

**ORDINANCE NO. 2019-11**

**AN ORDINANCE OF THE CITY OF McLENDON-CHISHOLM, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, an annual budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020 has been duly created by the budget officer of the City of McLendon-Chisholm, Texas, in accordance with Chapter 102 of the Texas Local Government Code; and

**WHEREAS**, the budget officer for the City has filed the proposed budget in the office of the City Secretary and the proposed budget was made available for public inspection and posted to the City's internet website in accordance with Chapter 102 of the Local Government Code; and

**WHEREAS**, a public hearing was held by the City in accordance with Chapter 102 of the Local Government Code, following due publication of notice thereof, at which time all citizens and parties in interest were given the opportunity to be heard regarding the proposed budget; and

**WHEREAS**, after full and final consideration, it is the opinion of the City Council that the 2019 - 2020 fiscal year budget as hereinafter set forth should be approved and adopted; and

**WHEREAS**, the adoption of said budget will require raising more revenue from property taxes than in the previous year.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF McLENDON-CHISHOLM, TEXAS:**

**SECTION 1.** The above and foregoing recitals are true and correct and are incorporated into this Ordinance and made a part hereof for all purposes.

**SECTION 2.** That the budget of the revenue and expenditures necessary for conducting the affairs of the City of McLendon-Chisholm, Texas for the fiscal year beginning October 1, 2019, and ending September 30, 2020, a true and correct copy of which is attached hereto as Exhibit "A", be and the same is hereby adopted and approved as the budget of the City of McLendon-Chisholm, Texas for the fiscal year beginning October 1, 2019, and ending September 30, 2020.

**SECTION 3.** That the expenditures during the fiscal year beginning October 1, 2019, and ending September 30, 2020, shall be made in accordance with the budget by departmental allocation approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City of McLendon-Chisholm, Texas.

**SECTION 4.** That all budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2018-2019 are hereby ratified, and the budget Ordinance for fiscal year 2018-2019, heretofore enacted by the City Council, be and the same is hereby amended to the extent of such transfers and amendments for all purposes.

**SECTION 5.** Upon approval of the budget, the budget officer shall file the budget with the City Secretary, take action to ensure that a copy of the budget is posted to the City's internet website and file a true and certified copy thereof with the County Clerk of Rockwall County, Texas.

**SECTION 6.** That all provisions of the Ordinances of the City of McLendon-Chisholm, Texas in conflict with the provisions of this Ordinance be and the same are hereby repealed, and all other provisions of the Ordinances of the City of McLendon-

Chisholm, Texas not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**SECTION 7.** That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision hereof other than the part so decided to be invalid, illegal or unconstitutional.

**SECTION 8.** That this Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

**DULY PASSED** by the City Council of the City of McLendon-Chisholm, Texas, on the 24<sup>th</sup> day of September 2019.

APPROVED:

  
\_\_\_\_\_  
Keith Short, Mayor

ATTEST:

  
\_\_\_\_\_  
Lisa Palomba, City Secretary





City of McLendon Chisholm  
Fiscal Year 2019-2020  
Approved Budget

This budget will raise more revenue from property taxes than last year's budget by an amount of \$65,571 which is a 11.31% percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$48,451.

The members of the governing body voted on the budget at follows:

For: Lorna Kipphut, Nathan Hodges, Trudy Woessner, Jim Bloom, William Dahl

Against: N/A

Present and Not Voting: N/A

Absent: N/A

## Property Tax Rate Comparison

	<u>2019-2020</u>	<u>2018-2019</u>
Property Tax Rate:	\$0.150000	\$0.150000
Effective Tax Rate:	\$0.142383	\$0.143801
Effective Maintenance & Operations Tax Rate:	\$0.096534	\$0.093335
Rollback Tax Rate:	\$0.119744	\$0.150000
Debt Rate:	\$0.024560	\$0.059265

Total debt obligation (including principal and scheduled interest payments less amounts held in escrow for early retirement) for City of McLendon-Chisholm secured by property taxes: \$2,128,131.

