Preliminary Draft

BUDGET FY24

OCTOBER 2023

Through

SEPTEMBER 2024

Prepared By:

Melissa Stillwell

PRELIMINARY BUDGET DRAFT-FISCAL YEAR 2024

FUND OVERVIEW

Row Labels	Sum of FY 2024 Budget Total	Sum of FY 2023 Budget Total	Sum of FY 2023 Activity Total
Debt Service	(13,310.00)	(1,317.00)	(103,076.58)
General	(5,110.35)	593,830.00	(988,156.78)
Sewer	(120,289.40)	(713,231.00)	(59,637.84)
Water	(546,829.10)	(664,125.56)	(1,882,883.27)
Grand Total	**(685,538.85)**	**(784,843.56)**	**(3,033,754.47)**

FUND REVENUE/EXPENSE

Row Labels	Sum of FY 2024 Budget Total	Sum of FY 2023 Budget Total	Sum of FY 2023 Activity Total
Debt Service	**(13,310.00)**	**(1,317.00)**	**(103,076.58)**
Expense	220,000.00	221,444.00	135,709.03
Revenue	(233,310.00)	(222,761.00)	(238,785.61)
General	**(5,110.35)**	**593,830.00**	**(988,156.78)**
Expense	5,162,092.65	4,331,927.00	3,535,920.08
Revenue	(5,167,203.00)	(3,738,097.00)	(4,524,076.86)
Sewer	**(120,289.40)**	**(713,231.00)**	**(59,637.84)**
Expense	2,043,310.60	1,708,769.00	2,441,252.52
Revenue	(2,163,600.00)	(2,422,000.00)	(2,500,890.36)
Water	**(546,829.10)**	**(664,125.56)**	**(1,882,883.27)**
Expense	2,902,949.90	2,648,049.44	1,939,560.53
Revenue	(3,449,779.00)	(3,312,175.00)	(3,822,443.80)
Grand Total	**(685,538.85)**	**(784,843.56)**	**(3,033,754.47)**

The City of Josephine TEXAS

PRELIMINARY BUDGET DRAFT-FISCAL YEAR 2024

DEPARTMENT OVERVIEW

Row Labels	Sum of FY 2024 Budget Total	Sum of FY 2023 Budget Total	Sum of FY 2023 Activity Total
Administrative	(1,316,280.53)	(719,284.00)	(1,366,435.56)
Debt Service	(13,310.00)	(1,317.00)	(103,076.58)
Fire	(130,000.00)	-	(18,105.00)
Municipal Court	146,088.55	139,345.00	104,634.14
Parks	7,550.70	38,925.00	(70,253.43)
Police	881,158.44	933,394.00	367,266.51
Public Works	44,100.00	40,050.00	32,926.82
Sanitation	(296,004.45)	(143,675.00)	(357,497.89)
Sewer	(120,289.40)	(713,231.00)	(59,637.84)
Street	658,276.94	305,075.00	319,307.63
Water	(546,829.10)	(664,125.56)	(1,882,883.27)
Grand Total	**(685,538.85)**	**(784,843.56)**	**(3,033,754.47)**

DEPARTMENT REVENUE/EXPENSE

Row Labels	Sum of FY 2024 Budget Total	Sum of FY 2023 Budget Total	Sum of FY 2023 Activity Total
Administrative	**(1,316,280.53)**	**(719,284.00)**	**(1,366,435.56)**
Expense	1,759,622.47	1,411,063.00	1,338,088.18
Revenue	(3,075,903.00)	(2,130,347.00)	(2,704,523.74)
Debt Service	**(13,310.00)**	**(1,317.00)**	**(103,076.58)**
Expense	220,000.00	221,444.00	135,709.03
Revenue	(233,310.00)	(222,761.00)	(238,785.61)
Fire	**(130,000.00)**	**-**	**(18,105.00)**
Expense	-	-	-
Revenue	(130,000.00)	-	(18,105.00)
Municipal Court	**146,088.55**	**139,345.00**	**104,634.14**
Expense	197,088.55	190,345.00	158,519.46
Revenue	(51,000.00)	(51,000.00)	(53,885.32)
Parks	**7,550.70**	**38,925.00**	**(70,253.43)**
Expense	61,550.70	68,925.00	42,716.27
Revenue	(54,000.00)	(30,000.00)	(112,969.70)
Police	**881,158.44**	**933,394.00**	**367,266.51**
Expense	1,712,908.44	1,515,144.00	930,157.61
Revenue	(831,750.00)	(581,750.00)	(562,891.10)

Public Works	**44,100.00**	**40,050.00**	**32,926.82**
Expense	44,100.00	40,050.00	32,926.82
Revenue	-	-	-
Sanitation	**(296,004.45)**	**(143,675.00)**	**(357,497.89)**
Expense	453,995.55	451,325.00	346,415.92
Revenue	(750,000.00)	(595,000.00)	(703,913.81)
Sewer	**(120,289.40)**	**(713,231.00)**	**(59,637.84)**
Expense	2,043,310.60	1,708,769.00	2,441,252.52
Revenue	(2,163,600.00)	(2,422,000.00)	(2,500,890.36)
Street	**658,276.94**	**305,075.00**	**319,307.63**
Expense	932,826.94	655,075.00	687,095.82
Revenue	(274,550.00)	(350,000.00)	(367,788.19)
Water	**(546,829.10)**	**(664,125.56)**	**(1,882,883.27)**
Expense	2,902,949.90	2,648,049.44	1,939,560.53
Revenue	(3,449,779.00)	(3,312,175.00)	(3,822,443.80)
Grand Total	**(685,538.85)**	**(784,843.56)**	**(3,033,754.47)**

The City of Josephine TEXAS

PRELIMINARY BUDGET DRAFT-FISCAL YEAR 2024

ACCOUNT DETAIL

Row Labels	Sum of FY 2024 Budget Total	Sum of FY 2023 Budget Total	Sum of FY 2023 Activity Total
Expense	**10,328,353.15**	**8,910,189.44**	**8,052,442.16**
Ambulance Service	56,313.00	37,000.00	15,756.90
Animal Control Service	31,000.00	27,000.00	22,140.00
Audit Fees	40,000.00	33,000.00	24,000.00
Bank Service Charge	4,100.00	3,630.00	2,966.60
Bonds/Employee	1,670.00	1,670.00	662.00
Building Inspections	300,000.00	160,000.00	165,650.00
Capital Outlay	1,694,400.00	1,454,597.00	1,015,891.88
Central Appraisal Fees	7,700.00	6,338.00	5,262.21
Chemicals	22,000.00	23,800.00	13,603.00
Child Advocacy Center	1,000.00	1,000.00	1,000.00
City Events	115,000.00	76,425.00	85,096.88
Code Inspection/Enforcement	10,000.00	10,000.00	3,082.95
Community Projects	5,500.00	9,500.00	1,792.89
Computers	16,000.00	20,500.00	12,574.20
Computers - AMR	-	900.00	-
Computers - Payroll Service	200.00	600.00	97.31
Computers - Software/Licenses	88,500.00	52,000.00	77,311.76
Computers - Support	52,830.00	51,650.00	29,824.66
Computers - Website	4,000.00	3,600.00	3,676.69
Contract Labor- Judge/Attorney	36,000.00	36,000.00	33,000.00
Contract Services	153,000.00	165,000.00	131,308.00
Court - OmniBase	400.00	400.00	10.00
CSI Inspections Expense	4,000.00	4,000.00	2,890.00
Debt Retirement	308,900.00	255,000.00	162,793.16
Dues & Subscriptions	28,500.00	26,500.00	21,303.31
Election Expense	7,500.00	7,500.00	75.00
Employment Services	2,750.00	4,100.00	1,373.38
Engnr/Consulting Fees	963,190.00	630,285.00	1,811,243.76
Equipment Purchases	25,270.00	18,100.00	5,833.15
Equipment Rentals	8,450.00	15,225.00	8,832.59
Filing Fees	1,000.00	600.00	938.87
Flowers/Gifts	3,300.00	2,800.00	2,921.60
Fuel & Oil	1,000.00	1,000.00	30.40
Grant Expense	-	59,000.00	42,252.00

Insurance - Health	348,348.64	372,950.00	233,746.00
Insurance - Other	-	-	339.08
Insurance-Auto	13,550.00	11,650.00	11,022.06
Insurance-Errors & Omissions	3,725.00	3,550.00	3,436.86
Insurance-General Liability	2,200.00	1,650.00	1,965.66
Insurance-Law Enforce Liabilty	5,100.00	5,000.00	4,572.68
Insurance-Mobile Equipment	2,575.00	1,700.00	1,645.42
Insurance-Property	46,200.00	37,050.00	34,887.02
Insurance-Taser Assurance	3,900.00	3,900.00	3,744.00
Insurance-Workers Comp	52,000.00	36,800.00	39,028.28
Interest Expense	653,375.00	762,272.00	758,291.96
Jail Fees	7,000.00	7,000.00	-
Janitorial Services	3,950.00	3,900.00	2,760.00
Janitorial Supplies	1,660.00	1,500.00	856.55
JCDC	100,000.00	85,000.00	86,795.51
JVFD	175,000.00	155,000.00	131,933.30
Laboratory Expense	16,000.00	17,800.00	8,107.10
Legal Fees	45,500.00	35,500.00	30,492.11
Magnolia Sewer Plant Operation	47,500.00	70,000.00	25,548.12
Meals	4,200.00	3,400.00	2,697.67
Miscellaneous	3,000.00	2,600.00	4,080.44
Notices & Advertising	7,000.00	9,000.00	690.48
Office Equip/Furniture	2,750.00	5,400.00	150.00
Office Supplies	13,000.00	13,500.00	9,045.91
Parts	68,000.00	60,000.00	53,897.15
Payroll Taxes	143,012.51	136,225.00	93,728.76
PD Communication - Collin Cty	55,000.00	55,000.00	48,130.00
Pest Control	21,600.00	17,000.00	15,165.00
Printing	6,150.00	6,375.00	4,914.58
Prop Tax Collection Fee	1,800.00	1,800.00	922.91
Repairs & Maint	61,850.00	63,300.00	14,947.57
Report Management Systems	40,000.00	40,000.00	-
Salaries	1,868,000.00	1,620,500.00	1,225,589.94
Salaries - Overtime	57,300.00	50,600.00	47,170.18
Sanitation Collection	440,000.00	440,000.00	334,655.31
Shipping/Postage	13,350.00	19,150.00	9,262.42
Shredding Service	1,300.00	900.00	780.00
State Portion-Traffic Fines	30,000.00	30,000.00	26,523.44
Street Drainage	-	5,000.00	-
Street Signs	2,500.00	5,000.00	1,380.20
Supplies	32,850.00	25,850.00	20,113.65
TCEQ Penalty Expense	10,000.00	10,000.00	-

TMRS	179,000.00	150,200.00	108,925.50
Transfers	400,000.00	312,000.00	156,000.00
Travel & Training	46,600.00	28,500.00	28,958.52
Uniforms	12,750.00	24,559.00	26,251.45
Utilities	212,535.00	191,775.00	153,216.13
Vehicle - Fuel	57,000.00	50,500.00	35,117.69
Water Purchases	1,016,749.00	721,113.44	545,760.40
Revenue	**(11,013,892.00)**	**(9,695,033.00)**	**(11,086,196.63)**
Animal Reg	(150.00)	(500.00)	(175.00)
Building Permits	(649,950.00)	(323,200.00)	(396,743.13)
Capital Recovery Fee	(615,779.00)	(1,957,775.00)	(615,779.00)
Certificate of Occupancy	(3,500.00)	(3,500.00)	(5,700.00)
Const/Contractor Repairs	-	-	(5,019.23)
CSI Inspections	(4,000.00)	(6,500.00)	(4,450.00)
Developer Contribution	-	-	(48,774.75)
Disconnect Fees	(1,000.00)	(500.00)	(12,208.32)
Donation Receipts	-	-	(3,425.00)
Dump Permit	(1,000.00)	(600.00)	(2,010.00)
Engnr/Consulting Fees	(300,000.00)	(360,000.00)	(979,894.63)
Fireworks Permit	(100.00)	(150.00)	(100.00)
Franchise Tax	(65,000.00)	(62,000.00)	(65,165.81)
Grant Income	(274,550.00)	(350,000.00)	(337,726.90)
Interest Income	(320,000.00)	(45,000.00)	(841,489.79)
Late Fees	(35,000.00)	(25,000.00)	(61,017.68)
LEOSE - Police Training	(750.00)	(750.00)	(818.29)
Meter Replacement	-	-	(1,500.00)
Miscellaneous Income	-	(500.00)	(4,947.08)
MUD - Monthly Public Safety Fees	(570,000.00)	(417,500.00)	(401,822.00)
MUD - Public Safety Fees	(606,313.00)	(239,000.00)	(314,000.00)
Municipal Court Fines	(51,000.00)	(51,000.00)	(53,882.58)
Park Maintenance Fee	(54,000.00)	(30,000.00)	(114,169.70)
Plat Fees	(2,500.00)	(5,000.00)	(2,450.00)
Professional Services	(399,000.00)	(165,000.00)	(224,800.00)
Property Tax	(986,700.00)	(936,358.00)	(1,030,031.80)
Reconnect Fees	(1,000.00)	(1,000.00)	(1,875.00)
Rent Payments	(30,000.00)	(30,000.00)	(32,011.04)
Returned Payment Fees	(500.00)	(200.00)	(1,770.00)
Sales Sanitation	(750,000.00)	(595,000.00)	(703,903.81)
Sales Sewer	(1,125,000.00)	(940,000.00)	(1,070,552.64)
Sales Tax	(275,000.00)	(220,000.00)	(260,391.07)
Sales Water	(2,600,000.00)	(2,200,000.00)	(2,369,788.64)
Solicitor Fees	-	-	(115.00)

Tap Fees	(879,600.00)	(400,500.00)	(946,700.00)
Traffic Reports	-	-	(191.00)
Transfer Fees	(11,500.00)	(15,500.00)	(13,950.00)
Transfers	(400,000.00)	(312,000.00)	(156,000.00)
Warrant/ Bond Income	(1,000.00)	(1,000.00)	(847.74)
Grand Total	(685,538.85)	(784,843.56)	(3,033,754.47)

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 100 - Administrative				
410 - Ad Valorem Tax Revenue	797,246.19	725,597.00	753,390.00	27,793.00
416 - Tax Revenue	325,556.88	282,000.00	340,000.00	58,000.00
420 - Fees & Permits	1,257,835.67	919,450.00	1,513,513.00	594,063.00
450 - Service Revenue	224,800.00	165,000.00	399,000.00	234,000.00
470 - Other Revenue	99,095.00	38,300.00	70,000.00	31,700.00
Admin Revenue	**2,704,533.74**	**2,130,347.00**	**3,075,903.00**	**945,556.00**
610 - Salaries & Benefits	289,531.68	374,100.00	361,259.47	(12,840.53)
620 - Administrative Expense	493,639.09	374,763.00	588,600.00	213,837.00
672 - Contract Services	22,898.88	59,900.00	68,963.00	9,063.00
678 - Insurance & Bonds	9,322.38	10,950.00	12,600.00	1,650.00
700 - Operations	165,624.58	161,900.00	300,750.00	138,850.00
720 - Equipment	3,674.00	3,700.00	3,800.00	100.00
726 - Parts & Supplies	250.05	800.00	500.00	(300.00)
734 - Repairs & Maintenance	947.90	8,000.00	5,500.00	(2,500.00)
750 - Utilities	4,827.37	6,125.00	6,350.00	225.00
758 - Capital Outlay	42,218.68	93,600.00	20,000.00	(73,600.00)
760 - Other Expense	305,153.57	317,225.00	391,300.00	74,075.00
Admin Expense	**1,338,088.18**	**1,411,063.00**	**1,759,622.47**	**348,559.47**
Admin Net Change	**1,366,445.56**	**719,284.00**	**1,316,280.53**	**596,996.53**

Notations:
Revenue
570 DR Horton Homes Projected on schedule
M&O Ad Volorem Tax Rate-Voter Approved Rate 0.35662 equals $$746,389.50
Expenses:
Correct Insurance Estimate-Due to Position Budgetting in ERP Pro 10
IPO's from Kimley Horn Attached
Training/Conference Schedule
Capital Purchase-New City Christmas Tree

Estimated city expense is $20,000, MUD expense is 36,313 plus $4,000 for Magnolia and Riverfield to enter into Ambulance coalition (MUD will enter into contract with City to reimburse expenses) Amounts are based on per person as identified by County GIS data and city/MUD data.

