

TOWN OF LAKEWOOD VILLAGE

ORDINANCE NO. 21-13

AN ORDINANCE OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2021 AND TERMINATING ON SEPTEMBER 30, 2022 AND MAKING APPROPRIATIONS FOR EACH DEPARTMENT PROJECT AND ACCOUNT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Town of Lakewood Village, Texas (the “Town”) has caused to be filed with the Town Secretary a budget to cover all proposed expenditures of the government of the Town for the fiscal year beginning October 1, 2021 and terminating September 30, 2022, and

WHEREAS, the said budget shows as definitely as possible each of the various projects for which appropriations are set in the budget, and the estimated amount of money carried in the budget for each of such projects, and

WHEREAS, said budget has been filed with the Town Secretary and available for inspection by any taxpayer, and

WHEREAS, public notice of a public hearing on the proposed annual budget, stating the date, time, place, and subject matter of said hearing, was given as required by laws of the State of Texas, and

WHEREAS, such public hearing was held on August 12, 2021 prior to the approval and ratification by the Town Council, and all those wishing to speak on the budget were heard, and

WHEREAS, the Town Council has studied said budget and listened to the comments of the taxpayers at the public hearing held therefore and has determined that the budget attached hereto is in the best interest of the Town of Lakewood Village.

NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS:

1. That the budget attached hereto as Exhibit “A” and incorporated herein for all purposes is adopted for the fiscal year beginning October 1, 2021 and ending September 30, 2022; and such purposes, respectively such sums of money for such projects, operations, activities, purchases and other expenditures as proposed in the attached budget.
2. That no expenditures of the funds of the Town shall hereafter be made except in compliance with such budget, except in case of grave necessity, emergency expenditures to meet unusual or unforeseen conditions, which could not, by reasonable, diligent thought and attention, have included in the original budget, may from time to time be authorized by the

Town Council as amendments to the original budget.

3. That the Mayor shall file or cause to be filed a true and correct copy of said budget, along with this ordinance with the Town Secretary.
4. The necessity of adopting and approving a proposed budget for the next fiscal year as required by the laws of the State of Texas, require that this ordinance shall take effect immediately from and after its passage, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, on this 12th day of August 2021.



Dr. Mark E. Vargus
Mayor

ATTESTED:



Linda Ruth, TRMC, CMC
Town Administrator/Town Secretary





**TOWN OF LAKEWOOD VILLAGE, TEXAS
FISCAL YEAR 2021-2022
ANNUAL BUDGET**

This budget will raise more total property taxes than last year's budget by \$89,913 or 15.6 percent¹. Of the total, the maintenance and operation (M&O) increase is \$49,951 or 15.6 percent. The debt servicing increase is \$39,962 or 15.6 percent. Of these amounts \$12,095 (M&O of \$ 6,719 and debt servicing of \$ 5,376) is tax revenue to be raised from new property added to the tax roll this year.

Debt obligations were increased by a net of \$0 in the prior year and now total \$5,010,000. The 2014 Certificate of Obligation (CO) debt was reduced by \$168,000 to \$535,000. The 2020 Certificate of Obligation (CO) debt was reduced by \$15,000. Scheduled Principal and Interest payments in 2022 will be \$414,975. Of this amount, debt servicing revenue will pay \$260,511 and M&O funds of \$151,988 will be used to pay the remainder.

The amount of M&O funds used in debt payments is 47 percent of the M&O total revenue.

¹ These numbers are overstated due to acknowledged errors in the Chief Appraiser's certified totals. State law does not allow us to use corrected values - we must use the certified totals that are wrong.

RECORD OF VOTE ON PROPOSAL TO CONSIDER ADOPTION OF BUDGET

POSITION	NAME	FOR	AGAINST	PRESENT and not voting	ABSENT
Mayor	Dr. Mark E. Vargus			X	
Mayor Pro-Tem	Darrell West	X			
Council Member #1	Eric Farage	X			
Council Member #3	Matt Bissonnette	X			
Council Member #4	Serena Lepley	X			
Council Member #5	Clint Bushong	X			

PROPERTY TAX RATE COMPARISON (Rates expressed per \$100 of value)

TAX RATE	TAX YEAR 2021	TAX YEAR 2022
Property Tax Rate	\$0.4500	\$0.4500
No New Revenue (NNR) Rate	\$0.4177	\$0.3872
Voter Approval Rate (VAR)	\$0.4607	\$0.4337
De Minimus Tax Rate	\$0.9101	\$0.7993
Unused Increment Rate – 2021	\$0.0107	\$0.0107
Debt Rate	\$0.3750	\$0.3179
Debt Rate Adopted	\$0.2000	\$0.2000

DEBT RATE BREAKDOWN	PRINCIPAL	INTEREST
2014 Certificates of Obligation	\$0.1325	\$0.0068
2020 Certificates of Obligation	\$0.0574	\$0.1211

