

2024 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

POLK COUNTY

936-327-6801

Taxing Unit Name

Phone (area code and number)

416 N Washington Livingston Tx 77351

co.polk.tx.us

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.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year 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	\$ 4,973,669,945
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year 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 last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 665,154,091
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 4,308,515,854
4.	Prior year total adopted tax rate.	\$ 0.583000 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 13,176,065 B. Prior year values resulting from final court decisions: - \$ 11,434,758 C. Prior year value loss. Subtract B from A. ³	\$ 1,741,307
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 10,469,938 B. Prior year disputed value: - \$ 1,580,777 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 8,889,161
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 10,630,468

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.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 4,319,146,322
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. 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 the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 5,320,104 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 39,148,384 C. Value loss. Add A and B. ⁶	\$ 44,468,488
11.	Prior year 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 the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 3,406,136 B. Current year productivity or special appraised value: - \$ 63,907 C. Value loss. Subtract B from A. ⁷	\$ 3,342,229
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 47,810,717
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year 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.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 4,271,335,605
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 24,901,886
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax 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 the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 92,725
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 24,994,611
18.	Total current year taxable value on the current year 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: \$ 5,263,358,957 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ 8,531,896 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 current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year 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 current year value. Add A and B, then subtract C and D.	\$ 5,271,890,853

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. ¹¹ A. Current year 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 \$ 0 B. Current year 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. \$ 0	
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year 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 the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 784,337,591
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 4,487,553,262
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. 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, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 117,127,426
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 117,127,426
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 4,370,425,836
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.571903 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ 0.571903 /\$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:

- 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.
- 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.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.514849 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,319,146,322

¹¹ 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 prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 22,237,081
31.	Adjusted prior year levy for calculating NNR M&O rate.	
A.	M&O taxes refunded for years preceding the prior tax year. 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 the prior tax year.	+ \$ 68,878
B.	Prior year 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 current year captured appraised value in Line 18D, enter 0.	- \$ 0
C.	Prior year 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.	Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	\$ 68,878
E.	Add Line 30 to 31D.	\$ 22,305,959
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	\$ 4,370,425,836
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.510384 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³	
A.	Current year 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.	Prior year 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.	\$ 0.000000 /\$100
D.	Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴	
A.	Current year 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, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose.	\$ 85,265
B.	Prior year 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.	- \$ 129,721
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ -0.001018 /\$100
D.	Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²² (Reserved for expansion)²³ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.041

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵ A. Current year 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, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose..... \$ <u>48,807</u> B. Prior year 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..... \$ <u>45,628</u> C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0.000072</u> /\$100 D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ <u>0.000052</u> /\$100 E. Enter the lesser of C and D. If not applicable, enter 0.	\$ <u>0.000052</u> /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶ A. Current year 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, of the prior tax year and ending on June 30, of the current tax year..... \$ <u>0</u> B. Prior year 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. \$ <u>0</u> C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0.000000</u> /\$100 D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ <u>0.000000</u> /\$100 E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ <u>0.000000</u> /\$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 the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year..... \$ <u>0</u> B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year..... \$ <u>0</u> C. Subtract B from A and divide by Line 32 and multiply by \$100 \$ <u>0.000000</u> /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ <u>0.000000</u> /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ <u>0.510436</u> /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent..... \$ <u>3,925,553</u> B. Divide Line 40A by Line 32 and multiply by \$100 \$ <u>0.089820</u> /\$100 C. Add Line 40B to Line 39.	\$ <u>0.600256</u> /\$100
41.	Current year 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.	\$ <u>0.621264</u> /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year 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).	\$ 0.000000 /\$100
42.	Total current year 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 \$ 3,250,469 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. \$ 3,250,469	\$ 3,250,469
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 0
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 3,250,469
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 96.00 % B. Enter the prior year actual collection rate..... 96.00 % C. Enter the 2022 actual collection rate. 96.00 % D. Enter the 2021 actual collection rate. 95.00 % 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 96.00 %	96.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 3,385,905
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,487,553,262
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.075451 /\$100
49.	Current year voter-approval tax rate. Add Lines 41 and 48.	\$ 0.696715 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0.000000 /\$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 current year county voter-approval tax rate.	\$ 0.696715 /\$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 of the prior tax year or May of the current tax year, 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 of the prior year, 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 of the prior tax year or in May of the current tax year. 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 of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 3,925,553
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,487,553,262
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ 0.087476 /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.571903 /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.571903 /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.696715 /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.609239 /\$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.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,487,553,262
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ 0.000000 /\$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)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year 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).	\$ 0.609239 /\$100