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 600 - Debt Service				
410 - Ad Valorem Tax Revenue	232,785.61	210,761.00	233,310.00	22,549.00
470 - Other Revenue	6,000.00	12,000.00	-	(12,000.00)
Debt Service Revenue	**238,785.61**	**222,761.00**	**233,310.00**	**10,549.00**
620 - Administrative Expense	135,709.03	139,444.00	136,000.00	(3,444.00)
760 - Other Expense	-	82,000.00	84,000.00	2,000.00
Debt Service Expense	**135,709.03**	**221,444.00**	**220,000.00**	**(1,444.00)**
Debt Service Net Change	**103,076.58**	**1,317.00**	**13,310.00**	**11,993.00**

Debt service property tax rate 0.111475 equates to $233,310
See signed Tax Calculation Worksheet

The City of Josephine TEXAS

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 150 - Municipal Court				
420 - Fees & Permits	221.80	-	-	-
442 - Fines & Forfeitures	53,663.52	51,000.00	51,000.00	-
470 - Other Revenue	-	-	-	-
Court Revenue	**53,885.32**	**51,000.00**	**51,000.00**	**-**
610 - Salaries & Benefits	51,660.10	86,750.00	111,668.55	24,918.55
620 - Administrative Expense	45,890.56	41,300.00	48,000.00	6,700.00
672 - Contract Services	33,000.00	36,000.00	36,000.00	-
678 - Insurance & Bonds	-	520.00	520.00	-
700 - Operations	10.00	400.00	400.00	-
758 - Capital Outlay	26,585.00	25,375.00	-	(25,375.00)
760 - Other Expense	1,373.80	-	500.00	500.00
Court Expense	**158,519.46**	**190,345.00**	**197,088.55**	**6,743.55**
Court Net Change	**(104,634.14)**	**(139,345.00)**	**(146,088.55)**	**(6,743.55)**

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 200 - Police				
420 - Fees & Permits	274,046.00	280,000.00	390,000.00	110,000.00
442 - Fines & Forfeitures	865.00	1,000.00	1,000.00	-
446 - Grants	18,750.00	-	-	-
470 - Other Revenue	269,230.10	300,750.00	440,750.00	140,000.00
Police Revenue	**562,891.10**	**581,750.00**	**831,750.00**	**250,000.00**
610 - Salaries & Benefits	682,805.30	978,500.00	1,025,453.44	46,953.44
620 - Administrative Expense	114,986.10	255,944.00	201,020.00	(54,924.00)
672 - Contract Services	50,789.90	106,000.00	105,400.00	(600.00)
678 - Insurance & Bonds	37,787.08	31,050.00	47,150.00	16,100.00
700 - Operations	30.40	1,000.00	500.00	(500.00)
720 - Equipment	1,934.69	13,000.00	11,100.00	(1,900.00)
726 - Parts & Supplies	267.78	3,350.00	2,010.00	(1,340.00)
734 - Repairs & Maintenance	5,237.66	9,600.00	9,850.00	250.00
750 - Utilities	9,802.19	12,200.00	12,325.00	125.00
758 - Capital Outlay	22,028.58	96,500.00	289,600.00	193,100.00
760 - Other Expense	4,487.93	8,000.00	8,500.00	500.00
Police Expense	**930,157.61**	**1,515,144.00**	**1,712,908.44**	**197,764.44**
Police Net Change	**(367,266.51)**	**(933,394.00)**	**(881,158.44)**	**52,235.56**

Notations:

Revenue
See MUD Monthly Reveue Projections worksheet in packet

Expenses
No Staffing Changes this year as PD works on Public Safety Building Plans
Capital Purchases:
3 new Patrol Vehicles to order
Computers-Quotes attached
2 Portable Radios- Quote attached
1 Getac Semi Rugged Computer- Quote attached

The City of Josephine TEXAS

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 250 - Fire				
420 - Fees & Permits	18,105.00	-	130,000.00	130,000.00
Fire Revenue	**18,105.00**	**-**	**130,000.00**	**130,000.00**
Establishing Department for the Future				

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 300 - Parks				
420 - Fees & Permits	112,969.70	30,000.00	54,000.00	24,000.00
446 - Grants	-	-	-	-
Parks Revenue	**112,969.70**	**30,000.00**	**54,000.00**	**24,000.00**
610 - Salaries & Benefits	23,450.63	35,475.00	33,475.70	(1,999.30)
620 - Administrative Expense	1,470.52	-	2,350.00	2,350.00
672 - Contract Services	425.00	1,000.00	600.00	(400.00)
678 - Insurance & Bonds	1,347.54	1,000.00	1,575.00	575.00
700 - Operations	25.32	1,800.00	-	(1,800.00)
720 - Equipment	4,079.66	3,250.00	6,750.00	3,500.00
726 - Parts & Supplies	6,865.37	8,500.00	10,000.00	1,500.00
734 - Repairs & Maintenance	4,039.16	2,000.00	4,500.00	2,500.00
750 - Utilities	989.62	1,800.00	1,800.00	-
758 - Capital Outlay	-	9,000.00	-	(9,000.00)
760 - Other Expense	23.45	5,100.00	500.00	(4,600.00)
Parks Expense	**42,716.27**	**68,925.00**	**61,550.70**	**(7,374.30)**
Parks Net Change	**70,253.43**	**(38,925.00)**	**(7,550.70)**	**31,374.30**

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 350 - Public Works				
672 - Contract Services	32,842.50	40,000.00	44,000.00	4,000.00
678 - Insurance & Bonds	84.32	50.00	100.00	50.00
Public Works Expense	**32,926.82**	**40,050.00**	**44,100.00**	**4,050.00**
Public Works Net Change	**32,926.82**	**40,050.00**	**44,100.00**	**4,050.00**

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 450 - Street				
446 - Grants	318,976.90	350,000.00	274,550.00	(75,450.00)
470 - Other Revenue	48,811.29	-	-	-
Streets Revenue	**367,788.19**	**350,000.00**	**274,550.00**	**(75,450.00)**
610 - Salaries & Benefits	70,398.23	105,525.00	100,776.94	(4,748.06)
620 - Administrative Expense	52,408.07	6,200.00	105,100.00	98,900.00
672 - Contract Services	-	3,000.00	5,000.00	2,000.00
678 - Insurance & Bonds	400.74	350.00	550.00	200.00
700 - Operations	1,380.20	10,000.00	2,500.00	(7,500.00)
720 - Equipment	163.00	-	1,000.00	1,000.00
726 - Parts & Supplies	5,263.03	10,000.00	10,000.00	-
734 - Repairs & Maintenance	2,272.33	5,000.00	5,000.00	-
750 - Utilities	16,888.16	23,000.00	23,000.00	-
758 - Capital Outlay	447,876.90	375,000.00	675,000.00	300,000.00
760 - Other Expense	90,045.16	117,000.00	4,900.00	(112,100.00)
Streets Expense	**687,095.82**	**655,075.00**	**932,826.94**	**277,751.94**
Streets Net Change	**(319,307.63)**	**(305,075.00)**	**(658,276.94)**	**(353,201.94)**

Notations:

Revenue
Collin County Grant towards Greenville Street

Expenses
Caddo Street Project-Exploring funding assistance options/Deveolper Contributions Received in FY 2022 per contracts

		Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget
Category	FY 2023 YTD Activity Through Aug	FY 2023 2022-2023	FY 2024 Preliminary	Increase / (Decrease)
Department: 400 - Sanitation				
450 - Service Revenue	703,903.81	595,000.00	750,000.00	155,000.00
470 - Other Revenue	10.00	-	-	-
Sanitation Revenue	**703,913.81**	**595,000.00**	**750,000.00**	**155,000.00**
610 - Salaries & Benefits	11,760.61	11,325.00	13,995.55	2,670.55
700 - Operations	334,655.31	440,000.00	440,000.00	-
Sanitation Expense	**346,415.92**	**451,325.00**	**453,995.55**	**2,670.55**
Saniation Net Change	**357,497.89**	**143,675.00**	**296,004.45**	**152,329.45**

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 500 - Water				
416 - Tax Revenue	247,779.00	787,775.00	247,779.00	(539,996.00)
420 - Fees & Permits	441,847.04	56,500.00	54,000.00	(2,500.00)
450 - Service Revenue	2,970,953.87	2,450,700.00	3,108,000.00	657,300.00
470 - Other Revenue	161,863.89	17,200.00	40,000.00	22,800.00
Water Revenue	**3,822,443.80**	**3,312,175.00**	**3,449,779.00**	**137,604.00**
610 - Salaries & Benefits	270,495.87	347,200.00	429,120.90	81,920.90
620 - Administrative Expense	551,980.00	189,450.00	254,200.00	64,750.00
672 - Contract Services	128,216.00	121,400.00	121,400.00	-
678 - Insurance & Bonds	21,562.16	29,725.00	30,100.00	375.00
700 - Operations	548,964.10	727,113.44	1,022,249.00	295,135.56
720 - Equipment	2,407.21	7,900.00	2,700.00	(5,200.00)
726 - Parts & Supplies	50,927.39	51,500.00	55,500.00	4,000.00
734 - Repairs & Maintenance	9,413.77	21,300.00	20,000.00	(1,300.00)
750 - Utilities	49,126.81	41,950.00	62,280.00	20,330.00
758 - Capital Outlay	150,082.19	797,811.00	504,800.00	(293,011.00)
760 - Other Expense	156,385.03	312,700.00	400,600.00	87,900.00
Water Expense	**1,939,560.53**	**2,648,049.44**	**2,902,949.90**	**254,900.46**
Water Net Change	**1,882,883.27**	**664,125.56**	**546,829.10**	**(117,296.46)**

Notations:

Revenue
See attached development worksheet plus 570 expected DR Horton homes per schedule

Expenses
Water Contracts from NTMWD & Nevada SUD attached
Capital Projects- Attached quote from KCK for water line from Nevada SUD
800 new Water Meters

The City of Josephine TEXAS

Category	FY 2023 YTD Activity Through Aug	Parent Budget FY 2023 2022-2023	Comparison 1 Budget FY 2024 Preliminary	Comparison 1 to Parent Budget Increase / (Decrease)
Department: 550 - Sewer				
416 - Tax Revenue	368,000.00	1,170,000.00	368,000.00	(802,000.00)
420 - Fees & Permits	117,007.05	100,000.00	50,000.00	(50,000.00)
450 - Service Revenue	1,511,927.64	1,132,000.00	1,545,600.00	413,600.00
470 - Other Revenue	503,955.67	20,000.00	200,000.00	180,000.00
Sewer Revenue	**2,500,890.36**	**2,422,000.00**	**2,163,600.00**	**(258,400.00)**
610 - Salaries & Benefits	309,057.96	391,600.00	519,910.60	128,310.60
620 - Administrative Expense	1,529,443.09	834,558.00	788,975.00	(45,583.00)
672 - Contract Services	3,295.00	26,300.00	27,350.00	1,050.00
678 - Insurance & Bonds	30,798.84	29,325.00	38,325.00	9,000.00
700 - Operations	33,491.62	87,500.00	64,500.00	(23,000.00)
720 - Equipment	2,407.18	5,475.00	8,370.00	2,895.00
726 - Parts & Supplies	24,896.73	37,000.00	46,500.00	9,500.00
734 - Repairs & Maintenance	(6,963.25)	17,400.00	17,000.00	(400.00)
750 - Utilities	71,581.98	106,700.00	106,780.00	80.00
758 - Capital Outlay	327,100.53	57,311.00	205,000.00	147,689.00
760 - Other Expense	116,142.84	115,600.00	220,600.00	105,000.00
Sewer Expense	**2,441,252.52**	**1,708,769.00**	**2,043,310.60**	**334,541.60**
Sewer Net Change	**59,637.84**	**713,231.00**	**120,289.40**	**(592,941.60)**

Notations:
Revenue
See attached development worksheet plus 570 expected DR Horton homes per schedule
Interest Income will reduce on bond funds as we begin to spend/construct new WWTP

Expenses
Lift Station Transmitters (8 ea)
Capital/Sewer Line Project on Caddo Street see attached quote

2023 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Josephine	972-843-8282
Taxing Unit Name	Phone *(area code and number)*
201 Main Street, Josephine, TX 75173	http://cityofjosephinetx.com
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

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

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

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

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

SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet		Amount/Rate
1.	**2022 total taxable value.** Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(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]		$ 212,140,152
2.	**2022 tax ceilings.** Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step.[2]		$ 23,091,569
3.	**Preliminary 2022 adjusted taxable value.** Subtract Line 2 from Line 1.		$ 189,048,583
4.	**2022 total adopted tax rate.** Type text here		$ 0.491561 /$100
5.	**2022 taxable value lost because court appeals of ARB decisions reduced 2022 appraised value.**		
	A. Original 2022 ARB values:	$ 0	
	B. 2022 values resulting from final court decisions:	- $ 0	
	C. 2022 value loss. Subtract B from A.[3]		$ 0
6.	**2022 taxable value subject to an appeal under Chapter 42, as of July 25.**		
	A. 2022 ARB certified value:	$ 107,100	
	B. 2022 disputed value:	- $ 0	
	C. 2022 undisputed value. Subtract B from A.[4]		$ 107,100
7.	**2022 Chapter 42 related adjusted values.** Add Line 5C and Line 6C.		$ 107,100

[1] Tex. Tax Code §26.012(14)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(13)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	**2022 taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 189,155,683
9.	**2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022.** Enter the 2022 value of property in deannexed territory. [5]	$ 0
10.	**2022 taxable value lost because property first qualified for an exemption in 2023.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2023 does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use 2022 market value: .... $ 261,796 **B. Partial exemptions.** 2023 exemption amount or 2023 percentage exemption times 2022 value: .... + $ 623,227 **C. Value loss.** Add A and B. [6]	$ 885,023
11.	**2022 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2023.** Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022. **A. 2022 market value:** .... $ 0 **B. 2023 productivity or special appraised value:** .... - $ 0 **C. Value loss.** Subtract B from A. [7]	$ 0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 885,023
13.	**2022 captured value of property in a TIF.** Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. [8] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**2022 total value.** Subtract Line 12 and Line 13 from Line 8.	$ 188,270,660
15.	**Adjusted 2022 total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 925,465
16.	**Taxes refunded for years preceding tax year 2022.** Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. [9]	$ 2,475
17.	**Adjusted 2022 levy with refunds and TIF adjustment.** Add Lines 15 and 16. [10]	$ 927,940
18.	**Total 2023 taxable value on the 2023 certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. [11] **A. Certified values:** .... $ 256,188,370 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: .... + $ **C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: .... - $ 0 **D. Tax increment financing:** Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. [12] .... - $ 0 **E. Total 2023 value.** Add A and B, then subtract C and D.	$ 256,188,370

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	**Total value of properties under protest or not included on certified appraisal roll.** [13] **A. 2023 taxable value of properties under protest.** The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [14] . . . . . $ 4,630,639 **B. 2023 value of properties not under protest or included on certified appraisal roll.** The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [15] . . . . . + $ 0 **C. Total value under protest or not certified.** Add A and B.	$ 4,630,639
20.	**2023 tax ceilings.** Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step.[16]	$ 29,158,550
21.	**2023 total taxable value.** Add Lines 18E and 19C. Subtract Line 20. [17]	$ 231,660,459
22.	**Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022.** Include both real and personal property. Enter the 2023 value of property in territory annexed. [18]	$ 8,027
23.	**Total 2023 taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in 2022. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2022 and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for 2023. [19]	$ 22,357,506
24.	**Total adjustments to the 2023 taxable value.** Add Lines 22 and 23.	$ 22,365,533
25.	**Adjusted 2023 taxable value.** Subtract Line 24 from Line 21.	$ 209,294,926
26.	**2023 NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100. [20]	$ 0.443364/$100
27.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. [21]	$ ______/$100

SECTION 2: Voter-Approval Tax Rate

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

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.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	**2022 M&O tax rate.** Enter the 2022 M&O tax rate.	$ 0.380084/$100
29.	**2022 taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 189,155,683

[13] Tex. Tax Code §26.01(c) and (d)
[14] Tex. Tax Code §26.01(c)
[15] Tex. Tax Code §26.01(d)
[16] Tex. Tax Code §26.012(6)(B)
[17] Tex. Tax Code §26.012(6)
[18] Tex. Tax Code §26.012(17)
[19] Tex. Tax Code §26.012(17)
[20] Tex. Tax Code §26.04(c)
[21] Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet		Amount/Rate
30.	**Total 2022 M&O levy.** Multiply Line 28 by Line 29 and divide by $100		$ 718,950
31.	**Adjusted 2022 levy for calculating NNR M&O rate.**		
	A. M&O taxes refunded for years preceding tax year 2022. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022.	+ $ 2,204	
	B. 2022 taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0.	– $ 0	
	C. 2022 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0.	+/- $ 0	
	D. 2022 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	$ 2,204	
	E. Add Line 30 to 31D.		$ 721,154
32.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*		$ 209,294,926
33.	**2023 NNR M&O rate (unadjusted).** Divide Line 31E by Line 32 and multiply by $100.		$ 0.344563/$100
34.	**Rate adjustment for state criminal justice mandate.** [23] **If not applicable or less than zero, enter 0.**		
	A. 2023 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	$ 0	
	B. 2022 state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.	– $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0/$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0/$100
35.	**Rate adjustment for indigent health care expenditures.** [24] **If not applicable or less than zero, enter 0.**		
	A. 2023 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose.	$ 0	
	B. 2022 indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose.	– $ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0/$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0/$100

[22] [Reserved for expansion]
[23] Tex. Tax Code §26.044
[24] Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet		Amount/Rate
36.	**Rate adjustment for county indigent defense compensation.** [25] **If not applicable or less than zero, enter 0.**		
	A. 2023 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose.	$ 0	
	B. 2022 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose.	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100.	$ 0 /$100	
	D. Multiply B by 0.05 and divide by Line 32 and multiply by $100.	$ 0 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0 /$100
37.	**Rate adjustment for county hospital expenditures.** [26] **If not applicable or less than zero, enter 0.**		
	A. 2023 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023.	$ 0	
	B. 2022 eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022.	$ 0	
	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 lesser 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 Section 26.0444 for more information.		
	A. Amount appropriated for public safety in 2022. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year	$ 0	
	B. Expenditures for public safety in 2022. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	$ 0 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0 /$100
39.	**Adjusted 2023 NNR M&O rate.** Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.		$ 0.344563 /$100
40.	**Adjustment for 2022 sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero.		
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	$ 0	
	B. Divide Line 40A by Line 32 and multiply by $100	$ 0 /$100	
	C. Add Line 40B to Line 39.		$ 0.344563 /$100
41.	**2023 voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.		$ 0.356622 /$100

