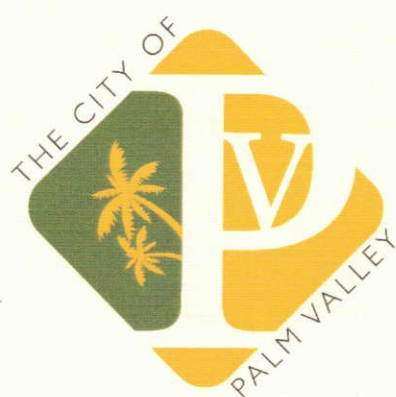




CITY  
OF  
PALM VALLEY  
BUDGET  
(adopted)  
2021-2022  
September 15, 2021

**Prepared by:**  
**George Rivera – Mayor**

‘This budget will raise more revenue from property taxes than last year’s budget by 4.58% and of that amount \$10,914 is tax revenue to be raised from new property added to the taxroll this year.’



# City of Palm Valley

*"Home of The Harlingen Country Club"*

September 10, 2021

Dear Citizens of Palm Valley:

Following is a recap of our city's proposed budget for Fiscal Year 2021-22, which begins on October 1, 2021, and ends on September 30, 2022.

The budget was prepared by City staff and the City Council during our annual budget workshop meeting held on August 28, 2021. This year's budget reflects no property tax rate increase. The City's Property Tax Rate will remain at \$.0515463/\$100, generating \$650,600 in property tax revenue. It is the foundation for the City's allocation of resources toward service delivery plans providing quality services, targeted investments, and continued improvements.

The proposed budget also encapsulates incremental changes addressing service requirements and builds upon initiatives in prior years while establishing new direction for projects. The document is also used to evaluate the effectiveness of City programs and services while providing extensive information on municipal operations.

## **BUDGET HIGHLIGHTS:**

### **City General Fund Operating Budget:**

Estimated Property Tax Revenue	\$650,600	71.9%
Estimated Sales Tax Revenue	\$125,000	13.8%
Estimated Other Revenue	\$ 72,900	8.1%
Estimated Franchise Fee Revenue	\$ 56,500	6.2%
 Total Projected Revenue	 \$905,000	
 Estimated Public Safety Expense	 \$341,700	 38.9%
Estimated Administration Expense	\$319,900	36.4%
Estimated Streets & Infrastructure	\$184,000	20.9%
Estimated Court Expense	\$ 33,600	3.8%
 Total Projected Expense	 \$879,200	
Projected Surplus	\$ 25,800	2.9%

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**www.palmvalleytx.com**

### **City Water Operating Budget:**

Estimated Water and Sewer Revenue	\$580,000	77.0%
Estimated Fire Service Fee Revenue	\$126,221	16.8%
Estimated Other Revenue	\$ 47,000	6.2%
 Total Project Revenue	 \$753,221	
 Estimated Water Treatment Expense	 \$260,000	 34.6%
Estimated Personnel Expense	\$139,800	18.6%
Estimated Fire Service Expense	\$126,221	16.8%
Estimated Plant Operations	\$125,000	16.6%
Estimated Other Expense	\$101,300	13.4%
 Total Estimated Expenses	 \$752,321	
 Estimated Surplus	 \$ 900	 1.2%

### **City Capital Spending:**

- Police: \$40,000 (New police unit)
- Public Works: \$42,000 (New truck and mower)
- Administration: \$25,000 (parking lot maintenance)

### **City Cash on Hand (as of August 31, 2021):**

- City Operating Fund: \$305,612
- Water Department Operating Fund: \$335,444
- City Emergency Fund: \$187,681
- Water Department Emergency Fund: \$100,605
- Infrastructure Fund (Water/Sewer/Drainage): \$1,023,631
- Infrastructure Fund (Street): \$107,559

This budget allows us to maintain the level of services we have been accustomed to, such as:

- Continue providing a 24/7 level of Police and Fire Protection.
- Continue maintenance programs on our Wastewater and Water System Plants.
- Enhance the desirability of our community through continued minor improvements and improved aesthetics.

A Virtual Public Hearing on the budget and tax rate will be held on September 15<sup>th</sup>, 2021 at 6:00pm. Our City Council must approve by a 3/4ths majority vote to adopt this budget. By State law, this budget will take effect 4 days after recorded vote.