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

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴⁰ 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 that was used 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 in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴² 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.⁴³

Individual components can be negative, but the overall rate will 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.⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67)..... B. Unused increment rate (Line 66)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2023 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100.....	 \$ 0.583485 /\$100 \$ 0.021263 /\$100 \$ 0.562222 /\$100 \$ 0.583000 /\$100 \$ -0.020778 /\$100 \$ 4,350,756,605 \$ -904.001
64.	Year 2 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67)..... B. Unused increment rate (Line 66)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2022 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100.....	 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0.610000 /\$100 \$ -0.610000 /\$100 \$ 0 \$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2021 unused increment rate and 2021 actual tax rate from the 2021 voter-approval tax rate. Multiply the result by the 2021 current total value A. Voter-approval tax rate (Line 67)..... B. Unused increment rate (Line 65)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2021 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100.....	 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0.000000 /\$100 \$ 0 \$ 0
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 0 /\$100
67.	2024 Unused Increment Rate. Divide Line 66 by Line 21 of the No-New-Revenue Rate Worksheet. Multiply the result by 100	\$ 0.000000 /\$100
68.	Total 2024 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.609239 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §526.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §526.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §120.007(d)

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. ⁴⁵

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
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the Voter-Approval Tax Rate Worksheet.	0.510436
70.	Current year total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	\$ 4,487,553,262
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.011141 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the Voter-Approval Tax Rate Worksheet.	\$ 0.075451 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.597028 /\$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. ⁴⁹

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
74.	2023 adopted tax rate. Enter the rate in Line 4 of the No-New-Revenue Tax Rate Worksheet.	\$ 0.583000 /\$100
75.	Adjusted 2023 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 2023 and the taxing unit calculated its 2023 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2023 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 2023 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 2023, complete form 50-856-a, 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 2023 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵⁰ Enter the final adjusted 2023 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.	\$ 0.000000 /\$100
76.	Increase in 2023 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ 0.000000 /\$100
77.	Adjusted 2023 taxable value. Enter the amount in Line 14 of the No-New-Revenue Tax Rate Worksheet.	\$ 4,271,335,805
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$ 0
79.	Adjusted 2023 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	\$ 4,370,425,836
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵¹	\$ 0.000000 /\$100

⁴⁵ Tex. Tax Code §26.04(c)(2)(B)

⁴⁶ Tex. Tax Code §26.012(8-a)

⁴⁷ Tex. Tax Code §26.063(a)(1)

⁴⁸ Tex. Tax Code §26.042(b)

⁴⁹ Tex. Tax Code §26.042(f)

⁵⁰ Tex. Tax Code §526.42(c)

⁵¹ Tex. Tax Code §526.42(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D-49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ 0.609239 / \$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate \$ 0.571903 / \$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 27

Voter-approval tax rate \$ 0.609239 / \$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D-49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: 58

De minimis rate \$ 0.597028 / \$100

If applicable, enter the current year de minimis rate from Line 73.

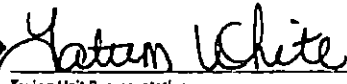
SECTION 9: Taxing Unit Representative Name and Signature

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.¹¹

print
here

Tatum White

Printed Name of Taxing Unit Representative

sign
here

 Taxing Unit Representative

Date

7/25/2024

¹¹ Tex. Tax Code §§26.04(c-2) and (d-2)

Reset

Print



CADENCE EQUIPMENT FINANCE

5/29/2024

Polk County, TX louis.ploth@co.polk.tx.us

It is a pleasure to submit for your consideration the following proposal to provide lease-purchase financing based on the terms and conditions set forth below:

1. Lessor: Cadence Equipment Finance, a division of Cadence Bank
2. Lessee: Polk County, TX
3. Equipment Description: Eight (8) New 2025 Mack Dump Trucks
4. Equipment Cost: \$1,376,470.00
5. Lease Term: 13 months
6. Lease Payments: (These are approximate payment amounts. The actual payment will be determined at funding date.)

