



ANNUAL OPERATING BUDGET

**OCTOBER 1, 2021
TO
SEPTEMBER 30, 2022**

"The Original General Budget of the City of Magnolia, Texas, for the Fiscal Year 2021-2022"

Kandice Garrett

Kandice Garrett, City Secretary

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 \$133,743, which is a 12.45 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 \$75,371.

A record vote was conducted of the City Council on September 14, 2021 for approval of an ordinance adopting the City of Magnolia 2021-2022 Fiscal Year Annual Budget.

City Council	Aye	Nay	Absent
Daniel Miller, Position 1	x		
Matthew Dantzer, Position 2			x
Rick Carby, Mayor Pro Tem/Position 3	x		
Brenda Hoppe, Position 4	x		
Josh Abernathy, Position 5	x		

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	2021 2021-2022	2020 2020-2021
Total Adopted Rate	\$ 0.4051	\$ 0.4529
Adopted Operating Rate	\$ 0.1429	\$ 0.1696
Adopted Debt Rate	\$ 0.2622	\$ 0.2833
No-New-Revenue Tax Rate	\$ 0.3860	\$ 0.4529
No-New-Revenue Operating Rate (M&O)	\$ 0.1451	\$ 0.1742
Voter-Approval Operating Rate (M&O)	\$ 0.1501	\$ 0.1802
Debt Rate (I&S)	\$ 0.2622	\$ 0.2833
Voter Approval Rate	\$ 0.4229	\$ 0.4635

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	\$ 26,110,352	\$ 1,801,350
Self-Supporting	\$ 3,823,423	\$ 417,770
Total Debt	\$ 29,933,775	\$ 2,219,120

Welcome!

This City of Magnolia, Texas annual budget is for the fiscal year beginning October 1, 2021, and ending September 30, 2022. 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 2021-2022 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.

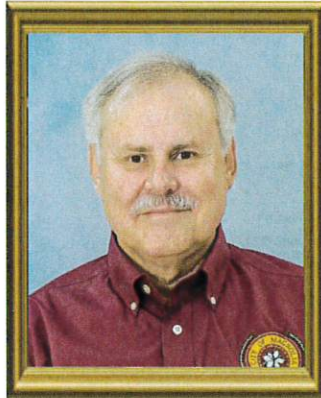
THE BUDGET FORMAT

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 2021 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 2020 actual. The ending balance of the actual year becomes the beginning balance of the projected current fiscal year, FY 2021. 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 2022 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



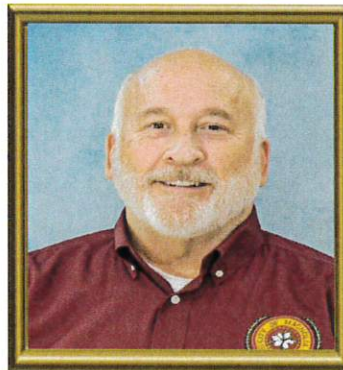
Daniel Miller
Position 1
Re-Elected May 2021-2023
dmiller@cityofmagnolia.com



Todd Kana
Mayor
Re-Elected May 2020-2022
Serving 6th term
tkana@cityofmagnolia.com



Matthew Dantzer
Position 2
Re-Elected May 2021-2023
mdantzer@cityofmagnolia.com



Rick Carby
Mayor Pro Tem/Position 3
Re-Elected May 2021-2023
rcarby@cityofmagnolia.com



Brenda Hoppe
Position 4
Re-Elected May 2020-2022
bhoppe@cityofmagnolia.com



Josh Abernathy
Position 5
Elected May 2020-2022
jabernathy@cityofmagnolia.com

City of Magnolia

Fast Facts

Magnolia, Texas is located in southwest Montgomery County, which is nationally ranked as 6th 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 -

2021 Population – 2,359 inside city limits/142,000 in trade area

2023 Population projection – 2,814 inside city limits/3.37% growth rate

Median age: 41

Median household income: \$68,181 inside city limits

Average family income in trade area: \$110,807

City Size & Taxes -

City size in square miles: approx. 5.5 square miles

Property tax rate (2021): \$0.4051 per \$100 valuation

Property tax rate (2020): \$0.4529 per \$100 valuation

Sales tax collected for FY 2019-20: approximately \$3.5 million

Housing -

Average assessed home value for City is \$188,150

Homeowners 81.74%

Renters 18.26%

Education/Labor Force -

Bachelor's Degree or higher 28.31%

Associate's degree or higher 33.99%

Some College 20.95%

High school diploma or higher 89.47%

Blue Collar 35%

White Collar 64%

Job growth rate 2.21%

Number of colleges/universities within an hour's drive – 52

Key Regional Industries -

Construction

Engineering services

Business consulting services

Medical and specialized hospitals

Production, transportation, material moving

Pipe & other metal manufacturing

Educational services

2021 Local Tax Rates /\$100 Valuation	
Magnolia ISD	1.1872
City of Magnolia	0.4051
Mont Co Hospital Dist	0.0588
Lone Star College	0.1078 *
Montgomery County	0.4312
Mont Co ESD 10	0.0987

*2020 Tax Rate

TABLE OF CONTENTS



**CITY OF MAGNOLIA
APPROVED BUDGET
FISCAL YEAR 2021-2022**

TABLE OF CONTENTS

1. INTRODUCTION

Mayor's Letter	1
History and General Statement	3
Organizational Chart	5
Staffing Summary	6
Summary of Major Budget Items	7
Statement of Revenues, Expenditures, and Changes in Fund Balance for Governmental Funds	8

2. GENERAL FUND

Fund Narrative	9
Summary of General Fund Revenues and Expenditures	10
Revenue Summary	11
Revenue Detail	12
Expenditure Summary	15
Department Budgets	
City Council	16
City Hall/Administration	19
City Secretary	24
Finance	28
Police	32
Municipal Court	38
Public Works	42
Facilities	47
Parks	50

3. PROPRIETARY (ENTERPRISE) FUND

Fund Narrative	54
Water/Sewer Department Narrative	55
Revenue/Expenditure Summary	57
Water/Sewer Fund Budget	58

4. CAPITAL PROJECT FUNDS

Enterprise Capital Project Fund	65
General Capital Project Fund	66

5. DEBT SERVICE FUNDS

Fund Narrative	67
Summary Schedule of Debt Service Funds	68
Individual Debt Service Fund Budgets/Payment Schedules	
2014 General Obligation Refunding Bonds	69
2014 Tax Revenue Certificate of Obligation	72
2011 State Infrastructure Bank Loan	75
2012 Sales Tax Revenue Bond	77
2017 State Infrastructure Bank Loan	79
2018 Special Assessment Revenue Bond (Magnolia Ridge PID)	81
2019 Tax & Revenue Certificate of Obligation	84
2021 Tax & Revenue Certificate of Obligation	85
2021 State Infrastructure Bank Loan	87

7. SPECIAL REVENUE FUNDS

Fund Narrative	89
ATS-Red Light Camera Fund	90
HB445 Road Repair Fund	91
Hotel/Motel Occupancy Tax Fund	92
Municipal Court Security Fund	93
Municipal Court Technology Fund	94
Municipal Court Judicial Efficiency Fund	96

8. COMPONENT UNIT FUNDS

Fund Narrative	97
4A-Economic Development Corporation	98
4B-Community Development Corporation	100

9. SUPPLEMENTAL INFORMATION

City of Magnolia 2022 Holiday Schedule	102
Budget and Tax Rate Calendar	103
Property Tax Information	104
Certification of 2021 Appraisal Roll for City of Magnolia	105
Tax Year 2021 Assessment Roll Grand Totals Report	106
Tax Year 2021 Tax Rate Calculation Worksheet	109
Effective Tax Rate Report	124
Ordinance Adopting the Budget 2021-2022	127
Ordinance Adopting the Ad Valorem Tax Rate for 2021	130
Budgeting Process	133
Financial Policies	134
Comprehensive Plan	136
Glossary	137

INTRODUCTION



A Message from Mayor Kana

September 24, 2021

Greetings Friends:

The year 2021 has truly ushered in a new era. Strife and stress have become a way of life. I will not minimize the toll of the pandemic, but I will emphasize the positive. The positive in the City of Magnolia is growth and a strong economy. The financial condition of the City is sound and the stability of our municipal government is sound.

When I last addressed you at the end of Fiscal Year 2019-2020, we were coping with historic events in our nation. This past year has seen historic events in our City.

The 249 Toll Road has opened and developers have responded with more and more housing. Rooftops are going up all over the City, and I thank the administration for preparing for this unprecedented growth. Moreover, I thank decision-makers who served our City in the past for their vision and wisdom in adopting a plan for growth.

The intersection of FM 1488 and FM 1774 is creating a hub unlike anything the City has ever seen. And with the opening of H.E.B. next summer, our burgeoning residential population will have even more services to choose from in the future.

Budget Highlights:

This year's \$4.4 million budget will produce \$28,000 surplus. 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 \$0.4051 per \$100 valuation, a decrease of \$0.0478
- continuation of a sewer plant expansion and new lines from FM 1488 to the plant
- addition of a water plant on the east side of the City
- 3% salary increase for City administrative staff and public works employees
- continuation of police department salary increases per new salary structure implemented in FY 2021

One of the City's steady revenue sources is sales tax, which makes up 40% 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.

But, growth is not without “growing pains” and over the next 2 years we will experience the widening of FM 1488. City Council worked hard to prevent the widening of 1488 through our commercial district and strongly suggested diverting resources to the planned Relief Route. But this approach was declined by the State. The widening has two phases: one from east FM 1488 to FM 1774, and one from the Waller County line to FM 1774. Utilities along both routes are being relocated by the City, which is a major and expensive undertaking. As the widening project moves forward under the Texas Department of Transportation, please make an effort to continue to support our local businesses. When those “Driveway” signs go up along the construction route, please take them and shop local.

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. We have lowered your taxes and increased the City’s reserves.

While infrastructure continues to be a priority, visible amenities to the community are coming starting with the esplanade going in along FM 1488 east. Developers have worked with the City to make this a visual announcement that you are entering the City of Magnolia.

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 pandemic 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 HB445 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

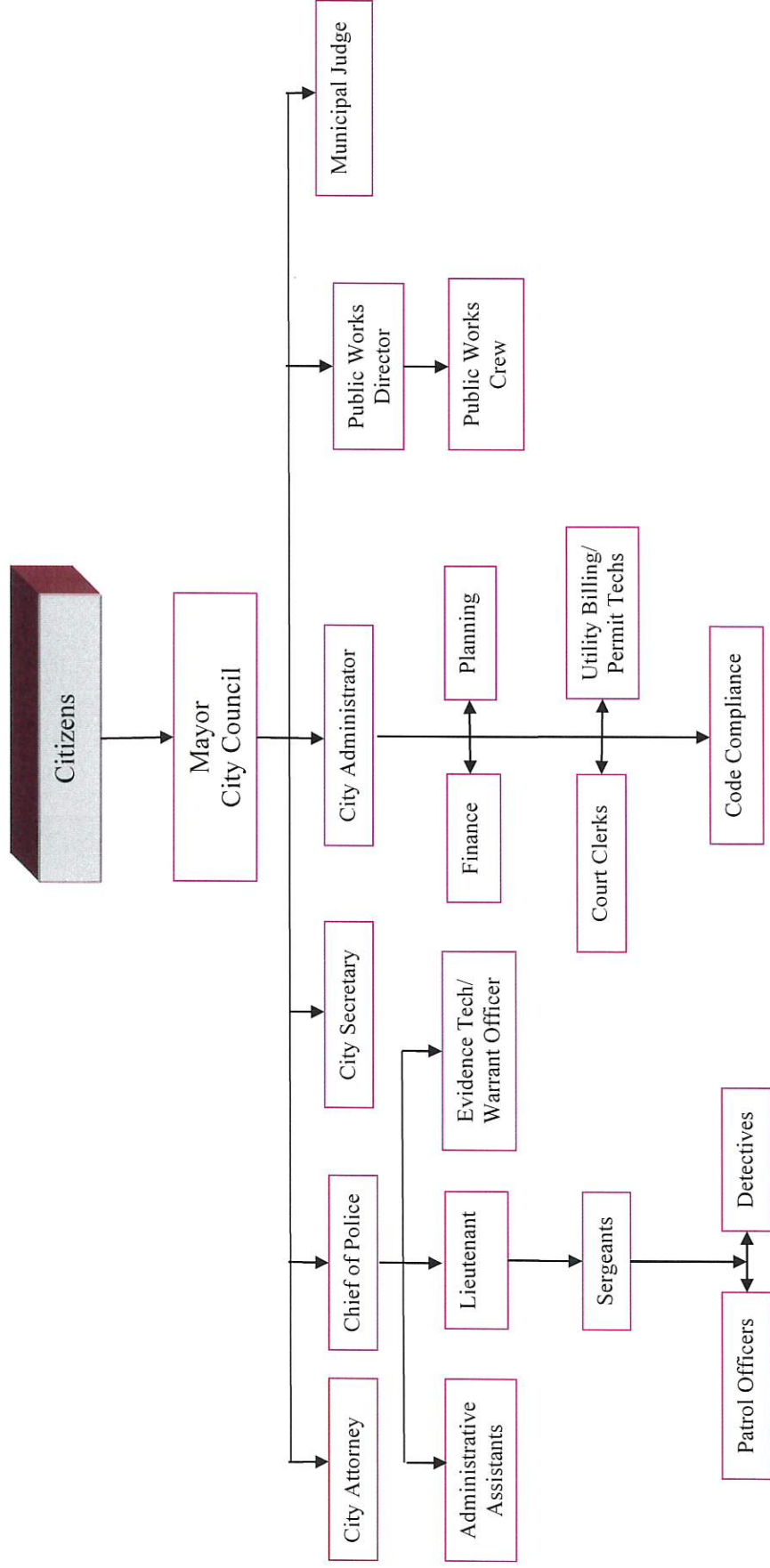
Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business activities are accounted for through proprietary funds. The proprietary fund types 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 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
CITY COUNCIL	Mayor and Council	6	6	6	6
	Total	6	6	6	6
ADMINISTRATION	City Administrator	1	1	1	1
	Clerical	0	0	0.5	0
	City Engineer	0	0	0	1
	Code Enforcement Officer	1	1	1	1
	Total	2	2	2.5	3
POLICE	Chief of Police	1	1	1	1
	Lieutenant	1	1	1	1
	Sergeant	3	3	3	3
	Detective	1	1	1	1
	Investigator	1	1	1	1
	Patrol Officers	9.5	10	7	8
	Reserve Officers	1	1	1	1
	Administrative Asst/Dispatch	1	1	2	2
	Code Compliance Officer	0	0	0	0
	Executive Officer	0	0	0	0
	Evidence Clerk	1	1	1	1
	Total	19.5	20	18	19
PUBLIC WORKS	Director	1	1	1	1
	Water/Wastewater Plant Operator	1	1	1	1
	Utility/Maintenance Worker	4	5	4	6
	Laborers	1	1	1.5	2
	Mechanic	1	1	1	1
	Total	8	9	8.5	11
MUNICIPAL COURT	Judge	1	1	1	1
	Associate Judge	1	1	1	1
	Municipal Court Administrator	1	1	1	0
	Municipal Court Clerk	1	1	1	2
	Total	4	4	4	4
FINANCE	Finance Administrator	1	1	1	1
	Finance Clerk	0.5	0.5	0.5	1
	Total	1.5	1.5	1.5	2
CITY SECRETARY	City Secretary	1	1	1	1
	Total	1	1	1	1
WATER/SEWER	Utility Maintenance Worker	0	0	0	0
	Water/Wastewater Plant Operator	0	0	0	0
	Mechanic	0	0	0	0
	Utility/Permit Technician	1	1	1.5	2
	Total	1	1	1.5	2
Grand Total (Excl. Council)		37	38.5	37	42

City of Magnolia

2021-2022 Approved Budget Major Items

Revenue

Total property tax M&O estimated at \$.1429 on valuation of \$298,208,523	\$	426,140
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Overall

No increase in health insurance rates		
3% salary increases for administrative personnel, police chief, & public works employees	\$	21,054

Administration

Contract-ST9 380 Sales Tax Abatement Agreement	\$	300,000
One new engineering position (salary & benefits) W/S intra-fund transfer will offset half of the expense	\$	107,326
4A/4B Salary/benefits for Director show as expense in Admin, but intra-fund transfers in Gen Fund revenue offset it	\$	62,500
Contract-Realtor's Commission-Magnolia Ridge TIRZ	\$	35,000
Records Management Software	\$	10,000
CivicPlus software	\$	10,750

Police Dept

One new patrol officer (salary & benefits)	\$	69,545
Copysync report management software	\$	13,920

Public Works

Three new positions (salary & benefits)	\$	140,022
Three Chev Silverado (2 4x2 Reg Cab & 1 4x2 Crew Cab) with equipment (toolboxes, trac racs)	\$	84,722

Finance

One new part-time accounting clerk (incl p/r tax, TEC, W/C)	\$	18,195
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Facilities

New computer server for administrative services	\$	11,000
Flooring, wall painting, blinds for admin/court	\$	51,414

Parks

Mowing/additional ground maintenance costs for Unity Park	\$	45,000
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Water/Sewer

One new full-time clerical employee (incl. benefits)	\$	46,674
Vac Truck	\$	60,000
52'x92'x14' Eve Height Metal Building at Sewer Plant	\$	120,000

City of Magnolia

Governmental Funds Budgeted Statement of Revenues, Expenditures, and Changes in Fund Balance							
	General Fund	HB445 Fund	Red Light Camera Fund	Hotel /Motel Occupancy Tax Fund	Governmental Debt Svc Funds	Court Restricted Funds	Total of Governmental Funds
REVENUES:							
Property Taxes	426,140				908,750		1,334,890
Sales Taxes	1,800,000	400,000					2,200,000
Other Taxes	25,000						25,000
Franchise Fees	264,000						264,000
Licenses & Permits	904,000						904,000
Fines & Forfeitures	344,500					16,200	360,700
Hotel Occupancy Tax				40,000			40,000
Interest Income	-	12,000	-		1,800		13,800
Water User Fees							-
Sewer User Fees							-
Other Revenue	15,000		-				15,000
Miscellaneous	13,000						13,000
State Comptroller Fees			-				-
Total Revenues	3,791,640	412,000	-	40,000	910,550	16,200	5,170,390
TRANSFERS:							
Intra-Fund Transfer (06)4B	35,198						35,198
Intra-Fund Transfer (07)4A	33,902						33,902
Intra-Fund Trfr (10)Red Lt Camera(TC)	-						-
Intra-Fund Transfer (02) Water/Sewer Fund	596,503						596,503
Total Intra-Fund Transfers	665,603	-	-	-	-	-	665,603
Total Revenues/Transfers	4,457,243	412,000	-	40,000	910,550	16,200	5,835,993
EXPENDITURES:							
Personnel Services	2,772,760						2,772,760
Contractual Expenses	1,204,204		-				1,204,204
Miscellaneous Expenses	299,805		50,000		500	13,100	363,405
Capital Expenses/Road Repair	152,726	300,000	-				452,726
Tourism				40,000			40,000
Bond/Loan Principal Payments					121,500		121,500
Bond/Loan Interest Payments					126,713		126,713
Intra-Fund Trfrs Out			-		654,500		654,500
Total Expenditures/Transfers	4,429,495	300,000	50,000	40,000	903,213	13,100	5,735,808
Total Revenue Over/(Under)	27,748	112,000	(50,000)	-	7,338	3,100	100,185
Expenditures							
Projected Beginning Fund Balance/ Retained Earnings	2,859,982	2,038,587	78,089	82,041	657,593	66,024	5,782,316
Projected Ending Fund Balance/ Retained Earnings	2,887,730	2,150,587	28,089	82,041	664,931	69,124	5,882,501
*Totals do not include the component unit funds and proprietary (enterprise) funds.							

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.

2021/2022 Budget

Revenues

Revenues including transfers from other funds are budgeted at \$4,457,243, which is approximately 29% more than last year. This increase is mainly due to more sales tax revenue projections and higher license and permit fee revenue being budgeted over the previous year. The permit fees have increased due to the tremendous amount of both residential and commercial construction within the City.

Expenditures

The budget for operating expenditures for FY 2022 is \$4,429,495 or approximately 28% more than the adopted budget for FY 2021. 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 in FY 2021. Total personnel costs in the General Fund increased by approximately 24%. New employees were added in the Police Department, Public Works, Administration, and Finance. Budgeted contractual expenses increased by 95%. Major increases were for inspection fees and an ST9 380 agreement for rebating sales tax. The capital outlay budget includes flooring, wall painting and blinds for the administrative areas and three new vehicles for Public Works.

City of Magnolia

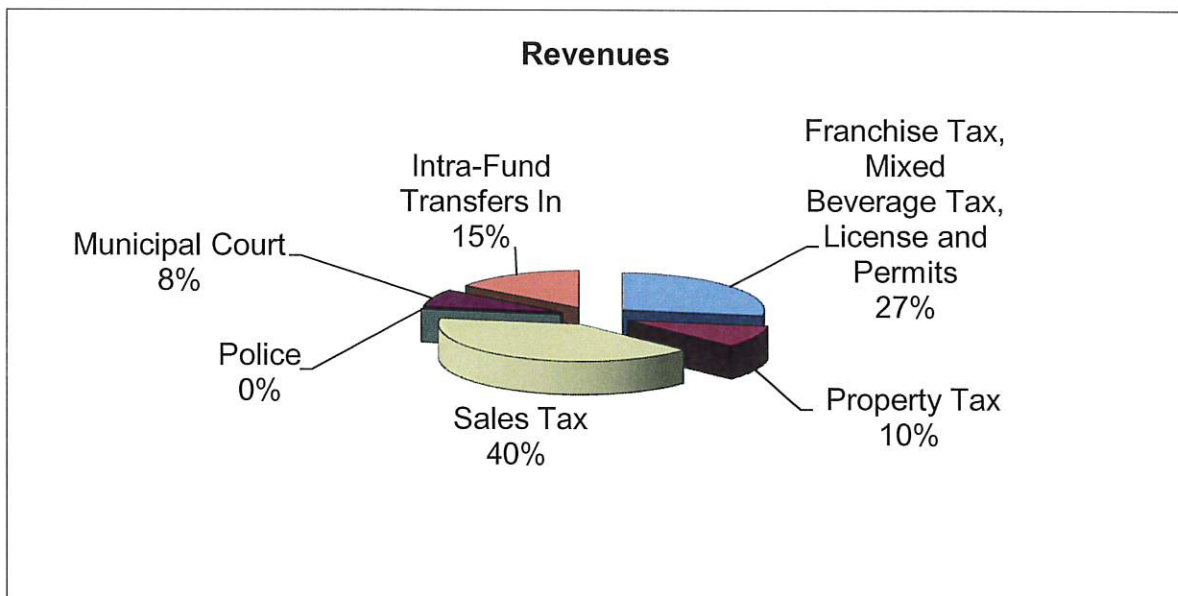
SUMMARY-Approved Budget 2021-2022

GENERAL FUND

REVENUE SUMMARY	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022	-/+ % Change
City Hall / Administration	\$2,079,810	\$2,498,965	\$3,447,140	37.94%
Police Department	\$10,000	\$4,000	\$4,000	0.00%
Municipal Court	\$447,000	\$340,500	\$340,500	0.00%
Intra-Fund Transfers In	\$590,034	\$609,666	\$665,603	9.18%
TOTAL REVENUE	\$3,126,844	\$3,453,131	\$4,457,243	29.08%
EXPENDITURE SUMMARY				
City Hall / Administration	\$524,284	\$623,459	\$1,231,975	97.60%
Police Department	\$1,406,997	\$1,532,545	\$1,610,436	5.08%
Public Works	\$624,923	\$676,287	\$860,527	27.24%
Municipal Court	\$190,441	\$182,455	\$180,444	(1.10%)
Finance	\$117,646	\$131,097	\$165,954	26.59%
City Secretary	\$115,108	\$129,693	\$128,126	(1.21%)
Facilities	\$89,500	\$130,200	\$152,414	17.06%
City Council	\$30,708	\$35,724	\$35,120	(1.69%)
Parks	\$23,900	\$7,400	\$64,500	771.62%
TOTAL EXPENDITURES	\$3,123,507	\$3,448,860	\$4,429,495	28.43%
REVENUE OVER (UNDER) EXPENDITURES	\$3,337	\$4,271	\$27,748	

