

ORDINANCE NO. 2021-07

AN ORDINANCE OF THE CITY OF McLENDON-CHISHOLM, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; 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, 2021 and ending September 30, 2022 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 interested 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 2021-2022 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 by an amount of \$387,816, which is a 55.5% increase from the previous year's budget and of that amount, \$89,327 is tax revenue to be raised from new property added to the tax roll this 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, 2021, and ending September 30, 2022, 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, 2021, and ending September 30, 2022.

SECTION 3. That the expenditures during the fiscal year beginning October 1, 2021, and ending September 30, 2022, 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 2020-2021 are hereby ratified, and the budget Ordinance for fiscal year 2020- 2021, 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 are hereby repealed, and

Ordinance No. 2021-07
Budget Adopted 08/16/2021

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 16th day of August 2021.

APPROVED:



Keith Short, Mayor

ATTEST:


Rochelle Green, City Secretary

MCLENDON-CHISHOLM

Fiscal Year 2021-2022 Approved Budget



**City of McLendon-Chisholm
FY 2021-2022
Approved Budget**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$387,816, which is a 55.5% percent increase from last year's budget and of that amount, \$89,327 is tax revenue to be raised from new property added to the tax roll this year.

The members of the City Council voted on the budget as follows:

FOR: Lorna Kipphut, Brian Davis, Norman Willis, Dan Tucker, Trudy Woessner

AGAINST: None

PRESENT and not voting: Mayor Keith Short (Does not vote)

ABSENT: None

Property Tax Rate Comparisons

	Fiscal Year 2020-21	Fiscal Year 2021-22
Proposed Property Tax Rate	0.15000/\$100	0.18500/\$100
No-New Revenue Rate	0.14654/\$100	0.14265/\$100
Voter-Approval Rate-adjusted for sales tax	0.15646/\$100	0.13344/\$100
No-New Revenue Maintenance & Operations Rate	0.13688/\$100	0.11282/\$100
Debt Rate	0.03168/\$100	0.02046/\$100

The total debt obligation secured by property taxes for the City of McLendon-Chisholm, inclusive of Principal and Interest and net of Early Redemption Escrow, is \$ 1,813,454.

City of McLendon Chisholm
 Adopted Budget for the year to end September 30, 2022
 Combined Revenue & Expenditure Summary

	General Fund	Public Safety Fund	Debt Service Fund	Capital Projects Fund	Utility Fund	Total Funds
Estimated Beginning Fund Balance	\$ 2,549,567	\$ 419,739	\$ 37,045	\$ 20,000	\$ 534,383	\$ 3,560,734
Revenue						
302 - Franchise Income	\$ 200,000					\$ 200,000
303 - Development Income	68,000					68,000
304 - Building Permit Income	808,000					808,000
306 - Interest Income	8,000		3,375		786	12,161
308 - Septic Fees	13,000					13,000
309 - Food Enforcement	1,200					1,200
310 - Sales Tax Revenue	430,000					430,000
315 - County Contract		77,500				77,500
317 - Ad Valorem Tax	976,883		109,568			1,086,451
321 - Credit Card Fee Revenue	1,750					1,750
322 - Sewer Utility Revenue					883,569	883,569
325 - Hotel Occupancy Tax	3,400					3,400
Total Revenue	\$ 2,510,233	\$ 77,500	\$ 112,943		\$ 884,355	\$ 3,585,031
Expenditures						
Operating Expenditures	\$ 482,131	\$ 131,366			\$ 630,052	\$ 1,243,549
Occupancy Expenditures	43,600	11,700				55,300
General & Administrative Expenditures	509,641	673,959	525		15,323	1,199,448
Debt Service	-		149,463			149,463
Capital Expenditures	185,000	50,000	-			235,000
Total Expenditures	\$ 1,220,372	\$ 867,025	\$ 149,988		\$ 645,375	\$ 2,882,760
Transfers In / Out	\$ (789,525)	\$ 789,525	\$ -		\$ -	\$ -
Net Change in Fund Balance	\$ 500,336	\$ -	\$ (37,045)		\$ 238,980	\$ 702,271
Estimated Ending Fund Balance	\$ 3,049,903	\$ 419,739	\$ -	\$ 20,000	\$ 773,363	\$ 4,263,005