[25] Tex. Tax Code §26.0442
[26] Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	***Disaster Line 41 (D41):*** **2023 voter-approval M&O rate for taxing unit affected by disaster declaration.** If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. [27] If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	$ 0 /$100
42.	**Total 2023 debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes, **(2)** are secured by property taxes, **(3)** are scheduled for payment over a period longer than one year, and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [28] Enter debt amount . . . . . $ 270,618 **B.** Subtract **unencumbered fund amount** used to reduce total debt. . . . . – $ 0 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) . . . . . – $ 0 **D.** Subtract **amount paid** from other resources . . . . . – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 270,618
43.	**Certified 2022 excess debt collections.** Enter the amount certified by the collector. [29]	$ 8,474
44.	**Adjusted 2023 debt.** Subtract Line 43 from Line 42E.	$ 262,144
45.	**2023 anticipated collection rate.** **A.** Enter the 2023 anticipated collection rate certified by the collector. [30] . . . . . 100.00 % **B.** Enter the 2022 actual collection rate. . . . . . 104.10 % **C.** Enter the 2021 actual collection rate. . . . . . 101.66 % **D.** Enter the 2020 actual collection rate. . . . . . 101.51 % **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]	101.51 %
46.	**2023 debt adjusted for collections.** Divide Line 44 by Line 45E.	$ 258,244
47.	**2023 total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 231,660,459
48.	**2023 debt rate.** Divide Line 46 by Line 47 and multiply by $100.	$ 0.111475 /$100
49.	**2023 voter-approval tax rate.** Add Lines 41 and 48.	$ 0.468097 /$100
D49.	***Disaster Line 49 (D49):*** **2023 voter-approval tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	$ ______ /$100

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

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

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

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	**Taxable Sales.** For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller's estimate of taxable sales for the previous four quarters. [32] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	$ 0
52.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [33] **Taxing units that adopted the sales tax in November 2022 or in May 2023.** Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [34] **- or -** **Taxing units that adopted the sales tax before November 2022.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 0
53.	**2023 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$ 231,660,459
54.	**Sales tax adjustment rate.** Divide Line 52 by Line 53 and multiply by $100.	$ 0 /$100
55.	**2023 NNR tax rate, unadjusted for sales tax.**[35] Enter the rate from Line 26 or 27, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ 0.443364 /$100
56.	**2023 NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November 2022 or in May 2023.** Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	$ 0.443364 /$100
57.	**2023 voter-approval tax rate, unadjusted for sales tax.**[36] Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the *Voter-Approval Tax Rate Worksheet*.	$ 0.468097 /$100
58.	**2023 voter-approval tax rate, adjusted for sales tax.** Subtract Line 54 from Line 57.	$ 0.468097 /$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

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

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

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [37] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [38]	$ 0
60.	**2023 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*.	$ 231,660,459
61.	**Additional rate for pollution control.** Divide Line 59 by Line 60 and multiply by $100.	$ 0 /$100
62.	**2023 voter-approval tax rate, adjusted for pollution control.** Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	$ 0.468097 /$100

[32] Tex. Tax Code §26.041(d)
[33] Tex. Tax Code §26.041(i)
[34] Tex. Tax Code §26.041(d)
[35] Tex. Tax Code §26.04(c)
[36] Tex. Tax Code §26.04(c)
[37] Tex. Tax Code §26.045(d)
[38] Tex. Tax Code §26.045(i)

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

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

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

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

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

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

Line	Unused Increment Rate Worksheet		Amount/Rate
63.	**Year 3 component.** Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 67)	$ 0.491561/$100	
	B. Unused increment rate (Line 66)	$ 0.000000/$100	
	C. Subtract B from A	$ 0.491561/$100	
	D. Adopted Tax Rate	$ 0.491561/$100	
	E. Subtract D from C	$ 0.000000/$100	
64.	**Year 2 component.** Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 67)	$ 0.516697/$100	
	B. Unused increment rate (Line 66)	$ 0.000000/$100	
	C. Subtract B from A	$ 0.516697/$100	
	D. Adopted Tax Rate	$ 0.516697/$100	
	E. Subtract D from C	$ 0.000000/$100	
65.	**Year 1 component.** Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.		
	A. Voter-approval tax rate (Line 65)	$ 0.559079/$100	
	B. Unused increment rate (Line 64)	$ 0.000000/$100	
	C. Subtract B from A	$ 0.559079/$100	
	D. Adopted Tax Rate	$ 0.559079/$100	
	E. Subtract D from C	$ 0.000000/$100	
66.	**2023 unused increment rate.** Add Lines 63E, 64E and 65E.		$ 0/$100
67.	**Total 2023 voter-approval tax rate, including the unused increment rate.** Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).		$ 0.468097/$100

[39] Tex. Tax Code §26.013(a)
[40] Tex. Tax Code §26.013(c)
[41] Tex. Tax Code §§26.0501(a) and (c)
[42] Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022
[43] Tex. Tax Code §26.063(a)(1)
[44] Tex. Tax Code §26.012(8-a)
[45] Tex. Tax Code §26.063(a)(1)

SECTION 6: De Minimis Rate

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

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

Line	De Minimis Rate Worksheet	Amount/Rate
68.	**Adjusted 2023 NNR M&O tax rate.** Enter the rate from Line 39 of the *Voter-Approval Tax Rate Worksheet*	$ 0.344563 /$100
69.	**2023 total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 231,660,459
70.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 69 and multiply by $100.	$ 0.215833 /$100
71.	**2023 debt rate.** Enter the rate from Line 48 of the *Voter-Approval Tax Rate Worksheet.*	$ 0.111475 /$100
72.	**De minimis rate.** Add Lines 68, 70 and 71.	$ 0.671871 /$100

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

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

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

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	**2022 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ 0.491561 /$100
74.	**Adjusted 2022 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet. **- or -** If a disaster occurred prior to 2022 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2022, complete the separate *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. [48] Enter the final adjusted 2022 voter-approval tax rate from the worksheet. **- or -** If the taxing unit adopted a tax rate above the 2022 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	$ 0 /$100
75.	**Increase in 2022 tax rate due to disaster.** Subtract Line 74 from Line 73.	$ 0 /$100
76.	**Adjusted 2022 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ 188,270,660
77.	**Emergency revenue.** Multiply Line 75 by Line 76 and divide by $100.	$ 0
78.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 209,294,926
79.	**Emergency revenue rate.** Divide Line 77 by Line 78 and multiply by $100. [49]	$ 0 /$100

[46] Tex. Tax Code §26.042(b)
[47] Tex. Tax Code §26.042(f)
[48] Tex. Tax Code §26.042(c)
[49] Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	**2023 voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	$ 0.468097 /$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. .... $ 0.443364 /$100
As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate .... $ 0.468097 /$100
As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).
Indicate the line number used: 49

De minimis rate. .... $ 0.671871 /$100
If applicable, enter the 2023 de minimis rate from Line 72.

SECTION 9: Taxing Unit Representative Name and Signature

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

print here Jayna Dean
Printed Name of Taxing Unit Representative

sign here Jayna Dean
Taxing Unit Representative

8/01/2023
Date

[50] Tex. Tax Code §§26.04(c-2) and (d-2)

City of Josephine
Tax Rate Analysis
7/29/2023

Maintenance and Operations

	Rate per 100	2023 Taxable Value	This Year's Tax Levy	Tax Levy Increase	Tax per $100,000	Increase/Decrease Per $100,000
Effective Tax Rate	0.344563	209,294,296.00	721,150.71	2,553.45	344.56	(35.52)
Rollback Tax Rate {Voter Approval Tax Rate}	0.356622	209,294,296.00	746,389.50	27,792.25	356.62	(23.46)
De Minimis Rate	0.558761	209,294,296.00	1,169,454.90	450,857.65	558.76	178.68

Debt Service

	Rate per 100	2023 Taxable Value	This Year's Tax Levy	Tax Levy Increase	Tax per $100,000	
Debt Tax Rate	0.111475	209,294,296.00	233,310.82	22,549.34	111.48	-

Total

	Rate per 100	2023 Taxable Value	This Year's Tax Levy	Tax Levy Increase	Tax per $100,000	Increase/Decrease Per $100,000
Effective Tax Rate {No New Revenue Tax Rate}	0.456038	209,294,296.00	954,461.52	25,102.79	456.04	(35.52)
Rollback Tax Rate {Voter Approval Tax Rate}	0.468097	209,294,296.00	979,700.32	50,341.59	468.10	(23.46)
De Minimis Rate	0.670236	209,294,296.00	1,402,765.72	473,406.99	670.24	178.675

Development Plans			
Magnolia Phase 10	330 homes		
Waverly Estates	1605 homes	Riverfield	4421 homes
De Berry	105 homes	Meadow Ridge	141 homes
Murray Manor	51 homes	Robbie Hale/Sheph	92 homes
Bradley Estates	26 homes	Robbie Hale/Liberty	43 homes
Morningside Addition	200+400 homes	Ashton Woods/Libe	185 homes
	6440		

Realistic Expectations for FYE 9.30.2024 Building			
Magnolia Phase 10	150		
Waverly Estates	120	Riverfield	300
De Berry	15	Meadow Ridge	0
Murray Manor	0	Robbie Hale/Shepherd Place Homes	0
Bradley Estates	13	Robbie Hale/Liberty Ranch West	0
Morningside Addition	0	Ashton Woods/Liberty Ranch	80
			678

City of Josephine, Texas

Projected Building and Tap Fees Permit Revenue and Building Inspections Expense FY 24

General Fund

General Fund	**Projected FY23-24 Number of Homes**	Building Permit Per Home	**BLDG Permit Total**	Development Review Fees	**Development Review Fee Total**	Professional Services	**Prof Svc Total**	MUD Inspection Fees	**MUD Insp Total**	Park Mtc Fee	**Park Mtc Fee Total**	**Total BLG Fees Revenue**
Magnolia New Phase 10	150		-		-	700.00	105,000.00	875.00	131,250.00		-	236,250.00
MUD 2- Riverfield	300		-	500.00	150,000.00	700.00	210,000.00	875.00	262,500.00	300.00	90,000.00	712,500.00
Waverly Estates	120		-			700.00	84,000.00	875.00	105,000.00			189,000.00
Robbie Hale/Shepherd Place H	0	1,400.00	-		-		-		-		-	-
De Berry	15	1,400.00	21,000.00				-		-			21,000.00
Murray Manor	0	1,400.00	-									-
Meadow Ridge	0	1,400.00	-									-
Robbie Hale/Liberty Ranch We	0	1,400.00	-									-
Ashton Woods/Liberty Ranch	80	1,400.00	112,000.00									112,000.00
Bradley Estates	13	1,400.00	18,200.00									18,200.00
Morningside Addition	0	1,400.00	-									-
Cruz Realty & Assoc.	0	1,400.00	-		-		-		-		-	-
	678		**151,200.00**		**150,000.00**		**399,000.00**		**498,750.00**			**1,288,950.00** x

General Fund	**Projected FY24 Number of Homes**	**Public Safety Fee-Admin**	**Public Safety Fee-Admin Total**
Magnolia New Phase 10	150	1,000.00	150,000.00
Waverly Estates	120	1,000.00	120,000.00
MUD 2- Riverfield	300	1,000.00	300,000.00
	570	3,000.00	**570,000.00**

MONTHLY BILLED FEES FOR PUBLIC SAFETY-MUD DISTRICTS

General Fund	**Projected FY24 Number of Homes**	**FYE 24 Months**	MNTHLY Safety Fee- Admin	**MNTHLY Safety Fee-Admin Total**	MNTHLY Safety Fee- Fire	**MNTHLY Safety Fee- Fire Total**	MNTHLY Safety Fee- Police	**MNTHLY Safety Fee-Police Total**
Magnolia Existing	1847	12	2.00	44,328.00	5.00	110,820.00	15.00	332,460.00
Magnolia New Phase 10	150	9	2.00	2,700.00	5.00	6,750.00	15.00	20,250.00
Waverly Estates	120	3	2.00	720.00	5.00	1,800.00	15.00	5,400.00
MUD 2- Riverfield	300	9	2.00	5,400.00	5.00	13,500.00	15.00	40,500.00
	2417		8.00	**53,148.00**	20.00	**132,870.00**	60.00	**398,610.00**

Water

Water	**Projected FY24**	**Cap Recovery Fee**	**Water Tap Fees**	**Water Total Tap Fees Revenue**		**EXP CAP RECOVERY FEE IN 2024**		
Magnolia New Phase 10	150		500.00	75,000.00				
MUD 2- Riverfield	300		500.00	150,000.00				
Waverly Estates	120		500.00	60,000.00				
De Berry	15		1,750.00	26,250.00				
Murray Manor	0		1,750.00	-				
Meadow Ridge	0	2,693.25	1,750.00	-				
Robbie Hale/Liberty Ranch We	0	2,693.25	1,750.00	-				
Ashton Woods/Liberty Ranch	80	2,693.25	1,750.00	140,000.00	1/2 Liberty Ranch at Platting Time is 185 homes =	249,125.63	247,779.00	chk rcvd 1/30
Bradley Estates	13		1,750.00	22,750.00				
Morningside Addition	0	2,693.25	1,750.00	-	Phase 1 Morningside at Platting Time is 200 homes ph 1 =	538,650.00		

Robbie Hale/Shepherd Place H	0	2,693.25	1,750.00	-				
	678	13,466.25	15,500.00	474,000.00		787,775.63		

Sewer

Sewer	Projected FY24	Cap Recovery Fee	Sewer Tap Fees	Sewer Total Tap Fees Revenue		EXP CAP RECOVERY FEE IN 2024		
Magnolia New Phase 10	150		500.00	75,000.00				
MUD 2- Riverfield	300		500.00	150,000.00				
Waverly Estates	120		500.00	60,000.00				
De Berry	15		1,200.00	18,000.00				
Murray Manor	0		1,200.00	-				
Meadow Ridge	0	4,000.00	1,200.00	-				
Robbie Hale/Liberty Ranch We	0	4,000.00	1,200.00	-				
Ashton Woods/Liberty Ranch	80	4,000.00	1,200.00	96,000.00	1/2 Liberty Ranch at Platting Time is 185 homes =	370,000.00	368,000.00	chk rcvd 1/30
Bradley Estates	13		1,200.00	15,600.00				
Morningside Addition	0	4,000.00	1,200.00	-	Phase 1 Morningside at Platting Time is 200 homes ph 1 =	800,000.00		
Robbie Hale/Shepherd Place H	0	4,000.00	1,200.00	-				
	678	20,000.00	11,100.00	414,600.00		1,170,000.00		
						1,957,775.63		

General Fund Expense

General Fund Expense	Projected FY23-	Inspections Per	Cost per	Total
Magnolia New Phase 10	150		500.00	75,000.00
Waverly Estates	120		500.00	60,000.00
MUD 2- Riverfield	300		500.00	150,000.00
Bradley Estates	13		500.00	6,500.00
De Berry	15	13	40.00	7,800.00
Ashton Woods/Liberty Ranch	80		500.00	-
Robbie Hale/Shepherd Place H	0	13	40.00	-
	678	26	2,580.00	299,300.00

Period	Activity	Balance
Prior Year	0	0
October	-11375	-11375
November	-11067	-22442
December	-11060	-33502
January	-11039	-44541
February	-11025	-55566
March	-11018	-66584
April	-11368	-77952
May	-24520	-102472
June	-3738	-106210
July	-3622	-109832
August	0	-109832
September	0	-109832
Adjusting	0	-109832
Projected	0	0

(1,869.00)
(1,811.00)

400.00	200 homes 3 months
740.00	370 homes 9 months
3,694.00	1847 homes 12 mo
44,328.00	x12
6,660.00	x9
1,200.00	x3
52,188.00	LOW SIDE PROJECTION FOR ADMIN FY 24

10-100-4375-0000000

ADMIN FEE
$2 PER HOME PER MO
PRIOR TO ERP GO LIVE, ACTIVITY INCLUDES THE $5 FOR FIRE PER HOME PER MONTH

1847 MUD HOMES BILLED IN JULY 2023
570 HOMES TO BE BUILT ON DR HORTON'S SCHEDULE THIS YEAR
ADD 370 HOMES at 9 MO

Period	Activity	Balance
Prior Year	-412440.88	0
October	-24375	-24375
November	-23715	-48090
December	-23700	-71790
January	-23655	-95445
February	-23625	-119070
March	-23610	-142680
April	-24360	-167040
May	-51975	-219015
June	-27705	-246720
July	-27165	-273885
August	0	-273885
September	0	-273885
Adjusting	0	-273885
Projected	0	0

(1,625.00)	
(1,581.00)	
(1,580.00)	
(1,577.00)	
(1,575.00)	
(1,574.00)	
(1,624.00)	
(3,465.00)	
(1,847.00)	
(1,811.00)	
3,000.00	200 homes 3 months
5,550.00	370 homes 9 months
27,705.00	1847 homes 12 mo
332,460.00	x12
49,950.00	x9
9,000.00	x3
391,410.00	LOW SIDE PROJECTION FOR POLICE FY 24

10-200-4375-0000000

POLICE FEE
$15 PER HOME PER MO

1847 MUD HOMES BILLED IN JULY 2023
570 HOMES TO BE BUILT ON DR HORTON'S SCHEDULE THIS YEAR
ADD 370 HOMES at 9 MO

Period	Activity	Balance
Prior Year	0	0
October	0	0
November	0	0
December	0	0
January	0	0
February	0	0
March	0	0
April	0	0
May	-85	-85
June	-8930	-9015
July	-9090	-18105
August	0	-18105
September	0	-18105
Adjusting	0	-18105
Projected	0	0

(1,786.00)
(1,818.00)

10-250-4375-0000000

1,000.00	200 homes 3 months
1,850.00	370 homes 9 months
9,235.00	1847 homes 12 mo
110,820.00	x12
16,650.00	x9
3,000.00	x3
130,470.00	LOW SIDE PROJECTION FOR ADMIN FY 24

FIRE FEE
$5 PER HOME PER MO
PRIOR TO ERP GO LIVE, $5 ACTIVITY WAS INCLUDED IN ADMIN REVENUE

1847 MUD HOMES BILLED IN JULY 2023

570 HOMES TO BE BUILT ON DR HORTON'S SCHEDULE THIS YEAR
ADD 370 HOMES at 9 MO

NORTH TEXAS MUNICIPAL WATER DISTRICT

Regional. Reliable. Everyday.