Revenue Summary - General Fund

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
General Fund				
Franchise, Beverage, Permits, Misc.	\$438,800	\$465,500	\$897,000	\$1,221,000
Property Tax	\$372,980	\$409,310	\$401,965	\$426,140
Sales Tax	\$1,200,000	\$1,205,000	\$1,200,000	\$1,800,000
Police	\$10,000	\$10,000	\$4,000	\$4,000
Municipal Court	\$440,500	\$447,000	\$340,500	\$340,500
Intra-Fund Transfers In	\$507,326	\$590,034	\$609,665	\$665,603
Total	\$2,969,606	\$3,126,844	\$3,453,130	\$4,457,243



City of Magnolia

General Fund - 01

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenues					
General and Administrative					
40016 Grants 4269/4272-April 2016	0	133,975	0	(54,212)	0
40102 Gen/Admin Donations	2,000	0	0	0	0
40104 Liquor License Fee	500	1,393	500	131	500
40105 Ad Valorem Tax Revenue	409,310	404,617	401,965	410,737	426,140
40107 Mix Beverage Tax Revenue	18,000	22,350	20,000	30,529	25,000
40110 Wrecker Permit Fees	1,000	0	1,000	1,005	1,000
40116 Sales Tax Revenue	1,205,000	1,455,264	1,200,000	2,062,990	1,800,000
40117 Misc. Income	5,000	7,284	2,500	45,467	5,000
40117.01 Unity Park Rental	0	0	0	3,128	4,000
40118 License and Permits	165,000	664,790	625,000	625,000	900,000
40119 Sign Permit Revenue	10,000	5,080	5,000	1,950	2,500
40120 Franchise Tax Revenue	240,000	280,998	230,000	265,086	260,000
40120.01 In Kind Franchise Income	5,000	3,151	4,000	4,533	4,000
40122 Interest Income/Gen Fund	0	45	0	0	0
40127 Rendition Penalty/Montg. Co.	0	0	0	0	0
40128 Vehicle & Equip. Sales	10,000	18,518	0	0	0
40129 Sale of Assets	0	0	0	0	0
40133 Plat Fee Revenue	7,000	12,975	7,000	18,000	15,000
40199 Prop Tax Penalties/Interest	2,000	5,792	2,000	4,000	4,000
Total General and Administrative	2,079,810	3,016,232	2,498,965	3,418,344	3,447,140
Police					
40203 Police Department Donations	0	500	0	0	0
40204 Police Department Grants	5,000	86,935	0	0	0
40209 Police Grant - TAPEIT	0	850	0	0	0
40223 Police Forfeited Prop Revenue	2,000	0	2,000	0	2,000
40224 Police-Asset Forfeiture	3,000	759	2,000	5,531	2,000
40233 S.T.E.P. Revenue	0	0	0	0	0
Total Police	10,000	89,044	4,000	5,531	4,000
Courts					
40401 Summoning Jury Fee	0	0	0	103	0
40407 OMNI Revenue	2,500	1,669	2,000	1,392	2,000
40409 Warrant Fee Revenue	30,000	19,160	20,000	17,033	20,000
40410 Court Fine Revenue	330,000	177,616	250,000	202,817	250,000
40413 Bond Escrow/Bond Refund	40,000	26,787	35,000	32,120	35,000
40414 C.O.L.A.G.Y.	40,000	30,554	32,000	31,962	32,000
40416 Child Safety Seat Fee	0	124	0	182	0
40423 Bond	3,000	(230)	0	3,381	0
40424 Truancy Prevention Fund	1,500	3,337	1,500	4,514	1,500
Total Courts	447,000	259,017	340,500	293,504	340,500.00
Intra-Fund Transfers					
49902 Intra-Fund Transfer (02) Water	383,760	358,554	401,044	401,044	596,503
49906 Intra-Fund Transfer (06)4B	21,000	7,662	11,060	37,404	35,198
49907 Intra-Fund Transfer (07)4A	21,000	2,074	2,783	32,655	33,902
49910 Intra-Fund Trfr (10)Red Lt Camera	164,274	188,299	194,779	205,205	0
Total Intra-Fund Transfers	590,034	556,589	609,666	676,308	665,603
Total Revenue	3,126,844	3,920,883	3,453,131	4,393,687	4,457,243

City of Magnolia

Revenues

Account	Account Name	Approved Budget	Description
40102	Gen/Admin Donations	-	
40104	Liquor License Fee	500	Fees paid in order to sell alcohol within City limits
40105	Ad Valorem Tax Revenue	426,140	M&O estimated tax rate of \$.1429 based on estimated valuation of \$ 298,208,523
40107	Mixed Beverage Tax Revenue	25,000	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	1,800,000	City's portion of sales tax-- \$.01 of the total \$.0825 collected by the State
40117	Misc. Income	5,000	Miscellaneous receipts which do not fall within any other category
40117.01	Unity Park Rental	4,000	Fees paid for rental of Unity Park facilities
40118	Licenses and Permits	900,000	Fees paid as established by ordinance for construction of structures inside the City
40119	Sign Permit Revenue	2,500	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	4,000	
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	15,000	
40199	Prop Tax Penalties/Interest	4,000	
40204	Police Department Grants	-	
40223	Police/Forfeited Prop Rev	2,000	
40224	Asset Forfeitures	2,000	

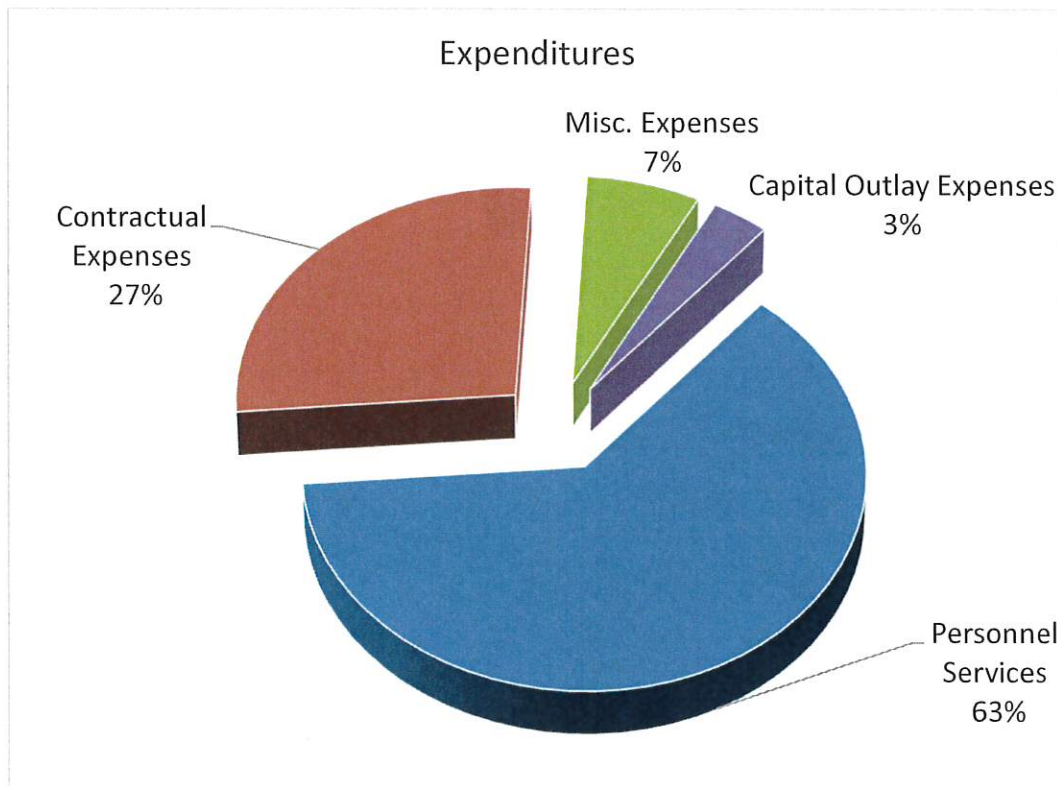
City of Magnolia

Revenues

Account	Account Name	Approved 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	596,503	Funds transferred in from Water/Sewer Fund
49906	Intra-Fund Transfer (06) 4B	35,198	Funds transferred in from Community Development Fund
49907	Intra-Fund Transfer (07) 4A	33,902	Funds transferred in from Economic Development Fund
49910	Intra-Fund Trfr (10) Red Lt Camera	-	Funds transferred in from Red Light Camera Fund
		4,457,243	

Expenditure Summary - General Fund

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
General Fund				
Personnel Services	\$2,138,074	\$2,234,053	\$2,407,983	\$2,772,760
Contractual Expenses	\$557,460	\$618,614	\$689,087	\$1,204,204
Miscellaneous Expenses	\$242,824	\$265,250	\$261,200	\$299,805
Capital Outlay Expenses	\$5,590	\$5,590	\$90,590	\$152,726
Total	\$2,943,948	\$3,123,507	\$3,448,860	\$4,429,495



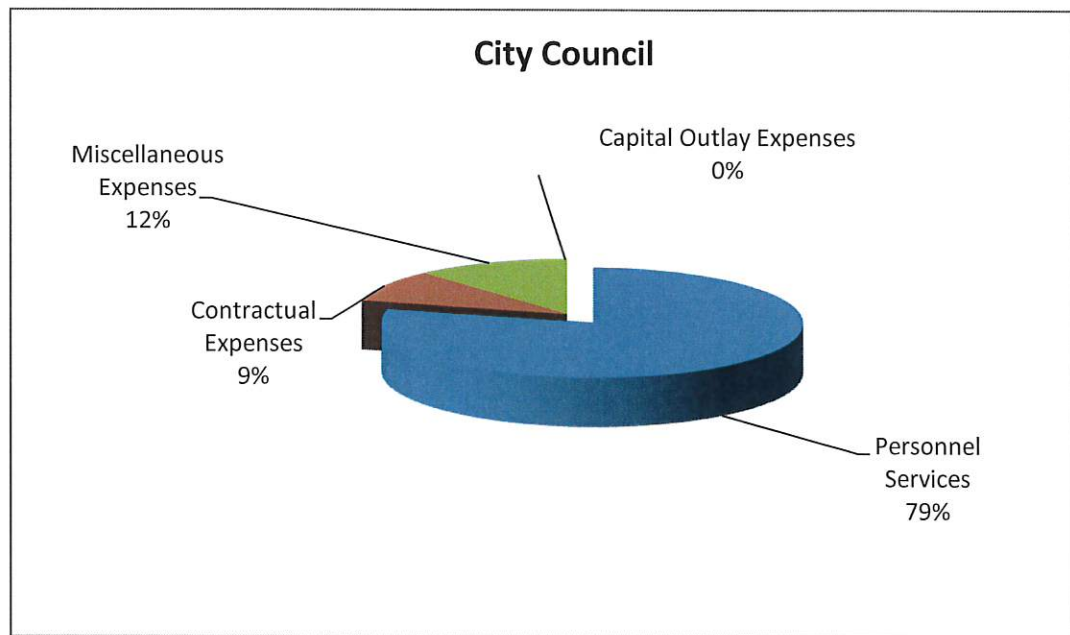
CITY COUNCIL



City Council Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$20,179	\$23,458	\$28,474	\$27,690
Contractual Expenses	\$500	\$400	\$2,900	\$3,280
Miscellaneous Expenses	\$7,200	\$6,850	\$4,350	\$4,150
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$27,879	\$30,708	\$35,724	\$35,120

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Mayor and Council	6	6	6	6
Total	6	6	6	6



City of Magnolia

City Council	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Personnel Services</u>					
510526 Insurance(Med,Dental,Vision)	20,958	22,474	25,974	25,643	25,190
510543 Education, Travel, & Certification	2,500	0	2,500	1,250	2,500
Total Personnel Services	23,458	22,474	28,474	26,893	27,690
<u>Contractual Expenses</u>					
510604 Cell Phones	0	2,203	2,500	2,288	2,880
510642 Dues & Memberships	400	200	400	300	400
Total Contractual Expenses	400.00	2,403	2,900	2,588	3,280
<u>Miscellaneous Expenses</u>					
510744 Minor Equipment	4,000	1,435	2,000	2,000	2,000
510766 Office Supplies	350	171	350	201	350
510774 Phone/Communication Equip.	0	504	0	0	0
510879 Elected Officials-Errors/Omissions Ins.	2,500	1,490	2,000	1,499	1,800
Total Miscellaneous Expenses	6,850	3,600	4,350	3,700	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	30,708	28,477	35,724	33,181	35,120

City of Magnolia

City Council

Account	Account Name	Approved Budget	Description	
510526	Employee Insurance	25,190	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	-		
		35,120		

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 2020-2021

- Oversaw preparation of FY 2021-2022 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 2021-2022

- 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 2021-2022

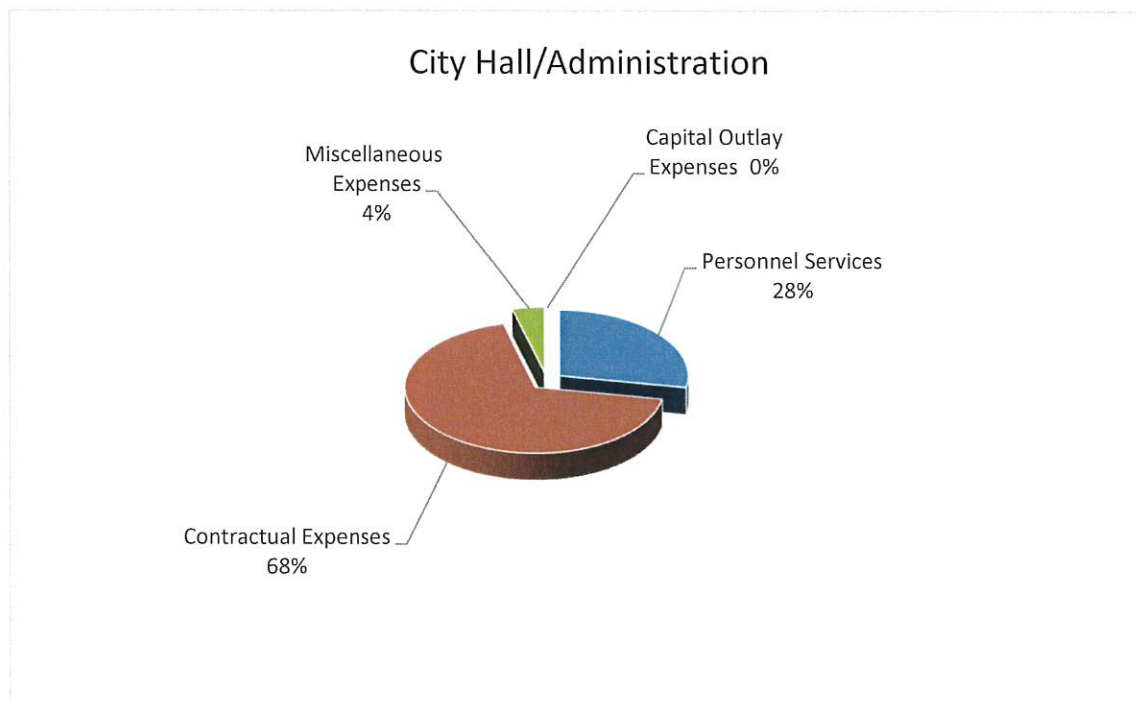
- Oversee development of additional financial written policies, as needed
- Develop and refine ordinances to support future zoning
- Continue to assist developers with expansion of existing development in Magnolia
- Continue working to attract additional commercial and residential development within 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 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$151,186	\$158,319	\$160,584	\$342,831
Contractual Expenses	\$310,515	\$325,415	\$407,425	\$841,034
Miscellaneous Expenses	\$42,080	\$40,550	\$55,450	\$48,110
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$503,781	\$524,284	\$623,459	\$1,231,975

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
City Administrator	1	1	1	1
City Engineer	0	0	0	1
Permit Technician	0	0	0	0
Clerical	0	0	0.5	0
Finance	0	0	0	0
Executive Assistant	0	0	0	0
Code Enforcement Officer (Contract)	1	1	1	1
Total	2	2	2.5	3



City of Magnolia

Department Expenditures City Hall/Administration

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Personnel Services</u>					
501501 Salaries	84,526	81,530	120,665	120,207	211,700
501502 Car Allowance	8,400	4,104	6,000	5,885	6,000
501506 Salary 4B	16,487	0	0	24,967	30,698
501507 Salary 4A	16,487	0	0	25,480	31,802
501515 Longevity	565	0	60	60	115
501516 T.E.C.(Unemployment)	90	373	360	209	540
501517 TMRS	6,111	3,740	6,275	8,476	12,527
501518 Worker's Compensation	300	202	308	369	656
501526 Insurance (Med./Dental/Vision/Life)	10,105	7,159	12,552	12,456	24,007
501536 Payroll Tax (F.I.C.A/Medicare)	9,739	6,495	9,694	12,975	20,105
501543 Education, Travel, & Certifications	3,000	898	3,000	2,207	3,000
501547 Drug Test	200	0	200	100	100
501550 Dues and Memberships	1,470	1,069	1,470	1,658	1,580
Total Personnel Services	157,479	105,570	160,584	215,049	342,831
<u>Contractual Expenses</u>					
501625 Maint & Repair Vehicle	0	610	500	3,851	2,000
501629 Inspection Services	115,500	176,002	160,000	165,720	240,000
501632 Consultant/Contract Services	50,000	112,785	50,000	45,175	53,700
501632.01 Contract-ST9 380 Agreement	0	0	0	0	300,000
501632.05 Realtor's Commission-Mg Ridge TIRZ	0	0	0	0	35,000
501640 Legal	65,000	90,077	80,000	67,509	80,000
501640.02 Legal-TX Legislative Monitoring	0	0	0	30,000	30,000
501641 Accounting	16,400	16,550	16,400	16,400	18,135
501643 Engineering	25,000	61,377	50,000	29,946	10,000
501670 Rental of Office Equipment/copier	6,500	6,376	5,500	6,226	6,200
501673 Computer Software (S/W)	32,015	21,030	30,025	39,453	50,999
501674 Posting/Advertising	0	1,199	0	923	0
501677 Computer Assistance (IT Services)	15,000	17,849	15,000	12,076	15,000
Total Contractual Expenses	325,415	503,855	407,425	417,279	841,034
<u>Miscellaneous Expenses</u>					
501744 Minor Equipment	3,000	0	1,000	0	1,000
501766 Office Supplies	6,000	2,929	5,500	3,917	5,000
501768 Planning Commission Expenses	9,650	3,763	9,650	9,650	15,900
501774 Cell Phones	900	935	900	945	960
501775 Ref. Books, Reports, Subscriptions	5,000	0	3,000	143	1,000
501778 Flower Fund	500	125	500	747	750
501779 Morale/Welfare	1,500	297	750	993	1,000
501800 Bank Fees	1,000	6,573	18,000	117	2,000
501806 City Administrators Fund	3,500	508	650	2,054	3,000
501807 Community Special Events	6,000	12,699	12,000	12,000	14,000
501833 Postage	3,500	3,004	3,500	2,901	3,500
Total Miscellaneous Expenses	40,550	30,833	55,450	33,467	48,110
<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	523,444	640,258	623,459	665,795	1,231,975

City of Magnolia

City Hall/Administration

Account	Account Name	Approved Budget	Description
501501	Salaries	211,700	City Administrator & City Engineer
501502	Car Allowance	6,000	Annual car allowance for City Administrator
501506	Salary 4B	30,698	Transfer amount of payroll expenses for 4B portion of EDC/CDC Director's salary/benefits
501507	Salary 4A	31,802	Transfer amount of payroll expenses for 4A portion of EDC/CDC Director's salary/benefits
501515	Longevity	115	\$5 per month per year of service with City
501516	T.E.C. (Unemployment)	540	Unemployment taxes- 2.0% rate
501517	TMRS	12,527	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)
501518	Worker's Compensation	656	Premiums paid to TML for W/C ins.
501526	Employee Insurance	24,007	Medical, dental, vision
501536	Payroll Tax	20,105	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	1,580	Tx City Mgt Ass'n 50 TFMA 100 Amex 110 TML 745 Tx Social Security Admin Fee 35 Sam's Club 140 Greater Magnolia Pkwy Chamber 250 Misc. 150
501625	Maint & Repair/Vehicle	2,000	Maintenance costs for code compliance vehicle
501629	Inspection Services	240,000	Inspections and reviews of construction
501632	Consultant/Contract Services	53,700	Consultants, i.e. Kendig Keast, 5,000 Municode, on-site shredding Contract-planning,dev salary 24,000 Code enforcement salary 24,700
501632.03	Contract ST9 380 Agreement	300,000	Sales Tax Abatement Agreement with ST9 Oil & Gas Company
501632.05	Contract-Realtor's Commission	35,000	Realtor's Commission (Magnolia Ridge TIRZ)
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	18,135	Fees for annual audit,accounting support	
501643	Engineering	10,000	General engineering fees	
501670	Rental of Office Equipment/Copier	6,200	Rental expense of copier, extra costs for b/w and color copies	
501673	Computer Software (S/W)	50,999	Tyler (Incode) annual maint.	14,500
			Document management system	10,000
			Blackboard (Connect Gov)	2,769
			CivicPlus software	10,750
			Domain renewal	75
			OCS-email hosting/spam filters	3,600
			Gov.office (website hosting)	780
			LogMeIn Connect Pro Bundle	2,135
			Adobe Pro	390
			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	5,000	Paper, pens, staples, clips, toner, file folders, note pads, etc.	
501768	Planning Commission Expenses	15,900	Consulting	3,500
			enCodePlus annual s/w licensing	6,250
			Memberships	500
			Training	1,400
			Travel	1,250
			Scenic City update	2,500
			Supplies	500
501774	Cell Phones	960	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	3,000	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	14,000	Fireworks for July 4th, other events	
501833	Postage	3,500	Admin mailing costs including Pitney Bowes mail machine lease, mail permits, Fedex charges	
		1,231,975		

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 municipal elections, coordinate with Montgomery County for all City elections.
- Coordinate Council agenda process, attend meetings, record, and prepare official minutes.
- Serve as Records Management Officer and administers and coordinates organization-wide records management program.
- 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.
- Provide leadership, oversight, assistance, and guidance for other administrative departments.
- Maintain and update City website as necessary or required.
- Update applications and forms used in the Permit/Utility Billing Dept.
- Ensure compliance of operating budget for the Department.
- Complete inventory and destruction of municipal records.
- Coordinate supplements for the City's Code of Ordinances.
- Provide information and documentation in a timely and efficient manner and in accordance with State and federal laws.

Goals:

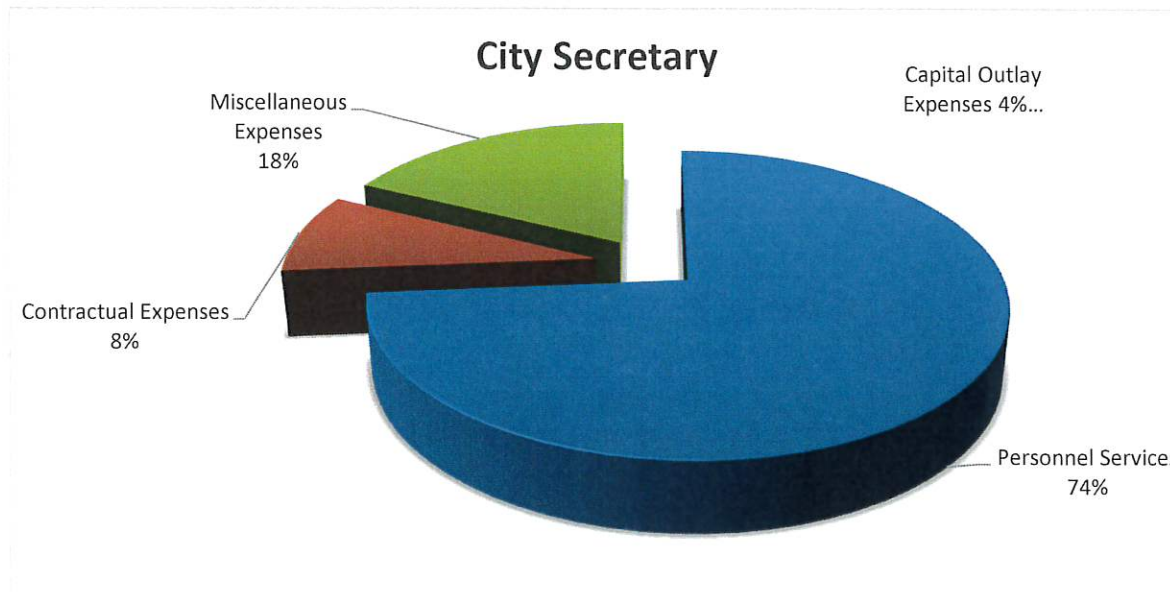
- Utilize best management practices and stay informed of the latest laws and the newest technology to ensure the integrity of the records and history of our local government.
- Upgrade the City's internet web page presence.
- Consult and train other departments on records management, policies, standards, and guidelines.
- Get the management of alcohol permits back on track and current for receipt of annual revenue in compliance with the City's Code of Ordinances.