City of McLendon Chisholm
 FY 2022 Adopted Budget
 General Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
Revenue					
302 · Franchise Income	\$ 185,966	\$ 194,126	\$ 202,775	\$ 195,000	\$ 200,000
303 · Development Income	16,099	78,115	68,040	15,000	68,000
304 · Building Permit Income	509,929	961,870	808,258	696,127	808,000
305 Municipal Court Income	2,183	-	-	500	-
306 · Interest Income	18,418	23,667	8,127	25,000	8,000
307 · Sign Permit Income	100	50			
308 · Septic Fees	7,900	16,725	13,200	11,000	13,000
309 Food Enforcement	1,050	1,200	1,200	1,200	1,200
310 · Sales Tax Revenue	218,228	400,448	430,343	341,608	430,000
311 · PID Admin Expense Reimbursement	43,190				
313 · Donations / Other	3,609	4,552,163	(250)	500	
314 · Copies Public Inf. Income	133			100	
315 · Miscellaneous Income			118,979	118,000	
317 · Ad Valorem Tax	394,882	599,921	619,431	551,083	976,883
318 · Tax Certifications	83	74			
321 · Credit Card Fee Revenue	738	1,529	1,758	790	1,750
325 · Hotel Occupancy Tax			3,426		3,400
Total Revenue	\$ 1,402,508	\$ 6,829,889	\$ 2,275,286	\$ 1,955,908	\$ 2,510,233
Expenditures					
Operating Expenditures					
401 · Municipal Court	\$ 7		\$ 300	\$ 1,000	\$ 1,000
402 · Election Expense	12,069		8,500	25,000	10,000
410 · Building Inspections	126,973	204,227	168,000	167,264	168,000
411 · Environment Regulation Expense	8,115	9,100	10,273	5,375	
41202 · CE Salary & Benefits			21,233	30,000	54,379
41203 · CE Fuel			500		750
41204 · CE Vehicle Repairs & Maint			1,938		525
41205 · CE Supplies & Other Expenses			1,053		31,050
41301 · City Planner Salary & Benefits					80,912
41302 · City Planner Supplies & Other Expenses					5,000
414 - Animal Control		3,180	19,080	19,196	19,080
415 · Section 380 Grant Program	3,763	30,002	77,000	7,800	84,700
416 · Bad Debt	-	300			
418 · Membership Fees	1,556	1,662	2,004	2,000	2,000
422 · Public Notice Expense	13,008	5,892	9,787	11,750	9,800

City of McLendon Chisholm
 FY 2022 Adopted Budget
 General Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
423 · Community Functions	1,081	7,290	550	1,000	3,000
426 · Appraisal District Collection	6,366	7,612	9,676	7,500	8,535
429 · Street Lights			3,400	2,900	3,400
Total 400 Operating Expenditures	\$ 172,938	\$ 269,265	\$ 333,293	\$ 280,785	\$ 482,131
Occupancy Expenditures					
502 · Electricity	\$ 2,787	2,824	\$ 2,980	\$ 2,900	\$ 3,000
506 · Water	6,394	6,889	3,419	10,239	3,500
510 · Propane Gas				870	
512 · Trash Pick up		1,062			
514 · Building Maint/Improvements	15,065	12,079	14,588	12,000	14,600
516 · Lawn Maintenance	8,412	8,220	8,220	8,000	1,500
518 · Janitorial	40				
520 · Telephone & Internet	5,874	8,038	8,976	8,300	9,000
522 · Website Expense	1,278	1,258	480	2,500	12,000
522.1 · Website Design/Redesign			7,000	10,000	
522.2 · Audio/Video Chamber Updates			42,480	42,280	
Total 500 Occupancy Expenditures	\$ 39,850	\$ 40,369	\$ 88,142	\$ 97,089	\$ 43,600
General & Administrative Expenditures					
604 · Municipal Manuals, Books & Maps	70	346	45	500	\$ 500
606 · Employee Costs	143,034	192,818	222,187	222,187	235,081
618 · Liability Insurance	5,872	5,596	5,563	5,821	6,500
619 · Software Subscriptions	18,843	33,366	31,950	37,100	32,600
621 · IT Support	6,125	8,425	10,175	7,000	10,200
622 · Office Supplies - City Hall	3,353	4,081	5,979	3,500	6,000
623 · Office Equipment	3,027	3,114	2,110	8,900	2,150
624 · Office Equip Maintenance	4,874	6,135	4,148	4,500	4,200
625 · Printed Materials	2,111	5,290	2,000	2,000	2,000
626 · Postage-City Hall	3,512	1,030	1,608	1,500	1,650
628 · Bank Fees	1,578	1,677	1,659	2,000	1,700
630 · Legal & Professional					
63001-Accounting & Payroll services	60,234	53,225	60,000	60,000	60,000
63002 - Financial Audit	9,500	15,000	16,000	16,000	17,000
63003 - Legal	41,160	34,007	35,928	40,000	36,000
63005 - City Planner	51,952	24,985	70,755	25,000	

