



AGENDA
City Council
Tuesday, August 10, 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	
<i>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.</i>	
5.1. Action regarding the Minutes of July 14, 2021 07.14.21 CC Meeting	3 - 7
5.2. Action regarding the Minutes of June 28, 2021 07.28.21 CC Meeting	8 - 12
5.3. Action regarding the Minutes of August 4, 2021 08.04.21 Special CC Meeting	13 - 15
6. ITEMS FOR CONSIDERATION	
6.1. Staff and City Council will present the proposed FY 2021-2022 Budget. (Requested by Palomba) FY 21-22 Proposed Budget (attachment updated 8/10)	16 - 25
6.2. City Council and Staff will hold a discussion with the public to address any concerns or questions regarding the proposed FY 2021-2022 Budget and Tax Rate. (Requested by Mayor Short and Mayor Pro Tem Kipphut)	
6.3. Hold a Public Hearing to receive input regarding the proposed Annual Budget for Fiscal Year beginning October 1, 2021 and ending September 30, 2022. (Requested by Palomba) Staff Report - Budget Public Hearing	26

6.4. Discussion and action regarding setting a date for adoption of the Annual Budget for Fiscal Year 2021-2022 for Monday, August 16, 2021. *(Requested by Palomba)*

6.5. Hold a Public Hearing to receive comments regarding setting the Tax Rate to \$0.19000 per \$100 valuation on all taxable property for Fiscal Year beginning October 1, 2021 and ending September 30, 2022. *(Requested by Palomba)*

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[Staff Report - Tax Rate Public Hearing](#)

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., August 6, 2021 (Item 6.4 language revised and reposted August 7, 2021 at 4:00 p.m. by Lisa Palomba) 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
July 14, 2021**

The City Council of the City of McLendon-Chisholm convened in Regular Session on Wednesday, July 14, 2021, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

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

1. CALL TO ORDER

Mayor Pro Tem Kipphut called the meeting to order at 6:32 p.m.

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

Council Member Willis delivered the invocation and Council Member Tucker led the pledge of allegiance to the U.S. and Texas Flags.

3. RULES OF DECORUM

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

4. CITIZEN COMMENTS

None

5. CONSENT AGENDA

5.1. Action Regarding the Minutes of June 23, 2021 City Council

MOTION: APPROVE MINUTES OF JUNE 23, 2021 CITY COUNCIL MEETING AS PRESENTED

MADE BY: Council Member Willis

SECONDED BY: Council Member Tucker

APPROVAL: 3-0 (Council Member Davis abstained due to absence)

6. ITEMS FOR CONSIDERATION

6.1. Discuss brick order installation for 2021

Mayor Pro Tem Kipphut introduced this item. She pointed out there is a brick order form in the packet, and it is imperative that she receive all brick orders by August 31st.

6.2. Highlights of the 6 July Lunch and Learn

Mayor Pro Tem Kipphut introduced this item. She shared they had a great Lunch and Learn with a representative from North Texas Municipal Water District and from RCH. She highlighted a couple of things from the meeting including:

- Lake Bois D'Arc is being constructed at a cost of \$1B
- Will begin disseminating water in 2022
- Should not notice any change in our supply; as our primary water source is Lake Lavon
- NTMWD serves 1.8M customers now; Expected to serve 3.7M by 2070; More reservoirs already being researched
- 70K fish have been stocked already; Goal that this will be a big fishing lake for North Texas

Usage Comments from both NTMWD and RCH

- 40 percent of water usage goes to lawn/landscape maintenance
 - March 1, 2021 usage was 181 gal/meter
 - July 1, 2021 usage was 456 gal/meter
 - July 5, 2021 usage was 6.5 gal/meter
- Suggest use of the "Water My Yard" application which can save you \$\$\$\$\$

The City will contact NTMWD Water Resource Public Education Manager for additional water conservations tips.

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.

Palomba provided a synopsis of the budget draft presented tonight and provided explanation to Council Members for questions related to expenses including website

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expenses, building inspections, and other consulting services. Palomba explained that while certified values are provided, the Truth in Taxation worksheets are not yet available, so the no new revenue and voter approval rates are still a moving target although an estimate is provided.