City of Magnolia

City Secretary Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$86,818	\$91,808	\$96,893	\$94,326
Contractual Expenses	\$10,000	\$10,000	\$10,000	\$11,000
Miscellaneous Expenses	\$12,050	\$13,300	\$22,800	\$22,800
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$108,868	\$115,108	\$129,693	\$128,126

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
City Secretary	1	1	1	1
Deputy City Secretary	0	0	0	0
Total	1	1	1	1



City of Magnolia

City Secretary	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Personnel Services</u>					
506501 Salaries	65,661	66,898	67,631	66,964	66,950
506503 Overtime	0	926	0	81	0
506505 Cell Phone Allowance	0	0	0	150	300
506506 Salary 4B	2,541	1,866	2,600	1,171	2,100
506507 Salary 4A	2,466	1,789	2,466	929	2,100
506515 Longevity	560	560	620	5	65
506516 T.E.C.	90	144	180	180	180
506517 T.M.R.S.	3,419	3,253	3,812	3,700	3,490
506518 Worker's Comp	168	200	173	120	171
506526 Insurance (Med/Dental/Life/Vision)	10,105	9,055	12,552	12,456	12,004
506536 Payroll Tax (F.I.C.A./Medicare)	5,449	5,679	5,809	4,974	5,471
506543 Education, Travel, Certification	1,000	24	1,000	3,000	1,000
506550 Dues and Memberships	350	100	250	35	495
Total Personnel Services	91,808	90,494	96,893	93,766	94,326
<u>Contractual Expenses</u>					
506673 Computer Software	0	0	0	1,000	1,000
506674 Posting and Advertising	10,000	2,481	10,000	5,000	10,000
Total Contractual Expenses	10,000	2,481	10,000	6,000	11,000
<u>Miscellaneous Expenses</u>					
506766 Office Supplies	0	72	0	0	0
506769 Office Equipment	2,000	0	1,000	2,879	1,000
506773 Cost of Election	10,500	0	21,000	14,716	21,000
506775 Magazines, Maps & Books	300	192	300	300	300
506834 Recording Fees	500	141	500	500	500
Total Miscellaneous Expenses	13,300	405	22,800	18,395	22,800
<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	115,108	93,380	129,693	118,161	128,126

City of Magnolia

City Secretary

Account	Account Name	Approved Budget	Description
506501	Salaries	66,950	1 full time
506505	Cell Phone Allowance	300	Allowance for use of personal cell phone for business purposes
506506	Salary 4B	2,100	Transfer amount of payroll expenses for 4B portion of City Secretary's salary
506507	Salary 4A	2,100	Transfer amount of payroll expenses for 4A portion of City Secretary's salary
506515	Longevity	65	\$5 per month per year of service with City
506516	T.E.C. (Unemployment)	180	Unemployment taxes- 2.0% rate
506517	TMRS	3,490	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)
506518	Worker's Compensation	171	Cost of W/C insurance
506526	Employee Insurance	12,004	Medical, dental, vision
506536	Payroll Tax	5,471	Social Security & Medicare-7.65% rate
506543	Education, Travel, Certifications	1,000	Training, travel & certifications
506547	Drug Test	-	Pre-employment & post-accident testing
506550	Dues & Memberships	495	TMCA 100 Notary renewal 150 Saltgrass Chapter 70 IMMC 175
506673	Computer Software	1,000	Franklin Publishing 1,000
506674	Posting & Advertising	10,000	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	500	Costs for recording items with County or State
506960	Capital-Office Furniture	-	Credenza,L Desk,Lateral File, Glass Display Cabinet,Hutch
		128,126	

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 2020-2021

- 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
- Updated Personnel Policy Handbook
- Conducted cyber-security training

Objectives for FY 2021-2022

- 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
- Continue cyber-awareness training

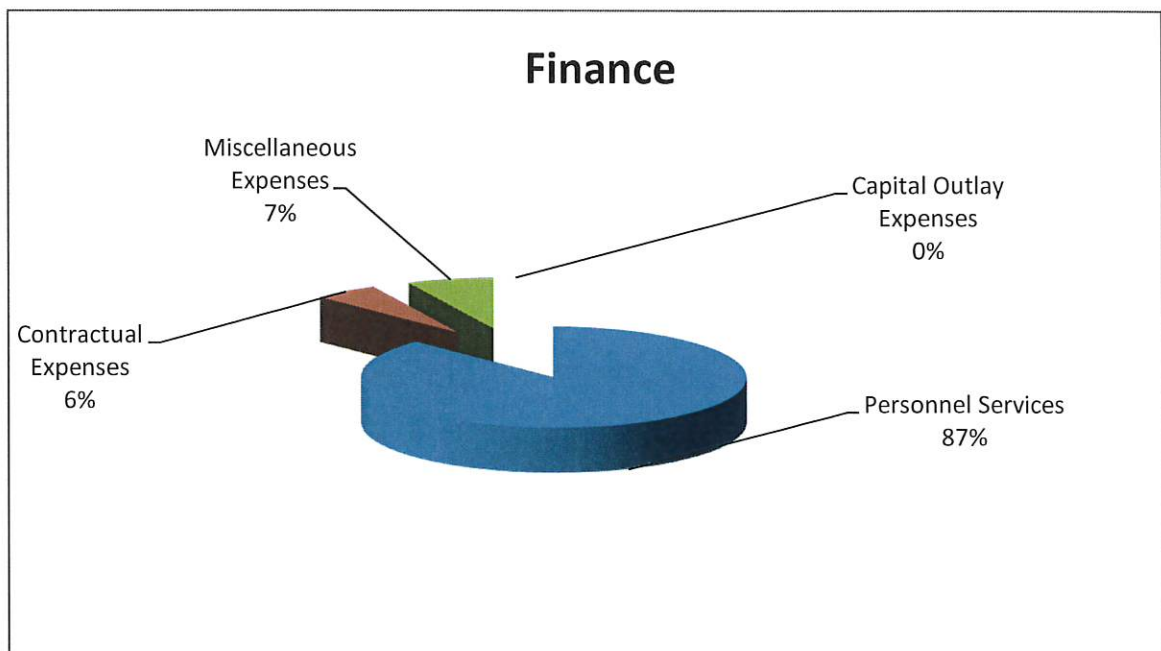
Goals for FY 2021-2022

- 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-A/P Automation
- Streamline Budget Process
- Train new personnel

Finance Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$102,574	\$107,196	\$116,597	\$144,954
Contractual Expenses	\$8,500	\$9,000	\$9,000	\$9,000
Miscellaneous Expenses	\$1,450	\$1,450	\$5,500	\$12,000
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$112,524	\$117,646	\$131,097	\$165,954

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Finance Administrator	1	1	1	1
Finance Clerk (2 part time)	0.5	0.5	0.5	1
Total	1.5	1.5	1.5	2



City of Magnolia

Finance	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Personnel Services</u>					
505501 Salaries	78,049	80,706	80,390	84,624	102,562
505503 Overtime	7,000	8,250	8,000	17,881	12,000
505506 Salary 4B	0	1,596	2,400	2,354	2,400
505515 Longevity	780	780	840	840	900
505516 T.E.C.	180	288	360	360	540
505517 T.M.R.S.	3,017	2,863	3,570	4,371	3,897
505518 Worker's Comp	199	223	225	252	350
505526 Insurance (Med/Dental/Life/Vision)	10,105	10,872	12,552	12,456	12,004
505536 Payroll Tax (F.I.C.A./Medicare)	6,566	7,164	7,010	7,832	9,016
505543 Education, Travel, Certification	1,000	0	1,000	500	1,000
505547 Drug Test	0	0	0	0	35
505550 Dues and Memberships	300	69	250	104	250
Total Personnel Services	107,196	112,810	116,597	131,574	144,954
<u>Contractual Expenses</u>					
505632 Contract/Outside Services	0	0	0	46	0
505644 Appraisal District Fee	9,000	8,891	9,000	8,525	9,000
Total Contractual Expenses	9,000	8,891	9,000	8,571	9,000
<u>Miscellaneous Expenses</u>					
505766 Office Supplies	800	921	1,000	551	1,000
505769 Office Equipment	0	0	0	0	3,000
505775 Ref Books, Reports, Subscriptions	200	31	200	0	200
505800 Bank Fees	300	228	300	177	300
505820 Surety&Fidelity Bonds	150	7,156	4,000	7,400	7,500
Total Miscellaneous Expenses	1,450	8,336	5,500	8,128	12,000
Total Finance Expenditures	117,646	130,038	131,097	148,273	165,954

City of Magnolia

Finance

Account	Account Name	Approved Budget	Description
505501	Salaries	102,562	1 administrator, 2 part time clerks
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	900	\$5 per month per year of service with City
505516	T.E.C. (Unemployment)	540	Unemployment taxes- 2.0% rate
505517	TMRS	3,897	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)
505518	Worker's Compensation	350	Cost of W/C insurance
505526	Employee Insurance	12,004	Medical, dental, vision
505536	Payroll Tax	9,016	Social Security & Medicare-7.65% rate
505543	Education, Travel, Certifications	1,000	Training, travel & certifications
505547	Drug Test	35	Pre-employment & post-accident testing
505550	Dues, Memberships & Promotions	250	National Notary Assoc., misc.
505644	Appraisal District Fee	9,000	Qtrly fee paid to Montgomery Co. Central Appraisal District
505766	Office Supplies	1,000	Tax forms, laser printer checks, toner for printers
505769	Office Equipment	3,000	New computer 2,500 New printer 500
505775	Ref. Books, Reports, Subscriptions	200	Updates to personnel manuals
505800	Bank Fees	300	Stop pay fees, cost of checks & deposit slips
505820	Surety & Fidelity Bonds	7,500	Bonding for Finance Dept., City Administrator & City Secretary
		165,954	

POLICE





MAGNOLIA POLICE DEPARTMENT

Kyle Montgomery
Chief of Police

Police Department Budget Review **2021-2022**

In the coming years, 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.

Fleet Review

The current Patrol fleet in Magnolia Police Department consists of 10 marked vehicles and 3 unmarked vehicles. We have 3 marked vehicles that have over 100k miles, 1 unmarked vehicle that has over 100k miles and a spare marked vehicle with over 100k miles.

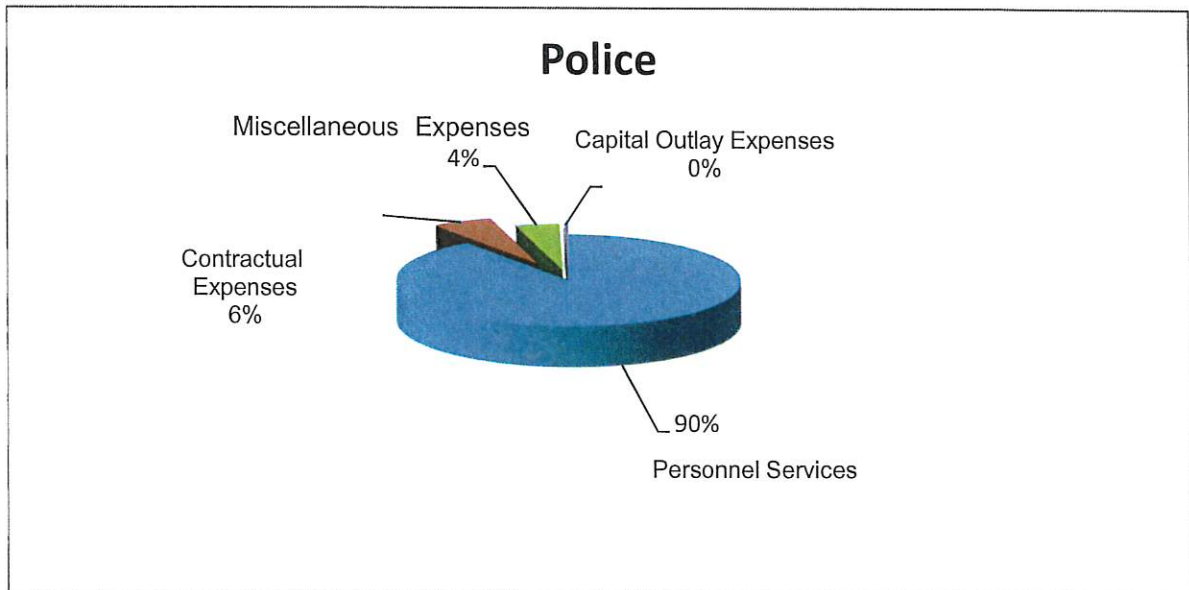
The patrol vehicles and exact mileage are as follows:

SHOP #	MILEAGE	
0901-	31,158	(Detective)
1002-	118,725	
1102-	57,243	(Detective)
1204-	143,513	
1302-	125,485	
1303-	153,569	
1601-	103,958	
1801-	61,818	
1901-	39,339	
1902-	69,858	
1903-	66,975	
2001-	12,958	
2101-	0	

Police Department Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$1,300,820	\$1,267,408	\$1,384,993	\$1,450,191
Contractual Expenses	\$46,745	\$71,599	\$65,562	\$89,910
Miscellaneous Expenses	\$57,200	\$62,400	\$56,400	\$64,745
Capital Outlay Expenses	\$5,590	\$5,590	\$25,590	\$5,590
Total	\$1,410,355	\$1,406,997	\$1,532,545	\$1,610,436

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Chief of Police	1	1	1	1
Captain	0	0	0	0
Lieutenant	1	1	1	1
Sergeant	3	3	3	3
Detective	1	1	1	1
Investigator	1	1	1	1
Patrol Officers	9.5	10	7	8
Reserve Officers	1	1	1	1
Dispatch	0	0	0	0
Administrative Asst/Dispatch	1	1	2	2
Code Compliance Officer	0	0	0	0
Executive Officer	0	0	0	0
Evidence Clerk	1	1	1	1
Total	19.5	20	18	19



City of Magnolia

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Police Department					
<u>Personnel Services</u>					
502501 Salaries	750,937	649,934	796,386	773,524	1,032,060
502503 Overtime	27,000	23,194	27,000	29,426	29,000
502504 S.T.E.P. Overtime	2,000	2,012	0	136	0
502510 Salary and Benefit Reimbursement	164,274	159,181	172,600	182,278	0
502515 Longevity	5,520	5,245	5,700	5,385	6,525
502516 T.E.C.(Unemployment)	1,710	2,580	3,060	3,060	3,240
502517 TMRS	45,027	34,991	52,088	52,086	52,098
502518 Worker's Compensation	22,000	18,260	22,000	19,405	22,000
502526 Insurance (Med./Dental/Vision/Life)	161,874	167,331	213,380	194,631	204,063
502536 Payroll Tax (F.I.C.A/Medicare)	71,761	64,603	76,629	72,501	81,670
502543 Education,Travel, & Certifications	14,000	6,012	14,000	16,568	15,000
502544 State P. D. Education	0	(1,178)	0	1,953	0
502547 Drug Test	1,000	994	1,600	760	1,200
502550 Dues, Memberships, & Promotions	505	519	550	550	3,334
Total Personnel Services	1,267,408	1,133,678	1,384,993	1,352,263	1,450,191
<u>Contractual Expenses</u>					
502604 Police Dept Cell Phones	13,000	9,321	12,000	7,183	9,000
502625 Maintenance & Repair Vehicle	30,000	25,038	26,000	28,824	28,000
502630 Outside Services	2,000	1,971	2,000	2,449	2,500
502634 Maintenance & Repair Office Equip.	500	0	500	0	500
502637 Radios	4,362	4,152	4,062	4,062	4,012
502670 Copy Machine/Lease of Office Equip.	5,000	4,016	4,000	3,667	4,000
502673 Computer Software	7,737	8,297	8,000	10,436	27,898
502677 IT Services	9,000	10,161	9,000	14,573	14,000
Total Contractual Expenses	71,599	62,956	65,562	71,194	89,910
<u>Miscellaneous Expenses</u>					
502744 Minor Equipment	1,000	0	1,000	1,253	10,845
502760 Fuel	0	(74)	0	0	0
502762 Uniforms & Badges	12,500	22,989	9,000	9,500	9,500
502766 Office Supplies	7,200	7,910	7,200	6,828	7,200
502769 Evidence Supplies	2,500	3,058	2,500	2,500	2,500
502770 Special Operations	3,000	0	1,500	1,500	1,500
502827 Fleet Insurance - TML	24,000	20,577	22,000	18,206	21,000
502828 Law Enforcement Liability	12,000	9,459	13,000	9,112	12,000
502833 Postage	200	15	200	0	200
Total Miscellaneous Expenses	62,400	63,933	56,400	48,899	64,745
<u>Capital Expenses</u>					
502920 Computer Equipment	0	0	20,000	20,000	0
502921 Radios	0	80,882	0	0	0
502922 Tasers	2,640	2,640	2,640	2,640	2,640
502924 Safety Vests	2,950	925	2,950	2,950	2,950
502951 Motor Vehicles	0	0	0	0	0
502960 Capital-Office Furniture	0	0	0	0	0
Total Capital Expenses	5,590	84,447	25,590	25,590	5,590
Total Police Department Expenditures	1,406,997	1,345,014	1,532,545	1,497,946	1,610,436

City of Magnolia

Police Department

Account	Account Name	Approved Budget	Description	
502501	Salaries	1,032,060	18 employees	
502503	Overtime	29,000	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	6,525	\$5 per month per year of service with City	
502516	T.E.C. (Unemployment)	3,240	Unemployment taxes- 2.0% rate	
502517	TMRS	52,098	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)	
502518	Worker's Compensation	22,000	Premiums paid to TML for W/C ins.	
502526	Employee Insurance	204,063	Medical, dental, vision for 17 empl.	
502536	Payroll Tax	81,670	Social Security & Medicare-7.65% rate	
502543	Education, Travel, Certifications	15,000	Misc education, travel expense	
502547	Drug Tests	1,200	Pre-employment & post-accident testing & polygraphs for new hires	
502550	Dues, Subscriptions, Promotions	3,334	IACP	210
			Amex, Sam's	130
			Amazon Prime	155
			Adobe Acropro	195
			Echelon Front Line	100
			Safe Fleet license subscriptions	2,444
			Misc	100
502604	Cell Phones	9,000	Cost of cell phones & usage (Includes notebook computer usage)	
502625	Maintenance & Repair Vehicles	28,000	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	4,012	Annual contract with Montgomery Co.	4,012
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	27,898	Annual renewal of TCLEDDS	330
			TLO	2,160
			Leads Online	2,128
			Productivity Center	400
			Colossus	1,200
			OCS-Email hosting/spam filter	4,200
			Susteen	1,500
			Verizon Connect	1,560
			Copysync report mgt software	13,920
			Misc	500
502677	Computer Assistance (IT Services)	14,000	Technical services for P/D	
502744	Minor Equipment	10,845	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)	-	Fuel for police vehicles	
502762	Uniforms & Badges	9,500	Uniforms & badges, new or replacement	
502766	Office Supplies	7,200	Copy paper, pens, file folders, toner, coffee supplies, etc.	
502769	Evidence Supplies	2,500	Expense associated with the collection of evidence in crime scenes, drug test kits, flex cuffs, personal protection search gloves	
502773	Special Operations	1,500	Surveillance & tactical operations	
502827	Fleet Insurance-TML	21,000	Vehicle insurance	
502828	Law Enforcement Liability	12,000	Police officers' liability insurance	
502833	Postage	200	Cost to send certified letters	
502920	Computer Equipment	-		
502921	Radios			
502922	Tasers (Holsters & Cartridges)	2,640	Class III tasers w/holsters, battery packs, cartridges, dataport download kits	
502924	Personal Ballistic Armor	2,950	Vest for new officer, etc.	
502951	Motor Vehicles	-		
		1,610,436		

MUNICIPAL COURT



Municipal Court

Mission Statement:

The Magnolia Municipal Court is dedicated to assisting the public with cases that have been filed in our court. The Court must follow the procedures set by Chapter 45 of the Code of Criminal Procedure on all cases from the filing of the charge to the final disposition. Each case is handled in a timely manner with the most efficient and courteous service possible. 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.

The Code of Ideals will serve as the philosophical cornerstone to guide our actions with anyone who relies on the services we provide. It is the heart of those characteristics that we all agree comprise the best in an organization and ourselves.

Honesty – We will be fair and honest in our relations with defendants while striving to achieve the highest level of integrity and trustworthiness.

Respect – We will be respectful, courteous, and understanding of defendants' needs and will always treat them as we would want to be treated.

Dedication – We will hold ourselves accountable to ensure that services are provided to the best of our ability in a responsible, dependable, and timely manner.

Teamwork – We are part of a team on many levels. Employees of the City of Magnolia are motivated, cooperative, and dedicated team players. We assume a sense of responsibility for our actions to ensure our success as individuals and as a city.

Professionalism – We will strive to demonstrate competency, knowledge, and efficiency in our jobs that exceeds the defendants' expectations.

Positive Attitude – We are willing to demonstrate a spirit of friendly customer service by providing helpful and responsive assistance in a caring and considerate manner.

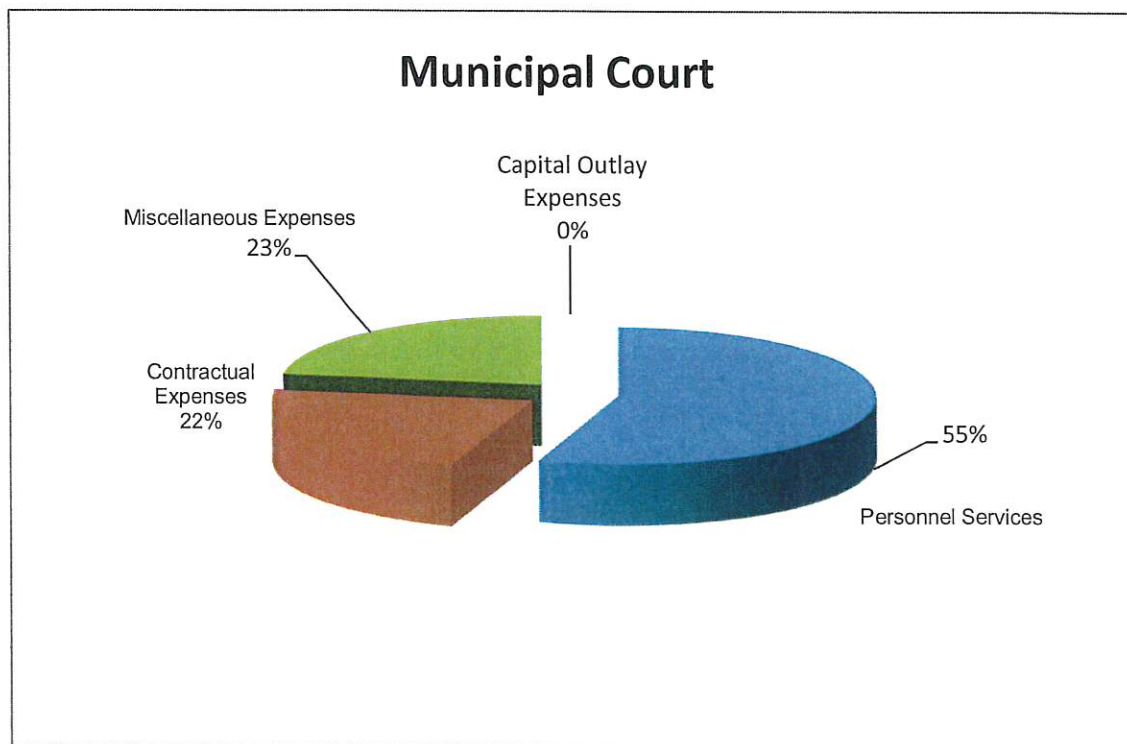
Goals for FY 2021-2022:

- The Court has a responsibility to take steps and provide measures to ensure the health and safety of those entering the court building for any kind of proceedings. We have implemented permanent Health and Safety Guidelines to ensure that all visitors are safe from the spread of viruses.
- We will continue to implement our Warrant Resolution Program to help defendants clear up their warrants without the fear of being arrested and offering alternative payment solutions for those that may have financial difficulties.
- All clerks will continue their education to stay current of the latest updated laws and court procedures.

