

MAGNOLIA ISD

BOND

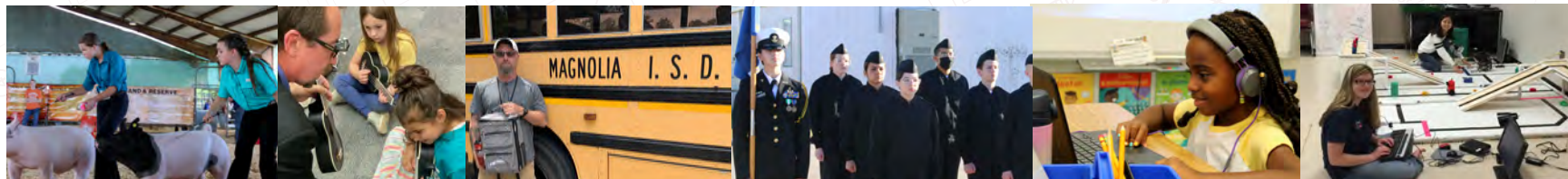
2022



The Magnolia ISD Board of Trustees voted unanimously to call for the \$232 million bond referendum to be included in the November 8, 2022, general election.



SCAN ME

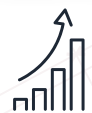


BOND OVERVIEW: \$232 million

\$0 IMPACT ON TAX RATE

PROPOSITION A

\$228 MILLION



GROWTH

New Schools
(elementary #9,
intermediate #3,
junior high #3)
Buses
Land



CAPITAL PROJECTS

Roofing
HVAC
Water & Sewer Plant
Parking Lot
Campus renovations
and upgrades



PROGRAMS

Expand CTE building
Renovate Ag Barn
NJROTC building
renovations



TECHNOLOGY

Upgrade network
capability
Enhance wireless
access at campuses



SECURITY

Building
safety
upgrades

PROPOSITION B

\$4 MILLION



SPORTS STANDARDIZATION

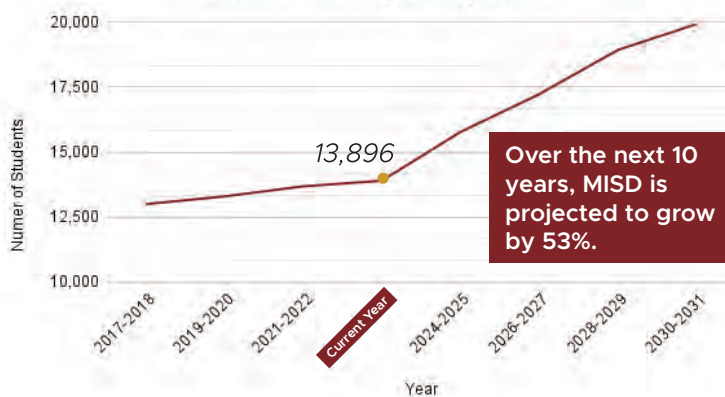
Artificial turf for both
high school baseball &
softball fields

PREPARING FOR GROWTH

MISD is expected to enroll more than 17,200 students by 2026-2027, and enroll more than 22,000 by 2031-2032.
(Templeton Demographics 2022)

Additionally, MISD expects to enroll over 500 new students in the 2022-2023 school year. The district is anticipated to average almost 5% growth each year for the next 10 years.

Enrollment History & Projections



as of 8/18/22

- Currently 32 actively building subdivisions in Magnolia ISD; 18 future subdivisions

- 1,200 vacant lots ready for new builds; and over 32,000 lots for future development



