

MEMORANDUM

Date: August 20, 2019

To: Montevallo City Council

From: Hollie C. Cost., Mayor

Re: 2019-2020 Fiscal Year Financial Budgets

Council:

The attached draft budget includes the vast majority of requests from all department heads. Among other things, it includes the 3% merit increases, eliminates curbside recycling, adds a Sustainability Coordinator and assistant at the Recycling Center, and increases support for the Golf Course. In addition, it also includes:

- In the General Fund, on the revenue side, you will note that our projected income remains in line with our actual experience this year. (pp. 1-5)
- Our 4 cents of the Sales Tax Revenue is estimated at \$2,715,000. The remaining one cent tax is estimated at \$682,500, with 90% going to MDCD and 10% to the Regions Reserve. (p. 1)
- On the expenditure side, one of the biggest changes in next year's projected budget is the 3% merit increase for eligible employees. You will note that specific increase reflected in the salary line-item within each department.
- Importantly, the budget does not include any anticipated increase in health insurance rates for next year.
- Since 2020 is an election year in the city, this budget includes election-related costs. (p. 19)
- The General Fund budget continues our \$10,000 in support for the Tinglewood Festival. (p.22)
- The budget also keeps our other "contributions" at essentially the same level as last year, except for the \$7,000 added to fund our city's delegation to Japan in the fall. (p.23)
- City Hall also includes an increase in costs for the new IT in a Box service.(p.22)
- Salaries and related expenses for Karen Evans and Sandy Byrd have been moved to Court. A part-time bailiff position was also added. (p.78)
- We also increased our support for the Library, as they requested, by \$13,753. (p. 62)
- Curbside Recycling is eliminated. (p. 43)

- Regarding the Golf Course, Dwight Dellinger and the City Clerk met with Erik Mass with the UM athletic Dept. Erick stressed the importance of having a professional grounds keeper that knows about maintaining grass and is licensed to spray chemicals. Those changes, together with recommendations from Dwight, added around \$110,000 to golf expenditures. (pp.47-48) Dwight also has a plan for increasing play / revenue at the course. That resulted in an increase in projected revenue of approximately \$54,000. (p. 4)
- Park & Recreation request included \$30,000 for a new batting cage at Stephens Park. That request is included in the State Capital Improvement Account. (p. 85)
- In addition, the State Improvement Account includes \$15,000 requested by the Fire Department for additional improvements to Station One.
- One of the most apparent changes is to Recycling. The proposed budget includes funding for the new Sustainability Coordinator and Equipment Operator positions at the Center. (pp. 57-58)
- The Fire Department budget includes an additional \$5,000 for support of Rescue 1. (pp.32-33) They also requested \$12,000 for a new Gator which is included in the Regions Reserve. (p.92)
- The Regions Capital Reserve continues to provide funding for the Police Cars and Fire Trucks, as well as \$25,000 for Comp Plan, \$7,000 for Main Street Banners, and \$3,000 for Arbor Board replanting.

With all of this, we project a positive ending, unallocated balance of \$2,261 in the General Fund.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF MONTEVALLO, ALABAMA
ADOPTING ITS 2019-2020 FISCAL BUDGETS**

Whereas, Generally Accepted Accounting Policies and Procedures recommend municipalities approve an annual financial budget;

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL
OF MONTEVALLO, ALABAMA, AS FOLLOWS:**

1. The Council hereby adopts the following:

2019-2020 GENERAL FUND BUDGET

REVENUES:	\$5,880,019	(\$534,356 UP)
Trans from Court (fines)	0	(\$100,000 DOWN)
Trans from Court (restitution)	<u>32,000</u>	(\$8,000 DOWN)
TOTAL REVENUE	\$5,912,000	(\$426,356 UP)

EXPENDITURES:

Beautification -	\$ 2,400	(No Change)
Historical Commission -	2,000	(No Change)
City Judge -	20,860	(3% Increase)
City Prosecutor -	13,035	(3% Increase)
Mayor's Office -	14,964	(\$2,000 UP)
Clerk's Office -	91,063	(\$3,637 UP)
City Council -	3,200	(No Change)
Revenue Officer -	79,852	(\$4,182 UP)
Elections -	17,500	(\$17,500 UP)
Economic Development -	64,518	(\$36 DOWN)
City Hall – General Operations	615,200	(\$26,531 UP)
City Shop -	18,650	(\$1,350 UP)
Police -	1,583,958	(\$61,839 UP)
Fire & Rescue -	332,170	(\$5,589 UP)
Cemetery -	81,110	(\$2,213 UP)
Building Inspector -	10,904	(No Change)
Fire Inspector -	68,661	(\$2,843 DOWN)
Streets & Roads -	549,859	(\$17,329 UP)
Leaf & Limb -	99,665	(\$4,172 UP)
Sanitation -	281,344	(\$32,757 DOWN)
Animal Control -	26,925	(\$3,421 UP)
Golf Course -	425,175	(\$115,993 UP)
Aging Program -	53,097	(\$1,160 UP)
Parks & Recreation -	274,340	(\$1,670 UP)
Community Band -	250	(No Change)
Recycling Center	119,763	(\$109,463 UP)
Mahler Property	1,200	(No Change)
90% of 1 Cent Expense (MDCD)	614,250	(\$63,000 UP)
10% of 1 Cent Expense	68,250	(\$7,000 UP)
Fire Truck Lease Repayment	54,654	(No Change)
Library Loan Repayment	70,776	(No Change)
Transfer to Library -	<u>252,174</u>	(\$13,753 UP)
TOTAL EXPENDITURES	\$5,909,758	(\$422,154 UP)

REVENUES OVER
EXPENDITURES \$ 2,261

4/5 CENT GAS EXCISE TAX FUND

REVENUES	\$ 11,462	(No Change)
EXPENDITURES	<u>11,000</u>	(No Change)
REVENUES OVER		
EXPENDITURES	\$ 462	(No Change)

2 & 7 CENT GAS EXCISE TAX FUND

REVENUES	\$ 14,805	(No Change)
EXPENDITURES	<u>14,805</u>	(No Change)
REVENUES OVER		
EXPENDITURES	\$ 0	(No Change)

10 CENT GAS TAX FUND

REVENUES	\$ 33,976	(NEW)
EXPENDITURES	<u>30,000</u>	(NEW)
REVENUES OVER		
EXPENDITURES	\$ 3,976	(NEW)

COURT

REVENUES	\$ 405,100	(\$35,100 UP)
EXPENDITURES	<u>358,690</u>	(\$98,906 UP)
REVENUES OVER		
EXPENDITURES	\$ 36,401	(\$36,085 UP)

FORFEITURE FUND

REVENUES	\$ 0	(No Change)
EXPENDITURES	<u>0</u>	(No Change)
REVENUES OVER		
EXPENDITURES	\$ 0	

CAPITAL IMPROVEMENT FUND

REVENUES	\$ 59,000	(\$3,000 UP)
EXPENDITURES:		
Misc - Old City Hall Demo/Paving)	<u>45,000</u>	(\$5,000 DOWN)
REVENUES OVER		
EXPENDITURES	\$ 14,000	(\$8,000 UP)

LIBRARY FUND

REVENUES	\$ 275,674	(\$40,374 UP)
EXPENDITURES	<u>275,674</u>	(\$14,853 UP)

REVENUES OVER EXPENDITURES	\$ 0	(No Change)
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MONTEVALLO REGIONS CAPITAL RESERVE FUND**REVENUE**

Library Debt Payments	\$ 70,776	(No Change)
Fire Truck Lease Payments	54,654	(No Change)
10% of 1 Cent Tax	68,250	(\$7,000 UP)
90% of 1 Cent Tax	<u>0</u>	(\$551,250 DOWN)
TOTAL	\$193,680	(\$544,250 DOWN)

EXPENDITURES

MDCD	0	(\$551,250 DOWN)
City Hall	31,000	(\$11,000 UP)
Police - Vehicles	33,000	(No Change)
Fire Dept – Capital	107,000	(\$12,000 UP)
Misc. –	10,000	(\$8,000 DOWN)
Capital – Mahler/SCP	0	(\$10,000 DOWN)
Street Mower	<u>9,300</u>	(No Change)
TOTAL	\$190,300	(\$546,250 DOWN)
UNALLOCATED	\$ 3,380	(\$2,000 UP)

ADOPTED AND APPROVED THIS ____ DAY OF SEPTEMBER,
2019.

Mayor

ATTEST:

City Clerk