Pay off at any time with no penalty

1 payment in 13 months of \$1,462,196.81
Arrears
7. Lease Rate: 5.59%
8. Funding Date: This proposal is contingent upon the equipment being delivered and the lease funded prior to the prime rate increasing above 8.50%. Any extension of the funding or delivery date must be in writing.
9. Purchase Option: Title is passed to Lessee at lease expiration for no further consideration.
10. Non-appropriation/Termination: The lease provides that Lessee is to make reasonable efforts to obtain funds to satisfy the obligation in each fiscal year. However, the lease may be terminated without penalty in the event of non-appropriation. In such event, the Lessee agrees to provide an attorney's opinion confirming the events of non-appropriation and Lessee's exercise of diligence to obtain funds.

11. **Bank Qualification:** This lease-purchase financing shall be designated as a bank qualified tax-exempt transaction as per the 1986 Federal Tax Bill. **This means that the Lessee's governing body will pass a resolution stating that it does not anticipate issuing more than \$10 million in General Obligation debt or other debt falling under the Tax Bill's definition of qualifying debt during the calendar year that the lease is funded.**
12. **Tax Status:** This proposal is subject to the Lessee being qualified as a governmental entity or "political subdivision" within the meaning of Section 103(a) of the Internal Revenue Code of 1954 as amended, within the meaning of said Section. Lessee agrees to cooperate with Lessor in providing evidence as deemed necessary or desirable by Lessor to substantiate such tax status.
13. **Net Lease:** This will be a net lease transaction whereby maintenance, insurance, taxes (if applicable), compliance with laws and similar expenses shall be borne by Lessee.
14. **Financial Statements:** Complete and current financial statements must be submitted to Lessor for review and approval of Lessee creditworthiness
15. **Lease Documentation:** This equipment lease-purchase package is subject to the mutual acceptance of lease-purchase documentation within a reasonable time period, otherwise payments will be subject to market change.

If the foregoing is acceptable, please so indicate by signing this letter in the space provided below and returning it to Cadence Equipment Finance. **The proposal is subject to approval by Cadence Equipment Finance's Credit Committee and to mutually acceptable terms, conditions and documentation.**

Acceptance of this proposal expires as the close of business on 6/29/2024. Extensions must be approved by the undersigned.

Any concerns or questions should be directed to Jonathan King at 228-223-4642 or Jonathan.King@cadencebank.com.

Jonathan King
Municipal Territory Manager

ACKNOWLEDGMENT AND ACCEPTANCE

By: *[Signature]* Polk County Judge
Title
Date: 07/30/2024



EAST TEXAS MACK SALES LLC
 2934 STATE HIGHWAY 31N
 LONGVIEW, TX 75603
 P: (800) 441-8505
 WWW.EAST-TEXAS-MACK.COM
 Dealer Code: F291

BILL TO
 POLK COUNTY
 600 E CHURCH ST # 108
 LIVINGSTON, TX 77351
 P:
 F:

DELIVER TO
 POLK COUNTY
 600 E CHURCH ST # 108
 LIVINGSTON, TX 77351
 P:
 F:

SALES QUOTE: VA101000617

PRINT DATE	ORDER STATUS	DELIVERY DATE	INVOICE DATE	SALESPERSON	CUSTOMER REFERENCE
7/25/2024	QUOTE	5/29/2024	5/29/2024	G.RIEKEN	

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136072	PRICE
2025 - MACK - GR64F	1M2GR4GC8SM044816		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Doc Fee		150.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,190.00

CADENCE EQUIPMENT FINANCE
 1222 ROGERS AVENUE
 FORT SMITH, AR 72901

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136157	PRICE
2025 - MACK - GR64F	1M2GR4GC6SM044815		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136158	PRICE
2025 - MACK - GR64F	1M2GR4GCXSM044817		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00



SALES QUOTE: VA101000617

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136296	PRICE
2025 - MACK - GR64F	1M2GR4GCXSM044820		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136301	PRICE
2025 - MACK - GR64F	1M2GR4GC3SM044822		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136335	PRICE
2025 - MACK - GR64F	1M2GR4GC3SM044819		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136336	PRICE
2025 - MACK - GR64F	1M2GR4GC1SM044821		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00



