CITY OF HOMEWOOD

OTHER FUNDS
COURTS FUNDS
NARCOTICS FUNDS

BUDGET HEARING

OTHER FUNDS	COURTS FUNDS	NARCOTICS FUNDS
Fund 02 – Grants	**Fund 21** – Correction Fund - Jail	**Fund 30** – Narcotics Seized
Fund 06 – BOE	**Fund 22** – Correction Fund - Court	**Fund 32** – Narcotics Operating
Fund 08 – Opioid	**Fund 24** – Municipal Court Special	
Fund 11 – Debt Services	**Fund 27** – Municipal Court Fund	
Fund 13 – Environmental	**Fund 28** – Judicial Admin.	
Fund 15 – Emergency Communications District		
Fund 25 – Inspection Technology		

SEPTEMBER 17, 2026

CITY OF HOMEWOOD

CITY OF HOMEWOOD

BUDGET HEARING

SPECIAL FUNDS OVERVIEW

TONIGHT, WE'LL TALK ABOUT:

Revisions

There are no proposed revisions tonight.

Upcoming Budget Hearings

We're going to discuss:
Other Funds, Courts Funds, and Narcotics Funds.

On September 21, we'll discuss:
Capital Projects Funds, Gas Tax Funds, and Park Funds.
If needed, we'll meet on September 24 for a final budget hearing.

InCode Sheets

For the budget hearings, we only care about the InCode sheets.
The written document will be corrected when we get to the finish line.

Special Funds Revenues and Expenditures

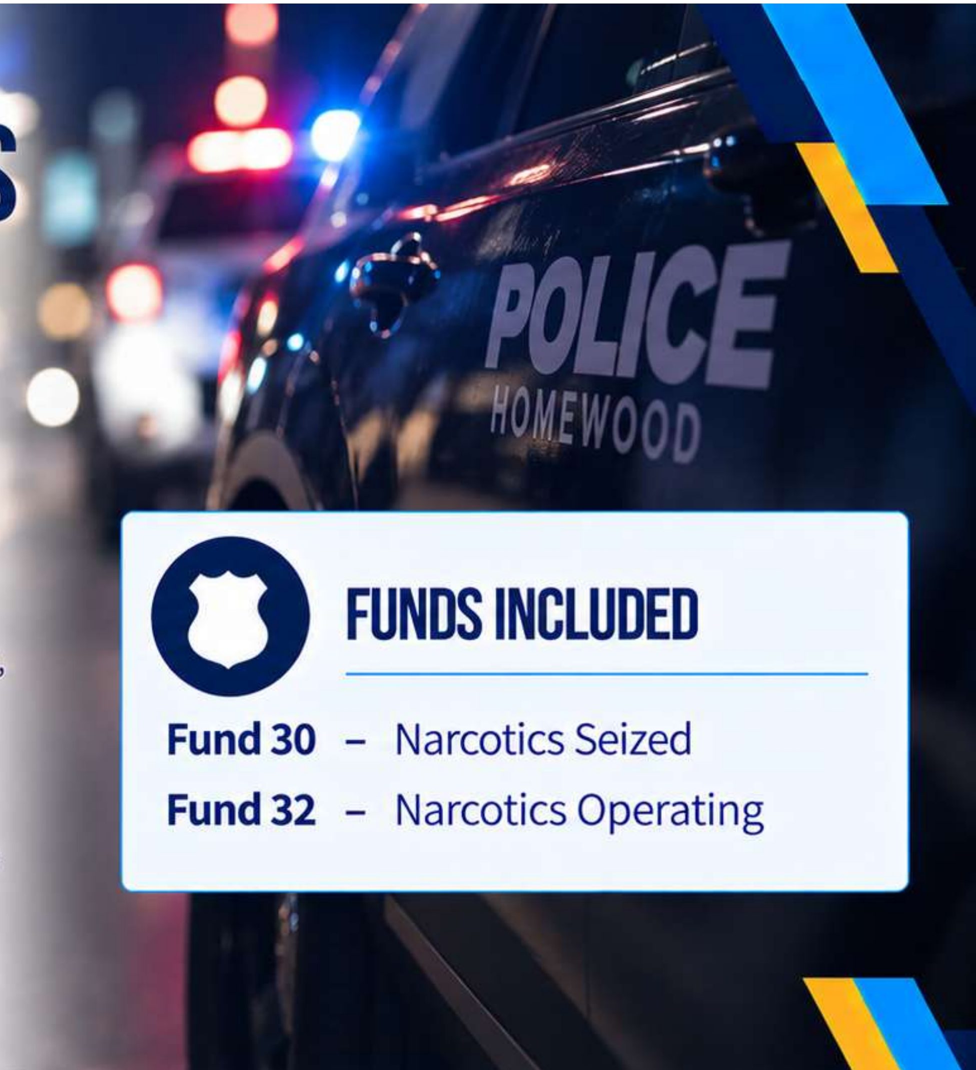
This includes revenues and expenditures for Other Funds,
Courts Funds, and Narcotics Funds.

