



**AGENDA**  
**City Council**  
**Wednesday, July 14, 2021**  
**1371 WEST FM 550 - McLENDON-CHISHOLM, TEXAS 75032**  
**6:30 PM**

Page

1. CALL TO ORDER
2. INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND TEXAS FLAGS
3. RULES OF DECORUM
4. CITIZEN COMMENTS
5. CONSENT AGENDA  
*Items under the Consent Agenda are considered non-controversial or routine and will be adopted by one motion without separate discussion of items. Any item may be removed from the Consent Agenda and considered individually by request from any Council Member making such request prior to a motion and vote on the Consent Agenda.*
  - 5.1. Action regarding the Minutes of June 23, 2021 3 - 13  
[06.23.21 CC Meeting](#)
6. ITEMS FOR CONSIDERATION
  - 6.1. Discuss brick order installation for 2021 (Requested by Mayor Pro Tem Kipphut) 14  
[MC Brick Order form 2021](#)
  - 6.2. Highlights of the 6 July Lunch and Learn (Requested by Mayor Pro Tem Kipphut)  
[Slides](#)
  - 6.3. Discussion and direction to staff regarding all matters related to the proposed Budget and tax rate for Fiscal Year starting October 1, 2021 and ending September 30, 2022. (Requested by Palomba) 15 - 23  
[MC 2022 Proposed Budget - worksheet #3](#)  
[MC Fiscal 2022 Prop Tax Revenue Calcs Rev 3](#)
  - 6.4. Discussion and action regarding consideration of a proposed maximum tax rate for Fiscal Year 2021-2022 for legal notice requirements, setting public hearing dates to receive input on the proposed budget and tax rate and related matters. (Requested by Palomba) 24  
[Staff Report - Maximum Tax Rate & Setting Public Hearings](#)

7. UPDATES, DISCUSSION AND DIRECTION TO STAFF
8. COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS

The City Council will have an opportunity to address items of community interest including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the City of McLendon-Chisholm; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the City of McLendon-Chisholm that was attended or is scheduled to be attended by a member of the City Council or an official or employee of the City of McLendon-Chisholm; and announcements involving an imminent threat to the public health and safety of people in the City of McLendon-Chisholm that has arisen after posting the agenda.

9. ADJOURN

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session in order to seek confidential legal advice from the City Attorney on any agenda item herein.

I, Rochelle Green, do hereby certify that the above Notice of Meeting of the City Council of McLendon-Chisholm, Texas was posted on or before 5:00 p.m., July 9, 2021, on the outside bulletin board at City Hall, a place convenient and readily accessible to the public at all times.



**CITY COUNCIL MEETING**  
**City of McLendon-Chisholm, Texas**  
**Meeting Minutes**  
**June 23, 2021**

The City Council of the City of McLendon-Chisholm convened in Regular Session on Wednesday, June 23, 2021, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

|                |                |                    |
|----------------|----------------|--------------------|
| ATTENDING:     | Keith Short    | Mayor              |
|                | Lorna Kipphut  | Mayor Pro Tem      |
|                | Trudy Woessner | Council Member     |
|                | Dan Tucker     | Council Member     |
|                | Norman Willis  | Council Member     |
| Absent:        | Brian Davis    | Council Member     |
| Staff Present: | Lisa Palomba   | City Administrator |
|                | Shelly Green   | City Secretary     |
|                | Jim Simmons    | Fire Chief         |
|                | Michael Halla  | City Attorney      |
|                | Ray Smith      | City Accountant    |

**1. CALL TO ORDER**

Mayor Short called the meeting to order at 6:30 p.m.

**2. INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND TEXAS FLAGS**

Mayor Short delivered the invocation and Council Member Kipphut led the pledge of allegiance to the U.S. and Texas Flags.

**3. RULES OF DECORUM**

Mayor Short announced the Rules of Decorum are in place and are to be observed throughout the meeting.

**4. Proclamation**

- 4.1. Mayor Short will present a proclamation to former Mayor Mike Donegan naming the new public safety building currently under construction in his honor.

Mayor Short removed this item from the agenda.

## **5. CITIZEN COMMENTS**

Sean Spyres, AGCM, gave an update on the progress of the new public safety facility. He reported they are still on budget.

Frankie Pooladsanj, 1506 Corrara. Discussed an encounter with the building official and some concerns he has.

## **6. CONSENT AGENDA**

- 6.1. Action Regarding the Minutes of June 9, 2021 City Council Meeting – Council Member Kipphut removed this item from the consent agenda.

**MOTION: REMOVE ITEM 6.1. FROM THE CONSENT AGENDA**

**MADE BY:** Council Member Kipphut  
**SECONDED BY:** Council Member Willis  
**APPROVAL:** Unanimous

Council Member Kipphut pointed out corrections which need to be made to the minutes.

**MOTION: APPROVE THE MINUTES OF JUNE 9, 2021 CITY COUNCIL MEETING WITH THE ADMINISTRATIVE CHANGES.**

**MADE BY:** Council Member Kipphut  
**SECONDED BY:** Council Member Willis  
**APPROVAL:** Unanimous

- 6.2. Action Regarding the Minutes of June 15, 2021 Special City Council Meeting

- 6.3. Budget Report May 2021

- 6.4. McLendon-Chisholm Fire Rescue Report May 2021

- 6.5. Building Official Report May 2021 – Council Member Kipphut removed this item from the consent agenda.

**MOTION: REMOVE ITEM 6.5. FROM THE CONSENT AGENDA**

**MADE BY:** Council Member Kipphut  
**SECONDED BY:** Council Member Tucker  
**APPROVAL:** Unanimous

Council Member Kipphut stated there is nothing wrong with the report, she just wants to make sure the citizens know at this time last year, we had 99 building permits at this time. At this time this year we have 33 building permits. Construction is two-thirds less than what it was last year at this time.

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**MOTION: APPROVE THE BUILDING REPORT FOR MAY 2021.**

**MADE BY: Council Member Kipphut**  
**SECONDED BY: Council Member Tucker**  
**APPROVAL: Unanimous**

6.6. Animal Control Report May 2021

6.7. CWD Report May 2021

6.8. Sheriff's Report June 2021

**MOTION: APPROVE CONSENT AGENDA ITEMS 6.2, 6.3., 6.4., 6.6., 6.7., AND 6.8.**

**MADE BY: Council Member Kipphut**  
**SECONDED BY: Council Member Tucker**  
**APPROVED: Unanimous**

## **7. ITEMS FOR CONSIDERATION**

- 7.1. A representative from Kimley-Horn will present information related to the Comprehensive Plan update including establishing a vision statement for the Comprehensive Plan and related matters. Council discussion and possible direction to Kimley-Horn and/or staff may follow.

Abra Nusser was present to discuss the Comprehensive Plan update and pointed out they have a key decision to make tonight. They are looking at the draft vision statement tonight and will make a decision on that.