City of McLendon Chisholm
 FY 2022 Adopted Budget
 General Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
63005.1 - Comprehensive Plan			71,950	71,950	
63008 -Consultants	28,883	29,014	26,000	26,000	
Landscape Architect					10,000
Impact Fee Study					50,000
Bond Administration					5,500
Budget Preparation					5,500
63009 - Engineering		6,574	9,800	25,000	10,000
632 - Emergency Management			1,231		
633 - Penalties & Fees	36				
645 - Transcription Services	3,104				
646 - Mileage Expense	832	281	56	750	750
647 - Council Meetings & Development	1,072	884	566	800	800
648 - Training	8,957	2,187	2,275	7,000	7,000
649 - Expense Account - City Administrator					
650 - Expense Account - Mayor					
652 - Staff Appreciation	760	650	650	800	800
655 - Code of Ordinance	1,000	3,360	3,360	4,000	3,500
699 - Miscellaneous Expense	246	954	209		210
Total G & A Expenditures	\$ 400,134	\$ 432,998	\$ 586,203	\$ 572,308	\$ 509,641
700 - Capital Expenditures	\$ 33,224	\$ 32,759	\$ 55,000	\$ 55,000	\$ 185,000
Total Expenditures	\$ 646,145	\$ 775,392	\$ 1,062,639	\$ 1,005,182	\$ 1,220,372
<i>Transfers Out</i>					
Transfer Out - Designated Capital		\$ 4,551,087			
Transfer Out - Public Safety Fund	\$ 340,733	\$ 409,110	\$ 572,606	\$ 581,318	\$ 789,525
Transfer Out - Capital Projects Fund			\$ 420,243	\$ 420,243	
Total Transfers	\$ 340,733	\$ 4,960,197	\$ 992,849	\$ 1,001,561	\$ 789,525
Net Change in Fund Balance	\$ 415,630	\$ 1,094,300	\$ 219,799	\$ (50,835)	\$ 500,336

City of McLendon Chisholm
 FY 2022 Adopted Budget
 Public Safety Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
Revenue					
306 · Interest Income			\$ 77		
313 · Donations	56,908	915	2,500		
316 · County Contract	67,500	77,500	77,500	77,500	77,500
319 · Grants	245,582	256,092	117,600	117,600	
Transfer from Designated Capital			4,465,400	4,465,400	
Transfer from General Fund	340,733	409,110	572,606	581,318	789,525
Total Revenue	\$ 710,723	\$ 743,617	\$ 5,235,683	\$ 5,241,818	\$ 867,025
Expenditures					
Operating Expenditures					
40102 · Municipal Court	\$ 39				
418 · Membership Fees		70			
43001 · Liability Insurance	5,220	7,730	7,749	7,962	8,900
43002 · Fuel	9,524	9,627	12,531	10,000	12,600
43003 · Maintenance & Repair - Vehicles	17,051	22,512	44,973	35,000	25,000
43004 · Station Maintenance and Operations	5,751	13,171	6,979	12,000	15,000
43005 · Gear and Supplies	29,542	47,857	20,051	23,000	20,100
43006 · Compliance	35	3,834	4,192	6,000	6,000
43007 · Radio Maintenance Contract	11,447	14,741	17,249	17,249	17,249
43008 · Dispatch	10,000	10,000	10,000	10,000	10,000
43009 · Training	7,840	7,148	1,912	10,000	10,000
43010 · Software	308	115	93	115	115
43011 · Lawn Equipment & Maintenance		835			
43030 · EMS	2,980	4,929	5,454	5,454	6,402
43035 · Street Lights	2,891	2,868			
Total 400 Operating Expenditures	\$ 102,628	\$ 145,437	\$ 131,183	\$ 136,780	\$ 131,366
500 · Occupancy Expenditures					
502 · Electricity	\$ 3,895	3,706	\$ 4,166	\$ 3,500	\$ 8,000
506 · Water	331	451	539	\$ 500	1,200
512 · Trash	913	223			
516 · Lawn Maintenance	900	120	60		
518 · Janitorial	252				
520 · Telephone & Internet	1,673	2,397	2,386	\$ 2,500	2,500
521 · Penalties		5			
Total 500 Occupancy Expenditures	\$ 7,964	\$ 6,902	\$ 7,150	\$ 6,500	\$ 11,700
General & Administrative Expenditures					
60601 · Salaries and Wages	400,805	466,000	489,802	471,678	492,858
60609 · Payroll Tax Expense	34,025	34,614	36,105	35,515	36,939