July 31, 2023

Mr. Jason Turney
Mayor
City of Josephine
P.O. Box 99
Josephine, Texas 75164

RE: PRELIMINARY CHARGES FOR FISCAL YEAR 2024

Dear Mr. Turney:

To assist the City of Josephine in the preparation of its budget, the District is providing preliminary estimates of revenues, expenses, and city charges for FY 2024. These estimates, including your Regional Water System minimum annual demand, are based on the most current information available and are subject to change as the District continues to develop its FY 2024 Annual Budget. At this time, the proposed Customer Water Rate for FY 2024 is expected to be $3.74 per 1,000 gallons, a reduction from our prior forecast. Regional Water System demand projections will be revised accordingly in an effort to reflect your estimated minimum annual demand for the upcoming year. Once the July water consumption is recorded, your annual minimum for next year will be calculated. The District will provide the 2023-24 Budget Summary and Billing Schedules, subject to approval of the budget by the District's Board of Directors, by the end of September.

The District will continue throughout the budget process to ensure that requested funds are only for critical infrastructure, equipment and support necessary to provide our services.
Preliminary FY 2024 charges are as follows:

- Regional Water System $ 953,542.92

To provide insight into the budgetary expenditure increases that exceed 5% we have listed system-specific explanations below:

The Regional Water System's FY 2024 Annual Budget is estimated at $474,180,175, which is $50,391,325 or 11.9% greater than the FY 2023 Original Budget. The primary drivers of the increase relate to additional capital improvement transfers and debt service to support the District's large capital program. Additional increases include personnel, pipeline maintenance for the linear asset management program, higher property insurance and increased variable costs due to chemical pricing as well as the need for treating additional gallons due to demand. With the additional demand the number of treated gallons is also increasing, which partially offsets the increased rate per 1,000 gallons. The net impact to the rate per 1,000 gallons is an increase of 8.9%. In addition, the District is currently forecasting a variable expense rebate between $2 and $4 Million for 2023. Final rebates will be determined based on actual variable expense compared to budget and will be proportionally distributed based on usage compared to annual minimums.

At your convenience, you may visit our website at http://www.ntmwd.com, for additional Financial Transparency information and to view past committee meeting presentations. Should you have any questions or need additional information, please contact Jeanne Chipperfield, Deputy Director – Administrative Services, by e-mail at jchipperfield@ntmwd.com.

Sincerely,

DocuSigned by:

Jennafer Covington

B46722C7E841467...

JENNAFER P. COVINGTON
Executive Director

JPC/JC/EAF/DTF/jmb
Enclosures

Preliminary Estimate as of July 31, 2023

REGIONAL WATER SYSTEM

NORTH TEXAS MUNICIPAL WATER DISTRICT

Revenues and Expenses	2021-22 Actual	2022-23 Original Budget	2022-23 Amended Budget	2023-24 Proposed Budget	Variance $ To Original Budget	Variance % To Original Budget
Revenues						
Water Sales:						
Member Sales	$ 298,348,783	$ 344,963,325	$ 343,115,234	$ 376,428,509	$ 31,465,183	9.1%
Refund - Member Sales	(3,409,537)	-	-	-	-	0.0%
Customer Sales	73,104,780	84,951,336	88,453,820	97,469,807	12,518,472	14.7%
Retail Customer Sales	16,282	16,000	16,000	17,440	1,440	9.0%
Raw Water Sales	3,177	1,490	635	2,050	560	37.6%
Total Water Sales	$ 368,063,485	$ 429,932,151	$ 431,585,690	$ 473,917,806	$ 43,985,655	10.2%
Other Revenues:						
Tfr - Prior Year Recovery	$ 231,031	$ -	$ -	$ -	$ -	0.0%
Tfr from Escrows	-	-	140,945	-	-	0.0%
Other	605,343	541,474	805,300	179,364	(362,110)	-66.9%
Total Other Revenues	$ 836,374	$ 541,474	$ 946,245	$ 179,364	$ (362,110)	-66.9%
Interest Income	318,638	177,345	2,410,385	2,216,880	2,039,535	1150.0%
Total Revenues	**$ 369,218,497**	**$ 430,650,970**	**$ 434,942,320**	**$ 476,314,050**	**$ 45,663,080**	**10.6%**
Expenses						
Personnel:						
Salaries	$ 8,850,906	$ 11,496,290	$ 10,447,310	$ 12,352,335	$ 856,045	7.4%
Other	4,353,697	5,540,155	5,981,605	6,297,200	757,045	13.7%
Total Personnel	$ 13,204,603	$ 17,036,445	$ 16,428,915	$ 18,649,535	$ 1,613,090	9.5%
Supplies:						
Fuel	$ 135,287	$ 139,235	$ 145,235	$ 355,040	$ 215,805	155.0%
Chemicals	51,130,920	73,965,125	75,482,870	78,732,750	4,767,625	6.4%
Other	3,951,923	4,988,995	4,871,530	5,634,470	645,475	12.9%
Total Supplies	$ 55,218,130	$ 79,093,355	$ 80,499,635	$ 84,722,260	$ 5,628,905	7.1%
Services:						
Consulting	$ 2,615,640	$ 3,349,000	$ 3,299,000	$ 3,816,165	$ 467,165	13.9%
Insurance	1,191,767	2,270,245	2,118,760	3,210,530	940,285	41.4%
Maintenance	12,258,693	17,167,695	17,777,695	22,923,605	5,755,910	33.5%
Power	18,224,868	26,440,355	22,219,755	24,730,880	(1,709,475)	-6.5%
Shared Services	42,132,459	44,546,425	46,597,515	42,238,130	(2,308,295)	-5.2%
Water Purchases	5,617,660	6,472,005	5,972,005	6,457,795	(14,210)	-0.2%
Other	4,633,481	4,401,300	4,401,300	4,679,355	278,055	6.3%
Total Services	$ 86,674,568	$ 104,647,025	$ 102,386,030	$ 108,056,460	$ 3,409,435	3.3%
Capital Outlay	$ 1,060,089	$ 3,014,610	$ 3,156,820	$ 3,299,500	$ 284,890	9.5%
Escrow	$ 50,000	$ 88,070	$ 88,070	$ 88,070	$ -	0.0%
Capital Improvement Fund	$ 15,000,000	$ 19,100,000	$ 19,100,000	$ 35,000,000	$ 15,900,000	83.2%
Contingency	$ 1,200,000	$ 4,000,000	$ 11,500,000	$ 4,000,000	$ -	0.0%
Debt Service	$ 188,111,066	$ 196,809,345	$ 196,797,645	$ 220,364,350	$ 23,555,005	12.0%
Total Expenses	**$ 360,518,456**	**$ 423,788,850**	**$ 429,957,115**	**$ 474,180,175**	**$ 50,391,325**	**11.9%**
Fund Bal. Incr. to 90 Days	8,700,040	6,700,000	4,059,610	1,283,440	(5,416,560)	0.0%
Net Revenues	**$ -**	**$ 162,120**	**$ 925,595**	**$ 850,435**	**$ 688,315**	

2023-24 Billing Schedule - Customers

	Ables Springs WSC	Bear Creek SUD	BHP Water Supply Corp	Bonham	Caddo Basin SUD	Cash SUD	College Mound SUD
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	114,649	495,370	183,733	640,000	510,971	360,572	85,348
October	$ 35,735.26	$ 154,393.80	$ 57,268.42	$ 196,800.00	$ 159,248.54	$ 112,381.28	$ 26,601.52
November	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
December	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
January	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
February	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
March	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
April	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
May	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
June	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
July	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
August	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
September	35,732.00	154,390.00	57,263.00	196,800.00	159,253.00	112,378.00	26,600.00
Total	**$ 428,787.26**	**$ 1,852,683.80**	**$ 687,161.42**	**$ 2,361,600.00**	**$ 1,911,031.54**	**$ 1,348,539.28**	**$ 319,201.52**

	Copeville SUD	East Fork SUD	Fairview	Fate #1	Fate #2	Forney Lake WSC	Gastonia-Scurry SUD
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	146,859	725,315	1,082,975	279,932	742,158	640,488	110,490
October	$ 45,771.66	$ 226,051.10	$ 337,529.50	$ 87,250.68	$ 231,304.92	$ 199,616.12	$ 34,436.60
November	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
December	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
January	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
February	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
March	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
April	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
May	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
June	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
July	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
August	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
September	45,771.00	226,057.00	337,527.00	87,245.00	231,306.00	199,619.00	34,436.00
Total	**$ 549,252.66**	**$ 2,712,678.10**	**$ 4,050,326.50**	**$ 1,046,945.68**	**$ 2,775,670.92**	**$ 2,395,425.12**	**$ 413,232.60**

2023-24 Billing Schedule - Customers (continued)

	GTUA	Josephine	Kaufman	Kaufman 4-1	Little Elm	Lucas	Melissa
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	1,713,647	254,958	486,643	555,695	1,889,510	734,532	363,847
October	$ 534,082.78	$ 79,460.92	$ 151,674.82	$ 173,187.30	$ 588,900.40	$ 228,930.68	$ 113,398.78
November	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
December	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
January	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
February	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
March	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
April	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
May	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
June	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
July	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
August	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
September	534,087.00	79,462.00	151,670.00	173,192.00	588,897.00	228,929.00	113,399.00
Total	**$ 6,409,039.78**	**$ 953,542.92**	**$ 1,820,044.82**	**$ 2,078,299.30**	**$ 7,066,767.40**	**$ 2,747,149.68**	**$ 1,360,787.78**

	Milligan WSC	Mt Zion WSC	Murphy	Nevada #1	Nevada #2	North Collin SUD	Parker
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	149,894	151,637	1,661,494	93,636	70,985	405,829	695,044
October	$ 46,716.56	$ 47,262.38	$ 517,835.56	$ 29,185.64	$ 22,119.90	$ 126,487.46	$ 216,622.56
November	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
December	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
January	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
February	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
March	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
April	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
May	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
June	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
July	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
August	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
September	46,717.00	47,260.00	517,832.00	29,183.00	22,124.00	126,483.00	216,622.00
Total	**$ 560,603.56**	**$ 567,122.38**	**$ 6,213,987.56**	**$ 350,198.64**	**$ 265,483.90**	**$ 1,517,800.46**	**$ 2,599,464.56**

2023-24 Billing Schedule - Customers (continued)

	Prosper	Rose Hill SUD	Rowlett	Sachse	Seis Lagos UD	Sunnyvale	Terrell
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	3,085,412	143,271	3,192,039	1,332,153	165,598	783,784	1,554,432
October	$ 961,620.88	$ 44,650.54	$ 994,853.86	$ 415,184.22	$ 51,615.52	$ 244,283.16	$ 484,460.68
November	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
December	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
January	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
February	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
March	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
April	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
May	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
June	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
July	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
August	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
September	961,620.00	44,653.00	994,852.00	415,188.00	51,611.00	244,279.00	484,465.00
Total	**$ 11,539,440.88**	**$ 535,833.54**	**$ 11,938,225.86**	**$ 4,982,252.22**	**$ 619,336.52**	**$ 2,931,352.16**	**$ 5,813,575.68**

	Wylie NE	Total
ESTIMATED MIN. ANNUAL DEMAND (1,000 Gal)	467,102	26,070,002
October	$ 145,581.48	$ 8,122,505.48
November	145,580.00	8,122,482.00
December	145,580.00	8,122,482.00
January	145,580.00	8,122,482.00
February	145,580.00	8,122,482.00
March	145,580.00	8,122,482.00
April	145,580.00	8,122,482.00
May	145,580.00	8,122,482.00
June	145,580.00	8,122,482.00
July	145,580.00	8,122,482.00
August	145,580.00	8,122,482.00
September	145,580.00	8,122,482.00
Total	**$ 1,746,961.48**	**$ 97,469,807.48**

June 8, 2023

Jason Turney, Mayor
Josephine City
201 S. Main St.
Josephine, TX 75173

Dear Mayor Turney:

Please find enclosed a copy of our proposed 2024 budget, including a list showing the estimated share of the budget for each of our sixty-five taxing jurisdictions. A copy of the proposed budget should be maintained for public inspection at your principal administrative office.

State law requires that the Central Appraisal District be funded by all taxing jurisdictions in Collin County, based on a calculation of each jurisdiction's tax levy as it compares to the amount of taxes levied by all jurisdictions in total. The estimated share of the budget for each jurisdiction was calculated utilizing the '2023 Certified Estimate of Value' provided to you on April 28, 2023 and your 2022 tax rate.

Your estimated share for the 2024 Proposed Budget is $7,602.00.

Please keep in mind that the estimated share listed above is a projection for planning purposes. As a general rule, the primary reasons your actual share could increase above the estimated share would be if your entity's 2023 appraisal roll and/or your 2023 tax rate increases more than the overall trend for all taxing entities combined, therefore changing your levy position when compared to other taxing entities. Also, non-school district entities should anticipate a small shift in funding from school districts to non-school districts due to the potential compression of school district Maintenance & Operations (M&O) tax rates, as mandated by our Legislature. As required by the Tax Code, I must provide each entity with their "estimated share". The estimate above utilizes your 2022 actual tax rate, since I do not know where the 2023 tax rates will settle in after new taxable values, new exemptions, more tax freeze loss, the calculation of debt rates and after potential school rate reductions caused by compression. The "estimated share" calculation is made even more difficult since I must use the Certified Estimate of Taxable Value from April 28, 2023.

For budgeting purposes, I would recommend that school districts use the higher of the estimate above or your 2023 payment total. For all non-school district entities I would use the estimate above, with 2.00% to 3.00% added to account for the potential shift caused by the compression of school district M&O tax rates.

Your actual share of the 2024 budget will not be available until the 2023 appraisal roll is certified and all taxing jurisdictions adopt their 2023 tax rate. Once these two events occur, we will calculate the actual share for each taxing entity and generate a billing notice outlining your 2024 amount due, along with quarterly billing amounts. Quarterly payments will be due in equal installments before January 1, April 1, July 1, and October 1, 2024.

A public hearing on the 2024 Proposed Budget will be conducted at the District's office located at 250 Eldorado Pkwy, McKinney, TX on June 22, 2023 at 7:00 am.

Please contact Marty Wright, Chief Appraiser marty.wright@cadcollin.org or Brian Swanson, Deputy Chief Appraiser-Business Operations brian.swanson@cadcollin.org at your earliest convenience should you have questions or comments concerning the 2024 Proposed Budget.

Sincerely,

Brian Mantzey, Secretary of the Board of Directors
Collin Central Appraisal District

Fired WADE Construction
Hired KCK To Finish
RAW Sewer in Ditch.
ASAP.

To: Lisa Palomba <lpalomba@cityofjosephinetx.com>
Subject: FW: [EXTERNAL]KCK Construction - Caddo Street 15" Sewer Line Project

Good morning Lisa,

I'm not sure if Kirk forwarded this over to you. After speaking with Kirk, I think we can trim down several items from this bid:

- Line Item #5 – Gravel Road Repair = $118,800.00
- Line Item #7 – SWPPP = $3,000.00
- Line Item #8 – Traffic Control = $14,400.00
- Line item #12 – Density Testing = $14,850.00
- New total price = $205,101.00

Kirk indicated there are several other improvements he plans to do along Caddo Street so there isn't a real need for KCK to do so much regarding road repair. I am in agreement that we could forego these items in order to get the SS line completed. Please let me know your thoughts or if you have any questions. We can line up KCK to get going here soon.

Thanks,

Jacob Dupuis, PE
Senior Discipline Lead | Associate Principal
Dunaway
T 972.784.7777 **C** 817.201.5332

From: Jacob Dupuis
Sent: Friday, July 14, 2023 9:12 AM
To: Kirk Peters <kpeters@cityofjosephinetx.com>
Cc: Mark Wright <mwright@dunaway.com>; Tony Gore <tgore@dunaway.com>
Subject: FW: [EXTERNAL]KCK Construction - Caddo Street 15" Sewer Line Project

Quote from KCK. I will review but also wanted to let you all take a look as well.