Mayor Pro Tem Kipphut asked the Council if anyone had any initiatives they would like to add to the budget before they go through the budget line-by-line. Council went through budget, asked questions, and made suggestions for changes. Kipphut commented that she felt the City was not ready for a \$50,000 water study or Strategic Plan. She also mentioned she is interested in hiring a staff City Planner rather than outsourcing for planning services. Council requested Palomba send a job description for a City Planner in order to review job duties and weigh costs and benefits of hiring a new full time staff member. Council further discussed and indicated a need for keeping the Strategic Plan in the budget. Budgeting for a water attorney was discussed further. Palomba provided information on Coronavirus Local Fiscal Recovery Funds that may be available to the city in the near future for use for water, wastewater and broadband infrastructure. Palomba will provide additional information at the next meeting. Council may determine the best use of the funds once received. Council then discussed removing the water attorney from the current budget with the anticipation of funding the item with relief funds when available. Council continued to move through the budget regarding line items.

- 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.

City Administrator Palomba presented her staff report on this item:

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 15th 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).

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**MOTION: THE PROPOSED MAXIMUM TAX RATE FOR FISCAL YEAR 2021-2022
BE SET AT \$0.1900 PER \$100 VALUATION AND THAT PUBLIC
HEARINGS TO RECEIVE PUBLIC INPUT REGARDING THE BUDGET
AND TAX RATE BE SCHEDULED FOR AUGUST 11, 2021.**

MADE BY: Council Member

SECONDED BY: Council Member

APPROVAL:

7. UPDATES, DISCUSSION AND DIRECTION TO STAFF

No significant updates

8 COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS

Mayor Pro Tem Kipphut – Lunch and Learn August 3, 2021; meeting for proclamation for Mike Donegan on August 4, 2021.

9. ADJOURN

There being no further business to discuss, Mayor Pro Tem Kipphut adjourned the meeting at 8:24 p.m.

APPROVED:

Lorna Kipphut, Mayor Pro Tem

Lisa Palomba, City Administrator



**CITY COUNCIL MEETING
City of McLendon-Chisholm, Texas
Meeting Minutes
July 28, 2021**

The City Council of the City of McLendon-Chisholm convened in Regular Session on Wednesday, July 28, 2021, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

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

1. CALL TO ORDER

Mayor Pro Tem Kipphut called the meeting to order at 6:30 p.m.

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

Council Member Willis delivered the invocation and Council Member Woessner led the pledge of allegiance to the U.S. and Texas Flags.

3. RULES OF DECORUM

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

4. CITIZEN COMMENTS

William Dahl, 238 Pheasant Hill. Addressed items on the agenda regarding the tax rate and employee raises.

Jody Wright, Barrolo Dr. Addressed the proposed employee raises.

Sean Spyres, AGCM Project Manager. Provided an update regarding status of the Fire Station construction project.

5. CONSENT AGENDA

- 5.1. Budget Report June 2021
- 5.2. McLendon-Chisholm Fire Rescue Report June 2021
- 5.3. Building Official Report June 2021
- 5.4. Animal Control Report June 2021
- 5.5. CWD Report June 2021
- 5.6. Sheriff's Report June 2021

MOTION: APPROVE THE CONSENT AGENDA AS PRESENTED

MADE BY: Council Member Tucker
SECONDED BY: Council Member Willis
APPROVAL: Unanimous

6. ITEMS FOR CONSIDERATION

- 6.1. Discussion and possible action or direction to staff regarding FY 2021-2022 Budget and Tax Rate adoption including adoption calendar, changing previously scheduled public hearing dates, funding priorities, proposed budget and tax rate scenarios and related matters.

City Administrator Palomba introduced this item. She explained the current proposed tax rate is \$0.19000, which is higher than the voter approval rate. This rate does allow the citizens to petition for an election to reduce the rate to the voter approval rate. The voter approval rate is \$0.13344.

Council Member Woessner suggested they make a list of all the reasons taxes need to be raised in order to answer questions from the citizens.

Mayor Pro Tem Kipphut requested they go through the budget and establish the budget initiatives before establishing the tax rate.