CITY OF HOMEWOOD
NARCOTICS FUNDS
OVERVIEW

The Narcotics Fund Group consists of Fund 30 – Narcotics Seized and Fund 32 – Narcotics Operating. These special revenue funds account for monies and assets received by the Police Department through narcotics investigations and law enforcement activities. State law restricts the use of these funds to specific law enforcement purposes, ensuring that proceeds from qualifying seizures are reinvested in public safety and narcotics enforcement activities.

Because revenues are generated only when qualifying assets or contraband are seized through criminal investigations, collections vary significantly from year to year and cannot be reliably projected. As a result, the FY 2027 budget does not include any budgeted revenues or expenditures for either fund.

Instead, revenues received during the year are deposited into the appropriate narcotics fund and are restricted for authorized law enforcement purposes. These funds generally accumulate in fund balance until needed for eligible expenditures, such as specialized equipment, training, investigative resources, or other expenses permitted by state and federal law. Maintaining these funds separately ensures transparency, accountability, and compliance with the legal requirements governing the use of seized assets.



FUNDS INCLUDED

Fund 30 – Narcotics Seized

Fund 32 – Narcotics Operating

CITY OF HOMEWOOD

COURTS FUNDS

OVERVIEW

The Courts Fund Group accounts for the specialized revenues collected through the Municipal Court and ensures that those revenues are used in accordance with Alabama law. Many court-related revenues are statutorily earmarked for specific purposes and cannot be used for general governmental operations.

By maintaining these funds separately, the City complies with state requirements while ensuring that court-generated revenues directly support the administration of justice and the operation of the Municipal Court.

FUNDS INCLUDED

Fund 21 – Correction Fund–Jail
Fund 22 – Correction Fund–Court
Fund 24 – Municipal Court Special
Fund 27 – Municipal Court Fund
Fund 28 – Judicial Administration

CITY OF HOMEWOOD

FUND 21 – CORRECTION FUND – JAIL

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Court Cost Fees	$151,131	$154,784	$140,000	Municipal court fees.
Transfer from General Fund	$0	$23,152	$0	Transfer from General Fund.
Interest Income	$5,905	$7,467	$5,000	Interest on fund balance.
Total Revenues	**$157,036**	**$185,403**	**$145,000**	
EXPENDITURES				
Personnel Services	$129,358	$45,195	$0	Salaries, overtime, and benefits.
Supplies (Jail costs)	$106,926	$140,208	$140,000	Inmate meals and medical expenses.
Utilities / Transfers	$415	$0	$0	Transfer to Fund 27.
Finance Department	$128	$0	$0	Payroll fees.
Total Expenditures	**$236,827**	**$185,403**	**$140,000**	
Revenue Over (Under) Expenditures	**($79,791)**	**$0**	**$5,000**	

FUND 21 – CORRECTION FUND – JAIL

Fund 21 – Correction Fund–Jail accounts for revenues designated to support expenses associated with municipal court inmates.