**City of McLendon-Chisholm**  
**General Fund Adopted Budget**  
**For the year to end September 30, 2020**

	FY 2018 Actual	FY 2019 Projected	FY 2019 Budget	FY 2020 Adopted Budget
<b>Revenue</b>				
302 · Franchise Income	\$ 159,914	\$ 187,015	\$ 154,830	\$ 187,000
303 · Development Income	96,764	15,830	29,000	15,000
304 · Building Permit Income	570,038	331,845	492,419	330,000
305 Municipal Court Income	2,118	1,859	300	1,800
306 · Interest Income	10,445	18,491	-	18,500
307 · Sign Permit Income	-	100	-	100
308 · Septic Fees	19,900	7,800	17,885	7,800
309 Food Enforcement	900	1,050	600	1,250
310 · Sales Tax Revenue	206,341	205,514	154,603	205,750
311 · PID Admin Expense Reimbursement	150	43,190	4,750	-
313 · Donations	210	589	500	600
314 · Copies Public Inf. Income	203	133	-	130
315 · Miscellaneous Income	69,928	-	-	-
317 · Ad Valorem Tax	346,822	386,786	350,579	537,708
318 · Tax Certifications	8	71	-	75
320 - NSF Fee Revenue	8	-	-	-
321 · Credit Card Fee Revenue	1,529	553	1,501	550
<b>Total Revenue</b>	<b>\$ 1,485,277</b>	<b>\$ 1,200,826</b>	<b>\$ 1,206,967</b>	<b>\$ 1,306,263</b>
<b>Expenditures</b>				
<b>Operating Expenditures</b>				
401 · Municipal Court	\$ 1,515	\$ 7	\$ 1,515	\$ 50
402 · Election Expense	8,580	12,069	10,000	12,250
410 · Building Inspections	117,752	118,400	155,818	117,742
411 · Environment Regulation Expense	9,905	6,255	10,465	6,255
414 · Animal Control	-	-	-	18,000
415 · Section 380 Grant Program	1,931	3,764	-	3,800
416 · Bad Debt	20,620	-	-	-
418 · Membership Fees	3,840	1,556	3,000	1,575
422 · Public Notice Expense	3,463	10,946	2,243	9,150
423 · Community Functions	1,781	156	5,464	500
426 · Appraisal District Collection	5,883	4,798	5,883	5,000
430 · Public Safety	116,417	285,659	375,211	306,555
<b>Total 400 Operating Expenditures</b>	<b>291,687</b>	<b>443,610</b>	<b>569,599</b>	<b>480,877</b>

**City of McLendon-Chisholm**  
**General Fund Adopted Budget**  
**For the year to end September 30, 2020**

	FY 2018 Actual	FY 2019 Projected	FY 2019 Budget	FY 2020 Adopted Budget
<b>Occupancy Expenditures</b>				
502 · Electricity	\$ 3,712	\$ 2,665	\$ 3,915	\$ 2,700
506 · Water	8,892	3,390	8,952	4,000
510 · Propane Gas	-	-	788	788
512 · Trash Pickup		444		1,344
514 · Building Maint/Improvements	6,145	12,192	5,356	12,200
516 · Lawn Maintenance	8,829	8,220	8,144	8,500
518 · Janitorial	4,281	-	4,181	-
520 · Telephone & Internet	7,444	5,418	7,593	6,900
522 · Website Expense	1,826	778	1,202	1,000
<b>Total 500 Occupancy Expenditures</b>	<b>\$ 41,130</b>	<b>\$ 33,107</b>	<b>\$ 40,131</b>	<b>\$ 37,432</b>
<b>General &amp; Administrative Expenditures</b>				
603 · Citizen Recognition	-	-	500	-
604 · Municipal Manuals, Books & Maps	1,022	70	12,803	250
606 · Employee Costs	247,144	171,510	199,218	222,455
618 · Liability Insurance	9,896	5,872	9,227	7,517
619 · Software Subscriptions	7,757	18,646	15,000	19,000
621 · IT Support	2,880	5,225	5,000	5,500
622 · Office Supplies - City Hall	3,195	2,942	3,124	3,000
623 · Office Equipment	2,654	2,562	2,655	2,600
624 · Office Equip Maintenance	5,614	1,243	2,798	1,500
625 · Printed Materials	2,192	1,660	1,502	1,700
626 · Postage-City Hall	3,485	3,253	3,491	1,410
627 · County Play Expense	150	-	-	-
628 · Bank Fees	1,600	1,468	1,010	1,500
630 · Legal & Professional				
63001-Accounting & Payroll services	64,129	56,130	50,000	52,514
63002 - Financial Audit	8,800	9,500	15,000	15,000
63003 - Legal	116,007	35,030	124,000	40,000
63005 - City Planner	41,157	46,747	26,376	45,000
63008 - Financial Consulting	-	25,555	-	26,000
63009 - Engineering				15,000
633 · Penalties & Fees	0	32	-	-
645 · Transcription Services	1,238	3,104	-	-
646 · Mileage Expense	950	484	1,052	500

