



**Edgewood City Council Special Minutes
Monday, November 23, 2020-8:30 a.m.**

CALL TO ORDER AND DETERMINATION OF QUORUM

Councilmember Chotas called the meeting to order at 8:32 am. It was noted that Council was one Councilmember short of a quorum. Council was made aware that Council President Horn was on his way to the meeting.

City Council Members:

John Dowless, Mayor
Richard Horn, Council President (Quorum)
Lee Chotas, Councilmember
Susan Lomas, Councilmember

Attendance by Telephone (not allowed to vote:

Chris Rader, Councilmember

Absent:

Ben Pierce, Council President Pro-tem

Staff:

Sandra Riffle, Deputy City Clerk
David Ireland, Police Sergeant
Drew Smith, City Attorney

Consultant:

Tammy Campbell, Audit Partner at McDirmot Davis & Co

Council Member Chotas asked Ms. Campbell to explain Budget Resolution 2020-05.

Ms. Campbell directed the Council to page one of the budget amendment. She explained that the City started with the "Total Budget" column, representing the budget Council adopted in September 2019. In that budget, Council planned to use \$88,000 of reserves to balance the general fund budget and make revenues equal expenditures. As the end of the fiscal year approached, the City was close to the adopted budget, with \$34,000 on the expenditure side, so the City made a budget amendment to remain within budget. In the Total Amendment" column, there is an adjustment so that revenues will equal expenditures.

Ms. Campbell further explained that a few line items such as red lights where both expenditures and revenues were under-budgeted, so the budget amendment increased revenues to \$222,500; expenditures were also increased.

Discussion ensued between Ms. Campbell and Council.

In response to Mayor Dowless, Ms. Campbell said that they try to keep the same change in revenues as was planned. The plan is to use the \$88,000 of the fund balance to balance the budget, even though the revenues came in better than was planned. The actual was a \$318,000 increase in the fund balance. This also allows the City to meet the auditor's requirements by not being over budget.

Council President Horn arrived at 8:39 am - quorum.

Attorney Smith explained that there was a higher fund balance than what was expected at the end of the year. As provided in the agenda, the first column shows the actual balance at the end of the year.

In response to Council Member Lomas, Mayor Dowless suggested that next year the column could be titled "Final Adopted Budget" rather than "Final Budget."

Ms. Campbell said that, as a precaution, they adjusted the budget to account for \$4.4 million in expenditures. The plan was good, and revenues were higher than budgeted; \$4.5 million versus \$4.1 million allowed them to increase the budget expenditures without changing the bottom line.

In response to Mayor Dowless, Ms. Campbell explained that this is the general fund, not roads and streets.

Councilmember Chotas said that there is a provision in the Charter that the City cannot save too much. He asked how close is the City to that limit without taxing people more than what is appropriate. Ms. Campbell responded that is found in the general fund balance, but some of the \$3.3 million is restricted for items such as fines and forfeitures, police education, etc. The unrestricted portion of the general fund appears to be approximately \$3.1 million out of the \$3.4 million.

Councilmember Chotas noted that \$3.1 million is close to last year and should be within the Charter limits. Ms. Campbell confirmed this and indicated that she understands some of this money would be used for roads and streets.

In response to Councilmember Chotas, Mayor Dowless said there is \$200,000 unused from last year for roads and streets and a \$50,000 restricted fund that has been in the budget for years.

Councilmember Chotas asked if there is a way to make this more user-friendly and transparent to the voters.

Council President Horn suggested a summary. Ms. Campbell explained the City wants to change the expenditure budget by \$220,000, which comes the same way the budget is adopted in

September; you have to know what you want to spend and whether the money is coming from revenues or reserves. In the final budget amendment, the final revenues came in better than anticipated, so it will be used for the extra expenses.

Discussion regarding revenues and expenses for red light cameras, which is under City Hall. Attorney Smith said that red light revenue would fluctuate, particularly from the impact by the progress and development of Ultimate I-4 to Edgewood's roads. The legislative goal of the fines is to teach people not to run red lights, so the hope is for a constant downward trend from red-light cameras.

There was no further discussion and no public comment.

In response to Attorney Smith, Deputy City Clerk Riffle confirmed Council President Horn's arrival at the dais.

Councilmember Chotas moved to adopt Resolution 2020-05; second by Councilmember Lomas.

The motion was approved with a roll call vote (3/0).

Councilmember Lomas	Favor
Councilmember Chotas	Favor
Council President Horn	Favor
Councilmember Rader	Phone Attendance-No Vote
Council President Pro-Tem Pierce	Absent

ADJOURNMENT

Councilmember Chotas made a motion to adjourn the meeting; second by Councilmember Lomas. The motion was approved (3/0).

The meeting adjourned at 8:53 pm.



Richard A Horn
Council President



Bea L. Meeks, MMC, CPM, CBTO
City Clerk

Approved in the December 15, 2020 Council Meeting.