



City of
Magnolia ★
TEXAS



ANNUAL OPERATING BUDGET

OCTOBER 1, 2023
TO
SEPTEMBER 30, 2024



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Magnolia ★
TEXAS

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In compliance with S.B. No. 656; SECTION 1. Section 102.007, Texas Local Government Code, the following information is included as the cover page for the City of Magnolia budget document:

This budget will raise more revenue from property taxes than last year's budget by an amount of \$17,963 which is a 0.93 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$234,252.

A record vote will be conducted of the City Council on August 30, 2023, for approval of an ordinance adopting the City of Magnolia 2023-2024 Fiscal Year Annual Budget.

City Council	Aye	Nay	Absent
Daniel Miller, Position 1	√		
Matthew Dantzer, Position 2	√		
Rick Carby, Mayor Pro Tem/Position 3	√		
Brenda Hoppe, Position 4			√
Jack L. Huitt, Jr., Position 5	√		

The municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been proposed or calculated for the current fiscal year, include:

Tax Year Fiscal Year	2023 2023-2024	2022 2022-2023
Total Calculated Rate	\$ 0.2948	\$ 0.3813
Calculated Operating Rate	\$ 0.1038	\$ 0.1152
Calculated Debt Rate	\$ 0.1910	\$ 0.2661
No-New-Revenue Tax Rate	\$ 0.3314	\$ 0.2664
No-New-Revenue Operating Rate (M&O)	\$ 0.1003	\$ 0.0003
Voter-Approval Operating Rate (M&O)	\$ 0.1038	\$ 0.1152
Debt Rate (I&S)	\$ 0.1910	\$ 0.2661
Voter Approval Rate	\$ 0.2948	\$ 0.3813

The total amount of outstanding municipal debt obligations (principal & interest) is as follows:

Type of Debt	Total Outstanding Debt	Current Year Debt
Property Tax Supported	\$ 27,297,767	\$ 1,302,599
Self-Supporting	\$ 34,739,581	\$ 1,961,897
Total Debt	\$ 62,037,348	\$ 3,264,496

Welcome!

This City of Magnolia, Texas annual budget is for the fiscal year beginning October 1, 2023, and ending September 30, 2024. This budget has been specifically prepared to help you, the reader, learn of the issues affecting the Magnolia community. Many people believe a city budget is only a financial plan. Although you can learn a great deal about the City's finances from these pages, the FY 2023-2024 budget document has been designed to serve other functions as well. For example, it is a policy document that presents the major policies which guide how the City is managed. It is an operations guide which gives the public, elected officials, and City staff information pertaining to the production and performance of individual City operations. The budget is designed as a communications device in which information is conveyed verbally and graphically that should be easily understood even by persons unfamiliar with the City.

THE BUDGET FORMAT

The budget is divided into three major sections: Introduction, Financial/Operational, and Supplemental Information. The Introduction section contains the Mayor's letter and explains major policies and issues which affected the development of the fiscal year budget. This section also includes the City's organization and staffing charts and the summary of major budget items.

The Financial/Operational section describes various aspects of the City's organization. This information is grouped first by fund and then by department. Like many local governments, the City uses the fund method of accounting. Simply stated, a fund is a unit of the City which tracks the application of various public resources. For example, the Enterprise Fund is established to account for the revenues and expenses of the City's water and sewer operations. Most people are particularly interested in the General Fund which is comprised of most of the City's operations such as Police, Municipal Court, Streets, and Parks. Financial statements, including the adopted FY 2023 budget are presented for every fund. The statements show the fund's financial condition over a number of years. Similar to the checking account statement you receive from your bank, the statement shows beginning balances, revenues, expenditures, and ending balances for each year. Each fund statement shows the actual audited amount from the previous fiscal year, or for this document, the fiscal year 2022 actual. The ending balance of the actual year becomes the beginning balance of the projected current fiscal year, FY 2023. The projected column reflects estimated amounts compared to the amounts included in the adopted budget for the current year. The projected ending balance of the current fiscal year then becomes the beginning balance for the projected FY 2024 budget year. Accompanying the statements are narratives and graphs which describe the major features of that particular fund. Within each fund there may be one or more departments which further describe a component of the City's organization. Each department's presentation includes a mission statement, accomplishments for the previous fiscal year, and operational objectives for the upcoming year. Selected service levels for each department are presented graphically. The funding for each department, as well as the unit's staffing, is summarized over a number of years.

Finally, Supplemental Information is included regarding property tax and ordinances, the budgeting process/calendar, financial policies, major revenue sources, and the long-term comprehensive plan for the City. Also included is a glossary of terms.



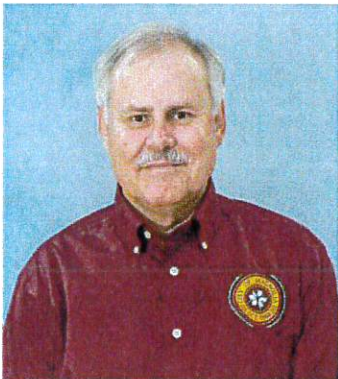
MAGNOLIA CITY COUNCIL



Todd Kana, Mayor

Re-Elected May 2022-2024

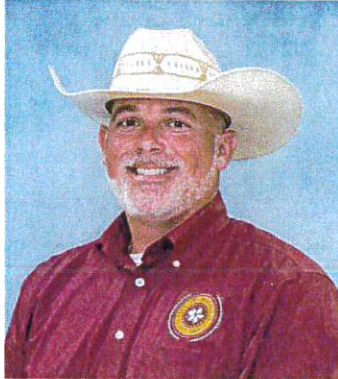
tkana@cityofmagnolia.com



Daniel Miller, Position 1

Re-Elected May 2023-2025

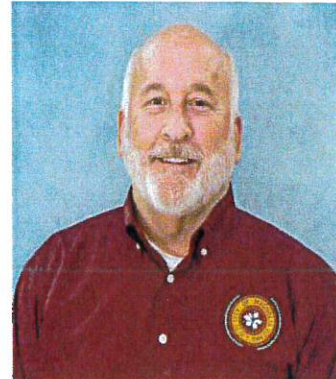
dmiller@cityofmagnolia.com



Matthew Dantzer, Position 2

Re-Elected May 2023-2025

mdantzer@cityofmagnolia.com



Rick Carby, Position 3

Re-Elected May 2023-2025

rcarby@cityofmagnolia.com



Brenda Hoppe, Position 4

Re-Elected 2022-2024

bhoppe@cityofmagnolia.com



Jack Huitt, Jr., Position 5

Re-Elected 2022-2024

jhuitt@cityofmagnolia.com

City of Magnolia

Fast Facts

Magnolia, Texas is located in southwest Montgomery County, which is nationally ranked as 7th in growth among Texas counties. A short drive from Houston, Magnolia is adding rooftops daily since the arrival of the SH 249 Toll Way. At the crossroads of progress, Magnolia is still a place where neighbors help neighbors — a place to call home *and* grow your business.

Demographics -

Population/Income -

2020 Population – 2,359 (2020 US Census)

2022 Population – 2,802 (American Community Survey 2022)

2030 Population projection – 5,789 (TWDB: MWUG Population Projections for 2020-2070)

Median age: 38.8 (American Community Survey 2021)

Median household income: \$63,661 (2021 ACS 5-year)

City Size & Taxes -

City size in square miles: approx. 5.5 square miles

Property tax rate (2023): \$0.2948 per \$100 valuation

Property tax rate (2022): \$0.3813 per \$100 valuation

Sales tax collected for FY 21-22: approximately \$2.5 million

Housing –

Average assessed home value for City is \$320,123

Types of Structures: 67% Single-Family Homes

Average days on Market: 23 (Redfin 2023 Survey Data)

Homeownership Rate: 65.4% (2021 ACS 5-year)

Education/Labor Force (2021 ACS 5-year)

High School Graduate 46.8%

Some Collete 38.7%

Bachelor's Degree 8.1%

Graduate/Professional Degree 7%

Employment 61.2%

Blue Collar 27.7%

White Collar 72.4%

Number of colleges/universities within an hour's drive – 24

Key Regional Industries -

Construction

Engineering services

Business consulting services

Medical and specialized hospitals

Retail related

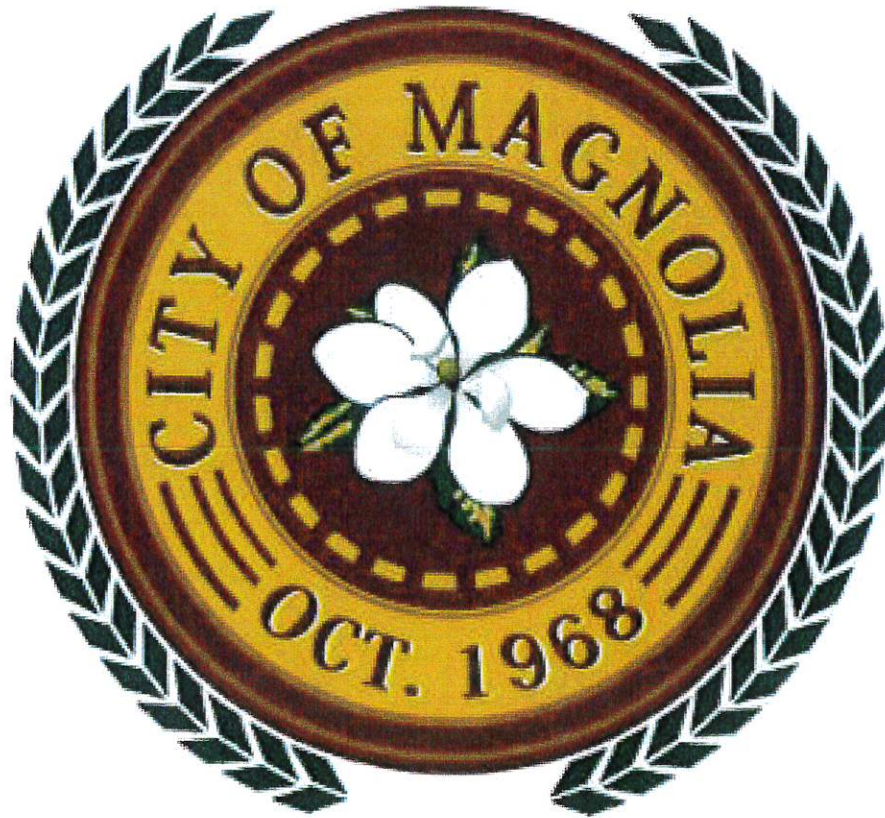
Pipe & other metal manufacturing

Educational services

2023 Local Tax Rates /\$100 Valuation	
Magnolia ISD	0.9638
City of Magnolia	0.2948
Mont Co Hospital Dist	0.0498
Lone Star College	0.1078 *
Montgomery County	0.3696
Mont Co ESD 10	0.0879

*2022 Tax Rate

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APPROVED BUDGET
FISCAL YEAR 2023-2024**

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SECTION 1

INTRODUCTION



A Message from Mayor Kana

September, 2023

Greetings Friends:

The past year 2023 has had its challenges. I was once asked “what are the most pressing challenges facing the City of Magnolia”? As I stated at that time, and it is still true today; “it would be the planning it would take to accommodate the growth that is coming”.

In December 2022, as per the city’s engineer letter stating we had insufficient water supply facilities to provide the additional connections needed, the City initiated a moratorium on the installation of new meters connecting to our water system

The additional water plant we highlighted last year on the east side of the City has been constructed for temporary relief and will be made permanent in the near future.

In April 2023, again at the recommendation of the city’s engineer, the moratorium was extended for another 120 days.

Additionally, there was an unexpected equipment failure to well #6 that extended the moratorium for a second time. These repairs have been completed.

Be assured that the City is working to add the necessary water wells to meet future demands.

At the intersection of FM 1488 and FM 1774, H.E.B. is open and the ensuing business and residential growth is in full swing. Approximately 30 businesses have opened to date with more on the way. New improvements and/or new personal property located in new improvements added to the 2023 tax roll were 285. This is with the moratorium.

Budget Highlights:

This year’s budget will remain at \$6.9 million. Notably it gives our police force competitive wages and equipment, fulfilling the goals of the City. Other highlights of this year’s budget include:

- property tax rate of \$0.2948 per \$100 valuation, a decrease of \$0.0865
- hiring of an in-house City Engineer
- addition of water wells 8, 9, and 10
- 3% salary increase for City administrative staff and public works employees
- police department salary increases per new salary structure

One of the City’s steady revenue sources is sales tax, which makes up 34% of the City’s overall revenues. This compared to property taxes, which were reduced and make up 10% of the City’s revenues. I believe you can look forward to more amenities paid for with sales tax revenues in

the future throughout our City. So, you can see our growth that brings more sales tax revenues is indeed good for the City.

The widening from east FM 1488 to FM 1774, and from the Waller County line to FM 1774 continues. The widening of FM 1488 through our commercial district is expected to wrap up early 2025. Please make an effort to continue to support our local businesses as the widening projects move forward.

Final Comments:

Your City Council continues its work to make the best decisions for the City and its citizens. To be good stewards of tax dollars, resources and all that has been put in our hands to nurture.

While infrastructure continues to be a priority, our goal has always been to try and maintain a small-town atmosphere while embracing growth.

I thank City Council for an outstanding year of service to the community, our Police Department who keeps Magnolia one of the safest cities in the country, our Public Works Department that performs tough tasks every day and our City staff who do an outstanding job of handling the ever growing needs of our City.

Long before the moratorium and long before "Together We Are Stronger," Magnolia was known as the *Community of Unity*. I want to encourage you to continue this tradition. Check on your family members, check on your neighbors, contact local non-profits and volunteer if you are able. Most of all be safe, take care, and be kind to one another.

Mayor Todd Kana

City of Magnolia

History and General Statement:

The City of Magnolia, Texas was incorporated under the laws of the State of Texas on October 15, 1968. The City operates under a "General Law" City which provides for a "Mayor-Council" form of government. The City provides the following services: general government, public safety, public works, water services, and sewer services.

The main goal of the City is to maintain a small town atmosphere and to provide quality services to its citizens. Residents are protected and secure, care about their neighborhoods and are proud of where they live, work and play. Magnolia, Texas is one of the fastest growing communities in the nation. Located in southwest Montgomery County, the Magnolia area is poised for even more expansion with the opening of the SH 249 Toll Way and major corporations moving into the area. With the support of Magnolia's Area Chamber of Commerce promoting the community and its businesses by enhancing commerce, tourism and beautification opportunities, the City will continue to meet the needs of established and new businesses. Continued maintenance of adequate reserves will allow the City to respond should there be unfavorable changes in economic conditions in the future.

The City is an independent political subdivision of the State of Texas governed by an elected council and is considered a primary government for financial reporting purposes. The City has two discrete component units: Economic Development Corporation (4A) and Community Development Corporation (4B).

The City uses two fund categories to maintain its financial records: governmental and proprietary. The City has presented the following major governmental funds:

General Fund – The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

Capital Projects Funds – The Capital Projects Funds are used to account for expenditures or resources accumulated from grants and loans to construct or acquire capital facilities and improvements.

Special Revenue Funds – The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted or designated for specified activities. The City has two such major funds – the HB445 fund and the Red Light Camera fund. The HB455 fund is used to account for the receipt and expenditure of funds received from additional sales tax within the City. The Red Light Camera fund is used to account for the receipt and expenditure of funds received from the red light camera violations. The red light camera was removed June 2019 due to a change in the law; however, the fund is still included in this year's budget since there are remaining funds to be used.

City of Magnolia

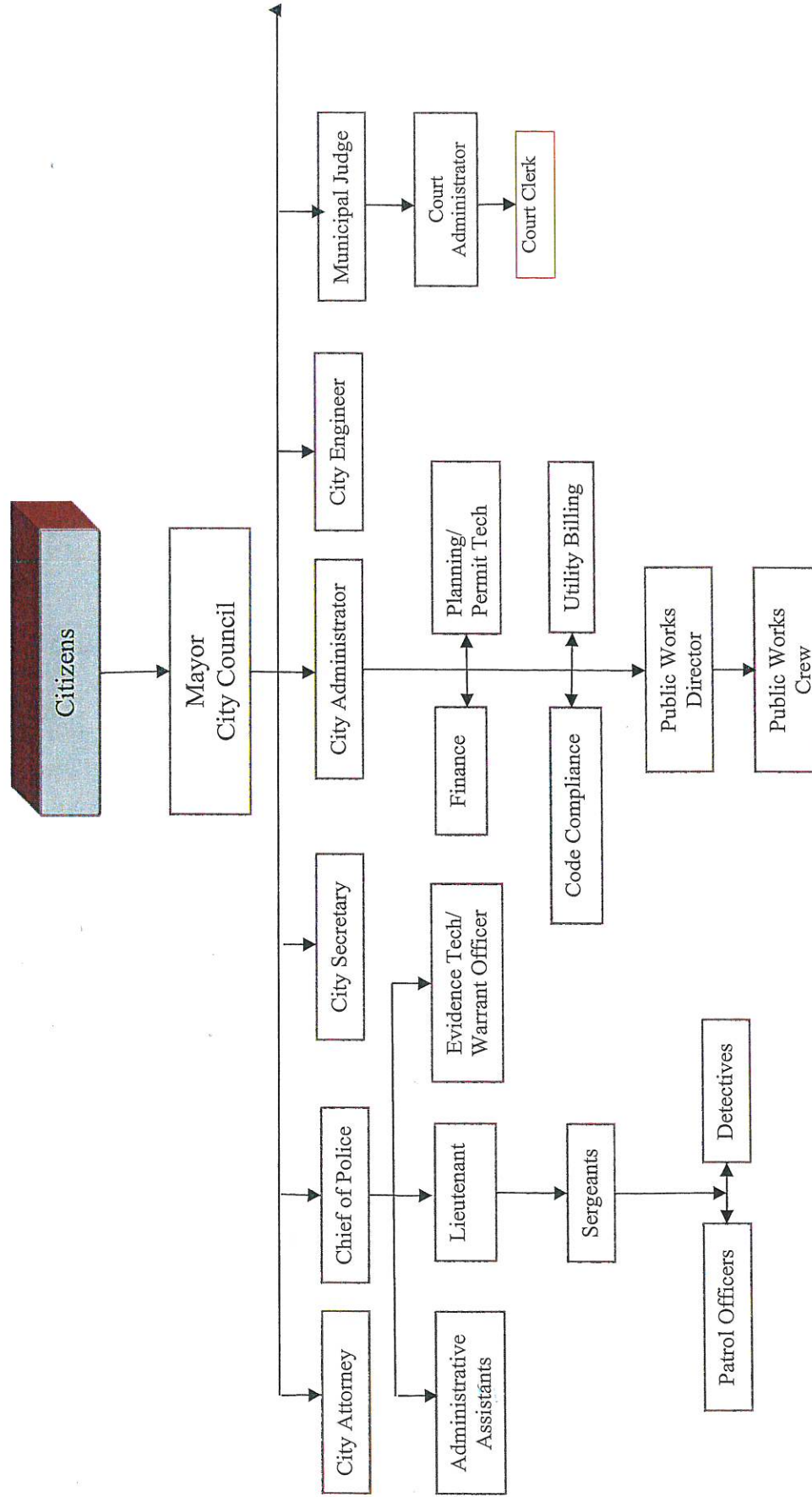
Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business activities are accounted for through proprietary funds. The proprietary fund types used by the City include enterprise funds.

The government reports the following major enterprise fund:

Water and Sewer Fund - This fund is used to account for the provision of water, wastewater, and sanitation services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water production and distribution system, and water collection and treatment systems. The fund also accounts for the accumulation of resources for and the payment of long-term debt principal and interest. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

ORGANIZATIONAL CHART

CITY OF MAGNOLIA



City of Magnolia

Authorized Positions by Department

		Approved 2019-2020	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
CITY COUNCIL	Mayor and Council	6	6	6	6	6
	Total	6	6	6	6	6
ADMINISTRATION	City Administrator	1	1	1	1	1
	Permit Tech/Planner	0	0.5	0	1	0
	City Engineer	0	0	1	1	1
	Code Enforcement Officer	1	1	1	1	1
	Total	2	2.5	3	4	3
POLICE	Chief of Police	1	1	1	1	1
	Lieutenant	1	1	1	1	1
	Sergeant	3	3	3	4	4
	Detective	1	1	1	1	1
	Investigator	1	1	1	1	1
	Patrol Officers	10	7	8	12	12
	Reserve Officers	1	1	1	1	1
	Administrative Asst/Dispatch	1	2	2	2	2
	Code Compliance Officer	0	0	0	0	0
	Executive Officer	0	0	0	0	0
	Evidence Clerk	1	1	1	1	0.5
	Total	20	18	19	24	23.5
PUBLIC WORKS	Director	1	1	1	1	1
	Public Works Assistant				1	1
	Water/Wastewater Plant Operator	1	1	1	2	2
	Utility/Maintenance Worker	5	4	6	10	11
	Laborers (includes Parks-2)	1	1.5	2	4	4
	Mechanic	1	1	1	1	1
	Total	9	8.5	11	19	20
MUNICIPAL COURT	Judge	1	1	1	1	1
	Associate Judge	1	1	1	1	1
	Municipal Court Administrator	1	1	0	1	1
	Municipal Court Clerk	1	1	2	1	1.5
	Total	4	4	4	4	4.5
FINANCE	Finance Administrator	1	1	1	1	1
	Finance Clerk	0.5	0.5	1	1	1
	Total	1.5	1.5	2	2	2
CITY SECRETARY	City Secretary	1	1	1	1	1
	Assistant				0	
	Total	1	1	1	1	1
WATER/SEWER	Utility Maintenance Worker	0	0	0	0	0
	Water/Wastewater Plant Operator	0	0	0	0	0
	Mechanic	0	0	0	0	0
	Utility Technician	1	1.5	2	2	2
	Total	1	1.5	2	2	2
	Grand Total (Excl. Council)	38.5	37	42	56	56

2023-2024 Approved Budget Major Items**Revenue**

Total property tax M&O estimated at \$.1038 Voter Approved Rate	\$	684,271
on valuation of \$ 659,220,345		

Overall

Increase in health insurance rates 12.17% (in review)	\$	245,316
3% salary increases for administrative personnel, police chief, & public works employees +	\$	287,291

Administration

New Christmas Light Show/Cadence	\$	9,000
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Police Dept

Taser, body camera, in car camera package - 5 yr plan(approved)	\$	66,189
Updated pay schedule	\$	303,075

Public Works

*one new positions (salary & benefits at \$16 hr) in total above	\$	54,139
Vehicle History tracking software	\$	2,736
Three Chev Silverado (2 4x2 Reg Cab & 1 4x2 Crew Cab) with equipment (toolboxes, trac racks)	\$	107,000
Mower	\$	17,767
Skit Steer attachment	\$	3,910
Tractor	\$	37,012

Court

P/T Clerk-in total above	\$	15,895
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Finance

Desk unit	\$	1,000
New Computer & Printer	\$	3,000

City Secretary

	\$	-
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City Council

Salary (3 members)	\$	1,600
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Parks

Kubota ATV	\$	22,928
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Water/Sewer

Improvements to shop: flooring, gutter, plumbing, waterproof bldg	\$	9,550
Asphalt parking	\$	40,500
Concrete parking option #2 \$95,380.00		
Cameras to all plants (5)	\$	40,892

Connie Street Project	\$	500,000
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SECTION

2

GENERAL FUND



City of Magnolia

General Fund

Fund Description

The General Fund accounts for resources traditionally associated with governments which are not required to be accounted for in another fund.

Fund narrative

During the budgeting process, most of the time is dedicated to working on the General Fund. It is this fund that reflects most of the critical issues affecting the community, including establishing a tax rate and determining staffing levels and benefits.

2023/2024 Budget

Revenues

Revenues including transfers from other funds are budgeted at \$6,958,006, which is approximately .06% more than last year. This increase is mainly due to more property being added to the tax roll and higher property values.

Expenditures

The budget for operating expenditures for FY 2024 is \$7,044,314 or approximately 25% more than the adopted budget for FY 2023. Most of the increase is in the area of personnel services and contractual expenses. Included in the budget are 3% salary adjustments for most employees except those in the Police Department, who received increases based on a new salary structure implemented this year. Total personnel costs in the General Fund increased by approximately 39%. New employees were added in the Municipal Court, and Public Works. Budgeted contractual expenses decreased by 12%. Major increases were for pay increases, new police officer pay scale, and insurance. The capital outlay budget includes a new mower, tractor, and ATV for the Parks, three new vehicles with equipment for Public Works, and additional improvements to the Public Works facility.

City of Magnolia

SUMMARY-APPROVED Budget 2023-2024

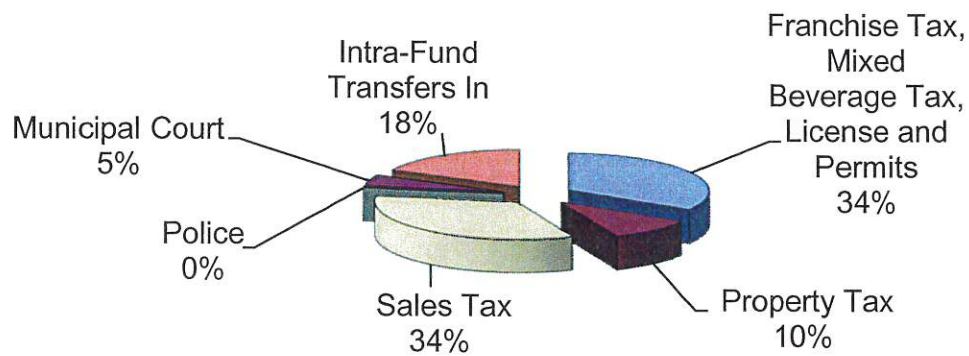
GENERAL FUND

REVENUE SUMMARY	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024	-/+ % Change
City Hall / Administration	\$3,447,140	\$5,577,937	\$5,376,771	-3.61%
Police Department	\$4,000	\$3,000	\$3,000	0.00%
Municipal Court	\$340,500	\$340,500	\$340,500	0.00%
Intra-Fund Transfers In	\$665,603	\$1,032,060	\$1,237,735	19.93%
TOTAL REVENUE	\$4,457,243	\$6,953,497	\$6,958,006	0.06%
EXPENDITURE SUMMARY				
City Hall / Administration	\$1,231,975	\$1,291,784	\$1,504,003	16.43%
Police Department	\$1,610,436	\$2,080,757	\$2,808,598	34.98%
Public Works	\$860,527	\$1,485,132	\$1,778,441	19.75%
Municipal Court	\$180,444	\$229,871	\$254,140	10.56%
Finance	\$165,954	\$207,559	\$334,381	61.10%
City Secretary	\$128,126	\$132,514	\$118,880	(10.29%)
Facilities	\$152,414	\$98,500	\$101,600	3.15%
City Council	\$35,120	\$53,630	\$59,043	10.09%
Parks	\$64,500	\$65,450	\$85,228	30.22%
TOTAL EXPENDITURES	\$4,429,496	\$5,645,197	\$7,044,314	24.78%
REVENUE OVER (UNDER) EXPENDITURES	\$27,747	\$1,308,300	(86,308)	

Revenue Summary - General Fund

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
General Fund				
Franchise, Beverage, Permits, Misc.	\$897,000	\$1,221,000	\$2,847,068	\$2,342,500
Property Tax	\$401,965	\$426,140	\$580,869	\$684,271
Sales Tax	\$1,200,000	\$1,800,000	\$2,150,000	\$2,350,000
Police	\$4,000	\$4,000	\$3,000	\$3,000
Municipal Court	\$340,500	\$340,500	\$340,500	\$340,500
Intra-Fund Transfers In	\$609,665	\$665,603	\$1,032,060	\$1,237,735
Total	\$3,453,130	\$4,457,243	\$6,953,497	\$6,958,006

