 1,461,719	3,769		1,933,488
Cash and Cash Equivalents per Balance Sheet	\$ 100,022	\$ 367,978	\$ 1,461,719	\$ 3,769	\$	\$ 1,933,488
 Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ (48,104)	\$ 257,120	\$ (12,661)	\$ 438	\$ (27,094)	\$ 169,699
Change in Assets and Liabilities:						
Decrease (increase) in Due From Other Funds					(6,524)	(6,524)
Decrease (increase) in prepaid items		(9,233)				(9,233)
Increase (decrease) in accounts payable	(91)	1,233	27,922			29,064
Increase (decrease) in payroll taxes payable	2,050		59		(12)	2,097
Increase (decrease) in accrued wages payable	(3,809)		(24,267)			(28,076)
Increase (decrease) in due to other funds	2,450	30,922			33,630	67,002
Net Cash Provided by (Used for) Operating Activities	\$ (47,504)	\$ 280,042	\$ (8,947)	\$ 438	\$	\$ 224,029

MANSFIELD INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS - EXHIBIT H-6
FOR THE FISCAL YEAR ENDING JUNE 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Assets				
Cash and cash equivalents	\$ 860,697	\$ 4,003,107	\$ (4,162,034)	\$ 701,770
Due from Other Funds		65,277	(65,277)	
Due from Other Governments	37,474	518	(9,440)	28,552
Deferred Expenditures	69,249		(69,249)	
Other receivables	98,360	610,293	(708,568)	85
Total Assets	<u>\$ 1,065,780</u>	<u>\$ 4,679,195</u>	<u>\$ (5,014,568)</u>	<u>\$ 730,407</u>
Liabilities				
Accounts Payable	\$ 61,414	\$ 2,599,637	\$ (2,656,777)	\$ 4,274
Due to other	12,252	25,267	(20,808)	16,711
Due to Other Funds	143,666	158,909	(302,575)	
Due to student groups	848,448	3,362,197	(3,501,223)	709,422
Total liabilities	<u>\$ 1,065,780</u>	<u>\$ 6,146,010</u>	<u>\$ (6,481,383)</u>	<u>\$ 730,407</u>

(Page intentionally left blank.)

Required TEA Schedules



MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE - EXHIBIT J-1
FOR THE YEAR ENDED JUNE 30, 2019

Last Ten Years	(1)	(2)	(3)	
	Tax Rates		Assessed/Appraised	
	Maintenance	Debt Service	Value for School Tax Purposes	
2010 and prior years	Various	Various	Various	
2011	1.040000	0.456000	\$	8,321,526,050
2012	1.040000	0.456000		8,574,290,921
2013	1.040000	0.500000		9,354,124,064
2014	1.040000	0.487100		8,828,749,026
2015	1.040000	0.487000		9,072,174,412
2016	1.040000	0.470000		10,658,635,170
2017	1.040000	0.470000		11,444,353,095
2018	1.040000	0.500000		12,548,024,977
2019 (School year under audit)	1.040000	0.500000		13,939,141,882
1000 TOTALS				

Exhibit J-1

(10) Beginning Balance 7/1/2018	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2019
\$ 2,145,296		\$ 4,412	\$ 3,383	\$ (65,924)	\$ 2,071,577
187,102		4,086	1,792	(443)	180,781
203,025		11,006	5,291	(373)	186,355
256,191		(195,641)	(91,631)	(374,134)	169,329
460,563		29,283	13,712	(144,480)	273,088
163,459		76,416	34,534	205,359	257,868
707,744		106,618	48,183	(124,687)	428,256
723,090		118,054	53,351	(72,712)	478,973
3,219,682		1,298,175	624,123	(583,383)	714,001
	208,184,317	139,353,428	66,996,840	2,109,892	3,943,941
<u>\$ 8,066,152</u>	<u>\$ 208,184,317</u>	<u>\$ 140,805,837</u>	<u>\$ 67,689,578</u>	<u>\$ 949,115</u>	<u>\$ 8,704,169</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – ORIGINAL BUDGET, AMENDED FINAL AND
ACTUAL – CHILD NUTRITION FUND - EXHIBIT J-2
FOR THE YEAR ENDED JUNE 30, 2019

		Child Nutrition			
Data Control Codes		Original	Final	Actual Amounts, GAAP Basis	Variance with Final Budget - Positive (Negative)
Revenues					
5700	Local and intermediate sources	\$ 6,770,000	\$ 6,770,000	\$ 6,727,795	\$ (42,205)
5800	State program revenues	85,000	85,000	86,597	1,597
5900	Federal program revenues	9,670,000	9,670,000	10,296,477	626,477
5020	Total revenues	16,525,000	16,525,000	17,110,869	585,869
Expenditures					
Current:					
0035	Food services	16,509,457	16,706,830	16,446,939	259,891
0051	Facilities maintenance and operations	251,175	251,175	269,968	(18,793)
6030	Total Expenditures	16,760,632	16,958,005	16,716,907	241,098
1100	Excess (deficiency) of revenues over expenditure	(235,632)	(433,005)	393,962	826,967
Other Financing Sources (Uses)					
7912	Sale of real or personal property			37,527	37,527
7080	Total other financing sources and uses			37,527	37,527
1200	Net change in fund balances	(235,632)	(433,005)	431,489	864,494
0100	Fund Balance - July 1 (Beginning)	2,428,037	2,428,038	1,229,052	(1,198,986)
3000	Fund Balance - June 30 (Ending)	\$ 2,192,405	\$ 1,995,033	\$ 1,660,541	\$ (334,492)

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL – DEBT
SERVICE FUND – EXHIBIT J-3
FOR THE YEAR ENDED JUNE 30, 2019

Data Control Codes		Debt Service			Variance with Final Budget - Positive (Negative)
		Original	Final	Actual Amounts, GAAP Basis	
Revenues					
5700	Local and intermediate sources	\$ 68,157,968	\$ 68,157,968	\$ 68,968,824	\$ 810,856
5800	State program revenues			1,413,958	1,413,958
5020	Total revenues	68,157,968	68,157,968	70,382,782	2,224,814
Expenditures					
Current:					
Debt service:					
0071	Principal on long-term debt	23,745,000	23,745,000	23,745,000	
0072	Interest on long-term debt	33,384,847	33,384,847	33,384,846	1
0073	Bond issuance costs and fees	200,000	200,000	29,417	170,583
6030	Total Expenditures	57,329,847	57,329,847	57,159,263	170,584
1100	Excess (deficiency) of revenues over expenditures	10,828,121	10,828,121	13,223,519	2,395,398
1200	Net change in fund balances	10,828,121	10,828,121	13,223,519	2,395,398
0100	Fund Balance - July 1 (Beginning)	29,979,801	31,347,262	33,244,467	1,897,205
3000	Fund Balance - June 30 (Ending)	\$ 40,807,922	\$ 42,175,383	\$ 46,467,986	\$ 4,292,603

(This page intentionally left blank.)



Statistical Section

(This page intentionally left blank.)

STATISTICAL SECTION

The statistical section of the Mansfield Independent School District's Comprehensive Annual Financial Report presents detailed information (both of current and historical) as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and other supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, this section is categorized as follows:

Financial Trends

These schedules contain trend information to assist in understanding how the District's financial performance and position have changed over time.

Revenue Capacity

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to assist in assessing the affordability of the District's current debt burden and its ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to aid in understanding the socioeconomic environment in which the District operates and to facilitate comparisons over time.

Operating Information

These schedules contain information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT – TABLE 1
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018(3)</u>	<u>2017</u>	<u>2016 (2)</u>	<u>2015</u>
Governmental Activities:					
Net Investment in					
Capital Assets	\$ (39,945,692)	\$ (50,278,200)	\$ (26,334,536)	\$ (39,531,821)	\$ (43,045,743)
Restricted	39,539,478	42,870,496	17,514,139	17,165,462	14,740,490
Unrestricted	<u>(111,461,901)</u>	<u>(107,819,151)</u>	<u>34,893,251</u>	<u>61,904,059</u>	<u>41,629,583</u>
Total Governmental					
Activities Net Position	<u>(111,868,115)</u>	<u>(115,226,855)</u>	<u>26,072,854</u>	<u>39,537,700 (1)</u>	<u>13,324,330</u>
Business-Type Activities:					
Unrestricted	<u>1,676,787</u>	<u>1,507,088</u>	<u>1,514,588</u>	<u>1,484,837</u>	<u>1,446,756</u>
Total Business-Type					
Activities Net Position	<u>1,676,787</u>	<u>1,507,088</u>	<u>1,514,588</u>	<u>1,484,837</u>	<u>1,446,756</u>
Primary Government:					
Net Investment in					
Capital Assets	(39,945,692)	(50,278,200)	(26,334,536)	(39,531,821)	(43,045,743)
Restricted	39,539,478	42,870,496	17,514,139	17,165,462	14,740,490
Unrestricted	<u>(109,785,114)</u>	<u>(106,312,063)</u>	<u>36,407,839</u>	<u>63,388,896</u>	<u>43,076,339</u>
Total Primary Government					
Activities Net Position	<u>\$ (110,191,328)</u>	<u>\$ (113,719,767)</u>	<u>\$ 27,587,442</u>	<u>\$ 41,022,537</u>	<u>\$ 14,771,086</u>

- (1) Net position decreased after the effect of a prior period adjustment for bond issuance costs with the implementation of GASB 65 and an increase of current year activities primarily due to an increase in property tax collections.
- (2) District changed the fiscal year from August 31st to June 30th, causing FY16 to be a ten month transition year.
- (3) Net position decreased after the effect of a prior period adjustment of OPEB costs with the implementation of GASB 75