**City of McLendon-Chisholm  
General Fund Adopted Budget  
For the year to end September 30, 2020**

	FY 2018 Actual	FY 2019 Projected	FY 2019 Budget	FY 2020 Adopted Budget
647 · Council Meetings & Development	1,369	591	3,996	650
648 · Training	6,377	6,602	5,000	6,750
649 · Expense Account - City Administrator	-	-	126	-
650 · Expense Account - Mayor	-	-	105	-
652 · Staff Appreciation	29	760	200	850
655 · Code of Ordinance	1,375	1,000	8,000	3,500
699 · Miscellaneous Expense	98	246	150	
<b>Total G &amp; A Expenditures</b>	<b>\$ 529,118</b>	<b>400,232</b>	<b>\$ 490,333</b>	<b>\$ 472,196</b>
<b>700 · Capital Expenditures - Public Safety</b>	<b>\$ 250,341</b>	<b>\$ 80,038</b>	<b>\$ 60,000</b>	<b>\$ 15,000</b>
<b>700 · Capital Expenditures - Operating</b>	<b>\$ 17,166</b>	<b>\$ 19,400</b>	<b>\$ 32,000</b>	<b>\$ 35,000</b>
<b>Total Capital Expenditures</b>	<b>\$ 267,507</b>	<b>\$ 99,438</b>	<b>\$ 92,000</b>	<b>\$ 50,000</b>
<b>Total Expenditures</b>	<b>\$ 1,129,442</b>	<b>\$ 976,387</b>	<b>\$ 1,192,063</b>	<b>\$ 1,040,505</b>
<b>Surplus (Deficit)</b>	<b>\$ 355,835</b>	<b>\$ 224,439</b>	<b>\$ 14,904</b>	<b>\$ 265,759</b>

**City of McLendon-Chisholm  
Utility Fund Adopted Budget  
For the year to end September 30, 2020**

	FY 2018 Actual	FY 2019 Projected	FY 2019 Budget	FY 2020 Adopted Budget
<b>Revenue</b>				
306 · Interest Income	\$ 5,522	\$ 9,237	\$ 5,206	\$ 9,750
Sewer Utility Revenue				
32200 · Sewer Usage Fees	159,079	212,116	159,653	228,360
32201 · Sewer Tap Fees	219,000	129,000	189,000	72,000
32204 · Sewer Deposit Refunds	(1,720)	(1,063)	(1,540)	(1,100)
Transfer from Utility Fund Surplus		-	-	49,554
<b>Total Revenue</b>	<b>\$ 381,881</b>	<b>\$ 349,290</b>	<b>\$ 352,319</b>	<b>\$ 358,564</b>
<b>Expenditures</b>				
<b>Operation &amp; Maintenance Expenditures</b>				
Sewer Operation & Maintenance				
41304 · O&M Agreement	48,892	32,456	\$ 47,136	\$ 33,570
41305 · O&M Maintenance		34,945	\$ -	\$ 36,000
41310 · Sewer Treatment	93,886	203,328	78,000	231,794
41312 · Tap Fee Developer Rebate	131,400	77,400	113,400	43,200
<b>Total Operations Expenditures</b>	<b>\$ 274,178</b>	<b>\$ 348,129</b>	<b>\$ 238,536</b>	<b>\$ 344,564</b>
<b>600 · General &amp; Administrative Exp</b>	<b>\$ 16,733</b>	<b>\$ 9,359</b>	<b>\$ 13,260</b>	<b>\$ 14,000</b>
<b>Total Expenditures</b>	<b>\$ 290,911</b>	<b>\$ 357,488</b>	<b>\$ 251,796</b>	<b>\$ 358,564</b>
<b>Surplus (Deficit)</b>	<b>\$ 90,970</b>	<b>\$ (8,198)</b>	<b>\$ 100,523</b>	<b>\$ -</b>