City Administrator Palomba presented her budget highlights for Council consideration with discussion resulting in the following:

- Proposed salary increases 8% for all employees (\$32,984 – Cost of living plus a start on closing the gap with other cities to attract and retain good employees adds)
TENTATIVELY YES

- Code Officer becomes full-time plus adds septic plan review and inspections to his job duties (Currently Code Officer works 25 hours/week, increase with offsets \$15,842) **TENTATIVELY YES**
- Code Officer operating budget added \$31,050 plus fuel and vehicle main \$1,275. **TENTATIVELY YES**
- \$118,000 Safer grant ends, covers firefighter salaries and benefits. **MUST**
- 20k for Strategic Plan included in consultants expense line 63008? **TENTATIVELY YES**
- Road budget increased Maintenance for Smith, Pullen, Klutts, League (\$75,000) and cost share of Edwards Road improvement \$100,000. League has drainage issues. **MUST**
- City Planner added to staff (\$85,912 salary, benefits and new employee costs such as computer and supplies) **TENTATIVELY YES**
- Increases for liability and workers comp insurance approx. \$8,000. **MUST**
- Replenishing approx. one-half of fund balance, \$442,766, used in FY 20

Mayor Pro Tem Kipphut presented her major budget initiatives:

- Safer Grant Fall Off – Budget Add \$118,000
- CAP Expenditures Road – Budget Add \$130,000
- Firehouse Operating Expense – Budget Add \$5,000
- Personnel Increases (Insurance, Workman's Comp, etc.) – Budget Add \$8,000
- Replenish Fund Balance (no add) \$250,000

Council Member Woessner stated she was actually in favor of a \$0.21000 tax rate. That amount would give them an opportunity to at least start getting caught up.

MOTION: CHANGED THE PREVIOUSLY SCHEDULED PUBLIC HEARING DATE FROM AUGUST 11 TO AUGUST 10, 2021.

MADE BY: Council Member Tucker
SECONDED BY: Council Member Woessner
APPROVAL: Unanimous

- 6.2. Discussion regarding status of Coronavirus Local Fiscal Recovery Funds, allocation of funds for City of McLendon-Chisholm and eligible and ineligible costs and related matters.

City Administrator Palomba presented information regarding the Recovery Funds:

- City allocation is \$856,100.45
- \$428,050.23 in 2021
- \$428,050.22 in 2022

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- Covers costs obligated between March 3, 2021 and Dec. 31, 2024
- Funds must be expended by Dec. 31, 2026
- Eligible Costs: Many including premium pay for eligible works performed by essential workers. Premium pay is in addition to regular wages; necessary infrastructure investments in water, sewer or broadband and others.
- Staff currently in process of submitting required paperwork indicating we intend to accept the funds and will use on eligible expenses. Staff will also continue to review all eligible expenses.

6.3. Discussion and action regarding calling a Special Joint City Council and Planning & Zoning Work Session for August 18, 2021.

City Administrator Palomba explained the developer of a large parcel of land has requested this meeting to explain their plans to these two groups and receive feedback.

MOTION: APPROVE A SPECIAL JOINT CITY COUNCIL AND PLANNING & ZONING WORK SESSION FOR AUGUST 18, 2021.

MADE BY: Council Member Tucker
SECONDED BY: Council Member Woessner
APPROVAL: Unanimous

7. UPDATES, DISCUSSION AND DIRECTION TO STAFF

7.1. Council will receive an update from staff regarding recently completed Sonoma Verde Phase 1 road repairs.

City Administrator Palomba presented information from City Engineer Dub Douphrate regarding the recently completed Sonoma Verde Phase 1 road repairs:

To: Lisa Palomba
 From: Dub Douphrate
 Re: Sonoma Verde Pavement Repair Phase 1

"Lisa, the pavement repairs for the identified 13 locations have been completed. These were failed areas from the Phase 1 paving performed 10 years ago. Various reasons may have attributed to the problems encountered due to high traffic on Via Toscana and soil movement in other locations of Phase 1. Reviewing these locations, many of the streets were poured on a minimum slope to the street. Minimal being a typical 0.5% which we are now requiring a greater minimal slope of at least a 0.7% to move the stormwater at a greater velocity and not allowing the water to have a ponding effect.

I believe the primary cause in most of these locations may have been the method of treating the building pads by way of water injection. This causes swelling of the soils not only for the building pads but also affects the soil movement/swelling under the street due

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to the increase in moisture level that permeates out and beyond the perimeter of the building pad.

Today this method is not allowed. Other methods are now being used to prepare the building pad by either using installing a moisture barrier guard or treating the building pad in a polywrap during the grading of the site prior to the pavement construction.

It is my understanding there has been discussion of possibly coring various locations in Phase 1 as an effort to determine the causes for the failures. Coring will identify the thickness of the pavement which it has been determined most of the areas removed were 6" as designed. But coring through the steel reinforcement could potentially weaken the pavement currently in place if the firm performing the core accidentally cores through the rebar placement.