Table 1

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ (24,672,550)	\$ (12,080,569)	\$ (6,755,499)	\$ (1,167,932)	\$ 2,753,827
35,442,189	20,208,753	18,765,336	13,249,799	17,244,725
68,608,559	89,988,349	103,720,882	103,320,172	93,408,667
<u>79,378,198</u>	<u>98,116,533</u>	<u>115,730,719</u>	<u>115,402,039</u>	<u>113,407,219</u>
 1,254,381	 1,068,149	 874,251	 768,686	 653,627
<u>1,254,381</u>	<u>1,068,149</u>	<u>874,251</u>	<u>768,686</u>	<u>653,627</u>
 (24,672,550)	 (12,080,569)	 (6,755,499)	 (1,167,932)	 2,753,827
35,442,189	20,208,753	18,765,336	13,249,799	17,244,725
69,862,940	91,056,498	104,595,133	104,088,858	94,062,294
<u>\$ 80,632,579</u>	<u>\$ 99,184,682</u>	<u>\$ 116,604,970</u>	<u>\$ 116,170,725</u>	<u>\$ 114,060,846</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION – TABLE 2
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	2019	2018	2017	2016 (1)	2015
Expenses					
Governmental Activities:					
Instruction	\$ 229,107,658	\$ 142,100,899	\$ 209,606,195	\$ 189,208,988	\$ 196,877,689
Instructional Resources and Media Services	3,951,231	4,330,210	5,749,795	4,784,056	5,148,254
Curriculum and Instructional Staff Development	5,233,880	2,846,028	3,734,124	2,981,156	3,009,627
Instructional Leadership	4,198,627	2,129,692	3,337,935	2,824,063	3,218,190
School Leadership	19,824,910	13,465,260	17,723,656	17,080,137	18,597,772
Guidance, Counseling, and Evaluation Services	15,091,355	8,191,521	13,883,147	11,093,643	11,310,609
Social Work Services	14,067	18,711	11,847	176,479	8,984
Health Services	4,965,745	2,821,958	5,065,973	5,821,137	4,681,032
Student Transportation	13,067,784	8,933,927	9,877,060	11,154,026	11,497,836
Food Services	16,433,643	17,119,826	17,254,724	15,478,401	16,105,884
Extracurricular Activities	11,607,002	10,758,511	12,098,882	8,234,188	9,789,023
General Administration	7,484,602	4,960,762	8,774,962	6,069,681	6,577,006
Plant Maintenance and Operations	30,098,925	22,659,848	30,401,466	25,089,753	28,269,616
Security and Monitoring Services	7,267,997	2,994,200	4,702,763	3,448,765	3,880,820
Data Processing Services	12,027,956	3,454,415	5,337,701	3,749,626	3,623,084
Community Services	825,626	394,124	858,142	373,064	380,162
Interest on Long-term Debt	31,577,451	31,135,307	30,456,653	20,022,826	35,612,988
Bond Issuance Costs and Fees					
Facilities Acquisition and Construction	797,614				
Payments to Shared Services Arrangements	127,500	127,656	177,654	70,579	107,216
Payments to Juvenile Justice Alternative Ed. Program			129	10,707	
Other Intergovernmental Charges	1,147,860	1,061,384	981,185	761,482	900,491
Total Governmental Activities Expenses	<u>414,851,433</u>	<u>279,504,239</u>	<u>380,033,993</u>	<u>328,432,757</u>	<u>359,596,283</u>
Business-Type Activities:					
Day Care	407,151	298,685	357,426	219,591	200,221
After-School Care Program	1,356,237	218,057			
Natorium	935,134	940,532	669,329	581,830	489,968
Adult Education	1,346	4,670	7,095	16,436	5,057
Catering	108,465	90,021	90,862		
Total Business-Type Expenses	<u>2,808,333</u>	<u>1,551,965</u>	<u>1,124,712</u>	<u>817,857</u>	<u>695,246</u>
Total Primary Government Expenses	<u>417,659,766</u>	<u>281,056,204</u>	<u>381,158,705</u>	<u>329,250,614</u>	<u>360,291,529</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
Instruction	215,549	219,729	158,316	240,549	195,506
Food Services	6,724,708	6,736,680	6,681,100	6,371,846	6,458,270
Extracurricular Activities	574,051	739,993	831,400	973,848	870,908
Other Activities					
Operating Grants and Contributions	58,097,376	(24,338,284)	22,473,533	21,478,526	19,628,903
Total Governmental Activities Program Revenues	<u>65,611,684</u>	<u>(16,641,882)</u>	<u>30,144,349</u>	<u>29,064,769</u>	<u>27,153,587</u>
Business-Type Activities:					
Charges for Services:					
Day Care	359,047	285,417	303,576	241,270	228,899
Adult Education	1,613,357	303,752			
Natorium	922,473	879,679	769,042	596,064	651,849
Adult Education	1,784	2,539	8,573	18,604	6,873
Catering	81,371	73,078	73,272		
Total Business-Type Activities Program Revenues	<u>2,978,032</u>	<u>1,544,465</u>	<u>1,154,463</u>	<u>855,938</u>	<u>887,621</u>
Total Primary Government Revenues	<u>68,589,716</u>	<u>(15,097,417)</u>	<u>31,298,812</u>	<u>29,920,707</u>	<u>28,041,208</u>
Net (Expense)/Revenue					
Governmental Activities	(349,239,749)	(296,146,121)	(349,889,644)	(299,367,988)	(332,442,696)
Business-Type Activities	169,699	(7,500)	29,751	38,081	192,375
Total Primary Government Net Expense	\$ <u>(349,070,050)</u>	\$ <u>(296,153,621)</u>	\$ <u>(349,859,893)</u>	\$ <u>(299,329,907)</u>	\$ <u>(332,250,321)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes, Levied for General Purposes	\$ 141,595,995	\$ 133,332,004	\$ 119,269,358	\$ 110,937,613	\$ 106,539,695
Property Taxes, Levied for Debt Service	68,573,102	63,997,973	53,982,207	49,528,953	49,592,042
State-aid Formula Grants Not Restricted	126,809,071	133,619,697	155,691,235	159,053,982	148,589,830
Investment Earnings	4,582,414	2,612,472	1,131,607		140,319
Grants and Contributions Not Restricted to Specific Programs				463,804	
Miscellaneous	11,037,907	5,067,415	3,522,747	4,839,409	8,978,765
Gain on Sale of Capital Assets		257,948	2,431,288	185,346	208,276
Special Item - Oil and gas funds	0	382,030	396,356	572,251	
Total Primary Government General Revenues	<u>352,598,489</u>	<u>339,269,539</u>	<u>336,424,798</u>	<u>325,581,358</u>	<u>314,048,927</u>
Change in Net Position - Total Primary Government	\$ <u>3,528,439</u>	\$ <u>43,115,918</u>	\$ <u>(13,435,095)</u>	\$ <u>26,251,451</u>	\$ <u>(18,201,394)</u>

(1) District changed the fiscal year from August 31st to June 30th, causing FY16 to be a ten month transition year.

(2) The District implemented GASB 65 which requires bond issuance costs and fees to be expensed in the current period rather than capitalized and amortized.