Municipal Court Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$100,489	\$106,641	\$106,155	\$99,244
Contractual Expenses	\$31,000	\$37,000	\$36,000	\$40,200
Miscellaneous Expenses	\$34,800	\$46,800	\$35,300	\$41,000
Capital Outlay Expenses	\$0	\$0	\$5,000	\$0
Total	\$166,289	\$190,441	\$182,455	\$180,444

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Judge	1	1	1	1
Associate Judge	1	1	1	1
Municipal Court Administrator	1	1	1	0
Municipal Court Clerk	1	1	1	2
Total	4	4	4	4



City of Magnolia

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Municipal Court					
<u>Personnel Services</u>					
504501 Salaries	73,758	65,173	68,932	60,425	64,272
504503 Overtime	0	375	0	733	0
504515 Longevity	660	400	395	330	95
504516 T.E.C.	180	291	360	360	360
504517 T.M.R.S.	3,572	2,814	3,605	3,463	3,141
504518 Worker's Comp	189	203	176	234	164
504526 Insurance (Med/Dental/Life/Vision)	20,209	19,955	25,104	21,799	24,007
504536 Payroll Tax (F.I.C.A./Medicare)	5,693	5,177	5,304	4,486	4,924
504543 Education, Travel, Certification	2,000	1,458	2,000	1,200	2,000
504547 Drug Test	50	35	50	245	50
504550 Dues and Memberships	330	55	230	165	230
Total Personnel Services	106,641	95,936	106,155	93,440	99,244
<u>Contractual Expenses</u>					
504632 Contract/Outside Services	14,000	11,240	13,000	12,087	13,000
504640 Legal	12,000	5,850	12,000	6,300	12,000
504670 Rental of Office Equipment	0	758	0	884	1,000
504673 Incode Software & Support	11,000	11,483	11,000	12,000	12,200
504677 Computer Assistance/IT Services	0	1,603	0	2,022	2,000
Total Contractual Expenses	37,000	30,934	36,000	33,293	40,200
<u>Miscellaneous Expenses</u>					
504766 Office Supplies	3,000	2,140	2,500	2,571	2,500
504769 Office Equipment	0	949	0	0	2,500
504775 Ref. Books, Rpts, Subscriptions	300	0	300	0	300
504800 Bank Fees	0	327	0	337	500
504803 Over/Short Cash	0	(5)	0	(68)	0
504810 Court Jurors	500	0	500	200	200
504814 C.O.L.A.G.Y.	40,000	30,584	30,000	33,130	33,000
504833 Postage	3,000	900	2,000	1,125	2,000
Total Miscellaneous Expenses	46,800	34,894	35,300	37,295	41,000
<u>Capital Expenses</u>					
504920 Computer Equipment	0	0	5,000	0	0
Total Capital Expenses	0	0	5,000	0	0
Total Municipal Court Expenditures	190,441	161,764	182,455	164,028	180,444

City of Magnolia

Municipal Court

Account	Account Name	Approved Budget	Description	
504501	Salaries	64,272	2 Clerks	
504503	Overtime	-	Authorized overtime for non-exempt employees	
504515	Longevity	95	\$5 per month per year of service with City	
504516	T.E.C. (Unemployment)	360	Unemployment taxes- 2.0% rate	
504517	TMRS	3,141	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)	
504518	Worker's Compensation	164	Cost of W/C insurance	
504526	Employee Insurance	24,007	Medical, dental, vision	
504536	Payroll Tax	4,924	Social Security & Medicare-7.65% rate	
504543	Education, Travel, Certifications	2,000	Training, travel & certifications	
504547	Drug Test	50	Pre-employment & post-accident testing	
504550	Dues, Memberships & Promotions	230	TMCCA	150
			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	12,200	Tyler (Incode) annual maint.	11,600
			Kologic (Copsync)	600
504677	Computer Assistance/IT Services	2,000	Technical support	
504766	Office Supplies	2,500	Copy paper, pens, file folders, toner, etc.	
504769	Office Equipment	2,500	Computer equipment	
504775	Ref. Books, Reports, Subscriptions	300	Updated law manuals	
504800	Bank Fees	500	Credit Card Fees	
504810	Court Jurors	200	Money paid to jurors for their service	
504814	C.O.L.A.G.Y.	33,000	Collection agency fees	
504833	Postage	2,000	Costs for court mailings	
		180,444		

PUBLIC WORKS



Public Works Department/Facilities

Department Mission

To exceed the expectations of the citizens of Magnolia by providing exceptional customer service, ensuring citizen safety, maintaining the infrastructure, supporting City departments and providing quality essential municipal services in an efficient manner

Program Narrative

The Public Works Department is responsible for ensuring the safety of the City's vehicles, creating secure and clean environments in City facilities, providing safe, well-maintained streets for travel, and City-wide right-of-way maintenance.

Accomplishments for FY 2020-2021

- Replaced street signs throughout the City as needed
- Maintained roads/repared potholes
- Trimmed vegetation along right-of-ways
- Completed Timberbrook drainage improvements
- Maintained updated safety supplies for all personnel
- Maintained all equipment for special events
- Supplied personnel as needed for special events
- Kept up with landscaping needs at Water/Wastewater Plants and all Lift Stations
- Maintained Public Works/Police vehicles as needed

Objectives for FY 2021-2022

- Continue to increase the quality and efficiency of customer service
- Maintain a safe and healthy environment for City staff and the community

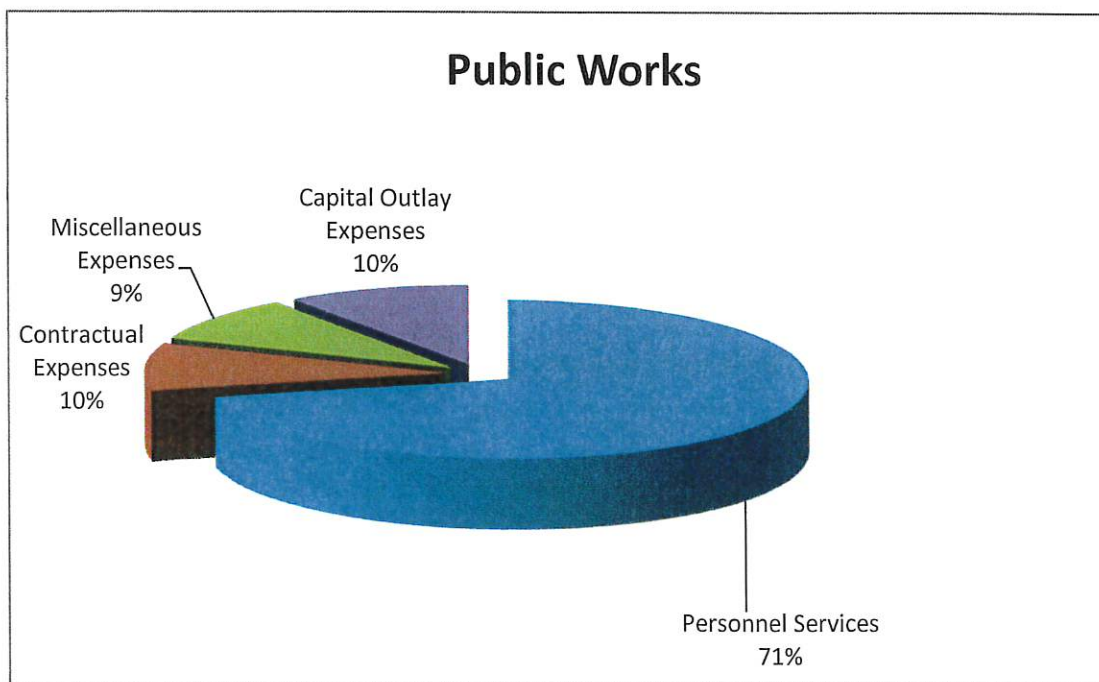
Goals for FY 2021-2022

- Continue to conduct monthly operational and safety training seminars to increase employee safety awareness and proper working knowledge of select tools and practices
- Complete maintenance requests on City vehicles in timely manner
- Maintain mowing of vegetation along right-of-ways in scheduled manner
- Complete maintenance/projects for City Hall as requested
- Continue mowing at City Hall, water wells and sewer plant
- Complete street rehabilitation projects as determined by Council

Public Works Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$376,009	\$479,223	\$514,287	\$613,525
Contractual Expenses	\$70,200	\$71,200	\$85,000	\$82,780
Miscellaneous Expenses	\$73,344	\$74,500	\$62,000	\$79,500
Capital Outlay Expenses	\$0	\$0	\$15,000	\$84,722
Total	\$519,553	\$624,923	\$676,287	\$860,527

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Public Works Director	1	1	1	1
Water/Sewer Plant Operator	1	1	1	1
Utility Maintenance Worker	4	5	5	6
Laborers	1	1	0.5	2
Mechanic	1	1	1	1
Total	8	9	8.5	11



City of Magnolia

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Public Works					
<u>Personnel Services</u>					
503501 Salaries	321,777	304,879	336,048	330,804	401,493
503503 Overtime	7,500	6,939	8,000	11,676	10,000
503505 Cell Phone Allowance	1,800	1,979	2,000	1,838	0
503506 Salary 4B	0	2,849	4,800	1,054	0
503515 Longevity	1,570	1,515	1,995	1,925	845
503516 T.E.C.	720	1,382	1,440	1,440	1,980
503517 T.M.R.S.	15,967	13,339	18,098	19,156	20,122
503518 Worker's Comp	8,000	7,614	9,000	9,909	10,000
503526 Insurance (Med/Dental/Life/Vision)	90,941	85,146	100,414	98,813	132,041
503536 Payroll Tax (F.I.C.A./Medicare)	25,448	24,767	26,992	25,379	31,544
503543 Education, Travel, Certification	5,000	3,998	5,000	4,714	5,000
503547 Drug Test	500	140	500	300	500
Total Personnel Services	479,223	454,546	514,287	507,008	613,525
<u>Contractual Expenses</u>					
503604 Electric (Street Lights)	23,000	21,767	35,000	27,579	35,000
503605 Cell Phones	0	0	0	960	5,280
503625 Maint/Repair-Vehicle(parts,inspection)	10,000	9,459	11,000	7,203	8,000
503632 Contract/Consulting Services	8,200	11,540	9,000	8,777	4,500
503633 Maint. & Repair Equip-Heavy	4,000	8,933	4,000	2,500	4,000
503650 Mowing	20,000	18,029	20,000	13,000	20,000
503653 Ditch Renovations	0	0	0	0	0
503655 Street Signs & Flags	3,000	1,279	3,000	1,500	3,000
503663 Rental of Equipment	3,000	0	3,000	3,000	3,000
Total Contractual Expenses	71,200	71,007	85,000	64,519	82,780
<u>Miscellaneous Expenses</u>					
503700 General Supplies	9,000	5,907	8,000	7,510	8,000
503744 Minor Tools and Equipment	11,000	3,314	6,500	13,611	13,000
503749 Street Supplies	1,000	600	1,000	300	1,000
503760 Fuel	38,000	15,955	30,000	26,793	35,000
503761 Tires and Tubes	1,000	990	1,000	2,950	3,000
503762 Uniforms and Badges	7,000	7,806	8,000	7,423	9,500
503827 Fleet Insurance - TML	7,500	7,225	7,500	8,637	10,000
503831 Damage Claims	0	0	0	0	0
Total Miscellaneous Expenses	74,500	41,797	62,000	67,224	79,500
<u>Capital Expenses</u>					
503945 Other Equipment	0	0	15,000	15,000	0
503951 Motor Vehicles	0	0	0	0	84,722
Total Capital Expenses	0	0	15,000	15,000	84,722
Total Public Works Expenditures	624,923	567,350	676,287	653,751	860,527

City of Magnolia

Public Works

Account	Account Name	Approved Budget	Description
503501	Salaries	401,493	11 full-time employees
503503	Overtime	10,000	Authorized overtime for non-exempt employees
503505	Cell Phone Allowance	-	Allowance for use of personal cell phones for business purposes
503506	Salary 4B	-	Transfer amount of payroll expenses for 4B portion of Public Works salaries
503515	Longevity	845	\$5 per month per year of service with City
503516	T.E.C. (Unemployment)	1,980	Unemployment taxes- 2.0% rate
503517	TMRS	20,122	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)
503518	Worker's Compensation	10,000	Cost of W/C insurance
503526	Employee Insurance	132,041	Medical, dental, vision for 11 employees
503536	Payroll Tax	31,544	Social Security & Medicare-7.65% rate
503543	Education, Travel, Certifications	5,000	Training, travel & certifications
503547	Drug Test	500	Pre-employment & post-accident testing
503604	Electric (Street Lights)	35,000	Expense for all street lights in the City
503605	Cell Phones	5,280	Cost of cell phones for each employee
503625	Maintenance & Repair Vehicles	8,000	Oil changes, inspection, repairs, maintenance of P W vehicles
503632	Contract/Consulting Services	4,500	Tree removal 2,000 Debris cleanup, IT technical svc., 2,500 & misc. contract work
503633	Maint & Repair Equipment-Heavy	4,000	Costs to repair backhoe, tractor, & other equipment
503650	Mowing	20,000	Contracted work for mowing right-of-ways
503653	Ditch Renovations	-	Expenses for repairing ditches
503655	Street Signs & Flags	3,000	Expenses to replace street signs and flags
503663	Rental of Equipment	3,000	Cost to rent work equipment

City of Magnolia

Public Works

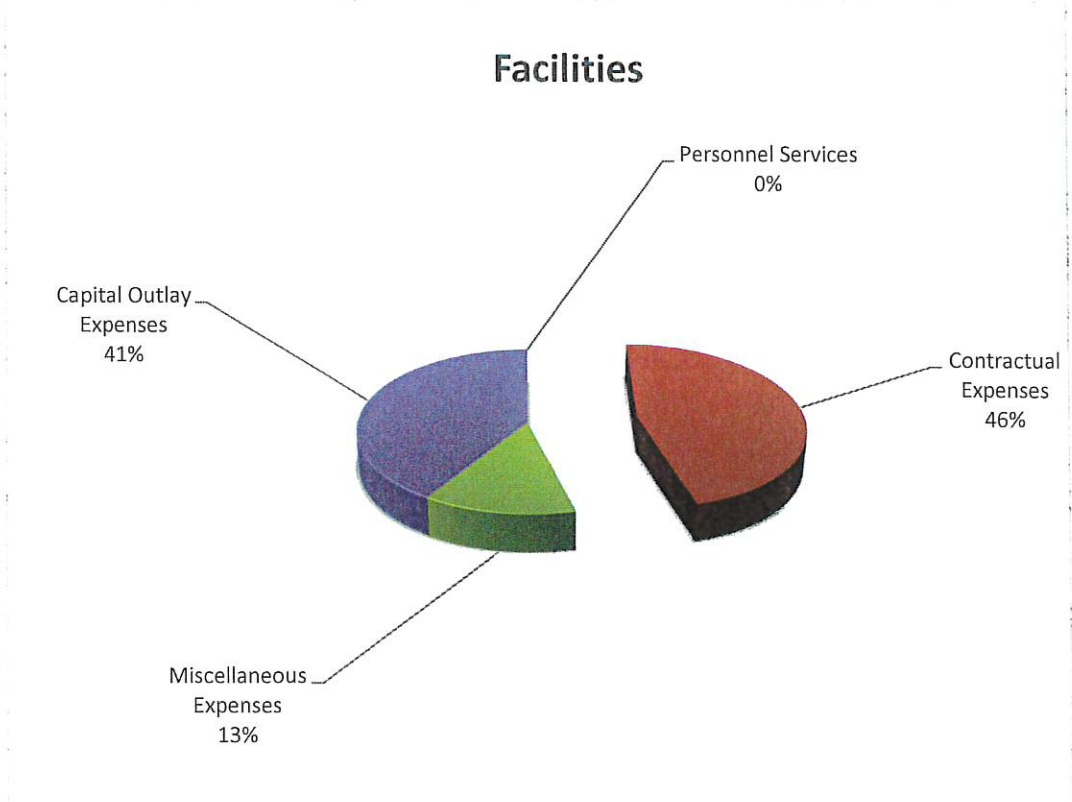
Account	Account Name	Approved Budget	Description	
503700	General Supplies	8,000	Misc supplies-marking paint, gloves, safety equipment, insect repellent, batteries, ragsinabox, shop supplies	
503744	Minor Tools & Equipment	13,000	Flashlights, generators, rakes, shovels, saws, drills/drill bits, mowers,edgers, etc.	
503749	Street Supplies	1,000	Street supply costs that aren't HB445 fund repairs	
503760	Fuel	35,000	Cost of fuel for P/W vehicles	
503761	Tires and Tubes	3,000	Cost of tires for P/W vehicles, tractors & mowers	
503762	Uniforms & Badges	9,500	Supply uniforms & cleaning	
503827	Fleet Insurance-TML	10,000	Vehicle insurance	
503945	Other Equipment			
503951	Motor Vehicles	84,722	2022 Chev Silverado 4x2 Reg Cab	25,170
			2022 Chev Silverado 4x2 Reg Cab	25,170
			2022 Chev Silverado 4x2 Crew Cab	28,425
			Equipment for 3 trucks	5,957
		860,527		

FACILITIES



Facilities Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$0	\$0	\$0	\$0
Contractual Expenses	\$57,500	\$71,500	\$67,200	\$70,000
Miscellaneous Expenses	\$13,500	\$18,000	\$18,000	\$20,000
Capital Outlay Expenses	\$0	\$0	\$45,000	\$62,414
Total	\$71,000	\$89,500	\$130,200	\$152,414



City of Magnolia

Facilities	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Contractual Expenses</u>					
509603 Utilities / Electric	22,000	17,399	22,000	21,677	23,000
509605 Telephone & Internet	19,000	18,011	18,000	17,014	18,000
509632 Contractual Services	1,000	858	1,200	1,235	2,000
509633 Building & Grounds Maint	7,500	5,132	7,500	7,725	8,000
509634 Heat/A/C	7,500	818	4,000	4,000	4,000
509671 Janitorial Services / Cleaning	14,500	14,673	14,500	14,500	15,000
Total Contractual Expenses	71,500	56,891	67,200	66,151	70,000
<u>Miscellaneous Expenses</u>					
509700 Supplies (Misc.)	15,000	13,857	15,000	14,393	15,000
509700.01 COVID 19 Expenses	0	3,223	0	0	0
509744 Minor Equipment	0	0	0	3,645	2,000
509826 Building Insurance - TML	3,000	2,587	3,000	2,662	3,000
Total Miscellaneous Expenses	18,000	19,667	18,000	20,700	20,000
<u>Capital Expenses</u>					
509920 Capital-Computer Equipment	0	0	0	0	11,000
509950 Capital-Bldg Improvements	0	0	0	0	51,414
509974 Capital Outlay	0	6,937	45,000	45,000	0
Total Capital Expenses	0	6,937	45,000	45,000	62,414
Total Facilities Expenditures	89,500	83,495	130,200	131,851	152,414

City of Magnolia

Facilities

Account	Account Name	Approved Budget	Description	
509603	Utilities/Electric	23,000	Electricity for City Hall, some stations	
509605	Telephone & Internet	18,000	Stationary phone usage for facilities/ethernet access	
509632	Contractual Services	2,000	ADT security services, etc.	
509633	Building/Grounds Maint.	8,000	Fire extinguisher service, lock svc., misc. building/grounds maint. costs	
509634	Heat & A/C	4,000	Costs to repair a/c & heating equipment	
509671	Janitorial Services/Cleaning	15,000	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	3,000	Property insurance	
509920	Computer Equipment	11,000	New server for administrative services	
509950	Capital-Bldg Improvements	51,414	New flooring-admin/court	45,115
			Painting(paint/labor)-admin/court	5,190
			New blinds-admin/court	1,110
509974	Capital Outlay	-		
		152,414		

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.

2021 Achievements Include:

(*Denotes a project in collaboration with the MCDC)

- Remove 1 acre of underbrush and debris from Unity Park walking trail
- Removal of army tent at Unity Park*
- Removal of three abandoned conex units at Unity Park*
- Mowing and maintenance of lawns and landscaping*
- Updating and installation of landscaping following Winter Storm Uri
- Operation of splash pad at Unity Park
- Improvements to Sullivan's Park Restrooms
- Recharge playground area at Sullivan Park
- Installation of new playground equipment at Sullivan Park
- Power-washing and upkeep of boardwalk along The Stroll

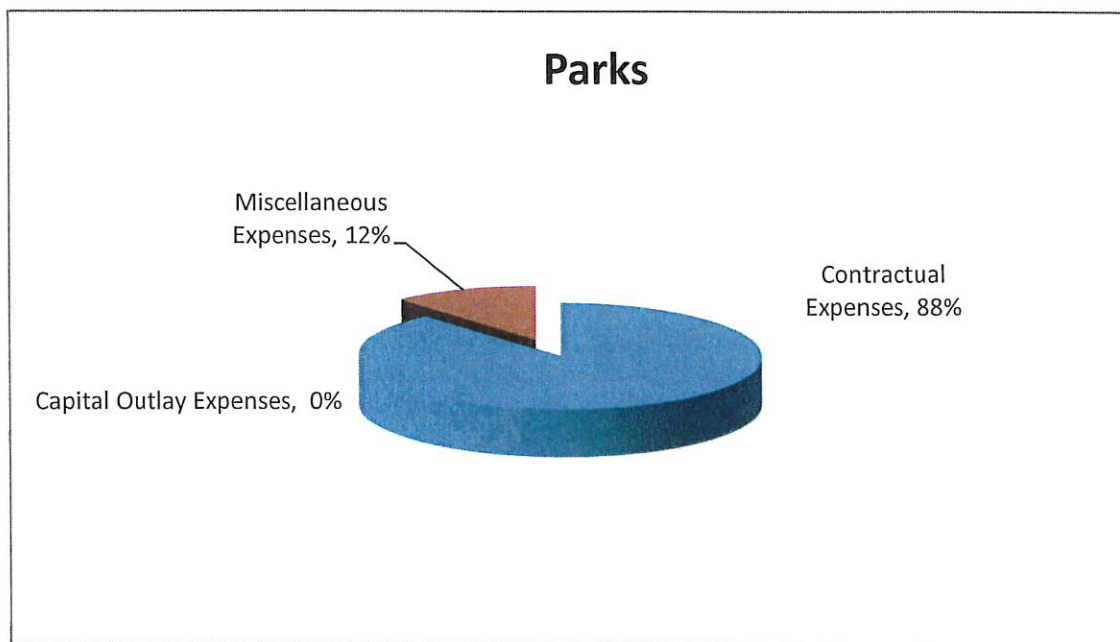
Objectives for FY 2021-2022

- Continue maintenance and as needed repairs for all park locations
- Clean out dead trees from Unity Park Pond
- Have fans installed in the Pavilion
- Replace parking bump stops as needed
- Replace Dumpster area fence
- Rebuild Sullivan Park as needed after the 1488 widening project

Parks Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Contractual Expenses	\$22,500	\$22,500	\$6,000	\$57,000
Miscellaneous Expenses	\$1,200	\$1,400	\$1,400	\$7,500
Capital Outlay Expenses	\$0	\$0	\$0	\$0
Total	\$23,700	\$23,900	\$7,400	\$64,500

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Laborers	0	0	0	0
Total	0	0	0	0



City of Magnolia

Parks	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Contractual Expenses</u>					
511603 Utilities / Electric	6,500	3,249	4,500	2,922	3,500
511632 Contractual Services / Parks	10,000	410	1,000	3,000	3,000
511633 Grounds Maintenance/Mulch	2,000	6	500	5,140	15,000
511634 Building Maintenance	4,000	12	0	2,423	2,500
511650 Mowing	0	0	0	0	30,000
511663 Rental of Equipment	0	0	0	3,029	3,000
511671 Janitorial Services/Cleaning	0	0	0	0	0
Total Contractual Expenses	22,500	3,677	6,000	16,514	57,000
<u>Miscellaneous Expenses</u>					
511700 Supplies	0	0	0	2,171	2,000
511744 Minor Equipment	0	0	0	6,500	3,500
511760 Gas/Oil	0	0	0	0	0
511826 Property Insurance - TML	1,400	1,411	1,400	1,452	2,000
Total Miscellaneous Expenses	1,400	1,411	1,400	10,123	7,500
<u>Capital Expenses</u>					
511940 Equipment	0	0	0	0	0
511950 Capital-Bldg Improvements	0	0	0	9,875	0
Total Miscellaneous Expenses	0	0	0	9,875	0
 Total Parks Expenditures	 23,900	 5,087	 7,400	 36,512	 64,500

City of Magnolia

Parks

Account	Account Name	Approved Budget	Description
511603	Utilities/Electric	3,500	Electricity for parks, stroll
511632	Contractual Services/Parks	3,000	Contractual repairs/maintenance for Unity Park
511633	Grounds Maintenance	15,000	Costs for maintaining the park grounds
511634	Building Maintenance	2,500	Costs for maintaining park structures
511650	Mowing	30,000	Mowing to be done by contractor
511663	Rental of Equipment	3,000	Cost to rent work equipment
511700	Supplies	2,000	Cost of cleaning supplies,paper products, insecticide,light bulbs, keys,padlocks,plumbing supplies,etc.
511744	Minor Equipment	3,500	Small tools/equipment needed for maintaining park/minor playground equipment
511760	Gas/Oil	-	Gas & oil for mowers, park equipment
511826	Property Insurance - TML	2,000	Insurance for park buildings
		64,500	

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.