The following draft vision framework was presented:

1. Deeply Passionate About
  - a. Rural Heritage, Green Spaces, & Natural Areas
  - b. Neighborly Kindness
  - c. Maintaining Country Feel
  - d. Low Density Residential Development
  - e. Being Great Fiscal Stewards
  - f. Community Safety & Security
2. The Best At
  - a. Planned & Controlled Development
  - b. Peaceful & Quiet Retreat from Urban Life
  - c. Dark Sky Community
  - d. Scenic City
  - e. Grassroots Community Events
  - f. Transparency & Community Engagement

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### 3. Fuels Economic Engine

- a. Conservative Spending
- b. Brand & Identity
- c. Country Living Activity Centers
- d. Commercial Opportunities along SH 205 and FM 550
- e. Diversified Tax Base
- f. Data-driven Decision-making

Ms. Nusser fielded questions from the Council. She explained that if they approve this plan, it would be the vision statement that gets utilized to finalize the draft of the comprehensive plan.

Council Member Kipphut pointed out it is not a statement. Ms. Nusser responded that is why it says vision framework.

Mayor Short stated he feels they need a week or two to digest this as it is a lot of information. He stated he is not used to seeing a vision statement or a draft vision put in this form. He is not saying the original statement from 2016 fits the way the direction of this city is moving, but he is used to those kinds of visions and those are made by us on behalf of our citizens.

The three members of the CPAC who were present were ask what their rationale was.

City Administrator Palomba pointed out that if they wait a couple of weeks it's going to put us behind schedule and If it does, it's better to have a great plan and put us behind schedule than to rush the adoption. We're different from other cities in a great way, but I think this is just illustrative rather than what we're used to seeing in that paragraph format. It's a way you can see it all at the same time rather than having to dig through text. There's a lot going on here.

Mark Kipphut, chairman of the CPAC committee, expressed that vision statements are typically very broad and difficult to get your head around completely. We have expressed in our city that we want a rural look and feel. This framework allows you to then decompose that expression because that includes respecting our rural heritage, cotton and cattle, maintenance of green spaces in some way, shape, or form, specifically the floodplains and other natural areas. Having a neighborhood connectivity that allows for that neighborhood kindness that exists. We were looking for a way, and working with Kimley-Horn, to embrace these larger statements like rural look and feel and actually understand what that means. This gives Planning & Zoning what they've been asking for which is when a development comes before us or a commercial development comes before us, they can now put some measures against that that allow me to understand if I'm hitting the right tenor and tone for the city.

Beverly Stibbens, CPAC member, stated that she understands that vision statements are typically paragraphs and it's what we've all been used to, but McLendon-Chisholm is not normal. Why should our vision statement be a paragraph when it can be something that is easier to understand, has all the bullet points of everything citizens have said they want the city to be. So, why does it have to be a paragraph? We don't read paragraphs. We will read bullet points. Even if you leave the graphic in there, what's wrong with that? It shows that we are different and maybe a little more modern. I would strongly encourage that you try not to do the paragraph format.

Gary Nickel, CPAC member, stated that when he got to this part of the CPAC discussion, his eyes kind of glazed over because this kind of requirement statement would never have flown in the world that he grew up in, but he agreed to just reserve his comments beyond that and wait and see how it boils down. I think there's a lot more meat that needs to be added before you guys can actually apply it or planning and zoning can actually use it. I'm crossing my fingers and hoping that the experts who do this for a living can make it more palatable and when we get to the point where it becomes a document that you can actually apply that it will have the details that you're looking for.

Council Member Kipphut stated she has always seen the vision as the broad brush and then everything comes down from there. This is more than a broad brush. This is pretty specific, which is good for a plan to have those specifics. I guess I was thinking when you have a graph like this and you have shades where things overlap, maybe you can explain that overlap. She expressed that she would like to see "neighborhood kindness" changed to different word. Maybe a different word like "neighborhood interactions" or something like that versus kindness.

Council Member Woessner stated that she doesn't think many cities are going to put out "hateful residents" needed.

Ms. Nusser pointed out that this is different. In talking about "neighborly kindness" specifically, it's a theme that came out of your community survey. It came out of the stakeholder interviews; out of CPAC; out of the community forums. It's something that is different about McLendon-Chisholm than other cities. In the other vision statements that we've written for other cities in their comp plans, this hasn't come up as a theme.

Council Member Willis stated that when Sonoma Verde first kicked off, he thought it was very unique in that the developer really had a voice regardless of what happened in terms of the things that transpired. He actually knocked on doors and got a consensus of maybe what is it that you want. I remember the first Thanksgiving, he personally delivered turkeys to everyone. I think this really focuses on specifically what the citizens have communicated they want without all the conjunctions, verbs, and adjectives.

Mayor Short ask Ms. Nusser to explain what "dark community" means. She responded that they have heard overwhelmingly rural country feel about McLendon-Chisholm.

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Thinking about what that means to Mark's point and how do we define it. We heard multiple comments about stargazing in McLendon-Chisholm and how special that is and how people are scared that if there's too much light, too much development, they aren't going to be able to do that here anymore and it's going to take away something special. Mayor Short responded that he understands where she is going with it now.

Ms. Nusser stated that one thing they can do is scenic city and there is actually a certification as well in that sphere and we could say dark sky community designated and we could say scenic city certified.

One thing Ms. Nusser did say was that if this were to move forward in this format, or something similar, this is what the entire plan would be based off of so every single bullet point in this framework would be detailed in the plan. For example, the best at sphere, that's your economic development, so what are your differentiators, and we are going to outline each one of them in detail what they mean. This will be done for each sphere. Like Mark said, maybe we can merge the two – we can make a statement that encapsulates this. A lot of times we call that a 25-year goal and it kind of merges everything together in a succinct statement to compliment this. So that's an option for your consideration.

Council Member Kipphut stated she would personally like a statement to tie all this together. Ms. Nusser asked if they just wanted that or do they want both. Council Member Kipphut stated she would say both. Lisa is the person that's going to use this more than the six of them, so she thinks both. We want the reader to understand the plan.

Ms. Nusser posed the following questions:

1. Do we agree that we should have this format in addition to a 25-year goal statement that encapsulates all of it in a more paragraph form in addition to this?
  - a. Mayor Short stated he likes everything other than the name for dark sky. He also thinks there might be a one line title before the sphere which ties it all together.
  - b. Council Member Kipphut stated she just feels like this needs to be explained a little better.
2. Do we want to add scenic city certification?
  - a. Unanimously answered yes.
3. Council Member Kipphut asked how it would change if we they changed "neighborly kindness" to "neighborly connectivity". CPAC member Beverly Stibbens expressed that she feels they are reading into her being kind to her next-door neighbor. Neighborly kindness in this aspect to me this means when a developer looks at this and he is planning his development, he is being a kind neighbor to what's beside him, to the development beside him, to the pasture beside him, to city hall. Whatever happens to be next to him. This does not necessarily mean me being nice to my next-door neighbor. It's more about neighborly in a holistic way. Mayor Short asked if

neighborly is the right word or is it community kindness? Ms. Stibbens responded they're probably, maybe, interchangeable.