Thanks,

Jacob Dupuis, PE
Senior Discipline Lead | Associate Principal
Dunaway
T 972.784.7777 **C** 817.201.5332

From: Jim Wilson <jim@kckconstruction.com>
Sent: Thursday, July 13, 2023 3:11 PM
To: Jacob Dupuis <JDupuis@dunaway.com>
Subject: [EXTERNAL]KCK Construction - Caddo Street 15" Sewer Line Project

Jacob, I hope I am sending this to the right person, our Supr. Rick King told me to send it to Jacob. Attached is our quote to finish out the Remainder of the Caddo Street 15" Sewer Line Project. Please let me know if you have any questions or if you see something that I need to Edit.

Thanks,

Kirk Peters

From:	Kirk Peters
Sent:	Tuesday, August 1, 2023 2:35 PM
To:	Jacob Dupuis; Lisa Palomba; Garrett Jackson
Subject:	RE: [EXTERNAL]KCK Construction - Caddo Street 15" Sewer Line Project

Hi Jacob we need to go ahead and get them the approval notice. We have an open sewer main that will have new customesr one it within a week or two.

Best Regards,

Kirk Peters

Assistant City Administrator/

Director of Public Works

972-843-8282

The City of
Josephine

From: Jacob Dupuis <JDupuis@dunaway.com>
Sent: Wednesday, July 19, 2023 11:28 AM
To: Lisa Palomba <lpalomba@cityofjosephinetx.com>; Kirk Peters <kpeters@cityofjosephinetx.com>
Subject: FW: [EXTERNAL]KCK Construction - Caddo Street 15" Sewer Line Project

[EXTERNAL EMAIL] Please use caution.

Here is the breakdown I had sent over yesterday on the proposal from KCK. Forgot to include Kirk on this as well.

Lisa, let me know your availability this afternoon and I can give you a shout to run through it.

Thanks,

Jacob Dupuis, PE
Senior Discipline Lead | Associate Principal
Dunaway
T 972.784.7777 **C** 817.201.5332

From: Jacob Dupuis
Sent: Tuesday, July 18, 2023 9:21 AM

Jim Wilson
Estimator
KCK Utility Construction
2104 F.M. 1827
McKinney, TX 75071
(214) 547-9152 (Office)
(214) 716-4388 (Direct)
(214) 872-0893 (Cell)

INDIVIDUAL PROJECT ORDER (IPO) #6

CONCEPTUAL DRAINAGE IMPROVEMENTS

DATE PREPARED: JANUARY 31, 2023

Describing a specific agreement between Kimley-Horn and Associates, Inc. (Consultant), and the City of Josephine (Client) in accordance with the terms of the Master Agreement for Continuing Professional Services dated September 12, 2022, which is incorporated herein by reference.

***Identification of Project*:** Kimley-Horn and Associates, Inc. ("Kimley-Horn") is pleased to submit this professional services agreement to the City of Josephine ("City") for providing professional civil engineering services to provide conceptual drainage improvements.

Project Understanding: This project consists of providing professional services associated with developing conceptual drainage improvements for existing drainage facilities located at four locations generally as shown on Figure 1. The Scope of Services that follows summarizes the effort proposed by Kimley-Horn.

The following assumptions were made in the development of the Scope of Services:

- Rainfall events analyzed will include 5-year and 100-year.
- 5-year and 100-year existing and fully developed condition flows of Sabine Creek Tributary B will be taken from the "Estates at Magnolia Flood Study" prepared by HydroLink Engineering dated April 2021 (Magnolia Study).
- 5-year and 100-year existing and fully developed condition peak flows of Brushy Creek Tributary 15 will be taken from the "Riverfield Flood Study" prepared by HydroLink Engineering dated May 2021 (Riverfield Study).
- 5-year and 100-year existing and fully developed condition peak flows along Sabine Creek and its tributaries have not been previously analyzed nor determined within City of Josephine limits.
- Kimley-Horn will perform the effort identified in Tasks 1 through 5 one time. We can perform subsequent conceptual improvements and revisions to the deliverables as an additional service if requested (not included in this IPO).

Information Provided by the Client

We shall be entitled to rely on the completeness and accuracy of information provided by the City or City's consultants or representatives. The City shall provide information requested by Kimley-Horn during the project, including but not limited to the following:

- Previously submitted hydrologic and/or hydraulic analyses of impacted creeks
- Record plans and other data specified in this document

The remainder of this page is intentionally left blank.

Figure 1

Scope of Services:

LS= Lump Sum Fee Type
HR= Projected Hourly Fee Type

Task 1 – Data Gathering and Site Visit **$8,700 LS**

Kimley-Horn will attend a meeting with City staff to initiate the effort. We will perform a site visit of the four locations shown in Figure 1.

The City will provide the following information (information on file at Kimley-Horn from prior engagements will be used where applicable). We will review and evaluate the data.

- Topographic data for the four locations.
- Current imagery aerial photos.
- Digital files and modeling associated with the Hess Tract Study prepared by HydroLink Engineering. The date of the study is estimated as June 2021.
- Other hydrologic and/or hydraulic analyses for proposed developments within the watersheds of the analyzed creeks.
- Record drawings for the following crossings:
  - Unnamed Tributary to Sabine Creek: County Road 640 crossing
  - Sabine Creek: County Road 596 crossing, W. Cook Street crossing
  - Sabine Creek Tributary B: W. Cook Street crossing, Milton Street crossing and E. Hubbard Road crossing.
  - Brushy Creek Tributary 15: County Road 1003 crossing

Aerial and topographic information not available from the City will be obtained from the North Central Texas Council of Governments (NCTCOG). If there is a cost for obtaining the data, we will ask for authorization to proceed, and if so, this cost will be charged as an expense in accordance with the terms of the Master Agreement on file.

Task 2 – Location 1 and 2 Conceptual Improvement Analysis $34,000 LS

Kimley-Horn will develop an existing and fully developed hydrologic model of the watershed of Sabine Creek. The downstream extent of the modeling will be W. Cook Steet. The modeling will include up to 5 subbasins and will calculate 5-year and 100-year peak flows in the watershed.

We will develop a hydraulic model of the subject reaches of Unnamed Tributary to Sabine Creek (Tributary SC) and Sabine Creek. The subject reaches are defined as follows:

- Subject Reach of Sabine Creek: From 200 linear feet downstream of W. Highway 6 to approximately 200 linear feet upstream of County Road 596.
- Subject Reach of Tributary SC: From its confluence with Sabine Creek to the upstream City limits.

Kimley-Horn will revise the hydraulic modeling to prepare up to four conceptual improvements along the subject reaches of Sabine Creek and Tributary SC. Improvements will be shown on the exhibits prepared in Task 5. A summary of the improvements that were analyzed will be included in the memorandum prepared in Task 5.

Task 3 – Location 3 Conceptual Improvement Analysis $22,100 LS

Kimley-Horn will utilize the peak flows from the existing and fully developed hydrologic modeling Sabine Creek Tributary B (Tributary B) previously prepared in the Magnolia Study. No revisions to this modeling will be prepared. We understand an existing condition hydraulic model of Tributary B has been previously prepared and understand it will be provided by the City. The upstream extent of this model is estimated to be approximately 100 linear feet upstream of E. Cook Street.

We will extend the City-provided hydraulic model upstream to approximately 500 linear feet upstream of County Road 596. For the purposes of this task, the subject reach of Tributary B is defined as 200 linear feet downstream of W. Cook Street to approximately 500 linear feet upstream of County Road 596.

Kimley-Horn will revise the hydraulic modeling to prepare up to four conceptual improvements along the subject reach of Tributary B. Improvements will be shown on the exhibits prepared in Task 5. A summary of the improvements that were analyzed will be included in the memorandum prepared in Task 5.

Task 4 – Location 4 Conceptual Improvement Analysis $13,500 LS

Kimley-Horn will utilize the peak flows from the existing and fully developed hydrologic modeling Brushy Creek Tributary 15 (Tributary 15) previously prepared in the Riverfield Study. No revisions to this modeling will be prepared. The Riverfield Study also included an existing condition hydraulic model of Tributary 15. The upstream extent of this model is approximately 800 linear feet upstream of E. Cook Street.

We will prepare an existing condition hydraulic model of Tributary 15 along the subject reach. For the purposes of this task, the subject reach of Tributary 15 is defined as 1,000 linear feet downstream of County Road 1003 to approximately 400 linear feet upstream of County Road 1003.

Kimley-Horn will revise the hydraulic modeling to prepare up to four conceptual improvements along the subject reach of Tributary B. Improvements will be shown on the exhibits prepared in Task 5. A summary of the improvements that were analyzed will be included in the memorandum prepared in Task 5.

Task 5 – Documentation **$23,200 LS**

Kimley-Horn will prepare a memorandum and up to eight exhibits and opinions of probable construction cost that incorporate the initial findings, recommendations, and conceptual improvements identified in Tasks 2 through 4. The exhibits will show conceptual improvements and will not include detailed grading. We will attend a meeting with City staff to discuss the memorandum and will address one round of City comments.

Task 6 – Meetings/Project Coordination **$15,000 HR**

We will prepare for and attend meetings with City staff and provide general project coordination. We have budgeted up to 75 hours of effort for this task.

Additional Services if Required: Additional services to be performed if authorized by the City, (but which are not included in the above-described Scope of Services) are as follows:

- Detailed hydrologic and/or hydraulic analysis/design
- Two-dimensional modeling
- Construction plans
- Detailed grading
- Items not specifically mentioned above

Schedule: Project to begin upon receipt of signed IPO #6. We will provide our services as expeditiously as practicable.

Terms of compensation: Kimley-Horn will perform the tasks identified in the Scope of Services for the fee type shown as follows:

LS= Lump Sum Fee Type
HR= Projected Hourly Fee Type

Task 1 – Data Gathering and Site Visit	**$8,700 LS**
Task 2 – Location 1 and 2 Conceptual Improvement Analysis	**$34,000 LS**
Task 3 – Location 3 Conceptual Improvement Analysis	**$22,100 LS**
Task 4 – Location 4 Conceptual Improvement Analysis	**$13,500 LS**
Task 5 – Documentation	**$23,200 LS**
Task 6 – Meetings/Project Coordination	**$15,000 HR**
Projected Total	**$116,500**

Compensation for Services and Method of Payment shall be as referenced in the Master Agreement.

Invoices will be submitted with Lump Sum Tasks shown as a percentage of work completed and projected Hourly Tasks shown as effort expended.

Other special terms of Individual Project Order: None

ACCEPTED:

CITY OF JOSEPHINE	KIMLEY-HORN AND ASSOCIATES, INC.
BY:________________________________	BY:____________________________
TITLE:______________________________	TITLE: Senior Vice President
DATE:______________________________	DATE: January 31, 2023

Prepared 1/31/2023

INDIVIDUAL PROJECT ORDER (IPO) #7

Storm Water Utility

DATE PREPARED: February 1, 2023

Describing a specific agreement between Kimley-Horn and Associates, Inc., and the City of Josephine ("City") in accordance with the terms of the Master Agreement for Continuing Professional Services dated September 12, 2022, which is incorporated herein by reference.

***Identification of Project*:** Storm Water Utility Fee Program

Project Understanding: This project consists of providing professional services associated with assisting the City with developing a Storm Water Utility fee (Utility) program. The following Scope of Services summarizes the effort proposed by Kimley-Horn to assist the City with the enactment. We understand the City will provide information regarding revenue needs, applicable revenue sources, and potential projected system needs including, but not limited to, required capital improvements, and desired funding plan for said improvements. Evaluation of the revenue needs and projected costs for the City is not part of this Scope of Services.

The following assumptions were made in the development of the scope below:

- The service area of the Utility will be the Josephine city limits as shown in Figure 1 on the next page.
- The City does not have an inventory of impervious area of the properties in the city.
- The utility billing system will be based on Collin and Hunt County parcel data provided by the Collin CAD and Hunt CAD, and there will be a nexus between these two datasets (for example, each billing account is assigned a parcel ID)
- The City will provide information regarding revenue needs and applicable sources currently funding storm water.

Information Provided by the Client

We shall be entitled to rely on the completeness and accuracy of information provided by the City or City's consultants or representatives. The City shall provide information requested by Kimley-Horn during the project, including but not limited to the following:

- Signed copy of this IPO
- Data as specified in this document

The remainder of this page is intentionally left blank.

Figure 1

Scope of Services:

LS= Lump Sum Fee Type
HR= Projected Hourly Fee Type

Task 1 – Data Gathering **$9,700 LS**

Kimley-Horn will attend a meeting with City staff to initiate the effort and discuss the utility.

The City will provide the following information (information on file at Kimley-Horn and Associates, Inc. from prior engagements will be used where applicable). We will review and evaluate the data.

- Utility billing database

Aerial and topographic information will be obtained from the North Central Texas Council of Governments (NCTCOG).

Task 2 – Development of Impervious Dataset **$15,000 LS**

Using the data sets listed in Task 1, Kimley-Horn will develop an impervious cover dataset by City parcel for which the City will collect a Storm Water fee. We will perform the following effort:

- Kimley-Horn will use available ArcGIS based software to identify impervious area throughout the city limits. We will use an iterative process where an initial impervious estimate will be produced by assigning values to specific pixels in the image. The program will analyze the image using those assignments to determine impervious area. The process will be repeated to refine the determination. We will perform a visual inspection of the results via a review of aerial photography to identify and perform manual edits for some possibly incorrectly classified areas and to improve accuracy. We anticipate one day of site visits to perform spot checks of the classified data.

- Kimley-Horn will convert the resulting impervious cover information to the proper shapefile format and intersect the impervious coverage information with parcel information to calculate the impervious area on each parcel in the city limits.

Kimley-Horn will perform this effort one time using the aerial, parcel, and city limit information. We can perform subsequent impervious data set analyses as an additional service if the data in Task 1 is modified following the onset of Task 2.

Task 3 – Account Review **$9,800 LS**

Kimley-Horn will review the City's utility billing database to identify the following:

- Parcels with multiple billing accounts
- Parcels with impervious coverage and no existing billing account
- Federal properties (as defined by Collin CAD and Hunt CAD)
- Properties with mandatory exemptions
- Potential discretionary exemptions

As part of the submittals described in Task 7, we will provide the City with recommendations regarding (1) identified exceptions, (2) parcels with multiple accounts, (3) parcels with no current accounts, and (4) mandatory and discretionary exemptions based on the Texas Local Government Code and discussions with staff.

Task 4 – Project Review **$11,300 LS**

Kimley-Horn will meet with the City to discuss up to four projects the City would like to include as part of the Cost of Service for the utility. Following the meeting, we will prepare a summary for the selected projects. The opinions of probable cost from IPO #6 will be included in the summary. This scope of work does not include detailed design for the proposed projects and anticipates the projects that will be considered will be selected from the improvements identified in the Conceptual Drainage Improvement analysis prepared in a different Individual Project Order.

Kimley-Horn understands the City will use the opinion of probable construction costs provided by to evaluate the revenue needs of the utility.

Task 5 – Determine Fee Structures **$11,000 LS**

Kimley-Horn will perform the following effort:

- Establish Equivalent Residential Unit (ERU) and Fee Structure – Using the GIS impervious data prepared in Task 2, Kimley-Horn will establish an ERU based on average impervious area for single-family residential parcels throughout the City. Using the GIS impervious area data, we will develop a fee structure. Single-family properties will be assessed a single fee. For other properties, the fee will be based on impervious area within the parcel.
- Impact analysis – Kimley-Horn will develop a multi-year fee model based on the ERU and the fee structure. The model will allow evaluation of key variables such as anticipated annual growth in impervious area, annual variations in billing rates, the impact of discretionary fee exemptions by development category, and the impact of incentive programs. The City will provide future drainage

utility total annual revenue needs for each of the five fiscal years to be used as direct inputs to the model. The model will allow for project of billing rates necessary to achieve the funding needs for the next five years anticipating the impacts of exemptions and incentives. We will also allow for the analysis of the impacts for the proposed fee structure to existing accounts based on impervious surface area input by the City. This task includes three iterations of the impact analysis due to revisions to key variables.

Task 6 – Evaluate Billing Mechanism **$10,500 LS**

Kimley-Horn will meet with City staff to discuss the current utility billing system and the additional information that will be required to transition the billing system to the new fee structure. Kimley-Horn and staff will identify the information necessary to be included with the billing system and the preferred format for the transfer of the information. We will establish a master data file migration protocol for import of account specific drainage utility customer data. We will also provide recommendations regarding maintenance of the database following project completion. Recommendations will include steps during the development process where information from building permits will be processed to be included in the impervious cover files to keep impervious coverage up to date.

Kimley-Horn will provide the following information as a deliverable:

- Final GIS*.shp file associated database and metadata
- Parcel ID's
- Square footage of land area and impervious cover for each parcel
- Number of ERU's per parcel
- Property Owner for each parcel as listed in the parcel data provided by the City

This task assumes the City provides clear direction on how to handle the exceptions, exemptions, and other issues identified in Task 3. The fee assumes there is a readily identifiable link between the utility billing accounts and the parcel property boundaries.

Task 7 – Ordinance Preparation **$7,400 LS**

Kimley-Horn will draft an ordinance to enact the Utility. Items to be addressed include definitions, incorporation of the rate structure, service area, statutory and discretionary property exemptions, customers appeals process, customer credits, responsible City department, and recovery of non-payment of fee. Kimley-Horn will coordinate with the city attorney to review.

Task 8 – Project Documentation **$6,900 LS**

Kimley-Horn will prepare a report that incorporates the initial findings, recommendations, impact analysis, presentation of the current cost of service and project cost of service as provided by the City, a schedule of current and recommended fees, recommended fee incentives, and metadata for the impervious GIS data.