2021/2022 Budget

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

Revenue

Revenue for the Water/Sewer Department is budgeted at \$10,195,537, which is more than double 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 a small increase in water/sewer rates.

Expenditures/Transfers Out

Expenditures/transfers out for the Water/Sewer Fund are budgeted at \$3,788,774 or \$713,221 more than the previous year's budget. Water/Sewer impact expense is budgeted at \$500,000, which is \$180,000 more than the previous year, and is likely to exceed the budgeted amount. Fees that the City pays to San Jacinto River Authority are budgeted 23% higher than the previous year. \$280,000 was budgeted for capital outlay this fiscal year, compared to \$104,000 in FY 2021. In addition, almost \$1.2 million will be paid to service debt related to water/sewer infrastructure. These 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 2020-2021

- Maintained Superior Water Rating from TCEQ
- Updated and repaired lift stations and both water wells
- Continued to detect and repair major infiltration points throughout the sewer system
- Developed "Winterization" Plan for both Water Plants
- 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 I of the wastewater treatment plant expansion/sanitary sewer replacement (Nichols Sawmill Interceptor)
- Began Phase II of same project
- Entered into a partnership with TCEQ to address our increasing I/I situation.

Objectives for FY 2021-2022

- 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 2021-2022

- Continue working with Incode software support regarding self-reading meters
- Remove and replace old and sub-standard pipes that are found outside the city limits but inside the system
- Increase responsiveness by completing all standard work orders within 24 working hours
- Continue upgrading sewer lift stations

- Stress education of personnel in order to become more efficient
- Work toward certification of additional water/sewer operators
- Work with engineers and contractors on construction of new Water and a Wastewater Treatment Plant
- Secure additional equipment and train employees to do more jobs in house to lower outside contract expense

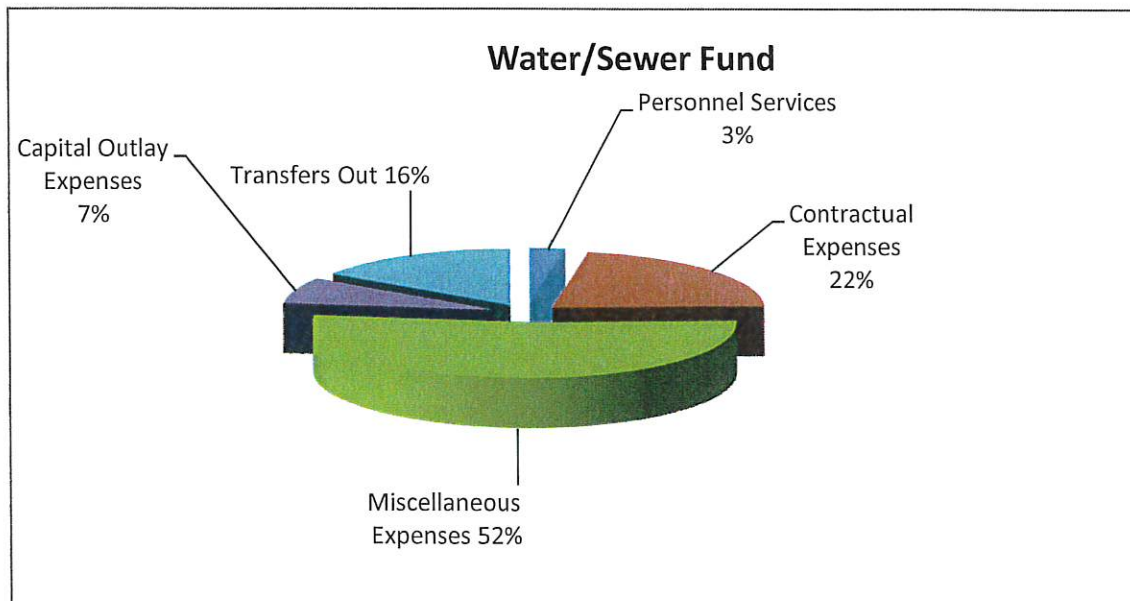
Water/Sewer Fund Revenue Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Revenue and Fees	\$3,717,074	\$4,048,966	\$4,239,162	\$10,195,537

Water/Sewer Fund Expenditure Summary

	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Personnel Services	\$52,702	\$54,039	\$79,399	\$104,354
Contractual Expenses	\$529,650	\$556,650	\$831,620	\$824,130
Miscellaneous Expenses	\$1,049,486	\$2,178,200	\$1,659,490	\$1,983,787
Capital Outlay Expenses	\$9,762	\$0	\$104,000	\$280,000
Transfers Out	\$304,535	\$383,760	\$401,044	\$596,503
Total	\$1,946,135	\$3,172,649	\$3,075,553	\$3,788,774

Staffing	Approved 2018-2019	Approved 2019-2020	Approved 2020-2021	Approved 2021-2022
Utility Maintenance Worker	0	0	0	0
Water Plant Operator	0	0	0	0
Mechanic	0	0	0	0
Utility/Permit Technician	1	1	1.5	2
Total	1	1	1.5	2



City of Magnolia

WATER/SEWER FUND - 02

Revenues		Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Revenue</u>						
40001	Water Fund Revenue	1,500,000	1,227,262	1,500,000	1,417,041	1,750,000
40002.09	Water Impact Revenue	30,000	153,600	140,000	196,400	1,600,000
40003.09	Sewer Impact Revenue	60,000	245,100	187,000	352,267	3,200,000
40003	Road Bore Fee	3,000	11,350	3,000	10,000	10,000
40004	Water Tap Fees	10,000	101,245	30,000	149,267	175,000
40005	Application/Connection Fees	8,000	10,920	8,000	20,783	20,000
40006	Credit Card Fees	9,600	12,079	11,000	16,809	20,000
40012	Misc. Revenues-Water	0	10,088	0	7,500	0
40015	Cash Collections/Misc.	0	14	0	(53)	0
40016	Late Fees-Water	14,000	21,983	14,000	28,749	25,000
40018	Disconnect Fees	30,000	11,015	15,000	38,138	30,000
40020	Interest Income	0	1	0	0	0
40020.09	Impact Fund Interest	60,000	55,989	60,000	5,715	6,000
40024	Lone Star Groundwater	30,000	25,413	30,000	32,863	37,500
40025	San Jacinto River Authority	500,000	419,953	450,000	543,341	625,000
40026	Major Maintenance Fee	20,400	20,443	20,400	21,134	22,500
40027	Depreciation Fee	17,400	17,939	17,400	18,443	19,000
40029	Institutional/Non PRF/Exempt	3,600	1,106	2,500	972	1,000
40001.03	Sewer Fund Revenue	850,000	746,442	800,000	962,662	1,200,000
40003.03	Road Bore Fee	4,000	0	0	5,925	5,000
40004.03	Sewer Tap Fees	6,000	74,550	30,000	205,643	250,000
40010.03	Garbage Collection Fees	1,500	1,938	1,500	2,229	3,000
40011.03	Garbage Revenue	150,000	186,292	160,000	221,253	250,000
40012.03	Misc. Revenues-Sewer	0	0	0	63,886	0
40016.03	Late Fees-Sewer	7,500	13,467	10,000	20,031	25,000
40040	Transfer In from Debt Service	528,604	528,604	544,000	544,000	654,500
40106	Transfer in from 4B	205,362	205,362	205,362	205,362	267,037
	Total Revenue	4,048,966	4,102,154	4,239,162	5,090,360	10,195,537
Total Revenue		4,048,966	4,102,154	4,239,162	5,090,360	10,195,537

Department Expenditures

Personnel Services

500501	Salaries	37,513	34,320	58,638	33,069	69,628
500503	Overtime	1,000	787	0	77	0
500515	Longevity	125	125	185	5	50
500516	T.E.C.	90	55	180	180	360
500517	T.M.R.S.	1,855	1,513	3,059	1,584	3,400
500518	Worker's Comp	96	94	150	130	178
500526	Insurance (Med/Dental/Life/Vision)	10,105	9,834	12,337	5,114	24,007
500536	Payroll Tax (F.I.C.A./Medicare)	2,956	2,792	4,500	2,536	5,330
500543	Education, Travel, Certification	0	0	0	0	1,000
500547	Drug Test	0	0	50	70	100
500548	Dues and Memberships	300	0	300	0	300
	Total Personnel Services	54,039	49,519	79,399	42,765	104,354

WATER/SEWER FUND - 02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Contractual Expenses</u>					
500603 Utilities / Electric-Water	66,000	56,561	66,000	62,659	66,000
500603.03 Utilities / Electric-Sewer	77,000	62,537	77,000	67,485	77,000
500605 Utilities / Telephone-Water	5,000	6,263	8,000	7,467	7,000
500627 Maintenance & Repair-Water	70,000	52,902	75,000	41,717	125,000
500627.03 Maintenance & Repair-Sewer	100,000	110,923	100,000	143,316	100,000
500632 Contract/Consultant Svcs-Water	16,250	107,166	131,250	55,585	76,250
500632.03 Contract/Consultant Svcs-Sewer	6,500	87,586	125,500	109,263	75,000
500633 Maint & Repair Water Equipment	6,000	5,368	6,000	1,899	6,000
500633.03 Maint & Repair Sewer Equipment	15,000	11,940	15,000	10,738	17,000
500640 Legal-Water	0	295	0	701	0
500643 Engineering-Water	5,000	5,823	5,000	12,500	10,000
500643.03 Engineering-Sewer	5,000	16,262	20,000	12,500	15,000
500652 Permits, Fees, Sample Test-Water	15,000	26,136	25,000	20,238	27,000
500652.03 Permits & Testing-Sewer	18,000	7,838	10,000	9,635	10,000
500663 Rental of Equipment-Water	5,000	0	5,000	5,000	5,000
500663.03 Rental of Equipment-Sewer	2,000	4,725	4,000	4,000	6,000
500672.03 Garbage Service	140,000	154,875	150,000	165,417	187,500
500673 Computer Updates/Software	4,900	8,795	8,870	13,705	14,380
Total Contractual Expenses	556,650	725,996	831,620	743,825	824,130
<u>Miscellaneous Expenses</u>					
500677 Minor Equipment-Water	7,000	5,422	7,000	8,506	12,000
500700 General Supplies-Water	30,000	36,869	35,000	63,379	50,000
500700.03 General Supplies-Sewer	10,000	5,029	6,000	6,947	8,000
500744.03 Minor Tools & Equip.-Sewer	5,000	746	3,000	4,169	4,000
500766 Office Supplies	1,500	1,474	2,000	2,367	2,500
500780 Chemicals/ Water Treatment-Water	20,000	17,455	20,000	20,657	23,000
500780.03 Chemicals/ Water Treatment-Sewer	14,000	7,052	14,000	7,030	11,000
500800 Bank Fees	6,000	8,936	8,000	15,412	18,000
500802.09 Water Impact Expense	0	76,375	120,000	120,000	250,000
500803.09 Sewer Impact Expense	1,130,500	139,650	200,000	200,000	250,000
500804 San Jacinto River Authority	500,000	605,384	550,000	596,701	675,000
500805 Lone Star Water Conservation	22,365	19,345	30,000	22,355	25,000
500825.03 Sewer Liability Insurance - TML	1,500	444	1,500	868	1,500
500826 Water Plant Insurance - TML	8,000	8,465	8,000	8,711	9,000
500826.03 Sewer Plant Insurance - TML	10,000	11,052	11,000	11,373	12,000
500830.03 Personal Property Ins.-TML	700	941	1,000	1,586	2,000
500831.03 Damage Claims	1,000	0	1,000	0	1,000
500833 Postage	4,250	4,487	4,250	4,500	4,500
500857.03 Sludge Hauling	65,000	62,038	75,000	81,844	82,000
500858 Depreciation	0	467,367	0	0	0
500034 Interest Expense-2011 SIB Loan	29,015	29,015	24,864	24,864	20,588
500035 Interest Expense-2014 C/O	177,425	177,425	174,050	174,050	170,600
500033.01 Interest Expense-2017 SIB Loan	21,484	21,484	19,982	19,982	18,456
500045 Interest Expense-2019 W/F Brdg Loan	9,563	0	0	0	0
500050 Interest Expense-2019 Tax/Rev	0	112,550	246,038	126,619	0
500051 Interest Expense-2021 G/O Refunding	0	0	0	12,787	242,136
500550 Interest Expense-2014 G/O	103,898	103,898	97,808	97,808	91,508
500099 Amortization of Premium	0	(11,807)	0	0	0
590000 Bond Issuance Expense	0	194,925	0	0	0
590002 Bond Issuance Discount	0	56,275	0	0	0
600001 Gain/Loss on Disposal	0	(564)	0	0	0
Total Miscellaneous Expenses	2,178,200	2,161,729	1,659,490	1,632,515	1,983,787

City of Magnolia

WATER/SEWER FUND - 02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
<u>Capital Expenses</u>					
500920 Computer Equipment	0	0	0	0	0
500950.03 Capital-Vehicles-Sewer	0	0	0	0	60,000
500960 Capital Outlay-Water	0	0	45,000	90,333	50,000
500960.03 Capital Outlay-Sewer	0	0	59,000	75,000	170,000
Total Capital Expenses	0	0	104,000	165,333	280,000
<u>Transfers Out</u>					
500859 Transfer to General Fund	383,760	358,554	401,044	401,044	596,503
500861 Transfer to/from Debt Service	0	0	0	0	0
500863 Transfer Exp (to Cap Projects Fund)	0	0	0	0	0
Total Transfers Out	383,760	358,554	401,044	401,044	596,503
Total Expenditures/Transfers Out	<u>3,172,649</u>	<u>3,295,799</u>	<u>3,075,553</u>	<u>2,985,482</u>	<u>3,788,774</u>
Total Revenue Over(Under) Expenditures/Transfers	<u>876,317</u>	<u>806,356</u>	<u>1,163,609</u>	<u>2,104,878</u>	<u>6,406,763 *</u>

*Additional amount of \$1,189,150 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	175,000	\$650/water tap-residential 5/8" meter
40005	Application/Connection Fees	20,000	\$35/account
40006	Credit Card Fees	20,000	Credit card fees
40016	Late Fees-Water	25,000	5% of customer's balance
40018	Disconnect Fees	30,000	\$45/disconnect
40020.09	Impact Fund Interest	6,000	Interest earned
40024	Lone Star Groundwater Conservation	37,500	\$.165/1000 gal pumped
40025	San Jacinto River Authority	625,000	\$2.88/1000 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	250,000	\$925/sewer tap-4" tap \$1200/sewer tap-6" tap
40010.03	Garbage Collection Fees/Taxes	3,000	Sales tax on garbage sales
40011.03	Garbage Revenue	250,000	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	267,037	For 2011 SIB payment 165,233 For 2017 SIB payment 40,000 For 2021 SIB payment 61,804
		10,195,537	

City of Magnolia

WATER/SEWER FUND - 02

Account	Account Name	Approved Budget	Description
Expenditures			
500501	Salaries	69,628	2 employees
500503	Overtime	-	Authorized overtime for non-exempt employees
500505	Cell Phone Allowance	-	Allowance for use of personal cell phones for business purposes
500515	Longevity	50	\$5 per month per year of service with City
500516	T.E.C. (Unemployment)	360	Unemployment taxes- 2.0% rate
500517	TMRs	3,400	Retirement cost-4.88% (3 Mos.@ 5.02%-9 Mos.@ 4.84%)
500518	Worker's Compensation	178	Cost of W/C Insurance
500526	Employee Insurance	24,007	Medical, dental, vision
500536	Payroll Tax	5,330	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
500603	Utilities/Electric-Water	66,000	Electricity for water plants
500603.03	Utilities/Electric-Sewer	77,000	Electricity for sewer plants, lift stations
500605	Utilities/Telephone-Water	7,000	Telephone service at water plants
500605.03	Utilities/Telephone-Sewer	-	Telephone service at sewer plant(s)
500627	Maintenance & Repair-Water	125,000	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	76,250	TCEQ inspections 3,750 Answering service, etc. 2,500 Misc. consulting/contract work 10,000 Legal consulting 60,000
500632.03	Contract/Consultant Svcs-Sewer	75,000	Answering service, etc. 2,500 Misc. consulting/contract work 7,500 Legal consulting 65,000
500633	Maint & Repair Water Equipment	6,000	Costs to repair water equipment
500633.03	Maint & Repair Sewer Equipment	17,000	Costs to repair sewer equipment

City of Magnolia

WATER/SEWER FUND - 02

Account	Account Name	Approved Budget	Description	
Expenditures				
500643	Engineering-Water	10,000	Costs for engineering services related to water construction	
500643.03	Engineering-Sewer	15,000	Costs for engineering services related to sewer construction	
500652	Permits, Fees, Sample Test-Water	27,000	Water permits and water sample testing	
500652.03	Permits and Testing-Sewer	10,000	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	187,500	Dumpster at plant/garbage residential	
500673	Computer Update/Software/Maint.	14,380	Tyler (Incode) annual maintenance:	
			Utility CIS System	2,036
			Address Certification	900
			Email system-billing/notices	1,290
			Hosting,READY Water,Drive-by	1,670
			Tyler U Maint.	517
			Utility Meter Reader Interface	670
			Central Cash Collection	1,115
			Cashiering Receipt Import Maint.	1,102
			Receipt Printer Maint.	965
			Kamstrup	2,115
			OCS	2,000
500674	Posting & Advertising	-	Consumer Quality Report Notice	
500677	Minor Equipment-Water	12,000	Water meters	10,000
			Other minor equipment	2,000
500700	General Supplies-Water	50,000	Misc operating supplies-Water	
500700.03	General Supplies-Sewer	8,000	Misc operating supplies-Sewer	
500744.03	Minor Tools & Equipment-Sewer	4,000	Boring equipment,sewer hose, misc. small tools	
500766	Office Supplies	2,500	Office supplies designated for water/sewer department	
500780	Chemicals/Water Treatment-Water	23,000	Cost of chemicals for water treatment	
500780.03	Chemicals/Water Treatment-Sewer	11,000	Cost of chemicals to treat wastewater	
500800	Bank Fees	18,000	Credit card processing fees	
500802.09	Water Impact Expense	250,000	Cost for construction or expansion of water infrastructure facilities	
500803.09	Sewer Impact Expense	250,000	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	675,000	Cost to participate in WRAP approx \$2.88/1000 gal. pumped
500805	Lone Star Water Conservation	25,000	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	4,500	Mailing cost for water bills, etc.
500857.03	Sludge Hauling	82,000	Cost to haul sludge
500034	Interest Expense-2011 SIB Loan	20,588	
500035	Interest Expense-2014 C/O	170,600	
500040	Interest Expense-2017 SIB Loan	18,456	
500050	Interest Expense-2019 Tax Rev C/O	-	
500051	Interest Expense-2021 Tax Rev C/O	242,136	
500550	Interest Expense-2014 G/O	91,508	
500859	Transfer to General Fund	540,472	Transfers to cover Public Works employees & related expense, including vehicles, vehicle maintenance, fuel, insurance, etc.
500859	Additional transfer to General Fund	56,032	Additional transfer to General Fund to cover 50% in-house engineer employee exp.
500950.03	Capital-Vehicles-Sewer	60,000	Vac Truck
500960	Capital Outlay-Water	50,000	Water meters bought in bulk, etc.
500960.03	Capital Outlay-Sewer	170,000	52'x92'x14' Metal Shop Building at Sewer Plant 120,000 Pumps or other replacement items 50,000
		3,788,774	

CAPITAL PROJECT FUNDS



City of Magnolia

04-Enterprise Capital Project Fund

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022	*
Revenue						
FEMA Grant	391,500		0	388,193		
CDBG Grant (Tx Gen Land Office)	1,800,000	179,034	1,550,000	558,679	1,062,287	
Trfr from W/S-Unity Pk to Commerce	373,850		373,850		373,850	
Trfr from Impact Funds-to Unity Pk Dr	130,500		80,500	0	0	
Trfr from Impact Funds-1488	1,000,000		200,000	100,000	0	
Trfr from Impact Funds-Water Plant #3					250,000	
Trfr from Impact Funds-WWTP Phase 3					250,000	
USDA Loan-Sewer Interceptor	1,000,000	0	1,000,000	0	0	
2019 Rev/Tax C/O-WWTP	14,000,000		0	0	0	
Total Revenue	18,695,850	179,034	3,204,350	1,046,872	1,936,137	
Expenditures						
500940.01 WWTP to Unity Park Drive	522,000	1,237,844	0	0	0	
500940.03 Unity Pk Dr to Commerce	2,173,850		2,173,850	0	0	
500945 Grant Administration		71,850	0	0	0	
500950.06 New WWTP	14,000,000	1,331,742	9,000,000	5,000,000	1,000,000	
500950.07 FM1488 Utility Relocations	1,000,000	112,739	300,000	100,000	0	
500950.08 HUD-GLO Phase 2 Nichols Sawmill		107,162	0	720,066	1,346,622	**
500950.09 Sewer Interceptor Buddy Riley	1,000,000		1,000,000		1,000,000	
500950.12 FM1488 Force Main Relocation		7,800	0	300,000		
500950.14 Water Plant #3		3,300	0	20,000	250,000	
500950.15 FM 249 Sewer Extension		119,937	0			
WWTP Phase III					250,000	
Total Expenditures	18,695,850	2,992,374	12,473,850	6,140,066	3,846,622	
Total Revenue Over(Under) Expenditures	0	(2,813,340)	(9,269,500)	(5,093,194)	(1,910,485)	

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

**Based on previous contractor's amount.

City of Magnolia

30-General Capital Project Fund

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
CDBG Grant					350,000
Leases (P/D Vehicle Lease)					56,405
Total Revenue	0	0	0	0	406,405
Expenditures					
500950.10 Timberbrook Drainage	0	167,435	0	190,000	
TCDBG Funds-Little Twig/Roy St.					35,000
Little Twig/Roy St. Neighborhood Proj.					350,000
Capital Outlay (P/D Vehicle Lease)					56,405
Total Expenditures	0	167,435	0	190,000	441,405
Total Revenue Over(Under) Expenditures	0	(167,435)	-	(190,000)	(35,000)

DEBT SERVICE



City of Magnolia

Long-Term Debt:

The City of Magnolia enters into loan agreements and issues revenue bonds and certificates of obligation to provide financing for its various operations. Loan agreements, bonds, and certificates of obligation can and have been issued for the governmental activities, business-type activities and the component unit, Economic Development Corporation, 4A.

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The City maintains good communications with bond rating agencies about its financial condition and currently has an "AA-" rating from Standard & Poor's.

The City does not have a formal debt policy, and there is no direct limit on debt in the City Charter.

The following page summarizes the outstanding long-term debt of the City.

