

**MEETING MINUTES
PUBLIC HEARING
July 22, 2021
PROPOSED FY 2021-2022 BUDGET**

The members of the City Council of the City of Phenix City, Alabama met for a public hearing on the proposed budget for the Fiscal Year 2021-2022 on July 22, 2021 at 7:00 p.m. EST, at the Martin-Idle Hour Park Community Center located at 3743 Moon Lake Drive, Phenix City, Alabama. Upon roll call, the following members were present: Councilmembers Arthur L. Day, Vickey Johnson, Steve Bailey, R. Griff Gordy, and Mayor Lowe. Also in attendance were City Manager Wallace B. Hunter and Acting City Clerk Shannon Davis. City Clerk Melony Lee was not present. The following Department Heads were present: Chief Building Official Gil Griffith, Director of Engineering and Public Works Angel Moore, Economic Development Manager Shaun Culligan, Finance Director Labrita Copeland, Fire and Rescue Services Chief Kris Kennedy, Phenix City Russell County Library Director Michelle Kilday, Recreation Superintendent Kasey Kaschak, Human Resources Director Stephanie Chastain, Assistant Police Chief George Staudinger and Utilities Director Charles Woody. Members of the media were present.

Mayor Lowe called the meeting to order.

Mayor Lowe stated that City Clerk Melony Lee is not present for the Public Hearing Proposed FY 2021-2022 Budget meeting. Mayor Lowe asked for a motion to appoint Shannon Davis as Acting City Clerk. Councilmember Day moved to appoint Shannon Davis as Acting City Clerk, which motion was seconded by Councilmember Gordy. Upon said motion being put to a vote, the following vote was recorded; YEAS: Councilmembers Day, Johnson, Bailey, Gordy, and Mayor Lowe. NAYS: None. ABSTAIN: None. The motion thus passed.

Acting City Clerk Shannon Davis called roll.

Mayor Lowe opened the floor to City Manager Wallace Hunter to begin the meeting.

City Manager Wallace Hunter thanked everyone for their hard work on the budget.

City Manager Hunter presented the proposed 2021-2022 Budget Message to Council and the audience. Mr. Hunter thanked the Federal and State Government for what they have done with the CARES ACT and the release funds that they have distributed to the City and the County. City Manager Hunter called upon Finance Director Labrita King-Copeland to present the proposed 2021-2022 Budget Message to Council and the audience.

BUDGET MESSAGE

Finance Director Labrita King-Copeland reviewed the Budget Message. Councilmember Day inquired if the six percent increase came from the citizen utility bill from fiscal year 2021. City Manager Wallace Hunter informed Councilmember Day that the increase is part of the way the city budgeted and from the revenue that came in from the previous rate scale.

Mayor Lowe opened the Public Hearing and advised if anyone wanted to come forward and address council regarding the 2021-2022 Proposed Budget, now is the time. Executive Director Kai Gary with Knowledge Works Learning Academy, Inc. came forward. Councilmember Johnson inquired about the statement in the budget message that read no tax or fee increases proposed or expected for fiscal year 2021-2022 and what specific type of taxes does that mean. Finance Director Labrita King-Copeland stated it references all taxes. Councilmember Johnson asked does the City anticipate an increase on Utility rates for the 2021 fiscal year. Finance Director Copeland stated that at this time, there is currently a rate study in progress and she will know more after that study is complete.

Mayor Lowe stated that the City always try to make sure that an increase in the utility bill does not become a double-digit increase. Mayor Lowe further stated that it is difficult to have a decrease because of infrastructure and maintenance. Mayor Lowe stated that making sure the health of the citizens is very important.

Ms. Kai Gary with Knowledge Works Learning Academy, Inc. stated that it is good to see how the City is doing great things and it would be a great build-up for some of the school kids to understand civics. Ms. Gary stated that she would like someone to explain and provide the breakdown of the Phenix City Board of Education funding and the Phenix City Board of Education In-Kind. Ms. Gary stated she would like to know how the funds would be used. Mayor Lowe stated that as Finance Director Copeland stated in the budget message; the 2.4 million goes to the school system which is by Legislation and that is the 3 and 4 percent tax mil that as the city grows and generate; that money is already designated. Mayor Lowe stated that as far as the In-Kind the City gives the school system \$205,000. Mayor Lowe stated that at one point, the City stopped the In-Kind and this council and other councils put the In-Kind back in place. Mayor Lowe stated that the budget has been decreased but at some point the hope is to one day be able to do more than \$205,000. Mayor Lowe further stated that the In-Kind is what the City gives and the school system receives 2.7 million dollars that the City is very grateful to be able to do for them. Mayor Lowe stated that each year that 7 mil at 3 and 4 mil tax has increased as a result of how well the City has done and how well the City has grown. Ms. Gary stated that she would like to know how the In-Kind is used. Mayor Lowe stated that the city trust the school system to use the funds for whatever purpose they see fit and the city does not get involved.