Revenues



City of Magnolia

General Fund - 01

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
Revenues					
General and Administrative					
40014 Proceeds TX Gen Land Office		228,587		259,308	
40016 Grants 4269/4272-April 2016	0	0	0	(54,212)	0
40102 Gen/Admin Donations	0	0	0	0	0
40102 Magnolia Foundation Comm			11,568		0
40104 Liquor License Fee	500	6,838	500	131	500
40105 Ad Valorem Tax Revenue	401,965	402,013	580,869	410,737	684,271
40107 Mix Beverage Tax Revenue	20,000	33,952	30,000	30,529	30,000
40110 Wrecker Permit Fees	1,000	1,005	1,000	1,005	1,000
40116 Sales Tax Revenue	1,200,000	2,321,279	3,000,000	2,062,990	2,400,000
40116.01 Contra Sales Tax Abatements		(561,468)	(850,000)		(50,000)
40117 Misc. Income	2,500	101,862	5,000	45,467	10,000
40117.01 Unity Park Rental	0	8,250	4,000	3,128	6,000
40118 License and Permits	625,000	1,273,902	2,500,000	625,000	2,000,000
40119 Sign Permit Revenue	5,000	1,915	6,000	1,950	6,000
40120 Franchise Tax Revenue	230,000	248,427	260,000	265,086	260,000
40120.01 In Kind Franchise Income	4,000	0	0	4,533	0
40122 Interest Income/Gen Fund	0	0	0	0	0
40127 Rendition Penalty/Montg. Co.	0	0	0	0	0
40128 Vehicle & Equip. Sales	0	0	0	0	0
40129 Sale of Assets	0	0	0	0	0
40133 Plat Fee Revenue	7,000	25,650	25,000	18,000	25,000
40199 Prop Tax Penalties/Interest	2,000	12,855	4,000	4,000	4,000
Total General and Administrative	2,498,965	4,105,067	5,577,937	3,677,652	5,376,771
Police					
40203 Police Department Donations	0	0	0	0	0
40204 Police Department Grants	0	0	0	0	0
40209 Police Grant - TAPEIT	0	0	0	0	0
40223 Police Forfeited Prop Revenue	2,000	0	0	0	0
40224 Police-Asset Forfeiture	2,000	3,111	3,000	5,531	3,000
40233 S.T.E.P. Revenue	0	0	0	0	0
Total Police	4,000	3,111	3,000	5,531	3,000
Courts					
40401 Summoning Jury Fee	0	0	0	103	0
40407 OMNI Revenue	2,000	1,372	2,000	1,392	2,000
40409 Warrant Fee Revenue	20,000	17,208	20,000	17,033	20,000
40410 Court Fine Revenue	250,000	219,856	250,000	202,817	250,000
40413 Bond Escrow/Bond Refund	35,000	30,670	35,000	32,120	35,000
40414 C.O.L.A.G.Y.	32,000	31,572	32,000	31,962	32,000
40416 Child Safety Seat Fee	0	121	0	182	0
40423 Bond	0	4,529	0	3,381	0
40424 Truancy Prevention Fund	1,500	7,214	1,500	4,514	1,500
Total Courts	340,500	312,542	340,500	293,504	340,500.00
Intra-Fund Transfers					
49902 Intra-Fund Transfer (02) Water	401,044	363,031	1,021,695	401,044	1,227,735
49904 Transfer with Fund 04		(228,587)			
49906 Intra-Fund Transfer (06)4B	11,060	33,178	8,000	37,404	5,000
49907 Intra-Fund Transfer (07)4A	2,783	29,318	2,365	32,655	5,000
49910 Intra-Fund Trfr (10)Red Lt Camera	194,779	206,077	0	205,205	0
Total Intra-Fund Transfers	609,666	403,017	1,032,060	676,308	1,237,735
Total Revenue	3,453,131	4,823,737	6,953,497	4,652,995	6,958,006

City of Magnolia

Revenues

Account	Account Name	Approved Budget	Description
40102	Gen/Admin Donations	-	
40102.06	Communtiy Events	-	Formerly MFC
40104	Liquor License Fee	500	Fees paid in order to sell alcohol within City limits
40105	Ad Valorem Tax Revenue	684,271	M&O estimated tax rate of \$.1038 based on estimated valuation of \$ 659,220,345 preliminary
40107	Mixed Beverage Tax Revenue	30,000	Locally collected taxes on the sale and consumption of alcohol. Tax rate established by State.
40110	Wrecker Permit Fees	1,000	Fees paid by wrecker companies to operate within City
40116	Sales Tax Revenue	2,400,000	City's portion of sales tax-- \$.01 of the total \$.0825 collected by the State
40116.01	Contra Sales Tax Abatement(s)	(50,000)	ST9 Sales Tax Abatement
40117	Misc. Income	10,000	Miscellaneous receipts which do not fall within any other category
40117.01	Unity Park Rental	6,000	Fees paid for rental of Unity Park facilities
40118	Licenses and Permits	2,000,000	Fees paid as established by ordinance for construction of structures inside the City
40119	Sign Permit Revenue	6,000	Fees paid to enable a business to install a sign within the City/annual renewal required
40120	Franchise Tax Revenue	260,000	Fees paid for the privilege of operating in the City, based on gross revenues and percent established by contract
40120.01	In Kind Franchise Income	-	
40127	Rendition Penalty/Montgomery Co.	-	Penalties applied to businesses in noncompliance with personal property rendition laws
40128	Vehicle & Equip. Sales	-	Income from sale of surplus property
40133	Plat Fee Revenue	25,000	
40199	Prop Tax Penalties/Interest	4,000	
40204	Police Department Grants	-	
40223	Police/Forfeited Prop Rev	-	
40224	Asset Forfeitures	3,000	

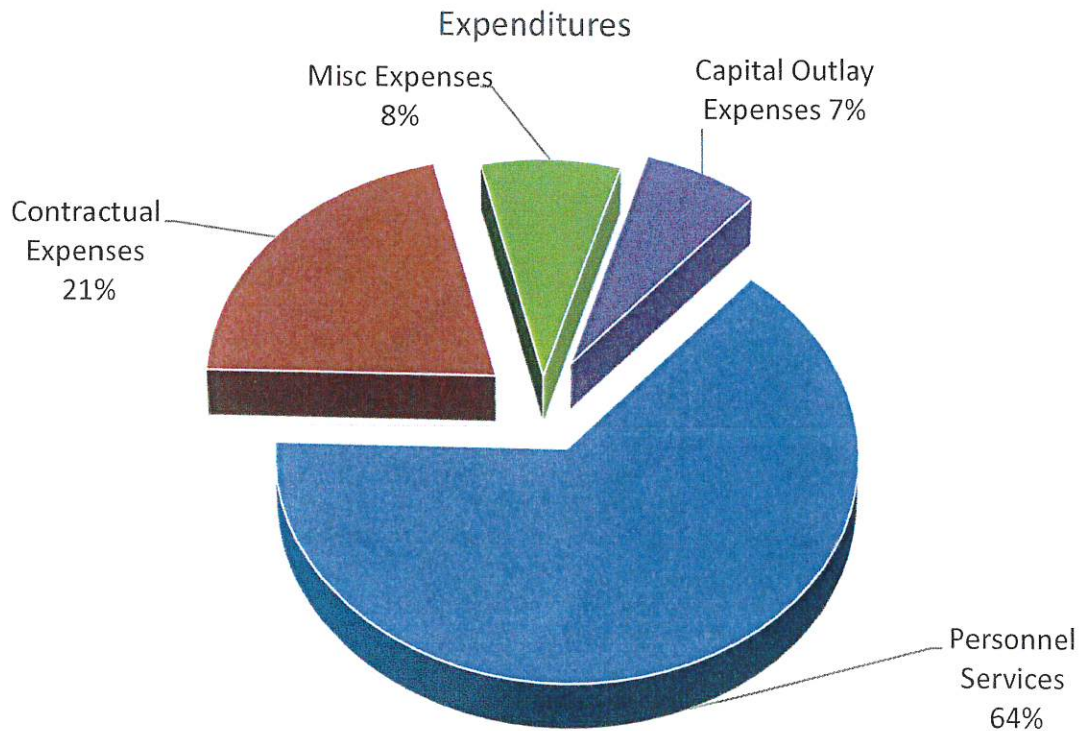
Revenues

Account	Account Name	Proposed Budget	Description
Court Fees and Fines, as limited by State law:			
40407	OMNI Revenue	2,000	
40409	Warrant Fee Revenue	20,000	
40410	Court Fines	250,000	
40413	Bond Escrow/Bond Refund	35,000	
40414	C.O.L.A.G.Y.	32,000	Collection agency fees
40423	Bond	-	
40425	Truancy Prevention Fee	1,500	
Intra-Fund Transfers:			
49902	Intra-Fund Transfer (02) Water	1,227,735	Funds transferred in from Water/Sewer Fund
49906	Intra-Fund Transfer (06) 4B	5,000	Funds transferred in from Community Development Fund
49907	Intra-Fund Transfer (07) 4A	5,000	Funds transferred in from Economic Development Fund
49910	Intra-Fund Trfr (10) Red Lt Camera	-	Funds transferred in from Red Light Camera Fund
		6,958,006	

City of Magnolia

Expenditure Summary - General Fund

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
General Fund				
Personnel Services	\$2,407,983	\$2,772,760	\$3,259,352	\$4,525,499
Contractual Expenses	\$689,087	\$1,204,204	\$1,684,112	\$1,481,190
Miscellaneous Expenses	\$261,200	\$299,805	\$466,929	\$569,014
Capital Outlay Expenses	\$90,590	\$152,726	\$362,235	\$468,611
Total	\$3,448,860	\$4,429,496	\$5,645,197	\$7,044,314



CITY COUNCIL



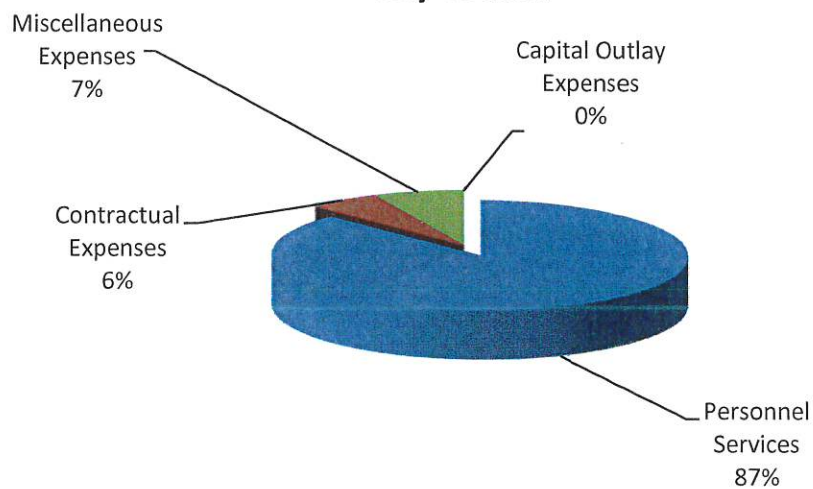
City Council Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$28,474	\$27,690	\$46,200	\$51,613
Contractual Expenses	\$2,900	\$3,280	\$3,280	\$3,280
Miscellaneous Expenses	\$4,350	\$4,150	\$4,150	\$4,150
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$35,724	\$35,120	\$53,630	\$59,043

Staffing

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Mayor and Council	6	6	6	6
Total	6	6	6	6

City Council



City of Magnolia

City Council	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
<u>Personnel Services</u>					
510501 Council Salary					1,600
510526 Insurance(Med,Dental,Vision)	25,190	28,282	43,700	48,036	47,513
510543 Education, Travel, & Certification	2,500	0	2,500	0	2,500
Total Personnel Services	27,690	28,282	46,200	48,036	51,613
<u>Contractual Expenses</u>					
510604 Cell Phones	2,880	1,967	2,880	1,970	2,880
510642 Dues & Memberships	400	0	400	0	400
Total Contractual Expenses	3,280	1,967	3,280	1,970	3,280
<u>Miscellaneous Expenses</u>					
510744 Minor Equipment	2,000	0	2,000	0	2,000
510766 Office Supplies	350	478	350	805	350
510774 Phone/Communication Equip.	0	0	0	0	0
510879 Elected Officials-Errors/Omissions Ins.	1,800	2,149	1,800	1,468	1,800
Total Miscellaneous Expenses	4,150	2,627	4,150	2,273	4,150
<u>Capital Expenses</u>					
510920 Computers & Equipment	0	0	0	0	0
Total Capital Expenses	0	0	0	0	0
Total City Council Expenditures	35,120	32,876	53,630	52,279	59,043

City of Magnolia

City Council

Account	Account Name	Approved Budget	Description	
510501	Council Salary	1,600	Mayor & 2 councilmembers	
510526	Employee Insurance	47,513	Medical, dental, vision	
510543	Education, Travel, Certifications	2,500	Training, travel & certifications	
510604	Cell Phones	2,880	Cell phones for council members	
510642	Dues & Memberships	400	HGAC	200
			Misc.	200
510744	Minor Equipment	2,000	Misc. equipment	
510766	Office Supplies	350	Business cards, name plates, etc.	
510879	Elected Officials-Errors & Omissions Ins.	1,800		
510920	Computers & Equipment	-		
		59,043		

CITY HALL/ ADMINISTRATION



Administration Department

Department Mission

To represent the Mayor and Council in a courteous, professional and efficient manner and still maintain a small-town atmosphere and to provide quality services to the citizens of Magnolia

Program Narrative

The Administration Department oversees the day-to-day operations of the City by setting goals and objectives for the City staff and serving as a liaison between the City Council and the staff and the citizens of Magnolia. The City Administrator also coordinates the City's goals and operations with other governmental entities, agencies and organizations. The department strives to preserve a unique atmosphere and quality of life while cultivating a dynamic economic development for all of the residents of Magnolia.

Accomplishments for FY 2022-2023

- Oversaw preparation of FY 2022-2023 Annual Budget
- Continued the improvement of City's reserve funds
- Continued assisting multiple developers with expansion of development
- Continued process of re-organizing City Hall operations
- Initiated weekly department head meetings
- Current trend is that sales tax revenue continues to increase

Objectives for FY 2023-2024

- Continue to promote sound and prudent financial management to improve fiscal integrity and sustainability of City finances
- Monitor state legislative trends that impact the City's financial condition and provide appropriate recommendations for action to the City Council
- Continue to review and adjust department staffing and procedures to promote efficiency and effective municipal operations and services
- Continue to monitor and improve interoperability and cross training throughout staff
- Pursue professional education opportunities for the staff
- Continue to improve the level of customer service provided to both citizens and external customers to promote positive public and intergovernmental relations

Goals for FY 2023-2024

- Oversee development of additional financial written policies, as needed
- Develop and refine ordinances to support future zoning
- Continue to assist developers with expansion of existing development in Magnolia
- Continue working to attract additional commercial and residential development within the City
- Improve the City's level of transparency on funds and all activities
- Continue to hold weekly department head meetings in order to promote open communication and information sharing

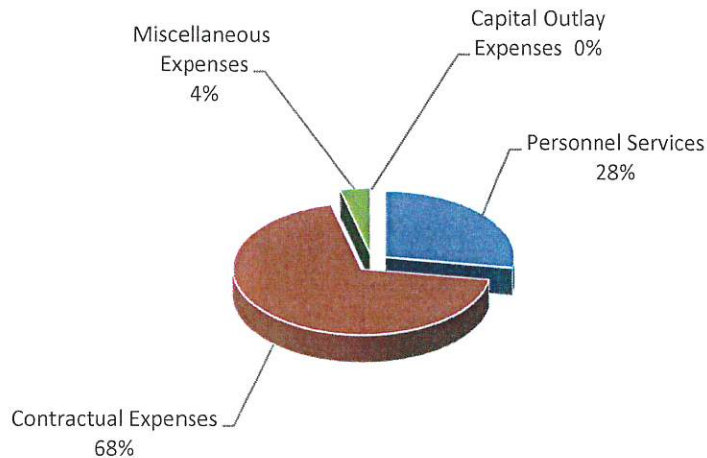
City of Magnolia

City Hall/Administration Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$160,584	\$342,831	\$364,058	\$413,420
Contractual Expenses	\$407,425	\$841,034	\$879,116	\$1,033,669
Miscellaneous Expenses	\$55,450	\$48,110	\$48,610	\$56,914
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$524,284	\$1,231,975	\$1,291,784	\$1,504,003

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2022-2023
City Administrator	1	1	1	1
City Engineer	0	1	1	1
Permit Technician	0	0	1	0
Clerical	0.5	0	0	0
Finance	0	0	0	0
Executive Assistant	0	0	0	0
Code Enforcement Officer (Contract)	1	1	1	1
Total	2.5	3	4	3

City Hall/Administration



City of Magnolia

Department Expenditures City Hall/Administration

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
<u>Personnel Services</u>					
501501 Salaries	211,700	162,297	264,013	148,818	318,807
501502 Car Allowance	6,000	6,000	12,000	5,885	12,000
501503 Overtime		999	2,000	770	0
501506 Salary 4B	30,698	89	0	0	0
501507 Salary 4A	31,802	81	0	0	0
501515 Longevity	115	145	175	383	270
501516 T.E.C.(Unemployment)	540	488	540	14	180
501517 TMRS	12,527	8,918	12,884	6,879	15,845
501518 Worker's Compensation	656	468	675	310	815
501526 Insurance (Med./Dental/Vision/Life)	24,007	28,337	42,327	26,198	31,155
501536 Payroll Tax (F.I.C.A/Medicare)	20,105	12,045	24,724	10,851	28,770
501543 Education, Travel, & Certifications	3,000	812	3,000	1,355	3,000
501547 Drug Test	100	0	100	0	100
501550 Dues and Memberships	1,580	1,526	1,620	2,577	1,725
Total Personnel Services	342,830	222,205	364,058	204,040	412,666
<u>Contractual Expenses</u>					
501625 Maint & Repair Vehicle	2,000	9,023	2,000	88	2,000
501629 Inspection Services	240,000	636,078	330,000	336,461	330,000
501632 Consultant/Contract Services	53,700	45,326	29,720	39,864	31,962
501632.01 Contract-ST9 380 Agreement	300,000	0	0	0	0
501632.05 Realtor's Commission-Mg Ridge TIRZ	35,000	0	75,000	0	200,000
501632.07 Contract- Shadyside					25,000
501632.09 Contract Magnolia Village					
501640 Legal	80,000	93,410	80,000	96,397	80,000
501640.02 Legal-TX Legislative Monitoring	30,000	0	30,000	0	30,000
501641 Accounting	18,135	21,798	18,585	11,250	18,585
501643 Engineering	10,000	344,477	250,000	665,665	250,000
501670 Rental of Office Equipment/copier	6,200	5,394	6,200	5,856	6,350
501673 Computer Software (S/W)	50,999	42,209	42,611	33,109	44,772
501674 Posting/Advertising	0	0	0	-334	0
501677 Computer Assistance (IT Services)	15,000	7,638	15,000	17,461	15,000
Total Contractual Expenses	841,034	1,205,353	879,116	1,205,817	1,033,668
<u>Miscellaneous Expenses</u>					
501744 Minor Equipment	1,000	1,684	1,000	1,984	1,000
501751 Misc Expense-Prior Year		0			
501766 Office Supplies	5,000	4,022	5,000	5,289	5,500
501768 Planning Commission Expenses	15,900	9,738	16,400	10,114	10,180
501774 Cell Phones	960	626	960	3,078	984
501775 Ref. Books, Reports, Subscriptions	1,000	180	1,000	150	1,000
501778 Flower Fund	750	230	750	0	750
501779 Morale/Welfare	1,000	686	1,000	-2	1,000
501800 Bank Fees	2,000	775	2,000	113	2,000
501806 City Administrators Fund	3,000	2,642	3,000	4,511	4,500
501807 Community Special Events	14,000	606	14,000	13,330	24,500
501807.06 Community Events		10,792		197	
501510 Advertising		2,763			
501833 Postage	3,500	3,800	3,500	4,767	5,500
501890 Other Uses-Grant Repayment		3,140			
Total Miscellaneous Expenses	48,110	41,684	48,610	43,531	56,914
<u>Capital Expenses</u>					
501920 Computer Equipment	0	0	0	0	0
Total Capital Expenses	0	0	0	0	0
Total City Hall/Administration Expenditures	1,231,974	1,469,242	1,291,784	1,453,388	1,503,248

City of Magnolia

City Hall/Administration

Account	Account Name	Approved Budget	Description
501501	Salaries	318,807	City Administrator & Engineer
501502	Car Allowance	12,000	Annual car allowance for City Administrator/ Engineer
501503		-	Overtime for Planner/Permit Tech
501506	Salary 4B	-	Transfer amount of payroll expenses for 4B portion of EDC/CDC Director's salary/benefits
501507	Salary 4A	-	Transfer amount of payroll expenses for 4A portion of EDC/CDC Director's salary/benefits
501515	Longevity	270	\$5 per month per year of service with City
501516	T.E.C. (Unemployment)	180	Unemployment taxes- 0.10% rate
501517	TMRS	15,845	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
501518	Worker's Compensation	815	Premiums paid to TML for W/C ins.
501526	Employee Insurance	31,155	Medical, dental, vision
501536	Payroll Tax	28,770	Social Security & Medicare-7.65% rate
501543	Education, Travel, Certifications	3,000	Training, travel & certifications
501547	Drug Test	100	Pre-employment & post-accident testing
501550	Dues, Memberships & Promotions	1,725	<div> <div>Tx City Mgt Ass'n</div> <div>50</div> <div>TFMA</div> <div>100</div> <div>Amex</div> <div>150</div> <div>TML</div> <div>850</div> <div>Tx Social Security Admin Fee</div> <div>35</div> <div>Sam's Club</div> <div>140</div> <div>Greater Magnolia Pkwy Chamber</div> <div>250</div> <div>Misc.</div> <div>150</div> </div>
501625	Maint & Repair/Vehicle	2,000	Maintenance costs for code compliance vehicle
501629	Inspection Services	330,000	Inspections and reviews of construction
501632	Consultant/Contract Services	31,962	<div> <div>Consultants, i.e. Kendig Keast,</div> <div>6,500</div> <div>Municode, on-site shredding</div> <div>Contract-planning,dev salary</div> <div>-</div> <div>Code enforcement salary</div> <div>25,462</div> </div>
501632.03	Contract ST9 380 Agreement	-	Sales Tax Abatement Agreement with ST9 Oil & Gas Company
501632.05	Contract-Realtor's Commission	200,000	Realtor's Commission (Magnolia Ridge TIRZ)
501632.07	Contract- Shadyside	25,000	380 Agreement
501632.09	Contract- Magnolia Village		380 Agreement
501640	Legal	80,000	Attorney fees
501640.02	Legal-TX Legislative Monitoring	30,000	Attorney fees for legislative tracking/monitoring required by House Bill 2224 & Senate Bill 784--2021 Tx Legislature

City of Magnolia

City Hall/Administration

Account	Account Name	Approved Budget	Description	
501641	Accounting	18,585	Fees for annual audit,accounting support	
501643	Engineering	250,000	General engineering fees	
501670	Rental of Office Equipment/Copier	6,350	Rental expense of copier, extra costs for b/w and color copies	
501673	Computer Software (S/W)	44,772	Tyler (Incode) annual maint.	15,500
			Records management system	10,000
			Blackboard (Connect Gov)	2,769
			CivicPlus software	2,363
			OCS-email hosting/spam filters	4,500
			(website hosting)	780
			LogMeIn Connect Pro Bundle	2,135
			Adobe Pro	725
			Additional software purchase/ maintenance & support	6,000
501677	Computer Assistance (IT Services)	15,000	Technical services for admin	
501744	Minor Equipment	1,000	Miscellaneous	1,000
501766	Office Supplies	5,500	Paper, pens, staples, clips, toner, file folders, note pads, etc.	
501768	Planning Commission Expenses	10,180	ERSI geo mapping	1,230
			enCodePlus annual s/w licensing	6,750
			Publishing	1,500
			Memberships	-
			Training	-
			Travel	-
			Scenic City update	-
			Supplies	700
501774	Cell Phones	984	Cost of cell phones and usage for City Administrator & Code Enforcement	
501775	Ref. Books,Reports,Subscriptions	1,000	Periodicals, manuals, updates to Local Gov't Code	
501778	Flower Fund	750	Cost of sending flowers for bereavement/ sickness of employees, Council, board members and their families	
501779	Morale/Welfare	1,000	Employee luncheons, birthday cakes, etc.	
501806	City Administrator's Fund	4,500	Misc. expenses of City Administrator, including business lunches/council mtg food	
501800	Bank Fees	2,000	Cost of printed deposit slips, account analysis fees, etc.	
501807	Community Special Events	24,500	Fireworks for July 4th, other events	
501807.06	Community Special Events	-	New Christmas lighting formerly MFC	9,000
501833	Postage	5,500	Admin mailing costs including Pitney Bowes mail machine lease, mail permits, Fedex charges	
		1,503,248		

CITY SECRETARY



City Secretary

Department Mission:

To maintain the permanent records of the City for historical preservation and provide support services and information to citizens, council members, and City staff in an effective and efficient manner.

Scope of business:

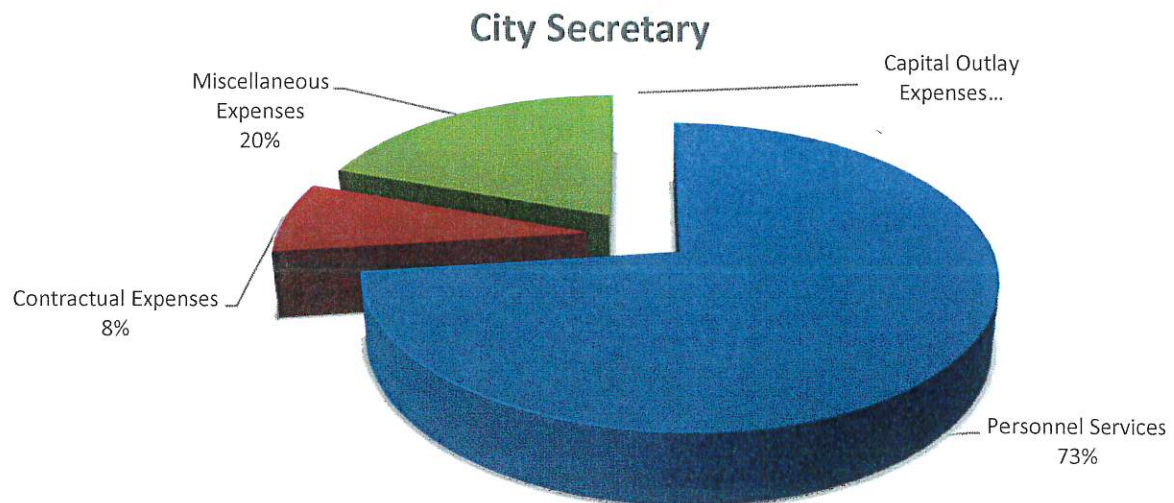
- Uphold the integrity of public service by providing professional assistance and direction in a fair and timely manner.
- Prepare, publish, record, and maintain city records to include Council agendas, minutes, ordinances, resolutions, deeds, contracts, agreements, easements, and other legal documents in accordance with policies set by Council, Code of Ordinances and laws of the State.
- Serve as Election Administrator for all City elections.
- Post and publish all legal notices in accordance with the Texas Local Government Code, Texas Open Meetings Act, City Codes and all other State laws.
- Ensure the codification of ordinances adopted by Council.
- Serve as Public Information Officer and Chief Custodian of Records.
- Attend all meetings of City-related boards and commissions, to include coordination and preparation of all agendas, minutes, resolutions, contracts, agreements, and any other legal documents in accordance with set policies, Code of Ordinances and laws of the State.
- Maintain and update City website as necessary or required.
- Complete inventory and destruction of municipal records.
- Provide information and documentation in a timely and efficient manner and in accordance with State and federal laws.

City of Magnolia

City Secretary Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$91,808	\$94,326	\$98,214	\$86,580
Contractual Expenses	\$10,000	\$11,000	\$11,000	\$9,000
Miscellaneous Expenses	\$13,300	\$22,800	\$23,300	\$23,300
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$115,108	\$128,126	\$132,514	\$118,880

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
City Secretary	1	1	1	1
Assistant	0	0	0	0
Total	1	1	1	1



City of Magnolia

City Secretary	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
<u>Personnel Services</u>					
506501 Salaries	66,950	66,950	66,950	41,089	60,000
506503 Overtime	0	0	0	17	0
506505 Cell Phone Allowance	300	300	300	104	0
506506 Salary 4B	2,100	2,019	2,100	727	0
506507 Salary 4A	2,100	2,019	2,100	727	0
506515 Longevity	65	65	125	0	140
506516 T.E.C.	180	9	360	0	90
506517 T.M.R.S.	3,490	3,885	3,494	1,800	2,989
506518 Worker's Comp	171	113	171	77	153
506526 Insurance (Med/Dental/Life/Vision)	12,004	12,168	14,109	13,973	15,577
506536 Payroll Tax (F.I.C.A./Medicare)	5,471	5,459	5,475	3,247	4,601
506543 Education, Travel, Certification	1,000	2,668	2,500	2,314	2,500
506547 Drug Test		0	35	0	35
506550 Dues and Memberships	495	490	495	158	495
Total Personnel Services	94,326	96,145	98,214	64,232	86,580
<u>Contractual Expenses</u>					
506673 Computer Software	1,000	230	1,000	4,490	3,000
506674 Posting and Advertising	10,000	3,744	10,000	303	6,000
Total Contractual Expenses	11,000	3,975	11,000	4,793	9,000
<u>Miscellaneous Expenses</u>					
506766 Office Supplies	0	0	0	0	0
506769 Office Equipment	1,000	3,068	1,000	0	1,000
506773 Cost of Election	21,000	14,146	21,000	36	21,000
506775 Magazines, Maps & Books	300	0	300	0	300
506834 Recording Fees	500	914	1,000	71	1,000
Total Miscellaneous Expenses	22,800	18,127	23,300	107	23,300
<u>Capital Expenses</u>					
506920 Capital-Computer Equipment	0	0	0	0	0
506960 Capital-Office Furniture	0	0	0	0	0
Total Capital Expenses	0	0	0	0	0
Total City Secretary Expenditures	128,126	118,247	132,514	69,132	118,880

City of Magnolia

City Secretary

Account	Account Name	Approved Budget	Description
506501	Salaries	60,000	1 full time
506505	Cell Phone Allowance	-	Allowance for use of personal cell phone for business purposes
506506	Salary 4B	-	Transfer amount of payroll expenses for 4B portion of City Secretary's salary
506507	Salary 4A	-	Transfer amount of payroll expenses for 4A portion of City Secretary's salary
506515	Longevity	140	\$5 per month per year of service with City
506516	T.E.C. (Unemployment)	90	Unemployment taxes- 0.10% rate
506517	TMRS	2,989	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
506518	Worker's Compensation	153	Cost of W/C insurance
506526	Employee Insurance	15,577	Medical, dental, vision
506536	Payroll Tax	4,601	Social Security & Medicare-7.65% rate
506543	Education, Travel, Certifications	2,500	Training, travel & certifications
506547	Drug Test	35	Pre-employment & post-accident testing
506550	Dues & Memberships	495	TMCA 100 Notary renewal 150 Saltgrass Chapter 70 IMMC 175
506673	Computer Software	3,000	Franklin Publishing 1,000
506674	Posting & Advertising	6,000	Posting legal notices, ordinances, election information
505766	Office Supplies	-	
506769	Office Equipment	1,000	Minor office equipment
506773	Cost of Election	21,000	Paid to the County for elections (2)
506775	Magazines, Maps & Books	300	Updates of TX Local Gov't Code, etc.
506833	Postage	-	
506834	Recording Fees	1,000	Costs for recording items with County or State
506960	Capital-Office Furniture	-	Credenza,L Desk,Lateral File, Glass Display Cabinet,Hutch
		118,880	

FINANCE



Finance Department

Department Mission

To ensure responsible oversight of the City's budget, investments, financial transactions, debt service, financial reporting and audit; and to support the City in meeting its goals through its most valuable resource—its people!