Respectfully,

A handwritten signature in blue ink, appearing to read 'George Rivera', with a long horizontal flourish extending to the right.

George Rivera  
Mayor, City of Palm Valley

## City Operations

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City Income	Budget	Projected Total	Proposed 2022 Budget
Municipal Court Fines	\$ 40,000	\$ 72,195	\$ 50,000
Franchise - AEP	\$ 30,000	\$ 33,604	\$ 30,000
Franchise - TGS	\$ 700	\$ 678	\$ 700
Franchise - ATT/SBC	\$ 1,000	\$ 591	\$ 500
Franchise - TWC	\$ 25,000	\$ 27,116	\$ 25,000
Franchise - MVEC	\$ 300	\$ 322	\$ 300
Interest Earned - Bank Accounts	\$ 700	\$ 659	\$ 600
License Fees	\$ 3,500	\$ 3,603	\$ 3,500
Permit Fees	\$ 9,000	\$ 13,490	\$ 9,000
Property Tax Revenue	\$ 619,500	\$ 616,952	\$ 650,600
Property Tax Collection Fees	\$ 1,000	\$ 707	\$ 1,000
Property Tax Penalty & Interest	\$ 3,000	\$ 4,752	\$ 3,000
Sales Tax	\$ 110,000	\$ 136,363	\$ 125,000
Taxes - Liquor	\$ 3,500	\$ 4,944	\$ 4,000
Municipal Court Technology Fund	\$ 900	\$ 1,668	\$ 1,000
Security Building Technology Fund	\$ 700	\$ 1,870	\$ 800
Police Grants	\$ -	\$ 840	
Park & Rec Board Donations	\$ -	\$ 1,850	
Miscellaneous	\$ -	\$ 23,265	
<b>Total City Income</b>	<b>\$ 848,800</b>	<b>\$ 945,468</b>	<b>\$ 905,000</b>

\$126,220,613 0.515463

City Expenses			
Administrative Personnel	\$ 132,500	\$ 125,964	\$ 118,700
Administrative Expenses	\$ 138,200	\$ 153,565	\$ 176,200
Administrative Capital	\$ -	\$ 14,245	\$ 25,000
<b>Total Administrative Expenses</b>	<b>\$ 270,700</b>	<b>\$ 293,774</b>	<b>\$ 319,900</b>
Police Department Personnel	\$ 246,900	\$ 251,095	\$ 247,300
Police Department Expenses	\$ 51,700	\$ 51,404	\$ 54,400
Police Department Capital	\$ 5,100	\$ 8,160	\$ 40,000
<b>Total Police Department Expenses</b>	<b>\$ 303,700</b>	<b>\$ 310,659</b>	<b>\$ 341,700</b>
Public Works Personnel	\$ 76,700	\$ 69,472	\$ 81,900
Public Works Expenses	\$ 62,100	\$ 50,397	\$ 90,100
Public Works Capital	\$ 71,400	\$ 72,975	\$ 12,000
<b>Total Public Works Expenses</b>	<b>\$ 210,200</b>	<b>\$ 192,844</b>	<b>\$ 184,000</b>
Municipal Court Expenses	\$ 28,400	\$ 38,168	\$ 33,600
Municipal Court Capital	\$ -	\$ -	
<b>Total Municipal Court Expenses</b>	<b>\$ 28,400</b>	<b>\$ 38,168</b>	<b>\$ 33,600</b>
Grand Total City Personnel	\$ 456,100	\$ 446,531	\$ 447,900
Grand Total City Expenses	\$ 280,400	\$ 293,535	\$ 354,300
Grand Total City Capital	\$ 76,500	\$ 95,380	\$ 77,000
<b>Total City Expenses</b>	<b>\$ 813,000</b>	<b>\$ 835,445</b>	<b>\$ 879,200</b>
<b>Ending Balance</b>	<b>\$ 35,800</b>	<b>\$ 110,023</b>	<b>\$ 25,800</b>