In my opinion for the cost involved to perform a series of core test, after 10 years of use, I do not believe coring will provide answers since most of the problems encountered thus far have been soil movement related and not consistency or depth of concrete place."

7.2. Discussion regarding future City Council Meeting dates.

8 COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS

Mayor Pro Tem Kipphut reported that the comp plan is available for review. She also stated there will be a Special City Council Meeting on August 4 and on August 3 Lunch & Learn will feature Dr. JJ Villarreal, RISD Superintendent, at a special 6:30 p.m. meeting.

9. ADJOURN

There being no further business to discuss, Mayor Pro Tem Kipphut adjourned the meeting at 8:53 p.m.

APPROVED:

Lorna Kipphut, Mayor Pro Tem

Rochelle Green, City Secretary



**SPECIAL CITY COUNCIL MEETING
City of McLendon-Chisholm, Texas
Meeting Minutes
August 4, 2021**

The City Council of the City of McLendon-Chisholm convened in Special Session on Wednesday, August 4, 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
	Brian Davis	Council Member
Staff Present:	Lisa Palomba	City Administrator
	Shelly Green	City Secretary

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

Council Member Willis delivered the invocation and Mayor Pro Tem 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. CITIZEN COMMENTS

None

5. PROCLAMATION

- 5.1. City Council will issue a proclamation to the Family of Mike Donegan in appreciation of his contributions to the City of McLendon-Chisholm and dedicating the new "Mike D. Donegan Public Safety Building" in honor of a man of outstanding character who served McLendon-Chisholm for many years.

Mayor Short shared a brief history of the life of Mike Donegan. Upon completion of his comments, the Mayor called the family forward and presented the following proclamation:

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Proclamation

WHEREAS, the McLendon-Chisholm City Council recognizes the extraordinary contributions that Michael “Mike” Donegan made to the City of McLendon-Chisholm community as a resident, City Council Member and Mayor; and

WHEREAS, Mike Donegan was an integral partner with current and past City Councils, frequently providing historic information and serving as mentor to newly elected and appointed officials, kindly offering insight and guidance; and

WHEREAS, Mike often served as a leader of many charitable organizations including the Men’s Ministry of Chisholm Baptist Church, the Dallas Fundraiser for ALS, Board of Directors for the Rockwall Youth Fair; and was a member of the Association of Former Students of Texas A & M; and

WHEREAS, Mike Donegan was loved and appreciated by McLendon-Chisholm residents and Mike fully supported the former McLendon-Chisholm Volunteer Fire Department and was very supportive of the new City owned and operated McLendon-Chisholm Fire Rescue Department; and

WHEREAS, the City of McLendon-Chisholm is building a new public safety building and the McLendon-Chisholm City Council wishes to demonstrate a fitting tribute in appreciation of all the contributions Mike made for the community of McLendon-Chisholm.

NOW, THEREFORE, it is with great pleasure that I, Keith Short, Mayor of the City of McLendon Chisholm, Texas, do hereby declare the name of the new McLendon-Chisholm Public Safety Building shall be in Mike’s honor and shall be named:

MIKE D. DONEGAN PUBLIC SAFETY BUILDING

and invite McLendon-Chisholm citizens to celebrate the naming of the new Mike D. Donegan Public Safety Building in honor of a man of outstanding character who served this community for so many years.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of McLendon-Chisholm, Texas, to be affixed this 4th day of August 2021.

Keith Short, Mayor

6. ADJOURN

Mayor Short adjourned the meeting at 6:44 p.m.

APPROVED:

Keith Short, Mayor

Rochelle Green, City Secretary

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City of McLendon Chisholm
Proposed 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	1,003,699		109,568			1,113,267
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	\$ 2,537,049	\$ 77,500	\$ 112,943	\$ -	\$ 884,355	\$ 3,611,847
Expenditures						
Operating Expenditures	\$ 482,131	\$ 131,366	\$ -		\$ 630,052	\$ 1,243,549
Occupancy Expenditures	43,600	11,700	-			55,300
General & Administrative Expenditures	544,641	673,959	525		15,323	1,234,448
Debt Service	-		149,463			149,463
Capital Expenditures	185,000	50,000	-			235,000
Total Expenditures	\$ 1,255,372	\$ 867,025	\$ 149,988	\$ -	\$ 645,375	\$ 2,917,760
Transfers In / Out	\$ (789,525)	\$ 789,525	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance	\$ 492,152	\$ -	\$ (37,045)	\$ -	\$ 238,980	\$ 694,087
Estimated Ending Fund Balance	\$ 3,041,719	\$ 419,739	\$ -	\$ 20,000	\$ 773,363	\$ 4,254,821

