



July 30, 2015

Dear Neighbor:

This is the first time I have sent you a letter of this nature. I wanted to warn you that it is long – but I ask that you bear with me and read fully as I attempt to communicate honestly and forthrightly, so you can be fully informed of the matters of the City of McLendon-Chisholm.

On Tuesday, July 28, the City Council voted to invest in the future of our community. We voted to invest in providing our citizens with the level of public safety they need, deserve and expect. We voted to preserve our way of life, while smartly planning for our future. To make these investments in our community and our future, we voted on a proposed property tax increase and that is why I am sending you this letter. I wanted you to have the facts, laid out in black and white, about this increase and why, we believe, it is necessary.

Currently, the City of McLendon-Chisholm has a tax rate of \$0.0974. To put that rate in context, we have the lowest rate in Rockwall County. For example, our neighbors in Heath have a rate of \$0.4266. Our neighbors in Rockwall have a rate of \$0.4955. Royse City's is \$0.6771 and Rowlett has a rate of \$0.7871. While it is not a competition, nor do we aspire to match their rates, it is important for our citizens to understand that this city functions very effectively on a very small budget. And that is something that should make each of us proud.

Proposed Tax Rate

The ad valorem tax rate we have proposed is \$0.32 for every \$100 of valuation of property. That means for a \$100,000 home, your annual tax will be \$320.00. For a \$300,000 home, your annual tax will be \$960.00.

So, how did we arrive at this number? Let me explain. As part of efficiently running this city on a very limited budget we outsource strategic services, such as city planning, to experts. That allows us to get the absolute best resources, without having to pay for them in house.

We hired Mike Coker, a city planner who is certified by the American Institute of Certified Planners and is a certified building official by the Council of American Building Officials. Mike spent 10 years as the planning director for the City of Dallas, and one year as the budget director for Dallas. Overall, he has spent the past four decades helping communities and organizations plan for the future. Our proposed budget and recommended tax increase is based on Mike's projection for our city over the next 20 years. In order to meet the needs of our citizens, we must have the resources to do so.

Public Safety

A driving factor for this increase is the added need for public safety. Did you know that there are 200 new homes that will be added to McLendon-Chisholm in 2015 alone? And Phase II of the new Sonoma Verde development will have roughly 160 homes and will include a school? Did you know that the fire department that services our city is 100% volunteer-driven? Did you know that currently there is just one fire fighter on duty from 8:00 a.m. – 4:00 p.m. five days a week? Did you know that we have no police officers who patrol McLendon-Chisholm?

While we are incredibly grateful for our first responders, our community needs have expanded – but our ability to serve and protect them has not. That is why we are currently working to have a Memorandum of Understanding (MOU) in place to affirm ongoing services and plan for a transition of ownership of the fire department and its assets in the future.

The proposed budget would allow us to modernize our fire and emergency services, formalize our relationship with our firefighters and improve upon our excellent service. Specifically, the budget would allow us to:

- Have two firefighters at the station from 7:00 a.m. to 7:00 p.m. five days a week, enabling us to immediately respond to incoming emergency calls
- Have two firefighters on duty over the weekend
- Retain certified firefighters/EMT professionals in our community
- Establish a dedicated fire chief

While we can never fully protect our citizens, these changes will be an important step in the right direction. This will help provide additional peace of mind for our residents, and the knowledge that if you or your family have an emergency – there will be first responders who are trained, equipped and prepared to respond.

New City Hall

I wanted to address one other issue that has been raised by some of our citizens. As you know, early next year the McLendon-Chisholm City Hall will open. Because of the good financial stewardship of this City Council, we were able to purchase 13 acres of land, get two more acres donated and build our own city hall – instead of the borrowed facility and private land on which we now park. The Council voted unanimously in favor of a new City Hall. **The projected budget for the building was \$1.5 million, which would have increased your property tax by \$0.067 to service the debt on the new building, a figure I publicly shared at a Town Hall meeting.** Unfortunately, the ultimate cost of the building was higher than anticipated, coming in at \$2.15 million. However, because we were able to act swiftly, work with our financial advisors to receive a Double-A-minus bond rating and take advantage of the current financial climate nationally, the property tax increase needed to service the debt actually went down to \$0.0559. The proposed increase of \$0.32 includes this \$0.0559 for the New City Hall.

Let me assure you that your City Council acted in the best interest of McLendon-Chisholm and its residents, both current and future. And, we are proud of the new City Hall, which will serve as an important lifeblood for this community for generations to come.

Limited Government

Along with each member of the City Council, I believe deeply in the principle of limited, yet effective, government. I believe it is critical to be good stewards of public dollars. No one on the City Council, including me, draws a salary. And no one generates any financial benefit from their service. We ran for office and serve this community because, like each of you, we love McLendon-Chisholm and want to preserve our way of life. We spend countless hours away from our businesses and from our families to help make decisions to guide our city forward.

Friends, we live in a special place. McLendon-Chisholm is a community rich in natural beauty and wide open spaces, yet close to the amenities and resources, like hospitals, that we need for our modern lives. We know our neighbors. We celebrate holidays and seasons with one another. We want to preserve this way of life. Yet, as you all know, we are a community in transition. The secret is out and McLendon-Chisholm is growing and changing. We are doing our very best to preserve our way of life, while accommodating smart growth.

Citizens, this is a tough decision. No one wants to increase taxes. But it is a necessity. I wanted to send you this letter because I wanted to be transparent with you about our needs, and hope that you will support the City Council's decision to invest in our future. We cannot provide the public safety this community requires on a shoestring budget.

We will be providing three public forums for our citizens to come together to discuss this investment and I hope you will join us at the Chisholm Baptist Church on the following dates:

August 11 at 6:30 p.m.: Public hearing for tax rate

August 25 at 6:30 p.m.: Public hearing for tax rate

August 27 at 6:30 p.m.: Town Hall

Sustaining Our Community

In 2009, this city faced a financial crisis. Rather than dissolving our city, being annexed by others and eroding our way of life, we came together to do what was necessary to sustain our community. We implemented our first ever property tax. This has allowed us to keep the City of McLendon-Chisholm and build for our future— together. I am confident we will again come together to do what is right for public health and safety, and prepare us for the future.

I encourage you to join us at the public hearings and the town hall.

Sincerely,

A handwritten signature in cursive script that reads "Gary L. Moody".

Mayor Gary L. Moody