Administrative	Budget	Projected Total	Proposed 2022 Budget
<b>Administrative Personnel</b>			
Payroll	\$ 104,400	\$ 102,178	\$ 90,000
Payroll Taxes (7.65%)	\$ 8,000	\$ 6,653	\$ 7,000
Unemployment Tax for all employees	\$ 1,000	\$ 3,020	\$ 2,600
Retirement Match	\$ 2,200	\$ 2,204	\$ 2,200
Worker's Comp. Insurance	\$ 2,400	\$ 2,677	\$ 2,400
Health Insurance	\$ 14,500	\$ 9,232	\$ 14,500
<b>Sub-Total</b>	<b>\$ 132,500</b>	<b>\$ 125,964</b>	<b>\$ 118,700</b>
<b>Administrative Expenses</b>			
Audit	\$ 10,000	\$ 10,963	\$ 11,000
Building Inspector	\$ 10,500	\$ 9,988	\$ 10,500
Computer Programmer	\$ 27,000	\$ 22,485	\$ 30,000
Copier Maintenance	\$ 5,500	\$ 4,221	\$ 5,500
Dues and Memberships/subscriptions	\$ 3,000	\$ 2,689	\$ 3,000
Election Expense	\$ 4,500	\$ 8,653	\$ 5,000
Insurance	\$ 4,500	\$ 3,857	\$ 4,500
Legal Fees	\$ 10,500	\$ 10,188	\$ 10,000
Legal Notices	\$ 1,500	\$ 1,320	\$ 1,500
Miscellaneous	\$ 14,100	\$ 27,569	\$ 10,000
Manpower/PT Clerk		\$ -	\$ 27,600
Office Building Maintenance	\$ 4,000	\$ 4,803	\$ 5,000
Office Supplies & Printing	\$ 5,500	\$ 5,851	\$ 5,500
Tax Appraisal	\$ 7,500	\$ 7,802	\$ 8,000
Tax Collection Fees/Tax Attorney Fees	\$ 8,000	\$ 8,078	\$ 8,000
Telephone & Website	\$ 7,500	\$ 4,596	\$ 7,500
Travel and Training	\$ 6,000	\$ 2,445	\$ 6,000
Office Electricity	\$ 5,000	\$ 3,657	\$ 5,000
Marketing Services		\$ 10,851	\$ 9,000
Janitorial Service	\$ 3,600	\$ 3,550	\$ 3,600
<b>Sub-Total</b>	<b>\$ 138,200</b>	<b>\$ 153,565</b>	<b>\$ 176,200</b>
<b>Administrative Capital</b>			
Fence installation	\$ -	\$ 14,245	
Parking Lot Maintenance	\$ -	\$ -	\$ 25,000.00
<b>Sub-Total</b>	<b>\$ -</b>	<b>\$ 14,245</b>	<b>\$ 25,000.00</b>
<b>Total Administrative</b>	<b>\$ 270,700</b>	<b>\$ 293,774</b>	<b>\$ 319,900</b>

Police Department	Budget	Projected Total	Proposed 2022 Budget
<b>Police Department Personnel</b>			
Payroll	\$ 195,000	\$ 211,643	\$ 204,000
Payroll Taxes (7.65%)	\$ 15,000	\$ 16,204	\$ 15,700
Retirement Match	\$ 1,800	\$ 1,950	\$ 1,800
Worker's Comp. Insurance	\$ 4,600	\$ 3,636	\$ 5,800
Insurance - Health	\$ 30,500	\$ 17,660	\$ 20,000
<b>Sub-Total</b>	<b>\$ 246,900</b>	<b>\$ 251,095</b>	<b>\$ 247,300</b>
<b>Police Department Expenses</b>			
Gas & Oil	\$ 18,000	\$ 17,515	\$ 20,000
Insurance	\$ 5,200	\$ 4,892	\$ 5,200
Vehicle Maintenance	\$ 12,000	\$ 14,600	\$ 12,000
Miscellaneous	\$ 5,000	\$ 6,331	\$ 5,000
National Night Out	\$ 1,000	\$ 1,000	\$ 1,000
Physicals / Drug Testing	\$ 700	\$ 397	\$ 700
Cell Phones	\$ 1,300	\$ 1,301	\$ 1,300
Travel and Training	\$ 3,000	\$ 2,087	\$ 3,000
Ammo	\$ 1,800	\$ 1,121	\$ 2,500
Radio Airway Usage	\$ 1,200	\$ 1,188	\$ 1,200
Uniforms	\$ 1,600	\$ 374	\$ 1,600
Tasers	\$ 900	\$ 599	\$ 900
<b>Sub-Total</b>	<b>\$ 51,700</b>	<b>\$ 51,404</b>	<b>\$ 54,400</b>
<b>Police Department Capital</b>			
2 New Tasers	\$ 3,100	\$ 6,160	
Bullet proof vests (50% covered by grant)	\$ 2,000	\$ 2,000	
New Police Unit	\$ -	\$ -	\$ 40,000
<b>Sub-Total</b>	<b>\$ 5,100</b>	<b>\$ 8,160</b>	<b>\$ 40,000</b>
<b>Total Police Department</b>	<b>\$ 303,700</b>	<b>\$ 310,659</b>	<b>\$ 341,700</b>