City of Magnolia 2021-2022 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								2021-2022 DEBT SERVICE		
FUND	BOND ISSUED	ISSUE AMOUNT	MATURITY	OUTSTANDING PRINCIPAL BALANCE 9/2021	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	09/30/2037	\$3,965,000.00	\$305,000.00	\$130,725.00	\$435,725.00			
(30% Gen)										
4A EDC	Sales Tax Refunding Bond, Series 2012 Issued January 2012 in the amount of \$2,945,000 This bond combined the 2003 Sales Tax Revenue Bond issued for the improvements of Smith and Melton Streets , and the 2009 Sales Tax Revenue Bond issued for the creation of Unity Park and for downtown improvements.	\$2,945,000.00	09/30/2024	\$830,000.00	\$265,000.00	\$35,275.00	\$300,275.00			
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	02/01/2026	\$758,576.25	\$144,645.75	\$20,587.56	\$165,233.31			
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	09/30/2045	\$4,415,000.00	\$115,000.00	\$170,600.00	\$285,600.00			
ENTERPRISE	2017 State Infrastructure Bank-Loan Issued June 2017 in the amount of \$1,000,000 in Issued for funding the relocation of utilities along FM 1774 in conjunction 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	06/29/2032	\$564,412.47	\$49,200.14	\$18,455.72	\$67,655.86			
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	09/01/2046	\$1,535,000.00	\$30,000.00	\$87,495.00	\$117,495.00			
ENTERPRISE	2021 Tax & Revenue Certificates of Obligation Issued 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		\$10,125,000.00	\$605,000.00	\$242,136.26	\$847,136.26			
ENTERPRISE	2021 State Infrastructure Bank-Loan Issued 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		\$830,336.73	\$61,804.00	\$0.00	\$61,804.00			
TOTAL		\$29,447,140.73		\$22,192,988.72	\$1,513,845.89	\$705,274.54	\$2,219,120.43			

City of Magnolia

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

	Bank Balance as of 05/31/21 \$ 101,766				
	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenues</u>					
40001 Ad Valorem Tax Revenue	656,632	649,493	672,335	677,340	781,935
40199 Prop Tax Penalties/Interest	2,500	7,725	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	1,500	1,358	1,400	1,870	1,800
Total Revenue	660,632	658,576	676,235	681,710	786,235
Total Revenue	660,632	658,576	676,235	681,710	786,235
Expenditures					
<u>Miscellaneous Expenses</u>					
500033 2014 G/O I&S Principal Pay't	85,500	85,500	88,500	88,500	91,500
500034 2014 G/O I&S Interest Pay't	44,528	44,527	41,918	41,918	39,218
500766 2014 G/O Bank Fees	500	500	500	500	500
500925 Transfer to Enterprise Debt Svc	528,604	528,604	544,000	550,000	654,500
Total Miscellaneous Expenses	659,132	659,131	674,918	680,918	785,718
Total Expenditures	659,132	659,131	674,918	680,918	785,718
Total Revenue Over(Under) Expenditures	1,501	(555)	1,318	792	518

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
05/01/2014	85,000.00	2.00%	46,700.00	131,700.00	
09/30/2014					131,700.00
11/01/2014	220,000.00	2.00%	92,550.00	312,550.00	
05/01/2015		2.00%	90,350.00	90,350.00	
09/30/2015					402,900.00
11/01/2015	230,000.00	2.00%	90,350.00	320,350.00	
05/01/2016		2.00%	88,050.00	88,050.00	
09/30/2016					408,400.00
11/01/2016	235,000.00	3.00%	88,050.00	323,050.00	
05/01/2017		3.00%	84,525.00	84,525.00	
09/30/2017					407,575.00
11/01/2017	270,000.00	3.00%	84,525.00	354,525.00	
05/01/2018		3.00%	80,475.00	80,475.00	
09/30/2018					435,000.00
11/01/2018	275,000.00	3.00%	80,475.00	355,475.00	
05/01/2019		3.00%	76,350.00	76,350.00	
09/30/2019					431,825.00
11/01/2019	285,000.00	3.00%	76,350.00	361,350.00	
05/01/2020		3.00%	72,075.00	72,075.00	
09/30/2020					433,425.00
11/01/2020	295,000.00	3.00%	72,075.00	367,075.00	
05/01/2021		3.00%	67,650.00	67,650.00	
09/30/2021					434,725.00
11/01/2021	305,000.00	3.00%	67,650.00	372,650.00	
05/01/2022		3.00%	63,075.00	63,075.00	
09/30/2022					435,725.00
11/01/2022	315,000.00	3.00%	63,075.00	378,075.00	
05/01/2023		3.00%	58,350.00	58,350.00	
09/30/2023					436,425.00
11/01/2023	330,000.00	3.00%	58,350.00	388,350.00	
05/01/2024		3.00%	53,400.00	53,400.00	
09/30/2024					441,750.00
11/01/2024	330,000.00	3.00%	53,400.00	383,400.00	
05/01/2025		3.00%	48,450.00	48,450.00	
09/30/2025					431,850.00
11/01/2025	340,000.00	3.00%	48,450.00	388,450.00	
05/01/2026		3.00%	43,350.00	43,350.00	
09/30/2026					431,800.00
11/01/2026	355,000.00	3.00%	43,350.00	398,350.00	
05/01/2027		3.00%	38,025.00	38,025.00	
09/30/2027					436,375.00
11/01/2027	170,000.00	3.50%	38,025.00	208,025.00	
05/01/2028		3.50%	35,050.00	35,050.00	
09/30/2028					243,075.00
11/01/2028	175,000.00	3.50%	35,050.00	210,050.00	
05/01/2029		3.50%	31,987.50	31,987.50	
09/30/2029					242,037.50
11/01/2029	180,000.00	3.50%	31,987.50	211,987.50	
05/01/2030		3.50%	28,837.50	28,837.50	
09/30/2030					240,825.00

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
11/01/2030	185,000.00	3.50%	28,837.50	213,837.50	
05/01/2031		3.50%	25,600.00	25,600.00	
09/30/2031					239,437.50
11/01/2031	195,000.00	4.00%	25,600.00	220,600.00	
05/01/2032		4.00%	21,700.00	21,700.00	
09/30/2032					242,300.00
11/01/2032	200,000.00	4.00%	21,700.00	221,700.00	
05/01/2033		4.00%	17,700.00	17,700.00	
09/30/2033					239,400.00
11/01/2033	210,000.00	4.00%	17,700.00	227,700.00	
05/01/2034		4.00%	13,500.00	13,500.00	
09/30/2034					241,200.00
11/01/2034	215,000.00	4.00%	13,500.00	228,500.00	
05/01/2035		4.00%	9,200.00	9,200.00	
09/30/2035					237,700.00
11/01/2035	225,000.00	4.00%	9,200.00	234,200.00	
05/01/2036		4.00%	4,700.00	4,700.00	
09/30/2036					238,900.00
11/01/2036	235,000.00	4.00%	4,700.00	239,700.00	
09/30/2037					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 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
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	65,000	65,000	395,000	395,000	437,000
40033	Transfer in	0	0	0	0	0
40040	Transfer in from debt svc	528,604	528,604	200,000	200,000	154,500
	Total Revenue	593,604	593,604	595,000	595,000	591,500
		593,604	593,604	595,000	595,000	591,500
 Total Revenue						
 Expenditures						
236	2014 C/O I&S Principal Pay't	110,000	110,000	115,000	115,000	115,000
500035	2014 C/O I&S Interest Pay't	177,425	177,425	174,050	174,050	170,600
235	2014 G/O I&S Principal Pay't	199,500	199,500	206,500	206,500	213,500
500550	2014 G/O I&S Interest Pay't	103,898	103,898	97,808	97,808	91,508
500800	Bank Fees	750	750	750	750	750
	Total Expenses	591,573	591,573	594,108	594,108	591,358
 Total Expenses		591,573	591,573	594,108	594,108	591,358
 Total Revenue Over(Under) Expenditures		2,032	2,031	893	893	143

2014 Certificates of Obligation

Water/Sewer Improvements, Including Lift Stations

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
05/01/2015		3.00%	63,415.76	63,415.76	
09/30/2015					63,415.76
11/01/2015		3.00%	94,337.50	94,337.50	
05/01/2016		3.00%	94,337.50	94,337.50	
09/30/2016					188,675.00
11/01/2016	105,000.00	3.00%	94,337.50	199,337.50	
05/01/2017		3.00%	92,762.50	92,762.50	
09/30/2017					292,100.00
11/01/2017	105,000.00	3.00%	92,762.50	197,762.50	
05/01/2018		3.00%	91,187.50	91,187.50	
09/30/2018					288,950.00
11/01/2018	110,000.00	3.00%	91,187.50	201,187.50	
05/01/2019		3.00%	89,537.50	89,537.50	
09/30/2019					290,725.00
11/01/2019	110,000.00	3.00%	89,537.50	199,537.50	
05/01/2020		3.00%	87,887.50	87,887.50	
09/30/2020					287,425.00
11/01/2020	115,000.00	3.00%	87,887.50	202,887.50	
05/01/2021		3.00%	86,162.50	86,162.50	
09/30/2021					289,050.00
11/01/2021	115,000.00	3.00%	86,162.50	201,162.50	
05/01/2022		3.00%	84,437.50	84,437.50	
09/30/2022					285,600.00
11/01/2022	120,000.00	3.00%	84,437.50	204,437.50	
05/01/2023		3.00%	82,637.50	82,637.50	
09/30/2023					287,075.00
11/01/2023	125,000.00	3.50%	82,637.50	207,637.50	
05/01/2024		3.50%	80,450.00	80,450.00	
09/30/2024					288,087.50
11/01/2024	130,000.00	3.50%	80,450.00	210,450.00	
05/01/2025		3.50%	78,175.00	78,175.00	
09/30/2025					288,625.00
11/01/2025	130,000.00	3.50%	78,175.00	208,175.00	
05/01/2026		3.50%	75,900.00	75,900.00	
09/30/2026					284,075.00
11/01/2026	135,000.00	4.00%	75,900.00	210,900.00	
05/01/2027		4.00%	73,200.00	73,200.00	
09/30/2027					284,100.00
11/01/2027	145,000.00	4.00%	73,200.00	218,200.00	
05/01/2028		4.00%	70,300.00	70,300.00	
09/30/2028					288,500.00
11/01/2028	150,000.00	4.00%	70,300.00	220,300.00	
05/01/2029		4.00%	67,300.00	67,300.00	
09/30/2029					287,600.00
11/01/2029	155,000.00	4.00%	67,300.00	222,300.00	
05/01/2030		4.00%	64,200.00	64,200.00	
09/30/2030					286,500.00

2014 Certificates of Obligation

Water/Sewer Improvements, Including Lift Stations

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
11/01/2030	160,000.00	4.00%	64,200.00	224,200.00	
05/01/2031		4.00%	61,000.00	61,000.00	
09/30/2031					285,200.00
11/01/2031	165,000.00	4.00%	61,000.00	226,000.00	
05/01/2032		4.00%	57,700.00	57,700.00	
09/30/2032					283,700.00
11/01/2032	175,000.00	4.00%	57,700.00	232,700.00	
05/01/2033		4.00%	54,200.00	54,200.00	
09/30/2033					286,900.00
11/01/2033	180,000.00	4.00%	54,200.00	234,200.00	
05/01/2034		4.00%	50,600.00	50,600.00	
09/30/2034					284,800.00
11/01/2034	185,000.00	4.00%	50,600.00	235,600.00	
05/01/2035		4.00%	46,900.00	46,900.00	
09/30/2035					282,500.00
11/01/2035	195,000.00	4.00%	46,900.00	241,900.00	
05/01/2036		4.00%	43,000.00	43,000.00	
09/30/2036					284,900.00
11/01/2036	200,000.00	4.00%	43,000.00	243,000.00	
05/01/2037			39,000.00	39,000.00	
09/30/2037					282,000.00
11/01/2037	210,000.00	4.00%	39,000.00	249,000.00	
05/01/2038			34,800.00	34,800.00	
09/30/2038					283,800.00
11/01/2038	220,000.00	4.00%	34,800.00	254,800.00	
05/01/2039			30,400.00	30,400.00	
09/30/2039					285,200.00
11/01/2039	230,000.00	4.00%	30,400.00	260,400.00	
05/01/2040			25,800.00	25,800.00	
09/30/2040					286,200.00
11/01/2040	240,000.00	4.00%	25,800.00	265,800.00	
05/01/2041			21,000.00	21,000.00	
09/30/2041					286,800.00
11/01/2041	245,000.00	4.00%	21,000.00	266,000.00	
05/01/2042			16,100.00	16,100.00	
09/30/2042					282,100.00
11/01/2042	255,000.00	4.00%	16,100.00	271,100.00	
05/01/2043			11,000.00	11,000.00	
09/30/2043					282,100.00
11/01/2043	270,000.00	4.00%	11,000.00	281,000.00	
05/01/2044			5,600.00	5,600.00	
09/30/2044					286,600.00
11/01/2044	280,000.00	4.00%	5,600.00	285,600.00	
09/30/2045					285,600.00
Total	4,960,000.00		3,588,903.26	8,548,903.26	8,548,903.26

City of Magnolia

2011 State Infrastructure Bank Loan Debt Service - 02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40106 Revenue from 4B	165,362	165,362	165,298	165,298	165,233
Total Revenue	165,362	165,362	165,298	165,298	165,233
Total Revenue	165,362	165,362	165,298	165,298	165,233
Expenditures					
Expenses					
229 2011 SIB Loan Principal Pay't	136,346	136,346	140,435	140,435	144,646
500034 2011 SIB Loan Interest Pay't	29,015	29,015	24,864	24,864	20,588
500800 Bank Fees	0	0	0	0	0
Total Expenses	165,362	165,362	165,298	165,298	165,233
Total Expenditures	165,362	165,362	165,298	165,298	165,233
Total Revenue Over(Under) Expenditures	0	0	0	0	0

2011 State Infrastructure Bank-Loan

FM 1774 Utility Relocation

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
02/01/2012	115,122.76	3.00%	19,666.67	134,789.43	
08/01/2012		3.00%	28,273.16	28,276.16	163,065.59
02/01/2013	110,873.00	3.00%	28,273.16	139,146.16	
08/01/2013		3.00%	26,610.06	26,610.06	165,756.22
02/01/2014	114,197.49	3.00%	26,610.06	140,807.55	
08/01/2014		3.00%	24,897.10	24,897.10	165,704.65
02/01/2015	117,621.68	3.00%	24,897.10	142,518.78	
08/01/2015		3.00%	23,132.78	23,132.78	165,651.56
02/01/2016	121,148.56	3.00%	23,132.78	144,281.34	
08/01/2016		3.00%	21,315.55	21,315.55	165,596.89
02/01/2017	124,781.24	3.00%	21,315.55	146,096.79	
08/01/2017		3.00%	19,443.83	19,443.83	165,540.62
02/01/2018	128,522.86	3.00%	19,443.83	147,966.69	
08/01/2018		3.00%	17,515.99	17,515.99	165,482.68
02/01/2019	132,376.70	3.00%	17,515.99	149,892.69	
08/01/2019		3.00%	15,530.34	15,530.34	165,423.03
02/01/2020	136,346.13	3.00%	15,530.34	151,876.47	
08/01/2020		3.00%	13,485.14	13,485.14	165,361.61
02/01/2021	140,434.63	3.00%	13,485.14	153,919.77	
08/01/2021		3.00%	11,378.62	11,378.62	165,298.39
02/01/2022	144,645.75	3.00%	11,378.62	156,024.37	
08/01/2022		3.00%	9,208.94	9,208.94	165,233.31
02/01/2023	148,983.16	3.00%	9,208.94	158,192.10	
08/01/2023		3.00%	6,974.19	6,974.19	165,166.29
02/01/2024	153,450.67	3.00%	6,974.19	160,424.86	
08/01/2024		3.00%	4,672.43	4,672.43	165,097.29
02/01/2025	158,052.18	3.00%	4,672.43	162,724.61	
08/01/2025		3.00%	2,301.65	2,301.65	165,026.26
02/01/2026	153,443.19	3.00%	2,301.65	155,744.84	
				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

	Bank Balance as of 05/31/21 (Incl w/4A Bal)				Approved Budget 2021-2022
	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	
Revenue					
<u>Revenue</u>					
EDC Funds	301,525	300,716	301,113	301,113	300,275
40120 2012 R/Bond Int & Sinking Interest	0	0	0	0	0
Total Revenue	301,525	300,716	301,113	301,113	300,275
Total Revenue	301,525	300,716	301,113	301,113	300,275
Expenditures					
<u>Expenses</u>					
231 2012 Rev Bond Principal Pay't	245,000	245,000	255,000	255,000	265,000
500875 2012 Rev Bond Interest Pay't	56,525	55,716	46,113	46,113	35,275
Total Expenses	301,525	300,716	301,113	301,113	300,275
Total Expenditures	301,525	300,716	301,113	301,113	300,275
Total Revenue Over(Under) Expenditures	0	0	0	0	0

Series 2012, Sales Tax Revenue Refunding Bonds

4A- Park / Downtown Revitalization
Melton/Smith Street

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
03/01/2012			12,516.25	12,516.25	
09/01/2012	200,000.00	4.25%	62,581.25	262,581.25	
09/30/2012					275,097.50
03/01/2013			58,331.25	58,331.25	
09/01/2013	145,000.00	4.25%	58,331.25	203,331.25	
09/30/2013					261,662.50
03/01/2014			55,250.00	55,250.00	
09/01/2014	190,000.00	4.25%	55,250.00	245,250.00	
09/30/2014					300,500.00
03/01/2015			51,212.50	51,212.50	
09/01/2015	200,000.00	4.25%	51,212.50	251,212.50	
09/30/2015					302,425.00
03/01/2016			46,962.50	46,962.50	
09/01/2016	205,000.00	4.25%	46,962.50	251,962.50	
09/30/2016					298,925.00
03/01/2017			42,606.25	42,606.25	
09/01/2017	215,000.00	4.25%	42,606.25	257,606.25	
09/30/2017					300,212.50
03/01/2018			38,037.50	38,037.50	
09/01/2018	225,000.00	4.25%	38,037.50	263,037.50	
09/30/2018					301,075.00
03/01/2019			33,256.25	33,256.25	
09/01/2019	235,000.00	4.25%	33,256.25	268,256.25	
09/30/2019					301,512.50
03/01/2020			28,262.50	28,262.50	
09/01/2020	245,000.00	4.25%	28,262.50	273,262.50	
09/30/2020					301,525.00
03/01/2021			23,056.25	23,056.25	
09/01/2021	255,000.00	4.25%	23,056.25	278,056.25	
09/30/2021					301,112.50
03/01/2022			17,637.50	17,637.50	
09/01/2022	265,000.00	4.25%	17,637.50	282,637.50	
09/30/2022					300,275.00
03/01/2023			12,006.25	12,006.25	
09/01/2023	275,000.00	4.25%	12,006.25	287,006.25	
09/30/2023					299,012.50
03/01/2024			6,162.50	6,162.50	
09/01/2024	290,000.00	4.25%	6,162.50	296,162.50	
09/30/2024					302,325.00
Total	2,945,000.00		900,660.00	3,845,660.00	3,845,660.00

City of Magnolia

2017 State Infrastructure Bank Loan Debt Service - 02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40106 Revenue from 4B	40,000	40,000	40,000	40,000	40,000
Funds from W/S Operations	29,170	244,881	28,419	28,419	27,656
Total Revenue	69,170	284,881	68,419	68,419	67,656
Total Revenue	69,170	284,881	68,419	68,419	67,656
Expenditures					
Expenses					
230 2017 SIB Loan Principal Pay't	47,686	47,686	48,437	48,437	49,200
500033.01 2017 SIB Loan Interest Pay't	21,484	21,484	19,982	19,982	18,456
500800 Bank Fees	0	0	0	0	0
Total Expenses	69,170	69,170	68,419	68,419	67,656
Total Expenditures	69,170	69,170	68,419	68,419	67,656
Total Revenue Over(Under) Expenditures	0	215,711	0	0	0

2017 State Infrastructure Bank-Loan

TX DOT

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	
06/29/2018	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	
01/11/2019	210,654.37	3.15%	987.39	211,641.76	
06/29/2019	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	
06/29/2020	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	
06/29/2021	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	
06/29/2022	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	
06/29/2023	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	
06/29/2024	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	
06/29/2025	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	
06/29/2026	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	
06/29/2027	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	
06/29/2028	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	
06/29/2029	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	
06/29/2030	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	
06/29/2031	56,630.16	3.15%	1,797.84	58,428.00	60,225.84
12/29/2031		3.15%	905.92	905.92	
06/29/2032	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

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40105 Ad Valorem Tax Revenue	124,315	125,891	124,315	124,315	124,315
Total Revenue	124,315	125,891	124,315	124,315	124,315
Total Revenue	124,315	125,891	124,315	124,315	124,315
Expenditures					
<u>Expenses</u>					
500033 PID Bond Principal	25,000	25,000	25,000	25,000	30,000
500034 PID Bond Interest	90,345	91,770	88,920	88,920	87,495
500800 Bank Fees	0	2,700	0	0	0
Total Expenses	115,345	119,470	113,920	113,920	117,495
Total Expenditures	115,345	119,470	113,920	113,920	117,495
Total Revenue Over(Under) Expenditures	8,970	6,421	10,395	10,395	6,820

Special Assessment Revenue Bonds, Series 2018

Magnolia Ridge Public Improvement District

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
03/01/2018		5.70%	12,917.63	12,917.63	
09/01/2018	55,000.00	5.70%	47,452.37	102,452.37	115,370.00
03/01/2019		5.70%	0.00	0.00	
09/01/2019	25,000.00	5.70%	91,770.00	116,770.00	116,770.00
03/01/2020		5.70%	0.00	0.00	
09/01/2020	25,000.00	5.70%	90,345.00	115,345.00	115,345.00
03/01/2021		5.70%	0.00	0.00	
09/01/2021	25,000.00	5.70%	88,920.00	113,920.00	113,920.00
03/01/2022		5.70%	0.00	0.00	0.00
09/01/2022	30,000.00	5.70%	87,495.00	117,495.00	117,495.00
03/01/2023		5.70%	0.00	0.00	
09/01/2023	30,000.00	5.70%	85,785.00	115,785.00	115,785.00
03/01/2024		5.70%	0.00	0.00	
09/01/2024	30,000.00	5.70%	84,075.00	114,075.00	114,075.00
03/01/2025		5.70%	0.00	0.00	
09/01/2025	35,000.00	5.70%	82,365.00	117,365.00	117,365.00
03/01/2026		5.70%	0.00	0.00	
09/01/2026	35,000.00	5.70%	80,370.00	115,370.00	115,370.00
03/01/2027		5.70%	0.00	0.00	
09/01/2027	40,000.00	5.70%	78,375.00	118,375.00	118,375.00
03/01/2028		5.70%	0.00	0.00	
09/01/2028	40,000.00	5.70%	76,095.00	116,095.00	116,095.00
03/01/2029		5.70%	0.00	0.00	
09/01/2029	45,000.00	5.70%	73,815.00	118,815.00	118,815.00
03/01/2030		5.70%	0.00	0.00	
09/01/2030	45,000.00	5.70%	71,535.00	116,535.00	116,535.00
03/01/2031		5.70%	0.00	0.00	
09/01/2031	45,000.00	5.70%	68,970.00	113,970.00	113,970.00
03/01/2032		5.70%	0.00	0.00	
09/01/2032	50,000.00	5.70%	66,120.00	116,120.00	116,120.00
03/01/2033		5.70%	0.00	0.00	
09/01/2033	55,000.00	5.70%	63,270.00	118,270.00	118,270.00
03/01/2034		5.70%	0.00	0.00	
09/01/2034	55,000.00	5.70%	60,135.00	115,135.00	115,135.00
03/01/2035		5.70%	0.00	0.00	
09/01/2035	60,000.00	5.70%	57,000.00	117,000.00	117,000.00
03/01/2036		5.70%	0.00	0.00	
09/01/2036	65,000.00	5.70%	53,580.00	118,580.00	118,580.00
03/01/2037		5.70%	0.00	0.00	
09/01/2037	65,000.00	5.70%	49,875.00	114,875.00	114,875.00
03/01/2038		5.70%	0.00	0.00	
09/01/2038	70,000.00	5.70%	46,170.00	116,170.00	116,170.00
03/01/2039		5.70%	0.00	0.00	
09/01/2039	75,000.00	5.70%	42,180.00	117,180.00	117,180.00

Special Assessment Revenue Bonds, Series 2018

Magnolia Ridge Public Improvement District

Debt Service Schedule

Date	Principal	Rate	Interest	Debt Service	Annual Debt Service
09/01/2040	80,000.00	5.70%	37,905.00	117,905.00	117,905.00
03/01/2041		5.70%	0.00	0.00	
09/01/2041	85,000.00	5.70%	33,345.00	118,345.00	118,345.00
03/01/2042		5.70%	0.00	0.00	
09/01/2042	90,000.00	5.70%	28,500.00	118,500.00	118,500.00
03/01/2043		5.70%	0.00	0.00	
09/01/2043	95,000.00	5.70%	23,370.00	118,370.00	118,370.00
03/01/2044		5.70%	0.00	0.00	
09/01/2044	100,000.00	5.70%	17,955.00	117,955.00	117,955.00
03/01/2045		5.70%	0.00	0.00	
09/01/2045	105,000.00	5.70%	12,255.00	117,255.00	117,255.00
03/01/2046		5.70%	0.00	0.00	
09/01/2046	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

2019 Tax & Revenue Certificate of Obligation-02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	112,550	543,000	416,619	0
40040 Transfer in from Debt Svc			344,000	350,000	0
Total Revenue	0	112,550	887,000	766,619	0
Total Revenue	0	112,550	887,000	766,619	0
Expenditures					
Expenses					
237 2019 Tax/Rev C/O Principal	0	0	640,000	640,000	0
500050 2019 Tax/Rev C/O Interest	0	112,550	246,038	126,619	0
Bank Fees	0	0	750	0	0
Total Expenses	0	112,550	886,038	766,619	0
Total Expenditures	0	112,550	886,038	766,619	0
Total Revenue Over(Under) Expenditures	0	0	963	0	0

