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Hollie C. Cost, Ph.D. – Mayor
Herman Lehman – City Clerk
Jeremy Littleton – Chief of Police
Bill Reid - Fire Chief

Council Members

Tiffany Bunt
Willie Goldsmith
Rusty Nix
Jason Peterson
Arthur Herbert

September 11, 2020

Council, Mayor-elect and Council-elect:

It is my distinct honor and pleasure to present you with our administration's final proposed budget. As detailed in the attached resolution, the 2020-2021 Fiscal Budgets reflect our anticipated revenues and expenditures for the coming fiscal year. As we have done throughout the eight years of our administration, our projected revenues are based on historical data and reflect conservatively what we expect to receive next year. Keep in mind, however, that we still do not know what future impacts the COVID-19 Pandemic may have on our local economy. Therefore, you must continue to monitor Sales Tax receipts and other revenues on a monthly basis to ensure they remain in-line with last year's results. If you notice a significant decline in revenue, you will need to make adjustments accordingly.

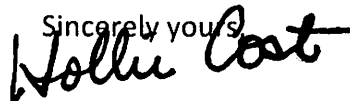
The proposed budget also fully funds each of our departments' requests for the coming year. In addition, the budget provides a full 3% merit salary increase for all eligible employees. It also reflects the city covering the full cost of a 5.5% increase in health insurance premiums. As you will note in the complete line-item budget as also attached, the budget provides ongoing support for Tinglewood, our local Chamber, Montevallo Main Street, SEA, our schools, and various other key community partners. Importantly, it also provides funding for various capital projects, such as the Victory redevelopment project, a lease of four new police cars, new mowers for the street department and parks, and various supply and equipment needs for the fire department.

As always, I want to express my sincere gratitude to our city staff and department heads for their assistance in putting together our annual budget, and most importantly, for ensuring that their departments are run efficiently and effectively. Year after year, they have worked to keep costs down and stay within budget. As a result, year after year, we've been able to receive "clean" audits. Thanks to their efforts, I am proud to leave the City of Montevallo in the best financial condition in recent memory, perhaps ever! Our budgets are balanced. Our audits are clean. Our departments are well staffed and equipped. We own more property and assets than ever before. And, we are able to better serve our residents and local businesses than at any time in our history. I'm proud of our

accomplishments, and I'm ever so proud of all of our employees – and you as councilmembers – for helping to make these achievements a reality.

Monday night will be the introduction of the proposed budget. We will need to set a date and time for a Budget Work Session – I was thinking this coming Wednesday night. Our department heads should be able to answer any questions you may have at that time. If not, we have plenty of time to hold a second Work Session prior to the September 28th meeting. At that meeting, we will need to adopt the final budget.

Thank you for your consideration and support all these years. We've been a great team.

Sincerely yours


Hollie C. Cost, Mayor

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF MONTEVALLO, ALABAMA
ADOPTING ITS 2020-2021 FISCAL BUDGETS**

Whereas, Generally Accepted Accounting Principles (GAAP) 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:

2020-2021 GENERAL FUND BUDGET

REVENUES: \$5,809,885

EXPENDITURES:

Beautification -	\$ 2,700
Historical Commission -	1,500
City Judge -	22,586
City Prosecutor -	13,527
Mayor's Office -	31,480
Clerk's Office -	81,528
City Council -	23,700
Revenue Officer -	5,000
Elections -	0
Economic Development -	62,614
City Hall – General Operations	824,874
City Shop -	15,600
Police -	1,590,145
IMPACT	133,070
Fire & Rescue -	364,720
Cemetery -	81,970
Building Inspector -	10,000
Fire Inspector -	52,809
Streets & Roads -	595,675
Leaf & Limb -	62,440
Sanitation -	262,494
Animal Control -	7,300
Golf Course -	25,000
Aging Program -	50,285
Parks & Recreation -	292,613

Community Band -	250
Recycling Center	144,553
Mahler Property	1,200
90% of 1 Cent Expense (MDCD)	577,575
10% of 1 Cent Expense	64,175
Fire Truck Lease Repayment	54,654
Library Loan Repayment	70,776
Transfer to Library -	<u>280,205</u>

TOTAL EXPENDITURES \$5,807,018

REVENUES OVER
EXPENDITURES \$ 2,867

4/5 CENT GAS EXCISE TAX FUND

REVENUES	\$ 11,462
EXPENDITURES	<u>11,000</u>
REVENUES OVER EXPENDITURES	\$ 462

2 & 7 CENT GAS EXCISE TAX FUND

REVENUES	\$ 14,805
EXPENDITURES	<u>14,805</u>
REVENUES OVER EXPENDITURES	\$ 0

10 CENT GAS TAX FUND

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

COURT

REVENUES	\$ 310,100
EXPENDITURES	<u>308,670</u>
REVENUES OVER EXPENDITURES	\$ 1,430

FORFEITURE FUND

REVENUES	\$ 0
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EXPENDITURES	<u>0</u>
REVENUES OVER	
EXPENDITURES	\$ 0

CAPITAL IMPROVEMENT FUND

REVENUES	\$ 65,000
EXPENDITURES:	
(Victory Project Financing)	<u>50,000</u>

REVENUES OVER	
EXPENDITURES	\$ 15,000

LIBRARY FUND

REVENUES	\$ 280,205
EXPENDITURES	<u>280,205</u>

REVENUES OVER	
EXPENDITURES	\$ 0

MONTEVALLO REGIONS CAPITAL RESERVE FUND

REVENUE

Library Debt Payments	\$ 70,776
Fire Truck Lease Payments	54,654
10% of 1 Cent Tax	<u>64,175</u>
TOTAL	\$189,605

EXPENDITURES

City Hall	97,500
Police - Vehicles	46,000
Fire Dept – Capital	15,000
Misc. –	20,500
Street Mower	<u>9,300</u>

TOTAL \$188,300

UNALLOCATED \$ 1,305

ADOPTED AND APPROVED THIS ____ DAY OF SEPTEMBER,
2020.

Mayor

ATTEST:

City Clerk