TABLE 2

2014	2013	2012	2011	2010
\$ 184,350,106	\$ 168,551,277	\$ 170,101,863	\$ 163,272,516	\$ 150,057,613
5,006,141	4,909,866	4,487,952	4,418,426	4,031,093
3,018,380	2,730,568	2,537,353	2,934,834	2,387,118
4,775,035	2,654,455	2,514,569	2,403,080	2,002,363
16,402,242	17,405,398	15,834,356	15,646,416	14,382,678
10,648,255	10,150,159	9,581,037	9,237,209	8,946,235
6,680	70,136	65,867	64,763	62,476
4,398,982	4,103,746	3,700,939	3,642,173	3,241,021
10,858,804	10,704,464	9,720,955	9,101,290	7,983,672
16,202,321	16,038,738	13,888,854	13,613,046	12,449,256
9,647,359	9,428,187	8,250,483	8,284,147	7,980,978
6,334,806	5,494,170	4,818,303	4,407,044	4,316,196
29,335,643	24,887,716	23,972,101	23,350,908	21,646,664
3,481,481	3,238,120	2,555,072	2,564,195	2,334,253
4,375,949	3,598,745	2,983,474	3,877,101	2,165,964
304,351	228,789	155,257	233,572	197,786
31,118,938	29,316,634	31,399,229	30,614,760	33,053,653
		93,949	37,097	69,705
82,725	105,000	112,500		
19,173	35,625	21,000	127,884	171,933
947,074	997,230	900,040	869,244	931,441
<u>341,314,445</u>	<u>314,649,023</u>	<u>307,695,153</u>	<u>298,699,705</u>	<u>278,412,098</u>
200,754	169,076	180,976	196,526	179,799
435,715	343,419	287,078	277,898	220,585
636,469	512,495	468,054	474,424	400,384
<u>341,950,914</u>	<u>315,161,518</u>	<u>308,163,207</u>	<u>299,174,129</u>	<u>278,812,482</u>
247,111	3,964,368	306,423	3,540,000	4,164,085
6,047,179	5,873,890	5,921,093	5,750,929	5,533,108
758,176	1,001,593	785,728	881,800	847,782
492,160	1,429,768	630,649	442,405	500,741
24,085,575	36,894,601	51,973,150	45,723,842	40,754,158
<u>31,630,201</u>	<u>49,164,220</u>	<u>59,617,043</u>	<u>56,338,976</u>	<u>51,799,874</u>
205,860	190,476	180,633	213,504	208,968
616,841	515,917	402,480	402,129	397,083
822,701	706,393	583,113	615,633	606,051
<u>32,452,902</u>	<u>49,870,613</u>	<u>60,200,156</u>	<u>56,954,609</u>	<u>52,405,925</u>
(309,684,244)	(265,484,803)	(248,078,110)	(242,360,729)	(226,612,224)
186,232	193,898	115,059	141,209	205,667
<u>\$ (309,498,012)</u>	<u>\$ (265,290,905)</u>	<u>\$ (247,963,051)</u>	<u>\$ (242,219,520)</u>	<u>\$ (226,406,557)</u>
\$ 102,097,705	97,232,201	97,735,195		
46,597,824	46,889,675	42,678,614		
134,382,711	107,413,121	105,197,068		
431,042	459,186	1,694,908		
	623,107			
2,966,262		23,179		
4,324,631	995,376	384,920		
145,734				
<u>290,945,909</u>	<u>253,612,666</u>	<u>247,713,884</u>		
<u>\$ (18,552,103)</u>	<u>\$ (11,678,239)</u>	<u>\$ (249,167)</u>	<u>\$ (242,219,520)</u>	<u>\$ (226,406,557)</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS – TABLE 3
LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)(6)</u>	<u>2015 (1)</u>
General Fund (2)					
Non-Spendable	\$ 925,049	\$ 866,909	\$ 1,286,060	\$ 985,788	\$ 1,441,526
Restricted					2,256,713
Committed				(3)	2,752,666
Assigned					
Unassigned	94,023,679	88,188,154	81,412,592	106,142,308	78,726,760
Total General Fund	\$ <u>94,948,728</u>	\$ <u>89,055,063</u>	\$ <u>82,698,652</u>	\$ <u>107,128,096</u>	\$ <u>85,177,665</u>
All Other Governmental Funds (2)					
Non-spendable	\$ 237,877	\$ 651,282	\$ 1,192,561	\$ 68,065	\$ 112,248
Restricted	74,311,140	86,316,281	57,760,295	62,734,926	(4) 86,752,970
Committed	1,531,089	1,561,107	1,427,137	1,481,507	1,704,735
Total All Other Governmental Funds	\$ <u>76,080,106</u>	\$ <u>88,528,670</u>	\$ <u>60,379,993</u>	\$ <u>64,284,498</u>	\$ <u>88,569,953</u>

(1) Beginning with fiscal year 2011, GASB Statement No. 54 provides more clearly defined fund balance categories.

(2) The increases/decreases in fund balances are explained in the governmental funds section of the Management's Discussion and Analysis on page 18.

(3) Budget deficits are expected to decrease.

(4) The decrease is mostly due to ongoing construction renovation projects.

(5) The fluctuations were primarily due to the outlay of bond proceeds for capital projects.

(6) District changed the fiscal year from August 31st to June 30th, causing FY16 to be a ten month transition year.

Table 3

<u>2014 (1)</u>	<u>2013 (1)</u>	<u>2012 (1)</u>	<u>2011 (1)</u>	<u>2010</u>
\$ 1,228,365	\$ 1,634,056	\$ 276,912	\$ 276,973	\$ 185,449
2,680,838				
14,492,082	9,015,355	9,015,355	8,684,545	13,738,295
		15,760,810	18,671,663	
70,952,391	85,164,360	75,273,604	69,089,777	73,477,462
<u>\$ 89,353,676</u>	<u>\$ 95,813,771</u>	<u>\$ 100,326,681</u>	<u>\$ 96,722,958</u>	<u>\$ 87,401,206</u>
\$ 30,633,371	\$ 133,276	\$ 153,184	\$	\$
1,550,746	58,227,625	100,139,764	102,248,735	129,911,633
	1,547,303	1,557,317		
<u>\$ 32,184,117</u>	<u>\$ 59,908,204</u>	<u>\$ 101,850,265</u>	<u>\$ 102,248,735</u>	<u>\$ 129,911,633</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS – TABLE 4
LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2019	2018	2017	2016 (6)	2015
REVENUES					
Local, Intermediate, and Out-of-State	\$ 232,414,154	\$ 212,147,646	\$ 186,866,381	\$ 172,121,573	\$ 168,197,410
State Programs	147,844,065	152,394,419	153,100,200	150,383,369	152,278,641
Federal Programs	25,600,480	23,048,036	20,975,650	21,478,527	19,987,508
Total Revenues	<u>405,858,699</u>	<u>387,590,101</u>	<u>360,942,231</u>	<u>343,983,469</u>	<u>340,463,559</u>
EXPENDITURES					
Current:					
Instruction (1)	187,966,707	182,840,796	180,622,905	157,847,396	175,056,421
Instructional Resources and Media Services	3,706,232	3,719,364	3,907,855	3,252,398	3,435,626
Curriculum and Instructional Staff Development	4,924,678	3,713,561	3,666,124	2,916,156	2,988,473
Instructional Leadership	3,871,027	3,621,638	3,252,935	2,716,648	3,082,949
School Leadership	18,358,129	18,813,058	17,156,814	14,972,131	16,593,876
Guidance, Counseling, and Evaluation Services	12,331,172	12,426,386	11,531,030	10,443,775	10,943,605
Social Work Services	14,067	18,711	11,847	3,696	8,984
Health Services	4,262,507	4,580,198	4,553,125	4,116,121	4,451,099
Student Transportation	12,342,797	10,196,976	11,432,022	9,675,277	10,373,005
Food Services	16,622,003	15,455,514	15,182,981	13,942,822	14,429,272
Extracurricular Activities	10,757,143	10,438,840	8,649,462	8,639,426	7,867,327
General Administration	6,997,833	6,759,523	6,612,424	5,614,690	6,342,689
Plant Maintenance and Operations	29,710,632	29,543,650	30,718,077	24,910,792	29,102,852
Security and Monitoring Services	7,359,637	4,533,561	4,516,257	3,530,297	3,798,142
Data Processing Services	4,778,718	4,204,508	5,327,218	3,522,716	3,745,902
Community Services	661,627	589,119	475,726	369,064	399,782
Debt Service: (2)					
Principal on Long-term Debt	24,085,607	29,962,460	24,995,922	24,576,183	19,873,374
Interest on Long-term Debt	33,384,846	32,653,067	32,925,627	16,651,273	34,665,959
Bond Issuance Costs and Fees	511,015	995,417	370,107	505,364	2,304,717
Capital Outlay:					
Facilities Acquisition and Construction (3)	79,366,169	29,062,303	25,499,450	39,221,694	43,890,091
Intergovernmental:					
Payments to Shared Services Arrangements	127,500	127,656	177,654	70,579	107,216
Payments to Juvenile Justice Alternative Education Programs	-	-	129	10,707	-
Other Intergovernmental Charges (4)	1,147,860	1,061,384	981,185	761,482	900,491
Total Expenditures	<u>463,287,906</u>	<u>405,317,690</u>	<u>392,566,876</u>	<u>348,270,687</u>	<u>394,361,852</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(57,429,207)</u>	<u>(17,727,589)</u>	<u>(31,624,645)</u>	<u>(4,287,218)</u>	<u>(53,898,293)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of Capital-Related Bonds	47,295,000	43,985,000	-	-	90,435,000
Issuance of Refunding Bonds	-	74,810,000	32,760,000	45,275,000	137,800,000
Premium/Discount from Issuance of Bonds	3,186,598	12,417,031	5,417,652	6,582,414	24,394,918
Sale of Real and Personal Property	78,572	257,948	2,523,883	640,094	257,120
Loan/Lease Proceeds	-	635,000	-	642,440	5,434,140
Insurance Proceeds	-	-	-	-	-
Special Item - oil and gas royalties	340,637	382,030	-	185,346	928,327
Other Resources	-	-	-	-	-
Transfers In	2,908	-	20,607,564	(2,496)	53,150
Transfers Out	(2,908)	-	(20,607,564)	2,496	(53,150)
Payment to Refunded Bond Escrow Agent	-	(80,226,775)	(37,821,253)	(51,373,099)	(153,100,387)
Other Uses	(26,500)	-	-	-	(41,000)
Total Other Financing Sources (Uses)	<u>50,874,307</u>	<u>52,260,234</u>	<u>2,880,282</u>	<u>1,952,195</u>	<u>106,108,118</u>
EXTRAORDINARY ITEM					
Insurance Proceeds for Fire Damages	-	-	-	-	-
Net Change in Fund Balances	\$ (6,554,900)	\$ 34,532,645	\$ (28,744,363)	\$ (2,335,023)	\$ 52,209,825
Debt Service as a Percentage of Noncapital Expenditures (2)					
	13.25%	16.66%	15.95%	13.48%	15.76%

- (1) Expenditures for instruction have risen over the past ten years due to fast student growth.
- (2) Noncapital expenditures consist of total expenditures less capital outlays noted in the reconciliation of governmental funds to governmental activities. Debt service includes principal and interest only.
- (3) Fluctuations are due to changes in annual construction contracts.
- (4) Due to a change in Texas coding requirements, other intergovernmental charges includes Tarrant County tax appraisal fees which were recorded in general administration in prior years.
- (5) Increase is due to an increase in students resulting in additional state aid.
- (6) District changed the fiscal year from August 31st to June 30th, causing FY16 to be a ten month transition year.

