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*Mayor: Bill Taylor  
Mayor Pro-Tem: Melissa Matthews*

*Council Member: Aubrey Stewart  
Council Member: Charlene Holland  
Council Member: Jayton Lindley  
Council Member: Danny Crutchfield*

*City Administrator: Michele Wardlaw*

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# Adopted Budget

GENERAL FUND AND WATER AND SEWER FUND  
CITY OF MERTZON

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*Adopted Budget on August 16, 2021*

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FILED  
THE 25 DAY OF August, 2021  
AT O'CLOCK 2:41 P.M.  
SHIRLEY GRAHAM  
COUNTY DIST. CLERK, IRION COUNTY, TX  
BY [Signature]  
DEPUTY

**City of Mertzton**  
**Fiscal Year 2021-2022**  
**Budget Cover Page**  
**August 16, 2021**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$11,785, which is a 5.71 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$4,559.

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

**FOR:** Bill Taylor, Mayor  
Aubrey Stewart, City Councilman  
Jayton Lindley, City Councilman  
Melissa Matthews, Mayor Pro-Tem  
Charlene Holland, City Councilman  
Danny Crutchfield, City Councilman

**AGAINST:**

**PRESENT** and not voting:

**ABSENT:**

**Property Tax Rate Comparison**

	<b>2021-2022</b>	<b>2020-2021</b>
Property Tax Rate:	\$0.623878/100	\$0.593200/100
No-New-Revenue Tax Rate:	\$0.599226/100	\$0.548994/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.602782/100	\$0.548994/100
Voter-Approval Tax Rate:	\$0.623879/100	\$0.593255/100
Debt Rate:	\$0.000000/100	\$0.000000/100

Total debt obligation for City of Mertzton secured by property taxes: \$0

# GENERAL FUND BUDGET

## Statement of Revenue and Expenditures

	Current Period	Year-To-Date	Annual Budget	Oct 2021	
	Oct 2021	Oct 2021	Annual Budget	Oct 2021	Oct 2021
	Sep 2022	Sep 2022	Oct 2021	Sep 2022	Percent of
	Actual	Actual	Sep 2022	Variance	Budget
<b>Revenue &amp; Expenditures</b>					
<b>Revenue</b>					
<b>Fees &amp; Permits</b>					
Franchise Fee/Tax Income	0.00	0.00	20,000.00	(20,000.00)	0.00%
Permit Revenue	0.00	0.00	12,000.00	(12,000.00)	0.00%
<b>Total Fees &amp; Permits</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$32,000.00</b>	<b>(\$32,000.00)</b>	
<b>Other Revenue</b>					
Animal Control Income	0.00	0.00	500.00	(500.00)	0.00%
Interest Revenue	0.00	0.00	750.00	(750.00)	0.00%
<b>Total Other Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,250.00</b>	<b>(\$1,250.00)</b>	
<b>Tax Receipts</b>					
City Sales & Use Tax Revenue	0.00	0.00	110,000.00	(110,000.00)	0.00%
Property Tax Delinquent	0.00	0.00	1,200.00	(1,200.00)	0.00%
Property Taxes Current	0.00	0.00	218,257.00	(218,257.00)	0.00%
Property Taxes Current P/I	0.00	0.00	750.00	(750.00)	0.00%
Property Taxes Delinquent P/I	0.00	0.00	750.00	(750.00)	0.00%
<b>Total Tax Receipts</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$330,957.00</b>	<b>(\$330,957.00)</b>	
<b>Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$364,207.00</b>	<b>(\$364,207.00)</b>	
<b>Gross Profit</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$364,207.00</b>	<b>\$0.00</b>	
<b>Expenses</b>					
<b>Benefits Expense</b>					
Health Insurance	0.00	0.00	23,623.50	(23,623.50)	0.00%
Retirement Expense	0.00	0.00	12,029.01	(12,029.01)	0.00%
<b>Total Benefits Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$35,652.51</b>	<b>(\$35,652.51)</b>	
<b>Capital Improv Project Expense</b>					
Road Repair	0.00	0.00	10,500.00	(10,500.00)	0.00%
<b>Total Capital Improv Project Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,500.00</b>	<b>(\$10,500.00)</b>	
<b>Insurance Expense</b>					
TML Risk Pool Insurance	0.00	0.00	9,128.91	(9,128.91)	0.00%
<b>Total Insurance Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,128.91</b>	<b>(\$9,128.91)</b>	
<b>Labor Expense</b>					
Administrative Wages	0.00	0.00	22,500.00	(22,500.00)	0.00%
Full Time Wages	0.00	0.00	78,062.40	(78,062.40)	0.00%
Mayor and City Council Salary	0.00	0.00	35,000.00	(35,000.00)	0.00%
Over Time Wages	0.00	0.00	2,272.75	(2,272.75)	0.00%
<b>Total Labor Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$137,835.15</b>	<b>(\$137,835.15)</b>	