**MOTIOIN: MOVE FORWARD ON THE DRAFT VISION FRAMEWORK AS PRESENTED WITH THE CONDITION TO CHANGE "DARK SKY COMMUNITY" TO "DARK SKY COMMUNITY DESIGNATED" AND "SCENIC CITY CERTIFIED" AND THE INTRODUCTORY LINE ABOVE IT.**

**MADE BY: Council Member Willis**  
**SECONDED BY: Council Member Kipphut**  
**APPROVED: Unanimously**

Ms. Nusser presented the following dates on the timeline:

1. Final CPAC meeting will be July 12<sup>th</sup>
  2. July 26<sup>th</sup> to August 8<sup>th</sup> – Community review of draft concepts and highlights.
  3. August 16<sup>th</sup> through August 23<sup>rd</sup> – draft plan for staff and CPAC review
  4. August 30<sup>th</sup> to September 5<sup>th</sup> – the full draft plan online for public review and comments
  5. September 9<sup>th</sup> – P&Z public hearing
  6. September 29<sup>th</sup> – final adoption for city council
- 7.2. Discussion and action regarding approval of funds for an additional \$20,000, over and above the previously approved amount of \$110,000, for road maintenance within the Sonoma Verde Public Improvement District Phase 1.

City Administrator Palomba presented her staff report on this item:

**BACKGROUND OF ISSUE:**

On May 26, 2021, Council approved road repairs for Sonoma Verde Phase 1 subdivision for several areas due to pavement failure for an amount not to exceed \$110,000. The repairs included 13 areas as listed below.

1. Via Toscana 22.5 x 16
2. Via Toscana 2'.6 x 18.5
3. Via Toscana 10 x 18'.5
4. Via Toscana 29 x 18.5
5. Via Toscana 10.2 x 6.6
6. Via Toscana 38.6 x 27.6 + 9 x 20
7. Arezzo 31 x 40
8. Via Toscana 43 x 37
9. Via Toscana 10 x 20 + 11 x 9
10. Barrolo Dr. 60 x 15.5
11. Barrolo Ct. & Bertino Way 22.31

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- 12. Firenze Ct. 20 x 31
- 13. Veneto Dr. 10 x 31

It was discovered that Intessa Ct. is also in need of repair and this street was not included in the original quote. Additionally, once the contractor exposed areas on Via Toscana for repair, they found that insufficient lime subgrade and concrete thickness may have caused the failure in these locations. As such, the City Engineer is recommending increasing the paving thickness at these locations.

FINANCIAL IMPACT:

The additional cost of increased paving thickness and the Intessa repairs amounts to an additional \$20,000 over the \$110,000 amount approved May 26<sup>th</sup>.

The first \$100,000 of the total for repairs is covered by a developer contribution. Any additional funds used are derived from the Sonoma Verde Roads Funds Balance. Residents pay an annual assessment for road maintenance.

RECOMMENDATION:

Approve an amount not to exceed \$20,000 for Sonoma Verde road repairs for Intessa Ct. and Via Toscana.

**MOTION: DENY THE REQUEST FOR ADDITIONAL FUNDS, OVER AND ABOVE THE PREVIOUSLY APPROVED AMOUNT OF \$110,000, FOR ROAD MAINTENANCE WITHIN THE SONOMA VERDE PUBLIC IMPROVEMENT DISTRICT PHASE 1.**

**MADE BY: Council Member Kipphut**  
**SECONDED BY: Council Member Tucker**  
**APPROVAL: Unanimous**

- 7.3. Discussion regarding posting notice of all public meetings on the City website agenda calendar including Comprehensive Plan Advisory Committee (CPAC) meetings and related community meetings.

It was the consensus of the Council to post all public meetings on the general calendar on the City's website.

- 7.4. Discussion and action regarding appointments to the Economic Development Committee.

These appointments were postponed to a future meeting.



7.5. Discussion and action regarding appointments to the Board of Adjustment Committee.

**MOTION: APPOINT CHRISTIAN GIADOLOR, HERB HARKER, AND GARY NICKEL TO TERMS BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023. IN ADDITION, DAVID CROSS WAS APPOINTED AS AN ALTERNATE BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023.**

**MADE BY: Council Member Woessner**

**SECONDED BY: Council Member Kipphut**

**APPROVAL: Unanimous**

7.6. Discussion and action regarding appointments to the Planning & Zoning Commission.

**MOTION: APPOINT ROBERT ROHDE, LESLEY SCHWALJE, AND JODY WRIGHT TO TERMS BEGINNING JULY 1, 2021 AND EXPIRING JUNE 20, 2023. IN ADDITION, CHRISTIAN GIADOLOR IS APPOINTED AS AN ALTERNATE BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023.**

**MADE BY: Council Member Woessner**

**SECONDED BY: Council Member Tucker**

**APPROVAL: Motion was defeated by a vote of 2-1 (Tucker and Willis voting NAY and Woessner voting AYE.**

**MOTION: APPOINT LESLEY SCHWALJE, JODY WRIGHT, AND MARK KIPPHUT TO TERMS BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023. IN ADDITION, ROBERT ROHDE IS APPOINTED AS AN ALTERNATE BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023.**

**MADE BY: Council Member Tucker**

**SECONDED BY: Motion died for lack of second**

**MOTION: APPOINT LESLEY SCHWALJE, MARK KIPPHUT, AND ROBERT ROHDE TO TERMS BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023. IN ADDITION, JODY WRIGHT IS APPOINTED AS AN ALTERNATE BEGINNING JULY 1, 2021 AND EXPIRING JUNE 30, 2023.**

**MADE BY: Council Member Willis**

**SECONDED BY: Council Member Woessner**

**APPROVAL: Unanimous (Council Member Kipphut recused herself)**

**8. UPDATES, DISCUSSION AND DIRECTION TO STAFF**

Mayor Short reported he has received complaints in Sonoma Verde regarding kids driving golf carts and 4-wheelers on the roads. He suggested they may need to get the Sheriff to step in and also get the HOA to participate in helping with this problem.

Council Member Kipphut asked about the newsletter she had suggested. Council agreed it was a good idea and she will bring back some ideas. She also reminded everyone of Lunch & Learn with NTMWD on July 6<sup>th</sup> at 12:00 noon and Rockwall ISD on August 3<sup>rd</sup> at 6:30 p.m.

**9. COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS**

No reports or announcements.

**10. ADJOURN REGULAR MEETING**

There being no further business to discuss, Mayor Short adjourned the regular meeting at 8:46 a.m.

**11. CALL SPECIAL WORK SESSION TO ORDER**

The Special Work Session was called to order at 9:00 p.m.

**12. Work Session Items for Discussion**

- 12.1 Discussion regarding FY 2021-2022 Budget and Tax Rate Adoption including adoption calendar, process, funding priorities, proposed budget and tax rate scenarios and related matters.

City Administrator Palomba provided the Council with information regarding the process for preparing the budget. She also presented a power point with additional information.

**13. ADJOURN SPECIAL WORK SESSION.**

Mayor Short adjourned the special work session 10:22 p.m.

APPROVED:

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

\_\_\_\_\_  
Rochelle Green, City Secretary

***McLendon-Chisholm Veteran's Memorial  
Brick Campaign  
Individual Memorial Brick - \$30***

Honor a veteran (living or deceased) with a commemorative brick to be placed at the McLendon-Chisholm Veterans Memorial.