The remainder of this page is intentionally left blank.

Task 9 – Public Involvement and Outreach **$20,500 HR**

Kimley-Horn anticipates the public hearing and approval process will consist of meetings as required by the Texas Local Government Code, along with additional meetings as requested by the City to engage other interested parties and stakeholders. Meeting facilities for stakeholder meetings and public meetings will be provided by the City. This task provides for Kimley-Horn to prepare for, attend, and assist with up to five meetings. Meetings may include:

- Meetings with Council to present findings and ordinance
- Neighborhood/stakeholder meetings

Additional Services if required: Additional services to be performed if authorized by the City but which are not included in the above-described Scope of Services are as follows:

- Performing Task 2 using 3-band aerial imagery.
- Detailed Cost of Service analysis
- Tiered Billing Structures
- Items not specifically mentioned above

Schedule: Project to begin upon receipt of signed IPO #7. We will provide our services as expeditiously as practicable.

Deliverables: Kimley-Horn will deliver the project documentation, presentations, ordinance recommendations, and other deliverables mentioned above in a timely manner.

Terms of compensation:

Kimley-Horn will perform the task identified in the Scope of Services for the fee type shown as follows:

Task 1 – Data Gathering	**$9,700 LS**
Task 2 – Development of Impervious Dataset	**$15,000 LS**
Task 3 – Account Review	**$9,800 LS**
Task 4 – Project Review	**$11,300 LS**
Task 5 – Determine Fee Structures	**$11,000 LS**
Task 6 – Evaluate Billing Mechanism	**$10,500 LS**
Task 7 – Ordinance Preparation	**$7,400 LS**
Task 8 – Project Documentation	**$6,900 LS**
Task 9 – Public Involvement and Outreach	**$20,500 HR**
Project Total	**$102,100**

Compensation for Services and Method of Payment shall be as referenced in the Master Agreement. Invoices will be submitted with Lump Sum Tasks as shown as a percentage of work completed.

Other special terms of Individual Project Order: None

ACCEPTED:

CITY OF JOSEPHINE

BY:_________________________________

TITLE:______________________________

DATE:______________________________

KIMLEY-HORN AND ASSOCIATES, INC.

BY:_____________________________

TITLE: Senior Vice President

DATE: February 1, 2023

Prepared 02/1/2023

INDIVIDUAL PROJECT ORDER (IPO) #16

UNIFIED DEVELOPMENT CODE

DATE PREPARED: MAY 23, 2023

Describing a specific agreement between Kimley-Horn and Associates, Inc., and the City of Josephine ("City") in accordance with the terms of the Master Agreement for Continuing Professional Services dated September 12, 2022, which is incorporated herein by reference.

***Identification of Project*:** Unified Development Code Preparation

Project Understanding: The City has requested Kimley-Horn assist with updating their Zoning Ordinance, Land Development Code and Development Standards to improve the overall functionality and practicality of the City's ordinances. The primary objective of developing these updated ordinances is to establish a set of standards, guidelines, and procedures for development that builds upon the existing character of the community while supporting economic development and overall livability. The individual documents will be combined into one document titled the Unified Development Code (UDC).

Information Provided by the Client

We shall be entitled to rely on the completeness and accuracy of information provided by the City or City's consultants or representatives. The City shall provide information requested by Kimley-Horn during the project, including but not limited to the following:

- Signed copy of this IPO
- Data as specified below

Scope of Services:

LS= Lump Sum Fee Type

PHASE 1 – PROJECT INITIATION, MANAGEMENT, AND COMMUNITY ENGAGEMENT

Task 1 – Project Kickoff and Management **$28,000 LS**

1. Project Kickoff Meeting (one meeting) – Kimley-Horn will conduct a kick-off meeting to discuss our understanding of the project, the project schedule, scope, City and Kimley-Horn communication methods, and to receive data from the City as detailed under Task 2. Recommended attendees include city staff that will be involved in the day to day management of the project. The City will provide a meeting location and notify attending staff of the location and time for the meeting.

2. Data Gathering – Kimley-Horn will coordinate with city staff in collecting relevant data and/or ordinances that will be necessary to perform the required services. Documents shall be provided as an electric file in word format if possible. Graphics should be provided in a .pdf or .jpg format. The following document will be requested:

    a. City of Josephine Comprehensive Plan (upon adoption)

We are in possession of the rest of the documents that we need to proceed.

3. Progress Meetings (up to twenty meetings) – Kimley-Horn will conduct periodic online meetings (generally, every other week) with key city staff to discuss project progress, key action items and responsibilities, and project schedule. Kimley-Horn will prepare an agenda and a checklist with action items, responsibilities, and due dates for appropriate team members and will schedule and notify attendees of the meetings via Microsoft Outlook.

Task 2 – Communications/Community Engagement $55,000 LS

1. Communications/Community Engagement Plan – Kimley-Horn will develop a plan for overall communications and stakeholder engagement for city staff to review and approve. The plan will identify methods for stakeholder identification, pre- and post-meeting communication techniques and tools, a schedule of stakeholder and community engagement meetings, necessary activities in preparation for meetings, and tools and techniques to be used during stakeholder and public meetings to facilitate engagement and encourage feedback. The Communications/Community Engagement Plan will specify the responsibilities and level of resources to be provided for these activities by Kimley-Horn and by city staff.

2. Online Engagement – Online content (text and graphics) will be provided by Kimley-Horn to make information available to those who chooses to go online for convenience and flexibility. The City's website will be used as the vehicle for this engagement and city staff will manage posting and responding to comments. Tools and techniques will include:

    a. Website – The City's website will be utilized to inform the public of the ordinance update process, to convey project information such as meeting dates, to share materials for public review and comment, and to serve as a general means of contact for the project. Content for the page will be prepared by Kimley-Horn and provided to city staff for posting. Materials to be posted include presentation slides, meeting information, and downloadable ordinance drafts. Videos, online polling, and other interactive components may be provided at key points during the process. The website should provide a means for public feedback and for notification to interested persons of meetings and materials as they become available. Kimley-Horn will be responsible for the development of content only.

    b. Social Media – Kimley-Horn will coordinate with city staff to modify website content as necessary so it can be used on the City's Facebook page to disseminate the information. The City will be responsible for posting, monitoring, and responding to comments.

3. Code Review Committee (CRC) Meetings (up to three meetings) – A CRC will provide review, input, and advice to Kimley-Horn throughout the development of the updated ordinances. The committee will consist of key city staff members whose responsibilities require them to use and interpret the zoning and development code. This committee will participate in several diagnostic meetings identified in subtasks of 3, 4, 6, and 9. Kimley-Horn will meet with the committee up to 3 additional times (in addition to the 3 diagnostic meetings) during the project to present research and recommendations, discuss critical issues related to the development of the ordinances, and obtain feedback and direction. The City will be responsible for providing a venue for the committee meetings and notifying members of meeting dates and times. Kimley-Horn will provide agendas and material for discussion at each meeting, and will prepare summaries of discussion and decisions after the meetings.

4. Focus Group Meetings (up to four meetings) – Kimley-Horn will prepare for and conduct interviews and small group discussions with key individuals and organizations (to be identified by

the City) as part of the code assessment phase. Participants will include developers, engineers and others who work on a regular basis with the city's current zoning and land development ordinances, zoning map, and other development-related ordinances. Additional participants could include developers active in the Metroplex, particularly with mixed use and redevelopment projects, who are not now active in the City of Josephine. Community stakeholders will be included as well since it is their vision for the community that should be accomplished through the provisions of the updated ordinances. These include business and area organizations as well as neighborhood or other civic organizations. The interviews will address experience with the existing ordinances, issues that need to be explored, and potential changes which might be incorporated into the updated ordinances to address current challenges. The interview team will use a set of questions as a starting point and follow up with additional questions to probe for more detailed responses. The team will develop the interview questions and distribute them to city staff for review and comment prior to meeting with the participants. The City will contact interviewees to schedule and confirm meeting times and provide private meeting rooms for the interviews. Four meetings are anticipated – two with current developer representatives, one possibly with developer representatives not currently active in the City Josephine, and one with community stakeholders. Kimley-Horn will prepare summaries of discussion and decisions after the meeting.

5. Technical Advisory Roundtable (TAR) Meetings (up to three meetings) – A TAR will provide review and input to Kimley-Horn at key points during the development of the updated ordinances. Roundtable participants will include the developer representatives who participated in the focus group sessions, or other individuals with similar expertise. Kimley-Horn will meet with the roundtable when preliminary recommendations have been developed for Tasks 3 and 4. The City will be responsible for providing a venue for the committee meetings and notifying members of meeting dates and times. Kimley-Horn will provide agendas and materials for discussion at each meeting and will prepare summaries of discussion and decisions after the meeting.

6. Community Open House

    a. Community Open House Preparation (for one meeting) – Kimley-Horn will plan the specific agenda, format, and activities, prepare background presentations and meeting exhibits, and develop the tools to be used during the Community Open House. The materials and activities will be closely coordinated with city staff and vetted with the CRC prior to public presentation.

    b. Conduct Community Open House (one meeting) – Kimley-Horn will facilitate a Community Open House to present and discuss preliminary direction on the ordinance revisions and to receive feedback on document drafts. Outreach, invitations, and announcements about the open house will be distributed according to the roles defined in the Community Engagement Plan. The City will be responsible for identifying and securing a venue for the event. Kimley-Horn will be responsible for the meeting content and will facilitate and manage the Open House session. The meeting will be conducted in an open house format to obtain the maximum amount of input and to provide the greatest flexibility for participants. Information will be presented, and feedback will be gathered through interactive small group discussions, written comment forms, electronic keypad polling, map/input "stations", and general workshop discussion.

    c. Open House Results – Results from the Community Open House will be documented in a memo to staff. Key findings will be provided in an appropriate format for use in presentations, on the website and on social media platforms.

7. Online Community Input – Immediately following the Community Open House, Kimley-Horn will provide online tools for broader community input to parallel the input opportunities at the Open

House. Online surveys linked to materials from the open house will be included; there may be additional tools for more detailed comment on draft ordinances. The tools will be developed by Kimley-Horn and posted by city staff. Results will be analyzed and summarized by Kimley-Horn.

8. Joint City Council/P&Z Work Sessions (two meetings) – Kimley-Horn will participate in two Joint City Council/Planning and Zoning work sessions related to this project. These work sessions will occur during Tasks 3 and 4, at points when preliminary direction has been developed and importation decision or direction options have been identified. Kimley-Horn will facilitate these work sessions to obtain input and direction from these leaders. The team will prepare overview presentations related to the content that will be the focus of each meeting; materials will be reviewed with staff and CRC prior to work sessions. Summary notes of the work session outcomes will be provided by Kimley-Horn.

PHASE 2 – ASSESSMENT OF EXISTING ORDINANCES

Task 3 – Organization Evaluation **$4,000 LS**

1. Identification of Questions and Issues – Kimley-Horn will review the existing zoning ordinance and land development regulations in detail to identify elements that should be reorganized to establish a clear, reorganized ordinance. Input received form staff during the Scoping Session will guide this review, though the team will also review other sections for potential changes.

2. Diagnostic Meeting #1 (CRC) – Consolidated Reorganized Zoning Ordinance – Kimley-Horn will conduct one diagnostic meeting with the CRC to review the recommendations related to the identification and consolidation of zoning regulations and the format and content of use charts and updated definitions.

Task 4 – Research Relevant Ordinances from Other Communities **$5,000 LS**

1. Identification of Example Ordinances – Kimley-Horn will research and identify model ordinances and guidelines related to overlay districts, infill and redevelopment, tree preservation and landscaping, drainage and stormwater management, parking requirements, and platting and site plan procedures that have relevance for potential adoption as part of the updated Zoning Ordinance and Land Development Code with the intent of establishing a Unified Development Code (UDC)

2. Diagnostic Meeting #2 (CRC) – Additional Topics – Kimley-Horn will conduct one diagnostic meeting with the CRC to review Kimley-Horn's recommendations related to the development of regulations related to overlay districts, infill and redevelopment, tree preservation and landscaping, drainage, and stormwater management, parking requirements and platting and site plan procedures to be implemented as part of the updated Zoning Ordinance and Land Development Code.

Task 5 – Finalize Topics for Revision by Phase **$3,000 LS**

1. Recommend Revision Structure – Based on the previous tasks in this phase, Kimley-Horn will recommend changes to the existing regulations that should be included in the next two phases of the project. Phase 3 changes are substantive changes to the topics addressed in the zoning section of the regulations according to the new structure. Phase 4 changes are substantive changes to the topics addressed in the land development code section of the regulations according to the new structure. This structural proposal will be reviewed with staff during a progress meeting, then with the CRC at one of their meetings. Staff direction from this session will guide the team's work on Phases 3 and 4.

PHASE 3 – PREPARATION OF THE UNIFIED DEVELOPMENT CODE

Task 6 – Zoning and Subdivision Ordinance Evaluation $8,000 LS

1. Identification of Questions and Issues – Kimley-Horn will review the existing zoning and subdivision ordinances in detail. Input received from staff during the Scoping Session will guide this review, though the team will also review other sections for potential changes. The team will develop a list of potential amendments and changes in format and organization that could be considered to create a more user-friendly ordinance. The evaluation will include a review of procedural requirements and board responsibilities, definitions, zoning categories, lot sizes, and building height and setback requirements, conditional and specific use permits, parking standards, nonconforming provisions, development review processes, and other requirements as necessary. The evaluation will also include a review of procedures for platting and development, definitions, design standards (for streets, sidewalks, blocks, parks, and open spaces, etc.), and other revisions as necessary.

2. Diagnostic Meeting #3 (CRC) – Zoning and Subdivision Ordinance – Kimley-Horn will conduct one diagnostic meeting with City staff who have experience administering the existing zoning and subdivision ordinances on a day-to-day basis to discuss the questions identified in subtask 6.1. Following this meeting, Kimley-horn will develop a preliminary set of observations and recommendations to review with city staff. This will include potential changes in format and organization, procedural and board requirements, definitions, zoning categories (amendments or additions), to achieve the vision of the Comprehensive Plan, lot sizes and building height and setback requirements, conditional and specific use permit regulations, parking standards, nonconforming provisions, development review processes, and other revisions as needed. These potential changes will be organized into two groups – those that relate to reorganization and clarification of the existing ordinance and those that involve changes in substantive aspects of the ordinance.

3. Develop use Charts and Update Definitions – Kimley-Horn will prepare use charts that illustrate allowed and prohibited uses in each zoning district and update and supplement existing definitions.

Task 7 – Preparation of the Draft UDC Ordinance $31,000 LS

1. Develop Draft Zoning Districts – Kimley-Horn will draft updated ordinance sections related to zoning districts and land uses. Kimley-Horn will hold one orientation conference call meeting with city staff to present and provide a detailed explanation of the elements within this task before staff conducts a review of the draft text. One feedback conference call will be held with staff to review city comments. City staff will provide one written set of consolidated comments for the sections drafted under this task for incorporation prior to being presented at the Community Open House.

2. Develop Draft Development Requirements and Zoning Procedures – Kimley-Horn will draft updated zoning ordinance sections related to procedural requirements and board responsibilities, definitions, conditional and specific use permits, tree preservation and landscaping, parking standards, nonconforming provisions, and other requirements as necessary. Kimley-Horn will hold one orientation conference call meeting with city staff to present and provide a detailed explanation of the elements within this task before staff conducts a review of the draft text. One feedback conference call will be held with staff to review city comments. City staff will provide one written set of consolidated comments for the sections identified above for incorporation prior to being presented at the Community Open House.

3. Develop New Regulations – Based on comments received in Tasks 3.1 and 3.2, Kimley-Horn will develop additional regulations to address current development trends and enforcement activities to be incorporated into the updated Zoning and Subdivision Ordinance. City staff will provide one written set of consolidated comments for incorporation into the draft Ordinance before it is presented at the Community Open House. At the end of this task, the Land Development Code update will be presented and discussed with the CRC, and at the Community Open House.

4. Preparation of Associated Amendments to Land Development Code – Kimley-Horn will prepare amendments to the existing Land Development Code to address procedures for platting and development, definitions, design standards (for streets, sidewalks, blocks, parks, and open space, etc.), and other revisions as necessary.

5. Preparation of a Revised Zoning and Subdivision Ordinances – Based upon community comment at the Community Open House, and direction from the joint City Council/Planning and Zoning work session, Kimley-Horn will update the draft zoning ordinance to response to Planning and Zoning and City Council direction. Following these revisions, the documents will be prepared for Planning and Zoning Commission consideration and City Council adoption.

PHASE 4 – PREPARATION OF THE UNIFIED DEVELOPMENT CODE

Task 8 – Zoning Ordinance Adoption **$7,000 LS**

1. Planning and Zoning Commission (Commission) Recommendation – Kimley-Horn will present the draft UDC Ordinance and the necessary interim amendments to other ordinance to the Commission in a public hearing for community and Commission comment. Kimley-Horn will incorporate additional Commission comments into the final draft UDC Ordinance for presentation and recommendation at a second public hearing prior to presentation to the City Council.

2. City Council (Council) Adoption – Kimley-Horn will present the final draft of the UDC Ordinance and the necessary interim amendments to other ordinances to the City Council at a public hearing for community and Council review and comment. The changes requested by the Council will be incorporated into the final UDC Ordinance and interim amendments and presented at a second public hearing for adoption by the City Council.