### Statement of Revenue and Expenditures

	Current Period	Year-To-Date	Annual Budget	Annual Budget	Oct 2021
	Oct 2021	Oct 2021	Annual Budget	Oct 2021	Sep 2022
	Sep 2022	Sep 2022	Oct 2021	Sep 2022	Percent of
	Actual	Actual	Sep 2022	Variance	Budget
<b>Total Utilities Expense</b>	\$0.00	\$0.00	\$15,200.00	(\$15,200.00)	
<b>Expenses</b>	\$0.00	\$0.00	\$304,207.00	(\$304,207.00)	
<b>Revenue Less Expenditures</b>	\$0.00	\$0.00	\$60,000.00	\$0.00	

**Other Expenses**

**Transfer Expense**

Transfer to Water/Sewer Fund	0.00	0.00	60,000.00	(60,000.00)	0.00%
<b>Total Transfer Expense</b>	\$0.00	\$0.00	\$60,000.00	(\$60,000.00)	
<b>Other Expenses</b>	\$0.00	\$0.00	\$60,000.00	(\$60,000.00)	

**Fund Balances**

Beginning Fund Balance	226,987.65	226,987.65	0.00	0.00	0.00%
Net Change in Fund Balance	0.00	0.00	0.00	0.00	0.00%
Ending Fund Balance	226,987.65	226,987.65	0.00	0.00	0.00%

*Report Options*

Fund: General Fund

Period: 10/1/2021 to 9/30/2022

Detail Level: Level 3 Accounts

Display Account Categories: Yes

Display Subtotals: Yes

Revenue Reporting Method: Actual - Budget

Expense Reporting Method: Actual - Budget

Display Fund Balance Section: Yes

Budget: 21-22 General Fund Budget

# WATER/SEWER FUND BUDGET

Statement of Revenue and Expenditures

	Current Period Oct 2021 Sep 2022 Actual	Year-To-Date Oct 2021 Sep 2022 Actual	Annual Budget Oct 2021 Sep 2022	Annual Budget Oct 2021 Sep 2022 Variance	Oct 2021 Sep 2022 Percent of Budget
<b>Revenue &amp; Expenditures</b>					
<b>Revenue</b>					
<b>Fees &amp; Permits</b>					
Connection Income	0.00	0.00	250.00	(250.00)	0.00%
<b>Total Fees &amp; Permits</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$250.00</b>	<b>(\$250.00)</b>	
<b>Service Revenue</b>					
Late Fee Revenue	0.00	0.00	4,500.00	(4,500.00)	0.00%
Sewer Revenue	0.00	0.00	121,600.00	(121,600.00)	0.00%
Water Revenue	0.00	0.00	196,600.00	(196,600.00)	0.00%
<b>Total Service Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$322,700.00</b>	<b>(\$322,700.00)</b>	
<b>Other Revenue</b>					
Interest Revenue	0.00	0.00	50.00	(50.00)	0.00%
<b>Total Other Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$50.00</b>	<b>(\$50.00)</b>	
	<b>Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$323,000.00</b>	<b>(\$323,000.00)</b>
	<b>Gross Profit</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$323,000.00</b>	<b>\$0.00</b>
<b>Expenses</b>					
<b>Benefits Expense</b>					
Health Insurance	0.00	0.00	23,623.50	(23,623.50)	0.00%
Retirement Expense	0.00	0.00	12,300.00	(12,300.00)	0.00%
<b>Total Benefits Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$35,923.50</b>	<b>(\$35,923.50)</b>	
<b>Debt Service Expense</b>					
Bank Debt-Robertson Well&WWTP	0.00	0.00	58,585.77	(58,585.77)	0.00%
TCEQ Penalty & Interest Expens	0.00	0.00	1.00	(1.00)	0.00%
<b>Total Debt Service Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$58,586.77</b>	<b>(\$58,586.77)</b>	
<b>Insurance Expense</b>					
TML Risk Pool Insurance	0.00	0.00	9,128.91	(9,128.91)	0.00%
<b>Total Insurance Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,128.91</b>	<b>(\$9,128.91)</b>	
<b>Labor Expense</b>					
Administrative Wages	0.00	0.00	22,500.00	(22,500.00)	0.00%
Full Time Wages	0.00	0.00	78,062.40	(78,062.40)	0.00%
Holiday Wages	0.00	0.00	610.60	(610.60)	0.00%
Over Time Wages	0.00	0.00	9,091.00	(9,091.00)	0.00%
PTO Wages	0.00	0.00	1.00	(1.00)	0.00%
Vacation Wages	0.00	0.00	1.00	(1.00)	0.00%
<b>Total Labor Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$110,266.00</b>	<b>(\$110,266.00)</b>	