Bricks will be laid two times a year – depending on how many orders we receive. The installment times are Memorial Day and Veterans Day. **BRICK ORDERS CAN BE SUBMITTED AT ANY TIME.**



Limit of 16 characters (including spaces) per line

TEXT WILL BE AUTOMATICALLY CENTERED....You may use both Upper and Lower case

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**\*\* Make checks payable to: *City of McLendon-Chisholm* and note for *Veterans Brick Campaign***

**NAME OF PERSON ORDERING BRICK (for contact purposes)** \_\_\_\_\_

**Phone number and/or email of person ordering brick** \_\_\_\_\_

City of McLendon Chisholm  
Proposed Budget Summary  
For the fiscal year to end September 30, 2022

| Financial Summary                 | FY 2020<br>Actual  | FY 2021<br>Projected | FY 2021<br>Budget | FY 2022<br>Proposed<br>Budget |
|-----------------------------------|--------------------|----------------------|-------------------|-------------------------------|
| General Fund Revenue              | 2,287,202          | 2,275,286            | 1,955,908         | 2,497,990                     |
| General Fund Expenses             | (767,820)          | (1,053,839)          | (1,005,182)       | (1,276,959)                   |
| Transfer to Public Safety Fund    | (397,385)          | (572,606)            | (581,318)         | (800,443)                     |
| Transfer to Capital Projects Fund | -                  | (420,243)            | (420,243)         | -                             |
| Transfer (To) / From Fund Surplus | <u>(1,121,997)</u> | <u>\$ (228,598)</u>  | <u>\$ 50,835</u>  | <u>\$ (420,588)</u>           |
|                                   | <u>-</u>           | <u>-</u>             | <u>-</u>          | <u>-</u>                      |
|                                   |                    |                      |                   |                               |
| Public Safety Fund Revenue        | 334,507            | 197,677              | 195,100           | 77,500                        |
| Public Safety Fund Expenses       | (731,892)          | (770,283)            | (776,418)         | (877,943)                     |
| Transfer from General Fund        | <u>397,385</u>     | <u>572,606</u>       | <u>581,318</u>    | <u>800,443</u>                |
|                                   | <u>-</u>           | <u>-</u>             | <u>-</u>          | <u>-</u>                      |
|                                   |                    |                      |                   |                               |
| Utility Fund Revenue              | 755,267            | 717,450              | 638,780           | 884,355                       |
| Utility Fund Expenses             | (632,743)          | (608,690)            | (601,143)         | (645,375)                     |
| Transfer (To) / From Fund Surplus | <u>(122,524)</u>   | <u>(108,760)</u>     | <u>(37,637)</u>   | <u>(238,980)</u>              |
|                                   | <u>-</u>           | <u>-</u>             | <u>-</u>          | <u>-</u>                      |
|                                   |                    |                      |                   |                               |
| I&S Fund Revenue                  | 127,833            | 173,375              | 154,452           | 120,155                       |
| I&S Fund Expenses                 | (152,977)          | (146,841)            | (152,162)         | (149,988)                     |
| Transfer (To) / From Fund Surplus | <u>25,144</u>      | <u>(26,534)</u>      | <u>(2,290)</u>    | <u>29,833</u>                 |
|                                   | <u>-</u>           | <u>-</u>             | <u>-</u>          | <u>-</u>                      |

City of McLendon Chisholm  
General Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                       | FY 2019<br>Actual   | FY 2020<br>Actual   | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget - Rev 2 | FY 2022<br>Proposed<br>Budget - Rev 3 | Notes                                            |
|---------------------------------------|---------------------|---------------------|----------------------|------------------------------|---------------------------------------|---------------------------------------|--------------------------------------------------|
| <b>Revenue</b>                        |                     |                     |                      |                              |                                       |                                       |                                                  |
| 302 · Franchise Income                | \$ 185,966          | \$ 194,126          | \$ 202,775           | \$ 195,000                   | \$ 200,000                            | \$ 200,000                            |                                                  |
| 303 · Development Income              | 16,099              | 78,115              | 68,040               | 15,000                       | 68,000                                | 68,000                                |                                                  |
| 304 · Building Permit Income          | 509,929             | 961,870             | 808,258              | 696,127                      | 808,000                               | 808,000                               |                                                  |
| 305 · Municipal Court Income          | 2,183               | -                   | -                    | 500                          | -                                     | -                                     |                                                  |
| 306 · Interest Income                 | 18,418              | 23,667              | 8,127                | 25,000                       | 8,000                                 | 8,000                                 |                                                  |
| 307 · Sign Permit Income              | 100                 | 50                  | -                    | -                            | -                                     | -                                     |                                                  |
| 308 · Septic Fees                     | 7,900               | 16,725              | 13,200               | 11,000                       | 13,000                                | 13,000                                |                                                  |
| 309 · Food Enforcement                | 1,050               | 1,200               | 1,200                | 1,200                        | 1,200                                 | 1,200                                 |                                                  |
| 310 · Sales Tax Revenue               | 218,228             | 400,448             | 430,343              | 341,608                      | 430,000                               | 430,000                               |                                                  |
| 311 · PID Admin Expense Reimbursement | 43,190              | 8,400               | -                    | -                            | -                                     | -                                     |                                                  |
| 313 · Donations                       | 3,609               | 1,076               | (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                      | 864,185                               | 964,640                               | Changed to 20 cent rate                          |
| 318 · Tax Certifications              | 83                  | 74                  | -                    | -                            | -                                     | -                                     |                                                  |
| 321 · Credit Card Fee Revenue         | 738                 | 1,529               | 1,758                | 790                          | 1,750                                 | 1,750                                 |                                                  |
| 325 · Hotel Occupancy Tax             |                     |                     | 3,426                | -                            | 3,400                                 | 3,400                                 |                                                  |
| <b>Total Revenue</b>                  | <b>\$ 1,402,508</b> | <b>\$ 2,287,202</b> | <b>\$ 2,275,286</b>  | <b>\$ 1,955,908</b>          | <b>\$ 2,397,535</b>                   | <b>\$ 2,497,990</b>                   |                                                  |
| <b>Expenditures</b>                   |                     |                     |                      |                              |                                       |                                       |                                                  |
| <b>Operating Expenditures</b>         |                     |                     |                      |                              |                                       |                                       |                                                  |
| 401 · Municipal Court                 | \$ 7                |                     | \$ -                 | \$ 1,000                     | \$ -                                  | \$ -                                  |                                                  |
| 402 · Election Expense                | 12,069              |                     | -                    | 25,000                       | -                                     | -                                     |                                                  |
| 410 · Building Inspections            | 126,973             | 204,227             | 168,000              | 167,264                      | 168,000                               | 168,000                               |                                                  |
| 411 · Environment Regulation Expense  | 8,115               | 9,100               | 10,273               | 5,375                        | -                                     | -                                     |                                                  |
| 41202 · CE Salary                     |                     |                     | 21,233               | 30,000                       | 55,576                                | 57,614                                | Full Time + 8% salary increase + Health Ins + WC |
| 41203 · CE Fuel                       |                     |                     | 500                  | -                            | 500                                   | 525                                   | Increased 5% per Lisa                            |
| 41204 · CE Vehicle Repairs & Maint    |                     |                     | 1,938                | -                            | 500                                   | 525                                   | Increased 5% per Lisa                            |
| 41205 · CE Supplies & Other Expenses  |                     |                     | 1,053                | -                            | 31,000                                | 31,050                                |                                                  |
| 414 · Animal Control                  |                     | 3,180               | 19,080               | 19,196                       | 19,080                                | 19,080                                |                                                  |
| 415 · Section 380 Grant Program       | 3,763               | 24,029              | 77,000               | 7,800                        | 84,700                                | 84,700                                |                                                  |
| 416 · Bad Debt                        | -                   | 300                 | -                    | -                            |                                       |                                       |                                                  |
| 418 · Membership Fees                 | 1,556               | 1,662               | 2,004                | 2,000                        | 2,000                                 | 2,000                                 |                                                  |
| 422 · Public Notice Expense           | 13,008              | 5,892               | 9,787                | 11,750                       | 9,800                                 | 9,800                                 |                                                  |
| 423 · Community Functions             | 1,081               | 7,290               | 550                  | 1,000                        | 3,000                                 | 3,000                                 |                                                  |