SALES QUOTE: VA101000617

NEW

YR - MAKE - MODEL	SERIAL NUMBER / ITEM DESCRIPTION	UNIT#: 136467	PRICE
2025 - MACK - GR64F	1M2GR4GC5SM044823		
	Vehicle - Price		172,000.00
	Federal Excise Tax		0.00
	2025 MACK DUMP WITH OX BODY		0.00
	Inspection Fee/DOT		40.00
	Title Fee		0.00
	Title Fee		0.00
Total Price			\$172,040.00

x  x
Buyer Signature
07/30/24
Date

Seller Signature

Date

SALES PRICE		\$1,376,470.00
TAX	+	\$0.00
TOTAL PRICE	=	\$1,376,470.00
LESS TRADE IN	-	\$0.00
LESS DOWNPAYMENT	-	\$0.00
UNPAID BALANCE	=	\$1,376,470.00

Please Remit Payment To:
EAST TEXAS MACK SALES LLC
PO BOX 2867
LONGVIEW TX, 75606



June 11, 2024

Polk County, Texas
602 E Church Street, Ste 108
Livingston, TX 77351

Re: Master Lease No. 7319, Schedule No. 030
Eight (8) 2025 Mack GR64F Tractor/Truck with OX Dump Body

Please find the lease documents on the above lease to be executed enclosed. An instruction sheet is attached to help in executing these documents.

Once the paperwork has been completed, please mail it back to:

Cadence Equipment Finance
Attn: Julie Crabtree
1222 Rogers Ave
Fort Smith, AR 72901

*Please be sure to enclose the original Counsel's Opinion Letter along with your original signed documents.

*Please note that Cadence Equipment Finance must be listed as 1st lienholder on titled vehicles.

If you have any questions or need further assistance, please give Jonathan King a call at 228-223-4642.

Sincerely,

A handwritten signature in cursive script that reads "Julie Crabtree".

Julie Crabtree
Sales Support
Enclosure

INSTRUCTIONS FOR EXECUTING DOCUMENTS

<u>Document</u>	<u>Instructions</u>
Special Stipulations <u>Exhibit A</u>	Sign and Date
Legal Counsel's Opinion -Original Exhibit B Wet ink signature	Should be typed on counsel's letterhead Should be the date the Delivery Order is signed
Lease Schedule Exhibit C	1st line - Date 2nd line - Date of Contract C. Insert Buyer's fiscal year E. Insert description of Equipment (if blank) F. Insert location(s) of Equipment Page 2 - Sign and Date
Equipment Acceptance Certificate Exhibit D	4th line - Delivery Order Date 7th line - Date this acceptance signed Sign and Date
Essential Use Letter	Type on your letterhead. Insert user of the Equipment and the use/purpose of the Equipment
Disbursement Request Form	Sign and Date
Resolution Original or Certified copy	Section 1. - Name of person authorized to sign Contract and Delivery Order (review, complete, sign and date)
Insurance Certificate or Statement	Send proof of Insurance
IRS Form 8038-G (or 8038-GC)	No. 2 - Buyer's Fed. I.D. Number Sign and Date
Invoice	☐ Advance rental ☒ Payments in arrears

PLEASE RETURN ALL EXECUTED DOCUMENTS TO:

Cadence Equipment Finance,
a division of Cadence Bank
1222 Rogers Ave
Fort Smith, AR 72901

SPECIAL STIPULATIONS

LESSOR: Cadence Equipment Finance,
a division of Cadence Bank
1222 Rogers Ave
Fort Smith, AR 72901

By: _____

Title: _____

Date: _____

LESSEE: Polk County, Texas
602 E Church Street, Ste 108
Livingston, TX 77351

By: Murphy

Title: County Judge

Date: 07/30/24

--NONE--

EXHIBIT A

Michael D. Matthews II

ATTORNEY AT LAW

12222 Longs Peak Lane

Humble, Texas 77346

bellmar21@hotmail.com

July 30, 2024

Cadence Equipment Finance,
a division of Cadence Bank
1222 Rogers Ave
Fort Smith, AR 72901

Re: Equipment Lease - Purchase Agreement dated March 29, 2022 and Lease Schedule No. 29 thereto, dated 07/30/24, by and between Cadence Equipment Finance, a division of Cadence Bank, as Lessor, and Polk County, Texas, as Lessee.

Ladies and Gentlemen:

I am the attorney for Polk County, Texas (the "Lessee") and pursuant to the above-referenced transaction, I am familiar with the above-referenced Equipment Lease - Purchase Agreement and Lease Schedule No. 29 thereto (together, the "Agreement").