## Water & Sewer Fund

### Statement of Revenue and Expenditures

	Current Period Oct 2021 Sep 2022 Actual	Year-To-Date Oct 2021 Sep 2022 Actual	Annual Budget Oct 2021 Sep 2022	Annual Budget Oct 2021 Sep 2022 Variance	Oct 2021 Sep 2022 Percent of Budget
<b>Water Well Usage Expense</b>					
Robertson Water Well Usage	0.00	0.00	10,800.00	(10,800.00)	0.00%
Tankersley Water Well Usage	0.00	0.00	10,800.00	(10,800.00)	0.00%
<b>Total Water Well Usage Expense</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$21,600.00</b>	<b>(\$21,600.00)</b>	
<b>Expenses</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$383,000.00</b>	<b>(\$383,000.00)</b>	
<b>Revenue Less Expenditures</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$60,000.00)</b>	<b>\$0.00</b>	
<b>Other Revenue</b>					
<b>Transfer Revenue</b>					
Transfer from General Fund	0.00	0.00	60,000.00	(60,000.00)	0.00%
<b>Total Transfer Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$60,000.00</b>	<b>(\$60,000.00)</b>	
<b>Other Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$60,000.00</b>	<b>(\$60,000.00)</b>	
<b>Fund Balances</b>					
Beginning Fund Balance	1,745,195.17	1,745,195.17	0.00	0.00	0.00%
Net Change in Fund Balance	0.00	0.00	0.00	0.00	0.00%
Ending Fund Balance	1,745,195.17	1,745,195.17	0.00	0.00	0.00%

*Report Options*

Fund: Water & Sewer Fund

Period: 10/1/2021 to 9/30/2022

Detail Level: Level 3 Accounts

Display Account Categories: Yes

Display Subtotals: Yes

Revenue Reporting Method: Actual - Budget

Expense Reporting Method: Actual - Budget

Display Fund Balance Section: Yes

Budget: 21-22 Water/Sewer Budget

# BUDGET GLOSSARY

To assist the reader with the Annual Budget document in understanding various terms, a budget glossary has been included.

**Ad Valorem Tax** - A tax which is levied in proportion to the value of the property against which it is levied. This is commonly referred to as a property tax.

**Appraised Value** – Estimated values of all properties located within the community as determined by the appraisal district, subject to paying an ad valorem or property tax. (Property values for the City of Donna are established by the Hidalgo Count Appraisal District).

**Appropriation Ordinance** – Also referred to as the Budget Ordinance, this is the enactment authorized by the City Council to legally authorize city staff to obligate and expend resources.

**Assessed Value** – The total taxable value placed on real estate and other property as a basis for levying taxes.

**Budget** – A plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**Budget Calendar** – An approved schedule of key dates which the City follows in the preparation and adoption of its budget.

**Budget Message** – A general discussion of the proposed budget as presented in writing by the budget making authority to the legislative body.

**Capital Outlay** – Expenditures resulting in the acquisition or addition to fixed assets.

**Capital Projects Fund** – A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

**City Council** – The Mayor and four council members, functioning as the legislative and policy-making body of the City.

**Current Taxes** – Taxes levied and due within one year.

**Debt Service** – Payment of principal and interest to holders of a government's debt instruments.

**Debt Service Fund** – A fund established to account for the accumulation of resources for the payment of long term debt principal and interest.

**Delinquent Taxes** – Taxes that remain unpaid after the date on which a penalty for non-payment is attached. (Example: tax statements are mailed out in October and become delinquent if not paid by January 31).

**Expenditures** – Decrease in net financial resources for the purpose of acquiring an asset, service, or settling a loss.

**Expenses** – Decrease in net total assets. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges, which are presumed to benefit the current fiscal period.

**Fiscal Year** – The twelve (12) month financial period to which the annual operating budget applies. The fiscal year used by the City of Donna begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup>.

**Fixed Asset** – Long term assets, which are intended to be held or used for a significant period of time, such as land, buildings, machinery, or equipment.

**Franchise Fee** – A fee paid by public service utilities and providers, for the use of public property (right of-way) in providing their services to the citizens of the community.

**Fund** – An accounting entity with a self-balancing set of accounts that record financial transactions for specific activities or governmental functions.

**Fund Balance** – A term used to express the equity (assets minus liabilities) of governmental funds and trust funds.

**Infrastructure** - Structures and equipment such as highways, bridges, buildings and public utilities such as water and sewer systems.

**Inter-Fund Transfers** – legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. (Example: Transfers from the General Fund to a Capital Projects Fund).

**Maintenance** – All materials or contract expenditures covering repair and upkeep of city buildings, machinery, equipment, systems and land

**Objective** – A simply stated measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard for performance for a given program.

**Operating Budget** – Plans of current expenditures and the proposed means of financing them. The use of an annual operating budget is usually required by law to control government spending.

**Operating Costs** – Outlays for such current period items as expendable supplies, contractual services and utilities.

**Ordinance** – A formal legislative enactment by the governing board of the municipality. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of the endorsements are known.

**Other Services and Charges** – The cost related to services performed for the City by individuals, business and utilities.