City of Magnolia

2021 Tax & Revenue Certificate of Obligation-02

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	0	0	12,787	347,136
40040 Transfer in from Debt Svc			0	0	500,000
Total Revenue	0	0	0	12,787	847,136
Total Revenue	0	0	0	12,787	847,136
Expenditures					
Expenses					
238 2021 G/O Refunding Bond Principal	0	0	0	0	605,000
500051 2021 Tax/Rev C/O Interest	0	0	0	12,787	242,136
Bank Fees	0	0	0	0	0
Total Expenses	0	0	0	12,787	847,136
Total Expenditures	0	0	0	12,787	847,136
Total Revenue Over(Under) Expenditures	0	0	0	(0)	(0)

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
11/01/2020	0.00	0.00%	0.00	0.00	
05/01/2021		4.50%	12,787.45	12,787.45	12,787.45
11/01/2021	605,000.00	4.50%	127,874.38	732,874.38	
05/01/2022		4.50%	114,261.88	114,261.88	847,136.26
11/01/2022	630,000.00	2.25%	114,261.88	744,261.88	
05/01/2023		2.25%	100,086.88	100,086.88	844,348.76
11/01/2023	650,000.00	1.75%	100,086.88	750,086.88	
05/01/2024		1.75%	92,774.38	92,774.38	842,861.26
11/01/2024	665,000.00	1.55%	92,774.38	757,774.38	
05/01/2025		1.55%	86,955.63	86,955.63	844,730.01
11/01/2025	680,000.00	1.55%	86,955.63	766,955.63	
05/01/2026		1.55%	81,685.63	81,685.63	848,641.26
11/01/2026	685,000.00	1.55%	81,685.63	766,685.63	
05/01/2027		1.55%	76,376.88	76,376.88	843,062.51
11/01/2027	695,000.00	4.00%	76,376.88	771,376.88	
05/01/2028		4.00%	70,990.63	70,990.63	842,367.51
11/01/2028	720,000.00	4.00%	70,990.63	790,990.63	
05/01/2029		4.00%	56,590.63	56,590.63	847,581.26
11/01/2029	745,000.00	4.00%	56,590.63	801,590.63	
05/01/2030		4.00%	41,690.63	41,690.63	843,281.26
11/01/2030	780,000.00	1.50%	41,690.63	821,690.63	
05/01/2031		1.50%	26,090.63	26,090.63	847,781.26
11/01/2031	795,000.00	1.50%	26,090.63	821,090.63	
05/01/2032		1.50%	20,128.13	20,128.13	841,218.76
11/01/2032	810,000.00	1.625%	20,128.13	830,128.13	
05/01/2033		1.625%	14,053.13	14,053.13	844,181.26
11/01/2033	825,000.00	1.75%	14,053.13	839,053.13	
05/01/2034		1.75%	7,350.00	7,350.00	846,403.13
11/01/2034	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 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
Funds from W/S Operations	0	0	0	0	0
40106 Transfer in from 4B			0	0	61,804
Total Revenue	0	0	0	0	61,804
Total Revenue	0	0	0	0	61,804
Expenditures					
<u>Expenses</u>					
239 2021 SIB Loan	0	0	0	0	61,804
2021 SIB Loan Interest	0	0	0	0	0
Bank Fees	0	0	0	0	0
Total Expenses	0	0	0	0	61,804
Total Expenditures	0	0	0	0	61,804
Total Revenue Over(Under) Expenditures	0	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
04/30/2021		0.00%	0.00	0.00	
08/01/2021	61,804.00	0.00%	0.00	61,804.00	61,804.00
02/01/2022	61,804.00	0.00%	0.00	61,804.00	
08/01/2022	0.00	0.00%	0.00	0.00	61,804.00
02/01/2023	61,804.00	0.00%	0.00	61,804.00	
08/01/2023	0.00	0.00%	0.00	0.00	61,804.00
02/01/2024	0.00	0.00%	0.00	0.00	
04/01/2024	0.00	0.00%			
08/01/2024	0.00	1.50%	1,678.48	1,678.48	1,678.48
02/01/2025	56,503.53	1.50%	5,300.47	61,804.00	
08/01/2025	0.00	1.50%	4,876.69	4,876.69	66,680.69
02/01/2026	56,927.31	1.50%	4,876.69	61,804.00	
08/01/2026	0.00	1.50%	4,449.73	4,449.73	66,253.73
02/01/2027	57,354.27	1.50%	4,449.73	61,804.00	
08/01/2027	0.00	1.50%	4,019.58	4,019.58	65,823.58
02/01/2028	57,784.42	1.50%	4,019.58	61,804.00	
08/01/2028	0.00	1.50%	3,586.19	3,586.19	65,390.19
02/01/2029	58,217.81	1.50%	3,586.19	61,804.00	
08/01/2029	0.00	1.50%	3,149.56	3,149.56	64,953.56
02/01/2030	58,654.44	1.50%	3,149.56	61,804.00	
08/01/2030	0.00	1.50%	2,709.65	2,709.65	64,513.65
02/01/2031	59,094.35	1.50%	2,709.65	61,804.00	
08/01/2031	0.00	1.50%	2,266.44	2,266.44	64,070.44
02/01/2032	59,537.56	1.50%	2,266.44	61,804.00	
08/01/2032	0.00	1.50%	1,819.91	1,819.91	63,623.91
02/01/2033	59,984.09	1.50%	1,819.91	61,804.00	
08/01/2033	0.00	1.50%	1,370.03	1,370.03	63,174.03
02/01/2034	60,433.97	1.50%	1,370.03	61,804.00	
08/01/2034	0.00	1.50%	916.78	916.78	62,720.78
02/01/2035	60,887.22	1.50%	916.78	61,804.00	
08/01/2035		1.50%	460.12	460.12	62,264.12
02/01/2036	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

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 on page 8.

City of Magnolia

ATS-Red Light Camera -10

Bank Balance as of 05/31/21 \$ 160,342

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40022 Red Light Camera Revenue	0	2,351	0	0	0
40020 Red Light Camera Fund Interest	5,000	8,335	1,500	444	0
Total Gross Revenue	5,000	10,685	1,500	444	0
500815 State Comptroller Fees	0	0	0	0	0
Total Net Revenue	5,000	10,685	1,500	444	0
Expenditures					
<u>Expenses</u>					
500501 Transfer out for Salary Reimb.	164,274	188,299	194,779	208,875	0
500630 Red Light Camera Expense	0	44,147	0	40,000	0
500631 Contractual-Am. Traffic Sys	0	0	0	0	0
500635 Refunds	0	225	0	0	0
500760 Fuel	50,000	34,417	50,000	35,131	50,000
Total Operating Expenses	214,274	267,088	244,779	284,006	50,000
Capital Expenses					
500920 Computer Equipment	0	6,978	0	6,745	0
500921 Radios	0	6,053	0	0	0
500951 Motor Vehicles	36,000	53,221	0	48,773	0
503945 Other Equipment	0	0	0	0	0
Total Capital Expenses	36,000	65,252	0	55,518	0
Total Red Light Camera Fund Expenses	250,274	332,340	244,779	339,524	50,000
Total Revenue Over(Under) Expenditures	(245,274)	(321,655)	(243,279)	(339,080)	(50,000)

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 05/31/21 \$ 1,849,057 (Bal includes \$185K Invested)

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenues</u>					
40009 HB445 Sales Tax Revenue	300,000	384,854	300,000	474,424	400,000
40020 HB445 Interest Earned	10,000	18,151	12,000	2,002	12,000
Total Revenue	310,000	403,005	312,000	476,426	412,000
Total Revenue	310,000	403,005	312,000	476,426	412,000
Expenditures					
<u>Expenses</u>					
500800 Bank Fees	0	0	0	178	0
500850 HB445 Road Repair	300,000	320,133	300,000	25,000	300,000
500999 Due to State Payment	0	0	0	0	0
Total Expenses	300,000	320,133	300,000	25,178	300,000
Total Expenditures	300,000	320,133	300,000	25,178	300,000
Total Revenue Over(Under) Expenditures	10,000	82,872	12,000	451,248	112,000

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 05/31/21 \$ 92,403

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40110 Hotel/Motel Occupancy Tax	45,000	33,975	45,000	36,256	40,000
40117 Event Donations	0	0	0	0	0
Total Revenue	45,000	33,975	45,000	36,256	40,000
Total Revenue	45,000	33,975	45,000	36,256	40,000
Expenditures					
<u>Expenses</u>					
501560 Event Funding	50,000	25,931	45,000	35,000	40,000
Total Expenses	50,000	25,931	45,000	35,000	40,000
Total Expenditures	50,000	25,931	45,000	35,000	40,000
Total Revenue Over(Under) Expenditures	(5,000)	8,044	-	1,256	-

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 05/31/21 \$ 63,119

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
40408 Municipal Court Security Fund Fees	7,500	5,495	5,500	7,365	7,000
Total Revenue	7,500	5,495	5,500	7,365	7,000
Expenditures					
<u>Expenses</u>					
504565 Municipal Court Security Expense	6,000	4,653	5,000	4,550	5,000
Total Expenditures	6,000	4,653	5,000	4,550	5,000
Total Revenue Over(Under) Expenditures	1,500	842	500	2,815	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 05/31/21 \$ (116)

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
41190 Municipal Court Tech Fund Rev.	12,000	7,343	11,000	8,000	9,000
Total Revenue	12,000	7,343	11,000	8,000	9,000
Total Revenue	12,000	7,343	11,000	8,000	9,000
Expenditures					
<u>Expenses</u>					
519570 Municipal Court Tech Fund Exp.	12,475	13,009	15,600	7,500	8,100
Total Expense	12,475	13,009	15,600	7,500	8,100
Total Expenditures	12,475	13,009	15,600	7,500	8,100
Total Revenue Over(Under) Expenditures	(475)	(5,666)	(4,600)	500	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 05/31/21 \$ 3,016

	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
<u>Revenue</u>					
41190 Judicial Efficiency Fund Fee Fund Fees	600	516	600	200	200
Total Revenue	600	516	600	200	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	600	516	600	200	200

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

COMPONENT UNIT FUNDS



City of Magnolia

Component Unit Funds

Fund Description

The criteria for including organizations as component units within the City's reporting entity, as set forth by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The City holds the corporate powers of the organization
- The City appoints a voting majority of the organization's board
- The City is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the City
- There is fiscal dependency by the organization on the City

Based on this, and based upon their significant financial and operational relationships to the City, the City has two discrete component units, as follows: Economic Development Corporation – 4A (EDC) and Community Development Corporation – 4B (CDC).

Fund narrative

Economic Development Corporation – 4A: On September 8, 1997, the City incorporated the "City of Magnolia Economic Development Corporation" (EDC). The purpose of the EDC is to promote economic development within the City and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City, and for improving the assessed valuations through the promotion of: (a) existing business enterprise expansion and retention and (b) new business enterprise development and attraction by developing, implementing, providing and financing projects. A one-half percent City sales tax is designated for this purpose. Directors to the EDC are appointed by the governing body of the City. Although the EDC is legally separate from the City, it is reported as if it were a part of the primary government because its sole purpose is to expend the proceeds of any sales tax levied for the City's benefit in order to promote economic development for the City. The EDC does not issue separate financial statements.

Community Development Corporation – 4B: On June 21, 1995, the City incorporated the "City of Magnolia Community Development Corporation" (CDC). The purpose of the CDC is to promote economic development within the City and the State of Texas in order to eliminate unemployment and underemployment, and to promote and to encourage employment and the public welfare of, for and on behalf of the City, and for parks, auditoriums, learning centers, open space improvements, athletic and exhibition facilities, and other related improvements and for maintenance and operating costs of publicly owned and operated projects by developing, implementing, providing, and financing projects.

A one-half percent City sales tax was designated for this purpose until September 14, 2002, when the voters approved reducing the 4B's City sales tax to one-fourth of a percent of the City sales tax. Although the CDC is legally separate from the City, it is reported as if it were a part of the primary government because its sole purpose is to expend the proceeds of any sales tax levied for the City's benefit and to take sole title of real property and transfer it to the City in order to promote community development for the City. The CDC does not issue separate financial statements.

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.

2021 4A EDC Board of Directors:

President – Robert Franklin

Vice President – Anne Sundquist

Secretary/Treasurer – Basil Tate

Brenda Escalon

Jake Kelly

City of Magnolia

4A- Economic Development Corporation - 07

		Bank Balance as of 05/31/21 \$ 2,277,737			
		(Includes Inclusive Pk, 2012 Sls Tax Rev Bond I&S & EDC Promissory Note)			
	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
40011 4A 1/2 Sales Tax Revenue	600,000	769,707	600,000	1,032,479	800,000
40022 4A Interest Earned	20,000	19,529	20,000	2,192	3,000
40102 City Park Donations	0	0	0	0	0
40122 Sale of Assets	0	0	0	0	0
40124 Misc Revenue	0	0	0	0	0
40126 Grant Proceeds	0	0	0	0	0
40021 Transfers In	0	0	0	0	0
Total Revenue	620,000	789,237	620,000	1,034,672	803,000
Expenses					
Personnel Services					
500501 Salary & Benefit Reimbursement	20,495	2,074	1,500	32,677	44,575
500543 Training & Travel	1,420	263	1,500	124	1,500
500547 Drug Test	0	0	0	53	0
500550 Dues & Membership	600	228	600	0	500
Total Personnel Services	22,515	2,565	3,600	32,853	46,575
Contractual Expenses					
500632 Contract/consultant Services	17,150	12,005	33,150	2,981	300
500640 Legal	5,000	1,369	5,000	3,080	5,000
500641 Auditing/Accounting Services	2,500	2,500	2,575	2,575	2,652
500674 Posting/Advertising	1,800	1,200	1,800	447	1,800
Total Contractual Expenses	26,450	17,074	42,525	9,083	9,752
Miscellaneous Expenses					
500742 Magazines, Maps & Books	3,100	0	2,500	0	0
500743 Copies/Admin.	200	200	200	200	200
500744 Minor Tools & Equipment	0	152	0	0	0
500745 Hospitality,Refreshments	75	0	75	0	0
500766 Office Supplies	250	0	250	136	250
500769 Office Equipment	0	0	0	1,212	0
Total Miscellaneous Expenses	3,625	352	3,025	1,548	450
Expenses (continued)					
500824 Error & Omissions Insurance	2,500	1,490	2,500	1,499	2,500
500825 Liability Insurance	1,500	444	1,500	868	1,600
500836 Printing	500	0	500	0	0
500838 Promotional Expense	800	250	800	0	0
500858 Depreciation Expense	0	N/A	0	N/A	0
Total Expenses (continued)	5,300	2,185	5,300	2,367	4,100
Capital Expenses/Debt Svc					
231 2012 Rev Bond Principal Pay't	245,000	245,000	255,000	255,000	265,000
500875 2012 Rev Bond Int Pay't	56,525	55,716	46,113	46,113	35,275
235 2014 Promissory Note Payable	0	0	0	0	0
500903 2014 Loan Interest	0	0	0	0	0
Total Capital Expenses/Debt Svc	301,525	300,716	301,113	301,113	300,275
Total 4A E D C Expenditures/Transfers	359,415	322,891	355,563	346,964	361,152
Revenue Over(Under) Expenditures	260,585	466,346	264,437	687,708	441,848

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

2021 4B CDC Board of Directors:

President – Brenda Hoppe

Vice President – Joshua Chadwick

Treasurer – Barbara Gardner

Clyde Hunt

Lisa Grant

Kevin Moore

Trevor Brown

City of Magnolia

4B- Community Development Corporation - 06

		Bank Balance as of 05/31/21		\$ 791,273	
	Approved 2019-2020	Actual 2019-2020	Approved 2020-2021	Projected 2020-2021	Approved Budget 2021-2022
Revenue					
40014 4B 1/4 Sales Tax Revenue	300,000	384,854	300,000	516,240	500,000
40022 4B Interest Earned	9,000	8,318	9,000	871	1,000
Total Revenue	309,000	393,172	309,000	517,110	501,000
Misc. Revenue					
40124 Misc. Revenues	1,500	0	500	5,881	0
40127 Park Rental Fees	6,000	1,896	3,000	1,898	0
40133 The Stroll	6,000	1,853	10,000	1,812	5,000
Total Misc. Revenue	13,500	3,749	13,500	9,590	5,000
Total Revenue	322,500	396,921	322,500	526,700	506,000
Expenses					
Personnel Services					
500501 Salary & Benefit Reimbursement	21,000	0	2,300	35,381	35,149
City Secretary		2,165		1,222	2,336
Park	0	2,182	2,400	1,474	0
Park	0	1,501	2,400	0	0
Finance Admin	0	1,814	2,400	2,710	2,704
500543 Training & Travel	1,500	263	1,500	124	1,500
500547 Drug Tests	0	0	0	53	0
500550 Dues & Membership	300	244	300	0	500
Total Personnel Services	22,800	8,169	11,300	40,964	42,189
Contractual Expenses					
500632 Contract/consultant Services	17,664	12,005	33,164	746	500
500640 Legal	5,000	1,538	3,000	940	1,200
500641 Auditing/Accounting Services	2,500	2,500	2,575	2,575	2,652
500674 Posting/Advertising	1,000	1,200	1,500	447	0
500675 Promotions	800	0	0	0	2,000
Total Contractual Expenses	26,964	17,242	40,239	4,708	6,352
Miscellaneous Expenses					
500742 Magazines, Maps & Books	3,100	0	1,500	0	1,500
500743 Copies/Admin.	200	200	50	0	240
500745 Hospitality Refreshments	75	0	200	0	0
500766 Office Supplies	250	61	250	172	200
500769 Office Equipment	0	0	0	1,212	0
Total Miscellaneous Expenses	3,625	261	2,000	1,384	1,940
Expenses (continued)					
500800 Bank Fees	0	188	0	0	0
500824 Error & Omissions Insurance	2,500	1,490	2,000	1,499	2,200
500825 Liability Insurance	1,500	444	1,200	868	1,300
500836 Printing	2,000	0	0	0	0
500840 Econ Dev. Matching Grant	0	0	0	0	45,000
500845 Monuments/Signs	0	550	1,000	0	5,000
500848 Park Maintenance	45,000	45,249	45,000	36,588	0
500850 Other Expenses	500	0	0	0	0
500851 Downtown Revitalization	0	0	0	0	0
Stroll Expense	12,000	7,572	12,000	0	8,000
Total Other Expenses	63,500	55,494	61,200	38,954	61,500
Capital Expenses					
500924 2011 SIB Loan transfer for pmt	165,362	165,362	165,298	165,298	165,233
500925 2017 SIB Loan transfer for pmt	40,000	40,000	40,000	40,000	40,000
2021 SIB Loan transfer for pmt	0	0	0	0	61,804
500976 Capital Expenses	0	0	0	31,378	-
Total Capital Expenses	205,362	205,362	205,298	236,676	267,037
Total 4B Community Dev. Expenditures	322,251	286,527	320,037	322,687	379,018
Revenue Over(Under) Expenditures	249	110,394	2,463	204,014	126,982

SUPPLEMENTAL INFORMATION





2022 Holiday Schedule

New Year's Day	December 31, 2021	Friday
Martin Luther King, Jr. Day	January 17, 2022	Monday
President's Day	February 21, 2022	Monday
Good Friday	April 15, 2022	Friday
Memorial Day	May 30, 2022	Monday
Independence Day	July 4, 2022	Monday
Labor Day	September 5, 2022	Monday
Veteran's Day	November 11, 2022	Friday
Thanksgiving Day Holidays	November 24 and November 25	Thursday and Friday
Christmas Holidays	December 26 and December 27	Monday and Tuesday

CITY OF MAGNOLIA

AMENDED BUDGET AND TAX RATE CALENDAR

FY 2021-2022

August 13, 2021

March	9	Regular City Council Meeting – Request for Council Goals/Update Council Goals
April	15-30	Directors/supervisors develop short and long-term goals & objectives, Capital Improvement/Replacement Programs, employment recommendations; Finance Dept. works on initial draft budget documents and sends departmental budget worksheets to Directors and Supervisors
April	20	Department directors present/discuss goals & objectives during weekly departmental meeting
April	27	Deadline to turn in Dept. goals & objectives, employee recommendations
May	11	Regular City Council Meeting – Request for Council Goals/Update Council Goals
May	10-21	Directors and Supervisors review Departmental Budgets with Finance Dept.
May	28	Deadline for completion of Departmental Budgets
June	11	Deadline for first internal draft of Proposed Budget
June	28	First Draft of Proposed Budget to City Council
July	10	Budget Workshop – 10:00 a.m. to 12 p.m. or July 13 from 5:30 p.m. to 7 p.m. (Council preference) CANCELLED
July	23	Proposed Budget Filed w/City Secretary (must be 15 days before public hearing & 30 days before tax rate adoption)
July	25	Chief Appraiser Certifies Appraisal roll; Tax Assessor calculates no-new revenue & voter-approval tax rates
August	6	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	10	Budget Workshop – rescheduled from July
August	23	<u>SPECIAL</u> City Council Meeting – To discuss tax rate: if proposed tax rate <u>exceeds</u> the lower of the voter- 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
September	1	Publish Notice of Budget Hearing (City Secretary) (has to be published 10-30 days before public hearing)
September	3	Post Notice of Tax Revenue Increase on City website (<u>must be published at least 7 days before meeting to adopt</u>)
September	8	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 18 – must be at least 7 days before adoption)
September	14	<u>REGULAR</u> City Council Meeting - PUBLIC HEARING ON TAX RATE and PUBLIC HEARING ON BUDGET (approve or postpone to September 15)
September	15	<u>SPECIAL</u> City Council Meeting – Adopt: 1. Operating Budget, &/OR 2. Levy Tax Rate (no later than 7 days after public hearing)
September	16	File copy of Tax Rate w/Montgomery County Appraisal District
September	29	File copy of Budget w/City Secretary, County Clerk
October	1	Effective date of Budget

Property Tax Information

Taxable Assessed Valuation

2007-2008	\$67,783,205
2008-2009	\$78,746,846
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

Property Tax Rate Per \$100 Valuation

Fiscal Year	General Fund		Interest & Sinking Fund		Total Tax Rate
	Tax Rate	% of Total	Tax Rate	% of Total	
2007-2008	0.2650	53.93%	0.2264	46.07%	0.4914
2008-2009	0.2798	56.94%	0.2116	43.06%	0.4914
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

For Fiscal Year 2021-22 (2021 Tax Year)

Taxable Assessed Valuation \$298,208,523

Approved Tax Rate 0.4051

Estimated Levy \$1,208,042.73

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 §

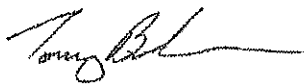
CERTIFICATION OF 2021 APPRAISAL ROLL FOR
City Of Magnolia

I, Tony Belinoski, 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**.