Public Works	Budget	Projected Total	Proposed 2022 Budget
<b>Public Works Personnel</b>			
Payroll	\$ 55,000	\$ 52,812	\$ 60,500
Payroll Taxes (7.65%)	\$ 4,300	\$ 4,056	\$ 4,700
Retirement Match	\$ 1,000	\$ 779	\$ 1,000
Worker's Comp. Insurance	\$ 2,400	\$ 2,677	\$ 1,700
Insurance - Health	\$ 14,000	\$ 9,149	\$ 14,000
<b>Sub-Total</b>	<b>\$ 76,700</b>	<b>\$ 69,472</b>	<b>\$ 81,900</b>

<b>Public Works Expenses</b>			
Gas & Oil	\$ 4,500	\$ 2,904	\$ 4,500
Insurance	\$ 4,400	\$ 3,857	\$ 4,400
Vehicle and Machine Maintenance	\$ 4,500	\$ 3,751	\$ 4,500
Street Lights (electrical)	\$ 26,000	\$ 25,187	\$ 26,000
Miscellaneous	\$ 4,000	\$ 4,191	\$ 4,000
Park and Recreation Board	\$ 9,200	\$ 4,050	\$ 35,200
Street Signs and Street Repairs	\$ 3,500	\$ 1,069	\$ 3,500
Weed Control & Debris Hauling	\$ 3,500	\$ 2,639	\$ 3,500
Mosquito Control	\$ 2,500	\$ 2,748	\$ 4,500
<b>Sub-Total</b>	<b>\$ 62,100</b>	<b>\$ 50,397</b>	<b>\$ 90,100</b>

<b>Public Works Capital</b>			
Repair/Maintenance - 6 Drainage Manholes	\$ 71,400	\$ 72,975	
Zero turn diesel riding lawn mower	\$ -	\$ -	\$ 12,000
	\$ -	\$ -	
<b>Sub-Total</b>	<b>\$ 71,400</b>	<b>\$ 72,975</b>	<b>\$ 12,000</b>

**Total Public Works Department**    \$ 210,200                      \$ 192,844                      \$ 184,000

Municipal Court	Budget	Projected Total	Proposed 2022 Budget
<b>Municipal Court Expenses</b>			
Jail Fees	\$ 400	\$ 400	\$ 400
Legal Fees	\$ -	\$ -	
Court Software	\$ 3,000	\$ 3,032	\$ 3,100
State Court Costs	\$ 25,000	\$ 34,736	\$ 30,000
Judges Training	\$ -	\$ -	\$ 100
<b>Sub-Total</b>	<b>\$ 28,400</b>	<b>\$ 38,168</b>	<b>\$ 33,600</b>

<b>Municipal Court Capital</b>			
	\$ -	\$ -	
<b>Sub-Total</b>	<b>\$ -</b>	<b>\$ -</b>	