These funds are used for eligible correction-related costs, including inmate medical expenses, meals, and other authorized jail expenditures.

State law restricts the use of these revenues to correctional purposes, ensuring that they directly support the care and custody of individuals housed through the Municipal Court system.

CITY OF HOMEWOOD

FUND 22 – CORRECTION FUND – COURT

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Court Cost Fees	$129,286	$141,972	$120,000	Municipal court fees.
Interest Income	$12,695	$15,956	$12,000	Interest on fund balance.
Total Revenues	**$141,981**	**$157,928**	**$132,000**	
EXPENDITURES				
Personnel Services	$66,496	$0	$0	Salaries, overtime, and benefits.
Professional Services	$3,660	$19,000	$19,000	Contractual and data processing services.
Supplies	$6,389	$32,000	$35,000	Office, postage, and janitorial supplies.
Contractual Services	$0	$10,000	$12,000	Building maintenance and service contracts.
Capital Expenses	$0	$10,000	$26,900	Office and computer equipment.
Other Expenses	$0	$1,500	$2,500	Mileage and other operating expenses.
Finance Department	$85	$0	$0	Payroll fees.
Total Expenditures	**$77,592**	**$72,500**	**$95,400**	
Revenue Over (Under) Expenditures	**$64,389**	**$85,428**	**$36,600**	

FUND 22 – CORRECTION FUND – COURT

Fund 22 – Correction Fund–Court is a special revenue fund established under Alabama Code § 11-47-7.1. Certain court costs are deposited into this fund and may only be used for purposes specifically authorized by state law.

These revenues provide financial support for court operations while ensuring compliance with statutory restrictions governing their use.

CITY OF HOMEWOOD
FUND 24 – MUNICIPAL COURT SPECIAL
REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Court Special Revenue	$7,909	$8,049	$7,500	$2 municipal court fee (Act 99-427).
Interest Income	$3,517	$4,783	$400	Interest on fund balance.
Carryover Fund Balance	$0	$10,168	$33,600	Use of fund balance.
Total Revenues	**$11,426**	**$23,000**	**$41,500**	
EXPENDITURES				
Supplies (Books & Training)	$2,796	$12,000	$17,500	Books, materials, training, and education.
Other Expenses	$5,138	$11,000	$15,500	Memberships, travel, and mileage.
Total Expenditures	**$7,934**	**$23,000**	**$33,000**	
Revenue Over (Under) Expenditures	**$3,492**	**$0**	**$8,500**	

FUND 24 – MUNICIPAL COURT SPECIAL

Fund 24 – Municipal Court Special is a dedicated fund established pursuant to Alabama Code § 12-14-14, as amended by Act 99-427, effective June 10, 1999.

The Act increased municipal court costs by $2, with the additional fee required to be used only for equipment, training, education, and certification of municipal court officials and employees.

These revenues are intended to supplement, not replace, existing municipal funding for court personnel training and equipment, ensuring that magistrates and court staff receive the education and professional development necessary to effectively administer the Municipal Court.

CITY OF HOMEWOOD

FUND 28 – JUDICIAL ADMINISTRATION

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Court Cost Fees	$56,591	$55,276	$50,000	Earmarked court costs.
Interest Income	$16,124	$19,887	$11,000	Interest on fund balance.
Carryover Fund Balance	$0	$0	$377,000	Use of fund balance.
Total Revenues	**$72,715**	**$75,163**	**$438,000**	
EXPENDITURES				
Personnel Services	$19,474	$38,940	$414,675	Salaries, overtime, and benefits (≈ 50% of Municipal Court admin).
Professional Services	$3,300	$9,000	$11,000	Contractual and data processing.
Supplies	$1,137	$4,000	$6,500	Office, printing, and other supplies.
Utilities	$813	$0	$0	Wireless communications.
Other Expenses	$101	$2,000	$2,000	Memberships and subscriptions.
Total Expenditures	**$26,326**	**$53,940**	**$434,175**	
Revenue Over (Under) Expenditures	**$46,389**	**$21,223**	**$3,825**	

FUND 28 – JUDICIAL ADMINISTRATION

Fund 28 – Judicial Administration is a special revenue fund established under Act 2012-535, codified in Alabama Code § 12-19-310.