2014	2013	2012	2011	2010
158,146,630	\$ 158,483,450	\$ 155,885,508	\$ 150,949,495	\$ 149,869,587
144,170,156	126,637,360	123,391,236	130,078,101	119,578,422
18,898,563	18,062,643	21,481,940	26,885,791	24,335,291
<u>321,215,349</u>	<u>303,183,453</u>	<u>300,758,684</u>	<u>307,913,387</u>	<u>293,783,300</u>
161,579,109	146,559,762	146,704,735	152,297,294	145,746,962
3,438,158	3,354,269	3,256,185	3,183,395	3,139,000
2,983,656	2,730,568	2,698,109	2,535,935	2,933,416
2,958,950	2,620,334	2,539,799	2,480,448	2,368,959
16,061,943	15,651,388	14,622,732	14,432,664	14,274,401
10,648,255	9,831,715	9,121,194	9,330,377	8,991,462
6,680	70,136	71,347	65,867	64,763
4,207,998	3,917,708	3,699,367	3,543,459	3,489,049
9,544,679	9,004,086	9,681,755	9,585,763	9,683,749
14,643,714	13,900,246	11,863,085	11,599,797	11,439,137
7,890,071	7,672,871	6,689,229	6,469,586	6,499,619
6,177,914	5,260,278	4,671,210	4,582,982	4,171,723
28,143,666	25,550,889	23,256,887	23,603,548	22,971,553
3,778,148	3,268,530	2,685,817	2,611,565	2,534,475
4,474,275	3,262,360	4,140,458	2,933,737	4,933,357
304,351	228,789	119,593	155,257	233,572
21,011,589	25,015,000	15,928,467	19,946,514	16,827,892
33,306,740	29,541,743	33,722,505	33,932,523	33,090,112
518,202	1,929,685	794,018	781,908	
74,478,173	41,268,635	53,921,623	74,446,945	25,645,000
82,725	105,000	127,500	112,500	127,884
19,173	35,625	53,500	21,000	
947,074	997,230	968,689	900,040	869,244
<u>407,205,243</u>	<u>351,776,847</u>	<u>351,337,804</u>	<u>379,553,104</u>	<u>320,035,329</u>
<u>(85,989,894)</u>	<u>(48,593,394)</u>	<u>(50,579,120)</u>	<u>(71,639,717)</u>	<u>(26,252,029)</u>
49,355,000	201,740,000			
1,157,050	31,429,056	11,134,466	4,327,968	16,084,926
145,734	175,719	80,803	44,409	16,790
	-	50,000,000	58,725,000	-
	-	58,190,000	-	130,065,000
1,143,109				
4,819	18,726			
		584,500	262,974	8,027,726
		(584,500)	(262,974)	(8,027,726)
	(231,225,078)	(67,479,593)	(9,783,003)	(144,770,776)
-	-	-	(15,803)	-
<u>51,805,712</u>	<u>2,138,423</u>	<u>51,925,676</u>	<u>53,298,571</u>	<u>1,395,940</u>
-	-	-	-	-
<u><u>(34,184,182)</u></u>	<u><u>\$ (46,454,971)</u></u>	<u><u>\$ 1,346,556</u></u>	<u><u>\$ (18,341,146)</u></u>	<u><u>\$ (24,856,089)</u></u>
16.43%	17.70%	20.06%	19.00%	22.99%

MANSFIELD INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY – TABLE 5
LAST TEN FISCAL YEARS

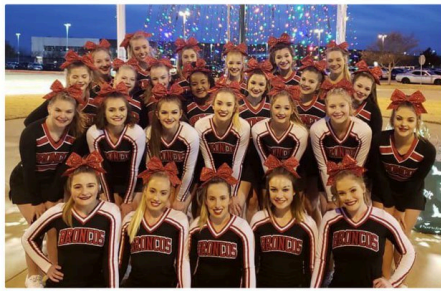
Fiscal Year Ended 6/30: (3)	Assessed and Actual Value			Total Assessed and Actual Value	Total Direct Rate (2)
	Real Property Value (1)	Personal Property Value (1)	Less: Exemptions		
2019	\$ 15,320,893,118	\$ 1,878,070,304	\$ (3,196,659,032)	\$ 14,002,304,390	\$ 1.5400
2018	14,128,065,388	1,601,852,002	(2,792,717,702)	12,937,199,688	1.5400
2017	12,767,556,171	1,324,854,487	(2,480,763,034)	11,611,647,624	1.5100
2016	11,839,933,616	1,018,867,807	(2,315,544,404)	10,543,257,019	1.5100
2015	11,072,058,335	1,160,847,343	(1,959,778,417)	10,273,127,261	1.5271
2014	10,670,634,595	98,237,212	(1,696,697,395)	9,072,174,412	1.5271
2013	9,280,227,979	93,492,044	(544,970,997)	8,828,749,026	1.5000
2012	9,338,974,160	932,382,648	(917,232,744)	9,354,124,064	1.4960
2011	9,044,245,282	893,509,026	(1,363,464,017)	8,574,290,291	1.4960
2010	9,148,313,874	1,045,174,715	(1,871,962,529)	8,321,526,060	1.4500

(1) The value is the appraised value at original certification and fluctuates due to property owner protests and preliminary appraisal values at the time of certification.

(2) Tax Rates are per \$100 of assessed value.

(3) District changed its fiscal year to June 30th during 2016

Source: Tarrant County (Texas) Appraisal District annually provides the District's tax office with appraised values for properties within the District's taxing authority. Appraised value equals actual value. Actual value less exemptions equals taxable value. Taxable value times the tax rate set by the District's Board of Trustees each fall equal the tax levy. The term "assessed value" means taxable value.



MANSFIELD INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS – TABLE 6
LAST TEN FISCAL YEARS (PER \$100 OF ASSESSED VALUE)

<u>Taxing Authority</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Overlapping Rates:</u>				
City of Arlington	\$ 0.6348	\$ 0.6398	\$ 0.6448	\$ 0.6480
City of Fort Worth	0.7805	0.8050	0.8350	0.8550
City of Grand Prairie	0.6699	0.6700	0.6700	0.6700
City of Mansfield	0.7100	0.7100	0.7100	0.7100
Tarrant County (2)	0.6964	0.6085	0.7414	0.7414
Johnson County	0.5320	0.5320	0.5197	0.4480
Total Other Entities	<u>\$ 4.0236</u>	<u>\$ 3.9653</u>	<u>\$ 4.1209</u>	<u>\$ 4.0724</u>
<u>District Direct Rates (1):</u>				
Maintenance & Operations	\$ 1.0400	\$ 1.0400	\$ 1.0400	1.0400
Debt Service	<u>0.5000</u>	<u>0.5000</u>	<u>0.4700</u>	<u>0.4700</u>
Total District Direct Rates	<u>\$ 1.5400</u>	<u>\$ 1.5400</u>	<u>\$ 1.5100</u>	<u>\$ 1.5100</u>

(1) The District voted its maintenance tax under former Article 2784e-1 which provided for a maximum maintenance tax rate of \$1.50 per \$100 assessed valuation. Effective with the 2006-07 fiscal year, State legislation limits the rate to the lessor of \$1.50 or the sum of the product of the "state compression percentage" multiplied by \$1.50 plus \$0.17 (contingent upon voter approval).
Section 45.003(b)(1) of the Texas Education Code provides for an unlimited tax rate for debt service if the District has met the ability to pay standards as outlined in Chapter 45 of the Texas Education Code.

(2) Includes Tarrant County, Tarrant County College, Tarrant Regional Water District, JPS Health Network, & Tarrant County
Emergency Services District

Source: Guide to Taxing Units - Tarrant County, Texas

Table 6

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 0.6480	\$ 0.6480	\$ 0.6480	\$ 0.6480	\$ 0.6480	\$ 0.6480
0.8550	0.8550	0.8550	0.8550	0.8550	0.8550
0.6700	0.6700	0.6700	0.6700	0.6700	0.6700
0.7100	0.7100	0.7100	0.7500	0.7500	0.7500
0.7414	0.7414	0.7249	0.7249	0.7135	0.7136
0.4450	0.4450	0.4202	0.3822	0.3795	0.3795
<u>\$ 4.0694</u>	<u>\$ 4.0694</u>	<u>\$ 4.0280</u>	<u>\$ 4.0301</u>	<u>\$ 4.0160</u>	<u>\$ 4.0161</u>
1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400
0.4871	0.4871	0.5000	0.4560	0.4560	0.4100
<u>\$ 1.5271</u>	<u>\$ 1.5271</u>	<u>\$ 1.5400</u>	<u>\$ 1.4960</u>	<u>\$ 1.4960</u>	<u>\$ 1.4500</u>

MANSFIELD INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS – TABLE 7
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2019			2010		
	Assessed Value (1)	Rank	Percentage of Total Assessed Value (2)	Assessed Value (1)	Rank	Percentage of Total Assessed Value (3)
Mouser Electronics Inc.	\$ 735,663,440	1	5.25%	\$ 35,763,522	7	0.43%
WMCI Dallas V LLC/WMCI Dallas VI	107,395,096	2	0.77%			
Oncor Electric Delivery Company	95,028,504	3	0.68%	76,533,624	2	0.92%
Mid-America Apartments LP	67,160,000	4	0.48%			
Mansfield KDC II & III LP	58,854,268	5	0.42%	32,000,584	9	0.38%
Wal Mart Stores, Inc.	50,168,638	6	0.36%	51,987,355	5	0.62%
EVOLV AL LP	48,250,000	7	0.34%			
WP MOTG - TXMF Owner LLC	46,950,000	8	0.34%			
WMCI Dallas II LLC	46,000,000	9	0.33%			
Steadfast Villaggio LLC	41,700,000	10	0.30%			
XTO Energy, Inc.				\$ 252,252,513	1	3.02%
Carrizo Oil & Gas				73,919,026	3	0.88%
EOG Resources, Inc.				68,886,858	4	0.82%
Chesapeake Land Dev Co LLC				41,426,072	6	0.50%
Range Production				32,432,386	8	0.39%
Target Corp				31,768,511	10	0.38%
TOTALS	\$ 1,297,169,946		9.26%	\$ 696,970,451		8.34%

(1) Assessed (taxable) value equals appraised value after exemptions.