City of McLendon Chisholm  
General Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                                  | FY 2019<br>Actual | FY 2020<br>Actual | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget - Rev 2 | FY 2022<br>Proposed<br>Budget - Rev 3 | Notes                                                                               |
|--------------------------------------------------|-------------------|-------------------|----------------------|------------------------------|---------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|
| 426 - Appraisal District Collection              | 6,366             | 7,612             | 9,676                | 7,500                        | 9,700                                 | 8,535                                 | Changed per 2022 RCAD Appraisal Budget Allocation                                   |
| 429 - Street Lights                              |                   |                   | 3,400                | 2,900                        | 3,400                                 | 3,400                                 |                                                                                     |
| <b>Total 400 Operating Expenditures</b>          | <b>\$ 172,938</b> | <b>\$ 263,292</b> | <b>\$ 324,493</b>    | <b>\$ 280,785</b>            | <b>\$ 387,256</b>                     | <b>\$ 388,229</b>                     |                                                                                     |
| <b>Occupancy Expenditures</b>                    |                   |                   |                      |                              |                                       |                                       |                                                                                     |
| 502 - Electricity                                | \$ 2,787          | 2,824             | \$ 2,980             | \$ 2,900                     | \$ 3,000                              | \$ 3,000                              |                                                                                     |
| 506 - Water                                      | 6,394             | 6,889             | 3,419                | 10,239                       | 3,500                                 | 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                                | 14,600                                |                                                                                     |
| 516 - Lawn Maintenance                           | 8,412             | 8,220             | 8,220                | 8,000                        | 8,220                                 | 1,500                                 | Reduced as per Council                                                              |
| 518 - Janitorial                                 | 40                |                   | -                    | -                            |                                       |                                       |                                                                                     |
| 520 - Telephone & Internet                       | 5,874             | 8,038             | 8,976                | 8,300                        | 9,000                                 | 9,000                                 |                                                                                     |
| 522 - Website Expense                            | 1,278             | 1,258             | 480                  | 2,500                        | 500                                   | 12,000                                | Changed per Lisa                                                                    |
| 522.1 - Website Design/Redesign                  |                   |                   | 7,000                | 10,000                       | -                                     | -                                     |                                                                                     |
| 522.2 - Audio/Video Chamber Updates              |                   |                   | 42,480               | 42,280                       | -                                     | -                                     |                                                                                     |
| <b>Total 500 Occupancy Expenditures</b>          | <b>\$ 39,850</b>  | <b>\$ 40,369</b>  | <b>\$ 88,142</b>     | <b>\$ 97,089</b>             | <b>\$ 38,820</b>                      | <b>\$ 43,600</b>                      |                                                                                     |
| <b>General &amp; Administrative Expenditures</b> |                   |                   |                      |                              |                                       |                                       |                                                                                     |
| 603 - Citizen Recognition                        |                   |                   | -                    | -                            |                                       |                                       |                                                                                     |
| 604 - Municipal Manuals, Books & Maps            | 70                | 346               | 45                   | 500                          | 500                                   | 500                                   |                                                                                     |
| 606 - Employee Costs                             | 143,034           | 192,818           | 222,187              | 222,187                      | 233,709                               | 240,570                               | 8% salary increase + 7.5% increase in health insurance cost + 5% TMRS Rate Increase |
| 618 - Liability Insurance                        | 5,872             | 5,596             | 5,563                | 5,821                        | 6,500                                 | 6,500                                 |                                                                                     |
| 619 - Software Subscriptions                     | 18,843            | 33,366            | 31,950               | 37,100                       | 32,600                                | 32,600                                |                                                                                     |
| 621 - IT Support                                 | 6,125             | 8,425             | 10,175               | 7,000                        | 10,200                                | 10,200                                |                                                                                     |
| 622 - Office Supplies - City Hall                | 3,353             | 4,081             | 5,979                | 3,500                        | 6,000                                 | 6,000                                 |                                                                                     |
| 623 - Office Equipment                           | 3,027             | 3,114             | 2,110                | 8,900                        | 2,150                                 | 2,150                                 |                                                                                     |
| 624 - Office Equip Maintenance                   | 4,874             | 6,135             | 4,148                | 4,500                        | 4,200                                 | 4,200                                 |                                                                                     |
| 625 - Printed Materials                          | 2,111             | 5,290             | 2,000                | 2,000                        | 2,000                                 | 2,000                                 |                                                                                     |
| 626 - Postage-City Hall                          | 3,512             | 1,030             | 1,608                | 1,500                        | 1,650                                 | 1,650                                 |                                                                                     |
| 628 - Bank Fees                                  | 1,578             | 1,677             | 1,659                | 2,000                        | 1,700                                 | 1,700                                 |                                                                                     |
| 630 - Legal & Professional                       |                   |                   |                      |                              |                                       |                                       |                                                                                     |
| 63001-Accounting & Payroll services              | 60,234            | 53,225            | 60,000               | 60,000                       | 60,000                                | 60,000                                |                                                                                     |
| 63002 - Financial Audit                          | 9,500             | 15,000            | 16,000               | 16,000                       | 17,000                                | 17,000                                |                                                                                     |