REGISTER TO VOTE BY OCTOBER 11

EARLY VOTING: **OCTOBER 24 - NOVEMBER 4**

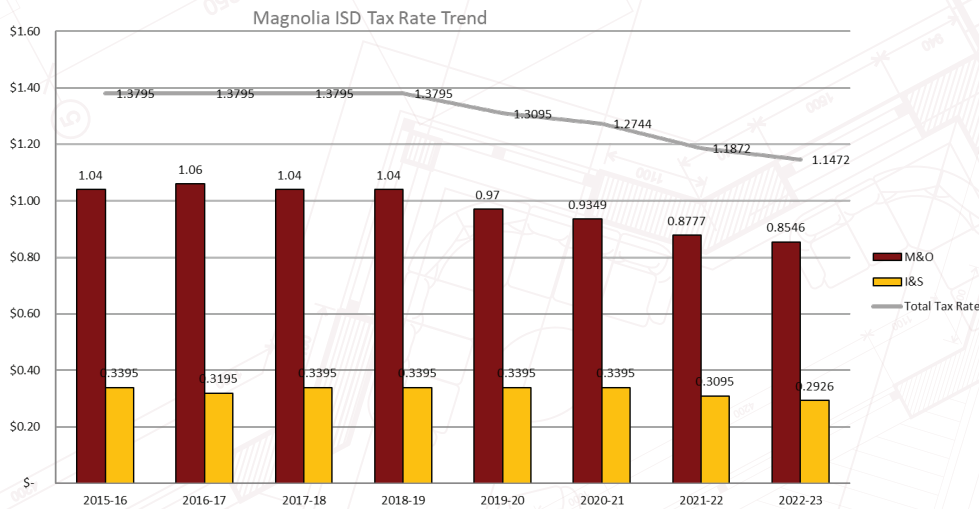
ELECTION DAY: **NOVEMBER 8**

NO CHANGE TO THE TAX RATE

Bond ballot propositions must include the following statement: THIS IS A PROPERTY TAX INCREASE. As a result of this new state requirement, voters will see this language on both bond propositions; however, **the MISD tax rate will not increase** as a result of the 2022 bond election. In fact, the MISD Board of Trustees voted on August 22, 2022, to lower the rate by \$0.04.

TAX RATE HISTORY

The proposed tax rate is the lowest in almost 20 years at \$1.1472



UNDERSTANDING THE TAX RATE

The school district budget is divided into two buckets - Maintenance & Operations (M&O) and Interest & Sinking (I&S). I&S, also known as Debt Service, is used to repay debt for longer-term capital improvements approved by voters through bond elections.

Proceeds from the bond issue can only be used for Debt Services or I&S.

GENERAL OPERATING FUND

(MAINTENANCE & OPERATIONS)

Day-to-day operations & expenses

For school districts this includes:

- staff salaries
- utilities
- supplies
- repairs
- fuel



For the average citizen this is similar to:

- groceries
- utilities
- minor home repairs
- routine services
- car fuel

DEBT SERVICES FUND

(INTEREST & SINKING)

Principal and interest payments on debt issued

For school districts this includes:

- new construction
- Renovations
- HVAC Systems
- Roofing
- Technology



For the average citizen this is similar to:

- Mortgage
- Home renovation
- Major Appliances
- Land
- Car

BOND FUNDS CANNOT BE USED FOR SALARIES, UTILITIES, OR OTHER DAY-TO-DAY EXPENSES.

BOND ELECTIONS ONLY AFFECT THE I&S PART OF THE TAX RATE.

IMPACT ON TAXPAYERS

There is no tax rate increase for the November 2022 bond

The net impact on a \$300,000 home = \$0



= \$0

MISD residents **65+** have their **MISD tax bill frozen.**



SCAN ME

FISCAL RESPONSIBILITY HIGHLIGHTS

- **Third lowest** tax rate in the Houston area
- **Second lowest** tax rate in Montgomery County
- District's current financial position is **the strongest in the history** of the organization via 3.8 months of operating expenses in reserves
- Aggressive debt management plan **saved the district and our taxpayers \$47 million** in interest and bond principal

- **Lowest** debt-per-student ratio compared to peers
- **Consecutive** prestigious financial awards from **state agencies**

Current tax rate:
\$1.1472

- **The lowest in almost 20 years**



Recognizing Local Transparency Achievements



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