City of McLendon Chisholm
 FY 2022 Adopted Budget
 Public Safety Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
60611 · Employee Screening		1,000			
60612 · Retirement Plan Contributions	32,939	5,143	21,686	22,045	29,802
60613 · Health / Dental / Vision Insurance Expense	32,029	47,230	61,539	75,513	77,729
60616 · Disability Insurance		2,119	1,320		3,193
60616 · OPEB Expense		689			
60621 · Unemployment Benefits		19	22		
60622 · Workers Comp Insurance	8,767	17,885	17,457	23,835	30,338
619 · Software Subscriptions	2,653	508	2,289	1,476	2,300
622 · Office Supplies	39				
623 · Office Equipment	162				
652 · Staff Appreciation	1,268	463	39	800	800
626 · Postage	14				
628 · Bank Fees	4				
699 · Miscellaneous Expenses		7			
602806 · Interest Expense		3,877	1,693	2,276	
63005 · City Planner	924				
Total G & A Expenditures	\$ 513,628	\$ 579,553	\$ 631,950	\$ 633,138	\$ 673,959
700 · Capital Expenditures	\$ 86,503	\$ 11,725	\$ 410,465	\$ 410,465	\$ 50,000
Transfer Out - Capital Projects Fund			\$ 4,054,935	\$ 4,054,935	
Total Expenditures	\$ 710,723	\$ 743,617	\$ 5,235,683	\$ 5,241,818	\$ 867,025
Net Change in Fund Balance	\$0	\$0	\$0	\$0	\$0

City of McLendon Chisholm
 FY 2022 Adopted Budget
 Debt Service Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Adopted Budget	FY 2022 Proposed Budget
Revenue					
317 · Ad Valorem Tax	\$ 257,215	\$ 118,094	\$ 170,000	\$ 147,552	\$ 109,568
306 · Interest Income	2,359	9,739	3,375	6,900	3,375
Total Revenue	\$ 259,574	\$ 127,833	\$ 173,375	\$ 154,452	\$ 112,943
Expenditures					
628 · Bank Fees Expense	\$ 4,350	\$ 5,100	\$ 525	\$ 5,850	\$ 525
660 · Bond Interest Expense	59,862	57,876	56,316	56,312	54,463
Bond Principal	85,000	90,000	90,000	90,000	95,000
Transfer to Early Redemption Sinking Fund	82,473				
Total Expenditures and Transfers Out	\$ 231,685	\$ 152,976	\$ 146,841	\$ 152,162	\$ 149,988
Net Change in Fund Balance	\$27,889	(\$25,144)	\$26,534	\$2,290	(\$37,045)

City of McLendon Chisholm
 FY 2022 Adopted Budget
 Capital Projects Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
Revenue					
Transfers In			\$ 4,475,178	\$ 4,475,178	
306 · Interest Income			20,000		
Total Revenue			4,495,178	4,475,178	
Expenditures					
700 · Capital Expenditures	-		4,475,178	4,475,178	
Total Expenditures and Transfers Out			\$ 4,475,178	\$ 4,475,178	
Net Change in Fund Balance			\$ 20,000		

City of McLendon Chisholm
 FY 2022 Adopted Budget
 Utility Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
Revenue					
306 · Interest Income	\$ 9,259	\$ 6,461	\$ 786	\$ 6,000	\$ 786
Sewer Utility Revenue					
32200 · Sewer Usage Fees	209,436	302,692	363,509	306,625	530,414
32201 · Sewer Tap Fees	237,000	447,000	355,500	327,000	355,500
32204 · Sewer Deposit Refunds	(1,028)	(884)	(2,345)	(845)	(2,345)
Total Revenue	\$ 454,667	\$ 755,269	\$ 717,450	\$ 638,780	\$ 884,355
Expenditures					
Operation & Maintenance Expenditures					
Sewer Operation & Maintenance					
41304 · O&M Agreement	\$ 61,804	\$ 40,282	\$ 44,601	\$ 46,000	\$ 47,750
41305 · O&M Maintenance		45,851	42,161	39,500	46,377
41308 · Electricity		108	108	150	108
41310 · Sewer Treatment	160,241	215,185	293,198	304,000	322,518
41312 · Tap Fee Developer Rebate	142,200	268,200	213,300	196,200	213,300
Total Operations Expenditures	\$ 364,245	\$ 569,626	\$ 593,367	\$ 585,850	\$ 630,052
600 · General & Administrative Exp	\$ 10,681	\$ 57,769	\$ 15,323	\$ 15,293	\$ 15,323
Total Expenditures	\$ 374,926	\$ 627,395	\$ 608,690	\$ 601,143	\$ 645,375
Net Change in Fund Balance	\$79,742	\$127,875	\$108,760	\$37,637	\$238,980