City of McLendon Chisholm
FY 2022 Proposed 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	8,400	-	-	-
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	1,003,699
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	\$ 6,838,289	\$ 2,275,286	\$ 1,955,908	\$ 2,537,049

City of McLendon Chisholm
FY 2022 Proposed Budget
General Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
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	24,029	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
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	\$ 263,292	\$ 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

**City of McLendon Chisholm
FY 2022 Proposed Budget
General Fund Detail**

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
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	-
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
Strategic Plan					20,000
Bond Administration					5,500
Budget Preparation					5,500
Contingencies					15,000
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

City of McLendon Chisholm
FY 2022 Proposed Budget
General Fund Detail

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
Total G & A Expenditures	\$ 400,134	\$ 432,998	\$ 586,203	\$ 572,308	\$ 544,641
700 - Capital Expenditures	\$ 33,224	\$ 32,759	\$ 55,000	\$ 55,000	\$ 185,000
Total Expenditures	\$ 646,145	\$ 769,419	\$ 1,062,639	\$ 1,005,182	\$ 1,255,372
Transfers Out					
Transfer Out - Designated Capital	\$ 340,733	\$ 4,551,087	\$ -	\$ -	\$ -
Transfer Out - Public Safety Fund	\$ -	\$ 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	\$ 1,108,673	\$ 219,799	\$ (50,835)	\$ 492,152

City of McLendon Chisholm
FY 2022 Proposed 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

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

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2021 Amended Budget	FY 2022 Proposed Budget
General & Administrative Expenditures					
60502 · Volunteer Fire Dept Contract	\$ -		\$ -	\$ -	
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
60611 · Employee Screening		1,000	-	-	-
60612 · Retirement Plan Contributions	32,939	5,832	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
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 Proposed 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 Proposed 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 Proposed 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	302,691	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)	(885)	(2,345)	(845)	(2,345)
Total Revenue	\$ 454,667	\$ 755,267	\$ 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		51,199	42,161	39,500	46,377
41308 · Electricity		108	108	150	108
41310 · Sewer Treatment	160,241	215,184	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	\$ 574,972	\$ 593,367	\$ 585,850	\$ 630,052
600 · General & Administrative Exp	\$ 10,681	\$ 57,771	\$ 15,323	\$ 15,293	\$ 15,323
Total Expenditures	\$ 374,926	\$ 632,743	\$ 608,690	\$ 601,143	\$ 645,375
Net Change in Fund Balance	\$79,742	\$122,524	\$108,760	\$37,637	\$238,980



City of McLendon-Chisholm

Staff Report

Hold a Public Hearing to receive input regarding the proposed Annual Budget for Fiscal Year beginning October 1, 2021 and ending September 30, 2022. (Requested by Palomba)

DATE:

August 10, 2021

BACKGROUND OF ISSUE:

The City provided notice of the proposed budget Public Hearing date in the Rockwall Herald Banner and posted notice on the City website as required by law. Only one Public Hearing is required prior to adoption of the budget. Council previously indicated a preference to set the date for adoption of the budget for August 16, 2021 to allow sufficient time for any needed adjustments following the public hearing.

RECOMMENDATION:

Staff recommends a motion to set the date for adoption of the budget for August 16, 2021.

Lisa Palomba, City Administrator



City of McLendon-Chisholm

Staff Report

Hold a Public Hearing to receive comments regarding setting the Tax Rate to \$0.19000 per \$100 valuation on all taxable property for Fiscal Year beginning October 1, 2021 and ending September 30, 2022. *(Requested by Palomba)*

DATE:

August 10, 2021

BACKGROUND OF ISSUE:

The City provided notice of the proposed Tax Rate in the Rockwall Herald Banner and posted notice on the City website as required by law. Only one public hearing is required. Council previously indicated a preference to schedule adoption of the Tax Rate for Monday, August 16, 2021

RECOMMENDATION:

No action is required following tonight's public hearing other than to announce that a vote on adopting the tax rate is scheduled for Monday, August 16, 2021 and the meeting will be held at City Hall, 1371 W. FM 550, McLendon-Chisholm at 6:30 p.m.

Lisa Palomba, City Administrator