

2022

Fall Edition

As we are preparing for the November election ballot, I want to explain why Magnolia ISD has called for a bond at this time. From October 2020 to October 2021, we grew 550 students. This year we have grown almost 3%, reached 14,000 plus students, and continue to enroll new students daily.

This bond is about providing seat space and capacity for our students. Our last bond was in 2015, allowing us to add seat capacity at our elementary schools by building intermediate schools for our 5th and 6th graders. We are now reaching capacities at several elementary schools, our junior highs, and intermediates.

Now is the time to address the growth we are experiencing in our district. Our board and district administration have been fiscally responsible and good stewards of taxpayers' dollars which has positioned us not to increase the tax rate.

Dr. Todd Stephens
Superintendent



MAGNOLIA

INDEPENDENT SCHOOL DISTRICT

Ad paid for by Magnolia ISD

MAGNOLIA ISD

BOND

2022

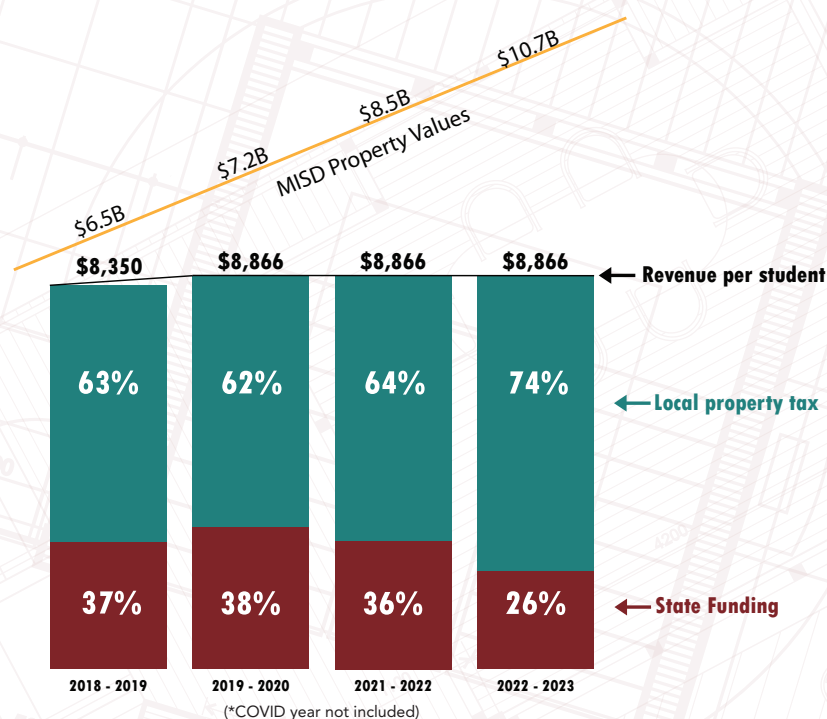
Why Now For A Bond?

The residential growth is increasing the district's student enrollment, which is the primary driver of the November bond. We simply must have seat space to accommodate this growth. **85% of the bond addresses the need for student seat space.** As it takes time to build facilities, it's important to be on the front end of the growth to avoid overcrowded classrooms and an abundance of portable buildings which do not provide the ideal classroom environment.

No New Revenue

The district General Fund budget comprises local funding (property tax), state funding, and 2% of federal revenues. Montgomery County has seen a large increase in property valuations, but Magnolia ISD has no new (additional) revenue for utilization of day-to-day operations.

As property tax revenue increases, the State aid portion of school district funding decreases. Magnolia ISD is maintaining a flat level of revenue per student from year to year as the State controls the tax rate through adopted legislation. As illustrated in the chart, the total revenue received per student has remained the same for the past three years. The State portion has decreased while the local portion has increased.



Ballot Language

The State **requires** all districts, whether the ISD tax rate is increasing or decreasing, to state the following ballot language on all propositions: "THIS IS A PROPERTY TAX INCREASE."

The bond will not affect the MISD tax rate, but the district will assume the new voter-approved debt.

Sample Ballot

MAGNOLIA ISD – PROPOSITION A

☐ FOR☐ AGAINST

"THE ISSUANCE OF \$228,000,000 OF BONDS FOR THE CONSTRUCTION, ACQUISITION, RENOVATION, AND EQUIPMENT OF SCHOOL BUILDINGS IN THE DISTRICT, INCLUDING A NEW ELEMENTARY SCHOOL, A NEW INTERMEDIATE SCHOOL, A NEW JUNIOR HIGH SCHOOL, CAPITAL RENOVATIONS TO DISTRICT FACILITIES, NEW CAREER AND TECHNICAL EDUCATION FACILITIES FOR EACH HIGH SCHOOL, A NEW ROTC FACILITY, RENOVATIONS TO THE DISTRICT AGRICULTURAL BARN, EQUIPMENT USED FOR SCHOOL SECURITY PURPOSES, AND TECHNOLOGY INFRASTRUCTURE INTEGRAL TO THE CONSTRUCTION OF DISTRICT FACILITIES, FOR THE PURCHASE OF THE NECESSARY SITES FOR SCHOOL BUILDINGS, AND FOR THE PURCHASE OF NEW SCHOOL BUSES, AND THE LEVYING OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED IN CONNECTION WITH THE BONDS. THIS IS A PROPERTY TAX INCREASE."