(2) Total assessed value equals: \$ 14,002,304,390

(3) Total assessed value equals: \$ 8,361,317,401

Source: Tarrant County (Texas) and Central Appraisal District.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS – TABLE 8
LAST TEN FISCAL YEARS

Fiscal Year Ended 6/30:	Net Tax Levy For The Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections to Net Tax Levy
2019	\$ 208,184,317	\$ 206,350,268	99.12%	\$	\$ 206,350,268	99.12%
2018	195,595,875	192,376,193	98.35%	1,338,915	192,376,193	98.35%
2017	172,845,186	170,069,597	98.39%	2,707,251	172,776,848	99.96%
2016	159,203,181	156,063,483	98.03%	1,418,251	157,481,734	98.92%
2015	154,744,727	153,201,374	99.00%	1,246,794	154,448,168	99.81%
2014	145,270,362	143,801,664	98.99%	1,301,678	145,103,342	99.89%
2013	143,585,117	142,201,209	99.04%	1,390,066	143,591,275	100.00%
2012	139,937,696	138,328,256	98.85%	1,403,701	139,731,957	99.85%
2011	135,785,731	134,310,039	98.91%	1,153,615	135,463,654	99.76%
2010	135,013,066	132,807,047	98.37%	1,890,191	134,697,238	99.77%
2009	128,357,289	125,625,216	97.87%	2,470,995	128,096,211	99.80%

(1) Appraised value less exemptions equals taxable value. The beginning taxable value net of adjustments times the tax rate set each fall by the District's Board of Trustees equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

Source: Tarrant County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE – TABLE 9
LAST TEN FISCAL YEARS

Fiscal Year Ended 6/30:	Governmental Activities		Total Primary Government	Ratio of Debt to Assessed Value (2)	Debt Per Student (3)
	General Obligation Bonds (1)	Leases Payable (1)			
2019	\$ 773,725,000	\$ 658,638	\$ 774,383,638	5.53%	\$ 23,185
2018	750,175,000	984,826	751,159,826	5.81%	22,681
2017	805,416,590	2,332,286	807,748,876	6.24%	24,753
2016	764,415,000	4,258,208	768,673,208	6.62%	23,884
2015	788,320,000	5,434,140	793,754,140	7.53%	25,399
2014	740,529,963		740,529,963	7.21%	23,695
2013	691,174,962		691,174,962	7.62%	22,149
2012	724,279,962		724,279,962	8.20%	23,413
2011	696,013,429		696,013,429	7.44%	22,783
2010	666,804,943		666,804,943	7.78%	22,331

- (1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.
Outstanding debt is presented at par value plus premiums.
- (2) See Table 5 for assessed value data.
- (3) See Table 16 for student enrollment data.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING – TABLE 10
LAST TEN FISCAL YEARS

Fiscal Year Ended 6/30:	General Obligation Bonds (1)	Less Amounts Available in Debt Service Fund (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value (2)	Net Bonded Debt Per Student (3)
2019	\$ 773,725,000	\$ 46,467,986	\$ 727,257,014	5.19%	21,774
2018	750,175,000	33,244,467	716,930,533	5.54%	21,647
2017	805,416,590	27,198,818	778,217,772	6.70%	23,848
2016	764,415,000	25,268,777	739,146,223	7.01%	22,966
2015	788,320,000	9,806,721	778,513,279	7.58%	24,531
2014	740,529,963	7,534,195	732,995,768	8.08%	23,454
2013	691,174,962	8,431,807	682,743,155	7.73%	21,878
2012	724,279,962	8,870,666	715,409,296	7.65%	23,127
2011	696,013,429	7,559,801	688,453,628	8.03%	22,535
2010	666,804,943	13,584,642	653,220,301	7.85%	21,876

- (1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.
Outstanding debt is presented at par value which excludes accreted interest and premiums.
- (2) See Table 5 for assessed value data.
- (3) See Table 16 for student enrollment data.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1) – TABLE 11
JUNE 30, 2019

<u>Taxing Authority</u>	<u>Gross Debt Outstanding</u>	<u>Percent Overlapping</u>	<u>Amount Applicable to School District</u>
<u>Overlapping:</u>			
City of Arlington	\$ 463,845,000	13.71%	\$ 63,593,150
City of Fort Worth	745,560,000	0.00% (4)	-
City of Kennedale	10,535,000	4.03%	424,561
City of Mansfield	138,605,000	89.44%	123,968,312
City of Grand Prairie	265,335,000	13.88%	36,828,498
Johnson County	24,205,000	5.18%	1,253,819
Tarrant County (2)	312,235,000	7.36%	22,980,496
Total Overlapping Debt			<u>249,048,835</u>
<u>Direct:</u>			
Mansfield Independent School District (3)	774,384,263	100.0%	<u>774,384,263</u>
TOTAL OVERLAPPING AND DIRECT DEBT			\$ <u>1,023,433,098</u>

Ratio of Total Overlapping Debt and Direct Debt to Assessed Value for Fiscal Year Ended June 30, 2019 (2)

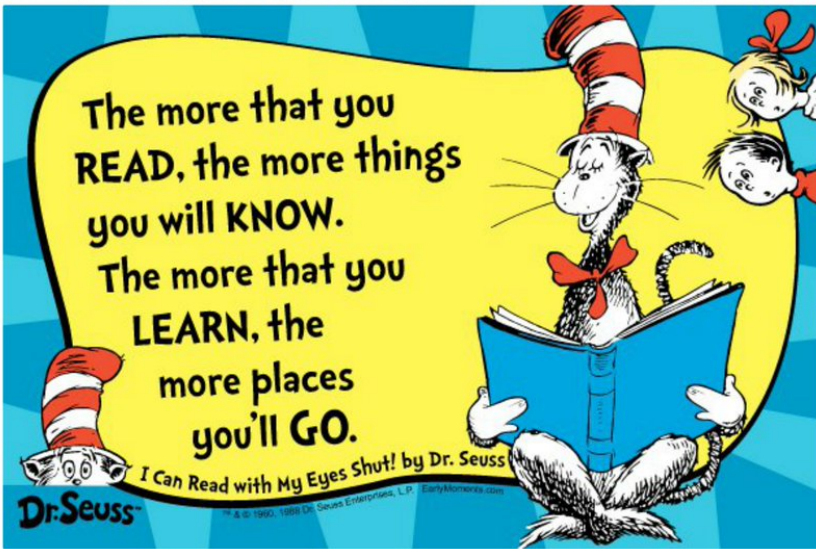
7.31%

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.
\$ 14,002,304,390

(2) Tarrant County includes Tarrant County, Tarrant County College and JPS Health Network

(3) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements. Outstanding debt is presented the same as reported in the financial statements net of premiums, discounts, and adjustments.

(4) Less than 0.01%



MANSFIELD INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION (1) – TABLE 12
LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt Limit	\$ 1,400,230,439	\$ 1,293,719,969	\$ 1,161,164,762	\$ 1,054,325,702
Total Net Debt Applicable to Limit	<u>740,480,533</u>	<u>716,930,533</u>	<u>778,217,771</u>	<u>739,146,223</u>
Legal Debt Margin	<u>\$ 659,749,906</u>	<u>\$ 576,789,436</u>	<u>\$ 382,946,991</u>	<u>\$ 315,179,479</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	52.88%	55.42%	67.02%	70.11%

Legal Debt Margin Calculation for Fiscal Year 2018:

Assessed Value (2)

Debt Limit Percentage of Assessed Value

Debt Limitation

Debt Applicable to Debt Limitation:

Total Bonded Debt

Less Restricted for Retirement of Bonded Debt (3)

Total Amount of Debt Applicable to Debt Limitation

(1) The District voted its maintenance tax under former Article 2784e-1, which provided that the net bonded indebtedness of the District shall not exceed 10% of all assessed real and personal property in the District.

(2) See Table 5.

(3) See Restricted for long-term debt at the fund level.