Program Narrative

The Finance Department is responsible for the day-to-day processing of financial transactions to ensure that municipal finances are maintained in an effective, up-to-date and accurate manner; complete payroll functions in order to ensure staff are paid accurately and timely; handle all human resource functions and provide administrative support in order to ensure effective and efficient office operations.

Accomplishments for FY 2022-2023

- Delivered monthly financials to Council and staff by the 5th working day of the following month, 100% of the time
- Prepared and distributed vendor checks in a timely and accurate manner
- Provided accurate payroll processing, along with quick responses to employees' payroll questions
- Assisted departments in recruiting efforts
- Conducted annual cyber-security training

Objectives for FY 2023-2024

- Continue to deliver monthly financials to Council and staff by the 5th working day of the following month 100% of the time
- Continue to improve the level of customer service provided to both internal and external customers
- Continue to update Personnel Policy Handbook as necessary

Goals for FY 2023-2024

- Become a more efficient finance department by reducing/eliminating some of the paper-based processes
- Develop additional financial policies as needed
- Make monthly financials available on website
- Streamline A/P process
- Streamline Budget Process
- Rework Personnel Policy

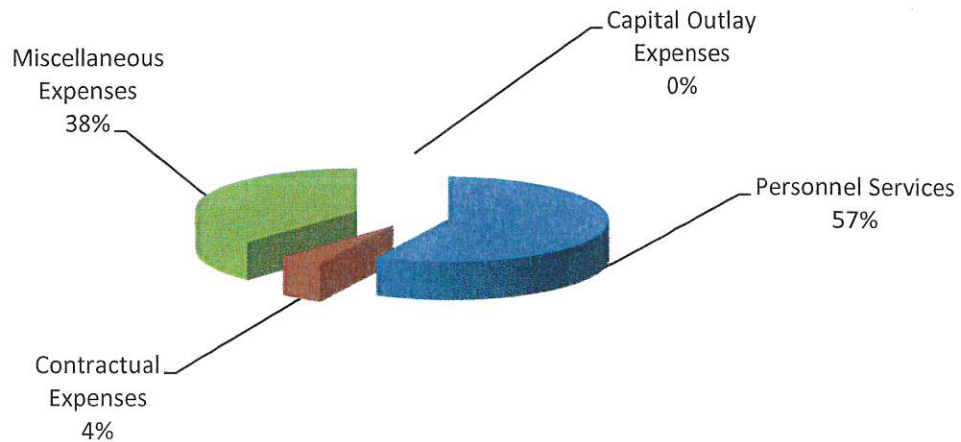
City of Magnolia

Finance Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$107,196	\$138,583	\$185,259	\$191,681
Contractual Expenses	\$9,000	\$8,920	\$10,000	\$15,000
Miscellaneous Expenses	\$1,450	\$8,718	\$12,300	\$127,700
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$117,646	\$156,221	\$207,559	\$334,381

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Finance Administrator	1	1	1	1
Finance Clerk	0.5	0.5	1	1
Total	1.5	1.5	2	2

Finance



City of Magnolia

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Finance					
<u>Personnel Services</u>					
505501 Salaries	102,562	90,885	123,760	100,590	126,995
505503 Overtime	12,000	14,722	12,000	17,039	12,000
505506 Salary 4B	2,400	2,400	2,400	2,215	2,400
505515 Longevity	900	900	990	1,485	1,110
505516 T.E.C.	540	18	540	14	180
505517 T.M.R.S.	3,897	4,891	4,936	5,031	5,194
505518 Worker's Comp	350	368	350	239	325
505526 Insurance (Med/Dental/Life/Vision)	12,004	15,333	28,218	31,438	31,155
505536 Payroll Tax (F.I.C.A./Medicare)	9,016	8,289	10,645	9,220	10,902
505543 Education, Travel, Certification	1,000	530	1,000	263	1,000
505547 Drug Test	35	35	70	0	70
505550 Dues and Memberships	250	212	350	240	350
Total Personnel Services	144,954	138,583	185,259	167,774	191,680
<u>Contractual Expenses</u>					
505632 Contract/Outside Services	0	0	0	0	0
505644 Appraisal District Fee	9,000	8,920	10,000	10,372	15,000
Total Contractual Expenses	9,000	8,920	10,000	10,372	15,000
<u>Miscellaneous Expenses</u>					
505766 Office Supplies	1,000	389	1,000	1,630	2,000
505769 Office Equipment	3,000	0	3,000	1,365	3,000
505775 Ref Books, Reports, Subscriptions	200	62	200	46	200
505800 Bank Fees	300	884	600	95,510	114,000
505820 Surety&Fidelity Bonds	7,500	7,383	7,500	5,250	8,500
Total Miscellaneous Expenses	12,000	8,718	12,300	103,801	127,700
Total Finance Expenditures	165,954	156,221	207,559	281,946	334,380

City of Magnolia

Finance

Account	Account Name	Approved Budget	Description
505501	Salaries	126,995	1 administrator, 1 assistant
505503	Overtime	12,000	Authorized overtime for non-exempt employees
505506	Salary 4B	2,400	Transfer amount of payroll expenses for 4B portion of Finance Director's salary
505515	Longevity	1,110	\$5 per month per year of service with City
505516	T.E.C. (Unemployment)	180	Unemployment taxes- 0.10% rate
505517	TMRS	5,194	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
505518	Worker's Compensation	325	Cost of W/C insurance
505526	Employee Insurance	31,155	Medical, dental, vision (2)
505536	Payroll Tax	10,902	Social Security & Medicare-7.65% rate
505543	Education, Travel, Certifications	1,000	Training, travel & certifications
505547	Drug Test	70	Pre-employment & post-accident testing
505550	Dues, Memberships & Promotions	350	National Notary Assoc., misc. 150 Government Finance Off. Assoc. 200
505644	Appraisal District Fee	15,000	Qtrly fee paid to Montgomery Co. Central Appraisal District
505766	Office Supplies	2,000	Tax forms, laser printer checks, toner for printers
505769	Office Equipment	3,000	New desk 1,000 New computer 2,000
505775	Ref. Books, Reports, Subscriptions	200	Updates to personnel manuals
505800	Bank Fees Account Analysis	114,000	A/A fees, cost of checks & deposit slips
505820	Surety & Fidelity Bonds	8,500	Bonding for Finance Dept., City Administrator & City Secretary
		334,380	

POLICE





MAGNOLIA POLICE DEPARTMENT

Kyle Montgomery
Chief of Police

Police Department Budget Goals **2023-2024**

We must continue in strategic planning to prepare for the challenges that come with residential and commercial growth. We must remain progressive minded and forecast potential problems, rather than be fixated on only the problems that we've seen. If we're able to be progressive and look to the future, this will lessen the challenges that other small cities see during times of growth and change. The agency goals associated with our strategic planning are:

- a. Traffic safety and mobility improvement.
- b. Use our training program to help identify officers that have specific career goals that coincide with the needs to the agency. We can then train those officers to help fill those needs as they come.
- c. Develop a higher level of community partnership, so that their voice is better heard within the agency.
- d. Continue specialized tactical training for all officers, to enhance both officer and community.
- e. Continue to provide officers with the tools and technology to complete their duties safely and efficiently.
- f. Recruitment and retention to mirror the growth of our community and compete with comparable agencies.

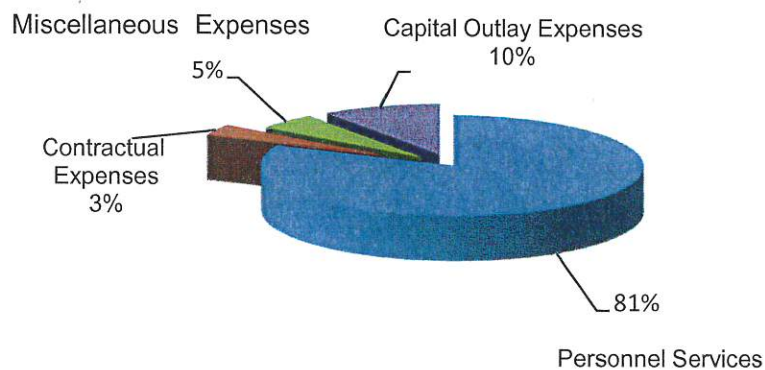
City of Magnolia

Police Department Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$1,384,993	\$1,450,191	\$1,782,744	\$2,287,599
Contractual Expenses	\$65,562	\$89,910	\$99,998	\$97,905
Miscellaneous Expenses	\$56,400	\$64,745	\$131,900	\$143,100
Capital Outlay Expenses	\$25,590	\$5,590	\$66,115	\$279,994
Total	\$1,532,545	\$1,610,436	\$2,080,757	\$2,808,598

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2022-2023
Chief of Police	1	1	1	1
Captain	0	0	0	0
Lieutenant	1	1	1	1
Sergeant	3	3	4	4
Detective	1	1	1	1
Investigator	1	1	1	1
Patrol Officers	7	8	12	12
Reserve Officers	1	1	1	1
Dispatch	0	0	0	0
Administrative Asst/Dispatch	2	2	2	2
Code Compliance Officer	0	0	0	0
Executive Officer	0	0	0	0
Evidence Clerk	1	1	1	0.5
Total	18	19	24	23.5

Police



City of Magnolia

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Police Department					
<u>Personnel Services</u>					
502501 Salaries	1,032,060	968,132	1,207,552	1,122,408	1,633,255
502503 Overtime	29,000	37,641	30,000	49,380	35,000
502504 S.T.E.P. Overtime	0	0	0	0	0
502510 Salary and Benefit Reimbursement	0	0	0	0	0
502515 Longevity	6,525	6,340	7,000	10,283	7,260
502516 T.E.C.(Unemployment)	3,240	414	4,140	41	1,980
502517 TMRS	52,098	54,329	60,734	50,257	83,273
502518 Worker's Compensation	22,000	31,189	30,000	31,981	32,500
502526 Insurance (Med./Dental/Vision/Life)	204,063	201,434	324,510	303,751	342,704
502536 Payroll Tax (F.I.C.A/Medicare)	81,670	75,639	95,208	88,208	128,177
502543 Education, Travel, & Certifications	15,000	18,939	20,000	32,594	20,000
502544 State P. D. Education	0	1,010	0	(582)	0
502547 Drug Test	1,200	1,044	600	593	450
502550 Dues, Memberships, & Promotions	3,334	4,144	3,000	10,188	3,000
Total Personnel Services	1,450,191	1,400,256	1,782,744	1,699,101	2,287,599
<u>Contractual Expenses</u>					
502604 Police Dept Cell Phones	9,000	8,888	12,000	14,721	15,000
502625 Maintenance & Repair Vehicle	28,000	54,225	35,000	38,267	30,000
502630 Outside Services	2,500	11,897	2,500	4,793	2,500
502634 Maintenance & Repair Office Equip.	0	0	0	0	0
502637 Radios	500	0	500	519	500
502670 Copy Machine/Lease of Office Equip.	4,012	4,012	4,100	30,981	4,100
502673 Computer Software	4,000	3,419	4,000	3,581	4,000
502677 IT Services	27,898	21,109	27,898	49,136	31,805
Total Contractual Expenses	14,000	11,588	14,000	10,604	10,000
	89,910	115,138	99,998	152,602	97,905
<u>Miscellaneous Expenses</u>					
502744 Minor Equipment					
502760 Fuel	10,845	5,314	9,000	2,608	9,000
502762 Uniforms & Badges	0	9,745	50,000	70,147	70,000
502766 Office Supplies	9,500	16,888	23,000	21,214	15,000
502769 Evidence Supplies	7,200	11,016	7,450	11,084	7,500
502770 Special Operations	2,500	2,975	2,750	773	2,900
502827 Fleet Insurance - TML	1,500	1,963	1,500	522	500
502828 Law Enforcement Liability	21,000	23,378	23,000	18,737	23,000
502833 Postage	12,000	13,301	15,000	9,934	15,000
Total Miscellaneous Expenses	200	0	200	142	200
	64,745	84,580	131,900	135,162	143,100
<u>Capital Expenses</u>					
502920 Computer Equipment					
502921 Radios	0	0	0	0	0
502922 Tasers	0	0	5,000	0	0
502924 Safety Vests	2,640	2,640	8,500	15,130	66,189
502951 Motor Vehicles	2,950	945	0	0	0
502960 Capital-Office Furniture	0	0	52,615	81,152	213,805
Total Capital Expenses	0	0	0	0	0
	5,590	3,585	66,115	96,282	279,994
Total Police Department Expenditures	1,610,436	1,603,559	2,080,757	2,083,147	2,808,597

City of Magnolia

Police Department

Account	Account Name	Approved Budget	Description	
502501	Salaries	1,633,255	23 employees (+1 Reserve)	
502503	Overtime	35,000	Authorized overtime for non-exempt employees	
502504	S.T.E.P. Overtime	-	State funds	
502510	Salary & Benefit Reimb (TC)	-	Salary for 0 employees-red light camera	
502515	Longevity	7,260	\$5 per month per year of service with City	
502516	T.E.C. (Unemployment)	1,980	Unemployment taxes- 0.10% rate	
502517	TMRS	83,273	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)	
502518	Worker's Compensation	32,500	Premiums paid to TML for W/C ins.	
502526	Employee Insurance	342,704	Medical, dental, vision for 22 empl.	
502536	Payroll Tax	128,177	Social Security & Medicare-7.65% rate	
502543	Education, Travel, Certifications	20,000	Misc education, travel expense	
502547	Drug Tests	450	Pre-employment & post-accident testing & polygraphs for new hires	
502550	Dues, Subscriptions, Promotions	3,000	IACP	210
			Amex, Sam's	205
			Amazon Prime	155
			Adobe Acropro	215
			Echelon Front Line	100
			Safe Fleet license subscriptions	2,444
			Misc	100
502604	Cell Phones	15,000	Cost of cell phones & usage (Includes notebook computer usage)	
502625	Maintenance & Repair Vehicles	30,000	Oil changes, inspection, repairs, maintenance of police vehicles	
502630	Outside Services	2,500	Contracted expenses	
502634	Maint/Repair of Office Equipment	500	Routine maintenance or repair costs of office equipment	
502637	Radios	4,100	Annual contract with Montgomery Co.	4,100
502670	Copy Machine/Lease-Office Equip.	4,000	Lease payments for copier and charge for extra copies	

City of Magnolia

Police Department

Account	Account Name	Approved Budget	Description	
502673	Computer Software	31,805	Annual renewal of TCLEDDS	330
			TLO	2,200
			Leads Online	2,635
			Productivity Center	400
			Colossus	1,200
			OCS-Email hosting/spam filter	4,200
			Susteen	1,500
			Verizon Connect	1,560
			Copysync report mgt software	17,280
			Misc	500
502677	Computer Assistance (IT Services)	10,000	Technical services for P/D	
502744	Minor Equipment	9,000	Ammunition for training	1,200
			Vehicle computer	2,507
			Radar system	2,493
			Citation printers (2)	1,483
			Portable radio for new hire	3,161
502760	Fuel (Paid w/Red Lt Camera Funds)	70,000	Fuel for police vehicles	
502762	Uniforms & Badges	15,000	Uniforms & badges, new or replacement	
502766	Office Supplies	7,500	Copy paper, pens, file folders, toner, coffee supplies, etc.	
502769	Evidence Supplies	2,900	Expense associated with the collection of evidence in crime scenes, drug test kits, flex cuffs, personal protection search gloves	
502773	Special Operations	500	Surveillance & tactical operations	
502827	Fleet Insurance-TML	23,000	Vehicle insurance	
502828	Law Enforcement Liability	15,000	Police officers' liability insurance	
502833	Postage	200	Cost to send certified letters	
502920	Computer Equipment	-		
502921	Radios	-	radios for additional officers	
502922	Tasers (Holsters & Cartridges)	66,189	AXON taser, in-car and body camera package 5yr payment plan	
502924	Personal Ballistic Armor	-	Vest for new officer, etc.	
502951	Motor Vehicles	213,805	annual payment for (10) leased vehicles	
		2,808,597		

MUNICIPAL COURT





Mission Statement:

To serve the community through the promotion of justice by providing an impartial forum for the resolution of all cases brought before the court in a manner such that the legal rights of individuals are safeguarded, and public interest is protected. The Court will avoid impropriety, and diligently strive to attain civic compliance. The court will adhere to the Code of Judicial Conduct and incorporate a standard of excellence as well as maintain a productive and enjoyable work environment.

We hold the Code of Ideals as the key that unlocks our potential for exemplary customer service. For satisfaction in a job well done, and for pride in ourselves and our organization. Our leaders have empowered us to deliver quality service, and we will work together to achieve this goal.

Values Statement:

- *Excellence*- We will provide an outstanding work product.
- *Integrity*- We will adhere to high moral principles and are mindful of the public's trust in our work.
- *Accountability*- We will accept responsibility for our actions and decisions.
- *Transparency*- We will be visible, accessible, and open in our communication with the public.
- *Innovation*– We will thrive to improve service delivery by evaluating and introducing new methods, ideas, and programs.

Goals for FY 2023-2024

- To promote community trust and collaboration by offering a means for individuals to come forward and resolve their legal issues without fear of arrest. Magnolia Municipal Court is a safe harbor court. The court will offer warrant amnesty programs throughout the year.
- To promote equity and access to justice by offering alternative solutions for individuals who are unable to pay fines, such as community service and indigency options.
- Promote education and prevention: The Magnolia Municipal court will take a proactive approach towards educating the public about the law and the court system.
- Enhance community trust: The Magnolia Municipal Court will work towards building and enhancing trust between the court system and the community it serves.
- Provide efficient and effective court services. The Magnolia Municipal Court will strive to provide efficient and effective court services to the public including timely processing of cases, clear and concise communication, and accessibility to court information.

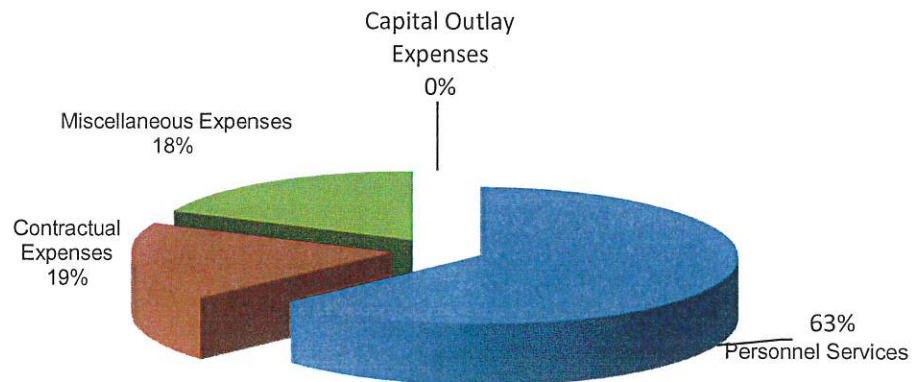
City of Magnolia

Municipal Court Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$106,641	\$99,244	\$136,821	\$160,090
Contractual Expenses	\$37,000	\$40,200	\$47,500	\$47,500
Miscellaneous Expenses	\$46,800	\$41,000	\$45,550	\$46,550
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$190,441	\$180,444	\$229,871	\$254,140

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Judge	1	1	1	1
Associate Judge	1	1	1	1
Municipal Court Administrator	1	1	0	1
Municipal Court Clerk	1	1	2	1.5
Total	4	4	4	4.5

Municipal Court



City of Magnolia

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Municipal Court					
<u>Personnel Services</u>					
504501 Salaries	64,272	81,932	90,927	96,382	107,187
504503 Overtime	0	1,015	3,000	1,055	3,000
504515 Longevity	95	105	515	773	540
504516 T.E.C.	360	51	360	0	225
504517 T.M.R.S.	3,141	4,396	4,609	4,051	5,503
504518 Worker's Comp	164	222	232	196	274
504526 Insurance (Med/Dental/Life/Vision)	24,007	25,287	28,218	29,691	31,155
504536 Payroll Tax (F.I.C.A./Medicare)	4,924	6,295	7,225	7,402	8,471
504543 Education, Travel, Certification	2,000	1,778	1,500	2,888	3,500
504547 Drug Test	50	0	35	0	35
504550 Dues and Memberships	230	295	200	165	200
Total Personnel Services	99,244	121,376	136,821	142,603	160,090
<u>Contractual Expenses</u>					
504632 Contract/Outside Services	13,000	12,900	13,000	12,208	13,000
504640 Legal	12,000	8,100	12,000	10,800	12,000
504670 Rental of Office Equipment	1,000	0	1,000	0	1,000
504673 Incode Software & Support	12,200	13,917	16,500	15,373	16,500
504677 Computer Assistance/IT Services	2,000	2,163	5,000	2,715	5,000
Total Contractual Expenses	40,200	37,080	47,500	41,096	47,500
<u>Miscellaneous Expenses</u>					
504766 Office Supplies	2,500	4,155	5,000	5,455	6,000
504769 Office Equipment	2,500	2,414	2,500	2,999	2,500
504775 Ref. Books, Rpts, Subscriptions	300	70	100	0	100
504800 Bank Fees	500	200	250	0	250
504803 Over/Short Cash	0	47	0	(8)	0
504810 Court Jurors	200	0	200	0	200
504814 C.O.L.A.G.Y.	33,000	19,907	35,000	12,867	35,000
504833 Postage	2,000	2,055	2,500	2,242	2,500
Total Miscellaneous Expenses	41,000	28,849	45,550	23,555	46,550
<u>Capital Expenses</u>					
504920 Computer Equipment	0	0	0	0	0
Total Capital Expenses	0	0	0	0	0
Total Municipal Court Expenditures	180,444	187,305	229,871	207,254	254,140

City of Magnolia

Municipal Court

Account	Account Name	Approved Budget	Description
504501	Salaries	107,187	2.5 Clerks
504503	Overtime	3,000	Authorized overtime for non-exempt employees Extra help on 1 court night a month
504515	Longevity	540	\$5 per month per year of service with City
504516	T.E.C. (Unemployment)	225	Unemployment taxes- 0.10% rate
504517	TMRS	5,503	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
504518	Worker's Compensation	274	Cost of W/C insurance
504526	Employee Insurance	31,155	Medical, dental, vision
504536	Payroll Tax	8,471	Social Security & Medicare-7.65% rate
504543	Education, Travel, Certifications	3,500	Training, travel & certifications
504547	Drug Test	35	Pre-employment & post-accident testing
504550	Dues, Memberships & Promotions	200	TMCCA 120 TCCA 80
504632	Contract/Outside Services	13,000	Fees paid to judge 12,000 Other court contractual services 1,000
504640	Legal	12,000	Fees paid to prosecutor
504670	Rental of Office Equipment	1,000	Copier lease payments
504673	Incode Software & Support	16,500	Tyler (Incode) annual maint. 14,400 Kologic (Copsync) 2,100
504677	Computer Assistance/IT Services	5,000	Technical support
504766	Office Supplies	6,000	Copy paper, pens, file folders, toner, etc.
504769	Office Equipment	2,500	Computer equipment
504775	Ref. Books, Reports, Subscriptions	100	Updated law manuals
504800	Bank Fees	250	Credit Card Fees
504810	Court Jurors	200	Money paid to jurors for their service
504814	C.O.L.A.G.Y.	35,000	Collection agency fees
504833	Postage	2,500	Costs for court mailings
		254,140	

FACILITIES

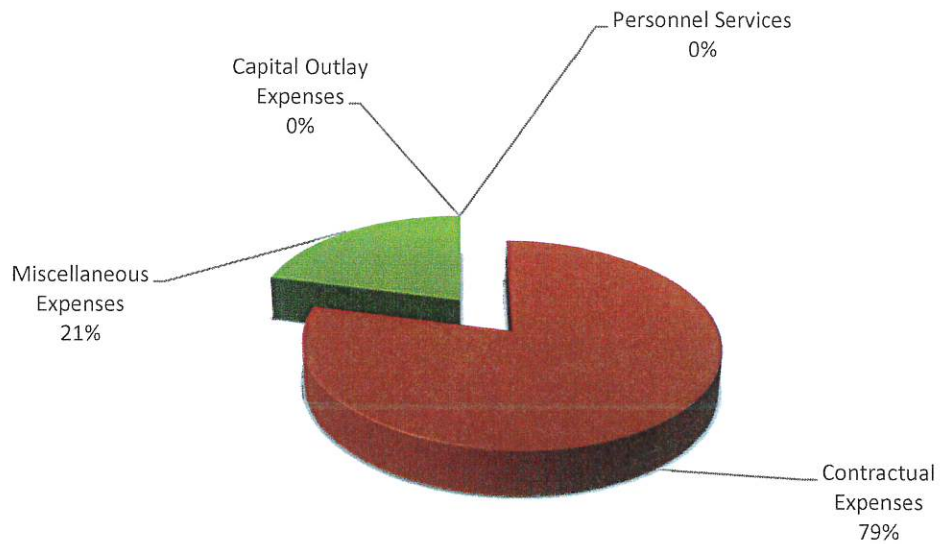


City of Magnolia

Facilities Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$0	\$0	\$0	\$0
Contractual Expenses	\$71,500	\$70,000	\$71,000	\$80,100
Miscellaneous Expenses	\$18,000	\$20,000	\$21,500	\$21,500
Capital Outlay Expenses	\$0	\$62,414	\$6,000	\$0
Total	\$89,500	\$152,414	\$98,500	\$101,600

Facilities



City of Magnolia

Facilities	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
<u>Contractual Expenses</u>					
509603 Utilities / Electric	23,000	18,550	18,000	27,937	28,000
509605 Telephone & Internet	18,000	20,294	18,000	20,160	20,000
509632 Contractual Services	2,000	2,156	2,000	6,105	3,500
509633 Building & Grounds Maint	8,000	24,141	12,000	6,095	8,000
509634 Heat/A/C	4,000	3,645	4,000	1,645	3,600
509671 Janitorial Services / Cleaning		2,244	0	0	17,000
Total Contractual Expenses	15,000	14,245	17,000	16,200	80,100
	70,000	85,275	71,000	78,142	
<u>Miscellaneous Expenses</u>					
509700 Supplies (Misc.)					15,000
509700.01 COVID 19 Expenses	15,000	13,724	15,000	16,310	0
509744 Minor Equipment	0	0	0	0	2,000
509826 Building Insurance - TML	2,000	3,846	2,000	0	4,500
Total Miscellaneous Expenses	3,000	3,931	4,500	2,721	21,500
	20,000	21,502	21,500	19,031	
<u>Capital Expenses</u>					
509920 Capital-Computer Equipment	11,000	0	0	0	0
509950 Capital-Bldg Improvements	51,414	50,955	6,000	6,478	0
509974 Capital Outlay	0	0	0	0	0
Total Capital Expenses	62,414	50,955	6,000	6,478	0
Total Facilities Expenditures	152,414	157,731	98,500	103,650	101,600

City of Magnolia

Facilities

Account	Account Name	Approved Budget	Description
509603	Utilities/Electric	28,000	Electricity for City Hall, some stations
509605	Telephone & Internet	20,000	Stationary phone usage for facilities/ethernet access
509632	Contractual Services	3,500	ADT security services, etc.
509633	Building/Grounds Maint.	8,000	Fire extinguisher service, lock svc., misc. building/grounds maint. costs
509634	Heat & A/C	3,600	Costs to repair a/c & heating equipment/ maint agreement
509671	Janitorial Services/Cleaning	17,000	Costs for cleaning the building
509673	Computer Software License/Upgrade	-	Renewal of licenses & software
509677	Computer Assistance (IT Services)	-	Technical services for Facilities
509700	Supplies (Misc.)	15,000	Rug service, kitchen/bathroom supplies, trash bags, coffee, etc.
509744	Minor Equipment	2,000	Misc. equipment
509826	Building Insurance-TML	4,500	Property insurance
509920	Computer Equipment	-	New server for administrative services
509950	Capital-Bldg Improvements	-	-
509974	Capital Outlay	-	-
		101,600	

PARKS



Park Services Department

The Magnolia Parks Services Department oversees the maintenance and stewardship of Unity Park, The Stroll and Sullivan's Park. Working in partnership with the Magnolia 4B Community Development Corporation (MCDC), the Magnolia Parks Services Department supports the quality recreation experience for the City of Magnolia and its residents. The maintenance, preservation and development of the City's 30+ acres of recreational areas is our primary concern. In 2021, a dedicated team was established to work specifically on parks related work orders and improvements that include trash service, maintenance and upkeep of lighting, trails, parking areas, rights of way and public infrastructure.