**City of McLendon-Chisholm  
Interest and Sinking Fund Adopted Budget  
For the year to end September 30, 2020**

	FY 2018 Actual	FY 2019 Projected	FY 2019 Budget	FY 2020 Adopted Budget
<b>Revenue</b>				
<b>Ad Valorem Tax</b>				
317 · Ad Valorem Tax	\$ 236,763	252,330	\$ 228,985	\$ 107,427
306 · Interest Income	1,898	6,795	-	\$ 3,250
Transfer from Excess Bond Proceeds	62,532	-	-	
Transfer From Interest & Sinking Surplus	33,714	-	-	\$ 30,968
<b>Total Revenue and Transfers In</b>	<b>\$ 334,907</b>	<b>\$ 259,125</b>	<b>\$ 228,985</b>	<b>\$ 141,645</b>
<b>Expenditures</b>				
628 · Bank Fees Expense		6,850		
660 · Bond Interest Expense	\$ 61,344	59,868	\$ 59,862	\$ 58,113
802 · Bond Cost Amortization	2,912	2,916	-	\$ 2,912
803 · Bond Premium Amortization	(10,107)	(9,936)	-	\$ (9,381)
Transfer To Bond Principal	85,000	85,000	85,000	\$ 90,000
Transfer to Early Redemption Sinking Fund	189,934	78,512	78,512	\$ -
<b>Total Expenditures and Transfers Out</b>	<b>\$ 329,083</b>	<b>\$ 223,210</b>	<b>\$ 223,374</b>	<b>\$ 141,644</b>
<b>Surplus (Deficit)</b>	<b>\$ 5,824</b>	<b>\$ 35,915</b>	<b>\$ 5,611</b>	<b>\$ 0</b>

**City of McLendon-Chisholm  
Public Safety Supporting Detail  
General Fund Budget Line Item 430**



**Revenue**

313 · Donations		
315 · County Contract	\$	67,500
319 · Grants		252,000
<b>Total Revenue</b>	<b>\$</b>	<b>319,500</b>

**Expenditures**

**Operating Expenditures**

43001 · Liability Insurance	\$	21,211
43002 · Fuel		10,000
43003 · Maintenance & Repair - Vehicles		8,000
43004 · Station Maintenance and Operations		12,000
43005 · Gear and Supplies		23,000
43006 · Compliance		6,000
43008 · Dispatch		10,000
43009 · Training		10,000
43011 · Radio Maintenance		12,000
43030 · EMS		3,000
43035 · Street Lights		2,900
<b>Total 400 Operating Expenditures</b>		<b>118,111</b>

**General & Administrative Expenditures**

60601 · Staff Salaries		425,769
60609 · Payroll Tax Expense		32,571
60612 · Retirement Plan Contributions		11,306
60613 · Health Insurance Expense		38,298
<b>Total G &amp; A Expenditures</b>	<b>\$</b>	<b>507,944</b>

<b>Total Expenditures</b>	<b>\$</b>	<b>626,055</b>
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<b>Surplus (Deficit)</b>	<b>\$</b>	<b>(306,555)</b>
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