Additional Services if required: Additional services to be performed if authorized by the City, but which are not included in the above-described Scope of Services are as follows:

Schedule: Project to begin upon receipt of signed IPO #16. We will provide our services as expeditiously as practicable.

Deliverables: Kimley-Horn will deliver in a timely manner the Unified Development Code.

Terms of compensation:

Kimley-Horn will perform the task identified in the Scope of Services for the fee type shown as follows:

Task 1 – Project Kickoff and Management **$ 28,000 LS**

Task 2 – Communications/Community Engagement **$ 55,000 LS**

Task 3 – Organization Evaluation **$ 4,000 LS**

Task 4 – Research Relevant Ordinances from Other Communities	**$ 5,000 LS**
Task 5 – Finalize Topics for Revision Phase	**$ 3,000 LS**
Task 6 – Zoning and Subdivision Ordinance Evaluation	**$ 8,000 LS**
Task 7 – Preparation of a Draft UDC Ordinance	**$ 31,000 LS**
Task 8 – Zoning Ordinance Adoption	**$ 7,000 LS**
Total Lump Sum	**$141,000 LS**

Compensation for Services and Method of Payment shall be as referenced in the Master Agreement.

Invoices will be submitted with Lump Sum Tasks as shown as a percentage of work completed.

Other special terms of Individual Project Order: None

ACCEPTED:

CITY OF JOSEPHINE	KIMLEY-HORN AND ASSOCIATES, INC.
BY:______________________	BY:______________________
TITLE:______________________	TITLE: Senior Vice President
DATE:______________________	DATE: May 23, 2023

Prepared 05/23/2023

WHOLESALE POTABLE WATER SUPPLY CONTRACT

THE STATE OF TEXAS §
COUNTY OF COLLIN §

This Wholesale Potable Water Supply Contract (the "Contract") is made and entered into as of this the 1st day of July, 2023, by and between the **Nevada Special Utility District**, a conservation and reclamation district created under Section 59, Article XVI of the Texas Constitution and operating under Chapters 49 and 65 of the Texas Water Code ("Nevada"), and the **City of Josephine, Texas**, a Texas Type-A general-law municipal corporation ("Customer").

PREAMBLE

WHEREAS, Nevada and Customer are authorized to enter into this Contract pursuant to Chapter 791 of the Texas Government Code (the "Interlocal Cooperation Act") and other applicable laws; and

WHEREAS, Nevada owns and operates a retail public water system under the authority of Certificate of Convenience and Necessity (CCN) No. 12175 issued by the Public Utility Commission of Texas (PUC) or one of its predecessor agencies; and

WHEREAS, Customer owns and operates a retail public water system under the authority of CCN No. 12307 issued by the PUC or one of its predecessor agencies; and

WHEREAS, Nevada is a customer of the North Texas Municipal Water District (NTMWD) purchasing water under an existing wholesale potable water supply contract dated September 23, 2004, with a 30 year term; and

WHEREAS, Customer has an existing wholesale potable water supply contract with NTMWD but requires an additional supply to meet increasing demand due to population growth in Customer's certificated service area; and

WHEREAS, Customer has asked Nevada to provide the additional wholesale potable water supply, and Nevada agrees to provide the requested supply to Customer; and

WHEREAS, Customer acknowledges and understands that this Contract establishes a maximum amount of potable water that Nevada is required to deliver to Customer; and

WHEREAS, Customer is not compelled to purchase water from Nevada and is voluntarily entering into this Contract; and

WHEREAS, this Contract may be subject to approval by NTMWD.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby acknowledged, Nevada agrees to furnish water, and Customer agrees to pay for such water, in accordance with the terms and conditions of this Contract and for the consideration set forth below.

ARTICLE 1

DEFINITION OF TERMS

Section 1.01 Definitions. The following terms and expressions as used in this Contract, unless the context clearly shows otherwise, shall have the following meanings:

(a) "Annual Minimum" means the minimum amount of potable water that Customer must compensate Nevada for during the Annual Payment Period, and each year thereafter, regardless of whether Nevada actually takes such quantity of water. The Annual Minimum shall be adjusted annually after the first Annual Payment Period as provided in Section 8.02(a).

(b) "Annual Maximum" means the maximum amount of potable water that Nevada agrees to sell and deliver to Customer during any Water Year under this Contract.

(c) "Annual Payment" means the amount of money to be paid to Nevada by Customer during each Annual Payment Period.

(d) "Annual Payment Period" means Nevada's fiscal year, which currently begins on October 1 of each calendar year and ends on September 30 of the following calendar year, but which may be any 12 consecutive month period fixed by Nevada.

(e) "Contract Date" means the effective date of this Contract upon its execution by both parties.

(f) "Emergency Condition" means a condition that necessitates an expeditious delivery of water to prevent or combat imminent peril to the public health, safety, or welfare.

(g) "Point of Delivery" means the meter vault between the provision of service by Nevada to Customer at the location specified in Section 5.01, all facilities upstream of which shall be the sole responsibility of Nevada, and all facilities downstream of which shall be the sole responsibility of the Customer.

(h) "System" means, collectively, the existing water distribution system and the future improvements and water of Nevada, including all properties, easements, and interests therein wherever located.

(i) "Water Year" means the period of August 1 of each calendar year through July 31 of the next following calendar year, or such other 12-month period designated by NTMWD to all of its member cities and customers.

ARTICLE 2

DELIVERY OF WATER

Section 2.01 Point of Delivery. Nevada agrees to sell and to deliver potable water under this Contract to Customer at the Point of Delivery as described in Article 5, and Customer agrees to take at the Point of Delivery all water required in Article 8 for use by Customer during the term of this Contract, including potable water for Customer's own use and for distribution to customers served by Customer's water distribution system, or within Customer's existing certificated water service area. It is specifically provided, however, that after the Contract Date, Customer shall not enter into, renew, or amend with regard to volume of water to be supplied, any agreement to provide wholesale or retail potable water for use outside its political boundaries or its certificated retail service area. Customer shall not become a party to any contract for the sale of potable water that would violate or be inconsistent with the provisions of this Contract. Nevada will use its best efforts to furnish and remain in a position to furnish potable water sufficient to comply with the terms of this Contract, but its obligation shall be limited to the amount of potable water available to it from the System during routine operation.

Section 2.02 Annual Maximum. The Annual Maximum that Nevada agrees to sell and deliver to Customer under this Contract at the Point of Delivery shall be 13,000,000 gallons per year. Within 60 days of Customer exceeding the Annual Maximum during any Water Year, Customer agrees to commence negotiations with Nevada to amend this Contract.

Section 2.03 Maximum Rate of Delivery. Except as provided in Section 8.02(i), the maximum rate of delivery at the Point of Delivery shall not exceed 300 gallons per minute, which is consistent with the capabilities and abilities of the System, and it is understood that Nevada may from time-to-time adjust the maximum rate of delivery on an equitable basis.

ARTICLE 3

OTHER CONTRACTS

Customer reserves the right to supply potable water from the System to additional entities as determined by Nevada's Board of Directors.

ARTICLE 4

WATER QUALITY

The water to be delivered by Nevada and received by Customer shall be potable water. Customer has satisfied itself that such water will be suitable for its needs. Nevada is obligated to treat such water so as to meet the standards of all state and federal agencies having jurisdiction over water quality. Customer and Nevada shall cooperate, each within its legal powers, in preventing, to the extent practicable, the pollution and contamination of the reservoirs and watersheds from which water is obtained.

ARTICLE 5

POINT OF DELIVERY

Section 5.01. Location and Relocation. The Point of Delivery will be constructed by Customer at the location shown on the drawing attached hereto as Exhibit "A" and incorporated herein by reference. Community Independent School District (ISD) owns the site selected for the Point of Delivery. Customer represents that Customer will purchase the selected site or obtain an easement from Community ISD granting Customer and Nevada the authority to construct the Point of Delivery on the selected site and thereafter to operate, inspect, and maintain the associated billing meter, rate of flow equipment, and appurtenances.

Section 5.02. Construction. Customer agrees to construct and operate adequate water metering and distribution facilities at the Point of Delivery so that the maximum rate of delivery will not exceed 300 gallons per minute. Customer shall design and construct a meter vault for the Point of Delivery. The vault will include a 6-inch billing meter, testable double check backflow preventer, necessary valves, fittings and appurtenances. Upon completion, Nevada will be responsible for the billing meter. Customer will be responsible for operating and maintaining the metering vault and backflow preventer at the Point of Delivery. Customer will also install an 8-inch waterline with necessary valves, fittings and appurtenances as indicated on Exhibit "A" to connect the System to the Point of Delivery. Customer will bear all costs associated with such Point of Delivery and waterline installation.

Section 5.03. Design. Customer shall provide to Nevada all plans for the design, construction, and installation of any facilities and equipment required to receive and take all potable water delivered under this Contract, and Customer shall not proceed with any construction or installation without Nevada's prior written approval of such plans, which approval shall not be unreasonably withheld. Further, Nevada shall have the right to inspect any and all facilities and equipment to ensure compliance with the approved plans. Customer shall also perform and coordinate with Nevada regarding any and all construction activities that involve the System. Customer shall construct, maintain, and operate, at its own cost and expense, all facilities and equipment necessary to receive and take all potable water delivered to it under this Contract. Regardless of Nevada's approval of any Customer plans for the design, construction, and installation of any facilities and equipment required to receive and take all potable water delivered to it under this Contract, Customer is solely responsible for the sufficiency of design to receive volume(s) of water established pursuant to this Contract. No change in the type or size of the billing meter, or size of the tap, will be allowed unless this Contract has been amended as set forth in Article 10, MODIFICATION.

ARTICLE 6

MEASURING EQUIPMENT

Section 6.01. Nevada to Furnish Meter. Customer shall furnish and install, at or near the Point of Delivery, the necessary rate of flow equipment, of a standard type approved by Nevada, for measuring properly in both low and high flow periods the quantity of potable water delivered under this Contract and such billing meter and other equipment so installed shall become the property of Nevada. Nevada and Customer shall have access to the billing meter and rate of flow equipment at all reasonable times but the reading, calibration, and adjustment thereof shall be accomplished only by employees or agents of Nevada. For the purpose of this Contract, the official record of billing meter readings shall be the journal, record book, or electronic database(s) maintained by Nevada in its office in which the records of the employees or agents of Nevada who take the readings will be transcribed. Upon the written request of Customer, Nevada will provide a copy of the billing meter reading records to Customer or allow Customer to review the same at Nevada's business office during regular business hours.

Section 6.02. Testing and Calibration. Not more than once in any 12-month time period, Nevada shall test the billing meter at the Point of Delivery if requested in writing by Customer to do so, in the presence of a representative of Customer, and the parties shall jointly observe any adjustments that are made to the billing meter in case any adjustments shall be necessary. If upon any test, the percentage of inaccuracy of any billing meter equipment is found to be in excess of two percent (2%), registration thereof shall be corrected for a period extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half (1/2) of the time elapsed since the last date of calibration, but in no event further back than a period of 6 months. If for any reason the billing meter is out of repair so that the amount of water delivered cannot be ascertained or computed from the reading thereof, the water delivered through the period such billing meter is out of service or out of repair shall be estimated and agreed upon by the parties hereto upon the basis of the best data available. For such purpose, the best data available shall be deemed to be the registration of any check meter or meters if the same have been installed and are accurately registering. Otherwise, the amount of water delivered during such period may be estimated (i) by correcting the error if the percentage of the error is ascertainable by calibration tests or mathematical calculation, or (ii) estimating the quantity of delivery by deliveries during the preceding periods under similar conditions when the billing meter or meters were registering accurately.

Section 6.03. Customer Check-meter. Customer may, at its option and its own expense, install and operate a check-meter downstream of the Point of Delivery to check the accuracy of the billing meter, but the measurement of water for the purpose of this Contract shall be solely by the billing meter, except in the cases hereinabove specifically provided to the contrary. The check meter shall be of standard make and shall be subject at all reasonable times to inspection and examination by any employee or agent of Nevada.

ARTICLE 7

UNIT OF MEASUREMENT

The unit of measurement for potable water delivered under this Contract shalt be 1,000 gallons of water, U.S. Standard Liquid Measure.

ARTICLE 8

PRJCE AND TERMS

Section 8.01. Performance by Nevada. The service to be performed under this Contract by Nevada consists of the readiness of Customer to deliver to Customer upon its demand, potable water in accordance with the terms and conditions of this Contract.

Section 8.02. Compensation from Customer. In return for such service, Customer agrees to compensate Nevada by paying certain minimum annual sums of money, for which Nevada agrees, if required by Customer, to deliver all, or so much thereof as Customer may desire, a corresponding volume of water as follows:

(a) Customer will compensate Nevada at the current water rate established for customers of NTMWD by its Board of Directors plus thirty percent (30%) ("Water Rate"), as such Water Rate may be changed from time-to-time, for an Annual Minimum of 13,000,000 gallons of water (a Daily Average of 108,000 gallons per day), regardless of whether said quantity is actually taken by Customer, and any water delivered in excess of the amount allowed for the Annual Minimum will also be purchased at the Water Rate. Customer cannot take more than 13,000,000 gallons per year as provided in Section 2.02 of this Contract.

(b) If potable water must be rationed, such rationing shall be accomplished by Nevada based on the ratio of the total amount of water taken by Customer at the Point of Delivery during the last Annual Payment Period in which there was no rationing relative to the total amount taken by Nevada from NTMWD during the same period of time.

(c) Payment of the minimum annual service charge listed above shall be made each year by Customer to Nevada in 12 equal monthly installments, each of which shall be due and payable on or before the 10th day of the month following the receipt of service.

(d) Liability for making payments, as herein set forth, shall commence on the date of the first delivery of water by Nevada at the Point of Delivery.

(e) In the event that Customer shall fail to make any such monthly payment or Annual Payment within the time specified in this section, interest on such amount shall accrue at the rate of ten percent (10%) per annum from the date such payment becomes due until paid in full. In the event such payment is not made within 30 days from the date such payment becomes due, Nevada may discontinue delivery of water to Customer until the amount due to Nevada is paid in full with accrued interest.

(f) Nevada may require Customer to pay 3 times the Water Rate for water taken in excess of the amount or rate of delivery allowed by Customer's water conservation plan or drought contingency plan, as may be amended from time to time.

(g) Any time Customer exceeds the maximum rate of delivery of 300 gallons per minute at the Point of Delivery as determined by Nevada, Customer shall pay 3 times the Water Rate for such water.

(h) In the event of an Emergency Condition, as that term is defined herein, Nevada may, in its sole discretion, waive the increased rate in Section 8.02(h) for exceeding the maximum rate of delivery of 300 gallons per minute at the Point of Delivery. This waiver shall apply for a 48-hour period. In its sole discretion, Nevada may extend the waiver for additional 48-hour periods, if Nevada determines that an extension of the waiver is warranted.

(i) Nevada, at its sole discretion and at any time, may deliver water to Customer at a delivery rate greater than 300 gallons per minute for the purpose of (i) minimizing or managing energy costs (e.g., 4 Coincident Peak (4CP), minimizing pump starts and/or stops, etc.); or (ii) managing hydraulic constraints in Nevada's system. In the event Nevada exercises either of these options, Customer shall pay only the Water Rate for water received. Additionally, if Nevada does not have infrastructure installed with the capability of limiting the delivery rate of water to 300 gallons per minute, or such infrastructure is inoperable, Customer shall pay the Water Rate for water received from Nevada.

ARTICLE 9

TERM OF CONTRACT

This Contract shall commence on the Contract Date and shall continue for a term of 5 years following the Contract Date. This Contract shall automatically renew for up to 3 additional 5-year year terms (each a "Renewal Term") unless Customer gives Nevada written notice of intent to cancel this Contract at least 90 days before the commencement date of a Renewal Term.

ARTICLE 10

MODIFICATION

This Contract may be changed or modified only by written agreement of the parties and only after having obtained approval from the governing bodies of both Customer and Nevada. No change or modification shall be made to this Contract which will affect adversely the prompt payment when due of all monies required to be paid by Customer under the terms of this Contract.

ARTICLE 11

FORCE MAJEURE

If by reason of force majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of Customer to make the payments required under Article 8 of this Contract, then if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, or on account of any other causes not reasonably within the control of the party claiming such inability.

ARTICLE 12

INSURANCE

Customer agrees to carry and arrange for fire, casualty, public liability, and/or other insurance for purposes and in amounts which, as determined by Nevada, ordinarily would be carried by a privately-owned utility company owning and operating such facilities, except that Customer shall not be required to provide liability insurance except to insure itself against risk of loss due to claims for which it can, in the opinion of Customer 's legal counsel, be liable under the Texas Tort Claims Act or any similar law or judicial decision. Such insurance will provide, to the extent feasible and practicable, for the restoration of damaged or destroyed properties and equipment to minimize the interruption of the service from such facilities. All premiums for such insurance shall constitute a just and reasonable operation and maintenance expense. The insurance coverage referenced herein does not extend to any facility owned by Nevada.

ARTICLE 13

REGULATORY BODIES AND LAWS

This Contract is subject to all applicable federal and state laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum, having jurisdiction.