2023 Achievements Include:

(*Denotes a project in collaboration with the MCDC)

- Replace Dumpster area fence.
- Parking lot improvements at Unity Park
- Add Security Lights at Unity Park
- Installation of new playground equipment at Sullivan Park

Objectives for FY 2023-2024

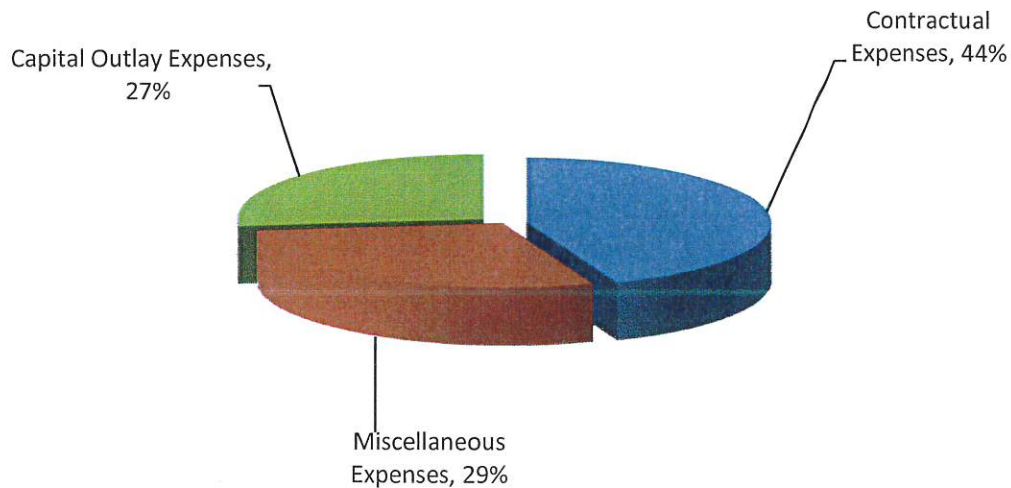
- Continue maintenance and as needed repairs for all park locations.
- Rebuild Sullivan Park as needed after the 1488 widening project.
- Expand Camera System*
- Develop Parks Plan Contingency*
- Establish Emergency Maintenance Fund*
- Update restrooms at Unity Park

Parks Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Contractual Expenses	\$22,500	\$57,000	\$27,500	\$37,500
Miscellaneous Expenses	\$1,200	\$7,500	\$12,100	\$24,800
Capital Outlay Expenses	\$0	\$0	\$25,850	\$22,928
Total	\$23,700	\$64,500	\$65,450	\$85,228

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Laborers	0	0	0	2
Total	0	0	0	2

Parks



City of Magnolia

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Parks					
<u>Personnel Services</u>					
511501 Salaries					
511503 Overtime					
511515 Longevity					
511516 T.E.C.					
511517 Worker's Comp					
511518 Insurance					
511536 Payroll Tax (F.I.C.A.)					
Total Personnel Services					
<u>Contractual Expenses</u>					
511603 Utilities / Electric	3,500	2,512	3,500	3,358	3,500
511632 Contractual Services / Parks	3,000	0	3,000	6,776	3,000
511633 Grounds Maintenance/Mulch	15,000	13,211	15,000	19,852	25,000
511634 Building Maintenance	2,500	5,031	3,000	1,778	3,000
511650 Mowing	30,000	6,775	0		0
511663 Rental of Equipment	3,000	0	3,000	1,070	3,000
Total Contractual Expenses	57,000	27,529	27,500	32,833	37,500
<u>Miscellaneous Expenses</u>					
511700 Supplies	2,000	5,542	3,500	14,944	20,000
511744 Minor Equipment	3,500	2,051	6,400	6,031	2,600
511760 Gas/Oil	0	0	0	0	0
511826 Property Insurance - TML	2,000	2,144	2,200	1,484	2,200
Total Miscellaneous Expenses	7,500	9,737	12,100	22,459	24,800
<u>Capital Expenses</u>					
511940 Equipment	0	100	0	0	0
511950 Capital-Bldg Improvements	0	0	0	0	0
511960 Capital Outlay		14,065	25,850	39,375	22,928
Total Miscellaneous Expenses	0	14,165	25,850	39,375	22,928
Total Parks Expenditures	64,500	51,431	65,450	94,667	85,228

City of Magnolia

Parks

Account	Account Name	Approved Budget	Description
Personnel Services			
511501	Salaries	72,916	2 employees
511503	Overtime	0	overtime
511515	Longevity	215	\$5 per month per year of service with City
511516	T.E.C.	180	Unemployment taxes- 0.10% rate
511517	TMRS	3,569	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
511518	Worker's Compensation	191	Cost of W/C insurance
511526	Health Insurance	31,155	Medical, dental, vision(2)
511536	Payroll Tax (F.I.C.A.)	5,595	Social Security & Medicare-7.65% rate
Personnel paid in Public Works Dept			
Expenses			
511603	Utilities/Electric	3,500	Electricity for parks, stroll
511632	Contractual Services/Parks	3,000	Contractual repairs/maintenance for Unity Park
511633	Grounds Maintenance	25,000	Costs for maintaining the park grounds
511634	Building Maintenance	3,000	Costs for maintaining park structures
511650	Mowing	-	Now under Public Works
511663	Rental of Equipment	3,000	Cost to rent work equipment
511700	Supplies	20,000	Cost of cleaning supplies,paper products, insecticide,light bulbs, keys,padlocks,plumbing supplies,etc.
511744	Minor Equipment	2,600	Small tools/equipment needed for maintaining park/minor playground equipment Chipper 0
511760	Gas/Oil	-	Gas & oil for mowers, park equipment
511826	Property Insurance - TML	2,200	Insurance for park buildings
511960	Capital Outlay	22,928	KUBOTA ATV
		85,228	

SECTION

3

ENTERPRISE FUND



City of Magnolia

Proprietary (Enterprise) Fund

Fund Description

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of net income, financial position, and cash flows. The proprietary fund types used by the City include enterprise funds.

Fund narrative

All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The City presents the following major enterprise fund:

Water/Sewer Fund: The Water/Sewer Fund is used to account for the provision of water, wastewater collection and treatment operations, and sanitation services. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The fund also accounts for the accumulation of resources for and the payment of long-term debt principal and interest.

2023/2024 Budget

The Water, Sewer and Impact Funds are combined into one fund.

Revenue

Revenue for the Water/Sewer Department is budgeted at \$11,072,901, which is 3.3% more than the amount approved in last year's budget. However, Impact fee revenue accounts for \$4,800,000 of the total and is budgeted based on new construction projections. Other increases are mainly due to the large number of new customers from newly built subdivisions as well as new commercial business.

Expenditures/Transfers Out

Expenditures/transfers out for the Water/Sewer Fund are budgeted at \$5,684,900, a little less than the previous year's budget. Water/Sewer impact expense is budgeted at \$2,000 and is likely to exceed the budgeted amount. Fees that the City pays to San Jacinto River Authority are budgeted 26% higher than the previous year. \$440,942 was budgeted for capital outlay this fiscal year, compared to \$472,742 in FY 2023. In addition, almost \$3 million will be paid to service debt related to water/sewer infrastructure. The principal payments aren't reflected in the expense budget because they are paid from balance sheet accounts.

Water/Sewer Department

Department Mission

To continue to provide Superior Quality Water at good volume and pressure, and at reasonable cost, to our citizens, to continue to provide Superior, safe operation of the sanitary sewer service to the City of Magnolia, and to support the growth of Magnolia

Program Narrative

The Water/Sewer Department is responsible for providing high standards and quality in the day-to-day operation and maintenance of the water supply system and water plants and of the sanitary sewer collection system and operations and maintenance of the sewage processing plant.

Accomplishments for FY 2022-2023

- Maintained Superior Water Rating from TCEQ
- Continue to repaired lift stations and water wells
- Continued to detect and repair major infiltration points throughout the sewer system
- Maintained excellent reporting criteria on all lab samples/tests for sewer plant
- Maintained excellent record keeping and reporting for all state requirements to TCEQ
- Extended and connected Water/Wastewater lines to new developments along 1774(N) and 1488(E)
- Completed Phase II of the wastewater treatment plant expansion/sanitary sewer replacement (Nichols Sawmill Interceptor)

Objectives for FY 2023-2024

- Continue to receive Superior Water Rating from TCEQ
- Maintain high standards of customer service
- Remain current on all testing, reporting and monitoring of the water/sewer systems and maintain strict compliance with state and federal regulations
- Monitor the operations of both water plants to ensure dependability and reliability to preclude any system failures
- Complete Phase II and III of Sanitary Sewer replacement
- Continue monitoring and smoke testing program for infiltration and leakage in collection system
- Check more sewer lines with camera equipment

Goals for FY 2023-2024

- Remove and replace old and sub-standard pipes that are found outside the city limits but inside the system
- Increase responsiveness by implementing software to complete standard work orders in real time
- Continue upgrading sewer lift stations
- Maintain work safety and security of all workers
- Work toward certification of additional water/sewer operators
- Work with in-house engineer and contractors on construction of new infrastructure
- Secure additional equipment and train employees to do more jobs in house to lower outside contract expense

City of Magnolia

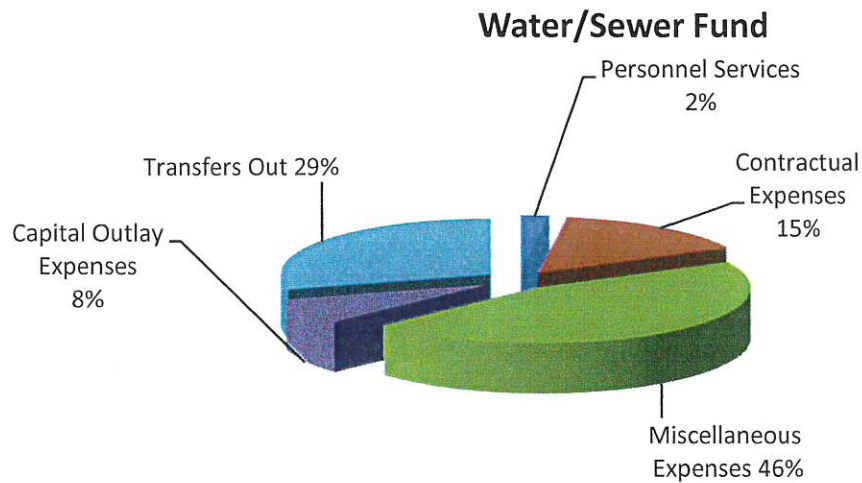
Water/Sewer Fund Revenue Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Revenue and Fees	\$4,239,162	\$10,195,537	\$10,718,971	\$11,072,901

Water/Sewer Fund Expenditure Summary

	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Personnel Services	\$79,399	\$104,354	\$121,775	\$128,112
Contractual Expenses	\$831,620	\$825,130	\$805,630	\$891,959
Miscellaneous Expenses	\$1,659,490	\$2,580,290	\$2,263,702	\$2,676,152
Capital Outlay Expenses	\$104,000	\$280,000	\$472,742	\$440,942
Transfers Out	\$401,044	\$401,044	\$2,021,695	\$1,727,735
Total	\$3,075,553	\$4,190,818	\$5,685,544	\$5,864,900

Staffing	Approved 2020-2021	Approved 2021-2022	Approved 2022-2023	Approved 2023-2024
Utility Maintenance Worker	0	0	0	0
Water Plant Operator	0	0	0	0
Mechanic	0	0	0	0
Utility Technician			1	1
Utility Technician	1.5	2	1	1
Total	1.5	2	2	2



City of Magnolia

WATER/SEWER FUND - 02

Revenues		Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
<u>Revenue</u>						
40001	Water Fund Revenue	1,750,000	1,777,045	1,750,000	2,410,664	1,750,000
40002.09	Water Impact Revenue	1,600,000	1,755,100	1,600,000	1,388,085	1,600,000
40003.09	Sewer Impact Revenue	3,200,000	2,367,800	3,200,000	2,481,900	3,200,000
40003	Road Bore Fee	10,000	2,625	10,000	10,230	10,000
40004	Water Tap Fees	175,000	476,145	400,000	216,135	400,000
40005	Application/Connection Fees	20,000	44,825	40,000	41,035	40,000
40006	Credit Card Fees	20,000	18,561	30,000	9,526	15,000
40009	Application fee	0	0	0	105	
40012	Misc. Revenues-Water	0	7,865	0	37,305	0
40015	Cash Collections/Misc.	0	(196)	0	(22)	0
40016	Late Fees-Water	25,000	22,984	25,000	28,869	25,000
40018	Disconnect Fees	30,000	360	30,000	14,985	30,000
40020	Interest Income	0	0	0	2	0
40020.07	Escrow Fund Interest					15,000
40020.09	Impact Fund Interest	6,000	46,358	6,000	446,024	100,000
40024	Lone Star Groundwater	37,500	34,402	30,000	50,946	40,000
40025	San Jacinto River Authority	625,000	597,982	500,000	920,505	750,000
40026	Major Maintenance Fee	22,500	20,825	22,500	19,524	22,500
40027	Depreciation Fee	19,000	18,371	19,000	17,426	19,000
40029	Institutional/Non PRF/Exempt	1,000	1,885	1,000	350	1,000
40001.03	Sewer Fund Revenue	1,200,000	966,432	1,200,000	1,417,506	1,200,000
40003.03	Road Bore Fee	5,000	0	5,000	0	5,000
40004.03	Sewer Tap Fees	250,000	637,265	550,000	215,138	550,000
40010.03	Garbage Collection Fees	3,000	3,762	4,000	4,563	4,000
40011.03	Garbage Revenue	250,000	333,719	350,000	422,113	350,000
40012.03	Misc. Revenues-Sewer	0	0	0	0	0
40016.03	Late Fees-Sewer	25,000	8,931	25,000	35,880	25,000
40900.03	Grant Revenue-Sewer		254,724		(79,604)	
40040	Transfer In from Debt Service	654,500	654,500	654,500	0	654,500
40106	Transfer in from 4B	267,037	267,038	266,971	237,288	266,901
	Total Revenue	10,195,537	10,319,307	10,718,971	10,346,477	11,072,901
Total Revenue		10,195,537	10,319,307	10,718,971	10,346,477	11,072,901

Department Expenditures

Personnel Services

500501	Salaries	69,628	52,955	77,256	59,300	80,362
500503	Overtime	0	3,554	4,000	2,419	4,000
500515	Longevity	50	30	145	105	145
500516	T.E.C.	360	389	360	11	180
500517	T.M.R.S.	3,400	2,968	3,972	2,676	4,200
500518	Worker's Comp	178	335	197	135	205
500519	Compensated Absences Adj		-			
500526	Insurance (Med/Dental/Life/Vision)	24,007	17,169	28,218	31,438	31,155
500536	Payroll Tax (F.I.C.A./Medicare)	5,330	4,292	6,227	4,627	6,465
500543	Education, Travel, Certification	1,000	495	1,000	249	1,000
500547	Drug Test	100	35	100	0	100
500548	Dues and Memberships	300	0	300	0	300
	Total Personnel Services	104,354	82,222	121,775	100,959	128,112

City of Magnolia

WATER/SEWER FUND - 02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
<u>Contractual Expenses</u>					
500602.03 Utilities / Gas		1,975		5,724	6,500
500603 Utilities / Electric-Water	66,000	87,975	70,000	104,127	90,000
500603.03 Utilities / Electric-Sewer	77,000	63,223	65,000	93,927	75,000
500605 Utilities / Telephone-Water	8,000	364	500	0	0
500627 Maintenance & Repair-Water	125,000	29,849	50,000	1,842	50,000
500627.03 Maintenance & Repair-Sewer	100,000	68,396	100,000	128,961	100,000
500632 Contract/Consultant Svcs-Water	76,250	123,915	75,000	183,285	75,000
500632.03 Contract/Consultant Svcs-Sewer	75,000	107,808	125,000	81,893	125,000
500633 Maint & Repair Water Equipment	6,000	6,606	6,000	22,491	15,000
500633.03 Maint & Repair Sewer Equipment	17,000	38,992	17,000	50,907	30,000
500640 Legal-Water	0	1,086	0	19,156	0
500640.03 Legal-Sewer		909		3,197	
500643 Engineering-Water	10,000	16,707	40,000	7,729	0
500643.03 Engineering-Sewer	15,000	27,530	0	398	0
500652 Permits, Fees, Sample Test-Water	27,000	31,572	27,000	67,275	30,000
500652.03 Permits & Testing-Sewer	10,000	6,423	12,000	0	12,000
500663 Rental of Equipment-Water	5,000	0	5,000	0	5,000
500663.03 Rental of Equipment-Sewer	6,000	5,040	6,000	0	6,000
500672.03 Garbage Service	187,500	191,107	187,500	286,117	250,000
500673 Computer Updates/Software	14,380	10,109	19,630	20,871	22,459
Total Contractual Expenses	825,130	819,588	805,630	1,077,901	891,959
<u>Miscellaneous Expenses</u>					
500677 Minor Equipment-Water	12,000	1,681	5,000	333	5,000
500700 General Supplies-Water	50,000	58,193	60,000	27,023	30,000
500700.03 General Supplies-Sewer	8,000	8,902	8,000	23,708	15,000
500744.03 Minor Tools & Equip.-Sewer	4,000	4,666	5,000	0	5,000
500766 Office Supplies	2,500	430	2,500	46	2,500
500780 Chemicals/ Water Treatment-Water	23,000	39,119	30,000	102,757	70,000
500780.03 Chemicals/ Water Treatment-Sewer	11,000	3,856	11,000	3,466	11,000
500800 Bank Fees	18,000	23,732	20,000	9,105	10,000
500802.09 Water Impact Expense	250,000	3,080	4,000	1,005	2,000
500803.09 Sewer Impact Expense	250,000	0	0	0	0
500804 San Jacinto River Authority	675,000	958,042	675,000	1,202,572	850,000
500805 Lone Star Water Conservation	25,000	22,355	30,000	0	30,000
500825.03 Sewer Liability Insurance - TML	1,500	1,135	1,500	774	1,500
500826 Water Plant Insurance - TML	9,000	12,866	9,000	8,904	9,000
500826.03 Sewer Plant Insurance - TML	12,000	16,798	12,000	11,625	12,000
500830.03 Personal Property Ins.-TML	2,000	1,690	2,000	1,070	2,000
500831.03 Damage Claims	1,000	0	1,000	0	1,000
500833 Postage	4,500	5,343	10,000	9,000	10,000
500855 Bad Debts		0			
500857.03 Sludge Hauling	82,000	93,752	82,000	402,774	250,000
500858 Depreciation	0	0	0	0	0
500859 To General Fund	596,503		0		
500034 Interest Expense-2011 SIB Loan	20,588	20,588	16,183	13,813	11,647
500035 Interest Expense-2014 C/O	170,600	170,600	167,075	250,613	163,088
500036 Adj Interest Expense		0			
500033.01 Interest Expense-2017 SIB Loan	18,456	19,219	16,906	12,679	15,332
500045 Interest Expense-2019 W/F Brdg Loan	0	0	0	0	0
500050 Interest Expense-2019 Tax/Rev	0	0	0	0	0
500051 Interest Expense-2021 G/O Refunding	242,136	242,136	214,349	321,523	192,861
500550 Interest Expense-2014 G/O	91,508	91,508	84,998	127,646	78,225
500039 Interest Expense- 2021 SIB Loan					1,678
500040 Interest Expense 2022 SIB Loan			22,240	4,766	35,371
500052 Interest expense 2022 Tax/Rev			773,951	1,160,926	861,950
600001 Gain/Loss on Disposal	0	-	0	0	0
Total Miscellaneous Expenses	2,580,290	1,799,690	2,263,702	3,696,129	2,676,152

City of Magnolia

WATER/SEWER FUND - 02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
<u>Capital Expenses</u>					
500920 Computer Equipment	0		0	0	0
500950.03 Capital-Vehicles-Sewer	60,000	58,000	0	0	0
500960 Capital Outlay-Water	50,000	611,337	350,000	101,330	350,000
500960.03 Capital Outlay-Sewer	170,000	188,227	122,742	221,907	90,942
500975 Capital outlay		8,629			
Total Capital Expenses	280,000	866,193	472,742	323,237	440,942
<u>Transfers Out</u>					
500859 Transfer to General Fund	401,044	596,503	1,021,695	0	1,227,735
500861 Transfer to/from Debt Service	0	0	0	0	0
500863 Transfer Exp (to Cap Projects Fund)	0	0	1,000,000	0	500,000
Total Transfers Out	401,044	596,503	2,021,695	0	1,727,735
Total Expenditures/Transfers Out	4,190,818	4,164,196	5,685,544	5,198,226	5,864,900
Total Revenue Over(Under) Expenditures/Transfers	6,004,719	6,155,111	5,033,427	5,148,251	5,208,001 *

*Additional amount of **\$1,787,668.** will be paid for debt svc. principal amounts which are coded to balance sheet accounts. Therefore, that amount will be deducted from the bottom line above.

**User fees, impact fees, engineering costs & construction costs will all go up.

City of Magnolia

WATER/SEWER FUND - 02

Account Revenues:	Account Name	Approved Budget	Description	
40001	Water Fund Revenue	1,750,000	Estimated water revenue per fee schedule	
40002.09	Water Impact Revenue	1,600,000	Chgs against new development to pay for off-site construction or expansion of water infrastructure facilities that are necessitated by and benefit the new development	
40003.09	Sewer Impact Revenue	3,200,000	Chgs against new development to pay for off-site construction or expansion of sewer infrastructure facilities that are necessitated by and benefit the new development	
40003	Road Bore Fees	10,000	Road bore costs	
40004	Water Tap Fees	400,000	\$650/water tap-residential 5/8" meter	
40005	Application/Connection Fees	40,000	\$35/account	
40006	Credit Card Fees	15,000	Credit card fees	
40016	Late Fees-Water	25,000	5% of customer's balance	
40018	Disconnect Fees	30,000	\$45/disconnect	
40020.07	Escrow Fund Interest	15,000	Interest earned	
40020.09	Impact Fund Interest	100,000	Interest earned	
40024	Lone Star Groundwater Conservation	40,000	\$.165/1000 gal pumped	
40025	San Jacinto River Authority	750,000	\$2.99/1000 gal pumped	
40026	Major Maintenance Fee	22,500	\$.52/1000 gal pumped over base rate-water \$.33/1000 gal pumped over base rate-sewer	
40027	Depreciation Fee	19,000	\$.45/1000 gal pumped over base rate	
40029	Institutional/Non PRF/Exempt	1,000	1.5 multiplier over above rates	
40001.03	Sewer Fund Revenue	1,200,000	Estimated sewer revenue per current fee schedule	
40003.03	Road Bore Fee	5,000	Road bore costs	
40004.03	Sewer Tap Fees	550,000	\$925/sewer tap-4" tap \$1200/sewer tap-6" tap	
40010.03	Garbage Collection Fees/Taxes	4,000	Sales tax on garbage sales	
40011.03	Garbage Revenue	350,000	Residential garbage fees	
40016.03	Late Fees-Sewer	25,000	5% of customer's balance	
40040	Transfer in from Debt Service	654,500	Property Tax used for Enterprise debt svc.	
40106	Transfer in from 4B	266,901	For 2011 SIB payment	165,097
			For 2017 SIB payment	40,000
			For 2021 SIB payment	61,804
		11,072,901		

City of Magnolia

WATER/SEWER FUND - 02

Account	Account Name	Approved Budget	Description
Expenditures			
500501	Salaries	80,362	2 employees
500503	Overtime	4,000	Authorized overtime for non-exempt employees
500505	Cell Phone Allowance	-	Allowance for use of personal cell phones for business purposes
500515	Longevity	145	\$5 per month per year of service with City
500516	T.E.C. (Unemployment)	180	Unemployment taxes- 0.10% rate
500517	TMRS	4,200	Retirement cost-4.97% (3 Mos.@ 4.89%-9 Mos.@ 4.99%)
500518	Worker's Compensation	205	Cost of W/C insurance
500526	Employee Insurance	31,155	Medical, dental, vision
500536	Payroll Tax	6,465	Social Security & Medicare-7.65% rate
500543	Education, Travel, Certifications	1,000	Training, travel & certifications
500547	Drug Test	100	Pre-employment & post-accident testing
500548	Dues and Membership	300	Tx Revenue Recovery Assoc. dues
500602.03	Utilities / gas	6,500	Gas at WWTP
500603	Utilities/Electric-Water	90,000	Electricity for water plants
500603.03	Utilities/Electric-Sewer	75,000	Electricity for sewer plants, lift stations
500605	Utilities/Telephone-Water	-	Telephone service at water plants
500605.03	Utilities/Telephone-Sewer	-	Telephone service at sewer plant(s)
500627	Maintenance & Repair-Water	50,000	Cleaning & repairs to buildings,plant and water lines
500627.03	Maintenance & Repair-Sewer	100,000	Repairs to lift stations,sewer plant and sewer lines
500632	Contract/Consultant Svcs-Water	75,000	TCEQ inspections 4,750 Answering service, etc. 3,500 Misc. consulting/contract work 10,000 Legal consulting 60,000
500632.03	Contract/Consultant Svcs-Sewer	125,000	Answering service, etc. 3,500 Misc. consulting/contract work 7,500 Legal consulting 65,000
500633	Maint & Repair Water Equipment	15,000	Costs to repair water equipment
500633.03	Maint & Repair Sewer Equipment	30,000	Costs to repair sewer equipment

City of Magnolia

WATER/SEWER FUND - 02

Account	Account Name	Approved Budget	Description
Expenditures			
500643	Engineering-Water	-	Costs for engineering services related to water construction
500643.03	Engineering-Sewer	-	Costs for engineering services related to sewer construction
500652	Permits, Fees, Sample Test-Water	30,000	Water permits and water sample testing
500652.03	Permits and Testing-Sewer	12,000	Sewer sample testing & permit renewal
500663	Rental of Equipment-Water	5,000	Cost to rent work equipment-Water
500663.03	Rental of Equipment-Sewer	6,000	Cost to rent work equipment-Sewer
500672	Garbage Service	250,000	Dumpster at plant/garbage residential
500673	Computer Update/Software/Maint.	22,459	Tyler (Incode) annual maintenance: Utility CIS System 3,000 Address Certification 900 Email system-billing/notices 1,290 Hosting,READy Water,Drive-by 1,670 Tyler U Maint. 517 Utility Meter Reader Interface 2,400 Central Cash Collection 1,115 Cashiering Receipt Import Maint. 1,102 Receipt Printer Maint. 965 Kamstrup 2,250 OCS 7,250
500674	Posting & Advertising	-	Consumer Quality Report Notice
500677	Minor Equipment-Water	5,000	Other minor equipment 5,000 Water meters -
500700	General Supplies-Water	30,000	Misc operating supplies-Water
500700.03	General Supplies-Sewer	15,000	Misc operating supplies-Sewer
500744.03	Minor Tools & Equipment-Sewer	5,000	Boring equipment,sewer hose, misc. small tools
500766	Office Supplies	2,500	Office supplies designated for water/sewer department
500780	Chemicals/Water Treatment-Water	70,000	Cost of chemicals for water treatment
500780.03	Chemicals/Water Treatment-Sewer	11,000	Cost of chemicals to treat wastewater
500800	Bank Fees	10,000	Credit card processing fees
500802.09	Water Impact Expense	2,000	Cost for construction or expansion of water infrastructure facilities \$10.00 per new residence for MUD 174 & MUD 130
500803.09	Sewer Impact Expense	-	Cost for construction or expansion of sewer infrastructure facilities

City of Magnolia

WATER/SEWER FUND - 02

Account	Account Name	Approved Budget	Description
500804	San Jacinto River Authority	850,000	Cost to participate in WRAP approx \$2.99/1000 gal. pumped
500805	Lone Star Water Conservation	30,000	Cost for historical & operating permit renewals @ \$.165/1000 gal.
500825.03	Sewer Liability Insurance-TML	1,500	Liability insurance-sewer
500826	Water Plant Insurance-TML	9,000	Property insurance for water plants
500826.03	Sewer Plant Insurance-TML	12,000	Property insurance for sewer plant
500827	Fleet Insurance-TML	-	Vehicle insurance
500830.03	Personal Property Insurance-TML	2,000	Personal property insurance
500831.03	Damage Claims	1,000	Amounts paid to settle damage claims
500833	Postage	10,000	Mailing cost for water bills, etc.
500857.03	Sludge Hauling	250,000	Cost to haul sludge
500034	Interest Expense-2011 SIB Loan	11,647	
500035	Interest Expense-2014 C/O	163,088	
500033.01	Interest Expense-2017 SIB Loan	15,332	
500050	Interest Expense-2019 Tax Rev C/O	-	
500051	Interest Expense-2021 Tax Rev C/O	192,861	
500550	Interest Expense-2014 G/O	78,225	
500039	Interest Expense -2021 SIB Loan	1,678	
500040	Interest Expense-2022 SIB Loan	35,371	
500052	Interest Expense-2022 Tax Rev C/O	861,950	
500859	Transfer to General Fund	1,109,511	Transfers to cover Public Works employees & related expense, including vehicles, vehicle maintenance, fuel, insurance, etc.
500859	Additional transfer to General Fund	118,224	Additional transfer to General Fund to cover 50% in-house engineer employee exp.
500863	Transfer Exp (to Cap Projects Fund)	500,000	Connie Street Project
500950.03	Capital-Vehicles-Sewer	-	Vac Truck
500960	Capital Outlay-Water	350,000	Water meters bought in bulk, etc.
500960.03	Capital Outlay-Sewer	90,942	Asphalt parking at WWTP 40,500 Concrete parking at WWTP-\$95,380. Replace flooring 9,550 cameras at plants (5) 40,892
		5,864,900	

SECTION

4

CAPITAL PROJECT FUNDS



City of Magnolia

04-Enterprise Capital Project Fund

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024	*
Revenue						
FEMA Grant		0		0		
CDBG Grant (Tx Gen Land Office)	1,062,287	295,434	250,000	187,642	0	
Trfr from W/S-Unity Pk to Commerce	373,850		0		0	
Trfr from Impact Funds-to Unity Pk Dr	0	84,488	0	0	0	
Trfr from Impact Funds-1488	0		0	0	0	
Trfr from Impact Funds-Water Plant #3	250,000		0		0	
Trfr from Impact Funds-WWTP Phase 3	250,000	0	250,000		250,000	
Bond Loan-Sewer Interceptor	0	0	0	0	0	
2019 Rev/Tax C/O-WWTP	0		0	0	0	
2021 Rev/Tax C/O			0	20,005,420	15,000,000	
Total Revenue	1,936,137	379,921	500,000	20,193,062	15,250,000	
Expenditures						
500800 Bank Fees		530			530	
500940.01 WWTP to Unity Park Drive	0	0	0	45,878	0	
500940-10 Timberbrook Drainage		1,480		22,158	0	
500945 Grant Administration				7,100	0	
500950.02 Engineering FM 1774		(99,451)			0	
500940.03 Unity Pk Dr to Commerce	0	0	0	0	0	
500950.06 New WWTP	1,000,000	0	1,000,000	590,840	250,000	
500950.07 FM1488 Utility Relocations	0	0	0	15,706	0	
500950.08 HUD-GLO Phase 2 Nichols Sawmill	1,346,622	0	550,000	80,289	0	
500950.09 Sewer Interceptor Buddy Riley	1,000,000	0	1,000,000	20,062	0	
500950.10 Eng Timberbrook Drainage				11,175		
500950.12 FM1488 Force Main Relocation	0	0	270,000	412,623	0	
500950.14 Water Plant #3	250,000	(55,250)	0	3,201,792	3,000,000	
500950.15 FM 249 Sewer Extension	0	0			0	
500950.17 Nichols Sawmill Phase 3		415	1,200,000	1,509,714	0	
500950.18 TXDOT-FM 1488 TO FM 149			0		0	
500950.19 Water Plant #8				2,265,012	1,500,000	
500950.21 WWTP Phase III	0		0	1,987	0	
500950.20 Buddy Riley Sewer Line/Staking				-20,062		
Water Plant #2				99,999	500,000	
Water Well #7				54,000	500,000	
Water Well #4				1,938	500,000	
Total Expenditures	3,596,622	(152,276)	4,020,000	8,320,208	6,250,000	
Total Revenue Over(Under) Expenditures	(1,660,485)	532,198	(3,520,000)	11,872,854	9,000,000	

*User fees, impact fees, engineering costs & construction costs will all go up.