City of McLendon Chisholm  
General Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                               | FY 2019<br>Actual | FY 2020<br>Actual | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget - Rev 2 | FY 2022<br>Proposed<br>Budget - Rev 3 | Notes |
|-----------------------------------------------|-------------------|-------------------|----------------------|------------------------------|---------------------------------------|---------------------------------------|-------|
| 63003 - Legal                                 | 41,160            | 34,007            | 35,928               | 40,000                       | 36,000                                | 36,000                                |       |
| 63005 - City Planner                          | 51,952            | 24,985            | 70,755               | 25,000                       | 60,000                                | 60,000                                |       |
| 63005.1 - Comprehensive Plan                  |                   |                   | 71,950               | 71,950                       | -                                     | -                                     |       |
| 63008 - Consultants                           | 28,883            | 29,014            | 26,000               | 26,000                       | 156,000                               | 156,000                               |       |
| 63009 - Engineering                           |                   | 6,574             | 9,800                | 25,000                       | 10,000                                | 10,000                                |       |
| 632 - Emergency Management                    |                   |                   | 1,231                | -                            |                                       |                                       |       |
| 633 - Penalties & Fees                        | 36                |                   |                      |                              |                                       |                                       |       |
| 645 - Transcription Services                  | 3,104             |                   | -                    | -                            | -                                     | -                                     |       |
| 646 - Mileage Expense                         | 832               | 281               | 56                   | 750                          | 750                                   | 750                                   |       |
| 647 - Council Meetings & Development          | 1,072             | 884               | 566                  | 800                          | 800                                   | 800                                   |       |
| 648 - Training                                | 8,957             | 2,187             | 2,275                | 7,000                        | 7,000                                 | 7,000                                 |       |
| 649 - Expense Account - City Administrator    |                   | -                 | -                    | -                            | -                                     | -                                     |       |
| 650 - Expense Account - Mayor                 |                   | -                 | -                    | -                            | -                                     | -                                     |       |
| 652 - Staff Appreciation                      | 760               | 650               | 650                  | 800                          | 800                                   | 800                                   |       |
| 655 - Code of Ordinance                       | 1,000             | 3,360             | 3,360                | 4,000                        | 3,500                                 | 3,500                                 |       |
| 699 - Miscellaneous Expense                   | 246               | 954               | 209                  | -                            | 210                                   | 210                                   |       |
| <b>Total G &amp; A Expenditures</b>           | \$ 400,134        | \$ 432,998        | \$ 586,203           | \$ 572,308                   | \$ 653,269                            | \$ 660,130                            |       |
| <b>700 - Capital Expenditures - Operating</b> | \$ 33,224         | \$ 31,160         | \$ 55,000            | \$ 55,000                    | \$ 185,000                            | \$ 185,000                            |       |
| <b>Total Expenditures</b>                     | \$ 646,145        | \$ 767,820        | \$ 1,053,839         | \$ 1,005,182                 | \$ 1,264,345                          | \$ 1,276,959                          |       |
| <b>Surplus (Deficit) before Transfers</b>     | \$ 756,363        | \$ 1,519,382      | \$ 1,221,448         | \$ 950,726                   | \$ 1,133,190                          | \$ 1,221,031                          |       |
| <b>Transfer In / Out</b>                      |                   |                   |                      |                              |                                       |                                       |       |
| Transfer In - Fund Surplus                    | \$ -              | \$ -              | \$ -                 | \$ 50,835                    |                                       |                                       |       |
| <b>Transfer Out - Replenish Fund Surplus</b>  | \$ (360,122)      | \$ (1,121,997)    | \$ (228,599)         |                              | \$ (342,879)                          | \$ (420,588)                          |       |
| Transfer Out - Public Safety                  | \$ (396,241)      | \$ (397,385)      | \$ (572,606)         | \$ (581,318)                 | \$ (790,311)                          | \$ (800,443)                          |       |
| Transfer Out - Capital Projects Fund          | \$ -              | \$ -              | \$ (420,243)         | \$ (420,243)                 | \$ -                                  |                                       |       |
|                                               | \$0               | \$0               | (\$0)                | \$0                          | \$0                                   | \$0                                   |       |

City of McLendon Chisholm  
Public Safety Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                            | FY 2019<br>Actual | FY 2020 Actual    | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget - Rev 2 | FY 2022<br>Proposed<br>Budget - Rev 3 | Notes                       |
|--------------------------------------------|-------------------|-------------------|----------------------|------------------------------|---------------------------------------|---------------------------------------|-----------------------------|
| <b>Revenue</b>                             |                   |                   |                      |                              |                                       |                                       |                             |
| 306 · Interest Income                      | \$ -              | \$ -              | \$ 77                | \$ -                         | \$ -                                  |                                       |                             |
| 313 · Donations                            | 56,908            | 915               | 2,500                | -                            | -                                     |                                       |                             |
| 316 · County Contract                      | 67,500            | 77,500            | 77,500               | 77,500                       | 77,500                                | 77,500                                |                             |
| 319 · Grants                               | 245,582           | 256,092           | 117,600              | 117,600                      | -                                     |                                       |                             |
| Transfer from General Fund                 | \$ 254,230        | \$ 397,385        | 572,606              | \$ 581,318                   | 790,311                               | 800,443                               |                             |
| <b>Total Revenue</b>                       | <b>\$ 624,220</b> | <b>\$ 731,892</b> | <b>\$ 770,283</b>    | <b>\$ 776,418</b>            | <b>\$ 867,811</b>                     | <b>\$ 877,943</b>                     |                             |
| <b>Expenditures</b>                        |                   |                   |                      |                              |                                       |                                       |                             |
| <b>Operating Expenditures</b>              |                   |                   |                      |                              |                                       |                                       |                             |
| 40102 · Municipal Court                    | \$ 39             |                   |                      |                              |                                       |                                       |                             |
| 418 · Membership Fees                      |                   | 70                |                      |                              |                                       |                                       |                             |
| 43001 · Liability Insurance                | 5,220             | 7,730             | 7,749                | 7,962                        | 8,900                                 | 8,900                                 |                             |
| 43002 · Fuel                               | 9,524             | 9,627             | 12,531               | 10,000                       | 12,600                                | 12,600                                |                             |
| 43003 · Maintenance & Repair - Vehicles    | 17,051            | 22,512            | 44,973               | 35,000                       | 35,000                                | 25,000                                | Reduced as per Council      |
| 43004 · Station Maintenance and Operations | 5,751             | 13,171            | 6,979                | 12,000                       | 15,000                                | 15,000                                |                             |
| 43005 · Gear and Supplies                  | 29,542            | 47,857            | 20,051               | 23,000                       | 20,100                                | 20,100                                |                             |
| 43006 · Compliance                         | 35                | 3,834             | 4,192                | 6,000                        | 6,000                                 | 6,000                                 |                             |
| 43007 · Radio Maintenance Contract         | 11,447            | 14,741            | 17,249               | 17,249                       | 17,249                                | 17,249                                |                             |
| 43008 · Dispatch                           | 10,000            | 10,000            | 10,000               | 10,000                       | 10,000                                | 10,000                                |                             |
| 43009 · Training                           | 7,840             | 7,148             | 1,912                | 10,000                       | 10,000                                | 10,000                                |                             |
| 43010 · Software                           | 308               | 115               | 93                   | 115                          | 115                                   | 115                                   |                             |
| 43011 · Lawn Equipment & Maintenance       |                   | 835               | -                    |                              | -                                     | -                                     |                             |
| 43030 · EMS                                | 2,980             | 4,929             | 5,454                | 5,454                        | 5,454                                 | 6,402                                 | Per latest update from Lisa |
| 43035 · Street Lights                      | 2,891             | 2,868             | -                    | -                            | -                                     |                                       |                             |
| <b>Total 400 Operating Expenditures</b>    | <b>\$ 102,628</b> | <b>\$ 145,437</b> | <b>\$ 131,183</b>    | <b>\$ 136,780</b>            | <b>\$ 140,418</b>                     | <b>\$ 131,366</b>                     |                             |
| <b>500 · Occupancy Expenditures</b>        |                   |                   |                      |                              |                                       |                                       |                             |
| 502 · Electricity                          | \$ 3,895          | 3,706             | \$ 4,166             | \$ 3,500                     | \$ 8,000                              | \$ 8,000                              |                             |
| 506 · Water                                | 331               | 451               | 539                  | \$ 500                       | 1,200                                 | 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                                 | 2,500                                 |                             |

