

**Montevallo City Council Budget Work Session  
August 17, 2015  
4:30 p.m. at City Hall**

Mayor Hollie Cost, Council Member Dee Woodham, Council Member Willie Goldsmith, Council Member Rusty Nix, Council Member Jason Peterson and Council Member Sharon Gilbert were in attendance.

Mayor Cost called the Work Session to order at 4:30 p.m.

The Mayor and Council discussed the proposed budget. The only change recommended was to split the \$1,000 budgeted for the Arts Council to provide \$700 for the Montevallo Arts Council and \$300 for the Shelby County Arts Council.



# City of Montevallo

## MEMORANDUM

From: Hollie C. Cost, Mayor	Date: August 12, 2015
To: City Council	
Re: 2015-16 BUDGET	

As requested last year, I am presenting the proposed 2015-16 Budget to the full Council for consideration. You will note that the proposed General Fund Budget includes the addition of the Golf Course – both Revenue and Expense. For the most part, the other proposed departmental expenditures are basically the same as last year.

**REVENUES –**

As with every year, we tried to conservatively forecast revenues for next year based on revenues actually received this year. As such, including the transfer into the General Fund from Municipal Court, we anticipate that we will receive a total of \$4,651,984 in revenues during the coming year. Notable line items include the following:

**Sales Tax** – Our Sales Tax revenues are running slightly ahead of where we were last year. As a result, we expect to end the year with close to \$1.6 million in Sales Tax revenue and have budgeted the same for next year. (P. 1)

**Business Licenses** – We forecast an increase in Business License Revenue next year over our current budget because our actual receipts this year have far exceeded our original budget estimates. In addition to an improved business climate, this increase is also due to the fact that Debby has taken over the responsibilities of Revenue Officer. We expect this upward trend to continue next year as she is able to focus more of her attention on business licenses and revenue. (P. 1)

**Transfer from Court** – Once again, we anticipate that our transfer from court into the General Fund for next year will be lower. As before, our court revenues are down due to the fact that those who owe us fines find it difficult to pay. (P. 63)

**Park & Rec** – The primary change in this category is the fees paid by team members in each of the leagues. (P. 4)

**Golf** – The budget includes \$326,200 in anticipated revenues for Golf. (P. 4)

## **EXPENDITURES –**

Please note:

**No COLA** – Unfortunately, our current economic circumstances do not allow us the opportunity to provide our employees with a cost of living adjustment. As such, the budget does not reflect any COLAs.

**Health Insurance** – We received information that our health insurance provider will increase its rates by 7.8% next year. As a result, we calculated the full amount of that increase into our budgets within each department. Importantly, in light of the fact that we are unable to recommend a COLA this year, we

have assumed that the city will absorb 100% of that increase. That puts our actual increase up around 13% for the year.

**Mayor's Assistant** – The budget includes \$25,000 in funding for the position of Mayor's Assistant. In addition to helping the Mayor, this person is also responsible for coordinating Mo-Town Project, promoting events, and working with local businesses to increase sales. (P. 22)

**Mo-Town** – The budget includes \$20,000 worth of support for the activities related to the Mo-Town Project. This will be critically important during the coming year as we undergo our downtown revitalization project. (P. 23)

**Main Street** – The budget also includes \$6,000 for the membership fee to Main Street Alabama. We are working through the Mo-Town Project and in conjunction with the Chamber of Commerce to make application to this program in 2016. (P. 20)

**Arts Council** - This year's proposed budget includes \$1,000 to help support the activities of our Montevallo Arts Council. (P. 23)

**Elections** – We have included \$14,000 for the municipal election next summer. This number may decrease by approximately 1/3 if we consolidate voting places. (P. 19)

**Park & Rec** – You will notice that the budget breaks down the expenditures for the sports teams on page 54. These costs are offset by the fees paid by the team members.

**Golf** – We budgeted \$334,453 in expenditures for Golf in the GF, along with \$14,000 for capital improvements in the City Capital Reserve Fund. (P. 49-50)

**City Capital Reserve** – As described above, this year's budget includes funding for Golf. It also includes funding to last year's budget for the other departments. You will note, it includes \$20,000 for SCBAs in the Fire Department and \$32,500 for a new truck in the Fire Marshall's Office. It does not include the \$54,000 for a T-84 and \$400,000 for a pumper truck which they requested. (P. 90)

As noted, the remainder of the proposed budget is very similar to last year:

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF MONTEVALLO, ALABAMA  
ADOPTING ITS 2015-2016 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:

**2015-16 GENERAL FUND BUDGET**

REVENUES:	\$4,526,986
Trans from Court (fines)	100,000
Trans from Court (restitution)	<u>25,000</u>
TOTAL REVENUE	\$4,651,986

EXPENDITURES:	
Beautification -	\$ 2,600
Historical Commission -	500
City Judge -	19,089
City Prosecutor -	11,928
Mayor's Office -	8,664
Clerk's Office -	77,214
City Council -	3,600
Revenue Officer -	68,273
Elections -	14,000
Economic Development -	12,825
City Hall – General Operations	429,481
City Shop -	17,400
Police -	1,371,328
Fire & Rescue -	223,161
Cemetery -	71,950
Building Inspector -	12,000
Fire Inspector -	67,260
Streets & Roads -	445,610
Leaf & Limb -	92,210
Sanitation -	255,271
Animal Control -	22,950
Golf Course -	334,453
Aging Program -	28,125
Parks & Recreation -	222,625
Community Band -	250

Recycling Center	8,000
Mahler Property	3,300
90% of 1 Cent Expense (MDCD)	480,000
10% of 1 Cent Expense	53,333
Fire Truck Lease Repayment	54,654
Library Loan Repayment	70,776
Transfer to Library -	<u>168,854</u>

TOTAL EXPENDITURES \$4,651,694

REVENUES OVER  
EXPENDITURES \$ 292

**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

**COURT**

REVENUES	\$ 373,100
EXPENDITURES	<u>373,014</u>
REVENUES OVER EXPENDITURES	\$ 86

**FORFEITURE FUND**

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

**CAPITAL IMPROVEMENT FUND**

REVENUES \$ 34,297

EXPENDITURES	<u>0</u>
REVENUES OVER	
EXPENDITURES	\$ 34,297

**LIBRARY FUND**

REVENUES	\$ 196,654
EXPENDITURES	<u>193,058</u>
REVENUES OVER	
EXPENDITURES	\$ 3,596

**MONTEVALLO RESERVE FUND**

**REVENUE**

Library Debt Payments	\$ 70,776
Fire Truck Lease Payments	54,654
10% of 1 Cent Tax	53,333
90% of 1 Cent Tax	<u>480,000</u>
TOTAL	\$658,763

**EXPENDITURES**

Fire Truck Refinance	\$ 42,500
MDCD	480,000
City Hall – IT & FF&E	20,000

Police - Vehicles	33,000
Fire Dept – SCBA (4)	20,000
Fire Inspector Capital	32,500
Street – Park Mower	4,000
Street Mower	<u>9,300</u>
TOTAL	\$ 655,300

UNALLOCATED \$ 3,463

ADOPTED AND APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

The Work Session was adjourned at 5:26 p.m.

Submitted by:

Herman Lehman'

City Clerk