City of Magnolia
30-General Capital Project Fund

	Approved 2021-2022	Actual 2021-2022	Approved 2022--2023	Projected 2022--2023	Approved Budget 2023-2024
Revenue					
CDBG Grant	350,000	0	350,000	0	350,000
CLFRF GRANT	0			259,308	
Leases (P/D Vehicle Lease)	56,405	0	54,134	0	0
trans from water-connie str					500,000
Total Revenue	406,405	0	404,134	259,308	850,000
Expenditures					
500950.10 Timberbrook Drainage	0				
TCDBG Funds-Little Twig/Roy St.	35,000	0	35,000	17,500	17,500
Little Twig/Roy St. Neighborhood Proj.	350,000	0	350,000	0	350,000
CLFRF Disbursement					427,437
Capital Outlay (P/D Vehicle Lease)	56,405	0	54,134	0	0
connie street proj					500,000
Total Expenditures	441,405	0	439,134	17,500	1,294,937
Total Revenue Over(Under) Expenditures	(35,000)	-	(35,000)	241,808	(444,937)

SECTION

5

DEBT SERVICE FUND



City of Magnolia

Long-Term Debt

The City utilizes long-term borrowing for capital improvements that cannot reasonably be financed on a pay-as-you-go basis from anticipated cash flows. Acceptable uses of bond proceeds are items which can be capitalized and depreciated. Refunding bond issues designed to restructure currently outstanding debt is also an acceptable use of bond proceeds. Bond reserves are created and maintained in accordance with the provisions set forth in the individual bond covenants. The City maintains good communications with bond rating agencies about its financial condition.

City of Magnolia 2023-2024 Debt Service

A portion of the total Ad Valorem Tax (property tax) rate is allocated for debt service; however, the actual portion to be paid by property tax depends on the project(s) approved. Depending on the project's purpose, additional debt service payments are expected to be paid by the Enterprise Fund (Water) or by Sales Taxes.

BOND INFORMATION							2023-2024 DEBT SERVICE		
FUND	BOND ISSUED	ISSUE AMOUNT	MATURITY	OUTSTANDING PRINCIPAL BALANCE 9/2023	FISCAL PAY Principal	FISCAL PAY Interest	FISCAL PAY TOTAL P&I		
GENERAL/ENT	General Obligation Refunding Bond, Series 2014 Issued February 2014 in the amount of \$5,860,000. This bond combines the 2004 Certificate of Deposit issued for new sewer construction ; 2006 Certificate of Deposit issued for the construction of City Hall; and 2006 Utility System Revenue and Refunding Bond issued for Water/Sewer Improvements.	\$5,860,000.00	9/30/2037	\$3,345,000.00	\$330,000.00	\$111,750.00	\$441,750.00		
(30% Gen)									
ENTERPRISE	2011 State Infrastructure Bank- Loan Issued September 2011 in the amount of \$2,000,000 Issued for funding the relocation of utilities along FM 1774 in conjunction with the Texas Department of Transportation widening of the road to include extra lanes. *4B-CDC has agreed to assume this debt for this year.	\$2,000,000.00	2/1/2026	\$464,946.04	\$153,450.67	\$11,646.62	\$165,097.29		
ENTERPRISE	Certificates of Obligation, Series 2014 Issued December 2014 in the amount of \$4,960,000 Proceeds are to pay for the construction of improvements to the City's waterworks and sewer system, including lift stations.	\$4,960,000.00	9/30/2045	\$4,180,000.00	\$125,000.00	\$163,087.50	\$288,087.50		
ENTERPRISE	2017 State Infrastructure Bank-Loan Issued June 2017 in the amount of \$1,000,000 in widening of the road to include extra lanes. *4B-CDC has agreed to assume \$40,000 of this debt for this year.	\$1,000,000.00	6/29/2032	\$486,720.91	\$50,762.15	\$15,331.70	\$66,093.85		
GENERAL	Special Assessment Revenue Bond, Series 2018 Issued January 2018 in the amount of \$1,665,000 Issued by the City of Magnolia for the Magnolia Ridge Public Improvement District (PID) to provide funds for the costs of authorized improvements.	\$1,665,000.00	9/1/2046	\$1,475,000.00	\$30,000.00	\$84,075.00	\$114,075.00		
ENTERPRISE	2021 Tax & Revenue Certificates of Obligation Issued April 2021 in the amount of \$10,125,000 Issued by the City of Magnolia for improvements to the Water/ Sewer System to include expansion of WWTP	\$10,125,000.00	11/1/2034	\$8,890,000.00	\$650,000.00	\$192,861.26	\$842,861.26		
ENTERPRISE	2021 State Infrastructure Bank-Loan Issued April 2021 in the amount of \$830,336.73 Issued by the City of Magnolia for relocation of W/S lines because of FM 1488 widening to FM 1774	\$892,140.73	2/1/2036	\$706,728.73	\$60,125.52	\$1,678.48	\$61,804.00		
ENTERPRISE	2022 State Infrastructure Bank-Loan Issued April 2022 in the amount of \$2,803,157.50 Issued by the City of Magnolia for relocation of W/S lines because of FM 1488 widening from FM 1774 to FM 149	\$2,803,157.50	8/1/2036	\$2,406,193.89	\$174,230.62	\$35,371.06	\$209,601.68		
ENTERPRISE	2022 Tax and Revenue Certificates of Obligation Issued in June 2022 in the amount of \$20,005,000.00 to finance construction, acquisition, renovation and equipment of improvements to the water & sewer system, including the expansion of the Wastewater Treatment Plant	\$20,005,000.00	5/1/2052	\$19,595,000.00	\$325,000.00	\$861,950.00	\$1,186,950.00		
TOTAL		\$49,310,298.23		\$41,549,589.57	\$1,898,568.96	\$1,477,751.62	\$3,376,320.58		

City of Magnolia

2011 State Infrastructure Bank Loan Debt Service - 02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40106 Revenue from 4B	165,233	165,233	165,166	165,166	165,097
Total Revenue	165,233	165,233	165,166	165,166	165,097
Total Revenue	165,233	165,233	165,166	165,166	165,097
 Expenditures					
Expenses					
229 2011 SIB Loan Principal Pay't	144,646	144,646	148,983	148,983	153,451
500034 2011 SIB Loan Interest Pay't	20,588	20,587	16,183	16,183	11,647
500800 Bank Fees	0		0	0	0
Total Expenses	165,233	165,233	165,166	165,166	165,097
Total Expenditures	165,233	165,233	165,166	165,166	165,097
Total Revenue Over(Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Magnolia

2011 State Infrastructure Bank-Loan

FM 1774 Utility Relocation

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
2/1/2012	115,122.76	3.00%	19,666.67	134,789.43	
8/1/2012		3.00%	28,273.16	28,276.16	163,065.59
2/1/2013	110,873.00	3.00%	28,273.16	139,146.16	
8/1/2013		3.00%	26,610.06	26,610.06	165,756.22
2/1/2014	114,197.49	3.00%	26,610.06	140,807.55	
8/1/2014		3.00%	24,897.10	24,897.10	165,704.65
2/1/2015	117,621.68	3.00%	24,897.10	142,518.78	
8/1/2015		3.00%	23,132.78	23,132.78	165,651.56
2/1/2016	121,148.56	3.00%	23,132.78	144,281.34	
8/1/2016		3.00%	21,315.55	21,315.55	165,596.89
2/1/2017	124,781.24	3.00%	21,315.55	146,096.79	
8/1/2017		3.00%	19,443.83	19,443.83	165,540.62
2/1/2018	128,522.86	3.00%	19,443.83	147,966.69	
8/1/2018		3.00%	17,515.99	17,515.99	165,482.68
2/1/2019	132,376.70	3.00%	17,515.99	149,892.69	
8/1/2019		3.00%	15,530.34	15,530.34	165,423.03
2/1/2020	136,346.13	3.00%	15,530.34	151,876.47	
8/1/2020		3.00%	13,485.14	13,485.14	165,361.61
2/1/2021	140,434.63	3.00%	13,485.14	153,919.77	
8/1/2021		3.00%	11,378.62	11,378.62	165,298.39
2/1/2022	144,645.75	3.00%	11,378.62	156,024.37	
8/1/2022		3.00%	9,208.94	9,208.94	165,233.31
2/1/2023	148,983.16	3.00%	9,208.94	158,192.10	
8/1/2023		3.00%	6,974.19	6,974.19	165,166.29
2/1/2024	153,450.67	3.00%	6,974.19	160,424.86	
8/1/2024		3.00%	4,672.43	4,672.43	165,097.29
2/1/2025	158,052.18	3.00%	4,672.43	162,724.61	
8/1/2025		3.00%	2,301.65	2,301.65	165,026.26
2/1/2026	153,443.19	3.00%	2,301.65	155,744.84	
				155,744.84	
Total	2,000,000.00		469,146.23	2,469,149.23	2,469,149.23

City of Magnolia

2012 Sales Tax Revenue Bond Interest & Sinking Fund - 07

	(Incl w/4A Bal)				
	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
EDC Funds	301,113	300,275	0.00	0.00	0.00
40120 2012 R/Bond Int & Sinking Interest	0	0	0.00	0.00	0.00
Total Revenue	301,113	300,275	0.00	0.00	0.00
Total Revenue	301,113	300,275	0.00	0.00	0.00
Expenditures					
<u>Expenses</u>					
231 2012 Rev Bond Principal Pay't	255,000	830,000	0.00	0.00	0.00
500875 2012 Rev Bond Interest Pay't	46,113	617	0.00	0.00	0.00
Total Expenses	301,113	830,617	0.00	0.00	0.00
Total Expenditures	301,113	830,617	0.00	0.00	0.00
Total Revenue Over(Under) Expenditures	0	(530,342)	0	0	0

City of Magnolia

2014 General Obligation Refunding Bonds I & S - 05 (Governmental portion-30% of total)

Bank Balance as of 05/31/23 \$ 105,054

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenues</u>					
40001 Ad Valorem Tax Revenue	672,335	672,335	781,935	677,340	781,935
40199 Prop Tax Penalties/Interest	2,500	2,500	2,500	2,500	2,500
40032 Trfr from 02/Water Fund	0	0	0	0	0
40034 2014 G/O I&S Interest Earned	1,400	1,400	1,800	4,000	2,500
Total Revenue	676,235	676,235	786,235	683,840	786,935
Total Revenue	676,235	676,235	786,235	683,840	786,935
Expenditures					
<u>Miscellaneous Expenses</u>					
500033 2014 G/O I&S Principal Pay't	88,500	88,500	91,500	94,500	99,000
500034 2014 G/O I&S Interest Pay't	41,918	41,918	39,218	39,218	33,525
500766 2014 G/O Bank Fees	500	500	500	500	500
500925 Transfer to Enterprise Debt Svc	544,000	544,000	654,500	550,000	654,500
Total Miscellaneous Expenses	674,918	674,918	785,718	684,218	787,525
Total Expenditures	674,918	674,918	785,718	684,218	787,525
Total Revenue Over(Under) Expenditures	1,318	1,318	518	-378	-590

City of Magnolia

2014 General Obligation Refunding Bonds

2006 Revenue Bond, 2006 Cert. of Obligation, 2004 Cert. of Obligation

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
5/1/2014	85,000.00	2.00%	46,700.00	131,700.00	
9/30/2014					131,700.00
11/1/2014	220,000.00	2.00%	92,550.00	312,550.00	
5/1/2015		2.00%	90,350.00	90,350.00	
9/30/2015					402,900.00
11/1/2015	230,000.00	2.00%	90,350.00	320,350.00	
5/1/2016		2.00%	88,050.00	88,050.00	
9/30/2016					408,400.00
11/1/2016	235,000.00	3.00%	88,050.00	323,050.00	
5/1/2017		3.00%	84,525.00	84,525.00	
9/30/2017					407,575.00
11/1/2017	270,000.00	3.00%	84,525.00	354,525.00	
5/1/2018		3.00%	80,475.00	80,475.00	
9/30/2018					435,000.00
11/1/2018	275,000.00	3.00%	80,475.00	355,475.00	
5/1/2019		3.00%	76,350.00	76,350.00	
9/30/2019					431,825.00
11/1/2019	285,000.00	3.00%	76,350.00	361,350.00	
5/1/2020		3.00%	72,075.00	72,075.00	
9/30/2020					433,425.00
11/1/2020	295,000.00	3.00%	72,075.00	367,075.00	
5/1/2021		3.00%	67,650.00	67,650.00	
9/30/2021					434,725.00
11/1/2021	305,000.00	3.00%	67,650.00	372,650.00	
5/1/2022		3.00%	63,075.00	63,075.00	
9/30/2022					435,725.00
11/1/2022	315,000.00	3.00%	63,075.00	378,075.00	
5/1/2023		3.00%	58,350.00	58,350.00	
9/30/2023					436,425.00
11/1/2023	330,000.00	3.00%	58,350.00	388,350.00	
5/1/2024		3.00%	53,400.00	53,400.00	
9/30/2024					441,750.00
11/1/2024	330,000.00	3.00%	53,400.00	383,400.00	
5/1/2025		3.00%	48,450.00	48,450.00	
9/30/2025					431,850.00
11/1/2025	340,000.00	3.00%	48,450.00	388,450.00	
5/1/2026		3.00%	43,350.00	43,350.00	
9/30/2026					431,800.00
11/1/2026	355,000.00	3.00%	43,350.00	398,350.00	
5/1/2027		3.00%	38,025.00	38,025.00	
9/30/2027					436,375.00
11/1/2027	170,000.00	3.50%	38,025.00	208,025.00	
5/1/2028		3.50%	35,050.00	35,050.00	
9/30/2028					243,075.00
11/1/2028	175,000.00	3.50%	35,050.00	210,050.00	
5/1/2029		3.50%	31,987.50	31,987.50	
9/30/2029					242,037.50
11/1/2029	180,000.00	3.50%	31,987.50	211,987.50	
5/1/2030		3.50%	28,837.50	28,837.50	
9/30/2030					240,825.00

City of Magnolia

2014 General Obligation Refunding Bonds

2006 Revenue Bond, 2006 Cert. of Obligation, 2004 Cert. of Obligation

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/1/2030	185,000.00	3.50%	28,837.50	213,837.50	
5/1/2031		3.50%	25,600.00	25,600.00	
9/30/2031					239,437.50
11/1/2031	195,000.00	4.00%	25,600.00	220,600.00	
5/1/2032		4.00%	21,700.00	21,700.00	
9/30/2032					242,300.00
11/1/2032	200,000.00	4.00%	21,700.00	221,700.00	
5/1/2033		4.00%	17,700.00	17,700.00	
9/30/2033					239,400.00
11/1/2033	210,000.00	4.00%	17,700.00	227,700.00	
5/1/2034		4.00%	13,500.00	13,500.00	
9/30/2034					241,200.00
11/1/2034	215,000.00	4.00%	13,500.00	228,500.00	
5/1/2035		4.00%	9,200.00	9,200.00	
9/30/2035					237,700.00
11/1/2035	225,000.00	4.00%	9,200.00	234,200.00	
5/1/2036		4.00%	4,700.00	4,700.00	
9/30/2036					238,900.00
11/1/2036	235,000.00	4.00%	4,700.00	239,700.00	
9/30/2037					239,700.00
Total	5,860,000.00		2,244,050.00	8,104,050.00	8,104,050.00

City of Magnolia

2014 Tax Revenue C/O I & S - 02

& 2014 General Obligation Refunding Bonds I & S - 02 (Enterprise Fund portion - 70% of total)

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenues</u>					
40001 Tax Revenue	0	0	0	0	0
40117 Misc Income	0	0	0	0	0
Funds from W/S Operations	437,000	437,000	506,750	506,750	465,537
40033 Transfer in	0	0	0	0	0
40040 Transfer in from debt svc	154,500	154,500	217,500	217,500	132,525
Total Revenue	591,500	591,500	724,250	724,250	598,062
Total Revenue	591,500	591,500	724,250	724,250	598,062
 Expenditures					
236 2014 C/O I&S Principal Pay't	115,000	115,000	120,000	120,000	125,000
500035 2014 C/O I&S Interest Pay't	170,600	170,600	167,075	167,075	163,087
235 2014 G/O I&S Principal Pay't	213,500	213,500	315,000	315,000	231,000
500550 2014 G/O I&S Interest Pay't	91,508	91,508	121,425	121,425	78,225
500800 Bank Fees	750	750	750	750	750
Total Expenses	591,358	591,358	724,250	724,250	598,062
Total Expenses	591,358	591,358	724,250	724,250	598,062
Total Revenue Over(Under) Expenditures	143	143	0	0	0

City of Magnolia

2014 Certificates of Obligation

Water/Sewer Improvements, Including Lift Stations

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
5/1/2015		3.00%	63,415.76	63,415.76	
9/30/2015					63,415.76
11/1/2015		3.00%	94,337.50	94,337.50	
5/1/2016		3.00%	94,337.50	94,337.50	
9/30/2016					188,675.00
11/1/2016	105,000.00	3.00%	94,337.50	199,337.50	
5/1/2017		3.00%	92,762.50	92,762.50	
9/30/2017					292,100.00
11/1/2017	105,000.00	3.00%	92,762.50	197,762.50	
5/1/2018		3.00%	91,187.50	91,187.50	
9/30/2018					288,950.00
11/1/2018	110,000.00	3.00%	91,187.50	201,187.50	
5/1/2019		3.00%	89,537.50	89,537.50	
9/30/2019					290,725.00
11/1/2019	110,000.00	3.00%	89,537.50	199,537.50	
5/1/2020		3.00%	87,887.50	87,887.50	
9/30/2020					287,425.00
11/1/2020	115,000.00	3.00%	87,887.50	202,887.50	
5/1/2021		3.00%	86,162.50	86,162.50	
9/30/2021					289,050.00
11/1/2021	115,000.00	3.00%	86,162.50	201,162.50	
5/1/2022		3.00%	84,437.50	84,437.50	
9/30/2022					285,600.00
11/1/2022	120,000.00	3.00%	84,437.50	204,437.50	
5/1/2023		3.00%	82,637.50	82,637.50	
9/30/2023					287,075.00
11/1/2023	125,000.00	3.50%	82,637.50	207,637.50	
5/1/2024		3.50%	80,450.00	80,450.00	
9/30/2024					288,087.50
11/1/2024	130,000.00	3.50%	80,450.00	210,450.00	
5/1/2025		3.50%	78,175.00	78,175.00	
9/30/2025					288,625.00
11/1/2025	130,000.00	3.50%	78,175.00	208,175.00	
5/1/2026		3.50%	75,900.00	75,900.00	
9/30/2026					284,075.00
11/1/2026	135,000.00	4.00%	75,900.00	210,900.00	
5/1/2027		4.00%	73,200.00	73,200.00	
9/30/2027					284,100.00
11/1/2027	145,000.00	4.00%	73,200.00	218,200.00	
5/1/2028		4.00%	70,300.00	70,300.00	
9/30/2028					288,500.00
11/1/2028	150,000.00	4.00%	70,300.00	220,300.00	
5/1/2029		4.00%	67,300.00	67,300.00	
9/30/2029					287,600.00
11/1/2029	155,000.00	4.00%	67,300.00	222,300.00	
5/1/2030		4.00%	64,200.00	64,200.00	
9/30/2030					286,500.00

City of Magnolia

2014 Certificates of Obligation

Water/Sewer Improvements, Including Lift Stations

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/1/2030	160,000.00	4.00%	64,200.00	224,200.00	
5/1/2031		4.00%	61,000.00	61,000.00	
9/30/2031					285,200.00
11/1/2031	165,000.00	4.00%	61,000.00	226,000.00	
5/1/2032		4.00%	57,700.00	57,700.00	
9/30/2032					283,700.00
11/1/2032	175,000.00	4.00%	57,700.00	232,700.00	
5/1/2033		4.00%	54,200.00	54,200.00	
9/30/2033					286,900.00
11/1/2033	180,000.00	4.00%	54,200.00	234,200.00	
5/1/2034		4.00%	50,600.00	50,600.00	
9/30/2034					284,800.00
11/1/2034	185,000.00	4.00%	50,600.00	235,600.00	
5/1/2035		4.00%	46,900.00	46,900.00	
9/30/2035					282,500.00
11/1/2035	195,000.00	4.00%	46,900.00	241,900.00	
5/1/2036		4.00%	43,000.00	43,000.00	
9/30/2036					284,900.00
11/1/2036	200,000.00	4.00%	43,000.00	243,000.00	
5/1/2037			39,000.00	39,000.00	
9/30/2037					282,000.00
11/1/2037	210,000.00	4.00%	39,000.00	249,000.00	
5/1/2038			34,800.00	34,800.00	
9/30/2038					283,800.00
11/1/2038	220,000.00	4.00%	34,800.00	254,800.00	
5/1/2039			30,400.00	30,400.00	
9/30/2039					285,200.00
11/1/2039	230,000.00	4.00%	30,400.00	260,400.00	
5/1/2040			25,800.00	25,800.00	
9/30/2040					286,200.00
11/1/2040	240,000.00	4.00%	25,800.00	265,800.00	
5/1/2041			21,000.00	21,000.00	
9/30/2041					286,800.00
11/1/2041	245,000.00	4.00%	21,000.00	266,000.00	
5/1/2042			16,100.00	16,100.00	
9/30/2042					282,100.00
11/1/2042	255,000.00	4.00%	16,100.00	271,100.00	
5/1/2043			11,000.00	11,000.00	
9/30/2043					282,100.00
11/1/2043	270,000.00	4.00%	11,000.00	281,000.00	
5/1/2044			5,600.00	5,600.00	
9/30/2044					286,600.00
11/1/2044	280,000.00	4.00%	5,600.00	285,600.00	
9/30/2045					285,600.00
Total	4,960,000.00		3,588,903.26	8,548,903.26	8,548,903.26

City of Magnolia

2017 State Infrastructure Bank Loan Debt Service - 02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023.	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40106 Revenue from 4B	40,000	40,000	40,000	40,000	40,000
Funds from W/S Operations	28,419	28,419	26,881	26,881	26,094
Total Revenue	68,419	68,419	66,881	66,881	66,094
Total Revenue	68,419	68,419	66,881	66,881	66,094
Expenditures					
<u>Expenses</u>					
230 2017 SIB Loan Principal Pay't	48,437	48,437	49,975	49,975	50,762
500033.01 2017 SIB Loan Interest Pay't	19,982	19,982	16,906	16,906	15,332
500800 Bank Fees	0	0	0	0	
Total Expenses	68,419	68,419	66,881	66,881	66,094
Total Expenditures	68,419	68,419	66,881	66,881	66,094
Total Revenue Over(Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Magnolia

2017 State Infrastructure Bank-Loan

FM 1774 Utility Relocation

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
12/29/2017		3.15%	15,750.00	15,750.00	
6/29/2018	59,625.00	3.15%	15,750.00	75,375.00	91,125.00
12/29/2018		3.15%	14,810.91	14,810.91	
1/11/2019	210,654.37	3.15%	987.39	211,641.76	
6/29/2019	47,701.10	3.15%	10,726.90	58,428.00	284,880.67
12/29/2019		3.15%	10,741.81	10,741.81	
6/29/2020	47,686.19	3.15%	10,741.81	58,428.00	69,169.81
12/29/2020		3.15%	9,990.75	9,990.75	
6/29/2021	48,437.25	3.15%	9,990.75	58,428.00	68,418.75
12/29/2021		3.15%	9,227.86	9,227.86	
6/29/2022	49,200.14	3.15%	9,227.86	58,428.00	67,655.86
12/29/2022		3.15%	8,452.96	8,452.96	
6/29/2023	49,975.04	3.15%	8,452.96	58,428.00	66,880.96
12/29/2023		3.15%	7,665.85	7,665.85	
6/29/2024	50,762.15	3.15%	7,665.85	58,428.00	66,093.85
12/29/2024		3.15%	6,866.35	6,866.35	
6/29/2025	51,561.65	3.15%	6,866.35	58,428.00	65,294.35
12/29/2025		3.15%	6,054.25	6,054.25	
6/29/2026	52,373.75	3.15%	6,054.25	58,428.00	64,482.25
12/29/2026		3.15%	5,229.37	5,229.37	
6/29/2027	53,198.63	3.15%	5,229.37	58,428.00	63,657.37
12/29/2027		3.15%	4,391.49	4,391.49	
6/29/2028	54,036.51	3.15%	4,391.49	58,428.00	62,819.49
12/29/2028		3.15%	3,540.41	3,540.41	
6/29/2029	54,887.59	3.15%	3,540.41	58,428.00	61,968.41
12/29/2029		3.15%	2,675.94	2,675.94	
6/29/2030	55,752.06	3.15%	2,675.94	58,428.00	61,103.94
12/29/2030		3.15%	1,797.84	1,797.84	
6/29/2031	56,630.16	3.15%	1,797.84	58,428.00	60,225.84
12/29/2031		3.15%	905.92	905.92	
6/29/2032	57,518.41	3.15%	905.92	58,424.33	59,330.25
Total	1,000,000.00		213,106.80	1,213,106.80	1,213,106.80

City of Magnolia

2018 Special Assessment Revenue Bond

Magnolia Ridge PID - 32

Balance as of 5/31/2023

\$119,558.12

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40105 Ad Valorem Tax Revenue	124,315	124,315	124,315	124,315	124,315
Total Revenue	124,315	124,315	124,315	124,315	124,315
Total Revenue	124,315	124,315	124,315	124,315	124,315
Expenditures					
<u>Expenses</u>					
500033 PID Bond Principal	30,000	30,000	30,000	30,000	30,000
500034 PID Bond Interest	87,495	87,495	85,785	85,785	84,075
500800 Bank Fees	0	0	0	0	2,500
Total Expenses	117,495	117,495	115,785	115,785	116,575
Total Expenditures	117,495	117,495	115,785	115,785	116,575
Total Revenue Over(Under) Expenditures	6,820	6,820	8,530	8,530	7,740