City of McLendon Chisholm  
Public Safety Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                                    | FY 2019<br>Actual | FY 2020 Actual    | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget - Rev 2 | FY 2022<br>Proposed<br>Budget - Rev 3 | Notes       |
|----------------------------------------------------|-------------------|-------------------|----------------------|------------------------------|---------------------------------------|---------------------------------------|-------------|
| 521 · Penalties                                    |                   | 5                 |                      |                              | -                                     | -                                     |             |
| <b>Total 500 Occupancy Expenditures</b>            | <b>\$ 7,964</b>   | <b>\$ 6,902</b>   | <b>\$ 7,150</b>      | <b>\$ 6,500</b>              | <b>\$ 11,700</b>                      | <b>\$ 11,700</b>                      |             |
| <b>General &amp; Administrative Expenditures</b>   |                   |                   |                      |                              |                                       |                                       |             |
| 60502 · Volunteer Fire Dept Contract               | \$ -              |                   | \$ -                 | \$ -                         |                                       |                                       |             |
| 60601 · Salaries and Wages                         | 400,805           | 466,000           | 489,802              | 471,678                      | 484,797                               | 502,116                               | 8% Increase |
| 60609 · Payroll Tax Expense                        | 34,025            | 34,614            | 36,105               | 35,515                       | 37,087                                | 38,412                                | 8% Increase |
| 60611 · Employee Screening                         |                   | 1,000             | -                    |                              | -                                     | -                                     |             |
| 60612 · Retirement Plan Contributions              | 32,939            | 5,832             | 21,686               | 22,045                       | 29,945                                | 30,485                                | 8% Increase |
| 60613 · Health / Dental / Vision Insurance Expense | 32,029            | 47,230            | 61,539               | 75,513                       | 77,729                                | 77,729                                |             |
| 60616 · Disability Insurance                       |                   | 2,119             | 1,320                |                              | 3,193                                 | 3,193                                 |             |
| 60621 · Unemployment Benefits                      |                   | 19                | 22                   |                              | -                                     | -                                     |             |
| 60622 · Workers Comp Insurance                     | 8,767             | 17,885            | 17,457               | 23,835                       | 29,842                                | 29,842                                |             |
| 619 · Software Subscriptions                       | 2,653             | 508               | 2,289                | 1,476                        | 2,300                                 | 2,300                                 |             |
| 622 · Office Supplies                              | 39                | -                 | -                    |                              | -                                     | -                                     |             |
| 623 · Office Equipment                             | 162               | -                 | -                    |                              | -                                     | -                                     |             |
| 652 · Staff Appreciation                           | 1,268             | 463               | 39                   | 800                          | 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               | -                 |                      |                              |                                       |                                       |             |
| <b>Total G &amp; A Expenditures</b>                | <b>\$ 513,628</b> | <b>\$ 579,553</b> | <b>\$ 631,950</b>    | <b>\$ 633,138</b>            | <b>\$ 665,693</b>                     | <b>\$ 684,877</b>                     |             |
| <b>700 · Capital Expenditures - Public Safety</b>  |                   |                   |                      |                              | 50,000                                | 50,000                                |             |
| <b>Total Expenditures</b>                          | <b>\$ 624,220</b> | <b>\$ 731,892</b> | <b>\$ 770,283</b>    | <b>\$ 776,418</b>            | <b>\$ 867,811</b>                     | <b>\$ 877,943</b>                     |             |
|                                                    | \$0               | \$0               | \$0                  | \$0                          | \$0                                   | \$0                                   |             |

City of McLendon Chisholm  
Utility Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

|                                                 | FY 2019<br>Actual  | FY 2020<br>Actual   | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget | Notes                                                              |
|-------------------------------------------------|--------------------|---------------------|----------------------|------------------------------|-------------------------------|--------------------------------------------------------------------|
| <b>Revenue</b>                                  |                    |                     |                      |                              |                               |                                                                    |
| 306 · Interest Income                           | \$ 9,259           | \$ 6,461            | \$ 786               | \$ 6,000                     | \$ 786                        |                                                                    |
| Sewer Utility Revenue                           |                    |                     |                      |                              |                               |                                                                    |
| 32200 · Sewer Usage Fees                        | 209,436            | 302,691             | 363,509              | 306,625                      | 530,414                       | Assume 10% increase in number of connections X new rate of \$66.85 |
| 32201 · Sewer Tap Fees                          | 237,000            | 447,000             | 355,500              | 327,000                      | 355,500                       | Assume same as 2021 Projection                                     |
| 32204 · Sewer Deposit Refunds                   | (1,028)            | (885)               | (2,345)              | (845)                        | (2,345)                       | Assume same as 2021 Projection                                     |
| <b>Total Revenue</b>                            | <b>\$ 454,667</b>  | <b>\$ 755,267</b>   | <b>\$ 717,450</b>    | <b>\$ 638,780</b>            | <b>\$ 884,355</b>             |                                                                    |
| <b>Expenditures</b>                             |                    |                     |                      |                              |                               |                                                                    |
| <b>Operation &amp; Maintenance Expenditures</b> |                    |                     |                      |                              |                               |                                                                    |
| Sewer Operation & Maintenance                   |                    |                     |                      |                              |                               |                                                                    |
| 41304 · O&M Agreement                           | \$ 61,804          | \$ 40,282           | \$ 44,601            | \$ 46,000                    | \$ 47,750                     | Assume 10% increase in number of connections                       |
| 41305 · O&M Maintenance                         |                    | 51,199              | 42,161               | 39,500                       | 46,377                        | Assume 10% increase in projection                                  |
| 41308 · Electricity                             |                    | 108                 | 108                  | 150                          | 108                           | No change                                                          |
| 41310 · Sewer Treatment                         | 160,241            | 215,184             | 293,198              | 304,000                      | 322,518                       | Assume 10% increase in projection                                  |
| 41312 · Tap Fee Developer Rebate                | 142,200            | 268,200             | 213,300              | 196,200                      | 213,300                       | 60% of Sewer Tap Fees                                              |
| <b>Total Operations Expenditures</b>            | <b>\$ 364,245</b>  | <b>\$ 574,972</b>   | <b>\$ 593,367</b>    | <b>\$ 585,850</b>            | <b>\$ 630,052</b>             |                                                                    |
| <b>600 · General &amp; Administrative Exp</b>   | <b>\$ 10,681</b>   | <b>\$ 57,771</b>    | <b>\$ 15,323</b>     | <b>\$ 15,293</b>             | <b>\$ 15,323</b>              | Assume same as 2021 Projection                                     |
| <b>Total Expenditures</b>                       | <b>\$ 374,926</b>  | <b>\$ 632,743</b>   | <b>\$ 608,690</b>    | <b>\$ 601,143</b>            | <b>\$ 645,375</b>             |                                                                    |
| <b>Transfer to Fund Surplus</b>                 | <b>\$ (79,742)</b> | <b>\$ (122,524)</b> | <b>\$ (108,760)</b>  | <b>\$ (37,637)</b>           | <b>\$ (238,980)</b>           |                                                                    |
|                                                 | \$0                | \$0                 | \$0                  | \$0                          | \$0                           |                                                                    |

City of McLendon Chisholm  
Interest and Sinking Fund  
FY 2022 Proposed Budget  
as of July 9, 2021