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 23, 2021
Tony Belinoski, Chief Appraiser
Montgomery Central Appraisal District

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2021 As of: Certification

CMA - City Of Magnolia (ARB Approved Totals)

Number of Properties: 1773

Land Totals

Land - Homesite	(+)	\$38,289,310		
Land - Non Homesite	(+)	\$95,821,184		
Land - Ag Market	(+)	\$3,122,620		
Land - Timber Market	(+)	\$1,274,910		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$138,508,024	(+)	\$138,508,024

Improvement Totals

Improvements - Homesite	(+)	\$106,745,690		
Improvements - Non Homesite	(+)	\$130,139,370		
Total Improvements	(=)	\$236,885,060	(+)	\$236,885,060

Other Totals

Personal Property (349)		\$32,977,654	(+)	\$32,977,654
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value	(=)	\$408,370,738		\$408,370,738
Total Market Value 100%	(=)	\$408,646,814		
Total Homestead Cap Adjustment (79)			(-)	\$1,861,512
Total Exempt Property (97)			(-)	\$114,824,829

Productivity Totals

Total Productivity Market (Non Exempt)	(+)	\$4,397,530		
Ag Use (6)	(-)	\$16,520		
Timber Use (6)	(-)	\$18,720		
Total Productivity Loss	(=)	\$4,362,290	(-)	\$4,362,290
Total Assessed	(=)		(=)	\$287,322,107

Exemptions

(HS Assd 89,494,768)

(HS) Homestead Local (476)	(+)	\$2,229,905		
(HS) Homestead State (476)	(+)	\$0		
(O65) Over 65 Local (159)	(+)	\$3,681,170		
(O65) Over 65 State (159)	(+)	\$0		
(DP) Disabled Persons Local (14)	(+)	\$0		
(DP) Disabled Persons State (14)	(+)	\$0		
(DV) Disabled Vet (27)	(+)	\$253,500		
(DVX) Disabled Vet 100% (6)	(+)	\$1,293,120		
(HB366) House Bill 366 (17)	(+)	\$0,300		
(FP) Freeport (1)	(+)	\$3,288,464		
Total Exemptions	(=)	\$10,732,459	(-)	\$10,732,459
Net Taxable (Before Freeze)			(=)	\$276,589,648

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2021 As of: Certification

CMA - City Of Magnolia (Under ARB Review Totals)

Number of Properties: 136

Land Totals

Land - Homesite	(+)	\$1,853,500		
Land - Non Homesite	(+)	\$9,100,850		
Land - Ag Market	(+)	\$0		
Land - Timber Market	(+)	\$0		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$10,954,350	(+)	\$10,954,350

Improvement Totals

Improvements - Homesite	(+)	\$8,472,290		
Improvements - Non Homesite	(+)	\$14,556,330		
Total Improvements	(=)	\$21,028,620	(+)	\$21,028,620

Other Totals

Personal Property (6)		\$384,207	(+)	\$384,207
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value	(=)	\$32,367,177		\$32,367,177
Total Market Value 100%	(=)	\$32,367,177		
Total Homestead Cap Adjustment (10)			(-)	\$195,570
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	(=)		(=)	\$32,171,607

Exemptions

(HS Assd 5,709,070)

(HS) Homestead Local (30)	(+)	\$150,000		
(HS) Homestead State (30)	(+)	\$0		
(O65) Over 65 Local (6)	(+)	\$150,000		
(O65) Over 65 State (6)	(+)	\$0		
(DP) Disabled Persons Local (1)	(+)	\$0		
(DP) Disabled Persons State (1)	(+)	\$0		
(DV) Disabled Vet (1)	(+)	\$7,500		
Total Exemptions	(=)	\$307,500	(-)	\$307,500
Net Taxable (Before Freeze)			(=)	\$31,864,107

Assessment Roll Grand Totals Report

MCAD

Tax Year: 2020 As of: Supplement 12

CMA - City Of Magnolia (XREF LIST OF WH 0722)

Number of Properties: 136

Land Totals

Land - Homesite	(+)	\$1,661,450		
Land - Non Homesite	(+)	\$4,660,850		
Land - Ag Market	(+)	\$0		
Land - Timber Market	(+)	\$0		
Land - Exempt Ag/Timber Market	(+)	\$0		
Total Land Market Value	(=)	\$6,322,300	(+)	\$6,322,300

Improvement Totals

Improvements - Homesite	(+)	\$6,102,690		
Improvements - Non Homesite	(+)	\$9,236,080		
Total Improvements	(=)	\$15,338,770	(+)	\$15,338,770

Other Totals

Personal Property (5)		\$392,435	(+)	\$392,435
Minerals (0)		\$0	(+)	\$0
Autos (0)		\$0	(+)	\$0
Total Market Value	(=)	\$22,063,505		\$22,063,505
Total Market Value 100%	(=)	\$22,063,505		
Total Homestead Cap Adjustment (8)			(-)	\$147,130
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			(=)	\$21,906,375

Exemptions

			(HS Assd	5,484,700)
(HS) Homestead Local (31)	(+)	\$155,000		
(HS) Homestead State (31)	(+)	\$0		
(O65) Over 65 Local (5)	(+)	\$125,000		
(O65) Over 65 State (5)	(+)	\$0		
(DP) Disabled Persons Local (1)	(+)	\$0		
(DP) Disabled Persons State (1)	(+)	\$0		
(DV) Disabled Vet (1)	(+)	\$7,500		
Total Exemptions	(=)	\$287,500	(-)	\$287,500
Net Taxable (Before Freeze)			(=)	\$21,618,875

2021 Tax Rate Calculation Worksheet

Date: 07/28/2021 04:26 PM

Taxing Units Other Than School Districts or Water Districts

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 Districts 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.

No-New-Revenue Tax Rate Worksheet	Amount/Rate
1. 2020 total taxable value. Enter the amount of 2020 taxable value on the 2020 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) 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	\$238,423,773
2. 2020 tax ceilings. Counties, cities and junior college districts. Enter 2020 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 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2020 adjusted taxable value. Subtract Line 2 from Line 1.	\$238,423,773
4. 2020 total adopted tax rate.	\$0.4529/\$100
5. 2020 taxable value lost because court appeals of ARB decisions reduced 2020 appraised value. A. Original 2020 ARB values:	\$660,000

B. 2020 values resulting from final court decisions:	\$630,000
C. 2020 value loss. Subtract B from A. ³	\$30,000
6. 2020 taxable value subject to an appeal under Chapter 42, as of July 25.	
A. 2020 ARB certified value:	\$854,880
B. 2020 disputed value:	\$179,880
C. 2020 undisputed value. Subtract B from A. ⁴	\$675,000
7. 2020 Chapter 42 related adjusted values Add Line 5C and Line 6C.	\$705,000
8. 2020 taxable value, adjusted for actual and potential court-ordered reductions. Add Line 3 and Line 7.	\$239,128,773
9. 2020 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2020. Enter the 2020 value of property in deannexed territory. ⁵	\$0
10. 2020 taxable value lost because property first qualified for an exemption in 2021. 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 2021 does not create a new exemption or reduce taxable value.	
A. Absolute exemptions. Use 2020 market value:	\$0
B. Partial exemptions. 2021 exemption amount or 2021 percentage exemption times 2020 value:	\$456,630
C. Value loss. Add A and B. ⁵	\$456,630
11. 2020 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 2021. Use only properties that qualified in 2021 for the first time; do not use properties that qualified in 2020.	
A. 2020 market value:	\$526,530
B. 2021 productivity or special appraised value:	\$11,170
C. Value loss. Subtract B from A. ⁷	\$515,360
12. Total adjustments for lost value. Add lines 9, 10C and 11C.	\$971,990
13. 2020 captured value of property in a TIF. Enter the total value of 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2020 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. 2020 total value. Subtract Line 12 and Line 13 from Line 8.	\$238,156,783
15. Adjusted 2020 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$1,078,612
16. Taxes refunded for years preceding tax year 2020. Enter the amount of taxes refunded	\$786

by the taxing unit for tax years preceding tax year 2020. 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 2020. This line applies only to tax years preceding tax year 2020. ⁸	
17. Adjusted 2020 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$1,079,398
18. Total 2021 taxable value on the 2021 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:	\$276,589,648
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
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 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2021 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 2021 value. Add A and B, then subtract C and D.	\$276,589,648
19. Total value of properties under protest or not included on certified appraisal roll. ¹³	
A. 2021 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	\$21,618,875
B. 2021 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.	\$21,618,875
20. 2021 tax ceilings. Counties, cities and junior colleges enter 2021 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 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$0
21. 2021 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$298,208,523

22. Total 2021 taxable value of properties in territory annexed after Jan. 1, 2020. Include both real and personal property. Enter the 2021 value of property in territory annexed. ¹⁸	\$0
23. Total 2021 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2020. 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, 2020, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2021. ¹⁹	\$18,605,465
24. Total adjustments to the 2021 taxable value. Add Lines 22 and 23.	\$18,605,465
25. Adjusted 2021 taxable value. Subtract Line 24 from Line 21.	\$279,603,058
26. 2021 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$0.3860/\$100
27. COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2021 county NNR tax rate. ²¹	

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(13)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.012(13)

⁹Tex. Tax Code Section 26.03(c)

¹⁰Tex. Tax Code Section 26.012(13)

¹¹Tex. Tax Code Section 26.012, 26.04(c-2)

¹²Tex. Tax Code Section 26.03(c)

¹³Tex. Tax Code Section 26.01(c) and (d)

¹⁴Tex. Tax Code Section 26.01(c)

¹⁵Tex. Tax Code Section 26.01(d)

¹⁶Tex. Tax Code Section 26.012(6)(b)

¹⁷Tex. Tax Code Section 26.012(6)

¹⁸Tex. Tax Code Section 26.012(17)

¹⁹Tex. Tax Code Section 26.012(17)

²⁰Tex. Tax Code Section 26.04(c)

²¹Tex. Tax Code Section 26.04(d)

²²Reserved for expansion

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:

1. **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
2. **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.

Voter-Approval Tax Rate Worksheet	Amount/Rate
28. 2020 M&O tax rate. Enter the 2020 M&O tax rate.	\$0.1696/\$100
29. 2020 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> .	\$239,128,773
30. Total 2020 M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$405,562
31. Adjusted 2020 levy for calculating NNR M&O rate.	
A. M&O taxes refunded for years preceding tax year 2020 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 2020. This line applies only to tax years preceding tax year 2020.	\$299
B. 2020 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 2021 captured appraised value in Line 18D, enter 0.	\$0
C. 2020 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. 2020 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	\$299
E. Add Line 30 to 31D.	\$405,861
32. Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$279,603,058
33. 2021 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$0.1451/\$100
34. Rate adjustment for state criminal justice mandate.²³	
A. 2021 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

<p>B. 2020 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.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p>
<p>35. Rate adjustment for indigent health care expenditures.²⁴</p> <p>A. 2021 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, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.</p> <p>B. 2020 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, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p>
<p>36. Rate adjustment for county indigent defense compensation.²⁵</p> <p>A. 2021 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.</p> <p>B. 2020 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.</p> <p>E. Enter the lessor of C and D. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p> <p>\$0/\$100</p>
<p>37. Rate adjustment for county hospital expenditures.²⁶</p> <p>A. 2021 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, 2020 and ending on June 30, 2021.</p> <p>B. 2020 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, 2019 and ending on June 30, 2020.</p>	<p>\$0</p> <p>\$0</p>

C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$0/\$100
D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$0/\$100
E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	\$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 26.0444 for more information. A. Amount appropriated for public safety in 2020. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year B. Expenditures for public safety in 2020. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. C. Subtract B from A and divide by Line 32 and multiply by \$100. D. Enter the rate calculated in C. If not applicable, enter 0.	\$0 \$0 \$0/\$100 \$0/\$100
39. Adjusted 2021 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$0.1451/\$100
40. Adjustment for 2020 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2020 should complete this line. These entities will deduct the sales tax gain rate for 2021 in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2020, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. B. Divide Line 40A by Line 32 and multiply by \$100. C. Add Line 40B to Line 39.	\$0 \$0 \$0.1451
41. 2021 voter-approval M&O rate. Enter the rates as calculated by the 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.	\$0.1501/\$100
D41. Disaster Line 41 (D41): 2021 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	\$0/\$100

<p>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</p> <ol style="list-style-type: none"> 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. <p>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).</p>	
<p>42. Total 2021 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:</p> <ol style="list-style-type: none"> (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 <p>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.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)</p> <p>D. Subtract amount paid from other resources.</p> <p>E. Adjusted debt. Subtract B, C, and D from A.</p>	<p>\$1,864,905</p> <p>\$1,082,959</p> <p>\$0</p> <p>\$0</p> <p>\$781,946</p>
43. Certified 2020 excess debt collections. Enter the amount certified by the collector. ²⁸	\$0
44. Adjusted 2021 debt. Subtract Line 43 from Line 42E.	\$781,946
<p>45. 2021 anticipated collection rate.</p> <p>A. Enter the 2021 anticipated collection rate certified by the collector:²⁹</p> <p>B. Enter the 2020 actual collection rate</p> <p>C. Enter the 2019 actual collection rate</p> <p>D. Enter the 2018 actual collection rate</p> <p>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</p>	<p>100.00%</p> <p>98.85%</p> <p>99.59%</p> <p>100.02%</p> <p>100.00%</p>
46. 2021 debt adjusted for collections. Divide Line 44 by Line 45E	\$781,946
47. 2021 total taxable value. Enter the amount on Line 21. of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$298,208,523
48. 2021 debt tax rate. Divide Line 46 by Line 47 and multiply by \$100.	\$0.2622/\$100

49. 2021 voter-approval tax rate. Add Lines 41 and 48.	\$0.4123/\$100
D49. Disaster Line 49 (D49): 2021 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.	\$0.0000/\$100
50. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2021 county voter-approval tax rate.	

²³Tex. Tax Code Section 26.044

²⁴Tex. Tax Code Section 26.0442

²⁵Tex. Tax Code Section 26.0442

²⁶Tex. Tax Code Section 26.0443

²⁷Tex. Tax Code Section 26.04(c-1)

²⁸Tex. Tax Code Section 26.012(10) and 26.04(b)

²⁹Tex. Tax Code Section 26.04(b)

³⁰Tex. Tax Code Section 26.04(b)

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.

Additional Sales and Use Tax Worksheet	Amount/Rate
51. Taxable Sales. For taxing units that adopted the sales tax in November 2020 or May 2021, enter the Comptroller's estimate of taxable sales for the previous four quarters. ²⁰ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2020, 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 2020 or in May 2021. 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 2020. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$0
53. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$298,208,523
54. Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$0/\$100
55. 2021 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> .	\$0.3860/\$100
56. 2021 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2020 or in May 2021. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2020.	\$0.3860/\$100
57. 2021 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> .	\$0.4123/\$100
58. 2021 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$0.4123/\$100

³¹Reserved for expansion

³⁴Tex. Tax Code Section 26.041(d)

³²Tex. Tax Code Section 26.041(d)

³⁵Tex. Tax Code Section 26.04(c)

³³Tex. Tax Code Section 26.041(i)

³⁶Tex. Tax Code Section 26.04(c)

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.

Voter Approval Protection for Pollution Control 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. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$298,208,523
61. Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$0/\$100
62. 2021 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).	\$0.4123/\$100

³⁷Tex. Tax Code Section 26.045(d)

³⁸Tex. Tax Code Section 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 before 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 unused increment rate for that year would be zero.

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

- a tax year before 2020; and⁴⁰
- 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

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

Unused Increment Rate Worksheet	Amount/Rate
63. 2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0.0106
64. 2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero	\$0
65. 2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0
66. 2021 unused increment rate. Add Lines 63, 64 and 65.	\$0.0106/\$100
67. 2021 voter-approval tax rate, adjusted for unused increment rate. ²³ 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).	\$0.4229/\$100

³⁹Tex. Tax Code Section 26.013(a)

⁴⁰Tex. Tax Code Section 26.013(c)

⁴¹Tex. Tax Code Section 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.⁴²

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.⁴³

De Minimis Rate Worksheet	Amount/Rate
68. Adjusted 2021 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$0.1451/\$100
69. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$298,208,523
70. Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$0.1676
71. 2021 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$0.2622/\$100
72. De minimis rate. ²³ Add Lines 68, 70 and 71.	\$0.5749/\$100

⁴²Tex. Tax Code Section 26.012(8-a)

⁴³Tex. Tax Code Section 26.063(a)(1)

⁴⁴Tex. Tax Code Section 26.04(c)

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.

NOTE: This section will not apply to any taxing units in 2021. It is added to implement Senate Bill 1438 (87th Regular Session) and does not apply to a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a declared disaster in 2020, as provided for in the recently repealed Tax Code Sections 26.04(c-1) and 26.041(c-1).

In future tax years, 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.

In future tax years, this section will also 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).

Emergency Revenue Rate Worksheet	Amount/Rate
73. 2020 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
74. Adjusted 2020 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 2020 and the taxing unit calculated its 2020 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2020 worksheet due to a disaster, enter the 2020 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49. - or - - or -If a disaster occurred prior to 2020 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 2020, 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 2020 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 2020 voter-approval tax rate from the worksheet. If the taxing unit adopted a tax rate above the 2020 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.	N/A
75. Increase in 2020 tax rate due to disaster. Subtract Line 74 from Line 73,	N/A
76. Adjusted 2020 taxable value. Enter the amount in Line 13 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
77. Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.	N/A

78. Adjusted 2021 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
79. Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	N/A
80. 2021 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).	N/A

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue tax rate

As applicable, enter the 2021 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). \$0.3860/\$100

Indicate the line number used: 26

Voter-Approval tax rate

As applicable, enter the 2021 voter-approval tax rate from: Line 49, 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). \$0.4229/\$100

Indicate the line number used: 67

De minimis rate

If applicable, enter the de minimis rate from Line 70. \$0.5749/\$100

SECTION 9: Taxing Unit Representative Name and Signature

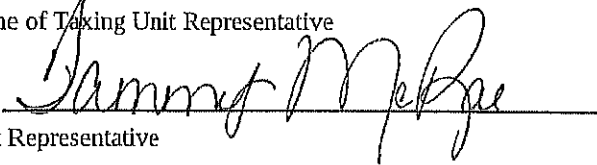
Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in Tax Code.⁵⁰

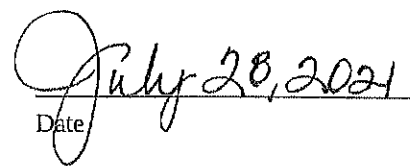
print here Tammy McRae

Printed Name of Taxing Unit Representative

sign here

Taxing Unit Representative





Date

Effective Tax Rate Report

Tax Year: 2021

Taxing Unit: CMA - City Of Magnolia

NEW EXEMPTIONS:

	COUNT	2020 ABSOLUTE EX VALUES	2021 PARTIAL EX VALUES
NEW EXEMPT PROPERTY	0	\$0	
NEW HS EXEMPTIONS	31		\$140,000
NEW PRO EXEMPTIONS	0		\$0
NEW OA EXEMPTIONS	13		\$274,630
NEW DP EXEMPTIONS	0		\$0
NEW DV1 EXEMPTIONS	1		\$5,000
NEW DV2 EXEMPTIONS	2		\$15,000
NEW DV3 EXEMPTIONS	1		\$10,000
NEW DV4 EXEMPTIONS	1		\$12,000
NEW DVX EXEMPTIONS	0		\$0
NEW HB366 EXEMPTIONS	0		\$0
NEW PC EXEMPTIONS	0		\$0
NEW FRSS EXEMPTIONS	0		\$0

ABSOLUTE EX TOTAL		\$0
PARTIAL EX TOTAL	(+)	\$456,630
2020 TAXABLE VALUE LOST DUE TO PROPERTY BECOMING EXEMPT IN 2021	(=)	\$456,630

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
--	-----

NEW AG APPLICATIONS:

NEW AG APPLICATIONS COUNT	2
2020 MARKET	\$526,530
2021 USE	(-) \$11,170
VALUE LOST DUE TO AG APPLICATIONS:	(=) \$515,360 (\$515,360 Taxable)

NEW IMPROVEMENTS:

	COUNT	TOTAL APPRAISED VALUE ¹	NEW CURRENT TAXABLE ²
NEW IMPROVEMENTS	109	\$20,740,420	\$15,445,544
RESIDENTIAL	109	\$20,740,420	\$15,445,544
COMMERCIAL	0	\$0	\$0
OTHER	0	\$0	\$0
NEW ADDITIONS	7	\$4,145,390	\$3,159,920

RESIDENTIAL	1	\$68,250	\$18,250
COMMERCIAL	6	\$4,077,140	\$3,141,670
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:		\$24,885,810	\$18,605,465

2020 TOTAL TAXABLE (EXCLUDES UNDER PROTEST) \$239,278,653
 2020 OA DP FROZEN TAXABLE \$0
 2020 TAX RATE 0.4529
 2020 OA DP TAX CEILING \$0

2021 CERTIFIED TAXABLE \$276,589,648
 2021 TAXABLE UNDER PROTEST \$31,884,107
 2021 OA FROZEN TAXABLE \$0
 2021 DP FROZEN TAXABLE \$0
 2021 TRANSFERRED OA FROZEN TAXABLE \$0
 2021 TRANSFERRED DP FROZEN TAXABLE \$0
 2021 OA FROZEN TAXABLE UNDER PROTEST \$0
 2021 DP FROZEN TAXABLE UNDER PROTEST \$0
 2021 TRANSFER OA WITH FROZEN TAXABLE UNDER PROTEST \$0
 2021 TRANSFER DP WITH FROZEN TAXABLE UNDER PROTEST \$0
 2021 APPRAISED VALUE \$319,493,714
 2021 OA DP TAX CEILING \$0

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

2020 total taxable value.	1. \$239,278,653
2020 tax ceilings.	2. \$0
2020 total adopted tax rate.	4. 0.452900
a. 2020 M&O tax rate.	a. 0.169600
b. 2020 I&S tax rate.	+b. 0.283300
2020 taxable value of property in territory deannexed after Jan. 1, 2020.	7. \$0
2020 taxable value lost because property first qualified for an exemption in 2021.	8. \$456,630
a. Absolute exemptions.	a. \$0
b. Partial exemptions.	+b. \$456,630
2020 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 2021.	9. \$515,360
a. 2020 market value.	a. \$526,530
b. 2021 productivity or special appraisal value.	-b. \$11,170
2021 certified taxable.	\$276,589,648
2021 tax ceilings.	18. \$0
Total 2021 taxable value of properties in territory annexed after Jan.1, 2020.	20. \$0
Total 2021 taxable value of new improvements and new personal property	21. \$18,605,465
* 2020 Values as of Supplement 12.	

ORDINANCE NO. O-2021-018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS, APPROVING AND ADOPTING THE FISCAL YEAR 2021-2022 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 23rd day of July 2021, the Mayor filed with the City Secretary a proposed budget of expenditures for the City of Magnolia for the fiscal year 2021-2022, 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 14th day of September 2021, 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 2021-2022"

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.

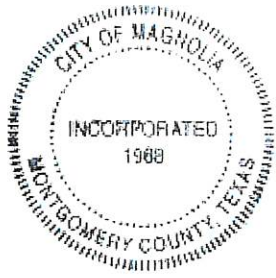
City Council Members Present Were:

	Aye	Nay	Absent
Mayor Todd Kana			
Council member Daniel Miller Position 1	X		
Council member Matthew Dantzer Position 2	X		
Mayor Pro Tem Rick Carby Position 3	X		
Council member Brenda Hoppe Position 4	X		
Council member Josh Abernathy Position 5	X		

Member(s) Present But Not Voting:

Mayor Todd Kana

DULY PASSED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS on this the 14th day of September, 2021.



THE CITY OF MAGNOLIA, TEXAS

By: 
Todd Kana, Mayor

ATTEST:


Kandice Garrett, City Secretary

ORDINANCE NO. O-2021-019

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 2021 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 **twenty six and twenty two hundredths cents (0.2622)** for debt service and a tax rate of **fourteen and twenty nine hundredths cents (0.1429)** 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 15th day of September, 2021, 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 2021 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 2021, and for each year thereafter until otherwise provided, an ad valorem tax at the rate of **fourteen and twenty nine hundredths cents (0.1429)** 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 2021-2022, 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 **twenty six and twenty two hundredths cents (0.2622)** on each One Hundred Dollars (\$100.00) of assessed valuation.

Section 5. All ad valorem taxes levied hereby, in the total amount of **forty and fifty one hundredths cents (0.4051)** 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, 2022. All ad valorem taxes due the City of Magnolia, Texas, and not paid on or before January 31, 2022 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.

SIGNATURES TO FOLLOW ON NEXT PAGE

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 15th day of September, 2021.



THE CITY OF MAGNOLIA, TEXAS

By: 
Rick Carby, Mayor Pro Tem

ATTEST:


Kandice Garrett, City Secretary

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

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

Comprehensive Plan

In April 2013, the City of Magnolia adopted the first of its kind Comprehensive Plan. At the top of its priority list are infrastructure improvements, transportation and connectivity. With a new town center outlined in the comprehensive plan, growth within the City is certain.

Kendig Keast Collaborative, an urban planning firm in Sugarland, has been working with the City and its comprehensive plan. Capturing more than five miles in the City's extraterritorial jurisdiction ("ETJ") was just one parallel goal of the plan. Other accomplishments include utility upgrades and a Unified Code of Ordinances.

In 2015 the City of Magnolia adopted a Unified Development Code and Zoning following two years of implementation of its Comprehensive Plan. During this time, the City widely expanded its extraterritorial jurisdiction ("ETJ"), pushing the city limits to the FM 149 spur at FM 1488. With these accomplishments, the City is clearly focused on the future and prepared with a plan.

With the area's expected growth, infrastructure and transportation improvements are musts. But just as important is meeting the needs of entrepreneurs, start-ups and developers interested in becoming part of the progress and excitement that is Magnolia.

Strategic Recommendations

- Quality Appearance and Function
- Preservation of Community Character
- Destination for Housing, Entertainment, and Jobs

For full details of the City of Magnolia's Comprehensive Plan, please visit the City's website. By reviewing it, you will see the intent and vision of city leaders who listened to the community.

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