City of Magnolia

Special Assessment Revenue Bonds, Series 2018

Magnolia Ridge Public Improvement District

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
3/1/2018		5.70%	12,917.63	12,917.63	
9/1/2018	55,000.00	5.70%	47,452.37	102,452.37	115,370.00
3/1/2019		5.70%	0.00	0.00	
9/1/2019	25,000.00	5.70%	91,770.00	116,770.00	116,770.00
3/1/2020		5.70%	0.00	0.00	
9/1/2020	25,000.00	5.70%	90,345.00	115,345.00	115,345.00
3/1/2021		5.70%	0.00	0.00	
9/1/2021	25,000.00	5.70%	88,920.00	113,920.00	113,920.00
3/1/2022		5.70%	0.00	0.00	0.00
9/1/2022	30,000.00	5.70%	87,495.00	117,495.00	117,495.00
3/1/2023		5.70%	0.00	0.00	
9/1/2023	30,000.00	5.70%	85,785.00	115,785.00	115,785.00
3/1/2024		5.70%	0.00	0.00	
9/1/2024	30,000.00	5.70%	84,075.00	114,075.00	114,075.00
3/1/2025		5.70%	0.00	0.00	
9/1/2025	35,000.00	5.70%	82,365.00	117,365.00	117,365.00
3/1/2026		5.70%	0.00	0.00	
9/1/2026	35,000.00	5.70%	80,370.00	115,370.00	115,370.00
3/1/2027		5.70%	0.00	0.00	
9/1/2027	40,000.00	5.70%	78,375.00	118,375.00	118,375.00
3/1/2028		5.70%	0.00	0.00	
9/1/2028	40,000.00	5.70%	76,095.00	116,095.00	116,095.00
3/1/2029		5.70%	0.00	0.00	
9/1/2029	45,000.00	5.70%	73,815.00	118,815.00	118,815.00
3/1/2030		5.70%	0.00	0.00	
9/1/2030	45,000.00	5.70%	71,535.00	116,535.00	116,535.00
3/1/2031		5.70%	0.00	0.00	
9/1/2031	45,000.00	5.70%	68,970.00	113,970.00	113,970.00
3/1/2032		5.70%	0.00	0.00	
9/1/2032	50,000.00	5.70%	66,120.00	116,120.00	116,120.00
3/1/2033		5.70%	0.00	0.00	
9/1/2033	55,000.00	5.70%	63,270.00	118,270.00	118,270.00
3/1/2034		5.70%	0.00	0.00	
9/1/2034	55,000.00	5.70%	60,135.00	115,135.00	115,135.00
3/1/2035		5.70%	0.00	0.00	
9/1/2035	60,000.00	5.70%	57,000.00	117,000.00	117,000.00
3/1/2036		5.70%	0.00	0.00	
9/1/2036	65,000.00	5.70%	53,580.00	118,580.00	118,580.00
3/1/2037		5.70%	0.00	0.00	
9/1/2037	65,000.00	5.70%	49,875.00	114,875.00	114,875.00
3/1/2038		5.70%	0.00	0.00	
9/1/2038	70,000.00	5.70%	46,170.00	116,170.00	116,170.00
3/1/2039		5.70%	0.00	0.00	
9/1/2039	75,000.00	5.70%	42,180.00	117,180.00	117,180.00

City of Magnolia

Special Assessment Revenue Bonds, Series 2018

Magnolia Ridge Public Improvement District

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
9/1/2040	80,000.00	5.70%	37,905.00	117,905.00	117,905.00
3/1/2041		5.70%	0.00	0.00	
9/1/2041	85,000.00	5.70%	33,345.00	118,345.00	118,345.00
3/1/2042		5.70%	0.00	0.00	
9/1/2042	90,000.00	5.70%	28,500.00	118,500.00	118,500.00
3/1/2043		5.70%	0.00	0.00	
9/1/2043	95,000.00	5.70%	23,370.00	118,370.00	118,370.00
3/1/2044		5.70%	0.00	0.00	
9/1/2044	100,000.00	5.70%	17,955.00	117,955.00	117,955.00
3/1/2045		5.70%	0.00	0.00	
9/1/2045	105,000.00	5.70%	12,255.00	117,255.00	117,255.00
3/1/2046		5.70%	0.00	0.00	
9/1/2046	110,000.00	5.70%	6,270.00	116,270.00	116,270.00
Total	1,665,000.00		1,718,215.00	3,383,215.00	3,383,215.00

City of Magnolia

2021 Tax & Revenue Certificate of Obligation-02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	12,787	347,136	344,349	344,349	342,861
40040 Transfer in from Debt Svc	0	500,000	500,000	500,000	500,000
Total Revenue	12,787	847,136	844,349	844,349	842,861
Total Revenue	12,787	847,136	844,349	844,349	842,861
Expenditures					
<u>Expenses</u>					
238 2021 G/O Refunding Bond Principal	0	605,000	630,000	630,000	650,000
500051 2021 Tax/Rev C/O Interest	12,787	242,136	214,349	214,349	192,861
Bank Fees	0	0			
Total Expenses	12,787	847,136	844,349	844,349	842,861
Total Expenditures	12,787	847,136	844,349	844,349	842,861
Total Revenue Over(Under) Expenditures	0	0	-	-	0.00

2021 Tax & Revenue Certificate of Obligation

Improvements to Water & Sewer System to include expansion of Wastewater Treatment Plant

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/1/2020	0.00	0.00%	0.00	0.00	
5/1/2021		4.50%	12,787.45	12,787.45	12,787.45
11/1/2021	605,000.00	4.50%	127,874.38	732,874.38	
5/1/2022		4.50%	114,261.88	114,261.88	847,136.26
11/1/2022	630,000.00	2.25%	114,261.88	744,261.88	
5/1/2023		2.25%	100,086.88	100,086.88	844,348.76
11/1/2023	650,000.00	1.75%	100,086.88	750,086.88	
5/1/2024		1.75%	92,774.38	92,774.38	842,861.26
11/1/2024	665,000.00	1.55%	92,774.38	757,774.38	
5/1/2025		1.55%	86,955.63	86,955.63	844,730.01
11/1/2025	680,000.00	1.55%	86,955.63	766,955.63	
5/1/2026		1.55%	81,685.63	81,685.63	848,641.26
11/1/2026	685,000.00	1.55%	81,685.63	766,685.63	
5/1/2027		1.55%	76,376.88	76,376.88	843,062.51
11/1/2027	695,000.00	4.00%	76,376.88	771,376.88	
5/1/2028		4.00%	70,990.63	70,990.63	842,367.51
11/1/2028	720,000.00	4.00%	70,990.63	790,990.63	
5/1/2029		4.00%	56,590.63	56,590.63	847,581.26
11/1/2029	745,000.00	4.00%	56,590.63	801,590.63	
5/1/2030		4.00%	41,690.63	41,690.63	843,281.26
11/1/2030	780,000.00	1.50%	41,690.63	821,690.63	
5/1/2031		1.50%	26,090.63	26,090.63	847,781.26
11/1/2031	795,000.00	1.50%	26,090.63	821,090.63	
5/1/2032		1.50%	20,128.13	20,128.13	841,218.76
11/1/2032	810,000.00	1.625%	20,128.13	830,128.13	
5/1/2033		1.625%	14,053.13	14,053.13	844,181.26
11/1/2033	825,000.00	1.75%	14,053.13	839,053.13	
5/1/2034		1.75%	7,350.00	7,350.00	846,403.13
11/1/2034	840,000.00	1.75%	7,350.00	847,350.00	
					847,350.00
	10,125,000.00		1,718,731.95	11,843,731.95	11,843,731.95

City of Magnolia

2021 State Infrastructure Bank Loan-02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	0	0	0	0
40106 Transfer in from 4B		0	61,804	61,804	61,804
Total Revenue	0	0	61,804	61,804	61,804
Total Revenue	0	0	61,804	61,804	61,804
Expenditures					
<u>Expenses</u>					
239 2021 SIB Loan	0	0	61,804	61,804	61,804
2021 SIB Loan Interest	0	0	0	0	0
Bank Fees	0	0	0	0	0
Total Expenses	0	0	61,804	61,804	61,804
Total Expenditures	0	0	61,804	61,804	61,804
Total Revenue Over(Under) Expenditures	0	0	0	-	-

2021 State Infrastructure Bank-Loan TX-DOT

S2021-002-03 FM 1488 ROAD WIDENING TO FM 1774

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
4/30/2021		0.00%	0.00	0.00	
8/1/2021	61,804.00	0.00%	0.00	61,804.00	61,804.00
2/1/2022	61,804.00	0.00%	0.00	61,804.00	
8/1/2022	0.00	0.00%	0.00	0.00	61,804.00
2/1/2023	61,804.00	0.00%	0.00	61,804.00	
8/1/2023	0.00	0.00%	0.00	0.00	61,804.00
2/1/2024	0.00	0.00%	0.00	0.00	
4/1/2024	0.00	0.00%			
8/1/2024	0.00	1.50%	1,678.48	1,678.48	1,678.48
2/1/2025	56,503.53	1.50%	5,300.47	61,804.00	
8/1/2025	0.00	1.50%	4,876.69	4,876.69	66,680.69
2/1/2026	56,927.31	1.50%	4,876.69	61,804.00	
8/1/2026	0.00	1.50%	4,449.73	4,449.73	66,253.73
2/1/2027	57,354.27	1.50%	4,449.73	61,804.00	
8/1/2027	0.00	1.50%	4,019.58	4,019.58	65,823.58
2/1/2028	57,784.42	1.50%	4,019.58	61,804.00	
8/1/2028	0.00	1.50%	3,586.19	3,586.19	65,390.19
2/1/2029	58,217.81	1.50%	3,586.19	61,804.00	
8/1/2029	0.00	1.50%	3,149.56	3,149.56	64,953.56
2/1/2030	58,654.44	1.50%	3,149.56	61,804.00	
8/1/2030	0.00	1.50%	2,709.65	2,709.65	64,513.65
2/1/2031	59,094.35	1.50%	2,709.65	61,804.00	
8/1/2031	0.00	1.50%	2,266.44	2,266.44	64,070.44
2/1/2032	59,537.56	1.50%	2,266.44	61,804.00	
8/1/2032	0.00	1.50%	1,819.91	1,819.91	63,623.91
2/1/2033	59,984.09	1.50%	1,819.91	61,804.00	
8/1/2033	0.00	1.50%	1,370.03	1,370.03	63,174.03
2/1/2034	60,433.97	1.50%	1,370.03	61,804.00	
8/1/2034	0.00	1.50%	916.78	916.78	62,720.78
2/1/2035	60,887.22	1.50%	916.78	61,804.00	
8/1/2035		1.50%	460.12	460.12	62,264.12
2/1/2036	61,349.76	1.50%	460.12	61,809.88	61,809.88
Total	892,140.73		66,228.31	958,369.04	958,369.04

City of Magnolia

2022 State Infrastructure Bank Loan-02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Actual 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	0	209,602	209,602	209,602
40106 Transfer in from 4B		0	0	0	0
Total Revenue	0	0	209,602	209,602	209,602
Total Revenue	0	0	209,602	209,602	209,602
Expenditures					
Expenses					
243 2022 SIB Loan	0	0	187,362	187,362	174,231
2022 SIB Loan Interest	0	0	22,240	22,240	35,371
Bank Fees	0	0			
Total Expenses	0	0	209,602	209,602	209,602
Total Expenditures	0	0	209,602	209,602	209,602
Total Revenue Over(Under) Expenditures	0	0	0	-	-

2022 State Infrastructure Bank-Loan TX-DOT
S2022-003-04 FM 1488 ROAD WIDENING FROM FM 1774 TO W OF FM 149

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
4/29/2022		0.00%		0	0
8/1/2022	209,601.68	0.00%		0	209,601.68
2/1/2023	0	1.47%	3,177.11	3,177.11	
8/1/2023	187,361.93	1.47%	19,062.64	206,424.57	209,601.68
2/1/2024	0	1.47%	17,685.53	17,685.53	
8/1/2024	174,230.62	1.47%	17,685.53	191,916.15	209,601.68
2/1/2025	0	1.47%	16,404.93	16,404.93	
8/1/2025	176,791.81	1.47%	16,404.93	193,196.74	209,601.67
2/1/2026	0	1.47%	15,105.51	15,105.51	
8/1/2026	179,390.65	1.47%	15,105.51	194,496.16	209,601.67
2/1/2027	0	1.47%	13,786.99	13,786.99	
8/1/2027	182,027.69	1.47%	13,786.99	195,814.68	209,601.67
2/1/2028	0	1.47%	12,449.09	12,449.09	
8/1/2028	184,703.50	1.47%	12,449.09	197,152.59	209,601.68
2/1/2029	0	1.47%	11,091.51	11,091.51	
8/1/2029	187,418.64	1.47%	11,091.51	198,510.15	209,601.66
2/1/2030	0	1.47%	9,713.99	9,713.99	
8/1/2030	190,173.70	1.47%	9,713.99	199,887.69	209,601.68
2/1/2031	0	1.47%	8,316.21	8,316.21	
8/1/2031	192,969.25	1.47%	8,316.21	201,285.46	209,601.67
2/1/2032	0	1.47%	6,897.89	6,897.89	
8/1/2032	195,805.90	1.47%	6,897.89	202,703.79	209,601.68
2/1/2033	0	1.47%	5,458.71	5,458.71	
8/1/2033	198,684.25	1.47%	5,458.71	204,142.96	209,601.67
2/1/2034	0	1.47%	3,998.38	3,998.38	
8/1/2034	201,604.90	1.47%	3,998.38	205,603.28	209,601.66
2/1/2035	0	1.47%	2,516.59	2,516.59	
8/1/2035	204,568.50	1.47%	2,516.59	207,085.09	209,601.68
2/1/2036	0	1.47%	1,013.01	1,013.01	
8/1/2036	137,824.48	1.47%	1,013.01	138,837.49	139,850.50
Total	2,803,157.50		271,116.43	3,074,273.93	3,074,273.93

City of Magnolia

2022 Tax & Revenue Certificate of Obligation-02

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	0	1,183,951	1,183,951	1,186,950
40040 Transfer in from Debt Svc		0			
Total Revenue	0	0	1,183,951	1,183,951	1,186,950
Total Revenue	0	0	1,183,951	1,183,951	1,186,950
Expenditures					
<u>Expenses</u>					
244 2022 Tax/Revenue C/O	0	0	410,000	410,000	325,000
2022 Tax/Rev C/O Interest	0	0	773,951	773,951	861,950
Bank Fees	0	0	500	500	500
Total Expenses	0	0	1,184,451	1,184,451	1,187,450
Total Expenditures	0	0	1,184,451	1,184,451	1,187,450
Total Revenue Over(Under) Expenditures	0	0	(500)	(500)	(500)

2022 Tax & Revenue Certificate of Obligation

Improvements to Water & Sewer System to include Lift Stations, etc
(4 plants, 2 wells)

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/1/2022	410,000	5.00%	338,913.26	748,913.26	
5/1/2023			435,037.50	435,037.50	
09/30/2023					1,183,950.76
11/01/2023	325,000	5.00%	435,037.50	760,037.50	
05/01/2024			426,912.50	426,912.50	
09/30/2024					1,186,950.00
11/01/2024	340,000	5.00%	426,912.50	766,912.50	
05/01/2025			418,412.50	418,412.50	
9/30/2025					1,185,325.00
11/1/2025	360,000	5.00%	418,412.50	778,412.50	
5/1/2026			409,412.50	409,412.50	
9/30/2026					1,187,825.00
11/1/2026	375,000	5.00%	409,412.50	784,412.50	
5/1/2027			400,037.50	400,037.50	
9/30/2027					1,184,450.00
11/1/2027	395,000	5.00%	400,037.50	795,037.50	
5/1/2028			390,162.50	390,162.50	
9/30/2028					1,185,200.00
11/1/2028	415,000	5.00%	390,162.50	805,162.50	
5/1/2029			379,787.50	379,787.50	
9/30/2029					1,184,950.00
11/1/2029	440,000	5.00%	379,787.50	819,787.50	
5/1/2030			368,787.50	368,787.50	
9/30/2030					1,188,575.00
11/1/2030	460,000	5.00%	368,787.50	828,787.50	
5/1/2031			357,287.50	357,287.50	
9/30/2031					1,186,075.00
11/1/2031	485,000	5.00%	357,287.50	842,287.50	
5/1/2032			345,162.50	345,162.50	
9/30/2032					1,187,450.00
11/1/2032	510,000	5.00%	345,162.50	855,162.50	
5/1/2033			332,412.50	332,412.50	
09/30/2033					1,187,575.00
11/1/2033	535,000	5.00%	332,412.50	867,412.50	
5/1/2034			319,037.50	319,037.50	
9/30/2034					1,186,450.00
11/1/2034	560,000	5.00%	319,037.50	879,037.50	
5/1/2035			305,037.50	305,037.50	
9/30/2035					1,184,075.00
11/1/2035	590,000	5.00%	305,037.50	895,037.50	
5/1/2036			290,287.50	290,287.50	
9/30/2036					1,185,325.00
11/1/2036	620,000	5.00%	290,287.50	910,287.50	
5/1/2037			274,787.50	274,787.50	
9/30/2037					1,185,075.00

11/1/2037	650,000	4.00%	274,787.50	924,787.50	
5/1/2038			261,787.50	261,787.50	
9/30/2038					1,186,575.00
11/1/2038	675,000	4.00%	261,787.50	936,787.50	
5/1/2039			248,287.50	248,287.50	
9/30/2039					1,185,075.00
11/1/2039	705,000	4.00%	248,287.50	953,287.50	
5/1/2040			234,187.50	234,187.50	
9/30/2040					1,187,475.00
11/01/2040	730,000	4.00%	234,187.50	964,187.50	
5/1/2041			219,587.50	219,587.50	
9/30/2041					1,183,775.00
11/1/2041	760,000	4.00%	219,587.50	979,587.50	
5/1/2042			204,387.50	204,387.50	
9/30/2042					1,183,975.00
11/1/2042	795,000	4.00%	204,387.50	999,387.50	
5/1/2043			188,487.50	188,487.50	
9/30/2043					1,187,875.00
11/1/2043	825,000	4.25%	188,487.50	1,013,487.50	
5/1/2044			170,956.25	170,956.25	
9/30/2044					1,184,443.75
11/1/2044	865,000	4.25%	170,956.25	1,035,956.25	
5/1/2045			152,575.00	152,575.00	
9/30/2045					1,188,531.25
11/1/2045	900,000	4.25%	152,575.00	1,052,575.00	
5/1/2046			133,450.00	133,450.00	
9/30/2046					1,186,025.00
11/1/2046	940,000	4.25%	133,450.00	1,073,450.00	
5/1/2047			113,475.00	113,475.00	
9/30/2047					1,186,925.00
11/1/2047	980,000	4.25%	113,475.00	1,093,475.00	
5/1/2048			92,650.00	92,650.00	
9/30/2048					1,186,125.00
11/1/2048	1,020,000	4.25%	92,650.00	1,112,650.00	
5/1/2049			70,975.00	70,975.00	
9/30/2049					1,183,625.00
11/1/2049	1,065,000	4.25%	70,975.00	1,135,975.00	
5/1/2050			48,343.75	48,343.75	
9/30/2050					1,184,318.75
11/1/2050	1,115,000	4.25%	48,343.75	1,163,343.75	
5/1/2051			24,650.00	24,650.00	
9/30/2051					1,187,993.75
11/1/2051	1,160,000	4.25%	24,650.00	1,184,650.00	
9/30/2052					1,184,650.00
	20,005,000		15,571,638.26	35,576,638.26	35,576,638.26

SECTION

6

SPECIAL REVENUE FUNDS



City of Magnolia

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) to finance specified activities which are required by statute, ordinance, resolution or executive order.

The City of Magnolia has two special revenue funds which are considered to be major funds for reporting purposes--the ATS-Red Light Camera Fund and the HB445 Road Repair Fund. Other funds are the Hotel/Motel Occupancy Tax Fund, Municipal Court Security Fund, Technology Fund and Judicial Efficiency Fund, which are reported as nonmajor funds. Each fund is described in a separate budget page.

The combined Statement of Revenues, Expenditures, and Changes in Fund Balance for these accounts is included in the Governmental Funds Summary.

City of Magnolia

ATS-Red Light Camera -10

Bank Balance as of 05/31/23 \$10.17

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40022 Red Light Camera Revenue	0	0	0	0	0
40020 Red Light Camera Fund Interest	0	50	0	0.30	0
Total Gross Revenue	0	50	0	0.30	0
500815 State Comptroller Fees	0	0	0	0	0
Total Net Revenue	0	50	0	0.30	0
Expenditures					
<u>Expenses</u>					
500501 Transfer out for Salary Reimb.	0	0	0	0	0
500630 Red Light Camera Expense	0	11,198	0	0	0
500631 Contractual-Am. Traffic Sys	0	0	0	0	0
500635 Refunds	0	0	0	0	0
500760 Fuel	50,000	58,384	0	0	0
Total Operating Expenses	50,000	69,582	0	0	0
Capital Expenses					
500920 Computer Equipment	0	0	0	0	0
500921 Radios	0	0	0	0	0
500951 Motor Vehicles	0	0	0	0	0
503945 Other Equipment	0	0	0	0	0
Total Capital Expenses	0	0	0	0	0
Total Red Light Camera Fund Expenses	50,000	69,582	0	0	0
Total Revenue Over(Under) Expenditures	(50,000)	(69,532)	-	0.30	-

Automated red light photo enforcement cameras were set up during FY 2010 with the goal of reducing the number of injury accidents caused by "red light running". By law, the use of the revenues was limited to traffic safety programs, including pedestrian safety programs, public safety programs, intersection improvements, and traffic enforcement. Red light camera was removed June 2019 due to change in law.

City of Magnolia

HB445 Road Repair - 11

Bank Balance as of 05/31/23 \$3,108,148.14 (Bal includes \$150K Invested)

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenues</u>					
40009 HB445 Sales Tax Revenue	400,000	621,774	650,000	474,424	600,000
40020 HB445 Interest Earned	12,000	12,374	12,000	120,000	10,000
Total Revenue	412,000	634,148	662,000	594,424	610,000
Total Revenue	412,000	634,148	662,000	594,424	610,000
Expenditures					
<u>Expenses</u>					
500800 Bank Fees	0	0	0	0	0
500850 HB445 Road Repair	300,000	17,363	450,000	459,000	450,000
500999 Due to State Payment	0	0	0	0	0
Total Expenses	300,000	17,363	450,000	459,000	450,000
Total Expenditures	300,000	17,363	450,000	459,000	450,000
Total Revenue Over(Under) Expenditures	112,000	616,785	212,000	135,424	160,000

The HB445 Road Repair Fund is a Special Revenue Fund used to account for the receipt and expenditure of funds received from additional sales tax within the City.

City of Magnolia

Hotel/Motel Occupancy Tax - 17

Bank Balance as of 05/31/23

\$ 155,020.24

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40110 Hotel/Motel Occupancy Tax	40,000	54,122	50,000	48,000	50,000
40117 Event Donations	0	0	0	0	0
Total Revenue	40,000	54,122	50,000	48,000	50,000
Total Revenue	40,000	54,122	50,000	48,000	50,000
Expenditures					
<u>Expenses</u>					
501560 Event Funding	40,000	18,865	25,000	13,843	25,000
Total Expenses	40,000	18,865	25,000	13,843	25,000
Total Expenditures	40,000	18,865	25,000	13,843	25,000
Total Revenue Over(Under) Expenditures	-	35,257	25,000	34,157	25,000

The Hotel/Motel Occupancy Tax Fund accounts for revenues received from hotel occupancy taxes, which are used to promote tourism. Hotels submit quarterly to the City an occupancy tax based upon 7% of total room receipts. Compliance with the provisions of the state statutes is monitored by City finance personnel on a continuing basis.

City of Magnolia

Municipal Court Security Fund - 18

Bank Balance as of 05/31/23 \$ 69,725

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
40408 Municipal Court Security Fund Fees	7,000	8,885	7,000	12,600	7,000
Total Revenue	7,000	8,885	7,000	12,600	7,000
Expenditures					
<u>Expenses</u>					
504565 Municipal Court Security Expense	5,000	7,200	5,000	7,820	5,000
Total Expenditures	5,000	7,200	5,000	7,820	5,000
Total Revenue Over(Under) Expenditures	2,000	1,685	2,000	4,780	2,000

These fees are generated from court fines. By law, these funds can only be spent on the City's municipal court.

City of Magnolia

Municipal Court Technology Fund - 19

Bank Balance as of 05/31/23 \$ (1,893)

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
41190 Municipal Court Tech Fund Rev.	9,000	9,873	9,000	14,500	9,000
Total Revenue	9,000	9,873	9,000	14,500	9,000
Total Revenue	9,000	9,873	9,000	14,500	9,000
Expenditures					
<u>Expenses</u>					
519570 Municipal Court Tech Fund Exp.	8,100	9,875	8,100	14,800	8,100
Total Expense	8,100	9,875	8,100	14,800	8,100
Total Expenditures	8,100	9,875	8,100	14,800	8,100
Total Revenue Over(Under) Expenditures	900	(2)	900	(300)	900

These fees are generated from court fines. By law, these funds can only be spent on the City's municipal court.

City of Magnolia

Municipal Court Technology Fund - 19

Account	Account Name	Approved Budget	Description
Revenues:			
41906	Muni Court Tech Fund Fees	9,000	
Expenses:			
519855	Muni Court Tech Fund Expense	8,100	
			Lexis Nexis Risk Mgt 1,125
			Credit Card Fees 1,800
			Great American Financial Svcs 2,725
			Extra copies 700
			Language translation service 250
			IT Services/Computer equipment 1,500

City of Magnolia

Court Judicial Efficiency Fund-50

Bank Balance as of 05/31/23 \$ 5,640

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
41190 Judicial Efficiency Fund Fee Fund Fees	200	1,158	200	1,700	500
Total Revenue	200	1,158	200	1,700	500
Expenditures					
<u>Expenses</u>					
500766 Office Expense	0	0	0	0	0
518850 Judicial Efficiency Expense	0	0	0	0	0
Total Expenditures	0	0	0	0	0
Total Revenue Over(Under) Expenditures	200	1,158	200	1,700	500

These fees are generated from court fines. By law, these funds can only be spent on the City's municipal court.

City of Magnolia

Court Municipal Jury Fund-51

Bank Balance as of 05/31/21 \$ 445

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	Projected 2022-2023	Approved Budget 2023-2024
Revenue					
<u>Revenue</u>					
41190 Judicial Efficiency Fund Fee Fund Fees	200	141	200	185	200
Total Revenue	200	141	200	185	200
Expenditures					
<u>Expenses</u>					
500766 Office Expense	0	0	0	0	0
518850 Judicial Efficiency Expense	0	0	0	0	0
Total Expenditures	0	0	0	0	0
Total Revenue Over(Under) Expenditures	200	141	200	185	200

These fees are generated from court fines. By law, these funds can only be spent on the City's municipal court.

SECTION

7

COMPONENT UNIT FUNDS



City of Magnolia

Economic Development Corporation (4A)

Mission

To aggressively pursue all avenues of growth for new and existing businesses, and to maximize employment opportunities, tax base, and quality of life.

Vision

To focus on the future, to be “open for business” and remain a “Community of Unity”

The Magnolia Economic Development Corporation (“4A”) promotes community improvements and economic development within the City and on behalf of the City by developing, implementing, providing, and financing projects under the State of Texas Development Corporation Act of 1979. The City of Magnolia adopted the 4A in 1997 with the passage of one-half (1/2) of one percent (1%) sales tax dedicated to economic development. The corporation is defined in Section 4A of the Act; and for all other purposes allowed by law as permitted by the Development Corporation Act.

Type A projects fall into two categories: those *required* to create or retain primary jobs and those that are *not required* to create or retain primary jobs.

The term “primary job” is defined by the State of Texas and must including the following:

1. Be available at a local company
2. Export goods or services to a regional, state, national or international market
3. Infuse new dollars into the local economy
4. Be included in one of nearly 16 different North American Industry Classification System (NAICS) sector codes

Type A corporation projects may include:

- Primary Jobs – manufacturing and industrial facilities, research and development facilities, distribution centers and warehouse facilities; sanitary sewer facilities, primary job training facilities and regional or national corporate headquarters facilities.
- Non Primary Job projects – job training classes, targeted infrastructure projects necessary to promote or develop new or expanded business enterprises, limited to streets and roads, rail spurs, water and sewer utilities, and electric and gas utilities, drainage, Internet improvements and telecommunications.

2023 4A EDC Board of Directors:

President – Robert Franklin
Vice President – Anne Sundquist
Secretary/Treasurer – Basil Tate
Brenda Escalon
Michael Doherty

City of Magnolia

4A- Economic Development Corporation - 07

Balance as of 5/31/2023

2,924,323.32

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
Revenue					
40011 4A 1/2 Sales Tax Revenue	1,269,303	1,274,332	1,300,000	1,198,346	1,292,000
40022 4A Interest Earned	3,000	12,680	2,000	114,095	90,000
40102 City Park Donations	0	0	0	0	0
40122 Sale of Assets	68,430	68,430	0	0	0
40124 Misc Revenue	0	16	0	275	0
40126 Grant Proceeds	0	0	0	0	0
40021 Transfers In	0	0	0	0	0
Total Revenue	1,340,733	1,355,457	1,302,000	1,312,716	1,382,000

Expenses

Personnel Services					
500501 Salary & Benefit Reimbursement	44,575	5,637	2,365	886	5,000
500543 Training & Travel	1,500	48	1,500	0	1,500
500547 Drug Test	0	0	0	0	0
500550 Dues & Membership	500	140	800	0	800
Total Personnel Services	46,575	5,826	4,665	886	7,300

Contractual Expenses					
500632 Contract/consultant Services	65,245	72,054	75,000	49,984	75,000
500632.01 Office Rental		3,378	9,000	7,500	9,000
500640 Legal	10,000	11,413	5,000	5,879	7,500
500643 Engineering		9,800	0		0
500641 Auditing/Accounting Services	2,652	2,652	2,750	0	2,850
500673 Computer Software	3,000	2,725	2,700	15,024	17,000
500674 Posting/Advertising	17,300	22,002	500	0	1,000
500605 Telephone	0	30	505	220	251
Total Contractual Expenses	98,197	124,054	95,455	78,607	112,601

Miscellaneous Expenses					
500742 Magazines, Maps & Books	5,500	5,370	8,500	3,326	8,500
500743 Copies/Admin.	200	0	500	0	500
500744 Minor Tools & Equipment	2,500	2,392	0	0	0
500745 Hospitality, Refreshments	0	0	0	0	0
500766 Office Supplies	250	1,086	1,500	18	1,500
500769 Office Equipment	0	0	0	0	0
Total Miscellaneous Expenses	8,450	8,848	10,500	3,344	10,500

Expenses (continued)					
500800 Bank Fees	0.00	0	0	605	0
500824 Error & Omissions Insurance	2,500	2,149	2,500	1,468	2,500
500825 Liability Insurance	1,600	1,135	1,600	774	1,600
500836 Printing	0	0	0	0	0
500838 Promotional Expense	0	732	60,000	43,575	50,000
500858 Depreciation Expense	0	N/A	0	0	0
Total Expenses (continued)	4,100	4,016	64,100	46,422	54,100

Capital Expenses/Debt Svc					
231 2012 Rev Bond Principal Pay't	35,275	617	0	0	0
500875 2012 Rev Bond Int Pay't	0	0	0	0	0
235 2014 Promissory Note Payable	0	0	0	0	0
500903 2014 Loan Interest	0	0	0	0	0
500908 Transfers to General-FM 1774 Proj	207,800	154,701		0	
500908.01 FM 1774 Water/Sewer Ext Proj		8,934	1,000,000	11,261	1,800,000
FM 149 Project				680,215	40,000
Police Dept Proj.(Cameras)					42,000

City of Magnolia

Community Development Corporation (4B)

Mission

To provide leadership and funding for projects that enhance and preserve Magnolia's excellent quality of life.