MAGNOLIA ISD – PROPOSITION B

☐ FOR☐ AGAINST

"THE ISSUANCE OF \$4,000,000 OF BONDS THE CONSTRUCTION, ACQUISITION, RENOVATION AND EQUIPMENT OF IMPROVEMENTS TO THE BASEBALL AND SOFTBALL FIELDS AT MAGNOLIA HIGH SCHOOL AND MAGNOLIA WEST HIGH SCHOOL, INCLUDING THE INSTALLATION OF ARTIFICIAL TURF, AND THE LEVYING OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED IN CONNECTION WITH THE BONDS. THIS IS A PROPERTY TAX INCREASE."

NO TAX RATE INCREASE

The current tax rate of \$1.1472 is the lowest in 20 years and is the second lowest in Montgomery County.

What's Included

MISD expects to enroll over 500 new students in the 2022-2023 school year and is anticipated to average almost 5% growth each year for the next 10 years. By 2031-2032, the district is expected to have an enrollment of 22,000 students.
[Templeton Demographics, Spring 2022]

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



SECURITY

Building
safety
upgrades



TECHNOLOGY

Upgrade network
capability
Enhance wireless
access at campuses

PROPOSITION B

\$4 MILLION



SPORTS STANDARDIZATION

Artificial turf for both
high school baseball &
softball fields



MISD is one of the few districts in the area that does not have turf. When it rains, our natural grass fields are not playable and MISD athletes are forced to play elsewhere.

NO CHANGE TO THE TAX

Despite the ballot language stating, "THIS IS A PROPERTY TAX INCREASE," **the bond has no tax rate increase.**

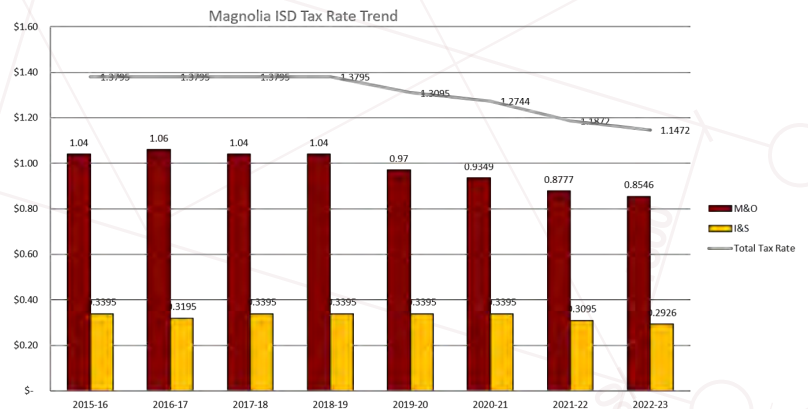
No tax rate increase is projected due to the new tax base created by residential and commercial growth. **The bond cost projections solely take into consideration tax base growth associated with new developments.** In short, the residential and commercial development is driving the need for a bond.

The district has positioned itself financially to take on new debt without a tax increase. MISD has done this through our bond defeasance plan, saving over \$47 million in interest and principal, and MISD has continued to lower the tax rate.

For the purposes of setting the tax rate and the bond, the MISD property value projections are projected as follows:

YEAR 1 **5% growth**
YEARS 2-5 **3% growth**
YEARS 6+ **flat growth**

This is an ultra-conservative forecast as these projections are well below the current growth MISD has been experiencing. Average property value growth for the past two decades exceeds 10% per year.



**GET THE FACTS
ON OUR WEBSITE**



Get the Facts

The good news –

The residential and commercial growth is why MISD does not have to increase the tax rate to pay for a \$232 million bond.

EVERY VOTE COUNTS

Visit elections.mctx.org for more information on voting dates, times, and locations.



LEARN MORE
ON OUR WEBSITE



38th Annual Livestock Show

Thank you to everyone who showed up to support our students on September 16 and 17.

This year our students had a record-setting year through their animal projects. Without add-ons and post-sale, the auction raised \$317,000 for these FFA and 4-H students.

Approximately 160 kids participated in the show which highlights their year-long animal projects. Congratulations to all of these students on their hard work, dedication, and time (and money) spent raising these animals.



MAGNOLIA ISD
BOND
2022

EARLY VOTING:
OCT. 24 - NOV. 4

ELECTION DAY:
NOVEMBER 8

Over \$317,000 raised



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<https://bit.ly/MISDStayConnected>


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INDEPENDENT SCHOOL DISTRICT
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