**Total Municipal Court**    \$ 28,400                      \$ 38,168                      \$ 33,600

**Water Operations**

<b>Water Income</b>	<b>Budget</b>	<b>Projected Total</b>	<b>Proposed 2022 Budget</b>
Connect & Reconnect Fees	\$ 6,000	\$ 6,100	\$ 6,000
Fire Service Fees	\$ 122,000	\$ 118,447	\$ 125,000
Fuel Adjustment Fee	\$ 14,000	\$ 14,097	\$ 14,000
Interest Earned - Bank Accounts	\$ 2,000	\$ 2,768	\$ 2,000
Sewer Fees	\$ 275,000	\$ 272,000	\$ 270,000
Drainage Fees			
Water Sales	\$ 300,000	\$ 320,642	\$ 310,000
Past Due Penalty Fees	\$ 2,200	\$ 2,963	\$ 2,500
Miscellaneous	\$ 1,000	\$ 3,297	\$ 1,000
Backflow Prevention Program	\$ 21,500	\$ 16,834	\$ 21,500
<b>Total Water Income</b>	<b>\$ 743,700</b>	<b>\$ 757,148</b>	<b>\$ 752,000</b>

<b>Water Expenses</b>	<b>Budget</b>	<b>Projected Total</b>	<b>Proposed 2022 Budget</b>
Water Department Personnel	\$ 137,600	\$ 128,604	\$ 139,800
Water Department Expenses	\$ 525,500	\$ 557,184	\$ 581,300
Water Department Capital	\$ - \$ -	\$ 43,575	\$ 30,000

**Total Water Expenses** \$ 663,100 \$ 729,364 \$ 751,100

**Ending Balance** \$ 80,600 \$ 27,785 \$ 900

<b>Water Department</b>	<b>Budget</b>	<b>Projected Total</b>	<b>Proposed 2022 Budget</b>
<b>Water Department Personnel</b>			
Payroll	\$ 110,000	\$ 106,763	\$ 111,200
Payroll Taxes (7.65%)	\$ 8,400	\$ 8,165	\$ 8,600
Retirement Match	\$ 1,800	\$ 1,675	\$ 1,800
Worker's Comp. Insurance	\$ 2,400	\$ 2,677	\$ 3,200
Health Insurance	\$ 15,000	\$ 9,324	\$ 15,000
<b>Sub-Total</b>	<b>\$ 137,600</b>	<b>\$ 128,604</b>	<b>\$ 139,800</b>

**Water Department Expenses**

Audit	\$ 10,000	\$ 10,573	\$ 11,000
Gas & Oil	\$ 2,900	\$ 4,423	\$ 5,000
Vehicle and Machine Maintenance	\$ 4,000	\$ 1,257	\$ 3,000
Electricity - Plant	\$ 30,000	\$ 43,041	\$ 40,000
Engineering	\$ 1,500	\$ 11,919	\$ 5,000
Fire Service Fee	\$ 122,000	\$ 119,337	\$ 125,000
Insurance	\$ 4,700	\$ 3,857	\$ 4,700
Laboratory Testing	\$ 10,000	\$ 8,497	\$ 10,000
Miscellaneous	\$ 3,000	\$ 3,898	\$ 5,000
Training	\$ 1,500	\$ 250	\$ 4,500
Permit & Licensing	\$ 3,500	\$ 2,939	\$ 4,000
Postage	\$ 6,000	\$ 6,888	\$ 7,000
Cell Phone	\$ 800	\$ 924	\$ 1,000
Uniforms	\$ 5,500	\$ 5,944	\$ 6,000
Stormwater Program	\$ 1,500	\$ 3,674	\$ 4,000
Water Treatment	\$ 250,000	\$ 248,906	\$ 260,000
Plant Operations	\$ 40,000	\$ 49,874	\$ 50,000
Plant, Clarifier & Lift Station Maintenance	\$ 27,500	\$ 30,986	\$ 35,000
Legal Notices	\$ 1,100	\$ -	\$ 1,100
<b>Sub-Total</b>	<b>\$ 525,500</b>	<b>\$ 557,184</b>	<b>\$ 581,300</b>

**Water Department Capital**

New Truck for Chendo			\$ 30,000
Stormwater drainage expenses	\$ -	\$ 20,931	
Water distribution/wastewater expenses	\$ -	\$ 16,093	
South Ditch drainage improvements	\$ -	\$ 6,551	
<b>Sub-Total</b>	<b>\$ -</b>	<b>\$ 43,575</b>	<b>\$ 30,000</b>

<b>Total Water Department</b>	<b>\$ 663,100</b>	<b>\$ 729,364</b>	<b>\$ 751,100</b>
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# City of Palm Valley Organizational Chart