2021-2022 Budget

<i>General Fund</i>					
REVENUES	2022 Budget	2021 Budget	2021 YTD 6/30	2020 Budget	2020 Actual
Property Taxes	\$312,500	\$275,000	\$269,250	\$271,000	\$271,328
Franchise Fees	\$38,000	\$37,000	\$35,487	\$34,000	\$41,249
Sales Taxes	\$60,000	\$40,000	\$45,130	\$30,000	\$52,547
Fines & Forfeitures	\$3,000	\$3,000	\$3,061	\$3,000	\$7,488
Licenses & Permits	\$49,700	\$39,000	\$80,971	\$40,100	\$73,029
Fees & Service Charges	\$2,000	\$2,000	\$2,410	\$2,400	\$2,410
Miscellaneous	\$3,000	\$3,000	\$1,990	\$3,000	\$3,565
CRF Grant		\$20,270	\$20,270		\$30,000
TOTAL	\$468,200	\$419,270	\$458,569	\$383,500	\$481,616
EXPENDITURES	2022 Budget	2021 Budget	2021 YTD 6/30	2020 Budget	2020 Actual
General Government	\$164,850	\$167,000	\$140,418	\$158,200	\$156,849
Public Safety	\$46,000	\$30,000	\$31,500	\$30,000	\$30,000
Public Works	\$28,000	\$24,000	\$27,441	\$26,000	\$34,874
TOTAL	\$238,850	\$221,000	\$199,359	\$214,200	\$221,723
OPERATING SURPLUS	\$229,350	\$198,270	\$259,210	\$169,300	\$259,893
NON OPERATING	2022 Budget	2021 Budget		2020 Budget	2020 Actual
Interest Revenue	\$2,500	\$6,000	\$5,136	\$6,000	\$8,133
Capital Outlay Expenditure		(\$375,000)		(\$74,000)	(\$10,495)
Asset Sale					\$44,979
Developer Agreement					\$72,000
Reimbursements					\$9,404
SURPLUS / DEFICIT	\$2,500	(\$369,000)	\$5,136	(\$68,000)	\$124,021
TRANSFERS					
In: Admin Fee	\$60,000	\$54,400	\$41,700	\$49,400	\$54,400
Out: Debt Servicing from M&O	(\$156,050)	(\$176,858)	(\$146,000)	\$0	\$0
TOTAL TRANSFERS	(\$96,050)	(\$122,458)	(\$104,300)	\$49,400	\$54,400
NET CASH FLOW	\$135,800	(\$293,188)	\$160,046	\$150,288	\$438,314
DEBT SERVICING FUND					
I&S Property Taxes	\$250,000	\$220,000	\$215,684	\$178,200	\$183,986
General Fund Transfer	\$156,050	\$176,858	\$146,000	\$0	\$0
MDD Interest Payment	\$8,925	\$12,318	\$12,318		\$6,995
CO 2014 Debt Service (Interest)	(\$8,925)	(\$12,318)	(\$12,318)		
CO 2014 Debt Service (Principle)	(\$173,000)	(\$168,000)	(\$168,000)		
CO 2020 Debt Service (Interest)	(\$158,050)	(\$213,858)	(\$213,858)	(\$163,000)	(\$163,000)
CO 2020 Debt Service (Principle)	(\$75,000)	(\$15,000)	(\$15,000)	(\$15,612)	(\$15,612)
TOTAL	\$0	\$0	(\$35,174)	(\$412)	\$12,369

2021-2022 Budget

Utility Fund

	2022	2021	2021	2020	2020
	Budget	Budget	YTD 6/30	Budget	Actual
REVENUES					
Water	\$200,000	\$185,000	\$125,601	\$165,000	\$201,962
Sewer	\$135,000	\$116,000	\$94,832	\$108,000	\$113,237
Sanitation	\$67,500	\$67,000	\$49,151	\$50,000	\$59,093
Fees and Services	\$19,760	\$16,960	\$24,545	\$16,960	\$32,097
Other Income	\$1,000	\$1,040	\$4,438	\$1,000	\$2,527
TOTAL	\$423,260	\$386,000	\$298,567	\$340,960	\$408,916
EXPENDITURES	2022	2021	2021	2020	2020
	Budget	Budget	YTD 6/30	Budget	Actual
Contract Services	\$42,000	\$40,800	\$39,066	\$40,800	\$40,969
Administrative	\$74,700	\$69,200	\$55,529	\$98,138	\$62,698
Repairs and Maintenance	\$33,580	\$31,000	\$55,501	\$35,200	\$55,765
Miscellaneous	\$2,000	\$2,000	\$2,607	\$2,000	\$6,365
Garbage Collections	\$55,000	\$55,000	\$45,975	\$48,000	\$45,636
TOTAL	\$207,280	\$198,000	\$198,678	\$224,138	\$211,433
OPERATING SURPLUS	\$215,980	\$188,000	\$99,889	\$116,822	\$197,483
NON OPERATING	2022	2021	2021	2020	2020
	Budget	Budget	YTD 6/30	Budget	Actual
Interest Revenue	\$2,000	\$2,000	\$1,685	\$2,000	\$2,346
Capital Outlay Expenditure	\$0	\$97,000	\$81,839	(\$45,000)	(\$122,072)
SURPLUS / DEFICIT	\$2,000	(\$95,000)	(\$80,154)	(\$43,000)	(\$119,726)
TRANSFERS					
Out: Admin Fee	(\$50,000)	(\$50,000)	(\$37,500)	(\$45,000)	(\$37,500)
TOTAL TRANSFERS	(\$50,000)	(\$50,000)	(\$37,500)	(\$45,000)	(\$37,500)
NET CASH FLOW	\$167,980	\$43,000	(\$17,765)	\$28,822	\$40,257