Ms. Kai Gary asked how the appropriation funds will be dispersed for the organizations who did not qualify for PPP loans. Ms. Gary also inquired what criteria is used to determine the amount awarded to non-profit organizations and was the criteria communicated to local non-profit who applied or presented proposals for appropriation funding. Mayor Lowe informed Ms. Gary that the City has nothing to do with PPP loans. Mayor Lowe stated that Council as a committee get together when the information is turned in; which has to be turned in before May 1st of each year. Mayor Lowe stated that council goes through each appropriation but wanted to make sure everyone understands that it does not guarantee that an organization will receive any funding. Mayor Lowe stated that the City is a business and that the City of Phenix City is one of the fewer cities that he knows of that does appropriations. Mayor Lowe further stated that financially if things get tough council would have to take a conservative point of decreasing the budget. Mayor Lowe informed Ms. Gary that the city has to take care of the citizens of this community and it is

the responsibility of the City Manager and Council to take care of them financially. Mayor Lowe also informed Ms. Gary of the red flags that Council look at when reviewing appropriations and that is if they see nonprofit agencies that are spending a certain percent of money on employees; which should be smaller percentage. Mayor Lowe also stated to make sure to get the information in before May 1st of each year. Mayor Lowe informed Ms. Gary that a couple of years ago Council cut the percentage by ten percent and that getting approved for an appropriation it is not a guarantee.

Ms. Gary stated that she was looking and noticed that Knowledge Works Learning Academy would not be receiving appropriation funds and she saw that other nonprofits would be and she wanted to know the criteria. Mayor Lowe advised Ms. Gary that there are different industries in the nonprofits and the school system was not listed last year. City Manager Hunter stated that the appropriation information does not go out until after the Budget is approved and that is not until September. City Manager Hunter further explained to Ms. Gary that once approved, the City Clerk's Office will have that information online and placed in the City Clerk's office for viewing.

Mayor Lowe stated that because of the school industry and based on the environment last year; the Council made a conscious decision not to fund any of those type of industries. Ms. Gary stated that her business was open during Covid-19 and she had twelve students from Phenix City School Districts.

Councilmember Gordy stated that Council discussed the issue at length and no one was planning for Covid-19 and it was a difficult decision for Council because they did not know who had or had not been doing things last summer. Councilmember Gordy further stated that moving forward council plans to set better criteria for the nonprofit organizations so that the nonprofit organizations will know what information they need to provide.

Mayor Lowe asked Ms. Gary about the restrictions and housing of kids with Knowledge Works Learning Academy. Ms. Gary stated that with being an approved center out of school time through Alabama Department of Human Resources, the capacity was twenty-eight and they only serviced the maximum of fifteen. Ms. Gary stated the center had social distancing in place, mask requirement, temperature checks and parents had to sign children in and out. Mayor Lowe inquired if Ms. Gary spoke with the Superintendent of the school system as he and council going forward wants to make sure the kids are being service by the appropriate agencies. Ms. Gary stated she reached out to the Assistant Superintendent but has not spoken with anyone as of yet but would like to collaborate with them.

City Manager Hunter stated that he wanted to make sure that everyone had a clear understanding of what the Federal and State requires of the city. Mr. Hunter further stated that Council discussed at the Work Session that anything dealing with education should go through the Superintendent of the School Board because the information the city receives advises them of the Rescue funds. Mr. Hunter stated that anything involving education the City follows because the School System are experts in that area. Mr. Hunter informed Ms. Gary that she might need to contact the School system also for funding. City Manager stated that there are rules and regulations that the City has to follow. Mr. Hunter asked Ms. Gary why her organization did not

qualify for the PPP loan. Ms. Gary stated that her organization does not have payroll and there were many restrictions for small organizations like hers.

Councilmember Johnson stated that she spoke with Ms. Gary on June 23rd and advised her to contact the City Clerk's Office. Councilmember Johnson stated that it would be very beneficial if her business is on the verge of crumbling, to get in contact with the Superintendent or Assistant Superintendent of the School system to find out if she can receive any funding. Councilmember Johnson stated she would like to see the business thrive and help the children.

Councilmember Day stated that he is very impressed with Ms. Gary and what she is doing with the children in this community.

Neither hearing nor seeing anyone else come forward, Mayor Lowe closed the Public Hearing.

City Manager Hunter stated that during the pandemic, it has been truly hard for some and the City has continued to push on. Mr. Hunter spoke on the refinancing, savings and retired debt in 2020-2021. City Manager thanked his Grant Team and the Federal and State Government. Mr. Hunter spoke on his concerns with what is going on with the pandemic, vaccines and the rising number of cases. Mr. Hunter also spoke on the shortage in the workforce and making sure, the City has the workforce to take care of the community. Mr. Hunter stated there is also a shortage in the medical field as well.

Councilmember Bailey stated that everyone need to get on board and do what he or she can to make this issue with the pandemic go away.

There being nothing further to discuss, the meeting thus adjourned at 7:56 p.m.