

**CITY COUNCIL
121 N CHURCH STREET, HUDSON, MI
SPECIAL MEETING
June 29, 2021**

747313:

The regular meeting was called to order by Mayor Carmel Camp at 7:01 pm.

ROLL CALL: PRESENT: Carmel Camp, Lee Ann Minton, Rick Moreno, Carl Sword, Pam Ely, Darlene VandeZande and Lee Daugherty

ABSENT: None

ALSO PRESENT: Barb Ireland – Hudson Post Gazette, WWTP Superintendent Ted Hutchison, Richard & Carolyn Halliwill, Jack Ely, Michael Sessions – City of Morenci’s Manager, Deputy Treasurer Linda J Cross, Receptionist Kris Eschedor, Acting City Treasurer Brandon Hudson, Interim City Manager Charles Weir, and City Clerk Jeaniene McClellan

ORDERS OF THE DAY:**PUBLIC COMMENT:**

No comments received

NEW BUSINESS:**APPROVE: Budget Amendments for the FY 2020-2021:**

As required by law, City Council will need to approve the budget amendments before the end of the fiscal year, June 30, 2021. The Council was provided with all the amendments along with the following summary.

- *FICA*: Brandon Hudson and Michael Sessions are still having a hard time reconciling FICA and how that was remitted. They know that the federal government is owed money and that this needs to be remitted to the federal government. The actual numbers do not represent the true FICA cost to the City of Hudson in the actual portion on the budget. This will continue to take some time to figure out. It may be something that we just

outright budget in the next fiscal year budget and the corresponding amendments that will be introduced soon regarding that.

- *Income Tax Fund:* Brandon and Mike have questions about the audited number for cash for the Income Tax Fund from last fiscal year and what the true cash number is. The budget for Fiscal Year 2020 - 2021 had a lot of money coming from the Income Tax Fund to pay for various projects, bonds, etc. Due to a variety of events, this fund could not perform those payments. Payments that could not be performed are: Bond Payment Transfers outside of \$35,000.00 for the Utility Fund, around \$45,000.00 for the fire truck payment, and funds to help offset the balances in sidewalks, community center, and others. It should be noted, too, that the Income Tax Fund paid quite a bit more to the Maple Grove Project than what was originally budgeted. The budget amendments account for this. Brandon and Mike are both concerned that the Fiscal Year 2020 - 2021 budget was created with a misunderstanding of what the true cash value of that fund was at.
- *Accrual of Payroll:* It should be noted that more funds had to be allocated for payroll throughout the budget. This isn't going to affect much cash-wise right now, but a large portion of the next payroll will be accrued back into this fiscal year since everyone worked this fiscal year. The accrual did not happen last fiscal year, but is supposed to happen to account for actual expenses in the fiscal year. This increases the budgeted numbers upward, but does not create a significant cash issue because this happens after the fiscal year and is just adjusting entries back onto the current fiscal year.
- *Credit Card Reconciliation:* It was found by Brandon and Mike that credit card payments were made at the bank, however, the actual expenses haven't been journalized into Financial Edge since August of 2020. This will likely affect all of the budget amendments proposed. There isn't much he can do at this time until Brandon and Mike spend time on the credit card invoices on Friday. We expect this will take several hours to journalize and account for.
- *Fuel Logs:* Fuel logs have not been journalized since December of 2020. All of the fuel at this time has been journalized and paid out of the Motor Vehicle Fund, but not allocated to the various accounts that actually used the fuel. This will take a couple of hours to do on Friday, but we understand now how the City of Hudson was doing the fuel logs and should be able to complete and journalize / transfer them accordingly.

747314:

Motion by Carl Sword, seconded by Pam Ely **to approve the requested budget amendments for the Fiscal Year ending June 30, 2021.** CARRIED 7-0 by roll call vote

COUNCIL COMMENTS:

ADJOURNMENT:

747315:

Motion by Darlene VandeZande, seconded by Rick Moreno to **adjourn the meeting at 7:19 pm**

APPROVED: _____
Carmel Camp, Mayor

ATTEST: _____
Jeaniene McClellan, City Clerk

REVIEWED BY: _____

_____, City Attorney

Dated: _____