

**MEETING OF THE CITY COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA**  
**SPECIAL CALLED COUNCIL WORK SESSION**

**May 10, 2021**

The City Council of the City of Homewood, Alabama convened in a Special Called Work Session on Monday, May 10, 2021 at City Hall at 5:00 p.m. for the sole purpose to discuss Council Item #01.04.21 Old Business referred to Council Work Session by President Wyatt at the April 26, 2021 Council Meeting.

The meeting was called to order by President Wyatt at 5:05 p.m.

Upon Roll Call, the following were present: Andy Gwaltney, Melanie Geer, Carlos Alemán, Andrew Wolverton, Nick Sims, Walter Jones, Barry Smith, Jaleté Nelms, Jennifer Andress, and Alex Wyatt constituting a quorum of Council members. Absent at Roll Call: Councilor John Hardin. Also present were: Mike Kendrick, City Attorney; Melody Salter, City Clerk/Assistant Finance Director; Robert Burgett, Finance Director/Assistant City Clerk, J.J. Bischoff, Chief of Staff; and Mayor Patrick McClusky.

Councilor John Hardin entered the meeting at 5:10 p.m.

**OLD BUSINESS:**

**01.04.21** Request to consider mid-year review for FY 20-21 per Fiscal Policy – **Robert Burgett/Finance Director & Assistant City Clerk and Melody Salter/City Clerk/Assistant Finance Director** - *(Presented to Finance Committee at their April 19, 2021 meeting per Fiscal Policy and Referred to Council Work Session by President Wyatt at the April 26, 2021 Council Meeting)*

Council President Wyatt began meeting by stating he intends to call at least one more meeting relative to this Item to include the funding of Capital Projects.

Robert Burgett, Finance Director/Assistant City Clerk continued the meeting by giving financial overviews of the City. He stated that several April revenue numbers were strong compared to the beginning months of the fiscal year including sales tax and business license and lodging tax, while still down approximately \$404K, is at least showing some recovery for the first time since the pandemic began. He did caution that while these number compared to budget look promising we did budget less revenue for FY 20-21 due to the effects of the COVID-19 pandemic on businesses.

Mr. Burgett continued by stating that Property Tax distributions have been slower this year coming in but at the end of April, 2021 we have met our budgeted projections.

He also stated that the Mayor did a great job in asking department heads to freeze spending; however, even with that expenditures are increasing because it is hard to affect payroll numbers which are largely fixed. Mr. Burgett said that he and Melody Salter, Assistant Finance Director/City Clerk have some concerns related to the Tier 1 Conversion. The cost to the City will be approximately \$975,296 which will be amortized over 15 years plus an additional cost to the City's cost of pension for this conversion.

Councilor Andress asked if the State of Alabama was going to take any action to help municipalities and as legislative liaison of the Council she would see if she could advocate for that.

Mr. Burgett continued with the presentation and said that 3 employees have taken advantage of the new retirement insurance resolution at this date.

Mr. Burgett then discussed the remaining balance of the 2016 \$55 million bond proceeds received by the City and stated after accounting for the Greensprings Revitalization and the Maime Foster Revitalization there would be approximately \$406K of this money left for other projects.

Mr. Burgett concluded the presentation by stating that if you factor out the 1% Sales Tax paid to the Homewood Board of Education and the 1% Sales Tax paid to Debt Service Fund payroll expenditures are approximately 72% of the General Fund Budget. He did also inform them that some salaries and benefits are paid for by Restricted Funds and if those Funds ran short the General Fund would have to pick those costs up.

Finance Chairman Walter Jones then spoke to the Council and expressed thanks to the Mayor, Robert Burgett and Melody Salter for managing the finances of the City. He stated that because of the RSA Tier 1 pension conversion the Council will have to make some difficult decisions during the upcoming Fiscal Year 2021-2022 Budget Year. He then thanked Robert Burgett for all the time he put into this report.

President Wyatt stated that the Council would discuss the remaining bond proceeds and their use at the next specially called Council Work Session.

Mayor McClusky spoke to the Council and thanked the department heads for working so well to prioritize spending based on the spending freeze and has had hard discussions with them during department head meetings on spending specifically with regards to payroll and capital projects. He stated the priorities are based on a mixture of safety and accessibility with some emergency spending being required due to the need to repair six infrastructure pipes.

President Wyatt thanked the Council, Mayor, Departments Heads, Finance Director/Assistant City Clerk Robert Burgett and City Clerk/Assistant Finance Director Melody Salter for all their work and that no one signed up for the events of 2020 as it has been a year unlike any other and it could have been very easy to fall behind. He said the City has done a good job navigating the events of 2020 and hopefully we are starting to see some light at the end of the tunnel.

Council President Wyatt stated this Item would be Carried Over until another specially called Council Work Session was announced and the meeting adjourned at 5:46 p.m.