Certain earmarked court revenues are deposited into this fund and may be expended only at the discretion of the Municipal Judge or the Clerk of Court for authorized court-related purposes.

In addition to supporting judicial administration, approximately one-half of the personnel costs for the City's Municipal Court administration are funded through this account, reducing the burden on the General Fund while ensuring the continued operation of the City's judicial system.

Of note, there is approximately $715,000 in CO Fund Balance.

CITY OF HOMEWOOD

OTHER FUNDS

OVERVIEW

The Other Funds Group includes several special revenue and debt service funds that account for restricted revenues dedicated to specific governmental purposes. Unlike the General Fund, these funds are established by state law, grant requirements, settlement agreements, or City policy to ensure that revenues are used only for their intended purpose.

The Other Funds Group includes Fund 02 – Grants, Fund 06 – Board of Education, Fund 08 – Opioid Settlement, Fund 11 – Debt Service, Fund 13 – Environmental, Fund 15 – Emergency Communications District, and Fund 25 – Inspection Technology.

FUNDS INCLUDED

- **Fund 02** – Grants
- **Fund 06** – Board of Education
- **Fund 08** – Opioid Settlement
- **Fund 11** – Debt Service
- **Fund 13** – Environmental
- **Fund 15** – Emergency Communications District
- **Fund 25** – Inspection Technology

FUND 02 – GRANTS

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Intergovernmental Revenue	$716,131	$0	$0	Federal, state, and county grant revenues.
Interfund Transfers	$0	$0	$0	Transfers from Capital Projects.
Other Revenue	$7,953	$8,765	$12,000	Interest income.
Total Revenues	**$724,084**	**$8,765**	**$12,000**	
EXPENDITURES				
General Government	$382,120	$0	$0	Transfers and grant expenditures.
Library	$12,499	$0	$0	Library grant expenditures.
Street Department	$0	$0	$0	Grant-funded capital (vehicles).
Parks & Recreation	$0	$0	$0	Grant-related expenditures.
Maintenance	$0	$0	$0	Grant-funded capital projects.
Total Expenditures	**$394,619**	**$0**	**$0**	
Revenue Over (Under) Expenditures	**$329,465**	**$8,765**	**$12,000**	

FUND 02 – GRANTS

Fund 02 – Grants serves as the City's clearing fund for grant revenues. Grant proceeds are received into this fund and then transferred to the appropriate operating or capital fund where the related expenditures occur. This accounting method provides transparency and allows the City to properly track grant activity across multiple departments.

No revenues or expenditures are currently budgeted in Fund 02 for FY 2027, although the fund remains available should grant opportunities arise during the fiscal year.

CITY OF HOMEWOOD

FUND 06 – BOE

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Property Tax	$11,878,299	$11,920,000	$12,368,200	14.2 mills dedicated to the BOE.
Ad Valorem – Personal Property	$798,661	$596,292	$640,000	Personal property taxes.
Total Taxes	**$12,676,960**	**$12,516,292**	**$13,008,200**	
Interest Income	$47,280	$64,301	$45,000	Interest on fund balance.
Interest Charges – Audits	$0	$0	$0	Audit-related interest charges.
Total Other Revenue	**$47,280**	**$64,301**	**$45,000**	
Total Revenues	**$12,724,240**	**$12,580,593**	**$13,053,200**	
EXPENDITURES				
Professional Services	$305,446	$305,418	$345,000	JeffCo property mapping/appraisal and tax collection fees.
Transfer to Board of Education	$12,373,145	$12,275,175	$12,663,200	Payment to Homewood Board of Education.
Total Expenditures	**$12,678,591**	**$12,580,593**	**$13,008,200**	
Revenue Over (Under) Expenditures	**$45,649**	**$0**	**$45,000**	

FUND 06 – BOE

Fund 06 – Board of Education Fund accounts for the property tax revenues dedicated to the Homewood Board of Education.