Based on the examination of the Agreement and such other documents, records and papers as I deemed to be relevant and necessary as the basis for my opinion set forth below, it is my opinion that:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State of Texas, and has a substantial amount of at least one of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power. Lessee is authorized by the Constitution and laws of the State of Texas to enter into the transactions contemplated by the Agreement and to carry out its obligations thereunder.
2. The Agreement has been duly authorized, executed and delivered by the Lessee and constitutes a valid, legal and binding obligation of the Lessee enforceable in accordance with its terms.
3. No further approval, consent or withholding of objections is required from any federal, state or local government authority with respect to the entering into or performance by the Lessee of the Agreement and the transactions contemplated thereby.
4. The entering into and performance of the Agreement and other related documents will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or the leased equipment pursuant to, any indenture, mortgage, deed of trust, bank loan, credit agreement or other instrument to which the Lessee is a party or by which it or its assets may be bound.
5. There are no actions, suits or proceedings pending or, to the knowledge of the Lessee,

threatened against or affecting the Lessee in any court or before any governmental commission, board or authority which if adversely determined, will have a material adverse effect on the ability of the Lessee to perform its obligations under the Agreement.

6. The equipment subject to the Agreement is personal property and when subjected to use by the Lessee, will not be or become fixtures under the laws of the State of Texas.

7. All required open meeting laws and public bidding procedures regarding the award and approval of the Agreement have been followed by the Lessee.

You and your successors and assigns are entitled to rely upon this opinion.

Sincerely,



Michael D. Matthews II
Attorney for Lessee, Polk County, Texas

LEASE SCHEDULE NO: 030Dated as of: 07/30/24

To Agreement No: 7319

THIS LEASE SCHEDULE is issued pursuant to an Equipment Lease - Purchase Agreement dated as of March 29, 2022 (the "Agreement"), between the parties for the acquisition of the Equipment listed herein. All terms used herein have the meanings ascribed to them in the Agreement.

A. PAYMENTS, TERM, TRANSPORTATION AND DELIVERY COSTS.

The Payments required under the Agreement for the Equipment designated on this Lease Schedule are included in Schedule A. A portion of each Payment is paid as and represents payment of interest as set forth in Schedule A hereto. Payments shall be due as set forth in Schedule A hereto. Lessee shall pay transportation and/or delivery costs, if any, as set forth in Schedule B hereto.

B. LATE PAYMENTS.

There will be a charge of \$0 per month based on the amount of any Payments which remain unpaid for six (6) days after the due date.

C. FISCAL YEAR.

Lessee's fiscal year period is from 10/1/23 to 9/30/24.

D. CONCLUDING PAYMENT.

Lessee shall have the option to purchase the Equipment described herein in accordance with Section 14 of the Agreement upon payment of the Concluding Payment Amount set forth in Schedule A hereto plus the payment then due.

E. EQUIPMENT DESCRIPTION.

The Equipment as defined in the Agreement includes the following: See Schedule A-1 attached hereto and made a part hereof

EXHIBIT C

F. LOCATION.

602 E Church Street, Ste 108, LIVINGSTON, TX 77351.

G. ALTERNATIVE INTEREST RATES.

1. Loss of interest deductibility under the Agreement with respect to a change in designation of the Agreement as a "qualified tax-exempt obligation" under Section 265(b) of the Internal Revenue Code of 1986, as amended, will incur a rate of not less than 5.00%.

2. Loss of tax-exempt interest under the Agreement (as described in Section 2(d) of the Agreement) will incur a rate of not less than 5.00%.

H. REPRESENTATIONS.

THE TERMS GOVERNING THIS LEASE SCHEDULE ARE CONTAINED IN THE AGREEMENT REFERENCED ABOVE AND APPLY WITH THE SAME FORCE AND EFFECT AS IF SET FORTH FULLY HEREIN.

Lessor shall not be bound by this Lease Schedule until it is executed by an authorized officer of Lessor at Lessor's principal place of business.

DATED as of the day and year first above stated on this Lease Schedule.