Table 12

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 1,027,312,726	\$ 907,217,441	\$ 882,874,903	\$ 935,412,406	\$ 857,429,029	\$ 832,152,606
<u>778,513,279</u>	<u>732,995,768</u>	<u>682,743,355</u>	<u>715,409,296</u>	<u>688,453,628</u>	<u>653,220,301</u>
\$ <u>248,799,447</u>	\$ <u>174,221,673</u>	\$ <u>200,131,548</u>	\$ <u>220,003,110</u>	\$ <u>168,975,401</u>	\$ <u>178,932,305</u>
75.78%	80.80%	77.33%	76.48%	80.29%	78.50%

\$ 14,002,304,390
10%
1,400,230,439

\$ 773,725,000
46,467,986

727,257,014
\$ 672,973,425

MANSFIELD INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS – TABLE 13
LAST TEN FISCAL YEARS

Fiscal Year Ended 6/30: (6)	Residential Units (1)	Total Assessed Value of Residential Units (1)	Average Assessed Value per Residential Unit	Personal Income (amounts expressed in thousands) (4)	Per Capita Personal Income	Average Daily Attendance (2)	Unemployment Rate (3)
2019	51,225	\$ 10,223,307,940	\$ 199,577	\$ 2,751,977	\$ 39,219	33,400	3.9%
2018	50,594	10,706,619,793	211,618	2,456,809	35,718	33,119	3.8%
2017	49,576	8,217,852,270	165,763	2,456,809	35,718	32,632	3.9%
2016	49,576	8,217,628,222	165,758	2,158,489	31,917	32,184	4.3%
2015	46,858	7,398,513,630	157,892	2,064,653	31,917	31,736	4.4%
2014	46,641	7,562,334,234	162,139	1,990,893	31,917	31,252	5.4%
2013	46,243	6,532,102,347	141,256	1,784,305	29,554	31,206	4.9%
2012	46,095	6,299,029,609	136,653	1,704,065	29,639	30,934	6.0%
2011	45,968	6,212,641,445	135,151	1,505,296	26,478	30,550	6.5%
2010	46,022	6,131,245,747	133,224	1,492,534	26,478	29,860	7.1%
2009	45,947	6,309,569,629	137,323	1,481,466	26,478	29,044	7.2%

(1) Source: Tarrant County (Texas) Appraisal District.

(2) Source: Texas Education Agency Summary of Finances Report.

(3) Source: TRACER of Texas Workforce Commission; Unemployment rate is for Tarrant County.

(4) Source: Mansfield Economic Development Corporation

(5) Amount not currently available

(6) District changed the fiscal year end from August 31st to June 30th for fiscal year 2016.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS – TABLE 14
CURRENT YEAR AND TEN YEARS AGO

Employer	2019			2009		
	Employees	Rank	Percentage of Total Employment (1)	Employees	Rank	Percentage of Total Employment (2)
Mansfield Independent School District	4625	1	6.18%	4000	1	7.52%
Mouser Electronics	1900	2	2.54%	432	4	0.81%
Methodist Mansfield	1223	3	1.63%			
City of Mansfield, Texas	551	4	0.74%	503	3	0.95%
Klein Tools	431	5	0.58%			
Walmart	400	6	0.53%	600	2	1.13%
Kroger	320	7	0.43%			
Pier 1 Distribution Center	300	8	0.40%			
BCB Transport	268	9	0.36%			
SJ Louis Construction Company	265	10	0.35%	180	9	0.34%
Simeus Foods				265	5	0.50%
Solvay Engineered Polymers				204	6	0.38%
On the Border				180	7	0.34%
Best Buy				180	8	0.34%
Trinity Forge				165	10	0.31%
	<u>10,283</u>		<u>13.73%</u>	<u>6,709</u>		<u>12.62%</u>

- (1) Total Employment for 2019: 74,850
(2) Total Employment for 2009: 53,191

Sources: Texas Workforce Commission(Tarrant County), Mansfield Economic Development, and City of Mansfield.
Employment data is for the City of Mansfield, Texas and is not seasonally adjusted.

MANSFIELD INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION – TABLE 15
LAST TEN FISCAL YEARS

POSITION:	2019	2018	2017	2016
Administrator	60	56	59	57
Associate/Assistant Principal	79	79	78	77
Athletic Trainer	11	10	11	12
Auxiliary Staff	1467	1447	1442	1432
Counselor	91	90	92	90
Educational Diagnostician	34	32	31	31
Librarian	41	41	41	40
Music Therapist	2	2	2	2
Nurse	49	49	51	50
Occupational Therapist	7	7	7	7
Other Campus Prof. Personel	0	0	-	-
Other Non-Campus Prof. Personel	89	87	87	86
Orientation/Mobility Instructor	2	2	2	2
Physical Therapist	2	2	2	2
Psychological Associate	0	0	0	0
Psychologist/LSSP	5	5	6	6
Principal	43	43	42	41
Social Worker	2	2	1	1
Speech Therapist/Speech Lang. Pathologist	31	31	31	31
Teacher	2247	2231	2215	2200
Teacher Facilitator	-	-	-	-
Teacher - Special Duty	-	-	-	-
Educational Aide	422	409	382	381
Total Employees	4,684.0	4,625.0	4,582.0	4,548.0

Source: District records.

Table 15

2014	2013	2012	2011	2010	2009
49.3	46.0	33.2	32.6	34.8	33.8
74.0	74.0	72.0	70.0	64.1	66.0
11.0	11.5	3.0	3.8	6.0	7.9
1,426.2	1,437.6	1,233.8	1,128.8	1,131.2	1,122.5
89.0	83.0	78.8	77.0	74.9	75.0
30.0	29.0	26.9	26.1	25.0	22.8
40.0	40.0	29.2	38.3	37.4	36.3
3.0	2.0	1.0	1.0	1.0	1.0
44.0	41.0	43.3	43.0	41.0	42.0
7.0	7.0	5.9	4.0	5.0	6.0
-	-	5.8	2.2	3.4	2.7
64.0	66.0	28.8	27.0	27.0	25.0
2.0	2.0	3.0	3.0	2.0	1.0
2.0	3.0	2.0	2.0	2.0	2.0
-	-	-	-	-	-
5.5	6.5	4.5	4.5	4.5	4.5
41.0	41.0	38.2	41.0	40.0	39.0
1.0	1.0	1.0	1.0	1.0	1.0
30.5	30.5	27.5	25.5	24.5	26.0
2,138.0	2,116.7	1,992.1	1,946.0	1,980.7	1,928.2
-	-	15.0	15.0	14.9	12.1
-	-	-	-	-	-
382.5	354.5	320.8	302.8	309.8	304.1
4,440.0	4,392.3	3,965.8	3,794.6	3,830.2	3,758.9

MANSFIELD INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS – TABLE 16
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended 6/30: (3)</u>	<u>Average Daily Attendance</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>
2019	33,400	\$ 383,921,737	\$ 11,495	3.30%
2018	33,119	376,255,387	11,361	18.41%
2017	32,632	363,118,380	11,128	15.98%
2016	32,184	305,741,740	9,594	3.70%
2015	31,736	293,627,711	9,252	4.05%
2014	31,252	277,890,539	8,892	9.40%
2013	31,206	253,647,143	8,128	1.81%
2012	30,934	246,971,191	7,984	-2.62%
2011	30,550	250,453,295	8,198	0.13%
2010	29,860	244,480,591	8,187	7.46%

(1) Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

(2) Technology plan replacements and upgrades implemented in 2014 for increase in operating expenditures and cost per student

(3) District changed the fiscal year end from August 31st to June 30th for fiscal year 2016.

Source: Non-financial data is from Texas Education Agency Summary of Finances Report, PEIMS reports, and District records.

Table 16

<u>Government Wide Expenses</u>		<u>Cost Per Student (2)</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Student to Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program</u>
414,851,433	\$	12,421	6.65%	2,230	15.70	40.80%
292,060,294		8,819	-25.32%	2,231	14.84	42.51%
380,033,993		11,646	-1.37%	2,215	14.73	40.30%
328,432,757		11,808	4.21%	2,200	14.63	37.79%
359,596,283		11,331	3.75%	4,929	6.44	40.80%
341,314,445		10,921	8.32%	4,909	6.37	38.10%
314,649,023		10,083	3.20%	4,823	6.47	38.50%
302,234,138		9,770	-3.00%	4,747	6.52	37.20%
307,695,153		10,072	0.69%	4,287	7.13	37.00%
298,699,705		10,003	4.35%	4,097	7.29	36.20%

MANSFIELD INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES – TABLE 17
LAST TEN FISCAL YEARS

Fiscal Year Ended 6/30: (3)	District		Region Average Salary (2)	Statewide Average Salary (2)
	Minimum Salary (1)	Maximum Salary (1)		
2019	\$ 56,019	\$ 72,013	\$ 52,781	\$ 53,334
2018	54,149	70,489	52,781	47,883
2017	54,149	70,489	55,194	52,525
2016	53,000	69,340	51,287	46,450
2015	51,000	68,735	49,845	45,570
2014	50,000	65,287	52,208	49,692
2013	48,500	65,425	52,140	48,821
2012	48,000	64,666	51,953	48,375
2011	47,500	64,250	52,431	48,639
2010	46,800	63,946	51,826	48,263

(1) Source: District records.

(2) Source: Texas Education Agency website.

(3) District changed the fiscal year end from August 31st to June 30th for fiscal year 2016.



MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION - TABLE 18
LAST TEN FISCAL YEARS

Building:	2019	2018	2017	2016
HIGH SCHOOLS				
ACE Campus (1952)				
Square Footage	64,021	64,021	64,021	64,021
Capacity	1,200	1,200	1,200	1,200
Enrollment	90	90	27	102
Summit High (1995)				
Square Footage	370,000	370,000	370,000	370,000
Capacity	2,500	2,500	2,500	2,500
Enrollment	2,121	2,121	2,118	2,118
Mansfield High (2002)				
Square Footage	390,000	390,000	390,000	390,000
Capacity	2,500	2,500	2,500	2,500
Enrollment	2,448	2,448	2,374	2,359
Timberview High (2004)				
Square Footage	416,000	416,000	416,000	416,000
Capacity	2,500	2,500	2,500	2,500
Enrollment	1,864	1,864	1,772	1,731
Ben Barber Career Tech Academy/Frontier High (2005)				
Square Footage	180,964	180,964	180,964	180,964
Capacity	1,200	1,200	1,200	1,200
Enrollment	165	165	229	248
Legacy High (2007)				
Square Footage	207,360	207,360	207,360	207,360
Capacity	2,500	2,500	2,500	2,500
Enrollment	2,006	2,006	1,943	2,018
Lake Ridge (2012)				
Square Footage	422,411	422,411	422,411	422,411
Capacity	2,500	2,500	2,500	2,500
Enrollment	2,383	2,383	2,188	2,106
MIDDLE SCHOOLS				
Brooks Wester (1974)				
Square Footage	251,151	251,151	251,151	251,151
Capacity	1,000	1,000	1,000	1,000
Enrollment	920	920	932	901
Rogene Worley (1986)				
Square Footage	126,689	126,689	126,689	126,689
Capacity	1,000	1,000	1,000	1,000
Enrollment	925	925	904	920
T.A. Howard (1994)				
Square Footage	130,000	130,000	130,000	130,000
Capacity	1,000	1,000	1,000	1,000
Enrollment	902	902	909	874
Danny Jones (2004)				
Square Footage	160,000	160,000	160,000	160,000
Capacity	1,000	1,000	1,000	1,000
Enrollment	1,089	1,089	1,042	950

Source: District records and Population and Survey Analysts.