ARTICLE 14

NOTICES

Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called ''Notice") herein provided or permitted to be given, made, or accepted by any party to any other party must be in writing and may be given or served (i) by depositing the same in the United States mail postpaid and certified and addressed to the party to be notified, with return receipt requested, or (ii) by delivering the same to an officer of such party, or (iii) by electronic mail, addressed to the party to be notified. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of 3 days after it is so deposited. Notice given by delivery shall be effective only if and when received by the party to be notified. Notice given by electronic mail shall be effective on the date sent, if before 5:00 p.m. For the purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to Customer:

City of Josephine *(Mailing address)*
c/o City Administrator
PO Box 99
Josephine, Texas 75164

City of Josephine *(Physical address)*
c/o City Administrator
201 S. Main Street
Josephine, Texas 75173

Email: lpalomba@cityofjosephinetx.com

If to Nevada:

Nevada Special Utility District
c/o General Manager
108 N Warren Street
Nevada, Texas 75173
Email: jrudisill@nevadawater.org

Nevada and Customer shall have the right from time-to-time, and at any time, to change the respective addresses or email addresses for notice by giving a minimum of 5 days prior written notice to the other party in accordance with this Article 14.

ARTICLE 15

SEVERABILITY

The parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Texas or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this Contract shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the parties hereto shall be construed and remain in force accordingly.

ARTICLE 16

VENUE

All amounts due under this Contract, including damages for the breach of this Contract, shall be paid and be due in Collin County, Texas, which is the county in which the principal administrative offices of both parties are located. It is specifically agreed among the parties to this Contract that Collin County, Texas, is the principal place of performance of this Contract.

ARTICLE 17

OPERATING CONDITIONS AND PROVISIONS

Section 17.01. Operation and Maintenance of the System. Nevada will continuously operate and maintain the System in an efficient manner and in accordance with good business and engineering practices, and at reasonable cost and expense.

Section 17.02. Title to Water; Indemnification. Nevada shall retain title to all water supplied to Customer up to the Point of Delivery, at which point title to such water shall pass to Customer. Customer and Nevada shall save and hold each other harmless from all claims, demands, and causes of action that may be asserted by anyone on account of the transportation and delivery of said water while title remains in such party. As between the parties, Customer shall have the first right to use all effluent produced from any wastewater treatment plant that treats the wastewater resulting from the use of water made available under this Contract for direct reuse, but solely for its own purposes, and not for sale to, or use by, any customer of Customer. To the extent that effluent produced by a wastewater treatment plant that treats the wastewater resulting from the use of water made available under this Contract is discharged into water courses of the State, the right of Customer to reuse such effluent produced from such wastewater treatment is terminated, and Nevada shall have the right, as between the parties, pursuant to any necessary authorization of the State, to indirectly reuse said effluent. Customer shall ensure via any wholesale contract with a subsequent customer entered into after the Contract Date, to maintain Nevada's right to indirectly reuse treated effluent, the underlying source of which is water from Nevada made available under this Contract.

Section 17.03. Operating Expenses of Customer. Customer represents and covenants that all payments to be made by it under this Contract shall constitute reasonable and necessary operating expenses of its system and that all such payments will be made from the revenues of its system. Customer represents and has determined that the potable water supply to be obtained from the System is absolutely necessary and essential to the present and future operation of its water system and is the only available and adequate source of supply of potable water available to Customer. Accordingly, all payments required by this Contract to be made by Customer shall constitute reasonable and necessary operating expense of its respective system as described above, with the effect that the obligation to make such payments from revenues of its system shall have priority over any obligation to make any payments from such revenues (whether of principal, interest, or otherwise) with respect to all bonds or other obligations heretofore or hereafter issued by Customer.

Section 17.04. Customer's Rate for its Water Distribution System. Customer agrees throughout the term of this Contract to continuously operate and maintain its water distributions system, and to fix and collect such rates and charges for water services to be supplied by its water distribution system as will produce revenue in an amount equal to at least (i) all of its payments under this Contract and (ii) all other amounts required to be paid from said revenues by the provisions of the ordinances or resolutions authorizing its revenue bonds or other obligations now or hereafter outstanding, and to file appropriate financial reports related to the Customer's system including annual audits.

Section 17.05. No Equity. Customer acknowledges that it will accrue no equity or any other interest in the System or any other assets of Nevada as a result of payment or other performance pursuant to this Contract.

ARTICLE 18

WATER CONSERVATION

Section 18.01. Water Conservation. Customer agrees to adopt, implement, and enforce any and all ordinances and policies related to water conservation and drought management as required by the Texas Water Code, rules of the Texas Commission on Environmental Quality (TCEQ), or as may be adopted by Nevada's Board of Directors. Nevada's obligations under this Contract shall be subject to Customer preparing and implementing a water conservation plan or water conservation measures, as well as implementing any water conservation plans and drought contingency plans adopted by Nevada and required or approved by the TCEQ, NTMWD, or any other federal, state or local regulatory authority with power to require or approve water conservation and drought contingency plans. Upon execution of this Contract, Customer shall submit its water conservation plan or water conservation measures, and drought contingency plan, to Nevada for review and approval, and Customer agrees to amend its water conservation plan or water conservation measures, and drought contingency plan as requested by Nevada in order to comply with requirements of Nevada's water conservation plan and drought contingency plan, program and/or rules. Customer shall also submit any amended water conservation plan and drought contingency plan to Nevada for review and approval.

Section 18.02. Trigger Conditions. Nevada has adopted a water conservation plan and a drought contingency plan, which it may amend both from time to time. If Customer fails to implement Customer's own drought contingency plans when trigger conditions occur, Nevada may implement rationing and collect the rate for water withdrawn as provided in Section 8.02(h) of this Contract, as well as enforce any contractual, statutory, or common law remedies available. The amount of water that is provided pursuant to this Contract when Customer is not in compliance with Nevada's water conservation and drought contingency plans will be reduced to the amount estimated as necessary to satisfy Customer's demand as if Customer was operating in compliance with both Customer's and Nevada's drought contingency plans.

Section 18.03. Conditions to Resell Water. If Nevada authorizes Customer to resell water from the System pursuant to the conditions included herein, Customer shall require through a contract condition that any successive user(s) of water from the System must implement water conservation measures that comply with Customer's and Nevada's water conservation plans, measures, programs, or rules.

ARTICLE 19

DEMAND ASSESSMENT

The location of the Point of Delivery and any quantity set forth in this Contract are intended to meet the water needs or demand of Customer. The needs of Customer are independently determined by Customer, and Nevada has conducted no independent evaluation of Customer's water system.

ARTICLE 20

SOLE AGREEMENT

This Contract constitutes the sole and only agreement between Nevada and Customer and supersedes any prior understanding or oral or written agreements between Nevada and Customer with respect to the subject matter of this Contract.

ARTICLE 21

NO THIRD PARTY BENEFICIARIES

This Contract shall inure only to the benefit of the parties hereto and third persons not privy hereto shall not, in any form or manner, be considered a third-party beneficiary of this Contract Each party hereto shall be solely responsible for the fulfillment of its contracts and commitments, and Nevada shall not be construed to be responsible for Customer's contracts or commitments by virtue of this Contract or any provision contained herein.

ARTICLE 22

WAIVER

Failure to enforce or the waiver of any provision of the Contract or any breach or nonperformance by the Nevada or Customer shall not be deemed a waiver by the Nevada or Customer of the right in the future to demand strict compliance and performance of any provision of this Contract. No officer or agent of Nevada or Customer is authorized to waive any provision of the Contract. +

ARTICLE 23

REMEDIES

This Contract shall not be construed as specifying an exclusive remedy for any default. The parties may avail themselves, but all such other remedies (other than termination) existing at law or in equity may be availed of by any party hereto and shall be cumulative.

ARTICLE 24

INDEMNITY

BY SIGNING THIS CONTRACT, CUSTOMER AGREES, ON BEHALF OF ITSELF AND ITS SUCCESSORS AND ASSIGNS, THAT IT RELINQUISHES AND DISCHARGES, AND WILL, TO THE FULLEST EXTENT PERMITTED BY LAW, DEFEND, PROTECT, INDEMNIFY, AND HOLD HARMLESS NEVADA AND NEVADA'S BOARD MEMBERS, EMPLOYEES, AGENTS, AND CONSULTANTS FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES, COSTS, DAMAGES, DEMANDS, JUDGMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY IN TORT, CONTRACT OR ANY OTHER BASIS AND OF EVERY KIND AND CHARACTER WHATSOEVER (INCLUDING BUT NOT LIMITED TO ALL COSTS OF DEFENSE, SUCH AS FEES AND CHARGES OF ATTORNEYS, EXPERT WITNESSES, AND OTHER PROFESSIONALS INCURRED BY CUSTOMER AND ALL COURT OR ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS) ARISING OUT OF OR INCIDENT TO, DIRECTLY OR INDIRECTLY, THIS CONTRACT, INCLUDING BUT NOT LIMITED TO, ANY SUCH CLAIM FOR BODILY INJURY, DEATH, PROPERTY DAMAGE, CONSEQUENTIAL DAMAGE, OR ECONOMIC LOSS AND ANY CLAIM THAT

MAY ARISE IN CONNECTION WITH THE QUALITY, QUANTITY, USE, MISUSE, IMPOUNDMENT, DIVERSION, TRANSPORTATION, AND MEASUREMENT OF WATER AND ANY CLAIM THAT MAY ARISE AS A RESULT OF INSTALLATION, INSPECTION, ADJUSTING, OR TESTING OF MEASURING AND RECORDING EQUIPMENT INVOLVING NEVADA'S DELIVERY OF WATER TO CUSTOMER, AS WELL AS ANY CLAIM THAT MAY ARISE FROM ANY CONDITION OF CUSTOMER'S FACILITIES, SEPARATE OPERATIONS BEING CONDUCTED ON CUSTOMER'S FACILITIES, OR THE IMPERFECTION OR DEFECTIVE CONDITION, WHETHER LATENT OR PATENT, OF ANY WATER, MATERIAL OR EQUIPMENT SOLD, SUPPLIED, OR FURNISHED BY NEVADA. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS CONTRACT.

ARTICLE 25

ASSIGNMENT

This Contract may be assigned by Nevada to the United States of America, acting by and through the Rural Utilities Service, its successors or assigns, as security for any loan made by the Rural Utilities Service to the Nevada.

ARTICLE 26

RECITALS AND EXHIBITS INCORPORATED

The recitals contained in the preamble hereof, and the exhibit(s) attached hereto, are hereby found to be true, and such recitals and exhibit(s) are made a part of this Contract for all purposes.

ARTICLE 27

SPECIAL CONDITIONS

Section 27.01. Construction Deadline. This Contract shall terminate automatically if Customer fails to complete construction of the metering facilities and control equipment necessary to utilize the Point of Delivery within two (2) years from the Contract Date unless the deadline is extended by Nevada in writing.

Section 27.02. Contract Review. Nevada may review the Contract and propose any amendments thereto at least 90 days prior before the commencement date of the initial Renewal Term.

Section 27.03. Nevada CCN Area. During the effective term of this Contract, Customer is prohibited from encroaching into or seeking to decertify any portion of Nevada's CCN No. 12175 except by mutual agreement between Customer and Nevada and with PUC approval.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the Contract Date.

[SIGNATURE PAGES TO FOLLOW]

CITY OF JOSEPHINE, TEXAS,
Texas municipal corporation

By: ____________________________________ June _____, 2023
Jason Turney, Mayor

ATTEST:

[SEAL]

____
Patti Brooks, City Secretary

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

Before me, the undersigned authority, on this day personally appeared Jason Turney, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of the City of Josephine, Texas, a Texas municipal corporation, as its Mayor, for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the _______ day of June, 2023.

____
Notary Public, State of Texas

NEVADA SPECIAL UTILITY DISTRICT,
a political subdivision of the State of Texas

By: ____________________________________ June _____, 2023
Debra Caldwell, President

ATTEST:

[SEAL]

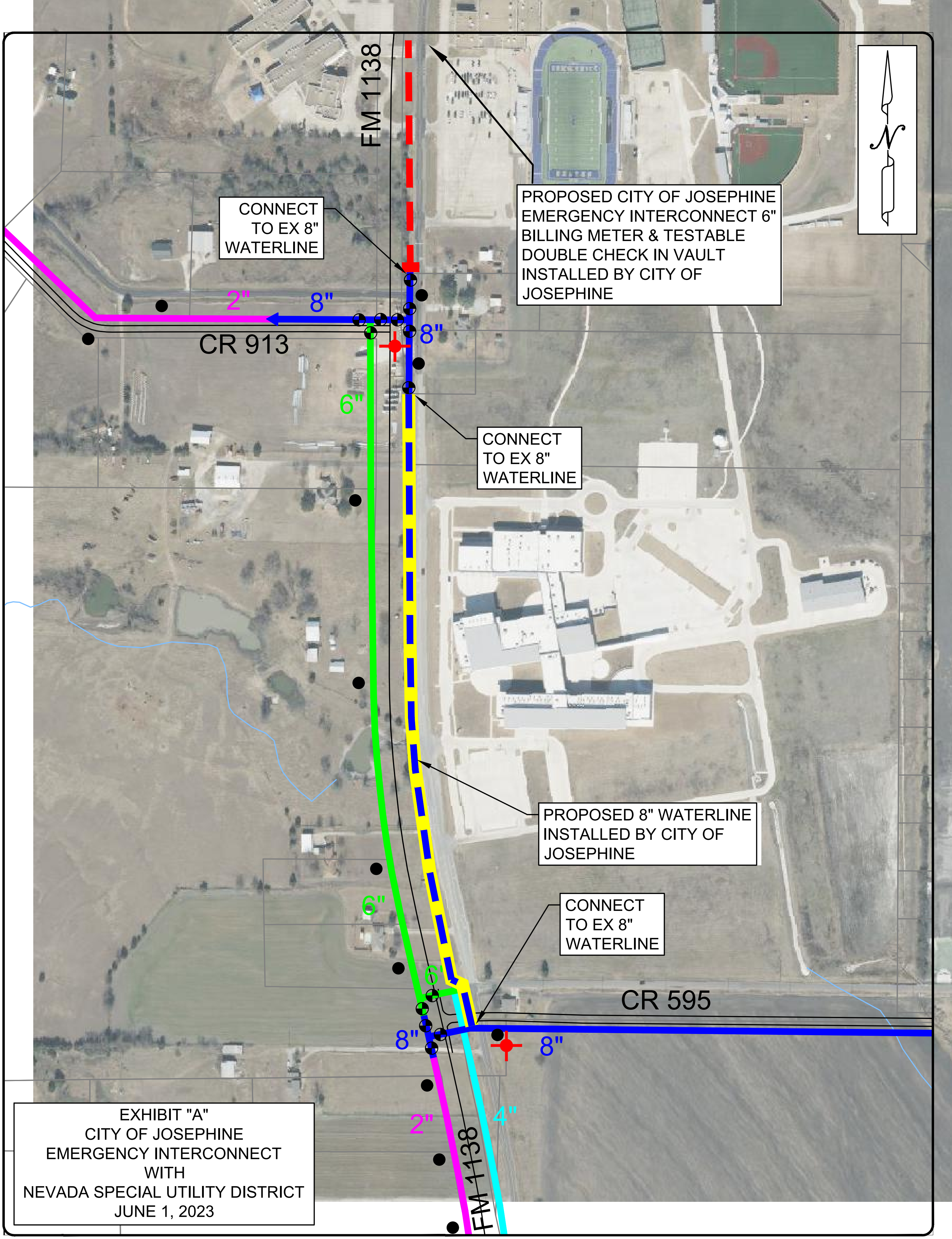
____
Vickie Gracy, Secretary

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

Before me, the undersigned authority, on this day personally appeared Debra Caldwell, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of Nevada Special Utility District, a political subdivision of the State of Texas, as its President, for the purposes and consideration therein expressed.

Given under my hand and seal of office on this the _______ day of June, 2023.

____
Notary Public, State of Texas


FM 1138
PROPOSED CITY OF JOSEPHINE EMERGENCY INTERCONNECT 6" BILLING METER & TESTABLE DOUBLE CHECK IN VAULT INSTALLED BY CITY OF JOSEPHINE
CONNECT TO EX 8" WATERLINE
2"
8"
CR 913
8"
6"
CONNECT TO EX 8" WATERLINE
PROPOSED 8" WATERLINE INSTALLED BY CITY OF JOSEPHINE
CONNECT TO EX 8" WATERLINE
6"
6"
CR 595
8"
8"
4"
2"
FM 1138
EXHIBIT "A"
CITY OF JOSEPHINE
EMERGENCY INTERCONNECT
WITH
NEVADA SPECIAL UTILITY DISTRICT
JUNE 1, 2023

Comparison of Alternate Benefit Design(s)

FOR CITIES

2024 Rates • Josephine (00677)

Report Date - June 21, 2023

Plan Provisions	Current	Option 1
Deposit Rate	6.00%	7.00%
Matching Ratio	2 to 1	2 to 1
Updated Service Credit	100% (Repeating)	100% (Repeating)
Transfer USC *	Yes	Yes
COLA	0%	0%
Retroactive COLA	No	No
20 Year/Any Age Retirement	Yes	Yes
Vesting	5 years	5 years
Supplemental Death Benefit	A & R	A & R
Contribution Rates	**2024**	**2024**
Normal Cost Rate	8.85%	10.66%
Prior Service Rate	0.30%	1.17%
Retirement Rate	**9.15%**	**11.83%**
Supplemental Death Rate	0.19%	0.19%
Total Contribution Rate	**9.34%**	**12.02%**
Unfunded Actuarial Liability	$50,242	$199,587
Amortization Period	20 years	20 years
Funded Ratio	95.6%	84.5%

* As of the December 31, 2022 valuation date, there were 5 employees with service in other TMRS cities eligible for transfer USC.