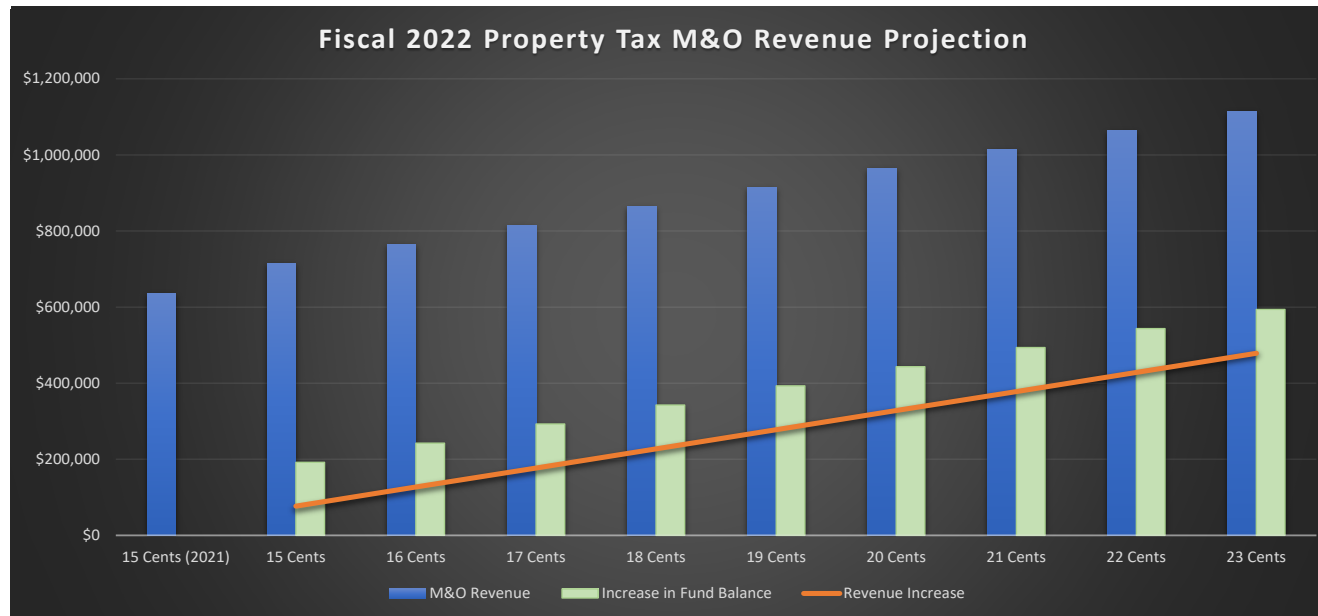
|                                             | FY 2019<br>Actual | FY 2020<br>Actual | FY 2021<br>Projected | FY 2021<br>Adopted<br>Budget | FY 2022<br>Proposed<br>Budget | Notes                                                                                             |
|---------------------------------------------|-------------------|-------------------|----------------------|------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------|
| <b>Revenue</b>                              |                   |                   |                      |                              |                               |                                                                                                   |
| <b>Ad Valorem Tax</b>                       |                   |                   |                      |                              |                               |                                                                                                   |
| 317 · Ad Valorem Tax                        | \$ 257,215        | \$ 118,094        | \$ 170,000           | \$ 147,552                   | \$ 116,780                    | Amount determined by upcoming Principal & Interest less projected funds on hand as of Oct 1, 2021 |
| 306 · Interest Income                       | \$ 2,359          | \$ 9,739          | \$ 3,375             | \$ 6,900                     | \$ 3,375                      | Assume same as 2021 Projection                                                                    |
| <b>Total Revenue and Transfers In</b>       | \$ 259,574        | \$ 127,833        | \$ 173,375           | \$ 154,452                   | \$ 120,155                    |                                                                                                   |
| <b>Expenditures</b>                         |                   |                   |                      |                              |                               |                                                                                                   |
| 628 · Bank Fees Expense                     | \$ 4,350          | \$ 5,100          | \$ 525               | \$ 5,850                     | \$ 525                        | Assume same as 2021 Projection                                                                    |
| 660 · Bond Interest Expense                 | \$ 59,862         | \$ 57,876         | \$ 56,316            | \$ 56,312                    | \$ 54,463                     | Per Bond Amortization Schedule                                                                    |
| Bond Principal                              | \$ 85,000         | \$ 90,000         | \$ 90,000            | \$ 90,000                    | \$ 95,000                     | Per Bond Amortization Schedule                                                                    |
| Transfer to Early Redemption Sinking Fund   | \$ 82,473         | \$ -              |                      |                              |                               |                                                                                                   |
| Transfer To / (From) Fund Surplus           | 27,889            | (25,144)          | 26,534               | 2,290                        | \$ (29,832)                   |                                                                                                   |
| <b>Total Expenditures and Transfers Out</b> | 259,574           | 127,832           | 173,375              | 154,452                      | 120,156                       |                                                                                                   |
|                                             |                   |                   |                      |                              |                               |                                                                                                   |
|                                             | (\$0)             | \$0               | \$0                  | \$0                          | (\$0)                         |                                                                                                   |

City of McLendon-Chisholm  
Fiscal 2022 Property Tax Revenue  
Various Rate Scenarios - Preliminary  
Updated Jun 17, 2021

2021 Preliminary Taxable

Value \$502,274,954  
2020 Adjusted Value \$460,245,112  
2020 Taxable Value per Budget \$465,756,139

|                          |                 | 2022 Projection |           |           |           |           |           |             |             |             |
|--------------------------|-----------------|-----------------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|
| Rate                     | 15 Cents (2021) | 15 Cents        | 16 Cents  | 17 Cents  | 18 Cents  | 19 Cents  | 20 Cents  | 21 Cents    | 22 Cents    | 23 Cents    |
| M&O Revenue              | \$636,684       | \$713,502       | \$763,730 | \$813,957 | \$864,185 | \$914,412 | \$964,640 | \$1,014,867 | \$1,065,095 | \$1,115,322 |
| Revenue Increase         |                 | \$76,818        | \$127,046 | \$177,273 | \$227,501 | \$277,728 | \$327,956 | \$378,183   | \$428,411   | \$478,638   |
| Increase in Fund Balance |                 | \$192,196       | \$242,423 | \$292,651 | \$342,878 | \$393,106 | \$443,333 | \$493,561   | \$543,788   | \$594,016   |



Revenue Increases \$50,277 for every 1 cent Rate Increase



## **City of McLendon-Chisholm**

### **Staff Report**

Discussion and action regarding consideration a proposed maximum tax rate for FY 2021-2022 for legal notice requirements, setting public hearing dates to receive input on the proposed budget and tax rate and related matters.

#### DATE:

July 14, 2021

#### BACKGROUND OF ISSUE:

The City must provide notice of its proposed tax rate in the newspaper and on the City website. Once this proposed rate is published, the rate may be lowered but may **not** be increased.

The last date to adopt the Budget and Tax Rate is effectively Monday, August 16, 2021. The proposed budget must be filed in the Office of the City Secretary a minimum of 30 days prior to adoption (by Fri., July 16, 2021).

The suggested date for the budget and tax rate public hearing is August 11, 2021 (must be after the 15<sup>th</sup> day the budget is filed with City Secretary). Council must take action on the budget following the public hearing. However, the budget does not have to be adopted this date. However, if it is not adopted this date then Council must announce the date.

The suggested date for the budget and tax rate adoption is Monday August 16, 2021 (Special Meeting). (Adoption of the Tax Rate must take place within 7 days of the public hearing)

#### SUGGESTED MOTION:

I Move that the **proposed maximum Tax Rate** for Fiscal Year 2021-2022 be set at \$0.\_\_\_\_ per \$100 valuation and that public hearings to receive public input regarding the budget and tax rate be scheduled for August 11, 2021.

Lisa Palomba, City Administrator