Table 18
1 of 4

2015	2014	2013	2012	2011	2010
64,021	64,021	64,021	64,021	64,021	64,021
1,200	1,200	1,200	1,200	1,200	1,200
103	101	98	92	90	85
370,000	370,000	370,000	370,000	370,000	370,000
2,500	2,500	2,500	2,500	2,500	2,500
2,020	2,157	2,087	2,228	2,013	2,024
390,000	390,000	390,000	390,000	390,000	390,000
2,500	2,500	2,500	2,500	2,500	2,500
2,333	2,385	2,315	2,325	2,416	2,367
416,000	416,000	416,000	416,000	416,000	416,000
2,500	2,500	2,500	2,500	2,500	2,500
1,657	1,895	1,665	1,641	2,401	2,297
180,964	180,964	180,964	180,964	180,964	180,964
1,200	1,200	1,200	1,200	1,200	1,200
237	225	222	207	199	-
207,360	207,360	207,360	426,650	426,650	426,650
2,500	2,500	2,500	2,500	2,500	2,500
1,945	1,916	1,937	1,856	2,251	2,313
422,411	422,411	422,411	422,411	422,411	-
2,500	2,500	2,500	1,257	1,257	-
2,085	2,006	2,005	1,888	-	-
251,151	251,151	251,151	251,151	251,151	251,151
1,000	1,000	1,000	1,000	1,000	1,000
872	866	847	840	874	939
126,689	126,689	126,689	126,689	126,689	126,689
1,000	1,000	1,000	1,000	1,000	1,000
929	925	949	909	874	721
130,000	130,000	130,000	130,000	130,000	130,000
1,000	1,000	1,000	1,000	1,000	1,000
855	855	924	953	973	1,031
160,000	160,000	160,000	160,000	160,000	160,000
1,000	1,000	1,000	1,000	1,000	1,000
843	794	976	960	822	818

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Building:	2019	2018	2017	2016
MIDDLE SCHOOLS (CONT.)				
James Coble (2006)				
Square Footage	164,719	164,719	164,719	164,719
Capacity	1,000	1,000	1,000	1,000
Enrollment	956	956	908	858
Linda Jobe (2008)				
Square Footage	165,350	165,350	165,350	165,350
Capacity	1,000	1,000	1,000	1,000
Enrollment	932	932	889	803
INTERMEDIATE SCHOOLS				
Cross Timbers (1994)				
Square Footage	108,000	108,000	108,000	108,000
Capacity	1,000	1,000	1,000	1,000
Enrollment	822	822	856	835
Mary Orr (1998)				
Square Footage	110,229	110,229	110,229	110,229
Capacity	1,000	1,000	1,000	1,000
Enrollment	851	851	879	878
Donna Shepard (2001)				
Square Footage	116,794	116,794	116,794	116,794
Capacity	1,000	1,000	1,000	1,000
Enrollment	855	855	898	898
Della Icenhower (2004)				
Square Footage	116,794	116,794	116,794	116,794
Capacity	1,000	1,000	1,000	1,000
Enrollment	915	915	847	866
Mary Lillard (2006)				
Square Footage	128,340	128,340	128,340	128,340
Capacity	1,000	1,000	1,000	1,000
Enrollment	1,035	1,035	992	933
Asa Low (2008)				
Square Footage	133,385	133,385	133,385	133,385
Capacity	1,000	1,000	1,000	1,000
Enrollment	784	784	801	809
ELEMENTARY SCHOOLS				
Alice Ponder (1967)				
Square Footage	77,641	77,641	77,641	77,641
Capacity	800	800	800	800
Enrollment	678	678	652	545
Tarver Rendon (1969)				
Square Footage	71,047	71,047	71,047	71,047
Capacity	800	800	800	800
Enrollment	677	677	637	597
J.L. Boren (1979)				
Square Footage	57,241	57,241	57,241	57,241
Capacity	800	800	800	800
Enrollment	565	565	558	566

Source: District records and Population and Survey Analysts.

2015	2014	2013	2012	2011	2010
164,719	164,719	164,719	164,719	164,719	164,719
1,000	1,000	1,000	1,000	1,000	1,000
884	934	699	682	663	654
165,350	165,350	165,350	165,350	165,350	165,350
1,000	1,000	1,000	1,000	1,000	1,000
809	813	833	740	681	693
108,000	108,000	108,000	108,000	108,000	108,000
1,000	1,000	1,000	1,000	1,000	1,000
842	855	822	866	958	924
110,229	110,229	110,229	110,229	110,229	110,229
1,000	1,000	1,000	1,000	1,000	1,000
845	879	952	952	893	849
116,794	116,794	116,794	116,794	116,794	116,794
1,000	1,000	1,000	1,000	1,000	1,000
877	793	713	756	798	744
116,794	116,794	116,794	122,600	122,600	122,600
1,000	1,000	1,000	1,000	1,000	1,000
862	925	635	691	636	615
128,340	128,340	128,340	128,340	128,340	128,340
1,000	1,000	1,000	1,000	1,000	1,000
945	905	995	896	859	783
133,385	133,385	133,385	133,385	133,385	133,385
1,000	1,000	1,000	1,000	1,000	1,000
864	869	874	879	834	877
77,641	77,641	77,641	77,641	77,641	77,641
800	800	800	800	800	800
494	470	473	516	621	623
71,047	71,047	71,047	71,047	71,047	71,047
800	800	800	800	800	800
597	641	610	583	603	612
57,241	57,241	57,241	57,241	57,241	57,241
800	800	800	800	800	800
567	556	567	642	691	683

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Building:	2019	2018	2017	2016
ELEMENTARY SCHOOLS (CONT.)				
Charlotte Anderson (1986)				
Square Footage	69,947	69,947	69,947	69,947
Capacity	800	800	800	800
Enrollment	465	465	385	490
Glenn Harmon (1988)				
Square Footage	74,081	74,081	74,081	74,081
Capacity	800	800	800	800
Enrollment	594	594	612	516
Willie Brown (1998)				
Square Footage	65,885	65,885	65,885	65,885
Capacity	800	800	800	800
Enrollment	618	618	621	576
D.P. Morris (1998)				
Square Footage	65,885	65,885	65,885	65,885
Capacity	800	800	800	800
Enrollment	574	574	514	533
Kenneth Davis (2001)				
Square Footage	72,256	72,256	72,256	72,256
Capacity	800	800	800	800
Enrollment	489	489	568	580
Imogene Gideon (2001)				
Square Footage	72,256	72,256	72,256	72,256
Capacity	800	800	800	800
Enrollment	458	458	524	514
Thelma Jones (2003)				
Square Footage	77,038	77,038	77,038	77,038
Capacity	800	800	800	800
Enrollment	469	469	506	533
Roberta Tipps (2003)				
Square Footage	77,038	77,038	77,038	77,038
Capacity	800	800	800	800
Enrollment	619	619	657	660
Erma Nash (2003)				
Square Footage	84,631	84,631	84,631	84,631
Capacity	800	800	800	800
Enrollment	588	588	616	606
Elizabeth Smith (2004)				
Square Footage	77,038	77,038	77,038	77,038
Capacity	800	800	800	800
Enrollment	636	636	716	702
Martha Reid (2004)				
Square Footage	77,038	77,038	77,038	77,038
Capacity	800	800	800	800
Enrollment	635	635	647	636

Source: District records and Population and Survey Analysts.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
69,947	69,947	69,947	69,947	69,947	69,947
800	800	800	800	800	800
497	498	491	550	594	605
74,081	74,081	74,081	74,081	74,081	74,081
800	800	800	800	800	800
541	593	627	676	650	661
65,885	65,885	65,885	65,885	65,885	65,885
800	800	800	800	800	800
602	566	552	540	608	628
65,885	65,885	65,885	65,885	65,885	65,885
800	800	800	800	800	800
534	549	533	610	745	732
72,256	72,256	72,256	72,256	72,256	72,256
800	800	800	800	800	800
616	587	607	654	706	722
72,256	72,256	72,256	72,256	72,256	72,256
800	800	800	800	800	800
520	527	525	555	555	531
77,038	77,038	77,038	77,038	77,038	77,038
800	800	800	800	800	800
551	573	568	558	510	513
77,038	77,038	77,038	77,038	77,038	77,038
800	800	800	800	800	800
666	663	699	737	771	810
84,631	84,631	84,631	84,631	84,631	84,631
800	800	800	800	800	800
622	515	495	508	619	637
77,038	77,038	77,038	77,038	77,038	77,038
800	800	800	800	800	800
706	730	717	653	588	553
77,038	77,038	77,038	77,038	77,038	77,038
800	800	800	800	800	800
667	653	686	687	691	667