LESSOR:

Cadence Equipment Finance, a division of
Cadence Bank
1222 Rogers Ave
Fort Smith, AR 72901

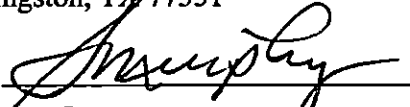
By: _____

Title: _____

LESSEE:

Polk County, Texas

602 E Church Street, Ste 108
Livingston, TX 77351

By: 

Title: Polk County Judge

DRAFT COPY - PAYMENT DUE DATE WILL BE AMENDED AT CLOSING

Nominal Annual Rate: 5.590%

Cash Flow Data - Leases and Lease Payments

	Event	Date	Amount	Number	Period	End Date
1	Lease	06/11/2024	1,376,470.00	1		
2	Lease Payment	07/11/2025	1,462,196.84	1		

TValue Amortization Schedule - Normal, 30E3/360

	Date	Lease Payment	Interest	Principal	Balance
Lease	06/11/2024				1,376,470.00
2024 Totals		0.00	0.00	0.00	
1	07/11/2025	1,462,196.84	85,726.84	1,376,470.00	0.00
2025 Totals		1,462,196.84	85,726.84	1,376,470.00	
Grand Totals		1,462,196.84	85,726.84	1,376,470.00	

Polk County Eight New Trucks

Compounding Period: Monthly

Nominal Annual Rate: 5.590%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	07/15/2024	1,376,470.00	1		
2	Payment	08/15/2025	1,462,196.81	1		

TValue Amortization Schedule - Normal, 30E3/360

	Date	Payment	Interest	Principal	Balance
Loan	07/15/2024				1,376,470.00
2024 Totals		0.00	0.00	0.00	
1	08/15/2025	1,462,196.81	85,726.81	1,376,470.00	0.00
2025 Totals		1,462,196.81	85,726.81	1,376,470.00	
Grand Totals		1,462,196.81	85,726.81	1,376,470.00	

SCHEDULE A-1

Polk County, Texas

Master Lease Number: 7319

Delivery Order Number: 70320-030

One (1) 2025 Mack GR64F Tractor/Truck (VIN: TBD) with OX Dump Body (S/N: TBD)

One (1) 2025 Mack GR64F Tractor/Truck (VIN: TBD) with OX Dump Body (S/N: TBD)

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One (1) 2025 Mack GR64F Tractor/Truck (VIN: TBD) with OX Dump Body (S/N: TBD)

EQUIPMENT ACCEPTANCE NOTICE

TO: Cadence Equipment Finance, a division of Cadence Bank

RE: Lease Schedule No. 030 dated 07/30/24 to Equipment Lease - Purchase Agreement dated March 29, 2022 (together, the "Agreement"), by and between Cadence Equipment Finance, a division of Cadence Bank, as Lessor, and Polk County, Texas, as Lessee

This is to acknowledge that the delivery and/or installation of the Equipment, described in the above-referenced Lease Schedule has been completed in accordance with the terms of the above-referenced Equipment Lease - Purchase Agreement and that Lessee has duly delivered to and received in proper form all purchase orders, invoices or such forms or documents required by Lessee to assure commencement of Payments on _____, in accordance with Section 2 of the Agreement.

The undersigned has inspected said Equipment. Said Equipment satisfies provisions of Section 2 of the above-referenced Agreement, and it is accepted according to the provisions contained therein.

LESSEE:

Polk County, Texas

By: _____

Title: _____

Date: _____

EXHIBIT D



SYDNEY MURPHY
COUNTY JUDGE

July 30, 2024

Cadence Equipment Finance,
a division of Cadence Bank
1222 Rogers Ave
Fort Smith, AR 72901

RE: Equipment Lease-Purchase Agreement 7319, dated March 29, 2022 and Lease Schedule No.030, dated 07/30/2024 (together, the "Agreement")

Ladies and Gentlemen:

The equipment purchased under the above-referenced Agreement, and associated peripheral equipment that we are buying under said Agreement, will be used by the Road & Bridge Precinct 1, 2, 3 & 4 Commissioners.

The equipment will not be used in any private business or put to any private business use.

The functions of the equipment will include transporting and delivering materials such as gravel, sand, dirt, and asphalt necessary for the construction, maintenance, and repair of roads and bridges and are deemed to be essential to the efficient operation of the Road & Bridge Commissioners.

Sincerely,


Sydney Murphy
Polk County Judge

DISBURSEMENT REQUEST

Pursuant to that certain Municipal Lease Contract No. 002-0070320-030 dated effective
 between Polk County, Texas
and CADENCE EQUIPMENT FINANCE, A DIVISION OF CADENCE BANK, the parties hereto hereby request
disbursement of funds in the amount and manner described below.

Please disburse to: East Texas Mack

Amount to disburse: \$1,376,470.00

Form of disbursement: Wire

IN WITNESS WHEREOF: the parties hereto have executed this Agreement in multiple counterparts, each of which is and shall be considered an original for all intents and purposes, effective as of the date first written above.