The City of Magnolia Community Development Corporation ("4B") was established on March 14, 1995 following the passage of one-fourth (1/4) of one percent (1%) sales tax dedicated to community development by the residents of Magnolia. The Magnolia CDC-4B is a non-profit, tax exempt Texas Corporation, which is a separate entity from all other boards or commissions of the City of Magnolia. The Magnolia Tomorrow program, comprised of community volunteers, participated with the Magnolia CDC in planning parks, downtown revitalization, and special projects.

The Section 4B sales tax provides cities with a wider and more flexible range of uses for the tax revenues. It is intended to give communities an opportunity to undertake projects for quality of life improvements. The Section 4B tax can be used to fund projects that are typically considered to be community development initiatives. 4B Tax revenues may also assist with creating or retaining primary jobs and targeted infrastructure projects.

Type B Corporation projects may include:

- Community Development - land, buildings, equipment, facilities, expenditures and improvements for professional and amateur sports facilities, park facilities, event/entertainment, convention and tourist facilities.
- Primary Jobs – manufacturing and industrial facilities, research and development facilities, distribution centers and warehouse facilities; sanitary sewer facilities, primary job training facilities and regional or national corporate headquarters facilities.
- Non Primary Job projects – job training classes, targeted infrastructure, water supply facilities with requisite voter approval, light and commuter rail and airport or rail port facilities

2023 4B CDC Board of Directors:

President – Brenda Hoppe
Vice President – Joshua Chadwick
Treasurer – Barbara Gardner
Clyde Hunt
Andrew Hooks
Brandon Jacobs
Brett Sims

City of Magnolia

4B- Community Development Corporation - 06

Balance as of 5/31/2023 \$ 780,726

	Approved 2021-2022	Actual 2021-2022	Approved 2022-2023	5/31/2023 Projected 2022-2023	Approved Budget 2023-2024
Revenue					
40014 4B 1/4 Sales Tax Revenue	656,448	637,166	781,621	599,173	650,000
40022 4B Interest Earned	1,000	4,101	1,200	27,922	28,000
Total Revenue	657,448	641,266	782,821	627,095	678,000
Misc. Revenue					
40124 Misc. Revenues	0	0	0	18,948	0
40127 Park Rental Fees	0	0	0	0	0
40133 The Stroll	16,826	-11,826	0	0	0
Total Misc. Revenue	16,826	-11,826	0	18,948	0
Total Revenue	674,274	629,441	782,821	646,042	678,000
Expenses					
Personnel Services					
500501 Salary & Benefit Reimbursement	35,149	9,073	8,000	3,586	5,000
City Secretary	2,336	0	0	0	0
Park	0	0	0	0	0
Park	0	0	0	0	0
Finance Admin	2,704	0	0	0	0
500543 Training & Travel	1,500	0	1,500	0	1,500
500547 Drug Tests	0	0	0	0	0
500550 Dues & Membership	500	540	1,000	0	1,000
Total Personnel Services	42,189	9,613	10,500	3,586	7,500
Contractual Expenses					
500605 Telephone		30		251	251
500632 Contract/consultant Services	52,834	57,427	103,800	53,679	55,000
500632.01 Office Rental		2,075	12,000	8,571	7,500
500640 Legal	6,200	5,069	5,000	2,848	7,250
500641 Auditing/Accounting Services	2,652	2,652	2,750	0	2,850
500643 Engineering	5,000	13,761			
500674 Posting/Advertising	0	198	5,350	0	2,000
600673 Computer software	0	1,538	2,500	17,170	15,000
500675 Promotions	2,000	1,548	1,000	0	0
Total Contractual Expenses	68,686	84,298	132,400	82,520	89,851
Miscellaneous Expenses					
500742 Magazines, Maps & Books	5,500	4,995	8,000	3,326	5,000
500743 Copies/Admin.	240	0	5,000	0	500
500745 Hospitality Refreshments	0	0	0	0	0
500766 Office Supplies	200	265	250	36	100
500769 Office Equipment	0	0	0	0	250
Total Miscellaneous Expenses	5,940	5,260	13,250	3,362	5,850
Expenses (continued)					
500800 Bank Fees	0	0	0	0	0
500824 Error & Omissions Insurance	2,200	2,149	2,200	1,468	2,200
500825 Liability Insurance	1,300	1,135	1,300	774	1,300
500836 Printing	0	0	0	0	0
500840 Econ Dev. Matching Grant	45,000	33,821	55,000	5,846	0
500845 Monuments/Signs	5,000	0	0	0	0
500848 Park Maintenance	0	569	56,200	65,353	67,004
500850 Other Expenses	0	0	0	0	0
500851 Downtown Revitalization	0	0	85,000	2,970	15,000
Stroll Expense	8,000	1,850	0	0	0
Total Other Expenses	61,500	39,523	199,700	76,411	85,504
Capital Expenses					
500924 2011 SIB Loan transfer for pmt	165,233	165,233	165,167	165,167	165,097
500925 2017 SIB Loan transfer for pmt	40,000	40,000	40,000	40,000	40,000
2021 SIB Loan transfer for pmt	61,804	61,804	61,804	61,804	61,804
500976 Capital Expenses	101,940	101,940	160,000	72,846	391,000
FM 1774 Sewer Ext \$175K					
Commerce St \$200K		4,346			
Flock Camera System \$16K					
Total Capital Expenses	368,977	373,324	426,971	339,817	657,901
Total 4B Community Dev. Expenditures	547,292	512,018	782,821	505,697	846,606
Revenue Over(Under) Expenditures	126,982	117,423	-	140,346	(168,606)

SECTION

8

SUPPLEMENTAL INFORMATION





2024 Holiday Schedule

New Year's Day	January 1, 2024	Monday
Martin Luther King, Jr. Day	January 15, 2024	Monday
President's Day	February 19, 2024	Monday
Good Friday	March 29, 2024	Friday
Memorial Day	May 27, 2024	Monday
Independence Day	July 4, 2024	Thursday
Labor Day	September 2, 2023	Monday
Veteran's Day	November 11, 2023	Monday
Thanksgiving Day Holidays	November 28 and November 29	Thursday and Friday
Christmas Holidays	December 24 and December 25	Tuesday and Wednesday

CITY OF MAGNOLIA

Amended BUDGET AND TAX RATE CALENDAR

FY 2023-2024

June 30, 2023

May	9	Regular Council Meeting – Request for Council Goals/Update Council Goals
May	10-22	Directors and Supervisors review Departmental Budgets with Finance Dept.
May	26	Deadline for completion of Departmental Budgets
June	9	Deadline for first internal draft of Proposed Budget
July	3	First Draft of Proposed Budget to City Council
July	11	Budget Workshop – 6 p.m. before REGULAR Council Meeting
July	21	Proposed Budget Filed w/City Secretary (must be 15 days before public hearing & 30 days before tax rate adoption)
July	25-28	Chief Appraiser Certifies Appraisal roll; Tax Assessor calculates no-new revenue & voter-approval tax rates
August	5	Taxing unit shall post Notice of Tax Rates (provided by Tax Assessor-Collector prominently on the home page of City website (City Secretary) (must be published at least 7 days before public hearing)
August	5	Publish Notice of Budget Hearing (City Secretary) (has to be published 10-30 days before public hearing)
August	8	Special City Council Meeting to approval tax rate <u>or</u> the no-new revenue tax rate, take record vote to place proposed tax rate/increase on future agenda & set public hearing & Regular City Council Meeting
August	15	Publish Notice of Public Hearing on Tax Increase in newspaper, including Record Vote on Proposed Tax Increase (County Tax Assessor/Collector) (Send to Tammy McRae on August 31 —must be at least 7 days before adoption)
August	15	Post Notice of Tax Revenue Increase on City website (<u>must be published at least 7 days before meeting to adopt</u>)
August	22	<u>SPECIAL</u> City Council Meeting - PUBLIC HEARING ON TAX RATE (RESTRICTED) and PUBLIC HEARING ON BUDGET & Regular City Council Meeting
August	22	<u>SPECIAL</u> City Council Meeting – Adopt: 1. Operating Budget, & 2. Tax Rate (no later than 7 days after public hearing)
August	31	File copy of Tax Rate w/Montgomery County Appraisal District; file copy of Budget w/City Secretary, County Clerk
October	1	Effective date of Budget

The above highlighted dates were pushed back one week because of a publishing delay.

Property Tax Information

Taxable Assessed Valuation

2009-2010	\$91,636,764
2010-2011	\$100,019,218
2011-2012	\$107,126,405
2012-2013	\$118,367,686
2013-2014	\$141,779,270
2014-2015	\$162,777,486
2015-2016	\$185,538,070
2016-2017	\$192,782,750
2017-2018	\$193,646,183
2018-2019	\$211,080,946
2019-2020	\$229,434,070
2020-2021	\$237,007,566
2021-2022	\$298,208,523
2022-2023	\$504,226,373
2023-2024	\$659,220,345

Property Tax Rate Per \$100 Valuation

Fiscal Year	General Fund		Interest & Sinking Fund		Total Tax Rate
	Tax Rate	% of Total	Tax Rate	% of Total	
2009-2010	0.3119	63.47%	0.1795	36.53%	0.4914
2010-2011	0.3219	65.51%	0.1695	34.49%	0.4914
2011-2012	0.3319	68.94%	0.1495	31.06%	0.4814
2012-2013	0.3371	70.43%	0.1415	29.57%	0.4786 rollback rate
2013-2014	0.2426	50.69%	0.2360	49.31%	0.4786
2014-2015	0.2426	52.41%	0.2203	47.59%	0.4629 rollback rate
2015-2016	0.1972	42.60%	0.2657	57.40%	0.4629
2016-2017	0.1751	37.83%	0.2878	62.17%	0.4629
2017-2018	0.1739	36.93%	0.2970	63.07%	0.4709
2018-2019	0.1767	37.80%	0.2908	62.20%	0.4675
2019-2020	0.1784	38.41%	0.2861	61.59%	0.4645
2020-2021	0.1696	37.45%	0.2833	62.55%	0.4529
2021-2022	0.1429	35.28%	0.2622	64.72%	0.4051
2022-2023	0.1152	30.21%	0.2661	69.79%	0.3813 Voter-Approval
2023-2024	0.1038	35.21%	0.1910	64.79%	0.2948 Voter-Approval

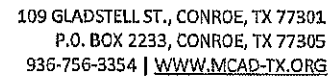
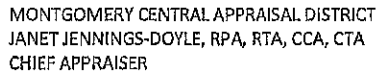
For Fiscal Year 2023-24 (2023 Tax Year)

Taxable Assessed Valuation **\$659,220,345**

Approved Tax Rate **0.2948**

Estimated Levy **\$1,943,382**

Property taxes are levied on October 1 and are payable on or before January 31. They attach as an enforceable lien on January 1. Penalties and interest are charged if taxes are not paid by the succeeding January 31. All property taxes are collected by the Montgomery County Tax




STATE OF TEXAS §
 § PROPERTY TAX CODE, SECTION 26.01(a)
COUNTY OF MONTGOMERY §

I, Janet Jennings-Doyle, Chief Appraiser for the Montgomery Central Appraisal District, solemnly swear that the attached is a recap of the approved Appraisal Roll of the Montgomery Central Appraisal District and constitutes the **CERTIFIED** values for **City Of Magnolia**. This Appraisal Roll is based upon and assumes a successful approval of the voters in November 2023 of the constitutional amendment proposed by H.J.R. 2, 88th Legislature, 2nd Called Session, 2023.

The attached also includes, listed separately, the amount of new value as a result of new improvements, newly approved exemptions, newly approved special valuations (agriculture and timber), and, if applicable, any newly annexed property taxable by **City Of Magnolia**.

Also included are properties, if any, which are taxable by **City Of Magnolia** but which remain under protest. Data includes information related to the appraised market value, productivity value (if applicable), and taxable value as contained in Texas Property Tax Code 26.01(c). This data contains the current values, the value of those properties still under protest at previous year's values, and a reasonable estimate of the market value, taxable value that may be assigned at the conclusion of the protest.

The Chief Appraiser is unaware of any properties that are not included in either the Certified Roll or the Withheld Roll and therefore have not been approved by the Montgomery County Appraisal Review Board and certified by the Chief Appraiser.



Date: July 24, 2023
Janet Jennings-Doyle, Chief Appraiser
Montgomery Central Appraisal District



MONTGOMERY CENTRAL APPRAISAL DISTRICT
JANET JENNINGS-DOYLE, RPA, RTA, CCA, CTA
CHIEF APPRAISER



109 GLADSTELL ST., CONROE, TX 77301
P.O. BOX 2233, CONROE, TX 77305
936-756-3354 | WWW.MCAD-TX.ORG

**Summary of Values as of 2023 Certification
City Of Magnolia**

	Market Value	Net Taxable	Net Taxable after Freeze
Certified Values	\$801,827,476	\$626,324,135	\$626,324,135
Under Review at Current Value	\$49,253,323	\$45,318,528	\$45,318,528
Under Review at Previous Years Value	\$36,467,010	\$32,896,210	\$32,896,210
Reasonable Estimate of Under Reviews	\$42,850,391	\$39,427,119	\$39,427,119

**Previous Year's Value lost due to appeals under Chapter 42
Texas Property Tax Code 26.012(a)(13)**

	Net Taxable	Net Taxable after Freeze
Previous Year Original Certified Value (ETR Line 5A)	\$69,004,030	\$0
Previous Year Adjusted Value (ETR Line 5b)	\$52,858,360	\$0
Previous Year Value Loss (ETR Line 5C)	\$-16,145,670	\$0

**Previous Year's Taxable Value Not in Dispute for Property Subject to an
Appeal under Chapter 42
Texas Property Tax Code 26.012(13)(a)(iii)**

	Taxable Value
Previous Year Original Certified Value (Deduct from ETR Line 1)	\$0
Previous Year Original Certified Value (ETR Line 6A)	\$0
Previous Year Value in Dispute (ETR Line 6B)	\$0
Previous Year Value NOT in Dispute (ETR Line 6C)	\$0

Average Home Value(s)

Average Market Value	Average Assessed Value
\$275,798	\$250,941

Date: July 24, 2023
Janet Jennings-Doyle, Chief Appraiser
Montgomery Central Appraisal District

MOVING FORWARD TOGETHER
Motivated, Credible, Accountable, and Dependable

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2023 As of: Certification

CMA - City Of Magnolia (ARB Approved Totals)

Number of Properties: 2992

Land Totals

Land - Homesite	(+)	\$103,394,570		
Land - Non Homesite	(+)	\$213,234,822		
Land - Ag Market	(+)	\$2,538,200		
Land - Timber Market	(+)	\$1,854,040		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$321,021,632	(+)	\$321,021,632

Improvement Totals

Improvements - Homesite	(+)	\$238,501,850		
Improvements - Non Homesite	(+)	\$199,323,840		
Total Improvements	(=)	\$437,825,690	(+)	\$437,825,690

Other Totals

Personal Property (391)		\$42,980,154	(+)	\$42,980,154
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value			(=)	\$801,827,476
Total Market Value 100%			(=)	\$804,970,484
Total Homestead Cap Adjustment (375)			(-)	\$14,681,175
Total Exempt Property (104)			(-)	\$145,811,021

Productivity Totals

Total Productivity Market (Non Exempt)	(+)	\$4,392,240		
Ag Use (4)	(-)	\$10,520		
Timber Use (5)	(-)	\$20,340		
Total Productivity Loss	(=)	\$4,361,380	(-)	\$4,361,380
Total Assessed			(=)	\$636,973,900

Exemptions

(HS Assd 142,101,515)

(HS) Homestead Local (578)	(+)	\$2,725,340		
(HS) Homestead State (578)	(+)	\$0		
(O65) Over 65 Local (170)	(+)	\$4,027,850		
(O65) Over 65 State (170)	(+)	\$0		
(DP) Disabled Persons Local (15)	(+)	\$0		
(DP) Disabled Persons State (15)	(+)	\$0		
(DV) Disabled Vet (28)	(+)	\$312,000		
(DVX) Disabled Vet 100% (12)	(+)	\$3,488,971		
(PRO) Prorated Exempt Property (1)	(+)	\$28,062		
(HB366) House Bill 366 (75)	(+)	\$67,542		
Total Exemptions	(=)	\$10,649,765	(-)	\$10,649,765
Net Taxable (Before Freeze)			(=)	\$626,324,135

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2023 As of: Certification

CMA - City Of Magnolia (Under ARB Review Totals)

Number of Properties: 183

Land Totals

Land - Homesite	(+)	\$9,854,480		
Land - Non Homesite	(+)	\$1,913,060		
Land - Ag Market	(+)	\$0		
Land - Timber Market	(+)	\$0		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$11,767,540	(+)	\$11,767,540

Improvement Totals

Improvements - Homesite	(+)	\$35,370,470		
Improvements - Non Homesite	(+)	\$1,937,480		
Total Improvements	(=)	\$37,307,950	(+)	\$37,307,950

Other Totals

Personal Property (2)		\$177,833	(+)	\$177,833
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value			(=)	\$49,253,323
Total Market Value 100%			(=)	\$49,253,323
Total Homestead Cap Adjustment (47)			(-)	\$2,047,120
Total Exempt Property (0)			(-)	\$0

Productivity Totals

Total Productivity Market (Non Exempt)	(+)	\$0		
Ag Use (0)	(-)	\$0		
Timber Use (0)	(-)	\$0		
Total Productivity Loss	(=)	\$0	(-)	\$0
Total Assessed			(=)	\$47,206,203

Exemptions

(HS Assd 26,782,020)

(HS) Homestead Local (95)	(+)	\$453,945		
(HS) Homestead State (95)	(+)	\$0		
(O65) Over 65 Local (29)	(+)	\$712,500		
(O65) Over 65 State (29)	(+)	\$0		
(DP) Disabled Persons Local (4)	(+)	\$0		
(DP) Disabled Persons State (4)	(+)	\$0		
(DV) Disabled Vet (3)	(+)	\$22,000		
(DVX) Disabled Vet 100% (2)	(+)	\$699,230		
Total Exemptions	(=)	\$1,887,675	(-)	\$1,887,675
Net Taxable (Before Freeze)			(=)	\$45,318,528

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2022 As of: Supplement 15

CMA - City Of Magnolia

Number of Properties: 175

Land Totals

Land - Homesite	(+)	\$8,325,890		
Land - Non Homesite	(+)	\$1,797,940		
Land - Ag Market	(+)	\$0		
Land - Timber Market	(+)	\$0		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$10,123,630	(+)	\$10,123,630

Improvement Totals

Improvements - Homesite	(+)	\$24,887,160		
Improvements - Non Homesite	(+)	\$1,340,230		
Total Improvements	(=)	\$26,227,390	(+)	\$26,227,390

Other Totals

Personal Property (2)		\$115,990	(+)	\$115,990
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value			(=)	\$36,467,010
Total Market Value 100%			(=)	\$36,467,010
Total Homestead Cap Adjustment (41)			(-)	\$2,292,630
Total Exempt Property (0)			(-)	\$0

Productivity Totals

Total Productivity Market (Non Exempt)	(+)	\$0		
Ag Use (0)	(-)	\$0		
Timber Use (0)	(-)	\$0		
Total Productivity Loss	(=)	\$0	(-)	\$0
Total Assessed			(=)	\$34,174,380

Exemptions

(HS Assd 21,330,430)

(HS) Homestead Local (85)	(+)	\$404,752		
(HS) Homestead State (85)	(+)	\$0		
(O65) Over 65 Local (21)	(+)	\$525,000		
(O65) Over 65 State (21)	(+)	\$0		
(DP) Disabled Persons Local (3)	(+)	\$0		
(DP) Disabled Persons State (3)	(+)	\$0		
(DV) Disabled Vet (3)	(+)	\$22,000		
(DVX) Disabled Vet 100% (2)	(+)	\$324,587		
(HB366) House Bill 366 (1)	(+)	\$1,831		
Total Exemptions	(=)	\$1,278,170	(-)	\$1,278,170
Net Taxable (Before Freeze)			(=)	\$32,896,210

2023 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Magnolia

281-356-2266

Taxing Unit Name

Phone (area code and number)

18111 Buddy Riley Blvd. Magnolia TX 77354

www.cityofmagnolia.com

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	2022 total taxable value. Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(c) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 487,956,298
2.	2022 tax ceilings. Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary 2022 adjusted taxable value. Subtract Line 2 from Line 1.	\$ 487,956,298
4.	2022 total adopted tax rate.	\$ 0.3813 /\$100
5.	2022 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value. A. Original 2022 ARB values: \$ 68,004,030 B. 2022 values resulting from final court decisions: - \$ 52,858,360 C. 2022 value loss. Subtract B from A. ³	\$ 16,145,670
6.	2022 taxable value subject to an appeal under Chapter 42, as of July 25. A. 2022 ARB certified value: \$ 0 B. 2022 disputed values: - \$ 0 C. 2022 undisputed value. Subtract B from A. ⁴	\$ 0
7.	2022 Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 16,145,670

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No. New Revenue Tax Rate Worksheet	Amount/Rate
8.	2022 taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 504,101,968
9.	2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022. Enter the 2021 value of property in deannexed territory. ⁵	\$ 0
10.	2022 taxable value lost because property first qualified for an exemption in 2023. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2023 does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use 2022 market value:..... \$ 0 B. Partial exemptions. 2023 exemption amount or 2023 percentage exemption times 2022 value:..... + \$ 1,047,289 C. Value loss. Add A and B. ⁶	\$ 1,047,289
11.	2022 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2023. Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022. A. 2022 market value: \$ 0 B. 2023 productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 1,047,289
13.	2022 captured value of property in a TIF. Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	2022 total value. Subtract Line 12 and Line 13 from Line 8.	\$ 503,054,679
15.	Adjusted 2022 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 1,918,147
16.	Taxes refunded for years preceding tax year 2022. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. ⁹	\$ 3,279
17.	Adjusted 2022 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 1,921,426
18.	Total 2023 taxable value on the 2023 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 626,324,135 B. Counties: Include railroad rolling stock values certified by the Comptroller's office:..... + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:..... - \$ 0 D. Tax increment financing: Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 0 E. Total 2023 value. Add A and B, then subtract C and D.	\$ 626,324,135

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	2023 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$ 32,896,210
B.	2023 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	+ \$ 0
C.	Total value under protest or not certified. Add A and B.	\$ 32,896,210
20.	2023 tax ceilings. Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 0
21.	2023 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 659,220,345
22.	Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022. Include both real and personal property. Enter the 2023 value of property in territory annexed. ¹⁸	\$ 0
23.	Total 2023 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2022. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2022 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2023. ¹⁹	\$ 79,461,438
24.	Total adjustments to the 2023 taxable value. Add Lines 22 and 23.	\$ 79,461,438
25.	Adjusted 2023 taxable value. Subtract Line 24 from Line 21.	\$ 579,758,907
26.	2023 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.3314 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. ²¹	\$ /\$100

SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	2022 M&O tax rate. Enter the 2022 M&O tax rate.	\$ 0.1152 /\$100
29.	2022 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 504,101,968

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(g)(8)

¹⁷ Tex. Tax Code §26.012(g)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter Approval Tax Rate Worksheet	Amount/Rate
30.	Total 2022 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 580,726
31.	Adjusted 2022 levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding tax year 2022. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. + \$ 1,159 B. 2022 taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0. - \$ 0 C. 2022 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. 2022 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ 1,159 E. Add Line 30 to 31D.	\$ 581,884
32.	Adjusted 2023 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 579,758,907
33.	2023 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.1003 /\$100
34.	Rate adjustment for state criminal justice mandate.²³ If not applicable or less than zero, enter 0. A. 2023 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. 2022 state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0 /\$100
35.	Rate adjustment for indigent health care expenditures.²⁴ If not applicable or less than zero, enter 0. A. 2023 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose. \$ 0 B. 2022 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0 /\$100

²³ (Reserved for expansion)²⁴ Tex. Tax Code §26.044²⁵ Tex. Tax Code §26.0441

Line	Voter Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵ If not applicable or less than zero, enter 0. <p>A. 2023 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose..... \$ 0</p> <p>B. 2022 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose..... \$ 0</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>E. Enter the lesser of C and D. If not applicable, enter 0.</p>	 \$ 0 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶ If not applicable or less than zero, enter 0. <p>A. 2023 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023..... \$ 0</p> <p>B. 2022 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022..... \$ 0</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>E. Enter the lesser of C and D. If not applicable, enter 0.</p>	 \$ 0 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. <p>A. Amount appropriated for public safety in 2022. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year..... \$ 0</p> <p>B. Expenditures for public safety in 2022. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year..... \$ 0</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	 \$ 0 /\$100
39.	Adjusted 2023 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.1003 /\$100
40.	Adjustment for 2022 sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero. <p>A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent..... \$ 0</p> <p>B. Divide Line 40A by Line 32 and multiply by \$100..... \$ 0 /\$100</p> <p>C. Add Line 40B to Line 39.</p>	 \$ 0.1003 /\$100
41.	2023 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	 \$ 0.1038 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): 2023 voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ <u>0</u> /\$100
42.	Total 2023 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ <u>3,214,496</u> B. Subtract unencumbered fund amount used to reduce total debt. - \$ <u>1,961,897</u> C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ <u>0</u> D. Subtract amount paid from other resources - \$ <u>0</u> E. Adjusted debt. Subtract B, C and D from A.	\$ <u>1,252,599</u>
43.	Certified 2022 excess debt collections. Enter the amount certified by the collector. ²⁹	\$ <u>0</u>
44.	Adjusted 2023 debt. Subtract Line 43 from Line 42E.	\$ <u>1,252,599</u>
45.	2023 anticipated collection rate. A. Enter the 2023 anticipated collection rate certified by the collector. ³⁰ <u>99.46</u> % B. Enter the 2022 actual collection rate. <u>99.46</u> % C. Enter the 2021 actual collection rate. <u>100.42</u> % D. Enter the 2020 actual collection rate. <u>98.85</u> % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	<u>99.46</u> %
46.	2023 debt adjusted for collections. Divide Line 44 by Line 45E.	\$ <u>1,259,399</u>
47.	2023 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>659,220,345</u>
48.	2023 debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ <u>0.1910</u> /\$100
49.	2023 voter-approval tax rate. Add Lines 41 and 48.	\$ <u>0.2948</u> /\$100
D49.	Disaster Line 49 (D49): 2023 voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ _____ /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2023 county voter-approval tax rate.	\$ 0 /\$100

SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	\$ 0
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November 2022 or in May 2023. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November 2022. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
53.	2023 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 659,220,345
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ 0 /\$100
55.	2023 NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.3314 /\$100
56.	2023 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2022 or in May 2023. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	\$ 0.3314 /\$100
57.	2023 voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.2948 /\$100
58.	2023 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.2948 /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ 0
60.	2023 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 659,220,345
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ 0 /\$100
62.	2023 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.2948 /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate adjusted to remove the unused increment rate for the prior three years.³⁹ In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate must be backed out of the calculation for that year.

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020;⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴²

Individual components can be negative, but the overall rate would be the greater of zero or the calculated rate.