14.2 mills of property tax, projected to generate approximately $12.37 million in FY 2027, are collected by the City and transferred directly to the Board of Education.

These funds are restricted solely for educational purposes and do not support City operations.

CITY OF HOMEWOOD

FUND 08 – OPIOID

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Interest Income	$1,346	$1,401	$1,401	Interest on fund balance.
Lawsuit Settlement Proceeds	$130,261	$89,189	$91,000	National opioid settlement funds.
Total Other Revenue	**$131,607**	**$90,590**	**$92,401**	
Total Revenues	**$131,607**	**$90,590**	**$92,401**	
EXPENDITURES				
Safe & Healthy Homewood	$0	$0	$80,000	Supports opioid abatement, prevention, treatment, and recovery initiatives for Homewood City School students.
Total Expenditures	**$0**	**$0**	**$80,000**	
Revenue Over (Under) Expenditures	**$131,607**	**$90,590**	**$12,401**	

FUND 08 – OPIOID

Opioid Settlement Fund accounts for revenues received through the national opioid settlement. These funds are legally restricted and must be used for opioid abatement, prevention, treatment, and recovery initiatives.

During FY 2027, the City has budgeted $80,000 from this fund to support the Safe and Healthy Homewood initiative, which focuses on improving the health, safety, and well-being of Homewood City School students.

Of note, there is approximately **$428,000** in Fund Balance.

CITY OF HOMEWOOD

FUND 11 – DEBT SERVICE

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Property Tax (8.5 mills)	$6,801,698	$6,897,854	$7,403,500	Dedicated property tax for debt service.
Business Privilege Tax	$309,204	$420,513	$200,000	Business privilege tax revenue.
Ad Valorem – Personal Property	$490,242	$364,074	$200,000	Personal property taxes.
City Share – AL T Fund	$245,383	$333,722	$300,000	City share of state distribution.
Transfer from General Fund	$2,000,010	$2,433,686	$2,867,527	Transfer from General Fund.
Interest Income	$482,716	$582,704	$40,000	Interest on fund balance.
Total Revenues	**$10,329,253**	**$11,032,553**	**$11,011,027**	
EXPENDITURES				
Professional Services	$383,175	$250,082	$383,175	Legal, tax collection, and related services.
Debt Service (Principal & Interest)	$21,561,985	$10,782,071	$10,627,452	Principal and interest payments.
Bank Charges	$5,859	$400	$400	Bank fees.
Total Expenditures	**$21,951,019**	**$11,032,553**	**$11,011,027**	
Revenue Over (Under) Expenditures	**($11,621,766)**	**$0**	**$0**	

FUND 11 – DEBT SERVICE

Fund 11 – Debt Service Fund is used to account for the payment of the City's outstanding debt obligations.

For FY 2027, the fund is primarily supported by 8.5 mills of dedicated property tax, along with a $2.867 million transfer from the General Fund and interest income. Together, these revenues will fund approximately $11 million in principal and interest payments on the City's outstanding debt.

Maintaining a separate debt service fund provides transparency and ensures that dedicated revenues are used exclusively to meet the City's debt obligations.

CITY OF HOMEWOOD

FUND 13 – ENVIRONMENTAL

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Interest Income	$2,277	$2,110	$2,000	Interest on fund balance.
Carryover Fund Balance	$0	$79,878	$85,000	Available fund balance.
Total Other Revenue	**$2,277**	**$81,988**	**$87,000**	
Total Revenues	**$2,277**	**$81,988**	**$87,000**	
EXPENDITURES				
Environmental Testing	$0	$81,988	$87,000	Environmental well testing behind City Hall.
Total Expenditures	**$0**	**$81,988**	**$87,000**	
Revenue Over (Under) Expenditures	**$2,277**	**$0**	**$0**	

FUND 13 – ENVIRONMENTAL

Fund 13 – Environmental Fund accounts for environmental monitoring and testing activities associated with City-owned property.

