

Mayor Todd Kana
Daniel Miller, Position 1
Matthew Dantzer, Position 2
Richard Carby, Mayor Pro Tem, Position 3
Brenda Hoppe, Position 4
Jack L. Huitt Jr., Position 5

Don Doering, City Administrator
Kandice Garrett, City Secretary
Leonard Schneider, City Attorney
Kyle Montgomery, Police Chief
Beverly Standley, Finance/HR Administrator
Mike Kurzy, AEI Engineering



NOTICE OF PUBLIC MEETING OF THE MAGNOLIA CITY COUNCIL

AGENDA

SPECIAL CITY COUNCIL MEETING WEDNESDAY, AUGUST 24, 2022 – 7:00 P.M.

Sewall Smith Council Chambers
18111 Buddy Riley Boulevard, Magnolia, Texas 77354

SPECIAL MEETING AGENDA

1. **CALL MEETING TO ORDER**
 - a. INVOCATION
 - b. PLEDGE OF ALLEGIANCE
 - c. ROLL CALL AND CERTIFICATION OF A QUORUM
2. **CONSIDERATION – ORDINANCE NO. O-2022-023 – ADOPT FISCAL YEAR 2022-2023 ANNUAL OPERATING BUDGET** (Mayor Todd Kana)
Consideration and possible action to adopt:

ORDINANCE NO. O-2022-023

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS, APPROVING AND ADOPTING THE FISCAL YEAR 2022-2023 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.

"I move to adopt Ordinance No. O-2022-023 which approves and adopts the annual operating budget of the City of Magnolia, Texas for the fiscal year 2022-2023."

"I move to ratify the increase in more revenue from property taxes than last year's budget by an amount of \$699,210 which is a 57.15% increase from last year's budget and by an additional amount of \$147,215 of property tax revenue from new property added to the tax roll this year."

3. **CONSIDER, ADOPT, AND SET BY ORDINANCE NO. O-2022-024 THE 2022 AD VALOREM TAX RATE FOR MAINTENANCE AND OPERATION (“M&O”) - \$.1152/\$100** (Mayor Todd Kana)
Consideration and possible action to adopt Ordinance No. O-2022-024 to set the 2022 Ad Valorem Tax Rate for M&O at \$.1152/\$100.

4. **CONSIDER, ADOPT, AND SET BY ORDINANCE NO. O-2022-024 THE 2022 AD VALOREM TAX RATE FOR DEBT SERVICE (“DS”) - \$.2661/\$100** (Mayor Todd Kana)
Consideration and possible action to adopt Ordinance No. O-2022-024 to set the 2022 Ad Valorem Tax Rate for DS at \$.2661/\$100.

“I move that the property tax rate be increased by the adoption of a tax rate of \$0.3813/\$100, which is effectively a 43.13 percent increase in the tax rate.”

5. **CONSIDERATION – ORDINANCE NO. O-2022-24 PROVIDES FOR ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES** (Mayor Todd Kana)
Consideration and possible action to adopt:

ORDINANCE NO. O-2022-024

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 2022 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.

6. **ADJOURN**

If, during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive Session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 – consultation with counsel on legal matters; Section 551.072 – deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 – deliberation regarding a prospective gift; Section 551.074 – personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; Section 551.076 – implementation of security personnel or devices; Section 551.086 – deliberation regarding competitive matters of a public power utility ; Section 551.087 – deliberation regarding economic development negotiation; and/or other matters as authorized under Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary’s office at (281-305-0550), two working days prior to the meeting for appropriate arrangements.

CERTIFICATE

I certify that a copy of the *Notice of Meeting* was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.cityofmagnolia.com, in compliance with Chapter 551, Texas Government Code.

DATE _____
TIME _____
TAKEN DOWN _____

Kandice Garrett, City Secretary



ORDINANCE NO. O-2022-023

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS, APPROVING AND ADOPTING THE FISCAL YEAR 2022-2023 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 22nd day of July 2022, the Mayor filed with the City Secretary a proposed budget of expenditures for the City of Magnolia for the fiscal year 2022-2023, 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 23rd day of August 2022, 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 2022-2023"

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 | _____ | _____ | _____ |
| Council member Matthew Dantzer Position 2 | _____ | _____ | _____ |
| Mayor Pro Tem Rick Carby Position 3 | _____ | _____ | _____ |
| Council member Brenda Hoppe Position 4 | _____ | _____ | _____ |
| Council member Jack L Huitt Jr. Position 5 | _____ | _____ | _____ |

Member(s) Present But Not Voting:

Mayor Todd Kana

DULY PASSED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, TEXAS on this the 24th day of August, 2022.



THE CITY OF MAGNOLIA, TEXAS

By: _____
Richard Carby, Mayor Pro Tem

ATTEST:

Kandice Garrett, City Secretary

ORDINANCE NO. O-2022-024

**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 2022
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 sixty one hundredths cents (0.2661)** for debt service and a tax rate of **eleven and fifty two hundredths cents (0.1152)** 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 24th day of August, 2022, 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 2022 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 2022, and for each year thereafter until otherwise provided, an ad valorem tax at the rate of **eleven and fifty two hundredths cents (0.1152)** 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 2022-2023, 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 sixty one hundredths cents (0.2661)** on each One Hundred Dollars (\$100.00) of assessed valuation.

Section 5. All ad valorem taxes levied hereby, in the total amount of **thirty eight and thirteen hundredths cents (0.3813)** 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, 2023. All ad valorem taxes due the City of Magnolia, Texas, and not paid on or before January 31, 2023 following the year for which they were levied shall bear penalty and interest as prescribed in the Property Tax Code of the State of Texas.

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

PASSED AND APPROVED this 24th day of August, 2022.

SIGNATURES TO FOLLOW ON NEXT PAGE



THE CITY OF MAGNOLIA, TEXAS

By: _____
Richard Carby, Mayor Pro Tem

ATTEST:

Kandice Garrett, City Secretary