By: _____

Name: _____

Title: _____

Date: _____

**RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN
EQUIPMENT - LEASE PURCHASE AGREEMENT WITH CADENCE EQUIPMENT
FINANCE, A DIVISION OF CADENCE BANK**

WHEREAS, Commissioners Court (the "Governing Body") of Polk County, Texas (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease - Purchase Agreement with the Lease Schedule and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (collectively, the "Agreement") with Cadence Equipment Finance, a division of Cadence Bank (the "Lessor"), for the purpose of leasing with an option to purchase the equipment as described therein for the total cost specified therein (the "Equipment").

2. It is in the best interest of the public purposes of the Lessee that the Lessee lease with an option to purchase the Equipment pursuant to and in accordance with the terms of the Agreement; and

3. It is necessary for Lessee to approve and authorize the Agreement.

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and Sydney Murphy (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2024.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to the Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or

appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Section 7. The Lessee desires to designate the Agreement as a "qualified tax-exempt obligation" of the Lessee, as defined in Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code"). The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by the Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed \$10,000,000. The Lessee and all subordinate entities thereof will not issue or enter into in excess of \$10,000,000 of tax-exempt obligations (including the Agreement, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year, without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to the Lessor that the designation of the Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

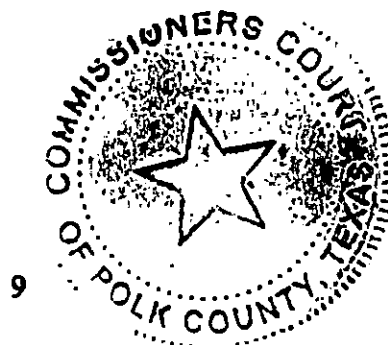
Following the reading of the foregoing resolution, G. Robertson moved that the foregoing resolution be adopted. M. DuBose seconded the motion for its adoption. The County Judge put the question to a roll call vote and the result was as follows:

<u>Guylene Robertson</u>	Voted: <u>yes</u>
<u>Mark DuBose</u>	Voted: <u>yes</u>
<u>Milt Purvis</u>	Voted: <u>yes</u>
<u>Jerry Cassity</u>	Voted: <u>yes</u>
<u>Sydney Murphy</u>	Voted: <u>yes</u>
_____	Voted: _____
_____	Voted: _____

The motion having received the affirmative vote of all members present, the declared the motion carried and the resolution adopted, this the 30th day of July, 2024.

(Signature)

ATTEST:
(Signature)
(SEAL)



Department of the Treasury
Internal Revenue Service**Information Return for Tax-Exempt Governmental Bonds**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting Authority		Check box if Amended Return ☐	
1 Issuer's name Polk County, Texas		2 Issuer's employer identification number (EIN) 74-6001621	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
602 E Church Street, Ste 108		3	
6 City, town, or post office, state, and ZIP code Livingston, TX 77351		7 Date of issue	
8 Name of issue Municipal Lease Purchase		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information		10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.	
11 Education	11
12 Health and hospital	12
13 Transportation	13
14 Public safety	14
15 Environment (including sewage bonds)	15
16 Housing	16
17 Utilities	17
18 Other. Describe ► Eight (8) 2025 Mack GR64F Tractor/Truck with OX Dump Body	18 1,376,470.00
19a If bonds are TANs or RANs, check only box 19a	☐
b If bonds are BANs, check only box 19b	☐
20 If bonds are in the form of a lease or installment sale, check box	☐

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$ 1,376,470.00	\$	1 years	5.59 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)	
22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
25 Proceeds used for credit enhancement	25
26 Proceeds allocated to reasonably required reserve or replacement fund	26
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27
28 Proceeds used to refund prior taxable bonds. Complete Part V	28
29 Total (add lines 24 through 28)	29
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

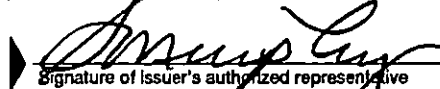
Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a**
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ► _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) _____
- c** Enter the EIN of the issuer of the master pool bond ► _____
- d** Enter the name of the issuer of the master pool bond ► _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ► ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► _____
- c** Type of hedge ► _____
- d** Term of hedge ► _____
- 42** If the issuer has superintegrated the hedge, check box ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ► ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ► ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement ► _____
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

 Signature of issuer's authorized representative

07/30/24 Date

Smurphy Polk County Judge Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.