For FY 2027, the fund will be used to complete required environmental well testing behind City Hall.

At this time, the City anticipates that these testing obligations will be satisfied during the fiscal year, and Fund 13 is expected to be closed following completion of the required environmental work.

CITY OF HOMEWOOD
FUND 15 – EMERG. COMMS DIST.
REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
AL 911 Grant	$89,781	$89,781	$0	State 911 grant.
Transfer from General Fund	$15,197	$0	$0	Transfer from General Fund.
Interest Income	$23,038	$30,466	$30,000	Interest on fund balance.
Telephone Surcharge	$792,264	$823,193	$820,000	Dedicated telephone surcharge.
Total Revenues	**$920,280**	**$943,440**	**$850,000**	
EXPENDITURES				
Personnel Services	$960,056	$58,864	$67,177	Salaries and benefits (includes 50% of GIS Specialist).
Professional Services	$441,045	$690,000	$700,000	Contractual services and related expenses.
Contractual Services	$77,434	$17,000	$12,000	Maintenance contracts and related costs.
Utilities	$65,062	$58,600	$50,000	Communications and system costs.
Other Expenses	$7,678	$17,000	$18,500	Memberships, travel, training, insurance, etc.
Capital Expenses	$0	$89,781	$0	Telephone equipment (FY 2026).
Finance Department	$934	$0	$0	Payroll fees.
Total Expenditures	**$1,552,265**	**$931,245**	**$847,677**	
Revenue Over (Under) Expenditures	**($631,985)**	**$12,195**	**$2,323**	

FUND 15 – EMERG. COMMS DIST.

Fund 15 – Emergency Communications District Fund receives revenues generated through a dedicated telephone surcharge that supports emergency management activities.

The fund is administered by the Fire Department and finances emergency preparedness initiatives, communication systems, training, and related operating expenses.

In addition, one-half of the salary and benefits for the City's GIS Specialist are funded through Fund 15, recognizing the critical role geographic information systems play in emergency planning and disaster response.

CITY OF HOMEWOOD

FUND 25 – INSPECTION TECHNOLOGY

REVENUES AND EXPENDITURES

Category	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget	Notes
REVENUES				
Technology Advancement Fees	$52,903	$33,978	$60,000	Permit technology fees.
Interest Income	$3,973	$4,016	$1,000	Interest on fund balance.
Carryover Fund Balance	$0	$0	$74,000	Use of fund balance.
Total Revenues	**$56,876**	**$37,994**	**$135,000**	
EXPENDITURES				
InCode 10 Conversion	$0	$0	$110,000	Software conversion.
Tyler EPL Decision Engine	$0	$0	$15,000	Permitting software implementation.
Contractual Services	$689	$11,945	$10,000	Maintenance contracts.
Other Expenses	$3,173	$0	$0	Tuition & schools.
Capital Expenses	$842	$17,800	$0	Office/computer equipment.
Total Expenditures	**$4,704**	**$29,745**	**$135,000**	
Revenue Over (Under) Expenditures	**$52,172**	**$8,249**	**$0**	

FUND 25 – INSPECTION TECHNOLOGY

Fund 25 – Inspection Technology Fund is a dedicated fund established to enhance technology within the Building Permits & Inspections Department.

FY 2027 revenues are projected at approximately $60,000. Planned expenditures include the City's InCode 10 software conversion and the implementation of Tyler Technologies' EPL Decision Engine, both of which will improve permitting, inspections, and customer service.

Because these technology investments exceed annual revenues, the FY 2027 budget includes the use of approximately $100,000 in carryover fund balance to complete these important system upgrades.

Of note, the Fund Balance is approximately $316,000.

CITY OF HOMEWOOD

FY 2027 PROPOSED BUDGET

QUESTIONS?