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴³

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 component. Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.	
A.	Voter-approval tax rate \$ <u>0.3813</u> /\$100 As applicable: Line 49, Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control)	
B.	Unused increment rate (Line 66) \$ <u>0.0178</u> /\$100	
C.	Subtract B from A \$ <u>0.3635</u> /\$100	
D.	Adopted Tax Rate \$ <u>0.3813</u> /\$100	
E.	Subtract D from C \$ <u>-0.0178</u> /\$100	
64.	Year 2 component. Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.	
A.	Voter-approval tax rate \$ <u>0.4229</u> /\$100 As applicable: Line 49, Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control)	
B.	Unused increment rate (Line 66) \$ <u>0.0106</u> /\$100	
C.	Subtract B from A \$ <u>0.4123</u> /\$100	
D.	Adopted Tax Rate \$ <u>0.4051</u> /\$100	
E.	Subtract D from C \$ <u>0.0072</u> /\$100	
65.	Year 1 component. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.	
A.	Voter-approval tax rate \$ <u>0.4635</u> /\$100 As applicable: Line 47, Line 50 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control)	
B.	Unused increment rate \$ <u>0.0000</u> /\$100	
C.	Subtract B from A \$ <u>0.4635</u> /\$100	
D.	Adopted Tax Rate \$ <u>0.4529</u> /\$100	
E.	Subtract D from C \$ <u>0.0106</u> /\$100	
66.	2023 unused increment rate. Add Lines 63E, 64E and 65E.	\$ <u>0</u> /\$100
67.	Total 2023 voter-approval tax rate, including the unused increment rate. Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ <u>0.2948</u> /\$100

³⁹ Tex. Tax Code §26.013(a)

⁴⁰ Tex. Tax Code §26.013(c)

⁴¹ Tex. Tax Code §26.0501(a) and (c)

⁴² Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022

⁴³ Tex. Tax Code §26.063(a)(1)

⁴⁴ Tex. Tax Code §26.012(8-a)

⁴⁵ Tex. Tax Code §26.063(a)(1)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
68.	Adjusted 2023 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.1003 /\$100
69.	2023 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 659,220,345
70.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$ 0.0758 /\$100
71.	2023 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.1910 /\$100
72.	De minimis rate. Add Lines 68, 70 and 71.	\$ 0.3671 /\$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁷

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	2022 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.3813 /\$100
74.	Adjusted 2022 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2022 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2022, complete the separate <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. ⁴⁸ Enter the final adjusted 2022 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2022 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0 /\$100
75.	Increase in 2022 tax rate due to disaster. Subtract Line 74 from Line 73.	\$ 0 /\$100
76.	Adjusted 2022 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 503,054,679
77.	Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.	\$ 0
78.	Adjusted 2023 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 579,758,907
79.	Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	\$ 0 /\$100

⁴⁴ Tex. Tax Code §26.042(b)

⁴⁵ Tex. Tax Code §26.042(f)

⁴⁶ Tex. Tax Code §26.042(c)

⁴⁷ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	2023 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ <u>0.2948</u> /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.3314 /\$100

As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.2948 /\$100

As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).

Indicate the line number used: 49

De minimis rate. \$ 0.3671 /\$100

If applicable, enter the 2022 de minimis rate from Line 72.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁹⁹

**print
here**

Tammy McRae

Printed Name of Taxing Unit Representative

**sign
here**

Taxing Unit Representative

Date

⁹⁹ Tex. Tax Code §§26.04(c-2) and (d-2)

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
City of Magnolia

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet.	\$504,101,968
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	\$0.1152/\$100
3. M&O taxes refunded for years preceding tax year 2022. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	\$1,159
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet.	\$0
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4.	\$581,884
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet.	\$659,220,345
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body.	\$0.1038/\$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100.	\$684,271
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8.	\$102,387
Comparison of Total Tax Rates	
10. No-New-Revenue Total Tax Rate.	\$0.3314/\$100
11. This year's proposed total tax rate.	\$0.2948/\$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11.	\$-0.0366
13. Percentage change in total tax rate. Divide Line 12 by line 10.	-11.04%
Comparison of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet.	\$0.1003/\$100
15. This year's proposed M&O tax rate.	\$0.1038/\$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15.	\$0.0035
17. Percentage change in M&O tax rate. Divide line 16 by line 14.	3.49%
Raised M&O Taxes on a \$100,000 Home	
18. This year's taxable value on a \$100,000 home.	\$100,000
19. Last year's M&O tax rate.	\$0.1152/\$100
20. This year's proposed M&O tax rate.	\$0.1038/\$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18.	\$-11.40

2023 Effective Tax Rate Worksheet

Taxing Units Other Than School Districts

Taxing Unit: CMA - City Of Magnolia

2022 Values of Supplement 238

Line	Activity	Amount/Rate
1.	2022 total taxable value. Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax Increment financing (will deduct taxes in Line 14). ¹	\$487,956,298
2.	2022 tax ceilings. Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3.	Preliminary 2022 adjusted taxable value. Subtract Line 2 from Line 1.	\$
4.	2022 total adopted tax rate.	0.381300
5.	2022 taxable value lost because court appeals of ARB decisions reduced 2022 appraised value. A. Original 2022 ARB Values: \$ B. 2022 values resulting from final court decisions: - \$ C. 2022 value loss. Subtract B from A. ³	\$
6.	2022 taxable value subject to an appeal under Chapter 42 as of July 25. A. 2022 ARB certified value: \$ B. 2022 disputed value: - \$ C. 2022 undisputed value. Subtract B from A.	\$
7.	2022 Chapter 42 related adjusted values. Add Line 5 and 6.	\$
8.	2022 taxable value, adjusted for court-ordered reductions. Add Line 3 and 7	\$
9.	2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022. Enter the 2022 value of property in deannexed territory. ⁴	\$0

¹ Tex. Tax Code § 26.012(14)

² Tex. Tax Code § 26.012(14)

³ Tex. Tax Code § 26.012(13)

⁴ Tex. Tax Code § 26.012(15)

Line	Activity	Amount/Rate
10.	2022 taxable value lost because property first qualified for an exemption in 2023. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport or goods-in-transit exemptions. A. Absolute exemptions. Use 2022 market value <u>\$0</u> B. Partial exemptions. 2023 exemption amount or 2023 percentage exemption times 2022 value: <u>+ \$1,047,289</u> C. Value loss. Add A and B. ⁵	\$1,047,289
11.	2022 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2023. Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022. A. 2022 market value: <u>\$0</u> B. 2023 productivity or special appraised value: <u>- \$0</u> C. Value loss. Subtract B from A. ⁶	\$0
12.	Total adjustments for lost value. Add Lines 9, 10C, and 11C.	\$
13.	2022 adjusted taxable value. Subtract Line 12 from Line 8	\$
14.	Adjusted 2022 taxes. Multiply Line 4 by Line 13 and divide by \$100.	\$
15.	Taxes refunded for years preceding tax year 2022. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. Types of refunds include court decisions, Tax Code 25.25(b) and (c) corrections and Tax Code 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. ⁷	\$
16.	Taxes in tax increment financing (TIF) for tax year 2022. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0. ⁸	\$
17.	Adjusted 2022 taxes with refunds and TIF adjustment. Add Lines 14 and 15, subtract line 16. ⁹	\$

⁵ Tex. Tax Code § 26.012(15)

⁶ Tex. Tax Code § 26.012(15)

⁷ Tex. Tax Code § 26.012(13)

⁸ Tex. Tax Code § 26.03(c)

⁹ Tex. Tax Code § 26.012(13)

Line	Activity	Amount/Rate
18.	<p>Total 2023 taxable value on the 2023 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.¹⁰</p> <p>A. Certified values: <u>\$626,324,135</u></p> <p>B. Counties: Include railroad rolling stock values certified by the Comptroller's office: <u>+ \$</u></p> <p>C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property: <u>- \$0</u></p> <p>D. Tax increment financing: Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below.¹¹ <u>- \$</u></p> <p>E. Total 2023 value. Add A and B, then subtract C and D. <u>\$</u></p>	
19.	<p>Total value of properties under protest or not included on certified appraisal roll.¹²</p> <p>A. 2023 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value.¹³ <u>\$</u></p> <p>B. 2023 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value,</p>	

¹⁰ Tex. Tax Code § 26.012(15)

¹¹ Tex. Tax Code § 26.03(c)

¹² Tex. Tax Code § 26.01(c)

¹³ Tex. Tax Code §§ 26.04 and 26.041

Line	Activity	Amount/Rate
	appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. ¹⁴ + \$ _____	
	C. Total value under protest or not certified. Add A and B.	\$
20.	2023 tax ceilings. Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
21.	2023 total taxable value. Add Lines 18E and 19C. Subtract Line 20.	\$
22.	Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022. Include both real and personal property. Enter the 2023 value of property in territory annexed. ¹⁶	\$0
23.	Total 2023 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2022. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2022, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2023. ¹⁷	\$79,461,438
24.	Total adjustments to the 2023 taxable value. Add Lines 22 and 23.	\$
25.	2023 adjusted taxable value. Subtract Line 24 from Line 21.	\$
26.	2023 effective tax rate. Divide Line 17 by Line 25 and multiply by \$100. ¹⁸	\$
27.	COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2023 county effective tax rate. ¹⁹	\$

A county, city or hospital district that adopted the additional sales tax in November 2022 or in May 2023 must adjust its effective tax rate. The *Additional Sales Tax Rate Worksheet* sets out this adjustment. Do not forget to complete the *Additional Sales Tax Rate Worksheet* if the taxing unit adopted the additional sales tax on these dates.

¹⁴ Tex. Tax Code §§ 26.04 and 26.041

¹⁵ Tex. Tax Code § 26.012(6)

¹⁶ Tex. Tax Code § 26.012(17)

¹⁷ Tex. Tax Code § 26.012(17)

¹⁸ Tex. Tax Code § 26.04(c)

¹⁹ Tex. Tax Code § 26.04(d)

Effective Tax Rate Report

Tax Year: 2023

Taxing Unit: CMA - City Of Magnolia

NEW EXEMPTIONS:

	COUNT	2022 ABSOLUTE EX VALUES	2023 PARTIAL EX VALUES
NEW EXEMPT PROPERTY	0	\$0	
NEW HS EXEMPTIONS	81		\$357,747
NEW PRO EXEMPTIONS	0		\$0
NEW OA EXEMPTIONS	24		\$534,460
NEW DP EXEMPTIONS	4		\$0
NEW DV1 EXEMPTIONS	0		\$0
NEW DV2 EXEMPTIONS	0		\$0
NEW DV3 EXEMPTIONS	2		\$20,000
NEW DV4 EXEMPTIONS	11		\$72,000
NEW DVX EXEMPTIONS	2		\$63,082
NEW HB366 EXEMPTIONS	0		\$0
NEW PC EXEMPTIONS	0		\$0
NEW FRSS EXEMPTIONS	0		\$0

ABSOLUTE EX TOTAL		\$0
PARTIAL EX TOTAL	(+)	\$1,047,289
2022 TAXABLE VALUE LOST DUE TO PROPERTY BECOMING EXEMPT IN 2023	(=)	\$1,047,289

NEW ANNEXED PROPERTY:

	COUNT	APPRAISED VALUE	TAXABLE VALUE
NEWLY ANNEXED PROPERTY	0	\$0	\$0
IMPROVEMENT SEGMENTS	0	\$0	
LAND SEGMENTS	0	\$0	
MINERAL	0	\$0	
OTHER	0	\$0	

TAXABLE VALUE ON NEWLY ANNEXED PROPERTY:	\$0
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NEW AG APPLICATIONS:

NEW AG APPLICATIONS COUNT	0
2022 MARKET	\$0
2023 USE	(-) \$0
VALUE LOST DUE TO AG APPLICATIONS:	(=) \$0 (\$0 Taxable)

NEW IMPROVEMENTS:

	COUNT	TOTAL APPRAISED VALUE ¹	NEW CURRENT TAXABLE ²
NEW IMPROVEMENTS	285	\$74,273,240	\$60,231,897
RESIDENTIAL	285	\$74,273,240	\$60,231,897
COMMERCIAL	0	\$0	\$0
OTHER	0	\$0	\$0

NEW ADDITIONS	91	\$51,815,780	\$19,229,541
RESIDENTIAL	57	\$15,093,820	\$11,357,800
COMMERCIAL	34	\$36,721,960	\$7,871,741
OTHER	0	\$0	\$0
PERCENT COMPLETION CHANGED	0	\$0	\$0
TOTAL NEW PERSONAL VALUE	0	\$0	\$0
SECTION 52 & 59	0	\$0	\$0
REDUCED/EXPIRING ABATEMENTS	0	\$0	\$0
TOTALS:		\$126,089,020	\$79,461,438

2022 TOTAL TAXABLE (EXCLUDES UNDER PROTEST) \$487,956,298
2022 OA DP FROZEN TAXABLE \$0
2022 TAX RATE 0.3813
2022 OA DP TAX CEILING \$0

2023 CERTIFIED TAXABLE \$626,324,135
2023 TAXABLE UNDER PROTEST \$45,318,528
2023 OA FROZEN TAXABLE \$0
2023 DP FROZEN TAXABLE \$0
2023 TRANSFERRED OA FROZEN TAXABLE \$0
2023 TRANSFERRED DP FROZEN TAXABLE \$0
2023 OA FROZEN TAXABLE UNDER PROTEST \$0
2023 DP FROZEN TAXABLE UNDER PROTEST \$0
2023 TRANSFER OA WITH FROZEN TAXABLE UNDER PROTEST \$0
2023 TRANSFER DP WITH FROZEN TAXABLE UNDER PROTEST \$0
2023 APPRAISED VALUE \$684,180,103
2023 OA DP TAX CEILING \$0

1. Includes all land and other improvements of properties with new improvement values.
2. Includes only new improvement value.

2022 total taxable value.	1. \$487,956,298
2022 tax ceilings.	2. \$0
2022 total adopted tax rate.	4. 0.381300
a. 2022 M&O tax rate.	a. 0.115200
b. 2022 I&S tax rate.	+b. 0.266100
2022 taxable value of property in territory deannexed after Jan. 1, 2022.	7. \$0
2022 taxable value lost because property first qualified for an exemption in 2023.	8. \$1,047,289
a. Absolute exemptions.	a. \$0
b. Partial exemptions.	+b. \$1,047,289
2022 taxable value lost because property first qualified for agricultural appraisal (1 - d or 1 - d - 1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in 2023.	9. \$0
a. 2022 market value.	a. \$0
b. 2023 productivity or special appraisal value.	-b. \$0
2023 certified taxable.	\$626,324,135
2023 tax ceilings.	18. \$0
Total 2023 taxable value of properties in territory annexed after Jan.1, 2022.	20. \$0
Total 2023 taxable value of new improvements and new personal property	21. \$79,461,438

* 2022 Values as of Supplement 15.

ORDINANCE NO. O-2023-012

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS, APPROVING AND ADOPTING THE FISCAL YEAR 2023-2024 ANNUAL OPERATING BUDGET OF THE CITY OF MAGNOLIA, TEXAS; MAKING APPROPRIATIONS FOR THE CITY FOR SUCH YEAR AS REFLECTED IN SAID BUDGET; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT.

* * * * *

WHEREAS, on the 21st day of July 2023, the Mayor filed with the City Secretary a proposed budget of expenditures for the City of Magnolia for the fiscal year 2023-2024, the same being the fiscal year of the City; and

WHEREAS, after notice required by law, a public hearing on such budget was held at a regular meeting place of the City Council on the 29th day of August 2023, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard and those who requested to be heard were heard;

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interests of the citizens and taxpayers of the City; and

WHEREAS, the City Council now desires to approve and adopt the same;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The City Council hereby approves and adopts the general budget thereto described in the preamble of this Ordinance, a copy of which is attached hereto and made a part of this Ordinance for all purposes and which shall be filed with the City Secretary. The City Secretary is hereby directed to place on said budget an endorsement, which shall be signed by the City Secretary, which shall read as follows:

"The Original General Budget of the City of Magnolia, Texas, for the Fiscal Year 2023-2024"

Such budget, as thus endorsed, shall be kept on file in the office of the City Secretary as a public record. Further, it is directed that a true copy of the approved budget be filed in the office of the Montgomery County Clerk.

Section 3. In support of said budget and by virtue of the adoption thereof, including any and all changes adopted thereto, the several amounts specified for the various purposes named in said budget are hereby appropriated to and for such purposes.

Section 4. That City Council takes cognizance of the fact that in order to facilitate operations of the City and its various departments and activities and to make adjustments occasioned by events transpiring during the year, some transfer may be necessary to and from some accounts contained within the budget as originally adopted. Accordingly, should the City Administrator from time to time determine that transfers are necessary from unexpended funds, in one or more budget

accounts to another budget account, and the same may be accomplished without creating a deficit in the requirements of any City Department or activity, he shall recommend such transfers to the City Council. Upon approval thereof by the City Council, an amendment sheet reflecting such transfer or transfers shall be attached to the budget as specifically adopted, whereupon the City Council shall treat such funds as if they had been thus budgeted in the first instance.

Section 5. That all ordinances of the City in conflict with the provisions of this Ordinance be, and the same are hereby repealed and all other Ordinances of the City not in conflict with the provisions of this Ordinance shall remain in full force and effect.

Section 6. City Council expressly repeals all previous budget ordinances and appropriations if in conflict with the provisions of this Ordinance. If a court of competent jurisdiction declares any part, portion, or section of this Ordinance invalid, inoperative, or void for any reason, such decision, opinion, or judgment shall in no way affect the remaining portions, parts, or sections, or parts of a section of this Ordinance, which provisions shall be, remain, and continue to be in full force and effect.

Section 7. This ordinance shall take effect immediately after its passage.

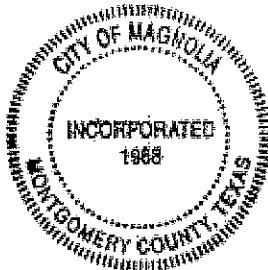
City Council Members Present Were:

	Aye	Nay	Absent
Mayor Todd Kana	<u>✓</u>	<u> </u>	<u>✓</u>
Council member Daniel Miller Position 1	<u>✓</u>	<u> </u>	<u> </u>
Council member Matthew Dantzer Position 2	<u>✓</u>	<u> </u>	<u> </u>
Mayor Pro Tem Rick Carby Position 3	<u>✓</u>	<u> </u>	<u> </u>
Council member Brenda Hoppe Position 4	<u> </u>	<u> </u>	<u>✓</u>
Council member Jack L Huitt Jr. Position 5	<u> </u>	<u> </u>	<u> </u>

Member(s) Present But Not Voting:

N/A

DULY PASSED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS on this the 29 day of August, 2023.



THE CITY OF MAGNOLIA, TEXAS

By

Richard Carby
Richard Carby, Mayor Pro Tem

ATTEST:

Christian Gable
Christian Gable, Interim City Secretary

ORDINANCE NO. O-2023-014

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS, PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES OF THE CITY OF MAGNOLIA, TEXAS, FOR THE YEAR 2023 AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED; PROVIDING THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND PAYABLE; PROVIDING FOR PENALTY AND INTEREST ON ALL TAXES NOT TIMELY PAID; AND REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT THEREWITH.

* * * * *

WHEREAS, Section 26.05 of the Texas Property Tax Code provides that on or before September 18, or as soon thereafter as practicable, the governing body of each taxing unit shall adopt a tax rate for the current year; and

WHEREAS, this year's levy to fund maintenance and operations expenditures does not exceed last year's maintenance and operations tax levy. The ordinance, resolution, or order setting this year's tax rate does not require the statements about 'tax increase' as specified in 26.05(b) of Property Tax Code.

WHEREAS, such Section further provides that where the tax rate consists of two components (one which will impose the amount of taxes needed to pay the unit's debt service and the other which will impose the amount of taxes needed to fund maintenance and operations expenditures of the unit for the next year), each of such two components must be approved separately; and

WHEREAS, the proposed tax rate for the current tax year of the City of Magnolia, Texas, consists of two such components; a tax rate of **nineteen and ten hundredths cents (0.1910)** for debt service and a tax rate of **ten and thirty eight hundredths cents (0.1038)** to fund maintenance and operations expenditures; and

WHEREAS, by separate motions heretofore adopted by the City Council of the City of Magnolia, Texas, at a meeting of said City Council held on this 30th day of August, 2023, said City Council has set separately the tax rate heretofore specified for each of said components; and

WHEREAS, having thus separately approved the tax rate for each of such components, it is necessary and appropriate for the City Council to now formally pass, approve, and adopt a 2023 tax rate ordinance for the City of Magnolia; and

WHEREAS, all notices and hearings required by law as a prerequisite to the passage, approval and adoption of said tax rate ordinance have been timely and properly given and held;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Ordinance are found

to be true and correct and hereby adopted, ratified and confirmed.

Section 2. All property subject to ad valorem taxation by the City of Magnolia, Texas, shall be equally and uniformly assessed for such purposes at One Hundred Percent (100%) of the fair market value of such property.

Section 3. There is hereby levied for general purposes and use by the City of Magnolia, Texas, for the year 2023, and for each year thereafter until otherwise provided, an ad valorem tax at the rate of **ten and thirty eight hundredths cents (0.1038)** on each One Hundred Dollars (\$100.00) of assessed valuation on all property, real, personal, and mixed, within the corporate city limits upon which an ad valorem tax is authorized by law to be levied by the City of Magnolia, Texas. The proceeds from such tax shall be applied to the payment of the general and current expenses of the government of the City. All such taxes shall be assessed and collected in current money of the United States of America.

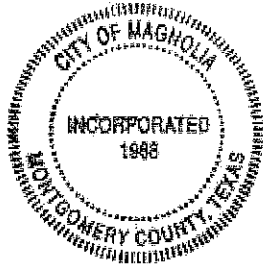
Section 4. For the purpose of paying the interest on bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City of Magnolia, Texas, including the various installments of principal due on the serial bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City as such installments shall respectively mature, and for the purpose of repaying any sums borrowed in anticipation of current revenues for use in the payment of bonds and certificates of obligation and interest thereon maturing in the fiscal year 2023-2024, and for the purpose of paying interest and making provisions for the sinking fund on such other bond issues, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness as may be authorized, there is hereby levied for the year 2021 and for each year thereafter until otherwise provided, to be assessed and collected upon all property described in Section 3 of this Ordinance, an annual ad valorem tax at the rate of **nineteen and ten hundredths cents (0.1910)** on each One Hundred Dollars (\$100.00) of assessed valuation.

Section 5. All ad valorem taxes levied hereby, in the total amount of **twenty nine and forty eight hundredths cents (0.2948)** on each One Hundred Dollars (\$100.00) of assessed valuation, as reflected by Section 3 and 4 hereof, shall be due and payable on or before January 31, 2024. All ad valorem taxes due the City of Magnolia, Texas, and not paid on or before January 31, 2024 following the year for which they were levied shall bear penalty and interest as prescribed in the Property Tax Code of the State of Texas.

Section 6. All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, are hereby repealed.

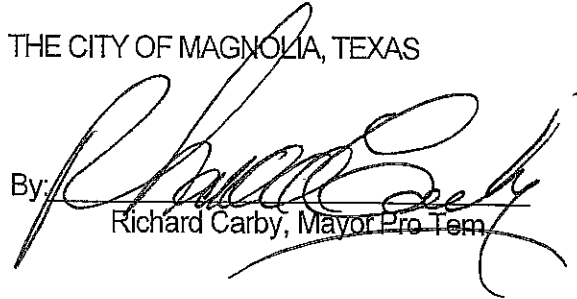
PASSED AND APPROVED this 30th day of August, 2023.

SIGNATURES TO FOLLOW ON NEXT PAGE

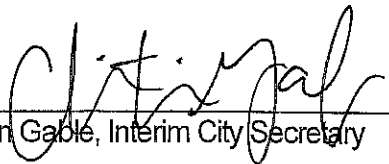


THE CITY OF MAGNOLIA, TEXAS

By:


Richard Carby, Mayor Pro Tem

ATTEST:


Christian Gable, Interim City Secretary

ORDER AND RESOLUTION
SETTING THE 2023
AD VALOREM TAX RATES

ON AUGUST 30, 2023, THE GOVERNING BODY FOR THE CITY OF MAGNOLIA ADOPTED THE FOLLOWING TAX RATES FOR THE 2023 LEVY ON VALUES.

MAINTENANCE AND OPERATION RATE (GENERAL FUND)	<u>.1038</u> /\$100
INTEREST AND SINKING RATE (DEBT SERVICE FUND)	<u>.1910</u> /\$100
TOTAL OF ADOPTED TAX RATES	<u>.2948</u> /\$100

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.49% AND WILL INCREASE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-11.40.

MEMBERS VOTING FOR:

- | | |
|---------------------------|--------------------------|
| 1. <u>Richard Carby</u> | 2. <u>Daniel Miller</u> |
| 3. <u>Matthew Dantzer</u> | 4. <u>Jack Huitt Jr.</u> |
| 5. _____ | 6. _____ |

MEMBERS VOTING AGAINST:

- | | |
|----------|----------|
| 1. _____ | 2. _____ |
| 3. _____ | 4. _____ |

MEMBERS PRESENT, BUT NOT VOTING:

- | | |
|----------|----------|
| 1. _____ | 2. _____ |
|----------|----------|

MEMBERS ABSENT:

- | | |
|------------------------|---------------------|
| 1. <u>Brenda Hoppe</u> | 2. <u>Todd Kana</u> |
|------------------------|---------------------|

A COPY OF THE RESOLUTION IS REQUIRED

RETURN THIS FORM TO TAMMY McRAE, MONTGOMERY COUNTY TAX ASSESSOR-
COLLECTOR AT 400 N. SAN JACINTO ST, CONROE, TX 77301 OR BY
EMAIL: tammy.mcrae@mctx.org.

City of Magnolia

Budgeting Process

The City of Magnolia's fiscal year runs from October 1 through September 30. The Mayor is responsible for producing the City's annual budget. The Finance Department monitors it throughout the year.

The annual process begins in early spring with a request for Council's budgetary goals. Department directors and supervisors present their requests for capital improvement/replacement items and any changes in employees, based on programs and priorities that Council has discussed or committed to in the past. The Mayor, City Administrator and Finance Department then compile a recommended budget based on projected revenues and expenditure trends from previous years. The first draft of the proposed budget is presented to Council in July, and at least one workshop is usually held, which is open to the public. After hearing input from the public and the staff, Council has the chance to revise the budget to conform to its objectives.

Council proposes the property tax rate in early August. An additional workshop may be held then, too. Public hearings regarding the tax rate and proposed budget are held in August or September, and the final tax rate and budget are legally enacted through passage of an ordinance by the end of September.

The newly adopted budget takes effect on October 1. After that, the Mayor is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Copies of the budget are available for review online or in the office of the City Secretary.

City of Magnolia

Financial Policies:

The City of Magnolia has a responsibility to its citizens to carefully account for public funds, to manage finances wisely, and to plan for the provision of services desired by the public. The City does not currently have formal financial policies in place; however, the following practices are used:

Accounting

The City maintains a high standard of internal controls and accounting practices. The accounting system maintains records on a basis consistent with accepted standards for local government accounting.

Annual Reporting

In accordance with Charter requirements, the City contracts for an annual audit by a qualified independent certified public accountant. The City uses generally accepted accounting principles in preparing its annual financial statements and strives to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program. The City issues audited financial statements within 180 days after year end.

Interim Reporting

The City prepares and issues timely interim reports comparing actual revenues and expenditures to budgeted amounts. This includes online access to the City's financial management system by City staff, monthly reports to Council and staff and interim annual reports.

Budgeting

The City complies with all Federal, State or local legal requirements pertaining to the operating budget, including the adoption of a balanced budget. The budget is developed using a "budgeting by priorities" process. Essential services receive first priority for funding. The City attempts to maintain current service levels for all essential services. The budget is aligned with citizen priorities and getting the best value for each tax dollar.

Revenues

The City strives to maintain as diversified and stable a revenue system as permitted by state law to shelter it from short-run fluctuations in any one revenue source. Because revenues, especially those of the General Fund, are sensitive to both local and regional economic activities, revenue estimates provided to the City Council are conservative. The City estimates its annual revenues by an objective, analytical process using best practices as defined by the Government Finance Officers Association. The City establishes all user charges at a level that fully supports the total direct and indirect costs of providing the service and within policy parameters established by the City Council and reviews those fees to adjust for the effects of inflation and other factors as appropriate.

Capital Equipment

The City maintains all its assets at a level such that it protects the City's capital investment and minimizes future maintenance and replacement costs. The City determines the least costly financing method for all new projects.

City of Magnolia

Glossary

Accrual Basis – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows

Ad Valorem – Latin for “value of”. Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property

Annual Budget – A budget applicable to a single fiscal year

Balanced Budget – A budget in which the total of estimated revenues, income, and funds available is equal to or in excess of appropriations

Capital Outlays – Expenditures which result in the acquisition of or addition to fixed assets

Comprehensive Annual Financial Report (CAFR) – The published results of the City’s annual audit

Debt Service – The annual amount of money necessary to pay the interest and principal (or sinking fund contribution) on outstanding debt

Debt Service Fund – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest

Department – Separate branch of operation in the organization structure

Enterprise Fund – A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those for water, gas, and electric utilities; swimming pools; airports; parking garages; and transit systems

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Magnolia’s fiscal year begins each October 1st and ends the following September 30th

Fund – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations

Fund Balance – The fund equity of governmental funds and Trust Funds. The difference between governmental fund assets and liabilities; also referred to as fund equity

General Fund – The fund used to account for all financial resources except those required to be accounted for in another fund

Glossary (cont.)

Generally Accepted Account Principles (GAAP) – Uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations. The primary authoritative statement on the application of GAAP to state and local governments is NCGA Statement 1. The objectives of governmental GAAP financial reports are different from and much broader than the objectives of business enterprise GAAP financial reports.

Governmental Accounting Standards Board (GASB) – The authoritative accounting and financial reporting standard-setting body of governmental agencies

Long-Term Debt – Obligation of the City with a remaining maturity term of more than one (1) year

Operating Budget – Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law.

Special Revenue Fund – A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes

Tax Rate – The amount of tax stated in terms of a unit of the tax base; for example, 25 cents per \$100 of assessed valuation of taxable property