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Building:	2019	2018	2017	2016
ELEMENTARY SCHOOLS (CONT.)				
Mary Jo Sheppard (2005)				
Square Footage	79,070	79,070	79,070	79,070
Capacity	800	800	800	800
Enrollment	485	485	535	548
Janet Brockett (2005)				
Square Footage	79,070	79,070	79,070	79,070
Capacity	800	800	800	800
Enrollment	591	591	583	614
Anna May Daulton (2006)				
Square Footage	79,274	79,274	79,274	79,274
Capacity	800	800	800	800
Enrollment	713	713	714	693
Cora Spencer (2006)				
Square Footage	79,274	79,274	79,274	79,274
Capacity	800	800	800	800
Enrollment	739	739	822	763
Carol Holt (2007)				
Square Footage	79,274	79,274	79,274	79,274
Capacity	800	800	800	800
Enrollment	441	441	453	471
Louise Cabaniss (2008)				
Square Footage	74,275	74,275	74,275	74,275
Capacity	800	800	800	800
Enrollment	590	590	557	574
Annette Perry (2010)				
Square Footage	79,679	79,679	79,679	79,679
Capacity	800	800	800	800
Enrollment	392	392	365	364
Nancy Neal (2011)				
Square Footage	80,584	80,584	80,584	80,584
Capacity	800	800	800	800
Enrollment	453	453	430	429
Judy K. Miller (2015)				
Square Footage	80,584	80,584	80,584	80,584
Capacity	800	800	800	800
Enrollment	474	474	205	88
Sarah Jandrucko Early Learners Academy				
Square Footage	55,000	-	-	-
Capacity	526	-	-	-
Enrollment	460	-	-	-

Source: District records and Population and Survey Analysts.

2015	2014	2013	2012	2011	2010
79,070	79,070	79,070	79,070	79,070	108,293
800	800	800	800	800	800
543	519	559	537	751	712
79,070	79,070	79,070	79,070	79,070	79,079
800	800	800	800	800	800
649	661	649	657	662	682
79,274	79,274	79,274	79,274	79,274	79,274
800	800	800	800	800	800
665	676	680	770	716	672
79,274	79,274	79,274	79,274	79,274	79,274
800	800	800	800	800	800
739	733	607	532	461	404
79,274	79,274	79,274	79,274	79,274	79,274
800	800	800	800	800	800
476	454	509	517	625	635
74,275	74,275	74,275	74,275	74,275	74,275
800	800	800	800	800	800
588	627	650	532	508	518
79,679	79,679	79,679	79,679	79,679	79,679
800	800	800	800	800	800
342	398	392	411	339	275
80,584	80,584	80,584	80,584	80,584	-
800	800	800	800	800	-
432	421	410	424	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

(This page intentionally left blank.)

Government Auditing Standards Report Section



(This page intentionally left blank.)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To The Board of Trustees
Mansfield Independent School District
Mansfield, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mansfield Independent School District (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 11, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Trustees
Mansfield Independent School District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whitley Penn LLP

Fort Worth, Texas
November 11, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Mansfield Independent School District
Mansfield, Texas

Report on Compliance for Each Major Federal Program

We have audited Mansfield Independent School District's (the "District") compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

To the Board of Trustees
Mansfield Independent School District

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Whitley Penn LLP

Fort Worth, Texas
November 11, 2019

Federal Awards Section



MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported.
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported.
Type of auditor's report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

Identification of major programs:

Name of Federal Program or Cluster:	CFDA Numbers:
Child Nutrition Cluster:	
National School Lunch Program - USDA Commodities	10.555
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer School Option	10.555
ESEA, Title I, Part A - School Improvement	84.010A
ESEA, Title I, Part A - Improving Basic Programs	84.010A
ESEA, Title II, Part A - Supporting Effective Instruction	84.367A
Dollar Threshold Considered Between Type A and Type B Federal Programs	\$750,000
Auditee qualified as low risk auditee?	Yes

MANSFIELD INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

II. Financial Statements Findings

There were no current year findings

III. Federal Awards Findings and Questioned Costs

There were no current year findings.

Mansfield Independent School District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – EXHIBIT K-1
FOR THE YEAR ENDED JUNE 30, 2019

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U.S. Department of Defense			
Direct Program:			
<i>Federal ROTC</i>	12.000	None	298,378
<i>Air Force Jr ROTC</i>	12.000	None	56,098
Total U.S. Department of Defense			354,476
U.S. Department of Justice			
<i>Bulletproof Vest Partnership Program</i>	16.607	None	8,539
Total U.S. Department of Justice			8,539
U. S. Department of Education			
Passed Through State Department of Education:			
<i>ESEA, Title I, Part A - School Improvement</i>	84.010A	18610123220908	9,362
<i>ESEA, Title I, Part A - Improving Basic Programs</i>	84.010A	18610101220908	64,981
<i>ESEA, Title I, Part A - Improving Basic Programs</i>	84.010A	19610101220908	3,540,722
<i>ESEA, Title II, Part A, Supporting Effective Instruction</i>	84.367A	18694501220908	10,876
<i>ESEA, Title II, Part A, Supporting Effective Instruction</i>	84.367A	19694501220908	533,440
<i>ESEA, Title III, Part A ELA</i>	84.365A	18671001220908	2,870
<i>ESEA, Title III, Part A ELA</i>	84.365A	19671001220908	332,272
<i>ESEA, Title III, Part A, Immigrant</i>	84.365A	19671003220908	89,551
<i>Hurricane Impact Aid</i>	84.938C	51271901	179,051
<i>Title IV Part A Subpart 1</i>	84.424A	18680101220908	257
<i>Title IV Part A Subpart 1</i>	84.424A	19680101220908	199,146
 <i>IDEA-B Formula **</i>	84.027A	186600012209086000	521,637
<i>IDEA-B Formula **</i>	84.027A	196600012209086000	4,671,594
<i>IDEA-B Preschool **</i>	84.173A	186610012209086000	4,225
<i>IDEA-B Preschool **</i>	84.173A	196610012209086000	25,260
<i>Total Special Education Cluster**</i>			5,222,716
 <i>Carl D. Perkins Basic Grant</i>	84.048A	19420006220908	297,714
<i>Title VI Part A Summer School LEP</i>	84.369A	69551902	7,134
<i>Title VI Part A Summer School LEP</i>	84.369A	69551802	18,590
Total Passed through State Department of Education			10,508,682
U. S. Department of Agriculture			
Passed Through the Texas Department of Agriculture (Non-Cash Assistance)			
<i>National School Lunch Program - USDA Commodities *</i>	10.555	220-908	1,126,513
Passed Through State Department of Education (Cash Assistance)			
<i>School Breakfast Program *</i>	10.553	71401901	1,724,436
<i>School Lunch Program *</i>	10.555	71301901	7,219,846
<i>Child and Adult Care Food Program</i>	10.558		225,682
<i>Seamless Summer Option *</i>	10.555	71301901	102,284
Total Passed Through State Department of Education			9,272,248
 <i>Total Child Nutrition Cluster *</i>			10,398,761
U.S. Department of Health and Human Services			
Passed Through Texas Health and Human Services Commission			
<i>Medical Administrative Claiming (MAC)</i>	93.778	220-908	81,146
Total U.S. Department of Health and Human Services			81,146
Total Expenditures of Federal Awards			\$ 21,351,604

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – EXHIBIT K-2
FOR THE TWELVE MONTHS ENDED JUNE 30, 2019**

NOTE 1 - BASIS OF PRESENTATION

The District accounts for all awards under federal programs in the General Fund and certain Special Revenue Funds in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in OMB Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has not elected to use the 10% *de minimis* indirect cost rate under the Uniform Guidance.

NOTE 2 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance (2 CFR 200). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

NOTE 3 - RECONCILIATION OF BASIC FINANCIAL STATEMENTS

The following is a reconciliation of expenditures of federal awards program per the Schedule of Expenditures of Federal Awards and expenditures reported on Exhibit C-3:

Total shown on Schedule of Expenditures of Federal Awards	\$ 21,351,604
Federal Revenue Accounted for in the General Fund:	
Flood Control	22,851
eRate	89,979
Medicaid SHARS	4,136,046
Reconciled balance	<u><u>\$ 25,600,480</u></u>

Mansfield Independent School District
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE TWELVE MONTHS ENDED JUNE 30, 2019

Exhibit K-2

NOTE 4 - GENERAL FUND EXPENDITURES

Federal awards reported in the general fund are summarized as follows:

Flood Control	\$ 22,851
Federal ROTC	354,476
eRate	89,979
Medicaid SHARS	4,136,046
Indirect Costs -	
ESEA Title I Part A - Improving Basic Programs	120,311
IDEA B Formula	158,238
IDEA B Preschool	856
Carl Perkins Basic Grant	8,303
Title II Part A, Teacher/Principal Training and Recruiting	18,437
ESEA, Title III, Part A Limited English Proficiency	1,765
Title IV Part A	4,860
	<hr/>
	\$ 4,916,122

(This page intentionally left blank.)



MISD Received Another 'A' Rating from the Texas Education Agency.



Texas Trust was recognized for giving back a total of \$500,000 to MISD through its Spirit Debit Rewards Program.



Chef Roberson was honored for his efforts in making "One Team, One Dream" the district's theme for the year.



Mansfield ISD
605 East Broad Street
Mansfield, TX 76063
817-299-6300
<https://www.mansfieldisd.org>

